

We place our faith in development: the development of resources and the development of people. We intend to accelerate and improve education at all levels. We intend to accelerate and improve economic growth on the reservation. We are calling these programs the "New Trail", and that is the subject of my remarks tonight.

Many of our older service and assistance programs in the Bureau--such as education and forestry--passed the half-century mark long ago. Our oldest irrigation enterprise (the Lower Colorado River Project) will soon be 100 years old.

Yet, despite this long record of national concern for the welfare of Indians, despite the rapid expansion of our Indian programs in recent years, what is the situation today? Adult Indians are, on the whole, only half as well educated as other Americans; they live only two-thirds as long; and their annual incomes are somewhere between one-fourth and one-third as large. Unemployment, let me add, is between six and seven times the national average.

I feel sure there is no need to dwell to this audience on the human actualities that lie behind these depressing statistics. They add up to poverty; a crushing, grinding, soul-destroying poverty that our national conscience cannot tolerate.

Now why is this? What has gone wrong? Is it a money problem? I think not. The Congress has been generous with public funds on the reservations. From the beginning of the country up to 1960 about three billion dollars has been appropriated for services to Indians. Between the Indian Health Division of the U. S. Public Health Service and the Bureau of Indian Affairs we are currently spending in the vicinity of a quarter of a billion dollars annually on services to Indians. For the coming fiscal year our two agencies are asking the Congress to provide about \$725 for every Indian man, woman, and child.

These huge sums are necessary; but the long-standing poverty on the reservations shows that the problem cannot be solved merely by pouring in more and more public money unaccompanied by other changes.

Is it the fault of the Bureau of Indian Affairs? Since its creation the Bureau has been a favorite whipping boy for those who desire better results but are not necessarily familiar with the problem. The Bureau has also been the target of merited criticism from those who are better informed and just as sincere. We are a public agency and we do our business in the spotlight of public attention. We need and invite public scrutiny. I do not propose tonight to defend the Bureau from its critics. We are a competent organization and we do not consume our appropriations to sustain ourselves. Ninety percent of what we receive goes out in services and benefits to Indian tribes and individuals.

Strung out along the East Coast of the United States are dozens of small Indian communities and many thousands of Indian individuals who are not Federal-service Indians. They are the remnants of the bands and tribes with whom our Colonial ancestors made settlement for lands and forests long before the formation

of the Federal union. Their property is unrestricted; their standing in the law is exactly the same as yours and mine. On the whole, they are poor people with all the social ills that poverty brings with it. But they have never received services from the Bureau of Indian Affairs and their poverty cannot be attributed to it.

Is it, then, the fault of the Indians that they find themselves today at the bottom of the national economic ladder? Have they simply failed to make the most of their own potentialities and of the opportunities available to them?

Group indictments are repugnant to all thinking people. There are too many Indian individuals of high achievement in business, the professions, and public life to let such an allegation stand. Moreover, Indian tribal enterprises are already hitting the mark in such varied fields as commercial tourism, the livestock industry, forest products, commercial fisheries, and many others.

Some people think the reservation system itself is responsible for Indian poverty. To test this proposition, let us look at Oklahoma. There the reservation concept was never fully developed. Moreover, Tribal governments there were stripped of their principal functions with statehood, more than half a century ago. Indians do, in fact, have a fuller participation in community life in Oklahoma than in most other States. And this fact tends to support the proposition. But Indian poverty has not been eliminated in Oklahoma, as any Oklahoman can tell you.

Closely associated with reservation life in some parts of the country is the Allotment Act of 1887. With the exception of the eastern side of the Navajo Reservation, there are not many allotted lands in the southwest. Across the Northern Plains, however, the consequences are distressingly evident of what was intended to be a great reform, undertaken toward the end of the last century.

In brief, the Allotment Act intended to "civilize" (or as we now say, to "acculturate") Indians by individualizing their tribal land holdings. Each head of a family, his one spouse and their minor children, was given a piece of land. To protect the ownership, a trust title was established for a 25-year period, after which it was believed the acculturative process would be complete and the Government's protective relationship could be severed.

The tragic consequences in the loss of land ownership were with us until the Indian Reorganization Act. The economic aftermath is still with us.

The first trust period began to come to an end in 1912. Large-scale loss of ownership began immediately. Altogether, before the extension of trusteeship by the Act of 1934, 90 million acres of land--nearly two-thirds of the Indian estate--passed irretrievably from Indian ownership.

We need to reflect on the lessons of allotment. In retrospect we can see that our forefathers had the cart before the ox. They thought the elementary family of one father, and one mother, and their unmarried children, was the

natural way of life of all mankind. They thought every pioneer lived on a farm with a frame house, barns, fences and fields, because the land came in natural units of 160 acres.

Experience has taught us that people hang onto land only if it has meaning to them. And anthropology tells us that people have land use and ownership patterns because their culture tells them what they have is right, not the other way around.

Allotment cannot be the sole cause of poverty on the reservations. If it were, all the unallotted reservations here in the southwest would be rich. Here we would have no problems of land use and ownership, and plainly this is not true.

