ABORIGINAL CAPITALISM: IS RESISTANCE FUTILE OR FERTILE?

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ABSTRACT

Capitalism is everywhere. Many Indigenous leaders and scholars argue that it is unavoidable and must be engaged, despite capitalism's sordid history as a means of assailing Indigenous lands and waters. I ask: Can capitalism be adapted to Indigenous values and principles? Can Indigeneity survive the encounter with capitalism? In this article, I look at the writings of three Indigenous academics — Robert Miller, Duane Champagne, and David Newhouse — and examine their positions on Aboriginal capitalism. Each author offers their perspective on the key problems facing Indigenous communities and individuals as well as the realities of tribal poverty and ubiquitous capitalist markets. How each author understands the key problems in “Indian Country” greatly determines their positions on potential solutions. I argue that capitalism cannot be Aboriginalized or Indigenized without radical, possibly transformative changes to core capitalist tenets. Similarly, I do not believe that Indigenous people and communities can actively engage with capitalist markets without radically changing their core values and principles. I acknowledge that change is a fact of life and society, but I do not believe that capitalism, as pervasive as it is, has to be the inevitable outcome of Indigenous desires for political, cultural, and economic autonomy. There are alternatives, and maybe some not yet imagined, but true alternatives that do not exploit our relatives and maintain balance and harmony in our homelands are worth our best efforts.

Many would argue that studying economic development — with the purpose of practical and relevant analysis for Indigenous communities — requires a thorough understanding of the dominant economies that we must interact with and/or resist. Without a doubt, capitalism is the dominant economic system and possibly the number one threat to Indigenous community health. Capitalism has been one of the primary means by which Settler society has assaulted Indigenous lands and people. For generations, Indigenous people have resisted colonial efforts to exploit and extract, but in recent years, more Indigenous communities have begun to partner with resource extraction companies. Is this a form economic justice or a nuanced form of imperialism that co-opts the resistance of Indigenous people who have been effectively starved into submission? I am interested in how Native people have attempted to navigate capitalist economies and markets. I am also interested in how Indigenous people
contend with or resist capitalism to mitigate or stop its more harmful effects. Specifically, I want to know whether capitalism can be Aboriginalized, that is, adapted or engaged with in a way that is consistent with Indigenous worldviews and values. In this article I look at three forms of Aboriginal capitalism: “Reservation capitalism” by Robert Miller, “Tribal capitalism” by Duane Champagne, and “Capitalism with a red face” by David Newhouse. It is my contention that capitalism cannot be Indigenized without radically altering it into something else, and Indigenous people cannot act as capitalists without radically altering their own worldviews and principles, potentially beyond recognition. Although this article primarily looks at Aboriginal capitalism, I conclude with a few ideas and examples of Indigenous alternatives in a contemporary context.

Understanding Capitalism and the Challenges in Indigenous Communities

“Capitalism is not a monolithic form of economic organization but rather that it takes many forms,”1 but I do want to begin with my understanding of capitalism, as it exists in our daily lives and communities. Capitalism emphasizes the importance of the individual at the expense of the collective. This often leads to massive inequality as the freedom of individuals to accumulate wealth is not only protected, but also widely celebrated. Competition between individuals and corporations is favoured over cooperation and consensus decision-making. Capitalism prioritizes the protection of private property for profit and the commodification of all things, even life forms.2 Capitalist economies require incessant growth and profit maximization, which depletes finite resources and destroy ecosystems. Connected to this, is the prioritization of exchange value over use value, which requires a radical re-orientation of Indigenous worldviews. Capitalism has proven to be fluid and adaptive, but I believe that its core tenets remain consistent. It is with these commonly held views in mind that I critique the following attempts to Aboriginalize capitalism.

