

## CHAPTER X

## GENERAL ECONOMIC CONDITIONS

Any study of the general economic conditions of the Indians must inevitably lead to the conclusion that, as reflected in scale of living, they are far below what the per capita wealth of the Indians would seem to justify. Upon almost every reservation may be seen families living in poverty and yet possessed of potential resources, tribal, individual, or both, that if well utilized should yield a reasonable degree of comfort.

One of the chief reasons for this state of affairs is that much of the Indian's property consists of land that is often arid, semi-arid, or mountainous, valuable chiefly for grazing, unsalable except in very large tracts, and often capable of little development for other agricultural purposes.

Other reasons are equally significant. The Indians' standards of living are low. They have never in the past been accustomed to those comforts and conveniences demanded by most whites, even among the laboring classes, and so have no strong incentive to work to secure them. They are generally surrounded by Indian neighbors whose condition and manner of life are no better than their own, and so do not have that stimulation to effort common to most whites who see in the advancement of their associates a real reason why they should advance too, in order not to be left behind in the general progress of the community. Discouraging as such a situation may appear at times, it is not without elements of hope, since it implies that group progress is cumulative and that once a considerable number of Indians in any community begin to improve their economic condition others will seek to follow their example.

In addition to their lack of desire for a higher scale of living the Indians must face the real difficulty of their own lack of training and their incompetence in business. Their education is usually slight, their knowledge of English poor, and their experience in business almost entirely wanting. No matter how great their eagerness to improve their economic condition these handicaps make it

difficult for them to succeed in competition with intelligent white men of long experience in business affairs.

As wards of the government the Indians find their economic affairs largely shaped and controlled by governmental policies and the acts of government officers. They look, and rightly so, to the government for advice and aid in the accomplishment of those things which they feel they cannot accomplish unaided. Yet regardless of how competent officers charged with the administration of Indian affairs may be, or how great the effort they put forth for the good of the people under their charge, they cannot hope to escape criticism. To administer the affairs of a people so varied in character and so widely scattered as are the Indians is no easy task, especially since funds allowed for that purpose are generally inadequate.

Many Indians, and not a few whites who are deeply interested in Indian welfare, have ascribed bad economic conditions very largely to the faulty administration of the government. Many government officers are inclined to ascribe them, entirely or largely, to the incompetence and low standards of the Indians.

Neither view is entirely correct. The Indians' low standards of life and incompetence in business affairs are in large measure natural conditions, due to the fact that the Indians are in a transitional stage. They have lost much of the old Indian culture and manners of life without having fully taken over those of the whites. Their old sources of food, clothing, and shelter have been largely destroyed by the encroachment of white civilization. Bewildered by the crumbling of their old world they are not able to adapt themselves to the new. In many cases they have quite as much business ability and as high standards of life as could reasonably be expected. Imperfections in governmental administration are due not only to the real difficulties involved, but also to the failure of the general public to understand the needs of the Indian Service and to insist upon sufficient appropriations by Congress for its support. The average citizen feels keenly that the Indians have suffered grave wrongs at the hands of white men, and that the government is under great obligation to provide for the advancement of these people. He does not lack the will or the energy to urge that the government do its duty with respect to the Indians so much as he lacks detailed knowledge as to what should be done and

how he may help to bring it about. Without any considerable knowledge either of needs or of governmental procedure, he feels himself helpless.

The Indian Office, handicapped as it is by lack of funds, has nevertheless been able to secure many persons of marked ability for its field service, particularly among the superintendents of schools and reservations. Officers charged with the administration of the economic affairs of the Indian are as a rule more efficient employees than the public has a right to expect for the salaries paid. Some of them are remarkably efficient if allowance be made for the limited funds at their disposal.

The government's administration of the affairs of its wards has, however, on the whole lacked certain elements of strength that are of utmost importance. The most fundamental defect has been a lack of vision and of definite objectives, a failure to see that the economic advancement of the Indians requires a definite program. Much good work has been done in a more or less haphazard way, but without an adequate conception of the fact that the economic affairs of the Indians and their administration and direction constitute a business enterprise of many branches that requires the services of the best of technical experts for their development and administration.

Little attempt has been made to formulate a broad constructive program for the service as a whole, extending over a long term of years, and having for its goal the general improvement of economic conditions and standards of living by a more complete utilization of resources, and by education to increase economic efficiency. Such programs do exist to a greater or less degree with respect to health and education, but in the matter of economic advancement, which is fundamental and in a sense underlies all progress, such program for the service as a whole has been almost entirely lacking. Even on the separate reservations few definite plans for the future were made prior to recent initiation of the Five-Year Program. This plan has already shown excellent results. What is needed, however, is not only a local program for separate reservations, but a general program for the service as a whole, that will seek to utilize the economic resources of the Indians to the fullest extent, and develop the Indian himself by providing education in earning, conserving, and spending money that will create in him both the desire

and the means for maintaining a scale of living somewhat commensurate with that of his white neighbors. In its failure to formulate such a program and to urge it upon Congress and the public the Indian Office has shown its most conspicuous weakness in providing for the future welfare of its wards.

The Indian Service at present cannot go beyond the Bureau of the Budget in seeking appropriations, but during all the years before such rigid limitations existed, no large constructive program was formulated. Public officers and private persons interested in Indian welfare may find it their duty to emphasize the fact that the great power of the Bureau of the Budget carries with it an equally great responsibility which can be met only by using every effort to secure information to enable that Bureau to work constructively instead of as a merely restraining agency. Real economy in dealing with Indian affairs will be achieved by giving generous financial support to a constructive program which promises in a great measure to complete the task of adjusting the Indians to their environment within a generation or two, rather than by continuing the present policy of giving support so inadequate as to postpone indefinitely any final solution of their problems.

Since the economic future of the Indians must eventually depend upon the Indians themselves, any general plan for administering their business affairs must involve a systematic plan of education. This plan should include not only children but also adults and should look toward raising standards of living and increasing economic efficiency. Economic progress and educational progress cannot be divorced, for each is largely dependent upon the other. Education ordinarily creates new wants and fosters a willingness to work in order to obtain the means for satisfying them. On the other hand it is not possible for any people to advance very far culturally unless their economic condition is advancing too. Yet when wealth comes suddenly to an ignorant people, it is often dissipated in the purchase of useless and foolish things, with results that are frequently disastrous. The outstanding example of this among the Indians is that of the Osages of Oklahoma, whose great wealth has brought in its train quite as much of evil as of good.

The general economic condition of the Indians and their progress toward economic independence are not satisfactory. Too many of them are poor and are living below any reasonable standard of

health and decency. They are depending too largely on unearned income from the use or sale of their property, managed for them as a rule by the national government, and not enough on earned income derived from their own efforts.

To overcome this undesirable economic situation a marked change must be made in the emphasis placed on the different functions performed by the government in behalf of the Indians. Although the efforts to conserve and protect the property of the Indians must be continued and in some cases strengthened and much greater efforts made to increase the productivity of Indian property, both individual and tribal, the major emphasis must be placed on the education of the Indians, both minors and adults, for greater economic efficiency and independence.

Education is here used in its broadest sense. It does not apply solely or even primarily to formal schooling, although marked advancement in the economic condition of the Indians can be achieved by a radical reform in the economic and industrial training given in the schools. Important as this change in the formal schooling is, it is believed that even greater and quicker results can be achieved by supplementing the work of the schools by activities in other directions.

The first point to be clearly recognized is that the Indian boy or girl leaving school is under a tremendous handicap as compared with the typical white boy or girl, in that he or she is not a member of a family already fairly well adjusted to the existing economic civilization. These young Indians leaving school cannot look to the older generation for advice, guidance, and assistance in getting established on a sound economic basis. Often they cannot make their homes with their parents in the first few trying years after leaving school, as can many a white boy who shifts about from job to job in the effort to get a suitable place in the industrial world. Their earnings in such a period are frequently low, especially in jobs which offer possibilities for the gradual acquisition of skill and ultimately the larger earnings that come to skilled workers. Having no homes where they may stay without cost or with such payment as they can afford to make from their earnings, they are obliged to shift for themselves and direct themselves, although they are not as well equipped as white children with knowledge of the industrial life of the communities where work is to be found.

The government must recognize that it is *in loco parentis* to these Indian youths, and that at no period in their lives is the intelligent and understanding exercise of its functions as personal guardian more needed than in those years when they are finding their place as productive members of society. The evidence seems to warrant the statement that despite the importance of this period in the lives of Indian youth no other period has been more neglected. Something has been done in finding a relatively small number of them minor positions in the government service, often through the questionable device of lowering the standards for those positions in order to permit Indians to occupy them before they have had the training and experience which would qualify them for similar positions outside the Indian Service. The great majority of Indian youths are not receiving the advice, aid, and assistance from their guardian at the time when it can be of greatest aid to them economically and socially.

The first constructive step, therefore, in aiding the Indians to be self supporting, should be definite improvement in their educational equipment and the devising of a suitable system for placing Indian youths in the industrial world in positions that afford them a reasonable opportunity to achieve economic independence.

Increased efforts, however, must not be confined to the schools and the placement of the youths just leaving school. Far more must be done than in the past for the economic advancement of adult Indians on the reservations. The persons engaged in this work should be recognized primarily as teachers and their duties as primarily educational. Every activity must be planned with major consideration of its educational result. Control and conservation of Indian property that does not educate the Indians in the use and management of their own property, merely postpones the ultimate solution of the Indian problem. The task of employees of the Indian Service is the humanitarian task of the teacher, as rapidly as possible to train the pupils so that they will cease to require the service of the teacher. The standards for employment in the Indian Service and the standards of work must be at least on a par with that of other agencies doing like work, so that fairly satisfactory progress can be made in teaching and stimulating the Indian to be self-supporting and to maintain a reasonable standard of living.

These results cannot be achieved without a marked advance in the qualifications required for positions in the Indian Service that are concerned directly or indirectly with the economic education of the Indians. The qualifications cannot be raised without a compensating increase in salaries and improvement in the related conditions of employment. A continuation of the existing combination of low qualifications and low salaries will prolong indefinitely the existing economic maladjustment of the Indians if it does not result in a still further widening of the gap between whites and Indians as the whites rapidly increase their own productive efficiency.

The first requisite for meeting the existing situation is to establish in connection with the central office at Washington the proposed Division of Planning and Development, which will include in its membership competent specialists in those fields which affect the economic advancement of the Indian. The functions of this division, its organization, and the positions which it should contain are summarized in another chapter of this report<sup>1</sup> and need not again be presented in summary here, although the need for such positions and the kind of service required of them are repeatedly mentioned in the course of the present discussion of the economic conditions of the Indians. Little progress can be expected until well considered constructive programs for the economic advancement of the Indians have been worked out by specialists well equipped through technical training and experience to determine the economic conditions and possibilities of each of the jurisdictions. These programs cannot be effectively carried out by general administrative officers at the schools and agencies unless they can have the advice and coöperation of these specialists, because the number of fields covered is too great for any general administrative man to be an expert in them all.

The second requisite for advancing the economic condition of the Indians is to make a drastic change in the type of employees, especially those subordinate employees in immediate contact with the Indians who are responsible for their economic education. The survey staff was unable to find much evidence of the success of the great policy of individual allotments of land, yet lack of success is not necessarily evidence of the unsoundness of the policy itself

<sup>1</sup> Pages 113 to 128.

because of the abundant evidence of faulty application of the policy. To make it a success, real education in the economic use of the land should have gone hand in hand with individual possession of the land. Of the two, education in the use of land was infinitely the more important, yet this task as entrusted to employees designated "farmers." The employment of this type of employees for positions so vital to the success of a great fundamental policy of government is in itself an explanation of the lack of marked success from that policy. Similarly the lack of success from tribal herds was often due to the same general cause. Teachers to train adults of a retarded race in agriculture and other industry cannot be secured for wages which are little if anything above those paid the least skilled laborers in those fields. The Indian Service requires, if anything, better teachers than are needed for the white race because they are confronted by a far more difficult task. The Indians, children and adults, must be educated to economic advancement, and this task will require teachers possessed not only of the requisite scientific and technical knowledge but also of a sympathy for and understanding of Indians and a personality which will inspire confidence and give leadership. The government cannot reasonably expect accelerated economic progress unless it supplies to the Indians, employees at least as well qualified as are being supplied to the whites to accelerate their economic progress.

