THE CHALLENGES OF ABORIGINAL ECONOMIC DEVELOPMENT IN THE SHADOW OF THE BORG

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There has been a great deal of development and change in Aboriginal communities since 1966, the year the Hawthorn Report was released. The Hawthorn Report examined about 17 different Indian communities across the country and documented their social and economic conditions in the early 1960s. The report lays out contemporary social thinking about how these communities ought to be developed and what strategies the Government of Canada ought to follow. The report’s main idea is to treat Indians as citizens plus. While this idea was rejected by governments, Indians took it up and have been pursuing it through a variety of means ever since. So thirty or so years down the road, we are now beginning to see some changes, but I also think that it is useful for us—or those of us who work in Aboriginal community economic development—to step back and to think about what we are involved in. That is what I want to focus on here.

Two years ago, a small magazine started by Roland Bellrose from Alberta began to explore and make public Aboriginal development activities. That magazine—aboriginaltimes—is now included as a monthly insert in the Globe and Mail—Canada’s other national newspaper. According to the masthead, aboriginaltimes is the “national business and news monthly magazine which explores the issues and experiences of Aboriginal people.” And the masthead for Issue Number two in October 1996 says that aboriginaltimes “is produced with the spirit and intent of sharing and participating. It is a communication bridge that will link Aboriginals and Corporate Canada together in a meaningful and beneficial way...we provide an unprecedented way to inform the public of information pertinent to the Aboriginal business community.” Over the last five years the magazine has been an unabashed supporter of Aboriginal business and economic development, providing columns on partnerships, business opportunities, and training programs. It tells you who the movers and shakers are; it talks about natural resources; it tells you about upcoming events of all sorts and in all sorts of places. It also gives you snippets of Aboriginal history, runs a political commentary column, provides Aboriginal education opportunities, and also carries advertisements for governments and businesses, and for Aboriginal businesses that...
are selling services. In addition, the magazine talks about government policy. Its editorial policy is optimistic, pro-development, pro-business, and pro-Aboriginal.

A few years ago, I also had an opportunity to undertake a case study of the economy of Six Nations, and to think about the challenges that community was facing. Six Nations has about 11,000 members that live on reserve, out of a band membership of about 17,000. I was struck by what I saw and what I heard. The economy at Six Nations itself was moving. New business start-ups were at an all-time high. People were buying and people were consuming. House construction was up, and the number of houses with attached two car garages was quite large. There was a buzz in the community as this entrepreneurial spirit began to affect it, and also as it began to work its way into the public consciousness. The council itself was talking about the need for zoning bylaws for commercial enterprises, particularly after a local tire fire that was quite disastrous. The local small businesses and the people said that they did not need regulations because it would increase the costs of doing business. They said that they could regulate themselves. At that time, there were about 200 or so Aboriginal businesses located at Six Nations. For those of you who are economists and belong to mainstream business organizations — particularly small business organizations — these statements and sentiments ought to be quite familiar.

For me, these two examples illustrate the situation facing those of us working in the field of Aboriginal community development. On the one hand, we ought to be proponents of it, and we want to be proponents of more of it, like those activities described in the aboriginaltimes. On the other hand, I think that we are taken aback when we see the old classical economic debates being replicated in front of us. Aboriginal economic development driven by Aboriginal traditional value — we expect it to be different. However, we find somewhat surprisingly to some but perhaps not to others, that we are beginning to replicate classical debates about the regulation of private enterprise, about the appropriate mix of public and private enterprise, about the role of government in the economy, and the influence of culture on developmental goals and practices, and in some cases we begin to question the goals of economic development itself.

It is uplifting to see the material life of Aboriginal people begin to improve. I think it has improved somewhat since 1966, but at the same time, I think that it is dispiriting to see the old classical economic debates being replicated. I was looking at the literature and beginning to wonder if economic development was just the latest version of the “Indian Problem”. Instead of being in need of civilization, Indians were now in need of development. Are we as individuals in the field helping to reinforce the view of Indians as problems that need to be solved? As we know too well, there is a long history of European Canadians seeing Indians as problems and then mustering the resources of the state in order to try to solve those problems. Over the last century, there has also been a great deal of research attempting to define “the Indian problem” and to devise the solution to that problem. Predominantly, I think, we have as a result come to see Aboriginal development through the lens of problem and deficiency — there isn’t enough of it, or not of the right kind — and we are inclined to subscribe to the view that more economic development will begin to solve the many problems within Aboriginal communities.

