The First 50 Years and the Next: ISER and Alaska's Future

Institute of Social and Economic Research
University of Alaska Anchorage

Celebrating 50 years of public policy research in Alaska
ISER Established by the Legislature: April 1961!

CHAPTER 80
AN ACT

Relating to the establishment of a business, economics and public administration research program by the University of Alaska; and providing for an effective date.

(H.B. 161)

Be it enacted by the Legislature of the State of Alaska:

Section 1. The University of Alaska is authorized to establish a business, economics and public administration research program for the purpose of developing and publishing statistics and other information regarding the economy, government and resources of the state.

Sec. 2. This Act takes effect on the day after its passage and approval or on the day it becomes law without such approval.

Approved April 13, 1961
Since 1961...

ISER has been enhancing “the well-being of Alaskans and others, through nonpartisan research that helps people understand social and economic systems and supports informed public and private decision-making.”

(ISER Mission Statement)

Research Areas and Activities:

• Alaska Economy
• Energy and Environment
• Education
• Applied Social Research
• Arctic Social Systems
• Fisheries and Natural Resources

ISER’s Plans for our 50th Anniversary
In 2009, Roz Frazier of ISER, with Mark Foster and Associates, conducted the first survey documenting the growing unwillingness of Alaska’s primary-care doctors to accept new Medicare patients. Follow-up research in 2010 examined options for improving older Alaskans’ access to primary care; that work was cited in the September 2010 Interagency Access to Health Care in Alaska Task Force Report to Congress. Research continues on the critical issue of access to health care—not only for older Alaskans but all Alaskans.

**Current Health Care Projects:**

**Access to Health Care**
- survey of nurse practitioners in Anchorage, Mat-Su
- funded by Pomeroy Foundation

**Evaluation of Frontier Extended Care Clinics**
- funded by Alaska Center for Rural Health

**Information for Professional Nurses in Alaska**
- analysis of 2010 nursing re-licensure survey
- funded by State Board of Nursing

**Older Alaskans: Primary Care Clinic Models and Chronic Disease**
Kids Count Alaska

The Annie E. Casey Foundation sponsors Kids Count programs in every state, documenting the well-being of children. Since 1996, ISER has been the home of Kids Count Alaska, directed by Virgene Hanna. By collecting and publicizing data about the health, economic status, safety, and education of Alaska’s children, Kids Count Alaska is intended to help inform policymakers and others with responsibilities for protecting Alaska’s children.

Covenant House Alaska

In 2010, ISER researchers Stephanie Martin and Alejandra Villalobos Melendez found that teenagers who turn to Covenant House—Alaska’s only shelter for homeless teenagers—come with severe problems. They are doing follow-up work to help the shelter design services for victims of violence.

Why Do Kids at Covenant House Need Help?

- 66% Haven’t finished high school (among those 18 to 20)
- 46% Have been sexually abused (among girls)
- 40% Have been in residential mental-health treatment
- 33% Have been in foster care
- 33% Already have children of their own (among girls)
- 22% Were on the streets, in jail, in hospitals, or at other shelters before arriving at Covenant House
- 14% Have been arrested in past three months
- 13% Are pregnant when they arrive (among girls)

Source: Stephanie Martin and Alejandra Villalobos Melendez, Keeping Kids Off the Street: Snapshot of Covenant House Alaska, ISER, March 2010
In research for the Alaska State Senate, ISER researchers Stephanie Martin and Steve Colt found that a relatively small investment in treatment and other programs for prison inmates could cut the number of inmates 10% and save the state hundreds of millions over the next 20 years. ISER is working with the Alaska Judicial Council on a follow-up study, evaluating the effectiveness of programs implemented based on findings of earlier ISER work. ISER is also working with the Alaska Judicial Council, Department of Corrections, Anchorage Probation, the Court System, Police, Public Defenders, and Prosecutors to evaluate a new probation program.
At the request of Alaska’s lieutenant governor, Stephanie Martin of ISER, faculty of UAA’s School of Engineering, and departments of UAF worked together to assess the quality of Alaska’s election security system. They found that its centralization, uniform hardware and software, and other features increase its security.

