CONTENTS

JOURNAL Inroads 11

MISTAHI'MASKWA (BIG BEAR): In leg irons in 1885 outside North West Mounted Police barracks in Regina. Sessional papers credit the photograph to "Prof. Buell." NATIONAL ARCHIVES OF CANADA

Big Bear's Treaty

The road to freedom

by Jean Allard

with research by Sheilla Jones

Foreword

I ENVY YOU, THE READER, the experience you are about to have. And I am honoured to have been asked to write a foreword to this major excerpt from *Big Bear's Treaty*.

I first met Jean Allard about four years ago. He phoned me out of the blue about work I had been doing on aboriginal issues at the Fraser Institute. I have since learned he does this with many people, and is very effective at it. At the beginning of the conversation I said to myself, "Who is this guy?" and at the end of the call I wanted to meet him.

A year or so later we were talking, sitting on a curb in South Vancouver in front of a house owned by one of his relatives. He made a lot of sense. Because he could give his ideas the credibility that came from personal experience, I expressed the hope he would write a book. He said he had already started, and I got a look at the first draft a few months later. What follows here has been considerably refined and to a certain extent abridged by the editorial work of John Richards and Henry Milner, but the original ideas survive strong and clear.

Jean Allard's manuscript has two great strengths. He is a clear and original thinker, and he has personally lived with the people and events that have shaped the past fifty years of Indian policy. A Métis himself, he has been with, but not of, the Indian Industry as it has evolved. He has been close enough to know where the bodies are buried, but has avoided personal burial in the stultifying conventional ideas dominating Indian affairs.

A man of great personal presence and dignity – as is obvious should you have the chance to meet him – he has been able to command the respect and confidence of his peers. A man with no personal entanglements in the Indian system, he is able to see it for what it is.

In what follows he sets out the central determinants of Indian policy as it is and could be. He starts with a compassionate portrait of a people overwhelmed by an immigrant society, a people afforded nothing like the transitional assistance we routinely offer new immigrants to Canada today.

He describes how the rules of location and governance imposed on Indians over the 20th century effectively undermined patterns of traditional governance. The rules of Indian Affairs substituted first appointed elites (as agents) and then elected elites (as Chiefs and councils) – for the traditional consensual system. That suppression of ordinary Indians from influence even within their own communities constituted a second wave of interventions by the immigrant settler society. The psychological damage has been large, particularly for Indian men, already relieved of much of their raison d'être by the operation of an insidious welfare system and a new industrial economy.

Allard's first chapter constitutes a very personal précis of Indian experience with the white man, especially for Plains Indians, the communities he knows best.

His second chapter deals with the birth of Indian nationalism in the 1960s, with its growth and subsequent corruption. This is a history written by a man who watched it unfold, whose campaign manager in his first election – when he ran and won for the NDP in the 1969 Manitoba election – was Phil Fontaine. Woven into this history is the civil rights movement in the United States, the withdrawal of *political* Ottawa from responsibility after the debacle of the 1970 "White Paper," and the filling of the ensuing vacuum by an unholy alliance of *bureaucratic* Ottawa and Indian elites.

"The demands of Indian organizations," writes Allard, "provided opportunities to expand the bureaucracy of both Indian Affairs and of the Indian organizations." Nothing surprising here in human conduct, but this is not the usually told tale.

The new system of governance had a fatal flaw. There was, Allard writes, "no real separation between politics and administration on reserves." This separation is of course one of the central requirements identified by Cornell and Kalb in their Harvard Project research into successful Indian governments in the United States.

Thus his third chapter discusses the flawed foundations of bureaucrats, consultants, chiefs and councils where the "client is less a person in need, than a person who is needed." And more money will not save a flawed system.

Chapter four is particularly powerful. Indian Affairs reports that two out of five status Indians have left reserve lands under Indian governments for the harsh

challenge of off-reserve life, which usually means life in the city. (Unofficially, the proportion having moved off-reserve is probably about one in two; there are incentives for bands to over-report the numbers living on-reserve.) Of course urbanization has been a trend strongly impacting all Canadians, but it has been particularly strong and rapid for Indians in recent decades. This has happened in the face of opposition by both Indian and other governments. Municipal and provincial governments see their costs rising as Indians move to town.

More importantly, Indians are undergoing this urban migration in the face of very high personal costs in terms of leaving relatives and community, and mainstream society does little to facilitate this migration, which, despite the costs, holds out great opportunities for individual Indians.

The new reality of increasing off-reserve Indian populations will have huge political consequences for on-reserve Indian government as the effects of the Corbiere decision work their way through the system. This decision requires bands to allow off-reserve, as well as on-reserve, members to vote in band elections. The impacts will not be merely the obvious ones, as Allard's insights show.

Chapter five is an extended account of the perverse effects of the current system of Indian governance. The Department of Indian Affairs does not enforce accountability. "Reserves are, in effect, lawless societies," Allard concludes. He recounts some of the more famous examples of documented corruption (Samson and Stoney reserves in Alberta) and the relative inability of the RCMP to pursue outrageous behaviour when it occurs. Allard explains this on the basis that, in this world of Indian Affairs non-accountability, activity that would land your average municipal councillor in the dock is simply not illegal.

What does it boil down to? Non-accountability is a reward for compliance – compliance with Indian Affairs' objectives. Non-accountability is a cornerstone of the existing system.

In effect, Indian Act authority has displaced traditional Indian checks and balances on their leaders. And modern checks and balances applied to Indian leaders, while they appear to be in place, do not operate.

Chapter six investigates some of the vehicles for reform. One of the most hopeful is the recent ascendancy in various parts of the country of women's accountability organizations, such as the First Nations Accountability Coalition, challenging the traditional male-dominated establishment.

Allard believes that Indian Affairs and the Assembly of First Nations are already engaged in a potential undermining of the Corbiere decision. I personally believe he writes off too quickly some of the current reform initiatives. Nonetheless, the argument that the proposed Robert Nault reforms for improved band accountability – the details of which we do not yet know of course – may do no more than prop up a rotten system is a serious one.

In Chapter seven we get back to Big Bear. I will not spoil your enjoyment of Allard's imaginative scheme for shifting power from the Chiefs back to Indian people by canvassing the details here. I will say only that fine-tuning, financing and intergovernmental implications of his "updated treaty money" proposal need more work. The central idea is clear and persuasive.

In its essence, this book is about empowerment of the individual vis-à-vis the collective. It is hard to think of a more revolutionary concept in traditional bureaucratic thought, nor a concept more potentially subversive of the Indian Industry. But it will be extremely difficult for the Industry to use its usual epithet of dismissal – to accuse the author of being "racist" – given the provenance of the ideas.

The empowerment of the individual would in fact help to restore the old balance of power in Indian government before arrival of Europeans, when powers of the leaders relied heavily on consensus. After all, when families could vote with their feet and leave an unsuccessful band for a better one, leaders paid attention to their followers. Under the Indian Act, things are totally reversed. Mobility is suppressed because benefits are mostly available on-reserve only, and the ordinary Indian is dependent upon the largesse of the leaders who control the Indian Affairs money. Send some of that money to Indians as individuals instead, says Allard.

If you believe, as I do, that Canadian Indians are ordinary human beings like any other human beings, then you will find Allard's book very helpful in thinking about Canada's deepest moral issue. You will be assisted in understanding how the current system fails utterly to apply best governance and incentive practice as learned over the centuries, all over the world, to that part of humanity who are Indians, and instead substitutes a perverse system which is an extension of colonialism under new masters.

On the other hand, if you believe that Canadian Indians are a breed apart from the rest of humanity, responding differently to history and social cues and incentives, people who really need the current system in its new and improved elaborations, then perhaps you should consider a career in Indian Affairs or on the Supreme Court of Canada.

But even if careers in those lofty places attract you, you might want to read what follows – just in case Allard's way of looking at things might conceivably produce better results. The status quo is not working. *Big Bear's Treaty* is a magnificent contribution to the quest for a paradigm that might work.

— Gordon Gibson, Senior Fellow in Canadian Studies, Fraser Institute

I: Broken dreams

Dave Courchene was dying. That's why I'd gone to see him. His wife led me to the living room of their Pine Falls home, and a shrunken old man walked into the room. At first, I didn't even recognize him. He was no longer the burly, fiery Indian leader of our younger days.

We'd had a long history, Dave and I. Dave was president of the Manitoba Indian Brotherhood in the late 1960s. Aspiring NDP Premier Ed Schreyer had asked him to run for the party in the vast northern riding of Rupertsland. Dave had too much to do running the Brotherhood, so he asked me if I was interested. After some consideration I said yes, but I'd need somebody to run my election campaign for me.

"Go see the young fellow next door," Dave said. "He'll be able to help you."

The young fellow was Phil Fontaine, and between the two of them and their people, I was elected in 1969 to the Manitoba Legislature with Schreyer as premier.

Dave and I were both a lot more idealistic back then. I'd spent time overseeing projects for Indians – clearing hydro line rights-of-way in the bush, running pulpwood operations. I thought these projects were intended to help Indians, but a successful project attracted the wrong kind of attention. As soon as it started being successful, some bureaucrat changed the rules and a promising project floundered and failed. I figured that, by working in government as a Member of the Legislature, I would have the clout to be truly helpful. I had yet to learn the classic Big Lie: "I'm from the government and I'm here to help you."

As head of the Brotherhood, Dave's mandate was to better the conditions for Manitoba's Indians. The Indian organizations, both provincial and federal, ran on very modest budgets in the 1960s. They were shoestring organizations. There was no distinction between the Brotherhood and Indian people. Indians saw the Brotherhood as an organization representing them. Dave hadn't yet learned what price would be exacted when government money started flowing.

That day in Pine Falls in 1987, we talked about how things had changed, and not for the better. Dave wasn't the only one from those early days of the Brotherhood who had become disillusioned. Others saw the difficulties, the mismanagement and nepotism. There had always been some of it in the organization, but it had grown with the money that came in. Those who had been there in the early days were discouraged by the cynicism they saw in the whole system as it grew. In the beginning was idealism. But in the end, Dave was one of those who realized that all the costly programs and big plans were not working.

The spiritual rebirth of Indian people is already well underway. But it's not something you're likely to hear about on television or read in the newspapers. Spirituality is a quiet, serene and very personal thing.

Dave was a tough man and a good stump orator. In all the time I'd known him, he'd never shown much interest in spirituality. That's why his last words as we said good bye surprised me. I remember them very clearly.

"The rebirth of the Indian people, when it comes," he said, "will be spiritual."

THE SPIRITUAL REBIRTH OF INDIAN PEOPLE IS ALREADY WELL UNDERWAY. BUT IT'S not something you're likely to hear about on television or read in the newspapers. Spirituality is a quiet, serene and very personal thing. It is not thundered from the rooftops or demonstrated in showy ceremonies. You can find it at Lac Ste. Anne in Alberta in late July. For more than 90 years, Indians have been making a pilgrimage to the Oblate mission at this small lake, about 70 kilometres northwest of Edmonton. It is said that an old woman walked on the water of the lake, and she is the grandmother of Christ.

Over the years, the pilgrimage has grown. It now draws about 40,000 people for five days of socializing and spiritual services that blend traditional Indian practices

and Catholicism. Despite the large number of people and occasional vehicle gridlock in the parking areas, it is a serene, low-key event. Under blue plastic tarps that protect tents and extend out to create front porches, Indian families gather around aspen wood fires, stirring black-bottomed pots or playing with the small children. Teens congregate near the common areas, some flirting, others showing off their skills with colourful yo-yos. No ghetto blasters and no signs of alcohol. Most people follow the spiritual exercises, but there is no pressure to do so. Along a small stretch of shoreline, children splash in the water while grown-ups, their pant legs rolled up, wade in the water that is believed to have healing powers, or stare meditatively into the middle distance. They might be praying for healing or simply soaking in the healing atmosphere. From time to time, someone wades out where the water is less stirred up and fills jugs with water to take home. A man points out a place near the shore where you can find wild peppermint to make tea. Another offers dried meat out of a large pot.

These are not the stereotyped Indians most Canadians see. These are not the lost souls who sleep on subway gratings in downtown Toronto or Montreal, nor the man passed out near the garbage bins at the back of Safeway where his buddies share the bottle purchased with that day's collective begging efforts, nor the eight children who died in a house fire while their parents were at a drinking party, nor paid demonstrators storming up the steps of the provincial legislature. Canadians see mostly negative images. They don't see the private, spiritual strength of so many others.

FOR A PEOPLE WHO HAD LIVED A SUCCESSFUL TRIBAL LIFESTYLE FOR SOME 12,000 to 40,000 years – depending on the anthropologist you believe – the rapid disintegration of the known and familiar way of living took an enormous toll. With the introduction of European diseases and the disappearance of the great buffalo herds, this ancient culture suddenly came face to face with its own extinction. All this happened over a handful of decades, a mere blink of an eye in historical terms.

