



There has been much soul searching on the Indian issue in recent days. Two weeks ago I spent three days in Santa Fe with Congressional leaders and top officials of the Indian Bureau discussing the Indian problem. In my judgment we are at a turning point in Indian policy -- and the States have a very big stake in the decisions which must be made in the months ahead.

Some of you may say to yourselves "Yes, Indian policy has often failed -- and it is all the Federal Government's fault." This, I submit, is a very easy generalization -- as easy as the effort of some to pin all the blame on the Indian Bureau.

To be utterly honest about it, all of us have failed -- and I fear we will not succeed until we re-orient the whole effort and enlist the best efforts of all governments -- and the best brains of private industry as well.

It is true that the Indian Bureau might have done a better job -- but it has been working with outdated tools and outmoded institutions; it is true that the performance of the Interior Department as a whole has not been adequate; it is also true that the Federal Government has failed to marshal all of the resources available to it to aid our Indian people; and, finally, it may be likewise true that the Secretary of the Interior himself -- the trustee and outmoded "White Father" -- has failed, up to now, to provide the leadership needed to lead our Indian people out of poverty and into the mainstream of American life.

Having performed this mea culpa, let me quickly add my conviction that the States and local governments of the West have also failed to do their part to make a new day and a new hope possible for their Indian neighbors.

What are the facts in 1966 about the attitude of State and local governments toward the Indian citizens of their States?

I recognize that several States provide school and welfare service on the same basis as for their other citizens -- and some of you may consider my criticism unfair. But to speak in general terms, it has been my experience that many States firmly resist assuming responsibilities for their Indian populations even when these responsibilities rightfully belong to State and local governments; such States consider their Indians "Federal" rather than State citizens and regard Indian advancement as a 98% "Federal problem."

Few States have acted to encourage the development of Indian

resources; few States have even recognized -- much less done anything about -- the special education needs of Indian youngsters (in spite of the fact that more than 2/3 of all the Indian children in the country are enrolled in public schools); few States have really encouraged Indians to participate fully in their political life; and many have been indifferent much of the time toward the general welfare of their Indian citizens.

I am not suggesting that all of the Federal Government's responsibilities towards Indians should now be shifted to the States. I am intimating that most of the western States have done too little too late to aid the cause of Indian development.

Some States, worse, have missed what I believe is the main point -- that the economy of every State will be strengthened as the Indians are helped to develop their human and natural resources to the maximum degree possible.

While there is much the Federal Government can and will do, I know very well bringing them into the mainstream of American life will depend more on the Indians themselves, the assistance and encouragement given by their neighbors and the State and local governments in eliminating discrimination and equipping them for modern American life.

In our Federal system almost every function or service provided by government is a cooperative one involving every level of government to some degree. Whatever may be the trends in other areas, Federal responsibility will decrease and State increase as we succeed in moving the Indians into the mainstream.

Today in several States the most valuable tracts of land for city development are owned by Indians. In some States the most valuable undeveloped farm lands, the best stands of timber, and finest outdoor recreation sites (ski slopes, trout streams, lake fronts, and scenic vistas) are owned by Indian tribes. Development of these assets will be good for the Indians -- and good for the States.

During the past year we have sought special legislation to permit the long-term leasing of several Indian reservations which lie at the edges of major western communities. Such legislation, if enacted, would permit urban industrial development to take place on these large virgin tracts. There can be no doubt about the economic contribution of such development to the general welfare of the communities involved. Yet representatives of State and local governments have objected to the proposed legislation and the development which would follow because the Indian land does not, at present, contribute ad valorem taxes to the State. Such

an appraisal ignores the fact that Indian resources move into the State stream of commerce, that industrial development on Indian reservations means a bigger payroll for both Indians and non-Indians, and that Indians pay sales, gasoline, and excise taxes which are now the largest revenue sources of most States. Furthermore, such shortsightedness ignores the fact that so long as Indian reservation lands remain undeveloped, the Indians living on them will be dependent upon the Federal Government and their property will continue to enjoy tax exemption.

I should like, however, to acknowledge that a few States have taken a militant interest in the development of Indian resources. Governor Sawyer, of our host State, has done much to encourage the development of Pyramid Lake, property of the Paiute Indians -- two members of whose Council are in this room -- and one of America's most beautiful, unspoiled, undeveloped recreation areas, lying only thirty-five minutes from Reno. And certainly the State of Florida has given all possible assistance in developing the resources of the Seminole. There are other exceptions but in the main the States have either resisted the development of Indian property or shown only passive interest in resource development.

The quickest way to bring Indian reservations into a role which is fully contributory to the economic life of the surrounding area is to develop them.