**The Statistics of Indian Property and Income.** The wealth of the Osage Indians in the oil fields of Oklahoma and of certain individual Indians of other tribes has received wide publicity. As a result some people who have made no detailed study of the subject have an impression that the Indians as a race are fairly rich. This impression is erroneous. Despite the wealth of the less than three thousand Osages and the considerable properties owned individually or tribally by other Indians, the race as a whole is poor. Several tribes, embracing in the aggregate a high proportion of the total number of Indians under government supervision may even be said to be extremely poor. This conclusion is supported by all available evidence, whether it be statistical data purporting to show the value of property owned by the Indians and the amount of their incomes or the qualitative material secured by visiting Indian reservations and Indian homes.

*Many Indians are Poor.* The actual poverty of the Indians is, as a matter of fact, much greater than figures regarding the value of their property would seem to indicate, because the property is often not effectively used for the production of income. Income, earned and unearned, is after all much the better index of the present prosperity of a people. It represents what is available for use in maintaining a standard of living. Persons with a fair income, by renting and by instalment purchasing, may have the use and advantage of far more property than they actually own, and thus maintain a relatively high standard of living, a common situation among the working population of the United States. In studying the immediate economic condition of the Indians, their income is far more indicative of the present situation than is the value of their property.

The skill with which income is used is also a highly important factor. Some peoples have an exceptional faculty for making what they have go a long way, but generally the reverse is true of the Indians. They ordinarily do not know how to use their income effectively for advancing their standard of living.

No attempt will be made at this point to analyze the vicious circle of poverty as it exists among the Indians, a vicious circle which in many ways closely resembles that among other people. This entire report relates in fact to the forces which operate to produce the final results. The purpose at the moment is to give evidence of the poverty, not to explain it.

*Limitations of the Statistical Data.* For statistical data regarding the property and income of the Indians, the survey staff is almost entirely dependent on figures collected and compiled by the Indian Service. As is repeatedly said in this report, these figures are not as accurate and reliable as are most statistics prepared and published by the United States Government. In other parts of this report explanations of this fact are offered, covering such matters as the extreme difficulty of gathering reliable basic data, the lack of adequate appropriations resulting in an insufficient personnel and in many cases a personnel not properly qualified for the work, and more specifically the lack of a trained experienced statistician and an adequate corps of statistical clerks equipped with modern labor saving devices. These matters need not be gone into in detail

here. The fact should only be noted that the accuracy of the figures is so doubtful that several members of the survey staff have questioned the advisability of presenting them in this report. Against the strong arguments that have been advanced for their omission, the only answer is that they are the only general data purporting to cover the entire situation that are available, and although they do not accurately measure, they do reveal general conditions. More accurate detailed figures would permit of far better planning, direction, and control, but it is extremely doubtful if they would materially alter the general picture, although they might do so in the case of particular jurisdictions. The figures therefore will be presented not for the purpose of detailed analysis and discussion, for it is not believed they will stand up under it, but in order to give a broad general view of the whole economic situation which can be secured in no other way.<sup>2</sup>

*Only Per Capita Analysis Possible.* For the jurisdictions studied by the survey the Indian Service shows for the year 1926 a total population of 188,363.<sup>3</sup> For each of these jurisdictions the Indian

<sup>2</sup>The survey compiled for each jurisdiction visited the more important statistical data from the records in the Indian Office at Washington. The staff then took these tabulations into the field, and one of the members discussed with various officers in the local jurisdictions the reliability of the different figures. These discussions frequently revealed that many of the figures were estimates arrived at without actual enumerations or recording of details. In many instances the local officers gave new figures which they regarded as more accurate or more recent than those which had previously been reported to the Washington Office. When late in 1927 it was finally decided to present the tables which follow regarding population, property, and income, the question naturally arose as to whether to use the latest available official figures as reported to the Indian Office at Washington or the figures as revised in interviews with local officers. If either set of figures were based on really accurate enumerations or records the answer would have been simple, but both sets of figures contained many items which are at best estimates. The survey staff did not feel justified in taking the responsibility involved in assuming that estimates submitted to its representatives were superior to the latest figures submitted to the Washington office. The following tables are therefore based on the latest figures available at the Indian Office, namely, those for the fiscal year 1926. For some jurisdictions the figures are materially different from those secured by the survey staff from local officers, but the general pictures given by the two sets of figures taken as a whole are in their broad aspects very similar. The figures, as has been said, are chiefly valuable as roughly outlining these broad aspects.

<sup>3</sup>This is approximately three-fifths of the Indian population of the United States. Members of the survey staff also visited the Five Civilized Tribes in Oklahoma, but data of the sort included in this section are not available for them.

Service gives the estimated value of Indian property both tribal and individual. By dividing the total value of Indian property at a jurisdiction by the number of Indians reported at that jurisdiction a per capita value of property is obtained. The statistically minded person will immediately point out that a per capita figure is an average subject to all the defects of an average, and that what is really needed to show the general economic conditions of the Indians is a classification of the individual Indians according to their property holdings and their income. That contention must be admitted, but such figures are not available. The existing data permit only of the use of per capita statements.

The use of per capitās necessitates classifying all the Indians accredited to any jurisdiction on the basis of the per capita for that jurisdiction, although some may be materially better off than the average and others materially worse off. This use of averages based on data regarding population and values that are in themselves questionable is defensible only on the ground that it does give a rough outline of conditions that is more informative than misleading.

The figures showing the 188,363 Indians classified according to the per capita value of the total property, both tribal and individual, are summarized in the following tabular statement:

*Indians classified by annual per capita value of Indian property*

Per capita value of Indian property both individual and tribal	Number of Indians accredited to jurisdictions reporting per capita value of property of amounts specified		
	Total	Per cent distribution	Cumulative percentage
All classes .....	188,363	100.0	
Less than \$500.....	25,914	13.8	13.8
\$500 but less than \$1000.....	52,937	28.1	41.9
\$1000 but less than \$2000.....	47,231	25.1	67.0
\$2000 but less than \$3000.....	22,171	11.7	78.7
\$3000 but less than \$4000.....	17,751	9.4	88.1
\$4000 but less than \$5000.....	6,515	3.5	91.6
\$5000 and over.....	15,844	8.4	

According to these figures 25,914 Indians, or 13.8 per cent of the total number, were accredited to jurisdictions where the per capita value of all property was less than \$500. The last column of the table gives the cumulative percentages showing that 41.9 per cent of the Indians were accredited to jurisdictions with a per capita value of all property of less than \$1000; 67.0 per cent with a per capita of less than \$2000; and 78.7 per cent, or more than three out of four, with a per capita of less than \$3000. This value of property includes practically everything the Indians own, their tribal property, their individually owned land, their houses and furnishings, their outbuildings, their agricultural implements, their livestock, and their funds. In a subsequent table<sup>4</sup> are given the figures showing the distribution of this value of property under the different items.

The fact that more than three-quarters of the Indians are accredited to jurisdictions where the per capita value of all property is reported as less than \$3000 demonstrates clearly that the Indians as a race are not rich. That many of them are really extremely poor will be more apparent from subsequent tables relating to income.<sup>5</sup>

The specific figures for the several jurisdictions in each of the property classes, as shown in the preceding tabular statement, are presented in the following table, in which the jurisdictions are arranged in the ascending order according to the per capita value of all property, both tribal and individual.

<sup>4</sup> Pages 457 to 459 and 544 to 546.

<sup>5</sup> Pages 447 to 457.

## Annual per capita value of Indian property by jurisdictions

Jurisdictions studied by survey staff arranged in ascending order according to per capita value of tribal and individual property	Number of Indians reported	Value of individual and tribal property reported	
		Amount	Per capita
Per capita value of less than \$500			
Western Navajo .....	6,900	\$331,070	\$48
Siletz .....	1,112	186,782	168
Bishop .....	1,492	287,439	193
Walker River .....	1,405	286,984	195
Hopi .....	5,074	1,016,800	200
Pueblo Bonito (Navajo) .....	3,000	989,905	330
Havasupai .....	181	61,100	337
Northern Pueblos .....	3,335	1,255,686	377
Carson .....	3,355	1,395,329	416
\$500 but less than \$1000			
Southern Pueblos .....	6,012	3,226,611	536
Fort Bidwell .....	597	327,820	549
Sells .....	4,942	3,359,060	680
Sacramento .....	11,326	7,782,796	687
Shawnee .....	3,771	2,713,504	720
Yankton .....	3,636	2,666,990	733
Consolidated Chippewas .....	12,586	9,449,334	751
Leupp (Navajo) .....	1,183	960,150	812
San Juan (Navajo) .....	7,000	5,893,959	842
Zuni .....	1,884	1,809,077	960
\$1000 but less than \$2000			
Seger .....	761	1,522,334	1,000
Pima .....	5,567	5,878,481	1,056
Tulalip .....	2,581	3,380,792	1,310
Blackfeet .....	3,278	4,641,326	1,416
Hoopa Valley .....	1,916	2,774,901	1,448
San Carlos .....	2,511	3,669,066	1,473
Mission .....	2,723	4,664,882	1,713
Fort Totten .....	957	1,656,617	1,731
Neah Bay .....	660	1,166,028	1,767
Pine Ridge .....	7,820	14,250,147	1,822
Potawatomi .....	1,527	2,839,040	1,859
Navajo .....	12,360	24,047,965	1,945
Red Lake .....	1,721	3,351,003	1,947
Pawnee .....	1,266	2,465,550	1,947
Fort Yuma .....	859	1,682,288	1,958
Cantonment .....	724	1,429,969	1,975
\$2000 but less than \$3000			
Cheyenne River .....	3,026	6,287,122	2,078
Shoshone .....	1,899	3,981,769	2,097
Sisseton .....	2,477	5,371,651	2,169

## Annual per capita value of Indian property by jurisdictions—Continued

Jurisdictions studied by survey staff arranged in ascending order according to per capita value of tribal and individual property	Number of Indians reported	Value of individual and tribal property reported	
		Amount	Per capita
Colville .....	3,529	\$8,130,729	\$2,304
Flathead .....	2,726	6,326,413	2,321
Omaha .....	1,543	3,685,823	2,389
Jicarilla .....	635	1,578,021	2,485
Ponca .....	1,431	3,623,767	2,532
Cheyenne and Arapaho .....	1,181	3,055,884	2,588
Fort Apache .....	2,628	6,903,592	2,627
Winnebago .....	1,096	3,205,428	2,925
\$3000 but less than \$4000			
Yakima .....	3,042	9,281,122	3,050
Umatilla .....	1,113	3,723,048	3,345
Kiowa .....	5,135	19,182,788	3,736
Uintah and Ouray .....	1,178	4,523,725	3,840
Fort Lapwai .....	1,393	5,408,142	3,882
Rosebud .....	5,890	23,241,568	3,946
\$4000 but less than \$5000			
Consolidated Ute .....	790	3,167,146	4,009
Fort Berthold .....	1,334	5,449,062	4,122
Fort Hall .....	1,767	7,313,815	4,139
Taholah .....	2,624	12,178,167	4,641
\$5000 and over			
Fort Belknap .....	1,202	6,231,833	5,184
Standing Rock .....	3,626	20,478,277	5,647
Crow .....	1,803	10,394,313	5,765
Keshena .....	1,911	11,266,022	5,895
Tongue River .....	1,440	9,405,999	6,532
Cœur d'Alene .....	799	6,206,653	7,768
Warm Springs .....	988	7,802,962	7,897
Osage .....	2,826	31,968,116	11,312
Klamath .....	1,249	35,765,109	28,634

*Individually Owned Property.* The figures which have just been presented include both tribal and individual property. The following tables, which have been similarly constructed, relate only to individually owned property. This property includes the Indians' homes and their furnishings, their individually owned livestock, their agricultural implements, their funds, and, where land has been individually allotted, the land itself and its timber.