Public policy officials, academics (both theoretical and applied), politicians of all stripes have turned their attention to the problem. The Harvard Project on American Indian Economics led by Professors Joseph Kalt and Stephen Cornell has been exploring through a series of case studies conditions that make for successful Aboriginal economic development. The York University Project — Understanding the Strengths of Indigenous Communities (USIC) — headed by Professor Cynthia Chataway is also looking at successful Aboriginal communities, how they can foster community development, and what conditions are needed in order to make community development more successful. The Royal Commission on Aboriginal Peoples considered increasing the level of Aboriginal economic development as one of its fundamental goals.

Sometimes we believe that the problem is that the state is not doing enough, and other times, we define the problem as the state doing too much. What perspective we bring to the table depends to a large extent on our political background. If I read the National Post, a newspaper with a decidedly conservative bent, the problem is that the state is too involved, and
Aboriginal communities and governments are protecting us from market forces. When I read the literature on co-operatives, I begin to get another problem, and that problem is the market, and the market’s inability to respond adequately. The latest view that we see in the literature on economic development is that economic development is now a problem of governance and what we need to do is develop new institutions of governance or to strengthen the existing institutions of governance. So, the latest efforts of the state are focused on increasing and improving the level of governance within our own communities. Each expert will tell us to a large extent what the problem is and each expert who comes to the table and begins to work in this area will bring their own perspectives and their own solutions. Despite the changes over the past twenty years, the material life of many Aboriginal people — relative to the Canadian norm — has not increased significantly, and this is after forty years of attention and effort on understanding how this came to be a problem.

Since the 1960s, Aboriginal peoples have had the attention of the development apparatus of the state, have been the object of efforts and attention by the development community and its cadre of professionals, and have themselves launched many development efforts. Yet, the problems of low income, inadequate housing, and low participation in the work force continue to persist. Through each decade since the 1960s there has been a report produced by the state on living conditions, social conditions, and economic conditions of Aboriginal communities and each generation of policy researchers and analysts prepares its new set of solutions. The results of these efforts have been uneven, as we are all quite aware. In the RCAP Final Report, it was explained very well, and the report proposed the latest set of solutions. However, the RCAP Report in its essence differed in that it was better nuanced and better researched and based upon Aboriginal ideas and desires, but it was not much different from that which was produced in the 1970s. So, in looking at this effort over the last thirty years, I am beginning to question not so much the solutions, because I think the solutions all have the possibility of working, but I am beginning to think about the production of the solution and the ideas informing the solution.

The solutions that we are beginning to look at, the solutions that we choose as Aboriginal economic development practitioners, come out of the international development community which for the past 50 years has been working hard in all parts of the world to solve some of the problems that we face today. Most of those solutions have been remarkably unsuccessful. We live in a society that is dominated by the idea of capitalism in the market, and we are now beginning in our research to see the strong connections between the government, the economy, the law and social institutions. We often don’t make visible the connection between development and democracy. When we discuss it in the context of governance, we never talk in terms of democracy.

We are also dealing with the effects of colonization and trying to find a way to move past it. We are beginning to create what we call postcolonial communities and thinking about how we can begin to realize them. We also live in a society that is dominated by what MacPherson (1962) calls “possessive individualism”, which conceives of the individual essentially as “the proprietor of his own person and capacities, owing nothing to society for them. The individual is seen neither as a moral whole, nor as part of the larger social whole, but as the owner of himself.” Furthermore, in this view, the individual is free “inasmuch as he is a proprietor of his person and capacities.”

Freedom, then, is freedom from dependence and the world of honours and obligation. Society becomes many free people, individuals that are linked to each other as proprietors of their own capacities and what they acquire by their own exercise. “Society consists of relations of exchange between proprietors. Political society becomes a calculated device for protection of property and for the maintenance of an orderly relation of exchange.” MacPherson’s ideas lead us to the conception of society based upon the notion of exchange and the polity as a means by which changes are supported, and by which changes can occur in an orderly fashion, and by which property is protected. In contemporary terms, the idea of an exchange society becomes our market society.

