REPORT IE2

SOCIAL CORRELATES OF ECONOMIC DEVELOPMENT

Economic and Social Research Division,
Department of Citizenship and Immigration,
Ottawa, October 1960.

REPORT IE-2

SOCIAL CORRELATES OF ECONOMIC DEVELOPMENT

with special reference to the problems of the Canadian Indian.

DEPARTMENT OF CITIZENSHIP AND IMMIGRATION

TO: Director of Indian Affairs
Chief, Economic Development Division

OUR FILE: 6-54-1

FROM: Director of Research

YOUR FILE:

SUBJECT: Report IE-2 - Social Correlates of Economic Development.

DATE: October 15, 1960.

COVERING MEMORANDUM

1. The attached report was written as part of the preparation for Report IE-1, "The Role of Crafts and Cottage Industries in Economic Development". It was part of the exercise of figuring out why and how cottage industries may be of assistance in economic development of the Indian communities of Canada.

2. It was recognized that there are a number of systems of thought with respect to this problem, based on varying definitions of ultimate objectives, and of the short- and intermediate-run means of attaining these objectives.

3. With respect to objectives, there is first, the unitary or melting pot school which would see a rapid homogenizing of all groups, including the Indian, into the general culture. At the opposite end, there is the extremist traditional school which would define its objectives as the maintenance of traditional forms at whatever cost. In between, there is a third school which might be termed "pluralistic accommodation". This school recognizes first; that homogenization into one mass society is a difficult process; second, that there may be values in a cosmopolitan heterogeneous society which are sometimes recognized only when they are to be lost (e.g. the current work of the U.S. Office of Education in its Language Resources Project, of determining the language resources from ethnic groups for U.S. national purposes); but thirdly, that some social change is inevitable if only as a result of diffusion of cultures and the attempt to maintain minimum standards of social and economic well-being in our welfare conscious society.

The third statement of objective appears to be the general line of approach of Canadian society, and is reflected in the general policies of the Department of Citizenship and Immigration with respect to the philosophy of Citizenship. There has been a considerable shift in U.S.A. Indian policy towards this position during the past decade on the basis of their experience. This is also the theoretical viewpoint that is taken in this report. It is not anticipated that there will be any challenge of this statement of ultimate ends for it appears to be generally accepted by Canadian social scientists and administrators as well as the general society and probably a majority of the Indians themselves (although this latter should be tested in the form of systematic opinion research).

4. There is however, considerable controversy about the means, and the timing of the approach to those agreed objectives. Some suggest that there should be rapid movement, e.g. by the abolition of reserves, of separate schools, etc. for too much time has already elapsed. Others suggest that the process should be more gradual on the basis of their appraisal of the state of readiness for adjustment. Still, others suggest that sometimes the fastest way is the indirect route, and that before reserves and schools can be abolished, they must first be built up to the point of producing people with viewpoints and levels of skills able to adjust effectively to the surrounding society.

It may be said that the first opinion is reflected in Diamond Jenness' article "Canada's Indians Yesterday. What of Today?", CJEPS, February 1954, pp 95-100. The second appears to be the general position of the Indian-Eskimo Association of Canada in its brief to the House Committee on Indian Affairs, 1960. The third possibility is often expressed by representatives of the mission schools, and is also generally expressed by Indian leaders, e.g. Dr. Monture.

Among these viewpoints, but from the different perspective of current existentialist philosophy, Dr. R. Sylt, the writer of this report, chose to explore an avenue which is probably closest to the third viewpoint. It is a new type of statement, although it does contain elements which duplicate some of the older views reached by other modes of thought.

5. Fortunately for Report IE1, the problem dealt with therein was a relatively short-run proposition, so that regardless of ultimate viewpoint or intermediate means, there can probably be a large measure of agreement about the need and possibility for such a program. And, in fact, it can be a test situation which can help us to judge which of the three viewpoints on means is correct -- depending on:

1. the reception to this proposal on the part of the Indian;
2. the success of the educational program involved;
3. the measure of the steps towards effective economic assistance that this phase will uncover.

6. Thus, Report IE-2, apart from the role it played in helping the formulation of Report IE1, has a different objective. It is being circulated as a preliminary statement to obtain reactions from different sources, with the hope that out of this process of confrontation can emerge a common statement of just what basis might be commonly agreed upon for subsequent action, and for research which might assist in such action.

7. As indicated at the outset, since the draft formulation in Report IE-2 was sketched in as a preliminary step to the formulation of Report IE-1, it may be useful to consider IE-1 in conjunction with it, although this is not essential. Again, it must be stressed that this report is not considered to be a complete scheme, on the contrary, it is a deliberately provocative and controversial one, but we have been encouraged to circulate it as an initial approach for the sake of further clarification of concepts. We would therefore ask that it be approached in the spirit in which it was intended, namely to attempt some clarification of the fuzzy areas in the study of social change in order that we may more realistically approach problems of economic development, knowing the sociological correlates and implications of such change. For, as V.F. Valentine indicated in his article "Some Problems of the Metis of Northern Saskatchewan", CJEPS, February 1954, p 95, the best intentions can be misplaced without such research. "The administration cannot understand why the well-meant schemes are not being accepted and are even sabotaged at times; it seems to them that the harder they try to do something the worse the situation becomes. This brings the discussion to a point from which it might well have started, to the two questions: (1) What are we, as administrators, really doing when we define other people's problems? and (2) What are we, as administrators, really trying to do when we say we are trying to help people?"

J. W. Sametz.

I. INTRODUCTION

1. This Report IE-2 was originally written as part of Report IE-1, "The Role of Crafts and Cottage Industries in Economic Development". It explores some deeper underlying sociological problems which have a direct bearing on that subject, for they establish the basic framework of possible success or failure. It was not however essential to the basic presentation of the actual proposal in that report, and for the sake of brevity, was set up as a separate report.

There was sufficient analysis to establish the need and utility of the cottage industry approach as part of the whole complex of economic development. This statement is however still only a brief introduction to an eventual more definitive formulation of the problem of social development and its relation to economic development.

The fundamental hypothesis underlying this study is that the most important problem in the social and economic development of the Indian is the development of "the concept of self" of the Indian; the development of an identity freed from the present anxiety, inferiority complex, introversion, and retreat from competitive participation; the development of an identity which can participate fully and creatively in the general development of the national economy and society rather than fall increasingly behind the general tempo thereby creating an increasing rather than decreasing social problem through time.

In the general statement of the problem, the role of child education is fully recognized, and the value of the Indian Affairs educational program is fully appreciated. However, looked at more broadly, it is also recognized that child education of itself cannot work the transformation, for it is recognized that the school plays only a small formal part in the socialization of the individual. Equally or more important is the informal socialization within the family group and the subsequent identification with reference groups. These social influences can redirect and convert the formal schooling approach.

For this reason, the report on cottage industries and handicrafts (IE-1) was regarded as an experimental approach to adult education, and the development of a second and third prong to the work on the development of the more advanced image. The handicraft report, being more concerned with the economic output of goods which are to be marketed in a white society, stressed the role of advertising and quality in developing a more favorable image of the Indian in the white society. The present report develops further the third prong, namely the use of an adult education program of a particular sort in developing a more favorable self-image, more secure economically and more secure socially.

