

INSTITUTIONALIZING LOCAL GOVERNMENT:
THE PROBLEM OF BOROUGHs IN ALASKA

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Introduction

The Alaskan Constitutional Convention of 1955-56 provided a unique opportunity for the application of the best in current thinking and scholarship to the problem of establishing a new system of local government in a new state. The convention, with the assistance of its expert consultants in public administration, local government, and state-local relations, took advantage of this opportunity and gave to the state the innovative concept of areawide borough government.¹

Many problems have accompanied the translation of the constitutional concept of the borough into a concrete governmental form during the first decade of Alaska's existence as a state. The overriding problem has been one of institution-building: Like organizations generally, formally established units of local government must provide beneficial "outputs," and be perceived as doing so, or they will fail to elicit the "inputs" of political and financial support they need in order to survive and grow. If they succeed in this way, local governments will also develop committed constituencies which will value such governments for their own sake as well as for the benefits they provide. In this way, formal "organizations" of government become vital "institutions" in the community.²

Viewed in institution-building terms, the Alaskan experience has not been a success. It is, however, too early as yet to label it a failure.³

Concept of the Borough

The borough was envisioned by the Constitutional Convention as a flexible instrument of areawide government encompassing a "natural" social, economic, and political community. It was to be responsible for functions best carried out on an areawide, rather than a limited community, basis. Convention records suggest that the constitution writers sought to establish a system in which degrees of local self-government would be as closely matched as possible with corresponding levels of capability.⁴

In urban regions, boroughs would be intermediate levels of government, encompassing one or more cities, their urbanized fringes, and a rural hinterland. In more sparsely settled regions, they could be the sole unit of local government serving the population of the area. For those extensive regions of the state in which social, economic, and political resources could not yet sustain a viable system of local self-government, boroughs would remain "unorganized," and the state government would provide for their needs directly, or through whatever local instrumentalities were deemed appropriate.⁵

Cities would continue to exist within the new boroughs and, between them, they would eventually exercise all local government powers in the state. Special districts, including school districts and public utility districts, would be absorbed into these two constitutional forms of local government. While elective school boards would remain in existence, they would be under the general budgetary control of the borough governing bodies, called assemblies.

The Constitutional Convention placed much confidence in the borough as an all-purpose instrument of local government. There was, in fact,

even some disposition to abolish the existing cities. While this was strictly a minority view, the convention was nonetheless committed to the long term goal of a unified local government system, and provisions were included in the constitution for the purpose of encouraging close cooperation between boroughs and the cities within them.⁶ The opening section of the constitution's local government article thus states the overall objective: "The purpose of this article is to provide for maximum local self-government, with a minimum of local government units, and to prevent duplication of tax-levying jurisdictions."⁷

The state was to assume a continuing responsibility for the overall design and performance of the borough-city structure. Specifically for this purpose, two new state agencies were mandated by the constitution: a Local Boundary Commission, and a Local Affairs Agency. The Boundary Commission would assure that borough and city boundaries were properly aligned in the first instance, and subsequently were responsive to changing needs and conditions. The commission was thus authorized by the constitution to "consider any proposed local government boundary change" and, subject to legislative veto, it could, in effect, order such changes. The Local Affairs Agency, on the other hand, would broadly "advise and assist local governments, . . . review their activities," and perform other functions assigned by law.⁸

Within this very open and apparently simple constitutional framework, the state legislature would elaborate and specify essential features of local government and state-local relations. The ultimate goal, however, was not state control, exercised either through the legislature or the executive, but maximum local control of local affairs in both rural and

urban, native and non-native Alaska. Even with respect to the unorganized boroughs--where local resources and capacities would be most limited, and the state role would be primary--the constitution called for "maximum local participation and responsibility."⁹

The Constitutional Convention placed great emphasis, then, on (1) the adaptation of governmental structures to local needs and capacities, and (2) the functioning of a developmental process through which local desires and capacities for self-government would grow. These are extremely broad and open concepts, difficult to express clearly in a constitution, more difficult to put into practice. They do, however, suggest an "institutionalizing" rather than merely an "organizing" approach; the problem of creating viable local structures seems to be considered as something much more complex than a technical organizational problem.

Problems in Institutionalizing Boroughs

At the time the constitution was adopted, there were only forty cities throughout the entire territory. These, together with nine school districts and six public utility districts, were the sole vehicles of local government in Alaska. The great expanse of the territory was without local government institutions. The existing cities and special districts, however, encompassed most of the state's urban areas and the bulk of the population. The borough, then, had to come to terms with the existing cities which remained intact, while it accommodated the school boards within the borough structure. (Public utility districts were to be annexed to cities, incorporated as cities, or become special service areas of boroughs.)

