*Rural Sociology* 65(1), 2000, pp. 148–167


# Alternative Economic Strategies in Low-Income Rural Communities: TANF, Labor Migration, and the Case of the Pine Ridge Indian Reservation*

***Kathleen Pickering***
***Department of Anthropology***
***Colorado State University***

ABSTRACT The premise of current welfare policies is that recipients are avoiding work and that requiring work will end welfare dependency. Unemployment is equated with labor market inexperience and economic inactivity. The Pine Ridge Indian Reservation, a poor rural community with high unemployment, contradicts these assumptions. Many Lakota individuals have off-reservation wage work experience; there simply are not enough local jobs to absorb their human capital. Lakota households, however, are involved in a complex combination of socially embedded economic activities outside wage work. Imposing the premises of TANF on Pine Ridge results in indirect pressures toward urban migration and cultural assimilation. Furthermore, by imposing rigid notions of work, TANF runs the risk of destroying the economic flexibility that makes survival possible for poor households in Pine Ridge. Welfare and development policies need to reflect the real economies of rural American Indian reservations rather than those of superficially assimilated and economically imagined communities.

In the current climate of welfare reform, public policy is turning once again to chronically poor rural areas to find solutions for their poverty. The Temporary Assistance to Needy Families ("TANF") block grants were created by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193). This legislation envisions a situation in which wage labor positions will absorb persons viewed as dependent on the prior federal welfare legislation, Aid to Families with Dependent Children ("AFDC"). Under TANF, adults may receive cash assistance for a lifetime maximum of five cumulative years, and must start working within two years after first receiving assistance. Work activities recognized under TANF legislation include subsidized and unsubsidized employment, community service, participation in job search and job readiness programs, jobs skills training, on-the-job training,

* Funding for this research was provided by National Science Foundation Grant SBR-9221383; Wenner-Gren Foundation Grant 5473; Colorado State University's Career Enhancement Grant and College of Liberal Arts Professional Development Grant; USDA Cooperative Agreement 43-3-AEN-7-80065, Gene Summers, Principal Investigator; and the Wisconsin Agricultural Experiment Station. Address correspondence to the author at the Department of Anthropology, Colorado State University, Fort Collins, CO 80523; (970) 491-5962; kpickering@vines.colostate.edu.

secondary school education, and vocational education for up to 12 months (Pandey, Brown, and Scheuler-Whitaker 1998:1–2).

TANF regulations do not explicitly take into account the nature of the economies in which rural American Indian communities such as Pine Ridge are located. According to TANF, the solution to welfare dependency, and (by extension) economic development, is simply insistence on wage work. In urban and suburban areas, where unemployment rates are at a 30-year low, transforming welfare recipients into wage workers may be a realistic goal. On the Pine Ridge Indian Reservation, however, the unemployment rate consistently exceeds 70 percent, according to U.S. Bureau of Indian Affairs estimates (BIA 1991, 1993, 1996, 1998). In fact, the Pine Ridge Reservation in remote southwestern South Dakota, home to the Oglala Lakota (Sioux) tribe, encompasses the poorest county in the United States, according to the last two decennial U.S. Census reports.

In this paper I address two concerns raised by imposing the premises of TANF on Pine Ridge. First, TANF assumes that jobs are available and that welfare dependency is a product of undeveloped human capital. The residents of Pine Ridge embody a wealth of work experience, but much of it was not acquired in Pine Ridge. Local job shortages have caused a long history of migration from Pine Ridge to urban areas for wage work. The problem in Pine Ridge is not the failure to develop the human capital that is present, but rather the failure to develop an economy that provides an adequate number of wage jobs for the residents.

Second, TANF assumes that unemployment is the same as economic inactivity. Wage work, however, is not the only legitimate form of economic activity and should not be the only form recognized and promoted by welfare policy. Households in Pine Ridge follow alternative economic strategies other than wage labor migration, which are neither acknowledged nor strengthened by TANF. Households are engaged in a dynamic mix of subsistence production, home-based enterprise, and socially based exchanges of goods and services, as well as welfare and wage work. Flexible movement among these alternative strategies is critical in making survival possible in Pine Ridge.

