in the world—but these Indian CAPs are also dependent upon OEO for their continued existence. Without external support, these programs would come to a complete halt.

In the light of the past history of relations between the Federal Government and Indian tribes, this situation becomes especially grave. The Indians are very much aware of past inconsistencies in Governmental treatment of them. Whether well-intentioned or not, at any point, Indians have been hurt by these inconsistencies and are well aware of this. It has been found, on all six reservations, that there is widespread unwillingness to take the objectives of OEO seriously. Rather, there is the established belief that CAPs will not last long, and that individual Indians should just take what they can get while it lasts. This attitude blocks a full commitment by most Indians to the goals of community action. The continual dependence of reservation CAPs on external funding by OEO may be a major causal factor in the unwillingness of Indians to commit themselves to reservation programs.

As CAPs are now organized, one of the major direct beneficiary groups is that constituted by the CAP aides. These aides benefit most directly from the wages they are paid. What they do with this money is thus of critical importance in determining the character of the benefits Indians receive from CAPs. In brief, the money received by CAP aides is spent on themselves, their families, and their relatives; but, in spending the money, little or nothing is purchased from other Indians. At best, the Indian may make his purchases from a reservation store, but these stores are almost wholly supplied from non-reservation sources. The implications of this merit examination in slightly more detail.

Indian societies are generally kin-based. That is, networks of relatives are the more important of the social-organizational frameworks which condition the activities of individuals. With regard to economic goods, these kin-based frameworks operate in a distributive fashion, tending toward the equalization of the relative amount of goods possessed by individuals across the society at any one time, and for any individual over a period of time. A man who shares with his relatives when he has and they do not, and who is the later recipient of their sharings, is, in his eyes, acting in accordance with his values. To the observer, he is equalizing, over space and time, the distribution of goods.

This process of sharing, while contributing to the equalization of the distribution of goods, does not affect the total amount of goods in circulation. The total payroll of Indian CAPs benefits the reservation by no more than exactly what is put in. If, for example, $10,000 is paid in wages by OEO, then there is only $10,000 more on the reservation (minus what may be lost thereby from other sources, such as welfare). This is not the case when a payroll is brought in, say, to a small non-reservation town. Money introduced into the average town from an external source adds to the amount in circulation by a factor of approximately three (if the town accords with the national average); that is, every dollar brought in increases the dollars in circulation by approximately three. This occurs as the result of investment, credit, and purchases made reciprocally within the area—otherwise known as the multiplier effect.

The problem with Indian reservations in this light is that there is almost no place or manner for an Indian who receives money to spend it in a way that will benefit other Indians on the reservation. Money that comes into the reservation—from OEO, from the occasional factory, or the like—can stop once at best on the way out of the reservation, in the local general store, perhaps, which is usually supplied from outside the reservation.

The situation confronted is that OEO programs are not the sort that continue operating by their own momentum after initial funding, and that money that is currently coming into the reservation from OEO and other sources is not being dispensed through the reservation in an additive fashion.

It is suggested that a method for dealing with both these problems concurrently be considered—a method which entails a program of diversification of economic activities on reservations.

In essence, such a program might consist of the establishment of Indian-owned and operated businesses that cater to the needs of the Indian market: both the production of goods for, and the offering of services to, Indians. This in no sense would "solve" the Indian poverty problem, nor should it be a replacement for programs currently offered. Rather, it might serve to enhance the benefits from the other programs (particularly that aspect of the component programs which entails the payment of wages) and it would provide at least one OEO-induced program that would be self-maintaining.