

ZahPeterson 2007-09-12

PZ: [0:00] So it's on now?

PI: [0:01] Yes.

PZ: [0:02] Yeah, OK.

PI: [0:02] Yeah. I guess they think it's useful to wear these -- I don't know if it is or not. Maybe you hear it better, somehow. Did you know that Jennifer is -- (inaudible) here? Visiting the campus?

PZ: [0:20] No.

PI: [0:20] Yeah. You know, she's teaching at UNM now, and she's originally from sort of over in that Tohatchi/Sheep Springs area.

PZ: [0:30] Mm-hmm.

PI: [0:30] But she was the first person -- the first Navajo to get a Ph.D in history.

PZ: [0:35] Hmm.

PI: [0:35] From NAU. She went to UNM as an undergraduate and majored in English.

PZ: [0:39] Oh, yeah. Is she that lady who wrote a book on --

PI: [0:42] Yeah. On Manuelito, and --

PZ: [0:44] Yeah.

PI: [0:44] That's the -- that's the one.

PZ: [0:45] Yeah. And his wife. Yeah.

PI: [0:46] Yeah. She's giving a public talk this afternoon at 3:30 in your building.

PZ: [0:54] Oh, here?

PI: [0:55] Yeah.

PZ: [0:55] Oh, I've got to --

PI: [0:57] You've got to be elsewhere?

PZ: [0:57] I've got to go there, yeah.

PI: [0:59] Yeah. It's 281, I think, or something like that.

PZ: [1:01] OK.

PI: [1:02] Anyway, I just wanted to be sure you... knew about that.

PZ: [1:05] 2:30. OK.

PI: [1:06] It's so funny -- a year ago, when she was just finishing the book and going up for tenure and promotion, she wasn't sure anybody was very interested in her. Now that that book is published and she's gotten tenure and promotion at UNM, she can't stop the phone from ringing.
(laughter)

PZ: [1:20] Oh, yeah. Yeah.

PI: [1:21] She's had lots of -- lots of interest, and several job offers, I think. She has to -- if she wants to be -- leave UNM -- I think she's sort of frustrated by UNM by this point. And maybe she'll come here.

PZ: [1:34] Yeah.

PI: [1:36] Well, it's been a long time since we had our last conversation, and we mostly talked about education.

PZ: [1:43] Mm-hmm.

PI: [1:43] You know, in that. Is there a particular topic that you'd like to start with today? We talked about doing some talking at some point about, you know, legal services, and coming to DNA to the reservation -- we talked about doing some talking about Navajo issues of... in government and sovereignty and all that kind of thing. We could talk about a number of things, obviously -- the trust fund in greater detail, or whatever. So... we'd like to go in a direction, in an area that you'd like to talk about.

PZ: [2:23] Yeah. Maybe what I should do is, today, talk about the trust fund --

PI: [2:27] Sure.

PZ: [2:27] -- more specifically --

PI: [2:28] I think that would be good.

PZ: [2:29] Yeah. And then -- yeah, and then you can just work it out however way you want.

PI: [2:33] OK. OK, OK.

PZ: [2:36] But basically, I believe it was in 1984 or something like that, where the question of trying to tax the major companies that do business on the reservation --

PI: [3:00] Like oil companies?

PZ: [3:02] Like oil companies, coal companies --

PI: [3:04] Right.

PZ: [3:05] -- and the uranium industry wanting to always come in. The people were looking at the very little water that we have, and they also were looking at timbers. And so those kinds of natural resources, people always want to have the Navajo give up some of those natural resources for business and to make profits on. Anyway, that kind of a situation continued to rise during my administration. And mainly because the Navajo council passed a resolution sometime in the early 1980s, with a resolution that says that they're going to continue to tax the companies that extract mineral off our land. And I guess just when the tribe decided to do that, there was a change of administration, and then I took over the Navajo Nation government in 1983. So that became a real outstanding

issue for the Navajo Nation, as well as other American Indian tribes throughout Indian country.

And so one day, we decided that what we should do is, why don't we put all of the people who are the plaintiffs in the lawsuit, people who have sued the Navajo Nation, together. And let's talk to them and see if we can come up with some kind of an understanding, or maybe a reading of the mind -- or, if we all want to disagree, let's agree to disagree. And so basically, we gathered those people in Window Rock and I had a session with them. And I remember Kermagy (sp?) was a major plaintiff. And then you had Thiftway, convenient gas station owners, and a lot of those business -- Utah International... those people were all represented there at the meeting. And one of the things that they were saying was that "we question the authority that you are using to tax us." And they said that "we believe that your right to tax may be exercised if you had the absolute power to do so -- that's OK with us -- [6:00] except that we have a contract that we signed with Navajo Nation as a government. And these contracts were signed by the chairman, past chairman, and resolutions were passed by the council. And so it's a legal document -- it's a

legitimate legal document. And we believe those kinds of contracts have precedence over what you claim, and that is your right to tax. That takes precedence," they said.

