

Probably we should concede the point straight off: people who live in small towns and people who live on nearby Indian reservations are seldom the best of friends. History has a lot to do with their mutual resentments. So do culture and religion, plus the old bugaboo of the Western world: racism.

Still, rural white folk and rural red folk have to rely on one another, because a local economy divided against itself cannot stand. In Mt. Pleasant, Mich., residents are discovering that what's good for the Saginaw-Chippewa reservation—jobs, housing, development—can also be good for the town.

They owe that insight largely to a 38-year-old Eastern Cherokee named Rebecca Adamson, and to the work of her nonprofit organization, the First Nations Financial Project, or FNFP for short. As Adamson keeps pointing out, "both economies can benefit when they work together. But it has to be an equal partnership."

First Nations believes in partnerships. Based in Falmouth, Va., it is trying to make business partners of the one million Indians who reside on reservations, and it is hoping to get help from their non-Indian neighbors. Adamson's agenda is tribal development—not those pie-in-the-sky schemes for industrialization that never seem to work, but the kind of slow, steady economic growth that can ultimately make life easier for everyone.

Sometimes, when an old claim against the government finally gets settled, a tribe may receive millions of dollars all at once. Adamson worries about that, too, because the money never seems to make a permanent impact. No one ties a string around it; no one thinks to invest it for the greater

Rural Journal

A MEETING OF NATIONS

By Richard J. Margolis

good of the tribe.

Instead, with the blessings of Congress and the Bureau of Indian Affairs (BIA), the income is routinely dissipated through per capita distributions—so many dollars to each tribal member; or else the money disappears into a federal trust fund, beyond reach of tribal decisions.

Two years ago, when the Saginaw-Chippewas faced that very dilemma, First Nations rushed to the rescue. The tribe ended up a winner; so did the citizens of Mt. Pleasant, though they weren't paying much attention at the time.

The Saginaw-Chippewa tribe has about 900 members living on or near the reservation, just a mile or so east of downtown Mt. Pleasant. The town began life more than a century ago as a farm community, and it still looks like one—a Main Street encircled by modest houses and, not far beyond, fields of corn. But over the years the state has added an institutional look. Now about half the town's 40,000 residents are students at Central Michigan University; a state-run mental health complex accounts for several thousands more.

The three-way partnership—town, tribe and

FNFP—began not in Michigan but in Washington, with an argument in Congress. The subject was a familiar one: per capita distribution of windfall revenues to tribes. At issue was the disposition of \$10 million, an award made to the Saginaws in compensation for stolen lands and broken treaties dating back to 1807.

As usual, the Bureau of Indian Affairs intended to divide the spoils individually, apportioning equal amounts to each resident of the reservation and to many off-reservation relatives as well, about 4,000 persons in all.

But tribal leaders wanted no part of the plan. A few years earlier, they had watched a similar, \$16-million award get squandered. Kim Sawmick, a young tribal planner in economic development, has recalled the melancholy results: "People spent the money in just a few days. They used it to pay their bills or to buy television sets and things like that. The furniture stores had a field day; they stayed open extra hours just for us, but the tribe had nothing to show for it."

Hoping to prevent a repeat fiasco, tribal leaders got Adamson and her staff to help lobby Congress for a

measure that would preserve the \$10 million for tribal use. The issue was more than money; it ran to questions of Indian dependency versus self-determination.

Some in the tribe brooded about the past: they wanted to honor their forebears, the people who had suffered first from the loss of land. Others fretted about the future: they wanted to husband the tribe's resources for the benefit of generations to come.

Both themes were eloquently evoked in testimony given by the late Ben Quigno, a Saginaw-Chippewa elder, to the Senate Select Committee on Indian Affairs. The BIA's plan, he warned, "would ensure our continued dependency and take away our tribe's last and best opportunity to become self-sufficient."

He speculated on what "our ancestors, who guided their lives by . . . caring and sharing," might advise the present generation of Saginaw-Chippewas: "Think not about yourselves; put away the compelling urges to indulge your desires for things that will disappear like fog before the morning sun."

On June 30, 1986, Congress gave Quigno and the tribe what they wanted: an act establishing an investment fund to be administered by and for the Saginaw-Chippewa tribe.

The measure was unprecedented. Most other tribes still have nothing to say about how their dollars will be invested. They must leave such decisions to the BIA, which holds an estimated \$1.5 billion in trust on behalf of 269 tribes.

But not in Mt. Pleasant, where the Saginaws at last are on their own (with the continuing advice of First Nations). This time no buying binge occurred in the wake of the award. Instead, tribal leaders sequestered the \$10 million in a local institution, Isabella Bank and

Trust, where it now generates income for the tribe.

More important, they used the nest egg as collateral to secure housing loans to families in desperate need. Isabella holds the mortgages—which by itself is something of a breakthrough. Banks in Mt. Pleasant have customarily withheld credit from owners of houses on Indian land.

"The land is technically owned by the federal government," explains Brian Maes, a loan officer at Isabella Bank and Trust. "There's been no way to secure the loan. But this bank is very community-minded. We're charged with providing credit to *all* members of the community."

The plan was engagingly simple. First the tribe purchased 33 "collapsible" houses from a defunct fed-

eral facility, the Kinross Air Force Base, in northern Michigan. The price for each three-bedroom unit was \$5,000.