The rupture of lifestyle and values experienced by Indians was described in an essay by the late Chief Dan George:

> *I was born a thousand years ago … born in a culture of bows and arrows. But within the span of half a lifetime I was flung across the ages to the culture of the atom bomb.*
>
> *I was born when people loved all nature and spoke to it as though it had a soul … And then the people came … more and more people came … like a crushing wave they came … hurling the years aside!! … and suddenly I found myself a young man in the midst of the 20th century.*
>
> *I think it was the suddenness of it all that hurt us so. We did not have time to adjust to the startling upheaval around us. We seemed to have lost what we had without replacement for it. We did not have time to take our 20th century progress and eat it little by little and digest it. It was forced feeding from the start and our stomachs turned sick and we vomited.*[1]

Big Bear stood in the midst of the "rupture" as it was happening. He was the last of the major Plains Indian leaders to agree to taking treaty in the 1880s. He saw the movement to a reserve, where he would lose his role as a hunter, as going to jail. He referred several times to his fear of having a rope around his neck. This was mistranslated to mean he was afraid of being hanged; he was in fact referring to a horse with a rope around its neck, a horse deprived of its freedom, a tamed animal. When you break a horse, you're breaking its spirit. This was Big Bear's greatest fear, a fear that the loss of freedom for his people would lead to soul-destroying humiliation.

Although all the other chiefs of the major Plains Cree bands had signed Treaty Six in 1876, Big Bear was not yet ready to give in. He delayed as long as possible in an effort to find some way of adapting to the relentless waves of settlers while securing the independence of his people.

By the time Big Bear was born, in 1825 to Cree and Ojibway parents, life for Indians on the Plains had already changed. A generation before his birth, my great-great-grandfather, Jean-Baptiste Lagimodière, was already travelling though the Northwest as a voyageur and trader. Big Bear was still a baby when another of my ancestors, James McMillan, a factor for the Hudson's Bay Company, was building Fort Langley on the Fraser River. Indians and buffalo still held domain over the vast Northwest, but by 1834 Indians no longer challenged the free movement of Métis hunters and traders.

Big Bear was groomed to succeed his father as chief. Not only did he get extra training in horseback riding, hunting and marksmanship, he was schooled in the wisdom of the elders, and his leadership qualities were recognized early on. Yet his was not an idyllic childhood. He lived through famine and was struck down by smallpox, the European disease that nearly eliminated the native Indian population. Although the 12-year old boy survived, his scarred face was a permanent reminder of this brush with death.

As a grown man, he was a popular leader. In the times before settlers divided up the land on maps, families were free to take their lodge and move to another tribe if the leader was not to their liking. A leader's success was measured by the number of lodges in his tribe. Leaders who abused their position, who made poor decisions about where to hunt or camp, quickly lost their tribe. A family would simply pack up their lodge

and move on. A chief did not order his people to follow his wishes. He advised them of his plans, and if people disagreed with him, they were free to make their own decisions about whether to follow him or join a different tribe. It was an effective check and balance on the power of leaders.[2]

At the height of his leadership, Big Bear counted 400 lodges in his band. Families at that time averaged six to eight, so the band would have been about 3,000 strong. That was an unusually large community in those times. When Big Bear finally signed Treaty Six, only 114 people were still with him. The rest had voted with their feet.

Big Bear was a spiritual man. When pressured to sign a treaty, he turned to his Creator for instruction. Based on a vision, he withdrew in 1878 from the role he had taken as the leader of bands fighting with government negotiators over treaty terms. He did not sign the treaty until four more years had passed. Living conditions for his people grew steadily worse as the buffalo became harder to find and movement for the nomadic band was more and more restricted, but he was determined to wait, to "give the spirits a chance to exert their healing powers upon the prairies."[3] In the end, he had no choice but to sign. His people were leaving to join bands that had already signed. His own family rebelled. Their children were starving.

This ancient culture suddenly came face to face with its own extinction. It happened over a handful of decades, a mere blink of an eye in historical terms.

The annuity offered to individuals, as in most other treaties, amounted to 5 dollars per person, 15 dollars for each band councillor and 25 dollars for the Chief, who also got a new suit every three years. To put this in perspective, land sold for one dollar per acre in southern Manitoba in 1875. (It now sells for $1,000 per acre.) Treaty money played a key role in securing the willingness of individuals to give up their freedom, especially once the buffalo were gone and starvation threatened. Each member of the tribe received a signing bonus of 12 dollars as well as retroactive treaty money. Big Bear's people were each eligible for an immediate cash payment of more than 20 dollars. Government officials refused to give emergency rations, so the treaty money was all that stood between them and starvation.

By 1882, the buffalo were completely gone and the railway was coming. Big Bear had no negotiating power left. The end came when support of his family crumbled. One of his daughters railed at him to sign before it was too late. With the signing bonus and annuity, she could immediately collect 109 dollars. She had children to feed.

The Indians were basically starved into submission, and this calls into question the notion of treaties as bargains between equals. The treaties imposed conditions of a conqueror who liked the appearance of fairness and justice, but not the reality of it. In any country they colonized, the British tended to view the natives as children who were not sophisticated enough to make decisions for themselves and needed to be cared for by the government.

Schools were an important part of the treaties, since education was viewed as an effective means of learning how to live in a world that no longer allowed the traditional means of survival. Education in the early years of reserve life was rudimentary until the Indian Affairs Department determined that education would be a good way to go about changing the Indians into something more acceptable. This evolved into the system of boarding schools – children as young as five and six years old were separated from their families before they had a chance to be acculturated. At the schools, children had little contact with family members and were forbidden to practise any cultural traditions or to speak their own language.

To deprive someone of the opportunity to speak his own language is to tell him that he is inferior. Our language is at the root of our being, and denying its use is destructive of a person's sense of self, even more so to a young child.

The idea of sending children to boarding school at a young age was common practice among the upper classes in England. I went to residential school myself, but only from the age of 12. At St. Boniface College, we were constantly reminded of our "rightness;" by contrast, children at the Indian residential schools were constantly reminded of their "wrongness." What is most damning about residential schools is that they became a tool of government policy to deprive the children of their Indianness and to impose on them a "Canadianness," whatever that might be.

When the residential schools closed, children on reserves were usually sent to nearby off-reserve schools. Once again, their culture and language clashed with that of the mainstream. It was rare for any Indian child to graduate from high school. In the 1970s, Indian parents started refusing to send their children to off-reserve schools, demanding schools be built in their own communities. On-reserve schools made a marked difference in children's educational attainment.

MUCH OF BIG BEAR'S APPEAL TO HIS PEOPLE LAY IN HIS SPIRITUALITY AND HIS virtue – the virtues of generosity, sociability and wisdom. Big Bear did not live to see the fulfilment of his dream, but generosity, compassion, respect for human dignity and wisdom are not exclusive virtues. They are widely shared by people, like those at Lac Ste. Anne, for whom the love of money and power is not the ruling force in their lives.

It is to this distorting effect of money and power that we now turn.

II: The "thunderclap" of 1969

Canada's philosopher king, Pierre Trudeau, shocked Indians into a new level of political awareness.

As prime minister in 1969, Trudeau's solution for the problems afflicting Indians was to do away with the Indian Act and phase out the Indian Affairs department and reserves over five years. In his idealized "Just Society" all Canadians were to be treated the same, and because the Indian Act was a special set of rules for certain Canadians, it was discriminatory. Jean Chrétien, at the time Minister of Indian Affairs and Northern Development, tabled the White Paper in Parliament on June 25, 1969. It called for the Indian Act to be repealed and government responsibility for Indians as a separate group to come to an end.

Not surprisingly, it drew an immediate and outraged response from Indian leaders. They had just gone through a lengthy exercise in consultations, the first the federal government had ever held with the hundreds of Indian chiefs and councillors across the country. One of the consultation topics was amending the Indian Act. No one – including Chrétien who attended many of the meetings – had even mentioned doing away with it. Chrétien was the seventh Indian Affairs minister in as many years, appointed by Trudeau to take over what had been dubbed the "No Action, No Results" department. That Chrétien had no qualifications for the post, Trudeau considered an asset. "Nobody will be able to say you have any preconceived views of the problems," Trudeau told him. "In fact, you represent a similar background. You're from a minority group, you don't speak much English, you've known poverty. You might become a minister who understands the Indians."[4]

Trudeau had long been unhappy with government treatment of Indians, and made it one of his first priorities in government. Opposed to special status for any Canadians – Quebecers or Indians – he put Chrétien to work on a plan that would abolish the Indian Act, reserves and the Indian Affairs department.[5]

But Chrétien had a problem. His department was in the midst of a Canada-wide review of the Indian Act, started in 1967 by his predecessor. It had raised expectations among Indian leaders that they were finally to be included in making decisions that affected their lives. It was an illusion, however. The meetings across the country with Indian leaders resumed in the fall of 1968, following the summer federal election that confirmed Trudeau's accession. Even as Chrétien was preparing to dismantle Indian Affairs and do away with the act, he attended meetings and participated in discussions to *amend* the act.[6]

Chrétien then developed the strategy for the White Paper without any consultation with Indians, and without them knowing what was being planned. He decided the policy would be presented as a *fait accompli*, rationalizing that no consensus of any kind was possible in any case. Indians learned the contents of the White Paper at the same time as other Canadians – when Chretien presented it to the House of Commons in 1969. According to his autobiography (written in 1985) Chrétien was aggrieved at the howls of outrage from Indian leaders when they finally found out what had been planned for them.

"Trudeau and I had been bothered by the charges that Indians were the victims of discrimination," he wrote, "because they lived on reserves and came under the authority of the Indian Act. They described themselves as second-class citizens, and the reserves looked like ghettos to outsiders. But when we offered in all sincerity to abolish the department, to give the Indians their land to do with as they pleased, to make them fully equal to other Canadians, they were shocked by the challenge."[7]

The day after the "thunderclap" that was the White Paper, Indian leaders released a letter denouncing the government's intentions signed by the eight chiefs and co-chairs of the year-old National Indian Brotherhood. The White Paper acted as a powerful catalyst in bringing Indian leaders together in a rare show of unanimity, and at the same time tapped into a generalized white guilt amongst Canadians over the treatment of Indians.

The "rediscovery" of Indians in Canada in the 1960s was a side effect of the civil rights movement in the United States. It even came up during a United Nations de-

bate, when the Soviet representative countered criticism of their treatment of Jews by suggesting that Canadian delegates take a look at how they were treating their Indian people.[8]

Trudeau and Chrétien awakened the nationalistic instinct of Canadian Indians through their attempt to make "Indians like all other Canadians." Of course, assimilation had long been the policy of the Canadian government. Throughout much of the agency's existence, Indian Affairs officials had continually instituted rules and programs that, to all intents and purposes, were to "improve" Indians by turning them into the colonial ideal of the time – a version of hard-working, God-fearing, Scottish Presbyterian farmers.

The idea of improving an "inferior race" by assimilation was not new to British North America. In 1839, Lord Durham wrote that "All other races than the English race appears in a state of inferiority. It is to draw them from this inferiority that I want to give to French Canadians our English character…."[9]

Durham's words echo in Trudeau's defence of the 1969 White Paper:

> *We can go on treating the Indians as having a special status. We can go on adding bricks of discrimination around the ghetto in which they live and at the same time perhaps helping them preserve certain cultural traits and certain ancestral rights. Or we can say we're at a crossroads – the time is now to decide whether Indians will be a race apart in Canada or whether they will be Canadians of full status.*[10]

In the same way that Durham's recommendations for assimilation were a catalyst for French Canadian nationalism, Trudeau's assimilationist vision catalyzed Indian nationalism. To Indian leaders, the White Paper was "a thinly disguised programme of extermination through assimilation."[11]

The most effective rebuttal of the White Paper was a document produced by the Indian Association of Alberta. Dubbed the Red Paper, it was primarily the work of 24 year-old Harold Cardinal, a bright young man from Sucker Creek Cree Reserve near High Prairie, who had been elected president of the Alberta association the year before. The Red Paper demanded the Canadian government honour not only the terms of the treaties, but the intent as well:

> *In our treaties of 1876, 1877, [and] 1899 certain promises were made to our people; some of these are contained in the text of the treaties, some in the negotiations, and some in the memories of our people. Our basic view is that all these promises are part of the treaties and must be honored… The Indian people see the treaties as the basis of all their rights and status. If the Government expects the co-operation of Indians in any new policy, it must accept the Indian point of view on treaties. This would require the government to start all over on its new policy.*[12]

The Red Paper called for the "modernization" of treaty rights. Treaty Six, for instance, stated "that a medicine chest shall be kept at the house of the Indian Agent for the use and benefit of the Indians." That provision had already been challenged in court in Regina v. Walter Johnston, and was judged to mean something much more than the literal interpretation. In his ruling, the judge stated: "I can only conclude that the 'medicine chest' clause and the 'pestilence' clause in Treaty No.6 should be properly interpreted to mean that the Indians are entitled to receive all medical services, including medicine, drugs, medical supplies and hospital care free of charge.[13] The judge added that this entitlement would go to all treaty Indians, even though some treaties did not have a medicine chest provision.

The Red Paper called for the modern interpretation of treaty benefits, demanding legislation to protect hunting, trapping and fishing rights; the right of education; the right of full and free medical services; the right to use of land; and the encouragement of economic development on reserves.[14] It also laid out how that economic development should occur. But it neglected to address treaty money for the individual, the most important part of the treaty that Big Bear fought for.

Chrétien developed the strategy for the White Paper without any consultation with Indians, and without them knowing what was being planned. Rationalizing that no consensus was possible, he decided the policy would be presented as a *fait accompli*.