Indian parents want and deserve the best possible education for their children. To provide that quality education the States must recognize and provide for the special needs of the Indian children or they will continue to drop out or be pushed out -- in shocking numbers -- before graduation. Here is an opportunity to assist the Indian people in a most meaningful manner.

The States today enjoy the greatest opportunity in history to recognize and to deal with these special educational needs. P. L. 89-10, providing aid for elementary and secondary education, is an act specifically designed for the special educational needs of disadvantaged youngsters in the American public school system. Some of the western States are receiving large sums of money under this act to provide for Indian youngsters who come from homes where the family income is less than \$2,000 per year. During the months ahead I shall be much interested in observing the extent to which the public schools develop educational programs specifically designed for their disadvantaged Indian children. I know that the members of the Education staff of the BIA are eager to share with the public school districts the things which they have learned about the special educational

needs of Indian youngsters and the means of satisfying those needs. I truly hope that P. L. 89-10 will provide the basis for a much closer relationship between the public and Federal schools which serve Indian youngsters.

In the area of economic development there are also Federal programs which point the way toward a greater assumption of responsibility, by States, for their Indian populations. The Economic Development Act established a means by which States can help Indians and others to develop their resources and to improve their economic lot. To the best of my knowledge not a single State thus far has submitted on its own initiative to the EDA a program primarily planned to assist an economically disadvantaged Indian population. Some reservations do qualify as depressed areas in their own right and from these reservations proposals have come but these were Indian originated -- not originated by the States.

Somewhat the same situation prevails with respect to the Community Action Programs of the Office of Economic Opportunity. Wherever Indian reservations are entitled by law to submit their own Community Action Programs, they have done so. However, the small, unorganized Indian communities, both on and off reservation, have seldom been included by State and local governments in their plans for Community Action Programs.

Through the Economic Opportunity Act, the Economic Development Act, and the Elementary and Secondary Education Act, the States have been presented with golden opportunities to contribute to the educational and economic advancement of Indian populations, and I strongly urge you to respond to the opportunities and the challenges involved. I am here today to ask you to join with the Federal Government in reviewing the whole area of Indian need and the spectrum of possibilities which are at hand to alleviate Indian poverty and provide a happier and more dignified life for the first citizens of this land.

We are at work now in Washington on new foundation legislation designed to strike off the shackles which have restricted Indian development, to permit Indian tribes to use the tools and institutions of modern corporate management, to grant the Indians entry to the many markets of America -- to take a whole series of steps that will enable Indians to move forward, to build viable communities and to enjoy the optimum development of their resources.

I believe that the latter half of the 1960's can be as dynamic a period of development in the field of Indian affairs as has the first half in the field of resource development.

We have worked together on all levels, and since 1960 many dramatic resource development decisions have been made -- many bold new programs have been initiated that are transforming the West.

A quick glance at history reveals the rapid pace of action: in January 1960 the Columbia River Treaty was still in the negotiation stage with our neighbor nation to the north; the bold California water plan advocated by Pat Brown still awaited the decision of the California electorate; the joint Federal-State San Luis Project in the Central Valley of California was yet to be authorized by the Congress; California, Arizona, and Nevada were in the ninth year of their bitter, unproductive lawsuit over the waters of the lower Colorado; the Northwest and Pacific Southwest had the prospect of great gain by interconnecting their power systems, but no plan to carry out an interconnection; the States of the Upper Colorado River Basin were unconnected by heavy electric transmission grid -- indeed, the major electric power systems of the West were regionalized and unintegrated; in the region as a whole -- save for the Bonneville marketing area in Washington and Oregon -- the old public-private power arguments were continuing full sway, in many cases to the detriment of development beneficial to both; and many scenic masterpieces in the West which belonged in our National Park System were unrecognized and unprotected.

Where are we today -- in 1966?

The Columbia is now a chain of lakes from Grand Coulee Dam to Bonneville. The Missouri is tamed. Glen Canyon and Flaming Gorge dams are producing power. Point Reyes and Canyonland National Parks are realities.

Early in 1962, the Department of the Interior concluded its negotiations with the non-Federal utilities in the five-State Colorado River storage project area for a joint Federal and non-Federal utility system for the marketing of Colorado River storage project, with substantial benefits to both the Federal and non-Federal power systems and to their customers.

The Colorado River Storage Project transmission system negotiations set a pattern which brought about the Pacific

Northwest-Pacific Southwest intertie -- the most imaginative electric transmission system conceived by any group of engineers throughout the world.

This intertie system will span the country from the Columbia River to Phoenix, Arizona, and, including two 750,000 volt d. c. lines, will tie together the major Federal, public, and private electric systems in the eleven contiguous western States which, along with Alaska and Hawaii, make up the Western Governors' Conference. The Pacific Northwest-Southwest intertie is, therefore, itself a symbol of the inter-regional cooperation of these States.

