

Local governance and reform:

considering 20 years of the Local
Governance Act



By Andrew Curley, Ph.D.,

Michael Parrish, Majerle Lister

with contribution by Kempton Jackson

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1. Introduction

In May 2000 the Navajo Nation Division of Economic Development hosted a summit to discuss a path towards economic independence. The topics that tribal officials and other participants discussed were: taxation, land and resource uses, community planning and policy implementation, and the development of physical infrastructure.¹ The summit's main focus for financial independence was *development*. As we have found in our other research on tribal official's foci, the idea of "development" plays heavy in the minds of tribal lawmakers.

This summit demonstrated what policymakers had in mind when drafting and passing The Local Governance Act only a couple of years later. Title 26 was meant to empower chapterhouse governments with the legal authorities to pursue business development. Tony Skrelunas, Director of Economic Development at the time, said that the primary goal of the summit was to bring together business leaders, educators, governmental agencies, and grass root people in order to recommend ways to improve the local business environment.² Just a month before the summit, the community of Kayenta hosted a similar conference in order to address the potential of *development* for chapter house governments focusing on the Kayenta Township as a model³. Joseph Kalt, co-founder of the Harvard Project on American Indian Economic Development, was one of the many presenters at this conference.

The core drive behind Local Governance Act was a desire to spur economic development in the local communities. Chapter empowerment was seen as a means to achieving it, at the local level. The main proposal that emerged from the summit was a desire to transfer political authority from the central government to the chapter houses. Today we contrast this idea with the main idea behind regionalization, which is to eliminate chapter house political

¹ See "Economic Summit seeks to develop strong game plan" in the *Navajo Times*, May, 2000.

² See "Economic Summit will address barriers" by Roberta John in the *Navajo Times*, April 20 2000.

³ See "Kayenta Township to host conference for chapters," in the *Navajo Times*, April 27 2000.

authorities all together and replace them with credentialed planners and managers to oversee the affairs of the local community.

In this report we account for this evolution in thinking. We document the history of LGA and account for the political context and other forms of social change that manifested in differing ideas of “local” and “development.” In the end we survey local officials and recommend immediate changes to how local governance is done. But we cannot offer reform without accounting for history and also empirically testing our claims about what local officials are thinking; both of which we accomplish here.

2. The Historical Development of Local Government

Since their creation in 1927 as agricultural cooperatives, chapter houses have become a unique fixture in the political landscape of the Navajo Nation. More than the central government, finalized in 1937, chapter houses have reflected traditional Navajo social and cultural boundaries based on *k'é*. Their geographical and political authorities overlap with traditional forms of leadership, which are derived from extended family and clan relations and focused on immediate decisions facing this community (Wilkins 2013, Young 1978, Iverson and Roessel 2002).

Like the central government, chapter houses are also a creature of federal oversight. In 1927 John G. Hunter, Superintendent at Leupp Agency, initiated a way to serve Navajos communities at the local level. He wanted to establish a body that could meet the particular needs of that community and help government officials make decisions on issues ranging from agriculture to education. This was the chapter house system, an alternative to the problematic central government of the 1920s.⁴

⁴ It is often stated that the Navajo Nation central government started in 1922. This government of appointed delegates and alternates never gained legitimacy or control over the Navajo Nation. The central government that exists today in Window Rock was created by the Secretary of Interior out of a failed constitutional effort in 1937, three years after the Navajo Nation failed to

By 1933 there were over 100 chapter houses functioning throughout the Navajo Nation. Communities with chapter houses familiarized themselves with electing chapter officials and the chapter houses served as important meeting spaces for community members to discuss important issues facing the Navajo Nation. Federal and tribal officials also found that chapter houses provided a way for officials to disseminate information, establish voting precincts for council delegates, and arbitrary land districts. Although federal officials initiated the idea of chapter houses, they reinforced already existent ideas of local government in the community. But chapter houses changed this kind of authority and structured it according to non-Navajo parliamentary procedures.⁵

The chapter house system lost much of its significance during the Collier administration. Collier concentrated on developing the central tribal government and reduced federal support for chapter houses. But the Navajo-Hopi Rehabilitation Act of 1950 provided stimulus funding for tribal infrastructure, including for the construction and future maintenance of chapter houses. This gave the Navajo Nation Council the authority and resources to revive a derelict chapter house system. Many new chapter houses were constructed during this period.⁶

On June 20, 1955 chapter house governments were incorporated into the Navajo Nation government through tribal resolution. This bound chapter houses to the authority of the central government. At this time the Navajo Tribal Council allotted nearly \$80,000 to chapters it recognized. This was originally 74 chapters or one for each council delegate. Amendments in 1958 and 1959 allowed for the construction of additional chapters and better outlined the political make-up of chapter house governance.⁷

ratify the Indian Reorganization Act of 1934. See Wilkins *The Navajo Political Experience* for more.

⁵ Ibid, 81.

⁶ Garrick Bailey and Roberta Glenn Bailey, *A History of the Navajos: The Reservation Years* (Santa Fe: School of American Research Press, 1986), 240.

⁷ Ibid.

At the same time, the central Navajo Tribal government has suffered from a lack of legitimacy among the broad Navajo public. Throughout the early reservation years and into the establishment of the tribe's first tribal government in the early 1920s, the Office of Indian Affairs (Bureau of Indian Affairs after 1947) has actively constructed Navajo political leadership into a form it finds consistent with its own norms and laws of governance (Curley in Lee and Cajete 2014). Navajo people have demonstrated a resistance to this colonial imposition. They have confronted these structures of governance during livestock reduction in the 1930s and 1940s,⁸ the disposition of land in the first years of coal mining on Black Mesa, and forced relocation prescribed in the Navajo-Hopi Settlement Act of 1974. To many who have suffered through the application of the blunt political force of the Navajo tribal government, the tribal government is an instrument of colonization (Powell and Curley 2008).