Instead, at a time when the annual budget for Indian Affairs was some $235 million, the Red Paper called for the establishment of a $50 million development fund for Alberta Indians. This was, coincidentally, the same amount promised in the White Paper for economic development to be shared by all reserves. In the Red Paper proposal, the money would flow through a development corporation under the control of the Alberta Indian political organization, down through multiple layers of agencies and professionals to the reserves and, lastly, to the reserve residents.[15]

Via the Red Paper and *The Unjust Society,* a book written in response to the White Paper, Cardinal became the effective architect of the system that grew out of the collapse of the White Paper and the subsequent vacuum in government policy. In the face of continued opposition, Trudeau admitted he got matters wrong: "I'm sure we were very naive in some of the statements we made in the paper. We had perhaps prejudices of small 'l' liberals, and white men at that, who thought that equality meant the same law for everybody… But we have learnt that … perhaps we were a bit too theoretical, we were a bit too abstract, we were not, as Mr. Cardinal suggests, perhaps pragmatic enough or understanding enough."[16]

Trudeau left the field open for Indians to come up with their own solution, in their own time. Indian policy was now in limbo. The Indian Affairs bureaucrats, the other party that had been facing elimination under the White Paper, were in charge of the shop. They too had been out of the loop over the White Paper. Although they could not, as good civil servants, loudly protest the unilateral termination of their positions, they had been abruptly awakened to their vulnerability.

All these elements – a revived Indian Activism and the accompanying "liberal white guilt" that could be assuaged with tax dollars, the absence of a coherent government policy on Indian Affairs, and a bureaucracy that had just escaped a death sentence – laid the foundation for a new system of allocating power and money.

The key players in the newly energized Indian movement were the leaders of the three Prairie political organizations: Dave Courchene, Manitoba Indian Brotherhood; Walter Deiter, Federation of Saskatchewan Indians; and Harold Cardinal, Indian Association of Alberta. In 1968, the three provincial leaders had already split from the National Indian Council, a group made up mostly of middle class, urban and non-status Indians. Courchene, Deiter and Cardinal wanted a national body that would act for the specific interests of status Indians. The three men created the National Indian Brotherhood with Deiter as the first national president. The mandate of the NIB (since renamed the Assembly of First Nations) was to represent the provincial organizations at the national level and to act as their national advocate. In the years leading up to the White Paper, the government offered money to select aboriginal organizations. The amount rapidly increased in the years following. By 1971-72, Dave Courchene was overseeing a Manitoba Indian Brotherhood budget of more than $1 million.[17]

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In 1970, the Union of B.C. Indian Chiefs (UBCIC) issued its own position paper, the Brown Paper. Here was the first clearly stated intention of Indians' desire to take over the administration of services and programs from Indian Affairs:

> *It is necessary for the Federal government to provide certain services for Indians but it is not necessary for the government to administer those services... We favour a gradual change in the role of the Indian Affairs Branch and we propose that there be a carefully drawn up implementation plan to effect the required changes. Initially, the UBCIC working together with the branch will develop an integrated planning approach to our gradual absorption of the administrative functions. The Branch will need to provide the necessary resources to help in developing these plans, programs and budgets.*[18]

Not only would the Indian political organizations take control of economic development funding, they would also start taking over the bureaucratic functions of Indian Affairs. This, of course, meant a great deal of money would flow from the government through the hands of those in control of the government-approved Indian organizations.

There is an old saying, he who pays the piper calls the tune. Indian leaders seemed to think it not a serious problem. The Brown Paper stated, "There is no need for us to be deprived of self-determination merely because we receive federal monetary support, nor should we lose federal support because we reject federal control."[19]

The fledgling National Indian Brotherhood was at first very careful about its financial relationship with the government. Walter Deiter is said to have made personal loans to the NIB because it was so short of money, and this resulted in his own bankruptcy.[20] He was replaced by George Manuel, a skilled politician and tactician, who stressed traditional Indian methods of consensus, participation and non-hierarchical structures, while carefully cultivating key relationships with, and getting money from, Indian Affairs bureaucrats. Yet Manuel insightfully pegged money as the potential cause of downfall:

> *Money may be our downfall in the sense that we'll have too much of it. When Indian people were poor we were able to retain our Indian identity. But the more money we get, the more we seek, and the more we get entangled in the economic and political institutions of the white man and lose track of our Indian culture, identity and values.*[21]

Although Manuel was careful to avoid getting entangled with the bureaucracy during his three terms as president, the NIB nonetheless "penetrated" into the workings of government. It participated in various federal government review, advisory, and liaison activities; it maintained connections with the Privy Council, the Public Services Commission, and the Departments of Manpower, National Revenue, Health and Welfare, Justice, Solicitor General, and Secretary of State.[22] Manuel reportedly put the brakes on a number of relationships he deemed too cozy, but the line between government bureaucrat and Indian political leader became decidedly blurry.

Manuel retired in poor health, and was replaced by Noel Starblanket, a 29 year-old Cree from the Starblanket reserve in Saskatchewan. Starblanket developed a friendly relationship with the new Indian Affairs minister, Warren Allmand. That did not stop

the bureaucracy from flexing its muscle and using fiscal coercion. When the NIB attempted to embarrass the government prior to an imminent general election, Ottawa cut off $1 million in funding to the provincial Indian organizations. The NIB also had an election coming up, and since the leaders of the provincial organizations elected the NIB executive, Starblanket's leadership was on the line. Funding was restored just days before the NIB general assembly. Here was a pointed lesson reminding Indian political leaders who was calling the tune.[23]

ALTHOUGH THE INDIAN POLITICAL ORGANIZATIONS MAY INDEED HAVE represented the interests of Indians in the early days, times changed. The government-sanctioned groups were dealing with more and more money, and the siren call of sovereignty was sounding: more power and more money.

In 1973, an Indian Affairs consultant analyzed the structure of the National Indian Brotherhood to see whether or not it spoke for Indians as a whole. Two key weaknesses of the provincial and national Indian organizations were specifically identified:

1. The Associations are not directly accountable to those whom they hold they represent since the people cannot effectively withdraw support.
2. Credence is lent by specific recognition by Government through such funding that such Organizations do in fact represent the people.[24]

These weaknesses seriously undermined the validity of the Indian political leaders claiming to speak for all Indians. Ordinary Indians had no method for denying personal support; they were also denied a vehicle for presenting alternate views.

It is not reasonable to expect that all Indians agree on everything and speak with only one voice. Indeed, in the years before the White Paper, the lack of Indian political clout was blamed on the inability of Indian leaders to agree on much of anything, although a lack of funding to enable them to organize was also a factor. By funding only one group to speak for all Indians, the Indian Affairs department was ensuring only one voice would be heard.

Implicit in this policy is that groups or individuals with dissenting opinion do not have a right to speak on their own behalf. Only the officially sanctioned voice is heard. This silencing of people is further entrenched because dissenters cannot withdraw their support of Indian political leaders by withdrawing their financial support: all financial support comes from Indian Affairs and other government departments. Indian political leaders might feel that a single, unified voice greatly strengthened their political clout. To achieve it, however, has required them to slide into a form of totalitarianism whereby the rights of the individual are denied in the name of an allegedly infallible leadership.

The NIB had always been run from the top down. Policy and action were decided at the top, sold to the chiefs and councils who were not directly involved in making the policy decisions, and then sold to grassroots Indians. As the organization grew, the division between its interests and those of ordinary Indians grew more and more apparent.

During his tenure as NIB president, Noel Starblanket was keenly interested in professionalizing the national organization. Manuel had already introduced "technicians" into the system in the form of policy advisors and unelected professionals like lawyers and consultants. The professionalizing of the NIB distanced it from ordinary Indians who, it was assumed, were not really capable of understanding the intricacies of their own problems. In the 1969 Red Paper, Harold Cardinal described the problems facing Indians in these terms:

> *The basic problem, in all its varying degrees of intensity, which is confronted by all reserves and their peoples, is that of poverty with all its relevant symptoms – unemployment, inadequate education, overcrowded and deteriorating housing, crime, alcohol and drug abuse, sub-standard preventative medicine and resultant disease, apathy, frustration, moral decay, destruction of the family and community units and total alienation from society.*[25]

This presented a veritable smorgasbord of problems to be studied and analyzed by professionals, a wealth of opportunity for programs for professionals to design and administer, a bounty of needs to be professionally attended to. The budget for Indian Affairs has swelled dramatically, yet the problems faced by Canadian Indians today remain much the same as in 1969, and, in some cases, are worse. In 1970, the Indian Affairs' annual budget was $232 million, with an additional $30 million for Indian Health Services. There were about 230,000 status Indians, the great majority of whom lived on-reserve. By 1999, the Indian Affairs budget had mushroomed to $6.3 billion and the status Indian population had increased to about 680,000, about half of whom lived off-reserve.[26]

In the absence of government policy on Canadian Indians, the Indian Affairs bureaucracy and the designated Indian political organizations, both amply serviced by consultants of all kinds, have been running the show. Bureaucracies have an amazing survival instinct. Following its narrow escape from death, it is understandable that the

Indian Affairs bureaucracy sought to prove itself. The demands of Indian organizations provided opportunities to expand the bureaucracy of both Indian Affairs and of the Indian organizations.

All this was seen as politically progressive. "My time in Indian Affairs and Northern Development," recalled Chrétien, "coincided with a period of expansion, and that helped my reputation and my popularity among bureaucrats and in the country. In a period of expansion, ministers are judged by how much money they can spend and how well they can extract money from the system for their projects. Spending was easy, because there was no end to the useful and imaginative initiatives bubbling up in the department. Those were its glory days."[27]

The glory days didn't end when Chrétien moved. The growth of spending in Indian Affairs continued, even through the years of fiscal restraint when all other federal departments undertook belt-tightening exercises. Indian Affairs did go through an apparent downsizing in the 1990s, but it was actually a lateral shift of administrative responsibility from Indian Affairs bureaucrats to Indian administrators. This mutually beneficial relationship gave rise to a vast, absorbent layer of consultants, program officials and administrators, and professionals of all kinds who soaked up a significant percentage of the money filtering down through the system to chiefs and councils.

When the NIB attempted to embarrass the government prior to an imminent general election, Ottawa cut off $1 million in funding to the provincial Indian organizations. Here was a pointed lesson on who was calling the tune.

Although at the bottom of the filtering system in terms of program delivery, chiefs and councils today have a great deal of money to work with. The funds for housing, welfare, education and other such services flow through their hands. Since there is no real separation between politics and administration on reserves, everything on a reserve that is in any way related to band administration is politicized. Whoever is elected is in control of just about everything on a reserve. The result is elections coloured by bitter rivalries and ugly disputes.

Reserves are one-dimensional systems. Elsewhere in Canadian society, multiple voices act as checks and balances on each other. The interests of unions, for instance, temper the interests of the business lobby groups. Those who speak for individual rights temper those who advocate collective rights. There are no such "other voices" on reserves, leaving the single dimension of politics in which to work out solutions to social, economic and political problems.

The most powerful of moderating influences in a democracy is the middle class. With few exceptions, reserves have only a ruling elite and a lower class. This, concludes sociologist Menno Boldt, is a direct result of the Indian Act:

> *By undermining the traditional Indian values of reciprocity and redistribution, which historically inhibited socio-economic class development in Indian communities, these forces (i.e., the elective system, privatization, bureaucratization and co-optation) are generating a two class social-economic order on most reserves: a small, virtually closed, elite class comprising influential landowners, politicians, bureaucrats and a few entrepreneurs, and a large lower class comprising destitute, dependent and powerless people.*[28]

Chiefs, councils and their allies – who make up the ruling elite – exercise power and control over the lives of people who live on reserves that is unheard of in a democratic country. They control everything: from who gets the on-reserve jobs to who gets plumbing repairs. The ruling elite exercises total control while the impoverished class is voiceless and powerless.

In 1869, the Canadian government imposed the Gradual Enfranchisement of Indians Act, which introduced provisions to elect chiefs in accordance with the ordinary Canadian regime. Incorporated in the 1876 Indian Act, these provisions were part of the government's policy of substituting the supposedly superior form of electoral democracy for the traditional Indian form of consensus. Before then, families would leave bands for a leader of another band who could provide them with good hunting, family living conditions, and war skills. If the leader faltered or showed weaknesses, people did not demonstrate their displeasure by defeating him in an election – they did so by leaving.

Recall that Big Bear had some 3,000 followers at one point. Because he understood the long-term implications of limiting Indians to reserves, he took a hard line that lost him most of his followers. Migration had served to check the power of a leader. When the government put Indians on reserves and imposed on them an electoral system, band members were tied to a specific piece of land and no longer had the option of migrating to a more agreeable band. They could not even leave their reserve without permission of the Indian agent.

Most bands resisted imposition of the electoral system. In the early years, there was little money or power attached to elected positions since the Indian agent held the delegated authority of Indian Affairs. Says Boldt, "if a band/tribe showed resistance, the department's resident agent … would appoint his own choice of chief and councilors, and then channel the department's benefits and authority through his appointee."[29]

Anthropologist Harry Hawthorne, in a landmark report on Indian policy prepared for the Canadian government in 1966, wrote of the "evident desire for public consensus or unanimity and the perception of the elective system and majority rule as inimical to the achievement of this goal, because they bring out into the open the divisions between factions and individuals."[30]

The illusion that chiefs and councils are elected under the same democratic principles as municipal, provincial or federal politicians continues to this day. Democracy cannot be adequately served where the same elected officials running for office are also in control of the election machinery, and in turn they are under the authority of a system that can unilaterally nullify or void elections results as it deems fit, without avenue of appeal. The system still has the ability to choose chiefs and councils that are most amenable to its agenda.

