

Mr. STEIGER. You mentioned the \$780,000 services grant from OEO to the Navajos.

Prior to that grant, didn't the Navajos have a contract with BIA and, if they did, is that not a duplication of effort between the BIA Indian counsel and the Indian legal service staff?

Secretary UDALL. I happen to be very familiar with this because of the long lawsuit I had, but the Navajo Tribe had their own lawyers representing them generally as far as their legal affairs were concerned. They also had a small section—as I recall it, of one or two lawyers, that either spent part time or full time advising individual Navajos, a hundred thousand of them, you see, spread over an enormous area.

What the OEO grant did was to enlarge the thing—and this did not come from Federal funds; financed this program themselves. They could not afford to enlarge it, and in this instance I believe the tribal council felt it was a very useful program. They presented it to OEO; OEO decided to fund it and you had a full-blown program rather than what was a very modest beginning of a program.

Mr. STEIGER. You may be familiar with the comprehensive evaluation of the OEO Community Action programs on six selected Indian reservations, done in September 1966 by Human Science Research, Inc., of McLean, Va. I was interested in looking through the study and let me quote two criticisms that were made of CAP components.

No. 1:

Indians find two chief problems in connection with preemployment CAP components. Primarily they are disturbed because there is so little orientation toward the employment of family heads. Most components deal with children or adolescents. The intent behind this approach of preparing the next generation for the future does not impress many Indians * * *.

The other quote:

The other objection rests upon widely held feeling that many CAP jobs are "make work" operations and contribute nothing that the reservation can use, except the wages of those employed, which funds immediately flow out of the reservation to surrounding white communities where stores and services patronized by Indians are largely found. This means that should CAP operations cease the reservations population would be just as poor as before . . . more immediate practicable modification of this approach may be to train Indians for and help establish services, trades, and small stores (perhaps cooperatives) on the reservations, themselves.

Could we have from you for this committee any comment on these two?

Secretary UDALL. I think this is a very good point. This is a sound analysis.

One of the reasons that we are attempting not only to get the type of economic development where you locate a factory or a plant on an Indian reservation but we then must see to it that the Indians, themselves, capitalize on this by building the community facilities, either themselves, or encouraging others to do it by leases, so that the money stays in the Indian community and turns over.

I think Commissioner Bennett gave me the figure that if you get a new industry to establish itself and if you want to get the full benefit of it, that for every 100 jobs that you get on an industrial payroll, if you can also keep the money in the community you get 60 more jobs from service industries and other industries. This is oftentimes lost