In the same way as there is a requirement for intensive research into the various experimental situations in the child education field (e.g. Indian schools, mixed schools, Indian teachers, additional materials) in order to arrive at an improved solution, so is there an opportunity for intensive research in this adult education experiment. Although Report IE-1 expected that this proposal would pay for itself, this report points to the additional by-product of a learning situation where we may arrive at some better answers on the process of integration.

II. THE POSITION OF HOME CRAFT AND ARTS IN A POSSIBLE ECONOMIC AND SOCIAL DEVELOPMENT SCHEME FOR THE INDIAN.

A. Some Common Social and Psychological Traits of Indian Communities:

2. This analysis does not pretend to be a comprehensive sociological or psycho-analytical study of the Indian. Only some of the most relevant social and psychological features common to some Indian societies are described, in an endeavour to understand the key human problems with which any economic development program will have to reckon.

In this analysis, the term "society" is used as the logical term to cover not only the sum total of individuals presently involved, but also the system of ideas and culture they are carrying from preceding development.(1)

3. The ultimate basic diagnosis of many Indian communities, whether wealthy or poor in an economic sense, is that they are pathological social groupings. (Because of the extent of social disorganization, the word "organization" which implies a dynamic living entity is not used.) Some of the key symptoms which lead to this diagnosis are:

(i) a gloomy and hopeless psychology of many modern Indian settlements, even of the wealthiest such as Caughnawaga or the Blood Reserve. This expresses itself in generalized hostility. It is not the type of aggressiveness which produces creative alternatives.

(ii) a widespread lack of goals and of initiative and drive to attain them, as witnessed by inability to formulate common aims or representations, by lack of consistency in economic and social endeavours, by failure of leadership to emerge from within the Indian communities, either on an informal organization basis, or even within the framework of the Band Council.

(iii) lack of self-respect and care, as witnessed by difficulty of keeping jobs through lack of ability to maintain a minimal level of inter-personal relationship with non-Indians.

(iv) lack of self-control and ease of mind, as witnessed by the drinking pattern, which though largely social drinking, must be classified as "escape drinking" (drinking oneself into a stupor in a subconscious urge to escape reality). This constitutes a real problem because of economic and family welfare effects.

4. The social disorganization of the Indian tribal societies, which is at the root of the diagnosis of social pathology, was not necessarily predominantly indigeneous, though there was ecological conflict before the coming of the white man. A major responsibility for the "white man's burden" lies with this external source. The disorganization arose through their social intercourse with a not too understanding, in some cases a not too honest, and in many cases quite hypocritical, white world. The reports of the officers who concluded settlement treaties with Indians indicate that there was a consciousness of the Indians' naïveté. The Indians of that time were completely unaware of the values of the white man's world and also were impressed by his powers. In the mind of the Indian of today, a subconscious, if not conscious, feeling of resentment or even victimization might be stirred when he sees that he can get hundred thousands of dollars from the sale of a small strip of his reserve land while his ancestors traded a vast heritage for token payments or goods. The average educational standard of today's Indian is not high enough to allow him consciously to treat the past as a historical fact and to admit that it is the present and future which is the challenge which he must meet realistically. Nor has behaviour towards him been such as to promote this attitude. It must be admitted that all the solemn treaty obligations have not

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(1) Alverdes, "Tierpsychologie und Menschenpsychologie".

been kept in letter and spirit. While much more than our duty is done under many clauses of these treaties, there are other clauses which are lightly regarded. In a specific treaty opening Manitoba for white settlement, the Indians were promised, in addition to their land, enough hinterland with the wildlife preserved for their use. This treaty specified that they would always be able to live their traditional way of life as well as settle as farmers on their reserves. The land of the reserve was big enough to feed the then existing population of these tribes, if the land was exploited agriculturally, and the hinterland was then plentiful. Today, the hinterland has been pushed back, there has become a relative scarcity of wildlife for hunting and trapping, and the reserve is over-populated.

5. Whether or not the above logic is conscious or pervasive, it appears to erupt periodically, indicating subconscious feelings of resentment. These feelings express themselves in outward acts or conditions which are looked upon in the white world as undesirable. In other words, the tribal society consciously or subconsciously rejects what is looked upon as desirable by the victorious society. In the United States, an attempt has been made to erase such resentment; a special federal claims court has been set up where historical wrongs can be righted and over $35 million have been paid out in order to indemnify past torts.

6. In Canada, reserves are administered by white agents to assure order and to protect the Indians from unscrupulous white traders. In most cases, the advice of the Indian agent is encouraged or even legally necessary before closing any deal. Thus, the Indian developed an inferiority complex towards the white society in general, and a dependent complex towards the Indian agent and towards Ottawa, which was personified as "the Great White Father". However, psychologically close (particularly through time) to the father complex (or admiration of and overdependence on the father) is the Oedipus complex (hatred of the father). Many instances of the recent past make us wonder whether, in some cases, the subconscious feeling of the Indian has already changed from admiration associated with a father complex to the hatred characteristic of the Oedipus complex. Recently, a deputation of Indian chiefs stated before a Senate sub-committee that all the Indians "learned from the white man was lying and cheating". However, whether it is a general father complex or a general Oedipus complex, both engender a general inferiority complex. Its outward manifestations in the Indian society are escape through drinking, inability to take decisions, and inertia, traits which observers indicate are widespread among the members of Indian communities.

7. The image of the Indian which is fairly common in the white society is not too flattering. This image may have been created in order to justify the situation and alleviate a subconscious guilt feeling. Whether it is this image (rationalized or not) which is the cause, or whether it is interpreted experience (is first hand or related) with people handicapped in relation to employment opportunities, Indians are faced with serious problems in trying to start a life of their own outside the reserve.(1) Only the strongest

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(1) "Our Changing Indians", by Miriam Chapin in Queen's Quarterly, Autumn 1955; p 399. - "Race discrimination varies from mild in Quebec to serious in some western places."

"The Plight of the Indian in Canada." by W.J. Morris in "Canadian Commentator." Vol. III, June 1959 - "Indeed it could almost be assumed that many Canadians would prefer not to have Indians in their public schools ..." -- "But, for the most part, there have been too many of them who have been able to secure labour of the most menial sort and their prospects of advancement have been all too meagre..." -- " As a result, the attempts that the Indian has made are usually unsuccessful and he has become filled with despair and frustration."

From observations made by Mr. O.B. Johnson as Manager of the National Employment Office in Northern Manitoba, (The Pas), "... it results that there is a definite discrimination on the part of many employers against Indian and Metis labour. The latter were hired only if no white labour was available and then only for the most menial tasks."

Thus this adjustment problem is accentuated by the initial Indian contact with the harsh environment of frontier communities on the one hand, and by the image of the Indian presented by the mass media (such as TV westerns) in more settled communities.

among them in education, skills, and will power are successful. Many others who have tried retreated into the security of their reserves. This latter re-enforces that part of the general inferiority complex which expresses itself in inertia and inability to make decisions.