"And therefore, we don't want to pay tax, because the passage of that resolution was something that the council did subsequent to us signing that contract with you."

And so if you look at what was happening, they came into the Navajo Nation on their own will. They wanted to do business with the Navajo people. And the power to tax those companies, I guess, was in a gray area. It was questionable back then by parties that were under those kinds of arrangements with the Navajo Nation.

And so basically, I told the group that came together that day that we appreciate them coming to Window Rock and being honest about their position, and they made a pledge that they would go all the way to the United States Supreme Court, and that they believed that they could get a favorable ruling out of the Supreme Court. And so one of the things I told them was that, "OK. You've stated your reason why you're suing the Navajo Nation -- this is going to take a long time, and could we have an agreement that

you would pay the amount of money, the amount of taxes that you're supposed to pay into an escrow account? And that you would deposit those money at the local bank here in Window Rock in the name of the Navajo Nation? And should you beat the Navajo Nation three years, four years down the road, you get to take all that money that you deposited -- it goes back to you. But if the Navajo Nation should win, then we get to keep the money." And that way, the money is there in escrow. And that there's no question about collecting back taxes.

PI: [8:37] What did they say to that?

PZ: [8:39] And -- well, Dr. Anna Wauneka was there. And I remember that day. And maybe of the elderly Navajo council delegates were there also. And they pleaded with the companies, and they said that, you know, we really, really believe, because of what has happened to Indian country recently, and in terms of the Supreme Court making those favorable decisions, that we have every right to ask you to pay taxes. Because everywhere else you go, you pay taxes. For example, Peabody Coal Company has a company in West Virginia, and they have a company located in Utah. In those states, wherever you're operating, you're having to pay tax. But when you come to the Navajo Nation, you

refuse to pay tax, and you don't want to pay tax. And we believe that it's about time that you should start paying taxes. And we need those extra revenues to help support the Navajo people.

And so these elderly people were there to plead with them - - to say that. And they really didn't have any choice to contest some of the suggestions that were made by members of the Navajo government staff and members of the council.

PI: [10:11] Do you remember...

PZ: [10:11] So they agreed to do that.

PI: [10:12] OK.

PZ: [10:13] They agreed to do that. Grudgingly, they agreed to do that. And so by the time the Supreme Court came down with a decision -- and I remember it was on April the 14th, I believe it was in 1985, if my memory serves me correctly -- it was on that date when we got a notice from the United States Supreme Court that we had won the case. And that the vote among the justices was nine to zero.

PI: [10:48] (laughter) Really.

PZ: [10:49] And that they made a favorable decision in saying that the Navajo Nation is a legitimate government -- they

have a duly elected Navajo Tribal Council elected by the people, and that people should not question the legitimacy of the government such as the Navajo people. And that they are the most elaborate of all the Indian tribes in the United States. And I remember that language -- they concluded that decision with that language, and it kind of stuck in my mind, what the United States Supreme Court was telling the petitioners.

And so based on that, we then went back to the bank. And up to that point, they had deposited something like \$217 million in an escrow account. So that day that the decision was made, the question that was facing the Navajo Nation was, what do we now do with that money -- this extra money that's undesignated and hasn't been spoken for? And we had a hard time really meeting with community people, meeting with tribal leaders -- a hard time in trying to decide and come to some kind of an agreement supported by most people, in terms of how we should do that. And it wasn't until the local people -- it wasn't until the grassroots people started saying that, you know, all the tribal council does is that when they come into session,

they spend, spend, spend. It's about high time that they began to save money.

So an issue that was right before me as a chairman of the tribe was: how do you do this? How do you carry out what the local people are telling you, which is to save? And that's when the concept of developing a trust fund came into existence -- at least in the minds of many of the leadership.

And so we then decided to take a look at some of the existing programs, and I'll give you one or two examples. One of them was the Navajo Tribal Scholarship program. Up to that point, they only had something like maybe eight or nine million dollars left. It was the lowest that it has ever been in the history of the tribe since it was established way back in the 19... early 1950s. [14:00] And so we decided that what we should do is that, why don't we get out of the \$217 million and put \$20 million into the scholarship program, and then have that \$20 million become trust money -- so that the interest that it earns each year, plus whatever they had left at the scholarship office, which was about eight to ten million, would be

added to that. And if we did that right, then we would have about thirty million dollars that the trust fund could earn interest each year, and then that interest money could be used by Navajo students who are able, capable, and want to continue their education and go to colleges and universities of their choice.

And so that \$20 million was used that way. And the other one that we did back then was what we call Nation-Building Fund. If you look at all of the Navajo chapters, we had something like 100, 110 chapters. I think up to that point it was about 100, 107 chapters. But subsequently they added three more, so they now have 110 chapters. We decided to also create a nation-building fund, because chapters were basically an entity that was trying to build the communities that were helping the Navajo Nation government to build -- build a nation on the Navajo. So we called that the Nation Building Fund, and we decided to put \$60 million into trust for all the chapters. And that they would share the interest that that \$60 million brought in each year, and divide it up among all the chapters based on population at the local chapters.

