Big Business, Not Betting, as Boom for Many Tribes - But some Indians worry that Wal-Marts and Wendy's may harm their cultural heritage.

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For centuries, the Pima and Maricopa Indians have been farmers, harvesting rows of melons, potatoes, and Pima cotton that run through the patchwork of dusty Arizona desert like emerald threads.

But today, as the suburbs of America's seventh-largest city push up against tribal land, the Pima and Maricopa are finding that the most valuable yield they can take from their land is not crops. It is Wal-Marts and Wendy's.

In a trend increasingly common on Indian reservations across the country, commercial development is becoming a popular way to diversify tribal economies. Faced with declining federal revenues and uncertainty over the sustainability of gambling, a growing number of tribes are turning to more traditional industrial and commercial initiatives to boost long-moribund living standards.

While many native Americans claim that economic development is endangering Indian culture and widening the gap between rich and poor, a number of tribes have found that attracting private investment can be an answer to many economic challenges.

* The Mississippi Band of the Choctaw Indians has more than 5,000 employees - making it one of the state's 10 largest employers. Tribal businesses include electronics and manufacturing enterprises that serve Ford, Chrysler, and Xerox.

* The country's largest tribe, the Navajo, whose land includes parts of Arizona, Utah, and New Mexico, is developing resort areas and establishing tribal enterprise zones aimed at attracting businesses with tax and tariff incentives.

* The Yakima Nation in Washington State has timber operations that provide 80 percent of the tribe's revenue and 25 percent of its employment.

* The Mescalero Apache in New Mexico operate a $30 million ski resort that accommodates 300,000 people each year.

For their part, the Pima and Maricopa have a Wal-Mart retail center, a Wendy's fast-food restaurant, and The Scottsdale Pavilions, a 140-acre retail center that is the largest commercial development ever built on Indian land. Developers estimate that additional projects along the nine-mile freeway corridor could generate as much as $1 billion.

But the expansion doesn't please everyone on the reservation. Although development has brought much-needed money to many Indian tribes, critics charge that it could increasingly bring tribes into an Anglo business world and accelerate the demise of native Americans' unique heritage. "Some of the issues are the loss of farmland and a way of life for hundreds of years," says Nona Baheshone, director of community development for the Salt River Indian community - home of the Pima and Maricopa. "People are concerned about how development will impact their lives."

In addition, it's not yet certain that the money from this project will make it to all of the community. Tribal members who own allotment lands along the freeway corridor have built stunning homes as the result of deals with developers, yet about 500 families have been on a waiting list for years to get suitable housing. Tribal officials estimate that between 75 and 90 percent of the community's 6,000 members still live below the poverty level.

How to lure businesses

But tribal members also realize that to replace decreasing federal dollars the tribal government must find ways to provide services, and that can be difficult to do - especially for tribes in remote areas. Even for tribes near big cities, attracting businesses onto Indian land can be complicated. First, complex land ownership rights make it difficult for businesses to finance their ventures. Second, and perhaps most important, most reservations lack the educated work force and transportation systems that businesses need.

Forrest Cuch, director of economic development for Utah's Division of Indian Affairs, says it takes a certain level of sophistication to succeed in business, and the poor education afforded many Indian children does not prepare them.

"We assume people are prepared to operate businesses, but they're not," he says.

In the face of these difficulties, many tribes have turned to gambling to supplement their income or at least give them a financial kick start - despite its often-spotty success.

Indian gaming is a $5 billion industry, but only a handful of tribes account for 40 percent of Indian gambling revenues. Less than half the country's more than 500 tribes have gambling operations, and the tribes that benefit the most are the same tribes that have an edge in business - those located near large cities.

The Yavapai Indians - living northeast of Phoenix - have been one of the successes. Since they opened the Fort McDowell Casino in 1993, it has brought in about $200 million per year - enough to wipe out poverty among the tribe's 850 members.

In addition to a new school, mental-health center, and health clinic, the gambling money has allowed the tribe to build and repair roads and update its water and sewer systems, which tribal officials say were 30 years out of date. And it has provided money for new business enterprises.

Using gambling revenue, the tribe expanded its farming operation, planting citrus and pecan trees, that it hopes will provide a source of income for years. It also built a service station for travelers on the Beeline Highway, with plans for more highway services in the works.

In fact, the community now provides 1,400 jobs, more than the 400 adult tribal members can fill.

Balancing culture and prosperity

But for those tribes that do succeed in business - as well as gambling - the issue then becomes finding a way to balance economic prosperity with cultural preservation.

Some see the prosperity as a means to shore up cultural resources. The Fort McDowell community has used part of its wealth to strengthen cultural and language programs. A video documentary and Yavapai dictionary are two of the projects in the works.

Meanwhile, the Pima and Maricopa Indians are using their money to build a new school so they can educate their children in the community rather than sending them to mostly white Mesa public schools.

In terms of the community's economic goals, Pima and Maricopa officials say they simply want to meet their obligations. "We're just a community trying to provide services to our people," says Ed Sampson, an economic development officer. "Just like any other community."

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