

Feeling Lucky: The Impact of Cultural, Political, and Economic Issues on the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians and the Three Rivers Casino

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American Indian Studies 230  
Indian Gaming and Casinos

December 11, 2013

Summary: Cultural, political, and economic issues and factors shape the way that American Indian tribes run their casinos as independent and well-rounded sovereign nations.

## **Background**

The Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians own and run a very successful casino enterprise called the Three Rivers Casino and Hotel Resort, located in Florence, Oregon. It is the tribe's largest asset and business, which provides them with many jobs and resources. The Confederated tribe's ancestral homelands stretched over 1.6 million acres and were abundant with natural resources. In 1855 the federal government ignored a treaty they themselves had proposed, which gave compensation for land that was taken from the tribe. Shortly after this incident, the Indians were rounded up and marched 60 miles on the "Trail of Tears", to a federal reservation where they were imprisoned for 17 years. After many years the Yachats area was opened for pioneer settlement, and the Tribal members were released to return to their homelands that would never again be the same. Their homes were destroyed and the tribal members were forced to become wanderers, settling wherever they could. In 1954 the tribe was officially terminated and it wasn't for another 30 years until they would be federally recognized again. Since these events the tribe has rapidly grown and re-stabilized itself as a prominent part of all tribal communities and nations. (The Confederated Tribes, n.d.).

Casinos serve as a landmark of self-dependence and sovereignty for Native American Indian tribes. Sovereignty is a very important aspect of Native Indian communities that ties back to their culture of being a nation that possesses a space of power and privilege. It also entails and promotes strong willed people who believe they should have an original set of self-governing rights (Kamper, 2000, p. ix). The Three Rivers Casino pushes the Confederated Tribe of Coos, Lower Umpqua, and Siuslaw Indians to reach this level of sovereignty because it stands to prove how powerful and self-determined the tribe really is. The Confederated Tribe's mission

statement displays the important role that sovereignty plays in their tribal culture: “As a sovereign nation, we honor and look to our ancestors thousands of years of experience on the land, as we guide the Tribes forward for the next seven generations; promoting healthy, successful families; affirming and nurturing our culture, acknowledging our responsibility to the land and the Tribal community” (The Confederate Tribes, n.d.).

Native American tribes, including the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians, are constantly faced with endless problems and issues that challenge the way they are able to run casinos and other enterprises. The Three Rivers Casino and Hotel is the Confederated Tribe’s largest asset and enterprise (The Confederated Tribes, n.d.). It was opened in 2004 and their quick rise to success soon enabled the Confederated Tribes to expand the casino and open an adjoining hotel in 2007. Currently, the Three Rivers Casino and Hotel not only provides resources and opportunities for tribal members but continues to stand as a pillar of community support and sovereignty in the Florence region (Three Rivers Casino and Hotel, n.d.). This success story has been deemed the same for many casinos and tribes across the nation. Casinos have finally pushed many Indian tribes out of discrimination, powerlessness, and impoverishment and allowed them to expand economically both on and off the reservation as well. The Three Rivers Casino has not only generated profits that have helped boost economic development but also acted as a catalyst for many other tribal revenue streams. This case study examines the different factors that play a role in how American Indian tribes own and operate their respective casinos. As well as how these issues take part in either defining and reiterating or taking away their tribal sovereignty. Specifically, how do these cultural, political, and economic

aspects influence the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians and their largest enterprise, the Three Rivers Casino and Hotel?

## **Findings**

Through content analysis research I have studied how these different aspects mutually as well as individually impact the many tribes across the United States.