For the Division of Elections, ISER also recently developed a network of key tribal organization and village representatives in the Bethel census area, to work with the division on its Yup’ik language assistance program.
Rural Communications Applications and Policy

Research Areas:
- Rural broadband planning
- Communications policy
  - Alaska and rural U.S.
  - Northern Canada; Arctic
  - Developing and isolated regions
- Socio-economic impacts of communications services
  - Telehealth, distance education, e-government,
  - e-commerce, etc.
- History of Alaska telecommunications

Research Activities:
- Alaska Broadband Planning
- Evaluation of rural Alaska broadband ARRA Stimulus projects
- Universal service policies
- Evolution of Telecommunications in Alaska: Symposium June 2011
Transportation System Analyses

Economic Value
ISER researchers built the first database of Alaska’s public infrastructure and estimated its replacement costs, including $33 billion for transportation infrastructure.

Alaska Transportation Infrastructure

Current transportation studies include an analysis of the energy requirements of Alaska’s transportation systems.

Economic Significance

<table>
<thead>
<tr>
<th>Infrastructure Component</th>
<th>Replacement Cost (Million 2008 $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL INFRASTRUCTURE</td>
<td>$58,879</td>
</tr>
<tr>
<td>PUBLIC BUILDINGS</td>
<td>$12,192</td>
</tr>
<tr>
<td>Schools</td>
<td>$5,953</td>
</tr>
<tr>
<td>Government Buildings</td>
<td>$2,468</td>
</tr>
<tr>
<td>Public Hospitals</td>
<td>$1,261</td>
</tr>
<tr>
<td>Court Facilities</td>
<td>$1,056</td>
</tr>
<tr>
<td>Health Buildings</td>
<td>$868</td>
</tr>
<tr>
<td>Law Enforcement</td>
<td>$415</td>
</tr>
<tr>
<td>Emergency Services</td>
<td>$171</td>
</tr>
<tr>
<td>PUBLIC UTILITIES</td>
<td>$13,472</td>
</tr>
<tr>
<td>Energy</td>
<td>$5,598</td>
</tr>
<tr>
<td>Sewer Systems</td>
<td>$4,327</td>
</tr>
<tr>
<td>Water Systems</td>
<td>$1,683</td>
</tr>
<tr>
<td>Electric Grid</td>
<td>$1,000</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>$462</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>$402</td>
</tr>
<tr>
<td>TRANSPORTATION</td>
<td>$33,215</td>
</tr>
<tr>
<td>Roads</td>
<td>$21,399</td>
</tr>
<tr>
<td>Airports</td>
<td>$5,793</td>
</tr>
<tr>
<td>Ak Railroad</td>
<td>$2,625</td>
</tr>
<tr>
<td>Bridges</td>
<td>$1,898</td>
</tr>
<tr>
<td>Harbors</td>
<td>$1,500</td>
</tr>
</tbody>
</table>

*Excludes Department of Defense facilities
Source: ISER
Resource Management

Visiting Professorship
• Funding from the Council of Alaska Producers
• Bob Loeffler: teaching and research on land management and issues in Alaska development

Socioeconomic impacts of development on rural communities
(Bob Loeffler, Sharman Haley, Ginny Fay)
*Donlin Creek and Red Dog Mines NPRA*

North by 2020: Seminars and workshops
“Defining Risk in Arctic Coastal and Offshore Resource Development: Perspectives and International Standards.”
*Seminars on Defining Risk video-conferenced to UAF, UAA, UAS and BARC, with broad participation from industry and agencies*

Strengthening Institutions: Strategies for Cooperative Management in the Marine Environment of the Beaufort and Chukchi Seas
Fisheries and Seafood: ISER is engaged in many activities related to fisheries and the seafood industry.