Up until the 1950s, some Indian bands remained economically self-sufficient, particularly those in northern communities where a livelihood could still be derived from hunting, trapping and fishing. Welfare dependency effectively arrived with the right to vote in Canadian elections in 1959. After the treaties but before 1959, people survived by hunting, fishing or trapping. Families worked on farms, hoeing beets or stooking grain. Some dug seneca root or caught frogs for market; others wove baskets or made moccasins. It was a hard-scrabble kind of life.

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People living on reserves initially paid little attention to chief and council because the elected officials had little to offer them. The department did what it wanted, and Indian agents came and went. Life changed after World War II, with the introduction of welfare. The increasing availability of medicine and improved medical care led to a burgeoning population. An ever-increasing population had less and less ability to feed itself with the limited resources available. Not surprisingly, people turned to the new system of welfare.

When the Diefenbaker administration gave Indians the vote in 1959, they suddenly had a newfound value as voters. In the 1960s, federal politicians became interested in Indians, and the Indian Affairs bureaucracy had an expanding role as the supplier of programs, the main one being welfare.

And so we've come full circle – back to the "thunderclap" decade of the 1960s, when the stage was set for corruption to grow in proportion to the money poured into the system. On the reserves, the chiefs and councils who played ball with Indian Affairs obtained more and more control over budgets and services. But the checks and balances to keep the chiefs and councils on the straight and narrow were not there. People could not pick up and go to a band with a better administration. And since the money funding the band did not come from band members, they had no means to hold their chiefs and councils accountable.

IN SEEKING TO MEET THE NEEDS OF PEOPLE ON RESERVES, HAROLD CARDINAL'S Red Paper paradoxically laid the foundations for a badly flawed system. Flowing from the Red Paper, programs were developed for many long-neglected needs. There was a need for more and better schools for a growing population, improved housing, economic development and jobs. Money was needed to finance a bureaucracy to organize these programs. With training and resources, all those in responsible positions would, it was hoped, behave ideally. But we do not live in an ideal world.

Without the checks and balances built into democratic government over the centuries, the results are a foregone conclusion. The field is open to misuse of authority with all its attendant ills – nepotism, fraud, corruption and abuse of human rights. The truth of Lord Acton's aphorism that "power tends to corrupt and absolute power corrupts absolutely" can be seen by visiting many of Canada's reserves.

There have been many exceptions at the reserve level, as people fought the corrupting effect of the bait offered by the system. But slowly, inevitably, greed and personal ambition took hold. People with good hearts and good character, concerned with the welfare of the people, were weeded out. That left in charge the people whose first priority was to serve the system, the source of their money and power. They gained control of all aspects of the welfare of people on reserves. Ordinary Indians found themselves – as they are today – powerless and despondent, living with the resultant social breakdown.

There is a corollary to Lord Acton's aphorism: absolute powerlessness destroys absolutely.

III: A distorted system

If the foundations for a brick wall are badly laid, the wall will inevitably be crooked and distorted. It stands to reason that if the foundation for the system of Indian Affairs – bureaucrats, consultants, chiefs and councils – was flawed from the start, it would result in distortions. And it did.

Harold Cardinal was among the first to realize that things were not going as he had hoped. In 1977, he wrote *The Rebirth of Canada's Indians*, a sequel to *The Unjust Society*. In this new book he admitted to "a terribly frustrating and painful experience in reconciling the beliefs and philosophies of my Indian teachers with what I knew of the outside world – or what I thought I knew."[31] The co-optation of chiefs and councils into the system was well underway, and the poisoning effect of rapidly increasing volumes of money flowing into their hands was becoming apparent.

It was a mistake, continued Cardinal, to think that keeping the system the same and simply replacing one political faction on the reserve with another was going to make people's lives better:

> *It seems reasonable to many individuals who have never been involved in the political process, that if only the particular power clan with which they ally themselves can achieve power, then somehow conditions on the reserve will change. Somehow this group will be more responsive to their needs than the other. Should a transfer of power occur they discover that within a year or two the same dynamics and same problems resurface."*[32]

THE SYSTEM WAS FLAWED, AND NOT JUST ON RESERVES. IT WAS UNDERMINING the ideals and objectives of Indian organizations as well: "[We] must be certain that our representative bodies are based solidly on laws and systems that provide checks and balances. This is certainly not the case now, and I think it is one of the very real problems we must overcome." [33]

Cardinal had harsh words for politicians and government bureaucrats as well who he described as "high-minded creators of unworkable program for Indians; and what they are accomplishing very successfully indeed is the creation of tension on reserves, of schisms between Indian leaders and their people."[34]

Cardinal made a number of suggestions about how to hold chiefs and councils more accountable. He had not yet realized the system was irreparably flawed. Not long after writing *The Rebirth of Canada's Indians*, he left Indian politics. As the regional director for Indian Affairs in Alberta, Cardinal attempted to check the growing abuses of power on reserves in that province. He documented the wrongdoings, collected the supporting paperwork and warned chiefs and councils he would go to the police if they failed to clean up their act. In frustration, Cardinal did go to the RCMP, which launched an investigation. Indian Affairs, however, stepped in and retroactively approved the actions of chiefs and councils. The die was cast. Cardinal walked away in disgust and despair.

Cardinal was not the only one to conclude that the system was failing. In 1978, Indian Affairs and the National Indian Brotherhood invited Jack Beaver to act as a special advisor to evaluate a variety of strategies that the federal government and NIB had prepared.[35] Beaver was an Indian and a successful businessman, independent of both the federal government and the Indian political organizations. He agreed to conduct an independent, in-depth review of government policies, programs and institutional structures. His work was, however, abruptly terminated three months into its mandate.

Because Beaver had his own resources, he did not wait until the government paperwork and funding was in place to get started. Despite his very brief official tenure, Beaver conducted more than 140 meetings with relevant people and groups, half of which were with Indians and their organizations. His report contained two key recommendations: that the "radical monopoly" of Indian Affairs be eliminated by transferring decision-making power and distribution of funds to Indian bands, and that Indian political organizations be directly funded by and held accountable to Indians bands.

Given the direction Beaver was heading, it is not surprising that he was quickly out of a job. He was sounding a death knell for the system. The bureaucracy would once again be facing its demise by being phased out of existence, just as the White Paper

had proposed. And chiefs and councils and their political organizations were being asked to give up the source of their power and wealth in exchange for the direct support of their impoverished and powerless constituency.

Beaver's work was terminated when he refused to concede total control of his work to the National Indian Brotherhood. But he chose "exit with voice," producing his report anyway. Like Cardinal, Beaver saw that the system was failing badly at what it was supposed to be doing:

> *Increasingly large numbers of Indian people are heavily dependent on welfare; large numbers of children are neglected and relegated to the care of Children's Aid Societies; and large numbers of adults are dependent on alcohol. The attendant indices of illness, violence, and anti-social behaviour for Indian communities soar far above the rates prevalent in Canadian society as a whole. There* is *a crisis of social breakdown on many Indian reserves in this country far more severe than that described by the word "underdevelopment."* The tragedy is that there is no evidence of improvement in this intolerable condition in spite of increasing Government expenditures [Beaver's emphasis].[36]

Like Cardinal, Beaver viewed the pervasive management of Indians' lives by the bureaucracy as destructive. The effect of this "radical monopoly," was that

> *[Indian Affairs] has taken on the exclusive control over the definition and purported satisfaction of almost all the basic human needs (healing, teaching, provision of food and shelter, burying the dead) to the point* that it prevents or inhibits the natural competence of the people to provide for themselves… *The effect of the policies of the Government of Canada has been to impose the consumption of standard products (nurses, teachers, welfare officers, frame houses, and undertakers) that only the Government can provide. This in turn has created a deep-rooted dependency on the very commodities and services that Indian Affairs, Health and Welfare, and others deem to be 'in the public good.'*[37]

Beaver's solution was to turn control of social and economic planning and funding over to Indian bands directly. The bands could decide for themselves what they needed for programs and services. The growth of new Indian organizations to take over control and administration would then be accompanied by a corresponding reduction in government bureaucracy.

Unfortunately, like Cardinal, Beaver failed to see that he was advocating transferring control of people's lives from one bureaucracy to another. They both assumed that Indian leaders would act in the interests of ordinary Indians, and that turning control over to Indian bands meant the same thing as turning control over to Indian people themselves. Beaver's plan might have worked if it had not been put to death in its infancy *and* if Indian people had been empowered to hold their elected band officials and political leaders accountable. But the system prevailed and, despite its almost universal failure to deliver successful solutions to the problems plaguing Indian communities, continued to grow in power and strength.

For sociologist John McKnight, it is precisely the relationship between professional service providers and their needy clients that explains why Indian Affairs and Indian organizations sustain an illusion of working to better the conditions of Indians, while at the same time tolerating arrangements whereby the client base remains in place: "[The] client is less a person in need than a person who is needed. In business terms, the client is less the consumer than the raw material for the servicing system. In management terms, the client is both the output and the input. His essential function is to meet the needs of the servicers, the servicing system and the economy."[38]

In other words, the impoverished Indians living in Third World conditions are essential to the continued existence of the multitude of consultants, program analysts, researchers, administrators and managers who swell the ranks of the bureaucracy. These are largely middle class professionals who have families to support and households to maintain. They are part of the Canadian economy. If Indian Affairs was successful in addressing the needs of its clients, its *raison d'être* would cease. All those people who make up the bureaucracy would find themselves unemployed.

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This kind of dependency relationship, where the service professional desperately needs to sustain his or her base of needy clients, relates to far more than Indians. It is, however, most commonly found in the helping professions that deal with the poor, elderly, young and ill. The clients in these groups are deemed unable to make adequate decisions for themselves, and therefore require trained professionals to decide what help they need. At the time the treaties were signed, Indians were deemed, as a group and as individuals, unfit to make decisions for themselves. The situation still prevails today, except that Indian political groups are now among the professionals who have taken it upon themselves to decide what's good for ordinary Indians.

What has transpired on reserves over the past 30 years is that the poorest and most powerless bear on their shoulders the weight of the entire Indian Affairs bureaucracy,

Indian political organizations and the army of consultants they both employ. Their problems cannot be fixed because their very neediness is absolutely essential to sustaining the whole system. There is no escape.

The most recent – and by far the most comprehensive and expensive – study of the "Indian problem" was conducted by the Royal Commission on Aboriginal Peoples. The study, published in 1996, took five years to complete, resulted in a five-volume report of some 3,500 pages, and cost more than $50 million. Sadly, the end result of this major effort by a great many well-meaning people was to conclude that the solution to the social and economic problems of Canada's aboriginal people was a massive infusion of money.

The commission correctly pointed out that far too much money goes into Indian programs and services directed toward income support (welfare) and remedial services (dealing with social and family breakdown), and that too little goes into meaningful economic development and other means of eliminating the need for income support and remedial services. It recommended that

> *governments undertake major structural reform and a great many social and economic initiatives. We envisage a period, spanning a generation, in which the foundations of a renewed relationship are put in place and the day-to-day reality experienced by Aboriginal people is transformed. Governments will have to apply substantial resources to those tasks: fundamental change will only be achieved through great effort and commitment. We believe that government should commit significant additional resources to resolve historical claims, restructure the political relationship, and improve living conditions and economic opportunities for Aboriginal people.*[39]

The envisioned fundamental change required that an additional $5 billion to $10 billion be pumped into the system over a five-year period, and that this higher budget would have to be sustained for at least ten years before aboriginal people would finally turn the corner on some 125 years of impoverishment and oppression.

The Royal Commission report was, in the end, nothing more than the Red Paper writ large. Unlike Cardinal, the Royal Commission had 25 years of evidence that continually increasing infusions of cash had resulted only in continual failure. It defies good sense that it would then advocate more of the same without ever addressing the fundamental problem of the system itself.

More money cannot make an unworkable system work better. It only makes it larger, more powerful and allows its distortions to inflict even greater harm on those who live under its control.

IV: Escaping the system

Nearly half of Canada's status Indians have moved away from their home reserves – some to seek a better life, some to flee an intolerable life.

Although status Indians are, without exception, the most government-controlled and -legislated, and the most professionally serviced segment of the Canadian population, no one really knows for sure where the 680,000 status (or registered) Indians live. Chiefs and councils supply the numbers of residents on reserves to Indian Affairs. Since government funding for services like housing, infrastructure, education and welfare is based on the number of people living on a reserve, the numbers given by a band council may or may not reflect the actual on-reserve population. Band administrators who inflate the number of on-reserve residents are rewarded by more revenue, and since there is no apparent penalty for over-reporting, there is little incentive to do otherwise. Indian Affairs does not demonstrate any real concern about the accuracy of such figures.