In 2008, the Diné Policy Institute, in our consideration of constitutional reform in the Navajo Nation, suggested that a tension between centralization and a space understood as "the local" is one of the strongest sources of broad dissatisfaction with the tribal government and the Navajo people (Yazzie 2008). Building from this sociological insight, we will examine the current proposal from the Title 26 Taskforce to eliminate the political role of chapter houses in Navajo governance and consider the long-term impacts of these proposed reforms.

2.1. Local governance as business development

On April 20, 1998 then Navajo Nation President Kelsey Begaye signed the Local Governance Act of 1998 (LGA) that established Title 26 of the Navajo Nation Code that regulates how chapter houses function throughout the reservation. In design Title 26 transferred powers to certified chapter houses to "empower" local communities. Chapter houses that the Division of Community

⁸ My research on some of these instances of resistance is found in "The Origin of Legibility" in Lloyd Lee's *Diné Perspectives: Reviatlizing and Reclaiming Navajo Thought*.

Development “certified” might become eligible to manage lands within their boundaries, manage capital improvements, create zoning ordinances, impose local taxes, and issue community bonds, although few retain such authorities.⁹

The new authorities set a precedent that allowed chapter houses to establish local businesses. Joel Holgate Jr., chapter house president shortly after the enactment of LGA, said the authorities would help spur business development by making it easier to contract with them. He said that purchasing things from local businesses would be easier because the chapter government would have the authority to spend its own money. Prior to the passage of LGA, chapter officials had to fill-out paper work and submit forms to the Navajo Purchasing Office in Window Rock, AZ. Chapter officials would approve price quotes, but were prevented from spending money allocated to the chapter government. Chapter house governments were and continue to be domestic-dependent sub-political units of the Navajo Nation government. It was a call for the expansion of this spending and business regulatory authority of the chapter that participants in the aforementioned 2000 economic summit discussed.

In an untitled, undated report, the Office of Navajo Government Development wrote that the long-term plan for Navajo economic development is to “diversify” the Navajo Nation’s economy. For example, the report suggests that chapters look at developing tourism within their communities. They also said that the Navajo Nation should prioritize localizing decision-making. These recommendations were part of this overall drive toward business development in the local community that LGA ultimately represents.

These factors ultimately contributed to how Title 26 was structured. The Five Management System (FMS), found in the law, is necessary for certification. It is a mechanism of audit in order to enforce fiscal accountability. It is for this reason the Navajo Nation Auditor General spends so much time overseeing the spending of Navajo chapter houses. FMS was meant to regulate the spending of

⁹ <http://www.ongd.navajo-nsn.gov/LGA>

the chapter house government and prevent misspending or outright corruption. It has also become a bottleneck of local empowerment. Chapter governments are on a long waiting list for certification from the auditor general. Some Navajo Nation Council delegates and the Office of Navajo Government Development argue that the total number of certified chapters in 2016, 45, is low for the entire 110 chapters existent in the reservation.¹⁰ A reason for this low rate of certification has to do with the process of certification that requires the Navajo Nation Auditor General to review at least three months of fiscal records for each chapter appealing for certification. If there is any error or inconsistency in the record, the chapter goes on a “corrective action” plan, something that sounds punitive, and they have to fulfill these plans in order to achieve certification and exercise powers of LGA. In short, LGA certification is a cumbersome process that inevitably leads to bottleneck, delay, and frustration. Most of the rationale for regionalization (an entirely different set of ideas for local governance) is rooted in frustration with the LGA certification process.¹¹

The narrative of **local empowerment** is central to Title 26, but its larger purpose is to decentralize Navajo political authority and promote small business development as economic development. The FMS system is an outcome of understanding business development as local empowerment. The idea of **business development** is the foundation of Title 26. The resolutions all included the phrase “Navajo leaders and citizens realize that they must look at new ways of doing *business*”, which hints at an underlying purpose of local empowerment. Though it could be interpreted as “doing things” or “managing in a different way” it becomes apparent that economic development is the main interpretation.

¹⁰ <http://www.nndcd.org/local-governance-act.aspx>. Last accessed 9/7/16

¹¹ “Shonto chapter certified for local governance status,” in the Navajo Times, 9/30/99

Table 1. Phases of Navajo Local Governance

Phase	Theme	Policy Changes	Example Quote
1922 – 1956	Community Resource	Creation of Chapter House Governments	“Chapters are very important. They are official and important in every sense and they are needed more than ever”- Commissioner John Collier, 1934 ¹²
1959 – 1994	Resource Distribution	Formalization of Chapter Houses as Sites of Resource Distribution at the level of the “local”	
1998 – 2014	Local Empowerment	Decentralization of government authorities to the Chapter Houses in the interested of development	“It is critical that we take advantage of the opportunity we now have and develop this land for business to serve the community”- Jamie Henio, at the time School Board President. ¹³ “Communities should be free to pursue plans and goals to benefit local people”- Edward T. Begay, Navajo Nation Speaker of 1999 ¹⁴
2014 – 2016	“Regionalization”	Eliminating Chapter House Governments and creating Regional Centers to more effectively distribute resources	“Many chapters say the present system doesn’t work. The main complaint we got from chapters is that Title 26 is too vague”- Jamie Henio, Office of Navajo ¹⁵

¹² Print. Young, R. W. 1978. *A political history of the Navajo tribe*. Navajo Community College Press.

¹³ IBID, 5

¹⁴ IBID, 8

¹⁵ <http://navajotimes.com/rezpolitics/regionalization-plan-gets-cool-reception-in-many-farms/>

			<p>Government Development</p> <p>“Some of these chapter officials became crooks and thieves-abusing our chapter monies and spending it for their own gain”- Letter to the Editor, 1992¹⁶.</p>
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Table 2. LGA “Business” Development Discourse

Date	Code	Context	Quote
2005	Business Development	Casino Proposal	“Tribes run casinos not chapters”, Joe Shirley Jr. 2005
2000	Land Use Planning		“What we found is that we get much better conservation if it’s the people on the land who do it. So we try to build up on those landholder to get them to take responsibility for the resources”- Mike Jones, Co-founder of The Land Center speaking on the importance of land use planning for communities ¹⁷ .
2016	Taxation	Uses	“(Tuba City Taxes) Pays for %100 of Transfer stations three full time firefighters, and a lot local projects (home repairs and

¹⁶ “Seek dependable people for chapter officials”, Navajo Times, Letter to the Editor, January 23,1992.

