

**IN PURSUIT OF CAPABLE GOVERNANCE:  
A REPORT TO THE LHEIDLI T'ENNEH FIRST NATION**

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*Founded by the Morris K. Udall Foundation  
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**EXECUTIVE SUMMARY**

The Lheidli T'enneh First Nation is involved in an extended and in many ways innovative effort to reclaim the right to govern itself and to exercise that right effectively. This effort is moving forward through the British Columbia treaty process, the development of a constitution, a governance agreement with federal and provincial governments, a set of protocols adopted by the nation and other governing bodies in the region that specify relationships among them, and other steps undertaken by the nation. Lheidli T'enneh has been aggressive at asserting control over its own affairs, particularly in the area of land use and resources, and is inclined to push against the apparent boundaries of jurisdiction and decision-making power.

While the nation is small in both population and resources, it enjoys a promising location for economic development and has the prospect of gaining control over a significant expanse of economically productive lands. Lheidli T'enneh faces difficult economic, social, and political challenges, but it appears to have avoided some of the crippling social problems and factional conflicts that can pervade community life and immobilize First Nations.

At the same time, there are issues that we believe the nation needs to bear in mind as it continues to move toward capable self-governance. These issues are explored more fully in the main body of this report. We have organized them into six categories: Structure/Organization, Strategic, Fiscal, Human Resources, Community Engagement/Support, and Leadership.

- **Structural/Organizational**

We are not convinced that the discussion of governance structures is addressing in sufficient detail the need for a set of governmental tools capable of meeting the challenges facing Lheidli T'enneh First Nation. While we are not fully acquainted with the constitutional materials currently under discussion, our experience suggests that the constitution is a critical document at issue here, and we are concerned that certain key governmental functions may be ignored. One example: is the nation making adequate provisions to ensure that its economic ventures are insulated from political pressures or other interference with the potential to undermine enterprise success and sustainability?

- **Strategic**

Does the nation have a general strategic plan that identifies priorities and concerns as development plans move forward? For example, while the land selection process seems to be proceeding in a careful and deliberate manner, we are not sure whether it is an attempt to achieve a general strategic vision of how the nation envisions using its land base or is simply an effort by those involved to make sensible land decisions. While the latter goal is important and laudable, it is nonetheless different from, less ambitious than, and less stabilizing than the former.

- **Fiscal**

The nation is being admirably aggressive and resourceful on the issue of taxation; however, we are not convinced that Lheidli T'enneh is paying adequate attention to the other primary sources of potential revenue: income from First Nation-owned enterprises or from assets other than land. Maximizing these sources of revenue will require close attention to the structure/organization of government and to the specific strategic goals of the community.

- **Human Resources**

Lheidli T'enneh has an ambitious governance and development agenda, and it will require numerous people with substantial skills to accomplish it. Attention will need to be paid to a strategic plan for developing or recruiting—and retaining—the necessary talent and for developing the necessary skills. We are not sure such a plan presently exists.

- **Community Engagement/Support**

Based on our brief visit to Lheidli T'enneh, follow-up conversations, and a review of documents, it has been difficult to estimate the extent of community support for and engagement in the current government's political and economic agenda. As the nation moves forward in pursuit of its complex and ambitious goals, will it be able to retain broad-based community support? What plan is in place to do this?

- **Leadership**

Lheidli T'enneh has benefited in recent years from visionary, capable leadership. But does the nation have in place (1) a set of governing institutions that can protect it from less capable or honest leadership, should such leadership arise, and (2) a mentoring system that effectively prepares future leaders who can meet the nation's needs?

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In March of 2004, the Lheidli T'enneh First Nation in British Columbia, working with the First Nations Governance Centre (FNGC), invited the Native Nations Institute for Leadership, Management, and Policy (NNI) at the University of Arizona to examine and evaluate the steps being taken by Lheidli T'enneh to lay the necessary foundations for assertive and effective self-governance.

In response to the nation's invitation, researchers from NNI and representatives of FNGC visited Lheidli T'enneh, outside Prince George, in July. The team spent portions of two days with Lheidli T'enneh leadership and staff. We also reviewed a substantial collection of documents given to us by the nation along with other materials relevant to the inquiry. Subsequent telephone queries filled in some informational gaps.