So Shiprock, being the biggest chapter on the reservation, got the most money. And then some of the smaller chapters got less money than what Shiprock had. But it was enough money to take care of the local chapter government back then. And subsequent to what we did, then other monies came in to support the chapters. And so we put \$60 million in there. And so \$80 million was already designated into those different accounts. And then one of the other things that we did was to also [17:00] create various trust funds. And we created something like six to seven trust funds, to take care of different categories. For example, there were some monies set aside for the elderly people. There were some monies set aside for education -- Navajo Prep School. There were some monies set aside for all these different purposes. And the instructions from the council was that as soon as they put those monies in, the tribe has to wait for a year before the first yearly income would come to the establishment of those trust funds.

And so they began using those monies right away. Now, later on -- later on, I believe it was in my second term as a President -- we also created what we called Land Acquisition Fund. A certain percentage of the tribal

revenues would establish the Land Acquisition Fund. And the idea there was to continue to put a percentage of the total tribal revenues into a trust called Land Acquisition Fund, and that they would accumulate throughout the years. And the last time I was up on the Navajo reservation, I was told that it is now at about \$45 million. And that means if there's land made available, and if they are up for sale, right adjacent to the Navajo Nation or close by, they would use those \$45 million dollars to purchase those land. And the whole idea was that we need to enlarge the Navajo Nation, because we have a population -- a young Navajo Nation that continues to grow. And there's more and more Navajo born each year, and that adds to the demands for more living space, more land. There were some Navajo people, young people, who wanted to go into the grazing economy, or live off grazing economy. And they wanted to become livestock owners and all of that. And so they needed more land; that's why we did the Land Acquisition Fund. So you have a booming population out there, and if the land should stay the same, then at some point, we're [20:00] not going to all fit into that small space, and so the idea was that as the population is booming, we should also continue to increase the land base for the Navajo people.

And that's doing very, very well right now. The Land Acquisition Fund. And it was something that we did and that we're very, very proud of. And with the biggest trust fund being what we call the permanent fund. The permanent fund was established in 1984 -- I should say 1985 -- and the permanent fund is where, whatever it is that we allocated -- there was something like \$26 million that was left over, unaccounted for, undesignated. And we put that \$26 million into trust, and to start out what we call the permanent fund. And we established a tribal law that says that twelve percent of all total expected revenues should be deposited on top of the \$26 million. And that the interest of the 26 plus the 12% money should go back into the permanent fund -- the interest that it earns each year should go back in there. So that permanent fund had really two ways you can increase it. One was the 12% coming from the tribe, and the other one was that the interest that it earns each year also goes into it.

And that permanent fund just exploded, beyond anybody's imagination. The money managers, the lawyers who put this resolution together, people from the Navajo Nation, the

leadership of the Navajo Nation who put this together, and in helping me, this permanent fund just went beyond expectation. When I was back on the Navajo two, three weeks ago, I was told that it has now passed a billion. The one billion dollar mark.

PI: [22:39] What has? The fund itself?

PZ: [22:41] Pardon me?

PI: [22:42] The fund?

PZ: [22:43] Yeah.

PI: [22:43] Yeah.

PZ: [22:44] The permanent fund is over \$1 billion. And when I was talking to the money managers, people who manage those funds, they were saying -- they were telling me, they said that "Mr. Zah, it took twenty years to build up this one billion dollars. If the Navajo people should not use that -- if the Navajo people decide not to use that, then if we leave it in there, the next one billion is not going to be that long. It may only take 16, 15 years to go to the next billion. So when you increase that amount of money, it's going to generate more revenues for the Navajo people, so that the more money you put in there, it's not going to take that long to build another billion." And so the

Navajo people now have to decide what they should do with that permanent fund.

And permanent fund is only one of the six or seven trust funds that we developed, and people have to remember that - - that that's only one of them. And the reason why it's generating a lot of publicity and a lot of discussion among the Navajo people is that it's the biggest. And I think that by having that, we are one of the very few American Indian tribes that has money in the bank -- money in trust that's undesignated.

PI: [24:22] That's interesting.

PZ: [24:23] And that we're -- we're one of the tribes that enjoys that -- not all tribes have that. Yes, there are some American Indian gaming tribes that bring in lots of money, but they have to pay bills. They have to -- they put themselves in huge debt by building these facilities and doing all of these economic development programs. But they don't really have that much free -- free money in the bank, undesignated. But the Navajo people do, and I think there's only several tribes that have that capacity to save that much money. And so we're very, very proud of that.

And I wanted to just say that because now that we have built up those monies, the Navajo people have to come together, and they have to decide how those monies should be used.

PI: [25:25] Is there some -- excuse me.

PZ: [25:27] Pardon me?

