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17  
18  
19  
20  
21  
22  
23  
24  
25

I N D E X  
VOLUME III

<u>SPEAKER</u>	<u>PAGE</u>
Ms. Nancy Dick	300
Mr. William Veeder	321
Mr. Carl Whitman	326
Mr. Steven Chestnut	334
Mr. Theodore Smith	346
Mr. James Boggs	356
Ms. Angela Russell	362
Ms. Carole Anne Heart	371
Mr. Lee Topash	386
Ms. Judith Davenport	398
Mr. William Freudenburg	408
Mr. Burman Lorenson	427
Ms. Jackie Nixon-Love	433
Mr. Dwayne Ostenson	440
Ms. Gail Martinez	451
Mr. Lawrence Borom	466
Mr. Omar Barbarossa	478
Rep. Patricia Schroeder	487
Mr. Roger Kahn	499
Mr. Richard Gonzalez	503
Ms. Pauline Garrett	514

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

I N D E X  
VOLUME III  
(Continued)

<u>SPEAKER</u>	<u>PAGE</u>
Mr. Martin Garber	530
Dr. Arlene Sutton	536
Mayor Ted Wilson	545
Ms. Alberta Henry	551

## 1 MORNING SESSION

2 November 3, 1978

3 9:00 a.m.

4  
5 MR. WILLIAM MULDROW: Would everybody please take  
6 their seats and we will begin our morning session.

7 On behalf of the six advisory committees to the U.S.  
8 Commission on Civil Rights, in the Rocky Mountain region, I  
9 would like to again welcome all of you who are participating  
10 or attending this consultation on natural resource develop-  
11 ment in the intermountain west, its impact on women and  
12 minorities.

13 We had a very profitable day yesterday, there were  
14 many informative and provocative presentations during the  
15 day, and last evening we had some very stimulating small  
16 group discussions in which everybody who was present had an  
17 opportunity to raise questions or to speak their piece.

18 We continue today in the same format that we followed  
19 yesterday, with presentations by panel members who will be  
20 responded to by other experts on the issues who have received,  
21 in advance, copies of the papers which are being presented.

22 I would like to remind you that these proceedings  
23 are being recorded by a Court Reporter, Jim Bouley, and  
24 following the consultation we will be editing and publishing  
25 the written record of this consultation and it will be

1 available to all of you who are in attendance here as well  
2 as to the general public.

3 If there are any of you who have additional informa-  
4 tion that you would like to submit to us, you're welcome  
5 to do so within a 30-day period following our conference  
6 here. And it will be considered for inclusion in the record.

7 I would like just to make a brief housekeeping  
8 announcement before we introduce our keynote speaker for  
9 this morning. All of you should have received evaluation  
10 forms when you registered, if you did not get one of those  
11 please pick one up at the registration table this morning  
12 before you leave and we would very much appreciate it if  
13 you will complete that and deposit it in the box which is  
14 just outside of the door by the registration table.

15 This will help us to assess the effectiveness of  
16 this consultation and provide us with useful information  
17 for planning further activities.

18 First thing on our agenda this morning is a keynote  
19 address by Nancy Dick. Ms. Dick is a candidate for the office  
20 of Lieutenant Governor in Colorado, she comes well qualified  
21 to speak to us this morning on the issue which we have been  
22 discussing yesterday and will be continuing today.

23 She's lived in Colorado for 22 years, served for two  
24 years as the Colorado representative for district 57 here in  
25 the state. She is the chairperson of the governor's



1 commission on rural health, for four years she's been a  
2 member of the U.S. Oil Shale Advisory Panel, she is the vice-  
3 chairperson of the house or was the vice chairperson of the  
4 house transportation and energy committee.

5 She was also a vice chairperson of the legislative  
6 interim committee on the equal rights amendment, she is a  
7 former member of the Colorado Development Advisory Commission,  
8 and has also served as finance chairperson for the Federation  
9 of the Rocky Mountain States.

10 Ms. Dick is going to speak to us and then, following  
11 her address, she will entertain questions for a brief period  
12 of time from the floor.

13  
14  
15 MS. NANCY DICK

16  
17 A. (By Ms. Dick) It's a real challenge just to get to  
18 the microphone with all the steps there.

19 I really wanted to make this very informal this  
20 morning and hope that it will meet with your approval. And  
21 what I'd like to do is give you some background on me and my  
22 district and what has happened in Colorado, perhaps as far  
23 as energy impact legislation, and what we see as the impact  
24 on women and minorities.

25 And then perhaps there could be some questions, if

1 you were interested, on specific instances and what has  
2 happened in my district.

3 If I can't answer them, I see some people in the  
4 audience that I know are qualified to answer them so I  
5 think between all of us we should be able to give you some  
6 information.

7 As was mentioned, I have served in the state house of  
8 representatives for four years and I represent five counties  
9 on the western slope. Those counties have all the oil shale  
10 in Colorado in them. As a matter of fact, that's 80% of the  
11 ~~known~~ oil shale reserves in the world.

12 Then we have enormous deposits of coal, oil and gas,  
13 and Climax molybdenum is there also so that one thing that  
14 I have done in the four years that I have been in the legis-  
15 lature has been to concentrate on energy impact and legis-  
16 lation because so much of my district is affected by what is  
17 happening in Colorado today as far as the energy boom.

18 I also have been active in the area of rural health,  
19 and while that is an issue that is pertinent to all of  
20 Colorado, and by rural we say anything outside the metro-  
21 politan area of Denver, there have been enormous demands upon  
22 the health system in western slope.

23 As you know from the boomtown syndrome, and we first  
24 ran into this at least in this turnover of history, up in  
25 Wyoming where Gillette and Rock Springs became the hallmarks

1 and the models of how not to have energy development take  
2 place.

3 In my district, when it happened and became evident  
4 during the time of the OPEC meetings, that suddenly coal  
5 mining was going to take off with a boom in Colorado, and it  
6 had been a rather depressed industry and rather stable,  
7 but at a very low level for a number of years, and with oil  
8 shale also coming into the picture, the local officials in  
9 the various towns that were affected by or would be affected  
10 by oil shale development really came together with the help  
11 of the state government and with the help of some of the  
12 federal monies and federal people who were interested in  
13 alleviating those boomtown syndromes. And we have been pre-  
14 paring for energy impact in the northwestern part of  
15 Colorado for about four, four and a half years.

16 The governor, Governor Lamm, appointed an energy  
17 impact coordinator, which has been a very helpful thing for  
18 the state. The man who held that job now is working for HUD  
19 in a similar capacity. And he happens to be in this room,  
20 so if indeed I run into a corner, I'll call upon him.

21 But it was really a master stroke, because what we  
22 needed at that point, because it was such a new picture  
23 for all of us and we really didn't know what was coming down  
24 the pike except that we were very concerned about what was  
25 going to happen to our way of life and style of life, that

1 so many of us had enjoyed over there.

2 On the other hand, the other part of that problem  
3 was that in the past, when kids graduated from high school  
4 in those towns, they had to leave town because there were no  
5 jobs for them. And so there were obviously going to be  
6 some advantages to what was happening but there were going to  
7 be some disadvantages.

8 With the appointment of Burman Lorenson as the energy  
9 impact coordinator, that liaison work started between the  
10 federal government, the state government, the local govern-  
11 ments and the energy companies, and as you may know, the  
12 federal government had a bidding process and that's been  
13 about four or five years ago, on oil shale tracts in Wyoming  
14 and Colorado and Utah.

15 There were no bids that were accepted for Wyoming,  
16 but there have been bids accepted on two tracts in Utah and  
17 two tracts in Wyoming. And so that part of the boom was  
18 sort of a given up to a point, that development was going  
19 to take place in those areas, and it was up to us and the  
20 counties that were involved, and they're Rio Blanco County,  
21 Garfield County, Moffat County to some extent, up in the  
22 northwestern part of the state, to prepare for that.

23 What they did, and I think it really -- it was an  
24 excellent way to start, what they did was they put all  
25 their county officials and anybody else that they could dredge

1 up, on buses and went up and talked to the people in Rock  
2 Springs and talked to the people in Gillette to find out what  
3 was going wrong, what could have been done to prevent the  
4 problems, and what might be done in the future as far as the  
5 towns in Colorado and the counties, to be ready for what was  
6 coming down the pike.

7           There are enormous social problems, and social  
8 problems I think more for women than for men. Often the  
9 living facilities are absolutely nonexistent, there's lots  
10 of trailer villages that are just set up out in the middle  
11 of the prairie, often where there are minerals to be developed  
12 the scenery and the lushness of the locale is not -- not  
13 particularly advantageous.

14           There may not be trees for miles. And what happens  
15 is that these wives are left to care for their children,  
16 the men leave during the day, often stop on the way home  
17 for a few drinks, and the children are cooped up in a small  
18 area, it's muddy outside, or dusty, housekeeping is a  
19 constant problem, loneliness is there forever, and what  
20 happens is that there's great depression, large amounts of  
21 alcoholism, suicide, all sorts of mental diseases and  
22 disabilities come into play.

23           That's both for the men and for the women. But it's a  
24 very difficult, difficult problem and I saw in the newspapers  
25 last week that there is going to be, or is in the process,

1 a new company town that's being started in Wyoming, that if  
2 they didn't start the company town, commuters were going to  
3 have to commute 50 miles one way to the closest towns.

4 But that's where the energy deposits are. And that  
5 has come in and is building recreational districts and is  
6 putting together kinds of housing that, while it's merely  
7 temporary, at least is liveable, and supermarkets and health  
8 care, and mental health care, so that there is a very  
9 definite role that industry can take.

10 And I think what is -- they have found as far as  
11 perhaps constructing the Jim Bridger plant up in Wyoming,  
12 is that when industry doesn't take these steps, then the  
13 costs just skyrocket. It is much more economical for these  
14 industries to put some money into the niceties of life,  
15 because if they don't, their worker turnover skyrockets to  
16 perhaps 900% and the cost of retraining is far more  
17 expensive than they would have spent otherwise.

18 I was asked also about the possibility of speaking  
19 about the Indian reservations, and we have two Indian Nations  
20 in Colorado. And what is on the horizon for them as far  
21 as energy development.

22 They have found, at least at this point, that on the  
23 Southern Ute Tribe reservation that there's not enough  
24 uranium to mine, but there is coal under both the Southern  
25 Ute and the Ute Mountain Ute.

1           It is not stripable, it would have to be deep mined.  
2           But it is a seam that goes underneath both reservations.  
3           The Southern Ute is a checkerboard reservation which makes  
4           that kind of energy resource development very intricate  
5           because you have to deal with so many people in addition to  
6           the Indian reservations and nations themselves.

7           But one of the concerns they have in addition to  
8           the obvious ones about massive influx -- people that might  
9           come in, I know in New Mexico, one of the problems they have  
10          had in hiring Indians to work at the mines, as the gentleman  
11          behind me remarked talking to someone else, as I was sitting  
12          there, there is -- there's White man's time and there's  
13          Indian time, and it's often been a problem, because Indians  
14          have a very strong sense of priority about what is more  
15          important and often work is not high on that list.

16          If they have relatives that are ill or certain  
17          ceremonies that should be done or taken part in, then work  
18          comes farther down on the list.

19          Also when they arrive at work is certainly the time  
20          they feel they should be there, but it isn't necessarily  
21          the time that time clocks feel they should be there.

22          In addition to those problems, you have one that was  
23          mentioned to me yesterday, by Mr. Ken Fredericks, from  
24          Washington, who is head of or very strong -- let's see, he  
25          has a specific title but he's with the trusts and conservation

1 of trusts in Indian lands in the United States, and that is  
2 the problem of when you have energy development, a number of  
3 people come in, a great majority of those may be Anglo men,  
4 and what happens to the Indian women? Not only what often  
5 happens as far as the increase in crime, as far as crimes  
6 against women, but also you have a -- somewhat of a pure  
7 culture there, which it seems there's great concern about  
8 that being diluted. And I think there's reason for concern.

9           There are a number of problems that come in with  
10 boomtowns and energy exploration and energy development  
11 that affect women and minorities. I think I've touched  
12 upon a few of them but I also think that perhaps either from  
13 myself or some other people in the audience, we may have  
14 some insight that we could give you on specific questions  
15 that you may have in your own mind, and so, if I could open  
16 it to questions and answers right now, I'd be very pleased  
17 to do that.

18           Q       (By Ms. Aro) Nancy, do you think there is an alter-  
19 native to the development of all this energy or are we too  
20 far along the line and are we already committed by our  
21 government or whoever, they, in quotes, to go ahead and  
22 strip all of the stripable coal, dig all of the digable  
23 coal, etcetera?

24           A       Well, I do not view energy development as being  
25 harmful or evil, perhaps would be a better word, in itself.



1 I think that those impacts can be mitigated to a large  
2 extent, and I'm talking about not only environmental impacts  
3 but as I spoke of earlier, the cost of -- the quality of life  
4 impacts.

5 But I think that it is not an easy job, and it  
6 requires, it's a very intricate job as a matter of fact,  
7 and it requires enormous cooperation between all the entities,  
8 but I don't think that it should not be done.

9 I think that energy development is a very logical thing  
10 to have happen. And as I have said before, in other arenas,  
11 that does not mean that I feel the rape of the west is  
12 necessarily the next conclusion or the thing that would come  
13 from that.

14 Yes?

15 Q (By Dr. Elizabeth Moen) (sic) Betty Singer.

16 A lot of the proposals you hear for mitigating the  
17 environmental impacts and the social impacts are through state  
18 and federal assistance or county assistance, so that the  
19 cost of energy development is spread out across -- across  
20 the country, across all people. Shouldn't the cost of energy  
21 development really be given to the consumers of energy  
22 themselves and let the big users pay for most of the costs  
23 rather than spreading it out, regardless of how conservative  
24 you are or how little money you have?

25 A I would think that probably there are parallels in

1 other areas of government about spreading that out, that cost  
2 of mitigating the impact. I think that the tragedy would  
3 be, and this is something that everybody seems to think  
4 would be, should be avoided at all costs, is when only that  
5 particular town that is impacted has to bear that cost,  
6 because then what happens, as you well know, or the people  
7 who are on fixed incomes have a -- have to move.

8 Q (By Dr. Moen) That wasn't the issue --

9 A Pardon?

10 Q I said that wasn't the issue. I'm asking about the  
11 consumer's paying the real cost of energy.

12 A Well, I would think that there is a certain amount,  
13 certainly there is in what I have seen, that energy  
14 companies contribute toward the amount of money that's needed  
15 for mitigating impact.

16 And that, I'm sure, is passed on to the consumers of  
17 that energy.

18 Q (By Mr. Rob Pudina) Rob Pudina.

19 I'm going to talk specifically about a particular  
20 community, mainly because I think it illustrates some of the  
21 problems you see in other states, but specifically I'm going  
22 to talk about Rifle, Colorado. Where ARCO Oil came in, did  
23 their demonstration project and then left. That was the end  
24 of the whole thing.

25 In the meantime, Rifle is waiting for an energy boom;

1 an oil shale boom, Their hospital has got an operating  
2 deficit, they don't know whether to close down the hospital  
3 or not, but if it's going to be a boomtown, then they've got  
4 to keep it running, if it's not a boomtown it's going to  
5 collapse, okay? Every time they need money they have to go  
6 the JBC. Which is usually run by legislators from the front  
7 range. Or at least many of the members of the JBC are from  
8 the front range.

9 The money that generally they get is for things like  
10 roads, very little is being put into social kinds of things,  
11 whether it's low cost housing, or aid to the hospital, or  
12 mental health or any of those kinds of -- they -- you can't  
13 even fund a lawyer who might know a little bit about how to  
14 protect their interests.

15 One of the things that's characteristic of the whole  
16 energy boom thing is that the companies can afford to wait.  
17 The people in the communities burn themselves out fighting  
18 against it and because it's volunteer, the company can wait  
19 five or six years, by that time most of the people who have  
20 been fighting against what's happening, have burned them-  
21 selves out.

22 They don't have the funding to maintain any kind of  
23 pressure on the companies, to get the kinds of things, the  
24 towns you get in Wyoming or something.

25 I'm thinking now of Crested Butte specifically and the

1 AMAX business. AMAX can afford to sit, they're going to be  
2 there for 20 years and then they're going to pull out.  
3 That's the length of the life of that project. And then  
4 they're left, you know, with mobile home villages, with  
5 schools they can't use, I just see that there's something  
6 very wrong with the way the funding is going.

7 I see the funding going into capital improvements  
8 like roads and things that just make hauling the minerals  
9 out more convenient, and very little going into training,  
10 for example, the Indians how to -- like right now they should  
11 be training Indians how to do mining work, how to operate  
12 heavy equipment and things like that. That's why they don't  
13 hire them, because they're not trained and no one thinks of  
14 training them beforehand.

15 And that's -- and what does the state do about it?  
16 Nothing. I've seen nothing.

17 A Well, I'm -- are you through?

18 Q Yes.

19 A Okay. I'm sure that I can give you some answers to  
20 that and I think there's some people in the room who can  
21 give you some other answers but I'll go through my answers.

22 I suspect that if we run out of time, both Polly  
23 Garrett and Burman Lorenson over there will be here, are  
24 you going to be here the rest of the day? Yes. So you  
25 might want to talk to them.

1 But let me say that I am quite familiar with Rifle,  
2 simply because it's in my district, and I would submit to  
3 you that most of the things you have said are incorrect.  
4 And let me go down the list one by one.

5 The hospital is operating at a deficit. The hospital  
6 has been mismanaged for a number of years, it's one of the  
7 few hospitals I've run into where they have two boards up  
8 until recently, so that it was very difficult to get some  
9 kind of comprehensive and efficient management there.

10 That is not the problem of the energy impact, it  
11 wasn't caused by the energy impact, that's something that's  
12 been going on for a number of years.

13 Parahoe (Phonetic) came into Anvil Points and left,  
14 indeed they did, because they came in for a fixed year  
15 contract, two years, I believe, which was up last, about last  
16 August. They knew that it was two years, everybody else  
17 know it was two years, they went to congress, Harry  
18 Forceheimer (Phonetic), who is the chairman of Parahoe,  
19 went to congress to try and get that contract extended and  
20 congress chose not to do that at that point. But that was  
21 a given, the extension would have been an unknown, but the  
22 given was the two years.

23 The joint budget committee is made up from people  
24 primarily from the front range, and at times I think there  
25 is some insensitivity problems we have. But on the other hand,

1 I know that there have been a number of members of the joint  
2 budget committee and it -- I will agree with you in this  
3 respect, that there are six members of the joint budget  
4 committee, those of you who are not from Colorado, who  
5 exercise enormous control over the funding of the state  
6 projects in this state. They are from the legislature,  
7 and it is the only state in the union that has that kind of  
8 budgetary setup, and I think we're the only state because  
9 no other state sees fit to copy us, I really don't think  
10 it's a very good project, but they have, I think, made a  
11 great, taken a great deal of trouble to come over here and  
12 they travel over here, usually a couple times a year, to  
13 see what has happened, what is needed, what was done, what  
14 was supposed to be done and funded but might not have been  
15 finished.

16 Where the things are, and so I don't think they're  
17 totally insensitive to the problems of western Colorado.

18 The oil shale funds are what they have chosen to  
19 give to the impacted areas of northwestern Colorado. Those  
20 funds, this is bonus funds that was set up from the amounts  
21 of money that the corporations bid on these tracts that  
22 I was speaking of, two in Colorado, two in Utah. Colorado  
23 put those funds into a special pot which was called the oil  
24 shale trust fund, and they, the joint budget committee has  
25 chosen to fund impact, primarily out of those funds.



1           They have been rather frugal, because there are  
2 times when they're not convinced that energy indeed is  
3 going to happen in Colorado, or energy development.

4           There is some justification for that because the  
5 people of Rifle have been promised that energy and the  
6 harvest of oil shale was going to happen for the last 50,  
7 70 years. And so even the people in Rifle, as some of them  
8 say, I'll see it when I believe it.

9           There has been enormous impact in Rifle but I think  
10 those city individuals, county individuals and state and  
11 federal and corporate, have really worked very hard trying  
12 to mitigate that.

13           There's a tremendous housing shortage in Rifle but  
14 there's a tremendous housing shortage in Colorado. I don't  
15 know about the rest of your states, but there are just not  
16 enough homes.

17           As far as dollars for social problems, I think that  
18 that has come out of the oil shale trust fund and Burman  
19 can speak much more specifically but we have gotten dollars  
20 for hospitals out of the oil shale trust fund, dollars for  
21 swimming pools which doesn't sound that important but if  
22 you leave, you live sort of 50 miles from the closest drop  
23 of water except for the river, it's awfully nice to have  
24 swimming pools.

25           Dollars, a lot of dollars for innovative and -- types

1 of mental health programs that really are, what's the word,  
2 pioneer in essence, that -- things that haven't been done  
3 in other areas but that they are trying to work here.  
4 Because they feel it's important to try new approaches, and  
5 those have been funded, and I think nothing in Colorado,  
6 and I presume in your other states, is funded generously,  
7 but they have been funded. Mental health is one of those.

8 As far as AMAX and Crested Butte, AMAX wants to do  
9 that on a 20-year basis, the Crested Butte people are trying  
10 to get them to stretch that out. There's no -- there are  
11 obviously economic concerns why it might be best for AMAX  
12 to do it on 20 years but maybe for the community and the state  
13 and the county, and whomever else is brought in, it might  
14 be far better for it to be stretched out to 30 or 40 years,  
15 and maybe there's some juggling that can be done, because  
16 at this point that particular thing is still in the state of  
17 negotiation.

18 As far as training Indians there are no Indians near  
19 Rifle and no Indians near Crested Butte. There are two  
20 training centers that are open to anybody that are operated  
21 by the state, one is up in Steamboat Springs and they are  
22 doing -- they're doing a lot of training there, the other  
23 I believe is at Mesa College and Burman can tell you more  
24 about that.

25 I guess that's -- that finishes my list. But I would



1 say that the picture you paint is not correct, that we are  
2 working hard and we are trying to do things, and I think  
3 we're making some headway and I think probably from what  
4 I've seen of other states, Colorado is probably further  
5 ahead than other western states, which are primarily the ones  
6 that are impacted.

7 One more question? Yes, sir?

8 Q. (By Mr. Doug Meyers) Doug Meyers from North Dakota  
9 AEL-CIO. We're talking a lot about impact here and  
10 I would just like to know if other states, we're dealing  
11 primarily with the primary impact area here, North Dakota  
12 right now is encountering a large question about secondary  
13 impact.

14 The Cities of Bismarck, Mandan, are 50 miles from  
15 the coal development area, yet we are receiving no secondary  
16 coal impact funds for taking the majority of the people in  
17 the schools, that type of thing. Although I'm not admitting  
18 that the small towns are not encountering a boom, they  
19 certainly are.

20 I'm just wondering if other states do have secondary  
21 impact funds set up or if it's only primary going back to the  
22 counties where the actual mining is taking place.

23 A. Could I ask you one question, that is when you're  
24 speaking of Bismarck and the other city, do most of the  
25 employees at the energy development live and commute, is

1 that what --

2 Q Yes, they do.

3 A -- I understand in that situation?

4 Q Yes.

5 A Well, if they lived there it would almost be primary  
6 impact, it seems to me.

7 Q However, the mining is not taking place in the county --

8 A In the county, that's a problem we have in Colorado,  
9 and Burman can speak much more to that but we have mines in  
10 one county and population centers in the other that man  
11 those mines, and that is something that we have tried to  
12 work against as far as legislative measures to change that.

13 What has happened is that there seems to be some  
14 people who feel that that kind of legislation has to involve  
15 a constitutional change in Colorado, and therefore I have  
16 carried some of that legislation and they, even though  
17 theoretically they are for the measure, they have lobbied  
18 very hard to have it killed, which I find rather frustrating  
19 upon times.

20 But let me say one more thing about secondary impact.  
21 And that is what Denver is claiming, and it can not be  
22 denied, you know, when you see the skyscrapers that are  
23 going up downtown, those, I bet 80, 85% of that downtown  
24 growth is due to the energy boom in Colorado. They say,  
25 you know, we have tremendous impact in Denver, we need oil



1 shale funds, which the northwestern part of the state guards  
2 and holds as their very own if they have the choice. There  
3 are some sound arguments, but also I think you have to look  
4 at the economic base that Denver has to start with, compared  
5 with the economic base that Rifle or Meeker or Rengely, and  
6 while there's tremendous boom here, there's also some base  
7 that they have to work with.

8 I am rather ambivalent about the question of giving  
9 shale funds to Denver and I know that there are people in  
10 northwestern part of the state that really come off the  
11 wall when that's mentioned. But I think you can not deny  
12 that there's a tremendous amount of growth going on here that  
13 is due directly to energy exploration, and resource develop-  
14 ment, and you know, how do you justify whatever stand you  
15 take?

16 I really appreciate your time and I'm very glad to  
17 see you and I thank you for having me here today.

18

19 (Applause)

20

21 (The following was moderated by Ms. Harriett Skye)

22

23 THE MODERATOR: Good morning, my name is Harriett  
24 Skye and I'm the chairperson of the North Dakota Advisory  
25 Council on Civil Rights, and I'm also the supervisor of the

1 Office of Public Information at United Tribes in Bismarck,  
2 North Dakota.

3 I'm your moderator this morning, and I'm very de-  
4 lighted to introduce this distinguished group. Mr. Bill  
5 Veeder, who is on my far left over here, from Washington,  
6 D.C., will give a brief history of Indian water rights and  
7 explain the relationship between water rights and energy  
8 production.

9 He'll also discuss efforts that are being made to  
10 undermine the rights which have been upheld in such court  
11 cases as Worcester versus Gaw, Winters versus United States  
12 and he offers some suggestions on how these attacks on  
13 Indian rights should be dealt with.

14 Mr. Carl Whitman, next to him, is former chairman of  
15 the three affiliated tribes on the Fort Berthold Indian  
16 Reservation in North Dakota. He is also now the Fort  
17 Berthold Tribal Economic Development and Planning, and he  
18 will discuss what he sees as the pros and cons of whole  
19 development on the Fort Berthold Indian Reservation.

20 I consider him our foremost authority on energy in  
21 North Dakota.

22 Mr. Steven Chestnut is the attorney from Seattle,  
23 Washington, has acted as a lawyer for the Northern Cheyenne  
24 Tribe in regard to coal leasing, he'll give a history of  
25 coal leasing done by the tribe and the problems encountered.

1 He'll also discuss the current status of leasing  
2 Indian anticipated direction of development in the near  
3 future.

4 Mr. Ted Smith, whom I just met for the first time,  
5 a minute ago, is a deputy director of the council of energy  
6 resource tribes, known as CERT. And he'll talk a little bit  
7 about the technical assistance CERT offers to Indian tribes  
8 including making assessments of the social and economic  
9 impacts of resource development.

10 Okay. On my far right over here is Jim Boggs, who  
11 is the director to the Northern Cheyenne research group,  
12 and these people will be the respondents.

13 Next to him is Angela Russell, who is former director  
14 of the Crow coal research office at Crow agency, Montana,  
15 and she is now with the Denver Research Institute.

16 Next to her is Carole Anne Heart, who is the  
17 director of the Rosebud Tribal Office of Water Resources  
18 on the Rosebud Indian Reservation in South Dakota.

19 Bill Walsh, who is on the -- next to her, is the  
20 South Dakota, on the South Dakota Advisory Committee on  
21 Civil Rights and he is also the director of the South Dakota  
22 Social Services at Rapid City.

23 Next to him is, let me see if I can, Chiz Ishimatsu,  
24 who is with the Utah SAC committee on civil rights.

25 Thank you. We'll start with Mr. Veeder, and he will

1 give a brief talk and then he'd like to open it up for  
2 questions.

3  
4  
5 MR. WILLIAM VEEDER

6  
7 A. (By Mr. Veeder) Thank you, Harriett.

8 It's of course a pleasure to come back to what was  
9 one time my home town and I look at Denver as I was riding  
10 around out in the cab this morning, as a boomtown. And  
11 a regrettable situation in my view prevails in this and many  
12 other towns. Because as a simple fact, the town has lost  
13 so much by becoming so big.

14 I can remember very well when the climate and the air  
15 of Denver, Colorado, was magnificent. And we lost a whole  
16 lot by subsidizing huge populations into a place like Denver  
17 and I think it's succeeded in becoming as bad as Los Angeles,  
18 and maybe that was its goal.

19 Turning, though, squarely to the issue of what's  
20 happening to the American Indian and the impact that is  
21 befalling him by reason of the energy, quote, crisis,  
22 turns very largely upon the overwhelming power of the  
23 multinational energy cartels that control the vast financial  
24 resources of the various regions.

25 I sat in for a moment last night and I heard them

1 discussing how there would be a possibility of influencing  
2 the policies of Exxon, Phillips Petroleum and others. And  
3 it's bizarre for any of us here to think that we can have much  
4 influence in that regard. And the smaller the minority,  
5 the greater the difficulty is.

6 The Indians own huge quantities of coal, the Indians  
7 own rights to the use of water, the Indians are protected  
8 by one of the most formidable bodies of law, I assume in the  
9 history of jurisprudence, and there is no reason, therefore,  
10 why the Indians should be threatened as they are today with  
11 what I perceive to be a genocidal trend.

12 The Indians are being planned out of existence and  
13 let's not deny that. They are being planned out of exist-  
14 tence systematically and intentionally because they own the  
15 last block of valuable water on the North American Continent,  
16 they own coal, that Exxon, Shell, and others, are avidly  
17 seeking.

18 They are being planned out of existence because of  
19 the formidable body of law that would protect them if those  
20 very important tenets of jurisprudence were permitted to  
21 function.

22 This is your problem. The Winter's Doctrine pro-  
23 tects the Indian rights to the use of water, no question,  
24 except that it is not enforced or recognized in many of the  
25 courts by the simple reason that the Indians are either



1 denied their day in court or are represented by agencies  
2 of the federal government whose primary interests are not  
3 the Indians but the energy cartels.

4 This is the problem that you're looking at. And it  
5 isn't a pretty problem. It's a problem of suppression of  
6 Indian Rights, civil, human, and constitutional.

7 Let's face it, that is the problem today. And the  
8 wise men in Washington have created one of the most bizarre  
9 situations I have ever witnessed. They're having the  
10 Indians vis-a-vis the states, to negotiate in regard to their  
11 water rights. And it's a strange thing to see the Governor  
12 and the Attorney General of the State of South Dakota or  
13 North Dakota say yes, we're going to deal with the Indians  
14 in regard to their water rights. Without which the energy  
15 developments can not be completed. But bear in mind the  
16 states have no power, they have no water rights, indeed  
17 they were admitted to the union subject to limitations that  
18 say that they can not interfere or in any way deal with the  
19 Indian rights to the use of water or their land.

20 So it's just another prime example of why the  
21 minorities in this country, even though they have very  
22 favorable laws in this country, are being suppressed, are  
23 being deprived of their human rights, and it's an on-going  
24 policy concerning which the minorities have very, very  
25 little voice.



1 I looked out of my window in Washington not too long  
2 ago and saw the city on fire. Now, that brought about a  
3 response. They did something about it. And I think what  
4 you're pushing today, these energy cartels, and the people  
5 who are controlled by them, federal, state, and local, they  
6 are going to push the people with inflation, bad housing,  
7 poor representation, and once again you look out the windows  
8 and somebody will say, burn, baby, burn.

9 That's where we're heading. Because the opportunity  
10 for Indian people effectively to be heard is not possible.  
11 Because although the laws favor them, they are badly  
12 represented if they are represented at all, in the struggles  
13 that are on-going in the western United States in regard  
14 to their precious water rights.

15 Now, Harriett said that we could have some questions.

16 THE MODERATOR: Does anybody have some questions out  
17 there for Mr. Veeder?

18 A. (By Mr. Veeder) Maybe there aren't any.

19 THE MODERATOR: Mario?

20 Q. (By Mr. Mario Gonzalez) Mr. Gonzalez, South Dakota  
21 SAC. And I would like Mr. Veeder to comment on the Missouri  
22 River Water Commission, Basin Commission?

23 A. I think that's, Mario, I think that's a prime  
24 example. The Indians own tremendous mineral and water  
25 rights in the upper Missouri River Basin, right?

1 Q That's correct.

2 A Your own tribe, the other tribes up in there, from  
3 Standing Rock to Cheyenne River, Fort Bertho., Fort Peck, go  
4 right on up the river, here we have the Missouri River  
5 Commission, a powerful entity. It guides the economic  
6 development of the area. The Indians have the biggest stake  
7 of anybody there, but they have no representation.

8 And the reason they don't have representation is  
9 flat out racism. They do not want to have anybody stand up  
10 and say, why the federal government stole our water or the  
11 federal government is exploiting our coal at \$2.00 a ton  
12 and we should be getting two and a half. They don't want  
13 that.

14 So the Indians are not represented, isn't that right,  
15 Mario?

16 Q That's correct.

17 A It's a plain case of suppression, of the Indian people  
18 and depriving them of the opportunity to be heard. This is  
19 your problem.

20 And we can all sit around and say it's great to  
21 control a boomtown and get somebody on the PTA that the  
22 corporations let you have, but the gut issue is when was  
23 the fundamental policy created that says yes, we're going to  
24 get the coal and water from the Indians and to hell with them.  
25 That's what you're looking at. That answer your question?



1 Q What would your recommendations be as far as getting  
2 Indian representation on that commission?

3 A I'd insist that they be on there, the secretary of the  
4 interior is the big shot on there, he's your trustee, why  
5 don't you say, hey, we want to have representation on that,  
6 and that's how to get it.

7 THE MODERATOR: Okay, we'll go on to Mr. Whitman.

8

9

10

MR. CARL WHITMAN

11

12 A (By Mr. Whitman) My topic is the adverse effect or  
13 impact coal mining, petroleum drilling and other energy  
14 resource developments will have on Indian reservations in  
15 Montana, North Dakota and South Dakota.

16 People act as if impacts is some 20th century  
17 phenomenon. It has happened in the past, it is happening  
18 now, and it will happen in the future. I am talking about  
19 coal mining, refinery and power plant impacts that affects  
20 water supply, transportation, land, people, and eco. system.  
21 People already know about what aspect of impacts can be  
22 mitigated and what can not be mitigated. You all know what  
23 will happen to my reservation without my going into detail.  
24 So I don't want to bore you with it.

25 If I do, I will just merely insult your intelligence.



1           Perhaps there is some profound angle to all of this,  
2 this meeting here that somehow elude my naive, primitive  
3 innocence. Maybe I'm admitting that I'm pathetically unper-  
4 ceptive of the world in which I live. Maybe the purpose  
5 here is to talk about something that everyone already knows  
6 about. But to say them in more eloquent terms, that the  
7 purpose of this conference is to really beautify learning,  
8 not to throw out something new to all of you, or the intent  
9 maybe is to soften the impact, you know, sort of to minimize  
10 the shock value of impacts.

11           My -- but really talking about all the time, I've  
12 sat here and listened to it all day yesterday and I just  
13 don't want to go into it. I just don't want to indulge in  
14 this kind of an intellectual exercise that really serves no  
15 purpose and so as far as I'm concerned, as there are people  
16 that are far more capable than I who can -- who can do that  
17 sort of thing.

18           Probably I should preface my presentation by pointing  
19 out to you that my orientation is different from the usual  
20 Anglo Saxon, Protestant Ethic-type of programming. I was  
21 raised by my grandmother and I was greatly influenced by her  
22 during my childhood years. She imbued in me the philosophy  
23 and wisdom of our tribe.

24           Briefly stated, though seldom articulated by Indians,  
25 it merely holds that no group of people can last for long

1 if they are dependent upon exhaustible resources. The  
2 immigrants have come into the rich country and have lived  
3 it up and are finding this out. Honeymoon is over.

4 The real thrust of their economic ingenuity lies ahead.  
5 It just seems useless to dwell on the effects and ignore the  
6 cause of these impacts.

7 As the effects will continue unabated so long as the  
8 cause is not addressed.

9 Some years ago I stated at a scholarly gathering that  
10 in the near future, we will have to bury a -- one old  
11 classical wisdom, which holds that supplies will always  
12 increase to meet the demands. In the field of energy the sup-  
13 plies of energy will not ever meet the exponential increase  
14 in demand. Not ever. Merely because the supply is finite.

15 Some of these scholars thought I was somewhat batty  
16 and while some of the others did not really understand. I  
17 had said that we will have to shift our concern from energy  
18 to demand.