¹⁷ IBID, 21.

assistance, scholarships, student workers). It helped purchase equipment police department”, Charlene Many-Goats, Tuba City Tax Manager.¹⁸

3. Methodology

In May of 2016 we published a conceptual critique of the Navajo Nation Council’s regionalization project. We ended our report suggesting that further research into the Navajo Nation’s land use policy, i.e., the prospect for wide ranging land reforms, would better address many of the problems inherent in local governance that the Title 26 identified.

In June 2016 we initiated project asking what is the ideal configuration and distribution of power between the central and local levels of government to implement meaningful governance at the scale of “the local.” We wanted to understand what is the optimal construction of local powers and authorities that will provide actors within their communities with the tools that are needed to conceptualize and implement projects for their constituents.

In this report we look at how local governance currently exists and what are the benefits and pitfalls of Title 26: The Local Governance Act, which was passed nearly 20 years ago. We focus on the legal-political and social economic barriers facing chapterhouses that impacts their effectiveness, trustworthiness, and abilities to implement meaningful policy making in their communities.

Our study contains both quantitative and qualitative data gathered over the period of two months. We selected three areas of the reservation as case studies: Kayenta, the Tuba City, and Sanders. These case studies constitute our sample size. This means that all of the claims we make in this report are

¹⁸ Phone call interview with chapter official.

derived from interviews and surveys that we conducted in these areas. Although our interviews and surveys do not cover the entire reservation, we believe through the geographic, historical, and socioeconomic differences between the communities that comprise our case studies, they represent the general attitudes of chapter house officials across the reservation. We believe that if anyone from the Title 26 Taskforce, the Office of Government Development, or any other researcher tried to replicate our research questions and approach among other chapter officials in different parts of the reservation, they would find much the same thing we do in this report. In other words, we believe because of the size of our sample, the varied parts of the reservation that make up our case studies, these findings are “representative” or what you might find at this time anywhere else throughout the reservation.

3.1. Surveys

We collected 24 surveys that chapter house officials filled-out. We asked these officials about the priorities of their communities. We asked about the advantages and pitfalls of Title 26. We finally asked about the Title 26 Taskforce’s proposed regionalization of chapter house authorities and whether or not chapter house officials felt it would have the impacts the Title 26 Taskforce has insinuated. Our sampling was purposeful and based on conveyance.

3.2. In-Depth Interviews

We also conducted a dozen in-depth interviews among chapter house officials about the successfulness of the Local Governance Act (LGA). We tried to replicate an approach that the Office of Navajo Government Development claimed when they said on more than one occasion that they surveyed LGA-certified chapters about whether or not Title 26 was “working.” The Office of Navajo Government Development said in their research that chapter house officials were not satisfied with the powers inherent in LGA. We wanted to

expand on this assumption. We hypothesized that chapter house officials are not satisfied with the powers inherent in Title 26, but not for the reasons Title 26 alluded.

3.3. Archival Research

Finally, we examined the Navajo Times archive to gain a sense of the dialog that preceded the passage of Title 26 in 1998. We wanted to learn its intended purpose at the time of its passage. We reviewed both how it was reported in the Navajo Times and also commentary in the opinion section of the paper. We also reviewed the transcripts of the Navajo Nation Council debate preceding the passage of the legislation.

4. Findings

In-depth Interviews

We found that the Local Governance Act did not significantly change previous laws within the Navajo Nation Code to allow for the entrepreneurial conditions among chapter houses that it originally envisioned. One major hurdle for chapter houses is what is called the **Signature-Approval-System** outlined in Title 2, Section 164 of the Navajo Nation Code (known colloquially as *SAS-164 process*) requires to approve any expenditure of monies among entities of the Navajo Nation. This system still applies to certified chapters who comply with the five-management system. Chapter houses that are LGA certified still require the approval of overseeing departments in the tribal executive branch outlined in preexisting amendments to Navajo Nation law before they are able to receive and expend money. This additional layer of accountability might discourage chapter officials from applying for external funding for their projects.

We also found that chapter houses suffer from discrepancy in **human capital**, or the skilled personnel employed within the chapter and elected among its leadership to carryout the will of the community. Our surveys

showed that several chapters lacked requisite Community Service Coordinators (CSC). Instead, they had Account Maintenance Specialists (AMS) doing the work of CSCs. Chapter officials identified the central government's role in the hiring process as one that causes both difficulty and delay. The delay comes in the form the Department of Personal Management (DPM) overseeing all hiring practices. Account Maintenance Specialist (AMS) administer the basic functions of these chapter houses. What is more, their workforce is temporary, funded through the Navajo Nation's public employment programs. These communities struggle in the basic administration of the chapter house because they do not actually control who is hired to work for them. Extended periods of absent leadership reduce the institutional knowledge of the chapter house and using staff that lack the proper training in administration and management in the role of CSCs slow the progress and implementation of the community's strategic planning.

To get around these restrictions, our respondents told us that they created **not-for-profits** to achieve some of their community's goals. Several chapter communities that we spoke with created not-for-profit organizations to achieve their chapter house goals. Some of these not-for-profits are: Tohani Lake Enterprise, Shiman Rug Foundation, Shonto Community Development Corporation, and Dá'ak'e Halani Development Inc. These nongovernmental organizations (NGOs) are methods to achieve forms of community and economic development at a pace quicker than what the tribal government is capable of achieving with its central management at this point. With proper decentralization of administrative authority, spending and hiring authorities, and land-use planning, chapter officials believe that they can accomplish more.

Surveys

In our 24 collected surveys among chapter house employees, from both LGA-certified and non-certified chapters, we found a diversity of demographics, but one overwhelming statistic surprised us; most of our informants were women.