We also, in the contemporary period, encounter the idea of “progress”. Progress is one of the most important ideas of our modern age and one that we hold unconsciously and usually unquestioningly. Progress implies that
there is a pattern of change in human history; that we can know this pattern, and that it consists of irreversible changes in one direction, and this change in direction is permanent, and moves from a less desirable state to a more desirable state of affairs.

The idea of progress informs our development effort. Progress has generally come to be seen in economic terms and to be measured in economic terms. Over the last 50 years, particularly in this country, we have come to see market society and capitalist society as offering the best option for improving human welfare. Such mainstream Western notions have been promoted in education at the expense of Aboriginal ideas about society and community. Since the end of the Second World War, we have also dealt with grand strategies for capitalist market solutions to the problems of poverty. The idea of a grand strategy dominated many of our efforts in Aboriginal economic development as well.

I want to talk a bit about the origins of the grand strategy. A 1949 economic mission called International Bank for Reconstruction and Development of Colombia was described as follows:

We have interpreted our terms of reference as calling for a comprehensive and internally consistent program. . . . The relationships among the various sectors of the Colombian economy are very complex and intensive analysis of these relationships has been necessary to develop a consistent picture. . . . This, then, is the reason and justification for an overall program of development. Piece meal and sporadic efforts are apt to make little impression on the general picture. Only through a generalized attack throughout the whole economy, on education, health, housing, food and productivity can the vicious cycle of poverty, ignorance, ill health and low productivity be broken. But once the break is made, the progress of economic development can become self-generating.

The report called for improvements and reforms to all aspects of the Colombian economy. The representation of the country’s social and economic reality was, for the time, quite new and quite radical. The approach to development that it contained and advocated was comprehensive, integrated, and planned. The report outlined development goals, quantified targets, investment needs, design criteria, methodologies, time frames and sequences for activities.

In the last paragraph the report comments on the emerging development approach:

One cannot escape the conclusion that reliance on natural forces has not produced the most happy results. Equally inescapable is the conclusion that with knowledge of the underlying facts and economic processes, good planning in setting objectives and allocating resources, and determination in carrying out a program for improvements and reforms, a great deal can be done to improve the economic environments by shaping economic policies to meet scientifically ascertained social requirements.

Colombia, the report said, is presented with “an opportunity unique in its long history. Its rich natural resources can be made tremendously productive through the application of modern techniques and efficient practices. Its favourable international debt and trade position enables it to obtain modern equipment and techniques from abroad. International and foreign national organizations have been established to aid underdeveloped areas technically and financially. All that is needed to usher in a period of rapid and widespread development,” the report concludes, “is a determined effort by the Colombian people themselves. In making such an effort, Colombia would not only accomplish its own salvation, but will at the same time, furnish an inspiring example to all other underdeveloped areas of the world.”

When we deconstruct this statement, we see that it contains within it ideas that we still see at play in our own work in economic development in Aboriginal communities today. It suggests that economic development or economic salvation is possible, that it is a complex task, but there are tools that we have created that make such a task possible—the tools of planning, some aspects of science, technology, development organizations, financial tools and the like. What is more, these tools work well in the West, and they are neutral, universally applicable, and desirable. Before development there was only darkness and natural forces, which do not produce “the most happy result”. Development brings light and the possibility of meeting “scientifically ascertained social requirements”. Colombians, the report argued, need to wake up...
out of their lethargic sleep and follow the only way to salvation.

What began to occur here in 1949 was the promotion of the developmental ideal, an ideal that was later to come to be seen as a normal course of evolution and progress. This ideal was expressed in a language that created a discourse of development, which in turn began to create a social reality. It is that social reality that we are now working within. Escobar (1995) — not Pablo Escobar — writing in the counter development sense, says that the system has now developed “a discursive practice that sets the rules of the game” — that is, it decides “who can speak, from what points of view; with what authority, and according to what criteria of expertise.” He continues, “It sets the rules that must be followed for this or that problem, theory, or object to emerge and be named, analyzed and eventually transformed into a policy or a plan.” Escobar also underlines the additive power of the development discourse that privileged experts:

Development has dealt with a myriad of objects over the 50 years. Initially, it dealt with poverty, insufficient technology and capital, rapid population growth, inadequate public services, and then it began to add other racial, religious, geographic and ethnic factors which were believed to explain underdevelopment. These elements were brought to the forefront by a widening array of experts, development organizations, universities, research centers and local indigenous institutions. Over time, the entire economic, cultural and political geography of indigenous peoples and third world countries was brought under the gaze of the expert.