The inappropriateness of TANF for communities such as Pine Ridge raises two broader issues in relation to policies that attempt to reduce poverty and foster economic development on rural American Indian reservations. First, by placing sole emphasis on individual "personal responsibility," TANF appears to be the latest in a line of recurring policies promoting cultural assimilation as the hidden solution to poverty. Leaving the reservation and abandoning productive but nonmonetary social networks has a direct impact on the maintenance and transmission of Lakota culture. Sec-

ond, TANF adheres to the myth that wage work alone will be an adequate solution to poverty in the context of expanding globalization. Internationally, more and more communities are finding that their local labor is redundant to capitalist wage-based production (Mingione 1991; Sassen 1998:155). As a result, TANF becomes a policy based on an imagined economy of ample wage work, rather than on the actual economic conditions confronting poor rural communities such as Pine Ridge.

The findings reported here reflect more than 10 years of work on the Pine Ridge Indian Reservation, beginning with my work as an attorney at Dakota Plains Legal Services in 1987. I conducted formal fieldwork for my dissertation from June 1992 to July 1993 on the Pine Ridge and neighboring Rosebud reservations. I administered formal surveys to 60 Pine Ridge residents, 22 men and 38 women, between 22 and 80 years of age. The survey included quantitative and qualitative questions about the respondents' economic activities, including wage work, small business, microenterprise, and socially based exchange. The tabulations of these surveys form the basis for the statistical results presented here. I also conducted informal interviews with another 48 Pine Ridge residents during my dissertation research. Finally, between February and June 1999, I interviewed 17 women and one man currently participating in the TANF program on Pine Ridge.

I begin this paper by presenting some theoretical frameworks addressing the nature of "work" and "economy." Then I consider two aspects of the impact of TANF on Pine Ridge. First, I explore the relationship between unemployment and job experience through the history of labor migration from Pine Ridge. Then I examine the potential for TANF to promote urban relocation and cultural assimilation. Second, I present data on alternative economic strategies of Pine Ridge households opposing the assumption of TANF that unemployment means economic inactivity. Finally, I consider the implications of using imagined economies as the basis for welfare and development.

## Theoretical Considerations: the Nature of Work, the Nature of Economy

The social sciences have tended to deal with rural, culturally distinct societies in isolation, and to look internally for explanations of their poverty. American Indian reservations in particular are assumed to be integrated, bounded, isolated systems, unaffected by social, political, and economic movements outside the reservation boundaries (Albers 1974:8, 491). When reservation boundaries are equated with socioeconomic boundaries, the experiences of Indian individuals exploring temporary or semipermanent wage labor outside reservations have been obscured. Few studies have dealt with

American Indians as wage laborers, either within or beyond reservation boundaries (Hurtado 1979; Knight 1978; Littlefield and Knack 1996). As a result, American Indians' real human capital resources have been underestimated; wage labor migration remains virtually invisible in the U.S. Census or in other survey data typically obtained.

In addressing the problem of American Indian rural poverty, the observations of dependency and world-systems theorists become particularly relevant. The economic benefits from local labor, land, and resources in marginal areas of the national economy are extracted to enrich the interests of core capitalism, while structures of political and social domination join to reinforce the subordinate economic position of the periphery (Hall 1989:12–13, 245–48; Jorgensen 1980:2–5; Snipp 1986:146–47; Wolf 1982:22–23). Yet American Indian wage labor has appeared to be relatively insignificant in a world-system that actually and virtually enslaved millions of Africans, Asians, and Latin Americans (Cornell 1988:223, note 37; Miles 1987:40–44). As illustrated below, however, American Indian migrant laborers in off-reservation agricultural and low-wage urban markets have been a consistent source of enrichment for core capital in the world-system (Pickering forthcoming). By including the destinations and experiences of off-reservation migrants, one can see the human capital residing in the reservation.

Furthermore, academic and public policy definitions of work, limited to formal wage work, have largely ignored the cultural and economic complexity of peripheral societies in the current world economic system. Economic anthropologists following Karl Polanyi's insights have emphasized the socially embedded nature of any economic system; they cite the importance of using local-level definitions of economic activity when trying to improve economic conditions. Polanyi and other substantivists questioned the universality of the "economic," viewing economy as a category of culture rather than of behavior (Polanyi 1944:46–47; Sahlins 1972:xii).