This report, prepared by NNI, presents our findings. We have not attempted here to outline or trace the entire process by which Lheidli T'enneh is pursuing capable governance. That process has multiple parts and is a long way from completion. Our purpose is to identify positive steps the nation has taken—of which there are many—and to raise issues that we believe the nation needs to address or be aware of if its overall effort to reclaim control over its affairs and manage those affairs effectively is to succeed.

The report is in two major sections. **Section I** provides our overview of the nation's governance initiatives and our sense of the current state of the community. **Section II** identifies key issues that we believe the nation should address and, where appropriate, offers recommendations or suggestions about how that might be done.

## **I. OVERVIEW**

**The Lheidli T'enneh First Nation is involved in an extended and in many ways innovative effort to reclaim the right to govern itself and to exercise that right effectively.** This effort is moving forward through the British Columbia treaty process, the development of a constitution, a governance agreement with federal and provincial governments, a set of protocols adopted by the nation and other governing bodies in the region that specify relationships among them, and other steps undertaken by the nation.

Particularly in the area of land use and resources, **the nation has been aggressive at asserting control over its own affairs** and is inclined to push against the apparent boundaries of jurisdiction and decision-making power. This seems evident both in already existing relations with other governments and in current treaty negotiations with British Columbia and Canada.

**Lheidli T'enneh has worked hard to develop productive relations with local, non-Aboriginal governments.** This kind of reaching out to its neighbors reveals a healthy realism—no nation can operate as an isolate—and it appears to have been successful, judging from the number of protocols and agreements the nation has reached. However, it is difficult for us to judge the level of practical success in these relations without talking to some of those other governments and understanding better how these protocols and agreements work and what their payoffs are. In other words, we see the nation's efforts as admirable but are unable to judge their effect.<sup>1</sup>

**The economic situation is mixed.** While the nation is small in both population and resources, it enjoys a promising location for economic development. The proximity of the city of Prince George presents numerous economic opportunities. Through the treaty land settlement, Lheidli T'enneh is likely to gain control over additional lands with significant economic potential both within the city and in less populated areas within the nation's traditional territory. Prospects for additional forestry, fishing, and recreational tourism activities appear to be good, although obviously much depends on which lands are selected and transferred to the nation's control.

At the same time, however, ownership of these assets guarantees nothing. Assets do not automatically pay off; they have to be put to work and transformed into practical sources of revenues, jobs, or other material benefits. This is no small or easy task. It may require organizational changes within the nation's government so as to better support development. The nation's small size means it may require not only the development of managerial and technical skills within the nation but the acquisition of some of those skills from outside. Realizing the potential of the assets may also require significant capital investments beyond what the nation has at its command.

As all this suggests—and as is the case with other nations—the key development question is not so much what natural-resource assets or location opportunities a First Nation has in hand as whether it has the necessary organizational and human resources to make those assets productive and realize those opportunities. Some of the richest nations in the world squander their resources as a result of dysfunctional governmental rules or incompetent organization that discourages both citizens and outsiders from investing in the nation's future.

On the social front, **Lheidli T'enneh appears to be a relatively healthy community.** This was most evident to us in the current state of the nation's youth and in community support for young people. Children and youth are in school; the nation celebrates their successes (the annual educational awards event, which drew a large portion of the community together to recognize the achievements of their young people,

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<sup>1</sup> It would be useful for the nation (and perhaps for other First Nations as well) if Lheidli T'enneh were to track these agreements and their effects. In the U.S., for example, after establishing an intergovernmental affairs department to work with non-indigenous governments, the Confederated Tribes of Grand Ronde in Oregon were able to track changes in legislative activity at the state level and found a measurable decrease in proposed state legislation harmful to their interests: evidence that their efforts on intergovernmental relations were paying off.

was a highlight of our visit); dropout rates are down; and there have been no youth suicides in recent years. The high level of community involvement in this area is itself an indicator of social well-being. While we realize that there may be significant social problems at Lheidli T'enneh of which we have no direct knowledge, we saw little sign of the crippling social dysfunction from which many Aboriginal communities suffer, and we saw ample signs of health.

Finally, and very much to its credit, **the nation appears to be pursuing innovative solutions to key economic, social, and political challenges.** For example, it has chosen—apparently with broad community support—to invest the bulk of its cash settlement for long-term benefit instead of spending it on short-term needs, viewing these funds as a critical capital resource for the future that must be protected from immediate spending pressures. Similarly, it has taken some of its timber revenues and invested them in an education fund, using present income to build future strengths. An example from the political arena: the nation has not simply accepted the prevailing system of Aboriginal government as the only possible governance template. Its consideration of clan- or family-based representation indicates a willingness to explore other models that may be more congenial or effective. Finally, the nation is reaching out to other organizations, including both the University of Northern British Columbia and the First Nations Governance Centre, for assistance. All of these examples suggest a nation that is open to change and is actively seeking and applying usable models, relationships, and ideas that—regardless of origin—help meet its needs.