In July of 1999, the RCMP launched an investigation into allegations a Manitoba band "forged its population list to bilk $200,000 to $300,000 per year from the federal government."[40] According to two former reserve residents, of the 189 people named on the band list as living on the reserve, only about 60 actually did.[41] An Indian Affairs spokesman said that earlier complaints about irregularities with the band list were not

investigated because the complainant did not produce enough evidence to back up the claims. Although the 1996 Census listed only 84 people as living on the reserve, the Indian Affairs spokesman downplayed the obvious discrepancy by stating "not every household on the reserve filled out the census. We rely on First Nation governments to inform us of population changes."[42]

The federal government provides treaty entitlements only to those people who remain on their home reserve, although this was not a condition of the treaties. People who leave the reserve for good give up not only their treaty benefits; they give up their family support network, community, way of life and ancestral link to the land. That is a lot to give up without good reason.

But ordinary Indians have a very good reason to flee reserve life. Far too many are being run like banana republics – "bannock republics" some Indians call them. There are elections on reserves as in any republic, but the institution that sets the rules for elections, Indian Affairs, is allied with the ruling elite and has full veto power to disregard or nullify election results, or simply to circumvent the election process and install its own managers.

Indians moving from reserve to city have to make a far sharper cultural adjustment than do many immigrants coming to Canada, and can arrive in the city as confused as any refugee.

The large amounts of external money that began flowing into the system in the 1970s magnified the power imbalance that already existed on reserves. Where people are poor, external money can overwhelm the culture, and its leaders become servants to it. They are seduced by money, which is what has happened on reserves in the past 30 years.

For many Indians, what they give up by leaving the reserve is worth it. It is the cost of escaping a life of soul-destroying powerlessness.

WHY HAS ALL THIS COME TO PASS?

Until about 1960, most status Indians lived on reserves. Populations grew due to improved health care, but living conditions on most reserves declined due to overcrowding and the social breakdown induced by a growing welfare dependency. Unfortunately, a family that leaves the reserve is likely to end up on welfare. People at the bottom of the heap on their reserves find that, when they move to an urban centre, they have moved to the bottom of an even bigger heap.

Indians moving from reserve to city have to make a far sharper cultural adjustment than do many immigrants coming to Canada, and can arrive in the city "as confused as any refugee."[43] However, as Comeau and Santin detail, political refugees from foreign countries in turmoil receive a far different reception than do refugees from Indian reserves:

> *These federally sponsored exiles land on Canadian soil and walk directly into a year-long, all-expenses-paid adjustment program coordinated by the federal Department of Employment and Immigration. When the newcomer steps off the airplane, a team of federal employees (including an interpreter) is waiting to help with the luggage, customs and security clearances. The team then takes the nervous visitor to a settlement house, which will become home for several weeks.*
>
> *This welcoming committee immediately assesses and satisfies clothing needs at tax-payers' expense, and completes all the necessary paperwork for social insurance numbers, health care, etc… The committee offers detailed guidance on how to survive on government subsidies. By the sixth month, the newcomer has begun daily English lessons at one of the local colleges… Then job hunting and training begin. According to one department official, 90 per cent of refugees spend an average of one year under the wing of the federal government before they find jobs.*[44]

Indians get a different reception when they arrive in the city. "When people arrive from a reserve," says Wayne Helgason, executive director of the Social Planning Council of Winnipeg, "they head for the nearest Friendship Centre where there might be a bingo to locate relatives or other band members."

The first Indian-Métis Friendship Centre was set up in Winnipeg in 1959 to provide social services for aboriginal migrants moving into the city. In 1971, the Manitoba Indian Brotherhood and the Manitoba Métis Federation proposed the creation of Native Migration Centres.

Stan Fulham, the former head of a Winnipeg housing cooperative, prepared the brief sent to the provincial and federal governments. In his words, "The brief proposed to ease the transition of these migrants to their new urban life with a comprehensive program of assistance. It was recommended this could be accomplished through the services and facilities of migration centres in all the major urban areas of Manitoba. Native migrant families would be helped to find decent housing and jobs, as well as with social and cultural problems."[45]

The proposal foundered quickly. The MIB, an organization representing chiefs on reserves, pulled out, citing lack of support from the chiefs. "There was little interest," said Fulham, "in the plight of Indian families who had left the reserve for the cities since local problems on reserves were burdensome enough without taking on the responsibility of promoting interests of urban Indians."[46]

The idea of migration centres also ran smack into the jurisdictional uncertainty over responsibility for urban status Indians. During the 1960s, the federal government was pushing programs to accelerate the movement of people from reserves, with the explicit intent of assimilation. In a number of provinces Indian activists tried to set up agencies similar to those in Manitoba, but they, too, fell through the crack in jurisdictional responsibility. Friendship Centres caught on in most major western cities, but they lacked any real clout in organizing funding for programs.

For now, urban Indians remain in a jurisdictional limbo. Chiefs and councils have responsibility for people on reserves, but chiefs insist they also speak for urban status Indians and resist any other groups usurping that role.

The broad result is that Indians continue to arrive in the city ill prepared for what meets them. From a position of weakness, they have to deal with a bureaucracy of helpers who have their own agendas and who do not necessarily understand Indians and their background. They fall easily into the "needy client" category of professional service providers.

This does not happen to immigrants, simply because those who are responsible for immigrants have a constituency that demands results. Immigrants are expected to adapt to their new environment within a fixed period, and the system is organized to respond effectively to the immigrants' needs. They are, as noted above, provided with a wide array of services and helpers. The immigrant community also involves many volunteers and non-professional community members who help immigrants integrate into their new country. All this enables most immigrants to stay away from welfare agencies.

Indians are not so lucky. Says Menno Boldt:

> *Despite the great differences between an urban setting and a reserve setting, Indians in both environments at present experience virtually the same unconscionable level of social pathologies, that is, high rates of unemployment, alcoholism, drug abuse, violence, family disruption, suicide and so on. Most urban Indians live as transients, on welfare, in ghetto conditions, in the most destitute of circumstances. In small part, the social disorganization of urban Indians derives from the disruption all rural migrants to the city tend to experience. But Indian migrants more than any other cultural group have problems in making a successful urban adjustment. The main reason for this failure is not one of individual shortcomings; rather, it derives from a cultural handicap. Like their kin on the reserves, most urban Indians live and survive within the framework of the culture of dependence, which is as inadequate a design for surviving and living in the city as for doing so on the reserve.*[47]

Indians who leave the reserve leave not only their home and the connection to the land that stretches back for millennia, but their families and social structures as well. As a result, many families move back and forth between city and reserve, creating difficulties for regular employment or school attendance.

For now, urban Indians remain in a jurisdictional limbo. Chiefs and councils have responsibility for people on reserves, but chiefs insist they also speak for urban status Indians and resist any other groups usurping that role. They may not want to spend their money on off-reserve band members but they want to acquire the resources to do so.

In 1999, the Supreme Court ruled that off-reserve residents have the right to vote in band elections. That means non-reserve Indians will have a control over the election of chiefs and councils, especially where there are more band members living off-reserve than on it. Like all politicians, chiefs and councils will be concerned about re-election and will therefore want to serve the needs of off-reserve band members. They will also want the money to fulfil those needs.

This will, in short order, lead to the establishment of urban reserves and urban funding – as has been done in Regina. Rest assured there will be a growing pressure to increase the number of Indians by including non-status Indians or Métis to create a bigger client base, a bigger empire.

In other words, urban Indians risk being caught up in the political and economic nightmare they left behind on the reserve. They will not have escaped the system. It will simply follow them into the cities.

V: The fallout from the system

Baby Tamara Okeynan's death on the Samson Cree Reserve in Alberta in the spring of 1998 was a national story. Her mother went into labour but did not have a car to get to the hospital or a phone to call for help. She gave birth to Tamara on the side of a road. The baby died – on the side of the road – on one of the richest reserves in Canada.

Samson Reserve near Edmonton sits on one of the largest oil and gas fields in the country; it accounts for 75 per cent of total oil and gas production on Canada's reserves.[48] In 1996, band revenue was nearly $100 million, about half of it funding from the federal and provincial governments. The communal resources of the reserve are, in theory, to be shared among the more than 5,000 members of the band, but that is not what happens.

In 1998 and 1999, The Globe and Mail published several in-depth reports on the Samson Reserve, focusing on how wealth has "cursed" the people who live there. "Since the time of the oil money, money has done something to us… This is what comes first,"[49] noted one resident. Life on the reserve has come to revolve around money – who has it and who does not, how to get control of it and keep control.

Reporter Peter Cheney described the division between the haves and the have-nots on the reserve:

> *On one side, there are people such as Tamara's family, living in poverty. Nearly 80 per cent of the 5,100 on the reserve are on welfare, and the unemployment rate is estimated at 85 per cent.*
>
> *On the other side, there is a small group of band leaders and connected insiders that controls the reserve's affairs and finances. Some collect tax-free compensation packages that place them in the top few per cent of income earners… These leaders travel to Geneva, London, Paris, Turin, Tokyo and countless other places. They attend events across Canada and the United States. They hold meetings in Las Vegas.*[50]

Meanwhile, the have-nots on the reserve live in crushing poverty. Some houses are missing windows and doors. The haves are able to purchase luxury houses off the reserve, and have access to tens of millions of dollars in "loans" that are often written off as uncollectable.

Like the majority of Canadian reserves, the chief and council on Samson control almost every aspect of reserve life, from who gets houses and house repairs to who qualifies for jobs and welfare. Those on the reserve who see the collective resources of the band going to a select few want to know where all the money is going. They do not understand why there is no money for something as simple as a telephone or replacement window panes. The Samson chief and council were estimated to have received compensation of $1.2 million in salaries and benefits in the 1998/99 fiscal year, but there could have been several million dollars more paid out in the form of committee fees, travel expenses and "donations."

Because the ruling elite on the reserve control all aspects of reserve life, they can punish and they can reward. And at election time, they can use the reserve's money to buy support. In federal, provincial and municipal elections the flow of money is usually from political supporters to the candidate's campaign fund; on reserves, money flows the other way. In 1998, the Samson band had a budget of $100,000 to cover the costs of band members seeking favours and money in return for electoral support. An audit revealed, however, that the chief and council handed out $1.29 million in election goodies.[51]

Samson Reserve stands as a valuable lesson for what happens when massive amounts of money are poured into a reserve. Living conditions on the oil-rich reserve are not appreciably different from those on Canada's most impoverished reserves. Samson has the same high unemployment and the same social breakdown – as betrayed by extensive welfare dependency, many vandalized buildings, an epidemic of alcohol and drug abuse, and high teenage suicide rates.[52]

Samson teenagers come into a substantial cash payout from oil revenues when they turn 18, but it has had little effect in improving their lives. Some young people take the money and flee the reserve; others quickly blow it:

> *In what has become a rite of passage, they receive cash gifts of from $80,000 to more than $200,000 on their 18th birthdays, their share of the reserve's collective oil wealth. [In 1998] one 18 year-old boy spent $90,000 in a single afternoon, buying a brand new truck and a mobile home. Two weeks later, he needed gas money to get back to the reserve from Vancouver. For many kids, the money has been more of a curse than a blessing, gone within months or even days.*[53]

Perhaps there is a link between the lump sum royalty payment, the collection of car and truck dealerships just down the road from the reserve, and the fact that vehicle accidents on the reserve are the highest anywhere in Alberta – 40 times higher than in Edmonton.[54]

The problems on Samson Cree Reserve demonstrate that large infusions of money will not correct the problems inherent in the system. Even if the Canadian government was to double the money going to reserves, the social problems would likely remain the same or worsen. The only real difference more money makes is to sharpen the division between the haves and the have-nots. The ruling elite grow more powerful and become even less sensitive to the governed.

As already noted, it is not known how much the chief and councillors on Samson have received in salary, perks and other benefits while in office. Even though all bands are required to provide audited financial statements to Indian Affairs, neither the band members nor the general public have a legal right to see them. Under a 1988 Federal Court ruling, bands were deemed to be private businesses, even though the funding for most reserves derives almost entirely from the public.

In 1997, the Stoney Nation band, for instance, launched a court action to prevent the release of the band's plans for social and economic development after the band was notified the document would be released to the Calgary Herald. The newspaper applied for the report under the Access to Information Act. Lawyers for Stoney stated in their affidavit that confidential agreements made with the federal government should remain private, and that the band had the right to veto the release of the information because their 1877 treaty was signed between two nations. "Continuing to this day," stated the affidavit, "the chief and council are of the opinion that when dealing with Her Majesty the Queen, they are dealing on a nation-to-nation basis. As such, any communication between the two nations should not be released without the consent of [the Stoney band]."[55]

Subsequently, Indian Affairs has required that audited statements be made public. The majority of program spending – Indian Affairs spent $4.3 billion on direct program spending in 2000[56] – is now administered by chiefs and councils, and the department requires that financial reports for that funding be prepared by a certified accountant. There are limits to such audits however. Even if the public or reserve residents are allowed to see the financial statements, there is no guarantee the statements accurately reflect where the money went.

When an auditing firm is comfortable with the accuracy of the information provided and has found accounting methods to be adequate, it issues an unqualified audit. If, however, there are irregularities, such as missing reports and shoddy record keeping, or suspicion about the documentation provided, the firm issues a qualified audit. This is a way for auditors to say they do not know if the information in the audited accounts is legitimate, and they are not about to put their professional stamp of approval on it. An accountant who has worked for many years with Indian bands says he doubts that more than five per cent of audits turned in to Indian Affairs by Canadian bands are unqualified.

