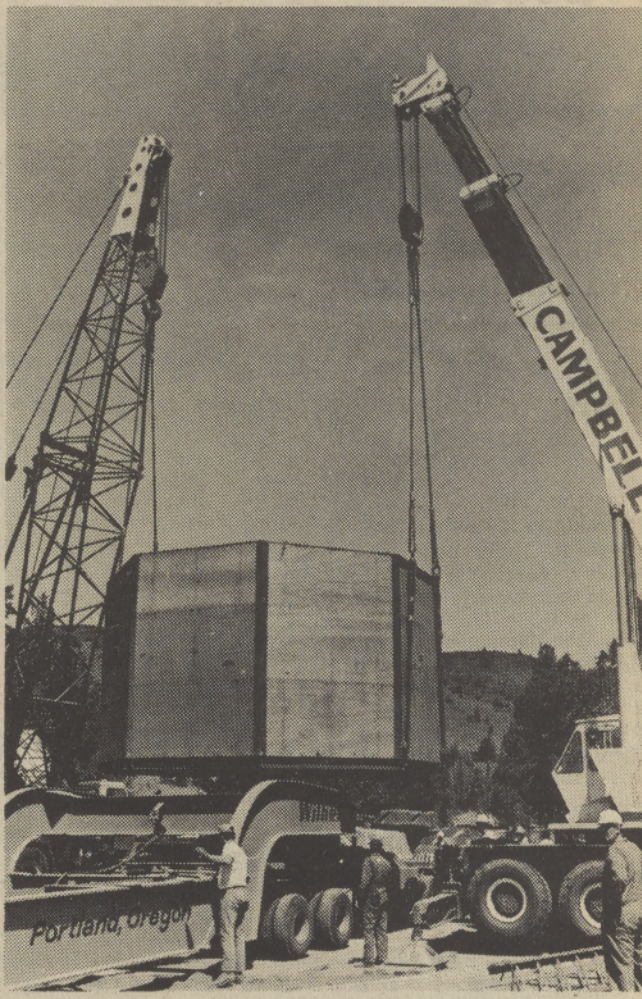


Hydro generator arrives in Warm Springs



The generator for the Warm Spring hydroelectric project recently arrived in Warm Springs. It took over 12 hours for the extra wide, 90-ton load to travel from Portland and required special assistance from the Oregon State Weigh Master. Special cranes (right) were used to lift the generator from the truck and is now making its temporary home in a concrete-based silo that will keep the generator out of the weather until it is installed early next year.

Spillyay Tymoo photos by Behrend

Smith speaks out on reservation development

"We have to strengthen tribal governments"—Smith

In an exclusive interview with *Nations* magazine the day after his Senate confirmation hearings, Assistant Secretary for Indian Affairs Ken Smith said his objective "is to see growth in reservation economies."

To do that, Smith said his office and the BIA will seek to help the tribes in finding capital for economic development and in identifying opportunities for development.

Smith said that any initiative to extend development capital to a tribe should also make monies available to individual Indian developers. "We have to attack the problem on all sides," he said. "anything we can do, we will do."

Smith was optimistic that with good suggestions from throughout Indian country his office could find solutions to economic development problems on reservations. "There are a lot of problems, but I think we have a lot of people out there who could propose some solutions if we could get them all together," he said.

This interview appeared in the premier issue of *Nations*, which was released in June. The specific questions and answers of that interview as printed in *Nations* follow here:

Q: We understand that you have been running lately. What has your schedule been like since you arrived in Washington?

A: "When I first came in they

started briefing me for the confirmation. Then all of a sudden, I was dragged into a lot of things that required the attention of the Secretary. That was a briefing in itself!"

Q: Were any of those activities related to the budget process?

A: "I really haven't become involved in the budget at this point. I am just starting to get briefed now. Coming from the business world, the budget is the first thing I want to know about. My experience is in accounting, so I don't think it will take me long to review it."

Q: If the budget is approved, programs such as CETA, SBA, EDA and others which help to support tribal governments and economic development will go out the window. Are there alternatives?

A: "Anytime funding is lost there is going to be an impact in Indian Country. I am sure that tribes are going to be looking to the Bureau of Indian Affairs for support."

Q: Do you think support will be a forthcoming?

A: "That's a tough one to crack, if you take CETA as an example: CETA is a good program on a short-term basis for training and employment. But we have to start developing other programs and new initiatives that can build on the long-term. These short-term things like CETA are nothing more than band-aids, and I would like to see that turn around."

Q: Long-term building requires capital. In the past Indians have not had access to the International Monetary Fund or other vehicles for capital formation. Do you foresee any government help to open these doors and promote development?

A: Indians do need help in finding capital. Where is the money? What are the hurdles, and how do we overcome those hurdles? I think that we have to assist the tribes in identifying opportunities. That would be one of my initiatives."

Q: Would a program for the identification of development monies extend to Indian businessmen as well as to tribes?

A: "Yes, I think so. We are not going to limit ourselves to tribal projects, per se. Our objectives is to see growth in reservation economies, and this sometimes comes from entrepreneurs. Let's face it, a lot of tribal projects are not successes. If our objective is to increase and improve is to increase and improve reservation economies, I think we have to attack the problem on all sides. Any thing we can do to stimulate the Indian economy, we will do."

Q: Would you involve Indian businessmen as well as tribal leaders in developing a plan to this end?

A: "Yes, we need their input. That would be one of the first things we would do. There are a lot of problems, but I think we

have a lot of people out there who could propose some solutions if we could get them all together."

Q: The BIA has stated that the proposed block grant will help tribes in financial planning. How will that work?

A: "What we have proposed is a Consolidated Tribal Government Program, which is a block grant concept. What we do is put ten programs—and hopefully we can get more programs—into this consolidated program as a line item. It will give us more flexibility when we enter into appropriations. Right now a tribe has to plan 18 months ahead of time and put priorities down on a band analysis. If Congress buys our concept, tribes will be able to sit down one or two months before they enter into a grant agreement to decide how they want to spend their money. This will provide tremendous flexibility."

Q: Will larger, more sophisticated tribes have a better chance of getting grants than smaller tribes?

A: "We have inquiries out now on how that money would be distributed. One thought is that tribes would receive the same ratio of funding that they have received in the past."

Q: Then there is no chance that small tribes will lose out to the larger tribes?

A: "Absolutely not. I feel very strongly about developing financial packages for smaller tribes mainly because they are hurt most by the cutbacks.

CETA workers and EDA planners often are their entire tribal administration. I feel that every tribe needs a minimal amount of money to operate their administration. Small tribes should get a little extra something at the bottom line. I will be looking for a minimal allowance to develop this."

Q: Then this might develop into a new tribal government program to take the place of CETA and EDA?

A: "Yes. And this is where I am coming from; we have to strengthen the tribal governments. We are here to promote, to encourage, to assist tribal government. We are going to work with tribal governments to succeed, because they are going to make the decisions. In order for us to do that, we have to strengthen tribal governments and strengthen their fiscal management. IF they are successful, then BIA is successful."

Q: "That was Ronald Reagan's position when he was a presidential candidate. Is it now his policy? Is he moving in that direction?"

A: "Yes, he is continuing in the direction. That is the major way we are doing to be successful."

Q: And you are measuring success in economic terms?

A: "I hope that I can accomplish those things. My performance is measured year by year. I look at the bottom of the line. If I don't see anything happen then I have to feel that I am not doing my job."