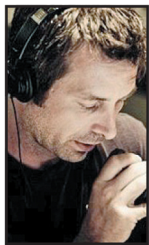


Moore on oil and politics at the NDPC Annual Meeting

Last week at the North Dakota Petroleum Council's annual meeting, Stephen Moore, economist, Heritage Foundation and economic commentator for Fox News, presented his views on the American energy movement.



JASON SPIESS
For Bakken Breakout
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Moore, looking at the economy from a free market perspective, believes the work being done in North Dakota is symbolic for the rest of the country.

"What is happening here in North Dakota with the drilling revolution is such a testament to the power of ideas and the power of entrepreneurship, the power of ingenuity and American know how," Moore said. "This is a revolution that has really been created by people who went out and had the fortitude to figure out how to crack the code to get at this oil and gas that is so plentiful and bountiful to this state."

Moore explained how the majority of new jobs are energy related, and North Dakota's economic output "carried" many other states.

"As I said in my talk, it is the frackers and the industry that has really carried the rest of the U.S. economy on its back the last six years," Moore said. "Almost all the net new jobs have been in the oil and gas industry."

Moore's belief is that energy could be further along if the current administration embraced a different policy.

"The irony is president Obama hates this industry; and yet, without this industry, we would still be in a recession virtually," Moore said.

Moore also commented on whether he believed the Bakken is in a technology boom.

"Absolutely, no question about it, it is a technology play. It's like I said in my

speech, it's not like the oil just suddenly showed up here. It has been there for hundreds of thousands of years," Moore said. "It's just through human ingenuity and stick-to-it-ness, you know, people taking risks and they figured out how to get at this. That's really the whole story of this energy revolution."

Moore continued looking at some of the other energy sectors and how they may impact our economic outlook.

"Anyone who thinks we are going to power our \$18 trillion dollar economy with windmills is smoking something," Moore said. "We need our oil, gas, coal and nuclear, and we have a president who is hostile towards these type of abundant energies."

Bigger picture, Moore sees an American industry that can sustain itself and increase its global market share.

"I think it is a shame, because we can, in five years, become energy independent. And not just energy independent, but energy dominant in the world. We can be the Saudi Arabia of energy if we just had a president who wanted this to happen and didn't continue to build roadblocks,"

Moore said. "We need to loosen the grip of the EPA. We need to build pipelines, we need to allow drilling on public

lands, we need to allow the exporting of our oil and gas. If you do those things, we could pretty much double our oil and gas output."

One of the main points Moore delivered in his presentation is the idea elimination of income tax. His view is pretty clear - North Dakota should get rid of its income tax.

"There are nine states in the US that do not have an in-

come tax.

Tennessee, Texas, Florida, Alaska, Nevada, New Hampshire, Washington, Wyoming, South Dakota; and North Dakota ought to be the tenth state that doesn't have an income tax," Moore said. "I feel very strongly about that. You have



FILE PHOTO, Tribune
Interviewer Jason Spiess speaks with FOX News economic commentator Stephen Moore about the ND oil industry at the annual NDPC meeting.

the revenue source through energy to be able to eliminate your income tax and that will bring a lot of new jobs to this area in addition to the oil revolution."

In addition, Moore believes this would increase the average worker's take home pay allowing them more financial freedom.

"At least get rid of the tax on all wages and salaries. That will give a pay raise to every worker in the state of North Dakota. Let's make North Dakota the tenth state in the United States to not have an income tax.

"You want to tax people on what they take out of the economy and what they consume rather than what they put into the economy," Moore said. "Which is their work and effort, risk taking and investment."

According to Moore, income taxes are traditionally burdensome on the economy, and often have a reverse impact on the state.

"I have always believed the income tax is the worst kind of tax, and my research shows very inequitably that's statistically true. That states without an income tax create twice as many jobs that do have an income tax, especially the higher tax states."

Moore cited several places he has lived with high taxes as well as some of his colleagues current places of residence.

"I come from a high tax state, Illinois, but I also worked in New York, which is one of the highest tax states in the country. Look what is happening in California; that state is being taxed to death. They have one of the highest taxes on the rich and guess what, people are leaving."

Another state many people are looking at is Utah. Moore had Utah ranked number one in the nation for the next year in terms of economic potential. North Dakota was second.

"Utah is pro-business, and there is nothing wrong with being pro-business because that is being pro-worker," Moore said. "It has a light touch of regulation, fairly low taxes, good public services, good schools, it doesn't have high worker compensation costs. Their property taxes are reasonable and the culture of that state is pro enterprise."

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Jason Spiess is a multi-media journalist and host of Building the Bakken Radio. Building the Bakken Radio can be heard in Bismarck on SuperTalk KLXX 1270AM on Sundays at 10am CT. To see if your listening area carries the radio program or see the entire Building the Bakken Media Network, visit www.buildingthebakken.com. Spiess can be contacted at jason@buildingthebakken.com.