8. Any society, regardless of state, has an urgent need of coalescing social aims. Such aims in the uninfluenced tribal society are ritual festivities, the common hunt, protection against external enemies, etc. Administrators have taken away the wars, missionaries the ritual tribal festivities, and ecological pressures brought about by rising population the possibility of the common hunt. The Indian community of today lacks its traditional social aims, its community feeling and its common economic purpose, and there has been only sporadic replacement of these by new aims. In the worst cases, its remaining members have substituted for these social goals and activities by becoming objects of social welfare. In the best cases, they have become well-off (and even wealthy) in a one-or two-product economy or by special skills,but have not been able to escape their situation (imagined or real).

9. In the 1960 discussions over granting of the vote, many Indians did not want to be Canadian citizens, out of pride, not to be subject to a Canadian Government but directly to Her Majesty the Queen. In their eyes, this was a more desirable status than that of the Canadian citizen and voter. Perhaps Canadian society did not make Canadian citizenship a desired objective for the Indian population. Most reserves do not have the range of facilities available elsewhere such as roads, electricity, etc.; none have high schools. Schooling at the grade school level was conducted until recently predominantly by missionary schools(1) in a way which was at least questioned by some observers. In small white rural communities, provincial payments help to pay for the community services which the small community could not afford out of its own revenues. The absence of local taxation and provincial subsidies is difficult to compensate by federal provisions. The lack of Indian high schools on even the larger reserves is responsible for the dearth of high school students and the almost complete absence of University students of Indian origin. In the United States, with only twice the Indian population, even the number of University students of Indian origin alone (3,200 in the 1959-60 school year) is three and a half times that of senior high school students of Indian origin in Canada (914 in the 1960-61 school year).

10. Regardless of the interpretation of causes and effects, or where the blame lies, we are faced with certain facts which affect prospects of economic development, namely lack of initiative, of group organization, of consistency of work pattern, and of savings for productive investment.

11. These symptoms of Indian communities may be compared with those of the long-term refugee camps in Europe. The fact that the Indians remain on their reserve out of their own choice, while the refugee is placed in a refugee camp, is of no basic importance. First of all, psychologically the Indian may not really feel he has a choice to live or not to live on his reserve, because of the economic and social discrimination (real or imagined, experienced or rumoured) to which he feels he is exposed once he leaves his reserve. Social workers who dealt with long-term refugees know that after a few years of residence in a refugee camp, many refugees prefer the "security" and misery of their camp life to the unknowns of emigration. As to the effects of the refugee camp on its inmates, they are about the same as described above.

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(1) "Our Changing Indians", by Miriam Chapin, op. cit. pp 397/398: "The mission schools on which the Government has for so long tossed the burden of education are totally inadequate to prepare a boy or a girl for life in our world, or even seek training in outside schools."

The Hawthorn Report, Vol. II, p 640, studying the acculturation of some Indian groups, stated that the school curricula appeared to be quite inappropriate to the needs of Indian children.

There is a feeling of victimization and resentment and its abreaction into hatred of the country that granted asylum. There is a sterile dwelling on the past and the attempt to escape reality through drinking (if available) or day-dreaming. There is inertia, helplessness and lack of initiative. Once a long-term refugee is re-settled as an immigrant, the inertia (generally interpreted as laziness), the helplessness due to lack of initiative and the antagonism to the new surroundings, are evident for some time. However, the long-term refugee is to a lesser degree exposed to renewal of resentment. After some time in this new environment, the memories of his former refugee existence fade away and so do the traumatic effects. All the symptoms mentioned above will not be present in all long-term refugees (inmates of camps for over five years) but most of the symptoms will be found with most refugees, and this applies to former professionals as well as to unskilled labourers.

12. But the basic difference between the long-term refugee and the typical Indian is that the long-term refugee does not expect to perpetuate his society while the Indian does. Therefore, the long-term refugee will accept -- even though he may dread it -- the complete disintegration of his old way of life, and his separation from his refugee society, whereas the typical Indian will not for he is not under the same compulsions. The long-term refugee does not look upon his society, the inmates of a refugee camp, as something permanent and worthwhile preserving.

This evanescent outlook upon the society of the refugee camp helps the refugee towards his final adjustment to the new society of his country of immigration. However, even in his new environment, it still takes time for he does not compare it to his refugee camp life but to his former past -- to the time he lived in his country of origin before becoming a refugee. His long stay in the refugee camp thus also has an effect of delaying his full integration in his new society. This is not the situation of the typical tribal Indian. He looks upon his society or his community as something worthwhile preserving, at least as a potential retreat.

His tribal society is thus preserved for he does not contemplate separation from that universe nor does he anticipate its disintegration. This is indicated sufficiently by the great concern of the Indians about the Indian treaties and the reverence in which the latter are held. Therefore, social aid to immigrants who were long-term inmates in refugee camps is possible on an individual basis while aid to Indians living in their communities has to be directed towards the community rather than on the individual. Otherwise, the aid will not be acceptable, neither by the individual nor by the group. Failures of many schemes which did not respect the basic concept of Indians towards their communities are a proof of this point.

13. Thus, schemes of economic development of Indians have to be directed towards Indian communities, and even when it is the development of the skills of any individual member of these societies that is involved in the transformation, these are more effectively harnessed in the framework of eventual benefit to the group. Economic revival or development schemes for Indian society would thus be more effective within the social framework (even though changes are bound to result) of this society.

III. EFFECTS OF INDIAN PATTERNS OF THOUGHT ON THEIR ECONOMIC ACTIVITIES

14. It has been indicated that Indian societies are entities which are separate from the general Canadian society. The majority of their members do not identify themselves with the broader Canadian society but with their own community or sub-group. Though these groups are influenced by the Canadian economy in a material way, they are in conscious or subconscious apposition to the society. Having lost their own specific societal goals and not having replaced them by other positive aims, these groups are at present in a status of disorganization which may be labelled "pathological". It is the aim of this chapter to concentrate on the disorganization of one of the key societal activities, namely, earning a livelihood.

15. A full description of the actual patterns of economic activities cannot be given here. What is attempted is a description of the basic socio-economic thinking prevalent in these societies, and its effects on their economic life through their recent history. As long as the Canadian economy was predominantly hunting, fishing or agricultural (till about the first World War), the effects of the traditional economic thinking of the native societies on their productive activities were not exceptional, for their members did more or less the same things as before in order to generate their livelihood. With the increasing industrialization of Canada, the effects of the traditional thinking of these societies upon their economic activities varied according to whether or not these societies were located near, or had communications with, Canadian cities.

16. Until a century ago, all Indian societies in Canada were predominantly hunting and fishing communities, which is the most primitive stage of development of economic activities.(1) Even today, a majority of Indian communities can still be classified as hunting-trapping and fishing societies.(2)

17. The basic economic thinking of all tribal hunting and fishing societies, no matter when and where they existed, is fundamentally opposed to the accumulation of goods. This is their basic difference with the later forms of primitive human societies: the tribal nomadic herdsmen society, and the tribal agricultural society. In the nomadic herdsmen society, the animals belong to the family and not to the tribe. In the tribal agricultural society the crop, if not the land, belongs to the family and not to the tribe. But, in the tribal hunting and fishing society, the prey is also for the tribe and not simply for the family of the hunter or fisherman. This is so by necessity, above all, because the output is not as storable as the animal on the hoof or the main agricultural crop, grain, and the catch is therefore distributed more widely to be consumed before spoilage.

