

# Ownership, not hope will revive the Cow Creek Tribe's economy

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## **Summary:**

Hope cannot be taught without people taking ownership of their identity or their livelihood and then allowed to survive without interference. This is the plight of the Cow Creek Band of Umpqua Tribe of Indians. For over a century, after being deceived into giving away their land, forced into seclusion, and many promises broken by their "conquerors", the Cow Creek Band nation is on an economic upswing, but many believe their inherent right to prosper must be regulated.

## **Introduction**

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## **Cow Creek Band of Umpqua Tribe of Indians**

The Cow Creek Band is one of nine federally recognized tribal nations in Oregon. Indigenous to the state, their reservation covers 1,830 acres of trust land. Before the forced relocation, the nation survived as a hunter-gatherer band and moved from one location to another as the seasons changed. Currently this nation has over 1,500 tribal members and regales a history of survival against overwhelming odds.

In the 1850’s life for the people was hard. Encroachment on their lands from gold miners and their mining processes destroyed a big part of their natural food supply. Not only did miners lay stake to their lands, but settlers also started to move in and brought fatal diseases to the area. As a possible outlet for the nation’s survival the elder’s sought a peace agreement with the foreigners.

On September 19, 1853 the Cow Creek Band became one of the first tribal nations in Oregon to sign a peace treaty with the United States, the band ceded over 800 square miles of land. As a result the Cow Creek’s became a landless nation. This Treaty between the United States Indian agent, General Joel Palmer, and the Cow Creek Indian people, had many deficiencies.

Specifically, there was no understanding by the Indians of the language or the concept of signing (making their mark on) the Treaty and further, there was no understanding by the Indians of land ownership, let alone land boundaries (hunting, fishing and gathering sites, as well as tribal composites, were well established).

The United States paid 2.3 cents an acre, then turned around and sold it to settlers for \$1.25 an acre. Relying on the treaty made with the U.S. government the Cow Creeks believed they would be provided health care, housing and education. This treaty was ignored.

Efforts by United States to move the Cow Creek band to a reservation was not very successful. They offered the tribe a wonderful life on a small sect of land in northern Oregon if they were to relocate. Not trusting the U.S. government and unwilling to subjugate thoughtlessly to their demands the Cow Creek's decided to send a scout to the reservation.

### **As told by the people**

“A young boy was sent to one of the relocation reservations to assess the condition of reservation life. He traveled during the night to avoid being captured. Once he arrived at the reservation, he was terrified by what he saw. Conditions on the reservation were deplorable. His first sight was of an infant sucking on its dead mother's breast.” (<http://www.cowcreek.com/>)

Given the young scout's information, most of the Cow Creeks resisted relocation efforts. In response to their deft avoidance of relocation, the Bureau of Indian Affairs sent exterminators to Oregon for the purpose of killing the Cow Creek people. The Cow Creeks remained in seclusion while maintaining their way of life. Eventually, many Cow Creek people married pioneers, miners and fur traders in the area. Names familiar to the south county area were Dumont,

LaChance, Rainville, Pariseau, Rondeau and Thomason. Many of these names are still prevalent in the Cow Creek Tribe.

### **Recognition lost and then restored**

The Western Oregon Indian Termination Act of 1954 advertised as legislation to “Set the Indians Free”, which caused federal relations with over 60 tribes and bands in western Oregon to cease to exist. Up to 1855, the Cow Creek people did not receive any services or “recognition” from the federal government. The only time they were “recognized”, was in 1954 for the purpose of terminating their status as a tribal nation.

The Cow Creeks received no prior notification of the Termination Act, as required by law, and because of that were able to obtain presidential action in 1980 to take a land claims case against the United States Federal government. This claim was subsequently litigated by the Tribe to a negotiated settlement of \$1.5 million.

A small settlement, but big victory for the Tribe which would set in motion a chain of events that would lead to their economic freedom.

### **Bingo as a lucrative business**

The \$1.5 million in settlement was put in an interest bearing account and only the interest is used for things like health care, and minor improvements for the Tribe.

Looking to improve their financial stability, in 1992 the Cow Creek nation opened a bingo hall on their land. Using a 13 year federal loan of \$825,000, the Tribe opened their bingo hall and repaid the loan in just over 5 years.

## **Economic Development**

The Cow Creek Umpqua Indian Foundation (formerly the Cow Creek Seven Feathers Foundation) was established in October of 1977 by the Cow Creek Band of the Umpqua Tribe of Indians. Since the Foundation's inception 117 grants totalling \$1,172,766 have been given. The mission of the Foundation is to offer assistance in youth education, strengthening the home and family, youth programs and to add to the quality of life for people residing in Douglas, Jackson, Josephine, Klamath, Deschutes, Lane and Coos counties.