After years of ongoing colonial domination, many Indigenous peoples are struggling to survive, in many cases simply trying to meet basic human needs, while still fighting to retain their unique cultures and identities. Robert Miller believes that the problem in Indian Country is one of extreme poverty writing, “American Indians are today the poorest of the poor in the United States.”3 Of course, Miller is not alone in focusing on poverty, but he does draw some different conclusions. In Reservation Capitalism, he writes, “American Indians and tribal governments have the right to enjoy the same prosperity and security as other Americans.”4 Miller’s conception of Native American poverty is relative to the broader American population. He also believes that there are a number of social pathologies that accompany poverty. Miller quotes a tribal chairman from Oregon: “We need to make it acceptable in Indian country to be in business.”5 Miller believes that there is a stigma against Native

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4 Ibid.
5 Ibid. 5.
American participation in capitalist enterprises, and that this has led to rampant poverty. He offers “reservation capitalism” as a solution. Miller writes, “Expanding and creating new forms of economic development and activities in Indian Country is probably the most important political, social, community, and financial concern that Indian nations, tribal leaders, and Indian peoples face today. My concern is that when we uncritically accept narrow Settler ideas of wealth and poverty, we also accept conditions that potentially limit our own Indigenous worldviews and solutions.

From Duane Champagne’s perspective the key problem is one of Indigenous autonomy or the lack thereof, and tribal engagement with capitalism is just one aspect of a broader community development approach. He writes, “The indigenous self-determination movement is about maintaining land, culture, institutional relations, government, and self-sufficiency under terms compatible with indigenous cultures and beliefs.” This is where it gets tricky because he later adds that many traditional Indigenous beliefs and values are incompatible with capitalism. Champagne writes, “Tribal leadership often argues that sovereignty is not possible without freedom from economic dependence on government programs and funding. High rates of poverty and unemployment on reservations, with their attendant problems and issues, are a major stimulus for tribal governments to promote economic development.” Like the others, Champagne conflates economic development with capitalism, and this need not be the case. Despite this, he remains optimistic that not “all nations and communities will converge toward a common market-based institutional order”. Champagne’s solution is “Tribal capitalism,” which includes some key distinctions that he believes protect tribal autonomy and culture.

David Newhouse writes that, “One of the most persistent problems facing Aboriginal people throughout Canada has been low incomes and low participation in the labour force.” Although he seems to take participation in the mainstream economy for granted, Newhouse also warns of the “Borg of capitalism,” an irresistible, consuming force. Instead of shunning it altogether however, he calls for, “Capitalism with a red face.” He acknowledges that engagement with capitalism is transformatory, but feels that Indigenous people have no other choice, hence the Borg analogy. Like Miller, Newhouse believes that one of the biggest obstacles standing in the way of successful Aboriginal economic development is Aboriginal people, writing, “It is important to develop within the community a sense of legitimacy for economic development and its related activities.” Newhouse also at times conflates economic development and capitalism, which potentially inhibits the possibility of Indigenous alternatives.

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6 Ibid. 3.
8 Ibid. 57.
9 Ibid. 46.
Reservation Capitalism

Despite the title of his book, Miller does not offer a succinct definition of “Reservation capitalism.” He does not suggest how capitalism might be adjusted or tweaked to better suit Native communities. Miller is an unapologetic capitalist who lacks the ambivalence of many of his peers and simply advocates for increased mainstream capitalism on Native American reservations. And while he acknowledges that some are concerned over the negative impacts of capitalism on Native cultures, he counters these concerns with the argument that cultural integrity is in greater danger when Native communities are in poverty. Going further, Miller makes the case that Native Americans are not culturally opposed to capitalist principles in the first place, writing, “Native peoples understood, appreciated, and lived by principles that today we call private property rights, entrepreneurship, and free market economics in which individuals voluntarily participate in the manufacture of excess crops and goods and engage in trade mostly without governmental direction or control.”12 He does not believe that Native Americans lived in “socialistic societies where everything was jointly owned and shared by the community.”13 Just as I agree that it is incorrect to impose socialism on our understanding of historical Indigenous communities, it is equally incorrect to make assumptions that lean in the liberal capitalist direction. Miller suggests that the Pacific Northwest potlatch as an example of wealth accumulation and redistribution, writing it is similar to, “how U.S. society today chooses to spend money on activities we desire, which includes giving extra wealth to social and charitable organizations for tax deductions and because our society values that kind of generosity.”14 This is a horribly simplistic view of the potlatch and his equivocation of it with contemporary American capitalism and charitable activity is utterly wrong. Many potlatch hosts gave until they had nothing left to give. Like many coastal Indigenous understandings of the interconnected and cyclical nature of life, potlatch economies depended on communal reciprocity, which is not how Settler society currently governs itself.