The non-Federal utilities in the southwestern area have moved rapidly to build on the foundation provided by the intertie. In September of 1964, they formed a joint planning organization, Western Energy Supply and Transmission Associates, or WEST, as it is called. Negotiations between the Department of the Interior and WEST are under way for the establishment of cooperative coordination and integration arrangements. Under these arrangements the hydro output of the Government's Colorado River plants and the steam power produced by the non-Federal utilities will complement each other for mutual benefit.

Within the last two weeks, the Department has reached an historic agreement with the utilities involved that opens the way for the construction of two new coal-burning generating plants in the Colorado River basin. These are the Mohave plant to be located here in Nevada just below Davis Dam, and the Four Corners plant in the Four Corners area of New Mexico near Farmington on the San Juan River. These plants will each produce 1500 megawatts of power -- enough to serve two cities the size of Philadelphia. More than 1850 miles of transmission lines will feed the power from these plants to both the Los Angeles area and El Paso, Texas.

The agreement covers the principles to be followed by the Department in making available water, rights-of-way, the plant sites, and coal from the Navajo and Hopi reservations. The projects will afford important economic opportunities to the Indian tribes from whose reservations the coal will come and upon one of which the Four Corners plant itself is located. The opportunity afforded to utilize Indian coal resources was an important factor in the selection of the location for these two plants. These plants demonstrate not only regional, economic planning at its best, but they also serve to demonstrate what

can be accomplished by bold, imaginative joint action by the Federal Government and the utility industry.

We have spelled out in the agreement for the first time measures to abate air and water pollution resulting from the operation of the two steam plants. The inclusion of these conservation stipulations is a concrete step in carrying out President Johnson's instructions that the Federal Government provide an example to the Nation in pollution control. We expect these provisions to serve as the model for similar provisions in future agreements.

The Pacific Northwest-Pacific Southwest intertie is itself but the opening step in large-scale, inter-regional connections. Studies of extra high voltage intertie between the Bonneville system and the Bureau of Reclamation's Missouri River Basin grid, and between that system and the Southwestern Power Administration are under way.

But I do not want to dwell over-long on the electric power aspects of resource development since 1960. We are at new take-off points in water resource development, in recreation, in natural beauty, in cleaning up and protecting our environment, and in the utilization of our public lands.

The organization of the Western States Water Council less than a year ago has brought the Western States together in a new form of cooperative endeavor. The Council has made an auspicious beginning as a clearing house and generator of ideas in western water development.

The Water Resources Planning Act of 1965 represented a major breakthrough in Federal-State water resource planning.

The Water Quality Act of 1965 marked the start of an intensive attack to halt and roll back the ravages of pollution. President Johnson's plan to transfer the Federal Water Pollution Control Administration to the Department of the Interior will, if it becomes effective, as I am confident it will, enable us to coordinate the war on pollution fully with comprehensive water resource programs.

The Land and Water Conservation Fund Act demonstrated the determination of the Administration and the Congress to make substantial investments to provide for the recreation needs of the American people.

The Wilderness Act of 1964 marked yet another take-off point in resource preservation that was reached in the mid-60's. I am hopeful that it will soon be joined by the Wild Rivers legislation that has passed the Senate and is now before the House Committee on Interior and Insular Affairs.

We have tremendous new tools which can be used, if we have the vision and courage to use them wisely, to enrich our national well-being and to improve the quality of our environment; in short, to accelerate the achievement of a better life.

We have seen, particularly in the emerging pattern of regional cooperation in the development of our power resources, the benefits that can flow from large-scale cooperative undertakings.

The question is whether in the latter half of the decade of the 60's we can approach our remaining energy and water problems with similar statesmanship. We are, today, at another turning point. The West faces a choice of a return to the old trenches, to the old battlegrounds of inter-regional strife or it can use the new techniques of compromise and accommodation.

The problems, as I know only too well, are difficult. I refuse, however, to accept the premise that they are insurmountable.

Regional cooperation does not mean that one region of the West should or can be expected to jeopardize its own future prospects for water development.

Regional cooperation does not mean that wasteful or inefficient water use practices can be tolerated.

What regional cooperation does mean, at the mid-point of the 1960's, is that the process of fact finding and of hard examination of water supply problems and alternative solutions to those problems should begin and begin promptly.

We have developed new patterns of cooperation between States -- and between regions. We have made it plain in our areas that public power and private power can co-exist to mutual advantage. Surely we can build on this base -- and build a new West that is clean and green and bright with promise.