- **Research**
  - Salmon and pollock markets
  - Commercial fishing safety
  - Future Yukon salmon catches
  - Rural limited entry permit loss
  - Seafood industry in Alaska economy
  - Fisheries and community change

- **Teaching**
  - Fisheries economics and markets
  - Textbook project: Gunnar Knapp
  - Research internships

- **Service and Outreach**
  - Government agencies
  - Media
  - Industry
  - Public
Research Area: Mobility as an Adaptation to Change

Migration in the Arctic
Understanding
Migration in the Circumpolar North

Investigators: Lee Huskey, Matt Berman, Lance Howe, Stephanie Martin

Research Area: Recording Changing Social and Economic Conditions

Arctic Observation Network - Social Indicators Project (AON – SIP)
ISER Investigators: Jack Kruse, Matt Berman, Ginny Fay, Sharman Haley, Marie Lowe
Construction Spending Forecast

A widely cited annual estimate of construction spending for the coming year, by ISER researchers Scott Goldsmith and Mary Killorin.

<table>
<thead>
<tr>
<th>Alaska Construction Spending 2011 Forecast</th>
<th>Level</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>$7,110,000,000</td>
<td>+4%</td>
</tr>
<tr>
<td>Total without Oil and Gas</td>
<td>$4,200,000,000</td>
<td>+5%</td>
</tr>
<tr>
<td>PRIVATE</td>
<td>$4,455,000,000</td>
<td>+6%</td>
</tr>
<tr>
<td>Oil and Gas</td>
<td>$2,910,000,000</td>
<td>+3%</td>
</tr>
<tr>
<td>Mining</td>
<td>$305,000,000</td>
<td>-1%</td>
</tr>
<tr>
<td>Other Rural Basic Industry</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td>$615,000,000</td>
<td>+28%</td>
</tr>
<tr>
<td>Hospitals</td>
<td>$305,000,000</td>
<td>+38%</td>
</tr>
<tr>
<td>Other Commercial</td>
<td>$120,000,000</td>
<td>-21%</td>
</tr>
<tr>
<td>Residential</td>
<td>$200,000,000</td>
<td>-4%</td>
</tr>
<tr>
<td>Private without Oil and Gas</td>
<td>$1,545,000,000</td>
<td>+13%</td>
</tr>
<tr>
<td>PUBLIC</td>
<td>$2,655,000,000</td>
<td>+1%</td>
</tr>
<tr>
<td>National Defense</td>
<td>$555,000,000</td>
<td>+1%</td>
</tr>
<tr>
<td>Highways</td>
<td>$530,000,000</td>
<td>-5%</td>
</tr>
<tr>
<td>Airports and Ports</td>
<td>$310,000,000</td>
<td>-11%</td>
</tr>
<tr>
<td>Alaska Railroad</td>
<td>$50,000,000</td>
<td>+16%</td>
</tr>
<tr>
<td>Denali Commission</td>
<td>$60,000,000</td>
<td>-</td>
</tr>
<tr>
<td>Education</td>
<td>$355,000,000</td>
<td>+25%</td>
</tr>
<tr>
<td>Other Federal</td>
<td>$385,000,000</td>
<td>-26%</td>
</tr>
<tr>
<td>Other State and Local</td>
<td>$510,000,000</td>
<td>+29%</td>
</tr>
</tbody>
</table>
Alaska Economy and Fiscal Policy

- Importance of Oil and Gas in Alaska’s Economy
- Prospects for a Sustainable Economic Future

*Investing for Alaska’s Future*
Funded by a grant from Northrim Bank.