*Indians classified by annual per capita value of individually owned Indian property*

Per capita value of individually owned Indian property	Number of Indians accredited to jurisdictions reporting per capita value of individually owned property of amounts specified		
	Total	Per cent distribution	Cumulative percentage
All classes .....	188,363	100.0	
Less than \$500.....	86,667	46.0	46.0
\$500 but less than \$1000.....	32,103	17.0	63.0
\$1000 but less than \$2000.....	31,016	16.5	79.5
\$2000 but less than \$3000.....	14,792	7.9	87.4
\$3000 but less than \$4000.....	14,721	7.8	95.2
\$4000 but less than \$5000.....	None	....	....
\$5000 and over.....	9,054	4.8	....

Only one Indian out of every five is accredited to a jurisdiction where the per capita value of individually owned property is listed at \$2000 or more. Three out of five are from jurisdictions with a per capita of less than \$1000. Not quite one-half (46.0 per cent) are accredited to jurisdictions where this per capita is less than \$500. That the figure is much lower than \$500 in some jurisdictions, appears from the following table, which presents the data in ascending order for the several jurisdictions studied:

*Annual per capita value of individually owned Indian property by jurisdictions*

Jurisdictions studied by survey staff arranged in ascending order according to per capita value of individually owned property	Number of Indians reported	Value of individually owned property reported	
		Amount	Per capita
<i>Per capita value of less than \$500</i>			
Western Navajo .....	6,900	\$330,400	\$47
Havasupai .....	181	11,100	61
San Carlos .....	2,511	177,335	70
Siletz .....	1,112	108,797	98
Sells .....	4,942	637,970	129
Northern Pueblos .....	3,335	485,240	146
Fort Belknap .....	1,202	213,299	177
Walker River .....	1,465	264,284	180
Navajo .....	12,360	2,291,200	185
Bishop .....	1,492	287,439	193
Southern Pueblos .....	6,012	1,163,021	193
Hopi .....	5,074	1,016,800	200
San Juan (Navajo).....	7,000	1,398,000	200
Red Lake .....	1,721	366,549	213
Carson .....	3,355	718,500	214
Tongue River .....	1,440	338,195	235
Zuni .....	1,884	496,780	264
Consolidated Chippewas .....	12,586	3,673,139	292
Pueblo Bonito (Navajo).....	3,000	989,905	330
Fort Apache .....	2,628	918,202	349
Leupp (Navajo) .....	1,183	452,650	383
Keshena .....	1,911	775,957	406
Mission .....	2,723	1,205,756	443
Neah Bay .....	660	314,175	476
<i>\$500 but less than \$1000</i>			
Fort Bidwell .....	597	327,820	549
Sacramento .....	11,326	6,749,384	596
Shoshone .....	1,899	1,251,156	659
Colville .....	3,529	2,434,821	690
Shawnee .....	3,771	2,654,395	704
Yankton .....	3,636	2,650,417	729
Pima .....	5,567	5,108,231	918
Consolidated Ute .....	790	754,457	955
Warm Springs .....	988	7,802,962	964
<i>\$1000 but less than \$2000</i>			
Seger .....	761	1,522,334	1,000
Hoopa Valley .....	1,916	1,960,884	1,023
Yakima .....	3,042	3,281,213	1,079
Jicarilla .....	635	702,943	1,107



*Annual per capita value of individually owned Indian property  
by jurisdictions—Continued*

Jurisdictions studied by survey staff arranged in ascending order according to per capita value of individually owned property	Number of Indians reported	Value of individually owned property reported	
		Amount	Per capita
Cheyenne River .....	3,026	\$3,308,612	\$1,123
Blackfeet .....	3,278	3,928,730	1,199
Tulalip .....	2,581	3,193,130	1,237
Taholah .....	2,624	3,333,917	1,271
Pine Ridge .....	7,820	13,124,682	1,678
Fort Yuma .....	859	1,476,773	1,719
Fort Totten .....	957	1,656,617	1,731
Potawatomi .....	1,527	2,723,138	1,783
Pawnee .....	1,266	2,463,858	1,946
Cantonment .....	724	1,429,969	1,975
\$2000 but less than \$3000			
Sisseton .....	2,477	5,367,143	2,167
Flathead .....	2,726	10,025,504	2,263
Omaha .....	1,543	3,582,559	2,322
Fort Lapwai .....	1,393	3,412,942	2,450
Fort Hall .....	1,767	4,397,000	2,489
Ponca .....	1,431	3,565,283	2,491
Cheyenne and Arapaho.....	1,181	2,959,111	2,506
Winnebago .....	1,096	3,139,460	2,865
Uintah and Ouray.....	1,178	3,434,333	2,915
\$3000 but less than \$4000			
Klamath .....	1,249	4,026,488	3,223
Umatilla .....	1,113	3,643,038	3,273
Kiowa .....	5,135	18,627,925	3,628
Rosebud .....	5,890	22,727,048	3,859
Fort Berthold .....	1,334	5,243,767	3,931
\$4000 but less than \$5000.....	None	.....	.....
\$5000 and over			
Standing Rock .....	3,626	20,132,663	5,552
Crow .....	1,803	10,025,504	5,560
Cœur d'Alene .....	799	6,144,252	7,690
Osage .....	2,826	27,251,211	9,643

*Indian Incomes.* A more significant picture can be given by a similar presentation of the existing data regarding incomes, both earned and unearned. It should be said, however, that the data regarding incomes, especially earned incomes, are probably materially less reliable than are those concerning the value of property owned. Again it should be repeated that the figures are presented only to give a very general view of the situation and by no means as an accurate measure of it.

*Indians classified by annual per capita Indian income, tribal and individual*

Annual per capita income, tribal and individual	Number of Indians accredited to jurisdictions reporting per capita incomes of amounts specified		
	Total	Per cent distribution	Cumulative percentage
All classes .....	188,363	100.0	.....
Less than \$100.....	46,343	24.6	24.6
\$100 but less than \$200.....	88,201	46.8	71.4
\$200 but less than \$300.....	33,535	17.8	89.2
\$300 but less than \$500.....	16,209	8.6	97.8
\$500 and over.....	4,075	2.2	.....

For several jurisdictions the figures for income are reported so low as to be almost unbelievable. In some instances undoubtedly the value of some wild products used by the Indians as food or for other household purposes have not been included. For example, in Nevada the Indians when hard pressed kill and eat the desert jack rabbits and then dry the skins and weave them into a heavy quilt. In the Mission country they gather live oak acorns and make them into a paste. Among the Apaches and Pimas the mesquite bean and cactus are extensively used. The Chippewas gather wild rice, make maple sugar, and gather and dry berries. When really hungry during the winter of 1926-27, the Pine Ridge Sioux ate horse meat. Among many Indians remote from markets, fish is an important item of food though not easily salable and therefore negligible as a direct source of income. These native or emergency products often have little or no commercial value, and thus their

inclusion in the figures would make little difference in the money value of income.

Most Indians live where they can gather firewood. In many cases this is not salable, even though a great amount of work is required to gather and cut it.

The figures regarding income as given in this table are indicative of the real poverty of the Indians. Of the total number accredited to the jurisdictions studied by the survey 46,343, or almost one-fourth, were from jurisdictions where the reported per capita income was less than \$100 a year, and 71.4 per cent, or seven of every ten, were from jurisdictions reporting per capita incomes of less than \$200. Only 4075 Indians, or 2.2 per cent, are listed from jurisdictions reporting an average income of \$500 or more per Indian; in other words, according to these figures any widespread or general conditions of opulence do not involve more than 2.2 per cent of the total number of Indians accredited to the jurisdictions studied. These are the 1249 Klamath Indians, reported as having a per capita income of \$1523, and the 2826 Osage Indians with \$19,119.

The figures for individual jurisdictions are presented in the table opposite.

*Value of Agricultural Products.* The value of agricultural products raised by the Indians for family consumption is supposedly included in the income figures. The smallness of the income might suggest that in many instances this value has been omitted, but the fact is that in many jurisdictions the agricultural operations of the Indians are extremely limited. Many a suburban dweller who puts in his spare time gardening raises as much in a year as does an Indian farmer. It takes a good deal of gardening to produce crops worth over one or two hundred dollars.

These figures will raise in the mind of the reader the question which was frequently asked of Indian Service field employees by members of the survey staff: "How can these people eke out an existence?" Several replied that it was hardly to be called an existence. Others said that they did not know the answer; that they had never been able to figure it out. The standard of living is often almost unbelievably low. Almost nothing is spent for shelter and firewood, and very little for clothing and food. Many homes were visited where there was almost no food on hand. The homes where

*Annual per capita Indian income, both tribal and individual, by jurisdictions*

Jurisdictions studied by survey staff arranged in ascending order according to per capita income, tribal and individual	Number of Indians reported	Annual income, tribal and individual	
		Amount	Per capita
Less than \$100			
Carson .....	3,355	\$48,866	\$15
Havasupai .....	181	3,249	18
Siletz .....	1,112	30,196	27
Bishop .....	1,492	46,728	31
Northern Pueblos .....	3,335	102,430	31
Leupp (Navajo) .....	1,183	40,606	34
Western Navajo .....	6,900	266,878	39
Warm Springs .....	988	47,145	48
Walker River .....	1,465	98,342	67
Zuni .....	1,884	137,528	73
Tulalip .....	2,581	211,609	82
Pine Ridge .....	7,820	670,004	86
Fort Belknap .....	1,202	111,506	93
Sacramento .....	11,326	1,078,138	95
Neah Bay .....	660	63,226	96
Fort Yuma .....	859	83,311	97
\$100 but less than \$200			
Mission .....	2,723	292,654	107
Taholah .....	2,624	292,281	111
Southern Pueblos .....	6,012	697,639	116
Tongue River .....	1,440	172,885	120
Cheyenne River .....	3,026	377,598	125
San Juan (Navajo) .....	7,000	891,525	127
Hoopa Valley .....	1,916	254,389	133
Navajo .....	12,360	1,671,021	135
Sells .....	4,942	703,000	142
Pueblo Bonito (Navajo) .....	3,000	435,718	145
Blackfeet .....	3,278	490,884	150
Yankton .....	3,636	548,850	151
Shawnee .....	3,771	573,501	152
Shoshone .....	1,899	296,173	156
Uintah and Ouray .....	1,178	192,480	163
Umatilla .....	1,113	183,080	164
Fort Bidwell .....	597	98,762	165
Fort Berthold .....	1,334	220,174	165
Fort Totten .....	957	158,177	165
Pima .....	5,567	925,384	166
Fort Apache .....	2,628	439,266	167
Hopi .....	5,074	880,725	174
Standing Rock .....	3,626	687,758	190
Consolidated Ute .....	790	153,965	195
Winnebago .....	1,096	212,437	195

*Annual per capita Indian income, both tribal and individual, by jurisdictions—Continued*

Jurisdictions studied by survey staff arranged in ascending order according to per capita income, tribal and individual	Number of Indians reported	Annual income, tribal and individual	
		Amount	Per capita
Cantonment .....	724	\$142,876	\$197
Rosebud .....	5,890	1,157,794	197
\$200 but less than \$300			
Red Lake .....	1,721	350,285	204
Cheyenne and Arapaho.....	1,181	259,355	220
Consolidated Chippewas .....	12,586	2,936,943	233
Jicarilla .....	635	149,631	236
Pawnee .....	1,266	303,601	240
Sisseton .....	2,477	611,233	247
San Carlos .....	2,511	619,103	247
Fort Lapwai .....	1,393	355,962	256
Flathead .....	2,726	697,895	256
Ponca .....	1,431	391,812	274
Cœur d'Alene .....	799	220,901	276
Yakima .....	3,042	857,071	282
Fort Hall .....	1,767	500,778	284
\$300 but less than \$500			
Seeger .....	761	243,983	321
Keshena .....	1,911	648,380	339
Crow .....	1,803	635,573	352
Omaha .....	1,543	545,833	354
Potawatomi .....	1,527	547,346	358
Kiowa .....	5,135	2,067,366	402
Colville .....	3,529	1,476,302	418
\$500 and over			
Klamath .....	1,249	1,902,684	1,523
Osage .....	2,826	54,031,621	19,119

a reserve of food had been accumulated were the exception. Many Indians are just above the famine level, and if anything goes wrong they must go without or fall back upon government rations. These matters will be discussed more at length in subsequent pages. They are mentioned here to explain why the survey staff regards such low income figures as roughly indicative of general conditions.

