



PHOTO © MALCOLM MACKINNON

PINE RIDGE RENAISSANCE

Oglala Sioux tribal member Monna Patton rises well before the sun on this bitterly cold January morning, making sure to give herself more than enough time to navigate the snow-hardened stretch of crumbling pavement that passes for the road between her home and Lil' Angel's full-service convenience store in Kyle, South Dakota. She can't afford to be late on this morning, as she must open Lil' Angel's doors at twenty minutes before 8 a.m., in time to welcome the morning shift and product vendors.

Shoveling the previous night's snow off

From the Ground Up, Sovereignty Can Be Real

IAN WILSON RECORD

**PHOTOS BY
MALCOLM MACKINNON**

of the front walk is the first of a variety of tasks that Patton will perform during her 16-hour shift. This day, two employees have failed to show, leaving Patton to operate the register until the substitute

workers she called arrive.

"I don't mind it so much," she says as she rearranges the floor mats to catch the muddy footprints of the customers as they traipse inside. "Working the till gives me a chance to interact with our customers, which I really enjoy."

For Patton, who owns Lil' Angel's, rolling with the punches comes with the territory. During the dozen years and three expansions since she first opened the store named after her daughter, necessity has demanded that she become a jack-of-all-trades.

"When I started this business, I had the

idea and the determination, but I didn't have the know-how. I have had to learn the hard way," says Patton, who employs about two dozen people—many of them family members.

Patton attributes the success of her business to her unwavering persistence as well as her willingness to be flexible with her employees, making allowances for their familial, communal, and cultural obligations as Oglala Lakota.

"Being from Pine Ridge, I know those are the types of obligations that you can't set aside. I work with our employees and not against them because I know how hard jobs are to come by here. We work around the problems," she says. "After all, local people helped to build this store, and many of them work here. We all have a vested interest in seeing this business succeed."

Just up the road from Lil' Angel's, fellow tribal member Karlene Hunter enters the newly constructed building that houses her company, Lakota Express. Today promises to be another long and hectic day for Hunter and her 16 full-time and 22 part-time employees. In addition to handling its growing stream of merchandise fulfillment, direct marketing, call center, and graphic design jobs, Lakota Express recently ventured into a new arena—conference coordination. Its second conference, the National Center for American Indian Enterprise Development's annual conference in Las Vegas, is less than three weeks away and much work remains.

"You have to seize the opportunity when it comes your way," says Hunter as she observes the bustle of activity. "You need to know your potential and your resources and be unwavering in your commitment to do the hard work that is necessary. As a small business, we have to

Top left: Flying into the wind, Oglala boys kick off the annual Lakota War Pony Race at the White Plume Ranch and Homestead, Pine Ridge, South Dakota.

go the extra mile, for it's the only way we can survive. Give us a shot and we will show you we can perform."

Hunter's state-of-the-art facility, which boasts a cutting-edge computer database system and 50 fully operational telecommunication stations, is a far cry from the basement of her home, where she first launched Lakota Express in 1996. Several years and numerous marketing industry awards later, Lakota Express is experiencing remarkable growth, which Hunter traces to a work ethic grounded in traditional Lakota values and predicated upon merging business profitability with community empowerment.

On many reservations, the conventional strategy of relying on tribal government and tribal enterprises as the exclusive engines of economic growth has proven insufficient to meet the often immense development hurdles tribes face.

"Lakota values are ingrained in the work ethic of our business, in our 'employee as warrior' approach," she says. "Traditionally, everybody had a valued role and depended on one another. Likewise, at Lakota Express, every position fills a need. Here, no one position is more important than any other. You don't get ahead for yourself. You get ahead for your people."

Lil' Angel's and Lakota Express are two of a growing number of tribal citizen-owned businesses that are taking root in Kyle and Pine Ridge's other townships. In the face of tremendous obstacles—chief among them the reservation's often hostile business climate—tribal entrepreneurs like Patton and Hunter are confirming that the Oglala Lakota's most precious resources are its own people. With the help of the newly created Pine

Ridge Area Chamber of Commerce (PRACC), they are demonstrating the important economic potential of—and, hence, the need for—comprehensive private sector development on a reservation regularly labeled one of the poorest areas in the United States.

One of the country's first and only reservation-based chambers of commerce in the United States, PRACC was established two years ago to support existing and prospective tribal citizen-owned businesses. A non-profit corporation, PRACC's mission is to "create, sustain and enhance Indian-owned businesses that will improve the quality of life on the

Pine Ridge Indian Reservation, applying the Lakota values of honesty, wisdom, respect, courage, fortitude, responsibility and generosity to the economic setting." Although still in its formative stages, PRACC already boasts more than 100 diverse members, including grocery stores, motels, restaurants, construction companies, gas stations, bed and breakfasts, and auto repair shops.