PI: [25:27] Is there some pressure, as there has been in many other communities, to --

PZ: [25:31] Well, the --

PI: [25:31] -- to divide of it on a per capita basis?

PZ: [25:34] There has been some pressure. I receive e-mails, I receive telephone calls, and then when I go back out people always talk to me about it. There are some groups that want to start spending that money. For example, the last council session, the judiciary committee of the Navajo tribe had a resolution -- a bill that they introduced into the council, whereby they wanted to take \$153 million out of the permanent fund and use that \$153 million to build jails. Because they said, "We need jails on the reservation; we need either five or seven of them, so that we can put all of the Navajo individuals that are continuing to break the law into those jails, and right now we don't have a place where we can hold them." And when I

got wind of that, I went back to the Navajo and decided that I should lobby against that. So I lobbied with the individual council delegates at their caucus, before the council started. And the committee members who were asking the council to vote on it were also there. And so I gave my views -- my thoughts about what they should do. The judiciary committee members also did. But when it went before the full council, they voted it down. And I was very encouraged by some of the statements that those councilmen who voted against the proposition indicated -- that we need to save money, we need to hold onto this money, keep it in trust for the young people, for the future of Navajo Nation.

So even if you look at that one particular trust fund, the permanent fund, it really secures the future of the Navajo Nation, so that the young people can look to that and say hey, we have this money -- we need to decide as to how we should use that and how we should handle that. And my pitch to these young people has always been that they should go out and get education. They should do other things so that, you know, there is a -- a work force that is being developed out on the Navajo to help generate

business. [28:30] And that the young people should do a lot of the things that the Navajo people need. And there's just a tremendous opportunity -- unlimited opportunities out there. If they can get -- they get educated and get their degree, so that they have skills when they go back to the Navajo Nation, and then you can really, really begin talking about the use of the trust fund back then. And that is something that I continuously reiterate to the young people.

And so that's what -- that's what we need to do now. In the law -- in the permanent trust fund law, it also says that before any expenditures occur on the principal of the permanent fund, there has to be a referendum vote by the local people. In other words, the council can't just come in and say, "We want to use \$153 million," pass a resolution by majority, and then begin using those monies. They can't do it that way. The tribal law says when they are going to go into the principal, they have to let the people know, and the people have to vote on the use of those permanent funds before they can begin withdrawing those monies from the account. And so the Navajo people have to decide. Now, the law also says that when it comes

down to trying to use the interest earned, the interest that it earns during the year, that's a little different. You have to have a two-thirds vote of the council, and probably some participation on the part of the local -- local people, in terms of them having an input on what kind of project is being talked about for the use of those... interests that is earned for that year.

And so basically, that's what the permanent fund and your trust fund is all about. And what we would like to see -- what I would like to see is that the Navajo Nation, when they are coming together -- and this doesn't only deal with the Navajo Nation council as a government -- but it touches on the participation of the local people. And that's what people really have to understand. That at some point, [31:30] all of the Navajo people, the voters, have to come together, and we have to have a sense of direction. In other words, where is the Navajo people going right now? In what direction should we all be headed? Not until you decide those kinds of directions can you faithfully say that this is the way we want to spend -- begin spending the Navajo Nation trust fund. And so there has to be a sense

of direction before we can start putting a program together as to how this one should be done.

We also had a public hearing on the trust fund in 2003, and went to the local people -- we went to the Five Agency Council. We went to off-reservation Navajo population, such as Phoenix, Albuquerque, and other places, and had public hearings about the trust fund to educate the public about the Navajo permanent fund, and then some suggestions as to its use. And the majority of those people -- something like 82% of those people that were surveyed, and people who testified at those hearings, said, "Leave it alone. Don't spend it. We need to have that in our bank account -- savings account. That permanent fund is our savings account. And we don't want to have the council start spending it now. We need to save that for the future of the Navajo people." And so that was a very strong suggestion -- a very strong mandate from the local people. And so that kind of an indicator from the local people as to what -- how they feel about the trust fund.

PI: [33:54] The different Indian communities in Arizona have chosen different routes in regard to funding and per capita and scholarship funds. I remember talking with Clinton

Pattea -- maybe we've talked about this. He was saying he was worried at McDowell that the younger people would not realize that Fort McDowell, for most of its history, has really been a very poor community. And now that they have a great infusion of funds, they're not -- some of the younger people, he said, are not necessarily taking a long-term view of what we need to do with this.

PZ: [34:30] You know, I guess people can take that different ways. I realize that there are Indian tribes that have what they call per capita income --

PI: [34:44] Right.

PZ: [34:45] -- particularly those Indian tribes that are very successful with their casino. And what happens in those cases is that if you look at the leadership of those various Indian tribes, the leadership may not quite agree with doing a legislation on per capita income for individual members of the tribe. They were forced by the local people, because that's what the local people say they want -- to get a piece of the pie. And that if they keep the money at the tribal government level, they may not individually feel the impact of the tremendous amount of revenues coming into that small tribe. So in order for them to have some role and input, they always end up using

-- they always end up suggesting that there should be a per capita income for that particular tribe. So it's not only Fort McDowell that went through that process --

PI: [35:53] No, not at all.