## **Tribal Identity**

While some people argue that casinos only make Indian tribes greedy and detached from their roots, there is a very important balance between them being a part of the casino industry and maintaining tribal identity and culture alive. Tribes use many different mediums to communicate their heritage and values to others while still keeping them private and sacred. They accomplish this by having different levels of tribal information and culture available to the general public, while keeping more sacred parts for tribal members only. Casinos also provide many valuable and important resources that tribes use to maintain their traditional culture and heritage. In order to maintain a balance in any system, communication is vital. Without it, everything eventually crumbles. The Confederated Tribes use a mix of different mediums in order to communicate their culture along to others. Among these mediums is a very important channel – casinos. The tribes do many intentional things in order to inform people about their culture and heritage. Such strategies include teaching casino customers and potential customers about their history as a tribe. By having an “About Us” page that goes through detailed explanations of how the tribes came to exist and how they continue to be self-sufficient, the Indians create cultural awareness (Three Rivers Casino and Hotel, n.d.). Even by simply having a

message on the casino's webpage that reads "Owned and operated by the Coos, Lower Umpqua, and Siuslaw Indians" they tell their audience that they are proud to be the owners. Many different tribes who own and operate casinos choose to not mention their name on their webpage what so ever. This creates separation between the casino and the hotel and doesn't allow the audience to see cultural identity in the casino. The Confederated Tribes also have cultural and background information on their tribal website that creates cultural awareness by informing audiences about their past hardships and how they overcame them (The Confederated Tribes, n.d.).

### **Limitation of Information**

Although the Confederated Tribes strive to remove barriers and communicate to the general public cultural awareness, education, and cultural expression, they also keep sacred information personal (Beers, n.d.). The tribes believe heavily in building cultural awareness with surrounding people and communities but some information is too sensitive, important, sacred, and/or meaningful to display to the general public. Much of this information lies in categories like tribal news, cultural practices, traditions, education, job opportunities, tribal court, etc. (The Confederated Tribes, n.d.). In order to protect this sensitive material, the tribes tend to put sections on their webpage that only tribal members with passwords can access. Another way that this tribe sets limits and boundaries on information is by having a section on their webpage titled "Public Notices", which gives the general public access to news on the tribe. They then provide a different section for tribal members (The Confederated Tribes, n.d.). This once again allows the tribes to teach people about their culture but limit what content they can and can't see.

## **Political Issues**

Apart from the cultural aspects, political policies and issues are primary contributors to the molding of how American Indian tribes handle and run their casinos. They are also very influential on the subject of tribal sovereignty. It is often very hard to pinpoint these issues due to the fact that these political areas concerning American Indian gaming affairs, tend to be seen in murky waters. Many of these policies are unclear and sometimes even contradicting of one another. In 1988 Congress passed the Indian Gaming Regulatory Act, requiring states to negotiate with Indian tribes to create compacts governing Indian Gaming. The statute also said that if a state failed to enter into such negotiations, or to negotiate in good faith, the tribes could sue the state in federal court in order to compel the states to negotiate (Cornell Law, n.d.). In 1996, the Seminole Tribe of Florida sued the state of Florida for violating the good faith negotiations requirement of the Indian Gaming Regulatory Act (IGRA). The state of Florida argued that the 11<sup>th</sup> amendment protected them from being sued by another sovereign nation. While both the Indian tribes and the states were very aware of the IGRA, the final decision was in Florida's favor and allowed them to dismiss the tribe's original action (Chicago Kent College of Law, n.d.). This court case shows that state and federal intervention are grey areas that can largely impact Indian gaming, starting at a very basic level like whether or not tribes can even open casinos. Federal intervention also largely impacts taxation and auditing of tribal members and casino profits. In another murky area, the federal government and the IRS have many different legislations and policies that affect how they can tax tribes and their members, in accordance with casino revenues. Many tribes have chosen to give up certain rights under state compacts like what can be taxed and what cannot be taxed in relation with these casino profits,

for the purpose of owning a casino. Examples include the taxation of gift shops, Pow-wows, museums, etc. (US Congress, July, 18<sup>th</sup>).

### **State and Federal Government Intervention**

State and Federal government intervention is a catalyst for different issues such as guidelines and mandates affiliated with gaming. Among these is a popular issue regarding use of profits from casinos and Indian gaming. Contrary to popular disbelief, tribes are required by federal law to use casino revenue to fund essential tribal services such as education, law enforcement, tribal courts, economic development, and improvements in infrastructure (Sioux Harvey, n.d.). This is very influential in the shaping of how tribes run their casinos and how they choose to distribute revenues. Mandates about gambling also are very important to the different manners and ways that the casinos are operated. With the establishment of the Indian gaming Regulatory Act (IGRA), tribes are mandated to establish a regulatory body (tribal regulators and commissions) to keep operations in compliance with local ordinances and state compacts. Tribal Ordinance #30 established the Gaming Commission regulatory agency for the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians on January 12<sup>th</sup> 2003, which helps keep gaming at the Three Rivers Casino and Hotel regulated and in accordance with the law (Confederated Tribes, n.d.).