Each society has its own understanding of the "economic" behaviors and values for that society. The need for sensitivity to cultural conceptions of economy is particularly urgent in the field of economic development, where culture has often been viewed as an impediment to improving economic conditions (Macgregor 1946:24–25; Vinje 1985:160–61) rather than as the source of an adaptive strategy for making material survival possible in conditions of poverty and racism (Granovetter 1996; Stack 1974:27–28). Even in cities, theorists are recognizing the importance of social networks, rather than economic resources alone, in avoiding poverty (Mingione 1996:10–11).

Rather than being limited to wage labor activities, the concept of "work" should encompass all human activity that meets the

needs of human life, including entrepreneurship, informal activity, self-provisioning, household production, and the social relations that surround these forms of production (Mingione 1991:56, 75–76, 85; Pahl 1985:246–50). Informal activity has been theorized to include everything from cash moonlighting to bartering services, from illegal drug trade to selling homemade items, from insurance fraud to subsistence gardening (Carson 1993:326–27; Henry 1993:42–46; Sassen 1998:156–57). The nature and extent of these variously constituted forms of informal activity have been appreciated only recently, particularly in the heart of advanced capitalist societies (Castells and Portes 1989:15–20; Sassen 1998:153–54; Witte 1993:403–406). The range of economic strategies available to a household and the mix of formal and informal economic activities undertaken are defined in part by the household's composition (Pahl 1985:258–63). The options and resources that household members possess and can pool together depend on their age, gender, and experiences (Amott and Matthaei 1996:13–17; Beneria 1988:372–73).

## The Pine Ridge Case

The issues of wage labor experience and alternative economic strategies on the Pine Ridge Indian Reservation have been accentuated by the implementation of TANF by South Dakota in 1997. Currently there are approximately 900 open TANF cases on Pine Ridge, representing 20 percent of the total TANF caseload for the state. Federal legislation provided American Indian tribes with the option of directly administering their own TANF program, thus introducing the potential for creating culturally based programs sensitive to local conditions. The Oglala Sioux tribe, however, decided against receiving its own TANF block grant. Among the reasons for not administering TANF directly, the tribal government cited inadequate federal funding, lack of a state matching grant, lack of infrastructure, and lack of administrative experience suited for such a huge administrative burden. In fact, for similar reasons, only 21 of the more than 500 Indian tribes in the United States have opted, to date, to administer their own TANF programs (DHHS 1999; Normandin 1998).

TANF recipients must spend 20 to 30 hours per week, depending on their children's ages, at an accountable work site. Failure to appear at the site can result in sanctions ranging from a reduction in benefits to closing the recipient's case. Caseworkers must find a work site for a recipient before that recipient may be sanctioned for failure to meet the TANF work requirements. Because of the high rate of unemployment, virtually all the accountable work activities required of TANF recipients are community service placements in schools, tribal offices, and Head Start centers. Also be-

cause of the high unemployment rate, the five-year lifetime limit for receiving TANF is not currently being imposed on Pine Ridge recipients.

The Pine Ridge case raises two concerns in relation to the implementation of TANF. First, TANF assumes that wage jobs are available, and that welfare dependency will end if recipients simply are forced to gain some work experience. Second, TANF assumes that wage work is the definitive form of gainful economic activity, and that insisting on community service work for welfare benefits, with little hope of a future job, will increase economic well-being for current welfare recipients. In fact, however, artificial forms of community service work eliminate time for critical alternative forms of economic activity.