Another reason is that the outcome of a hunt is not solely due to the skill of the individual hunter but also to the chance of locating the game. No hunting and fishing community could survive if the produce was not shared, because any series of ill-luck which may befall the individual hunter may starve his family. Moreover, group hunting is more efficient and safer than the individual hunt and in hunting (or fishing) in common, it is

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(1) Wilhem Wundt: "Elemente der Voelkerpsychologie; Grundlagen einer psychologischen Entwicklung der Menschheit", Leipzig, 1912. "Among primitive societies, Wundt distinguished between the first stage of development - the hunting and fishing society; the second stage - the nomadic herdsmen society; and the third stage - the agricultural society."

(2) Hawthorn Report, Vol. II, op. cit. p 353: "The major economic problem facing the Indian of British Columbia arises from their extreme concentration in a few primary industries... namely: fishing, hunting, trapping and farming" (farming in the meaning of this quotation is mainly occasional work as seasonal farm labourer).

difficult to distinguish between the individual prey. Whatever may be the social causes for the sharing of the prey, primitive hunting and fishing tribes hunt or fish in common and share the results. As a further consequence, in all these societies, the care of the aged is the responsibility of the tribe and not simply of the family to whom they belong.(1)

18. Another common feature of the economic thinking in these societies is that no provision can be made for unpredictable catastrophic events though their occurrence is known (e.g. the epidemic depletion of wildlife). For the short run, meat is stored away to allow for changes in opportunities such as seasonal changes, and the preservation methods of smoking and drying of meat and fish are known to most hunting and fishing tribes. To do more work than necessary, i.e. more hunting, more fishing than to satisfy the short-term needs, is unknown to these communities. Historically, the time between the common hunts or fishing expeditions was either filled with ritual festivities or with wars. The daily non-hunting-and-fishing chores were the tasks of the women.(2)

19. The economic thinking of the tribal hunting and fishing societies is diametrically opposed to that of agricultural societies, where the accumulation of produce is a possible and necessary objective not only to preserve seeds for the next round, and to take care of needs during the changing seasons, but since time immemorial, also to take care of possible future long-term catastrophies (droughts, bad crop years, etc.). Examples of these longer-term provisions can be traced throughout the whole history of mankind. Granaries were found in the ruins of Sumerian, Egyptian and other cities of the ancient world. This was necessary because agricultural society is settled on the land, while the hunting tribe can follow the wildlife. If there is an epidemic depletion of wildlife in one area, the hunting tribe attempts to regain a base by moving to another area if possible, while in the case of the primitive agricultural society, years of drought and bad crops may mean the destruction of the society if there are no products stored away against such contingencies. This difference in thinking has been dwelt on at some length because it reveals the key contrast between the socio-economic thinking of most of the tribal Indians and that of the rest of the modern society. Capitalistic thinking is an extension of this thinking of the agricultural society: "it is necessary to save and accumulate goods, that is to work hard beyond immediate requirements and to abstain from present consumption, in order to take care of future events, be they sickness, old age or increased profits." The basic socio-economic thinking of the tribal Indian communities is: "To share the prey and eat it as long as it lasts and let tomorrow take care of itself."

20. There are many reasons why the socio-economic thinking of tribal Indian societies in Canada has not developed beyond the stage of that of primitive hunting and fishing societies. One of the main reasons was that until the industrialization of the Canadian economy, the tribal hunting and fishing societies fitted well into our economic life. During the earliest period, when fisheries provided the staple export commodity, this peripheral coastal activity did not impinge upon the native economy. Soon thereafter, however, inland exploration opened up the fur trade with the Indians and the fur of wild animals was for a long time the most valuable export commodity of Canada. Indians remained the most important producers of this

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(1) "The two features of all fishing and hunting societies, namely the sharing of the prey and the common responsibility for the aged led Engels to the erroneous conclusion that in its primitive stage the human society was organized along communistic lines." Karl Marx gave this societal structure the name of "Primitive Communism". The conclusion is improper because it is only the immediate surplus of the joint effort that is shared, not other implements of daily life like weapons, cooking utensils, homes, nor furs of animals used for making dothes.

(2) Ralph Bernatzik, Wundt, and others.

commodity till after the first World War, when fur farming became prevalent and the prices of pelts of wild animals declined due to the increased use of pelts from farm-bred animals.

21. It is important to remember that from early settlement until the past century, although there was a recognition of the dominance of the white man through military power, economically there was more of a partnership, whether as co-paddler or as supplier of furs, and the Indian understood his place in this economy. However, the extension of the agricultural and forestry frontiers pushed back the hunting grounds and the fur trade, and many of the Indians moved back with it, into the backwoods.

22. The extension of the railways and the increasing industrialization of the Canadian economy created an increasing gap between the Canadian economy and that of Indian tribes. Under the impetus of modernization, the gap grew further. Education became widely accessible in rural areas. The provinces embarked on great road building programs as well as on programs of rural electrification. The number of rural children going into higher schooling increased because of the growing complexity of farming and because of the growing need for literate industrial labour to be recruited from the rural areas.

23. This development even in remote agricultural areas was not paralleled by a similar development of the Indian communities. With respect to schooling, education of the Canadian population is exclusively a provincial matter under the British North America Act and all provinces have Departments of Education, staffed with experts who decide upon school curricula and the technical requirements of school teachers. The administration of Indian reserves is exclusively a federal matter but the Federal Government had neither a department of education nor the experts to decide on curricula or qualifications of teachers. Schooling of Indian children was left until very recently to religious orders who mostly lacked the provincial teachers' licence.(1) Only very recently has this policy been changed, have teachers with provincial teaching licences been hired, and have provincial school curricula been adopted.(2) Most Indian adults have not had the benefit of this training and even the recent improvements are considered inadequate.(2) Thus, one of the most important means of communicating the changing standards of the white world to the Indian communities was lost and a considerable gap created and maintained at the time when the most rapid changes occurred. It should however be said that the change of mental outlook required by movement from a predominantly agricultural society into an industrialized society is relatively small compared to the change of mental outlook required from members of a hunting and fishing community to comprehend the thinking of the modern society. Thus, one of the main reasons for the maintenance of the socio-economic thinking of primitive hunting and fishing societies among Indian communities is the lack of adequate schooling with appropriate curricula, i.e. curricula which would provide for the unusual transition from the outlook of a hunting and fishing community to that of a twentieth century industrialized society. Such appropriate curricula are not those of the provincial departments of education who are attuned to the needs of urban or farm students, rather, they would have to be developed to fit the basic outlook of tribal societies.