Obviously there are difficult economic, social, and political challenges ahead, but the nation appears to be aware of those challenges and to be seeking new ways of meeting them. It also appears to have avoided some of the crippling social problems and factional conflicts that can pervade community life and immobilize First Nations. **In short, we are impressed with what Lheidli T'enneh is doing.**

## II. ISSUES

A number of First Nations in British Columbia, like Lheidli T'enneh, not only are involved in the treaty process but also are engaged in a more general assertion of self-governing power and an effort to meet urgent social and economic challenges. A prominent feature of such situations is that *a lot happens at once*. We are struck by the magnitude of what Lheidli T'enneh is trying to do and by the fact that so much of it has to happen at more or less the same time.

Among its simultaneous tasks, the nation must negotiate a new relationship with the province and the federal government, establish an expanded land base that can support the nation for the very long term, design a government capable of realizing the nation's goals, lay the groundwork for an economy that is productive enough to sustain the community and its government, and find, recruit, train, and hang onto the people capable of making all of this happen. As if that weren't enough, it also has to keep current activities going—programs, services, relationships and community events.

In the course of the site visit to the Lheidli T'enneh First Nation and in reviewing materials since the visit, a number of issues emerged that seem to us to be particularly important as the nation addresses this extraordinary list of tasks. We have organized these issues into six categories.

### ***1. Structure/Organization***

The key issue can be simply put: *does the nation have in hand a set of governing tools adequate to the challenges it faces?* By governing tools we refer to the rules and organizational structures by which the nation proposes to govern itself: constitutions, codes, policies, procedures, and the like. These specify the organization of government, including the distribution of rights, authorities, and obligations among citizens and governmental bodies.

Such tools are crucial. First Nations can assert self-governing powers and claim jurisdiction over their resources and affairs, but without adequate tools, it will be almost impossible to translate such powers into practical benefits for their peoples. As Chief Strater Crowfoot of the Siksika Nation said recently, "Jurisdiction is like a building permit. It acknowledges that we can build our government, but it does not necessarily give us the tools and materials to do so."<sup>2</sup>

An example of governing tools is the Lheidli T'enneh First Nation Land Code. This was the first land code established in British Columbia under the Framework Agreement on First Nation Land Management. It specifies such matters as law-making powers, community approval processes, accountability, membership of the Lands Authority, and dispute resolution mechanisms. By setting out how such issues will be dealt with and how certain activities will be carried out, it becomes a tool that the nation can use in pursuit of its goals. It is a key component in Lheidli T'enneh nation building.

In addition to the Land Code, three other documents will specify the nation's most important governing tools: the treaty, the constitution, and the governance agreement. As several people in our site meetings pointed out, a critical question facing the nation has to do with *what goes where*. In which of these places should these various rights, authorities, obligations, and other rules by which the nation operates be specified?

The answers are going to be determined largely by considerations of law and, within such flexibility as the law permits, political strategy. We lack expertise in either of these in the Canadian context. Our concern, therefore, is less with where the tools are specified than with what kinds of tools they are and whether they are up to the job at hand.

This points us toward two primary questions. (1) What is the primary function of First Nations government? (2) Regardless of where the mechanisms of governance are

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<sup>2</sup> In a presentation to the Youth Think Tank organized by the First Nations Governance Centre, Calgary, Alberta, October 4, 2004.

specified, are they capable of effectively supporting the nation's ambitious self-governance and development agendas?

In regard to these questions, we were somewhat troubled by a sense that some of those involved in Lheidli T'enneh's new initiatives may view the delivery of social services as the primary function of government. Service delivery *is* an important governmental function, and a particularly important function of First Nations governments that administer major social programs. But it is by no means the key governmental function, and it has little to do, in fact, with *governing*. Administering programs and governing a nation may be related, but they are very different activities (see Table 1 at the end of this document). Unfortunately, some people—in particular, in our experience, federal and provincial bureaucrats dealing with Aboriginal affairs—tend to view indigenous self-governance as little more than administering programs. First Nations should resist this tendency.