Northrim Bank

Institute of Social and Economic Research
University of Alaska Anchorage
Importance of Oil and Gas in Alaska’s Economy

Alaska Jobs, With and Without Oil

1960: 92,000 jobs
2007 Without Oil: 187,000 jobs

Actual 2007:
- 127,000 jobs from oil production and state oil revenues
- 60,000 jobs (16%) from oil wealth

Spinoff jobs from oil wealth

Oil-Wealth Spinoffs

- Bigger and Richer Economy
- Double the Population
- Stability of the Economic Base
- Low Tax Burden
- High Public Expenditures
Importance of Oil and Gas in Alaska’s Economy

**What Did the State Do with $157 Billion of Oil Money?**
(Cumulative Oil Revenues, 1959-2010, in 2010 Dollars)

- Extra spending for services, programs, capital projects, loans, and special corporations: $70 billion (44%)
- Tax relief for businesses: $19 billion (12%)
- Tax relief for households: $31 billion (20%)
- Savings (Permanent Fund, Constitutional Budget Reserve, other): $37 billion* (24%)

*This is not the total balance of these accounts in 2010. It includes only the actual oil revenues deposited over time and excludes earnings that have been re-deposited.

Institute of Social and Economic Research
University of Alaska Anchorage
Alaska’s Petroleum Wealth: How Much Should We Save?

Alaska’s Estimated Petroleum Wealth, 2011

- Oil and gas in the ground*: ± $81 billion
  - On state and federal land
- Money in the bank: $45 billion
  - Permanent Fund; Constitutional Budget Reserve; Other accounts

Total Wealth: ± $126 billion

*Estimated present value of state oil and gas revenues through 2050

Alaska could draw up to $7,200 per resident (in $2010) annually and keep its petroleum wealth at a constant value per resident—assuming annual population growth of 1%.
Renewable and Alternative Energy
ISER Energy and Environment Group

Hooper Bay, Alaska. Photo by S. Colt
ISER Energy Research Goals

• Work with communities to understand energy – economy – community interactions
• Work with technical experts to evaluate emerging technologies, especially wind and nuclear
• Analyze and propose policy innovations to encourage Arctic-hardy alternatives to diesel

Total Current Research Portfolio (as of December 2010)
• About 15 active projects
• About $2 million external funding
Energy – Economy – Communities

• How is energy used for transportation in Alaska? What is the scope for cost-effective alternatives?
• Why is the delivered cost of remote fuel so high? How will alternatives be delivered and distributed?

• Where are long-run fuel prices headed? Which alternatives are likely to make economic sense?
• What is the “structure” of end-use energy demand? How can alternatives be integrated into that structure?
Flagship Example

Making Wind Work for Alaska

Sustainable, resilient, cost-effective wind-diesel systems for isolated communities

Collaborative effort

ACEP/ISER/UAA Engineering/Communities/Agencies/Industry

Funded by U.S. Department of Energy-EPSCoR (3 years, $2.8M)

ISER portion

• People and communities are crucial “moving parts” of any wind system

• What are the critical socioeconomic, management, and policy factors that make Alaska (and Arctic) wind projects successful?
Small Modular Reactor Economic Screening Analysis

- Small Modular Reactors (SMRs) are nuclear power plants smaller than 300 MW.
- Smaller, compact designs; factory-fabricated reactors transportable by rail and truck.
- Modeling goals
  - Determine if different SMR technologies are economic energy options for Alaska
  - Identify how economics shift with oil and gas and CO2 price assumptions
- Analyzed Railbelt and rural hubs
High Crude Price
Low Crude Price
Mid Crude Price


Crude Oil Prices 2010 $/barrel

Assumption:
- medium costs for:
  - capital
  - site permitting
  - refueling

NuScale
Toshiba S
Toshiba L

Hyperion
mPower

mPower

Anchorage
Fairbanks

Institute of Social and Economic Research
University of Alaska Anchorage

- Big picture of electricity and energy in Alaska
- Comprehensive look at energy production/generation and use/consumption in the state
- Last published 2002

Statistics
- Installed Capacity
- Net Generation
- Sales
- Revenue
- Customers
- CO2 Emissions and relative efficiency (New)