We would be remiss if we ignored the role of power in the creation of these objects for study. Power was concentrated in the hands of the experts, economists, demographers, educators, experts in the public realm, managers, government, and institutions — institutions such as the United Nations, who were deemed to have the moral, professional, or legal authority to name subjects, and to advance strategies, or lending agencies who came with the capital. They conducted their observations, prepared their theories, assessments and their programs on an institutional basis that was not part of the local indigenous community. So, what we see emerging out of this discourse is the notion of diagnosis and prescription: a diagnosis of underdevelopment, examination to find a type and level of underdevelopment, and then a prescription or cure. All of this through the observations of experts! What is missing from the discursive space is people, and more particularly, the knowledge of local people.

We can also begin to see that when the discursive space has effectively increased the institutionalization and professionalization of development in a development industry, then development becomes an important process — too important to be left to those who supposedly know little about it. A huge research industry has also sprung up to provide the observational data for the diagnosis and prescription of the problems and solutions. A politics of knowledge emerges which allows experts to classify problems and formulate policies; to pass judgment on entire social groups and forecast the future; in short, to produce a set of truths and a set of norms and values. Knowledge becomes real, becomes useful and becomes true only when produced by experts; local knowledge becomes denigrated and displaced.

An African scholar quoted by Escobar said that “our own history, culture and practices, good or bad, are discovered and translated in the journals of the North and came back to us, re-conceptualized, couched in the languages and paradigms which makes it all sound so new and so novel.” The development discourse also sets the modern against the traditional. From this point of view, the traditional must be transformed into the modern. Tradition becomes an obstacle to the establishment of the modern. Development must always lead to the modern, and this notion of transformation present in the 1950s is still very much present today. Somehow, as a result of economic development, the indigenous must be transformed.

Again, according to Escobar, development was conceived as “a top down ethnocentric and technocratic approach which treated people and cultures as abstract concepts, statistical figures to move up and down on the charts of ‘progress’.” What is more, development was conceived “not as a cultural process (culture was a residual variable, to disappear with the advance of modernization), but instead it was a system more or less universally applicable, technical interventions designed to deliver some ‘badly needed’ goods to a target population.”
Such ideas define the development world that we encounter when we work in Aboriginal economic development. It is a world of scientific modernism, of economic policy instruments, strategic interventions, research, technology, technical systems, human resources, capital resources, demand and labour. This is what I call the “Borg” of development.

The Borg of development threatens to overwhelm and eventually to absorb us. The rise of development fosters a view of social life as a technical problem, as a matter of rational decision and management, to be entrusted to a group of people whose specialized knowledge equips them well for the task. The development professional becomes a valued person. Development also assumes a teleology to the extent that it assumes that the indigenous will sooner or later be reformed. It reproduces in its work the separation between the reformers and those who need to be reformed by keeping alive the premise of the underdeveloped as different and inferior and as having a limited humanity in relation to the developed. The development gaze is not simply to discipline individuals or to transform the conditions of their lives, but to create a productive, normalized social environment.

So again, the world is created by development discourse. Is there any hope for change and improvement of material conditions? I think, certainly, there is a great deal of encouraging signs. The development paradigm, despite its almost universal application, is showing some edgy willingness to accommodate other objectives. Alternative development theories are at least being discussed and being proposed.

New categories of development theory called “people-centred” theories are beginning to emerge. The original development theories focused their attention on economic growth and economic transformation, making no attempt to explain the political and cultural changes that occur during the development process. Only recently did these theories begin to include what are called cultural considerations.

Simultaneously, there is in many places now a rejection of the universalistic assumptions of development theory. In particular, resistance by Aboriginal peoples to universalism embedded in development is starting to be felt. Efforts to use community economic development as a fundamental approach as well as traditional knowledge as the basis of social action are excellent indicators that the Borg is slowing a bit.

