

THE HARVARD PROJECT ON American Indian Economic Development

John F. Kennedy School of Government • Harvard University

HONORING NATIONS: 2003 HONOREE

Trust Resource Management Office of Support Services Confederated Salish and Kootenai Tribes (Pablo, MT)

Contact: PO Box 278 Pablo, MT 59855 Phone: (406) 675-2700

In the mid-1970s, the Confederated Salish and Kootenai Tribes of western Montana decided to assume the management of their natural resources. Consciously avoiding haphazard takeovers of existing programs, the Tribes strategically built the necessary infrastructure and developed the necessary expertise to enact a gradual assertion of self-governance. Now, with the management of trust resources firmly under their control, the Confederated Salish and Kootenai Tribes understand that the ability to establish priorities, set goals, and address the economic and cultural needs of their citizens through effective and efficient management is indispensable to the fullest possible exercise of tribal sovereignty.

As a result of the 1855 Hellgate Treaty, the Confederated Salish and Kootenai Tribes (CSKT) became the holders of a 1.25 million acre land base. Their natural resources included mountain forests, grasslands, an extensive river corridor, the southern half of Flathead Lake, and a diverse array of wildlife and fisheries. Since the signing of that treaty, natural resources have been the cornerstone of CSKT revenue. Regrettably, the Tribes did not exercise control over these resources for over a century while the federal government held them in trust.

Indian trust was born out of the explicit language used in the government-to-government treaties the US made with various tribes. Eventually, it became a fiduciary responsibility in which the US government was to protect all Indian tribes' lands, assets, resources, and the right to self-governance. However, many tribes and individual Indians view the trust relationship with great suspicion. And rightly so. The trust relationship has too often morphed into the paternalistic idea that the federal government can manage Indian resources more effectively than the tribes themselves. Perhaps worse, the federal government's trust responsibilities have been and continue to be characterized by chronic mismanagement, a topic that has received much attention in recent years.

The CSKT have suffered from trust mismanagement. By the 1930s, homesteading and allotment resulting from the Dawes Act had eroded their treaty lands and attendant natural resources by 70 percent. This loss created a checkerboard-effect of federal Indian and non-Indian lands on the reservation and compromised the possibility of effective tribal management of what remained. The Tribes currently own 60 percent of their total treaty reservation lands and enrolled tribal members comprise only 17 percent of the total reservation population. Checkerboard land ownership and a significant non-tribal population mean that CSKT resources that might have been managed solely by the Tribes themselves must now be managed in consultation with municipal, county, state, and federal governments. Nevertheless, the costs of challenging resource management were hardly as

daunting as the costs of continued mismanagement. In the early 1970s, the Tribes were determined to fight for their survival as a sovereign nation by assuming the management of their own land base and natural resources in the new and changing conditions of a dominant non-Indian world.

In fact, the Tribes began assuming this management even before the Indian Self-Determination and Education Assistance Act of 1975 ushered in a new era of selfgovernance. In the 1930s, the Tribes recognized that control of their land base was critical to effective natural resource management. Between 1934, when they organized themselves under an Indian Reorganization Act constitution, and the 1970s, the CSKT set about establishing formal processes for land management.

In 1969, the Tribes began laying down the foundation that would sustain the eventual control of their trust resources. In that year, they established the Tribal Realty Office and started issuing home site leases. The Tribal Forest Management Enterprise was created a few years later to administer permits and forest improvement projects such as thinning and reforestation. These programs expanded in 1990 and 1995, respectively, when the Tribes assumed complete management of BIA Realty and BIA Forestry under PL 93-638 contracts. In the early 1980s, the Tribes developed an Earth Resources Program and Tribal Water Rights & Administration to provide vital support of their natural resource management. Also, in conjunction with the University of Montana, they designed a Wilderness Program. Finally, they undertook management of Mission Valley Power, the electric utility formerly overseen by the BIA.

Even then, the CSKT were only getting started. By the 1990s, the Tribes' experience in managing their natural resources had strengthened their commitment to total resource management. During this decade, the Tribes took over the management of all federal programs under the direction of the Bureau of Indian Affairs and the Indian Health Service through PL 93-638 contracts. They procured community health programs, higher education, vocational training, and social services. In 1998, the Tribes were among the first to administer a Temporary Assistance for Needy Families program through an agreement with the state of Montana.

Importantly, the Tribes were not just assuming the management of their natural and human resources, they were succeeding. The CSKT's goal of self-governance demanded the development and maintenance of a stable management infrastructure. They created the Tribal Lands Department to coordinate the efforts of the varied natural resource programs. With the support of this institutional home, the Tribes established a record of responsible program administration and moved closer to greater economic self-sufficiency through enterprise development.

For example, under the administration of the Tribal Lands Department, the Tribes now manage their own real estate and land resources as well as those of individual trust landowners. The Department successfully completes thousands of land transactions including appraisals, leases, permits, easements, purchases, deeds, wills, and probates. It also develops and processes hundreds of farm and pasture leases and home site lots and maintains title management from tracking ownership and filing subdivision plats to recording property encumbrances and modifications. The Department is a leader in the automation of leasing contract management including the distribution of payments to trust land owners.

The tribal management of Mission Valley Power has been similarly successful. Power rates among the CSKT are some of the lowest in the Northwest and their utility system is one of the best maintained. The Tribes' ten-year improvement plans are enhancing power delivery

and reliability as well as preparing for future load growth. In 2000, a survey of fifteen hundred customers revealed that 75 to 79 percent of respondents considered their service excellent and 20 to 24 percent considered it satisfactory. Less than 1 percent of respondents were dissatisfied.

