

UCLA

American Indian Culture and Research Journal

Title

What Can Tribes Do? Strategies and Institutions in American Indian Economic Development. Edited by Stephen Cornell and Joseph P. Kalt.

Permalink

<https://escholarship.org/uc/item/3hs0v8dr>

Journal

American Indian Culture and Research Journal , 17(2)

ISSN

0161-6463

Author

Smith, Dean Howard

Publication Date

1993-03-01

DOI

10.17953

Copyright Information

This work is made available under the terms of a Creative Commons Attribution-NonCommercial License, available at <https://creativecommons.org/licenses/by-nc/4.0/>

goal of this review is to increase the dialogue between these groups, to their mutual benefit.

Ferguson and Whitehead have assembled considerable material with which the history of Indian-white relations can be compared and contrasted. From their evidence, it is clear that North America is far from unique. However, it does seem to be distinctive in the intensity of the effects of European actions on tribal peoples. Whether this is due to differences between ancient states and European states in recent centuries in technology, political power, and economic power or the complexity of the European trade network remains to be studied. It is also possible that the difference may be merely an artifact of distance in time. From the perspective of two thousand years ago, a century may seem like relatively rapid conquest, whereas from the perspective of 1993, a century constitutes nearly half the history of the United States as an independent state.

Precisely because scholars of Indian-white relations have studied North America so intensively, they have much to contribute to the attempt to understand the patterns and processes of state-tribe interaction, and warfare generally. Conversely, the attempt to understand those patterns is a rich field for new insights and research hypotheses for students of Indian-white relations. *War in the Tribal Zone* is an important contribution and an invaluable asset to interchange among scholars interested in the patterns of interaction between states and tribes.

Thomas D. Hall
DePauw University

What Can Tribes Do? Strategies and Institutions in American Indian Economic Development. Edited by Stephen Cornell and Joseph P. Kalt. Los Angeles: American Indian Studies Center, UCLA, 1992. 336 pages. \$15.00 paper.

Much has been written concerning the dilemmas, and the causes thereof, facing Native American tribes in the United States. The legal issues and federal debacles have been explored in great detail. This book focuses on a new approach: Given the past turmoils and the current status of reservation economies, what are some practical solutions that can lead to economic development, true sovereign government, and cultural

sustainability of the tribes? This is an important book because of its "can do" philosophy.

Cornell and Kalt have edited a useful and directly applicable book stemming from the Harvard Project on American Indian Economic Development (HPAIED). The introductory paper, written by the editors, focuses the remaining papers:

In fact, many tribes pursue development backwards, concentrating first on picking the next winning project at the expense of attention to the political and economic institutions and broader development strategies. Development success is marked, in part, by sustainability of projects. Generally speaking, only when sound political and economic institutions and overall development strategies are in place do projects—public or private—become sustainable on reservations (p. 14).

This conclusion was reached during extensive field research by HPAIED and through analysis of available data. Following the Harvard bent on institutional aspects of governance, the papers contained in the book then proceed to focus on several aspects of tribal institutions that may lead toward economic development.

Comparing this work with Robert H. White's detailed work (*Tribal Assets: The Rebirth of Native America*, 1990) provides support for Cornell and Kalt's arguments. White describes five reservations that have had relatively great success in developing their economies. All five of these reservations confirm the thesis that stable and purposeful institutions and broad development strategies provide support for sustainable development of specific projects. Recent fieldwork by this writer also finds tribal interest in developing the stable institutions prescribed by Cornell and Kalt. The White Mountain Apache are revamping their structure to allow for tribally incorporated limited liability businesses; Cochiti Pueblo has restructured its development corporation to provide more stability and tribal governance; the Hualapai Nation is developing the framework for a Department of Planning, Development and Vision; and the Oglala Sioux tribe is interested in developing a commercial code and a body of regulation to govern entrepreneurial activity. Thus, it is apparent that the overall philosophy and the specific details of the book have important lessons for tribal leaders and those interested in developing the reservations.

While space restricts the possibility of analyzing all the chapters in the book, four appear to have vital aspects worth discussion.

Cameron's paper on the formulation of an economic development corporation (EDC) includes several aspects vital to an EDC and other institutional structures of tribal government. First, it has become clear in research in the *Journal* and elsewhere that there needs to be a separation between tribal decisions for the long term and the day-to-day management decisions involving tribal business. Cameron details one specific structure to be used for this purpose. By separating the two, the tribal government can focus on those issues of sovereignty and long-term growth, thereby leading to effective self-governance. In the meantime, the management of the EDC can focus on the important business issues at hand. This does not mean the EDC is independent of the tribal government; rather, each facet of the now-expanded government can focus on those issues pertinent to its primary mission.