According to Miller, tribal governments need to create “business-friendly environments where, other tribes, Indian and non-Indian companies, and individuals will invest money and human capital in economic endeavors.”15 This falls in line with the findings of the Harvard Project on American Indian Economic Development, which also includes the creation of stable governing institutions and bureaucracies, fair dispute-resolution processes, attractive tax regimes, and clear distinctions between tribal politics and economics. A major concern I have with this approach is when tribal communities have supposedly freed themselves from poverty and government dependency, they then burden themselves with a new dependency: the capitalist market. In an age where efficiency is paramount and neo-liberal “comparative advantage” is dictated by the market, Indigenous nations are likely to find themselves vulnerable to the uncaring whims of those markets. This dynamic has already played itself out around the world in countries that have officially “decolonized” but have also retained asymmetrical neo-colonial relations.

Miller also calls for increased entrepreneurship, pointing out that Native American private businesses ownership is at the lowest per capita rate for any group in the United

12 Miller, 11.
13 Ibid. 11–12.
14 Ibid. 17–18.
15 Ibid. 93.
States. He writes, “Increasing entrepreneurship and economic development on reservations in a careful and respectful manner will support tribal cultures, not injure them.” I have to ask whether entrepreneurship must be practised within a capitalist framework, and what is meant by, “careful and respectful manner?” Miller does not approach capitalism with any degree of criticism, especially with respect to profit maximization or resource depletion and he does not consider the broader implications of increased Native American participation in capitalist economies. Instead, he writes, “You do not have to be poor to be Indian or to be a cultural person, you do not stop being an Indian or a cultural person if you become materially well off.” Again, economic development may be acted out as a form of capitalism, but does it have to? There are alternatives, as well as Indigenous challenges to the presumed universalism of what it means to be materially well off. I agree that the poverty that Indigenous people endure today is something that must be addressed, but I do not believe that Reservation capitalism is the only, nor appropriate, solution.

**Tribal Capitalism**

For Champagne the term, Tribal capitalism reflects its “predominantly collective” nature. He believes the primary goal of tribal communities is the preservation and perpetuation of Native American political and cultural autonomy. Champagne writes, “Despite five hundred years of colonialism, Native people are loath to give up the primary aspects of Native life and community.” Paramount among these is a unique understanding of people’s place in creation. He writes, “Cosmic harmony and order were preserved by maintaining respectful relations with all spirit beings, including human groups and individuals.” This is a different orientation than one that places humanity at the top of earthly creation with the God-given right to dominate all other life on earth. For Champagne, there are many key differences between Indigenous and Settler worldviews and for Native people to engage with capitalism is an endeavour fraught with complications.

The first of these complications is what Max Weber called an Iron Cage. Once the forces of capitalism, “are unleashed, other economic actors must follow suit or be forced out of business.” This is a fairly straightforward argument. Market competitiveness demands decision-making that often goes against other community interests. One example of this would be a decline in hunting, trapping, gathering, and fishing in favour of wage labour or entrepreneurship. Indigenous people risk losing a vital connection with the lands and waters that sustained their communities for millennia. Additionally, when business ventures run their course, as in the case with intensive resource extraction, communities are often left with generations who no longer know how to live with the land. My people, the Nuu-chah-nulth-aht, along with many other coastal peoples, have experienced this with respect to fishing. I am not saying that choosing one economic activity over another can

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16 Ibid. 113.
17 Ibid. 133.
18 Ibid. 161.
19 Champagne, 6.
20 Ibid. 10.
21 Ibid. 15.
22 Ibid. 46.
only have these outcomes or even that it is always a choice in the first place. Many Indigenous peoples have been forced to abandon their traditional ways of living. Consequently, the Iron Cage argument is at least partially true, but Champagne is not thoroughly convinced, writing, “Communities can take on capitalist elements and participate in capitalist markets and still retain core aspects of identity, tradition, institutional relations — the close interconnectedness of polity, culture, economy, and community — and cultural values.”

To be clear, Champagne is saying something quite different from Miller. Champagne acknowledges the potentially toxic effects of capitalism, where as Miller sees nothing inherently wrong with capitalism.