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In 1999, Canadian Press reported that 40 per cent of Indian bands were late in filing their audited statements, despite avowals by Indian Affairs that the department is working to improve financial accountability and views audits as one of the "key accountability indicators."[57]

Using qualified audits as a "key accountability indicator" does not serve much purpose, except to identify the bands whose auditors are withholding their endorsement of proper accountability and those few bands whose auditors are comfortable in giving unqualified approval.

Public pressure for greater accountability has led to more pressure on bands to produce their audited statements. To ensure they do, Indian Affairs has taken action against some bands, sending in the department's own managers or freezing discretionary funding. It reminds chiefs and councils exactly who is calling the tune. According to the 1999 Auditor General's report, 209 of Canada's 585 bands were under some form of management intervention by Indian Affairs.

In response to the growing public awareness of financial accountability problems, the Assembly of First Nations (AFN) began talks with the Chartered General Account-

ants Canada "to improve bookkeeping on reserves, part of a new accountability plan that could lead to a native auditor general and ombudsman."[58]

Indian Affairs and AFN are making the right noises, but the words are hollow. What is the point of a native auditor general if he or she is appointed by and reports to either Indian Affairs or AFN? Federal auditor general Denis Desautel was a consistent thorn in the side of the system, pointing out year after year that Indian Affairs failed to monitor properly tax dollars flowing to reserves. If the system appoints its own auditor general, the problem of Desautel will go away but accountability will be farther out of reach than ever. Yet it is within the authority and jurisdiction of Indian Affairs to change the rules and demand proper accountability, and the department could have done so any time over the past 30 years.

THE CANADIAN GOVERNMENT IS ACCOUNTABLE TO THE ELECTORATE, BUT INDIAN Affairs is not accountable to any voter, and the AFN is not a body accountable to ordinary Indians. It is a group set up by the chiefs for their benefit, and therefore accountable to them; the chiefs jealously protect their power and authority and their channels to Indian Affairs.

Reserves are, in effect, lawless societies. There are some superficial rules regarding administration, but there are no rules comparable to those for municipalities under provincial municipal acts. Whatever chief and council decide are the rules they want, those are the rules they implement. Ordinary Indians have few means to defend themselves against the arbitrary acts of chief and council. Since they are too often destitute and have very little mobility, they are trapped. They cannot even appeal to the Canadian Human Rights Commission for help, a right extended to all other Canadians, since the Indian Act is exempt.

Nellie Carlson, representing the group Indian Rights for Indian Women, sent a letter to all members of the House of Commons and the Senate in 2000, appealing to them to make the changes necessary so that band governments would be subject to the Human Rights Act, as is the Government of Canada. "Being elected to political office does not guarantee that someone won't discriminate," she said. "Effective human rights laws must also be administered at arm's length from those they regulate. Allowing First Nations to operate their own human rights legislation, as is apparently being considered, would be like allowing industry to administer pollution laws."[59]

Indian Affairs has effectively escaped public criticism by handing over the authority to make decisions to chiefs and councils who, if pressed, cry racism. When asked why Indian Affairs does not do something about the problems on reserves, the answer is "we're allowing these people to grow into the responsibility and to develop the skills to manage their affairs, and it may take a while."

It is difficult to blame the individuals involved. A system without penalties for wrongdoing gives tacit approval that such wrongdoing can continue, that it is not really wrong. In the case of misrepresenting the number of people who live on reserves, there are no repercussions. On the contrary, there is a tangible reward in the form of unallocated money. It takes a person of high moral character to withstand the temptations inherent in such a system, especially if the community itself cannot or will not support them.

The rules within the system are so loose that it is almost impossible to prosecute anyone for irregularities involving band finances. The Stoney Nation, another oil-rich reserve in Alberta, is a good example of the virtual immunity of chiefs and councils from criminal charges.

In 1997, Alberta Provincial Court Judge John Reilly dropped a judicial and political bombshell by calling for an inquiry into the conditions on the reserve prior to sentencing a man from Stoney who had been convicted of beating his wife. Reilly cited allegations of financial mismanagment, corruption and political repression, and said the reserve was ruled like a "banana republic."[60]

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"In my attempts to find people who would be interested in participating in a justice committee, victim assistance, and sentencing circles," said Reilly in his call for an inquiry, "I have been told over and over again that people are afraid to participate because of repercussions. This fear, and intimidation and violence, appear to be a dominant part of life on this reserve." He added, "Residents of the reserve describe it to me as a 'prison without bars', and a 'welfare ghetto.'" Reilly also questioned the lack of education on the reserve.[61]

"For many years," said the judge, "I have been asking why it is that this reserve which should be so prosperous has so many poor people, has such a low level of education, has such horrendous social problems, and has such an apparent lack of programs to deal with these problems."

As on the Samson Reserve, people on Stoney Reserve were wondering where all the money was going. Stoney has annual revenues of about $50 million from oil and gas and from government funding. Like the band leaders at Samson, Stoney's three chiefs

and 12 councillors pay themselves very well – about $1.4 million, tax free. And like Samson, social conditions are as bad as – if not worse than – on reserves without access to oil wealth.

About 3,300 people live on the reserve, about half of them young people. Stoney has a sad record of social problems, with a 90 per cent unemployment rate among adults. In a 1999 fatality inquiry report, Reilly found that there had been 120 drug and alcohol-related deaths on the reserve since 1990.[62] In 1997, Stoney's social services had 130 children in care, and a doctor from the nearby town of Cochrane had tried setting up a food bank to feed the hungry on the reserve. An arson wave one night in 1998 saw four buildings, including the community centre, go up in flames.[63]

The reserve's financial affairs were also in a state of disarray. Despite the oil revenues, the band sometimes lacked money to fund essential programs. In 1997, the band had run up a deficit of $5.6 million on an annual budget of $50 million. And as if to further spotlight the social breakdown on Stoney, in the seven weeks following Reilly's call for an inquiry, there were five violent deaths of young people by murder, suicide or car accident.

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Despite the political firestorm unleashed by Reilly, Indian Affairs minister Jane Stewart said there was no need for an inquiry since department officials had already begun addressing problems on the reserve. Indian Affairs had stepped in earlier following complaints from people working for the Stoney band that there was a "major crisis" in social services, and an investigation by the Calgary Herald showed at least four social services staff members were collecting welfare payments at the same time they were collecting paycheques from the band.[64]

Coopers and Lybrand, a chartered accounting firm, was appointed to help the band get its financial house in order and Stewart ordered a forensic audit. KPMG, a national accounting firm, spent 14 months investigating 364 allegations of irregularities and improprieties relating to the management of the band finances, at a cost of $1.1 million. The lengthy investigation resulted in 43 separate allegations being turned over to the RCMP for criminal investigation.[65]

Two years later, RCMP announced their investigation was over. No charges were laid against the three chiefs, 12 councillors, or any administrative staff. The only two people charged had nothing to do with the Stoney council or administration, and they were charged with petty theft. Although some allegations appeared to involve wrongdoing, police and Indian Affairs officials decided there would be little likelihood of successful criminal prosecution in an Alberta court.

It is extremely rare for cases such as these to lead to criminal prosecution, or even a requirement that misappropriated funds be paid back to the band. A 15-year veteran of the RCMP Commercial Crimes division said in 1999 that he had been involved in many investigations of allegations of fraud and corruption on reserves in Manitoba, but in those 15 years, only one person was successfully prosecuted. "There aren't enough rules and guidelines about how the money is used that are enforcible in court," he said. "There have been a lot of complaints about money over the years – expense accounts with very large amounts being paid to individuals, chiefs writing cheques to themselves they said were to be paid back at some future date – but there is nothing in the band constitution that says this is illegal. And breaking rules regarding money is one thing. Proving criminal intent is another."[66]

If chiefs and councils can pass a band resolution for just about anything and have tacit permission from Indian Affairs to do pretty much whatever they want with band money, it could be argued that no criminal intent is involved. Criminal intent implies awareness that what one is doing is against the law. If chiefs and councils believe they are authorized to use band funds as they do, they are not doing anything that can be successfully prosecuted in a court of law. People who challenge the system for actions that would be prosecutable off-reserve are doomed to disappointment. Police can investigate, but in most cases there will be no prosecution.

In the spring of 2000, chiefs and more than half the councillors on Stoney wanted control of the reserve turned back over to them. The accounting firm had tidied up finances and reported a surplus of $14 million for the fiscal year ending in March 2000. Those on the reserve who were worried that band management might return to its old ways were assured by Indian Affairs that it would not. That, according to an Indian Affairs official, is because the chief and council will hire their own independent management firm to act as a watchdog after the accounting firm is gone.[67] In other words, the reserve government will pay the salary of someone whose job it will be to make sure it behaves.

In May 2000, Globe and Mail reporter Peter Cheney did a follow-up of his investigations on Samson Reserve. What he found shocked him. Panicked by the earlier newspaper stories, the band went on a massive spending spree, as if they needed to

grab whatever they could before a co-management team from Indian Affairs arrived. Between March of 1998 and March of 1999, the band spent $142 million, three times its annual budget.

The chief and 12 councillors collected $1.5 million in salaries and other perks. Along with other band insiders, they also received $5.4 million for committee and meeting fees, while some band office workers collected as much as $1,500 per day on top of their salaries and other benefits. More than $13 million was given out as election favours, and millions more disappeared through untraceable cash giveaways. Nearly $8 million was loaned to band members and then written off as uncollectable.[68] Even Samson's elders, about 100 people revered as the soul and conscience of the reserve, apparently got caught up in the money grab. They spent $1.9 million, even though the budget for their department was less than $350,000.

The co-managers arrived in time to cancel a trip to Hawaii for 55 people, with $200,000 in per diems paid in advance. Of the 55 people who received money for expenses they would not be incurring, only one returned it. By the time the spending spree was over, the band was $50 million in debt.

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The success or failure of the present system should be measured by how well the problems that plagued Canadian reserves 30 years ago have been addressed. Indian Affairs is the only federal government department that has consistently received increased funding, even through the deficit-cutting years of the 1990s. Is there another bureaucracy in the federal government that has been so amply rewarded for the almost universal failure of its programs?

The litany of problems on so many reserves goes on and on. Menno Boldt summarized social indicators from the early 1990s. Another decade has passed, and not much has changed:

> *Indian suicide rates are unmatched in any other population in the world; their life expectancy is ten years less than for all Canadians; they experience epidemics of tuberculosis that do not occur in any other part of Canadian society; their rate of infant mortality is 2.5 times the Canadian rate; the number of children "in care" is 6 times the Canadian rate; their incidence of alcoholism is 13 times the Canadian rate; their rate of foetal alcohol syndrome is between 15 and 20 times the Canadian rate; their rate of incarceration is 5 times the Canadian rate; the death rate for Indians under the age of 35 is 3 times the Canadian rate; their rate of unemployment stands at 70 per cent on most reserves; 80 per cent live under the "poverty line."*[69]

This report card does not even begin to take into account the full cost in human suffering – and lost potential – of those who have been crushed under the weight of a system that needs them to keep suffering. The poverty and suffering of Indians allows the system to keep leveraging money out of the public pocket, and justifies the existence of a bloated bureaucracy. The system owes its continued life to ensuring the continued suffering of the most helpless and voiceless – without end.

There is no mechanism within the system that allows grassroots Indians to exert their rights as Canadians in a democratic country. There are elections every two years on most reserves, although some are ruled by a hereditary chief (where there are no elections) or by band custom (where an election is called at the will of the people). This sounds reasonably democratic, but it is largely an illusion. Power and authority under the Indian Act are vested in the office, and whoever gets into office gets to rule the roost, insofar as is allowed by Indian Affairs.

The people who make up the powerless class on reserves are trapped. The system readily diverts criticism and quickly snuffs out attempts to undermine its control. Boldt describes an "emerging two-class structure:"

> *The elite class has the legal right to transmit its landholdings and wealth, undiminished by taxes, to its descendants. Moreover, in the absence of a taxation system on reserves to redistribute wealth income from land ownership and entrepreneurial activities, and with traditional customs of sharing and redistribution no longer being practised, there are virtually no legal or normative operative mechanisms for redistributing wealth from the elite class to the lower class.*[70]

In other words, life on reserves is going to get worse as long as the system remains in place. As the volume of money poured into Indian Affairs continues to grow and the excesses of abuse continue to grow along with it, a sentiment is forming among Canadians that the whole reserve system is unworkable, that it should simply be done away with.

There is a better way of dealing with the problems. The solution will come from the very people whom the system has rendered powerless for so long.

VI: Challenging the system

Over the years, many people have flung themselves against the fortress that is the system, only to fall away, bloodied and bruised – sometimes quite literally – without changing anything.

The Tobique women stand as a rare example of those with the least power effecting real change. It was not the determination and tenacity of the women alone that brought change. Change came because politicians believed that the general public – in other words, voters – would no longer tolerate the blatant sex discrimination in the Indian Act.

In 1985, Parliament amended the act to remove more than 100 years of legislated gender discrimination. Until Bill C-31 passed, an Indian woman who married a non-Indian man became effectively a non-Indian, while a non-Indian woman who married an Indian man suddenly became an Indian.