19 My grandmother knew this long, long ago. Today the  
20 supply of energy, we're at the tail end of it and it's not  
21 going to meet this exponential increase in demands. Since  
22 the dawn of the industrial age, public policy has in general  
23 had only a peripheral influence on the availability and  
24 management of our energy resources. Energy industries  
25 have been permitted a laissez faire existence until now our



1 abundant supply of energy has been much more of a product  
2 of geological accident, ideological and military alliances,  
3 and cultural traditions than any well-considered and far  
4 sighted concern, study and development.

5 Such laissez faire may have been avoidable attitude  
6 during that brief historical period of abundance, but it is  
7 rapidly becoming untenable in this age of scarcity.

8 People act as if there's some sort of an inseparable  
9 bond to conventional sources of energy, and big business is  
10 exploiting that tendency. It is, in a kind of an irresponsible  
11 fashion. I believe that the bulk of the society is en-  
12 charned or victimized by fairy tales that fairy godmother  
13 is going to somehow come with a magic wand and wave aside  
14 all of these energy problems today, and everything will be-  
15 come honky-dory.

16 This fantasy is an appropriate analogy to the current  
17 stand -- brand belief that science and technology will  
18 somehow manipulate the forces and energy crises will fade  
19 away.

20 The stark fact is that the conventional sources of  
21 energy are no longer dependable, and it is vulnerable be-  
22 cause the supply is finite. Simply stated, that must be  
23 squarely faced, it's kind of a ~~simple~~ fact that it has to be  
24 squarely faced.

25 Somehow people are ignoring the brownouts and blackouts



1 which are becoming more frequent, especially at a time when  
2 electricity is most needed. Actually coal development at  
3 this point in time is premature, the technology to convert  
4 coal to useful energy is too inefficient, and the conversion  
5 process or system can draw off only 30% of this stored fossil  
6 fuels.

7 This means that for every three tons of coal mined and  
8 used, two tons of it will be wasted. To put it in another  
9 context, for every \$3.00 that you pay for electricity you  
10 are contributing to their dereliction and wasteful practices.  
11 I don't think we can afford to continue that kind of an  
12 economic pursuit.

13 To persist in the use of this technology developed  
14 during times of abundance, means needless squandering of our  
15 resources. This is one cause, one cause to our present  
16 strife, as to why we are addressing the impact.

17 It is not as if this can not be improved. Magneto-  
18 hydrodynamic principle can effect a 100% improvement now.  
19 Thermionic principle used in cascade and series can also  
20 bring about vast improvement.

21 The conversion systems are adaptable to these  
22 principles. These are not some fanciful dreams of the 20th  
23 century, magnetohydrodynamics was something that Faraday  
24 described 100 years ago. Thermionic principle was something  
25 that was discovered by Thomas Edison in the year 1885. So



1 these are available now.

2 There is really no excuse in the persistent use of  
3 a technology to convert fossil fuels into useful energy in  
4 a wasteful manner today because this merely means squandering  
5 the remaining resources that we have in America. Especially  
6 it's really needless, especially when we live in a time when  
7 we have a scientific capability to get up to the moon and  
8 back.

9 Incidentally -- maybe I should point out that there  
10 are no gas stations between here and the moon.

11 I am not dazzled by nuclear energy systems either,  
12 whether this is fission, fast breeder reactors or fusion.  
13 What is shocking to me is the continual use of an old  
14 technology used in coal conversions for the last 100 years,  
15 which is to heat the water to generate the steam to turn  
16 some wheels that will, in turn, turn a generator to generate  
17 electricity. It is -- this approach is far more costlier  
18 because, for instance the technology's really designed for  
19 a lower temperature combustion level and it's really not  
20 geared for a nuclear energy which generates far more heat  
21 so it is not only costlier but it is also less efficient  
22 because you must dissipate that wasted heat to the atmosphere  
23 or to the water. If the purpose, if the purpose of being  
24 here today is to kill ourselves, the Anglo is really doing  
25 a damned good job of it.



1           And then the cause is the demand for continuously  
2 higher standard of living, there's an unfounded belief in  
3 unlimited growth. We seem to have some sort of a fascination  
4 for this gross national product, as it's increasing. Perhaps  
5 I should say the grossest national product.

6           The exploitation is perpetrated by big business be-  
7 cause very few people are informed about the options that  
8 are available. You don't have to be a genius to address the  
9 demand such as by insulating your home, building flat plate  
10 collectors, whether this is active or passive, developing  
11 a wind charger, recycling waste, and so on, I can go on and  
12 on.

13           I have already bought hardware to split water into  
14 hydrogen and oxygen which I plan to use in heating my home,  
15 to run my car, through the use of electrolysis. I propose  
16 to use that because the batteries seem far more costlier to  
17 run something in the order of \$2,000.00 to \$3,000.00, to  
18 store that electricity generated by wind charger. It seems  
19 far more economical to split this water, store that and the  
20 other plan that I have is to use this hydrogen and oxygen  
21 in a fuel cell which really generates electricity without  
22 any moving parts, without any motion, friction, or harmful  
23 influences.

24           It just generates electricity.

25           This is not, again, some fantasy of the 20th century,



1 this is very mature technology. A guy named Voltaire dis-  
2 covered this system way back in the year 1800. This is a  
3 system that was used to provide the water, the air, the oxygen,  
4 electrical mechanisms and propulsion for the astronauts to  
5 get to the moon and back.

6 Sure, when I talk about some of this stuff, the White  
7 man always comes and says, these are expensive methods, you  
8 have to think about the economical cost, the economics of  
9 these systems. What this really says is that I am doing some-  
10 thing about this energy crunch and I am shifting from economic  
11 considerations to one of dependability. Because, after all,  
12 you can be economic and be very dead.

13 I faced that one day about two, three years ago when  
14 there was 80-degree below zero chill factor and we had a  
15 brownout and blackout for 20 hours. When we needed electricity  
16 the most. So these are considerations that I have to take  
17 into account.

18 I talked about these things at other places, but really  
19 nobody listens to what I have to say. Not even my wife except  
20 when I talk in my sleep. Sometimes I think I'm so damned  
21 right in what I'm saying, but in such an unsensational way  
22 that I can't persuade anybody to do the rational thing.

23 I thank you for listening.

24

25

(Applause)



1 THE MODERATOR: Mr. Chestnut?

2

3

4

MR. STEVEN CHESTNUT

5

6 A (By Mr. Chestnut) Thank you. It's nice to be here  
7 today.

8

9 I'm a lawyer from Seattle, Washington, and I'm a  
10 member of a law firm that has done a lot of Indian work for  
11 the last 13 or 14 years for a number of Indian tribes in the  
12 State of Washington, State of Montana and also in Alaska.

13

14 One of the tribes that we've had the privilege of  
15 representing is the Northern Cheyenne Tribe which is located  
16 in Montana. We've represented them since 1973.

17

18 I'm going to tell you about basically a great fight  
19 story, I think. I feel a little bit like Howard Cosell,  
20 perhaps, this morning. A story about what the Northern  
21 Cheyennes did starting in 1973, with regard to energy  
22 development on their reservation.

23

24 Resource development has had a profound impact on  
25 Northern Cheyenne. Initially the impact was potentially  
26 devastating. The tribe found itself, in 1971, with 56% of  
27 the reservation encumbered by strip mining permits and leases  
28 which had been approved by the department of interior during  
29 the preceding five years.



1           That, recognizing that, the tribe began, I think what  
2 is really an epic battle which took them into an arena  
3 against these multinational energy companies that Bill Veeder  
4 mentioned, against the department of interior, into the halls  
5 of congress, and also before the United States Supreme  
6 Court.

7           As a result of their actions, which I'll describe,  
8 today I think the tribe feels that they have gained control  
9 of the situation and that the experience that the experience  
10 that they have gained from taking that action has provided  
11 them and really all Indian tribes, and I think the department  
12 of interior and other officials in the United States Govern-  
13 ment, with a valuable education which may or may not prove  
14 ultimately beneficial but which at least has made some dent.

15           In addition, I think perhaps the most valuable result  
16 of this effort has been what it's done for the tribe, which  
17 is a realization that when a tribe commits itself to some-  
18 thing, with dignity, with consistency, without internal  
19 division, they're able to move mountains.

20           It's also, I think, established a certain reputation  
21 for the tribe which some of you may or may not be familiar  
22 with, for integrity, credibility and character, which I  
23 think really is -- is the ultimate major gain from what they've  
24 done.

25           The Northern Cheyenne Reservation is located in



1 southeastern Montana, it consists of 447,000 acres, it's  
2 the second smallest reservation in Montana. There are seven  
3 Indian reservations in Montana. It's truly an Indian  
4 reservation. 98% of the land is trust land. Only 2% is  
5 out of Indian ownership. Of all this trust land, over 60%,  
6 something like 61 or 62%, is owned by the tribe as a whole.  
7 37% is owned by individual members of the tribe.

8 With regard to the minerals on the reservation, all  
9 of it is owned by the tribe. The population is about 90%  
10 Indian, 80% Northern Cheyenne. The land use pattern on the  
11 reservation is 99% Indian, so that a pattern that you some-  
12 times see on other reservations where the land is owned by  
13 the Indians but used by non-Indians predominantly does not  
14 prevail on Northern Cheyenne, and I think will not prevail  
15 on Northern Cheyenne.

16 On the other hand, the income level on the reservation  
17 is about 40% of the average income level statewide, the life  
18 expectancy is very low, alcoholism is high and all these  
19 other indicia of social status have similar kinds of un-  
20 fortunate ratings.

21 Unemployment ranges sometimes as high as 70%. The  
22 average is probably somewhere between 50 and 60%. The  
23 reservation is in a pristine state, two-thirds of the reser-  
24 vation has, for about a 100 years, been used for grazing.  
25 The cattlemen on the reservation are Northern Cheyenne



1 cattlemen. The rest of the reservation is used in a very  
2 limited way for logging and farming.

3 Beneath the reservation is about 23 billion tons of  
4 coal, five to ten billion tons of that coal is stripable,  
5 it's perhaps the singlemost attractive coal deposit in one  
6 ownership in the world. The tribal council has full authority  
7 to do what it wishes with that coal. The coal is valuable  
8 because it has a low sulphur content, and because the  
9 economics of strip mining are very favorable.

10 However, nothing was done with the coal for quite  
11 a long time, although everybody knew it was down there,  
12 there was no specific data but everybody knew it was down  
13 there, beginning in the mid '60's, approaches begin occurring.

14 Energy companies began approaching the bureau of  
15 Indian affairs in Billings, Montana, to discuss the coal  
16 reserve. By 1971, Peabody Coal Company had in hand approved  
17 strip mining permits with options to lease, covering 149,000  
18 acres.

19 AMAX had 71,000 acres. Chevron Oil had 27,000 acres,  
20 Consolidation Coal Company had 23,000 acres, Northern States  
21 Power Company, which is a large midwestern utility, had  
22 33,000 acres. And land speculators held 16,000 acres.

23 Each of these documents was a permit which said they  
24 could explore and then could select as much of the land  
25 covered by the permit as they wished for mining.



1           If mining would occur the tribe would receive 17 and  
2 a half cents a ton for each ton of coal mined and if the  
3 coal was to be used on the reservation for, let's say in  
4 thermal electric plants, the tribe's return would be reduced  
5 to 15 cents a ton, although I should add that that would only  
6 apply for the first ten years, that after that it would go up  
7 to 20 cents and 17 and a half cents per ton.

8           I mentioned that speculators had acquired some of these  
9 lands and in fact one example is a situation where a Billings,  
10 Montana attorney, who was a young fellow, about 30 years  
11 old, acquired in his own name permits, initially, permits  
12 covering something on the order of 42,000 acres. He took  
13 one of these permits which covered 27,000 acres, which he  
14 had paid about \$100,000.00 for and sold it within two months  
15 to Chevron Oil for a downpayment of two million dollars,  
16 and a 9% override on every ton of coal mined from that permit.

17           So that this gentleman, by acquiring control of a  
18 tribal resource, was able, through a paper transaction, to  
19 realize more than the tribe, you know 20 times more than the  
20 tribe got initially, and would realize as well two-thirds  
21 of everything the tribe might get if the thing went for  
22 mining.

23           It's just one example of the kind of thing that  
24 occurred. All this was done under the trust supervision  
25 of the secretary of the interior and the bureau of Indian

1 affairs. By statute, by United States Statute, the secretary  
2 of the interior is charged with the responsibility of  
3 approving or disapproving Indian mineral agreements.

4 By regulation, under those statutes, the bureau of  
5 Indian affairs and the United States Geological Survey, is  
6 charged with the responsibility of preparing proposed trans-  
7 actions, preparing the agreements, reviewing them, advising  
8 the tribe of the legal and environmental, social and cultural  
9 consequences of the transactions, and also advising the  
10 secretary of the same, so that both the tribe and the  
11 secretary, in determining whether or not to approve a trans-  
12 action, would act with some degree of knowledge.

13 Somehow, under this trust supervision, the BIA  
14 determined that it was appropriate to advise the secretary  
15 and the tribe, to approve permits covering hundreds of  
16 thousands of acres. 56% of a reservation. On the terms  
17 I've described.

18 There were many other terms that I could get into  
19 but we don't have time. Essentially what was done was that  
20 the reservation, between 1966 and 1971, was handed over  
21 to these corporations. The tribe initially needed some money,  
22 you know, in 1966 they wanted to raise some money, and the  
23 BIA used that as a justification for turning over the reser-  
24 vation.

25 By late 1972, the energy companies began to reveal



1 what their plans really were, they began filing applications  
2 to go to mining leases on most of the acreage covered by the  
3 permits, they began talking about building thermal electric  
4 facilities, gasification facilities, railroads, they began  
5 revealing that thousands of ~~Mc.~~non-Indians would enter  
6 this Indian reservation, and the tribe, with the light of this  
7 information, which they only got, you know, seven years  
8 after the whole thing began and after they had already  
9 signed away, or appeared to have signed away, most of their  
10 reservation, decided to take action.

11 In the spring of 1973 the Northern Cheyenne Tribal  
12 Council passed a resolution asking the secretary of the  
13 interior to withdraw the approvals he had previously given to  
14 these transactions. The tribe then, at great expense, hired  
15 attorneys to support the resolution legally and factually.  
16 The attorneys, our firm, began working on the case and it  
17 was really an easy case, because it was like a smorgasbord,  
18 you could look at the transactions and look at the law and  
19 you could almost, you know, it -- the law violations, the  
20 unconscienability, the breach of trust, violations of statute,  
21 regulation, organic documents of the tribe, and just basic  
22 common decency, were overwhelming.

23 Based on research, a petition was prepared in support  
24 of the tribal request for cancellation, a rather large, two-  
25 volume document, which was submitted to the secretary of the



1 interior in early 1974. The secretary of interior at that  
2 time was Rogers Morton, it was a Republican Administration,  
3 the energy crisis was becoming, at that point, a, you know,  
4 a matter of first national concern, and it was not the  
5 ideal time to try and wipe out 256,000 acres of coal permits  
6 and leases on an extremely valuable coal deposit which would  
7 -- whose mining would serve the national interest.

8 Also involved was the fact that the thrust of the  
9 tribe's case was that the United States had pitifully  
10 abdicated its legal responsibility here, that the major  
11 violations were violations performed or -- by the United  
12 States, and that the secretary of the interior, if -- that  
13 if the secretary of the interior were to acknowledge these  
14 violations, he might well be opening himself up to very  
15 large, monetary damage claims by both the tribe and the  
16 energy companies, who, by the way, protested throughout that  
17 they were victimized just as the tribe, their position was  
18 that they, in good faith, relied on the BIA bureaucrats who  
19 had approved these things, and that their hands were clean,  
20 which is not really true.

21 They -- they -- the tribe, at the time that they  
22 entered into these transactions, were represented by a lawyer,  
23 sole practitioner in Harden, Montana, which is a small town,  
24 he's represented, in Montana, he's represented Indian tribes  
25 in that area for many years, he's a fine man, he was



1 negotiating with Peabody Coal Company, Consolidation Coal  
2 Company, Chevron, Northern States Power, land speculators,  
3 each of them having lawyers in New York, Washington, D.C.,  
4 Denver, in addition to house counsel.

5           It was -- it was a real mismatch and one would have  
6 thought that one of these lawyers would have read the  
7 regulations, would have read the statutes, would have  
8 advised their energy company client that look, there are  
9 some legal constrictions -- constraints involved here that  
10 one must pay attention to.

11           But in any event, the coal companies protested  
12 innocence and felt that they were victimized.

13           Another major consideration in the secretary of the  
14 interior's deliberations on the Northern Cheyenne petition  
15 was the fact that the bureau of Indian affairs felt that  
16 their personal reputations, competence, and job security,  
17 were being challenged by the Northern Cheyenne Tribe and  
18 they're a very potent, lobbying force. Extremely potent,  
19 entrenched. And they lobbied very strongly against any  
20 kind of declaration by the secretary that they had acted  
21 improperly. But the strength of the tribe's case was really  
22 overwhelming, the solicitor of the department of interior  
23 who at that time was a gentleman named Kent Furcel (Phonetic),  
24 was basically antagonistic to the notion that the Northern  
25 Cheyennes would have the nerve to try to call these matters

1 to the attention of the secretary of the interior, but as  
2 a lawyer could not get around the fact that the tribe's  
3 legal case was overwhelming.

4 In addition, by this time some of the media had be-  
5 come aware of the situation and had gotten it a fair amount  
6 of national publicity in important publications like New  
7 York Times, Washington Post, several periodicals.

8 In addition, the Northern Cheyennes had the good  
9 support of their senators, who at that time were Senator  
10 Mansfield and Senator Metcalf, who were extremely helpful  
11 and put a lot of pressure on the secretary of the interior  
12 to do justice.

13 THE MODERATOR: Excuse me, Mr. Chestnut, you have about  
14 two minutes.

15 A Oh, I'm sorry. In any event, a decision was rendered  
16 about five or six months later by the secretary, and the  
17 decision avoided all but a handful of the legal claims made  
18 by the tribe, actually did not make any findings of illegality,  
19 but restored the balance of the control to the tribe  
20 through the use of the secretary's discretionary authority  
21 to approve or disapprove Indian land transactions.

22 Basically, what he held was that before he would  
23 approve any further development on Northern Cheyenne, the  
24 tribe would have to come forward with enthusiastic support  
25 for development.



1           He also, using a trick in the regulations, reduced  
2 the acreage covered by these transactions by about 85%,  
3 which rendered the coal companies' holdings economically  
4 unfeasible. He also provided that before he would do any  
5 environmental -- before he would give any further approvals  
6 he would require environmental impact statements which had  
7 not been done, by the way, in any of these transactions.

8           And the tribe has since that time vehemently opposed  
9 the conducting of any environmental impact studies. And he  
10 invited the tribe to sue the energy companies.

11           He suggested they do so but he did say that if they  
12 did so, he would pay the tab. Which, in subsequent years  
13 they tried to get out of but they -- they've been held to it.

14           The tribe has never gone into court suing the energy  
15 companies to this date, we have advised them not to. The  
16 reason we have advised them not to is because they won.

17           The Northern Cheyennes at least -- well, since early  
18 1973, not one company has set foot on the reservation. The  
19 Northern Cheyennes since that time have maintained that  
20 they have no interest whatsoever, at least as of -- con-  
21 tinuously since then, in renegotiating or reconsidering  
22 these transactions. The energy companies, being businessmen,  
23 recognized that they can not possibly consider investing the  
24 kind of capital in a coal mining venture on Northern Cheyenne  
25 unless this tribe, which has demonstrated now for five and



1 a half years that it has tremendous backbone, tremendous  
2 ability, tremendous character, and a tremendous willingness  
3 to fight, supports a mining venture.

4 The predictions, it's quite possible that there will  
5 never been any coal development on Northern Cheyenne. The  
6 policy of the tribe is that there will not be development  
7 unless there's a concensus of support on the reservation for  
8 coal development. There has been no such concensus, and  
9 there may or may not be one in the future, who knows?

10 I think all of us have a bidding sense of confidence  
11 that the Cheyennes will determine their own faith on that  
12 reservation, that nobody can coerce them to do anything  
13 they want, and that if they do decide in the future to do coal  
14 development on that reservation, they will have the best  
15 possible terms.

16

17 (Applause)

18

19 MR. GONZALEZ: Harriett, can I ask one question?

20 THE MODERATOR: Can we hold it until we hear from  
21 everybody, Mario? Then I'll get back, we'll get back to  
22 you. Now we'll hear from Mr. Smith.

23

24

25



MR. THEODORE SMITH

1  
2  
3 A (By Mr. Smith) Well, it's customary to begin one's  
4 discussion by saying how pleased you are to be here. I'm  
5 not.

6 And I don't say that facetiously. Because there  
7 really shouldn't be a need for me to be here. There probably  
8 should not be a need for CERT and there should not be the  
9 need for an Anglo in my position at CERT.

10 I must admit that Mr. Whitman's comments made me feel  
11 very humble, and I did have a rather elaborate presentation,  
12 which I will somewhat negate and sort of talk in some more  
13 general terms in some respects and specifically in other  
14 areas.

15 I have to take issue with your keynote speaker this  
16 morning, in fact I got rather angry at one point. This  
17 thing of Indian time gives me a pain in the ass.

18  
19 (Applause)

20  
21 I didn't say it for applause, let me elaborate. And  
22 it's sort of behind a lot of what CERT is about. I have a  
23 friend who's a geologist who went down to, oh, he's on one  
24 of the Apache Reservations they had a ski operation, and so  
25 he and his son went skiing. But the ski operator, the lift



1 operator, didn't arrive until an hour after it was supposed  
2 to open. He said my God, these Indians, they just don't know  
3 how to come to work on time, said they were nice guys once  
4 they got there but jees, they're just not very dedicated,  
5 and so we got to talking about the guys who were operating  
6 the lift.

7 Well, the guy that was operating the lift had a  
8 college degree, was trained in sociology, and was getting  
9 paid about \$1.75 an hour. Now, I wonder why he wasn't  
10 enthusiastic about coming to the job that morning under those  
11 circumstances? So, you know, there is no such thing as  
12 Indian time, there is a situation where people are motivated  
13 and they're inspired to pursue their careers, if in fact it  
14 is a career, and maybe the Indians are showing a little bit  
15 more insight in that they're unwilling to play like something  
16 that they're doing is really important when they know in  
17 their own heart it doesn't mean a God damned thing.

18 So anyway, I just had to -- I had to bring that out.

19 VOICE: That's right on.

20 A (By Mr. Smith) Well, CERT, CERT is a temporary  
21 organization, really. CERT was formed about two years ago  
22 by 25 Indian tribes who felt that they needed to do something  
23 to curtail sort of the avalanche of pressures and activities  
24 that were taking place on reservation lands in the energy  
25 field. The objective of CERT is to promote the welfare of



1 the member tribes through the protection, through the con-  
2 servation and the prudent management of their energy resources,  
3 that's sort of a CERT preamble.

4 And CERT, as the Council of Energy Resource Tribes  
5 is setting up two offices, one is a small office in Washington,  
6 D.C., to deal with policy matters, the principal office is  
7 going to be located or headquartered in Denver, and it will  
8 be their office of technical assistance.

9 Now, out of this office of technical assistance  
10 they will undertake a variety of different issues, maybe  
11 it's best for me just sort of to summarize what our organi-  
12 zational structure will be.

13 We'll have three divisions, one is an energy develop-  
14 ment office, or division, the second is an environmental  
15 division, and the third is human resource and economic  
16 development. Now, I'm -- I will be in charge of this third  
17 category and I could probably talk best about the activities  
18 of CERT, as it relates to this third division.

19 In the -- well, one of the problems that most of the  
20 tribes have encountered in their negotiations with energy  
21 companies that they have had to rely upon the expertise  
22 provided by the bureau of Indian affairs and the U.S. Geological  
23 Survey, and at times this has not been sufficient to get the  
24 best terms for the tribes during the course of their nego-  
25 tiations. They are in a position of having to give exploration

1 permits, the companies come in, they do their exploration,  
2 they come back and they say, well, we can afford to pay you  
3 so much for the right to go ahead and operate here. Well,  
4 they don't -- generally end up showing what the results of  
5 that exploration were.

6 And even if they did, many of the tribes do not have  
7 technical expertise on hand to evaluate that particular --  
8 the test borings or whatever it might be, the results of  
9 those explorations, so one of the principal objectives of  
10 CERT will be to sort of serve as the Arthur D. Little or  
11 the consultant for all of these tribes, as a way of doing

12 As a need arises, the tribes will call to the  
13 technical assistance office in Denver and say, look, we need  
14 a mining engineer, we need a petroleum engineer, we need a  
15 geologist or we may need somebody who can specialize in  
16 distribution engineering or even looking at alternative  
17 energy sources, sort of some of the hard science areas.

18 Hopefully, we will be able, through these people,  
19 to evaluate some of the explorations and at the same time  
20 we'll work with the tribes in their attempt to get funding  
21 to do some test borings themselves, to do some explorations  
22 so they know in advance what is out there.

23 They know what needs to be stripped off before they  
24 get to the coal. They know the grade of the coal. They  
25 know the BTU content, the sulphur content. These types of



1 questions determine the profitability of a mining operation  
2 so when they sit down to negotiate with the company, they  
3 have their own financial analysis model, which tells them  
4 what the rate of return will be, not what the company feels  
5 it will be.

6 So these are some of the areas in the hard sciences  
7 that CERT will provide technical assistance. In the environ-  
8 mental area we will have staffing in the area of water  
9 resources and forestry, in agriculture, in environmental  
10 impact, biological sciences, so we will also have the capa-  
11 bility of providing assistance to the tribes in the area  
12 where they are probably -- one of the areas where they're  
13 mos t deficient, and they'll be able to determine what some  
14 of the impact will be on the environment within the reser-  
15 vation during the course of the development of energy  
16 resources.

17 Oh, I may be overstating a statement here. That is  
18 given the assumption that the tribe decides it wants to  
19 develop.

20 One of the -- CERT has no, no real axe to grind,  
21 it's strictly a technical assistance thing, it's a combi-  
22 nation of tribes, some of the CERT tribes are definitely  
23 antidevelopment, some of the CERT tribes are prodevelopment

24 CERT is a technical assistance group that will answer  
25 questions so that if a nondevelopment tribe says we need



1 more information, we need some assistance to help us make a  
2 decision that will probably support our decision not to  
3 develop, then fine. CERT will provide that type of assis-  
4 tance.

5 On the other hand, if a tribe wants to develop, even  
6 in the environmental area we have people that will be able  
7 to come in and say well, these are some of the things that  
8 you need to do, you need to build these into your leases  
9 to mitigate against some of the detrimental effects of  
10 development.

11 So really, we're probably pretty well balanced from  
12 that point of view.

13 The area which I am responsible for, the human  
14 resource and economic development, gets into the field of  
15 education and human resource development into market  
16 analysis, evaluating the market for energy resources. I  
17 think that we have a, really a potential conflict, we talk  
18 about developing the Indian coal reserves, but sometimes  
19 we fail to realize the federal government is there with  
20 substantial coal reserves of their own.

21 And so they are tending to move in and attempt to  
22 manipulate the market somewhat, so it's not just the com-  
23 panies that one has to be concerned with, one has to be  
24 concerned with federal policies and federal -- federal  
25 actions as to how they are going to manage their coal



1 reserves, so we will need to get, I think, much better  
2 information on the market structure in the energy area to  
3 determine what the real return should be to a tribe who  
4 elects to develop its resources.

5 We'll be looking at financial analysis, financial  
6 management, we are in the process of acquiring a very good  
7 financial analysis model that allows us to do the same type  
8 of sophisticated cash, discounted cash flow, financial  
9 return evaluation that the companies are doing. We will  
10 have economists that will be looking at the socioeconomic  
11 impact of energy development, we have people that will be  
12 looking at industrial organization, and management of re-  
13 sources, and probably one of the more important areas,  
14 contract negotiation.

15 We hope to be able to put together and field a team  
16 that will fully support the tribe in any contract negotiations  
17 that they might want to go into.

18 Now, I mentioned this question of industrial organi-  
19 zation. I won't bother, just as Mr. Whitman didn't bother,  
20 going into some of the obvious things, quite obviously  
21 there is -- there are real problems when we talk about boom-  
22 towns, we talked about building major hydroelectric plants,  
23 when we talk about coal gasification facilities, and probably  
24 that was the greatest, the boomtown and the socio- and economic  
25 impact was the greatest factor that came out of the Navajos'



1 rejection of their coal gasification proposal.

2 But one of the things we're going to try and do is  
3 to look at complete redevelopment. If a tribe elects to  
4 go development, they have to realize that they're buying much  
5 more than just a per capita payment. A per capita payment  
6 with a fixed duration. You look at some of the tribes that  
7 were into oil development and oil and gas at an early  
8 stage, oil and gas is beginning to disappear. They've be-  
9 come dependent upon revenue from that supply of oil and gas.

10 When that goes, they're up the creek.

11 We are trying or we will be attempting to point the  
12 way and emphasize the fact that if a tribe develops on an  
13 energy resource base, it's a nonrenewable resource and  
14 there are certain things that will have to be done to plan  
15 for the future. We will try and have people who will be  
16 able to discuss what proper related economic development  
17 activities might be so that over a longer period of time the  
18 tribe builds an economic base that will be able to sustain  
19 the tribe beyond the term of the extractive resources.

20 I think this becomes very, very important. At the  
21 same time, the tribe has to recognize that they need to,  
22 oh, institutionalize their government structure. You can't  
23 have energy resource development on tribal lands today and  
24 not set up some type of regulatory agencies. You have to  
25 monitor. You have to monitor.



1 I can point to some very disasterous examples where  
2 tribes have relied upon the monitoring of their extraction  
3 and the monitorings through U.S. Geological Survey and then  
4 through BIA and the payments come from BIA and nobody knows  
5 really how much is being taken off the reservation or whether  
6 they're really even getting paid for it.

7 The tribes have to assume this responsibility them-  
8 selves. They have to train and staff up for this, they have  
9 to sort of legitimize their government. They have to  
10 recognize that there are responsibilities probably in the  
11 establishment of taxes. Taxes I think become crucial to  
12 all of this.

13 If probably my introduction to Indian activity was  
14 several years ago, I became involved with the Navajos and  
15 their efforts through the Navajo Tax Commission to set up  
16 some taxes, so we've seen a lot done in that area.

17 I haven't got to what I came to talk about yet, which  
18 is training, and what CERT's going to do in that area. So  
19 maybe some of you can draw a bit of that out on questions.

20 We have a major proposal into the federal government  
21 today to set up an energy apprentice training program for  
22 Indians which we would work to develop through existing  
23 government agencies, through energy companies, placing people  
24 in maybe ten to 20 new apprenticeship programs for training  
25 in the energy fields, working directly with the placement of



1 200 Indians into registered apprenticeship programs, we have  
2 a program that will aim at the local school levels in having  
3 people come in and talk to try to get young students interested  
4 in the scientific fields, we have an internship program that  
5 we're designing for the university students today, we're  
6 just going everywhere we can to demonstrate that there are  
7 career tents.

8 We'll have people on our staff that will work closely  
9 in the negotiations to see that Indian preference programs  
10 become realistic, that they aren't a figment of the  
11 imagination, that in those Indian preference programs you  
12 have a situation where management is included.

13 There are time frames where people are moved into  
14 management positions and you train these people and CERT  
15 will be working if it requires directly preparing, course  
16 curriculum, then CERT will do that.

17 CERT is here to help the tribes. If CERT is successful  
18 in five -- certainly no longer than seven or eight years,  
19 it will be gone. There won't be a need for me to come and  
20 talk to you, somebody else will be here, he'll be representing  
21 his own tribe or her own tribe, and I think that we'll all  
22 be a lot better off at that time.

23 Thank you.

24

25 (Applause)



1 THE MODERATOR: Thank you.

2 Okay, on my far left we'll start with Mr. Boggs.

3

4

5

MR. JAMES BOGGS

6

7 A (By Mr. Boggs) Thank you. I probably ought to start  
8 out with a correction, I'm not the director of the northern  
9 tribe research project, I'm a -- I've been a research  
10 sociologist there for about two and a half years. I worked  
11 on the Northern Cheyenne Air Quality Redesignation Report  
12 and Request which is the document that laid the foundation  
13 for the redesignation to class I for the tribe. And lately  
14 I've been negotiating the tribes input in environmental impact  
15 statements for projects done around the reservation.

16 As Steve mentioned, there are no projects on the  
17 reservation and none are contemplated at the present time.  
18 I might also mention just very briefly, the Northern Cheyenne  
19 Research Project is a tribal program and it was begun in  
20 1974 right after this coal leasing situation, because when  
21 the leasees were taking the place the tribe had no knowledge  
22 of its resource, and no technical expertise available to  
23 get that knowledge so -- and the BIA also found themselves  
24 in the position of having to negotiate without knowing what  
25 the resource was.



1           So the Northern Cheyenne Research Project was set up  
2 to provide that expertise for the tribe when it needed it so  
3 it's kind of fulfilling the same functions of CERT.

4           It's employed, of course, a lot of, a number of  
5 Anglos with expertise in particular areas, and I'll share  
6 with you one kind of interesting perspective to this. Herman  
7 Bear Comes Out, who was the tribal council member at the  
8 time, was teasing us at one point and he called us the  
9 tribe's White scouts.

10           And I thought that was pretty good. But anyway,  
11 we're all very proudly working for the tribe for the reasons  
12 among others, that Steve Chestnut articulated.

13           Now, my aim in this comment will be to try and put  
14 this coal sale that Steve described so well into perspective.  
15 I don't believe it's something we can dismiss as a simple  
16 mistake on the part of the BIA. The sheer magnitude of the  
17 folly involved in that thing staggers the imagination. It's  
18 -- we just can't dismiss it so easily and I think what we have  
19 to do instead is to ask ourselves what is the context, the  
20 background, the situation that made such a thing possible  
21 to begin with?

22           And that's the question that I think will lead us into  
23 the heart of the problem. And the way I'm going to explore  
24 that is along two lines, and they cross.

25           And the first line I think was described very well by



1 Mr. Whitman, and in fact, I would add that I think his  
2 address is one of the few really sane voices that I've heard  
3 in this whole conference. He pointed out very clearly that  
4 the supply of conventional energy is not going to meet the  
5 demand. And I think for this country to put immense amounts  
6 of U.S. capital and to sacrifice huge portions of the western  
7 United States, its lands and its people, including tribes,  
8 in this process, to scrape the bottom of a barrel that's  
9 obviously nearly empty, is crazy. And it's immoral.

10 The barrel is still going to come out empty and  
11 I think we better put our resources into dealing with  
12 that fact at this point. Not that there should be no  
13 development, we're obviously going to need some out here to  
14 carry us through but I think the scale and the time frame  
15 under which it's being contemplated is -- is the problem  
16 at this point. So that's one line of consideration here.

17 And I think the other one was very well articulated  
18 by Mr. Veeder and that is the situation of tribes in this  
19 country. And I see the Northern Cheyenne and coal sale  
20 example as falling right in the area where these two lines  
21 of consideration intersect.

22 By 1971, to put the coal sale into perspective some  
23 more, by 1971 a task force of government and industry repre-  
24 sentatives had come out with the north-central power study,  
25 which many of you will recognize as a blueprint for a network



1 of huge power plants in the northern plains of just what was  
2 being contemplated by industry and government, and that was  
3 in 1971.

4 Now notice that it was considerably earlier than the  
5 publication date of the northern-central power study that the  
6 bureau of Indian affairs had begun to engineer the coal sales  
7 on Northern Cheyenne.

8 These sales, as Steve Chestnut mentioned, began in  
9 1966 and extended to 1973. I would also emphasize that  
10 there were provisions in those contracts to allow, and the  
11 companies were considering, electrification and gasification  
12 conversion facilities to be located on the reservation.

13 Now, keep in mind the Northern Cheyenne Reservation is  
14 a very small reservation, it's some 20-times-30 miles. It's  
15 inhabited by a tribe that is a definite community, it's a  
16 coherent community on a very small piece of land.

17 What was being contemplated here before the north-  
18 central power study came out was turning that reservation,  
19 that small piece of land, into an industrial park, and there's  
20 no other way to put it. They were going to industrialize  
21 that small area on a scale that is massive by any terms.

22 If you put that kind of industrialization in the  
23 surroundings of Denver, it would be an immense impact. For  
24 example, there was one consideration in connection with  
25 the gasification facility to create a town of 30,000 people



1 on the reservation. Well, now the Northern Cheyenne Tribe  
2 at that time consisted of about 3,000 people. That's ten  
3 times the number of non-Indians in a boomtown situation  
4 come on to the reservation, as the original population of the  
5 reservation. So you know, you hear about increases of 4%  
6 being tolerable or 15% perhaps being tolerable, well, here  
7 we're talking about increases of a 1,000%, so you know,  
8 we're clearly beyond the realm of any sort of reasonableness  
9 in this thing.

