

## BOOK REVIEW

### *What can Tribes Do? Strategies and Institutions in American Indian Economic Development*

by Stephen Cornell and Joseph Kalt, Editors,  
American Indian Studies Center,  
University of California — Los Angeles, 1992

>> >> >> << << <<

David Newhouse

What can Tribes do is a collection of 8 papers prepared by faculty and staff of the Harvard Project on American Indian Economic Development (HPAIED) in the John F. Kennedy School of Government at Harvard University. These papers, which represent five years of HPAIED work during the late 1980s and early 1990s, were prepared for Indian Tribes and organizations to assist them in addressing economic development challenges facing them.

The HPAIED represents one of the first sustained university level critical examination and analysis of the issues of economic development in American Indian communities. Its work was seminal and groundbreaking. The project is an examination of what was working in economic development rather than an examination of what wasn't working. This focus on successes rather than failures is what differentiates this work from others. Cornell and Kalt write:

Seldom have Indian nations had the opportunity to propose their own solutions, the power to implement them, or

the information necessary to design solutions that can work on tribal terms and in highly diverse tribal contexts. Today — at least for the first time — the opportunity is there, and the power, while limited, is there as well. Informational resources, however, remain scarce. This collection is part of an ongoing effort to address this scarcity.

The text consists of 7 edited reports and an introduction which sets out the lessons learned from the 5 years of research. Each technical report in that it was prepared for community use is written in a language and style that makes it easy for economic development officers to use in their own work.

The first report, prepared for the Crow Tribe, examines the structure and functioning of an economic development corporation, describing ways of protecting local enterprises from political interference, among other issues; the second report, written for 7 southwestern Tribes, reviews the judicial systems for the 7 different tribes,

arguing that a well established system of laws and law enforcement are crucial elements to economic development.

The third report to the Puyallup in Washington presents a model for land use planning and describes how to link land use to tribal goals. The fourth report is a review of forestry operations on Indian reservations with a view towards looking at factors that make a productive reservation timber industry.

The fifth report analyses the factors that influence the success of bingo in Indian reservations. While it looks closely at bingo, its conclusions are also applicable to larger gaming operations. It reports that key factors are market size and extent of local competition. The sixth report examines welfare and welfare reform with a view towards changing the welfare system to support the movement of families from welfare to self-sufficiency.

The seventh report takes a different tack and focuses upon the cultural 'mindsets' that people bring to the development task and how these mindsets affect development action. It proposes a framework for analysing the effect of culture upon development activity.

In the first chapter: *Reloading the Dice: Improving the Chances for Economic Development on American Indian Reservations*, Cornell and Kalt review the obstacles that are faced by Indian nations as they attempt to develop. They argue that governing institutions play critical roles in development and that economic development is more than just picking winners. They argue:

Picking winners is important, but it is also rare.... In fact, many tribes pursue development backwards, concentrating first on picking the next winning project at the expense of attention to political and

economic institutions and broader development strategies. Development success is marked, in part, by the sustainability of projects. Generally speaking, only when sound political and economic institutions and overall development strategies are in place do projects — public or private — become sustainable on reservations. Much of the development success we have seen has occurred where tribes have paid prior and ongoing attention to the structure and powers of their political and economic systems.

Indeed in our research two factors more than any others distinguish successful tribes from unsuccessful ones: *de facto* sovereignty and effective institutions of governance.

Cornell and Kalt then proceed to lay out how tribes can exercise their sovereignty and what the various roles of the political and economic institutions should be with respect to economic development. Their focus on the development of effective institutions which can support economic development is an important aspect of aboriginal economic development that has been given little attention. Their work, while important and groundbreaking, needs to be built upon.

The work is now almost a decade old and the text itself almost 8 years old, yet it remains and deserves to become one of the classic texts in Aboriginal economic development. The ideas expressed by Cornell and Kalt in *What can Tribes Do* were important influences in the research work and recommendations regarding economic development of the Royal Commission on Aboriginal Development. It will be interesting to take a look at the economic development landscape a decade from now and see if their ideas have indeed made a difference.