*Individual Income.* The tables just given relate to total income, both tribal and individual. The following tables which are similar in construction present the figures for individual income:

*Indians classified by annual per capita individual Indian income*

Annual per capita individual income	Number of Indians accredited to jurisdictions reporting per capita individual incomes of amounts specified		
	Total	Per cent distribution	Cumulative percentage
All classes .....	188,363	100.0	.....
Less than \$100.....	54,221	28.8	28.8
\$100 but less than \$200.....	103,806	55.1	83.9
\$200 but less than \$300.....	11,963	6.3	90.2
\$300 but less than \$500.....	14,298	7.6	97.8
\$500 and over.....	4,075	2.2	.....

Of the total number of Indians accredited to jurisdictions studied by the survey staff 54,221, or 28.8 per cent, are reported from jurisdictions with a per capita individual income of less than \$100 a year, and of this group of Indians about one-third are from jurisdictions reporting per capitas under \$50 a year. As in the showing for individual and tribal income, so here where individual income alone is considered, the 1249 Klamath Indians, with a per capita individual income of \$622, and the 2826 Osages, with a per capita individual income of \$11,265, are reported as the only tribes that could be considered well-to-do. The overwhelming majority of Indians, 83.9 per cent of the total, are reported from reservations where the individual income per capita is less than \$200.

The figures for the individual Indian income in the several jurisdictions studied by the survey staff are given in the following table:

*Annual per capita individual Indian income, by jurisdictions*

Jurisdictions studied by survey staff arranged in ascending order according to per capita individual income	Number of Indians reported	Annual individual income	
		Amount	Per capita
Per capita income of less than \$100			
Carson .....	3,355	\$43,804	\$13
Leupp (Navajo) .....	1,183	20,000	17
Havasupai .....	181	3,249	18
Siletz .....	1,112	30,196	27
Bishop .....	1,492	46,728	31
Northern Pueblos .....	3,335	101,930	31
Western Navajo .....	6,900	220,200	32
Warm Springs .....	988	45,459	46
Pine Ridge .....	7,820	387,494	50
Walker River .....	1,465	98,342	67
Zuni .....	1,884	137,398	73
Tongue River .....	1,440	110,439	77
Tulalip .....	2,581	208,861	81
Fort Belknap .....	1,202	111,500	93
Shoshone .....	1,899	176,675	93
Sacramento .....	11,326	1,076,614	95
Neah Bay .....	660	62,452	95
Fort Yuma .....	859	81,255	95
Fort Apache .....	2,628	253,445	96
Keshena .....	1,911	188,815	99
\$100 but less than \$200			
Mission .....	2,723	292,292	107
San Juan (Navajo) .....	7,000	781,890	111
Cheyenne River .....	3,026	335,823	111
Taholah .....	2,624	290,139	111
Consolidated Ute .....	790	89,053	113
Southern Pueblos .....	6,012	697,000	116
Uintah and Ouray .....	1,178	142,538	121
Hoopa Valley .....	1,916	254,389	133
Navajo .....	12,360	1,671,021	135
Pueblo Bonito (Navajo) .....	3,000	426,948	142
Sells .....	4,942	703,000	142
Blackfeet .....	3,278	485,192	148
Yankton .....	3,636	543,333	149
Shawnee .....	3,771	566,320	150
Consolidated Chippewas .....	12,586	1,933,719	153
Red Lake .....	1,721	265,220	154
Umatilla .....	1,113	179,117	161
Rosebud .....	5,890	953,686	162
Fort Berthold .....	1,334	216,563	162
Fort Bidwell .....	597	98,762	165
Fort Totten .....	957	158,177	165
Pima .....	5,507	924,326	166

*Annual per capita individual Indian income, by jurisdictions—Continued*

Jurisdictions studied by survey staff arranged in ascending order according to per capita individual income	Number of Indians reported	Annual individual income	
		Amount	Per capita
Standing Rock .....	3,626	\$603,708	\$167
Hopi .....	5,074	879,525	173
Fort Lapwai .....	1,393	247,408	178
Flathead .....	2,726	486,665	179
Jicarilla .....	635	120,740	190
Winnebago .....	1,096	211,118	194
San Carlos .....	2,511	486,425	194
Cantonment .....	724	142,876	197
\$200 but less than \$300			
Cheyenne and Arapaho .....	1,181	255,890	217
Pawnee .....	1,266	285,438	226
Sisseton .....	2,477	611,026	247
Fort Hall .....	1,767	456,889	259
Yakima .....	3,042	804,066	265
Ponca .....	1,431	383,069	268
Cœur d'Alene .....	799	216,120	270
\$300 but less than \$500			
Seeger .....	761	243,983	321
Crow .....	1,803	607,885	337
Omaha .....	1,543	542,807	352
Potawatomi .....	1,527	543,607	356
Kiowa .....	5,135	2,045,414	398
Colville .....	3,529	1,410,462	400
\$500 and over			
Klamath .....	1,249	777,610	622
Osage .....	2,826	31,835,641	11,265

The individual Indian income is made up in part of what the Indians produce by their own efforts and in part of what they get from the leasing or sale of their property or from inheritance. In other words, some of it is earned and some unearned. The distinction is highly important from the economic and social standpoint. If the restricted Indians should be turned loose from government supervision and control, the great majority of them would in all probability soon lose their property and become dependent on earned income. Earned income is, too, perhaps the best index of economic competency. The existing data do not permit of a complete division between earned and unearned income, because in some jurisdictions certain items of income cannot be thus divided. The figures which follow, therefore, somewhat understate the amount of earned income, but the amount of understatement is not enough to impair the value of the figures as presenting a general picture of the situation:

*Indians classified by annual per capita earned Indian income*

Annual per capita earned income	Number of Indians accredited to jurisdictions reporting per capita earned income of amounts specified		
	Total	Per cent distribution	Cumulative percentage
All classes .....	188,363	100.0	.....
Less than \$100.....	124,808	66.3	66.3
\$100 but less than \$200.....	56,732	30.1	96.4
\$200 and over.....	6,823	3.6	.....

*The Earned Income is Low.* The figures suggest that the earned income of the great majority of the Indians is less than \$100 a year per capita. Two-thirds of the total number were accredited to jurisdictions where the per capita earned income was less than \$100, and more than nineteen out of twenty were accredited to jurisdictions where that income was less than \$200.

The figures for the several jurisdictions are given in the following table:

*Annual per capita earned Indian income, by jurisdictions*

Jurisdictions studied by survey staff, arranged in ascending order according to per capita earned income	Number of Indians reported	Annual earned income	
		Amount	Per capita
Less than \$100			
Siletz .....	1,112	\$9,300	\$8
Havasupai .....	181	2,134	12
Carson .....	3,355	38,700	12
Leupp (Navajo) .....	1,183	20,000	17
Bishop .....	1,492	32,540	22
Pine Ridge .....	7,820	174,250	22
Seeger .....	761	17,500	23
Taholah .....	2,624	73,376	28
Keshena .....	1,911	54,283	28
Northern Pueblos .....	3,335	100,430	30
Western Navajo .....	6,900	215,000	31
Shawnee .....	3,771	129,190	34
Pawnee .....	1,266	45,000	36
Ponca .....	1,431	54,500	38
Omaha .....	1,543	59,200	38
Klamath .....	1,249	48,177	39
Cœur d'Alene .....	799	32,100	40
Cheyenne River .....	3,026	120,630	40
Umatilla .....	1,113	46,000	41
Warm Springs .....	988	43,000	44
Rosebud .....	5,890	257,800	44
Fort Lapwai .....	1,393	66,000	48
Uintah and Ouray.....	1,178	58,206	49
Shoshone .....	1,899	96,916	51
Standing Rock .....	3,626	200,000	55
Winnebago .....	1,096	61,000	56
Fort Belknap .....	1,202	69,000	57
Fort Berthold .....	1,334	77,500	58
Tulalip .....	2,581	151,240	59
Flathead .....	2,726	175,000	64
Consolidated Ute .....	790	51,452	65
Fort Yuma .....	859	57,000	66
Walker River .....	1,465	96,978	66
Cheyenne and Arapaho.....	1,181	81,014	69
Fort Apache .....	2,628	188,000	71
Crow .....	1,803	127,515	71
Tongue River .....	1,440	104,864	73
Zuni .....	1,884	137,398	73
Red Lake .....	1,721	127,728	74
Yakima .....	3,042	225,000	74
Yankton .....	3,636	282,500	77
Sacramento .....	11,326	926,200	82

Annual per capita earned Indian income, by jurisdictions—Continued

Jurisdictions studied by survey staff, arranged in ascending order according to per capita earned income	Number of Indians reported	Annual earned income	
		Amount	Per capita
Cantonment .....	724	\$60,237	\$83
Consolidated Chippewas .....	12,586	1,050,064	84
San Juan (Navajo).....	7,000	591,890	85
Neah Bay .....	660	62,000	94
Blackfeet .....	3,278	311,000	95
<b>\$100 but less than \$200</b>			
Fort Totten .....	957	96,250	101
Kiowa .....	5,135	522,800	102
Mission .....	2,723	283,542	104
Osage .....	2,826	300,000	106
Southern Pueblos .....	6,012	692,000	115
Hoopa Valley .....	1,916	234,800	123
Navajo .....	12,360	1,670,021	135
Fort Bidwell .....	597	82,000	137
Sells .....	4,942	703,000	142
Pueblo Bonito (Navajo).....	3,000	425,000	142
Pima .....	5,567	904,900	163
Hopi .....	5,074	878,325	173
Jicarilla .....	635	114,443	180
San Carlos .....	2,511	476,358	190
Sisseton .....	2,477	469,540	190
<b>\$200 and over</b>			
Fort Hall .....	1,767	395,037	224
Potawatomi .....	1,527	403,000	264
Colville .....	3,529	1,237,500	351

To give a general view of the items which constitute the property of the Indians, the following table is included as an exhibit. It shows for the total number of Indians accredited to the jurisdictions studied by the survey and for the Indians of the several jurisdictions, classified according to per capita value of total property, the value of each item of property, the per capita value of each item, and the per cent distribution of the total by items. A table showing the value of each item of property for the individual jurisdictions is given in the appendix of this chapter.