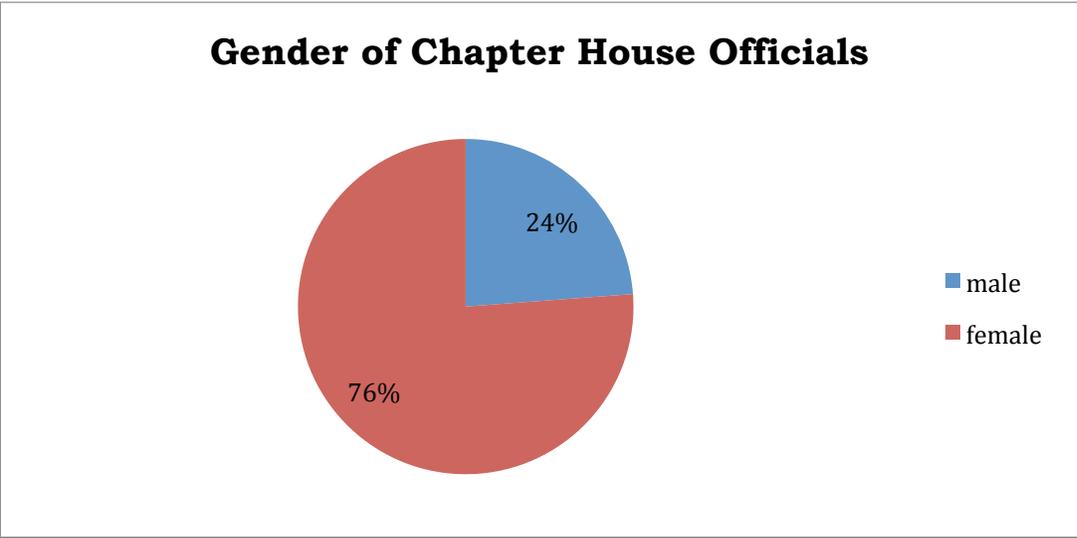


Chart 1: Gender of Chapter House Officials
Source: DPI Local Governance Survey, N=24

The proposal of the Title 26 Taskforce might significantly impact one of the few sectors of employment in the Navajo Nation that employs women. Men dominate other significant sectors of employment in the Navajo Nation like extractive industries, agriculture, and construction. With the reduction of the Navajo Nation Council in 2009, the number of one regularly elected to the council shrunk to one member. In the elected leadership of Navajo Nation chapter houses, men still comprise most elected positions. But women make up most of the administrative workforce of the chapterhouse. With the lack of employment opportunities in the formal sector throughout the reservation, our survey suggests that regionalization will disproportionately impact working Navajo women who live in rural communities.

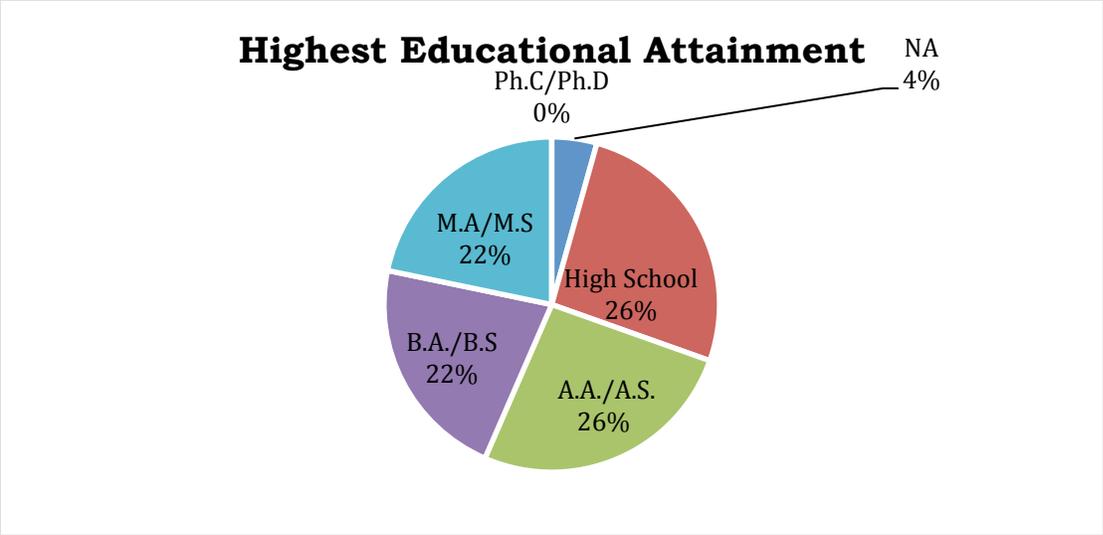


Chart 2: Highest Educational Attainment
 Source: DPI Local Governance Survey, N=24

We also found, contrary to popular belief, most chapter officials we surveyed had some college training. Over half of our respondents had degrees ranging from associate’s degrees to master’s degrees. Slightly over a quarter of respondents had stopped at high school education, suggesting that our Navajo population is more and more educated. But there is disparity between the communities. Some chapter houses are able to attract highly skilled workers while others are not. But on the whole we found most of our respondents who worked in the chapter house had some college education.