24. A somewhat similar lag developed with respect to transport and communication facilities. Until very recently, the Federal Government was completely unequipped for road construction which, under the British North America Act falls under the authority of the provinces. The latter have Departments of Highway Construction staffed with experts. As long as Canada remained a predominantly agricultural country, road communications between small rural communities were about the same as on Indian reserves or to the outside world, in fact, canoe transport of furs was probably faster. This situation has

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(1) "Our Changing Indians", by Miriam Chapin, op. cit. pp 397/398.
(2) Hawthorn Report, Vol. II, op. cit. Chapter 25, pp 615-705.

changed radically. Provinces built large road networks in order to facilitate automotive transportation. This was not accompanied by a similar effort on the part of the Federal Government for the benefit of Indian communities. According to the location of their reserves, we may thus distinguish between three groups of Indian communities. The first group comprises all those communities whose reserve land is in highly developed regions; they comprise about 25% of the tribal populations. The second group is formed of those Indian communities whose reserve land, while distant from the big cities, is still close enough to good arterial roads to allow for ready communication with the outside world. Hawthorn calls this a "relatively isolated group";(1) they are again about 25% of the tribal populations. The third group consists of the extremely isolated Indian communities (2), on crown land or reserve land far from roads suitable for automotive traffic; they are the largest group and comprise about 50% of the Indian population.

25. The economic activities of the third group are predominantly of the hunting and trapping activity complex. Since about 1920, the increasing use of furs from farm-bred animals depressed the price of wild furs. The wild animals had to be hunted more intensively by the individual Indian in order to yield the cash income necessary for the purchase of articles which were not produced on the reserve or the band territory. This was one of the reasons for their depletion. This pressure on the natural resource base was compounded by the increased native population due to a decrease in the death rate accompanying improved health services for the Indian communities. This pressure was exerted on the animals hunted for food as well as those hunted for furs. There was not enough wildlife to provide for food or for furs to buy food. This led to a further retreat to more distant communities and a further loss of economic intercourse with the white society. Even this temporary relief was short-lived and the communities had to rely increasingly on Government help for their mere physical survival. While most of their members do not know the exact reasons for the breakdown of their traditional way of life, they do believe that in some way it is due to the white man. They changed from skilled hunters into sullen objects of welfare administration.

At present, it is the policy of the Federal Government to increase welfare benefits to the Indian population to the level of those granted by the provinces to needy persons in neighbouring rural communinities. Here again, as in the case of the provincial school curricula, one and the same standard does not mean the same thing for the two population groups. Needy persons in rural communities are mostly aged persons without family support. Isolated Indian communities in need of help are poor communities with no charitable organizations supplementing administrative welfare payments, since in these communities there are no wealthy members who could support private charity. The latter would be against the very spirit of the tribal hunting and fishing society. If there was enough wildlife there would not be any need for charity since the care of the aged is the responsibility of the society. In the isolated Indian community, it is however not only the aged or sick person who needs help, but also the male in the prime of life. What is sufficient, together with the help of private charity, to keep an aged member of a rural community fed and housed is not sufficient for a man in the prime of his life. Contractors who hire Indians for pick and shovel jobs often have to feed them for one or two weeks before they can expect a reasonable amount of work per day. The psychological consequences to mature members of Indian communities of having to accept welfare payments are a deepening of the feeling of resentment, a loss of pride in the community, and an increasing inertia. However, until other solutions are found, welfare payments are needed, and they should be at a level commensurate with the requirements of the particular Indian community rather than be measured against the level of provincial welfare benefits adequate for aged members of rural communities.

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(1) Hawthorn Report, Volume II, p 354.
(2) Ibid.

Farming may have been an answer for some of these communities. However, resorve lands in more remote areas are generally not suitable for agricultural exploitation. Moreover, the very spirit of the hunting and fishing community is diametrically opposed to the spirit of long-range planning and investment required for modern farming. The agricultural ventures of Indian communities have not been generally successful as a consequence of this persisting spirit.

Thus, the economic activities of many of the extremely isolated Indian communities have had to be supplemented by welfare payments. Communications between these communities and the general society have been at a bare minimum. Those societies form enclave economies within the Canadian economy, with a standard of living comparable to that of the most underdeveloped countries.

26. The second group of Indian communities are, according to the classification, those which, while at considerable distances from the centers of industrial life, have reasonable road communications with them. This group shows the greatest diversification of skills. Because of the greater inter-ccmmunication with the outside world, they have accepted certain skills which enable them to supplement their basic income from hunting, fishing and trapping. They do occasional agricultural work as seasonal farm hands, serve as guides during the tourist season, work occasionally as miners, and also sell handicraft articles for what they can get. Whatever work they perform, they do it still with the spirit of the primitive hunting and fishing society, and not even with that of a primitive agricultural society. This explains their lack of persistence in one economic activity. It explains their reluctance to care for the aged members of their families. Traditionally, the aged have been the responsibility of the whole society. This is now supplanted by an anonymous welfare administration. The annual income of the members of the relatively isolated communities ranges from very low (where they occasionally perform menial tasks in the white society) to medium (e.g. the tourist guides) in comparison to that of unskilled Canadian labour. Thus, although Indian communitios with fair access to industrial centers show a great variety of economic activities, these activities are still pursued in the spirit of the primitive hunting and fishing society. While they are no longer isolated enclave economies within the Canadian economy, they are patches of poverty within what Galbraith terms the "Affluent Society".

27. Indian communities within the more highly develcped regions and near the big centers of industrial activity are usually much less diversified than the more isolated primitive groups. Hunting as an occupation to earn a livelihood can no longer be pursued due to the relative lack of game near urban centers. Fishing is one of the specialized occupations available in areas such as the British Columbia coastal region where commercial fishing is a normal economic activity for the white population as well. A second such occupation is logging. The Iroquois of Caughnawaga have specialized in steel construction work and earn among the highest wages among Canadian skilled labour, let alone Indian workers. However, a common trait of the economic activities of Indian communities near big cities is a relative lack of diversification of occupations, partly due to preferences of the members of these communities, partly to job discrimination on the part of unions (1), and employers.(2) Another common trait is that even this group pursues its economic activities with its traditional socio-economic thinking. Some of the members of these communities earn very high wage rates in comparison to skilled labour and the income rate of most of them is satisfactory on a comparative basis. However, the work will be pursued only long enough to see the individual through a certain period of time. Earnings will be spent entirely, with nothing left as savings for investment or for old age and sickness. There is also the same reluctance to care for the aged member of a family. In these groups, the feelings of resentment are as prevalent as in the other Indian groups. These feelings are exteriorized in the spending pattern.

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(1) Hawthorn Report, Vol. II, op. cit. p 357/358.
(2) "Our Changing Indians" by Miriam Chapin, p 399 and William J. Morris, "The Plight of the Indian".

28. In summary, since not even the Indian groups located in close proximity to centers of industrial activity have changed their basic socio-economic thinking in the significant directions of self-help, communication of this aim to Indian societies has been poor, or else our interest in these societies has been too limited to permit the easy translation of the concepts of maturity and self-reliance in the modern context and way of life.

IV. SOME BASIC PRINCIPLES OF SOCIAL AND ECONOMIC DEVELOPMENT OF INDIAN COMMUNITIES, AND THE POSITION OF HANDICRAFTS IN REHABILITATION SCHEMES.