10 There's no way to even consider such numbers except  
11 as disaster. And yet the BIA and the department of interior,  
12 as Steve mentioned, was very actually promulgating this action  
13 as the trustee of the Northern Cheyenne Tribe.

14 THE MODERATOR: You have a couple more minutes, Mr.  
15 Boggs.

16 A (By Mr. Boggs) Oh, okay. No way I'm ever going to  
17 get through here.

18 Well, let me just -- the idea I want to introduce  
19 here by which the situation can be made somewhat intelligible  
20 I think, I don't think you can understand any kind of really  
21 rational terms but the background of the tribal situation  
22 in this country by which we can understand that event is that  
23 I think of the domination of one ethnic group by another.  
24 Having people become institutionalized, in the institutions  
25 that mediate the relationships between those two groups,



1 and I think this is the context and the situation of tribes  
2 in this country, that really makes it possible to understand  
3 this coal sale example that Steven brought out here.

4 And this institutional domination, I apologize for the  
5 term, I can't think of anything else at this point, it's  
6 kind of jargony, is something that spread itself in very  
7 many different areas on the reservation.

8 In education, in resource management. In government,  
9 in almost every area of life on the reservation we see this  
10 kind of domination having been institutionalized to where  
11 it's no longer a matter of personal domination or personal  
12 morality, it's removed from all of those things as part of  
13 the very structure, the fabric of the society of the reser-  
14 vation.

15 Now, one of the results of this is that tribal in-  
16 stitutions, one of the ways it was instituted is that tribal  
17 institutions were destroyed quite consciously and systematically  
18 in the early reservation period. I think that's true for  
19 most reservations. Some version of the functions of these  
20 original tribal institutions were subsequently administered  
21 through one or another branch of the BIA bureaucracy,  
22 so tribes literally for decades have been ruled almost  
23 entirely by bureaucratic decree rather than by law, either  
24 their own original law or United States law.

25 And this has had some bizarre consequences of which



1 the coal sale ultimately was one.

2 It's also prevented tribes from adapting their own  
3 original forms of self government to new circumstances  
4 or from developing new workable institutions of their own.  
5 And this is an important part of the total picture here. It  
6 makes possible the sort of continuous draining away and  
7 exploitation of tribal resources that we've seen and heard  
8 discussed here today.

9 Well, I think since my time is up, I better quit.  
10 Thank you.

11 THE MODERATOR: Thank you, Mr. Boggs.

12  
13 (Applause)

14  
15 THE MODERATOR: Angela? You're on.

16  
17  
18 MS. ANGELA RUSSELL

19  
20 A. Thank you. Let me give you just a gut reaction that  
21 I got, that I want to share with you just from listening  
22 to the speakers.

23 When I worked for Crow Tribe I had an occasion to do  
24 a lot of traveling to meet a lot of Indian people. Many  
25 of them very involved in the coal issue. I remember a young



1 man that I met down in the southwest who had been really on  
2 top of what was happening in his part of the country. And  
3 one of the things he said to me, which has always stayed  
4 with me, is that he stated the weapons to eliminate us, the  
5 Indian people, when the white man first came, were guns and  
6 blankets, festored with small pox. However, today the  
7 weapon is a new one which they're using very successfully,  
8 and that is the pen and the contract.

9 I am here today as a private Crow citizen, and not  
10 representing the Crow Tribe in any official capacity, although  
11 I'm presently residing in Denver, my home and heart are  
12 always at Crow.

13 Although my comments were to be made as a respondent  
14 to the earlier speakers, we can blame the U.S. Postal Ser-  
15 vice, since they're not here to defend themselves, the  
16 nondelivery of those presentations prior to today, which  
17 necessitated formulating a presentation which hopefully  
18 will be meaningful and useful for this consultation.

19 I worked for the Crow Tribe during 1975, 1976, in  
20 their then newly-created office of coal research. This  
21 office had two specific areas of concentration. To compile  
22 objective data concerning the various aspects of coal  
23 mining on the reservation, and to look at alternatives  
24 to the present lease.

25 Two, to provide a means of allowing the members of the



1 Crow Tribal Council to make an informed decision about  
2 coal development. By the time the coal office was established,  
3 large acreages of reservation lands were already under lease  
4 or permit to major coal companies. Areas under lease or  
5 exploration approximated nearly one-tenth of the Crow  
6 Reservation. At that point and presently, there is only  
7 one coal company, Westmoreland Resources, actively mining  
8 coal under a lease signed by the Crow Tribe. The Westmoreland  
9 mining area is in a portion of Crow country which we refer  
10 to as the ceded area, an area north of the reservation  
11 proper which was ceded for homesteading in the early 1900's  
12 and was restored, and into which mineral rights were re-  
13 stored to the tribe by congressional action in the 1950's.

14 Westmoreland will mine an estimated 4.8 million tons  
15 by 1982, and peak to 19 million tons by 1989.

16 At the time of the renegotiated contract with  
17 Westmoreland in late 1974, it was heralded as the best  
18 contract between an Indian tribe and a major coal company.

19 The most tangible victory resulting from the renego-  
20 tiated lease was the increase of the royalty rates for the  
21 tribe from 17 and a half cents per ton to an escalating rate  
22 of from 25 cents or 6% to 40 cents or 8% of the selling  
23 price of coal. Shortly after which period the State of  
24 Montana imposed their new coal severance tax at 30%.

25 A present lawsuit of the tribe is challenging the

1 applicability of the Montana coal severance tax on the  
2 reservation and that portion of the ceded area where the  
3 mining is occurring.

4 In early 1976 the tribe passed their own coal tax  
5 at 25% of the selling price of coal. We also passed a  
6 comprehensive law and order code which asserts jurisdiction  
7 over non-Indians within the reservation boundaries, a land  
8 use plan and zoning ordinance which designates various  
9 portions of the reservation into commercial, industrial,  
10 agricultural, recreational and tribal use only areas.

11 A proposed land reclamation code and air quality  
12 classification, a water use plan, and numerous other legis-  
13 lative proposals are in the process for tribal consideration  
14 and action.

15 In light of recent U.S. Supreme Court decisions,  
16 especially Olifant, there are numerous unresolved juris-  
17 dictional questions which overtly affect already established  
18 and proposed tribal codes and regulatory authorities.

19 Another court case which is of importance for our dis-  
20 cussion today is Crow Tribe V Andress (Phonetic), which is  
21 seeking the nullification of four coal leases and permits,  
22 basing the argument on a number of code of federal regulation  
23 provisions which include acreage limitation.

24 Let's back up now that I've tried to bring you up to  
25 date on our current status to the attitudes of Crow people



1 concerning coal development. Our office conducted a Crow  
2 Tribal coal survey in the winter of '75 and this was pub-  
3 lished in May of that year. We believe that an assessment,  
4 of not only attitudes but knowledge levels held by Crow Tribal  
5 members on coal development was necessary to direct our  
6 efforts in community education.

7 The survey population included some 306 participants,  
8 the characteristics of this group, age, sex, occupation,  
9 marital status and education, were generally similar to the  
10 characteristics of the whole Crow Indian Reservation population.  
11 The following is a general overview of the reservation  
12 findings.

13 The interview schedule sampled some 31 values relating  
14 to tribal attitudes, subjects cut across a wide range of  
15 issues from pollution to population and from reclamation  
16 to national responsibilities. Participants were asked  
17 about informational sources they most prefer, about those  
18 they least prefer or least believe, they were asked about  
19 the good and the bad aspects of coal development.

20 A series of questions dealt with their attitudes con-  
21 cerning a moratorium and the time necessary to conduct  
22 studies on coal development impacts. Other questions asked  
23 about opening the reservation to mining and power plant  
24 construction, about who should negotiate with the companies,  
25 coal leasing, coal sales, profits and so on.

1           It appeared that the Crows interviewed were not at  
2 all sure about coal development while nearly half would  
3 favor opening the reservation to strip mining and an almost  
4 equal percentage would oppose the construction of power  
5 plant and coal conversion facilities on or near the reser-  
6 vation. A corollary question was asked later, in the survey,  
7 where conversion and power plants should be built. Of those  
8 responding, half stated the plants should be built where the  
9 power is to be used, while about a fourth said they were not  
10 sure where the plants should be built, similarly four out  
11 of ten Crows felt that their contribution of power from the  
12 Yellow Tail Dam and coal from the ceded area was enough in  
13 terms of making America energy selfsufficient.

14           The Crows interviewed were overwhelmingly against  
15 any dilution to the current clean air, over three-fourths  
16 of those responding indicated opposition to any more  
17 pollution in the area of the reservation.

18           Nearly half of the Crow do not want to see their land  
19 disturbed.

20           More than 60% of the Crow felt that their way of life  
21 was threatened by industrialization resulting from coal  
22 mining and development. They felt strongly that a non-Crow  
23 population boom would be bad for them, reasoning that they  
24 would end up a minority on their own land, that the reservation  
25 is already overcrowded, and that the strangers would bring



1 bad habits and contribute to more crime.

2 Those favoring some development saw advantages in  
3 improved job market and increased royalties to the tribe.  
4 Accordingly, those felt that they would take advantage of  
5 the job market if it were available and would seek employ-  
6 ment in the mining, construction and allied trades.

7 A large majority felt that the tribe and individual  
8 Crows should reap most of the profits from the coal develop-  
9 ment, but most conceded that this is not now the case..

10 Asked about personal values, some 64% indicated the  
11 most important things in their lives are family and financial  
12 security. The Crows felt that the most believable sources  
13 of information about coal related matters were the tribal  
14 council, and the news media. Asked about their preferences  
15 to receive coal related information, the tribe in its various  
16 offices received a significant endorsement of 58% of those  
17 responding. The bureau of Indian affairs, interestingly,  
18 was well down on the list at 1.8%.

19 Control of the development should go the Crow Tribe  
20 according to more than 60% of those who responded to this  
21 question. Another 16% said the bureau of Indian affairs  
22 or the federal government should have this control.

23 Asked about who should negotiate coal leases for the  
24 tribe, more than three-fourths of the Crows said the tribal  
25 council should handle this responsibility.

1           On the other hand, nearly two-thirds felt they should  
2 retain the right to negotiate for individual leases on land  
3 they own personally. The Crows are very strongly in favor of  
4 a tribally imposed moratorium on future mining and develop-  
5 ment activities. This question was posed twice in the course  
6 of the interview, and was endorsed by majorities of 90 and  
7 85%. In both cases, high percentages felt this study period  
8 should extend for at least a year.

9           In summary, it appears that the Crow are generally  
10 cautious about coal development, most favoring a time-out  
11 period of about a year in order to conduct in-house studies  
12 on proposed and existing mining activities. They would also  
13 want to use this period to raise the individual and collective  
14 levels of knowledge about coal development on the part of  
15 the tribal membership.

16           If they do opt for mining, then they want it done on  
17 their terms. They want minimal disruption of their lifestyles  
18 and their lands, and they want maximum return for their  
19 investment.

20           They are categorically against any increase in land,  
21 air, water, and people pollution. This survey also approached  
22 a wide range of knowledge level issues, some 22 questions  
23 were asked about such concerns as sources of information on  
24 coal, eminent domain laws, location of leases and land  
25 ownership in the lease areas, distribution of royalties,



1 from coal mining, impacts from mining and development, and  
2 bureau of Indian affairs studies on coal development.

3 By majority of more than three to one, the Crows who  
4 participated in this survey indicated that they presently  
5 did not have enough knowledge about coal mining and develop-  
6 ment and the impacts of this development on their reservation.  
7 Knowledge levels about tribal coal leases were very low.  
8 Among the sample participants, while some 45% of the sample  
9 said they knew about coal leases and 95% of these were able  
10 to list one or more of the companies involved, actual details  
11 of the leases were lacking in most responses.

12 Of those responding, 8.3% said they knew something  
13 about the details of these leases. In fact, none were  
14 accurate in their descriptions.

15 In conclusion, it is apparent that the series  
16 participants who are representative of the reservation  
17 population as a whole are greatly deficient in their know-  
18 ledge and -- about coal related development and activities.  
19 This lack of knowledge is not limited to a few issues, but  
20 cuts across a whole range of coal development impacts from  
21 sociocultural to financial, economic, to environmental.

22 The Crows who participated in this survey admit to  
23 their confusion, they acknowledge a reservation-wide lack of  
24 information on the subject of coal mining and development.

25 Thank you.

1 THE MODERATOR: Thank you, Angela.

2

3 (Applause)

4

5 THE MODERATOR: Carole?

6

7

8

MS. CAROLE ANNE HEART

9

10 A. (By Ms. Heart) I wanted to direct my responses  
11 to Mr. Veeder but I notice that he left the room.

12 I have a question at the very end of all my presen-  
13 tation and the question would be for Mr. Veeder, but I will  
14 begin by reiterating that not only the Rosebud Sioux but  
15 all the Indian tribes in South Dakota, view water resources  
16 as their last most valuable natural resource, because in  
17 South Dakota the Black Hills was taken away from the Indian  
18 tribes, you know where the largest gold mine in South Dakota  
19 presently is, and now it seems that the State of South  
20 Dakota is very interested in the water that the Indian tribes  
21 own within the State of South Dakota.

22 For those of you who do not know, Rosebud Reservation  
23 is located in south-central South Dakota. And it encompasses  
24 almost one million acres, and most of this is owned by the  
25 Rosebud Sioux Tribe or individual Rosebud Sioux tribal members.



1           The Rosebud Sioux Tribe in the recent decision of  
2           Rosebud V Kneip (Phonetic), it originally encompassed five  
3           million acres and since that supreme court decision in 1977,  
4           it has now just been reduced to Todd County, and there were  
5           four counties that were taken away from the Rosebud Sioux  
6           Tribe at that time and they were Mellette, Gregory and, I  
7           can't remember the other ones right now, but those three,  
8           three counties were taken away from the Rosebud Sioux Tribe,  
9           but there are still almost 400,000 acres that are held in  
10          trust by individual Indians within those counties. And  
11          at the present time Todd County, the people in Todd County,  
12          the Indian people comprise 76% of that reservation and 54%  
13          of Mellette and that is become a big campaign issue right  
14          now within the State of South Dakota.

15                 All the gubernatorial candidates get up and they  
16                 talk about what their views are on water development within  
17                 the State of South Dakota, and they all get up and talk  
18                 about the Indian water rights problem and what they are going  
19                 to do about the Indian water rights problem for the people  
20                 of South Dakota. And you know, it's really beginning to  
21                 become an issue within the state.

22                 And some of the problems that Indian people face  
23                 within the State of South Dakota regarding their water  
24                 rights, is the fact that the State of South Dakota issues  
25                 water permits to irrigators within Todd County, which is --



1 which is the reservation, and I think last year there was  
2 something like 114 water permits issued to irrigators within  
3 the reservation boundaries.

4 And that is one of the problems. And to that, an  
5 objection is always issued by the area, Aberdeen area office,  
6 solicitors office, an objection to these water permits that  
7 are issued within the state -- within the boundaries of the  
8 reservation.

9 Also we have the same problem with the Missouri  
10 River Basin Commission because this is a policy making  
11 commission, it affects all the tribes within, you know, South  
12 Dakota, and there are 27 tribes that claim water rights to  
13 the Missouri River because the Missouri River originates,  
14 you know, in Montana and goes through Wyoming and South  
15 Dakota.

16 There are 27 Indian tribes that have, you know, a  
17 stake within claims to the Missouri River water. And yet  
18 they have no representation on the Missouri River Basin  
19 Commission.

20 And I just recently read an article where the commission  
21 thought that they might allow one representative, Indian  
22 representative to sit on the commission but have no voting  
23 power whatsoever and he can sit on this commission for one  
24 year and if things go all right, then maybe they might give  
25 him some voting power.



1           Also another thing that is happening within the State  
2 of South Dakota is that the state, through the state legis-  
3 lative research council, has been conducting hearings with the  
4 nine Indian tribes in South Dakota over the water rights  
5 issue, and what they are trying to do is get the nine Indian  
6 tribes in South Dakota to negotiate away their Indian water  
7 rights. And so far we've had about four meetings and each  
8 of the Indian tribes always send a representative, and all  
9 of the Indian tribes have unitedly said that they do not  
10 want to negotiate, that you know, they don't know enough  
11 about their own Indian water rights within their own reser-  
12 vations, that they aren't prepared to negotiate and yet the  
13 State of South Dakota continues to have these meetings,  
14 you know.

15           If they send one representative who says we're not  
16 ready to negotiate, then they may send a letter to somebody  
17 else saying well, would you want to negotiate? And I've  
18 seen this happen in some research that I had conducted  
19 for the Yankton Sioux Tribe about, oh, maybe two years ago.

20           And what this had to do with was the Yankton Sioux  
21 have a lake on their reservation called Lake Andes, and that  
22 lake dried up, you know, through the drought and they didn't  
23 take care of the pumps that was keeping the water within the  
24 lake and the lake dried up. So therefore, the farmers within  
25 the area came to the lake and they wanted to cut down all the

1 crops and use for forage for their animals and the Yankton  
2 Sioux said hey, we own the lake bed, and you know, they  
3 didn't think that the Indian tribe owned the lake bed so then  
4 they've gone to court over it and now they're awaiting an  
5 decision to be made by the federal district court in Sioux  
6 Falls over who owns the lake bed at Lake Andes and you know,  
7 all the Indian tribes are kind of waiting to see what happens  
8 here.

9 But in the research that I was doing at that time,  
10 the Yankton Sioux Reservation was created in 1858, and in  
11 the cession of 1891, almost more than half of the reservation  
12 was taken away by the federal government in the 1891 cession,  
13 but during that time they started negotiations with the  
14 Yankton Sioux about a year before the cession, and they held  
15 meetings, you know, they had big dinners and big suppers  
16 and they brought presents to the tribal council and the  
17 tribal council kept telling the federal government they  
18 didn't want to negotiate and they didn't want to, you know,  
19 cede away all of their reservation, but they continued  
20 these negotiations for a whole year and everytime they had  
21 a meeting they even had them in the winter time, you know,  
22 during blizzards and they'd have, you know, big feeds for  
23 the Yankton Sioux and they brought in trainloads of presents  
24 for the tribal members, but they, you know, kept refusing to  
25 negotiate, and you know, the cession was signed in December



1 of 1891, and up until the last part of November, the  
2 tribe was still saying they didn't want to, didn't want to  
3 cede their land.

4 And just one day, you know, within the -- within the  
5 research that I was finding they all signed the treaty  
6 and you know that something happened in between that time  
7 that wasn't reported or something happened where they didn't  
8 tell exactly what happened that caused the Yankton Sioux to  
9 sign the treaty so you know, there's something very fishy  
10 going on, and I feel that, you know, maybe the same thing  
11 might happen to the -- to the Sioux in South Dakota through  
12 this legislative research council, they're all refusing to  
13 negotiate and yet they continue to have these meetings trying  
14 to get the Indian tribes to negotiate away their Indian  
15 water rights.

16 And also another thing that's happening in South  
17 Dakota is that the State of South Dakota has conducted a study  
18 called the West River Aqueduct Study and what they hope to  
19 do is to pump water from the Missouri River or Lake Oahe  
20 all the way across the State of South Dakota over to Wyoming,  
21 and they want to sell the water from the Missouri River  
22 to the State of Wyoming for their mining operations.

23 Now, one very important thing about this is the fact  
24 that within these different studies that they conducted about  
25 the West River Aqueduct, they had one section for the legal

1 background on the West River Aqueduct, and within that legal  
2 background none of the attorneys ever came up with the idea  
3 or ever researched the fact that the nine Indian tribes in  
4 South Dakota have a claim to the Missouri River water. And  
5 in their report none of them ever reported that the Indian  
6 tribes have water rights to the Missouri River and now  
7 that's really becoming a problem right now because the  
8 Indian tribes found out about the study and they said okay,  
9 if you're going to sell the Missouri River water, why can't  
10 we sell it?

11 And so it's almost at a standstill right now because  
12 the state knows that they can't take any more steps or else  
13 the Indian tribes in South Dakota may take them to court  
14 and find out who really does own the Missouri River water,  
15 so it's, you know, almost at a standstill right now.

16 And also, I'd like to mention again about this  
17 gubernatorial campaign where water development is one of the  
18 prime issues. The State of South Dakota and all the Indian  
19 tribes have initiated a voter registration drive to register  
20 all the Indian voters within, you know, all the reservations  
21 in South Dakota, and they, you know, this drive was so  
22 successful that now some of the gubernatorial candidates  
23 are opposing the registration drive because they feel that  
24 almost all the Indian people in South Dakota will not, you  
25 know, support a certain candidate, you know, and that's



1 really becoming a big issue right now.

2 But in 1972 another problem for the Rosebuds was  
3 that in 1972 Secretary of Interior, Rogers Morton, issued  
4 a memo stating that they would not accept any more water  
5 codes from any more Indian tribes within the United States.  
6 And a lot of the Indian tribes, at that time, were working  
7 on their water codes to finalize them and when they issued  
8 that memo, that put a stop to all the water code for all the  
9 Indian tribes in South Dakota and I think that there was  
10 just several Indian tribes that submitted their water codes  
11 before this 1972 memo.

12 THE MODERATOR: You have about two minutes left,  
13 Carole.

14 A. Okay. And also Carter's, you know, ten-year water  
15 policy, it goes for ten years in the future and he, if he  
16 favors negotiation, and in his water policy statement re-  
17 garding Indian tribes, he states that he favors negotiation  
18 of Indian tribes of their water rights but still, you know,  
19 admitting that they do have water, superior and prior water  
20 rights.

21 We feel that some of the solution to these problems,  
22 you know, going along with the Winter's Doctrine that Indian  
23 tribes have prior and superior water rights, adjacent, you  
24 know, of waters running through their reservations or waters  
25 adjacent to their reservations and one of the definitions

1 that they use is the amount of acreage that is practicably  
2 irrigable. Now, that can be almost anything. It's been  
3 subjected to interpretation by most anyone. And as of now  
4 lot of the Indian tribes in South Dakota have been conducting  
5 phase studies of water inventories for their reservation,  
6 and at these legislative research council hearings they know  
7 that these inventories are being conducted, and one of the  
8 members on the commission was talking to the Sioux Tribe  
9 who was one of the smaller tribes in South Dakota, and one,  
10 the chairman there announced that he felt that there was  
11 something like 3,000 irrigable acres on his reservation so  
12 this person ~~representative~~ on the commission said, well,  
13 if there's 3,000 irrigable acres on Lower Barrel (Phenetic) and  
14 there's nine reservations, we'll just multiply that by nine  
15 and the total amount of irrigable acres for all the reser-  
16 vations in South Dakota is 27,000 acres.

17 Now, well, that's the problem that we have all the  
18 time because the Missouri River Basin Commission also  
19 issued a study that they conducted and their reports of what  
20 is irrigable acres is far lower than what the Rosebud  
21 Sioux Tribe has come up with as irrigable acres, but the  
22 Rosebud Sioux Tribe is very reluctant to release what they  
23 consider their amount of irrigable acres because you know,  
24 the State of South Dakota may use this and use this against  
25 them at some time in the future and that's what all the



1 Indian tribes are kind of afraid of right now in South Dakota.

2 And the question that we have right now is, you know,  
3 what would happen if all the tribes in South Dakota refused  
4 to negotiate? You know what would happen? Because that's  
5 what's happening right now and I know that most of the Indian  
6 tribes in South Dakota do not want to negotiate because they  
7 don't feel that they know enough about their own reservation  
8 and the soil types and this type of thing, to forecast what  
9 is irrigable acres.

10 Thank you.

11

12 (Applause)

13

14 THE MODERATOR: Thank you.

15 We're going to open it up now for about five minutes  
16 of questions. Probably eight minutes.

17 Q (By Mr. Raymond Tsosie) I'm Raymond Tsosie, I  
18 represent international in New Mexico on the Navajo Reservation.

19 I'd like to direct a question to CERT. You mentioned  
20 the financial returns you're working on. Insofar as the  
21 best financial return is concerned to the tribes.

22 I'd like to ask what, for the group that are present  
23 here, what is being done with these monies by the tribes  
24 insofar as opportunities for minorities for those tribes  
25 that are concerned, what kind of social services do they have

1 in their tribal government and so forth? What is being done  
2 with this money, is what I'm asking?

3 A. (By Mr. Smith) I don't think that one can generalize.  
4 I think that you have -- you have a broad range of situations  
5 where some of the money, tribes will make it in the form  
6 of a per capita payment and pay out most of it directly  
7 to the individuals, you have others where it's going into  
8 the general fund. I think the Navajos would be a case of the  
9 latter where it goes into the tribal revenues, and it just  
10 becomes part of the operating expenses for the tribe, but  
11 there is -- I mean the reason we have tribes is that they're  
12 different, and each tribe handles it separately.

13 So that's -- that's something that, that's not an  
14 issue at this point that CERT's involved in, other than as  
15 we help them develop we will be trying to encourage them to  
16 develop a balanced growth strategy that would allocate  
17 a certain portion of their revenues to other types of develop-  
18 ment that would be more long lasting.

19 Is that -- I don't know if I'm answering your question.

20 Q. It's the concern of this consultation, as I see it,  
21 is the impact of coal and energy development on the minorities  
22 and women, and I see the coal development to have its impact  
23 on the reservation through financial returns to them and what  
24 is being done with these financial returns for the Indians  
25 insofar as their welfare is concerned, is what my question



1 really was.

2 A Okay. So CERT -- CERT can't move in and tell a  
3 tribe, you know, we can direct them but CERT is essentially  
4 there as a technical assistance body that can offer resources,  
5 human resources that the tribe does not necessarily have  
6 available to it. I agree, personally, that we need to do  
7 more to move in the allocation of some of these funds towards  
8 longer term development projects that would provide employ-  
9 ment opportunities for individuals on the tribe and that's  
10 where CERT gets into the educational programs.

11 We'll be working with them as technicians in that  
12 area but the ultimate decision is really up to the tribal  
13 leaders themselves.

14 THE MODERATOR: Mario had a question?

15 Q (By Mr. Mario Gonzalez) Actually I have two questions  
16 for Mr. Chestnut.

17 Question number 1, in regards to the 30% severance  
18 tax in the State of Montana, does that tax apply to closed  
19 reservations such as the Northern Cheyenne Tribe, and if so,  
20 what's the rationale for the state obtaining this tax  
21 revenue rather than the tribe enacting a severance tax and  
22 benefiting?

23 And question number 2 regards the Hollow Breast case,  
24 I followed that case, was very interested in the outcome  
25 and I think you spoke about that case in your presentation

1 where the United States Supreme Court held that the allottees  
2 on the Northern Cheyenne Reservation did not acquire mineral  
3 rights to their allotments and ultimately the tribe owned  
4 all the mineral rights on the reservation.

5 I spoke with some tribal members from the Northern  
6 Cheyenne Tribe and I'm part Cheyenne also, so I'm very  
7 interested, that they were expressing a little concern in  
8 some future time you might get an unscrupulous tribal council  
9 and they might be put off and grant leases with total dis-  
10 regard for the culture of the tribe and the welfare of the  
11 tribe.

12 Is there anything in the tribal constitution that would  
13 prevent the tribal council from doing this, such as department  
14 of revenue and if not, are there any plans to put this in the  
15 tribal constitution to protect the tribal members?

16 A. (By Mr. Chestnut) With regard to the severance tax  
17 question, I do not think the State of Montana has valid  
18 jurisdiction to tax mineral development on the Northern  
19 Cheyenne Reservation, and I -- or on any other reservation  
20 for that matter, in the State of Montana.

21 That has not been declared by any court. But basically  
22 my position is based on the fact that for many years in the  
23 early part of the century, the statutory authorization for  
24 the leasing of minerals on Indian reservations was kind of  
25 a patchwork quilt of specific -- specific provisions. Not an



1 integrated whole.

2 Some of those provisions seem to give some authority  
3 to the state to tax the proceeds of mineral development.  
4 However, in 1983, all that legislation in my view, was super-  
5 ceded by an Omnibus bill which covered mineral leasing on all  
6 reservations, which has no taxing authority in it, and which  
7 furthermore specifically repealed all inconsistent legis-  
8 lation.

9 So that my view is that to the extent there was statu-  
10 tory authority in the early part of the century for  
11 state mineral taxation, which by the way was declared by the  
12 U.S. Supreme Court in a case involving the Black Feet in the  
13 early 1930's, that authority no longer exists and I think  
14 that when it's presented properly, to a court, a court will  
15 agree. On the taxation question.

16 With regard to the Hollow Breast case, that was a case  
17 that I handled for the Northern Cheyenne Tribe, and the  
18 supreme court, in 1976, declared that the minerals beneath  
19 the reservation were owned in perpetuity by the tribe as a  
20 whole. The statute establishing the tribe's ownership  
21 provides that minerals may be leased on the reservation with  
22 the consent of the tribal council which, as you know, is  
23 elected by the people of the reservation under the constitution  
24 and charter.

25 It also provides that the proceeds of any mineral

1 development will be held for the benefit of all the members  
2 of the tribe. My own view, of course I'm a little bit biased,  
3 is that that's a better arrangement than having fragmentary  
4 ownership on the reservation, and I rely principally on what  
5 I consider to be a very convincing fact. The tribe had  
6 essentially regained control of reservation coal development  
7 by the fall of 1974. In 1974 -- later on in the fall of  
8 1974, the Ninth Circuit Court of Appeals unanimously held  
9 against the tribe in the Hollow Breast case and held that in  
10 fact ownership of the minerals vested in the individual  
11 allottees with respect to their own allotments.

12 THE MODERATOR: I'm sorry to interrupt you, Mr.  
13 Chestnut, but we're about ten minutes over into the other  
14 time so we're going to have to cut it short.

15 Thank you all for your kind attention.

16  
17 (The following was moderated by Ms. Geraldine Travis)

18  
19 THE MODERATOR: We're going to begin the fifth panel.  
20 I'm Geraldine Travis and I'm a member of the Montana  
21 Advisory Committee to the U.S. Commission on Civil Rights.  
22 And in the absence of Mr. Ernie Bighorn, who is the chairman  
23 of our committee, I am acting as moderator.

24 The speakers this morning are Lee Topash, National  
25 Center for Appropriate Technology; Judith Davenport, Wyoming



1 Human Service Project; William Freudenburg, sociologist,  
2 Yale University; and Mr. Burman Lorenson is the director  
3 of federal regional -- of the federal regional council,  
4 and he will speak on the panel also.

5 Jackie Nixon-Love, Colorado Energy Conservation Office,  
6 and Mr. Sandoval will not be with us this morning. So we  
7 will begin with Mr. -- with the speaker Lee Topash.

8  
9  
10 MR. LEE TOPASH

11  
12 A (By Mr. Topash) Well, looks like we lose a lot of  
13 people either over the coffee break or they're all getting  
14 hungry and going to lunch but I guess we'll do the best  
15 we can right now.

16 Over the last day and a half, all the speakers have  
17 been addressing the question of boomtowns, the effects of  
18 the boomtown and energy crisis on minorities and women. A  
19 lot of very fine statistics has been -- have been given,  
20 we certainly have identified a lot of the problems, and it  
21 always seems to me like when we come to this conferences  
22 I sure go to my share of conferences and I'm sure a lot of  
23 you go to your share of conferences and meetings.

24 We always seem to always find out and always know what  
25 the problem is and when we leave after a day or two we all



1 say yes, the Indian's got a problem or the women's got  
2 a problem or whatever the -- whatever the issue is at that  
3 meeting or conferences is going to address.

4 However, I really don't say and I'm not saying that  
5 any conference is going to solve all the problems, whatever  
6 the issue is that they're addressing at that particular  
7 meeting, but I think that we've got to start looking at  
8 some direction and not just sitting down identifying problems.

9 And I think Pauline Garrett yesterday said it in  
10 the very beginning and I was glad to hear it, she was saying  
11 that she didn't want to see so much of the problem identifying  
12 at this meeting as she wanted to see some directions, to  
13 give some direction to the decision makers and I certainly  
14 do agree with that.

15 And I would like to see more of that done, the  
16 remainder of this conference.

17 But I guess we got to ask ourselves what can we really  
18 expect from a conference like this? And I think it kind of  
19 answered one word is nothing. Because the people who really  
20 control the power, the people that are in the decision making  
21 position, the higherups, are really not here.

22 There are some here, but the people that are really  
23 in power don't attend these kind of conferences. It's more  
24 of a PR-type thing, and rather than a policy for whether  
25 it's a corporation or whether it's for the higher decision



1 makers in the government-making process.

2 Another speaker yesterday that I felt very comfortable  
3 with and certainly did agree with was Hilda. She put it very  
4 clear when she says that the only reason that the big cor-  
5 porations have got big is by exploitation of their workers  
6 and I certainly do concur with this.

7 My background is definitely with organized labor.  
8 I work for the Montana AFL-CIO for four years in their  
9 employment and training program, and prior to that I was  
10 very active in my local union in Billings, Montana.

11 But I guess we've got to realize that if it isn't  
12 in the economic good for the employers or if it isn't  
13 politically beneficial for some people, they won't have any  
14 direct input in a conference like this and I think that's  
15 a factor we have to realize.

16 Hilda also mentioned that the only way we're going  
17 to survive is by unity. But how are we going to identify --  
18 how are we going to develop this unity amongst ourselves  
19 and particularly my interest with the Indian people?

20 My major role is as a field representative for the  
21 national center for appropriate technology, which is  
22 located in Butte, Montana. But which itself is a national  
23 program. My job is an outreach worker in region 8, and  
24 my duties are and my role is to keep in contact with low  
25 income organizations, with Indian reservations and various



1 nonprofit organizations that address the needs of low income  
2 people. I tried to help these people in identifying their  
3 problems and found out which way NCAT, through the appropriate  
4 technology process, can help them.

5 When we talk about the subject of the effects of  
6 energy development and the effects of energy policies on  
7 minorities, the question has to be addressed and has to keep  
8 being asked all the time, is, and I'm speaking particularly  
9 right now of the Indian community, is how do Indians plan  
10 the destiny of their own people?

11 I know this has been brought up several times in the  
12 last day and a half, and that question still has to be asked  
13 over and over again. Because economically Indians are in  
14 the possession of a wealth of natural resources, they have  
15 the oil, the coal, the water, and gas and 2% of the nation's  
16 land base. But the unemployment rate on the reservations  
17 is probably the highest in the country, and I maintain that,  
18 and I hope that everybody else here does, that jobs can't  
19 be produced at any rate or at any cost. And when we're  
20 talking about boomtowns we're talking about energy policies,  
21 this has to be foremost in our mind.

22 Because we can not produce jobs at any cost and I  
23 think many of the speakers have addressed this.

24 The results of boomtown, the effects of rapid growth  
25 and unplanned energy policies. When we talk about, when I



1 talk about appropriate technology, appropriate technology  
2 is basically what is appropriate for your particular com-  
3 munity, for your town or reservation. The definition of  
4 appropriate is suitable and what is best suited for that  
5 particular town, what's best suited for that reservation  
6 or that area.

7 Programs that are or projects that are developed,  
8 if it's on an Indian reservation, they have to be -- they  
9 should be developed as labor intensive projects, they have  
10 to be economically beneficial to the community, and they  
11 do have to produce jobs and they definitely can not threaten  
12 the environment and they can't endanger the culture if it's  
13 an Indian reservation.

14 I feel there's a real need to educate, to inform  
15 more people on the reservations and low income people, and  
16 particularly about their relative simplicity of the  
17 appropriate technology, and its benefits and the benefits  
18 that it can have for the low income community.

19 When I talk about appropriate technology, which seems  
20 to be a new term nowadays, that everybody's picking up and  
21 getting on, I guess you might say getting on the bandwagon.  
22 It's a term that can be used and used very, defined very  
23 broadly and it really is a very simple label, because we  
24 talk about what is best suited for that local community or  
25 for the people on that reservation.



1           The main, one of the things that people seem to talk  
2 about when they talk about appropriate technology is  
3 alternative energy. Solar power, wind power, gardening,  
4 food needs, food coops., and greenhouses. I guess the  
5 reason that alternative energy issue why that is always  
6 addressed when we talk about appropriate technology, is the  
7 increasing rate of energy nowadays and also the high cost  
8 of foods which are just a couple of the main problems that  
9 of course face our country today but I think it's a well  
10 known fact that the low income people are the ones that are  
11 always affected by any energy crisis or any economic slump,  
12 and these are the class of people, these are the people  
13 that are in the most need of effective assistance to achieve  
14 selfreliance.

15           I realize that we can't pull the plug completely  
16 from the power companies, but we certainly can be a little  
17 less dependent on the giant corporations, we can go less de-  
18 pendent on the utilities, so when we talk about alternative  
19 energy we have to start thinking about being more self-  
20 reliant in an appropriate way in whatever is the most suited  
21 way for that particular region.