Indian property itemized\*

Items of property value, both tribal and individual	Value of property, both tribal and individual		
	Amount	Per cent distribution	Per capita
All jurisdictions studied (188,363 Indians)			
All items .....	\$408,638,848	100.0	\$2,169
<b>Tribal property—Total .....</b>	<b>169,075,859</b>	<b>41.4</b>	<b>898</b>
Lands .....	55,459,150	13.6	294
Timber and stock.....	91,746,333	22.5	487
Funds .....	21,870,383	5.4	116
<b>Individual property—Total .....</b>	<b>239,562,989</b>	<b>58.6</b>	<b>1,272</b>
Lands .....	157,242,609	38.5	835
Timber .....	13,842,037	3.4	73
Funds .....	28,342,642	6.9	150
Homes .....	17,286,888	4.2	92
Wagons, etc. ....	6,653,344	1.6	35
Stock and poultry.....	17,288,504	4.2	92
Jurisdictions with a per capita value of less than \$500 (25,914 Indians)			
All items .....	\$5,811,096	100.0	\$224
<b>Tribal property—Total .....</b>	<b>1,598,631</b>	<b>27.5</b>	<b>62</b>
Lands .....	1,305,410	22.5	50
Timber and stock.....	289,325	5.0	11
Funds .....	3,896	0.1	...
<b>Individual property—Total .....</b>	<b>4,212,465</b>	<b>72.5</b>	<b>163</b>
Lands .....	912,553	15.7	35
Timber .....	255,000	4.4	10
Funds .....	177,312	3.1	7
Homes .....	547,975	9.4	21
Wagons, etc. ....	161,830	2.8	6
Stock and poultry.....	1,812,793	31.2	70

\* The figures in this table are derived from Table 4 in the 1926 Annual Report of the Commissioner of Indian Affairs. Table 4 is not entirely correct, there being many instances in which the detailed figures do not add to the total. Inasmuch as there has been no means of determining which figures are correct, they have been copied exactly. As a consequence the totals given in this table are not always the sum of the items given in detail. Similarly the per cent distributions are out of line. It is believed, however, that the discrepancies are not sufficiently great to alter the general conclusion.

Indian property itemized—Continued

Items of property value, both tribal and individual	Value of property, both tribal and individual		
	Amount	Per cent distribution	Per capita
Jurisdictions with a per capita value of \$500 but less than \$1000 (52,937 Indians)			
All items .....	\$38,189,301	100.0	\$721
Tribal property—Total .....	17,985,725	47.1	340
Lands .....	11,383,079	29.8	215
Timber and stock.....	533,300	1.4	10
Funds .....	6,069,346	15.9	115
Individual property—Total .....	20,203,576	52.9	382
Lands .....	10,416,323	27.3	197
Timber .....	2,208,000	5.8	42
Funds .....	1,482,027	3.9	28
Homes .....	1,967,050	5.2	37
Wagons, etc. ....	695,273	1.8	13
Stock and poultry.....	3,434,824	9.0	65
Jurisdictions with a per capita value of \$1000 but less than \$2000 (47,231 Indians)			
All items .....	\$79,450,389	100.0	\$1,682
Tribal property—Total .....	36,507,030	45.9	773
Lands .....	15,461,900	19.5	327
Timber and stock.....	19,732,693	24.8	418
Funds .....	1,312,437	1.7	28
Individual property—Total .....	42,943,359	54.1	909
Lands .....	31,853,503	40.1	674
Timber .....	2,552,459	3.2	54
Funds .....	1,976,324	2.5	42
Homes .....	2,605,670	3.3	55
Wagons, etc. ....	838,495	1.1	18
Stock and poultry.....	3,693,367	4.6	78
Jurisdictions with a per capita value of \$2000 but less than \$3000 (22,171 Indians)			
All items .....	\$52,150,193	100.0	\$2,352
Tribal property .....	18,662,954	35.8	842
Lands .....	6,578,271	12.6	297
Timber and stock.....	9,243,061	17.7	417
Funds .....	2,841,629	5.4	128
Individual property—Total .....	33,487,239	64.2	1,510
Lands .....	23,623,722	45.3	1,066
Timber .....	2,203,776	4.2	99
Funds .....	1,593,386	3.1	72
Homes .....	2,064,818	4.0	93
Wagons, etc. ....	1,175,035	2.3	53
Stock and poultry.....	3,726,143	7.1	168

Indian property itemized—Continued

Items of property value, both tribal and individual	Value of property, both tribal and individual		
	Amount	Per cent distribution	Per capita
Jurisdictions with a per capita value of \$3000 but less than \$4000 (17,751 Indians)			
All items .....	\$65,360,395	100.0	\$3,682
Tribal property—Total .....	10,233,896	15.7	577
Lands .....	3,220,472	4.9	181
Timber and stock.....	5,395,670	8.3	304
Funds .....	1,617,754	2.5	91
Individual property—Total .....	55,126,499	84.3	3,106
Lands .....	41,749,620	63.9	2,352
Timber .....	981,120	1.5	55
Funds .....	4,014,056	6.1	226
Homes .....	5,091,306	7.8	287
Wagons, etc. ....	1,247,000	1.9	70
Stock and poultry.....	2,005,413	3.1	113
Jurisdictions with a per capita value of \$4000 but less than \$5000 (6,515 Indians)			
All items .....	\$28,158,189	100.0	\$4,322
Tribal property—Total .....	14,429,048	51.2	2,215
Lands .....	4,051,571	14.4	622
Timber and stock.....	8,820,475	31.3	1,354
Funds .....	1,557,002	5.5	239
Individual property—Total .....	13,729,141	48.8	2,107
Lands .....	8,319,578	29.5	1,277
Timber .....	2,735,200	9.7	420
Funds .....	1,049,233	3.7	161
Homes .....	502,650	1.8	77
Wagons, etc. ....	297,540	1.1	46
Stock and poultry.....	824,940	2.9	127
Jurisdictions with a per capita value of \$5000 and over (15,844 Indians)			
All items .....	\$139,519,285	100.0	\$8,806
Tribal property—Total .....	69,658,575	49.9	4,396
Lands .....	13,458,447	9.6	849
Timber and stock.....	47,731,809	34.2	3,013
Funds .....	8,468,319	6.1	534
Individual property—Total .....	69,860,710	50.1	4,409
Lands .....	40,367,310	28.9	2,548
Timber .....	2,906,482	2.1	183
Funds .....	18,050,304	12.9	1,139
Homes .....	4,507,419	3.2	284
Wagons, etc. ....	2,238,171	1.6	141
Stock and poultry.....	1,791,024	1.3	113

In leaving these tables it must again be said that they are not accurate, and that for some of the individual jurisdictions they may be very inaccurate, but they do give a picture of the general situation which seems to the members of the survey staff a fair reflection of the conditions which they observed, taken as a whole. Figures such as these, together with the qualitative observations of the staff members, seem to warrant the statement that the great majority of the Indians are poor, even extremely poor, and that no evidence warrants a belief current among some people that the Indians as a race are well-to-do. In dealing with the Indians the government in the main is handling a problem of great poverty.

**Indian Property: Tribal.** Much of the Indians' property as previously indicated consists of land, a great deal of which is rough or arid and of comparatively low value per acre. Large areas are still held tribally, though the steady trend for many years has been in the direction of breaking up tribal land into individual holdings. The original motives underlying this policy were good. It was believed that the Indian receiving a tract of land would feel a sense of responsibility for improving it, building a home, and accumulating more property. It was hoped that pride of possession would be created that would go far toward developing greater initiative and self-respect.

*The Allotting of Lands.* Admirable as were the objects of individual allotment the results have often been disappointing. Too much reliance was placed on the sheer effect of individual land ownership and not enough was done to educate the Indians in the use of land. The strength of the ancient Indian custom of communal ownership was not realized. It is still difficult for the Indians to understand and feel the white man's pride in the individual ownership of land. As time went on the shift of property from tribal to individual ownership was sometimes brought about not because sound educational and business principles demanded it, but rather because of pressure brought to bear by the Indian and his white neighbors, both of whom saw in the creation of individual holdings the first step toward giving the Indian complete control of his property, including the power to alienate it. Added to this tendency has been a certain amount of pressure brought by the public at large, due to widespread feeling that the Indians should

be removed from governmental control and take their place as ordinary citizens of the state and nation.

The fact that a few large tribal units are more easily conserved and administered than many individual holdings may at times have delayed this movement, but in most cases it has doubtless proceeded too fast. The result has been to put many Indians in possession of allotments of land and of other property before they had advanced sufficiently to feel any real responsibility for the conservation and development of such property. They have often displayed a childlike disregard of the future, and commonly have a lack of standards in maintaining a home, and in too many cases an eager desire to have restrictions removed in order that the property might be sold and the money squandered for immediate pleasure.

The rapid change from tribal to individual ownership has also increased the labor as well as the complexities and difficulties of administration by the government.<sup>7</sup> To deal with people in large groups and with property in a few great units is far simpler than to deal with people as individuals and with property in thousands of small units. The public, not appreciating this fact, has tended

<sup>7</sup> An outstanding example of increase in costs of administration arising from individual ownership is that resulting from inheritance of individual property. Before lands were allotted, the death of a member of the tribe did not directly involve property rights and titles. As soon as individual ownership was established all this simplicity passed. The estate of the Indian who died had to be administered. Heirs had to be determined. The estate had to be partitioned among the heirs or sold so that the proceeds might be partitioned. If it was not sold or partitioned but was leased as an estate, the lease money had to be divided among the heirs. In some cases the heirs are numerous and the records of relationship poor, so that the work of determining them is long and difficult. Division of lease money among them may require many small entries on the books, some of them so small as to be of little monetary consequence. With inheritance came all the problems of wills and will making, a difficult and expensive matter. With inheritance has come, too, the problem of whether to permit the land of a deceased Indian to pass into the hands of whites through sale. If sale to whites, the simplest and cheapest administrative device, is resorted to, the Indians in a few generations will be landless and often will have dissipated their share of the cash proceeds from the sale of inherited lands. The policy of allotment was not only expensive in initial application; it is highly expensive in its after effects. Its success has been materially impaired by the failure to provide adequately for the increased costs resulting from its adoption and more particularly from failure to provide the educational machinery for adults which was an essential element in the original plan.



to demand a reduction of appropriations for Indian affairs on the ground that the Indian problem is vanishing and that this work of the government should be reduced.

The allotment of tribal holdings will continue in the future, but it should always proceed as part of a definite program looking toward the advancement of the Indians and never as the result of pressure brought to bear by Indians who seek an early use of the proceeds from the sale of such lands, or by whites who hope eventually to reap a profit. The increased cost of administration should always be recognized, and provisions for the allotment of the lands of any reservation should be accompanied by more liberal appropriation of funds for administration.

*Corporate Property.* Thorough mature consideration should be given to the possibilities of using the corporate form of organization for tribal property that consists of great natural resources which cannot be economically administered or developed in small allotments. The outstanding opportunities for careful experiments in applying this modern form of business organization in the administration of Indian affairs appeared to the survey staff to be at the Klamath reservation in Oregon and at the Menominee reservation in Wisconsin. The possibilities appear sufficiently great to warrant a fairly detailed discussion.

At both Klamath and Menominee the natural resources at present being utilized are virgin timber, although each of them has potential resources in water power. At each of them selective logging is being practiced so that the land will be indefinitely required for the purposes of forestry. Apparently the land is mainly valuable for such purposes, and at Menominee, where land has been completely cut over, some reforestation is being practiced. From the standpoint of sound national economy it seems desirable to preserve these forests through the practice of selective logging and the continuous use of the land for growing timber. To make this wise economic use of the land it must be preserved intact in large areas, not allotted to private ownership in tracts too small for effective utilization.

The question then becomes how to preserve the property as a whole as a great national timber resource and at the same time to utilize the property for the advancement of its present Indian owners. The existing system is to put the proceeds of the sale

of timber into the tribal funds and to appropriate from these funds for the use of the Indians, sometimes in the form of per capita payments. These Indians thus have great capital resources, but they are not available for the use of individuals except as they become available in small amounts through appropriations from tribal funds.

