



Legalized Gambling: Economic Sovereignty for Native Americans

F. WILLIAM JOHNSON

Edina, Minnesota

Indian gaming is one of today's most debated and least understood issues. As a Native American I have struggled with gaming as the means to solve the economic woes of the American Indian. Many people have found it hard to accept this privilege given Indian tribes by the federal government through the Indian Gaming Regulatory Act (IGRA). To them, I quote the old saying: "Don't judge a people until you've walked a mile in their moccasins." I believe the window of opportunity now open to Native Americans through gaming is perhaps the only means by which most tribes can attain true economic sovereignty.

Gaming will turn the economic dependency of many tribes into economic sovereignty—the power and authority to exercise financial independence. Past and present entitlements from our federal government are not the answer to helping Indian people meet tribal needs. In an economic development memo, Earl Barlow, former area director for the Bureau of Indian Affairs, wrote, "Thought has to be given to a plan which will reduce tribal dependency on the Federal government with its inherent paternalism." Indian tribes now have such a plan. People argue that gaming is not economic development; however, it is hard to argue that it will not bring about economic development. Through IGRA, tribal sovereignty was sacrificed because tribes are still dependent on state cooperation to pursue gaming. Fortunately, in Minnesota, workable compacts for gaming were approved by both a Democratic and a Republican governor. Both parties see gaming as a means to self-sufficiency for Minnesota tribes. Unfortunately, other states have not been as cooperative, and tribes in these states wait for a U.S. Supreme Court decision to determine their gaming future.

Economic sovereignty will eventually bring about financial independence for those tribes that are able to game on their reservations. This new self-sufficiency is

fostering self-esteem and pride among Native Americans. Gaming revenues are providing for better housing, health, and education. Education is becoming more important, and tribes are realizing that the "New Buffalo," that many term gaming, is really education beyond an eighth grade or high school diploma. Many dollars are now being used for educational growth. Education will enable the Native American to compete in the larger society; it will also build unity among Indians and non-Indians as well as unity within factionalized tribal communities. The movement to stop Indian gaming continues, but its positive impact on tribes should be reason enough to let it grow.

Native Americans are not the only beneficiaries of the economic success that gaming has

brought to some of America's reservations. Because Indian gaming business consists primarily of card games and slot machines, many new jobs have opened for people who in the past struggled to find employment. Jobs are being provided to Indians and non-Indians. Statistics show that where gaming is permitted unemployment goes down dramatically not just on the reservation but also in the surrounding communities.

Suppliers of food and equipment, contractors, advertising and public relations companies as well as lobbying and legal firms have done well since Indian gaming was introduced. What a change is taking place in Indian country! Vendors who in the past said "C.O.D. only" now grant extended terms. Major law firms are now establishing Indian law departments and are even hiring Native American attorneys. Banks and investment houses are aggressively seeking business from gaming tribes. Why? Because economic sovereignty is coming to tribes through gaming—there is now a reason to do business in Indian country. Tribes and larger communities are benefiting from this relatively embryonic business.

What better reason do we have to accept or at least tolerate Indian gaming than economic sovereignty? This new sovereignty leads to economic empowerment for tribes. Indian gaming is empowering Native Americans to take responsibility for their own lives. It is allowing Indian people the right to taste prosperity or failure through their own doing. Barriers are being lifted. Reservations, which in most cases are located in isolated areas, have caused economic dependency and built a social barrier between Indians and non-Indians. As Kathleen Norris observed in her book *Dakota: A Spiritual Geography*, "Native Americans and whites live alone together." She depicts small towns that are Indian or white, where a deafening silence exists between the two worlds. This silence is exacerbated by ignorance and intolerance on both sides. Over the years our federal government has created a number of programs to help Native Americans take their place in the more dominant white society. These attempts at reparation have generally not worked because of their paternalistic nature. IGRA is a new attempt. It was passed by congress in 1988, and this is only 1995; we cannot expect the economic injustices tribes have faced over the past 500 years to be corrected in less than a decade. A tool for promoting economic independence is now available for tribes to gain self-sufficiency and build for their own future. If properly used, gaming is that tool.