In 2002, the CSKT realized annual revenues of over two million dollars from their natural resources and six hundred seventy-seven thousand dollars from land leases. That same year, the Kerr Dam lease revenue brought in over thirteen million dollars. A portion of these revenues are reinvested in securing the Tribes' continuing self-governance. For example, three to five million dollars are budgeted annually for the acquisition of reservation lands.

The significance of the CSKT's successes, however, should not be measured in revenues alone. Tribes contemplating the management of their own natural resources may learn from the following two examples. First, by systematically putting themselves in charge of their resources and programs, the CSKT corrected the fundamental accountability problem that has persisted in Indian Country for hundreds of years. Today, their tribal government, not the federal government, presides over the Flathead Reservation. Even though the configuration of their reservation dictates that the tribal government must interact with municipal, county, state, and federal government agencies, the Tribes have, to the maximum extent possible. achieved self-governance over their lands, resources, and citizens. Secondly, as the Tribes come to hold increasingly direct control over their resources, they have created a national ethos of accountability for their management actions. Both the Tribes' employees and its citizens expect the tribal government to perform at the highest level in meeting the CSKT's needs. For the CSKT, this accountability has been an enormous asset. The CSKT have improved the lives of those on the reservation, and they have gained recognition from local, state, and federal governments for CSKT's capabilities and built awareness within these governments of CSKT's resource management goals and priorities.

Not only have the Tribes established first-rate organizational and managerial systems, but they have established it in a strategic and self-determined manner. The CSKT were motivated to assume the management of their lands and resources because they had a clear vision of what their tribal government should accomplish. The Tribes' traditional beliefs place priority on the respectful care of the natural world. Acknowledging that water, forest, and land resources are the cornerstones of their tribal revenues, the CSKT desired to strike a careful balance between properly utilizing resources and ensuring that abuse and waste is minimal. Tribal governments that effectively assert their sovereignty, like the CSKT, are among those best positioned to develop laws and policies that protect and advance the interests of their people.

The Tribes' understanding of, and commitment to, building their capacity for self-governance made their vision possible. They cultivated their human resources, hiring tribal members to manage their natural resources and ensuring that these individuals met the standards of state and federal government agencies by providing opportunities for degree completion and necessary licensure. Additionally, the Tribes opened management opportunities to their staff members and maintained an environment where the management of natural resource programs is independent of tribal government politics. They also invested in their trust resources. For example, the Tribal Lands Department has assisted Indian and non-Indian livestock producers in accessing aid through the American Indian Livestock Feed Program; treated nearly twenty-five thousand acres of noxious weeds; and, in collaboration with the National Bison Range, released bio-control agents on and around the Bison Range. Recognizing that their success in natural resource management is a direct result of their capacity, the Tribes have formed working relationships occasionally formalized through

Memoranda of Understanding with municipalities, county governments, multiple state and federal agencies, real estate brokers, title insurance companies, utilities, universities, and surveyors.

Lastly, the Tribes' establishment of an accountable system of self-governance is, because of its strategic, self-determined quality, remarkably efficient. The CSKT refused to assume management of any program until they were convinced they could manage these resources more effectively than the previous provider. As a result, the Tribes' management operations from ordinances to policies and procedures are model tribal programs. The Tribal Forestry program enacts less restrictive purchasing procedures than were previously required. There is also greater freedom to allocate financial resources to changing priorities. The staff of the Tribal Lands Department is dedicated to quality customer service and familiar with the status of the lands. Thus, it can process the Tribes' titles locally, rather than submit them to a regional BIA office. The Lands Department also manages Individual Indian Money Accounts, depositing funds into individual accounts within twenty-four hours of their receipt. These enhancements exist not only at the program level, but also at the tribal level. As manager of all tribal natural resources, the CSKT are able to integrate technical and human resources more effectively than partial managers such as the BIA. The Tribes exceed previous efforts even to the extent of meeting requirements of previously unfunded mandates, such as the protection of threatened and endangered species and National Environmental Policy Act compliance, which exist in federal programs.

The Confederated Salish and Kootenai Tribes have understood the benefits that would result from self-governance. Even before the era of self-determination, they were committed to assuming management of their trust resources and to acquiring this responsibility strategically. Self-governance is an imperative for Indian nations. However, it is equally as important that this self-governance be exercised effectively. Across the board, the Tribes set their own goals and priorities, develop laws and policies that support tribal sovereignty and effective programs to meet tribal needs, demand that their programs perform at a high standard, and hold themselves accountable for outcomes. They have made enormous progress in restoring the 1885 land base by acquiring major pieces of land, and have proven themselves to be among the best land managers in the country.

Lessons:

- "Sovereignty and self-determination are not merely legal concepts. Once in hand, hard-earned powers of self-governance must be backed up by the capacity to selfgovern. Systematically building this capacity helps to lead to the enduring benefit of tribal citizens.
- Building the indigenous managerial and organizational capacity for self-governance wrests control over a nation's affairs from outside decision makers. By taking back control of their government, accountability now appropriately rests in the hands of the tribe.
- Investing in a better accounting system, a first-rate property encumbrance recording system, and the like may not seem particularly newsworthy. However, it is precisely these kinds of foundational investments that can allow an Indian nation to stand as an equal or more in its relationships with other governments.