PZ: [35:54] -- there are a lot of other Indian tribes.

PI: [35:55] Right.

PZ: [35:56] And in talking individually with some of those leadership, I know that the leadership, in many cases, did not quite agree with that. But since they're elected by the local people, they were mandated by the local people's vote to do that for individual members of the tribe.

And I guess you can look at that in two different ways: one is that if you go to per capita income, you then, in effect, give a message to the local people that you have this money coming either each month or each year. And that you really don't need to work -- you don't really need to go to school, get your education. That you don't really need to be motivated to do other things. And things -- you don't really need to be motivated to do things for yourself. And you give that message, which is very, very powerful, to the local people. And then the local people will say, "Yeah, that's what we want -- that's what we

voted for." And there isn't the incentive -- there isn't that drive, there isn't that desire and the energy to do other things if you do that with people.

PI: [37:30] And the smaller the community, the more pressure there is, isn't it? Because it's a bigger per capita payment? Like, at Navajo, it would be substantial, but it wouldn't --

PZ: [37:39] Yeah --

PI: [37:39] It would be much smaller, just given the size of the population.

PZ: [37:43] Yeah. And I guess per capita income, people will get a larger amount of money if they are a small tribe -- so it's an advantage --

PI: [37:53] Exactly.

PZ: [37:53] -- that they are, they are small, in that sense. And a lot of these people from those small tribes, the leadership, they always say that, to me, that "if you look at our casino, if you look at our tribal government, you have many, many Navajo people who are working there -- that the Navajo people are continuing to work. They're a working people." And that makes you really, really proud, that the people are telling you that.

Now, up on the Navajo, we number somewhere in the 300,000 population. We will be approaching about half a million within the next 20 years. And to have a per capita income, even on a billion dollars, we're not going to get that much individually. And so I think it's in the best interests of the Navajo people that these trust monies are spent in the most expedient way. And if there was a question right now pending before the Navajo Nation, I would be against the use of those funds and have it divided among the people. Even though they may be requesting a movement in the direction of recap-- per capita income, I think we as Navajo leaders, we need to guard against that. Because I'd like to see the Navajo people continue to work very, very hard for whatever little amount of money that we get, because as someone said, you know, the Navajo people are working people, and we should remain that way.

PI: [39:51] Well, that -- I took a group of students out to Ak-Chin yesterday, and I've done that for a long time, and they said, you know, they were so glad that their decision had been essentially the same. That this has given them more funding for housing for the elderly, and for fighting diabetes, and just a whole series of things that collectively can do more effectively than if each family or each person's (inaudible).

PZ: [40:17] Well, I think Ak-Chin is one of those small tribes that have not gone per capita --

PI: [40:22] Right. That's right.

PZ: [40:22] If I'm correct --

PI: [40:24] You are correct.

PZ: [40:25] And they are a small tribe that, I think, is a good model. Where they get those monies and then they decide among the people as to how they should use their income to promote more housing, to promote hospitals, health care, to send children to school. And I guess they are really using whatever amount of money that they're getting in the most productive way for the people. And they do it collectively -- they do it with input from almost everybody on that small reservation.

PI: [41:11] Yeah. It's a remarkable story, and it's not a story that very many people know about, but one of my students is going to her dissertation about the history of Ak-Chin. So I think that will be [interesting?]. She's been before their tribal council and gained approval and so forth and so on, so --

PZ: [41:30] That's good.

PI: [41:31] Yeah.

PZ: [41:31] Yeah.

PI: [41:32] Yeah, she's really a great student, and really a nice person. So... so what do you think -- when will that, among the Navajo Nation people, when do you -- when will that vote take place? Or will it be taking place for everybody at the same time, or in different areas?

PZ: [41:53] Well, the resolution that was pending this summer was to have a Navajo council pass a resolution that would put the question of dipping into the permanent fund principal, the expenditures of the principal. And the Navajo Nation tribal council, the Navajo Nation government, voted that down. Mainly by saying, "We all know what the answer's going to be -- the people are going to vote no. No, we don't start spending this money. So why ask the Navajo people a question that you already know what they're going to say? And wouldn't that be just a waste of money?"

And I agree that that's what the Navajo people will say. It was bad timing -- a bad time of the year to ask Navajo people about their willingness to perhaps share some of their ideas with the council in terms of how those monies should be used, because something like a month before that resolution came before the council, the council had bought

itself a nice golden ring, to use that ring as a trophy for, according to them, the beautiful work and the hard work that they're doing. And the people didn't know. And so if the Navajo council was successful in putting that issue before the voters of the Navajo people, we all know what they were going to -- what they were going to say. And that the answer would have been, no, we don't want the council to start spending. Look what they just did. You know, buying something for themselves.