22           Society, up until now, has allowed technology to  
23 become very centralized. A small number of large corpora-  
24 tions control the nation's economy. About 2% of the popu-  
25 lation controls about 80% of the corporate stock. The



1 concentrated wealth, such as this, as we all know, it not  
2 only controls the business world but also controls the  
3 government.

4 The growth in America, I feel, is corporate growth  
5 and when we talk about this stranglehold on the nation's  
6 economy with the concentrated wealth, it's very inappropriate.

7 When we talk about control of the government we talk  
8 about income tax structure, the tax structure in the country,  
9 it's legislated for and it's controlled by the rich. And  
10 the rich being the giant corporations. And the use of  
11 technology is power. And the wrong kind of technology, of  
12 course, could have very devastating effects on any small  
13 community which has, as related in some of the remarks on  
14 boomtowns.

15 Traditionally Indians have had little economic and  
16 political power. And they really haven't posed a threat  
17 to giant corporations or to too many utility companies in  
18 the past. But all of a sudden recently the Indian reser-  
19 vations have something that the corporations and the utilities  
20 want and that's natural resources.

21 So things are starting to happen, all around the  
22 country, when this reservation that was set aside years ago,  
23 the land apparently was no good for anything else so they  
24 gave it to the Indians, they find out that there is a wealth  
25 of natural resources underneath that reservation.



1           So we start putting together this corporate growth,  
2 we put together this corporate concentrated power, how they  
3 control the government, and a few things start coming down  
4 that are very obvious. One is the Means-Cunningham Bill  
5 that's in congress, the big approach to do away with Indian  
6 reservations, to do away with the Indian water rights.

7           I'm on the Montana Human Rights Commission, and  
8 Proposition 13 in California has certainly produced a lot  
9 of headaches for people in various levels of government.  
10 I'm not a full time -- I'm not a staff, but I do serve at  
11 the pleasure of the governor on the human rights commission  
12 and the big thing nowadays is to cut taxes, we got to cut  
13 government services, and right now we're facing a 75% cut  
14 in the human rights staff in Montana.

15           Now, when you have a staff of four, 75% cut doesn't  
16 leave you too much. And so we're talking about human  
17 services that are being cut that are used to address the  
18 problems that we talk about on the social problems.

19           One other thing, in Montana just this week, a judge  
20 in Missoula gave, handed down a ruling which in court the  
21 Associated General Contractors was, and I'm not real familiar  
22 with this bill, I just got a phone call on it yesterday,  
23 and got a little work cut out for me when I get back, but  
24 the reason I want to bring it up now is if any people are  
25 interested contact me sometime today and we'll put you in



1 touch with the Montana Human Rights Commission.

2 The result was that Indians are not considered  
3 minorities anymore when it talks about quotas on jobs.  
4 The Associated General Contractors was, their complaint  
5 was that I believe it was the EEA has the 10% Indian quota  
6 on jobs. And they're saying that because of this, the  
7 contractors are not receiving, they're being -- their jobs  
8 are being -- are in jeopardy and so forth, so apparently the  
9 Associated General Contractors took them to court and the  
10 judge, who by the way is very, very much influenced by MOD  
11 in Montana and for those of you that don't know what MOD  
12 is, it's Montanans Opposed to Discrimination, it's the back-  
13 lash of the non-Indian community fighting on the Indian  
14 reservations.

15 But Judge Russell in Missoula is very much influenced  
16 by MOD, and the, apparently the process for which this court  
17 proceeding went through was so fast and, it just boggles  
18 the mind to think that they're saying that Indians are not  
19 minorities because some Indians can only -- might only have  
20 a small degree of Indian blood in them so how do we really  
21 consider them minorities?

22 Now, I'm not going to speak much more on that because  
23 I really don't know that much about it but I certainly would  
24 like to have a few people talk to me afterwards, the briefs  
25 have to be submitted by the 10th of November. And -- which



1 the order was handed down on Tuesday and the judge says,  
2 by the 10th of November, these briefs have to be turned in.

3 So what I'm getting at is, when we talk about corporate  
4 power, we talk about how the wrong type of technology  
5 is applied in our country, it can have very bad effects  
6 on Indian reservations.

7 They can't beat us in court. I don't live on a  
8 reservation but they can not beat the Indians in court, so  
9 what they do is the corporations use their power through  
10 legislation whether it's the Means-Cunningham Bill or Propo-  
11 sition 13, they cut the social services, they hand down rulings  
12 by unfair judges against the Indian community.

13 Little while ago Carole Heart spoke about voter  
14 registration and what the effects that had in South Dakota.  
15 And you know good and well that it just, it just blows the  
16 non-Indian community's mind to think that if the Indians  
17 ever got out and registered to vote, can you imagine what  
18 impact we could have on the country?

19 I think this has to be, I think the Indians definitely  
20 have to be involved in this political process and the  
21 political power must be exercised by the Indian community.

22 In conclusion, I think I heard a light tapping over  
23 there, I want to read a little thing that I got several  
24 years ago, I'm not sure where I picked it up but it kind of  
25 reflects all my thoughts whenever I read this thing and I



1 use it quite a bit and it's entitled Cheyenne Coal. Says  
2 I am a Cheyenne. I have given up my land to the same White  
3 man that slaughtered my ancestors. I lost my tribal old  
4 heros that I could sell my heart and soul for a few million  
5 tons of coal and a pocket full of worthless greenbacks. I  
6 have had a good time with my money but now I am as broke  
7 as I was before. But now I have nothing, no home for the  
8 White man is mining on it. No friend for they have gone  
9 their own ways and are probably seeking the same thing that  
10 I am. Also in a lonely place without other Cheyennes. What  
11 shall I do for I have nothing?

12 I guess I will kill myself for I think I am already  
13 dead. When I was drinking I was drinking and getting drunk  
14 with other Cheyennes and I was fighting I was fighting with  
15 other Cheyennes. Now they're all gone. My tears are  
16 dripping from my heart and there is no one to care for me  
17 because everyone is gone. My mother and father are buried,  
18 I can not see their graves for their bones have been scattered  
19 by the White man's machines digging in our sacred grounds.

20 Why not get our people -- why could our people not  
21 see what was ahead of them? What shall I do for I have  
22 nothing.

23 The council of chiefs have grown fat, the council of  
24 chiefs have sold us out. The council of chiefs has become our  
25 worst enemy. My people do not let us make the same mistake



1 as our Osage brothers with their oil lands, let us not sell  
2 our souls, our mines, our future as a race of people for the  
3 temporary luxuries of our White conquerer. Put on the  
4 weapons of your mind, fight the legal battles with cunning  
5 and determination, sing the victory songs loud when the  
6 mining equipment leaves the boundary of our reservation and  
7 homelands. Unity is the only way we can win. Get together  
8 with all Cheyennes, the ones you called your friends, the  
9 ones you talked about behind your backs, speak the old  
10 language with the old people and fight the elements that  
11 are betraying us and cast us from our lands forever.

12 Let not the history books of the future say, there  
13 used to be a reservation in Montana that a tribe called the  
14 Northern Cheyennes once lived on. There is no reservation.  
15 There are no more Cheyennes. There is just a big black  
16 hole.

17 Thank you.

18

19 (Applause)

20

21 THE MODERATOR: Next we will hear from Mrs. Judith  
22 Davenport, associate professor and director of the Wyoming  
23 Human Services Project. And the Department of Social Work  
24 at the University of Wyoming.

25



MS. JUDITH DAVENPORT

1  
2  
3 A (By Ms. Davenport) Thank you.

4 If you don't mind, I'd rather sit down.

5 I was asked to talk with you about our project  
6 and what we're doing at the University of Wyoming, and  
7 discuss ways in which we are trying to mitigate some of the  
8 impacting for minorities and women in the communities  
9 experiencing rapid growth.

10 Our project is a two-fold project, we have a training  
11 component and we have a service component, a community  
12 component. We are funded by the National Institute of Mental  
13 Health as far as the training component is concerned and  
14 I'll get into that a little bit.

15 The history of it I think you probably would be  
16 interested in. A number of faculty members from different  
17 departments were having sack lunches on a monthly basis  
18 and we're talking about social change theory and a lot of  
19 things that academicians talk about, theorize about, and they  
20 were talking about the situation in Wyoming, in the west,  
21 and what's happening in these boomtowns.

22 Well, what maybe could we do about this situation  
23 as faculty members? So we got together and said well, let's  
24 write a proposal and see if we can do something with teams.

25 Here we are, a team of academicians who are looking



1 at the situation in boomtowns and we're looking from dif-  
2 ferent perspectives, what we need is some training to put  
3 teams into communities in Wyoming and relieve some of the  
4 pressures and the problems in the community, take a multi-  
5 disciplinary approach at this. Who might be interested in  
6 funding it?

7 So a number of groups of private and public funding  
8 sources were sought, and National Institute of Mental Health  
9 is the one that came up at the top and said that we would  
10 like to fund you. So we have a five-year training grant  
11 from the National Institute of Mental Health to train multi-  
12 disciplinary teams to go into energy impacted communities  
13 to work in the areas of community development and community  
14 organization.

15 We take students who are in their last year of  
16 training, whatever their discipline is, their last year of  
17 training, whether it's at the undergraduate level or at the  
18 graduate level, and they take a course for a year, it's a  
19 three-hour course that's offered two semesters and in order  
20 to be chosen as a team member you have to take both semesters  
21 of the course.

22 We have traditionally had your softer, more clinical  
23 types of students interested in a course like this, your  
24 psychology students, social work, sociology, guidance, this  
25 year we have a class of 21 people, and in this class we have



1 political science majors, communications majors, social  
2 work majors, anthropoligy majors, guidance and counsel,  
3 nursing, law, biochemistry and chemical engineering. So we  
4 have really been looking broadly at this community problem,  
5 and of course this causes a lot of difficulty in terms of  
6 trying to train people who are at different levels of edu-  
7 cation, some in undergraduate, some at the doctoral level,  
8 and in terms of where they're coming from in their background  
9 and training in these various disciplines.

10 But what we do in our training course is that we have  
11 approach as far as the faculty is concerned, we have a core  
12 faculty of which I, as project director, am, well, I'm the  
13 main coordinator of what is taught, but we have psychologists,  
14 lawyers, we have medical anthropologists, cultural anthro-  
15 pologists, we will be having sociologists hopefully next  
16 semester.

17 People from social work, from communications, who help  
18 teach this course. We feel that we have to look at communi-  
19 ties in a broad perspective and from different avenues, we  
20 bring physicians in from the community, we bring people who  
21 are living in impacted communities, senior citizens, into  
22 class to teach my students about how they feel the community  
23 is affected by the impacting.

24 After we have this year's worth of training, hopefully  
25 we are to place these team members in communities in Wyoming



1 that are experiencing rapid growth due to the energy develop-  
2 ment. These communities have to have requested that we come  
3 in to the community and there's the added problem of funding  
4 because the National Institute of Mental Health does not fund  
5 the community portion of our project.

6 Someone yesterday was asking whose responsibility is  
7 it in terms of mitigation strategies and another respondent  
8 said, well, it's everybody's responsibility. Well, this is  
9 basically what we've looked at in terms of funding for our  
10 teams in the community and we've gotten funding from just  
11 about every aspect of the community. We've had teams in  
12 Gillette, Wyoming and we are currently in Wheatland, Wyoming,  
13 we have two and a half teams, I'll say, we had teams in  
14 Gillette for two and a half years. During that period of  
15 time we were funded by the economic development administration,  
16 by Atlantic Richfield, by Title XX funds, by city government  
17 and by the county government.

18 So we covered just about all aspects of funding.  
19 The three teams that we've had in Wheatland, Wyoming, have  
20 been funded entirely by the Missouri Basin power project  
21 which is the energy developing project there. They have  
22 a commitment for three years of funding for our team.

23 What our team does besides look at the community in  
24 terms of community organizing and developing is that we  
25 offer person power. We offer direct assistance to agencies



1 in the community that are experiencing the overload and the  
2 stresses on the social service systems of the community.

3 Our nurses would perhaps go into the public health  
4 department and work half time, if this is where the need is,  
5 our lawyers have been city attorneys, have been assistant  
6 city administrators, one is currently employed full time  
7 now as city administrator, assistant city administrator in  
8 Gillette, but they're used half time in direct service in  
9 agencies giving some relief to these individuals who are  
10 inundated with the new case load.

11 While at the same time the second half of the week,  
12 it's divided into 20 hours working in an agency, 20 hours  
13 working as a team associate or project associate, where they,  
14 as a team, look at the community, work with advisory  
15 boards, the task force that the community has in looking  
16 at boom problems, and they try to develop strategies and  
17 implement programs to meet the needs of the community.

18 They do not come in and say these are what your  
19 problems are in your community and this is what we're going  
20 to do about it, because the community has to define its  
21 problems. And what our team does is work as advocates, as  
22 enhancers, facilitators, for the interaction and what can  
23 come out of the community.

24 What happens is that the local service providers can  
25 barely take care of the band aid types of services and don't



1 have the time or opportunity to be pro active and this is  
2 something which we can do.

3 As far as the community is concerned, they would like  
4 to see our associates be a 100% in the agencies, the  
5 agency people would because they get so much of a relief  
6 in terms of some assistance. But they also recognize the  
7 need for development of programs for this new influx of  
8 people coming into the community.

9 I want to now discuss some of the programs in which  
10 I feel that our project has helped women and minorities,  
11 even though we are basically there for the community as  
12 a whole. We have developed certain programs which we feel  
13 specifically aid women and minorities and then we feel like  
14 the other things we've done in the community have also  
15 aided in that respect.

16 One of the things we have to look at in terms of  
17 like Wheatland, Wyoming, is that 27% of the population is  
18 over the age of 60. That's a tremendous amount of senior  
19 citizens in a community like this.

20 One of the things that the Platte County Human  
21 Services Project, which is our team in Wheatland, helped  
22 develop was a golden age card, discount card, which enabled  
23 senior citizens in the community to take this membership  
24 card to local participating merchants and get a 10% discount  
25 on all merchandise. This has been strongly supported by



1 merchants in the community and is used quite widely in the  
2 community.

3 Another thing that we helped with as far as senior  
4 citizens is that one of our project associates was assigned  
5 to the senior citizen center, and helped with the programming  
6 and helped with literalization projects in that area.

7 Also, the team has been assisting with the extension  
8 service, the energy extension service at the university,  
9 in going into the homes of the community residents, especially  
10 the elderly, and trying to encourage them to sign up for the  
11 home analysis for conservation of energy service that's  
12 offered by the extension service, they get this service free,  
13 they'll be able to look in terms of what they may be wasting  
14 in energy and ways in which to fix it up, so these are some  
15 ways we're helping.

16 The housing situation, of course, has been critical  
17 in impacting communities. It's not so critical for new-  
18 comers coming in because Missouri Basin power project did  
19 take some initiative before they ever began their con-  
20 struction process in building the facilities for their  
21 people coming in.

22 But with some of the newer service jobs that are  
23 coming into the community, the housing has risen, the low  
24 income people, the elderly have been especially hurt by this.

25 So our project was asked to investigate the housing

1 situation in the community and make reports and recommenda-  
2 tions. So a series of articles were presented to the task  
3 force and to the county commissioners and the planning  
4 bodies, and now they're looking in terms of investigating  
5 all possible sources of funding for low income housing in  
6 the area.

7 One thing that the project helped establish was a  
8 help line. This is an information referral and crisis line  
9 in the community. Even though I'd say 50% of those who  
10 use the help line are women, what has tended to be significant  
11 is that the use of the help line by women has been in crisis  
12 situations more than it has been for the men using it, which  
13 I think is very significant. Many women who are alcoholic  
14 or their husband has come home and has abused them after  
15 coming in, being alcoholic themselves, many drug related  
16 and alcohol related calls come in through the help line so  
17 we feel like this has been of great assistance to the women  
18 in the community.

19 Also we use volunteers for this totally. And we find  
20 that our newcomers into the community, the women are  
21 the ones who will volunteer for the help line at the most part.

22 We do have some -- some what we call old timers,  
23 who are participating in the volunteer services and one thing  
24 that this helps do when they receive the crisis training  
25 is it helps to dissolve this we-they syndrome that you have in



1. these communities where they have a chance to get together  
2. with the old timers, new timers and the old timers have a  
3. chance to get together and work on some problems together.

4. Day care seems to be a tremendous problem in many  
5. of the impacted communities. Our project established a  
6. coop., a babysitting coop., in which the community people  
7. were able to exchange babysitting services so that there  
8. could be some relief for parents and especially for the women.

9. This is good at night time so that the women can have  
10. some recreational opportunities. This project is now  
11. totally supported by individuals in the community who took it  
12. over themselves.

13. What we're trying to do in our project is to help  
14. get things started, with the community, and then slowly  
15. pull out while the community takes over a project. This is  
16. what we're all about. Helping the community help itself.

17. We also evaluated the current day care center that's  
18. supported by local funds for the county commissioners and  
19. helped write a grant so that the day care center could be  
20. continued to be funded because it was going to be a problem  
21. with whether they would continue to be funded so we helped  
22. in writing the grant proposals in this area.

23. I think that our Special Friends program has been  
24. especially beneficial. It's a takeoff on your Big Brother,  
25. Big Sister-type of program in your more urban areas. But

1 is a situation where basically children with, say a mother  
2 who's a head of the household and no father, have an oppor-  
3 tunity to have a Big Brother, this is where it's been used  
4 the most.

5 Another role model in the home, different person to  
6 relate to, to go camping, fishing, whatever. This was  
7 established by our project and has now been absorbed by one  
8 of the local civic organizations and has been very successful  
9 in helping with the children and especially with the single  
10 parents in the community.

11 We were involved in Planned Parenthood in Gillette  
12 and established that program for the first time, we have a  
13 project associate assigned to Family Planning in Wheatland  
14 at the current time because of their massive overload.

15 Recreation seems to be a tremendous problem, we  
16 talked about that also.

17 We have always had a recreation person be assigned in  
18 these communities. It seems that the recreation department  
19 is the one in which has such an overload and needs pro-  
20 gramming kinds of things. Our project associate in recrea-  
21 tion right now is a women who is trying to gear programs to  
22 get the women active in recreation.

23 We don't claim to have all the answers, we have a  
24 lot of problems, but we feel like the project that we have  
25 established in Wyoming is applicable to other communities and



1 this is what we're hoping to do is to show a process in  
2 which people can go into a community and help to mitigate  
3 some of the problems caused by impaction.

4  
5 (Applause)

6  
7 THE MODERATOR: And now we will hear from Mr. William  
8 Freudenburg, sociologist from Yale University.

9  
10  
11 MR. WILLIAM FREUDENBURG

12  
13 A. (By Mr. Freudenburg) Technically, as of a couple  
14 days ago, I'm now from Washington State University. I've  
15 been working on a Ph.D. program at Yale, I'm just finishing  
16 up, I'm about to become an honestly employed person.

17 I'm going to edit out quite a bit of my early comments  
18 because, as anyone who attended yesterday's sessions is by  
19 now well aware, rapid energy related growth can cause sub-  
20 stantial problems for women, minorities and for other human  
21 beings who live in or near energy impacted regions.

22 That point I think has already been made well enough  
23 I don't have to go into it here. There are, however, two  
24 other points that may not have been made as clearly and  
25 which are worth keeping in mind.

1 First, the problems of boomtowns are not simply  
2 economic, not simply logistical, some of the most obvious  
3 and pressing problems are economic in nature, that mass  
4 of new people coming in are going to need homes, they'll  
5 need water and sick treatment and so on and these problems  
6 can generally be involved by the timely addition of enough  
7 funds. But as everyone in this room knows, it takes more  
8 than water and sewer hookups to keep a human being functioning  
9 properly.

10 And in addition to the economic and logistical prob-  
11 lems, people in boomtowns experience a variety of social  
12 problems. Problems which are caused by the disruption of  
13 social and cultural systems and which we can't really solve  
14 by throwing dollars at them. Even under the best of circum-  
15 stances, for example with the kinds of work Burman Lorenson  
16 has been doing or with the Wyoming Human Services program  
17 which pays a great deal of attention to the human problems  
18 of a boomtown we are simply making the best of what remains  
19 a bad situation. A band aid to wounds which are still  
20 wounds and which might have been prevented.

21 Many of those wounds in fact can't be healed with  
22 simple band aids and under worse circumstances we may not  
23 even have the band aids at all. Actually, there's another  
24 problem, though, with standard mitigating measures even  
25 when they're available and applied.



1           Almost by their very nature they're formalized tax  
2 supported bureaucracies, professionalized, and when we turn  
3 to them to lessen some of our problems we actually worsen  
4 another set of problems, the increase in formalization,  
5 professionalization, bureaucratization and other sociocultural  
6 changes which are a major source of boomtown stress.

7           There's a second point, though, that also needs to  
8 be made and that is that growth is definitely not all bad.  
9 Many of the towns that are fearing growth today have been  
10 begging for growth for decades, the difference is in the  
11 type of growth. And the biggest single difference in the  
12 type of growth is the sheer amount.

13           As a general rule of thumb, G stands for good, gradual  
14 and growth. B stands for boom, bust and bad. The boomtown,  
15 ironically, is suffering from too much of what would other-  
16 wise be a good thing. Well, given this background, I'd  
17 like to suggest that we use this session to, as an opportunity  
18 to respond to a challenge that Polly Garrett issued to us  
19 yesterday. Let's do some creative thinking about what we'd  
20 like the future to look like and talk about some specific  
21 suggestions that might actually work to improve the situation.

22           If we're talking about impacts that are actually  
23 occurring right now, the best we can realistically hope for  
24 is to make the best of a bad situation. Mitigating measures.  
25 But, if we're willing to look at the longer range decade or

1 more into the future, we can do far more.

2 The boomtown may be one place where the old adage holds  
3 true, an ounce of prevention may be worth far more than a  
4 pound of mitigating measures.

5 The best way to mitigate the social problems of women  
6 and minorities and other human beings in boomtowns, to put  
7 it simply, is to avoid them in the first place.

8 The suggestion is not nearly so radical as it might  
9 sound. There's really no need for us to go back to caves  
10 and candles, when we restrict ourselves to looking at impacts  
11 that are already occurring there is a tendency to think that  
12 we're somehow forced to choose between throwing innocent  
13 communities into chaos or throwing the American economic  
14 system into darkness.

15 But realistically we can choose from a far broader  
16 range of alternatives. It's entirely possible for the nation  
17 to benefit from western energy resources without wreaking  
18 havoc on western communities. The economic and social  
19 problems of these boomtowns have one thing in common, and  
20 that is that the main problems are caused simply by having  
21 too many people come into an area too quickly for the area  
22 to be able to absorb them.

23 In both the economic and the sociocultural  
24 spheres, all other things being equal, the greater  
25 influx, the greater the problem, as simple as that. There's



1 nothing inherently evil about growth provided it's a  
2 reasonable level of growth. Problems arise only when we  
3 have relatively massive kinds of growth, with boomtowns.  
4 We're lucky to get growth, some growth, whenever we mine  
5 western energy reserves. But we only get boomtowns  
6 under some fairly unusual conditions.

7 Let's look at some actual figures for coal develop-  
8 ment. As a crude rule of thumb, opening a standard sized  
9 coal mine really doesn't cause all that many problems to  
10 a local area provided the usually environmental constraints  
11 are operating, even a hefty size mine, say one that produced  
12 a million tons a year will only take a 100 or perhaps  
13 150 workers if it's a strip mine. A deep mine, putting  
14 out the same amount would need more workers, around 250,  
15 but because of the nature of deep mining operations the  
16 workers would only be hired gradually in crews of 30 or so  
17 at a time.

18 Moreover, most western mines have had a fairly easy  
19 time of hiring people who already live in the area, thus  
20 further lowering the size of the influence. In other words,  
21 it's entirely possible for us to mine the western coal  
22 without causing massive disruptions, so as long as we don't  
23 open several mines all in the same area all at once.

24 We'll get growth, certainly, but it's a much more  
25 manageable kind of growth, a growth that will provide most

1 of its jobs to locals, that will be gradual and it will,  
2 overall, do considerably more good than harm.

3 Which brings us back to Harry Sherman's comment yes-  
4 terday that there's a big difference between extracting the  
5 coal reserves and then converting them to something else.  
6 To get a boomtown, a genuinely nasty boomtown, you have to do  
7 more than just mine the coal. The boomtowns that have hit  
8 the New York Times and the network news have, for the most  
9 part, been places where coal conversion facilities most  
10 often electricity generating plants have been built.

11 Moreover, there aren't generally too many dislocations  
12 once the plants are up and operating. The problems occur  
13 only during the construction phase. Here's a specific  
14 example. Craig, Colorado, it's a town that's achieved a lot  
15 of notoriety lately which is in a way too bad because the  
16 residents have actually done a fairly impressive job of  
17 dealing with a difficult situation. In addition to Craig's  
18 socioeconomic difficulties, Craig has experienced substantial  
19 social impact, some of which you heard about yesterday from  
20 Alma Lantz.

21 Population went up about 103% in two years. Mean-  
22 while crimes against property went up 220%, crimes against  
23 persons went up 900%, family disturbances rose 250%,  
24 child behavior problems rose an even 1,000%. Alcohol-related  
25 complaints rose 550% and other drug related reports went



1 up 1,400%. Despite substantially increased expenditures,  
2 Craig went from essentially no police department to a  
3 department with 22 officers and a quarter of a million plus  
4 budget in a year and a half, the people of Craig were simply  
5 not as safe as people in other preimpact towns that I've  
6 been studying, they were more than twice as likely to  
7 fear for their safety and more than three times as likely to  
8 be the victim of crimes.

9 Well, where did these depressing statistics come  
10 from? A coal-fired power plant. It's not that burning coal  
11 causes social problems, mind you, at least not directly,  
12 it's the way the plant was built. When the YAPA project,  
13 which is what it's called, is finished, it will employ about  
14 one and 200 people counting the mine, the plant and all  
15 and many of those employees will be locals, but building the  
16 plant has been another matter entirely.

17 At the peak of construction, which is about a year  
18 ago right now, there were 1,900 construction workers on the  
19 site. After adding spouses, children and ancillary workers,  
20 that add up to an influence of four to 6,000 people.

21 Adding 6,000 people to a town that only had 5,000  
22 to begin with, is virtually a foolproof method of creating  
23 social disruption if the town is a small one. Had the plant  
24 been built in an urban area, influx of 6,000 persons wouldn't  
25 have really been noticed but Craig was a rural area.

1            Yet not even the construction of large plants in  
2 rural areas has been uniformly evil or disruptive. The  
3 nation's been encouraging rural industrialization for about  
4 a quarter of a century now and yet we've only been hearing  
5 about boomtown impacts really for the last three or four  
6 years, are we just more sensitive to problems now than we  
7 used to be? That may be part of the problem but I think a  
8 bigger part, believe it or not, is rainfall.

9            Another example. One of the most carefully monitored  
10 plants in history was that of a large steel plant was built  
11 just outside of Hennypen (Phonetic) Illinois, 1970 population  
12 of 535, in the late '60's. The plant was to have an eventual  
13 work force of over a 1,000, more than twice the size of the  
14 town even before you had spouses, children, etcetera.

15           And yet a team of very competent researchers who were  
16 monitoring the area found essentially no social disruptions  
17 worth recording. Why not? Because relatively few of the  
18 workers actually moved into Hennypen, the massive influx  
19 that's the source of most of the major problems simply didn't  
20 occur.

21           Hennypen area gets more than twice as much rain as  
22 the Craig area, vegetation and crops are much more dense  
23 in the region, and farms are smaller, which means closer  
24 together, and people and towns in the Illinois area are much  
25 smaller or much closer together as well.



1           It's a simple straight forward direction but it makes  
2 a big difference in the kinds of impact that was experienced  
3 there. In the Hennypen example workers moved into 68  
4 different communities that were within a 57 road-mile radius  
5 of the community, but a 57-mile drive from Craig gets you a  
6 total of three more towns. You can go another 20 miles  
7 past that and you still don't run into any more towns.  
8 Craig's the county seat and only major community in all of  
9 Moppet County, which covers more land area than the States  
10 of Rhode Island and Delaware combined. Hennypen's entire  
11 county grew by only 14% in five years and with the labor  
12 force growth rate that was actually slower than the statewide  
13 average, while Moppet County, Colorado, where Craig is,  
14 grew by about 100% in two years.

15           The claim and belief is that the problems in Craig  
16 have not been the result of any kind of conspiracy or  
17 evil intentions on anyone's part, they really couldn't have  
18 been avoided simply by getting people together and having  
19 them talk things out, the disruptions social and economic  
20 resulted from the size and the speed of the worker influx  
21 which is one of the ironies, again the problems came  
22 from simply too much of what would otherwise have been a  
23 good thing.

24           Well, it's standard mitigation procedures leave us  
25 with an improved but still bad situation, and if we know from

1 past experience that it is possible to have mines and  
2 probably even plants in rural areas without causing boom-  
3 towns or their problems, then the sensible question to ask  
4 is this, how can we best avoid boomtown problems in the future  
5 while still assuring ourselves of the energy supply we need?

6 Well, given a plant that's already on the way, the  
7 first three commandments are hire locals first, hire locals  
8 first, hire locals first.

9 It's worth pointing out that roughly half of the  
10 locals in any town are going to be women, and if a company  
11 is willing to hire women rather than just men, and quote,  
12 men professions, end quote, they will substantially decrease  
13 the number of people they have to move into the area.

14 A similar thing holds true near reservations. The  
15 more obvious answer for the long run as was pointed out  
16 by Carl Whitman earlier this morning, is that we should be  
17 considerably more careful in the long run in our estimation  
18 of how much energy we need. And that we might want to devote  
19 more of our attention to energy alternatives which don't  
20 require massive installations, specifically including  
21 for example, renewable and decentralized technologies of wind  
22 and solar energy utilization.

23 Boomtown creating plants are highly capital intensive  
24 which means in plain English that they provide far fewer jobs  
25 per investment dollar. Moreover, if we're interested in



1 providing significant employment for minorities who live in  
2 urban areas, most of those jobs are in the wrong place and  
3 will go to the wrong race.

4 I won't say much more here about conservation and the  
5 kinds of appropriate technologies that Lee has just described  
6 but that's not because they're of no likely importance in  
7 preventing boomtown problems, rather it's that adopting  
8 renewable and decentralized technologies would lessen  
9 boomtown problems in an almost automatic way. It's only  
10 when we stick with large centralized installations that we  
11 even noticed to worry about boomtowns. But even if we do  
12 assume that we need to depend on western energy resources  
13 for at least some interim period, the fossil fuels, that  
14 does nothing, absolutely nothing to make boomtowns inevitable.

15 In fact, the only way to get a boomtown is to do  
16 everything wrong. More specifically, we need to foul up in  
17 three different ways, all in the same installation before  
18 we can get a boomtown. We have to build a facility which  
19 is too large, we have to bring our workers into an area too  
20 quickly and we have to make sure beforehand that the area  
21 is so sparsely populated it can't handle it.

22 Hennypen, Illinois, just won't do the trick. If we  
23 get even one of those three factors right, the size of the  
24 plants, rapidness of the influx or the population density  
25 of the host region we simply don't have boomtown problems

1 because we don't have a boomtown, we don't have the influx  
2 that causes it.

3 Let's take a closer look at the three specific  
4 facts. Size first. The two units of the Ampere (Phonetic)  
5 project near Craig which are already nearing completion will  
6 have a total capacity of 760 million watts, it's  
7 theoretically enough just to keep 700 million, 100-watt  
8 light bulbs burning night and day. One or two additional  
9 plants may be built in the same site in the near future,  
10 perhaps even doubling that output. Did the plant really  
11 have to be that large? Not as far as the residents of  
12 Craig are concerned, they don't use up even a tiny fraction  
13 of a 1,500 million-watt output even if they stayed up all  
14 night long under those burning light bulbs, to consider  
15 alternatives.

16 Most of the power is going to be carried to cities  
17 hundreds of miles away. Craig gets most of the impacts,  
18 others get most of the energy. The plant was built, when  
19 and where was simply because a set of charts and balance  
20 sheets said that was the right thing to do. Those calcu-  
21 lations didn't pay much attention to the human cost to  
22 build into a boomtown situation, and if they had, an entirely  
23 different decision might have been made.

24 Well, another possibility is construction technology.  
25 We might give the matter some thought and still conclude,



1 for one reason or another, that we want all of our power  
2 plants to be at least the size of the pair being built  
3 near Craig right now. That still does nothing to make  
4 boomtowns inevitable. The impact statement prepared for the  
5 project cited the construction period had been lengthened  
6 in order to spread construction as evenly as possible. If  
7 this course of action had been followed with real conviction  
8 by limiting the peak construction force to 300, for example,  
9 instead of 1,900, the boom simply would not have been as  
10 explosive. Economic benefits to the local area still would  
11 have existed, although they probably would have lasted  
12 longer, but the human and logistical difficulties and  
13 disruptions of the boomtown would have been reduced to minor  
14 proportions.

15 Even if we're thinking about future plants we have  
16 two options available to us for achieving that leveling off  
17 of the influx, first and most obvious is to simply stay with  
18 our present technology but bring people in more slowly and  
19 take longer to build the plant. That would currently be an  
20 extremely unpopular idea with energy companies because  
21 inflation costs and the interest costs on the money they  
22 borrowed to build the plant would make it a very expensive  
23 alternative unless we decided to encourage federal policies  
24 to subsidize the lower interest rates for plants that are  
25 willing to spread out the impact, for example.

1           But a second option might have a good deal more to  
2 be said about it for the long run, particularly if we're  
3 willing to think about the kinds of plants we will be  
4 building a decade or more into the future and to question  
5 our whole approach to building power plants today.

6           Could we place a greater emphasis, for example, on  
7 building components of the plant elsewhere and perhaps even  
8 gaining the economies of mass production on some of them?  
9 If we were able to put our minds and our engineering research  
10 dollars to the task we might find that it's entirely  
11 reasonable both economically and technically to put much more  
12 of the plant together in urban areas, and then ship in largely  
13 completed components to the plant site where they could be  
14 simply bolted together. By a much smaller crew of workers  
15 on site.

16           Urban minority group members would be able to get  
17 jobs assembling components near their home without needing  
18 to migrate to rural towns that are strange and sometimes  
19 hostile to them. Workers would be able to keep their jobs  
20 and their families in one spot for longer length of time  
21 since they'd no longer need to move from site to site  
22 just to stay employed and at the same time the boom and bust  
23 problems that impact communities caused by having massive  
24 waves of workers move in and then out again, would simply  
25 be avoided, with the benefits of more research in fact we



1 might even find out that it's more economical to build a  
2 series of 75-megawatt plants than to build a handful  
3 of boomcreating giants, and if so, we might wind up saving  
4 money for the consumer and lessen strains on boomtowns  
5 both at the same time.

6 A third factor, though, in case neither of those worked  
7 out, it's simple location. In the interest of general  
8 equity as well as the interest of avoiding boomtown problems,  
9 we might consider moving the entire plant, final assembly  
10 and all, to the regions where the energy will be used.

11 When we mine the coal we either mine it where it  
12 sits or not at all but burning the coal is something you can  
13 do anyplace the conditions are right. Building plants in  
14 the energy, in the areas where energy is used would probably  
15 increase the dollar costs of transporting the energy  
16 slightly, although in the case of electricity engineers  
17 tell me it would actually save in terms of energy costs  
18 given the substantial loss in transmitting electricity long  
19 distances. But when the plants are located in the areas  
20 where the energy is used the cost, as well as the benefits  
21 of the plant accrued to the same region, that is the pollution  
22 as well as the social and economic disruptions of building  
23 the plant, would go to the same, roughly the same area  
24 where the energy would be utilized.

25 Additionally, the closer proximity to urbanized and

1 industrialized customers would greatly increase the possi-  
2 bilities for cogeneration, in other words, using the plant's  
3 otherwise wasted heat for industrial and domestic purposes  
4 instead of using it just to evaporate vast quantities of  
5 very scarce western water.

6 Finally, an influx of the size experienced in Craig  
7 wouldn't even have been noticed here in Denver, yet the  
8 influx might actually have been smaller here than there  
9 since a respectable proportion of the workers lived in  
10 Denver in the first place. Unfortunately, coal fired power  
11 plants are still so dirty and the Denver area is already so  
12 polluted that building the plants here would be environ-  
13 mentally unacceptable today even using the best of pollution  
14 control technology we have but that does nothing to keep us  
15 from working on better options for the future.