Governing is about deciding where the nation is going; putting in place laws and policies capable of taking the nation there; making the necessary decisions about resource use, internal affairs, and other matters; and creating an environment that encourages citizens and non-citizens alike to invest time, energy, and ideas in the nation's future. Governing consists not in the provision of services but in decisions about how to obtain and provide services.<sup>3</sup> What is needed is not so much a government capable of delivering services as a government with the authority and capability to make and implement major decisions, from financial management to land and resource use, from relations with other governments to service delivery, from developing laws that address the nation's problems to the fair implementation and enforcement of those laws, from identifying national priorities to the resolution of disputes (see Table 1 at the end of this document). The challenge for those trying to build capable government is to put in place a set of rules and an organization that can make and implement such decisions efficiently, effectively, and fairly.

For many nations, this puts the spotlight on the constitution. This typically is the document that lays out the foundational rules and basic structure of government, making it a core component of nation building. This is where the "adequate tools" question is most likely to be addressed. While the treaty and governance agreement may establish some of the key features of Lheidli T'enneh jurisdiction, the constitution will have to specify *how* the nation will organize and exercise its powers—and how it organizes and exercises its powers is perhaps the best indicator of its potential for successful self-government and economic development.

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<sup>3</sup> For example, self-governing communities may freely choose not to provide services themselves but to contract those services out to other entities—Aboriginal or non-Aboriginal—that have administrative or economic advantages in service delivery. See the discussion in Stephen Cornell and Joseph P. Kalt, "Alaska Native Self-Government and Service Delivery: What Works?" *Joint Occasional Papers in Native Affairs*, No. 2003-1. (Native Nations Institute for Leadership, Management, and Policy, The University of Arizona, and Harvard Project on American Indian Economic Development, Harvard University, 2003). The key point is that self-government and service delivery are not the same thing.

We have reviewed some materials relating to the drafting of the Lheidli T'enneh constitution. We are aware that community members traveled to Nisga'a territory to observe the Nisga'a government in action, and that Lheidli T'enneh is considering adopting a constitution based in part on the Nisga'a Lisim constitution. This shows a desirable willingness to learn from the experience of other nations and to explore other models of governance, and it may indeed be the most appropriate course for Lheidli T'enneh to follow. But it is also important to remember that, if a government is to be effective, it will have to have the support of its own people. A constitution developed for one nation may not fit the needs or culture of another—one size does not necessarily fit all. The challenge for Lheidli T'enneh is to learn from what others have done and borrow what feels right, but at the same time to be sure that its government is one the people believe is right *for them*.

Certain of these structural and organizational issues are clearly on people's minds, as the interactions with Nisga'a, the discussions of representation in meetings on the constitution, and the work on the land code indicated. However, some critical governmental functions appear to have received less attention to date than they should, among them law-making (where will law-making power reside and how will laws be made?), justice systems (including an independent, reliable, and efficient dispute resolution mechanism), adequate separations of powers, terms of office (both their length and whether they are staggered), and provisions for keeping internal politics out of enterprise management.

This last point is critical. Lheidli T'enneh is a small nation with a dense set of interrelationships among its citizens. Politics are often family-based, and many governmental and economic decisions are likely to involve relatives and close friends. In such situations, it is very easy for political considerations to trump efficiency and effectiveness in enterprise and program management decisions. This constitutes a major threat to the viability of nation-owned enterprises and the smooth delivery of services. Extensive research carried out by the Harvard Project on American Indian Economic Development and the Native Nations Institute indicates that First Nation-owned businesses that are insulated from political pressure or interference are significantly more likely to be profitable and successful than those that are not.<sup>4</sup> In short, a key issue that governmental design has to address is how to keep internal politics in their place and prevent them from undermining the nation's economic health and people's trust in their own government?

We have touched here on some of the more substantial issues of governance. Nation building also includes such things as codes and policies. We also realize that no structure can guarantee success. Much will depend on the integrity, intelligence, and skill of those who make and implement decisions on a daily basis, and on their ability to transfer their own commitment and knowledge to those who follow them into positions of

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<sup>4</sup> This does not mean that political overseers should not communicate with First Nation-owned businesses. There are models of successful, nation-owned businesses in the United States that keep political considerations out of day-to-day business management while still allowing for an adequate flow of information and strategic thinking between councils and enterprises.

leadership. But much can be accomplished by equipping the nation's current and future leaders with a solid organizational foundation and good rules by which to govern.