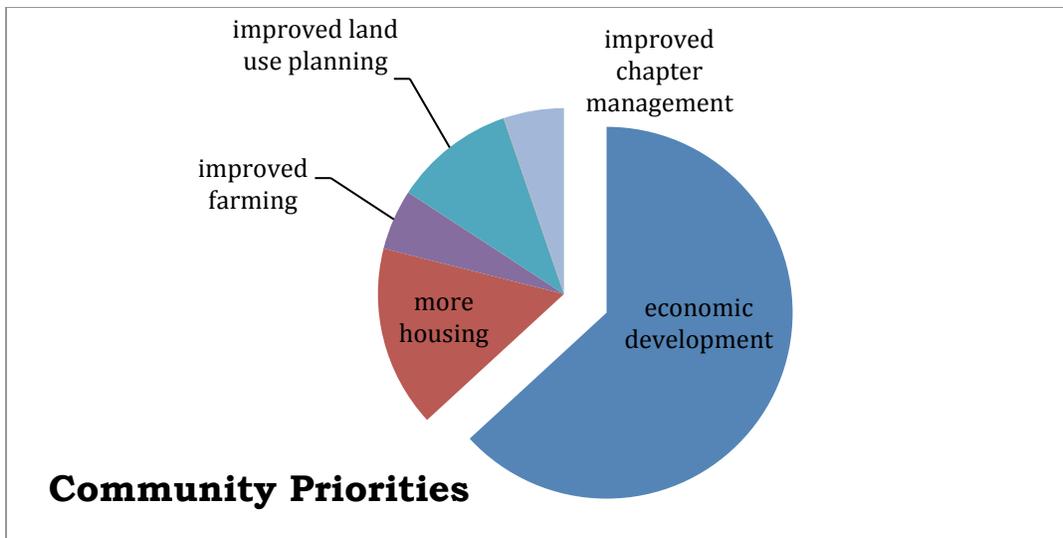


Chart 3: Community Priorities

Source: DPI Local Governance Survey, N=24

We asked chapter house officials about what they believe are the priorities of their communities. Overwhelmingly most people listed “economic development” as the community’s top priority. This sentiment is consistent with much of the debate about the role of local governance that we have observed. The Local Governance Act of 1998 was intended to create the conditions and incentives for Navajo entrepreneurs to start businesses and create employment opportunities in their communities. This is understood as the most important need in local communities and is a motivating factor for the Title 26 Taskforce and why they are looking at reforming chapter house governments and how development projects are administered.

The next most important perceived need was “more housing” followed by “improved land use planning.” The claims of the Title 26 Taskforce that “improved chapter management” is the most important issue to address was near the bottom in perceived priorities. Granted there is an inherent bias in this question as it implies that the responded is the one who needs to improve their management skills. But it is also telling that within the local government this is not a critical concern even though it is the most discussed feature of local governance at the central level. Navajo Nation Council Delegates talk more

about the perceived mismanagement and corruption of chapter houses than any other feature of governance. This difference in discourse reveals a core feature of the central government's relationship with local governments, a relationship that is based on oversight and accountability. Because of the way Navajo Nation law is setup, all chapters that fail to comply with Navajo administrative law are put

5. Discussion

“Development” is a central goal of the tribal government today. This is understood as creating jobs and business in the reservation that would lift most of our communities out of poverty. As we learned in our archival research, the Local Governance Act of 1998 (LGA) passed with the idea of creating the political conditions for business development in the local community. As we wrote in our last report on regionalization, this law was part of a larger milieu of government reforms during the 1990s and early 2000s that neoliberalized tribal governance and engendered an auditing culture in how we spend money in the reservation (Curley and Parrish 2016).

But our research has identified structural flaws in the LGA. It does not adequately reform the **164-process** for local communities. Without improving how the central government distributes power downward, any reform will likely replicate the same problems. The proposed “regionalization” (proposal a generous description) does not identify how it would improve the 164-process for local governing authorities. Rather, the referendum language that is floated through the Navajo Nation Council simply gives the Navajo Nation Council a mandate to eliminate chapter house governments and replace them with regional centers. If the 164-process is not currently part of the conversation, how will we guarantee it will be addressed in the future? A proposal giving the Navajo Nation authority to remedy the problem is both redundant and distracting. Rather than talk about the problems inherent in how laws are set up concerning local governments, we are talking about a referendum about

whether or not to give the council authority to fix *unidentified* problems in local governance, authority that the Navajo Nation Council already has but apparently is unsure to use.

We also identified a problem with **human capital** in local governance, or the skill sets, commitment, and institutional knowledge employees bring to the community. The FMS is highly technical and cumbersome. The 164-process and hiring rules and regulations by the Department of Personnel Management is also a particular knowledge set Community Service Coordinators, elected officials, and Account Maintenance Specialists should know. With low pay, demanding work environments, and regular scrutiny, it is hard for communities to maintain qualified people in these positions. This is another rationale for regionalization. It is argued that regional centers will improve the administration of local governance by raising salaries and removing employees from direct community oversight. This effect is likely in our estimation. But it will increase the costs of local government, make it less accountable to the community, and ultimately diminish local democracy by centralizing local authority into regional centers.

But we found that some chapter governments had circumvented Navajo Nation law to create manageable organizations to carry out projects and proposals of the community. These alternative organizations are **not-for-profits** and many chapter governments currently use them. Not-for-profits have limitations, but it proves that some communities are more comfortable with the laws that administer not-for-profits than the ones that oversee chapter governments. It is not hard to imagine the appeal. With not-for-profits, you are given the burden of doubt to organize and spend money lawfully without three months of auditing before you could exercise the powers of a not-for-profit. But not-for-profits are not guaranteed a source of money as chapter houses are, and the reason for the extensive auditing has to do with the amount of money at stake in distributing power to the local communities. But we know from experience that the LGA auditing structure is cumbersome and now heavily criticized. We can amend these laws and address the concerns of the central

government and the local governments without eliminating the chapter house system entirely.

Our surveys found that most chapter officials and administrators are **women**. Government reform since 1990 is patriarchal, done by men and benefiting men in the reservation. Since council reduction in 2009, the number of women delegates has declined from a few to a single female delegate on the entire council over the past eight years. Regionalization might have the same impact on women's participation in Navajo governance. Our randomized surveys found that nearly 80% of elected and non-elected chapter officials and administrators are women. Regional centers might proportionally hire as many women per the positions available, but the total number of positions available will inevitably decline and many women leaders in our communities will no longer have a formal role in Navajo politics.

Additionally, chapter house work is a form of work in the reservation. Women have fewer choices in skilled labor than men. Coalmines, construction, and agricultural – the development priorities of the Navajo Nation – have become the purview of the Navajo male workforce. Women are often encouraged to work in the service economy, such as gas stations and food centers, or in education as teachers and administrators. Chapter governance is a good source of work for skilled women leaders who live in the community and are trying to improve it.