16 At a minimum, even if we decide to stay with the  
17 present size, keep the same construction techniques and  
18 keep on building the plants in rural areas, the Hennypen  
19 example sighted earlier tells us what kinds of rural  
20 areas to pick, namely areas where the impact can be spread  
21 across several communities instead of just overwhelming one.

22 Well, it's time for a summary, one of the problems in  
23 inviting academicians to conferences is they always seem to  
24 end their papers with a call for more research and I'm  
25 afraid I'm about to do just about the same thing.



1           This is not a standard call for more research however,  
2 I'm not going to ask for more money for the kind of research  
3 I've been doing although I'd scarcely want to discourage it,  
4 I think we need more engineering research.

5           The people of Craig and other boomtowns are getting  
6 understandably tired of having a stream of impact researchers  
7 and other instant experts coming through town but seldom  
8 saying much about how the situation could be improved.  
9 Just simply saying you're supposed to feel this good or this  
10 bad.

11           The people of Craig and other towns have a right to  
12 expect something better. We certainly don't know all the  
13 answers yet, let alone all the right questions but we are  
14 starting to get a fairly good idea of what happens in energy  
15 boomtowns and why it happens.

16           In the words of some researchers here in Denver, we  
17 know boomtown residents have problems. Further research  
18 is needed to establish that, the question is now what do we  
19 do about it.

20           Which brings us to the call for more research.  
21 We've all heard the complaint that social science research, un-  
22 like engineering and more technical research, never provide  
23 us with solid answers to our questions, at least never in  
24 time to do any good. But this may be one of those rare  
25 areas where just the opposite is true. Social scientists are

1 indeed beginning to provide us with solid and consistent  
2 answers about what happens to the social structure of boom-  
3 towns and what the consequences of that are.

4 The next step, it seems, is for engineers to do more  
5 research.

6 This paper, written by a social scientist, offered  
7 as a set of fairly specific suggestions for our future  
8 actions, all of which appear to offer the opportunity for  
9 avoiding boomtown problems, and all of which involve the  
10 need for at least minor technical and engineering changes  
11 yet none of which would require any future social science  
12 research except perhaps to monitor the effect.

13 We can make sure we only open mines one at a time in  
14 any particular area. We can conserve energy and simply not  
15 build as many new plants. We can build smaller plants,  
16 we can build them in different places. And preferably in  
17 places closer to where the energy is being used, whether in  
18 urban areas or in more densely populated but still rural  
19 areas.

20 And finally, we could build plants of the same size  
21 and even build them in the same location, but build them  
22 with fewer construction workers on site at any given time.

23 It's because we're building the same plant more  
24 slowly or because we are building it with the technology  
25 that moves its components instead of massive workers to the



1 THE MODERATOR: Thank you very much and now we'll  
2 hear from our respondents Jackie Nixon-Love and Burman  
3 Lorenson.

4 You'll each have ten minutes. Mr. Lorenson.

5  
6  
7 MR. BURMAN LORENSON

8  
9 A. (By Mr. Lorenson) I'd like to speak to all the empty  
10 seats. It's very interesting to note at the time that some-  
11 body starts talking about solutions to particular problems,  
12 that's when everybody bugs out.

13 And so I'm not directing this to you that are here,  
14 I'm directing it at those empty seats.

15 It seems that the conference has taken on an attitude  
16 to come bitch, complain about what the problems are, and  
17 again that relates to my original comments that nobody  
18 seems to be too interested in what the solutions might be.

19 With respect to that, I have a number of random  
20 thoughts not only pertain to this panel but some of the  
21 others that I've heard, and one that I heard today is the  
22 speed of growth.

23 Speed of growth is very negotiable. The speed of  
24 growth is what can create a boomtown or not, and William is  
25 very correct. I don't know that his numbers are necessarily

1 correct, that's just pure conjecture on his part or on my  
2 part or anybody else's. But we do know that when the need  
3 for things are not met with the demand for them, that you  
4 create a boomtown, you create instant inflation and the  
5 people that are losers are the ones that have the smallest  
6 voice in the community.

7 And that, again, relates to the minorities and in many  
8 cases to women.

9 Another comment that I had with respect to what William  
10 had to say was, he identified a power plant in Illinois.  
11 We have one like that here in Colorado known as Pawnee Power  
12 Plant, which is located near Fort Morgan and Brush, and one  
13 element of what is going on there that is different is that  
14 the people have a choice, and that's the same thing,  
15 he related it to rainfall. I relate it to people, oppor-  
16 tunities, alternates to the choice they're given in Craig.  
17 And you're not given many alternative to that situation.

18 So now, if you were really trying to determine where  
19 a power plant ought to be put, it may be important to consider  
20 what alternatives you are allowing the people that come in.

21 Now, some people say that the resource with respect  
22 is, well, you have to put the power plant where the resource  
23 is. There's a tradeoff that you have to make. You either  
24 have to sit down and determine you're going to have coal  
25 trains going through your towns or you're going to have a



1 power plant on the outside.

2 Another tradeoff that you have to make is that yes,  
3 you go through initial hell in your community, with a power  
4 plant, but there's one thing to remember about that power  
5 plant, and it's cold economics again, that that power plant  
6 provides a tax base, as dirty as it may sound, with very  
7 few jobs attached to it, that provide -- can provide a  
8 tremendous amount of services to those in the area.

9 I'll give you an example, the Rangely oil fields,  
10 the school district is operated on four mills near Rangely,  
11 Colorado. When you have -- you have to make those decisions  
12 and I was in a session last night of how to get at that  
13 decision making power. Well, it can be done. But those are  
14 the type things that you have to consider.

15 Anytime you're making decisions it's not black and  
16 white, it's tradeoff. For some good thing you're going to  
17 have some bad things. And you better take it into con-  
18 sideration, nothing's ever going to be rosey, nothing has to  
19 be totally bad, but nothing's going to be totally good,  
20 either.

21 One of the areas that has been talked about is that  
22 the money doesn't seem to get into soft social service  
23 areas. In my experience, at least in Colorado, is that the  
24 local decision makers, and I maintain local, the county  
25 commissioners, the city council, the program directors of

1 or at least not necessarily the program directors, but the  
2 people that distribute those funds at the local level aren't  
3 asking for soft services. That means to me that the groups  
4 that want those services have not made enough impact at  
5 the local level.

6 The federal and the state people aren't going to re-  
7 spond, you think the feds and the state's going off to do their  
8 own thing. I'm here to tell you they listen very closely  
9 to the local people. But if the local people and their  
10 decision makers at the local level won't tell them, they  
11 won't have soft services, social services, expansion of those  
12 types of things, you're not going to find it in the federal  
13 grab bag or the state or anyplace else.

14 I hear a little thing recently, well, I didn't hear,  
15 I think I read it in Reader's Digest, and I believe Will  
16 Rogers said it, if I remember, maybe I'm misquoting, is  
17 that an ounce of local initiative is worth a pound of  
18 federal assistance. And it's really very true.

19 In fact, it is so true that when the feds and the  
20 states look at a local area and they see that local  
21 initiative and they come, the people, the locals come to the  
22 table with part of the solution, they're far more interested  
23 in responding. They want to know that the problem is so  
24 important to the locals that they're willing to put a little  
25 in the pot to get it done. It always works.



1 I've worked with the JBC here in Colorado and I've  
2 worked with a lot of state and federal agencies, and when  
3 they know the local people are willing to share in some  
4 fashion, in some way, that they're so concerned that it just  
5 isn't a money question, that they're more eager to respond.  
6 They know they're getting at what the people want in the  
7 local area.

8 We're currently doing a survey of impact communities  
9 through the department of energy. And one of the questions  
10 on the survey related to civic organizations. What are  
11 the most responsive civic organizations in your community?  
12 All the ones, I was working on some of the ones in Colorado.  
13 I only found one women's organization on any of them.

14 I found no Blacks, no Indians, no anything else. As  
15 far as those county commissioners and city managers and  
16 city councils in the rural area, a minority question does  
17 not exist because either it really does not exist, or  
18 the groups at the local level aren't bringing it up to their  
19 attention.

20 And one of them is women which would be the more  
21 obvious one crossed in small Colorado towns. The particular  
22 group that happened to be was an auxiliary of the chamber  
23 of commerce called the Business Women's Club, so if you  
24 want to affect those decisions you've got to become more  
25 active in your own civic organizations.

1           We're trying to -- I hear you. We're trying to get  
2 local decisions at the local level, and one way to do that,  
3 with your organizations, is look for areas of common  
4 interest. If you come with part of the solution as well  
5 as presenting a problem, and there is self interest on both  
6 ends of the situation, you're going to get response from  
7 those local governments. You need to create mechanisms  
8 again that can be heard and the way you do that is so that  
9 they'll begin to listen to you, is get out of the con-  
10 frontation mode and find those areas of common interest.

11           I had a few other things I could say, one last  
12 thing is that welcome wagons aren't being used in impact  
13 communities in many of them. Many of the areas. I remember  
14 one story about Minker, Colorado, and they said they send you  
15 the welcome wagon after 14 years you're still a newcomer.

16           This is -- you know, people coming in, women,  
17 minorities and others, they don't know how to use the social  
18 system that exists there, and the social system was developed  
19 for a very rural situation. If you can create some mechanisms  
20 like that, you can hear your voice heard, using referral  
21 service, and particularly the Wyoming project that was being  
22 talked about is extremely important.

23           There's a lot of self help that can be done, and my  
24 closing comment is the more your tendency is to help your-  
25 self, the more help you're going to get from others.



1 (Applause)

2

3 THE MODERATOR: Thank you very much, and now we will  
4 hear from Ms. Jackie Nixon-Love.

5

6

7

MS. JACKIE NIXON-LOVE

8

9 A (By Ms. Nixon-Love) Thank you.

10 I've been asked by the commission to respond, not  
11 necessarily to the speakers, but to respond by letting you  
12 know what the State of Colorado is doing as far as energy  
13 conservation is concerned as a means for alleviating some  
14 of the problems of the energy boom.

15 No message has ever been so difficult to communicate  
16 to the American public as the urgent necessity of energy  
17 conservation. This country has a phenomenal economic growth,  
18 based upon a cheap and abundant supply of energy. We have  
19 apparently taken for granted the notion that we would never  
20 run out of energy.

21 The historical growth rate of energy in this country  
22 has averaged 3.4% per year. Since 1965, however, the great --  
23 the growth rate of the consumption of energy has risen to  
24 4.3%. But because conservation is 20 times more efficient  
25 than producing new resources, and because conservation costs



1 two to three times less than production, and because Colorado,  
2 interestingly enough, is today slightly more of an energy  
3 consumer than an energy provider, for these reasons and in  
4 cooperation with the United States Department of Energy,  
5 the Colorado Energy Conservation Plan was developed.

6 On August 10, 1977, Governor Richard Lamm signed an  
7 executive order creating the Colorado Office of Energy  
8 Conservation, whose major activities are the administration  
9 and implementation of that plan.

10 And I'd like to just give you a few highlights of  
11 what the plan says. We have the energy conservation and  
12 alternative center, whose primary responsibility is to the  
13 small and medium sized businesses. Since commerce and industry  
14 accounts for about 36% of the energy consumed in Colorado,  
15 members of the industrial and commercial communities have a  
16 better access to information and techniques presently avail-  
17 able to minimize their dependence on depleting and a more  
18 costly energy supplies.

19 The center operates as a link in the information trans-  
20 fer between research and operates the community and the  
21 business community transfer programs. Center personnel inventory  
22 all of the available conservation and alternative energy  
23 information and services, and they also assess current  
24 information channels and disseminate that information.

25 Most Coloradans are keenly aware of the rising costs



1 of energy, but this awareness alone will not bring about  
2 a dramatic reduction in energy consumption. Having grown  
3 up in an era with cheap and abundant energy sources, old  
4 habits are difficult to change.

5 The public information program seeks to change those  
6 old habits by a widespread campaign to inform, educate and  
7 assist the public in making important energy conservation  
8 decisions.

9 OEC serves as a direct information and technical  
10 transfer role with the citizens of Colorado, it is in the  
11 process of distributing a home energy lifestyle audit  
12 entitled, the Energy Scorecard, which you'll find out in  
13 the lobby. This publication identifies the homeowner's  
14 energy usage and potential energy savings in the area of  
15 transportation, the home, appliances and alternative  
16 energy systems. It identifies the relative advantages of  
17 the different conservation options.

18 This information, along with other information  
19 materials and films and TV programs and public service  
20 announcements, are being distributed at the grass roots  
21 level to citizens of the state through eight community  
22 centers. Those centers are in Denver, Grand Junction,  
23 Durango, Alamosa, Walsh, Fort Collins, Boulder and Frisco.  
24 State buildings and state purchasing are areas where  
25 the state government itself saves energy.

1           In the area of state buildings, we are presently  
2 assessing the most effective means of refitting old structures  
3 for efficient operation.

4           It is hoped that the examples which the government  
5 sets in this effort encourages both residential and non-  
6 residential building artists to invest in conservation.  
7 Taxpayers at least should support our efforts to save energy  
8 in the state government. A year ago our energy bill was  
9 11 million dollars. And it's projected that without con-  
10 servation, our energy bills would be over 100 billion dollars  
11 by 1988.

12           Shall I stop here, do I have two minutes more or what?

13           THE MODERATOR: Well, I think you have about two  
14 minutes.

15           A     (By Ms. Nixon-Love) Okay. I would just like to  
16 mention in closing two of, or three of the bills or the  
17 laws that are on the books now where the government has had  
18 some effect. And one of the laws provides for state  
19 income tax deductions for state -- for taxpayers in the state  
20 who have alternative energy devices installed in their  
21 buildings.

22           The deduction is equal to the costs of installation  
23 and construction or the acquisition of an alternative energy  
24 device.

25           Another one is two laws that establish standards for



1 energy efficient construction and renovation. One for non-  
2 residential buildings and the other for residential buildings.

3 And the third one is a law that requires life cycle  
4 costing analysis of all proposed state buildings to insure  
5 that energy conservation practices are maximized in all new  
6 and renovated state buildings.

7 And while these elements that I have mentioned are  
8 not the complete answer to alleviating our state problem,  
9 it does offer some alternative to meeting the energy boom.

10  
11 (Applause)

12  
13 (Luncheon recess)

14  
15 (The following was moderated by Mr. Mario Gonzalez)

16  
17 THE MODERATOR: Will everybody please come in and  
18 take their seats?

19 Good afternoon, Ladies and Gentlemen. I'm Mr. Gonzalez,  
20 chairperson for the South Dakota SAC, and I'm going to be  
21 moderating panel 4, which is entitled Ways of Participating  
22 in the Opportunities.

23 With me on the panel here to my right, are Ron Taoka,  
24 Geraldine Travis and Gloria Monroe. Our principal speakers  
25 today consist of Mr. Dwayne Ostenson, who is the director of

1 the Indian Lignite Manpower Project, and he will be making  
2 a presentation entitled, Impact of Energy Development on  
3 Minorities and Indian People.

4 Mr. Ostenson will describe the programs offered by  
5 the United Tribes Educational and Technical Center of North  
6 Dakota, one of which is the lignite project. He will give  
7 examples of some of the sorts of problems encountered in  
8 trying to get Indians into the mining industry and some of the  
9 ways the project deals with these.

10 Differences in cultures, for instance, have sometimes  
11 caused problems between employers and employees.

12 After his presentation, we will have Ms. Gail Martinez,  
13 who is a recruiter counselor for Better Jobs for Women, and  
14 she will be making a presentation entitled, Women Working  
15 for Energy.

16 Ms. Martinez will give a statistical overview of the  
17 situation of women in the work force of the United States.  
18 She will discuss some of the efforts that are currently being  
19 made to include women in energy related fields and she will  
20 offer some ideas as to how to increase the number of women  
21 in such fields in the future.

22 After her presentation, we will hear from Mr. Lawrence  
23 Borom, who is President of the United League of Metropolitan  
24 Denver, and he will make a presentation entitled, Operation  
25 Grubstake. Mr. Borom will describe the league's proposal to



1 aid minority workers so that they may obtain jobs in  
2 energy fields.

3 The plan attempts to reduce minority unemployment and  
4 overcome some of the barriers to employment of minorities in  
5 resource development. Industries.

6 After his presentation, we will hear from Mr. Omar  
7 Barbarossa, a representative of the Equitable Life Assurance  
8 Society of the United States. However, he is not here today  
9 in that capacity, his interest in energy development has  
10 come about over the years. He coordinated the western  
11 governors energy conference in Albuquerque, New Mexico, in  
12 1975, and he did graduate work in energy policy and adminis-  
13 tration at the University of New Mexico.

14 His presentation will be entitled, Chicanos in  
15 Energy Development. Mr. Barbarossa will discuss the situation  
16 of Chicanos with regard to employment in energy fields.  
17 He will offer a set of recommendations about the types of  
18 policies and programs that are needed in order to insure  
19 equal opportunity for minorities in energy fields.

20 The respondents, located to the right of our particular  
21 table here, include Mr. Roger Kahn, who is the Executive  
22 Director, Colorado Coalition for Full Employment, and Richard  
23 Gonzalez, Colorado Economic Development Association.

24 Mr. Ostenson, you may begin.  
25

1 MR. DWAYNE OSTENSON

2  
3 A. (By Mr. Ostenson) Thank you.

4 I'm not going to be taking my full 20 minutes because  
5 there are a couple things that I probably will say that might  
6 be somewhat controversial. And I will save a certain amount  
7 of time for rebuttal. If you so desire.

8 I'd like to thank the commission for allowing me to  
9 visit with you a little bit today. And before I get into  
10 what we're really going to be talking about, I would like to  
11 tell you just a little bit about our organization.

12 It's United Tribes Educational Technical -- Educational  
13 Technical Center, which is located in Bismarck, North Dakota,  
14 and it's the only one of its kind, it's unique in nature.

15 It's a center that's set up and it's run by Indian  
16 people for Indian people. Better than 50% of our staff right  
17 now are Native Americans, and we currently offer training  
18 in approximately ten different areas. This is currently  
19 -- this is also being expanded to a point where we're going  
20 to be able to encompass about eight or nine more different  
21 areas of training.

22 The students that we have number approximately 150,  
23 and we have students from all over the United States. And  
24 we are quite proud of our institution.

25 The program or United Tribes also has a number of



1 other programs which are kind of satellite-type of companies  
2 or satellite organizations or programs from it. Of which  
3 the Indian Lignite Manpower Program is one.

4 And the Indian Lignite Manpower Program has actually  
5 two basic objectives, the first objective is something that  
6 has already been accomplished, it was set up and designed to  
7 calculate and figure out the manpower labor surplus that we  
8 have on our reservations and it was put together in a rather  
9 comprehensive booklet that we have and if anyone should care  
10 to look at this later, it's somewhat depressing but it is,  
11 nonetheless factual.

12 Some of the statistics that they have in that particular  
13 booklet was the fact that 29% of the Indian people that were  
14 surveyed that lived on the reservation had an income of  
15 less than \$2,000.00. \$2,000.00 or less. Now that's just  
16 about one-third of all the Indian people on the reservation  
17 has that kind of an income.

18 Now, to me, that's sick.

19 Approximately 80% of those people on -- that were  
20 surveyed, there was 736 persons surveyed, and approximately  
21 80% of those people had \$10,000.00 or less as far as income  
22 is concerned, and we were earlier in this session we were  
23 talking of poverty. And if you were to compare those figures  
24 with poverty line that was mentioned earlier, I'm sure  
25 that you would agree that there definitely is a poverty

1 situation on those reservations.

2           The other statistic that was quite shocking was that  
3 there was either -- there was 55% of all the people inter-  
4 viewed that were either underemployed or unemployed. And with  
5 the influx that we had of the potential jobs with the energy  
6 industry, it only seemed logical that with that much unemploy-  
7 ment, and that much need, that if one could coordinate the  
8 two you'd solve or at least be on your way to solving some  
9 of those problems, and that was the second goal of the  
10 Indian Lignite Manpower Program, was to get more minority  
11 involvement into the energy industry.

12           And this is the area now where we're directing most  
13 of our efforts. I don't think the intent of this con-  
14 ference is to sit down and tell you about the problems that  
15 exist, I think that that has been done rather eloquently in  
16 the past, but I think that what we have to address are the  
17 needs and how some of those problems can be resolved.

18           Now, I would like to be able to come away from this  
19 conference with ideas as to how we can solve some of those  
20 problems. I plan to present a few things that we've been  
21 doing, and some of the problems we've faced and how we've  
22 dealt with them. That is not saying that they're right,  
23 that is only saying that this is the only thing that we  
24 could come up with at the moment, and if any of you have any  
25 ideas that would perhaps make it more beneficial I'd be



1 definitely receptive to those.

2           There were a couple other publications, before I get  
3 into that, there was a lignite manpower program survey of  
4 which Mr. Doug Meyers was heading this program at the time,  
5 he's now employed at the AFL-CIO, and it's actually very  
6 nice because there are numerous pictures in there, and it's  
7 supposed to be saying the career opportunities manual, and  
8 as I looked through that it was ironic because there was not  
9 one photo in the entire thing of an Indian person in the  
10 career.

11           So pray tell how can we get -- I shouldn't be so  
12 quick to judge because there is one photo in here of an  
13 individual that has a welding helmet on and that conceivably  
14 could be an Indian, I don't know.

15           But that's the only one that could possibly be closely  
16 related.

17           But this is a publication that we have to educate  
18 or at least give the individuals an opportunity to explore.

19           We've got another publication, I plan on being done  
20 within 20 minutes, it's called Impact. It had a survey that  
21 I would like to briefly mention. It was done by an outfit  
22 in Minneapolis to try to determine the retention rate of the  
23 Indian people in the energy industry. And they had come to  
24 a couple conclusions that I would like to bring out, there  
25 were six employees in the Bismarck-Mandan area that were

1 interviewed and they'd interviewed hundreds of employees,  
2 and they found that there were 14 Native Americans employed,  
3 and the general consensus of the survey or the general  
4 analysis of the survey is that they could not -- they could  
5 find very few problems with Indian people in employment in  
6 the industry because they had 14 and they were all doing  
7 well.

8 Now, my concensus is that my God, if you've got hun-  
9 dreds of employees in that particular area and if you've  
10 got 14 Indian employees, maybe the energy industry doesn't  
11 have a problem but sure as hell the Indian people have a  
12 problem, there's got to be -- but this was identified as  
13 no problem in the energy industry, I was very dissatisfied  
14 with that report.

15 But anyway, the problems that we've encountered with  
16 our program that I would like to share with you this morning  
17 or this afternoon, are many, and we'll only be able to touch  
18 on a few. One of the problems that we have is culture. The  
19 -- not the fact that the Indian culture is wrong, don't get  
20 me wrong, but the fact that the two cultures are not jibing.

21 There's a complete and total lack of understanding.  
22 I had planned on getting into this a little later but the  
23 new federal register came out from the department of labor,  
24 in May of -- May 12th of 1978, and it was due to the Bakke  
25 case, I was quite surprised that I heard nothing about the



1 Bakke case in the first day and a half also. But according  
2 to their new regulations, that's out now, these energy  
3 companies have to have, quote, unquote, a good faith effort.  
4 That phrase alone scares the heck out of me.

5 The -- we've discussed some of these problems with  
6 the union leaders, and the apprenticeship-type programs that  
7 we've got in the state and I came up and I says, okay, I  
8 said, now what exactly is going to be the implication of  
9 this new regulation?

10 And they says, well, before what happened, they said  
11 is that we had five people on the list, they have a panel  
12 of about six people that interview and then they give them  
13 a rating, oh, if it's 90 points, they give them a rating of  
14 85 and so on and so forth.

15 Before, if there were four or five people on the list,  
16 and the first four were non-minority and the fourth one were  
17 a minority he would be able to pull that non-minority up  
18 even ahead of this person that was number 1, he'd be able  
19 to pull them up so he could meet his affirmative action needs  
20 and his affirmative action goals.

21 With this new register and the new regulation, what  
22 it is going to do is that if that person is fourth, there's  
23 no way that he's going to be able to be employed until they  
24 go through the first three. Now, right away one would  
25 think that that seems only right and just, but I would like

1 to reemphasize that the way these people are rated by the  
2 apprenticeship programs is that they've got six people  
3 sitting in front of a board and they've got someone sitting  
4 down there, and they say, you know, they're going to inter-  
5 view this individual. Okay, so immediately I walk in with  
6 one of the individuals that we've got and he probably has  
7 hair down to his shoulder or shoulder length or below, and  
8 probably has braids or a ponytail, right away as soon as  
9 that person walks into that interview, that individual gets  
10 ten points off because of neatness, you know, bang. Ten  
11 points.

12 Okay, so now instead of a possible 90, that indi-  
13 vidual's going to have a maximum possibility of 80. I --  
14 we walked into another, we walked into another situation and  
15 we have one of our guys, he didn't get to be on the list and  
16 I asked this guy why and he says, well, my God, he said,  
17 he's shadey and he's shifty and I says, what makes you  
18 say that? And he says, well, he says, I asked that guy a  
19 question and I looked straight at him and he said he answered  
20 me, he says, but he had his head down and by golly anybody  
21 that can't look me in the eye has got to be a shadey, shifty  
22 type of a character.

23 What he doesn't realize is that in the Indian society  
24 if he were to look that individual in the eye, it would be  
25 an insult. And you would be actually insulting your panel,



1 which he did not know.

2           So now instead of a possible 90, not 80 but he's going  
3 to be in the low 70's so it's going to be impossible for  
4 that Indian person to get up high enough or score high  
5 enough to get the -- to even get called.

6           One of the ways that we're trying to resolve that  
7 is that we've met with the bureau of apprenticeship,  
8 department of labor, and they are going to allow us to visit  
9 with the committees. Now that's on a temporary basis.  
10 The idealistic way, probably not very practical but the  
11 idealistic way is to have some Indian people on the inter-  
12 view panel, and the panel is usually comprised of three  
13 labor and three management, and the only way that we could  
14 get three Indian people on that panel is if we should happen  
15 to have all from labor and I don't think they'd like that  
16 because we don't have that many Indian people in the manage-  
17 ment areas, at least not yet.

18           But this is one instance how a culture was a definite  
19 factor.

20           I had another situation where we had an individual  
21 that was employed, doing an excellent job and he was fired  
22 and I went and I asked the employer what had happened  
23 and he says, well, he says, I can't stand anybody that lies  
24 to me and I says, well, what do you mean? And he says well,  
25 he says, for crying out loud, he come up to me shortly after



1 he started and he said he told me that his grandmother died  
2 and he'd have to have some time off, so we gave him some  
3 time off.

4 He says about three months later he come up to me  
5 and he says, my grandmother died, he says I've got to have  
6 some time off, he says so we gave him some time off. He  
7 says but then he says, the kicker, he says, last week he  
8 says, he come up to me and he says I've got to have some  
9 time off and he says why and he says well, my grandmother  
10 died and he says by God, no one's going to lie to me.

11 And the ironic part about it is that particular  
12 individual had more than two grandmothers. And in the  
13 Indian society, you can. So he was fired for absolutely  
14 no reason whatsoever.

15 Maybe I'm not going to make it in 20 minutes. But  
16 there is another cultural aspect that we have that we're  
17 confronted with as far as the female employment, as far as  
18 the female Indian. We had one gal that was a heavy equipment  
19 operator, she was from the Turtle Mountain area, and she went  
20 and she was getting so much flak at home because her  
21 grandmother or her grandfather said that is not woman's  
22 work. And the gal was to a point where she was going to  
23 have to make a choice, she was either going to have to be  
24 outcast by her family or she was going to have to quit her  
25 job and as a result she quit her job. And I don't blame her



1 one bit.

2 The Indian people have been criticized for some time  
3 about having very, very strong family ties. I don't think  
4 that even merits any amount of discussion except in my  
5 opinion, that's not wrong, with the society the way we have  
6 it today, I think that we could all benefit by having a  
7 little stronger family ties.

8 The other area that I want to make sure that I get  
9 at, as probably some of you might well imagine, are stereo-  
10 types. I was quite proud of myself and the fact that I  
11 didn't jump this morning when we come -- by the way, if any  
12 of you people just for clarification point, if any of you  
13 people do not know what Indian time is, as a point of clari-  
14 fication, Indian time is whenever they damned well feel  
15 like it.

16 And so there's no set schedule. But this is -- these  
17 stereotypes, these stereotypes are not necessarily there.  
18 It's just that if a person happens to be of a different  
19 color or if a person happens to be of a different sex,  
20 you're going to be more noticeable. Right now whenever we  
21 have an Indian person going on board with an outfit, they  
22 come up and they say, well, we're expecting this individual  
23 to fail, and we're expecting this individual to not succeed,  
24 so as a result, whenever one does they really make a big  
25 thing out of it.

1           We went up to a company one time and he come up and  
2 he says, those damned Indians for crying out loud, he says,  
3 they're not doing a -- you know, he went on and on and on  
4 and I said, who, I said, let's just sit back, I said, and  
5 take a good hard look at the overall picture.

6           And it was ironic for the mere fact that after he  
7 sat down and took a complete employment look at his company,  
8 he found that 34% of the Indian people that he had employed  
9 had left. However, 32% of the non-Indian people he had  
10 employed had left. In that particular job. So I don't  
11 think that 2% is really worth making that big of a thing  
12 about.

13           But the reason that they do it is that they see it  
14 because we are visible, we're a little bit different color,  
15 we're like I said, and I think that you're going to find as  
16 when the women start getting into the industry, you've got  
17 yourself a heck of a task ahead of you for the mere fact  
18 that you are going to be looked at, it's going to be a lot  
19 easier to single out one of you than it is to single out  
20 a bunch of guys because five guys can leave and no big  
21 thing b ut if one woman leaves everybody's going to see her  
22 walking out so you've got yourself quite a task ahead of you.

23           THE MODERATOR: You have two minutes to sum it up.

24           A. (By Mr. Ostenson) Okay, thank you.

25           I would simply like to mention that if all of you



1 people are here, I assume are concerned with civil rights,  
2 I assume are concerned with affirmative action. If any  
3 of you people are doing it strictly for the money, I would  
4 like to encourage you, please to get the hell out. You  
5 have no business here. You've got to have a true concern  
6 for people, and if you do that, I honestly think that you  
7 will find that many of the injustices that do exist will be  
8 right.

9 Thank you.

10  
11 (Applause)

12  
13 THE MODERATOR: Thank you, Mr. Ostenson.

14 We will now here from Gail Martinez, our next speaker.

15  
16  
17 MS. GAIL MARTINEZ

18  
19 A. (By Ms. Martinez) I feel very positive about the  
20 new regs. they have, it's doubled our placement rates, the  
21 number of women we're seeing without doubling our budget  
22 but I do feel very positive about the new regs.

23 Three-fifths of the increase in the labor force is  
24 due to the entrance of more women. Nine out of ten women  
25 will work at sometime in their life. With the emerging

1 energy industries in this area, quality employment oppor-  
2 tunities need to be made available.

3 Following, I would like to present some needs of some  
4 women entering into the work force. Such as education,  
5 child care, recruitment of women into nontraditional areas  
6 as well as white collar and pink collar areas, and mobility  
7 to outlying areas.

8 I would like to present current steps, some employers  
9 have taken in the employment of women and why Boulder's  
10 Women's Resource Center ran into problems in their energy  
11 related problem. I don't like to go into statistics but  
12 from yesterday and I see that a lot of people aren't aware  
13 of the needs of a lot of women and how many women are working.

14 In 1975, 46% of all women were in the labor force.  
15 58% married and living with their husbands. For 19% of  
16 women that were widowed, divorced or separated from their  
17 husbands, prince charming wasn't a lifetime thing for them.

18 The stereotype of husband/breadwinner, wife/mother  
19 and homemaker, applies to about one-sixth of all families.  
20 14.5 million mothers participate in the labor force. One  
21 out of eight families was headed by women. 5.4 million of  
22 these working women had children under six years of age.  
23 Five million mothers were heads of household. Average  
24 educational level was about 12.5 and that was also equal the  
25 same as men for women working.



1           Generally the more education a woman has, the more  
2 likely she is to enter the labor force. More and more women  
3 are becoming degreed. The numbers have doubled in the past  
4 ten years. The greatest growth has been at the doctoral  
5 level.

6           A positive trend is that more women are entering the  
7 technical areas. Unfortunately, the engineering fields at all  
8 levels has the lowest percentage of degrees earned by women.

9           In 1975, women received 2.2% of bachelors degrees in  
10 the engineering field and only 2.4% of these were at the  
11 master's level.

12           Viewing women in the labor force and their salaries  
13 is a dim situation. Women comprise 42% of the nation's  
14 labor force but receive 25% of the total earnings. The  
15 means was -- the mean was \$8,000.00 for women compared to  
16 \$13,000.00 for men. Per year. More women are entering the  
17 labor force but 80% or 32 million are entering at low  
18 paying jobs, the service jobs, waitress jobs, cleaning  
19 workers and switchboard operators. 46% of the families  
20 below poverty level were headed by women.

21           Lack of awareness of new job opportunities and  
22 training are contributors to this lack of quality employment.  
23 One significant aspect of minority women is they are likely  
24 to be working in blue collar, unskilled blue collar areas.  
25 There is a significant increase in minorities in the clerical

1 field, which can be viewed as a good job, there's a nice  
2 atmosphere, not physically strenuous, one dresses nice when  
3 they're a clerical worker, but clerical work is fine, but  
4 there's not that much upward mobility in it unless you can  
5 get fast typing skills or know shorthand, just because you  
6 can file in alphabetical order doesn't make you a secretary.

7 There is a shortage of good secretaries in the Denver  
8 area, all the oil companies are asking for good, good  
9 secretaries and are in need of them.

10 Women generally outnumber men in central cities,  
11 employment opportunities have previously been in the urban  
12 areas. Mobility difference for men and women is only slight.  
13 The probability for women migrating is greatest at the age  
14 of 22, married women under 45 are more mobile than single  
15 women of this age because of moves associated with husbands'  
16 job transfers, setting up new households or birth of a child.

17 After 30, divorced, widowed and separated women are  
18 more likely than married or single persons at the same age  
19 to change their place of residence. This is the basic  
20 overview of the present work force status.

21 Income of women, educational level and the concen-  
22 tration of women in the urban areas. Now is the best time  
23 to start the training of individuals for working in the  
24 energy field. As I see it now, especially in the Denver  
25 area, people in the highly technical areas are needed,



1 whereas blue collar workers are needed for the outlying  
2 areas and more will be needed when the peak hits this area.  
3 Women will be entering in the energy field, women that will  
4 be entering into the energy fields are going to have special  
5 needs. Taking into consideration the statistics reviewed  
6 at the employment aspects, let's now integrate them with the  
7 special needs to be considered for the working woman in the  
8 energy field.

9 Many of the needs will be an overlap of needs of  
10 today's women now wanting to enter the work force or  
11 already in the work force. One area of concern should be  
12 the recruitment of women into the energy fields, letting  
13 job openings in both blue collar and white collar areas  
14 be known.

15 One method already being utilized in three colleges  
16 is the offering of courses relevant to job preparation  
17 for energy industry. These are the -- there's three  
18 colleges, one is Colorado Mine Career Education Center in  
19 Steamboat Springs and they're offering vocational training  
20 for mining occupations.

21 Colorado Mountain College, West Campus, in Glenwood  
22 Springs is offering electrical, electronics technology,  
23 program to train mine electricians and Mesa College at Grand  
24 Junction, preparation for jobs in the oil shale industry.

25 Colorado Mountain College in Broken Ridge in the summer

1 of 1977, offered an all day workshop, it was called Women's  
2 Day Fair. And some of the workshops were relevant to the  
3 energy fields. Better jobs for women, a program funded by  
4 the department of labor to place women into skilled trades  
5 was present, introducing women into blue collar areas.

6 A woman working in the mines at Climax was also  
7 present. And she expressed her feelings about working in the  
8 mines. Working alone, working the graveyard shift, this  
9 was the second time the company had hired that specific  
10 woman, all she was doing was shoveling dirt.

11 Okay, but it wasn't too strenuous of work it was just  
12 a job. Okay. A workshop on loneliness of women in the  
13 mountain areas was also offered. This is one way to intro-  
14 duce openings that offer support to women interested in  
15 being employed with the energy industry.

16 Rockwell International offered a one-day workshop  
17 on opportunities and upward mobility possibilities for women  
18 already employed in the plant. Opening is to their own  
19 potential either in the skilled trades or the more  
20 technical areas. She should begin as early as possible  
21 to acquire mechanical technical background to make speciali-  
22 zation in the technical energy fields easier.

23 Incentives to pursue higher education might be a  
24 possibility. Incentives such as a guaranteed job when leaving  
25 school, possible part time work, part time school, reimbursement



1 programs, in-house training, industry sponsored tuition  
2 programs with the industry then getting a competent employee.