29. For the most isolated tribal Indian communities, although this isolation provides the only remaining situation for continuing their traditional way of life, it is virtually impossible for them to do so. There is simply not enough wildlife left on the reserve land to support the increased number of individuals due to the population explosion resulting from health measures. It is increasingly infeasible to assure these communities what was promised in some of the treaties: enough hinterland with enough wildlife, so that they can continue indefinitely their traditional way of life. This could only have been a short-term assurance. Otherwise, it would simply mean stopping the clock in the northward economic development of Canada. Even supposing it was politically and economically feasible for the Government to assign all previously undeveloped land to Indian use, and even to also purchase all marginal and sub-marginal farmland around the reserves for their extension, we would still not know for how long a period the new land would be sufficient and when it would be over-populated. Return of land to low productivity uses, and of the Indian society to primitivism, or even assurance of present status, is not a solution.

30. On the other hand, the Indian group cannot be expected suddenly to step out of their communities with which they identify themselves, to break with the spirit of the hunting and fishing way of life with which they are imbued, and settle down the next day in our cities as industrial workers. Without applying very strong economic, social and even physical pressure, such a development is unthinkable. This solution, which may be called "mass atomization of the tribal society" is the worst of all possible solutions to the social and economic problems of Indian societies. It would never be tolerated by fair-minded Canadians, since it would mean breaking the letter as well as the spirit of solemn treaties. Moreover, it would create intolerable racial frictions through accentuation of resentment. It is one thing for the Government of the United States to have (formerly) contemplated the atomization of its tribal societies of 350,000 persons into a population of over 170 million -- it is somewhat harder to even contemplate for Canada, with a native population of 150,000 into a total population of over 17 million.

31. There is however another consideration which makes such a policy undesirable from a national point of view. The United States can be considered as being completely settled. Therefore, any settlement abandoned by the tribal Indian population, if habitable, would be resettled soon by the white population. The Canadian North is very sparsely settled. If the tribal population of this area would be distributed and relocated within the rest of the population, largely in Canadian towns and cities, this would mean yet more empty space in the North, and the northern development program would be set back.

32. Apart from the mass atomization thesis, there is the question of the possibility of individual voluntary "migration" into the Canadian economy and piecemeal successful integration to the point where success breeds success, and such adaptation becomes popular and accepted as the desirable path to economic and social development.

33. The new immigrant from the south of Italy has often been compared to the tribal Indian with respect to integration possibilities. Although the Italian peasant's school background is in many cases less than that of the Indian, although his mother tongue is different from the languages spoken in Canada, and his background is that of a rural community, yet despite all of these handicaps, he integrates successfully into the industrial life of Canadian cities. Therefore, it has been argued, could not the individual Indian integrate with even more ease. The sociological mistakes in this argument are:

(i) that the background of the most uneducated southern Italian immigrant is that of a farmer, and his socio-economic thinking has at least been conditioned to the thinking prevalent in a modern agricultural community where foresight and accumulation of riches is desirable, while the Indian is still imbued with the spirit of the primitive hunting and fishing way of life. Nothing in his schooling or training has transformed his way of thought.

(ii) the Italian immigrant has decided for himself to enter into a new society. His expectations are that he will have to start from the bottom of the ladder and have to work hard in order to rise in his new social environment. The incentives for the rural southern Italian immigrant to comply with the rules of the game are the expectation of greater accumulation of wealth than in his homeland, of a better life for his children, etc. For the individual Indian, these expectations do not exist (nor would the decision be his to severe his lines with his former community in the case of an enforced atomization of the latter). The better life desired by him for himself and his children does not consist of accumulating wealth or attaining a higher social position in the white society, but of better hunting grounds and a richer wildlife. He may venture out for quick gains, but his aims may still be to return. Thus, the outlook of the Italian immigrant is on his future and he becomes fully committed to the framework of Canadian industrial society. The aspirations of the Indian, whether forced into an industrial society or not, may still be centered around his past within the framework of a hunting and fishing community. Or alternatively, retreat to the community of origin is easy after a foray into the modern society, if he encounters some difficulties of adjustment. The Indian thus rarely becomes fully committed to the new society, and he is not sustained by his aims to put up with difficulties of the process of movement.

34. Thus, both possibilities of mass movement or of individual migration under present conditions of thought, are not adequate solutions at this time. The atomization of the tribal societies would be politically infeasible, and it would also create unwarranted social hardships for at least two generations. It may also create a permanent caste of menial workers of different skin colour, as has been the case with a number of negro communities in other societies. The third solution of abandoning the Indian to his traditional way of life, would only mean a sharp acceleration of welfare payments increasing to the tune of the acceleration of population increase. Moreover, it would mean underdeveloped enclave economies which are a waste of the human and natural resources of our economy.

35. Thus, the optimum solution for Indian communities of Canada appears to be their social and economic development to the point where horizontal movement into the general society is much easier than now. This horizontal movement should be encouraged in every possible way, including increasing acceptance by the general society, "social migration" and its facilitation of the adjustment process, but should not be pressed.

36. Any economic development that is not preceded or accompanied by a social development of the native communities is not likely to be successful, for it may merely lead to greater introversion with greater resources to indulge it. Even now, members of Indian communities near our big cities enjoy incomes comparable if not superior to that of average Canadian labour. Are these societies more socially adjusted than those of the extremely isolated Indian communities with more or less abundant wildlife to give the traditional way of life some meaning? Various manifestations make this doubtful. In fact, some of these wealthier communities appear to be more disorganized and

its members less adjusted individuals than their poorer isolated brethren. The reason for this hypothesis (which may be proven by an extensive socio-psychoanalytical study) is that Indians living within or near to our developed society have had to adapt themselves to our way of life without suitable preparation; for them the clash of ideologies is greater, more immediate and more traumatic than for those who are not in constant contact with our civilization.

37. Yet, the dilemma exists, for we cannot change the situation of white presence and development, and consequently in order not to create "inequitable anomalies", it cannot be the goal of any social policy for Indian communities to preserve their members at any socio-economic stage inferior to that of the rest of the Canadian society. Ultimately, members of Indian communities must be <u>able</u> to live wherever they decide to live, on their vested lands or in big cities, as they may choose. This goal immediately includes the economic goal that economic life on Indian vested lands has to be developed to give ample twentieth century opportunities for their inhabitants.

38. Economic as well as social development have to be gradual (this does not mean slow) and while they may be accelerated at a later stage they have to start at basic principles and may be slow in the beginning. They will certainly cost money. However, this is a relative matter. The total costs of a key social and economic rehabilitation program such as the one proposed here can be considerably less than the value of one large boulevard in Montreal. Yet, it will contribute to a much greater extent to the economic welfare and social well-being of the Canadian people as a whole, than the same amount of money if used to expropriate and transform a few more streets into a new boulevard. If these substandard economic enclaves can be transformed into active parts of the Canadian economy, they would benefit the country as a whole.