PRACC member Bat Pourier, owner of Big Bat's full-service convenience store in Pine Ridge Village, describes the Chamber as a "networking lobby" that equips its members—most of whom are first-generation business owners—with the know-how crucial to insuring that their businesses not only survive but thrive.

"Before the Chamber, my wife Patty and I were on our own when it came to figuring out how to solidify and expand

our businesses,” says Pourier, who also owns an oil and gas wholesaling company, three other convenience stores, and an interest in a propane distribution company. “PRACC has essentially flattened out the tremendous learning curve for small business owners by sharing its practical expertise and fostering a constructive dialogue between its members.”

According to PRACC members, the advocacy organization also serves as a “united front” for small businesses, helping them successfully negotiate Pine Ridge’s often unstable political environment. Recently, the Chamber moved swiftly to squash a proposed tribal resolution calling for a marked increase in land

a consciousness among tribal citizens about the dynamic role that small business can play in keeping Oglala Lakota dollars circulating within Pine Ridge’s borders. On a reservation that currently relies on the federal government for close to 90 percent of its income and sees nearly that same percentage spent off-reservation within 72 hours, generating local revenues and establishing viable local outlets for spending by the tribe and its members is essential. In PRACC’s view, comprehensive small business cultivation will have a significantly positive impact on the tribe’s ability to recirculate money within the community, a process imperative to creating reservation wealth and

Although still in its formative stages, PRACC already boasts more than 100 diverse members, including grocery stores, motels, restaurants, construction companies, gas stations, bed and breakfasts, and auto repair shops.

lease rates that, if passed, potentially could have put many of Pine Ridge’s small businesses out of business. The resolution, designed to raise revenue for the Oglala Sioux Tribe’s programs, failed after Chamber members and their employees flooded tribal and district officials with phone calls criticizing the proposal as a threat to their livelihood and then packed tribal council chambers to show their disapproval.

“The Chamber provides us a support system to help us weather the rough times,” says Hunter, a PRACC member. “It also serves to inform reservation residents and the tribal government about the importance of the private sector, about what its development can mean for our reservation and our people.”

A major objective of PRACC is to foster

forging tribal economic self-sufficiency.

“Pine Ridge has the potential to be the most vibrant economic sector in the state,” says PRACC executive director Mark St. Pierre, citing the reservation’s young population, its growing level of income, its “pent-up consumerism,” a large work force “that is not being absorbed,” and the fact that there remain myriad economic niches on the reservation that tribal entrepreneurs can carve out for themselves and their families. “Because there is little here, if you build a movie theatre, sell music, operate a car wash, or start a landscaping company, you will likely have the market cornered. The possibilities are endless when you consider what our residents generally buy but don’t buy here.”

PRACC businesses already are demon-

strating the economic ripple effect that occurs when citizen-owned businesses are able to thrive within reservation borders. In addition to providing a notable number of stable jobs, Chamber members make a concerted effort to do business with each other as well as the tribe, proving how small businesses can give Pine Ridge a greater proverbial bang for its bucks. Hunter, for example, hired J.C. Construction Company—which is owned by tribal and PRACC member Jesse Clausen—to build Lakota Express’ new facility. Hunter’s clients include the Oglala Sioux Tribe, Oglala Lakota College, and the Wounded Knee School District—as well as a growing number of off-reservation customers, such as the U.S. Department of the Interior, Honor the Earth, and Golden West Telecommunications. Meanwhile, Bat Pourier has recently seen a significant rise in his bulk fuel business, thanks in large part to on-reservation vendors like Lil’ Angel’s in Kyle and Wanblee Mart in Wanblee, another PRACC business.

“Whenever possible, Chamber members buy locally—even if it means a crimp in our bottom lines—in order to show the benefits of supporting local businesses. If we can get the buck to stop here and turn over two or three times, it will make all the difference in the world,” says Hunter, who routinely purchases many of the products her company ships out from local vendors.