We also found that most of the chapter labor force has some **college education**. This shows that chapter government and management is more educated than we sometimes assume. It is also part of a larger trend of Navajo people becoming more educated. Indigenous women are more likely to obtain a college degree than men. With woman comprising 80% of chapter governance, it is not surprising that 70% of the chapter workforce has college education. Regionalization might not improve this statistic. We are unsure because we do not have a proposal we can look at that outlined the kind of positions and qualifications that regional centers will offer. In any event, there is nothing preventing the Navajo Nation Council from amending Title 26 to address the

qualifications of chapter managers and officials. You do not need a regional center to discuss the qualifications of local leaders and administrators. Instead, we are told that we need to pass a referendum giving the Navajo Nation Council permission to eliminate chapter houses in order to talk about what kind of positions we want in the local community to oversee the distribution of money and resources.

Finally, we found that the central priority of chapter officials is economic development. As stated earlier, this is understandable. Communities are no longer reliant on subsistent agriculture and livestock. We are incorporated into a cash economy. We need sources of jobs and revenues. Communities are feeling the pinch of poverty. But underdevelopment might not be something chapter house governments can control. We know from the history of chapter houses that they were started as agricultural cooperatives and meant to assist an entirely different kind of economy in the reservation. Perhaps intuitively the Title 26 Taskforce has a point. Maybe the sense is that chapter houses are outdated. This might be why Title 26 was passed in the first place, to transform the role of chapter houses from community governing structures over land and livestock to business development. More research needs to be done on the local impacts on development Title 26 has impacted. But we know the certification process is cumbersome and frustrating. And communities do not feel that the current laws empower them enough. It is for these reasons we offer the following recommendations.

6. Recommendations

In these areas, the relationship between the chapter house and the Navajo Nation central government might be improved. Amartya Sen made a distinction between economic growth and development (Wilber 1988). The Navajo Nation's pursuit of economic development focused heavily on business development and the means of creating jobs, increasing income, and bringing in revenue. But for Sen's Conception, development should be about building

the capacity of individuals within the economy. Navajo economic development's end goal would be to increase the capacity of the individuals within the tribe.

Yet, business growth was the focus of the Navajo Nation's economic development agenda, this overshadowed other necessary steps for development. The core of LGA was to increase political authority of chapter house governments. But the LGA certification process is long and tedious which hinders chapter houses from developing their political authority; only 45 chapters are certified out of 110. This shows that LGA does not fit with the current capacity of tribal governments although this capacity is always increasing. It is not a failure of chapter house officials and administrators to implement LGA, but a failure in the design of the law. Rather than work with the law, our elected lawmakers propose a referendum on eliminating chapter house governments entirely with consequences and problems they refuse to even consider at this time.

Rather than propose eliminating chapter houses entirely, the Navajo Nation should do the following: 1) Lawmakers should amend the SAS-164 process or rework the law entirely to allow chapter house governments the same kind of local spending and fundraising authorities the state and federal governments allow them in not-for-profit organizations. It is contradictory to say chapter governments have the power to enter into contracts with outside organizations yet still require them to get approval from a cascade of bureaucratic oversight in Window Rock. 2) The hiring of Community Service Coordinators (CSCs) should be delegated to chapter house leadership. CSCs should be treated as political appointees and not subject to the review process of the Department of Personal Management. This would allow chapters to have more control over who they hire and fire in these positions. It would also tie the CSCs oversight directly to the chapter for which they work and not Window Rock. 3) The Division of Community Development should provide specialize support toward LGA-certified chapters to help them develop ordinances related to tax and business site leasing that conform to Navajo Nation laws.

LGA was suppose to empower local communities but it focused too narrowly on laws relating to business development and failed to consider how Navajo Nation institutions might help to build the of chapter houses as each community negotiates a transition from a livestock based economy to a wage-labor one. Chapter houses provide a closer reflection of traditional forms of Navajo governance based in the local, but they are also vulnerable to complete subordination to the central government or to serve as a beachhead for the neoliberalization of the Navajo Nation economy.

Increased powers means increased responsibility. For this reason the Navajo Nation central government has been fearful of chapters. They fear corruption, mismanagement, or poor decision making that puts the entire Navajo Nation at risk at the site of the local. But all of these problems and more exist in the power of the central government and yet we do not call for more federal oversight. At core, we cannot reform laws enough to get the results we want. We need commitment and dedication from people on the ground and in the central government. At the end of the day our institutions are comprised of members of a small, tightly woven community. We might be from different parts of the reservation, but we are tied to the entirety of the land. Capacity building is key. We need to invest in ourselves, not rearrange deck chairs on a ship that is off course. 4) The Navajo people needs to reject all proposed referendums that give the power of government reform to a few actors in Window Rock, i.e., "*regionalization.*"