Finally, there are those who would lay blame on the Indian Reorganization Act and its philosophy. The philosophy of that act is to protect tribalism; and tribalism, they say, is the evil that lies behind poverty. I cannot accept this.

Tribalism is not an evil; and in any case its elimination or perpetuation should not be the choice of the bureaucrat. It should be for those who choose to live within tribalism to continue it; and for those who choose to live outside of it, to part company with it. Some, but not all, Indians prefer it. We do not solve other problems by compelling people to give up a form of association which they had before we came here. We should respect the freedom of association of Indians under tribal government just as we respect other ways in which people band together for their mutual advancement and comfort.

There you have it: This is what we call "the Indian Problem." A national conscience; appropriations; a big bureau; and the end result: Poverty.

I think there is a way out. It is not a panacea. There is no magic in it. It requires much work and patience and above all, respect for a way of life that is different from ours. The way is the path of economic development outlined in the report of the Task Force.

The central goal of economic development, of course, is to increase employment and income, and to raise living standards. Our starting levels on the Indian reservations are, quite generally, very low. We are dealing with about 380,000 Indian people, of whom perhaps 100,000 are employable, in terms of age, physical fitness, and other pertinent factors. About 40 percent of these--roughly 40,000 persons--are men and women currently out of work. With respect to the country as a whole, we are concerned when unemployment rises much above four percent. When the national unemployment rate gets into the neighborhood of six percent, where it now is, we recognize that the situation is serious. A local area where unemployment runs as high as 12 or 15 percent is classified as one of serious labor surplus. Yet on the reservations we find rates averaging 40 percent and running much higher than this on some reservations at some seasons. This is a measure--a very basic one--of the difficulties to be overcome.

It is clear that under such circumstances, a task force report is one matter, acting upon it is quite another. It took some months for us to develop a program of economic development, to obtain approval of the necessary budget and Congressional appropriations to fund our requirements. Increased staff was needed, and this meant recruiting people qualified for the wide variety of positions called for. Economic and community development is not a process that can be turned on the way we turn on water from a faucet. And as we have prepared to step up our developmental efforts, we have sought also to understand more fully the requirements of economic development. There are certain basic similarities between these requirements on the reservations and the requirements of other underdeveloped communities and areas.

A common characteristic of underdeveloped communities, on reservations and off, at home and abroad, is lack of capital. Without capital, a community must lead a hand-to-mouth existence, and the hand cannot be really productive nor the mouth well fed. To accumulate capital out of precariously low incomes is extraordinarily difficult; that is why poverty-stricken communities and Nations tend to remain poverty-stricken. Some outside force, an economic lift from outside the community, is one way--often the only way--of breaking the year-in year-out cycle in which poverty breeds poverty.

There are two broad kinds of capital, private and public. One takes the form of factory buildings and equipment, of trucks and bulldozers, of stores and the goods that stock their shelves--all the private capital that makes it possible for business to operate. The other kind--public capital--takes the form of roads, waterworks, and sewerage systems, of schools and hospitals, of fire-fighting equipment, public auditoriums, and the whole apparatus of law and order. These, too, are essential to the operation of business and of the community. Both are capital and the Indian reservations are starved for both kinds. Unless public capital is provided, business opportunities can hardly be opened up. And unless business investors can be attracted, reservation resources cannot be made to yield the expanded employment and income that is urgently required.

We recently made some estimates of the public capital requirements on the reservations. We took a hard look at where we stood in our Bureau public works programs and what we would have to do to bring them completely up to date, with no backlog of unfinished business. The results were impressive--and sobering.

Roads are basic to modern life; they bind a community together and they open up the outside world. Without an adequate transportation system, economic development has no chance even to begin. We estimate that it would take more than \$170 million to build the roads that are needed on the reservations today in addition to those we already have. Under our current program it would take us more than 10 years simply to catch up on the roads that are needed--needed today, not 10 years from now.

I don't need to tell you how important schools are. They are important in terms of human development and fulfillment. Moreover, undereducated people will never catch up in economic terms with the rest of the country--or indeed with the world.

Our school construction requirements, including our boarding schools and staff housing, would require more than \$120 million to be brought fully up to date. Here we are not so badly behind; at current rates we should wipe out the present backlog in a very few years.

Our community water and sewerage systems, which are built by the Indian Health Division of HEW, are \$65 million behind. It would take 16 years at present rates of expenditure to complete construction on that scale.

And so it goes, right through all 12 categories of public works on the reservations. The total of all these estimates comes close to one and one-quarter billion dollars. This is the equivalent of 14 years of our current public works programs.

If all reservations were 14 years behind and if all shortages of public capital had to be made good before business capital could be attracted, the situation would of course be quite impossible. Fortunately some reservations are significantly better off than this and some have already made an impressive start in business development.

We are already making a start in overcoming the lack of both kinds of capital-- public and private--and the lack of employment. It is only a start, but we are making it.

We are using the Accelerated Public Works program to step up our investment in a wide variety of public improvements. We are moving to attract private capital to specific opportunities on or near reservations and to lay the foundation for much broader private investment.