Yet, I am not convinced that this is enough. The development discourse then begins to take all that and absorb it, and begin to place it within the gaze of development theory. The Borg is too powerful to resist in the usual fashion. In the television show, Star Trek, the Next Generation, Picard never defeats the Borg, but only keeps them or it at bay. He does that through a clever resistance based on a strong understanding of self and a strong desire to survive. He is firm in his belief that humankind will and must survive.

In this case, I think the way forward is through traditional thought and knowledge. This thought and knowledge has been systematically excluded from the discursive world of development and now it is time to begin to put it into the system. Can we make improvements in our material lives without being absorbed? Are there ways to make market society conform to indigenous ideas about society? How do we prevent and present the uneven distribution of wealth that we find around us? How do we create economies and communities of respect and reciprocity?

The Department of Social and Economic Affairs report Measures for the Economic Development of Underdeveloped Countries published by the United Nations in 1951 stressed that “rapid economic progress is impossible without painful adjustments.” In the report’s view, “Ancient philosophies have to be scrapped; old institutions have to be disintegrated; bonds of caste, creed and race have to burst; and large numbers of persons who cannot keep up with progress have to have their expectations of a comfortable life frustrated.” According to the report, few communities “are willing to pay the full price of economic progress.” And that cost is a total transformation of society. In its own way, the development Borg is bent on creating this transformation and recreating Aboriginal society in its own image.
So how do we begin then to move forward, and how do we begin to deal with this?

What I believe we need to do is to develop a regime of understanding and practice, a regime that affirms, that prospers and that expands upon Aboriginal understandings of progress, Aboriginal understandings of society and economy and the relationship of individuals to the collective. We need a regime of understanding and practice that works to create an economy that affirms Aboriginal cultural identities and the autonomy of Aboriginal cultures and that sanctions and supports Aboriginal social structures and values. This is the very hard part, the most difficult part of the task that we have as Aboriginal development workers.

We need to conceptualize Aboriginal development in positive terms, move it away from the language of deficit and move it away from the language of problem. Aboriginal thought requires us to pay attention to our strength and to build upon that strength, to use our strengths as the centre, to act on our strengths and balance the strength of our ideals. I think this is the most difficult challenge that we are facing because we are attempting to do this task in an environment in which we are ourselves only now beginning to reaffirm those ideals, and now beginning to discover, now beginning to have to think through some of these issues ourselves. We are doing it in an environment in which we stand under the gaze of the development community, and the development experts. And we are pulled by our own desires for a material life.

We want to be consumers, we want to consume in the same sense as those around us, but that life of consumption is not the life that we would build for ourselves if we were going to build a life built upon traditional thought. So, I want to leave you with that challenge, because I hope it will give you some context for rethinking what we do. I think that this is one of the important educational efforts that we can make as universities and as academics: to help us to be reflective about the practice that we are engaged in, so that we don’t engage in practices unconsciously, so that we begin to be able to ask critical questions about what it is we are doing, and what we are trying to propose, so that we begin to be able to engage the Borg in a way that will allow us to come out of it with our own selves intact.

Thank you. Now we have an opportunity to engage in a discussion, for you to pose questions, make comments and for me to respond as best I can.

Q: You mentioned in discussions with First Nations peoples, our leaders, that all we do is talk about governance as opposed to democracy. Do you have any thought as to why that is the case?

DN: Well, I think we are still in a bit of a debate about democracy. We are not settled in our mind that it’s the preferred option. I think democracy has been forced upon us through acts of government for Status Indians. The replacement of traditional forms of governance with elected band councils has been a violent act, an act that we have not chosen for ourselves. So, I think that there is still some resistance there. I’m not sure that people are embracing democracy willingly. People want to explore and experience other forms of governance. I think what they often question is whether liberal democratic society will allow that because democracy comes with a whole set of notions about individuals, individual rights and equality and those sorts of things.

We therefore need to make a very strong case that none of these rights would be trampled upon. We have got to find a creative way to do it. We need more indigenous political scientists who can work on developing the theory. So, I think there are still some questions and some debate about it, but I think we have to see it as an evolutionary process more than anything else. People are now beginning to say, okay, how do we govern ourselves, and how do we begin to develop institutions of governance that will help us to achieve our own objectives? That is very important.