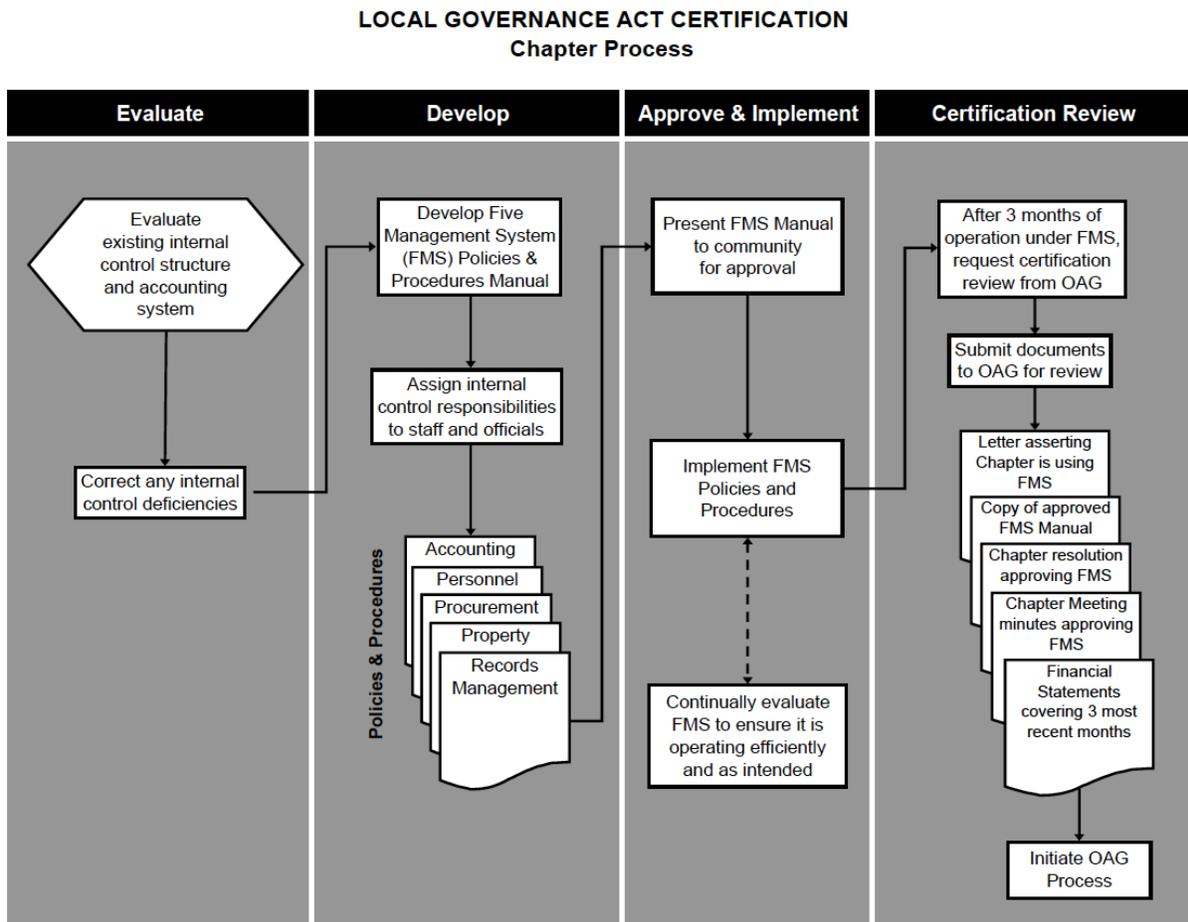
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Appendix A

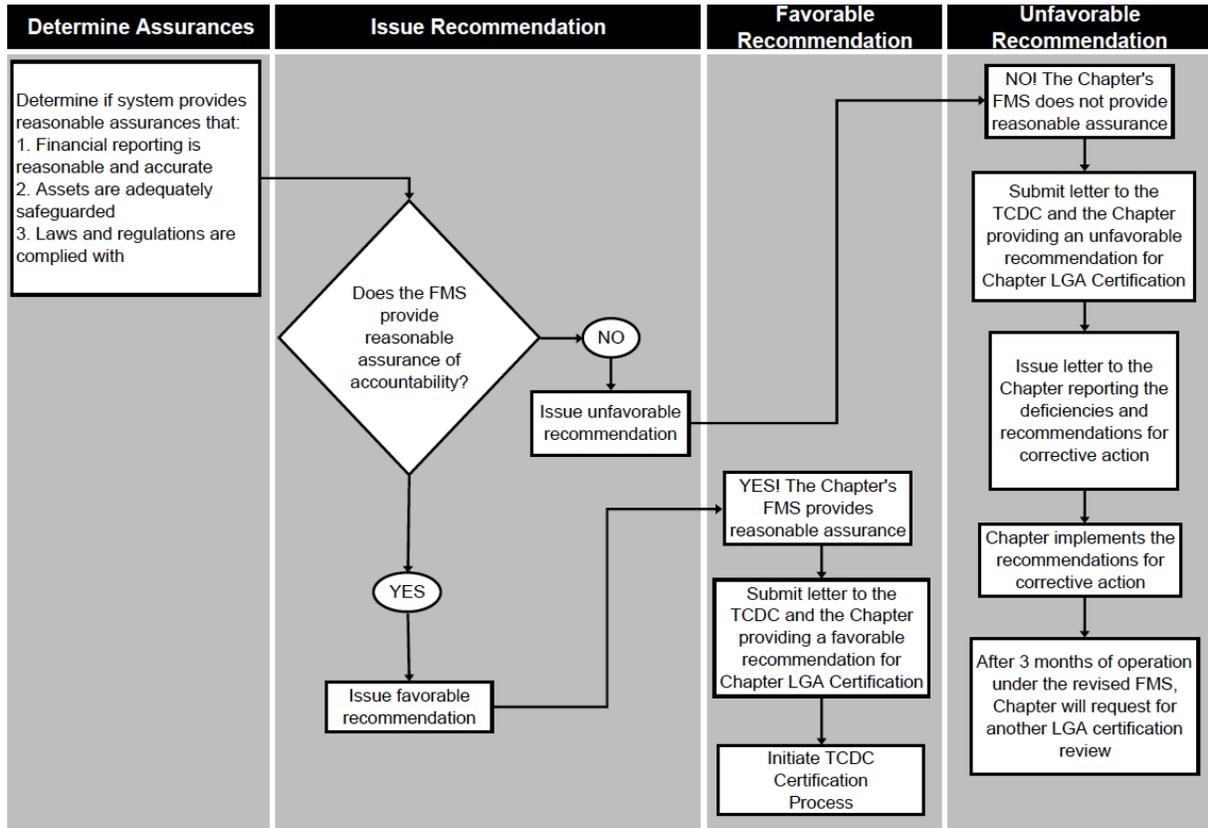
The following is the “LGA Certification Process Flowchart,” showing how many layers of authority chapters have to go through to become certified. Found here:

<http://www.navajoauditor.org/PDFolder/ProcessPDF/LGAProcessPg01.pdf>



Appendix A Continued

LOCAL GOVERNANCE ACT CERTIFICATION Office of the Auditor General Process page 2



Appendix B

Local Governance Certified Chapters

Chapter	Agency	LGA Cert. Date		Chapter	Agency	LGA Cert. Date
1 Nahata Dziil	Ft. Defiance	8/16/02		1 Newcomb	Northern	6/18/04
2 Steamboat	Ft. Defiance	5/30/03		2 San Juan	Northern	3/7/07
3 Cornfields	Ft. Defiance	7/14/10		3 Tse'Daa'Kaan	Northern	6/21/07
4 Naschitti	Ft. Defiance	11/22/10		4 Sheepsprings	Northern	8/24/07
5 Lupton	Ft. Defiance	11/24/10		5 Tolikan	Northern	11/29/10
6 Dilkon	Ft. Defiance	12/21/10		6 Toadlena/Two Grey Hills	Northern	1/10/11
7 Greasewood Springs	Ft. Defiance	12/21/10		7 Burnham	Northern	7/11/11
8 Kinlichee	Ft. Defiance	12/29/10		8 Beclabito	Northern	1/10/12
9 Teesto	Ft. Defiance	7/11/11		9 Mexican Water	Northern	2/7/12
10 Ganado	Ft. Defiance	12/2/14		10 Upper Fruitland	Northern	2/28/12
11 Houck	Ft. Defiance	12/2/14		11 Aneth	Northern	3/31/15
12 Ft. Defiance	Ft. Defiance	1/15/16		12 Cove	Northern	4/5/15
TOTAL: 12				TOTAL: 12		

Chapter	Agency	LGA Cert. Date		Chapter	Agency	LGA Cert. Date
1 Shonto	Western	9/22/99		1 Chinle	Chinle	12/21/10
2 Tuba City	Western	12/27/04		2 Pinon	Chinle	2/21/12
3 Kayenta	Western	8/6/10		3 Whippoorwill Springs	Chinle	12/2/14
4 Bodaway/Gap	Western	12/21/10		4 Nazlini	Chinle	2/17/15
5 Birdsprings	Western	7/11/11		TOTAL: 4		
6 Chilchinbeto	Western	7/11/11				
7 Leupp	Western	7/11/11				
8 LeChee	Western	1/31/12				
9 Dennehotso	Western	2/14/12				
10 Tonalea	Western	12/2/14				
11 Ts'ah Bii' Kin	Western	6/24/16				
TOTAL 11						

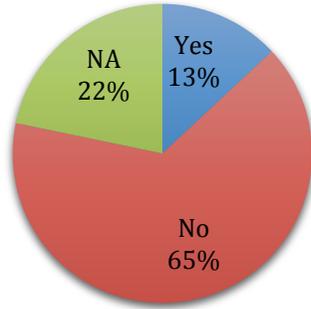
Chapter	Agency	LGA Cert. Date
1 Littlewater	Eastern	11/15/07
2 Baahaali	Eastern	12/24/08
3 Whiterock	Eastern	12/21/10
4 Ojo Encino	Eastern	3/6/12
5 Baca/Prewitt	Eastern	12/22/14
6 Casamero Lake	Eastern	4/15/15
TOTAL: 6		

TOTAL CERTIFICATION : 45

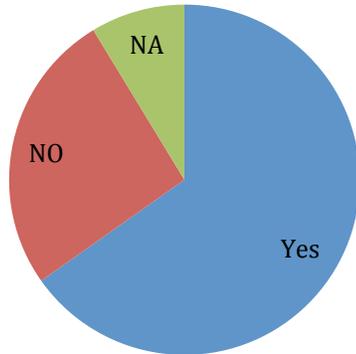
Found here: <http://www.nndcd.org/local-governance-act.aspx>

Survey Results

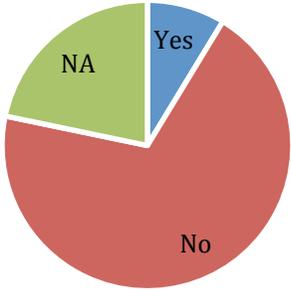
Will regionalization save the Navajo Nation money?



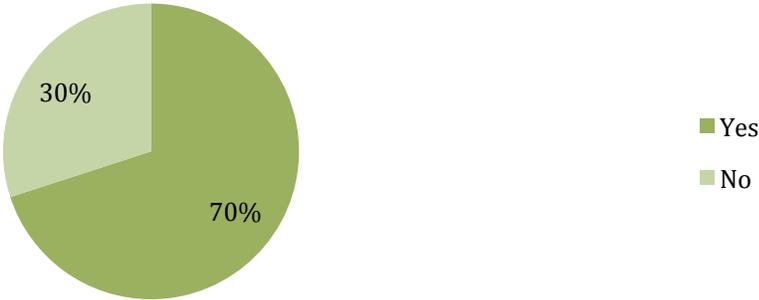
Do you know about the Title 26 Taskforce?



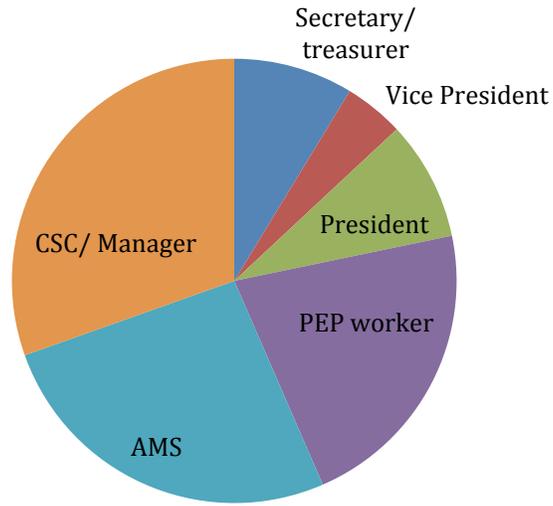
Do you believe regional centers would improve services to community members?



Is your chapter certified?



Chapter positions of those we surveyed



Which agency is your chapter located?