In fundamental ways, the positive strides that Pine Ridge’s small businesses are making transcend the economic arena. Many Chamber members serve as community leaders as well as economic entrepreneurs, using their businesses as vehicles to provide employment to family members and tribal citizens, reinforce Lakota culture, improve reservation infrastructure, satisfy community needs, and attend to some of Pine Ridge’s most pressing social ills. Across the board, small business owners pay themselves modest,

fixed salaries that pale in comparison to what they could make off of the reservation, instead reinvesting the bulk of their profits both in their respective businesses and the local communities those businesses serve. According to PRACC, they feel it is their duty as Oglala Lakota to use their business earnings to fortify their culture and communities, especially considering that Pine Ridge's non-Indian businesses typically fail to share those obligations.

"I didn't start this business to get rich," says Hunter, who routinely issues profit bonuses to employees. "I wouldn't work for anyone else for what I pay myself to work at Lakota Express. I did it to create opportunity at Pine Ridge." For the past seven years, she has reinvested all of her company's investment proceeds back into her business. Her long-term ambition is to expand her "distance-neutral" business to include mini call centers in every reservation community in order to provide employment opportunities to Pine Ridge residents—particularly those who live in extremely remote areas—who have never had them before.

Patton, meanwhile, has continually expanded Lil' Angel's and the services it provides to meet the growing demands of the Kyle community. Services taken for granted in other parts of America are crucial here: the store recently installed an air pump for use by Kyle residents and began offering much-needed check-cashing services to tribal citizens. Patton also has taken a lead role in the effort to develop Kyle's physical infrastructure, working with the Medicine Root District and the tribe's Empowerment Zone project to purchase two fire trucks for the community and build the first concrete sidewalk through the town's central neighborhood. Lil' Angel's generated a portion of the funds needed to launch Kyle's volunteer fire department by selling bait worms to local fishing enthusiasts. Her next venture? Building a bowling alley, or perhaps even a movie theater. According to Patton, it is all part of a commitment to create a "thriving community and a culture of success."

Bolstering PRACC's effort to inform the tribal government and populace about the economic, social and cultural advan-

tages of small business cultivation at Pine Ridge is a growing body of research on Indian country illuminating the wisdom of a tribe incorporating the private sector into its development mix. According to the findings of the Harvard Project on American Indian Economic Development and its sister organization, the Native Nations Institute for Leadership, Management, and Policy (NNI) at the University of Arizona, developing tribal citizen-owned businesses yields a number of tangible benefits for Indian nations in addition to generating a steady and potentially significant source of jobs and keeping tribal dollars at work on the reservation. Among these are the development of tribal revenue through the evenhanded taxation of reservation businesses; the building of reservation wealth through community-minded business owners who typically reinvest their profits locally; the broadening or "thickening" of a tribe's development approach, promoting community participation and reducing fiscal dependency on the federal government; and the retention of a tribe's most talented members, many of whom otherwise leave the reservation in search of a more promising environment in which to invest their time, energy, and expertise.

"It is not a coincidence that many tribes who are successfully engaging in what we refer to as 'strategic nation-building' are aggressively cultivating citizen-owned businesses on their reservations," says Dr. Stephen Cornell, a sociologist at the University of Arizona and co-founder of the Harvard Project. "Building a small business sector alongside tribal enterprises not only diversifies the reservation economy, it offers tribal citizens the chance to create their own solutions to economic problems."

While a number of tribes are realizing the economic opportunities inherent in the private sector and are reforming their development strategies accordingly, on