Industry and Military

Railbelt Overview

Alaska Renewable Energy
- Renewable Energy Fund
- Hydroelectric
- Geothermal
- Combined Heat and Power
- Heat Recovery
- Wind
ISER Energy Key Partners and Funders

- UA Alaska Center for Energy and Power
- Alaska Energy Authority
- Denali Commission
- Alaska Housing Finance Corporation
- RurAL CAP (data sharing)
- U.S. Department of Energy – EPSCoR
Education Research Themes

- Center for Alaska Education Policy Research
- K-12 Workforce
- Rural and Indigenous Issues
- Program Evaluation
Center for Alaska Education Policy Research

• Start-up supported by the UA Foundation

• Mission: The Center for Alaska Education Policy Research enhances decision-making by policymakers, education professionals, and the public through collaborative, interdisciplinary research, analysis, and dissemination. The center conducts non-partisan research on policy issues concerning educational access, equity, and excellence in the Alaska context, across early childhood, primary and secondary, and higher and adult education.
Center for Alaska Education Policy Research

Initial activities

• Building on current policy research agenda and expanding into new areas
  – Expanding educator supply and demand study
  – Adding higher education, CTE projects

• Building education policy research capacity across the UA system
  – Collaborating with the deans of education at the three MAUs
  – Faculty mini-grants

• Developing relationships with key partners and policymakers
  – Developing NW regional education policy research initiatives with Education Northwest
  – Working with Education Commission of the States and National Education Policy Center on national collaborations

• Creating a plan to sustain funding
K-12 Workforce

- Analyzing supply of and demand for teachers (multi-year collaboration with Alaska Teacher Placement)
- Responding to legislation (Senate Bill 241) calling for a University of Alaska report to the state legislature on teacher preparation, retention, and recruitment
Rural and Indigenous Issues

- Boarding school experiences (historic and contemporary)
- Alaska Native student success
- Models for providing rural education
Program Evaluation

ISER researchers are evaluating several programs:

• Alaska Educational Innovations Network: partnership of UAA’s College of Education and several school districts, uses networked learning among communities of rural and urban educators to improve student outcomes.

• Alaska Network for Understanding American History: helps Alaska educators in teaching American history (Anchorage School District).

• Alaska Pacific University’s Education Innovations Project: to increase the number of Alaska Native certificated teachers and to provide professional development to educators serving Alaska Native communities.

• A new U.S. Department of Defense program: helps children of military personnel in the Anchorage School District with transitions and achievement when their parents are deployed.
ISER’s Plans for our 50th Anniversary

Northern Frontier to the New North: Alaska People, Institutions, and Resources
• September in Anchorage: Celebration and public lecture
• Keynote speaker and panel of past ISER directors

Symposia, Conferences, Co-Sponsored Events
• Climate Change Symposium, co-sponsored by University of Alaska Anchorage and the Chugach National Forest (May)
• The Evolution of Telecommunications in Alaska (June)
• Reconsidering the Coastal Community; Resources of Land and Sea (September)

Outreach: ISER on the Road (or “on the plane”)
• Juneau: Briefing for legislature
• Fairbanks: UAF and community
• Bethel, Dillingham, other regional campuses
ISER 50: And Beyond

Publications and Multi-Media
• Alaska Native Language Map: available in hard copy and online
• Web-based materials and interactive tools showcasing ISER’s history and research
• Publications based on research presented by ISER in 2011

ISER 50 and ANCSA 40
• Contributing historical research and bibliography
• Collaboration with First Alaskans Institute

George Rogers Fund for Emerging Scholars
• Fellowships and support for young scholars to undertake research in Alaska
• Provide research opportunities for young scholars
• Attract promising researchers to ISER and UAA
• In honor of ISER co-founder George Rogers

For more information: www.iser.uaa.alaska.edu
iser50@uaa.alaska.edu