PI: [44:07] What about that casino that's been constructed or is being constructed, out far to the east at what we used to call Cañoncito? Where do you think that's going to go, as far as --

PZ: [44:20] Well --

PI: [44:21] Where the money -- the revenue from that will go?

PZ: [44:23] Yeah... All of that detail into those -- the building of those casinos have been really, have been really worked out to what the people want and what the government wants, and then what the state wants.

PI: [44:42] Yeah.

PZ: [44:42] So in the state of New Mexico, you really have a triangle between what the state is looking for, what Cañoncito, for example, To'hajiilee-he, is looking for.

And then what the Navajo government is looking for. The three really have not agreed. And that's why it hasn't gotten off the ground. And you -- you can't really do that.

Plus, the situation on the Navajo was that as a local chapter, we are the local group that is in complete control. We have the ownership of this casino. Well, the way the state government looks at it is, no, you're not. You're just a chapter, and you are a subdivision of the Navajo government. We'd like to enter into an agreement with the Navajo government, and would like to deal with them. And what you're going to do is, you're simply going to be operating as a local subdivision of the tribal government. And in many cases, the local chapters don't really buy into that. And so that tug-of-war goes on.

PI: [46:09] Yeah.

PZ: [46:10] Now they have a new director of Navajo gaming. And the person has a lot of experience in developing Indian gaming throughout the nation. And so I think those kinds of situations will be ironed out, probably, within the next year.

And the Navajos are so lucky, because we live in three states. And whatever -- whatever number of machines, slot machines that might be brought into the Navajo, we're not going to get that from one state. For example, in Arizona -- in Arizona, the state allows Navajo, for example, to have something like 2,400 slot machines. And that's only on the Arizona side. I think on the New Mexico side, the Navajo can put any number --

PI: [47:16] Is that right?

PZ: [47:17] -- on the Navajo reservation. But that won't eat into the 24 that they have coming from Arizona. And so we're lucky in the sense that, you know, we can have more machines than any of the other tribes, because our land extends into those two states.

So I think the gaming within the next couple of years will probably be fully developed on the Navajo Nation. And in terms of how those revenues are going to be expended, and how fast can they expect that -- that's not going to come until, you know, maybe several years down the road, because to build these facilities -- to build these facilities is going to mean huge expenditures -- capital expenditures of huge amounts of money. I was reading in the paper the

other day where... where a banking -- a bank here in Phoenix, JC Morgan Bank I believe, is giving the Navajo Nation a line of credit for \$100 million to do the Church Rock facility. Now, it may take two years to fully develop that casino, but then we have to pay that money back for a certain number of years, and so the Navajo Nation is not going to begin realizing the income the day that it opens - - it's just going to wait several years before those incomes start flowing into the Navajo Nation government. And then the Navajo Nation government has to decide how it's going to use that money. It's going to have a lot to do with what the rules and regulations are from the state of New Mexico.

PI: [49:19] One of the variables in all of this, it seems to me at least, are the off-reservation, or away from the Navajo Nation, population. It sort of reminds you of the termination period, when they would have these votes on whether or not people would agree to take the federal government out of a jurisdiction and support. And at a place like Flathead, there was real opposition to this happening, but there were a lot of off-reservation people who said, "Well, this isn't helping me any." You know, and, "If I get some kind of cash payment, I'll get something that I wouldn't otherwise." So the dynamics of

that -- you know, those people who've lived within the reservation all their lives, and some others who are out working in Denver or wherever -- sometimes that's a complicator.

PZ: [50:07] Yeah. I think that's -- that's an issue that's going to be prevalent in the next several years with the Navajo, because I think if you look at the population of Navajo people, as I indicated, we now have about 300,000 people -- how many of those 300,000 live on the reservation, and how many live off the reservation? We're about split in half right now.

PI: [50:38] Right.

PZ: [50:38] And that was never really the situation during the last 30, 40 years.

PI: [50:44] Right.

PZ: [50:45] There were always a majority of the Navajo people living on the reservation. But because of education, and because of technology, because of the lack of jobs, many of the Navajos have migrated here into Phoenix, because Navajo people go to school here, for example, at ASU. And then they can -- they will find jobs here. In my own family -- I never thought that this would happen, but, you know, many

of my family -- immediate family members are now here in Phoenix.

PI: [51:23] Yes.

PZ: [51:24] Because they have jobs here, and their children go to school here. So I think -- I think there's going to be an issue of, how do you treat those Navajo people who live off the reservation?

PI: [51:36] Yes.

PZ: [51:36] How does the Navajo Nation government treat them? And it's going to have a bearing on what happens with the casino, the action of the tribal government, the action of the federal government, and all of that. And they have to kind of relive what Indian Health Service had to go through, and BIA had to go through, when all of the Indian people started living off-reservation. And they have that kind of controversy that's still -- that still will be coming to the Navajo people for them to decide.

