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POLICY SPOTLIGHT

Unlocking Growth on Tribal Lands

Modern policy ideas that expand opportunity and reduce barriers to development

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Persistent uncertainty in Indian Country reflects structural features of federal policy rather than shortcomings of tribal governance. By situating recent empirical findings within a framework of sovereignty and accountability, this paper outlines policy concepts that could reconcile competing authorities while lowering barriers to investment.

The Case for Reform

Paternalistic statutes and split jurisdiction have produced legal uncertainty that suppresses entrepreneurship on Indian reservations in the United States. State taxes layered on top of tribal taxes deter investment, trust-land rules obstruct collateralization, and slow federal approvals delay projects. Empirical evidence suggests that when tribes control taxation, regulation, and judicial systems, growth and outcomes improve.¹

One policy vision emphasizes modernizing federal policy so tribes can govern commerce on their lands the way states do—with clear rules, local control, and accountability. This could take the form of policies that launch a 14-tribe pilot program with early-adopter tribes, apply the federal Bill of Rights protections, end dual state-tribal double taxation and regulatory overlap in Indian Country, and update jurisdictional rules designed to provide greater certainty for investors and families alike. Because the core reforms would be jurisdictional and preemptive, the overall budgetary impact can be expected to be near zero under PAYGO rules.

¹ See Thomas Stratmann, “Two Charts on the Reservation Economic Freedom Index (REFI), *Rules & Results*, September 22, 2025, <https://rulesandresults.substack.com/p/two-charts-on-the-reservation-economic>. Scan the QR code below for a full analysis and sources.



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Policy Concepts (at a Glance)

- Recognize inherent tribal sovereignty over people, property, and commerce within Indian Country—subject to the Constitution and explicit Acts of Congress.
- Launch a 14-tribe pilot; all other tribes transition through comprehensive self-governance compacts on a phased timetable.
- Apply Federal Bill of Rights protections within tribal jurisdictions and provide appellate access to federal circuit courts for non-members alleging violations.
- Remove duplicative state taxation and regulation in Indian Country; requires state orders to be domesticated in tribal court before enforcement in Indian Country; mandates judicial notice of tribal law.
- Clarify core case law (*Williams v. Lee*; *McClanahan*) to center territorial sovereignty and eliminate dual taxation; presumes tribal jurisdiction over all persons in Indian Country with narrow exceptions.
- Require public, searchable land registries to unlock private capital; authorizes dollar-for-dollar matching grants for tribes that assume full jurisdiction and generate sustainable revenue.
- Provide bond-and-banking parity and sovereign tax treatment for tribally owned enterprises.

Safeguards for Non-Members

- Federal Bill of Rights protections apply in tribal courts.
- Automatic access to federal appellate review for non-members in rights-based claims cases.
- Full faith and credit for tribal and state orders, with domestication requirements to prevent forum conflict.

Who Would Benefit

- **Tribal citizens:** clearer property rights, safer communities, and more job-creating investment
- **States:** cleaner lines of authority, fewer unfunded federal mandates, and reduced litigation
- **Taxpayers:** simpler rules emphasizing local accountability and market-tested growth

Quick Answers to Common Questions

- **Would such policy concepts require treaty renegotiation?** No. Policy concepts can be crafted to amend federal statutes and clarify jurisdiction; the goal would be to leave existing treaties unchanged.
- **Would non-Natives lose rights?** No. The Federal Bill of Rights would have to apply; non-members would have to retain access to federal appellate review.
- **Would the policy concepts need to comprise a one-size-fits-all mandate?** No. A 14-tribe pilot could be initiated to prove the model, and compacts would then be phased in nationwide with safeguards.

How Policymakers Can Engage

- Contact the author for a summary of draft legislative text on this topic.
- Meet with pilot-eligible tribes.