Faced with unemployment approximating 40 percent, the Indian people require immediate employment as well as the prospect of jobs in the future. The great backlog of public works means that useful employment could be created if the funds were available. And the Accelerated Public Works appropriations are providing additional funds.

Late last year Congress appropriated \$400 million for use across the country and is expected to follow shortly with an additional \$500 million. All this is to relieve unemployment and stimulate economic growth in distressed areas. Indian reservations qualify; so far we have 88 Indian projects going in 19 States, and on February 15th last we had 2,700 Indians at work on these projects. Of course, this means that less than 10 percent of the total reservation unemployment has been absorbed, but the improvement is most helpful in one of the bitterest winters in history.

In addition we are pushing "force account" work. This is the name given to public works projects when the Government does the building itself instead of letting contracts. The importance of this to Indians is that when the Bureau of Indian Affairs does the work, we employ nearly all Indians. Under our programs we have buildings going up, we have road work to do, we schedule major alterations to existing buildings. These and other activities in the Bureau can provide work,

training, and income for Indians. This year about 50 percent of our road construction and nearly all our building repairs and road maintenance will be done by Indians under force account.

During fiscal year 1962 we increased the number employed under force account by 987, of whom 776 were Indians. During the last six months of 1962 an additional 644 were employed under force account. In the current year nearly \$30 million is going for force accounts. This is more than twice as much as was spent in this way as recently as 1961.

These are steps we are taking to achieve the most rapid possible expansion of employment. We are also opening the way for employment and income that will benefit many thousands of families. Hopefully entire communities will achieve the "break-through" to well sustained economic self-support.

We are working at this along several lines, some fairly well established, some entirely new. One of the former, which originated only a few years ago, is our program of adult vocational training.

Under this program Indian young men and women over high-school age but under 35, can apply and receive up to two years of vocational training in the occupation of their choice and in an approved training institution. One hundred percent of the expense is provided by the Federal Government, including transportation, tuition, health insurance, tools and supplies, subsistence for the trainee and for his family if he has one. Uncle Sam doesn't have to do this--he does it because he wants to and because it is bringing results.

Eighty-two hundred men and women and their dependents--more than 22,000 Indian people in all--have been helped under this program since it started a few short years ago. The progress of the Indian people under this program is one of the finest things that has ever resulted from anything done by the Bureau of Indian Affairs. Eighty-six percent of those who have taken the full training course are employed full-time and gainfully in the vocation of their choosing. This is a truly remarkable record.

Another program that is receiving fresh emphasis today is that of employment assistance. It was originally conceived, about a dozen years ago, as a program of "relocation," of training Indians for jobs far away from the reservation and helping them to move there--from the Great Plains to Los Angeles, for example. Today we are bending our efforts to help people prepare for and find jobs near home as well as far away. These jobs may be in factories located on or near the reservation, or in enterprises that the tribes themselves may establish. The employment assistance program, broadened in this way, is part and parcel of our program of industrial development.

Industrial development, inaugurated in the middle 1950's, was initially conceived as a program to interest manufacturers in the special skills of Indian workers and establishing their plants on or near reservations. Today we are better staffed and more fully prepared than ever before to work with manufacturers on plans to establish plants in Indian country. In such planning we draw, of course, on the varied sources of financial aid available through the Small Business

Administration, the Area Redevelopment Administration, and other agencies. We are better prepared, also, to cooperate in on-the-job training for such plants. We are better staffed to work with the Indian people and their governing bodies in exploring their economic potential, understanding the requirements of private business, and organizing to meet those requirements.

We are now assisting the Indian people to look at their resources with a fresh eye, to discover what potentials exist alongside that of their natural aptitudes and trainable skills. Many reservations lie in country of great beauty. In a period of rapidly increasing demands for recreation, the Indian lakes, forests, and streams have great potential value. Of equal importance to many tribes are mineral and forest resources that have never been suitably studied or opened up to well-planned commercial development. We are cooperating closely with the tribes, moreover, in making sure that land use, whether for grazing, irrigation, or other purposes, is made as beneficial to the Indians as possible.

Thirty-eight studies of potential economic development on Indian reservations have thus far been initiated jointly by the tribes and the Bureau. Twenty of these are being undertaken through contracts financed with Bureau funds. Another 18 studies are being undertaken with funds from the Area Redevelopment Administration.

Not all these potential developments will prove feasible, of course, but we have reason to be hopeful that a high proportion will lead to investment and employment within the next few years.

The New Trail along which we are moving with the Indian people is the sound path of economic development. It is the path the advanced Nations of the world have followed to the achievement of high production and high living standards. It is not an easy path, nor can we expect progress along it to be rapid. The main thing is that we have made a beginning.

President Kennedy tells a story that is appropriate in this connection. It concerns the famous French marshal, Lyautey, who in his retirement devoted himself to the daily supervision of his estate. He instructed his gardener one day to plant a special tree, saying he wanted it planted the very next day. "But Marshal," exclaimed the gardener, "That tree will not bloom for a hundred years!"

"In that case," replied the marshal, "plant it this afternoon." I think the President's story speaks for itself.

X X X