F. WILLIAM JOHNSON is an enrolled member of the Turtle Mountain Band of Chippewa Indians. He currently heads native gaming development for Carnival Hotels and Casinos, Miami, Florida.

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Legalized Gambling: A Substitute for Responsible Spending

R. JAMES ADDINGTON

Tri-council Coordinating Commission, Minneapolis, Minnesota

In recent years, the growth of legalized gambling in America has been nothing short of astounding! In Minnesota, for example, the total amount wagered on all forms of legal gambling has increased from about \$3.5 billion in 1992 to over \$6 billion in 1994. Gambling is perhaps the most dramatic growth industry in the state.

Legalized gambling is an unusual form of economic activity. The quantity of cash involved and the velocity of exchange is spectacular. Unlike more traditional types of economic

activity, gambling is not based on the production or exchange of goods or services (certainly, it does generate a great deal of secondary economic activity of a more traditional nature). Gambling revenues (earnings after winnings are paid out) are *always* consumer losses. Gambling does not involve mutual gain. In a very real sense, it is predatory in nature; the odds never favor the individual gambler. (Some interesting points can be made about horse racing; but that is a different conversation.)

The growth of this industry has challenged the religious community. What is our public responsibility? Do we have a witness beyond the pious moralizing many expect? (Many policy makers expect the religious community to be publicly opposed to gambling all the while its members, privately, do it.) Clearly, the positive economic impacts of the industry are significant, involving 30,000 jobs in Minnesota. Many Christian congregations whose members are employed in the industry benefit directly. Native American reservation communities, for the first time, are seeing significant income and dramatic movement toward self-sufficiency. charities are funded that otherwise might go out of business, etc.

Yet, the negative impacts are also clear. Families and communities pay a

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terrible price for problem gamblers—although the social costs are very difficult to quantify. The Center for Adolescent Substance Abuse of the University of Minnesota reports that the 1991/92 rate of pathological gambling among adolescents in Minnesota was about 3.5% (about 10,000 young people); an additional 9.3% are considered high-risk gamblers (some 40,000). This means they report difficulty in controlling their gambling. Thus, some 50,000 young people are heading into adulthood at high risk of gambling addiction.

Treatment costs for *one* addicted gambler can be substantial. Gambling is a very intense addiction; it does not yield easily to treatment. Among problem-gambling youths there are several other associated risk-factors. Most prominent are drug abuse and delinquency. A small percentage of gamblers account for a disproportionate amount of the social costs associated with gambling. Clearly, prevention programs aimed at high-risk gamblers—especially adolescents—must be a priority.

However, designating a portion of state revenue for treatment of compulsive gambling is not, in itself, sufficient. Adding voluntary contributions from casinos—significant as they are—does not deal with the underlying issue. Reliance on gambling as a major economic development strategy is at best a short-term measure and discloses a deep desperation. But, as long as the public—through its proxy, the state—has a direct stake in gambling revenue, the hard questions will not be pursued by policy makers.

The most troubling forms of legalized gambling are state lotteries. The lottery represents an ironic contradiction. It undermines the state's capacity to fulfill its role as the representative of the people. Surely the role of the state—as proxy for its citizens—is to promote justice, seek to assure the common good, protect the vulnerable, etc. If we are to have legalized gambling, then the state must function as regulator, overseer, monitor, and (in the case of Indian tribes) negotiator. A lottery compromises this function. In the case of the lottery, the state is *organizer, promoter, operator, and beneficiary*. In effect, the state has become a predator. It benefits at the expense of its citizens.

The good causes we fund through the lottery could easily be funded directly without the

associated social costs. Direct appropriations would release the state from the dubious necessity to *flim-flam* its citizens to pay for services we have been reluctant to fund directly.

This would necessitate a different kind of conversation about taxation and budget priorities. It would also require us to empower and expect our elected policy makers to conduct such conversation.

The religious community's voice needs to be raised at exactly this point. We were negligent when lotteries were put into law; we need, now, to call for their discontinuance. And, we need to encourage our members to foster responsible deliberation about taxation and spending.

When he wrote this article, R. JAMES ADDINGTON was director of the Lutheran Coalition for Public Policy in Minnesota, St. Paul.