"When [Texas Indian casinos open], Louisiana will bite the bullet, because the biggest gaming revenue comes from Shreveport and Lake Charles. The house of cards literally will come down, and Louisiana will have a budget gap created by gambling. We will wind up busted and broke if we continue to rely on the gambling money."

— Rep. A.G. Crowe of Slidell

Gaming critics say the Coushatta affair shows that the industry is a magnet for waste, abuse and corruption. "The natural constituency of Indian casinos is nobody other than Jack Abramoff and his friends," says Alexis Johnson, an Arizona-based attorney who has served as an adviser to campaigns against the legalization of tribal gambling in several states. "Indian casinos are built for Jack. And it isn't actually the house that Jack built. It's the house that Congress built for Jack, and his friends, which includes Congress. That's the story of Jack."

The Coushattas and their supporters counter that the real story is how their tribal system demands accountability, and that they are proving they can handle their own affairs without outside oversight or interference.

Back in the spring of 2003, the Coushattas were expecting major increases in their "per capita" — the regular payouts from the casino to each of the roughly 550 members — since two years earlier the tribe had broken free of its contract with Lakes Gaming Inc., the casino management company. But the per capita still remained flat.

Amid rumblings about council members' activities, tribal members were also wary of Aubrey Temple, their politically connected CEO of gaming operations. Temple's insurance company, Southern Underwriters, was paid a $400,000 fee by the tribe back in 2001, but Temple was later unable to provide an accounting of the money. The discussions among neighbors led to crowded meetings in the council conference room. Local media began to pay attention, and Bethney Langley, a maverick Coushatta councilman who had loudly voiced concerns about the casino opening, pressed controller Erick LaRocque for specific facts and figures.

"I was kind of getting sick and tired of the whole thing, of being left out of the loop," says Langley. "I was being asked questions by members of the tribe, and I couldn't give them answers."

But Langley was leaving office, so when he received a memo from LaRocque, he passed it on to the newly elected David Sickey and fellow Councilman Harold John. In October, John and Sickey went to the media.

"What began as a pea ended up as this avalanche," says Shawn Martin, reporter for Lake Charles American Press. "If it had not been for a handful of people asking questions, sticking their nose where it didn't belong, I don't believe any of this would have happened. The memo got it all started. Langley and Flo got it to smoke, LaRocque added to it, and then David got it blazing."

The councilmen questioned millions in expenditures by Council Chairman Lovelin Poncho and fellow member William Worldt. LaRocque found that the tribe was losing $80 million in the red. About $34 million of the $37 million in spending he could document was taken from the tribe's sacred accounts — its health, education and social service funds.

In addition to the millions spent on lobbyists and attorneys, the Coushatta Empire Construction Co., owned by Lovelin and Worldt, lost about $18 million before it was sold. Another $600,000 was used for surveillance of tribal employees and members of other tribes.

"The money was going to Abramoff, as the tribe sought to prevent the development of competitive casinos by the Alabama-Coushatta Tribe of Texas and the Choctaw tribe of Miss. Ever the coming months, reporter Martin exposed Abramoff's connection with public relations executive Michael Scanlon in what the two called their "Gimme Fives" partnerships to share the fees from tribal clients.

Martin also revealed that Abramoff had paid more than $1 million to Ralph Reed, former executive director of the Christian Coalition, to run anti-gambling campaigns in the South that would discourage new competition. The money was routed through a number of entities to hide its origin so that Reed would not be publicly associated with gaming money.


"It's a little like a bad novel with many characters and subplots," said Sen. Byron Dorgan at a hearing last November. "Each hearing has raised even more questions and added to the bizarre twists of the story. Each successive hearing has also increased my concern about a political system that in these circumstances seemed to encourage and reward unethical behavior."

Among other revelations: that tribes had paid more than $6 million to Abramoff's Capital Athletic Foundation. Although the stated purpose of the fund was to pay for athletic programs, the vast majority of the money went to the Eshkol Academy, an orthodox Jewish school founded by Abramoff in 2002, and to Israeli sniper equipment and training in the occupied West Bank.

The Gimme Fivers also swindled $50,000 from the Alabama-Coushattas, even as they took rival tribes, such as the Louisiana Coushattas, for millions more. In e-
mails to Scanlon, Abramoff described his tribal clients as "morons," "the stupidest idiots in the land," "monkeys," and "troglobytes."

During the November hearings, current Chairman Kevin Sickey, David's brother, offered an account of the Coushatta history. The tribe had once commanded 22 million acres, but was stripped of the land during the Creek War of 1814. They've struggled to regain prosperity ever since.

They inserted themselves into our tribal affairs, excluded and attempted to discredit those who questioned or opposed them and deliberately caused paranoia on both sides by exaggerating threats from inside and outside the tribe.

Lake Charles reporter Matt Martin says the tribal leaders were seduced by their exposure to the lives of the rich and powerful in the beltway.

"It is a story about greed. It is a story about power," he says. "I can only tell you what I observed. William Worfel loved to talk about hopping the jet and going to Washington and being home in time that night to get to bed in his bed. These guys fell in love with that."