The nine existing boroughs were established by 1964; in the absence of local agreement and effective local action, four of the boroughs were incorporated by state legislative fiat and four others were formed locally under the threat of direct intervention by the state. Only a few of the boroughs have fully assumed and are effectively carrying out their basic educational, taxation, and planning functions. Borough, city, and school board relations have been characterized at least as much by competition and conflict as by cooperation. And, not the least, debate has been continuous, and sometimes sharply divisive, on the issue of defining the basic roles of the city and the borough, and their relationship to one another.

This is to suggest that the borough has not yet found its place in Alaska's governmental system, and it has not yet established itself in the minds of Alaskans as a valued local institution. Among the reasons for this are that (1) its capacity to deliver benefits has been severely limited from the beginning, (2) to acquire additional powers or functions, it must compete directly with established cities and school organizations, or go to the people for a vote, and (3) its governing body is structured so as to emphasize borough-city differences rather than shared areawide interests.

One of the borough's three areawide functions is land use planning and zoning. Perhaps by most of the people concerned or affected, this is viewed more as a control or police function than as an important urban service. The borough also serves as a property tax assessment and collection agency. This is a necessary, but unpleasant, housekeeping function; it does not in itself help any governmental unit to build a constituency.

Most of these taxes support local public education (the third borough function), but school boards continue to operate much as they did before boroughs were established.

The borough, therefore, gets little credit in the community for the performance of significant functions, including education. More often, it is the focus of taxpayer resentment and criticism. The borough, after all, assesses and collects the taxes. The school board still "provides" the valued services. At the same time, cities continue to provide virtually all basic urban services to city residents. Finally, the few special service areas within the borough can easily be viewed as reconstituted public utility districts, rather than instruments through which the borough accrues credit for the performance of desired services in the community.

To acquire additional areawide powers beyond these three, the borough depends either on voluntary transfers from the city or on a favorable vote of the people. There have been a few successful transfers and votes, but they have involved minor functions for the most part, and the exceptions have tended to prove the rule: The people are not likely to vote additional major powers to a government to which they have little commitment and from which they have not yet received significant benefits, unless the need for areawide action to meet urgent problems is clear and unmistakable--for example, flood control in Fairbanks or, possibly, sewer services in Anchorage. Nor are cities likely to transfer powers to the borough unless the loss is not considered significant and the gains from spreading the tax base are obvious--for example, dog control, libraries, and hospitals.

Within the borough government structure--where community demands are officially processed and transformed into policies and programs--there

is a built-in potential for conflict between the representatives of city and non-city residents within the borough. By constitutional provision, city residents are represented on the borough assembly by their city councilmen, while non-city residents elect their representatives directly to the assembly. This arrangement has tended to reinforce the development of separate city and non-city factions within the borough, and it has often encouraged assemblymen to define issues in these divisive terms.

If local institutions of government are structures "infused with value" by their constituents and participants because they are perceived as filling essential roles and performing vital functions, then boroughs in Alaska do not yet qualify. They have been handicapped not only because their functions have been limited, but also because they have been identified as instigators of conflict with previously established cities and school organizations, rather than as resolvers of conflict in the community. Relevant in this context are certain questions posed in a recent study of the institutionalization of local government in Brazil:

Are the local governments filling personal or community needs to the extent that they have generated profound loyalties? Are they, as a consequence, prized for their own sake? If a new constitution sharply curtailed their powers and functioning, would a substantial body of citizens feel any personal loss? 10

Currently in Alaska, borough governments are extremely vulnerable on each of these counts. A brief review of the events surrounding their establishment will provide additional grounds for understanding why this is so.

Incorporation of Boroughs

With the Borough Act of 1961, the state legislature set the pattern for organizing without institutionalizing.¹¹

First, the act was predicated on the assumption that local desire to establish boroughs would supply the force toward incorporation; this, despite the findings of hearings during the two previous years that there was little enthusiasm in the state about an unknown and untried form of local government, while existing state, city, and special district governments apparently were functioning adequately. Second, three areawide powers were assigned to boroughs--education, planning and zoning, and property tax assessment and collection. While additional areawide powers could be assumed by a vote of the people or by voluntary transfers from the city, neither course has subsequently proved sufficiently workable. Third, the act required that all special districts be absorbed or incorporated as borough or city governments within two years; this placed an early deadline on borough formation in most of the urbanized areas of the state.¹²

Only one small rural borough in Southwestern Alaska, Bristol Bay, was incorporated by local initiative before the 1963 deadline. The Bristol Bay area was not necessarily suited by size, capacity, or need for organized borough status, but it was the first to take action; this move was stimulated primarily by the desire to gain local control of the state schools serving in the area. Petitions for incorporation had been received from two other areas, but the state agencies could not agree with the local interests on the drawing of boundaries. In these and other cases, the state invariably sought borough jurisdictions covering much larger areas than those proposed by the local borough study groups.

