Indian Affairs - Office of Public Affairs

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Indian tribes put up about 28 percent of the total funds available last year for economic advancement in reservation areas, their participation increasing by more than $10.5 million over the 1967 tribal investment, the Bureau of Indian Affairs of the Department of the Interior reported today.

The dollar increase was an indication of increasing tribal initiative and involvement as Indian leadership moves toward greater self-determination.

A total of $92.3 million was put into economic advancement projects by the tribes last year, compared with $81.7 million in 1967.

Total financing by customary lenders also increased last year by $23.6 million, to $207 million from $183.4 million. The customary lenders furnished about 64 percent of the total.

Despite these increases, the Bureau pointed out that lack of capital continued to block Indians from full development and utilization of their resources.

The BIA Annual Credit Report says more legislation is needed "to provide Indians with more adequate credit, and with other tools to enable them to participate more fully in American social, economic, and political life, and to permit them to exercise greater initiative and self-determination."

Financing requirements over the next five years are estimated at $988 million, of which $98. 3 million is needed in 1969, BIA credit and financing officials estimate.

Under current laws, not more than $3 million can be taken care of from the revolving fund. It is estimated that tribes may provide about $14 million.

"The remaining $81.3 million would have to be furnished by customary lenders if the needs of the Indians are to be met," says the report. "It is unlikely that this additional amount can be obtained:"

The Indian credit program is now limited to administration of a revolving fund for loans, funded by appropriations of $25.1 million over a period of 34 years; use of tribal funds for the same purposes as loans made by the United States from the revolving fund; and help in obtaining financing from customary lenders, both governmental and private.

Proposed legislation would authorize incentives to private lenders to encourage them to finance Indian loans.

Total financing for Indians increased from $290.9 million in 1967 to $324.5 million in 1968. The increase was due to tribes using more of their own funds and more financing by customary lenders. Loans from the revolving fund actually showed a small decrease during the year, the total being $25.2 million.