Champagne believes that Native nations, as collectivities, are resilient enough to survive the engagement intact, hence the term, “Tribal capitalism.” While I recognize the significance of the tribal collectivity as a repository and protector of Indigenous ways, I am not as optimistic. Champagne explains, “For most Native communities, economic development is a means to an end. Even the most strongly market-oriented tribal economic planners see economic development as a way to support the reservation community, retain tribal members on reservations, and promote self-supporting Native communities.”

Unlike Miller, Champagne believes that traditional Native values are not compatible with modern capitalist values. He writes, “Most Native nations believe in maintaining respectful relations among humans and other entities of the universe such as places, water, air, fire, earth, animals, birds, heavenly bodies, and the rest of the cosmos.” In contrast, Champagne states that, “Capitalist philosophies see the earth as a natural resource, where exploitation of raw materials through labour transforms raw materials into useful objects for further economic production or consumption and the creation of additional wealth.” How then do we explain the slide of Native communities towards capitalism?

Native American entrepreneurship has increased dramatically since the 1970s. Despite this growth, Champagne writes, “Business ownership has not obliterated Native identity, (which) reflects the continuity of Native cultural values (and) political relations.” He believes that Native American communities discourage individual capitalist values and instead favour “generosity, redistribution, and egalitarianism.” And differing from Miller and the Harvard Project, Champagne writes, “Most reservation communities prefer relatively holistic institutional relations among economy, community, polity, and culture.” He writes, “Natives are opting for a collective capitalism rather than individual capitalism.” Champagne believes that Tribal capitalism is different than American capitalism. Regarding the Iron Cage, he concedes that the outcomes are mixed, writing, “Market competition forces the Indian communities to consider and engage in market enterprise, but they wish to do so under their own terms, which means subordinating capitalist accumulation to collective

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23 Ibid.
24 Ibid. 47.
25 Ibid. 48.
26 Ibid. 49.
27 Ibid. 56.
28 Ibid.
29 Ibid. 57.
30 Ibid. 58.
goals of community and cultural and political enhancement and preservation.”

He acknowledges the power of capitalism to consume and discipline, but Champagne is optimistic that Native American communities will continue to survive. He considers the changes in Native communities and culture evidence of “social change” rather than outright assimilation. I too am confident about the resiliency of Indigenous communities, but not because of our ability to navigate capitalism, but rather, our ability to innovate alternatives to it.

**Capitalism with a Red Face**

David Newhouse begins by citing the final report of the Royal Commission on Aboriginal Peoples (RCAP), which “reflected the conventional and accepted wisdom that a major part of the solution to the problems facing Aboriginal peoples is economic development.” He also points out that Aboriginal economic development, regardless of form, must exist within the broader national and global economies. Newhouse writes, “In the search for a better life within the context of contemporary North America, we encounter capitalism. We simply have no choice.” And thus, Newhouse offers us his Borg of capitalism analogy. He writes, “I think of our encounter as Aboriginal peoples meeting the Borg of capitalism ... They absorb peoples at will ... they broadcast the following message: ‘Your existence as you know it has come to an end. Resistance is futile.’” Like Champagne and unlike Miller, Newhouse believes that traditional Indigenous worldviews are quite distinct from the values of capitalism. He writes rather gravely, “We have participated at the edges of capitalism, as labourers, as small business people, as debtors. Now we seek to enter its heart. We will be transformed by it ... capitalism will absorb Aboriginal cultures. And the moral order of Aboriginal societies will be changed.” Newhouse’s rather blunt assessment of Indigenous encounters with capitalism seems to differ from Champagne’s optimism, but as we shall see, they may be closer than first appearances indicate. According to Newhouse, “The idea that we can somehow participate in capitalism without being changed by it is in my view wrong-headed.” This does not incline Newhouse to shy away from capitalism, however. Again, he begins with the assertion that we have no choice. Of his own role he writes, “I can describe much of my own work as making capitalism work better for Aboriginal communities, developing, as it were, capitalism with a red face.”