**Welfare Dependency: Lack of Job Experience or Lack of Jobs?**

The assumption that welfare recipients are dependent because they refuse to take available wage labor jobs rings hollow in Pine Ridge. Wage labor positions on the Pine Ridge Reservation have never absorbed more than 15 to 20 percent of the local Lakota workforce. Wage work has existed through federal and tribal government positions, limited employment for churches and other nonprofit organizations, and an even smaller pool of jobs with local Indian and non-Indian businesses. In 1990, federal government positions accounted for 25 percent of all jobs in Pine Ridge; local government accounted for another 33 percent. None of the dozen factories started in Pine Ridge since the 1940s have survived more than a few years. In the 1990 U.S. Census, fewer than 5 percent of households in Pine Ridge reported income from farm self-employment. In addition, the truism that education is a hedge against unemployment is challenged by the absence of job opportunities in Pine Ridge, where 35.6 percent of insured unemployed persons in 1990 were technical and managerial professionals, the occupational category with the highest percentage of unemployment (South Dakota Department of Labor 1991). The requirement for wage work in an area without wage work presents a daunting challenge for isolated rural communities such as Pine Ridge.

The dilemma appears to be whether to be unemployed in the cultural and social context of the reservation or to obtain wage work by leaving the reservation. This dilemma is exacerbated by the changes in welfare policy. In the words of one TANF recipient, "When you get sanctioned [off TANF], there is nothing there. You just try the best you can. Right now there's people who move off the reservation. They go to Rapid [City] or someplace else, 'cause there is nothing on the reservation." This pressure to leave the reservation for wage work did not originate with TANF, however.

*The history of wage labor migration.* Government policies have long manipulated Lakota people's competing desires to have jobs and to maintain their cultural identity. The Lakotas' earliest participation in wage work is easily traced because BIA agents originally attempted to control every move off the newly defined reservation boundaries through a pass system. Those who attempted to leave without a pass were sometimes placed in jail, or their rations and other annuity goods were withheld (Deloria 1944:84, 86–89; Hyde 1937:313). BIA agents used their control over off-reservation passes to encourage Lakota families to stay on the reservation and acculturate to Christian, "civilized" ways by becoming small-scale farmers in the image of white settlers. The returns from small-scale agriculture were never adequate to support the Lakota community, however, and reliance on government annuity rations remained heavy (Hurt 1987:144, 147–48).

As white settlers' demand for additional inexpensive land increased, however, the emphasis of BIA policies changed from small-scale agriculture for Lakota families to temporary agricultural wage labor (Burgess 1991). Through the Allotment Act of 1887, the Great Sioux Agreement of 1889, and BIA policies favoring the leasing of allotted lands to non-Indians, real control over reservation lands gradually was transferred from Indian to non-Indian hands (Carlson 1981:64–72, 119, 124, 138–39; Hurt 1987:141–51). After allotment, the successful Lakota ranching operations of the late 1890s and early 1900s decreased; the numbers of Lakota households engaged in ranching declined steadily (Carlson 1981:124–25; Hurt 1987:152, 201–202). By the 1930s, many Lakota families were landless and impoverished (Albers 1983:195–96; Carlson 1981:137–39; Hurt 1987:152–53, 162, 183). Rations were discontinued in the early 1900s; the end of depression-era forms of welfare in the early 1940s further encouraged Lakota families to engage in short-term migratory wage labor (Albers 1983:194; Hurt 1987:131–38; Parman 1971:41).

Many of the Pine Ridge residents interviewed mentioned the lack of welfare support in the 1950s and early 1960s as the reason why they or their families left the reservation to engage in migratory farm labor. As one elderly woman reported, "We worked in the fields all summer, and lived in a tent. There were a lot of people from up here down there [in Scotts Bluff, Nebraska] then. Nowadays the young people don't do that 'cause they're on grant, but we didn't have nothing like that."

Agricultural wage work was a mainstay of Lakota employment in the 1940s, 1950s, and 1960s. One woman recalled her childhood experiences in the early 1960s:

> My father used to take us to Michigan to pick pickles and all kinds of vegetables, and in the fall we'd pick apples.

> They paid us by the bushel. There were 12 of us kids. He used to take us to Florida to pick oranges and grapefruits, he used to take us all over. There were a lot of people from up here going out to work like that. He couldn't find a job around here, it was hard to find jobs here, so he'd take us out to work.

Other families developed long-term relationships with white agricultural families, working to harvest their produce each year. As one woman reported, "My dad always worked for wages. For 19 years he worked for that rancher. Then he worked for another rancher for a couple of years, and then eventually he moved back to the reservation [in 1946]." Fifteen percent of the participants interviewed in this study described their father's occupation as ranch hand, farm hand, or vegetable picker. Women also worked as vegetable pickers, and were hired by agricultural families to work as cooks and laundresses for the ranch and farm hands.

