

REPORT FROM THE CANNON BALL AND PISINEMO PROJECTS

The Cannon Ball Human Development Project recently celebrated (completion of) its fifth year and Pisinemo its third year. These few years mark significant changes on the reservation. The present administration's reevaluation of the role of the Federal Government in Indian Country places a high value on economic development. The Cannon Ball and Pisinemo projects have held this value since their initiations and now draw close attention by Tribal Officials.

Leadership of the Standing Rock Sioux Tribe point to Cannon Ball development as its standard for the new economic direction. On the Papago Reservation, in-depth planning is underway with all eleven districts establishing local ventures and training leaders. This attention, in light of changing times, places a dual responsibility on the Institute and its relationship to these projects. First, to make sure that the development effort is a replicable model that will point to a new economic future and second, that these efforts have the foundational financing, management and expertise to build confidence for their broader application.

The Human Development Zone potential in each project is obvious. The next ten years across the reservations and the whole of Indian Country will be crucial if Native Americans are to respond to the national challenge of local self-sufficiency. Sophisticated economic development is the vehicle for human development and the key sign of significant care for this nation's poorest of the poor.

CANNON BALL

Five years of development efforts have allowed the community of Cannon Ball, the Standing Rock Sioux Tribe and the ICA to discern the foundational elements of human development on the reservation. These elements are: First, the need for business in the reservation setting. Residents of Cannon Ball must travel 25-40 miles for services and jobs. Second, the vast potential of land and water resources must be effectively utilized. This can be done most effectively through small-scale agricultural development. Third, the structures which insure community participation and control of local ventures, as well as provide the financial, management and technical assistance, must be fully established and effectively functional. Finally, the learnings of human development must be shared with the broader tribal community. Then tribal development efforts can be effectively channeled to other communities on the reservation. Each of these basic directions has detailed maneuvers in the next six months to move them one step closer to realization.

Stabilized Business Development has been a particularly important aspect of Cannon Ball's human development. In December 1981, a \$400,000 mini-mall was completed to house a full-line grocery store, laundromat, cafe and post office. \$250,000 of financing is now being sought for equipment and inventory to start these new businesses. Cannon Ball Industries' success is a sign of maturity. A high growth manufacturing concern with 1980 sales of \$10,000, 1981 sales of \$100,000 and 1982 projected sales of \$500,000, requires additional working capital, effective management personnel, and long-term facility improvement, to develop an efficient operation and continued market growth.

Small Scale Agricultural Development provides the largest but most elusive economic potential. After four years of experience with Cannon Ball Truck Farm, little headway toward a self-sufficient farm has been made. This seems largely due to inconsistent business structure and management. Agriculture requires a high degree of individual initiative and commitment. Individual farm enterprises must be established and cooperative practices structured to allow for the most effective use of capital investment. The truck farm needs to become the prototype of small farm development needed on the reservation.

Strengthened Community Organizations. The Cannon Ball Development Corporation is now being restructured to include a lawyer, banker and accountant. During fiscal year 1982 the Development Corporation expects to receive \$30,000 in lease revenues from the Mall and Industry. Overall management continues to be the struggle and this revenue will allow for a fulltime Corporation staff to provide accounting and financial assistance to local businesses. In addition, an executive committee will meet regularly to plan current needs and channel future expansion efforts.

Tribal Development Extension. Because of shifting government commitments, the private strength of Cannon Ball's development highlights its success in the eyes of most tribal leaders. We are consulting weekly with the tribe on its future economic direction. In addition, other reservations are beginning to ask for assistance. Distilling our learnings and providing training opportunities as well as on-going consultant advice will become increasingly important in meeting these extended obligations.

PISINEMO

The miracle of the Pisinemo project can only be understood in the context of a reservation whose per capita income is \$983 a year and where at present there is a 70% unemployment rate. The past failures of both tribe and government bear witness to the success of the Pisinemo business and agricultural ventures. The three young and growing Indian owned businesses in Pisinemo can be matched by only two other small businesses owned by Indians throughout the rest of the Papago reservation. These three Pisinemo business ventures are prototypical for the rest of the tribe. Another side of the miracle has been the training schools which were representative of the eleven districts of the Papago reservation and three additional tribes. A genuine desire for the practical "know how" of human development was present. The third and perhaps most significant aspect of the Pisinemo miracle has been the creation of business management and bookkeeping teams. Each business has an Indian manager and bookkeeper that work hand in hand with the two ICA staff. Effective management and fiscal planning and accounting are the backbone for successful business ventures and traditionally have resulted in past failures. The next six months require continued, but controlled growth, that reflect solid markets beyond Pisinemo. This growth can be supported and developed through the effective expansion of the present four-sector coalition of the church, tribe, corporation and government, that have played a vital role to date.

Business development in Pisinemo has captured the reservations imagination. The Adobe Brick and Construction Company has built housing, community buildings, basketball courts, and district offices in Pisinemo and three other districts. \$80,000 of new business went through the books in 1981. Final work is presently underway on a \$70,000 community center and office for Pisinemo. The company has ten employees. The Laundromat has continued to grow increasing revenue by 400% over 1980. New machines have been purchased and a cafe begun. The question of short-term financial stability has given way to long-term ownership and management concerns. The construction company needs to continue to expand its small market beyond Pisinemo, fighting a difficult economic forecast for the reservation.

Agricultural development on the reservation represents the best opportunity for major economic expansion. The project is awaiting word on funding for a \$300,000 farm proposal. Included in the proposal is expansion of the present Santa Cruz farm in Pisinemo and additional farm programs with three other districts. Everyone is ready and anxious to begin the experiment. Immediate six-month plans call for increasing the Santa Cruz farm from 10 to 24 acres and solidifying farm salaries through the support of regular outside markets.

The Pisinemo Development Authority is now in control of local development. The PDA is the first such organization on the reservation. Nurturing and training this ten-person board is a serious challenge over the next six months. They are responsible, at present, for the Adobe Company, Laundromat/Cafe and the Santa Cruz farm, generating \$250,000 in capital and revenue. This is up from zero just fifteen months ago. The board represents the prototype local development form which must now demonstrate its competency in handling management decisions, personnel policy, and fiscal responsibility for the three businesses and nineteen employees of the PDA. The tribal leadership is watching closely for local success in the light of past failure which made their decision to risk with the PDA so difficult.

Reservation-wide planning will gain new scope in February when the second such conference begins. In September, 1981 representatives of all eleven districts and half of the tribal council met in Tuscon to objectify fall-quarter strategies. The February meeting will plan for the first half of 1982. This reservation exposure has increased requests for ICA consultations, the appearance of district newsletters and detailed planning on special projects related to farming and local business development in other communities.

Long-Term Implications

The positive success of these projects today is based on seeing the critical role of local development. The future depends on commitment to the continued infusion of sophisticated management systems and effective personnel, major capital investment, and outside expertise. A ten-year track record is necessary to assure local self-sufficiency. The question addressed to the Institute is, "If not us, who?" The obligation the Institute of Cultural Affairs assumed, not only in relationship to Cannon Ball and Pisinemo but for all of Indian Country, requires bold new steps to forge effective local coalitions who will accept the challenge of local replicability. The framework of these four-sector coalitions are now present. Continued commitment by the ICA is also required to assure the long-term effectiveness of efforts made to date.

The project phase is completed. The challenge is clear. The commitment required here can be equated to India, Africa and Southeast Asia. A demonstration has happened, the reservations across Indian Country stand waiting.