PI: [52:20] One of the things that I thought about, of course, during the last few days and last week, was that terrible incident down at the University of Arizona. And it just, you know, such tragic events. And I don't want to talk about it personally and directly -- I know it's not appropriate to do it past a limited point anyway. But it

speaks to, I think, some of those issues about values and urbanization. And, you know, what -- there are so many more people now, not only who live off-reservation, but so many people within the reservation who live in town rather than out in the country. And that's -- in the long term, I guess, it has to have some impact in terms of how things work and what language people speak, and a lot of things like that.

PZ: [53:20] Well, I never thought the day would come to the Navajo people when we would be doing such things to each other.

PI: [53:27] Yeah.

PZ: [53:28] On and off reservation. And -- but it's here. It's among... it's among the Navajo people. I used to think that, when I read the newspaper way back in the late 1940s, when I read about somebody murdering somebody in the city of Albuquerque or in Phoenix, and sitting back on the reservation I used to think that, "Well, all of those kinds of things happen in the city. And they're three or four hundred miles away." So you kind of ignore all of that and say, "It'll never happen -- it'll never happen -- never happen here on the Navajo, because there's a few of us and we don't think that way. We believe that every life is so

important, so special, and so spiritual, that you don't do that to each other. And Navajos will never, ever do that." But I was wrong. So was many other Navajo people. Those kinds of things are before us, right now.

PI: [54:28] There are no easy answers to those things. (pause) One of the things that, you know, reading (inaudible), we've talked about this, I'm sure -- in picking up these documents for this book, one of the things that struck me is that there are certain people who could really look to the future and see what was going on. And one of them certainly was Ned Hatathli, who was very, you know, concerned about where things were going, but he was very realistic about, you know, the... what was going on in terms of agriculture. And he -- you know, in the 1950s, long before now, he gave a speech to the council, and said, you know, we have to realize that the economy is changing, and transportation's changing, and all of that. And we've got to be aware that we have other choices and challenges before us.

And it was interesting to read, you know, what Ned was saying in 1957, half a century ago, and realize that he really had that long-term view. He wasn't expecting

livestock to disappear altogether, but he was saying that... let's see what he says... by the early 1930s, about 50% of the Navajo income was derived from livestock raising. And he says, whereas now it is slightly under... let's see... my failing eyes here. Oh, actually, I'm going to have to look at that -- oh, under ten percent. Under ten percent now, so. And he says that it -- it means that other sources of income are coming into the picture.

Livestock production is still our single biggest industry, and we take that business very seriously, but we as a tribe have to think about, you know, where we're going from there. And I've heard a lot of people saying that they worry about that. You know, they worry about their kids, you know, not learning their values through the livestock raising, you know, variety, things like that. (pause) He never thought, you know, he would see certain things -- you know, I never thought I would be able to drive through most of the Navajo Nation and not see any sheep at all. I mean, I know there's still sheep, but --

PZ: [57:18] Well, I think -- I think Ned Hatathli was a visionary leader, and he was one of these individuals that had great foresight in predicting where we were headed -- where we were going. And he tried to have some influence on how the future of the Navajo Nation should look. And I

think he's so correct when he cites those citations about livestock economy on the Navajo, and the percentages that he gives. And that, to me -- all that indicates is that Navajo lifestyle is changing; Navajo culture is not static. It's changing -- it's going to continue to change, because we may live way out there on the Navajo Nation where we don't have all of these modern conveniences, modern technology, and all of that. But sooner or later, all of what's around us is going to come in, because we continue to encourage the young people to go out and get an education. And if we don't have the educational facilities built for them on-reservation, they're going to have experience out here, for example, in Tempe and Phoenix and Albuquerque and other places -- they're going to feel and taste the modern conveniences, the local stores, the banking and jobs and education, and all of those are readily made available to them. And they're going to get used to it. So when they go back to the Navajo Nation, they're going to ask for some of those conveniences as well. And if the Navajo Nation government does not provide it, then those Navajo people are going to continue to stay out here, where they can get those things.

To me, that's what's happening right now. Because this surge of Navajo people living off-reservation just occurred within the last 15 to 20 years. So we're really feeling the influx of Navajo people and Navajo students coming off the reservation.

[60:00] And to some degree, you have to put that back on the shoulders of the Navajo leadership, because we continue to tell our students to get an education. Go out and get an education and be what you want to be. So we're pushing them maybe a little bit too much in the direction of urging them to get a white man's education. And maybe what we, as the leaders of the Navajo Nation, should be saying is to get your local Navajo cultural education. All of the Navajo teachings, the Navajo values, the Navajo religion, Navajo lifestyle, and all of that -- what makes the Navajo people who they are. We should maybe be saying, "Learn that first and equip yourself with all of that learning while you are on the reservation at a young age. Then you go out -- but only after you have mastered what the Navajo people is all about. Then you can go out and learn about the white man's ways -- but keep on remembering that you are not there to stay. That you are not there to fully

embrace everything that they do. That there are good sides and bad sides of both cultures, and that your job is to select the -- you know, the things that are good for you, things that are good for the Navajo people."