Worfel could not be reached for comment. But Porch's attorney, Thomas Lorenzi, says there was nothing native or foolish about his client's actions.

"If you are going to condemn them, then you have to say that the same is true of two major Washington law firms and several other tribes that are much larger than the Coushattas, not to mention Fortune 500 companies."

When the Indian Gaming Regulatory Act was passed into law in 1988, its intent was to create a revenue stream for poverty-stricken Indian Country. Gaming is supposed to be a means of "promoting tribal economic development, self-sufficiency, and strong tribal governments."

Indian Gaming is now a $19 billion a year industry, involving 228 tribes with 405 gaming operations in 30 states. And it is growing at twice the rate of the commercial gaming industry, according to a 2005 Indian Gaming Report by the Los Angeles-based financial consulting firm, the Analysis Group.

But the average per capita income for Native Americans overall remains less than $8,000 a year.

Indian gaming has also gained increasingly powerful political influence. In California, tribes have become the largest single contributor to political campaigns, spending $70 million in 1998 and one-fifth of all contributions in the 2003 recall campaign that brought Gov. Arnold Schwarzenegger into office.

"Like a darkened landscape suddenly illuminated by the sweep of headlights, the flash of the Abramoff scandal has thrown lurid light not merely on K Street, but also on a murky world of tribal gaming," wrote journalist Fergus Bordewich in an Jan. 5 op-ed piece for The Wall Street Journal. Bordewich is the author of the 1996 book, Killing the White Man's Indian: Reinventing Native Americans at the End of the 20th Century, which raises concerns about broad-ranging effects of tribal sovereignty.

In his WSJ editorial, Bordewich describes the inscrutability of the gambling operations:

"Gigantic sums disappear from public view as soon as they have left tribal jurisdictions, shielded from view and from outside regulation by the principle of tribal sovereignty, upheld by the Supreme Court, which regards tribes as autonomous 'nations,' enjoying self-regulation, immunity from lawsuit, and independence from state laws. In practical terms, they are also spared scrutiny by investigative journalism and citizen watchdog groups, which are almost completely absent on Indian reservations."

Gaming proponents dismiss these concerns as a rammed polemic that ultimately have a meeting with Jack Abramoff in Washington and being home in time that night to go to bed in his bed. These guys fell in love with that."

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Kevin Sickey
blames the true victims of the scandal: the tribes themselves. "All this talk of transparency, all this banging on the local tribal council ignores the fact that it was the Coushatta council that brought this story to light," says Coushatta attorney Jimmy Faircloth. "Where do you think the Washington Post reporters got their information from? They didn't get it from inside Washington circles. The Coushatta democracy worked," continues Faircloth. "It was the No. 1 catalyst for bringing Abramoff into the public light and out of the shadows."

when Councilmen Sickey and John decided to go public with the LaRocque memo, they did so over the objections of the council, which argued they had a duty not to disclose the tribe's finances. Many considered their actions as a violation of the oath taken by tribal councilmen to protect the tribe's finances. Many considered their actions as a violation of the oath taken by tribal councilmen to protect the tribe's finances.

As the battle rumbled in the press and in council meetings, the tribal court system was flooded with lawsuits. It was broken down along family lines," says Martin. "On this issue, you had half a dozen cousins fighting over who's right," adds Martin. There were members who were furious about the revelations of millions in losses, and others who remained loyal to Poncho and Worfel, who had been tribal chairman for 17 years.

The Coushatta tribe attorney Jimmy Faircloth says the main reform will be to establish accounting policies, but they did not elaborate on specific plans. And they do not plan to introduce sunshine laws that would open up council proceedings to the media and the broader public. The Coushattas reported to the U.S. Senate that their casino earns about $300 million a year. The operation employs about 2,500 people, with a payroll in the range of $80 million. Goods and services bought from Louisiana vendors total about $40 million, and the Coushattas contribute about $7 million in annual taxes to state and local governments. The tribal members receive about $40,000 a year, as well as assistance for housing, health, education and other social services.

Given these reports, the tribe should not really $150 million a year in profits, but the Suzuki says it's actually far less. Asked what they will do with the profits, they say the tribe needs to invest in diversification and start moving out of the gaming industry.

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Both proponents and opponents of Indian gaming agree on one thing: its glory days in Louisiana appear to be numbered. The Texas tribes are also sovereign, so inevitably they will move into the business. "When that happens, Louisiana will bite the bullet, because the biggest gaming revenue comes from Shreveport and Lake Charles," says state Rep. A.G. Crowe of Sulphur. "They house of cards literally will come down, and Louisiana will have a budget gap created by gambling. We will wind up bailed out and broke if we continue to rely on the gambling money."

As for whether the story of the Sickeys proves that gaming tribes can police themselves, Bordewich says: "The system may have worked this way in the past, but the broader public is watching the story of the revolving door tribal governments that have replaced reformers with venal individuals who don't share. There is a problem with the system; it is not just individuals."

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