

## **ECONOMY: No easy answers in Indian Country...**

I and a couple of my associates in Charles Trimble Company were briefing then-Congressman John McCain, Rep-AZ, on our findings in a recent study we had done. It was January 28<sup>th</sup>, 1986, in the boardroom of the American Indian National Bank in Washington, DC, a date I remember well because of the reason the meeting was abruptly ended. Well into our presentation, a staff member came into the room and handed the Congressman a note with the breaking news that the space shuttle Challenger had just blown up killing all the crew. The meeting ended there.

We were briefing the Congressman on Enterprise Zones, Foreign Trade Zones and other tax and trade incentives and how they might be applicable to Indian reservations to help tribes attract industry and capital. Enterprise Zones were being considered by Congress for enactment, and we wanted to make sure that Indian tribes were included as eligible entities for their tax relief provisions.

This all came back to me recently when I read a column by national columnist Tim Giago, "Jobs and Homes in Indian Country;" and the statement that caught my attention was this: "Congress has the power to make a dramatic difference. It could offer financial incentives to any major corporation willing to build a factory on the reservation."

Back then in that meeting with McCain, I might have agreed with Giago's statement regarding incentives to attract industry. But subsequently we learned that it wasn't all that simple. In meetings with executives of major corporations we did a simple survey in which we had listed various factors and asked them to prioritize the influence of each factor on a decision to locate a factory at any particular area.

They listed things like markets, infrastructure, municipal services and transportation as high in their considerations, and especially the availability of a motivated and job-ready work force. Tax incentives, however, were low in their priorities. Such incentives, they said, might tip the scale if two equally attractive prospects were in contention.

The absence of most of these priority factors are immediate disincentives for businesses that might consider moving to a reservation; but the biggest problem is the work force factor. We got an appreciation of this problem later when we did an economic base analysis for a tribe in the northern plains.

This tribe was led for many years by a very effective Chairman. Several factories filled the tribe's industrial park, including one with large defense contracts, and jobs were plentiful. The tribe's Chairman had done creative marketing to attract those industries; including assuring them that the tribe would help offset early losses due to training needs of its members.

We interviewed executives of those factories and learned that their first few years of operation had employee turnover rates as high as 200%, with much absenteeism. But the patience asked of them by the tribe's Chairman ultimately paid off with a stable work force in the factories.

However, this reflected a situation that plagues many tribes in their economic development efforts, whether it is a local tribal initiative or an outside industry: an unmotivated and undependable work force – in short, lack of a work ethic.

In the northern plains especially, it is likely that many reservation families are in their third generation of joblessness, and totally dependent on welfare. This chronic state of joblessness results in not only lack of experience, but lack of confidence and motivation.

And regardless of whatever excuses or reasons might be given for the absence of – or even the rejection of -- the “white man’s work ethic,” the results nevertheless are the absence of industry and jobs on the reservations. And that is the principal reason for our poverty.

Many of our people have become dependent on the federal and tribal governments to provide the necessities of life. It is a fact that much of this results from a century of Indian policy in which the federal government assumed an overly protective -- even stifling -- role as trustee, and viewed the role of the tribes and their members as that of incompetent wards. This was done, not just in accordance with fiduciary responsibility, but more as a means of keeping Indians under their control. The results were lack of economic development and wholesale dependency.

As to attracting industry, it is a very difficult thing, even with generous incentives. And as we also learned in our work, we should not expect big business to do anything out of a sense of altruism. Doing “good” means little to them, unless by doing good they can make money in the process. Their business is that of making money, and not giving it away. To the contrary, any altruism on their part is often to cover sleazy motives.

In our studies we found that several manufacturing businesses offered to tribes by large corporations, although they presented as benevolent gestures, were actually businesses that were failing and were being dumped on unwary tribes that were desperate for jobs, and thus vulnerable to such chicanery.

Once again, the challenge comes back to the tribes and Indian leaders.

It does Indian country no good to have the answers to our economic problems over-simplified as only a lack of government assistance or legislated incentives. And it doesn’t do us any good to blame others – our federal trustee or greedy big business. We must take it upon ourselves to correct the deficiencies and disincentives in our tribal communities.

It’s not just a case of jobs training, but one of teaching the work ethic from an early age, including hands-on experience at jobs, no matter how menial. Tribes might try sponsoring programs for youth to clean up the villages and the countryside on reservations, restoring cemeteries, or serving in internship programs in tribal and federal offices. The program could include teaching about the real world discipline of the work ethic. Other programs could start the process of teaching the youth budgeting and saving with the money they earn from their jobs.

This all may sound simplistic and preachy but the process has got to start somewhere.

Again, no one can do it for us; certainly not the government, although the feds should not be let off the hook for things such as seed financing and training, and trust-related development.

And finally, we don't need anyone making us feel good with excuses for our deficiencies. It might be said that our people on the reservations are choosing preservation of traditional Indian ways and rejection of white man's ways, and other excuses and shibboleths some scholars and writers use to patronize Indian people. I knew many very traditional people in my village of Wanblee, men like Louis Whirlwind Horse and Luther High Horse and others, who had an excellent work ethic without sacrificing a bit of traditional culture.

But if we accept the attitude of "our ways, take it or leave it," then we should not cry over the consequences of dependency and poverty that inevitably result.

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