This separation of powers argument is furthered in the Nissenbaum and Shadle paper on developing a land use planning system. Using the Puyallup tribe as an exemplar, they offer a detailed structure for the design of land use planning that takes into account the interests of the tribe, individual tribal members, and the surrounding communities. Most importantly, the land use plan takes into account the vital cultural importance of the fisheries: All land use plans must account for the direct and indirect impact on the fisheries. This strategy is vital for any tribe planning for its future. Although different tribes have other vital aspects of their environments, the Puyallup example is amendable for other tribes. As with the Cameron paper, the authors provide for oversight and guidance from the tribal council, but the details are left to the planning board: the experts. One major omission in the planning schema set forth by Nissenbaum and Shadle is the complete lack of recognition that the BIA must make final decisions on any trust status land.

The third paper of specific importance is the Krepps paper, addressing the success of 638 forestry programs. For tribes concerned with the viability of self-governance, this paper leaves few questions. The results of Krepps's statistical analysis clearly point to increases in profitability, revenues, and efficiency when tribes take over their forestry programs. But more important are the secondary implications of this research. Tribes can run and operate their own businesses, and the more they do so, the better they get at it. In keeping with the above arguments, the 638 legislation includes requirements of detailed institutional structures for those tribes taking over the forestry program. But once those structures

are in place and the tribal council makes the long-term decisions, and the management of day-to-day operations are left to management, it is clear that tribes are capable of running efficient and profitable enterprises.

The fourth paper of interest is the Cordeiro paper, concerning tribal bingo operations. As Krepps did, Cordeiro conducts a statistical analysis of those tribes with data available on their bingo operations. The analysis provides an overview of the important variables and questions concerning bingo and other types of business. The important conclusions from his analysis point toward those variables important to any business: distance from the consumers, management structure, competitive proximity. The analysis is easily understood and applicable to a wide variety of other industries. Bingo and other gaming activities are very transportation-intensive, since each customer must drive to the gaming hall; therefore, the surrounding population is very important. But what about isolated tribes? Rosebud Sioux and Hualapai do not have much potential for gaming. Although not mentioned in the subject paper, these tribes should then focus on those industries where transportation is a minor portion of the product. The Cordeiro paper is appropriate for readers concerned with gaming operations as well as other types of enterprises, because it explains what variables to measure and analyze. Tribes need to identify their areas of competitive advantage and develop in those directions. This paper presents an acceptable econometric model to begin the identification process.

While this book has many areas of important discussion and detail, it is not perfect. Basically there is one large area of omission. Although the Troster paper addresses the distinction between the mindsets of the dominant society and those of Native American tribes, the book seems to forget the importance of distinctions between tribes. Cornell and Kalt's earlier work (for example, "Pathways from Poverty: Economic Development and Institution-Building on American Indian Reservations," *American Indian Culture and Research Journal*, 1990) examined these differences. Troster discusses a "pan-Indian" mindset but never really details the essentials of formulating institutions' structures in the context of tribal traditions and sociology. The Cornell and Kalt paper does discuss distinctions between Apache and Sioux cultures but does not extend these ideas. For example, the discussion of the Puyallup land use structure takes into account the local importance of fishing. In a Hopi context, this could be adapted to water utiliza-

tion or the degradation of spiritual shrines (see above). The book is lacking in this sense, in that the concluding chapter by Trosper should have addressed the possibility of tailoring the specific details in the previous chapters to tribe-specific norms and cultures. Of course, this is the problem with any collection of readings.

This is an important book. Anyone with interests or responsibilities in designing functioning tribal governments needs to read this book. As tribal governments develop, so do the economies of the tribes. As tribal economies develop, so do the tribal societies and cultures. Tribal sovereignty and cultural integrity are vitally important to Native Americans, and thus this book can help develop those institutions necessary for that development and sustainability.

The book has been used, in conjunction with White's book and other readings, to teach an economics course discussing the "Economic Development of the Reservations." It has also formed the focus for a tribal leaders' conference given by the National Executive Education Program for Native American Leadership. In both cases, the students and tribal chairs/presidents/governors found the focus on institution-building to be a vital core of their concerns with respect to developing self-governance and cultural sustainability.

Dean Howard Smith
Northern Arizona University