The constitution writers had placed special emphasis on the role of the Local Boundary Commission in determining borough boundaries. Boundary

drawing was considered to be a critical step, for the extent of its territorial jurisdiction would be a major factor determining the actual role of the borough and its relationship to city and state governments. While boundary determinations were to be primarily a state function, these were expected to be based on thorough study of the political, economic, social, and geographic characteristics of the areas concerned. As it turned out, the "studies" were performed on a limited, ad hoc basis, and the Boundary Commission did not assume the initiative, but merely reacted to local proposals. More important than the failure of this approach, however, was the lack of an adequate conception of the borough role and functions to begin with. It simply was not sufficiently clear within the local setting itself what added benefits borough government might provide.

While the state agencies sparred with local study groups over boundaries, time ran out. The Mandatory Borough Act of 1963 thus mandated, as of January 1, 1964, the incorporation of boroughs in eight areas of the state containing public utility and independent school districts.¹³ As an expedient only, election district boundaries were to be used as borough boundaries even though the districts were in some cases considered too large and in others too small. The areas concerned, however, had the option of initiating incorporations and proposing borough boundaries in the time remaining before the deadline.¹⁴

Local option borough elections were held in the fall of 1963. Borough incorporations were defeated in the Anchorage and Fairbanks areas in part because the Boundary Commission required much larger borough areas than those sought by local groups, but probably in larger part because of general lack of support for, as well as active opposition to, the elusive

concept of borough government itself. Many were legitimately wary of a system not adequately explained to them, and there were others who saw in the borough, as they understood it, a threat to their own interests. Those associated with independent school districts sought to minimize restrictions on their autonomy as the districts were incorporated into borough structures; residents outside of the incorporated cities sought to avoid additional taxes within the new borough jurisdictions which would encompass them; residents within the cities already were provided basic urban services, and saw no need for another layer of government and taxation; and people served directly by the state, particularly by state-financed schools, saw little advantage in surrendering their privileged status. The incentives to incorporate were clearly insufficient.

Four "local option" boroughs were established in the 1963 elections under the threat of mandatory incorporation by the state, and four others were mandatorily incorporated on January 1, 1964.¹⁵

The Mandatory Borough Act left considerable local resentment in its wake. Most of the emotion has now cooled, but an active and often vocal minority of Alaskans continues to press the charge that the state acted irresponsibly in forcing borough government upon them; they undoubtedly will affect the future course of borough government in at least some parts of the state. In all parts of the state, however, the borough will continue to fail to elicit broad support for its programs, and significant commitment to itself as an institution, so long as it provides no clearly perceived benefits to the community it was established to serve. And, in this respect, the borough was additionally handicapped because it was

state action in the absence of local support that brought it into existence.

Summary and Conclusions

In Article X, the Constitutional Convention created what was essentially an open and flexible framework for local government in Alaska. Most emphasis was placed on the concept of borough government. The convention provided little guidance, however, as to how these new units should come into being, what their territorial jurisdictions might be, how many should be created, what functions they should perform, and what kinds of state incentives and community supports would sustain them. Much was left to the state legislature to determine. It was anticipated that the legislature would be informed by experience and accountable to the communities affected.

It now appears that with the Borough Act of 1961, the state legislature moved considerably faster and with less deliberation than actual developments warranted. There was little understanding or commitment to the concept of borough government in the state. Nonetheless, the 1961 act set a two year deadline within which boroughs were to be created in most of the state's urban areas. The exclusive functions of the borough were defined narrowly, providing little basis for eliciting broad popular support, and provoking suspicion and defensive action on the part of the established public school and city organizations. Also, lacking clearly defined policies and standards for the delineation of borough boundaries, the Local Boundary Commission was drawn into a series of conflicts with local groups.

