

INDIAN TRIBES AS IMPORTANT PLAYERS IN THE FINANCIAL WORLD...

In a recent column, Indian columnist Tim Giago brings up an interesting point about Indian tribes as vulnerable players, willingly or not, in the stock market and money markets in today's volatile economy.

I'm not sure, as he indicates, that the Black Hills claims funds appropriated by the US Congress several decades ago are invested in the so-called "stock market," or they are collecting interest in the US Treasury as the US government borrows from the funds as it does from Social Security; I have never understood that, nor do I understand it now.

As I recall, those funds are laying in the US Treasury because the Sioux tribes have declined to accept the funds for fear of forever surrendering any claim to sacred lands in the Black Hills if they do accept them. It is a noble stand, indeed, showing the world the value that our tribes place on those things sacred to our heritage, and the importance of "place" to the Lakota, Dakota and Nakota peoples involved.

Nevertheless, it should be important for tribal councils and other groups representing tribal communities and boards to become more literate in the concepts of finances, currency, trade, and monetary values. The tribes and the individual Indian trust accounts have much at stake in the capitalist system that is America; they are important players.

But there are many instances of tribes and tribal organizations being victimized by brokers of get-rich schemes. Cumulatively, tribal losses to these schemes would likely add up to the massive scale of the Indian Trust Funds losses brought to the front by Ms Eloise Cobell's on-going litigation.

Several years ago, I had heard of several school boards in South Dakota that were influenced to invest funds in the risky and complicated "derivative" market that was hot and controversial at that time. They lost significant funds in the crash of that market. Although the lost funds were vital to the education of Indian children, it never became a big issue because of the embarrassment it would have caused the tribe, the school board members and the now-defunct newspaper that covered such issues. It seems that the agent who sold the school boards on investing in that market played on their trust or their fears because she was closely connected to a powerful person in their daily lives.

I'm sure that the list is long of tribes that have been taken in investment schemes since the sale of Manhattan (if it were a sale). But it points out the need for tribal governments to understand the system.

Someone told me recently that the First Nations Financial Project, parent of the Lakota Fund and other innovative projects to help Indian communities in economic development at the grass roots levels, has begun an effort to help tribes become more financially and economically literate. If this is true, they are to be highly commended, as they well deserve anyway, for as the tribes become more independent as governments, and more in control of their resources - natural, economic and financial - they must become more informed on how to make the most of those

resources for the benefit of their people, and how not to be ripped off by shysters.

The choice of the tribes is not simply of getting into the “markets” or not, but how to do so and whom to trust in the management of their finances. Even the simple method of putting the tribal funds into operating accounts or any other interest-bearing accounts in local banks places them squarely in the economic and financial systems of their counties, states, regions, and national and international capitalist systems.

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Charles Trimble, Oglala Lakota, was born and raised on the Pine Ridge Indian Reservation in South Dakota. He was principal founder of the American Indian Press Association in 1969, and as Executive Director of the National Congress of American Indians from 1972-1978. He is retired and lives in Omaha, Nebraska, with his wife. He can be reached at cchuktrim@aol.com.