Then, after having the houses shipped south, the Saginaws set about making them liveable: new roofs, vinyl siding. Thermopane windows, insulation, carpets, wiring fixtures . . . the works. The result thus far consists of 16 new homes, each one valued at around \$35,000 while costing the tribe only \$25,000 to buy and rehabilitate. The families, meanwhile, have been able to purchase the houses at cost.

While the tribe has been doing good, lots of people in town have been doing well. Isabella is getting 10 percent interest on its mortgages, and to date, says Maes, there have been no

late payments. Suppliers of lumber, siding, windows and the like have all discovered new customers, as have the local utilities; and workers in the area—carpenters, plumbers, painters, electricians—have found a new employer.

The scenario, in short, has gone pretty much the way Rebecca Adamson might have predicted, with the drive for Indian self-sufficiency reinforcing the battle for civic prosperity. Equal partnership begets mutual benefit.

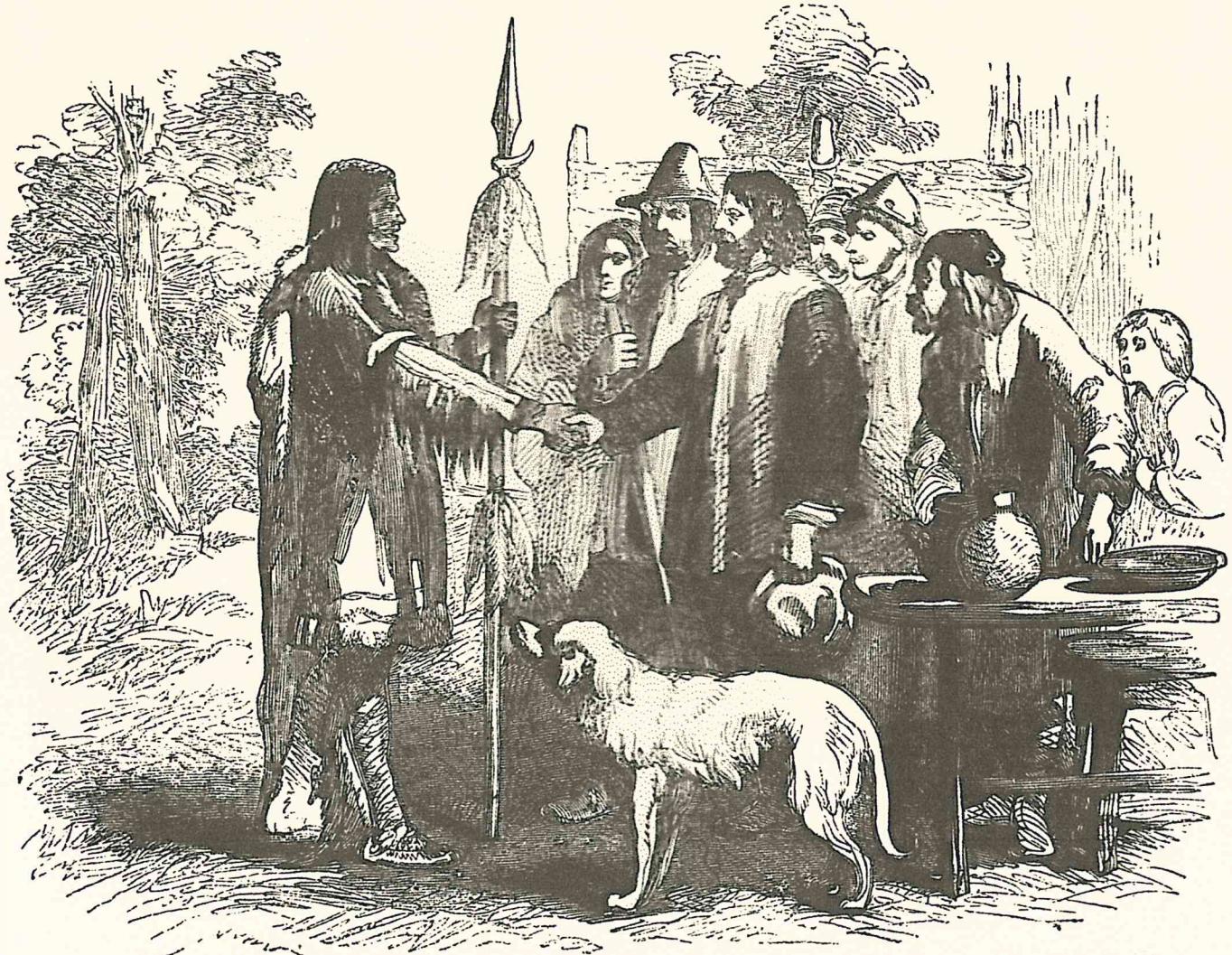
As a bonus, tribal members have begun to feel more hopeful about their own long-term prospects. Cheryl Bennett, who earns about \$300 a week working as a secretary for the tribal police department, typifies the new spirit. She and her four young charges—a

daughter, a son and two nephews—were the first to move into one of the new houses.

When the original multi-million-dollar award was distributed on a per capita basis in 1984, Bennett got \$3,200. "I bought clothes and bikes for the kids," she recalls, "and some furniture for the place I was renting. The money was a nice windfall, but it didn't last. Then, when I heard about the \$10 million, I felt the money wasn't mine. It belonged to the tribe—for the future of our children and their children."

"That's the way my grandparents would want it," she adds, echoing Ben Quigno's testimony. "That's the way I want it, too." ●

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