Currently the tribe has its own utilities company, and an independent dam and treatment plant are in the works. That's not to mention Cow Creek's ranches and houses, insurance company, media center, tribal health and social welfare facilities, and dozens of other small businesses like bars, motels, restaurants and a freeway rest stop (7 Feathers Truck Stop).

## **Economic Factors in Surrounding Community**

7 Feathers annual payroll for more than 1,000 employees, both Indian and non-Indian, is around \$30 million a year, making Cow Creek at least the second largest employer in their county, next only to the Roseburg Timber Company.

## **Policy and Political Issues**

Oregon State Police (OSP) has jurisdiction on tribal lands with regards to their gaming facilities.

Under the Cow Creeks compact with the state, OSP will be paid if they follow these guidelines:

1. OSP will have unlimited access to their facilities during normal business hours
2. Request for documents to be audited made in a timely manner
3. Billing for services rendered must be submitted to the Governor's office and then verified through the Tribal Council before payment is made.
4. OSP may request the Tribal Council select a representative at OSP to be their point of contact.

5. Any offenses made by the tribe at their casino is subject for review and mediation with a third party.
6. OSP will be the party responsible for conducting background checks on all prospective employees of the casino. (Tribal Compact)

Per the treaty with the federal government, The Cow Creek Tribe has been left alone to handle their nation's business, but with a compact in place to regulate their casino with the state.

Other tribes may be content with their compacts with the state, but currently Oregon tribes are on the brink of ignoring them completely. Issues began when the Coquille Indian Tribe threatened to open another casino within close proximity of Seven Feathers Casino. Coquille Tribe claims that all Oregon tribes compacts expired several years ago and have not been renewed. Cow Creek's responded by claiming that an agreement (not part of the compact) was made with the state which allowed the tribes one casino. The Coquille's have defended their actions by hiring legal experts to examine the contract and compacts of all the tribes. All legal experts confirmed that the Coquille's contract and compact did limit them to one casino.

Cow Creek Nation has now warned Oregon State of a possible "Casino Arms Race" if they do not intervene. (Mail Tribune)

### **Regulatory, legal issues**

Most of the land, controlled by the Cow Creek covers approximately 4,000 acres. None of their holdings are taxable or even regulated by any authority beyond their council.

Cow Creeks gaming license is regulated by the National Indian Gaming Regulatory Commission (NIGRC) and follows the Indian Gaming Regulatory Act (IGRA) guidelines. However, their gaming rules are identical to those set in Las Vegas, Nevada and are subject to change.

Seven Feathers Casino, like other tribal enterprises are exempt from federal regulation as well as uninvited state police. They do however, contribute to political campaigns, unlike most tribes that divide their contributions about 60-40 between Democrats and Republicans, Cow Creek sends at least 98 percent of its contributions to Democrats.

With their Oregon compact in place:

1. 6% of their net income will go to the Tribe's base community benefit fund
2. Required to carry unemployment insurance
3. To file tax withholdings on non-tribal customers and send the report to the state
4. The Tribe agrees to adopt and enforce ordinances and regulations governing health, safety and environmental standards applicable to the Gaming Facility that are at least as rigorous as comparable standards imposed by the laws and regulations of the State, unless super ceded by applicable federal law. The Tribe and State agree to work together, along with any local agency generally responsible for enforcement of such health, safety and environmental standards outside Tribal trust land

### **Tribal culture**

A new tribal conflict with the Cow Creek and Coquille Indian Tribe has come up. A proposal from the Coquille Tribe to open another casino at a abandoned bowling alley and a restaurant along South Pacific Highway in Oregon. The tribe also agreed to lease Bear Creek Golf Course, which is adjacent to the two buildings.

The Cow Creek Band of the Umpqua Tribe of Indians has opposed the Coquilles' planned move to Medford as breaking a gentleman's agreement in the state that allows only one casino for each tribe because the Coquilles already run The Mill Casino in North Bend, Oregon.

Also, there have been outspoken critics claiming the Cow Creeks are not really native. There have been several attempts by other tribes and non-tribal members to refute their lineage. One such claimant has done research and claims journals collected from Catholic priests who traveled

with the Hudson Bay Company in the mid 1800's claim the Cow Creeks were annihilated by "masked exterminators" who were sent to kill Indians they found. Also, those records indicated that the main families who helped spearhead the Cow Creek's recognition status in the 1980's were direct descendants of Walla Walla and Spokane tribal members.

Many politicians and people who have questioned the Cow Creek's authenticity have been met with cries of racism and possible law suits.