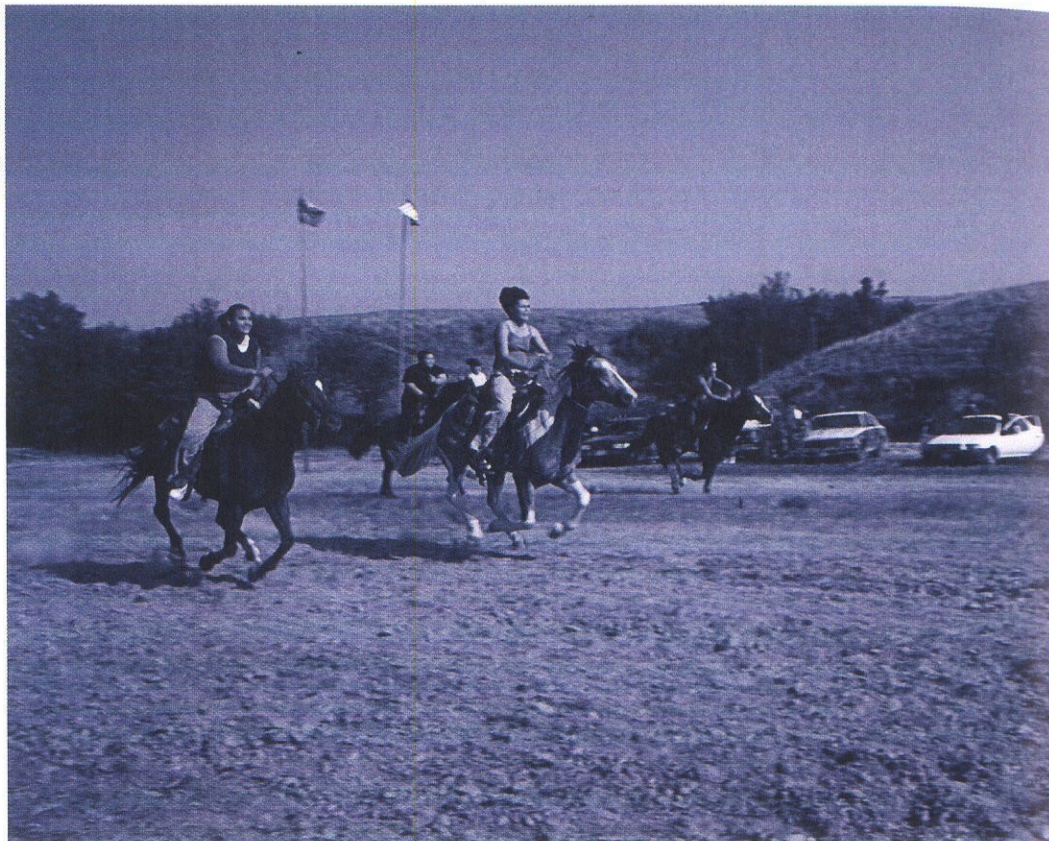
Young riders in a line. Lakota War Pony Races include many traditional type races formerly used to prepare warrior riders

many reservations, small business remains a virtually “untapped” resource. At Pine Ridge, the small business community is making progress in spite of a formidable number of institutional, bureaucratic, social, legal and political barriers. According to PRACC, these barriers include an incredibly protracted land leasing process (as long as 18 months) that deters many tribal entrepreneurs from locating on the reservation; a limited number of land parcels demarcated for small businesses and land leases that run only five years, making them vulnerable to political machinations; the absence of adequate on-reservation lending resources and the unwillingness of outside banks to extend credit or loans to tribal entrepreneurs who possess little or no equity; and the reservation’s infrastructural shortcomings, which typically force business owners to build their own buildings and develop their own infrastructure, such as water, sewer and roads. Also inhibiting private sector growth is an underfunded and politicized tribal court system that is perceived as poorly equipped to fairly adjudicate business disputes; the popular myth that small business owners are either unduly selfish or wealthy or both; and a tribal government—like many such governments—that is struggling to move away from a crisis management mode and avoid micromanaging local enterprises and programs.

“Under the current conditions, we are asking aspiring tribal entrepreneurs to take an extraordinary leap of faith,” St. Pierre says. “The ceiling for private sector growth will remain low until we remove those obstacles that stand in the way of small business development. Sustaining and building upon the positive momentum that we have already generated, raising that ceiling, is the key.”

Removing those obstacles may require the Oglala Sioux Tribe to fundamentally rethink economic development and the role the tribal government should play in

PHOTO: © MALCOLM MACKINNON



The women’s one-mile race gets underway.

that development. Some Chamber members believe this necessarily entails the tribe abandoning or curtailing its approach—so far unsuccessful—of attempting to produce an economic panacea by counting on federal funding and luring job-laden corporations to the reservation.

“Pine Ridge needs to move away from ‘the messiah complex’—the belief that Ford Motor Company or somebody else is going to locate a plant here and bring us six hundred jobs,” says St. Pierre. “Instead of banking on outsiders to come to our rescue, we need to rely on the positive energies found at the local level. We have to do this ourselves.”

“We have to create an economy from the inside out. It has to be driven and accountable, which can only be accomplished if our own money, passion and time are invested,” says Monica Drapeaux, owner of Lakota Travel Lodge and director of the Lakota Fund, an indepen-

dent lending institution established more than a decade ago to offer capital and technical assistance to Pine Ridge’s small business owners, many of whom are now members of PRACC. The Lakota Fund, a 1986 brainchild of the First Nations Development Institute, is among the early examples of the model of Native community development that a growing number of tribal communities are now employing with promising results.

But for a tribal government faced with urgent and enormous demands on its limited resources and tribal officials whose principal charge is to create jobs immediately, adopting an economic policy that seeks to achieve gradual, incremental economic growth will be difficult.

