## Alaska in the Balance

## A State of Equilibrium

Whether by design or a lack of vision, Alaska was destined from the beginning to be dependent on government for its economic survival. At statehood we placed 99.75% of our land in the pockets of either the federal government or the state government. Later, as a result of ANILCA, another approximately 44 million acres was transferred to the native corporations. To date, neither the federal government, the state government, nor the native corporations have released any significant portion of the land base into the hands of the private citizens of the State of Alaska.

In Southeast Alaska, for example, of the approximate twenty one million total acres, eighteen million of those acres are federal lands with sixteen million acres as managed as "roadless". Roadless is just another word that means complete wilderness. Of the remaining land in Southeast, there are approximately seven hundred thousand acres in state hands, with only eleven thousand acres in private, taxable hands. Approximately 98% of all economic activity in Southeast Alaska occurs on those eleven thousand acres.

The Alaska constitution was an experiment in socialism. All lands were to be held in the commons. The state was to be a benevolent custodian and its citizens were to be compliant dependents.

After 55 years of statehood, we still have 99.75% of the lands **<u>unavailable for</u> <u>private use</u>** by citizens of the State of Alaska.

When the founders wrote the United States constitution, they believed that the individual states of America should and would have the ability to find their own individual balance. By the beginning of the 20th century, Russia was communist, Europe was socialist, and our federal government was managed by statists who felt they were no longer bound by the constitution of the United States. The individual western states of America have been forced to accept an imbalance imposed by preservationists to assuage the guilt of the eastern states.

It is our belief that Alaska must now find its own balance. As a starting point, we believe that balance should be "30-40-30".

That is:

- Thirty (30) percent all land within state borders (whether managed by the state government or the federal government) should be preserved or set aside in its natural state for future generation of Alaskans to experience.
- Forty (40) percent of all land within state borders (whether managed by the state government or the federal government) should be held in the commons for use by the people as public lands. These lands should be developed for multiple use such as parks, recreation, tourism, fishing, hunting, mining, forestry, or resource extraction, (oil, gas, coal, or hydroelectricity).
- Thirty (30) percent of all lands within the state borders (whether previously managed by the state government or the federal government) should be placed in private taxable hands by lottery, auction, or simply sold to individuals. These lands should be developed as private property and remain taxable by local municipalities. These taxes are the backbone of towns, cities, and boroughs. These taxes are how communities pay for services that they consume. These taxes prevent the communities from being dependent on state and federal welfare. These taxes are all that prevent our communities from being a financial burden on the rest of our state.

Because of the imbalance of lands ownership, Alaskans are destined to remain a dependent of the state and therefore not in control of our future. We can look forward to more of the following:

- 1. Diminishing taxes from the extraction of oil from the dying fields of Prudhoe Bay.
- 2. A new state income tax.
- 3. Taking money out of the permanent fund.
- 4. Dependency on a transfer of wealth from other states, (with strings attached).
- 5. A dramatic reduction in our state spending.

For any state to prosper, it has to be asset balanced:

• With too much capitalism a society tends towards monopolies, oligarchies, and politicians chasing the powerful.

- With too much socialism a society tends towards an ownership state, crony capitalism, and the powerful chasing politicians.
- With too much land in private ownership, the money, the privileges, and the land ownership will migrate to the few. If the owner is hungry he tends to over produce and may strip the lands of all value. If the owner is not hungry he tends towards reserves, preserves and the lands are set aside for use only by the privileged.
- With too much land in public ownership, the land becomes inefficient, nonproductive, dependent on other peoples capital, and the common man is eventually prevented from access to those lands. These lands tend towards reserves, preserves and <u>are set aside for private use only by the privileged.</u>

PDR Alaska