### **Regulatory Legal Issues**

Another piece of the puzzle is how regulatory legal issues such as licensing, compacts and state/tribal rights not only constantly shape how tribes own and operate casinos, but serve as the foundations of how casinos are started. In order to open a casino, tribes are forced to make a

“business agreement” with the state. These agreements are known as compacts, they “Resolve questions of overlapping jurisdictional responsibilities and affect the delicate power balance between states, federal, and tribal governments.” (IGRA, n.d.). Once the compact has been approved and accepted by the U.S. Department of the Interior, licensing comes into play. Many different licenses have to be granted for the casino to exist and operate. While this can conflict with issues of sovereignty, tribes work in accordance with the state to avoid conflict. Licenses must be obtained by all employees, all class III gaming machines/games, etc. Another big influence in how tribes own and operate their casinos is dependent on state and tribal rights against one another. This area is also very grey, in terms that many of the rights counteract and overlap each other. An example of this is the fact that public law 280 gives tribes sovereignty and the right to be self-governing, yet many other acts hand over power to states, such as their control over regulation of class III gaming (According to the IGRA) (Sioux Harvey, n.d.).

### **Casino Revenues for Improvement of Tribal Life**

The use of casino revenues to improve tribal life for its members is an important factor that influences the way in which tribes develop economically. The Indian Gaming Regulatory Act was set in place in the late 1980’s in order to establish the foundation of how Indian gaming would be governed. Under this act casino revenues cannot be used for any other purposes other than to fund tribal governments, provide for the general welfare of the tribe and its members, promote economic development, donate to charity, or help fund local government agencies (NIGC, n.d.). Due to this law, tribes are “forced” to put profits back into their communities to help them expand and flourish. The Confederated Tribes use their casino profits to enrich their economic development by funding various tribal and government projects such as the Ancestral

Lands Restoration to expand their communities and possibly build more enterprises. They also use the money to improve and add on to their community centers, hospitals, schools, courts, etc. Revenues provide funding for housing programs to help less economically fortunate tribal members buy/rent homes (The Confederated Tribes, n.d.).

### **Diversification of Assets**

Another factor that ties in to economic development of Indian tribes is diversifying assets. This means expanding their streams of revenue by having other enterprises, businesses, or sources of income. This is a factor that is very economically strategic and intelligent because when casino revenues come to a flat line or even a drop, tribes have other ways of continuing to develop themselves economically. As said by Kevin Allis the chairman of a very successful Indian holding company, "You can't rely on one thing. It's never a safe bet to put all of your eggs in one basket. It's just not smart" (Wilson, 02/2013). Another reason why diversifying tribal assets promotes economic development is that as tribal investments mature and expand, more capital is brought that allows members to invest and diversify their holdings (Giegerich, 08/2012). The Confederated Tribes expanded their business ventures by opening and running a technology services business, a commercial and residential construction holding company, and a golf course apart from the Three Rivers Casino and Resort (The Confederated Tribes, n.d.). By putting their investments in different pockets, they are not only making more profit but building a safety net and a business strategy geared towards economic development.

## **Building of Sustainable Communities**

Building sustainable communities is also a factor that plays an important part and enhances economic development in Indian tribal communities. The Sustainable Native Communities Collaborative is an initiative of Enterprises that promote cultural and environmental sustainability affordable housing for American Indian communities nationwide. They help research, attain plans/materials, and build homes for them that help gain self-sufficiency and sustainability while still being affordable (Sustainable Native Communities Collaborative, n.d.). Another way that economic development is attained is by using casino profits to build and research new ways to be more self-sufficient and environmentally friendly. The Confederated Tribes has a sustainability department within their tribal government and organizations that focuses solely on developing efficient and sustainable resources for the tribe (The Confederated Tribes, n.d.). In San Diego there is a Bi-Annual Energy Development on Tribal Lands Conference that helps tribes develop clean energy and power projects within their reservations to help them be more sustainable and economically developed (EUCI, n.d.).