### **Recommendations/Suggestions**

- Resist the temptation to interpret the core function of governance as service delivery.
- Treat constitutional development as a key step in securing the nation's future.
- Repeatedly ask three questions: (1) *Is the government we are building adequate to our circumstances?* (2) *Does it have community support?* (3) *Have we created a governing environment that encourages people to invest their time and energy in the future of the nation, or does that environment leave their investments hostage to politics and encourage them to leave?*
- Consider at least the following as matters that deserve constitutional consideration:
  - ✓ Provision for fair and non-political dispute resolution (First Nations courts are rare, but such a court would be desirable, even if it were jointly built with other, nearby First Nations that share culture or have close relationships with Lheidli T'enneh. Such institution-sharing can help overcome some of the disadvantages of smaller First Nations).
  - ✓ Provision for continuity during changeovers in administration (for example, staggered terms for councilors)
  - ✓ The danger of allowing politics to interfere with enterprise and service delivery. Currently there are a number of nation-owned companies and joint ventures that have Lheidli T'enneh leadership involvement in some capacity (for example, on the board of directors). The nation may want to reconsider this or at least make provisions to effectively manage the business/politics connection.

## **2. Strategic**

Our discussions both with Chief Seymour and with the treaty negotiation group suggested that, while these leaders have a clear general sense of what they are trying to do in the current situation, they may not have a set of strategic criteria that are specific enough to shape day-to-day decision-making across various policy domains. Has the nation established a set of long-term priorities and concerns that decision-makers can look to when faced with tough policy choices, something that allows them to say, "these are our long-term goals. Which of our choices moves us closer to them? What concerns does each option raise?"

The land selection process in the treaty negotiations offers an example. Those involved in land selection appeared to us to be making careful decisions based on close study of the potential uses of specific tracts. But it was unclear what exactly the basis of

those decisions was. Had there been a community discussion of which potential uses were most important (for example, long-term economic return, cultural significance, contiguity, subsistence activities, etc.)? Presumably, those making the selections knew what they were looking for, but did their search reflect only their own opinions or was it a product of community input about long-term, strategic goals? Are the general search for target lands and the individual selections being measured against a consistent set of priority uses or considerations? They may be, but it was not apparent to us.

This points to a larger issue. We saw little evidence of a general, written, strategic plan that identifies the priorities or concerns as development planning moves forward. There are workplans for certain key matters such as constitution development, intergovernmental relations, land use planning, and programs and services modeling, but there does not appear to be an overall plan that ties these together.

What kind of society does the nation want to see emerging on its lands and among its citizens over the next few decades? The number of decisions facing the nation will only increase as its various initiatives progress. What criteria will chief, council, managers, or others use in the course of making those decisions? Will the criteria and, therefore, the decisions have community support? What steps should the nation be taking now to identify strategic priorities and concerns that can guide day-to-day decision-making?<sup>5</sup>

Does the council act in strategic ways? By this we mean the following: when an issue comes up before council, does council approach the issue from a strategic perspective? Do they ask themselves (and staff) what the long-term implications and effects of their decisions might be? Do they ask: does this decision move us closer to our long-term goals or lead us away from them? This may sound like a simple question, but it can only be answered if long-term goals have been identified. Once that happens, the question should become a normal part of decision-making.

### **Recommendations/Suggestions**

It may be that the nation should consider engaging in a formal, strategic process designed to generate community-based answers to the following questions, thus helping decision-makers link day-to-day political and management decisions to long-term goals.

- What kind of community do you hope to be in twenty-five years? (Be specific in terms of political power, kind of economy, social life and relationships, natural environment, etc.)
- What do you want to protect or preserve? What do you hope will be the same?
- What do you want to change? What do you hope will be different?

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<sup>5</sup> The nation may want to examine a resource tool developed by the Harvard Project on American Indian Economic Development and the Native Nations Institute entitled "Strategic Analysis for First Nations in Canada" (forthcoming).

- What are your development priorities (for example, jobs, income, career opportunities for citizens, cultural continuity, political clout, long-term financial security, sustainable use of resources)?
- What are your development concerns (for example, land loss, environmental deterioration, gaps between better and worse off, fit with indigenous culture)?