Newhouse asks, “What unique perspectives do aboriginal people bring to the ongoing debate about the practice of capitalism? Can aboriginal peoples find a way to adapt capita-

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31 Ibid. 62.
32 Ibid. 144–166.
33 Newhouse, “Resistance is Futile”, 145.
34 Ibid. 147.
35 For those unfamiliar with Star Trek, “The Borg is a collection of species that have been turned into cybernetic organisms functioning as drones of the collective, or the hive.” “Borg (Star Trek).” Wikipedia. Accessed February 1, 2015. <http://en.wikipedia.org/wiki/Borg_(Star_Trek)>
36 Newhouse, “Resistance is Futile”, 152.
38 Ibid. 152.
39 Ibid. 149.
ism to their own particular world views?" He recognizes that these questions are complicated and suggests that the challenge is to develop, “contemporary interpretations of traditional ideas.” Newhouse draws on his experience with RCAP and the testimony of James Dumont, who offered seven primary Native values: kindness, honesty, sharing, strength, bravery, wisdom, and humility. Newhouse adds that Aboriginal societies are collectivist in orientation, and that efforts to “re-traditionalize” or “reinterpret traditional values within a contemporary (and communal context) ... offer some hope for the development of aboriginal economies.” In this respect, he is in agreement with Champagne.

Newhouse recognizes that capitalism has a difficult problem to overcome, especially if it is to be adapted by Aboriginal societies, and that is the problem of inequity. Despite this, he believes that, “There is no fear that capitalism cannot be adapted to aboriginal realities.” Newhouse offers ten points that distinguish capitalism with a red face:

1. Development will take a holistic approach including four dimensions similar to the Cree Medicine Wheel: physical, mental, emotional, and spiritual.
2. Development will be a process or a journey and not a product, with an emphasis on long-term over short-term results.
3. Development will be collaborative rather than competitive and a joint effort between individuals and the collective.
4. Individual actions will respect the interconnectivity of the world and affirm that humanity is but one small part.
5. Development will prioritize “human capital investment rather than individual capital accumulation” and respect quality of life, including the environment.
6. Traditional knowledge, with elder guidance, will inform planning and decision-making.
7. Aboriginal values of kindness and sharing will guide how communities deal with wealth distribution and individuals with a lot of wealth accumulated will be expected to share.
8. Native economic institutions will be “primarily western in nature with adaptations to ensure that they operate in a manner which is appropriate to the local aboriginal community.”
9. Decisions will be made by consensus and in particular, large development projects will require broad community consensus.
10. “The notions of honesty and respect will result in a heightened sense of accountability for economic institutions and decision makers.”

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41 Ibid.
42 Ibid. 58.
43 Ibid.
44 Ibid. 57.
46 Newhouse adds that over time, social hierarchies may change as material wealth gains in prominence over other factors like the knowledge of the elders.
This list is consistent with the tone of the RCAP recommendations and interesting in so far as it all seems highly improbable given Newhouse’s Borg of capitalism analogy. Despite the relative strength of these ten points, Newhouse concludes with an ominous warning: “The process of modernization and the adoption of capitalism as a dominant political-economic system within aboriginal society is well underway. It would be sheer folly to attempt to reverse the process or to attempt dramatic shifts in direction. I would argue that the forces of modernization are much too great to resist.”

Newhouse wrote two more articles on the Borg of capitalism, shifting his tone slightly. In 2002, he wrote, “Canadians, and I would dare say Aboriginal people, have come to see market society and capitalism as offering the best option for improving human welfare.” But Newhouse also notes growing resistance in Native communities and commenting on the nature of that resistance, he writes, “I believe that we resist through stating and restating our own objectives as Aboriginal peoples for cultural distinctiveness, for societies based upon traditional ideas, values and customs, for sustainable development, for equitable distribution of wealth, for the idea of progress that is broad and multi-faceted, for communities that are more than markets, among other things.” In 2004, Newhouse shifts even further, challenging people to think critically, and ask the right questions, “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.” Ultimately, he does not think capitalism can be replaced, but he does think there is a possibility of developing a “compassionate capitalism ... that begins to operate under a set of values that balances market and community.” A tall order to be sure, and I am not convinced that it is possible, but I am encouraged to see Newhouse at least acknowledge the possibility of resisting the more destructive parts of capitalism.