3 High education ideas are unlimited. The most impor-  
4 tant aspect being awareness of these possibilities.

5 The most important factor in recruitment is recruitment in  
6 making known to women their options for better job security  
7 and upward mobility.

8 Okay, relocation to a small town or towns just  
9 created might be a possible deterrent to a women entering  
10 the energy fields. This could be remedied by job security,  
11 a good salary and potential to learn a marketable skill.  
12 One such experience I have encountered as recruiter counselor  
13 was while recruiting women for a job as air traffic  
14 controller, this recruitment was successful because of the  
15 salary, \$12,000.00, that was the starting salary with the  
16 potenti al of \$30,000.00 a year.

17 Job security, even though the trainer required re-  
18 location to attend school in a different state for 17 weeks.  
19 Both single and women with children were interested. Re-  
20 location was not a problem in that they could be stationary  
21 for a couple of years.

22 Once women reached the job site there will be other  
23 special needs. One is quality child care. And I'd like  
24 to, we use the term now child care rather than day care  
25 because it's necessary that we have 24-hour child care,

1 especially if you're on the swing shift. There are only  
2 one million spaces available in licensed child care programs  
3 for about six million preschool children whose mothers work.

4 Another need is accessibility to schools for boomtowns  
5 and housing. Isolation of women in a mining town can be  
6 a problem so one possible solution might be placement of many  
7 women into one area. In the coal related work force in  
8 North Dakota, Montana and Wyoming, 95% of the workers were  
9 male. Mutual support of several entry level women is im-  
10 portant, within the three states mentioned the average  
11 employee had been with the company 65 months.

12 In-house orientation of present workers to the fact  
13 that more women will be entering the mining field might soften  
14 attitudes. This orientation might show the positive side  
15 of why women choose to work in the mines in the midst of women  
16 in mines might be discussed.

17 Women in blue collar and white collar areas might  
18 encounter negative attitudes. Support groups can be  
19 helpful in this area. For example, after work organizations  
20 like women in mining. This organization not only gives  
21 women an opportunity to interact, but it gives them a  
22 better awareness of their industry.

23 Problems the working women will encounter in the  
24 energy field will be very much the same as she's experiencing  
25 today. Lack of higher education, skill training and child



1 care forces her to be caught in the low paying jobs.

2 And speaking with Denver area employers, they indicated  
3 their need would be in the highly technical areas, most  
4 likely with degrees.

5 Rocky Mountain Energy entry level position requires  
6 a B.S. in one of the sciences and for a few jobs two or more  
7 years of experience. SERI, Solar Energy Research Institute  
8 has a need for people that are skilled in research and  
9 development programs. SERI has been really good, they  
10 conducted an afternoon session for community programs in the  
11 Denver area tapping into minority and women's programs,  
12 introducing us into SERI's availability of employment, employ-  
13 ment procedures and kinds of job openings. SERI had and  
14 projected openings.

15 This was beneficial to agencies and a good recruitment  
16 procedure.

17 Westmoreland Mining Company, in Paonia, was tight  
18 with their information. They have 18 women working under-  
19 ground in their mines, of a total of 151 employees and  
20 they're all local residents.

21 Three of these women work in the offices. I was told  
22 the salary was the same as the men, only the woman wouldn't  
23 give me the salary. She wouldn't give me the exact job  
24 titles or the job description of what the women were  
25 doing.

1           They have their own training program, the first 90  
2 days they work, everyone works as a trainee, then they  
3 advance to an advanced trainee and then an operator. The  
4 women also told me they presently had 800 applications on  
5 file of just local people. And people in the outlying  
6 area that wanted to work in the mines.

7           Rockwell's in-house offers tuition reimbursement  
8 programs for persons interested and in-house training for  
9 apprenticeships in the blue collar areas.

10           A person must first enter at the entry level, but  
11 then they can bid into the apprenticeship programs.

12           Public Service also works the same way with their  
13 energy related jobs.

14           Okay, I'd like to go on to Boulder Women's Resource  
15 Center was awarded a stip. grant, I guess is what they're  
16 calling it, about \$160,000.00, and they were supposed to  
17 provide 36 women with skill training and job placement in  
18 the energy related fields. This was to be implemented  
19 between January 1, 1978 and March 31, 1979. Employer in-  
20 volvement was a primary focus at every stage. Emphasis  
21 was on female heads of households, AFDC recipients, rural  
22 minority women and underemployed women.

23           A participant had to meet the stiff eligibility guide-  
24 lines. The emphasis was to prepare women for entrance into  
25 traditionally male oriented occupations, blue collar,



1 nontraditional areas in the energy related fields.

2 Boulder Women's Resource Center felt that by offering  
3 preparatory workshop classroom instruction and on-the-job  
4 training and individualized on-going counseling, these women  
5 could attain economic independence and familial self  
6 sufficiency.

7 Placement would occur in carpentry, bricklaying,  
8 plumbing, welding, electrical work, drafting, solar tech-  
9 nology and concrete work. All these skills are directly  
10 applicable to the emerging related occupations.

11 Private industry would be the primary provider of  
12 the training. After intensive recruitment and screening the  
13 selected participant would be involved in a career exploration  
14 day to choose the areas she was interested in. After  
15 selection of the interested area the participant would  
16 receive classroom training when necessary and then be placed  
17 at a training site geographically located in the local  
18 community.

19 Boulder's stip. contract will not be completed until  
20 March, '79, therefore final findings are not available.  
21 But Boulder is asking for a contract modification. Two major  
22 factors that impeded the progress of this stip. program  
23 were recruitment, affecting enrollment and also job  
24 development. Presently nine women were placed in on-the-job  
25 training positions. Recruitment did not begin until April

1 because of funding problems and they had problems getting the  
2 money and they didn't actually get money in hand and they  
3 were supposed to give child care money to the -- their nine  
4 placements, and they didn't have any so they couldn't begin  
5 until April.

6 So they also had underenrollment reducing their  
7 success potential.

8 Blue collar skilled trades require physical ability,  
9 motivation and manual skills to perform the work of the  
10 trades. Highly motivated women who are seriously desiring  
11 nontraditional careers and were selfconfident enough to  
12 enter a traditionally male job had to be turned away be-  
13 cause of the stiff eligibility guidelines.

14 No on-going vocational training was available, there-  
15 fore on-going intake was prohibited. Only two enrollment  
16 periods were allowed.

17 In the area of job development some of the limitations  
18 were availability of energy related occupations, six months  
19 minimum training requirement, skill level of eligibility  
20 positions, nonunion employer recruitment, and no existing  
21 training programs. Negative attitudes of employers  
22 questioning the physical ability of women to do the work  
23 are women really serious about doing this kind of work,  
24 were some of the comments. Would a woman be able to fit  
25 in with an all male crew?



1           The stip. contract will be completed in March of  
2 1979. Boulder ventured into two new areas. Employment in  
3 the energy field and women in nontraditional jobs. Boulder's  
4 stip. may have been implemented too early for employment  
5 in the energy field, since they are presently lacking in  
6 a need for skilled tradeworkers in that area.

7           Negative attitudes towards women in skilled trades  
8 is a problem in all areas of employment, not just the energy  
9 field.

10           For aiding in the recruitment of women in the  
11 Colorado area employers could contact the women's resource  
12 network or the advocates for women in construction, in skilled  
13 trades, through Better Jobs for Women.

14           The women's resource network consists of staffs from  
15 most of the womens' resource centers throughout the Colorado  
16 area. Advocates for women in construction and skilled trades  
17 is a statewide organization of women's groups formed to  
18 increase the access of women in Colorado to employment in  
19 construction and apprenticeship. The advocates organization  
20 is cosponsored by Better Jobs for Women, and the women's  
21 bureau region 8.

22           Women are 98% of all secretaries, 94% of all typists,  
23 98% of all clerical workers, 95% of all private household  
24 workers. 64% of all service workers, less than 10% of  
25 skilled tradeworkers, and less than 5% of top management

1 jobs. Of the 441 occupations listed in the census occupa-  
2 tional classification system the majority of working women  
3 are found in only 20.

4 The salary gap still remains and women comprise two-  
5 thirds of all discouraged workers and discouraged workers  
6 are those who want a job but are not looking because they  
7 believe they can not find one.

8 The unemployment rate for minority women is 13.6%  
9 higher than among any other category. Women do want  
10 better jobs, they are enrolled in federally funded vocational  
11 education. Unfortunately the concentration is still in the  
12 lower paying jobs.

13 And that's cosmetology, textile production and  
14 fabrication, graphic arts and public services and nurse's  
15 aides.

16 Less than 10% are in technical occupations.

17 Are women aware of their occupational options? 12  
18 million more women are projected to be in the labor force  
19 by 1990. Representing more than one out of every two women  
20 over 16 years of age that will be working.

21 THE MODERATOR: Gail, you have two minutes to  
22 sum up your discussion.

23 A (By Ms. Martinez) Okay. I'll be done.

24 Women need training in the higher paying jobs to  
25 enable them to get off the AFDC roles and out of the food

1 stamp lines. Women do not work to earn a little extra  
2 money, many are the heads of households or with the  
3 present economic situation, many are significant contributors  
4 to the family earnings.

5 Women are seeking quality employment. Following are  
6 a few possible ways to approach the problem, some of these  
7 needs were cited by Elizabeth Moen yesterday, and there will  
8 be a little overlap.

9 First, Colorado currently has the largest number of  
10 women's resource centers in this region for referral of women  
11 who suffer from isolation in the work experience. Second,  
12 the gap of the wage discrimination can be closed by existing  
13 employment legislation being enforced at all levels.

14 Third, if a woman chooses to be a secretary, stress  
15 the necessity for fast typing and shorthand skills to make  
16 her skills marketable at a fair salary.

17 Four, quality child care. Five, occupational mobility  
18 in both white collar and skilled trades must be made avail-  
19 able. Six, upward mobility of career structure must be  
20 made available.

21 Seven, sex role stereotyping continuously limits  
22 opportunities of women. So sexism in communications should  
23 be monitored.

24 With the emerging energy field now is the ideal time  
25 to start preparation to training programs for women and



1 letting women know their options.

2 Thank you.

3

4 (Applause) Thank you, Gail.

5 We'll now hear from Lawrence Borom.

6

7

8

MR. LAWRENCE BOROM

9

10 A. (By Mr. Borom) It's a pleasure to be here this  
11 afternoon to talk on this subject and I'm going to be  
12 describing a program that the urban league in Denver has  
13 proposed to implement in Colorado.

14 We're going to be talking primarily about Black  
15 workers or using the term Black workers but obviously  
16 any special group of workers that has been traditionally  
17 excluded would have the same kinds of similar types of  
18 problems, including Brown workers, Chicano workers, women  
19 workers, etcetera.

20 The middle 1970's have been marked by two converging  
21 forces which have impacted our nation dramatically. The  
22 energy crisis which in part was exacerbated and highlighted  
23 by the decision of OPEC to artificially raise the world  
24 price of petroleum and the resulting and simultaneous  
25 economic crisis during which unemployment of Black workers

1 reached its highest level since the great depression of  
2 the 1930's.

3 Several major policies have been put forward by  
4 successive administrations to solve these two problems. One  
5 of the ways of solving the problem of dependence on foreign  
6 petroleum has been the idea of project energy independence  
7 which was to involve an intensive development of resources  
8 in this country.

9 And the other in terms of the unemployment problem  
10 has been the CETA program which was passed in 1973 and again  
11 just weeks ago.

12 In the intermountain west where significant supplies  
13 of the nation's fuel reserves are found, the challenge is to  
14 join these two solutions to produce a viable contribution to  
15 the economy by both increasing energy supplies at the same  
16 time developing the skills and utilization of Black and  
17 other minority workers who are currently the most unemployed  
18 sector of this region's manpower resources.

19 The urban league has been operating in Denver for 31  
20 years. Two years ago we established as our major goal the  
21 goal of trying to increase our ability to serve people in  
22 the employment area.

23 Grubstake, which is the name of a project we developed  
24 at that time, it has not yet been funded, was an attempt to  
25 fasten our employment interests into the rapidly growing

1 energy employment sector. The -- some of the figures that  
2 might be interesting and I won't give total figures here,  
3 have to do with the employment in the six-state region. The  
4 total as of 1977, June, 1977, the total work force in the  
5 region was 289 -- let's see, excuse me, two million, eight  
6 hundred ninety-eight thousand, five hundred eighty-four,  
7 and there was an unemployment rate of 5.6 for the total region,  
8 and there were Black workers in the region at the number of  
9 44,121, with a 9% unemployment rate.

10 One of the things that's happened in Denver, and  
11 throughout the -- this region, has been the growth in the  
12 number of people in the population generally and the labor  
13 force and the minority population is also growing rapidly in  
14 the region. As an example, the 1977 figures that are being  
15 used in Denver indicate a Black population of 76,000, as  
16 opposed to 47,000 in 1970, so that's a very rapid rate of  
17 growth.

18 Another reason that we were interested in developing  
19 this particular proposal was that we had had some experience  
20 in the last two years in placing minority miners in the  
21 Henderson molybdenum mine near Georgetown. And in this case  
22 we were talking about urban workers, ten of them were Black,  
23 one was Chicano and one was Native American. Relocated,  
24 temporarily at least, in a location outside of the urban area.

25 Now, in many cases these workers commuted back and



1 forth to the city on week ends, and in some cases on off  
2 days so that they would have some opportunity to involve  
3 themselves in cultural events they were more used to.

4 We learned some things out of these placements. One  
5 was that each worker was eager to take up the challenge to  
6 move to a new location and to learn a new occupation. So  
7 there was no dirth of interest on the part of these 12  
8 workers specifically, as far as taking on this geographical  
9 and occupational change.

10 We were also required and we learned that in most  
11 cases in these -- concerning these 12 and in subsequent  
12 cases, that these workers did not have the income or the  
13 money prior to the job opportunity being presented to make  
14 the move on their own, so that just things like, for in-  
15 stance having a car that was serviceable, having the various  
16 kinds of the safety equipment that was necessary, having  
17 money to pay for the first two weeks lodging until they  
18 got paid, these were major barriers for these workers as far  
19 as taking jobs in the energy --in the mining industry.

20 Another problem was that we were unable because of  
21 our limited resources to do the kind of followup that needed  
22 to be done to insure that these workers would be successful.

23 The reports that we got back from the mine was that  
24 they were doing well, there was fairly high turnover within  
25 the year's time from the time that these people were placed,

1 but you know, without the resources that we needed, to go to  
2 the site, you know, to really spend time with the employer  
3 and with these individuals to make sure their social service  
4 needs were met, to make sure they weren't encountering  
5 problems on the jobs, we felt that we weren't doing what  
6 was needed for them.

7 Most of the workers, as we talked to them after their  
8 placement, had insignificant problems on the job in terms of  
9 relationship with other workers, I think that was a critical  
10 factor.

11 They did have problems in the surrounding towns as  
12 they went for recreation or other kinds of entertainment  
13 so there were some human relations problems, some public  
14 accommodations problems that they encountered in the area  
15 around the work site.

16 We proposed to operate our project on a three-year  
17 basis, and we proposed a number of activities. One would be  
18 to identify potential opportunities in skilled and non-  
19 skilled occupations in all of the various energy related  
20 industries.

21 In metropolitan and in outstate Colorado, and our  
22 idea was that people ought to have a choice here we're not  
23 talking specifically about minority workers only going out  
24 to the boomtown sites or to rural locations, but there are  
25 a great number of energy jobs being created in the urban

1 areas as well as in the rural areas. That we would initiate  
2 contact with private energy producing firms and assist them  
3 in developing meaningful affirmative action programs.

4 We saw that as a major need. We would also work with  
5 the firms to examine their existing work force, the number  
6 of minorities that they had involved at that time, where  
7 these geographic locations of the work would be, and so forth.

8 We've been engaged in extensive education of Colorado's  
9 non-White communities regarding job opportunities in Colorado's  
10 energy production, research and processing industries.

11 One of the major problems and you've heard it time  
12 and time again, is that people don't have information about  
13 the kinds of jobs that are available, and therefore have no  
14 real way of trying to find their ways to jobs in the energy  
15 industries. We proposed to recruit and place 50 people  
16 during the first year and then additional numbers later.

17 We also propose to engage in an extensive community  
18 relations program in the areas that people would be placed  
19 in. We thought it would be required that staff people from  
20 our office working with the employment service and the human  
21 rights commission and civil rights commission and other  
22 agencies in the state and federal government would really  
23 spend some time in the sites that, in the towns that people  
24 would be placed in, whether it were Meekeer or Craig or  
25 whatever, and that there would be a need to do some community



1 organization in those towns to pull together civic and  
2 social leaders, business leaders to get major support for  
3 new minority workers coming into the area. We would also  
4 be involved in an extensive social service program to the  
5 workers who were placed.

6 So that if people had problems finding their way  
7 to basic services such as child care services, educational  
8 services, health services and so forth, it would be the job  
9 of our workers to identify where the resources were and to  
10 make the kind of linkages with the organizations that could  
11 provide those social services.

12 I won't go into the number of jobs that are going to  
13 be available in the region but that is included in my  
14 paper and if people are interested you can ask questions  
15 about that.

16 But I think the critical point is that there will  
17 be a large number of new jobs in the next seven years  
18 created through expanding energy industries, whether some of  
19 the most optimum projections are the case or not is yet  
20 to be seen, a lot will have to do with federal policy, a  
21 lot will have to do with the action on the part of states,  
22 in terms of public policy to make development possible.

23 We're talking, though, in using the department of  
24 labor figures, of somewhere in the vicinity of several  
25 hundreds of thousands jobs between 1976 and 1985, taking into

1 consideration that, you know, economic forecasters usually  
2 use the multiplier rate of three to one for direct jobs in  
3 energy, creating additional kinds of secondary and  
4 tertiary jobs in the area that the expansion is going on in.

5       So we're talking about several hundred thousand jobs  
6 in the next few years. And when you look at the unemploy-  
7 ment that exists in the region, then it becomes obvious  
8 that these jobs can go a long way towards solving the problems  
9 for minority workers and other workers in the region.

10       One of the statements of an individual who's done  
11 extensive study in this field, Dr. Gerhard Anderson of the  
12 Wharton School in the University of Pennsylvania, was that  
13 Black workers improve their status and occupational fields  
14 based on factors of the level and rate of growth of  
15 employment in the field. On the basis of that kind of  
16 formulation, then there should be great opportunity for minority  
17 workers in the energy related industries.

18       There are a number of barriers that minority workers  
19 will run into, however, and among these are the lack of  
20 affirmative action programs or real enforcement of affirmative  
21 action programs by the compliance agencies.

22       If you look at the energy related industries, you'll  
23 find that they have the smallest percentagewise Black and  
24 Brown work force of any industries in the country. As an  
25 example, in 1970 Blacks only made up 2.9% of the workers in

1 coal mining and 2.5% of workers in natural gas production.  
2 So that affirmative action programs are going to be a major  
3 issue in terms of minorities getting into energy related  
4 jobs. Energy production also takes place in areas where  
5 there has not been traditional large concentrations of  
6 Black and Brown residents, and so this will be a major  
7 problem even though historically there have been Black and  
8 Brown workers in most parts of the intermountain west, there  
9 have not been large numbers so there's going to have to be  
10 significant kinds of community relations efforts made to  
11 minimize the kind of conflict that will take place between  
12 new workers coming into an area who are minority group and  
13 resident populations.

14 The lack of energy, - lack of information I've already  
15 commented on, this is a major problem and it exists not only  
16 for the current worker but also for the youngster who is  
17 in the public schools of the region at this time. Black  
18 and Brown youngsters who are in our public schools are not  
19 getting the kind of information they need about the types  
20 of training, the types of occupational trends that are going  
21 to exist in this area, vis-a-vis energy related industries.

22 Lastly, the whole problem of the peer group and of  
23 having reenforcement from peer group workers will be a  
24 problem. As an example, in one of our placements currently  
25 in the oil drilling industry, we are having a severe problem



1 because the worker is -- has worked only in the last five  
2 months on rigs where there are no other minority workers.  
3 And the resulting effect is that he is very isolated. And  
4 feels very isolated and has severe problems in terms of  
5 being motivated to remain in this kind of job, although  
6 it is the best employment opportunity he's had in his life  
7 and the income is the best that he has had in his life.

8 We think it's going to be very important that money  
9 be made available through some source, possibly CETA,  
10 possibly state funds, to front end fund the minority worker  
11 who's willing to make the move and who can make the move  
12 to a lesser urbanized area.

13 As an example, the old grubstake notion that for the  
14 public welfare, and here we're talking about the public  
15 welfare rather than an individual's welfare the notion is to  
16 loan people money up front or to grant people money up front  
17 so that they can take advantage of the natural resources that  
18 the country needs, and I think the same thing should be  
19 applied in this case and we could obviously extend this to  
20 other types of workers as well.

21 We need extensive job training programs, there are  
22 a number of programs being planned at this point in Colorado  
23 but I think it is obvious that in the region there needs  
24 to be coordinated training and that the training has to take  
25 advantage of, and be made available to all the CETA eligible

1 manpower that exists in the region.

2 One of the big problems that has to be dealt with is  
3 the problem of the non-CETA eligible worker and their  
4 training interests and needs. Because with ever increasing  
5 stringent CETA eligibility criteria, there are a great  
6 number of minority workers and a great number of other  
7 workers who have the capability to be trained for productive  
8 jobs in industry, in energy related industries, but who  
9 can not because they don't meet the criteria.

10 We need to be orienting our public training programs  
11 and education programs towards the areas where there will  
12 be job opportunities. We are still training legions of  
13 teachers and other types of professionals and technical  
14 people who don't really have great job opportunities facing  
15 them down the line in the next five to seven years.

16 But it is obvious that the energy needs of this  
17 country will continue, that the same types of training for  
18 engineering and other kinds of technical backgrounds have  
19 cross applicability to new, an alternative energy sources  
20 as well as our current kinds of supply so that there is a  
21 long range prospect for real job opportunities for people  
22 trained in these areas.

23 I guess lastly I think we're dealing with the question  
24 of equity and we're dealing with the question of, we're  
25 dealing with the question of public, the public's role and

1 the public's role as far as intervention to create equity.

2           What is happening in the intermountain west now is  
3 that Blacks and other minorities are finding their way into,  
4 in small numbers, energy related jobs as a natural process  
5 of the labor market and of the need for workers in these  
6 fields, so that the minority population is growing in Grand  
7 Junction and Salt Lake City and other parts of the region.

8           And increasingly these minority workers are getting  
9 in, small numbers into these types of jobs but I think the  
10 question is that of equity and the question is that of social  
11 and public intervention, because all of these industries  
12 are very much based on some sort of public, either approval  
13 or subsidy, so if you start talking about federal lands  
14 for instance, which are being used for mining or which are  
15 being used for the production of oil and other kinds of  
16 fuels, if you talk about the role of the state government  
17 as an example in terms of taxation, in terms of giving  
18 various kinds of permits for using or for exploiting natural  
19 resources, we can see that the public is very involved in  
20 the development of energy resources in this region.

21           If the public is that involved, obviously then, such  
22 issues as the responsibility of the public sector to Black  
23 and Brown workers who are also taxpayers, who are also  
24 consumers as an example, who are also paying the cost of  
25 expanding energy resources, becomes one of paramount



1 importance. So I propose that the public has a role to play  
2 and that without strong public intervention, without strong  
3 coordination by the public sector as well as by the private  
4 sector, particularly service organizations that relate  
5 specifically to minority workers, that there will be no  
6 significant benefit for minority workers from the energy  
7 expansion that's going on in this region. And I think  
8 that we will have to be very, very concerned about being  
9 able to create the kind of atmosphere, social atmospheres,  
10 in the towns that energy expansion is taking place in, so  
11 that minority workers can develop useful occupational  
12 skills and make the kind of -- the type of income which will  
13 begin to lessen the dependence of the minority worker on the  
14 vagaries of public programs.

15 Thank you.

16  
17 (Applause)

18  
19 THE MODERATOR: Thank you, Mr. Borom.

20 Our next speaker is Mr. Omar Barbarossa?

21  
22  
23 MR. OMAR BARBAROSSA

24  
25 A. (By Mr. Barbarossa) Thank you, Ray. I promise to

1 try and wake you up and shake you up and make this informative,  
2 stimulating and exciting, okay?

3 We've come to the end of a long line and last but  
4 not least, I don't know who planned this panel but I thought  
5 it was pretty representative of what this is all about.

6 We're talking today about ways in which to participate,  
7 that's what it's all about. You can talk about it, argue  
8 about it, opinionate on it but until you participate, it  
9 doesn't really mean a lot.

10 Before I talk about the real issue that I'm going to  
11 discuss today, I want to say two things. The biggest  
12 obstacle that women and minorities are confronted with is  
13 history and attitude. History unfortunately brings us to  
14 where we're at. And there's not a lot we can do about what  
15 has happened in the past. As I'm sure some of our Red  
16 brothers here can attest to.

17 Attitudes in this conference, in this very conference  
18 we've had statements like Indian time, another statement  
19 like the Mafia is an affirmative action program, you know,  
20 it's all right to be humorous, we all need it, but there is  
21 times when we have to face what the serious topic is that  
22 we're here about.

23 The few that are here left are to be commended for  
24 your sincere participation, and the civil rights commission,  
25 I would like to thank for them bringing about what I think,

1 and I've attended many conferences, I think that the ideas  
2 explored here, the papers presented, have been diverse,  
3 informative and sure we're not all going to agree, but that's  
4 part of that process.

5 We're not all going to agree and a lot of times we  
6 may have common goals but we're going to have different  
7 directions or different approaches. As Dwayne Ostenson  
8 so well pointed out.

9 I'm going to talk today about America's forgotten  
10 resource, or neglected resource, that's the Chicano. You  
11 want to call it Hispano, Mexican-American, whatever, we're  
12 talking about the same people. La Raza. Ironically, as it  
13 may seem, what we're talking about today, the energy matter  
14 is what brought the colonization or the settlement of this  
15 country in the first place, at least in this part of the  
16 world, the southwest. The Rocky Mountains. Because it  
17 was gold and silver, the railroads, copper, that brought  
18 about the original colonization.

19 The Spanish Conquistadors, they, of course, inter-  
20 married, and that's where we're at today, the Chicano.  
21 We're not merged, as someone said yesterday.

22 Well, as history developed, this part of the country  
23 was isolated and I guess it didn't occur in people's minds  
24 that someday as history evolved this part of the country  
25 would play what I think is a very major determining role in



1 the very existence of this society. And lo and behold,  
2 the very people, again it's irony, whose lands were taken  
3 away and were given the reason the reservations were  
4 developed, because that was the least desirable land. So,  
5 where is the wealth today for energy?

6 I don't know if the Indian planned it that way,  
7 or the Great Spirit, the Great Mantu, but I think it's fine.  
8 I like it. I see attitudes because traditionally the White  
9 male dominated society of this country has been one that  
10 says, I have the technology, I have the power, I am the  
11 planner, I am the provider, you are the worker. You are the  
12 laborer. That's the attitude that we have to change.

13 So we're trying to change with the advent of the civil  
14 rights movement, Viet Nam, the war on poverty in 15 years,  
15 what happened in 300 years.

16 The acceleration of the need for energy which is the  
17 life blood of this country as I said, has awakened the  
18 forgotten peoples. It's like the gold rush that happened in  
19 California and Arizona and here in Colorado and New Mexico,  
20 back in the middle 1800's.

21 We provided the work force, they took the land, and  
22 so we're saying here now, hey, this looks like another gold  
23 rush. But this time we're going to be part of the action.

24 The Chicano, in terms of numbers, and I don't like to  
25 play the numbers game but in terms of numbers is the largest

1 minority of the great southwest. Yet because again of  
2 circumstances and attitudes, we continue to be neglected  
3 and ignored.

4         The Blacks had their revolution and someone here  
5 said wait a minute, let's not talk about con -- I can't use  
6 all those big words, he said confrontative politics? I  
7 guess he meant you're not supposed to stand up and demand your  
8 rights. You got to be polite and you got to say please, but  
9 we all know where that gets us.

10         What I'm saying is that if the Black man had not  
11 stood up and demanded the rights, if they had not had that  
12 revolution the Black man would not be recognized today.  
13 We're saying the same thing. Well, I want to make some  
14 specific recommendations. We've heard from environmentalists,  
15 planners, sociologists, psychologists, and again good intents,  
16 good ideas. But when it comes down to the nut crunch,  
17 we're talking about one thing, where do we go from here  
18 and how do we do it together?

19         Hopefully what we have learned from the last ten  
20 years, all of us, you, is that when human beings want some-  
21 thing and we're talking about justice and opportunity and  
22 participation, we have become too aware, we have become too  
23 aggressive, it's not going to go away. We're not going  
24 to go away. So if that is acceptable and accepted fact,  
25 then how do we proceed together?

1           The first thing I would urge is that when you're  
2 talking about energy development at a state or local level,  
3 that the key interests of that community should get to-  
4 gether. I'm talking about League of Women Voters, Blacks,  
5 Chicanos, Native Americans, women, industry, state,  
6 federal. You say well, how is all this going to happen?  
7 And my response is that it is happening. But it is not  
8 happening for minorities. And probably on an organized  
9 basis for women. Now, the Haskell-Hartt bill which was just  
10 passed, is 1193, has in it a measure which the administrative  
11 rules have not yet been formed for but what this bill is  
12 going to attempt to do is to involve the communities and the  
13 states in the decision making process of energy impacts on  
14 state and local communities.

15           There is such a vehicle. I think we need to be aware  
16 of that. I don't know if any monies have been earmarked  
17 for that section which will have citizens' participation,  
18 but we should be aware of that. It's a mechanism.

19           Another recommendation that I think is important is  
20 I think we need to find ways in which we can have a centralized  
21 basis of gathering information regarding energy development,  
22 energy conservation, energy production, programs or jobs  
23 or contracts that result as, again, the result of energy  
24 development.

25           Who is privy to that kind of information now?



1 Another problem or another barrier that I see is that  
2 of understanding, and first of all the very terminology or  
3 the language that is entailed or involved in energy develop-  
4 ment. It's a whole new discipline, a whole new area for us  
5 lay people. I've heard things tossed here in the last two  
6 days like socioeconomic, some lady kept using a term something  
7 about mitigating strategies, another one was I asked a  
8 question if she would translate it in simple English, and  
9 I guess what I'm saying is that you know, the community  
10 individual is so attacked by bureaucracy, by terminology,  
11 red tape. Can't we just start talking English?

12 I thought I learned English once.

13 So I see that as an obstacle.

14 One thing that I see is very important is we talk  
15 about in the government or public sector, set aside pro-  
16 grams. For minorities. That's a process where goods or  
17 contracts or services which a state or local or federal  
18 government, if they have a project that they're working on  
19 or if they're building a plant or a facility, out of that  
20 theoretically so much is set aside for minorities. Well,  
21 if we're talking about natural resources and energy  
22 development, I think that's got to be a must.

23 Both from the government and from the private sector.  
24 Okay? So we can't all be ARCO or Exxon or Mobil, but maybe  
25 we can lease six trucks, you know, or 60 trucks. We may

1 not buy them but we can lease them.

2       What I'm saying is that we have to be part of what is  
3 going on. And if you're talking about participation, if  
4 you're talking about real redress as a corporate entity  
5 or as a governmental entity, then you have to apply those  
6 measures or those mechanisms to allow us to do that.

7       Again, I said attitudes, right? When I mentioned  
8 this very thing last night at a meeting afterwards, a  
9 gentleman came up to me and said what you're talking about  
10 is another form of welfare. You're talking about giveaways.  
11 Why is it you guys are always asking gimme, gimme? I said,  
12 you know, it's funny, when the railroads were built, you guys  
13 got a hell of a lot of land with that deal, and I know  
14 of a guy who's a senator down in Louisiana who, a few years  
15 ago, got 400-some-odd thousand dollars for growing peanuts  
16 when we all know they don't grow peanuts in Baton Rouge,  
17 you know. And I know there's something called the oil  
18 depletion allowance, and then, when domestic gas couldn't  
19 compete with international or foreign, you know, the guys  
20 at home were saying, you're not being fair. You know,  
21 you got to let us increase the price.

22       What I'm saying, what do you call that? Hey, we got  
23 to talk out of one side of the mouth, not forked tongue.

24       So we're saying we want to walk together, we want to  
25 work together. Let's mean it, let's do it. Just some real

1 simple things.

2 Another way to increase the dialogue, of course,  
3 is through seminars and conferences such as this. Let us  
4 not be all negative, because there are changes coming. And  
5 there are changes here. Let's face it, people, ten years  
6 ago we would not all have been as we are in this room. So  
7 there is hope, there is change, and we need to prove as a  
8 people, as this country, that it can happen, and it will  
9 happen, but we all have to act and believe together.

10 Call it wrong where it's wrong, call it right where  
11 it's right.

12 Thank you.

13  
14 (Applause)

15  
16 THE MODERATOR: Thank you, Mr. Barbarossa, for the  
17 very excellent presentation.

18 At this time Colorado SAC Chairperson, Maggie Aro, will  
19 introduce Representative Pat Schroeder.

20 MS. ARO: Just a little bit out of order in our  
21 sequence of things.

22 Pat Schroeder has given us 15 minutes and we thank  
23 her very much for being here. I hope you gentlemen notice  
24 that the two legislators who said yes to our invitation were  
25 both ladies.



1 (Applause)

2  
3 MS. ARO: That, to me, shows excellent organization.

4 I don't think Pat needs an introduction to you,  
5 however, she is, for those of you from out of state, running  
6 for her fourth term in congress from the first congressional  
7 district of Colorado, which is the City-County of Denver.

8 She's the mother of two, she was a practicing  
9 attorney before she ran for office, and she is married to  
10 an attorney. And with no further ado, I'd like to have  
11 Pat direct her comments to policy initiatives for the future  
12 and I trust we will hear some good positive things.

13 Pat?

14  
15 (Applause)

16  
17 REP. PATRICIA SCHROEDER

18  
19 A (By Rep. Schroeder) Thank you very much and I  
20 apologize, it's kind of the silly season as far as I'm  
21 concerned, the last few days, and it seems like time slots  
22 are just too full.

23 But what are some policy initiatives? Well, I think  
24 a lot of you saw the paper that we submitted about what  
25 happens in this whole energy development area. Now, many

1 of the people here on the panel are old friends that we've  
2 worked on in this whole area before and there's several  
3 different aspects of the problem.

4 One of the problems is that you have to be sure to  
5 train minorities and women to enter the market. You've got  
6 to make sure they've got the right kind of training. I  
7 think I realize and am more sensitive to that than a lot of  
8 people because as a young woman I remember going through  
9 college and telling my counselors that I wanted to go to  
10 law school and they always said no, no, no, you don't want  
11 to do that.

12 And I kept thinking well, how do you know I don't  
13 want to do that? Well, they just knew I didn't want to do  
14 that, that what I really wanted to do was be an elementary  
15 school teacher or be something else, they always had some-  
16 thing else in mind or be a social worker or something.

17 I think the something happens to minorities. And so  
18 I think that many of the educational options really aren't  
19 options for them because even if they're thinking about it,  
20 first of all we got to get people thinking about it when  
21 you go to the counselor they tell you well, you're crazy  
22 to think about that, why are you thinking about that? That's  
23 crazy, you shouldn't do that and we still see that going on.

24 I even find my children coming home from school with  
25 some incredible concept as to what they can and not do and

1 it comes from the media, comes from reading, comes from  
2 society, comes from the teacher, comes from everything.

3 When my daughter came home one night and said she  
4 was sorry she was a little girl because she really wanted  
5 to be an airline pilot, I kind of batted my eyes and said,  
6 where did you get that? And she said, well, that's what my  
7 teacher said. Well, that's been particularly true in the  
8 energy industry.

9 The film industry has not done much for having either  
10 women or minorities think that they could participate.  
11 If you go and see any kind of movies, and you think of  
12 energy you generally think of oil and gas, and who has ever  
13 seen a woman oil person or a Black oil person or a Chicano  
14 or a Native American? You just don't see it.

15 I had on my staff last year, my energy consultant  
16 was Black and I sent him to some of the independent energy  
17 meetings around the country and he would always come home  
18 and start off his report by saying, well, I was the only  
19 spot of color there. And I think that's probably true.

20 So you've got the image that you're dealing with,  
21 you've got the counselors and the society that you're  
22 dealing with and that's a very heavy thing. So a lot of  
23 people who maybe later in life would decide this is a growth  
24 industry and want to get into it, probably have not been  
25 trained. So we've got to find means and ways, ways and means.



1 either way, of getting people the training so they can then  
2 enter it.

