

unfortunate development and retention of the land in an undeveloped status has caused serious problems to the Indians as well as to the community.

In connection with this program of encouraging sale, when the land is sold to encourage the Indian to sell, the Indian's income tax exemption should continue to be applied to the proceeds during the lifetime of the Indian.

Mr. EDMONDSON. A question at that point.

Mr. SCHLESINGER. Certainly, Mr. Chairman.

Mr. EDMONDSON. You mean that if the proceeds of the sale in turn produce income, either by drawing interest in the bank or being applied to purchase of stock and bonds and things of this sort, that revenue from the proceeds should be exempt from taxation for the lifetime?

Mr. SCHLESINGER. I think that that should be a benefit given to the Indian to encourage him to sell. I realize that is an extension, but I feel that the problem is so difficult to trace assets that the entire proceeds and their income should be exempt.

Mr. EDMONDSON. Just wanted a clarification.

Mr. SCHLESINGER. Yes; I feel that way. This will encourage the sale and development of lands rather than leasing. Leasing has proved awkward and expensive and has led to many of the alleged abuses discussed in the task force report. The use of conservators and guardians, if necessary, would be much simpler to review and approve where land management is not involved.

Indian independence should be encouraged. The Bureau of Indian Affairs has operated in an unimaginative manner and has only nominally met its responsibilities. The object of the Bureau should be to best prepare the Indian to become a responsible citizen. In this it has sadly failed. By encouraging sale, the Indian can achieve independence and respect and the land can be developed in its proper economic sequence.

To summarize, encouraging sale, making leasing more flexible, gradually eliminating tax exemption, and providing special education for Indians, guardianships and conservatorships will gradually be eliminated, Indian land will be developed to the highest and best use, and most importantly, the Indian will become a more responsible member of the community, increasing both his self-respect and independence.

Mr. EDMONDSON. Thank you, Mr. Schlesinger, for some constructive thinking on the subject of what can be done in the future. I think your suggestion about the development of special courses to assist in getting competent business management, and so on, is a very constructive one, and I think that there were several other points in your statement with which I would be in very definite agreement myself as to the failure to encourage independence of not only this tribe but of other tribes.

I think there has been a failure in this regard and I think Congress is part of the picture, too. I don't want to put it all on the Bureau of Indian Affairs because I think that Congress should share the blame in this regard, and the overly paternalistic attitude over the years has failed to encourage initiative and independence is something that has a lot of responsibility to share in that regard.

You have, in your filed statement, made some very strong statements with regard to the task force, and have indicated that there is falsity