### 3. *Fiscal*

By its own account, Lheidli T'enneh faces major fiscal challenges. Current resources, including settlement funds and anticipated forestry and fishing revenues, are insufficient to meet the nation's fiscal needs. Additional revenues will have to come from somewhere. One issue that the nation is already trying to address is determining the real costs of governance, including the costs of service delivery. This is tricky in part because, given the nation's ambitions and the anticipated pattern of demographic change, the costs of governance are likely to rise in coming years.

In general, we see three broad sources of continuing revenue (as opposed to one-time settlement revenues) for First Nations: federal or provincial funding, taxation/fees, enterprise or other asset-based income. Each deserves some comment.

***Federal/provincial funding.*** The primary problem with federal or provincial funding, however appropriate it might be on historical, moral, or even legal grounds, is dependency. It is risky to depend on funds that are controlled by decisions made by non-Native bodies serving multiple, largely non-Aboriginal interests. It also is the antithesis of sovereignty. For this reason, we would argue that solving fiscal problems through increased federal or provincial funding, while useful in the short term, has enormous long-term costs to the nation.

***Taxation/fees.*** To the nation's credit, it is looking at taxation or other fees—including taxes or fees on its own citizens—as sources of additional revenue. We realize this is controversial among Aboriginal peoples in Canada, although our own view is that First Nations would be foolish to reject taxation out of hand for at least three reasons: (1) it is a potential source of significant and badly needed revenue; (2) if First Nations are to establish governments of their own that deliver concrete benefits to the community, they should be prepared to provide those governments with practical support; and (3) taxation is a classic governmental function whose exercise reinforces indigenous sovereignty.

But taxation raises its own issues. First, there must be something to tax. What the nation needs is vigorous and productive economic activity. This means the nation has to give thought to whether and how the current business environment encourages or discourages investments of time and energy in economic activity by both citizens and outsiders—including citizen entrepreneurship (the development of businesses owned by First Nation citizens). Second, taxation has severe limits: it can easily become a

burden on development, itself discouraging just the sort of economic activity the nation needs. Therefore, it has to be carefully considered and intelligently pursued.

***Enterprise or asset-based income.*** The other major potential source of revenue is enterprise or asset-based income: income from business enterprises owned and perhaps operated by the nation or from royalties of various kinds on the use of natural resources. Lheidli T'enneh's location and its present and prospective asset base argue that the potential for this sort of activity is substantial, and the nation is making efforts to identify promising opportunities. But realizing the potential that's there will depend critically on at least the following: (1) required human skills, including managerial skills, (2) a governmental organization capable of encouraging and sustaining productive enterprise (see the discussion under item 1, Structure/Organization, above), and (3) alignment with the nation's strategic plan (see the discussion under item 2, Strategic, above). The second of these considerations underlines the fact that fiscal issues and structural/organizational issues are closely connected.

The balance struck between the first of these and the other two will have a significant effect on the nation's independence. The greater the nation's reliance on federal or provincial funds, the more subject the nation will be to federal and provincial controls.

The other issue, of course, has to do with what the nation does with the revenues that come in. Where those revenues are—at least in part—discretionary, how should they be used? And are fiscal plans coordinated with strategic plans?

Finally, finance offers perhaps the most fertile area for rumor, innuendo, and accusation: it seems to invite people to play politics. This is particularly true when people's own funds are at stake, as they are when fees or taxes are under consideration. One of the best antidotes to rumor and innuendo is sunlight: keeping everything out in the open (see the third bullet below).

### **Recommendations/Suggestions**

- Bring fiscal issues—including long-term investment issues—into the strategic planning process.
- If the nation wishes to promote enterprise development (either of nation-owned businesses or of citizen-owned businesses on the nation's lands), carefully consider whether or not the governance environment is one that can support such development and growth (for example, are enterprises free of political interference? Are hiring and grievance policies clear and widely known? Are people hired and fired on the basis of performance and merit? Can citizens with a dispute with the nation or each other get a fair shake in court? Should the nation develop a dispute resolution mechanism like a court to handle such disputes?).
- Make the nation's financial situation open and clear for all citizens to see (some nations, such as the Bloods in Alberta and the Citizen Potawatomi Nation in

Oklahoma, publish an accounting of the nation's revenues and expenditures on a quarterly or twice-yearly basis).

#### **4. *Human Resources***

We listed at the start of this paper some of the tasks facing Lheidli T'enneh. It is an impressive list; any one of these tasks would demand not only commitment and energy on the part of leaders and managers but considerable skill as well. Taken together, they would test the human resources of much larger nations. A key strategic issue for Lheidli T'enneh, then, will be how to meet its own human resource needs.