3 And I think all of us have to work on that. I know  
4 Larry Boróm has put together a good proposal, a lot of  
5 people here, Gail Martinez and Roger, all sorts of people  
6 here have been working on different proposals that we really  
7 should work on to increase that horizon.

8 There's another aspect of the problem and that  
9 problem is where does the energy development take place?  
10 In Colorado we tend to see it, in Denver I should say, we tend  
11 to see it taking place on 17th Street going straight up.  
12 And that's one place where it is taking place, in the cities  
13 and that's one area.

14 But there's another area, and that is in the rural  
15 communities where the actual coal mining or the actual  
16 gasification plants are going in, or where the actual  
17 oil shale development will be taking place or where the  
18 actual field drilling or whatever is taking place. And if  
19 you look at that we have some real challenges there.

20 Number 1, the first challenge is how all that affects  
21 children, you tend to find that there aren't schools and  
22 there aren't facilities there, for wives of workers moving  
23 in there or for husbands of workers, however, or for children  
24 of workers. There are no schools, there are no other things  
25 available and so we have to find how we provide those

1 services .

2 We also find that that is an area where maybe some  
3 of, yes there's a lot of discrimination in the city but  
4 in rural areas there's even a whole lot more. I always  
5 think about my dear friends here in Denver who applied a  
6 long time ago from Texas for a teaching position in  
7 Colorado. And there was one small community that didn't  
8 ask you to check off race. So they didn't. They were  
9 both obviously Black and when they drove into Agate (Phonetic)  
10 Colorado, to say hi, we're the people that you hired, I  
11 want to tell you I guess the town is still talking about it.

12 And I think you know, we're certainly aware that that  
13 is true. There is very strong discrimination in some of the  
14 rural communities and so a lot of people won't want to go out  
15 there or won't feel welcome out there unless they're getting  
16 a lot of support from the companies that are out there.

17 And companies very often want to say we're a profit  
18 making organization and not a social institution. So you  
19 know, if you want to go out there you're on your own. So  
20 I think companies are going to have to have a great re-  
21 sponsibility to make sure communities accept everybody.  
22 And that communities accept some of the people. And then  
23 we have to work at getting some federal and state aid for  
24 those developing communities to provide the services that  
25 dependents in particular need.

1           Then I think the other problem with boomtowns is  
2 when you have the construction period, and my paper we pointed  
3 out some of the photographs, in many of the areas the  
4 construction period requires ten times more workers than  
5 after the construction period, and so then the question is  
6 what do you do and how do you handle it and what happens to  
7 the people who came in to build these things, especially  
8 in rural areas, and then all of a sudden the jobs are cut  
9 down to about one-tenth because it doesn't take nearly as  
10 many people to run it so many of the stuff is automated  
11 anymore.

12           Now, how do those people then, they become almost  
13 like some of our construction people are becoming almost  
14 like migrant workers, it's very difficult having to pick  
15 up, move around, there isn't the continuity of school  
16 systems for them, maybe we need magnet areas where there's  
17 going to be a lot of construction where we put the facilities  
18 in and they can be more people and people commute out from  
19 them almost like off-shore oil rigs in reverse.

20           You kind of have a core living area, like the old  
21 farming in Europe used to be, you have the village where  
22 everyone lives and then they go out to build here or they  
23 go back to build there. I think we need to look at all of  
24 those things because otherwise if we don't, the patterns  
25 won't change. For a lot of reasons.



1           And we all know what they are and I think I've fairly  
2 generally ticked them off. The main area that I think the  
3 government can be helpful in then, is number 1, figuring  
4 out how to help the communities get the money they need for  
5 the planning and development at that time.

6           Number 2, helping the companies realize that they  
7 need to help train minorities and women to come into those  
8 positions and also be advocates for the people who are in  
9 their company in these rural areas. And if they aren't,  
10 then they're not going to feel comfortable and they aren't  
11 going to want to go out there and so forth and so on.

12           So that is basically where my message comes from.  
13 I think that's an awful lot of ground to cover, we're just  
14 big -- dealing with some very basic instincts that we're  
15 having to undo.

16           And it's going to be hard to undo them all. But  
17 it's a challenge and I think we really should do that.

18           All Blacks shouldn't be social workers and all women  
19 shouldn't be nurses and all Chicanos shouldn't be something  
20 else. Let's face it, everybody should pick whatever it is  
21 that they want to pick and everybody should be happy that  
22 they're picking what they want to pick because they'll  
23 probably do a better job if they're doing what they want  
24 to do.

25           But boy, have we had trouble getting that message



1 across. So let me be quiet at this point and see if you  
2 have any questions? Or answers?

3 Q (By Mr. Barbarossa) We all want to be millionaires.

4 No, I have a question. Are you familiar with the  
5 Hart-Haskell Bill, 1193? Could you explain --

6 A Yes.

7 Q Could you explain how that works and is there going  
8 to be some monies for local communities or local organizations  
9 to use in the planning and development of that plan or do  
10 you want to --

11 A Well, I hope that's how they implement it. This is  
12 a plan that would give federal aid for boomtowns, okay?

13 Now, my hope is that the structure put together is  
14 that we do have the local people dealing with it, but not  
15 the local people who were there before the boom took place,  
16 do you hear what I'm saying?

17 Q You bet.

18 A Okay, now that's the real trick because otherwise  
19 I have a great worry about how that development is going to  
20 go. Nor do we want it coming out of Washington. Because  
21 again they don't know what to do either. And so the --  
22 that's why I think I made such a plea for companies under-  
23 standing the dynamics, and there's some groups that are now  
24 trying to work in areas like that, to try and sensitize people  
25 much more about the dynamics of what goes on in a small

1 community, there's great mixed emotions about all these new  
2 folks moving in in trailers and people they haven't seen  
3 those kind of people in that town before, and you know,  
4 what is going on?

5 THE MODERATOR: ~~Cut this shorter,~~ we had a question from the  
6 audience a while ago.

UNIDENTIFIED VOICE: Was that bill passed?

7 THE MODERATOR: Please identify yourself.

8 A. (By Rep. Schroeder) It has not passed in the house.  
9 So we've got to, you know, it has not passed in the house,  
10 no.

11 Thank you. Yes, sir?

12 Q. (By Mayor Ted Wilson) Mayor Ted Wilson of Salt  
13 Lake City, Utah. How much depth of understanding is there  
14 among your colleagues in congress about the boomtown issue?

15 A. Let me tell you --

16 Q. How far have we got to go on that issue?

17 A. Ted, let me tell you, the problem is, to be very  
18 honest, there's a tremendous jealousy among my colleagues  
19 about the boomtown issue. If you go and say feel sorry  
20 for us we are having a boomtown problem, they look at you  
21 and say, feel sorry for us we have unemployment of 15%.  
22 You know. And that's the kind of thing that you're into  
23 right at the moment.

24 And I'm trying to be very, very honest about it.  
25 It's difficult to get a lot of sympathy out of Fall River,



1 Massachusetts, for the problems of the western slope, I  
2 mean they're there sitting with half their mills shut down,  
3 it's difficult in many of the eastern seaboard where they  
4 still have the majority of representation, because we have  
5 not reapportioned, and there's been a tremendous shift to the  
6 sunbelt, but it's difficult for them to be too sympathetic  
7 because they're saying oh, you have it all, you know, we'd  
8 like to have those problems, you think that's a problem?

9 And so it's hard to frame it as a problem. Help us  
10 with your growth. We are suffering, there are so many  
11 people moving in, you know. And they look at you and say  
12 that's suffering? So that is one of the big problems we  
13 have getting a bill like that passed. They're saying we  
14 should be helping with urban decay.

15 THE MODERATOR: We have time for one more question.

16 Q. (By Mr. Freudenburg) Bill Freudenburg of Washington  
17 State University and once upon a time of Paonia, Colorado.  
18 That's the source of my question. I think I heard you say  
19 you don't want the people who are already in a town before  
20 the boom starts having --

21 A. To be the sole --

22 Q. That's careful wordsmanship, would you like to be a  
23 little more explicit?

24 Q. (By Mr. Barbarossa) She means like the county  
25 commissioner --

1       A. I mean that the people who are in control, say of  
2 Paonia right now, before anybody moves in, if they are  
3 determining what happens it's really not quite fair, because  
4 then you end up almost like the congress where you haven't  
5 apportioned to the new growth and so there should be some  
6 input for the new groups coming in also.

7               Now, it's got to be a coalition, because you've got  
8 to have the community that's already there accepting the  
9 new community, you don't want it to be a war.

10              But if you just go with the people that are there,  
11 then I don't think you're going to deal with these attitudes  
12 that we're talking about.

13              Now, maybe Paonia's different, maybe Paonia doesn't  
14 have any racism or sexism or you know, feelings about newcomers  
15 coming in or anything, but many of them do have those, and  
16 I think realistically if you don't have an input from the  
17 new people who are coming in and many times the new people  
18 are going to outnumber the old people, the money wouldn't  
19 be fairly allocated.

20              Q. The reason I asked my question is it's my perception  
21 on the basis of a fair amount of study that one of the  
22 real problems with continuing and intensifying sexism and  
23 racism is a general sense of loss of control over your whole  
24 life, and people in communities where the amount of change  
25 is manageable, seem more willing to go a little extra step and

1 be a little open minded, and persons in communities that  
2 have simply been overwhelmed by the changes --

3 A. That's right.

4 Q. -- and when we talk about taking control away from  
5 the local communities we might actually end up reenforcing  
6 the kinds of prejudices we least want to reenforce?

7 A. No, I'm saying you do it in combination with the  
8 new groups coming in, you don't want to turn it over just  
9 to the ones who are there, that it has to be a partnership,  
10 with the new people and the old people working it out.

11 Because the groups that were already there are only  
12 getting the money because the new people are coming in.

13 Q. They don't get the money for the most part. Land  
14 owners --

15 A. The community is going to get the money if the bill  
16 ever passes which is the first if, but if that ever trans-  
17 pires, that's how it would happen. And I think it's got to  
18 be a partnership with input from both sides, otherwise it  
19 really won't work and you've just polarized both sides.

20 Thank you all very much and again I'm sorry to have  
21 to come and run but have a very, very good conference,  
22 you're certainly dealing with some very difficult, complex,  
23 tricky issues and I wish you all the luck in the world.

24

25

(Applause)



1 A. Thank you.

2 MR. BARBAROSSA: Pat Schroeder will be at the Hilton  
3 tonight.

4 THE MODERATOR: At this time we'll hear from our  
5 respondent, begin with Mr. Roger Kahn?

6

7

8

MR. ROGER KAHN

9

10 A. (By Mr. Kahn) Thank you. Can everybody hear? I'm a  
11 substitute respondent, I'm substituting for Tim Flores  
12 of the AFL-CIO in Colorado, I consider it worth mentioning  
13 and a privilege that I was asked to sit in for him and that  
14 before doing so, we insisted that he okay it and he did.

15 We have been -- Colorado Coalition for Full Employment  
16 has been working with the Colorado AFL-CIO dealing with a whole  
17 host of energy related and environmental issues, and we con-  
18 sider it one of the major steps forward, if you will, in  
19 breaking down what has often been thought of as the polari-  
20 zation between labor and environment and the same is true  
21 in regard to environment and minority people as well.

22 I wanted to -- I just asked Rick for a second if he  
23 would mind if I responded first because there was something  
24 in the discussion with Pat Schroeder that I wanted to  
25 piggyback on, and particularly because the last set of

1 respondents, when Burman Lorenson was talking about procedure  
2 I wanted to couple something that he had said with something  
3 that several of the panelists had said as well as something  
4 that Congresswoman Schroeder has just said.

5 'If you use federal monies or state monies and go  
6 through the local communities on the boomtown areas or the  
7 communities near boomtown areas, you will be dealing with,  
8 for the most part, the business leadership in that local  
9 community.

10 The real estate owners or the county commissioners,  
11 real estate people, ranchers, all of whom are in many  
12 respects very directly profiting from the boomtown phenomenon  
13 economically and who are genuinely concerned about it, don't  
14 mistake what I'm saying. They, for the most part, are con-  
15 cerned primarily with questions of expanded sewer systems,  
16 roads and the like, not with some of the social service  
17 needs that have been articulated as part of the Wyoming  
18 project concerns, for example, earlier this afternoon.

19 Not in the way that the urban league is proposing a  
20 very fundamentally necessary, essential grubstake program,  
21 not a kind of program that Dwayne Ostenson was talking  
22 about that involves some support services, they are all  
23 essential and necessary and it's going to be important for  
24 people in the public sector as well as the private sector  
25 to recognize that people who are not elected or appointed

1 officials must participate in determining and ameliorating  
2 -- I'm sorry, determining the definition of the problems  
3 that need to be solved as well as ameliorating the problems  
4 that need to be solved.

5       Having said that, I want to just make a couple of other  
6 kinds of comments. I want to agree essentially with the  
7 panelists but make it, restate it, if you will, vigorous  
8 affirmative action programs in the public and private  
9 sectors are essential if indeed minority people are going  
10 to participate as the potential, theoretical potential  
11 anyway, would permit.

12       High school and college training is essential, but  
13 it is not enough because the time is now and the time is  
14 not in ten years, and I think that that calls for compensatory  
15 short range programs as well as tracking kids from the  
16 junior high school on up.

17       That's not to again negate the importance of tracking  
18 kids in junior high school, but to say that the problems are  
19 now and the obligation, it seems to me, is for the energy  
20 companies and the government, public sectors, to do, to  
21 put a lot of money, if you will, into compensatory programs.  
22 Money, time and energy.

23       There are a lot of programs I think and Congresswoman  
24 Schroeder alluded to at least three that are represented  
25 on the panel and among the respondents that are being floated



1 and circulated to try and develop support citizens within  
2 communities to try and get people talking with each other  
3 and networking with each other to try and get people onto  
4 jobs and comfortable and with jobs in front of a civil  
5 rights commission. it might not be too embarrassing to talk  
6 about the needs for small group human relations training  
7 among workers, I think that that would be helpful as well as  
8 among people in the community.

9 The reason I hesitate on that is when you mention  
10 those kinds of things to people outside civil rights con-  
11 ference type, they just sort of wonder what you're even  
12 talking about it. It seems so hard to define.

13 Finally, I want to comment that virtually all the  
14 remarks with the exception of an afterthought that Larry  
15 suggested, dealt with conventional energy production,  
16 October 9, 1978, Business Week talks about a five to seven  
17 million dollar emerging industry in solar, the opportunities  
18 I would think are many fold, the ground floor is now, there  
19 are rooms for spinoff ancillary businesses, there are  
20 business opportunities in terms of small business and medium  
21 sized business development, there are skilled, unskilled  
22 and semiskilled occupations and I suspect that the greatest  
23 opportunity, at least according to my analysis, for minority  
24 people, in particular outside this particular region, but  
25 in Denver, as well, for sure, and Fort Collins and other areas,

1 Pueblo, is in the alternate energy industry. This area is  
2 going to be rich as can be in that area, I'm sorry, in  
3 alternate energy development over the next decade, and I  
4 think the time is really here and now in that regard.

5 I want to thank people for their attention, I learned  
6 a wonderful new thing when I moved out here close to ten  
7 years ago, people were taking bets and they were saying  
8 Roger couldn't live in the boonies under any conditions and  
9 after the past couple of weeks of conferencing, I realize  
10 that maybe I could have been living there but I'm not sure  
11 I could live in the boomies.

12

13 (Applause)

14

15 THE MODERATOR: Thank you very much, Mr. Kahn.

16 Our next speaker is Mr. Richard Gonzalez.

17

18

19

MR. RICHARD GONZALEZ

20

21 A. (By Mr. Gonzalez) Good afternoon, it's certainly a  
22 pleasure to be here, lot of familiar faces, lot of very  
23 distinguished people, it's going to be here, God bless you  
24 all, let's get into it.

25

I have a problem with what we .....did this afternoon,

1 I guess as respondent I should make a note of it and get  
2 into what I've got to say.

3 The panel was to discuss ways to assure the  
4 minorities and women participate equally in opportunities  
5 presented by energy development. We did that admirably  
6 well but we eliminated and forgot something very important,  
7 we spoke admirably well about labor, we spoke admirably  
8 well about training, what we did not address until just very  
9 recently the last 30 seconds was the opportunities created  
10 by businesses and business development as a result of this  
11 tremendous energy boom.

12 As you can see my orientation is not labor related,  
13 my orientation as a director of the Colorado Economic  
14 Development Association, an association founded and funded,  
15 funded presently by the office of minority business enterprise,  
16 the department of commerce, my job is to develop businesses  
17 for minority members.

18 A few statistics will, hopefully wake you up. And get  
19 us through this last stretch of a Friday afternoon before  
20 happy hour.

21 It's interesting to note that minority businesses  
22 today represent the less than 3% of all businesses in this  
23 country. It's more appalling to note that the gross receipts  
24 of all these minority businesses account for less than 1%.  
25 It's also appalling to note that minority businesses receive



1 less than 2% of the federal procurement dollar received in  
2 fiscal year 1977 and it's also interesting to note that loans  
3 through the Small Business Administration, an agency  
4 chartered, funded and empowered to work in businesses,  
5 of its portfolio, only 12% are minority businesses.

6 It's a shocking statistic. It's quite obvious  
7 from these statistics that the minority applicants are not  
8 significantly participating in this economy of ours. It is  
9 clear that unless this pattern is reversed, we will continue  
10 to have a group of minority peoples in this country who are  
11 isolated, economically, socially, politically and spiritually.

12 Energy, and the resulting boom that we're experiencing,  
13 encountering and discussing today, offer us a challenge  
14 to help bring about the reversal of these appalling statistics  
15 that I've quoted to you. There are some positive things that  
16 are being done to do this.

17 Specifically, us at CEDA are involved with providing  
18 technical assistance to minority people who want to get into  
19 business. Some of these are energy related and I'll discuss  
20 them briefly. Overall at CEDA we're funded from the office  
21 of minority business enterprise, have five operational  
22 departments by which to accomplish this very lofty mission.  
23 We have a business planning department whereby entrepreneur  
24 can come into the building and get a loan package prepared  
25 to submit to the Small Business Administration or hopefully

1 a bank. We also have the capability of preparing loan  
2 packages, line of credit applications, bonding applications,  
3 and projections for cash flows and breakeven analysis.

4 Our business education department sponsored a 100  
5 seminars a year, we have 2,000 students enrolled in our  
6 courses and they cover very specific operationally oriented  
7 business problems. We do not deal with a whole bunch of  
8 theory.

9 We have also at CEDA what is known as a contractor's  
10 construction assistance center, we have five engineers on  
11 staff, they provide direct one to one technical assistance  
12 in estimating, scheduling and in resolving problems that  
13 appear on jobs once the minority person is on board.

14 We have a computer operation center where the books  
15 of the businesses can be kept, kept currently and kept in a  
16 manner that are informative to the managers of the enter-  
17 prise.

18 The kinds of energy related businesses that we deal  
19 with, problems that we encounter, are the following. since  
20 the energy boom has been upon us we've been in about ten  
21 different kinds of business opportunities, some better than  
22 others. We deal a lot with insulation companies, their  
23 problems tend to be a lack of capital, a lack of contracts  
24 for them, and a limited bonding capacity that they have.

25 Another energy related operation is caulking, believe

1 it or not, all the homes and buildings that are built need  
2 to be weatherized or winterized so we have a lot of caulking  
3 people, contractors, businesses who specialize in this.  
4 Their problem is that the kinds of jobs they're getting are  
5 kind of small.

6 We had two or three solar manufacturers who went out  
7 of business because of lack of capital and lack of contracts.  
8 We had solar connector installers, they went out of business  
9 because they did not have an access to a good marketable  
10 product that they could install at a competitive price. We  
11 had some coal extractors who were not able to make contracts,  
12 we had individuals involved in the distribution of oil  
13 products, and the problems that they felt and the ones that  
14 hurt them significantly that the noncompetitive bidding  
15 structure that they get from the manufacturer, for example  
16 a trucker who hauls petroleum, oil and lubricants can not  
17 compete with larger truckers who are hauling from the same  
18 producer.

19 We have firms who do drilling fluids supply, each time  
20 a well is drilled, gas or oil, a lot of specialized kind  
21 of chemicals are needed. To make these kinds of drillings  
22 more easily done. The problems they've had is the buyer  
23 resistance by all the companies, oil companies have an  
24 attitude that minority firms can not perform the job as  
25 adequately well as a nonminority firm. Our haulers of



1 petroleum, oil and lubricant products have also had problems  
2 with PUC licensing permits and again buy resistance.

3 Soil samples, a lot of minority firms are involved  
4 in this , they sometimes lack the shortage of technical  
5 help to help them perform larger contracts, and again buyer  
6 resistance. Since this is a professional kind of relationship,  
7 the firms therefore are not always are engaged in the  
8 competitive bidding system but rather negotiate these  
9 contracts with firms that they have worked with in the past.

10 We have some tremendous opportunities that have been  
11 to this point untapped in aerial imagery both in collection  
12 and analysis as it relates to energy. They lack the capital  
13 and technology in many cases.

14 We do have a couple geological firms that consult but  
15 again here, the problem they face is buyer resistance.

16 The manufacturing of solar equipment has not been  
17 successful because of lack of capital and the lack of certain  
18 kinds of patents. Methane conversion is a very good oppor-  
19 tunity that has not been capitalized on, this is a firm will  
20 use its refuse from its chickens or its hogs, put them in  
21 methane converters and develop methane gas.

22 We have not had any success in wind generated power  
23 because of the larger companies having a lock on the pro-  
24 duction or manufacture of any kind of equipment. We have  
25 not done too much in farming for energy, it's amazing to note



1 that large farms, either chicken, hogs, beef, can turn their  
2 waste products into methane. There's also the possibility  
3 of growing special kinds of beans, the kinds that grow in  
4 Mexico and arid climates, that which bean when broken down  
5 chemically, produces a very good oil additive and gives longer  
6 life to oil using machinery and there's a lot of it around.

7 That market has not been tapped.

8 So we're working very constructively, I feel, to  
9 attempt to get into the developing opportunities, the kinds  
10 I've listed, but we need to have much more done. I've  
11 brought with me a list of suggestions that we've developed  
12 over the past several months, things that we've run into,  
13 studies that we've conducted and in general our experiences  
14 with our own clients who are out there struggling to market  
15 meat, not as laborers but as entrepreneurs and I have to  
16 emphasize that.

17 Certain things need to be done to help in the federal  
18 and private sector. In the federal sector we need to continue  
19 to amend the Miller Act so that bonding requirements are not  
20 so stringent in performing federal contracts. We need to  
21 encourage and develop bonding pools so that when contractors,  
22 vendors or suppliers of products when asked to provide  
23 bonds, can go to a facility that will enable them to bond  
24 these kinds of activities.

25 We need to get with the IRS to make amendments in its



1 tax code to give those firms that joint venture with minority  
2 business enterprises a tax break. We need to continue to  
3 encourage the formation of sources of capital so that  
4 companies can begin and that companies can continue their  
5 operations. Capital and lines of credit for equity.

6 We need to allocate more funds, federal and state,  
7 for business development organizations such as ourselves,  
8 and we need to expand the authority and jurisdiction of the  
9 Small Business Administration so that it can do its job  
10 as it's supposed to do it.

11 We need to get minority vendors into the major  
12 manufacturing concerns so that they can develop dealerships,  
13 distributorships, on that level. It's one of the hardest  
14 nuts to crack, we have just recently after one and a half  
15 years of negotiation with Westinghouse, begun to even get  
16 them to seriously consider a Black business to be a dis-  
17 tributor.

18 Never before had they done that in this area.

19 We need to utilize the severance tax which has not  
20 been taken in Colorado to a great degree, to help develop  
21 minority business enterprises. And we have to take that  
22 same kind of funding approach to severance tax use and help  
23 subsidize and that's a terrible word, I know, but it's the  
24 best word that makes the point, professional education.

25 Look around yourselves today and you find many, many



1 minorities with college degrees. I've got three of them. But  
2 we need to put minorities in college courses and programs  
3 that lead to very specific kinds of technical kinds of skills  
4 that can be used in the energy area.

5 Engineers, geologists, hydrologists, these are the  
6 kinds of things we need in the construction, engineering  
7 and in a wholesaling and retailing of energy related products.

8 THE MODERATOR: Mr. Gonzalez, I'm sorry, we're  
9 running out of time, could you sum up your presentation?

10 A. (By Mr. Gonzalez) Couldn't have been better time  
11 because I was just getting to my summary.

12 In summary then, the mechanisms are available to bring  
13 about the positive changes that face the challenges that  
14 are with us today in 1978.

15 Many things are being done by the state and federal  
16 government, but don't be lulled into thinking that change  
17 is inevitable and that the change will overcome us and  
18 reverse the pattern of 200 years. We have to continue to  
19 work in a very strenuous fashion, utilizing all of the  
20 resources available to us, specifically that of the federal,  
21 state and local governments.

22 We do stand ready to do our part as business develop-  
23 ment centers but I think we have to look elsewhere for re-  
24 sources, policies and legislation to help us get women and  
25 minorities to participate in the energy development in

1 Colorado.

2

3 (Applause)

4

5 THE MODERATOR: Thank you, Mr. Gonzalez,

6 That officially concludes panel 6. Panel 7 will  
7 begin in five minutes at 4:00 o'clock.

8

9 (Short recess)

10

11 (The following was moderated by Ms. Margaret Aro)

12

13 THE MODERATOR: Somebody mentioned earlier that they  
14 were discouraged about getting up in front of an empty room  
15 and I think we've lost some since then. And we have the  
16 best yet to come.

17 I am Maggie Aro, Chairperson for the Colorado SAC,  
18 and I'm introducing the last panel on policy initiatives  
19 for the future.

20 I think this has been an exciting day in our con-  
21 ference, and I think it is not over yet. Our participants  
22 in this panel include some very interesting people.

23 Polly Garrett, who is a member, who was a member  
24 of the very first panel, she is the director of socioeconomic  
25 impact office, she is sitting in for the person on the program

1 that you have in your hand, Dr. Charles Metzger. She is --  
2 she has been with the federal government about 11 years,  
3 the department of energy half of that time and HEW the  
4 other half of the time and came to that from a background  
5 of education.

6 She didn't want me to say anything more because she  
7 wants that extra two minutes in her speech and Polly, it's  
8 yours, I promise.

9 Our next participant is Martin Garber and Martin Garber  
10 is now Washington representative representing Phillips'  
11 natural resources interests, including oil, gas and minerals.  
12 Before that he was, excuse me, that is his last state of  
13 being, before that he was an industrial relations director  
14 for Phillips for the western United States and Alaska,  
15 based here in Denver, and currently he is director of  
16 external liaison department of the American Petroleum  
17 Institute and also assistant to the president of Phillips  
18 Petroleum Company.

19 The next person on our panel is Arlene Sutton, one  
20 of the members of our committee, our SAC committee here in  
21 Denver, a valuable member. She has been most recently senior  
22 associate for Interamerican Research Associates. She has  
23 been the director of the national early childhood bilingual  
24 resource center. She's served in capacities of dean at  
25 the University of Southern Colorado, and professor at Metro,



1 here in Denver, has done extensive work and has great  
2 interest in the bilingual-bicultural area, and currently  
3 is filling a brand new job for her and I understand smashingly  
4 as the regional administrator of the Human Development  
5 Services, U.S. Department of Health, Education and Welfare.

6 Last but not least here is Ted Wilson, who is the  
7 Mayor of Salt Lake City, and he is here very briefly because  
8 they're involved in Salt Lake City in a last minute fight  
9 for conversion from a cities to a city-county, and he may  
10 no longer be mayor in what, three days?

11 MAYOR WILSON: It will take a year.

12 THE MODERATOR: Okay, we're safe for a year then.

13 He has his BS from Utah, his MS from the University  
14 of Washington, in economics. He's married, had four youngsters,  
15 he comes from a background of school teaching and he won't  
16 comment on his future political aspirations.

17 I think just looking at the panel you know, it's going  
18 to be an interesting afternoon. All of these people, of  
19 course, are going to speak to the subject of policy  
20 initiatives for the future.

21 Polly?

22

23 MS. PAULINE GARRETT

24

25 A. (By Ms. Garrett) Dr. Metzger, quite often, is

1 recognized, he says, because of his beard and his boots. I  
2 fade into the background because I ordinarily just wear skirts  
3 and shoes.

4 So today I would like to say something that will help  
5 you to remember me, not because of the skirt and the shoes or  
6 your disappointment that you didn't have the leader of our  
7 particular regional organization who is a very good looking  
8 fellow with fine boots, and a well groomed beard.

9 As I looked over the papers, I would like to make  
10 some comments before I get into the -- what I hope will be  
11 the substantive part of this particular presentation. I  
12 would like to congratulate the commission on, first, identi-  
13 fying a major issue, energy. Secondly, to try to relate the  
14 charge that they have to current developments, and energy  
15 is the cutting edge of what's happening as far as people are  
16 concerned and as far as the economy is concerned..

17 But as I looked over the papers, I -- not facetiously,  
18 put them into the terrible three's. I called them the VD's.  
19 Now, those of you, you know, I know that you knew that that  
20 meant something else than what I'm going to say. The first  
21 vicious deeds, I thought were the demands, the demands that  
22 society seems to be placing on itself and it would appear  
23 to me that unless we do something about the demands, I'm  
24 reading now, I'm excerpting from the papers, you'll have a  
25 chance to look at the substance of those papers.

1           But the first vicious D is the demand that society is  
2 placing upon itself. And there are a number of papers that  
3 develop that theme.

4           The second vicious D are the decrees that come out,  
5 not necessarily through the legislation that our agencies  
6 have to implement, but it would appear to me that the decrees  
7 that come from administrative guidelines.

8           My own agency started out with regulations of about  
9 15 pages and now full of about eight to ten volumes, so  
10 thick, with what I call the toilet tissue issuance.

11           Then the third vicious D is, that was addressed in your  
12 papers, the dehumanizing effect that comes from the manner  
13 in which legislation is implemented, statutes are interpreted  
14 and agencies ignore the missions that they were brought into  
15 being in order to implement.

16           Then I'd like to suggest that as a responder, the  
17 first morning, and then I sit there and respond, whether  
18 I'm doing it orally or not, I would like to suggest that the  
19 three D's to be substituted might be valid and vital D's,  
20 the VD's, and that comes, then, to data gathering and analysis.

21           Without pointing to any paper which is not my role to  
22 play, there are some errors in the data and the information.  
23 And those of you who do not make it a lifetime pursuit to  
24 gather data and analyze it all you can do is depend on the  
25 presenter. So I ask of the commission that they check the



1 data within the particular papers through some particular  
2 agency or organizations whose job it is, and whose assignment  
3 it is to get you valid data.

4 Then the second D, under the vital and valid D's,  
5 I would like to suggest that we reinstitute the democratic  
6 process in decision making. And then -- and I guess I would  
7 like to have some examples of where that does take place.  
8 And it is taking place, although I didn't hear many examples  
9 given to us of how that goes.

10 And then my last point on the valid and vital D's,  
11 there were some very good suggestions in the papers on  
12 directions, but not enough of the futuristic look at those  
13 directions. And so much for the summary of the papers.

14 However, being an action oriented individual, I have  
15 suggested that I would really like to have on-going communi-  
16 cations with Gail Martinez and Bill Freudenburg, based on  
17 the papers that they had, and my responsibility in the agency  
18 that I serve.

19 I would like to suggest that Mr. Veeder get in touch  
20 with the Secretary Schlesinger and his deputy, O'Leary. He  
21 has much to say and chances are you could get an audience,  
22 you know, even by surprise.

23 Then I think I'd like to suggest that Davidson and  
24 Watson and Kahn make contacts with the various industrial  
25 associations that are operating in this region. The

1 Southwest Industrial Association in Wyoming, the Montana  
2 and Wyoming Industrial Association, there are a number of  
3 them.

4 I think you have something to say to them, and I have  
5 found them very open to suggestions on ways that they can  
6 be of service.

7 Then I'd like to suggest that Ledford and Ostenson  
8 and Borom continue in some cases with the contacts that  
9 you've already made with the department of labor and  
10 initiate some new ones.

11 The department of labor is very much into the business  
12 of manpower development and training and very much con-  
13 cerned about new kinds of job opportunities and the quote  
14 around upward mobility because we all bring different meanings  
15 to that phrase.

16 Then I'd like to suggest that Holliday and Moen  
17 get in touch with the National Science Foundation. They've  
18 got some divisions that have been addressing the same con-  
19 cepts that were addressed in their paper.

20 And then for Mary Hilda Grabner, I would like to  
21 suggest that someone give her some help and put her story  
22 of Lark, Utah into a movie. And then she might even get  
23 help from the minister whose slide show we enjoyed very much.

24 Then I'd like to suggest that Lantz and McCowan  
25 (Phonetic), I may be mispronouncing the names, and Cose,

1 C-o-s-e, might want to initiate and/or continue your contacts  
2 with the office of consumer affairs in the department of  
3 energy and also HUD and HEW representatives.

4 And then I'd like to have Ms. Davenport speak directly  
5 to the congressional representatives from this state, and  
6 perhaps provide some much needed and current information to  
7 congressional representatives.

8 That's the role I wanted to play if I'd had a chance  
9 to earlier.

10 Now, the first part of my presentation without any  
11 clearance from Dr. Metzger or the assistant secretary of  
12 intergovernmental affairs or the secretary of department of  
13 energy, but just something that if I were sitting out there,  
14 I might be interested in hearing.

15 As you know, the congress in all of their wisdom  
16 finally passed a national energy act to conserve energy,  
17 to accelerate a shift to coal and to reduce U.S. oil  
18 import needs. I've gone through that and you probably have  
19 kept up with it just as well as I have, but basically it's  
20 to replace oil and gas with domestic fuels, it's to reduce  
21 energy demands, it's to increase production of domestic  
22 energy through rational pricing policies, it's to build a  
23 base for the development of solar and renewable energy,  
24 resources. But along with that it does something that  
25 I think a good number of you do not realize, it does away



1 with some legislation that we had in place, and consolidates  
2 it into this act. The act is composed of five bills, the  
3 national energy conservation policy act, the power plant  
4 and industrial fuel use act, the public utilities regulatory  
5 policy act, the national -- natural gas policy act, and  
6 the energy tax act.

7 As far as I know, we do not have in place at the  
8 present time, the regulations and the guidelines for imple-  
9 mentation of those acts.

10 In all of my wisdom, I have gone through and put an  
11 asterisk by the places where I thought there might be some  
12 initial activity on the part of the persons in this  
13 audience, at least those groups that I've recognized over  
14 the last two days. Under the -- and another provision,  
15 incidentally, that I think you ought to talk about, the  
16 grants and standards for energy conservation in federal  
17 assisted housing.

18 I think there's a place for the needs to be met  
19 that you've identified, a study of energy efficiency of  
20 off-road and recreational vehicles. I think that's a place  
21 for new kinds of entrepreneurs and businesses.

22 Under the coal conversion, funding of programs to  
23 reduce negative impact from increased coal production, energy  
24 impact assistance and railroad rehabilitation.

25 Young man, the legislation that you spoke to has not

1 been passed. The Senate added the general amendment and  
2 knocked it all into a cocked hat. The House of Represen-  
3 tatives never really addressed it seriously. I do feel that  
4 something will come to pass. Hopefully this next legis-  
5 lation, but there is something in place on impact assistance,  
6 and that is where perhaps you can make some inroads and  
7 have some participation.

8 MR. BARBAROSSA: Thank you for calling me a young man.

9 A. It's to reduce negative impacts from increased coal  
10 production, energy impact assistance and it also looks at  
11 uranium development.

12 The second piece of material that's in that act is  
13 marked out, I hope that there's a place for involvement in  
14 every section, I just, from the matter of time looked at  
15 these that I thought realistically there might be something  
16 happen.

17 Aid to states and consumer representation. Funding  
18 to assist state implementation and consumer intervention  
19 in proceedings. The next one on natural gas pricing regu-  
20 lations, there's a section in there called incremental  
21 pricing, protection of residential consumers by first  
22 passing through some portion of increased gas prices to  
23 industrial users.

24 There is a place for the members of this conference.

25 The energy tax act, it seemed to me that as we looked

1 at the residential solar tax credits, a nonrefundable income  
2 tax credit for residential insulation of solar or wind  
3 equipment might have some meaning. Business energy tax  
4 credit, business tax credits for industrial investment in  
5 alternative energy property. Such as boilers or coal or  
6 nonboiler burners, etcetera.

7 Under energy conservation, the -- I think that entire  
8 legislation should be addressed by your group, and  
9 certainly as it relates to conservation program grants.