In the absence of local action to create boroughs, the Mandatory Borough Act of 1963 required their establishment. With this action, anti-

borough activists were provided the opportunity to argue that the state acted undemocratically. There still is little motivation elsewhere in the community to counter this argument, for the borough has not itself been equipped to elicit support or commitment from significant segments of the population. In this respect, the borough remains, for the most part, just another public organization; it has not become a valued local institution.

The lessons here may be stated somewhat as follows: (1) Good government is less what experts and professionals, or constitutions and laws, say it is, and more what the people actually perceive and experience it to be. (2) Local political support and other resources needed to sustain local government will begin flowing to it only when it has a constituency that is convinced of its legitimacy and its usefulness. (3) Where the state sets out to establish new local government structures, it should ensure that they are empowered to perform functions of obvious benefit, and that they have access to the resources necessary to do so effectively. (4) Given the complexities of institution-building, the state should proceed with great caution and deliberation, particularly where the creation of new structures may be at the expense of established local institutions to which significant commitments have already been made. (5) In all cases, major emphasis should be placed on the use of state financial incentives and technical assistance, rather than the prerogatives of legislative control, as means of inducing desired forms of local institutional development.

Footnotes

¹This paper presents certain preliminary findings and conclusions of a broader study now underway of local government and state-local relations in Alaska. The study is being conducted by the Institute of Social, Economic and Government Research of the University of Alaska, under a grant from the U. S. Department of Housing and Urban Development. It is scheduled to be completed by the end of 1968.

²See Frank P. Sherwood, Institutionalizing the Grass Roots in Brazil: A Study in Comparative Local Government (San Francisco: Chandler Publishing Company, 1967), ch. iv, et passim; and Gabriel A. Almond and G. Bingham Powell, Jr., Comparative Politics: A Developmental Approach (Boston: Little, Brown and Company, 1966), ch. ii, et passim.

³A summary of relevant events of most of the period since statehood is provided by Ronald C. Cease and Jerome R. Saroff, "The Borough: History, Powers, and Organization," The Metropolitan Experiment in Alaska, ed. by Cease and Saroff (New York: Frederick R. Praeger, 1968), ch. i. This volume includes several essays on issues of borough government written from the varying perspectives of participants representing borough, city, and school interests.

⁴"Minutes of the Committee on Local Government," 1955-56 (Mimeographed); and Alaska Legislative Council, Alaska Constitution Convention Proceedings, November 1955 to February 1956 (Juneau, 1965). The local government article was the subject of convention deliberations on January 19-20, 24, and 30.

⁵Alaska, Constitution, Article X, secs. 3, 6.

⁶Ibid., secs. 4, 13: City council members must represent residents of first class cities on the borough assembly, city-borough agreements may be made for the cooperative or joint administration of functions and the exercise of powers, and cities may transfer powers and functions to the borough. See below for further discussion of the make up of the borough assembly and its unintended consequences.

⁷Ibid., sec. 1.

⁸Ibid., secs. 12, 14. The Local Affairs Agency later assumed the functions of staff to the Boundary Commission.

⁹Ibid., sec. 6.

¹⁰ Sherwood, op. cit., p. 54.

¹¹ Session Laws of Alaska, 1961, ch. 146, now incorporated into Alaska Statutes, Title 7.

¹² Further, the act provided that there would be but one unorganized borough covering all parts of the state not incorporated as organized boroughs; the unorganized borough became simply a residual category, and state responsibilities regarding it would be deferred indefinitely.

¹³ Session Laws of Alaska, 1963, ch. 52, now incorporated into Alaska Statutes, Title 7. The Mandatory Borough Act passed the Senate by one vote. For an account of the legislative history as viewed by the principal author of the act, see John L. Rader, "Legislative History," in The Metropolitan Experiment in Alaska, op. cit., ch. ii.

¹⁴ As an incentive to local action, the act permitted organized boroughs to select 10% of the vacant, unappropriated, and unreserved state lands located within their boundaries. In addition, the law authorized nominal "transfer grants." These provisions were almost an afterthought, and had little discernible effect. The problem was still the definition of borough roles and functions and, now, with the 1963 act, the state's method of bringing them into existence.

¹⁵ Local option boroughs were incorporated in the Ketchikan, Sitka, Juneau, and Kodiak Island areas. Boroughs were incorporated mandatorily in the Anchorage, Fairbanks, Kenai Peninsula, and Matanuska-Susitna Valley areas. With one exception, the local option as well as the mandatory boroughs chose second rather than first class status. The apparent feeling was that if boroughs had to be, let their powers be relatively more limited.