The first official description of an Indian under the Indian Act was in 1868: Indians were "All persons of Indian blood, reputed to belong to a particular tribe, band or body or Indians… and their descendants." The act was amended the following year to fall in line with the patriarchal values of colonial British/Canadian society of the time, in which wives and children were considered the property of the husband and father, and women were not legally recognized as persons. The Indian Act was changed so that an Indian woman who married a non-Indian became a non-Indian like her husband. Conversely, a non-Indian woman marrying an Indian man became an official Indian. In 1951, the band membership lists prepared by Indian Affairs were given statutory authority, with entitlement to status Indian rights confined to those on the band lists, descendents of the male line, and wives of those persons. If an Indian woman had a child outside of marriage, that child was considered a legal Indian unless it could be proved the father was a non-Indian.[71]

Given the Indian Act is based on race, it is ironic that the legal and political definition of who was and is Indian does not necessarily have anything to do with race.

The fight to correct the long-standing gender discrimination in the Indian Act actually began in the mid-1970s on the Tobique Reserve in New Brunswick, not initially as a fight to change the Indian Act, but to improve living conditions for women and children on the reserve. It culminated in a four-month occupation of the band offices that drew international media coverage and triggered public support, and therefore political support, for changing the act.

The change did not come quickly. In 1970, Janette Lavell contested her loss of status as contrary to the provisions of the 1960 Canadian Bill of Rights. She won in Federal Court, but the decision was overturned by the Supreme Court three years later. In 1977, Sandra Lovelace, a woman from the Tobique Reserve who had also lost her legal Indian status when she married a non-Indian, agreed to be a test case, and took a complaint to the United Nations. The United Nations Human Rights Committee ruled in 1981 that Canada was in violation of the International Covenant on Civil and Political Rights, but it took another four years before the discriminatory clause in the Indian Act was changed.[72]

The four months spent occupying the Tobique band office was a time of terror and friendship. The women lived with the oft-repeated threat of someone's setting fire to the building to burn them out, a threat more real on weekends when crowds filled with alcohol-fuelled bravado threw rocks through the windows and threatened them with guns.

"Our struggle was always *for the children*, to have a decent home for the children," said Bette Paul, a mother with two young children and one of the spokespersons for the Tobique Women's Group. "Looking back, it amazes me how the kids maintained through all the protests and occupations. Times they'd be so tired, and scary times they'd scream with fear. With us women, there'd be times we wanted to give up, but we just kept going, to support each other. Some would get grouchy and others would sit down and talk with you. Each other's support kept us going in the hard times. Plus

the sense of right and wrong: that it wasn't right, the treatment the women and children were getting."[73] The men sought to reassert their manhood through the illusory power of chief, band council and Indian political organizations.

This incident illustrates the fact that men are more brutalized than women in the meeting of two societies. They are the ones in the front ranks in the confrontation with the other society, whether it is on the battlefield or in a negotiating room. In the case of Indian men, their role as protector and provider has been effectively destroyed. Indian Affairs took over that role, and left them emasculated. Women survive better because their roles as mothers, spouses and home keepers are not attacked in the same fashion. In victory or defeat, their roles continue. Indian women have become stronger, and it is from their strength that I see the energy that will drive change. Change will be nurtured and fed by women.

Supreme Court Justice Madame Bertha Wilson, a member of the Royal Commission on Aboriginal Peoples, made the same point. I was invited to meet with the commissioners in Morley, Alberta. When we had an opportunity to chat, Justice Wilson observed that, before undertaking hearings across the country, she would never have believed the level of despondency she saw in Indian men.

It is not surprising that men are attracted to the sense of power offered by Indian Affairs. But that power is never really theirs because it is authority given by Indian Affairs, and therefore controlled by Indian Affairs. But the power trap is, as we have seen in previous chapters, well baited with money. It is human nature to think yourself a good person living a life of value. But those who find the usual avenues to express their higher values blocked by dominating forces have few options. They can hold constant to their belief in their individual innate goodness and value as human beings and wait out their oppressor. They can rage against the oppressor, who will not be moved, bloodying themselves and others in the process. They can escape into oblivion, temporary or permanent. Or they can attach themselves to the system of the oppressor and rationalize their cooption to the best of their ability.

The Tobique women's protest was only one of a multitude of protests, demonstrations and band office occupations by ordinary Indians over the past 30 years. They are in the news for a few days and then forgotten. The Tobique women would most likely have been relegated to a forgotten footnote in Indian history had it not been for external intervention of the National Action Committee on the Status of Women. Fighting discrimination against Indian women was a cause that fit neatly within its mandate. NAC could not be burned out or threatened into submission by the chiefs and councils and their supporters.

The Indian political organizations fiercely opposed Bill C-31, and fought changes to status rights every step of the way. Although the position of the male-dominated Indian organizations seemed obviously sexist, the National Indian Brotherhood appeared primarily concerned that altering the Indian Act to bring it in line with the intent of the Bill of Rights would weaken their special status. Male leaders considered an amendment to the act as "a precedent which would undermine their claims to the maintenance of special status within Canadian Confederation."[74]

The external pressure of groups like Status of Women and the UN finally forced the government's hand. The history of Bill C-31 teaches an important lesson. The only way the system will change is if it is forced to do so, and the only people who can exert sufficient force are voters among the general public and grassroots Indians.

Grassroots Indians, especially women, have begun to organize a serious campaign for change. Leona Freed, a mother of six and a part-time onion bagger in Portage la Prairie, has been a driving force behind the grassroots movement demanding answers from Indian Affairs and from chiefs and councils. She has tapped into a deep vein of anger and frustration on reserves, especially among Indian women.

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As national president of the First Nations Accountability Coalition, Leona Freed has been holding meetings on reserves from coast to coast in Canada. The story, she says, is the same wherever she goes: "We have self-appointed chiefs, silent chiefs, illiterate chiefs, bought-and-paid-for chiefs, band custom chiefs, hereditary custom chiefs, and above all, chiefs and families who make all the rules with no sensitivity to band members' needs. If a band member opposes the chief and council, all services are cut off. They are chased off the reserve… There is abuse of authority and intimidation tactics…"[75]

Freed is no stranger to intimidation tactics herself. She has been banned from her home reserve of Dakota Plains. That is because she has been a thorn in the side of the chief-for-life and the council he appointed, challenging the legitimacy of the chief, trying to get a band list to see who the band was collecting money for, and trying to find out what happened to the federal funding on the reserve when the $170 per month welfare cheques kept bouncing. She did finally get a copy of the band list, but she says it took five years.

Leona Freed has taken her message to Ottawa. She was invited to appear before the Senate Standing Committee on Aboriginal Affairs in the spring of 1999. Her conclusion: "In order for a First Nation to be self-sufficient, successful, and self-governing, we must have accountability, democracy and equality and these three factors are non-existent."[76]

Speaking out against chiefs and councils can exact a heavy penalty. In a brief sent to the Clerk of the Senate Committee on Aboriginal Peoples, she detailed some of the consequences she and others have experienced. "If you oppose [Chief and council]," she wrote, "you get your tires slashed, the contents of your house destroyed, your pets murdered, your children are apprehended by their child care agency… you can lose your job, and if you are on welfare, you can lose that, too."[77]

Freed has been threatened with lawsuits as well. At one point, she wrote a letter to Health Minister Allan Rock about sewage problems on her reserve. The letter was given to the reserve's band council, which then threatened her with a defamation suit if she did not stop criticizing them.[78] A number of chiefs with the Swampy Cree Tribal Council in northern Manitoba also served notice to Freed and her organization in the summer of 1999 that they intended to sue for defamation, stating that the Accountability Coalition's allegations of corruption and dictatorships on Manitoba reserves were false.[79]

A Winnipeg Free Press editorial got to the heart of the matter:

> *If they are democratic and accountable, then Ms Freed's remarks have no application to them, as their members will be perfectly well aware. If the Swampy Cree chiefs agree with Ms Freed that some bands are unaccountable and dictatorial, then they should join with her in urging them to shape up. They should not be using their privileged access to government funds in order to hire a lawyer and try to silence the crusader… They weaken their reputation when they apply the public funds at their disposal to hire a lawyer and drag the accountability coalition into court and defend the wounded pride of the chiefs.*[80]

There is little reward for being a whistle blower. The system has proved itself effective at taking care of troublemakers. Here is an example. During her term as Indian Affairs minister, Jane Stewart encouraged Indians to write to her office about wrongdoings on reserves. She promised confidentiality. Bruce Starlight, a former councillor on the Sarcee reserve near Calgary, took her at her word. He alleged financial improprieties on the part of the chief of the reserve. Starlight's confidential letter soon found its way into the hands of the chief and council. The chief launched a defamation suit against Starlight, paid for by the band. Stewart later expressed regret that the letter had not been kept confidential, and offered to cover Starlight's legal costs.[81]

Freed has been expressing the concerns of many grassroots Indians over plans between the federal government and Indian political organizations to entrench self-government in the Constitution. Chiefs and councils already exert an imbalance of power, and entrenching it in the Constitution will only ensure it can never be changed.

It is difficult for people at the grassroots level to make inroads into changing the system. "Nobody recognizes us," says Eileen Maytwayashing from Lake Manitoba Reserve. "People say if only we had somebody to speak for us. But nobody hears. Everybody is deaf."

Flora Harper is from the Brochet Reserve, about 1,000 kilometres north of Winnipeg. She knows what it is to be under the thumb of the band administration that controls welfare payments. "You're dependent on them. You're helpless. You have to go by their rules."

People not directly involved with Indians are beginning to add their voices to the criticism. The Canadian Taxpayers Federation in Manitoba wants more accountability for how tax dollars are being spent. "Of the $4.5 billion that Indian Affairs spends on Canada's reserves," said Victor Vrsnik, Manitoba director of the organization, "over 80 per cent winds up in the hands of band councils, not individual residents. Sending payments through band councils is as preposterous a system as Ottawa steering welfare cheques through municipal governments."[82]

Freed has been expressing the concerns of many grassroots Indians over plans to entrench self-government in the Constitution. Chiefs and councils already exert an imbalance of power, and entrenching it in the Constitution will only ensure it can never be changed.

The First Nations Accountability Coalition is trying to reach as many grassroots Indians as possible, encouraging them to speak out. But this coalition of angry mothers and grandmothers is going against a system that has a long history of chewing up challengers and spitting them out.

Change is on the horizon from another direction. In what may be the most significant change to the Indian Act since its inception, in 1999 the Supreme Court of Canada ruled in its Corbiere decision that off-reserve Indians could no longer be denied the right to vote in elections on their home reserves. Because off-reserve Indians are outside the control of the system, this change threatens to weaken the power of chiefs and councils, and therefore the system.

As it has with the First Nations Accountability Coalition, the system has been adept at protecting itself. Indian Affairs and the political organizations opted to divide the

electoral reform required by the Supreme Court decision into two stages. The first step was to deal with amendments to the Band Election Regulations and the Band Referendum Regulations needed to allow off-reserve band members to vote. To do this, Indian Affairs provided funding to both the national and provincial Indian political organizations "to conduct consultations at the grassroots level."

Not yet begun at the time of writing, the second step would require, advised the Assembly of First Nations (AFN), a great deal more funding for "substantive consultations with First Nations partners and other Aboriginal organizations on integrated and sustainable electoral reform." The AFN clearly signalled its intent to sustain the status quo: "This first and foremost challenge is how to prudently yet purposefully move forward in partnership toward electoral reform while maintaining the integrity and continuity of existing Band governance." [83]

The system has taken full control of the process, even though it does not represent the interests of off-reserve Indians. The federal government has consistently denied any obligation or responsibility for Indians once they leave the reserve, and the Indian political organizations represent the interests of chiefs and councils. Other groups, like the National Association of Friendship Centres, could lay claim to represent off-reserve Indians, but it is a weak claim since they, too, are largely funded by the system. No one at the table can be held accountable by off-reserve Indians; effectively, they have no voice in determining how electoral change will be handled on their behalf.

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The consultations with grassroots Indians in the first stage proved to be little more than a platform for Indian organizations to manage the information flow and promote their own agenda. Ordinary Indians realize they have no say in what is going on, so few even bothered to turn out for public information sessions. Sometimes the only people at the meetings were the organizations' consultants and lawyers.

The meetings allowed the political organizations to say they had informed ordinary Indians. But there seemed to be little effort to educate anyone. For one session in Winnipeg organized by the Assembly of Manitoba Chiefs, the receptionist at the AMC office was not aware there was a Corbiere meeting that day, did not know where it was being held, and when advised it was at the Indian and Métis Friendship Centre, did not know the address of the centre. A handful of people showed up at the meeting and were given a one-page handout on the Corbiere decision. When they asked for more details, the consultant running the meeting told them that, if they wanted more information, they could look it up on the AFN website.

So what is the system's agenda? The political organizations have decided that a vote by an off-reserve resident is an empty vote unless that resident is eligible for programs and treaty benefits. Corbiere is being used to accomplish something the political organizations have been after for a long time: control of the funding for all status Indians, on- and off-reserve. This money will, of course, flow through the system in exactly the same way it does now. Since more than half of status Indians probably live off-reserve, this folding of off-reserve Indians into the system would represent a dramatic increase in the amount of money going into the system, which, of course, would fail to address the needs of ordinary off-reserve Indians – just as it has failed to help ordinary on-reserve Indians.

In August of 1999, the Cross Lake First Nation of northern Manitoba became the first band to hold an election where off-reserve band members were allowed to vote for chief and council. The election drew 2,000 of the 2,300 band members eligible to vote, an impressive display of community participation by any standard.