10 Under coal conversion, again I would like to suggest  
11 that it, again there's a part -- there is a place for you  
12 in each section as far as I could tell, if I were having  
13 the initiative to take and representing the groups that you  
14 represent.

15 The one part of this one on coal conversion bill,  
16 having to do with impact assistance, again we get sizeable  
17 authorizations and then, when it comes down to appropriations  
18 there's a far cry between what is authorized and what's  
19 appropriated. The authorization called for 60 million  
20 dollars in FY79 and 120 million in FY1980. They came  
21 through with 20 million.

22 Now, don't cry, that's better than anything that  
23 we've had so far and I'll take a little bit and hope for  
24 more down the pike. Well, I wanted then, first to point out  
25 what is in the national energy policy act, and I probably have



1 not done it justice, all I wanted to get across is that  
2 there are many opportunities for you to have some kind of  
3 input, the regulations have not been written, and the guide-  
4 lines have not been developed, there is some legislation  
5 in place right now having to do with state conservation  
6 plans and getting together those plans, there must be  
7 advisory groups.

8 I would be amiss if I didn't ask you to hold up your  
9 hand, being a former teacher, but I won't, I wanted to  
10 ask how many of you are part of advisory groups but I won't  
11 do that. If you aren't then how many of you know somebody  
12 who is? You know? I wanted to to that.

13 It is a suggestion to you. That there is more money  
14 in the implementation of the state planning activity and  
15 conservation than there is in the planning activity itself  
16 and both Wyoming and Colorado, the most heavily right now,  
17 the most heavily impacted of our states, have a sizeable hunk  
18 of money going into that.

19 Someone made, which is very easy to do, made some kind  
20 of a disparaging remark about my agency. I don't know which  
21 one in this room did that. But as we look at small business  
22 and minority business enterprise and their participation in  
23 the solar energy, had to do with you know, where were we  
24 when the jobs were passed out in the solar development and  
25 solar energy. I just wanted to say to you that there has

1       been a sizeable amount of money going to minority businesses.  
2       It, currently it represents a total of 40.3 million solar  
3       energy dollars contracted and subcontracted for to small  
4       businesses and minority businesses. Or, in other words, it  
5       represents almost 16% of the total amount of monies going  
6       out in the fiscal year 77.

7               And I do not think that that is anything to hang one's  
8       head about, at least it is a beginning.

9               I don't say that defensively, I just offer it to you  
10      as fact.

11              Then a second kind of piece of information I thought  
12      might be helpful to you. Small business gets DOE not in  
13      new contracts. The department of energy and the Small  
14      Business Administration have signed a headquarters class  
15      set aside agreement under which small businesses get  
16      preference in certain purchase and procurements. And you  
17      can investigate that if you're particularly interested in it.

18              Now let's get down to what I think are policy state-  
19      ments. I would hope that there wouldn't be anybody in the  
20      room who was naive enough to think that somebody at my age  
21      and stage and wage would be setting policy in energy.  
22      When the congress and when the administration and when the  
23      appointments of various agencies haven't yet been able to  
24      clarify the policies that are in place, but naive that I am,  
25      I'm going to try. So I would like to suggest that as we

1 take a look at policy development, I would go back to the  
2 suggestions that the Four Corners Regional Commission made,  
3 first the problem of federal land ownership and that I  
4 think that that needs special attention. Particularly  
5 special attention to Indian lands.

6 The commission encourages federal government to give  
7 special attention to those lands. And then it says, also,  
8 the commission also says, many of the areas have unique  
9 government structures which require state, regional and  
10 federal recognition and involvement.

11 Exceptional challenges continue to exist in the area  
12 of taxation, tourism and land use. As the extent of the  
13 tribal sovereignty becomes more clearly defined, as some  
14 Indian lands become more significant assets and valuable  
15 natural resources the importance of adjusting economic  
16 programs to these particular locations must be considered.  
17 And the compelling need for economic development on the  
18 lands must be balanced against the fact that they encompass  
19 some of the most water-limited environments in the country.

20 A policy, a federal policy would not be a policy if  
21 it didn't address that issue.

22 A second concern that the commission also supports  
23 job search and job matching programs and therefore urges  
24 continuation of such methods within this region where dis-  
25 tances between jobs and possible employees are great and



1 thus normal means of communication such as newspapers and  
2 radios prove relatively ineffective, public and private  
3 investments and vocational training programs be increased  
4 and designed to prepare local residents to compete for  
5 projected job opportunities.

6 And I would think a federal policy should address  
7 that issue.

8 Then I'd like to move to the second commission that  
9 has some jurisdiction and some involvement in this region  
10 and that's the old west regional commission, and they're  
11 suggesting that we create employment opportunities for  
12 individuals by raising ceilings on industrial bond issues  
13 and government guarantees for community approved revenue  
14 bonds, regional development bank funded by the states, a  
15 redistribution of the tax base, a use percentage of severance  
16 tax for state development. And use other tax incentives  
17 for the private sector. And recycle profits in the region  
18 emphasizing labor intensive development.

19 Then they went on to say, to establish an energy  
20 bank, to develop agricultural related business with energy  
21 byproducts, and they mentioned some of those, particular  
22 ones, and then they say, employment for minorities.

23 Industrial location priority for high unemployment  
24 areas, Indian reservations, training minorities for marketable  
25 jobs; skills with aggressive enforcement of affirmative action

1 plans, and emphasize family training to promote motivation  
2 and education for Native American and other minority oppor-  
3 tunities. So I would like to add my two cents worth to  
4 say that a federal policy related to energy that doesn't  
5 address those priorities as identified by the two basic  
6 regional commissions, perhaps is amiss in its total  
7 development. And again may I come out with a final one,  
8 that -- what I think the federal government might do.

9 The federal government must substantially increase  
10 the amounts of financial aid to the western states and the  
11 local governments to increase their policy management  
12 capacities. What does that mean in plain language? It  
13 means that we have a number of people in council of governments,  
14 in local, mayor roles, who do much else besides come and  
15 take care of the business of the town.

16 And we've got to then come forth with some kind of  
17 a policy that will provide funds to those groups.

18 Secondly, I think that the federal government must  
19 increase the amounts of financial aid to the western  
20 states and the local governments in order to increase their  
21 resource management capacity. Resource management is  
22 used here in the sense that it deals with legal, adminis-  
23 trative and institutional structures that exist to support  
24 and achieve policy development decisions of governmental  
25 authorities, particularly as those decisions relate to rural

1 growth management.

2           Then I'd like to say that the federal government  
3 should increase the involvement and authority of state  
4 officials in both federally enunciated policy goals and  
5 agency development of programs to implement national goals  
6 for rural management of growth and development.

7           The existence of what may be called a national  
8 problem, waste facilities, does not necessarily demand  
9 a national solution, you know, with my EPA friends, they  
10 talk about solid waste management, what it really means is  
11 to try to get out to the dump to see that all that stuff  
12 doesn't flow all the surrounding territory.

13           The conditions that exist within the locality  
14 experiencing the problem should dictate specifics of plan  
15 solution. State and local governments are in the best  
16 position to determine the needs within their communities.  
17 And to allocate resources most effectively to help the  
18 experienced ones with those problems.

19           And then I'd like to suggest that federal funding  
20 policies and formulas should be redesigned to reduce the  
21 negative effects of restrictive assistance programs and to  
22 enhance the authority and management capacity of state and  
23 local decision makers.

24           We've had an opportunity this last year to work  
25 with associates from HEW, from HUD and from EPA, taking



1 a look at the federal structure and where are the monies  
2 and where is the technical assistance? And we're hard  
3 pushed to find it and so I would like to suggest that a  
4 federal policy be redesigned in order that those federal  
5 agencies already in place can take a look at what they  
6 can do.

7 Much of the disappointment expressed by state and  
8 federal authorities with growth management can be avoided  
9 by increasing the use of revenue sharing, block grants,  
10 grant consolidation and other funding devices.

11 THE MODERATOR: Polly, that's 22 minutes.

12 A Federal roles should be setting aside basic national  
13 goals, but providing for local involvement and finally,  
14 the federal government must increase the involvement and  
15 authority of state officials and local officials in land  
16 use decision making processes.

17 I have enjoyed it very much and thank you for letting  
18 me come.

19  
20 (Applause)

21  
22 THE MODERATOR: Martin?  
23  
24  
25

1 MR. MARTIN GARBER

2  
3 A. (By Mr. Garber) I'm hopeful I won't take quite as  
4 long. I've appreciated the opportunity to participate  
5 in this consultation, I've sat through two days of meetings  
6 now and I'll have to admit it was extremely informative from  
7 the corporate viewpoint.

8 Since I do work for a major corporation, I'm sure  
9 I can't agree with all the speakers. But I have to admit  
10 the dialogue is healthy, and I think it should be continued.

11 When asked to serve on this fine panel, I was asked  
12 to review all of the papers and give a written response.  
13 This assignment has been done, accomplished, and if I'm  
14 not mistaken, the U.S. Commission will probably be  
15 distributing all of the papers and all of the comments in  
16 the very near future. Also on this panel we have been  
17 asked to look at policy initiatives for the future. I'm  
18 hopeful to be able to do both, incorporate some of the  
19 comments from the individuals and at the same time, incorporate  
20 some of my own views in accomplishing this mission.

21 The papers and the consultation have highlighted many  
22 of the past problems associated with both employment and  
23 boomtowns. But to me, it also highlights that we must work  
24 together to be able to solve these problems. To be able to  
25 do this, there needs to develop a recognition and an

1 understanding of each group's problems and objectives.

2 We've talked a lot about some of the problems the  
3 government has. Congresswoman Schroeder mentioned some of  
4 the interest of the eastern establishment concerning unemploy-  
5 ment. Of course, we've mentioned here some of the problems  
6 of the west.

7 Any government, national government has to consider  
8 both of these options when they formulate a policy. The  
9 corporations also have problems that might not be obvious.  
10 Obviously, we have to make a profit for our stockholders.  
11 We also have to deal and relate to our customers, not only  
12 providing a product but many of these customers want a  
13 product at a minimal price anymore.

14 We also have a social responsibility and in all cases  
15 the three of these items do not always coincide.

16 And the third area is the community. It's obvious  
17 to me that we in corporate life don't always understand the  
18 problems in each and every community. I'm hopeful that  
19 through dialogues like this, the corporation and the manage-  
20 ment of the corporations can correct some of these problems.

21 But on the other side, it seems equally important for  
22 you to understand our problems and possibly work to help  
23 with us mitigate some of these impacts. We all need to work  
24 in a direction of solving some of the obstacles we have  
25 discussed.



1           First both of us need to do a better job of planning  
2 for some of these expansions. We need to do a better job  
3 acquainting, becoming acquainted with the communities  
4 and the interstructure of the communities.

5           Generally today the corporation will go to the  
6 elected officials in those communities, not only the local,  
7 the state and the national officials, to talk to them about  
8 some of our plans. Obviously this is not fulfilling every-  
9 body's desires. Possibly we need to develop an additional  
10 system, similar to what Congresswoman Schroeder mentioned,  
11 something that incorporates not only the newcomers' views,  
12 some of the other people in the community as well as the  
13 elected officials. Our corporation has tried to do that on  
14 some of our developments, especially some of our uranium  
15 developments in the southwest, whereby we have community  
16 people working in the community both on housing and employ-  
17 ment, with the people in those communities.

18           Regardless, we need to spread the word and allow more  
19 people in the communities to voice their views on impacts for  
20 their community but the groups in the communities I think  
21 have a responsibility also.

22           That responsibility is to learn more about what  
23 outside groups plan to do as far as the growth of that  
24 community. I know many people have said that they don't  
25 know what's happening to their community, they have no way

1 of finding out. I believe they do, it takes a little extra  
2 work, most of the energy development plans are generally  
3 communicated to some of the current infrastructure through  
4 the USGE, DE, the community leaders, we all file environ-  
5 mental analysis, generally if the project's large enough  
6 environmental impact statement, it does take work to review  
7 these and understand them, but we also need, in the various  
8 communities, to learn more about what assistance is  
9 already available.

10           There are laws on the books already, the communities  
11 and community leaders have great amount of responsibility  
12 and authority to accomplishment of the things we've talked  
13 about.

14           I -- one of the more interesting discussions I found  
15 in the last two days was right before lunch today. When  
16 Burman Lorenson, the regional federal energy counsel, had a  
17 very short presentation and based upon that I followed up  
18 and had lunch with him.

19           Your regional counsel here is doing a very good job  
20 and is very cognizant of some of the problems. I encourage  
21 you to visit further with Burman and his staff.

22           We all might not agree, but they do have some good  
23 ideas about mitigating some of these impacts.

24           From these planning sessions we need to look at the  
25 systems and I'm hopeful that the communities can help in

1 designing and softening some of these impacts. We need  
2 your help in looking at some of the employment factors,  
3 we need your help in helping solve some of the housing  
4 problems, in both areas we need to look at ways to overcome  
5 some of these obstacles of hiring minorities and women, as  
6 well as other local residents as well.

7 We need to work with the state and local officials  
8 to help identify the employment force in the localities.  
9 We need to assist in the development of training programs,  
10 short term as well as long term. Several of the panelists  
11 espeically Ellis Cose, and Clarke Watson, discussed some  
12 of the educational problems. I believe these presentations  
13 were excellent, I think they ought to be reviewed, as some  
14 of the points they made concerning technical aspects of the  
15 jobs establish where the students today look for a degree  
16 need to be looked at very closely.

17 Lawrence Borom, director of the Denver Uran League  
18 and Dwayne Ostenson of the Indian Lignite Manpower Project  
19 made excellent presentations.

20 Two perfect examples of groups working with industry  
21 to accomplish the goals of their --of increased employment  
22 for their constituency.

23 As far as the boomtown effects, some of the presen-  
24 tations were very good. I don't think we, as a society, can  
25 overlook some of the work in the selfhelp area.



1           Projects pointed out by Donna Davidson and Elizabeth  
2 Moen and especially Rev. Waidmann, these are excellent examples  
3 of how we can all help each other to make a town into a  
4 community rather than a boomtown.

5           I'll close with some specific recommendations. I  
6 think many of the speakers over the last two days, I know  
7 specifically we were given assignments to do a great deal  
8 of work. I'm not sure it was quite fair and the audience  
9 got a full indication of some of the ideas in the papers.  
10 I encourage the U.S. Commission to provide transcripts of  
11 these. I also encourage the U.S. Commission in any way  
12 possible to actively promote some of the discussions we've  
13 had here with the corporate community.

14           I would hope that many of the corporations could be  
15 contacted and these policies discussed at a very high level,  
16 at the management level. Without the dialogue, I'm sure  
17 many of us realize we wouldn't be in as good a position as  
18 if we didn't have those dialogues.

19           With that, I'll close, I have enjoyed it, I hope that  
20 many of you believe that -- don't believe at least that the  
21 corporation is unresponsive, we are responsive, and we may  
22 not always agree but we have our problems too and our  
23 interest, but I can assure you from one corporate -- one  
24 corporation, Phillips, as well as many of the American  
25 corporations associated with the American Petroleum Institute,

1 if there is some way to help, we'll do our best to try.

2 Thank you.

3  
4 (Applause)

5  
6 DR. ARLENE SUTTON

7  
8 A. (By Dr. Sutton) Martin, you'll be pleased to know  
9 that the second big bad group here is HEW or the government,  
10 and I happen to represent that sector of our society.

11 As I was coming in I was met by someone in the  
12 hall that said, what are you doing here today? Which  
13 hat are you wearing? I said I'm not wearing a hat today.  
14 Because they were concerned whether I was going to be talking  
15 to the issue of Hispanics, Latinos or Chicanos, or dealing  
16 with the issue in terms of the federal government.

17 In many ways, I guess there's a close interaction  
18 between the two, and it would be impossible not to look at  
19 one without looking at the other in general. Any time a  
20 group comes together to discuss survival types of issues  
21 and certainly this -- these two days have been exactly that,  
22 the group goes through four very specific phases.

23 The first phase is to form, the group comes together  
24 and forms its own little community that are going to look at  
25 some specific issues. The second phase is called storm, and

1 we certainly have had that, and that's a very necessary part  
2 of the process in that it gives people a chance to ventilate  
3 and to discuss in a free and open forum those survival  
4 concerns as they experienced them and as they have had an  
5 impact on them directly.

6 The third phase is called norm, n-o-r-m, and by that  
7 from a statistical standpoint it means that we all come  
8 together and agree that in fact we do have some problems  
9 and we do have some needs and that we do have to work to-  
10 gether.

11 And the last phase is reform. And that means that  
12 we're looking for some ways, some initiatives, some processes,  
13 some strategies and all of those kinds of things that are  
14 very much going to be a part of our way of talking in the  
15 future of looking for solutions.

16 So we have formed, we have stormed, we have normed,  
17 and we have just begun to reform. From the standpoint of  
18 HEW, health, education and welfare, I guess first of all  
19 we would need to recognize that all the individuals who have  
20 prepared and presented papers and speeches to us during  
21 this historic consultation, need to be congratulated because  
22 they opened up to us very honestly, their fears, their  
23 anxieties and their hurts. And that doesn't often happen  
24 pleasantly.

25 So the fact that people have been willing to do this is



1 in itself something that is noteworthy:

2 Secondly, the individuals who have prepared papers  
3 and those of you have come to participate have added to the  
4 hitherto sparse body of information, research and literature  
5 in the area of energy development.

6 Clearly these past two days of consultation have  
7 critically addressed the overall issue of energy development  
8 in this region. Particularly we have identified the rapid  
9 development of energy resources in the Rocky Mountain region.  
10 As several speakers have indicated, this rapid growth of  
11 development is taking place primarily to meet the needs for  
12 future energy needs without consideration or regard for  
13 human development or concern for the quality of life for  
14 many groups of people in our region.

15 These groups have been identified specifically by the  
16 papers which include our linguistic and culturally  
17 diverse population, the aging, women, children and families  
18 in general.

19 The groups of minorities identified by all of our  
20 papers that have been presented the past two days signify  
21 that human rights and social service needs are not being  
22 addressed during a critical time in history. Many groups  
23 and many organizations are deeply concerned. Included in  
24 this is HEW, office of human development, as our name  
25 indicates, human development is our concern.

1           Currently the office of human development administers  
2 social service programs that serve children, youth, family,  
3 Native Americans and older Americans, as well as the physically  
4 and mentally handicapped. A major goal for the office of  
5 human development includes identifying strategies to more  
6 fully deliver services of the social service nature to the  
7 underserved and the underserved in this region.

8           It has become very clear to me during these past two  
9 days and in this past week, as I have read all the papers  
10 that have been presented to us beforehand, that the groups  
11 identified by the speakers and the writers are in fact the  
12 exact population that we in HEW have as our prescribed  
13 mission to work with.

14           The primary mission of our office in HEW is that of  
15 identifying social service programs to eliminate barriers to  
16 self sufficiency. Our federal role is that of emphasizing  
17 community and family development, while providing leadership  
18 for coordination of human service programs with other HEW  
19 agencies, federal agencies, state and local government,  
20 the private sector, and the business world.

21           So we have a very large and extended mandate that  
22 falls very much within the parameters of the concerns of  
23 this conference. Through this mandated coordinated process,  
24 the office of human development is in perhaps the most  
25 unique position to exert leadership in developing public

1 awareness and comprehensive program planning for service  
2 development.

3 The research that was presented here indicates that  
4 there are presently 355 energy impacted communities in  
5 region 8. These communities range in population from  
6 13 persons to 76,000 people. All indications are that the  
7 energy impact of communities will continue to grow at a  
8 rate far faster than communities that are not experiencing  
9 the boomtown syndrome.

10 Of the 355 impacted communities identified in papers,  
11 our agency has one or more programs in only 54 of these  
12 communities. Title XX, which is a state program, and vocational  
13 rehabilitation service, services entire states in region 8.  
14 From the office of human development perspective, what is  
15 needed most is a comprehensive model for social service  
16 program development.

17 The model could consist of a guide for, first, iden-  
18 tifying, second, developing, and third, implementing social  
19 service programs. Let me address the process of program  
20 development for just a moment. In terms of social services,  
21 the delivery of such programs begins after planning and  
22 funding has taken place. Therefore, the process, there is  
23 a series of steps in this process that are critical in  
24 sequel. If the steps and the training and the -- and the  
25 preparation is not done properly, the services probably



1 will not be delivered at all or if they are, they will be  
2 delivered very, very poorly.

3         The steps in this process might go as follows, first  
4 of all, problem identification. Now, within the context of  
5 problem identification, many times what happens it is  
6 piecemeal. Someone might say we need a day care center, we  
7 need a drug abuse center, we need recreational centers.  
8 All of these are very, very real problems. But they're  
9 identified from a very limited perspective.

10         So that a group or a body of individuals concerned  
11 will go about the solution of that one aspect of a compre-  
12 hensive problem, and the other areas will not be dealt with.

13         So that the critical areas in terms of the need  
14 assessment, the critical areas may not be addressed at all.

15         The problem will need to be refined in terms of  
16 training and technical assistance to communities in the  
17 development of their assessment plans.

18         In looking at program development, then, the next  
19 phase is of course, the budgeting process, from the federal  
20 standpoint, the commitment of funds is an integral part of  
21 program development and solutions. Generally this process  
22 is very, very competitive, for one thing the money is diffi-  
23 cult to come by and as we all know, many federal programs  
24 are consistently being cut down at the time that the need  
25 seems to be most critical. Which means, then, that the

1 competition for limited amounts of money is very, very  
2 difficult.

3 It would be unusual for the entire process to take  
4 less than two years, that's something that many times is  
5 not understood. In most instances, it takes much longer.

6 Some problems never get addressed because of the lack  
7 of a comprehensive program. The process characteristically  
8 addresses problems, one problem at a time and that's tra-  
9 ditionally how we've gone about the business of social  
10 service planning in this nation.

11 From our own perspective, there are many problems  
12 that are not necessarily unique to the boomtown syndrome,  
13 but can provide an opportunity for us to be innovative from  
14 a social service human development quality of life aspect.  
15 These might include the identification of the overall social  
16 need problem, in its totality.

17 Secondly, providing communities with an identification  
18 of all resources available to them, which would include  
19 federal resources, state resources, private sector foundation  
20 monies, and that of the business world. The entire process  
21 could be speeded up in terms of human services if it were  
22 seen as an entire and one -- one of an entire process,  
23 and approached that way, perhaps that would be our first  
24 policy initiative that we could see working towards.

25 A TA or a technical assistance effort seek needs to

1 be addressed by impacted communities to help with the  
2 identification of problems, and then the planning for  
3 resolution. Funding agencies need to make some up front  
4 commitments to fund new projects in these areas.

5           Unfortunately we know that this will come at the  
6 expense of existing projects in other areas. And this  
7 becomes very much a political problem as you all well know.

8           Some solutions need to be found in the area of  
9 facility. Obviously much construction is needed, facilities  
10 designed from the very beginning for a multipurpose use can  
11 later be converted into other uses. Mobile facilities  
12 may be a solution in terms of providing the facility where  
13 social services can be implemented.

14           New ways of staffing are critical. Professionals  
15 working independently and moving in and out of boomtowns  
16 simply is not the answer, we know that. The papers have  
17 addressed that over and over again. But there are some  
18 other approaches. For instance, we could train people who  
19 are already in the community, and establish teams rather  
20 than independent professionals. We could have mobile  
21 teams that come into a community two two or three days  
22 to work with hometown folks to deliver the social services  
23 much needed.

24           There are several successful models available. They're  
25 just not that accessible. That, perhaps, could be a role



1 we could assume in the federal government. Thus a compre-  
2 hensive social service model could identify a systematic  
3 process that could and would concern itself with the quality  
4 of life for all citizens.

5 The most productive thing that a comprehensive social  
6 service plan could do was that it would provide some tools  
7 that communities for the first time could use as guides  
8 to look at a concerted approach rather than a problem  
9 by problem, crisis approach to social service problems.

10 Currently we are working towards such a model,  
11 towards several of these models, because I'm sure one is  
12 not going to be able to begin to meet the needs of the various  
13 communities. You need to know, they do not exist. They  
14 will not exist or come about overnight. It will take time,  
15 it will take money, it will take commitment, and it will  
16 take a willingness of communities, total communities, to be  
17 concerned about the quality of life for the total citizenry.

18 Meetings such as this will need to be held in many  
19 communities to develop first public awareness, and second,  
20 a concern for human development.

21 A good friend of mine once reminded me that we can  
22 have change without progress but we can not have progress  
23 without change. Nowhere is the distinction more critical  
24 than it is in the area of social service program development,  
25 particularly as it relates to resource development in the

1 future. We all have much work to do.

2 I guess the one thing we can conclude is that we have  
3 just begun.

4  
5 (Applause)

6  
7 MAYOR TED WILSON

8  
9 A. (By Mayor Wilson) I may have to leave before I begin.  
10 I've got to catch a plane at 5:40, but I'll--- I'm going to  
11 be as succinct as anybody has been.

12 It's great to be here and I want to congratulate the  
13 United States Civil Rights Commission and the regional  
14 office under Shirley and all the staff for taking on a really  
15 tough issue at a very critical time in our history.

16 I think we're on the leading edge of the issue,  
17 Shirley, and I think my question to Pat Schroeder today  
18 was one which I wanted to hear the answer because I knew  
19 what Pat would say, that we are not well represented in  
20 congress on this issue, we have a tiny constituency and making  
21 it work for western cities and western boomtown people and  
22 resource development is going to be very, very difficult.  
23 But let's press on.

24 You know, our American history is laced with great  
25 exploitations of our working people. Our cash crop economy

1 of the south was built on an enslavement of a race, our  
2 industrial revolution was built on children of five being  
3 carried in and out of sweatshops at 4:00 in the morning,  
4 our transportation revolution was built on the backs of  
5 many Chinese and Irishmen, and I guess there were some Irish  
6 women there too, I'm sure there were. Our western movement  
7 was built on the backs of our Native Americans, and that  
8 brings us up to date, who are we going to build the backs  
9 on getting out of the energy crisis?

10 Or whose that back going to be held on?

11 MR. BARBAROSSA: Chicanos.

12 A. And maybe is it going to be nomadic classes of people  
13 or construction workers and others who rove this country  
14 looking for work? Is it going to be on the people who  
15 inhabit our original, our towns when they were originally  
16 there, is it going to be on our senior citizens, our women  
17 or minorities?

18 I'm not trying to assign guilt, I don't think we can  
19 come up with guilt for the past because in those days  
20 they had problems to work with and you have to be pretty  
21 haughty to assign guilt but I think if we don't cope with  
22 this situation in America right now, we can be damned guilty.

23 And the big crisis of this civilization and of any  
24 civilization is can it deal with crisis and still be humane  
25 and kind to its people. And that's what we're talking about.



1           Now, that being said, I'm going to very quickly get  
2 to some things that I think we need to work on in terms of  
3 policy. First of all and these are very specific, and I'm  
4 assuming you have the background because you've been here  
5 for two days talking and I just came in on the plane and so  
6 I didn't have enough background to write it so I assume you  
7 have enough background to interpret it, okay?

8           First of all, we need to be sensitive in terms of  
9 federal legislation on existing grant programs which  
10 recognize the great problems of unemployed cities and  
11 towns but do not recognize the great problems of towns with  
12 great unemployment and great employment opportunities but  
13 the people who are getting squeezed out in that process.

14           Right now in Washington there is a big fight, I  
15 think mostly exhibited in the conference of mayors, national  
16 league of cities, between the sunbelt and the frostbelt.  
17 The frostbelt having formulas that advantage the older  
18 northern cities of the country, in terms of federal funding  
19 but the sunbelt cities feeling left out because we don't  
20 have high enough unemployment rates, pardon me, to meet your  
21 guidelines in your formulas, mainly in HUD, and I think  
22 that's a great critical issue that's got to be solved.

23           We've got to get better legislation to help HUD give  
24 us the money we need to solve these problems in these smaller  
25 towns and in the cities that are booming. There's also the

1 issue of large versus small, and most people in the small  
2 towns will tell you they don't get adequate funding out of  
3 congress, so if you're both sunbelt, which we are, and small,  
4 which we are, many of these boomtowns, you're really  
5 seriously disadvantaged from the beginning, we have to crack  
6 that one.

7 Secondly, to the greatest extent possible we need to  
8 avoid the company town situation. I don't think there's a  
9 corporation around that wants to start a new company town  
10 because they've gone through the problems like Kennecott  
11 Copper did and Hilda was here to give you the word on that,  
12 and Hilda's a great star and a great person, and she took  
13 on big Kennecott in New York on their home turf, on their  
14 own home field and won.

15 And I'm not trying to castigate big industry because  
16 I don't think big industry is the culprit, I think it's just  
17 simply the fact that you've got to have social responsibility  
18 and that's what government's for.

19 So let's not have any more company towns started.

20 Thirdly, I think we've got to look at our tax  
21 structure to rework our, and provide state funds, trust  
22 funds, if you will, that come either from severance taxes  
23 or other kinds of things, and perhaps we ought to do that  
24 nationally so we don't have one state competing against  
25 another, if Utah puts a severance tax on its minerals, for

1 example, then will all the industry go to Colorado?

2 I think we ought to stay out of that, we ought to  
3 have perhaps federal laws, I know that's controversial but  
4 I think we've got to deal with that issue, and provide  
5 funds for the front end financing of sewers and the kinds of  
6 things that people ought to have, a little recreation space  
7 maybe in one of these boomtowns, a place for the kids to  
8 play ball and that sort of thing.

9 We need to provide under policy decisions, advocacy  
10 assistance for people who are impacted so they can stand up  
11 for themselves. Hilda Grabner had the advantage and the  
12 people of Lark had the advantage of being near a metropolitan  
13 area where some of our human thinking people were involved  
14 and helped them out.

15 And some places do not have that advantage. We need  
16 state legislation requiring tax revenues to go to the  
17 jurisdiction where the impact is really felt. It is  
18 absolutely incomprehensible to me that a county somewhere  
19 could get all the tax revenue from a boomtown and not be  
20 able to give it to the boomtown or be unwilling to give  
21 it to the boomtown.

22 I mean that, to me that could be just simply solved  
23 by state legislators with enough guts.

24 And then when we get down to the problems of human  
25 conditions, people that, wives and mothers who are forced to



1 stay at home all day because the husband's working two  
2 shifts over there building the new construction plant,  
3 going nuts with the children, and the resulting social  
4 problems that come out of that, the divorce and the estrange-  
5 ment we need good day care, we need family counseling in  
6 these communities, we need job counsel, we need good  
7 schools. If the states put any good social services any-  
8 where, it ought to be in these communities.

9 And yet in my own state and I'm not trying to indict  
10 my governor or my legislature, I think they're great people,  
11 but in my own state they are callous to that and I think  
12 they're probably callous to that in every state of this region  
13 and we need to start raising a little hell at our state  
14 legislatures.

15 I hope you can spell hell on the record there.

16 I really mean that. Because we've really got to go  
17 to our legislatures and say that.

18 I've got some other things here maybe I'll just give  
19 these to Shirley for the record, but we need to get specific  
20 about policy and really to become advocates for this cause,  
21 because if we don't solve this boomtown problem, to me we have  
22 failed in principle and we can feel very guilty.

23 Maybe it will not affect the broad brush of population  
24 that the enslavement of our Blacks affected or you know,  
25 the inadequate or the horrible treatment our Indian population

1 got in the old days and maybe are still getting, but still  
2 in principle and qualitative, we will have sinned just  
3 as much.

4 Thank you.

5  
6 (Applause)

7  
8 THE MODERATOR: Ted, your car waits for you at the  
9 front entrance and we will excuse you.

10 Our respondents include Alberta Henry, SAC chair  
11 from Utah, and Shirley Hill Witt, our director of region 8.

12 Do you have comments or questions or -- one never  
13 knows what Alberta is going to say.

14 MAYOR WILSON: We're on kissing terms.

15 MS. HENRY: Never pass up an opportunity, if it is  
16 presented.

17 THE MODERATOR: Right on, right on.

18  
19  
20 MS. ALBERTA HENRY

21  
22 A. (By Ms. Henry) My remark says Fred, you respond,  
23 I have nothing to say. Fred jumps up and says goodbye.

24 MAYOR WILSON: He's catching the same car at the  
25 front door.

1 THE MODERATOR: He's catching the same car at the  
2 front door that Ted is.

3 A. (By Ms. Henry) Well, I started off in the beginning  
4 that my suggestion was I enjoyed the consultation, it got  
5 rather redundant at times and tired me out, and I think  
6 every one felt it. I would wish, if there were going to be  
7 another consultation, that we would reverse the order and  
8 have this panel first so we'd have positive things and know  
9 so we won't reinvent the wheel all over again and we can  
10 really get down in it.

11 But the lady's told us we have to go through certain  
12 phase, did you not, from HUD.

13 Another thing is that --

14 THE MODERATOR: From HEW.

15 A. (By Ms. Henry) H-E-W, right?

16 DR. SUTTON: Right.

17 A. (By Ms. Henry) All right then.

18 Next I would like to say I would like to hear more  
19 about Utah, but I have been here since Wednesday and I had  
20 to wait until almost 5:00 o'clock when we were supposed  
21 to be closing to have someone on from Utah that couldn't  
22 give the whole speech.

23 So if this is a joint effort of six states, I have  
24 become an expert on the problems of energy in Colorado. I  
25 would like for the next one to, for the SAC's to be appraised



1 and we get speakers and presenters of papers from each state  
2 in this region. I mean in region 8 so that we could have  
3 a rather balanced kind of a thing and I could feel kind of  
4 good to arguing about all the mistakes that Utah has made  
5 and all of their prejudice, I didn't get to say any of them.

6 Well, I'll live till the next time. All in all, it  
7 has been good because it has brought controversy, it has  
8 brought thought, but most of all it's brought direction at  
9 the end and that's my critique.

10 THE MODERATOR: Dr. Hill?

11 DR. WITT: Thank you, nothing.

12 THE MODERATOR: Are there questions from the audience?

13 Thank you very much. Polly. I really think that  
14 the problem was that Alberta was jealous of my panel here,  
15 and weren't they spiffy? I thought so.

16

17 (Applause)

18

19 THE MODERATOR: On behalf of the advisory committees  
20 for the Rocky Mountain region, I would like to thank all  
21 of the participants for taking an interest in coming to the  
22 first national resource development consultation to be held  
23 by the United States Commission on Civil Rights. It was  
24 our purpose to explore what has been done to mitigate the  
25 potentially adverse cultural, economic and social effects

1 that resource development may have on the lives of minorities  
2 and women in the region. Our feeling was that little  
3 attention has been paid to the need for providing equal  
4 opportunities to minorities and women which would enable  
5 them to share in the economic benefits, resource development  
6 will bring.

7 We were also concerned that very little has been  
8 done to assure that the voices and interests of minorities  
9 and women are heard in places where energy policies are made  
10 and promulgated.

11 We have heard many things from many people these last  
12 two days, and have received much information concerning  
13 resource development in the region and how it has affected  
14 minorities and women. Each participant will receive a copy  
15 of his or her statement as transcribed by our Court Reporters,  
16 the proceedings will be published by the commission in the  
17 very near future, so that all of us will have a record of  
18 the vast range of information furnished here.

19 Let me remind you that anyone having anything to add  
20 to the proceedings should submit those comments or information  
21 to our regional office within the next 30 days.

22 I do thank you very personally for being here and  
23 for participating.

24 Omar, do you want to say something?

25 MR. BARBAROSSA: Yes, Ms. Aro, just and this is not

1 meant to be negative, but when people make comments they  
2 keep saying Blacks, and Native Americans, and women, and I  
3 just really want to say one thing, Chicanos are part of the  
4 system, we are here, I know that we don't wear our sombreros  
5 and you can't tell whether we're an Hawaiian or Russian or --

6 THE MODERATOR: But I knew, Omar.

7 MR. BARBAROSSA: But I'm saying okay, please try and  
8 be cognizant if you're a bureaucrat or a business person,  
9 whoever you are, that there are Chicanos.

10 THE MODERATOR: We are very aware and thank you very  
11 much. And Asian Americans also. That's correct.

12 Thank you so much, I feel it has been a very productive  
13 conference and I bid you goodnight.

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15 (Consultation adjourned)

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STATE OF ARIZONA        )  
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COUNTY OF PIMA        )

I, JAMES E. BOULEY, do hereby certify that I am an Official Shorthand Reporter; that I was present at the hearing of the foregoing matter; that I took down in shorthand all proceedings had and testimony adduced at said hearing; that the same was thereafter transcribed under my supervision, and the foregoing 555 pages represent a complete and accurate transcription of my shorthand notes so taken.

WITNESS MY HAND this 15th day of November, 1978.

*James E. Bouley* (signature)  
\_\_\_\_\_  
Official Shorthand Reporter