**Conclusion**

“For Indigenous nations to live, capitalism must die. And for capitalism to die, we must actively participate in the construction of Indigenous alternatives to it”
— Glen Coulthard

Can capitalism be Aboriginalized? Can it be apprehended and adapted in ways that are consistent with Indigenous worldviews and principles? As I have initially indicated, not with out radical changes to either capitalism or Indigenous worldviews, that might render either unrecognizable. First, it is important to remember that capitalism happened to Indigenous peoples, manifested initially as European imperial ambitions for riches, the transformation of Indigenous lands into private property, and all life into commodities. Capitalism was the means by which the early colonists assaulted North America. Throughout the centuries of

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47 Newhouse, “Modern Aboriginal Economies”, 60.
49 Ibid. 112.
51 Ibid. 41.
52 Glen Sean Coulthard, Red Skin, White Masks: Rejecting the Colonial Politics of Recognition (Minneapolis: Minnesota Press, 2014), 173.
Settler colonial expansion, Indigenous peoples and worldviews stood in the way of development. As Indigenous populations decreased they were herded onto reserves and the Settler governments of Canada and the United States awkwardly and shamefully struggled with what to do about the persistent “Indian Problem.” These legacies continue today. Governments still try to manage their political, legal, and economic relations with Indigenous peoples, but what are Indigenous people doing? Sixty to seventy percent of Indigenous people live away from home in Settler towns and cities. Our lands and waters are under constant threat and poverty remains rampant in Indigenous communities, however, I suggest we expand beyond the typical Human Development Index indicators and re-embrace Indigenous conceptions of health and wellbeing. The Anishinaabe concept of mno-bimaadziwin, meaning the “good life” or “continuous rebirth,” is a great example of this.\(^{53}\) I am not saying that we discard socio-economic indicators altogether, but there is a danger in uncritically accepting the narrow focus of these measurement tools without appropriate regard for Indigenous conceptions of health, wealth, and wellbeing. We cannot ignore the acute needs of the present, but we must not act in ways that disregard the neo-colonial context within which we find ourselves or in ways that threaten the viability of long-term solutions that respect Indigenous worldviews and values. Mitigation and harm-reduction cannot completely displace fundamental change rooted in Indigenous worldviews and principles of respect and reciprocity.

We need to re-centre Indigenous values and principles in our analysis and planning. In doing so, we must ask critical questions, as Newhouse suggests, about the basic tenets of capitalism. In a revival and assertion of Indigenous principles, we might begin to see where the dominant economic system should be vigorously resisted. We must also explore and create alternatives. People are already attempting to live alternatively, both amongst Indigenous and non-Indigenous peoples. We must acknowledge the efforts of previous generations who fought to survive under difficult circumstances, often making difficult decisions so that our communities would endure. Indigenous populations are rebounding and many of our stories and ways of living have survived. Many of us can still access time-tested traditional teachings, critically interpret them, and apply them to our contemporary challenges without creating new dependencies on Settler-centric institutions and economies.

When I make these criticisms of capitalism, I am often pressed to offer viable alternatives or find examples of Indigenous people doing capitalism right. The more I research it, the more I realize the frightening accuracy of Newhouse’s Borg analogy. Capitalism may be adaptable, but its core tenets are so dominant that they suffocate true alternatives. As for Indigenous people making capitalism work for them, I think Newhouse and Champagne will agree that it cannot happen without compromise and consequences. How Indigenous people and peoples will endure is not something that I can predict, but there are some encouraging signs of resilience and resurgence. In my father’s community of Ahousaht, the hereditary chiefs have worked hard to re-take control of the economic activities in their territories. This has not happened without compromise or controversy, but they continually try to re-assert their jurisdiction in economic matters. After more than a decade of legal wrangling, Ahousaht and four other Nuu-chah-nulth communities won the right to re-establish themselves in the coastal commercial fisheries. It is early, and negotiations continue, but many of

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our people have hope of making a living on the water again. Another small but important example is a community garden that began several years ago with some modest financial assistance from the First Nations Agricultural Association. I am told that the garden is still being tended by community volunteers and thrives as a promising alternative, which might become increasingly necessary as warming ocean and river waters threaten our traditional food security. Of course, I would prefer it if we were able to always eat fresh fish and vegetables, nourishing our families and re-creating a strong foundation for protecting our homelands and waters. Indigenous resistance and resurgence are fertile.