"The community developed its own election and membership laws," said band secretary Tommy Monias, "provided them to [Indian Affairs] and informed them that we were holding this election and we expect them to recognize the democratic will of our people."[84] Indian Affairs responded by refusing to recognize the validity of the election because, it said, the band did not get prior approval from the department.

Regardless of who votes in an election, the chief and council are only legitimate if Indian Affairs says so. By exerting its veto over election results, Indian Affairs ensures that only band councils willing to play by the rules of the system are in power on reserves. Ordinary Indians living on reserves can be controlled by financial inducement, or brought to heel by the threat of physical harm, loss of jobs or welfare benefits, eviction from their homes, banishment from the reserve. A person living away from the reserve is not as susceptible to this kind of control – although punitive action against family and friends still on the reserve is a factor. Off-reserve Indians are therefore more difficult to silence, and since the on-reserve election process will be brought into urban centres, the whole process will be much more visible to the Canadian public. It is much easier to hide electoral abuses on a small reserve in northern Ontario than in downtown Montreal.

The system has reacted to the potential threat unleashed by Corbiere by setting an agenda. The agenda entails some combination of folding off-reserve Indians into the system or keeping them voiceless by having the political organizations take upon them-

selves the exclusive right to speak on their behalf. Neither the ordinary Indians, whose lives are affected by the system, nor other ordinary Canadians, whose tax dollars pay for them, have any say in this agenda.

One of the increasingly visible weaknesses of the system at the beginning of the 21st century is its inability to explain away its excesses in a manner that ordinary Canadians can swallow. People are growing more uncomfortable with stories like the outrageous squandering of money on Samson Reserve and less willing to tolerate the uncomfortable mix of guilt and confusion engendered by the continuing squalor and misery in which so many Indians live. They are willing to listen to an alternative that makes sense and has a reasonable chance of working – if one is offered.

It is time to discuss treaty money.

VII: The treaties – empowering Indians

The means for empowering individual Indians has been available since the signing of the treaties. It has, however, been ignored by Indian political leaders and government bureaucrats because it would severely undermine the power of the system.

Big Bear signed Treaty Six in 1882 because he had little choice. His people needed a piece of land on which to live, and they needed the treaty money that would allow them to survive until they established a way of living in a world where the old ways no longer worked. That was the primary intent of the treaties – to provide land for the band and an annual payment of treaty money to every man, woman and child in that band to be spent as they chose.

Since early in the 17th century there have been agreements between Indians in what was to become Canada and the political or military representatives of the Dutch, English and French governments. The more formal written treaties, such as those between the British government and the Abenaki of Maine and Quebec, began at the end of the 17th century. Most, like the 1792 Treaty with the Mississauga Indians, involved one-time payments in exchange for the surrender of land. After 1818, the government began paying for land with annuities. By the early 1900s, most of the land of what is now Canada had been formally surrendered by Indians to the Canadian government.[85]

No land surrender treaties were signed between the government and Indians of Quebec, the Maritimes, British Columbia and the Yukon. It was felt there was no need for such a process in Quebec because Indian title had already been extinguished by French occupation. When B.C. became part of Canada in 1871, the province refused to recognize any Indian title to the land, although it did provide for reserves.[86]

The so-called numbered treaties signed after 1870 were similar one to the other.[87] The eleven numbered treaties, covering most of Ontario, Manitoba, Saskatchewan, Alberta and the Northwest Territories, generally contained the provision of either a quarter of a square mile (160 acres) or one square mile of land per family of five, an annual treaty payment of five dollars for every man, woman and child belonging to the bands signing the treaties, a sum of between $650 and $2,000 for items like ammunitions and nets to be shared among the bands signing the particular treaty, and an immediate payment of $12 for each band member as a signing bonus.

In Treaties 1 and 2, government representatives initially offered only land for a reserve, the five dollar treaty annuity, a school on the reserve and a commitment that no "intoxicating liquor" would be allowed on the reserve. When it came time to sign Treaty 3 with the Saulteaux of northwestern Ontario and eastern Manitoba in 1871, government negotiators found themselves presented with a list of demands Indians had been working on for more than a year. When the treaty was signed, it also included the right for Indians "to pursue their avocations of hunting and fishing"[88] except where the land was being used for such purposes as settlement, mining and lumbering. It included a list of tools, farm equipment, livestock and seed to be provided one time only; and for each band, an annual $25 salary for the chief and $15 for three subordinate officers, along with a new suit of clothes for the chief every three years.

Treaty 4 added "powder, shot, blankets, calicoes and other articles" to be given out along with the signing bonus, and specified that treaty money "be made to the heads of families for those belonging thereto, unless for some special reason it be found objectionable."

In addition, Treaty 5 provided that "the sum of five hundred dollars per annum shall yearly and every year be expended by Her Majesty in the purchase of ammunitions and twine for nets."

Treaty 6 contained the same provisions as the rest, with an annual payment for ammunition and twine of $1,500, and added a horse, harness and wagon (or cart with tires) for each chief; a "medicine chest" to be kept at the house of the Indian agent; and that "in the event the Indians comprised in this treaty being overtaken by any pestilence, or by a general famine" the government would provide aid deemed as "necessary and sufficient to relieve the Indians from the calamity that shall have befallen them."

The remaining treaties were quite similar, except for the medicine chest and "pestilence and famine" clauses. Those were provided only in Treaty 6.

The rationale for the massive moneys that now flow into the system has been almost entirely the modernization of treaty rights. A medicine chest has been up-dated to mean full medical care, and even though it was only guaranteed to the bands signing Treaty 6, it has been expanded to encompass all bands in Canada. The annual payment for ammunition and nets has been modernized to mean economic development, and the "pestilence and famine" clause of Treaty 6 now means welfare support and other social services for all Indian bands.

The only treaty entitlement that has not been modernized is individual treaty money. It was five dollars in 1871. It remains five dollars at the time of writing of this book. Today, many reserves still hold some form of Treaty Days celebration or annual powwow where people line up, just as they did 130 years ago, to collect their five dollars from a representative of Indian Affairs or the band.

The primary intent of the treaties was to provide land for the band and an annual payment of treaty money to every man, woman and child in that band to be spent as they chose.

What was intended by leaders like Big Bear as a means for individual empowerment within the band collective has been trivialized so that today it serves only a minor ceremonial role. Treaty money is still five dollars because grassroots Indians have never been involved in making any of the decisions, and the leaders have never advocated for the rights of the individual. Individual rights provide no benefits to the system, and would only serve to undermine its control. If Indian Affairs and chiefs and councils had figured out how to make treaty money payable through the system as a collective right, it undoubtedly would have been modernized long ago.

Indian families have lived in an environment of dependency and lack of control over their lives since the treaties were signed. Admittedly, some people did maintain a degree of personal independence until welfare became the norm on reserves. But now chiefs and councils, along with bureaucrats and the accompanying cadre of consultants, decide how to spend the money collected on behalf of Indians. Because the money comes from outside the reserves and is not theirs, dependent Indians feel they cannot insist that the money be spent in the ways they would as individuals prefer.

At the root of the Indian problem, both off- and on-reserve, is the destruction of the basic social unit – the family. A family requires a certain degree of independence and the freedom to make decisions to create a nurturing environment. And when the family breaks down, the community breaks down.

Most people realize that the statistics on social pathologies – like suicide, alcoholism and broken families – represent a great deal of suffering among grassroots Indians. And they find it difficult to understand why all the money distributed by Indian Affairs fails to do anything worthwhile. Underlying any satisfactory explanation is the fact that Indian people have become despondent over a century of dependency and outside control. They do not exercise control over their leadership or the bureaucracy that provides the money. The one concept in the treaties that can be of help as means to re-inject a measure of independence and accountability into the lives of the Indian community is treaty money.

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The importance of treaty money was well understood at the time the treaties were signed (even before it was raised from three dollars to five dollars per person). In 1871, Indian Commissioner Weymuss Simpson described its significance in a letter to the Secretary of State for the Provinces in Ottawa:

> *The system of annual payment in money I regard as a good one, because the recipient is enabled to purchase just what he requires when he can get it most cheaply, and it also enables him to buy articles as second hand, from settlers and others, that are quite as useful to him as are the same things new. The sum of three dollars does not appear to be large enough to enable an Indian to provide himself with many of his winter necessaries; but as he receives the same amount for his wife or wives, and for each of his children, the aggregate sum is usually sufficient to procure many comforts for his family which he would otherwise be compelled to deny himself.*[89]

At today's prices, five dollars appears a trivial sum. But, in 1875, my grandfather's farmland in the Red River Valley was worth about a dollar an acre. Therefore five dollars could have purchased five acres of land. That land is now worth about $1,000 an acre. That means treaty money, if updated to today's prices, should be valued at about $5,000 per person.

Just as five dollars would not support someone in Simpson's time, $5,000 would not be sufficient to support someone living in a city today, but for a family unit, it would provide a quite workable income base. It would mean a family of five would have an annual treaty entitlement of $25,000. It is not a lavish amount, but it is certainly sufficient to free a family from servitude to chiefs and councils and to escape welfare dependency.

If treaty money had been modernized, Indians would hold a different position in Canada's economy than most do now. They would be seen as consumers – customers to be courted. This is exactly how Indians receiving treaty money were viewed 130 years ago.

Alexander Morris, who negotiated many of the numbered treaties, described what happened following the signing of Treaty 3 at Lake of the Woods in 1871. Indian Affairs officials paid both the signing bonus and the first year's treaty annuity:

> *As soon as the money was distributed, the shops of [the Hudson's Bay Company] and other resident traders were visited, as well as the tents of numerous private traders, who had been attracted thither by the prospect of doing good business. And while all the shops did a great trade – the H.B. Co. alone taking in $4,000 in thirty hours – it was a noticeable fact that many took home with them all their money… Many others deposited money with white men and Half-breeds on whose honor they could depend, to be called for and spent at Fort Garry when "the ground froze."*[90]
>
> *"It's shocking to see Indians standing in line for their pittance of five dollars a year," said lawyer and Indian Activist William Wuttunee in 1971. "Such a performance is demeaning by present-day standards and must be discontinued. The government should at least mail out treaty payments in the same way as family allowance, without any great fanfare."*[91]

Wuttunee has a good idea. Rather than paying modernized treaty money in a lump sum, it would better be paid out in monthly instalments, in a manner similar to the Child Tax Benefit (the old family allowance renamed). Since every eligible man, woman and child receives treaty money, the money for children could be paid to the parents or guardians. It would be a simple and non-intrusive method.

What is important about paying treaty money in a manner similar to family allowance is that it would be *outside the system*. The chiefs and councils or the Indian political organizations could not control it. The fundamental virtue of treaty money is that it frees individuals and gives them control over their own lives: something we should want for every man and woman in Canada.

Postscript, May 2002

This book proposes a single reform. Treaty money, modernized to five thousand dollars a year from five dollars, should be paid monthly outside the system to all status Indians. I have argued that this reform can be accomplished quickly and simply, that it can be organized in a revenue-neutral manner, and that it will result in the empowerment of individual status Indians.

This is not a panacea to cure all ills facing status Indians, but it will provide them with a base to democratically deal with their own problems.

This reform needs the support of two groups – status Indian citizens and other Canadians. Both groups have been shut out of the system, and both continue to be victims of the system. This book advocates the empowerment of status Indian citizens so that they and other Canadians can negotiate and define their relationship.

Since 1970, Canada has been without a federal government policy on status Indians. After more than 30 years of unrelenting failure and escalating costs, the time has come for change. Successfully dealing with this issue would provide the current era of government with a unique legacy. ■

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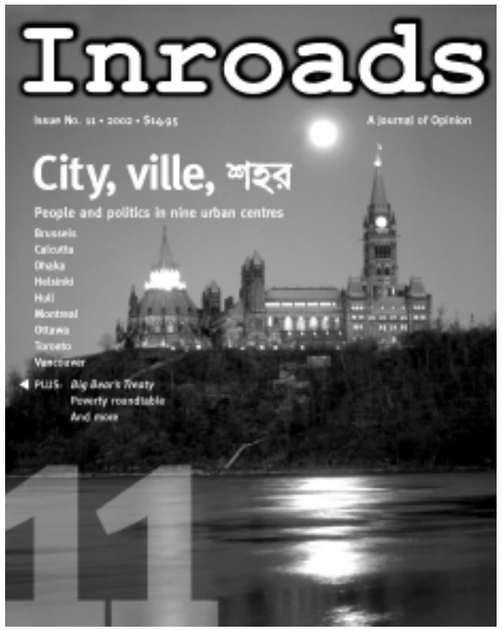

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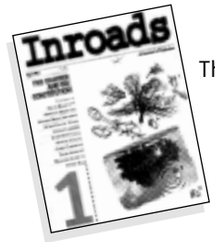

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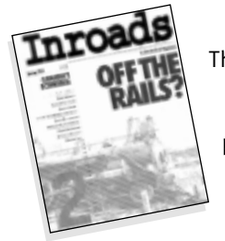

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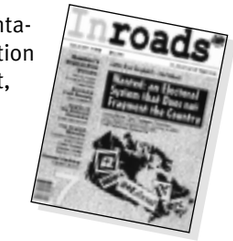

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