39. Though in IE-2 we have deviated considerably from the main IE-1 subject of Indian handicrafts, the reason for this excursion is to place handicrafts within the general framework of its possible role in social and economic rehabilitation of the Indian societies. It was necessary to prove that a rehabilitation was necessary and the indicated nature of such change, before showing the role that handicrafts and cottage industries can play in such a scheme. Within this wider social and economic rehabilitation plan, the role that handicrafts can play is tremendous and cannot be over-estimated, especially during the initial phases. In turn, without such a basic perspective, any specific emphasis on handicrafts may have only a palliative effect and in the final analysis, may be harmful in that it may becloud the issues or be misdirected till it becomes an end in itself which may serve merely to help to perpetuate a low-productivity low-income enclave economy. Handicrafts alone is not a full twentieth century solution to the problems of the 150,000 tribal Indian population. But, it definitely should be an appropriate social stimulus for the Indian population. It is one of the new community goals which will have to be set, if the tribal hunting and fishing community is to be transformed into a modern society. It will provide supplementary cash income for the many contemporary Indians who will still have to rely on hunting, fishing and trapping. It will become a main occupation for some Indians who have an inclination towards handicrafts or cannot engage in the main income pursuits. It will open the door for new occupations for many others. It is under all these circumstances a worthwhile investment. However, it cannot be the entire solution to the social and economic problems besetting the life of the Indian community as little as it can be or has ever been a complete solution to the economic problems of the Swedish or Norwegian farmer. However, handicrafts do provide the main income for some areas in France and Switzerland, and this could indicate that the Indian population in some areas, or a portion of this population in some areas, may derive its main income from handicrafts.

40. Any significant reliance on handicrafts as an economic activity for the Indian population may improve their standard of living for a short period. However, this improvement would not be at the same rhythm or quality

of growth as that of the Canadian population as a whole. After having narrowed the gap for a while, if the opportunity is not taken for an economic take-off into self-sustaining growth, but rather is taken passively as a substitute, this gap could widen again. Thus, a failure of a social and economic rehabilitation program based solely or even mainly on handicraft will only increase the distrust of the Indians and reinforce their feeling of inferiority.

41. Consequently, the handicraft program must be seen within the perspectives of a more comprehensive economic and social development plan. This plan, not being the main task of this analysis, will have to remain general. While any social and economic rehabilitation program has to be geared to the specific needs of specific communities, there are some common features which are apparent already.

(i) A revised community outlook has to embrace many aspects of the community life. To make the effort practicable, some of the smaller communities may have to be relocated (voluntarily, in consolidation with other small communities) on newly created viable reserve lands. A first step towards a social and economic rehabilitation in some cases would thus be to form Indian communities with a worthwhile social overhead capital base, such as schools for children, etc.

(ii) More efforts will have to go towards the systematic education of children than towards any other objective. For the short-run, special facilities and instruction for the Indian child may be necessary. The attitude of teachers and pupils in mixed schools appears to be regarded as detrimental to the development of the Indian child.(1) The white rural child, competitor of the Indian child for the attention of the teacher, is better geared to the rural school. Many things that are completely foreign to the mentality of the Indian child are familiar to white rural children from sources other than the school. Thus, Indian children are slower to follow the general curriculum set-up on a general provincial basis, and thus develop an inferiority complex. The same phenomenon has been observed in Austria with respect to rural children sent to Viennese Middle Schools.

(iii) Teachers who teach on Indian reserve schools should have a special teaching background, compared to those teaching the same grades in our cities. Above all, they should have a language course in the language spoken by the Indian community where their schools are located. To attract adequate personnel for this special task, salaries offered to teachers in Indian communities should be at least equal to if not higher than those offered in the region.

(iv) Special additions to the curricula should be developed for the Indian schools. These should not estrange the Indian child from his background and family, but should familiarize him with the outside world. Indian contributions should be emphasized to engender more pride and self-regard. School seasons should be adjusted so as to conflict as little as possible with hunting and fishing or agricultural seasons when the children are most likely to be withheld from school.

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(1) Hawthorn Report, Vol. II, Chapter 25, pp 615-705. (A somewhat similar opinion is expressed there, based on interviews with teachers in mixed schools).

(v) On all reserves with sufficient potential school population, there should be high schools leading to senior matriculation. All graduates of such high schools should be recipients of federal scholarships if they can and wish to continue their education. These scholarships are particularly necessary because the young Indian university student may not have the same employment opportunities during the Summer, and may not be too familiar with life in the big cities. Scholarships should be continued according to the efforts made by the students and not be based solely on academic standing. Students of Indian origin may need a longer time to adapt themselves to their new surroundings. Since it is desirable to form as many university graduates of Indian origin as possible, this should be facilitated by better understanding of their ethnic particularities and the difficulties connected with them, always provided the standards of quality are not lowered.

(vi) In order to gain cooperation from parents, the family allowances should be strictly supervised and should be paid for each child of the age range as long as he goes to school. Additional incentives and encouragement may have to be given to extend schooling for the capable, via scholarships, etc.

(vii) Where readily feasible, there should be emphasis on increasing communications with the isolated communities through the establishment of road communications, and the electrification of the reserves. These would abolish gradually this isolation, and would also lay the basic foundation for a more modern agricultural community.

(viii) Where possible, farming should be encouraged as one of the major starting points of economic development of substandard tribal economies. A farming program for the tribal population has the sociological effect of changing the socio-economic thinking from that of a hunting and fishing society to that of an agricultural society. The farming enterprise like other enterprises at the early stage of a rehabilitation program might be better on a cooperative rather than on a private enterprise basis, because of incentives of social learning and its being adapted to the communal thinking of the tribal society.

(ix) Each young adult interested in farming would have to undergo a short (six-month to one year's) course in agriculture. In this course, he would also familiarize himself with farm machinery and its repair.

It might be mentioned in this context that the O.R.T. organization had a tremendous success in the formation of agro-mechanics for Israel. O.R.T. is a specialized Russian-Jewish organization for the technical education of adults. It is mainly due to this organization that Jewish peddlers from Poland and bazar merchants from Tunisia and Algiers became competent farmers.

It would be the task of an extension worker to give appropriate instruction in use and repair of farm implements. Here again, this extension worker should be much better qualified and paid than the rural extension worker (and might preferably have a rudimentary knowledge of the Indian language). The clearing of farmland as well as farming might be semi-cooperative enterprises. The farming would be of mixed nature with the aim of providing most of the food requirements for the tribal population. The products might be sold through cooperative stores on the reserve. The latter again, should be supervised by managers of some competence with the aim of educating employees and later managers from the Indian population.

(x) Handicrafts could go hand in hand with the farming development though they could be produced without these steps.

(xi) In fact, crafts and trades training is by far more the most important aspect in this scheme of development. The agricultural program suggested above is merely intended to try again to correct earlier attempts in this field, which may not have been fully successful, for that small portion of the Indians who are located in areas suitable to agricultural development. The new emphasis here is on trades to adjust the Indian to the new more balanced Canadian economy, rather than to the 19th Century economy.

For example, there can be instruction of young adults and adolescents leaving school in construction trades useful on the reserve. Participants should receive the customary wages for apprenticeship. This instruction should be according to high standards of craftsmanship, given in four to five years' courses. This would be a program embracing the whole craft as understood in Europe rather than one specific sub-category of it. Some of the Indian craftsmen may want to continue to live on the reserve and will then need all the skills of their craft rather than some specialized knowledge.