The intelligent progressive Indians, especially at Klamath, are anxious to have some plan devised whereby their interest in this great tribal resource may be individualized, so that they may work with their own capital in advancing themselves. They say that they cannot work with the forests and that the amount available from per capita payments is too small to work with; that it is only enough to be an inducement to idleness, a contention that has much soundness. The solution they offered, at the beginning of the council with the survey staff, was for the immediate sale of all the timber and distribution of the proceeds, thereby permitting competent Indians to have immediate possession of their capital assets. Such a solution seemed to the staff objectionable on many grounds. So large a timber area could not be sold to advantage quickly. Sale in relatively small blocks would destroy the possibilities of selective lumbering and the effective use of the land as a national resource. Some Indians believed competent would prove not so and would promptly dissipate their capital. The funds of incompetent Indians would have to be invested and disbursed, with all that would mean in the way of work and friction.

The sounder plan appears to be to individualize the property through the corporate form of organization so that the property itself would be maintained intact and the interest of the individual Indian in it would be represented by shares of stock in the corporation.

Indians who have already thoroughly demonstrated their business capacity could be given their shares to do with as they will. Others who are believed to be competent but who have not yet demonstrated their capacity, could be given limited experimental use of their shares, being permitted either to sell a part of them outright or to deposit them as collateral for loans for productive purposes that seem sound and promising to the government officers responsible for their guidance and development. Young men desiring higher education might be permitted to sell enough of their

shares to get the necessary funds. The shares of the old and feeble might be sold to provide them with necessities. The shares would be far more liquid assets than any allotment of land. They could be more minutely divided and could be sold or pledged without the formalities incident to transactions involving feal property.

Although the Indian owners of the property should elect representatives to the board of directors of the corporation, the majority of the board, at least for a good many years after the inception of the experiment, should be composed of representatives of the government, operating under acts of Congress and regulations made in accordance therewith by the Secretary of the Interior and the Commissioner of Indian Affairs. White purchasers of shares from Indians would naturally secure the voting rights of the shares. Gradually the government might withdraw if development of the Indians warranted such a course. Such an arrangement would give the Indians training and experience in the management of property which they much need under conditions that would prevent them from going far astray and would permit selected especially competent ones to have the opportunity to try using their interest in the tribal wealth for their own economic advancement. It would give them a voice in the management of their property.

This suggestion that the corporate form of organization be given mature consideration results in part from the study made by several members of the survey staff at the Quinaielt Reservation in Washington, where under a court decision the unfortunate practice was followed of allotting timber lands to individual Indians. The Indian Office resisted the allotments of these timber lands, and it was only after a decision by the United States Supreme Court compelling such allotments that the present practice was pursued.<sup>8</sup>

<sup>8</sup> Section 331 of Title 25 of the Code of Laws of the United States provides for allotments of Indian lands when the president is of the opinion that a "reservation or any part, may be advantageously utilized for agricultural purposes."

In the suit of a member of the Quileute tribe of Indians, the United States Supreme Court in *United States v. Payne*, 264 U. S. 446 (1924), held, however, that the terms of the original treaty between the United States and the Quinaielt, Quileute, and affiliated tribes entitled the members of those tribes to allotments even of lands chiefly valuable for timber, and that the general allotment act should not be construed as preventing allotments of such lands.

The objections to this practice of allotting timber land, as seen at Quinaielt, may be summarized briefly as follows:

1. It is practically impossible to make a fair and equitable distribution of timber land among the Indians on an acreage basis. At Quinaielt the Indians first allotted were given land classified as agricultural, which had little or no timber value. Later allottees got land classified as timber land, but the value of the timber varied from a few dollars to many thousands of dollars. If timber land is to be allotted the basis must be the quantity and value of the timber, not the surface area of the land.

2. The salability of the timber on the Indian's allotment depends on the location of the allotment. That timber which is in the immediate path of the logging company's operations must be sold at once and brings a fair price as established by open competitive bids. That which is remote from present logging operations will bring a mere fraction of its prospective value because it may be years before it is reached in logging and it is divided into units too small for its immediate use by anyone. The Indian himself can hardly log it because of the difficulty, if not the impossibility, of getting his logs to a market. The only recourse of the old Indian who needs funds for his immediate support or of the young Indian who wants money for his education or for getting established in business, is to let his allotment go for the little it will bring. Indians declared competent have sold timber allotments for a mere fraction of what the government a little later secured for comparable abutting allotments sold in economically workable units under competitive bids.

3. The fact that the timber in an economically workable unit covers many different allotments vastly complicates the supervision of logging operations and the accounting. When the timber lying along allotment lines is cut it must be branded to show from which allotment it came and it must be credited to the proper allotment in the scale book and carried through the accounts so that eventually its value is included in the account of the proper Indian in the individual Indian money ledger. To appreciate what this means one must scramble after the brander at the corner where four allotments meet and then follow the entries through from the allottee's scale book to the individual Indian money ledger.

4. The cut-over land in the Quinaielt Reservation has little if any economic value at present. From the standpoint of national economy the best use to which it can be now put is to permit it to go back to forest. In order to let it go back to forest fire must be kept out of it. The individual Indian owner of a small allotment has no funds to do this and no interest in doing it, for he will scarcely live to see it again covered with even the smallest size merchantable timber. He does not live on the cut-over land; nobody does. For miles and miles it is a wilderness of old stumps, and unfortunately fires often sweep through, killing all new growth. It would be far better if it were owned in great areas either nationally or privately, so that someone would have an economic interest in keeping fire out of it and protecting the new growth.

5. The net effect at Quinaielt is that the Indians come into possession of timber money in the order in which their allotments are reached by the logging companies, unless they sacrifice their holdings at a fraction of their value. After the timber is gone their allotments have little value. They are poor for a while, then momentarily rich, and often finally poor again. Such an arrangement does not solve the human problem.

Quinaielt is an extreme example of an erroneous application of the principle of allotment. It is an excellent illustration of the general dangers. In many places the principle has been followed where it leaves the Indian with land which he cannot utilize because its area is too small to be economically workable. The only course open to him is to rent it to somebody, usually a white man, who has resources to rent many allotments combining them to make a sufficient territory to be of some economic use. The corporate form of ownership, it is believed, affords the possibility of overcoming some of these difficulties. If experiments with it should prove successful at places like Klamath and Menominee, further experiments might be tried in getting Indians to exchange their grazing allotments, which they never personally use, for shares in a corporation that would consolidate these small allotments into large economic units capable of being used or rented or sold without all the present difficulties incident to the past division of land into areas too small to be usable.

*Need of More Lands.* For many years the government has pursued a policy of purchasing and opening to white settlement the

so-called "surplus lands" of Indian reservations. This practice has proceeded so far that at present few tribes have more lands than they require. In the future unallotted lands should generally be reserved to the Indians themselves. The needs of most tribes must slowly but surely increase if they are to maintain themselves in the presence of white civilization, and if any case exists where there is not immediate necessity for all the lands now reserved to a group such need is likely to exist in the near future.

Several reservations are not at present large enough to support the population owning them. These should be enlarged if possible. Especially should some plan be formulated at once to solve the land problem of the Navajos. These Indians are now utilizing their range almost if not quite to the limit of its capacity for the sheep and other livestock which constitute their chief economic resource. Several thousand of them are living as trespassers on the public domain or on small allotments inadequate for their support. Their reservations should be enlarged right away so that the economic development of these industrious people may go on.

*Railroad Land Grants.* Certain reservations in the Southwest include within their boundaries large areas of railroad lands given as construction grants, in alternate sections. This checker-board arrangement creates an impossible situation so far as working out permanent future policies is concerned. In the past the railroads have allowed the Indians to use these lands for grazing, but with the insistence of some of the states that taxes must be paid upon this property, such use clearly will not be permitted indefinitely. Prompt action should be taken to remedy the situation, since neither the Indians nor the railroads can derive any considerable benefit from it without the consent and coöperation of the other owner. The Indians fear that railroad ownership of alternate sections may be converted to ownership of half the land in a solid block, thereby leaving to them a reservation only half as large as the area they are using, or that if the railroad land is purchased for them the cost may be made reimbursable against the tribe.

The Indians are clearly right in objecting to either of these solutions of this problem. The railroad land included within the boundaries should either be purchased outright by the government and given to the Indians, or the railroads should be given in ex-

change an equal area of similar lands from the public domain. In no case should the reservation be reduced, nor should costs of the land purchased from the railroads, or the value of that set aside for them from the public domain, be charged against the tribe unless such a charge be made contingent upon the discovery and use of mineral resources sufficient to pay the cost. These Indians need at once all the land contained within the limits of their present reservation boundaries, but they are too poor to pay a large reimbursable debt unless they are enriched through mineral resources. A possible course would be for the government in making new gifts of land not now owned by the Indians to reserve for itself the mineral rights and give to the Indians only the surface rights.

*Tribal Claims.* Many tribes have large tribal claims against the government of the United States. Some of these are probably valid, others very doubtful, and still others clearly worthless. Regardless of validity the existence of such unsettled claims has a bad psychological effect upon the Indians. They often refuse to work, improve their farms, or make definite plans for the future because they have been told, sometimes by unscrupulous attorneys, that they are rich and can hope eventually to receive enough money through the settlement of tribal claims to enable them to live in comfort without effort on their part.

The government should seek the earliest possible settlement of all such claims. Congress should be asked to provide for an increase in the staff of the Indian Office preparing such cases for consideration and to create a special staff to consider the merits of claims the presentation of which to the court of claims has not yet been authorized. If a claim is good it should be declared so at once in order that the money due may be available for the advancement of the Indian, while if it is bad it is equally important that the Indians should know it, so that they may put aside their dreams of wealth and go to work to improve their economic status by their own efforts.

*Utilization of Tribal Resources.* Tribal resources should be utilized for the economic advancement of the individual. At present some Indians with considerable tribal property are living in poverty, with poor school facilities for their children and equally poor medical and hospital facilities for the sick. Although efforts to

conserve tribal property are to be commended, as also are precautions taken to prevent its dissipation, yet at times conservation has been at the expense of productive utilization. Unnecessary delays in utilizing timber or other resources of a tribe are unjustifiable if many of the people are living in poverty.

**Indian Property: Individual.** The work of the government in dealing with the property of individual Indians has three aspects: (1) Conservation and protection, (2) production of income, and (3) education of the Indian in the use and management of the property.

In the past emphasis has been placed primarily on the first of these duties, the conservation and protection of the Indian property. Its effective utilization for the production of income has been a secondary consideration. Except in a comparatively small number of jurisdictions under able and energetic superintendents, the third function, that of educating the Indians in the use and management of their own property, has been largely neglected. Since the real task of the Indian Service is to fit the Indians to make a living in the presence of the prevailing civilization, this emphasis has been almost the exact reverse of what it should have been. The primary duty is to educate the Indians in the use and management of their own property. The duties of protection and utilization are secondary and should be performed only insofar as they are necessary to permit of effective work in economic education.

In justice to the Indian Service the fact should be definitely noted that both the number and the qualifications of the field employees have been too low to permit of effective work in all three branches. Conservation and protection have received emphasis because they are the simplest and can be done after a fashion as a routine by a comparatively small number of employees familiar with the laws and regulations without much contact with the Indians, without much effort at education, and without much exercise of the power of leadership. To make the individual properties productive of income, calls for more ability and initiative and a larger number of workers, and in several jurisdictions employees competent for this type of work are lacking. To educate the Indians in the use and management of their own property, is obviously the most difficult task of all and requires employees with

specialized training combined with the qualities of a teacher and a leader. A few superintendents and other field employees possess these qualifications and have demonstrated what can be accomplished with the Indians, but they are the striking exceptions, and they are handicapped by the lack of competent trained assistants. Nowhere is the number of such employees sufficient for the task in hand.