We never really said that loudly. Yes, there has been suggestions, and there has been some people that were saying that. But we didn't really say that in unison. As a concerted effort to tell our people that. So you have a situation now where many of these people come out here and they stay. And they'll probably stay here.

And you never know -- you never know what the overall development that's taking place will lead us to. It may be a situation years down the road where you're going to have more Navajo people living off the reservation and less back home. And if that happens, we have all of those mineral resources. We have the coal, we have the gas -- natural gas, we have timbers, we have water -- we have all of these things that we need that's on the reservation. And so Navajo has to be very careful that we don't leave all of those behind at home, and then come into Phoenix and then expect to live here all the rest of your life.

PI: [62:54] Yeah.

PZ: [62:55] So, you know, we are approaching that day and age when we, as Navajo people, have to come together as a group -- as an entity in trying to learn more about what we're doing, and what we're really doing to ourselves.

PI: [63:13] Yeah. Luci Tapahonso, in one of her poems, says, "We believe in old values and new ideas." But it's a tremendous challenge, isn't it? I mean, it's just... each generation faces its problems, but this -- it just strikes me, the whole impact of urbanization within the Navajo Nation is an area that, you know, is going to demand a lot more attention than it already has.

PZ: [63:45] I guess -- I guess Luci makes it sound very simple. And she's so right. We believe in old values and new ideas. Because if you look at the Navajo population, that's what it's all about. But I guess what I'm suggesting is that those old values -- we as a Navajo nation, in concert with one another as an entity, in a designed way, never really demonstrated that to the young people. Maybe we kind of pushed them away from those old values and told them "you should go out and get an education." Maybe we, as elderly people, thought we were doing something for the good of our youngsters, because

everyone loves their children and grandchildren, and we were trying to do whatever it is that they really wanted to do. But in a subconscious way, maybe we really shouldn't have done it that way. Maybe we should have sat down with them and said, hey, these are the old ways. These ways have been good to the Navajo people, and it's going to continue to be good to the Navajo people; therefore, you have to preserve them. We have to keep them before you go out and venture out into these other cultural values that the dominant society embraces. And then say that that really isn't yours, but you have to learn how to live within those dominant society's values. Well, maybe we didn't say that and explain ourselves all that clearly to the young people.

PI: [65:42] It's front and center in that film that John Adair made twenty years ago, *A Weave of Time*, when they -- even then, we have Daniel Deschinny, and he's married to Isabel Myers, and the kids have grown up and they haven't learned Navajo. And he places the primary blame on that -- on Isabel. And Isabel doesn't think that's quite fair, and she talks to her mom, Mabel Myers, of course, and Mabel says, "Well, I sent the kids to boarding school at St. Michael's." And she says, "I thought I was doing the right thing in terms of their learning English and all the rest."

But she said, "If I had to do it all over again, I would not -- I would think harder about the price that, you know, we pay as a family for not all speaking the Navajo language." And, you know, things like that.

There's an interview with and brief commentary with one of the elders in that community, who says, you know, "I have things I want to talk to the young people about, but they don't know Navajo and I don't know English." And so he says, "I live in silence." And that just, you know, really spoke to... to me when I showed that film in class. And people say, "Well, that film was made twenty years ago, but it sounds like it's made about right now, too."

PZ: [67:07] Yeah. (pause)

PI: [67:11] Well, maybe we've done enough for one -- for one day. What do you think?

PZ: [67:16] Yeah. I have you on my calendar for --

PI: [67:20] Yes.

PZ: [67:21] -- for next week at the same time.

PI: [67:22] Same time.

PZ: [67:23] And then these guys upstairs, they want me to do other things after we are finished here --

PI: [67:29] Well, whatever you want.

PZ: [67:30] So we'll do that.

PI: [67:31] OK.

PZ: [67:31] And I... maybe as you're working on this, you could come up with some questions --

PI: [67:38] I will, and I've been meaning --

PZ: [67:39] -- clarifications that I need to make, and all of that.

PI: [61:41] I will do that.

PZ: [61:42] OK.

PI: [61:43] I think it's --

PZ: [61:44] Yeah.

PI: [61:44] I think it's going OK -- I hope you do.

PZ: [61:47] Yeah.

PI: [61:48] Yeah -- we just need to kind of keep --

PZ: [67:49] OK.

PI: [67:50] -- moving forward with it. Yeah.

PZ: [67:51] Thank you.

PI: [67:52] OK. Thanks, Pete.

PZ: [67:56] (pause) One other thing, Pete -- this -- we can stop this --

PI: [68:01] Oh, yeah. Let's see -- how do we do that? This is
pause...

End - ZahPeterson 2007-09-12