## **Non-Tribal Factors**

Apart from these issues, there are various non-tribal factors that influence the surrounding communities of Indian tribes. One of the important focuses of these factors is who the players/gamblers are and how they are spending their disposable incomes. Stereotypes of the lazy drunk Indian being the common gambler are quite often seen in society, but the question is: Who really is the gambler? Gambling is most popular among adults ages 51-60 and slightly more common in females than males (Garrett, n.d.). While this is the “average Joe” gambler (or should I say Jane), casinos tend to market to different groups and populations. Casinos’ target markets

are usually not publicized and harder to discover. Another influential factor is what influences players to gamble. While advertising and word of mouth often is the reason behind people gambling, other factors play into the situation. For many adults, casino gambling is a new form of excitement and entertainment. It is also commonly portrayed as a getaway place for people who are stressed, angry, upset, scarred, etc. (Garrett, n.d.). These are all factors that influence the local economies around tribes and casinos.

### **Tribal Contributions to Surrounding Communities**

Another factor that plays a major role in the economies of the communities surrounding tribes and casinos is the tribal contributions provided for their communities. Indian tribes are well known for providing funding for tribal and non-tribal members and communities in many different areas. Tribes contribute to their communities by giving scholarships/grants, donating to charitable and non-profit organizations, investing in off reservation infrastructure, restoring wildlife, and supporting many non-tribal businesses (Benedict, 2000). Another very important way that tribes contribute to their local communities is by providing them with thousands of jobs. The Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians and the Three Rivers Casino and Hotel provide Florence with many job opportunities. They also have developed programs such as “Community Cash” which rewards residents and tourists for shopping locally. They sponsor arts programs for professional theatre as well as children’s plays and programs and donate to dozens of local and regional non-profit organizations (Three Rivers, n.d.). These are all very influential ways that tribes and casinos shape economic factors in their surrounding communities.

## **Conclusion**

Cultural, political, and economic issues are the main factors that influence how American Indian tribes operate their casinos. The various aspects of these issues all come together to help define tribal sovereignty for Indian tribes. Casinos are able to strengthen their tribal identities and provide cultural awareness by playing their part as a communication channel, as well as serving as a landmark for sovereignty. This case study informs people how Indian tribes actively balance the aspect of expanding and owning a casino, while keeping their tribal culture and identity well nourished. Casinos and Indian gaming are subjects that are commonly stigmatized as being breaking points for tribes and their cultures, yet this tends to be quite untrue. Casinos provide countless resources for tribes and allow them to share their culture with the world. They are part of the firewood that keeps the cultural fire burning. This case study also explains the very influential and important role that political and legal issues play on how American Indian tribes own and operate casinos. These directives not only change the way tribal casinos are run but also act as the building blocks for them. From the petitions to open a casino to the acts that determine how profits and revenues are distributed in the tribes, political issues and directives are always present. This also displays how influential politics and legalities really are in any enterprise ran by a separate sovereign nation within the same geographical location.

From this study you are able to gain a better understanding about the different financial factors that influence Indian tribes and their economic development, both within their tribes and their surrounding communities. These factors help paint a picture to show how different financial factors are important to tribes in various ways and manners. They all facilitate sovereignty and self-sufficiency for the tribes and make them more economically well rounded. The Confederated Tribes of Coos, Lower Umpqua, and Siuslaw Indians have become more

successful and well off not only due to the Three Rivers Casino and Hotel but because of each and every one of these factors and values that are embedded into the way they develop economically. Future scholars might study how tribal casinos and their corresponding tribes choose what to regulate, in terms of cultural messages intertwined in the casino's advertisements, social media, website, décor, available information, etc. They could also follow up on this research topic by discovering more and digging deeper into the issue of how political directives/issues from other nations impact enterprises in the rest of the world. This would allow for a sense of comparison and examination of the differences.

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