It is also important that we not see it in the language of deficits. I spent a decade working for Indian Affairs and saw the language of deficit there. In their view, we were incapable of doing things. I think we need to challenge that by saying that we are reconceptualizing, saying that what we are doing is thinking through and experimenting, and we’re trying to sort things out for ourselves. This is the way economies develop. They develop by people sitting down and thinking about concrete problems, proposing solutions, trying them, and thinking about them, finding what does work and what doesn’t, and then thinking about a new set of problems.
has been the process for economic development in the West and we say that we are doing that as well and take ourselves out of the cycle of the problem. That places the onus upon us to find solutions but not solutions that are disconnected from our own ideas about society and social order and economics.

**Q:** How critical are you of the Borg in this sense? Are you saying that we are going to have to live with capitalism or that capitalism has to be replaced if our communities are going to carry on the way they want to?

**DN:** I’m not convinced we can replace capitalism, and I’m not sure what an alternative is that we would find politically or socially acceptable given that it is now such a large part of the way in which we view the world. I think that we need to make some changes to capitalism. I like the idea of compassionate capitalism, not in the conservative sense, but more in capitalism that begins to operate under a set of values that balances market and community. We need to find structures that help us to deal with the tensions that result from that desire and likely the process coming out in the corporate community in terms of the bottom line will begin to at least ask people questions about their activities more than anything else. I think that it is the same with development and that’s beginning to come out. The feature of capitalism I’m not too happy with is the uneven distribution of wealth and the nature of consumption. It requires an ever larger cycle of consumption for growth to occur. I don’t know how you meet it as yet; part of it is human desire and part of it is how we think of ourselves. Those are difficult ones.

**Q:** It might be argued that the contradictions of capitalism and the brutal inequities of the market and state are in fact mediated by democracy. Democracy has become a First World commodity and a First World set of rules used by the First World to call the shots in the Third World. Take a nation state like the United States or Canada. Rather than abandoning democracy, we are looking at all sorts of charges of anarchy and totalitarianism and so on. How do you feel about the Aboriginal leadership developing a new discourse, a critical democratic discourse which doesn’t abandon the category but in fact Indigenizes it in informative ways?

**DN:** I think that the new critical discourse is absolutely important. It is very hard when we begin to talk to politicians in critical discourse because it is so much a part of the system at times, but I guess, in one sense in terms of democracy — one of the aspects of democracy — is that it ought to be freely chosen. As Aboriginal people, if we are going to choose a system of governance, we ought to freely choose that system of governance. So, in one sense, if one wants to promote democracy in indigenous communities—not just in North America but in other communities—the best way of doing that is by demonstrating that democracy does work, and allowing debates to occur. Debate is at the centre of democracy; it is not about imposing, but allowing the debate to occur and facilitating the debate. Imposing doesn’t work; it just creates more resistance.

I am always struck by a comment made by a friend of mine who visited Guatemala and listened to local people and tried to do some development in small communities. He asked what he could do in terms of developing democracy in Guatemalan communities. This one woman’s response was to work for democracy in your own country and show us that it works. I always like that approach. There are a lot of critics of democracy that say it doesn’t work. We have read the criticism and have most likely engaged in it ourselves. I’m also not sure that the alternative to democracy is still totalitarianism and anarchy. There are some positives to anarchy as well; it’s not social chaos, right. Traditional governance is not chaotic. Trust me, the governments were not chaotic.

**Afterword**

I have come to see more and more the importance of bringing our own ideas to the table and not just accepting those that are presented to us. The idea of a critical dialogue that engages ideas and practices is, I believe, a critical institution to foster, shelter, and develop. Dialogue, debate, discussion have always been part of Aboriginal life. It is even more important that we bring them back and encourage them more than ever. Without them, we are led by theorists and practitioners who do not share our ideas. The idea of a regime of understanding and practice is also important. It is through a set of everyday practices that ideas and values are translated from mental to physical action and...
move from individual to collective action. There is a growing consensus within Aboriginal communities about the need to base development efforts upon indigenous thought and ideas. This is a good start.

REFERENCES