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Review of Reservation "Capitalism": Economic Development in Indian Country by Robert J. Miller

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I don’t know how many times I’ve heard someone say, “Capitalism doesn’t work in Indian Country . . . it’s just not compatible with their way of life.” While I’ve often attempted to counter such misconceptions with my own anecdotal knowledge and experience, Robert J. Miller’s excellent Reservation "Capitalism" thoroughly eviscerates that persistent myth.

The opening chapters offer a comprehensive critique of the antiquated notion of Indians as “forest-dwelling socialists,” detailing how private property rights, wealth accumulation, and entrepreneurial acumen were commonplace throughout Indian Country prior to European contact. Miller proceeds to recount how reservation economies were devastated by European interactions and how the yoke of the Great White Father’s paternalism continues the suppression. He then introduces his core thesis that capitalism and economic activity are consistent with tribal values and culture, although both exogenous and endogenous factors unnecessarily suppress reservation economies. Finally, Miller provides a roadmap for overcoming those deleterious factors and moving Indian Country forward towards self-sustaining reservation economies.

Reservation "Capitalism" is worth reading for the opening chapters alone, but Miller also analyzes modern reservation economies, covering a range of tribes from throughout Indian Country with detailed examination of specific tribes in Oregon, California, and Oklahoma. He also provides a thorough recitation of the rise of Indian gaming as an economic powerhouse.

While many of the reasons for the deplorable economic conditions in Indian Country are exogenous, Miller highlights certain areas under tribal control that also contribute to the challenging economic situation. In his chapters on attracting capital, Indian entrepreneurship, and creating reservation economies, he details several opportunities for tribes to make a substantial difference in their own economic situations that are entirely within their power.

Miller also identifies instances where federal and state governments impede the development of self-sustaining reservation economies and provides suggestions either for change or at least minimization of their negative impacts.

Miller’s ideal reservation economy is one in which revenue is generated on the reservation and then circulated multiple times through several on-reservation businesses and individual entrepreneurs, with the ultimate goal of keeping the dollars earned on the reservation. The reality of most reservation economies, however, is the exact opposite, and Miller uses this problem of “leakage” as a recurrent theme throughout his book. He cites numerous examples, but also several studies, including one from 2000 demonstrating that the leakage from the seven reservations in Montana resulted in a billion dollars of lost economic activity. Miller also points to those examples of tribes actively trying to reverse such leakage, such as the development of a tribal member-owned bank on the Turtle Mountain reservation in North Dakota.

While Miller’s fluid style makes his book accessible to the casual reader, the level of research and its extensive endnotes make this book a viable choice as the primary text for a course on tribal economic development. Although not a legal text, Miller provides an excellent synopsis of the legal history and background necessary to understand the impediments to tribal economic development.

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