The absence of competent industrial or economic teachers and leaders explains in no small measure the comparative failure of several of the large policies of the past, notably, the whole plan of individual allotment of land, the issuance of fee patents, the removal of restrictions, and the declaration of competency which legally removes the Indian from guardianship and declares him ready to take his place as an independent member of the community.

*The Allotment of Land.* The original allotments of land to the Indians were generally made more or less mechanically. Some Indians exercised their privilege of making their own selections; others failing to exercise this right were assigned land. Often the Indians who exercised their privilege made selections on the basis of the utility of the land as a means of continuing their primitive mode of existence. Nearness to the customary domestic water supply, availability of firewood, or the presence of some native wild food were common motives. Few were sufficiently far sighted to select land on the basis of its productivity when used as the white man uses it. The Indians were not sufficiently advanced generally to make their selections on this basis, and the allotting work was done too fast and on too wholesale a basis for the representatives of the government to advise and lead them to sound selections. As a consequence many of the individual allotments consisted of land of relatively little productive value, and even if the Indians had been vigorous and persistent workers they would have had difficulty in making from it a really good living. Some Indians were assigned land which they had never seen. In some instances this assigned land was not potentially productive. The object apparently was to get the allotment work done rather than to give each Indian a piece of property which if effectively used would furnish the basis of support according to sound standards.

Many Indians did of course get good land, land that white men wanted. The Indians generally did not know the value of this land. They did not know how to use it, and the government as a rule did not send to them persons competent to teach them its use. These Indians quickly were subjected to the influences of whites who sought to get the good land away from them. Too often these whites were without scruples as to the methods to which they resorted.

The allotment acts opened several ways through which the whites could obtain possession of the Indian lands. The surplus land remaining after allotments had been made was sold and the proceeds paid into the tribal funds. When an allotted Indian was declared competent, he received a fee patent to his land and could thereafter sell it without governmental supervision. When a restricted Indian died, the simplest method of dividing his estate among the heirs was to sell it and distribute the proceeds. In each of these ways large areas of valuable Indian lands passed permanently into the hands of the whites. A means of securing the use of the land, although not the fee title to it, was to lease it from its Indian owner, ordinarily through the government office. In many parts of the Indian country where land has been allotted, it is common to see the productive land that formerly belonged to the Indians owned or leased by whites and to find the Indians withdrawn to the remoter sections which afford comparatively little opportunity for effective development.

The function of protecting the Indians and their property was vested in the government of the United States, and unquestionably it has made many mistakes. In a few instances its representatives have been false to their trust and have deliberately conspired for their own advantage to get the good lands away from the Indians. More frequently the mistakes have been errors in judgment or methods rather than of intent. In some instances acts of Congress have resulted in the wholesale exploitation of the Indians, as was the case among the Five Civilized Tribes in Oklahoma and among the Chippewas in Minnesota. In other cases administrative policies have had the same result, notably in the instance of the competency commission which operated under a previous administration and forced fee patents on many Indians who did not want them and

who proved incompetent to manage their own affairs. The result of these mistakes is that a relatively small proportion of the Indians who have been declared competent to manage their own affairs have retained possession of their property. Possibly as significant as the number of fee patent Indians who have lost their lands, is the growing number of younger Indians, born after allotments were made, who are now without land because that in which they had an inherited interest was sold to whites to permit of a distribution of the assets.

The fact must be squarely faced that through governmental action, many really incompetent Indians have been permitted to lose possession of their individually owned property before they were ready to maintain themselves in the presence of the civilization which confronts them. The important question is how to stop further inroads on Indian property until the Indians are adjusted to the prevailing economic system.

In those jurisdictions where individual allotments have already been made, three things must be properly safeguarded: (1) The removal of restrictions and the issue of fee patents, (2) the sale of inherited lands, and (3) the leasing of Indian lands to white tenants.

*The Policy of the Present Administration in Granting Fee Patents.* The present administration, having had a recent demonstration of the damage wrought by wholesale competency commissions, has wisely adopted an extremely conservative policy in granting fee patents. The present policy is obviously correct. Improvement is to be sought in the methods to be followed in giving it effect.

*Fundamental Steps in the Advancement of the Economic Condition of the Indians.* The most fundamental step that can be taken is to work out for each jurisdiction a definite educational program to advance the economic and social condition of the Indians, with due regard to the economic resources of that jurisdiction and to supply each jurisdiction with a sufficient number of properly trained workers to make that program effective. These industrial and social teachers will work with the Indians in the effort to teach them the use of their property and of the income produced from it. Being trained and experienced, they will maintain accurate records of the accomplishments of the Indians in those activities which are

indicative of competency. Their recommendations and decisions regarding competency will be based not so much on their offhand impression of the Indian as on this record of things he has actually done, over a series of years. They will definitely serve notice on the Indians that if the Indians want fee patents they must first demonstrate their capacity to make a living by their own efforts.

Definite recognition will be given the fact that competency does not come in a day, but gradually as the individual grows in wisdom and experience, and that accordingly restrictions must be gradually withdrawn. Under existing law and the practice in some jurisdictions, an Indian is totally incompetent on one day and totally competent on the next. With a more numerous and better qualified field personnel, it will be possible for a well trained, friendly white adviser to work with the Indian and gradually to release to him an increasing control over his property until the accumulated record of achievements warrants the complete withdrawal of all governmental supervision.

A suggestion worthy of mature consideration is that an Indian desiring a fee patent for his land be required to furnish positive evidence that he has by his own efforts earned enough for his own support and that of his dependents and that if he cannot furnish such evidence, he be required to wait for his patent until he can furnish such evidence covering a reasonable number of years.

*Revolving Fund Recommended for Purchase of Indian Lands.* To prevent the present evils resulting from the sale of inherited lands and the distribution of the proceeds among the heirs to be dissipated or to be used in supporting the Indians in a life of idleness, it is recommended that the government establish a revolving fund to be used in purchasing the land of deceased Indians with heirs where a division of the land itself is impracticable. The proceeds of this sale would then be held in trust by the government for the restricted incompetent heirs, to be expended only for productive purposes and not for ordinary living expenses. If the Indian heir needs land, it could be purchased for him from the inherited land thus bought up by the government. His inherited funds could be used for this purpose, and any balance due could be made a reimbursable loan secured by the property.

This revolving fund could also be used to meet the problem arising when a young Indian family has several pieces of land in dif-

ferent parts of the jurisdiction or even in different jurisdictions. Not infrequently a young Indian would explain to members of the survey staff that he was living on his wife's allotment or on his mother's allotment and that he himself either had an allotment of his own somewhere or an inherited interest in other allotments. Since these scattered pieces of land are not within reach for work, they are rented and the rent money becomes a temptation to idleness. Some superintendents have displayed no little ingenuity in working out the puzzle of how to dispose of these scattered holdings in such a way that the family will consolidate its property in one unit that may be effectively utilized. By this action the petty income from rent is cut off and the Indian is at once presented with the necessity to work and the opportunity to work on a really possible economic unit. The existence of such a fund would materially simplify this problem.

This fund could also be used to aid in the relocation of allotments. At Pima, for example, a considerable number of Indians will not be able to obtain water from the Coolidge Reservoir for use on their present allotment. The government needs some such device whereby it can secure for these Indians land already allotted which lies within the area to be irrigated. On the Blackfeet Reservation a similar problem of relocation of homesteads has come up, and it might be materially simplified by the utilization of such a revolving fund.

The use of such a revolving fund would help meet another difficulty. When Indian land has been sold to whites it becomes subject to state taxation. If it is subsequently repurchased with Indian trust money which was secured by inheritance or the sale of restricted property, the courts in some jurisdictions have held that it remains subject to state taxation. Such a ruling materially hampers the Indian Service in meeting the problems arising from inheritance and in relocating Indians on more promising allotments. This difficulty would be overcome if the property never passed into possession of whites and thus did not become subject to state taxation until the Indian owner was ready to assume the full burdens of taxation.

The problem of raising funds for the care of the aged and infirm would also be simplified if a revolving fund existed through which the government could advance money on their individually

owned land. In a considerable number of cases Indians too old and infirm to work have no resources except their land and are living very close to actual want. One way of meeting this situation at present in use is to sell their lands, ordinarily to whites, and to use as much of the proceeds of the sale as necessary for the care of the old people. On their death the balance remaining is distributed among the heirs. At times difficulty is experienced in finding purchasers prepared to pay a reasonable price, and considerable time necessarily elapses between the first recognition of the pressing need of the old people and the receipt of the purchase price of the land. Sometimes the aged people die fairly soon after the sale. Then the land is gone and the heirs get money to use for living expenses rather than land which they could use for the production of income. A material improvement would be effected if a government fund were available from which the Indian service could make small advances as needed immediately upon the official recognition of the necessity without the sale of the land to whites and without the inevitable delay incident to such sales. Upon the death of the owners the land would pass to the heirs, subject to the lien for the money advanced for making the old people reasonably comfortable in their last days.

The difficulty of the young Indian boys or girls who have land and want money for higher education or for other sound productive expenditures might be similarly met by the use of this fund. The land would not be sold but would be available for their use upon their return, subject to the mortgage for the funds advanced. If they decided later that they did not wish to return to the reservation and if they were getting ahead in other pursuits, the land could then be sold.

Such a fund might in time become loaded up with land for which the Indians would have no need. In that event sale of the land to whites would be entirely justified and the proceeds of the sale would revert to the revolving fund, to be used again for carrying out the objects of the fund. Such an arrangement would permit of intelligent planning and development of the Indian resources and give a flexibility or adjustability that is at present almost entirely lacking.

*The Problem of Leasing Individually Owned Land.* The practice of leasing Indian lands results in part from this lack of flexi-

bility or adjustability which has just been mentioned. The members of an Indian family may own land in several different places, some of it through original allotments and some through inheritance. Because it is scattered and sometimes far removed from the place where the family wishes to dwell, they cannot use it. The present remedies are to sell the parts not used or to lease them. A few superintendents are sufficiently vigorous and active partially to overcome these difficulties and to prevent the worst of the evils resulting from lease money, but they are handicapped by the intricacy of the problem and the rigidity of real property. The Indian Service has in principle recognized that it is highly undesirable for an able-bodied Indian to have lease money available for living expenses, but it has lacked a flexible workable device for overcoming the present difficulties.

Some evidence has been presented to the survey staff which suggests the possibility that a few superintendents have found in leasing to whites the easiest way out of a difficult task. Obviously it is far simpler administratively to lease a good piece of land to a white tenant and to dole the proceeds out to the Indian owner than it is to educate the Indian to work his own land. Many Indians much prefer a little lease money to the far greater return that they could get by working the land themselves, although occasionally Indians have complained that large leases have been made, including their allotments among many others, and that they meet with opposition when they try to get their land for their own use. This complaint generally relates to grazing land; and it may be questioned whether the individual allotment is as a matter of fact big enough to be a really usable economic unit, whether the return from its use would be sufficient to justify the expense of fencing it for individual use. Here again, the superintendent is hampered by the rigidity of real property. If he could shift ownership around more easily he might be able to give the individual Indian his chance without unduly restricting the use of the property as a whole.

The elimination of the leasing of individually owned property is an outstanding problem in developing an educational program for the Indians. The recommended Division of Planning and Development will have to give it serious consideration in every jurisdiction studied and will have to outline policies to control it. To give effect

to these policies the Service will require a far higher class of agricultural demonstration workers and other field employees concerned with the education of the Indian than it at present possesses.