##### **Recommendations/Suggestions**

This should involve at least the following considerations:

- A strategic human-resources plan that specifies both needed skills and realistic ways to either develop them within the nation's citizenry or recruit them from outside, or both (e.g., mentoring programs for young people interested in First Nations government; the development of targeted training relationships with institutions such as UNBC; professional development opportunities for managers; educational scholarship programs for youth).
- Close attention to whether or not the political environment is one that is likely to retain talent (e.g., are positions in First Nations government or in program or enterprise management dependent on skill and performance or on political connections? Are there not only job opportunities but career opportunities—that is, can individual citizens advance over time through the managerial and leadership ranks, based on performance?). One way to judge this is to ask hard-nosed questions about why specific people have given up jobs with the nation or left (if indeed this has happened). The point is that talented people are more likely to stay when they know they will be judged by performance. If political considerations are involved, the process needs to be changed.
- Some thought or consideration for building shared governance institutions or service delivery methods with other nations with whom the nation shares cultural, ecological or political similarities. This is a useful strategy for spreading the burden of governance and service delivery, particularly where the pool of skilled people is relatively small. For example, should Lheidli T'enneh join with one or more other nations in the creation of a dispute resolution mechanism? Should it join with others in the development of a natural-resource management and enforcement capability? Should it join with others in the provision or management of health care or other social services?
- Consideration of an advisory relationship with selected business leaders and administrators from the local or regional non-Native community. They could provide significant expertise until such time as the nation has its own people trained and experienced enough to take over core management roles.

### ***5. Community Engagement/Support***

It was difficult to estimate, based on our brief visit to Lheidli T'enneh and on subsequent information that we obtained, the extent of community support for and engagement in the current government's agenda. On the positive side, it appears that the Community Treaty Council is working well as a means of linking community sentiment and concerns to the treaty process and has a high degree of citizen involvement. The Youth Treaty Council is starting to play a role as well. Young people are meeting weekly and receiving general information on the treaty process; more importantly, they are "engaged in preparing young people to participate in opportunities that will come from the treaty, encouraging kids to stay in school, learning skills like public speaking and role playing," etc. The nation's youth are quite aware that the voting age for the treaty ratification has been negotiated by the nation at 16 years of age and that, as a result, they will have a potentially vital role in the treaty vote. In short, there are a number of indications that Lheidli T'enneh is making a concentrated effort to engage its citizens in the treaty process.

Our impression is that the community constitution committee also is drawing on community ideas and engagement. This is critical. The constitution is where the design of the nation's government and its ways of operating are likely to be laid out in detail. It is essential that the community view this as "our" government; otherwise, that government will have difficulty gaining community respect or support, and its initiatives will likely fail.

At the same time, we picked up some indications that community engagement in other things the government is doing is limited. Why? Does the community feel a sense of ownership in governmental initiatives, or do they see the current government as operating largely on its own, removed from regular citizen input?

The key issue, perhaps, is simply this: as the nation moves forward in pursuit of its complex and ambitious goals, will it be able to retain broad-based community support? Is there a plan in place to do this? Without such support, either apathy or active dissent may seriously handicap the nation at a critical moment in its growth.

Finally, it is important that citizens themselves understand that government is not primarily about the distribution of resources (jobs, money, services) but is the engine that can pull the nation into the future. As people gain that sense of government, their attitudes toward their government and their levels of engagement with it are likely to change.

#### ***Recommendations/Suggestions***

- To its credit, the nation has recognized the need to continue to improve communication with its citizens both on and off the reserve. It has met with a specialist to start developing a more comprehensive and interactive

communications plan. We applaud this move and urge the nation to maintain its efforts.

- General treaty meetings, updates provided at the annual First Nation general meetings, the quarterly newsletter published by the Treaty Office, information displays at the Band Office and the distribution of information materials are all helpful and useful tools to keep membership informed and involved. The more, the merrier. But the nation may need to develop specialized strategies for educating the hard-to-reach. These might include holding information meetings off reserve for off-reserve citizens, going door-to-door with information about the treaty and constitutional processes, and partnering with schools to reach more of the younger citizens.
- Are there ways to educate the community about nation building and to listen to the community's concerns about it, all in an interactive environment that makes people feel safe saying what is on their minds? Such efforts may already be in place; we simply don't know. But nation building involves, in part, helping people think together about what the nation is and what they want it to be.

