

## BOOK REVIEW

# ‘Capitol Crude’ details decades of oil industry impact on Alaska politics

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*“Capitol Crude: The Impact of Oil on Alaska Politics” By Lisa Weessler; L.A.W. Publishing, 2025, second edition; 266 pages; \$20.*

Even before becoming a state, Alaska was an oil producer. The Swanson Oil Field was discovered in 1957, bringing petroleum company interest right on the heels of the writing of the Alaska state constitution, which was written in hopes of getting the far northern territory admitted into the Union, something that occurred two years later. In a sense, those two events, the oil strike and the authoring of the constitution, set up a battle that has defined Alaska’s history since statehood.

One of the key driving forces that brought delegates together

to hammer out the document was a history of fishing, mining, timber and other extractive industries that had, for decades, been coming north to strip the region dry of its resource wealth while leaving little to nothing behind for the people living there.

Thus one of the key clauses in the constitution stated that the state's abundant resources should be carefully managed for the maximum benefit of all its citizens.

Into this atmosphere of collective ownership came oil, previously little known to have bubbled deep beneath Alaska's landscape. And with that came the oil companies, an industry accustomed to having its way with governments and not conducive to the idea that an upstart state should be telling it what to do and how it should be taxed by the owners of the oil they pumped out of the ground.

What's happened ever since is the topic of Lisa Weissler's "Capitol Crude." Weissler, who spent decades in Juneau, first as a legislative aide and then as a natural resource and oil and gas attorney for the state, had a front seat to no end of the subsequent machinations, enabling her to tell us what she saw.

A good chunk of this book is a play-by-play account of how successive Legislatures and governors grappled with Alaska's

newfound source of wealth. This grew to mammoth proportions when the 1968 Prudhoe Bay oil strike suddenly meant the state stood to receive billions of dollars in royalties, money that could fund all of the state's needs. These were immense in an unimaginably huge land with a widely dispersed population and not much in the way of infrastructure. Taxing Big Oil was the answer to this and many other challenges. Of course, the companies felt differently, and spent little time ramping up their counteroffensive. This essentially boiled down to telling Legislatures that if taxes were too high, development plans would be suspended or abandoned, jobs would vaporize, and the state would be left to its own devices bringing its oil to market.

In the early going, the state considered taking ownership over various parts and pieces of the process, but ultimately didn't follow through. Every aspect of oil production, from drilling to transporting to marketing and more is money and experience intensive. The industry had the ability to do this. The state would have to embark on a steep learning curve. Oil companies had the upper hand. Regardless of the state's constitutional mandate to develop its resources for the maximum benefit of all, business was going to fight tooth and nail to wring every dollar it could out of every barrel of

oil. The state slowly shifted from resistance to this effort to enabling of it, and finally to cheering it on, the place we now find ourselves.

Weissler spends much of the book detailing the long tug-of-war between lawmakers and executives that has played out in Juneau since statehood, and especially since the North Slope emerged as America's largest oil field. It's too long and labyrinthine to even attempt to summarize here, but suffice to say that while there were times when the state asserted itself sufficiently to score notable wins, the slow grind ultimately led to industry dominance.

Weissler is interested in showing how the oil companies came to hold so much sway over governors and legislators. It began innocently enough with intense lobbying efforts where executives pled their case during debates over taxation. Soon the emphasis moved toward funding the campaigns of legislators favorable to the industry. This was coupled with huge PR ad placements into newspapers and onto the airwaves, where Alaskans were told jobs were at stake if taxes rose too high. Public support slowly shifted toward the industry.

Eventually outright bribery occurred during the 2006 Veco scandal, when legislators proudly sporting caps labeling themselves members of the "Corrupt Bastards Club" began

trading votes for what amounted to ridiculously low cash handouts.

This led to the rise of Sarah Palin and her brief year of working on a bipartisan level to pass legislation that took on the industry. Of course, we all know what happened to her . And her abrupt resignation put Sean Parnell, a one-time oil attorney, in the driver's seat. He pushed through Senate Bill 21 in 2013, a tax scheme that's a virtual giveaway of state resources to the industry. It's been the law ever since. The dream of the authors of our constitution is effectively dead.

Weissler includes a discussion of the folly of the state's long ago decision to place nearly all of its revenue eggs in an oil barrel. This tied future funding to one of the most economically volatile commodities on the market. And our increasingly self-defeating tax policies haven't helped. Bankruptcy now looms.

However, she closes on an optimistic note, citing the recent shift to ranked choice voting as a means of bringing us a politically moderate Legislature less in the thrall of oil interests than their predecessors, and more focused on the needs of Alaskans. So far it's worked.

This book will thrill policy wonks and inform those seeking a clear-eyed understanding of how Alaska reached its present

dysfunction. Oil, Weissler argues, has been the primary cause. She makes a good case. How we can dig ourselves out is a subject for debate, but any decisions need to be made by Alaskans, not by international corporations profiting from resources that constitutionally belong to we the people of Alaska.

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