*The Question of Taxation.* The statistics of Indian property previously given in this chapter demonstrate the fact, so obvious to persons who visit the Indian country, that the value of the Indian lands is relatively high as compared with the Indians' income from the use of that land. The general property tax, although based on the value of land, must be paid from income unless it is to result in the forfeiture of the land itself. Bad as is the general property tax from many points of view, it is peculiarly bad when applied to Indians suddenly removed from the status of a tax exempt incompetent and subjected to the full weight of state and local taxation. So far as the Indians are concerned, the tax violates the accepted canon of taxation that a tax shall be related to the capacity to pay. The levying of these taxes has without doubt been an important factor in causing the loss of Indian lands by so large a proportion of those Indians who have been declared competent.

The policies involved in making individual allotments and issuing fee patents brought into the economic problems of the Indian Service the difficult subject of taxation. Under the allotment act the incompetent Indian holding a trust patent is generally exempt from taxation. On the day he is declared competent and is given his fee patent, he straightway becomes subject to the full burden of state and local taxation. The more common form of taxation is the general property tax, the basis of which is the value of the property owned and the burden of which falls heavily on land, because it cannot slip out from under in the way other forms of property frequently do.

Many wise, conservative Indians, with a keen power to observe the experience of others, have no desire to progress to the point where they will be declared competent and be obliged to pay taxes. They know that the taxes will consume a large proportion of their total income and that taxes are inescapable. To them to achieve the status of competency means in all probability the ultimate loss of their lands. From their point of view the reward for success is the imposition of an annual fine.

The attitude of the whites who have settled in the Indian country is naturally that the Indians ought to pay taxes. In sparsely



settled districts where a considerable proportion of the land is held by tax exempt Indians, the whites often find it difficult to support adequate governmental services. They want the Indian property taxed so that funds will be available for schools and public health work. Much of the prejudice that exists against the Indians has its origin in the fact that they pay no taxes.

Many persons interested in the advancement of the Indians take the position that they should be taxed. Payment of taxes, it is pointed out, will remove one of the major grounds for racial antagonism. Then, too, the friend of the Indians wants them at the earliest possible moment to take their place as full fledged citizens, and the full fledged citizen pays taxes.

In the chapter dealing with general policies in Indian administration this subject of taxation of Indian lands was gone into at some length as it affects the relationships between the Indians and the whites and those between the national government and the state governments.<sup>9</sup> What was said there need not be repeated except insofar as it has a direct economic bearing.

The view of the survey staff is that the Indians must be educated to pay taxes just as they must be educated to do other things. The taxes imposed upon them must always be properly related to their capacity to pay. For them an income tax would be infinitely better than a general property tax because of its direct relationship to their capacity to pay. The returns from such a tax would obviously be extremely small at the outset, but they would increase with the increasing productivity of the Indians; and such a tax would not result in the loss of Indian lands and destruction of what productive capacity they have achieved.

For first lessons in taxpaying it is highly desirable that a definite relationship exist between the payment of taxes and the securing of the benefits that arise from taxation. Betterment taxes, levied with due regard to the capacity to pay, would be excellent especially if the Indians could have some voice in the decisions as to the betterments to be achieved. The Navajos are apparently prepared to spend possible revenues from oil for betterments rather than to distribute them for individual use; and many Indians in council advocate the use of tribal funds for specific projects for the general welfare.

<sup>9</sup> Pages 94 to 97.

The difficulty, it is believed will be found to lie not so much with the Indians themselves as with their white neighbors. A few white people doubtless want the Indian taxed because that will give them a chance to get the Indian lands. Many more with no ulterior motive fail to see any reason why they should pay taxes on their lands while the Indians go tax free. They often fail to recognize that the Indians pay indirect taxes by purchasing goods from white men who have naturally added a portion of their taxes to the cost of the goods sold to the Indians. They naturally want the Indians to pay taxes just as they do.

The recommendation made is that the Indian Service, through the proposed Division of Planning and Development, take this matter of taxation up with state and local officers fully and frankly. In several states the officers of the state and local governments are awake to the fact that their Indian citizens are as much of a problem to them as they are to the national government, that what is going on is a transition from national control to state control, and that they will gain nothing if the Indians are shifted to them under a system that results shortly in the loss to the Indians of their lands and leaves them without economic resources. Many state and local officers will undoubtedly welcome the opportunity to cooperate with experts from the national government in working out a constructive educational plan that will advance the Indians and increase their economic productivity. They will quickly see the problem, and once the problem is analyzed, practical solutions can be worked out to meet local conditions.

*The Duty of the Government to Protect and Conserve Indian Property.* Although the chief need of the Indians is more aid in training them to work with their own property to make it economically productive, the national government must continue and strengthen its work for the protection and conservation of the Indians' property. This subject is discussed in more detail in the chapter that deals with the legal aspects of the Indian problem and need not be gone into here. It is mentioned to prevent any possible inference that since the emphasis in this discussion has been on training the Indians in the use of their property, the primary duty of protection and conservation is not still of great importance.

**Indian Income.** The Indians derive their income, as was shown in the statistics previously given, mainly from three sources,

namely, (1) Tribal funds, (2) the sale or rental of their individually owned property, and (3) their own work.

*Tribal Funds.* In considering the tribal funds, a sharp distinction must be made on the basis of the original sources of the funds. The major proportion of the funds was secured from the conversion of capital assets into cash through the sale of the surplus lands remaining after allotments, the settlement of claims involving land, or the sale of natural resources of the land, such as timber or oil. A much smaller proportion came from the use of the Indian property and was really income. Leases of tribal lands for grazing or other agricultural purposes that do not seriously affect the value of the property are probably the outstanding illustration of true income. In some instances the use of the tribal grazing lands for a tribal herd has resulted in true income. The interest paid on tribal money in the national treasury also belongs in the category of true income.

In corporation finance this distinction between funds resulting from the conversion of capital assets into cash and funds resulting from the real earnings of the company is fundamental. The payment of dividends from capital is generally regarded as thoroughly bad practice because it eats away the capital of the company, and leads the shareholders to live on their capital rather than on their income. In dealing with Indian affairs a similar distinction should be drawn, or else the capital of the nation's wards will be dissipated by its utilization for current expenses. As has been repeatedly pointed out the distribution of unearned income to the Indians for current expenses is particularly bad, because it permits them to continue their natural inclination to exist in comparative idleness according to a dangerously low standard of living instead of forcing them to face the necessity of working. With a reasonable amount of work under competent guidance and direction, they could generally produce a far greater income and have the means of overcoming many of the forces that now result in poverty, ill health, and suffering.

Tribal funds and the income arising from them should generally be considered available only for productive use. Except in the case of the old and helpless the question should be, will this use of tribal income advance the Indians toward the goal of self support? If that question cannot be answered fairly definitely in the affirmative,

the chances are that the proposed use of tribal funds will in the long run do the Indians far more harm than good. It may result in the dissipation of the capital that is available for the primary task of adjusting them to the prevailing civilization without achieving any forward step in that direction. Per capita payments in money to be used for ordinary living expenses should nearly always be avoided.

If the Indian Service can develop for each jurisdiction a sound economic and social program and can have in each jurisdiction a well trained, efficient group of persons to carry out that program, plenty of ways will be found for the effective utilization of tribal income. Many Indians are in need of productive property such as good land, water for irrigation, livestock, poultry, farm implements, and seed for planting. In view of the extremely low standards of living and the ill health resulting from it, the use of income from tribal funds for fairly permanent improvements in houses, outbuildings, or even important articles of household furniture, would be justified. The object of the well trained, experienced field workers will naturally be to arouse in the Indian the desire for such investments of their share of tribal funds, and they will measure their success by their ability to make the Indians see their true needs. The use of force and coercion should be negative rather than positive, not compelling the Indians to invest in things they do not want but denying to them the chance to use their share of tribal income for ordinary living expenses. The use of such authority by a guardian is thoroughly justifiable, because guardians are appointed for the purpose of preventing wards from dissipating their property.

The use of tribal funds as a source of credit for enterprising members of the tribe who can give security deserves careful consideration. In the past, due to the lack of a definite program and well trained employees, the experience with reimbursable funds has not been very satisfactory, but it is believed the fault was not in the plan but in its execution. If a new and determined effort is made, properly supported, tribal funds might well be used as loan funds for productive purposes.

*Elimination of Leasing.* No small part of the tribal income in many jurisdictions is derived from leasing grazing lands to whites. As the economic program for these jurisdictions develops, the In-

dians will have an increasing need for this land, either for tribal herds or for individually owned livestock. The object should be to curtail leasing just as rapidly as the Indians can be developed to utilize their own grazing lands.

*Use of Tribal Funds for Administrative Purposes.* A tendency seems to be growing to use tribal funds derived from leases or timber to pay for the administration of various reservations. In some instances the government incurs a direct expense in connection with the use or sale of tribal property. Much of the cost of operating the agency among the Osages results from leasing the oil lands and controlling the oil operations and the incidental accounting. At Klamath and Menominee the direction and control of the timber operations are direct costs of operation. At San Carlos the maintenance of the tribal herd is a direct expense. That it is fair to the Indians to deduct these expenses of operation from the gross returns before crediting the tribal funds with earnings, seems obvious.

The use of tribal funds to pay the purely governmental costs of general administration, on the other hand, seems to be open to serious question, especially if the Indians are poor and have never given consent to this use of their funds. Payment from tribal funds of the salaries of general administrative officers and clerks, in the choice of whom the Indians have had no voice, results in criticism from the Indians that is difficult to answer and maintain a position consistent with the principles underlying the foundation and operation of the United States government. The situation is particularly unfortunate where an officer or clerk paid from tribal funds is distinctly unpopular with a considerable body of the Indians. They watch his every move and ask if it is right that they be required to pay for certain of his activities. Friction develops which makes it difficult for the employee to work effectively with the Indians.

The mere existence of tribal funds rather than the need of the Indians has apparently been the factor that led to their use for general expenses. In some jurisdictions where the Indians are very poor and are greatly in need of tribal funds to increase production, the tribal revenue goes largely for general administration. In other jurisdictions where the Indians are much better off individually, the expenses of general administration are met from gratuity

appropriations, for the simple reason that the lands have been allotted and the Indians have little tribal income. Doubtless it has been easier to secure appropriations from tribal funds than gratuity appropriations, but the criterion for determining appropriations should be need and use rather than the source of the money.

If the United States in the immediate future is to raise the Indian Service to a new plane of efficiency, material increases in appropriations will be required. In making these appropriations a wise policy would be to provide for all general expenses of administration for gratuity appropriations, except in the few cases where the Indians are so well off that they may reasonably be taxed for at least a part of the expenses of the administrative costs, and in such cases they should have some voice in the matter. Where the Indians are poor, appropriations from tribal funds should be restricted to objects that are so clearly and obviously for the direct benefit of the Indians that the majority of them can see that benefit. If the Indian Service recognizes its problem as educational, its local representatives will confer and advise with the Indians regarding the benefits to be secured by the wise use of tribal funds.

*Unearned Income.* The sound principle that capital assets should not be used for ordinary living expenses should likewise govern the guardian government in controlling the actions of its Indian wards in respect to individual income. It should be made clear to the Indians that they can do as they please with what they themselves earn by their own efforts, but that the government as guardian has a distinct responsibility over what comes to them through the property the government has secured them. They have not earned by their own efforts the proceeds from land sales and land leases. Such proceeds are for productive objects, and they should be spent productively by the Indians with the advice and guidance of trained industrial and social instructors.

*Children's Money.* The policy of individual ownership has given rise to the problem of children's money. Sometimes children too young to do any work themselves are owners of allotments. More frequently perhaps they are land owners by inheritance. The lands in which they have an interest are often leased and the proceeds deposited to the account of the child. The Indian Service has wisely been strict in its regulations regarding the expenditure of children's money, endeavoring to have it used for the benefit of the child