## **6. Leadership**

Lheidli T'enneh seems to have been the beneficiary in recent years of visionary, capable leadership, particularly in the person of the current Chief. However, heavy reliance on the ability and integrity of one or even a few leaders can be dangerous. Those leaders eventually step down or pass on. What happens then? Does the nation have in place (1) a set of governing institutions that can protect it from less capable or honest leadership (realizing that most human societies eventually make mistakes in choosing their leaders), and (2) a mentoring system that identifies potential leaders and effectively exposes them to the challenges, lessons, and experience of national responsibility? Such a system should be designed to prepare a cadre of persons who understand governance in its most profound sense and understand as well what it will take to keep the nation moving toward its goals.

### **Recommendations/Suggestions**

- In constitutional deliberations, lay out some problematic scenarios involving elected leadership and ask whether the proposed constitution deals adequately with them. For example, what happens if a Chief should unexpectedly step down or pass on? What happens if a Chief or councilor is suspected of corruption? What happens if a citizen lodges a serious complaint against a sitting councilor? And so on.
- Consider the educational needs of leadership. The nation may want to consider some kind of training program for councilors and senior managers that focuses on what self-government really means and what it requires. Such a program would assist senior leadership as it tackles the difficult but exciting work that lies ahead.

- Explore ways to interest the younger generation of the nation's citizens in the idea that service to the nation is a rewarding and important thing to be involved in and that nation building is not only challenging but also essential to the nation's future.

**TABLE 1 \***  
**Self-Administration vs. Self-Government**

	<b>Self-Administration</b>	<b>Self-Government</b>
<b>Jurisdiction</b>	Vested in First Nations but limited to narrow policy or program domains and subject to federal or provincial veto	Vested in First Nations, tribes, or other associations of First Nations and covering a wide array of policy domains and First Nations activity
<b>Governing institutions</b>	Designed largely by outsiders, usually the federal government (e.g., the Indian Act in its various versions)	Designed by First Nations, tribes, or other associations of First Nations
<b>Core functions of First Nations' governments, perhaps in cooperation with other governments</b>	<ul style="list-style-type: none"> <li>• Administer programs</li> <li>• Distribute resources such as jobs, money, services</li> <li>• Manage the internal affairs of the nation to the extent allowed by Canadian or provincial law</li> </ul>	<ul style="list-style-type: none"> <li>• Establish a constitutional foundation</li> <li>• Make and enforce laws</li> <li>• Make and implement decisions</li> <li>• Provide for the fair and non-political resolution of disputes</li> <li>• Administer programs</li> </ul> Manage the internal and external affairs of the nation as allowed by First Nations' and Canadian laws
<b>Revenue</b>	Largely from federal government; First Nations' efforts to increase revenues focus largely on grantsmanship and lobbying for increased federal funding	From diverse sources, including but not limited to federal funds; First Nations' efforts to increase revenues focus on enterprise development and other revenue-generating options
<b>Accountability</b>	Typically uni-directional, having to do largely with First Nations' accountability to funders, especially the federal government, for how funds are used	Multi-directional, having to do with (1) First Nations' accountability to their own citizens for governing well, (2) First Nations' accountability to funders for use of funds, and (3) federal accountability to First Nations for policy decisions
<b>Inter-governmental decision-making processes</b>	Consultation (other governments "consult" with First Nations, then decide what to do); the assumption is that other governments know what's best for First Nations but should at least talk to them about it	Partnership (decisions are made jointly where substantive First Nation interests are involved); the assumption is that First Nations and other governments can work together to determine what's best for both

\* Adapted from Stephen Cornell, Catherine Curtis, and Miriam Jorgensen, "The Concept of Governance and its Implications for First Nations: A Report to the British Columbia Regional Vice-Chief, Assembly of First Nations." Native Nations Institute for Leadership, Management, and Policy, The University of Arizona. August 2003.

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*The Native Nations Institute for Leadership, Management, and Policy* (NNI) is part of the Udall Center for Studies in Public Policy, a research and outreach unit of The University of Arizona. Founded in 2001 by the university and the Morris K. Udall Foundation, NNI provides research, policy analysis, and executive education services to Native nations and other indigenous organizations in the United States, Canada, and elsewhere. Much of NNI's work builds on and continues research originally carried out by the Harvard Project on American Indian Economic Development at Harvard University. The two organizations share some staff and work closely together in a variety of research and educational activities.

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