“It is much easier to imagine a large tribal enterprise making a discernable dent in the reservation unemployment rate than to envision a small business doing so. It’s also a lot more politically profitable to land a big fish—for exam-

ple, to start up a large manufacturing plant—than a lot of little ones,” says Cornell.

The optimal philosophy is one that diversifies approaches. This was the early conclusion of a visionary range of tribal planners and activists in the late 1970s. On many reservations, the conventional strategy of relying on tribal government and tribal enterprises as the exclusive engines of economic growth has proven insufficient to meet the often immense development hurdles tribes face. Various Native activists and organizations, such as John Mohawk, Center for the Americas (University of Buffalo), Daniel Bomberly (Seventh Generation Fund), Wilma

At Pine Ridge, a tribal council resolution ratified last year and known as the “12-Point Plan” contains the possible foundations of what PRACC sees as a “genuine shift” in thinking by tribal elected officials about reservation development and the place of small businesses in that endeavor. Devised by a group of tribal planners, program directors, and department heads, the plan mandates a series of reorganizational steps primarily designed to streamline the tribe’s bureaucracy and facilitate economic development by insulating it from tribal politics. When implemented, the plan would create an independent economic development corporation that would oversee

lates the tribal court system so that it can competently enforce those standardized rules of the reservation’s business arena. It is all part of their common mission to achieve sustainable economic growth by building from the ground up.

“The bottom line is that we have to start looking thirty years out and beyond, instead of only five or even two years out,” St. Pierre says. “That is hard to do when we have a society that has been in survival mode for so long.”

PRACC is actively developing a collaborative partnership between itself and the Oglala Sioux Tribe, the tribe’s Empowerment Zone, and the Lakota Fund to craft a strategic vision for Pine Ridge that relies on the horsepower latent in the private sector to help the tribe pull the cart of reservation economic development. It is the only way, or at least the primary way, they say, the Oglala Lakota will ever be able to take full advantage of the reservation’s “unlimited” potential.

“The only thing inhibiting us is us,” says Hunter. “We limit ourselves. We box ourselves in. We have to think outside of the box, outside of those paradigms that have held us back for so long. Anything is possible.”

NOTES:

Andrew Aoki and Dan Chatman’s *An Economic Development Policy for the Oglala Nation* (Harvard Project on American Indian Economic Development, John F. Kennedy School of Government, Harvard University, April 1997); John McBride and Ray Gerow’s *Minding Our Own Businesses: How to create support in First Nations communities for Aboriginal Business* (Burnaby: Simon Fraser University CED Centre, 2002); and Richard T. Sherman’s *A Study of Traditional and Informal Sector Micro-Enterprise Activity and Its Impact on the Pine Ridge Indian Reservation Economy* (Washington, D.C.: Aspen Institute for Humanistic Studies, September 1988) contributed to this report.

To learn more about the Pine Ridge Chamber of Commerce, please visit www.pineridgechamber.com. To learn more about the research of NNI and the Harvard Project, please visit www.udall-center.arizona.edu/nativenations/ and www.ksg.harvard.edu/hpaied/.

Ian Wilson Record is a Ph.D. candidate in American Indian Studies and a research associate with the Native Nations Institute at the Udall Center for Studies in Public Policy at the University of Arizona.

The Lakota Fund, an early brainchild of the First Nations Development Institute, was among the early examples of the methodology of Native community development later identified by the Harvard Project.

Mankiller and others, were among the original contributors to this idea and to its practical implementation in Indian country. According to Cornell, the emerging consensus is that the economic, social, political, and even cultural realities of many tribes demand that they deploy a multilateral approach to achieving lasting, self-determined economic development.

“Building sustainable economies is a complex challenge, particularly for rural Indian nations that are saddled with alien systems of government, that have endured massive resource losses and decades of powerlessness at the hands of the federal bureaucracy, and that bear the sometimes crippling legacies of long-term poverty,” he says. “In such situations, every strategy deserves consideration, and every individual deserves a chance to contribute.”

tribal enterprises and depoliticize the reservation’s business climate, establish an on-reservation financial institution to promote small business start-ups and reduce Pine Ridge’s reliance on off-reservation banks, and lengthen the terms of office for elected officials from two to four years to increase tribal government and program stability.

Chamber members say the 12-Point Plan is an encouraging sign, but just the first in a series of fundamental steps that the tribe must take in order to create an investment-friendly environment for tribal citizen-owned businesses. In their view, a separate tribal economic development corporation and an on-reservation financial institution will accomplish little unless the tribe also adopts uniform commercial codes and strengthens and insu-