Those of the tribal members who would want to work in their crafts in white communities, be that on a seasonal basis, or by settling there permanently, would benefit from their instruction just the same way as the Swiss and German craftsmen who immigrate to Canada. According to the current survey of applicants for Canadian citizenship, European craftsmen with completed apprenticeship (journeyman certificate) are very successfully integrating themselves in the Canadian economy. Final exams would be given by the Trade Unions, and certificates recognizing the competence of the graduates of these courses be granted with the Union membership. These courses could be held on the reserves and be used to build or rebuild the houses thereon. Since they are apprenticeship courses, the houses which are built by the apprentices should be buildings fit for a better white community, whether they are sold, rented or used for welfare housing.

(xii) The above apprenticeship program would apply to all reserves except the very wealthiest where they should only apply to adolescents leaving school. It should be particularly emphasized in all communities where agriculture is impossible due to soil conditions, or in those communities where agriculture is a tradition.

(xiii) Thus, the economic goal of the first step of any rehabilitation program should be a balanced village economy which produces skilled labour. There should be however ample provision for the traditional familiarization with nature without relying on the latter for a livelihood.

(xiv) The pillars of this program are the trades. But it must be emphasized again that these are of two categories. One is the handicrafts based upon traditional motifs but revitalized and modified to suit the new market, as emphasized in Report IE-1. The other, potentially more important category is the completely non-traditional trades and forms.

For example, one specific trade could be given special attention, namely fine cabinet making and upholstery. There especially, instructions should be according to European programs. What is desired, is to form a professional craftsman who is able to produce the finest furniture in all styles. He should be able to produce each piece of furniture completely according to the highest standards of craftsmanship. With very little equipment, an export article for the Indian enclave economy could thus be created which would be of greatest value not only to the latter but to the economic life of the country. Producer cooperatives of this sort are the easiest to set up and finance, while wholesale distribution is not too difficult. Design artists would have to be hired initially to work with the Indians, until craft leaders emerge from the Indian population. Beautiful hand-carved and hand-polished furniture of Canadian origin and style may compete successfully in Canada with imported Swedish and Danish furniture. It would also be an export article of great value. Mass-produced furniture in Canada, expensive or cheap, looked alike, and prepared the way for considerable imports of Danish and Swedish furni-

ture which is hand-produced in small ateliers. This is exactly what the program might aim at for the Indian population. Enterprises of that kind have been very successfully started by immigrant craftsmen.

(xv) The next basic step of a possible rehabilitation program consists of gradually replacing all white administrators, managers and teachers by Indians who graduated from appropriate schools and universities. This may take a long time and the take-over should be as casual and as gradual as possible. A school certificate or university diploma does not, by itself, guarantee anything but knowledge. Administrative ability has to be acquired by practice.

(xvi) During the first and second basic steps of the program, provision should be made for those Indian communities which are already at a higher stage of development to improve their living conditions through capital loans from a revolving fund. There too, as in all ventures of tribal Indian communities, cooperatives should be encouraged.

42. The above outlined social and economic rehabilitation program is quite general. Its basic principles may be of some value for all tribal communities. However, communities where certain social or economic stages of development have already been reached should start at an appropriately higher level of the program.

43. One of the primary requirements for a successful rehabilitation of Indian communities is a change of the white image of Indians. Our main image created by the pioneer settlers was unfavourable and antagonistic. The difference between the two basic socio-economic philosophies, that of the pioneer farmer and that of the primitive hunting and fishing tribe could not have been greater. Thus, we inherited a value judgment of Indians which is far from being flattering for the latter. Racial discrimination against Indians is milder in the French-speaking parts of Canada than in the West, since there is less difference of mentalities between the French farmer from whom stemmed "the coureur-des-bois" and the Indian hunter, than there is between the latter and the large scale western farmer. The same first image would have been created of the Eskimo population if there had been this same type of link between them and the white population. The Eskimo became known and liked in Canada and throughout the world because of a very deliberate promotional effort of the Department of Northern Affairs. At an early point of a rehabilitation program, this effort would have to be duplicated on behalf of the Indians. A successful home craft and arts program would be of invaluable help towards this goal. Another pre-condition for the acceptance of a general rehabilitation program is its acceptance by the individual Indian community as a community goal. This acceptance will certainly be easier after a handicraft program has become a reality.

It has been stated emphatically by experts of the Northern Administration Branch that the social effects of handicraft programs are much more important than the economic ones. This same statement has been repeated by all Norwegian and Swedish authorities concerned with such programs.

The image we have of the Indian has had its effects upon the Indian. The average Indian has been convinced of his inferiority in a white man's world in the same way as the anti-Semite is able to convince the average assimilated Jew about the wretchedness of the Jewish community. (1) The inferiority complex of Indian communities is as much a product of this image as antisemitism is the source of the well-known "Jewish inferiority complex". One of the first steps out of this image would be an economically successful handicraft venture, in the same way as one step out of the "Jewish inferiority complex" was the successful settlement of Israel and the successful wars of the Jewish army. Once Indians see that their crafts are appreciated

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(1) Jean Paul Sartre, "Réflexions sur la question juive", Paris 1946.

in the outside world, they gain pride and confidence in themselves because as individuals, and as a race, they have accomplished something worthwhile. Once the outside world appreciates these crafts, it gradually changes its image of the Indian. This is not to say that handicrafts would be the only way to bring about the desired effects, -- they have however proven to be a key avenue for the European peasant population as well as the Eskimo population of Canada.

44. It is more difficult to put a price tag on the social and economic rehabilitation program the same way as was done for the revival and maintenance of the home arts and crafts program. For this purpose, a special study has to be made once the goals and means of such a program have been set. However, the following might be said with respect to the costs of such a progam.

i) Amounts spent on a successful economic and social rehabilitation program benefit the tax payer in his capacity as a wage earner by several times the amount spent, because of the direct and indirect multiplier effects of such spending on the economy. In its mature stage, this program would contribute to the growth of the Canadian economy through an increased production of goods, and thus would benefit the tax payer in his capacity as a consumer. In its final effect, it would reduce the necessity of welfare payments and then would benefit the tax payer in his capacity as a tax payer.

ii) A program that is conceived on too small a basis or does not embrace social as well as economic aspects would be more likely wasted because it is less likely to be successful. Improvement of standards of living which are not accompanied by a change in socio-economic thinking cannot be permanent, and will always be artificial in the sense that they will always require an outside stimulus. It must result in a permanent growth in this sector of the Canadian economy. The detrimental sociological effects of the failure of an inadequate program would do more harm to the tribal Indian population than the waste of public funds would do to the wealthy Canadian economy.

45. At the outset, it was said that such a program would be less expensive than one great boulevard in the city of Montreal. (We had in our mind the new Dorchester Boulevard with the new Place Ville Marie). The whole economic and social rehabilitation program as outlined above could be financed with an average additional spending of between 8 to 10 million dollars per year constructively directed during a period of between fifteen to twenty years. The total costs over the twenty year period would thus be less than a fraction of the costs of the Place Ville Marie, let alone of the whole of the Dorchester Boulevard. Our economy would not in any way feel the cost of such an additional effort, but the returns to the economy and above all to our society would be great.