Another point of interest, because of the stigma created by gaming and others questioning the Tribe's heritage, Cow Creek's are very private with their personal lives and refrain from joining any social movements unless they feel it would help impact their lives. Unlike some tribes, The Cow Creek will post a link to their tribal website on the casino's page and give vague info on their elders. Contact info for the tribe can be made via postal mail or email through their general contact form on the casino's website

### **Tribal use of revenues**

- **To improve life for tribal members**

In 1984, after The Cow Creek Tribe won back their federal recognition and their land claim was settled out of court for \$1.3 million. The United States government attempted to force the Tribe to distribute the settlement money to its members. Through congressional action The Cow Creeks fought this decision and instead invested their money in several successful businesses. Of the 1,500 or more enrolled members in the Cow Creek Tribe, all receive per capita payments of 5% of the casino's net profits.

- **Diversifying assets and Building sustainable communities**



Under the leadership of their tribal chairwoman, Sue Shaffer, she has built a business empire.

Running the Tribe as a business entity they are able to take revenues generated from the Seven Feathers Casino and reinvest into other lucrative businesses:

Umpqua Indian Foods – Wholesale and retail foods and gifts.

Seven Feathers Truck and Travel Center – Full service truck stop.

Creekside Restaurant – 24 hour restaurant associated with the truck stop.

Creative Images – Media design and printing.

RIO Communications – Telephone and Internet provider.

Canyonville Cubbyholes – Self storage in Canyonville.

Hospitality Division – Several small motels and an RV Park.

Umpqua Indian Utility – Electricity distributor.

K-Bar Ranch – Cattle and feed operation.

Each business is profitable and all support each other in one way or another. All these businesses create jobs for the surrounding community and opportunities when they were scarce.

According to the Umpqua Indian Development Corporation (UIDC is a federally chartered corporation):

- The total economic output of Douglas County in 2004 was more than \$107.1 million greater than it would have otherwise been without the Cow Creek.
- There were 1,610 more payroll jobs in Douglas County in 2004 than there would have been if not for the Cow Creek.
- If there were no Cow Creek Tribe, total payrolls in Douglas County would have been nearly \$40 million or 3.9 percent less in 2004. In addition, self-employed workers and small businesses would have earned about \$6.4 million less. The resulting economic weakness would have filtered throughout the economy resulting in lower property values for homes and commercial real estate.
- Like other governments, lands held in trust for the Cow Creek are exempt from property taxes. However, the Tribe only accounts for 2 percent of all the value of tax-exempt properties in Douglas County. Other types of property holders that account for greater shares of all the exempt property in the County include disabled veteran homeowners, businesses in enterprise zones, farmers, owners of forestlands, religious organizations, and local and federal governments.

- Property taxes imposed in Douglas County on the residences of Cow Creek employees in 2004 totaled at least \$1,135,655. (Range Magazine)

This report from the UIDC only describes the net impact the Tribe has on the surrounding community. It only counted the net increase in jobs and dollars within the county due to the Cow Creek's business ventures.

### **Non-tribal factors**

- **Influence on players and disposable incomes**

Research done by the American Gaming Association (AGA) suggests, overall, casino patrons spend their money wisely. According to a recent poll conducted for the AGA by Peter D. Hart Research Associates and The Luntz Reserch Companies, 80 percent of customers always or usually set a budget before they gamble. Also, an estimated 5 percent and 15 percent of gross gaming revenue came from problem and pathological gamblers.

As for casinos preying on the elderly, the AGA cites a study by the National Institute of Justice which compared the casino gambling practices of younger gamblers to older ones. That study concluded that the data “do not support the view that casino gambling is a major threat to the elderly, preying on the aged and leading them to destructive practice.”

For the elderly who do like to gamble, the AGA's data show most come to casinos for interaction. Fun and entertainment, not gambling is the motivator and sixty-two percent view the outing as an “inexpensive day out” for someone on a fixed income.

Not only do seniors like to gamble for fun, but they don't want anyone else telling them how to spend their time and money. Another mention to the Hart/Luntz poll, 90 percent of senior citizens believe gambling is a question of personal freedom, (Mullis)

- **Contributions to communities**

Money gambled away at Seven Feathers Casino Resort will help support Umpqua Community College students with small children, as well as 57 other causes in Southwest Oregon.

Also, the Cow Creek Umpqua Indian Foundation (CCUIF) regularly contributes large sums of money to local nonprofit organizations. Twice a year the CCUIF makes grants eligible to nonprofit organizations in communities where their ancestors once lived, which does include much of Southern Oregon.

Their mission is to offer assistance in youth education, to strengthen youth and family, to provide positive youth development, and to add to the quality of life for people living on their ancestral lands.

### **Conclusion**

Through all their trials and tribulations the Cow Creek Band of Umpqua Tribe of Indians has persevered. Their culture, elders, and language are all but wiped off this earth, but their spirit remains. A spirit that energizes their resolve to be successful business leaders in the nation.

Although, state compacts are in place to ensure tribes do not squander their profits, time has proven they are unnecessary. The Cow Creek Tribe has diligently invested their profits into lucrative business ventures and given back to their surrounding community. Opponents will argue this statement, even with empirical evidence to support it, they suffer from cognitive dissonance.

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