While mechanization and other changes in technology began to replace the need for farm hands, World War II and the growing industrialization of America were creating new opportunities for wage work in cities (Deloria 1944:90–93; Parman 1971:52–54). In 1943, one-quarter of the employable men from the neighboring Rosebud Reservation had worked previously in off-reservation industrial centers (Hargreaves and Chang 1989:12–13). The BIA's success in finding temporary wage jobs for Indians had been so great that the BIA began to consider the benefits of permanent off-reservation wage work (National Archives 1948a, 1948b).

Some initial experiments in permanent city job placements gave rise to an explicit policy of urban relocation for individual Indians and their families (National Archives 1948b, 1950). Under the BIA's urban relocation program, approved Indian applicants received support for travel, job training, and initial household expenses in one of several cities included in the program, including Chicago, Cleveland, Dallas, Denver, and Oakland (Neils 1971:46–57). Jobs in welding, barbering, engine mechanics, assembly line work, and customer service were among the positions secured through relocation program placements. The Indian urban relocation program lasted from the late 1940s to the early 1960s, ending with the Johnson administration. By the 1960s, close to one-third of the members of the Rosebud tribe had left the reservation for some time in response to the relocation program (Hargreaves and Chang 1989:12–13). The War on Poverty once again shifted the policy emphasis from inducing Indians to leave their reservations to encouraging economic development, job training, and welfare support through AFDC on the reservation. With the passage of the Indian Education and Self-Determination Act of 1975 and the implementation of Indian hiring preferences by the Bureau of Indian Affairs, new jobs and jobs tra-

ditionally held by non-Indians were now filled by local Lakota people. Government-sponsored loan guarantees and business grants were attempts to stimulate development of a private sector on the reservation, but these met with limited success.

The patterns of rural-urban migration created by the Indian urban relocation program have continued informally (Pickering 1998a; Snipp 1996:22–23). Wage labor migration is a common component of many individual life stories. Of the participants interviewed in this study, 71 percent had either worked or accompanied a spouse to work off the reservation. Although long-term urban migration decreased in the 1970s and 1980s, it remains a significant factor for young working-age people in Pine Ridge. Of the participants interviewed who were between ages 18 and 35, 54.5 percent had engaged in some form of off-reservation wage work including truck driving, janitorial labor, child care, car repair, and military service. When off-reservation moves for vocational and higher education are included, the percentage increases to 63.6 percent. Women represent half of the young people engaging in off-reservation work and education. People often want to return to the reservation for family and personal reasons, but finding a wage job is still a serious challenge. One TANF recipient stated, "I've been back here three years, and I still don't have a job. And I have a degree. At my [community service] work site, I had to show the girl who works there how to use the computer. But I can't get a job."

Even for those who find local wage work, underemployment is a major issue, as it has been throughout the history of the Pine Ridge Reservation (Deloria 1944:94–95; Macgregor 1946:46). Many positions in both the federal and the tribal bureaucracies are seasonal or part-time, such as file clerk, school bus driver, cook, and census worker. Construction work and other types of manual labor, which represented 9 percent of the jobs in Pine Ridge in the 1990 census, are also predominantly seasonal or part-time. Of the individuals reported as employed in the 1990 census, 37 percent worked for less than 14 weeks during the year, and fully 57 percent were employed for less than half of the year. Few of the available positions provide salaries beyond minimum wage. For Pine Ridge overall in 1990, a full 47 percent of all jobs were either administrative support (including clerical work) or service positions (South Dakota Department of Labor 1991). Because much of the wage work on the reservation is short-term, the fact that an individual is unemployed does not mean that he or she lacks work experience. Of the unemployed individuals interviewed, 86 percent had such experience. One unemployed woman recalled, "I did a lot of things in my life, like working in cafes. I've been a lot of places, like I went to Rapid [City], but I came back because I didn't like the city."

With TANF, the pendulum is swinging back in favor of labor migration and away from community development and cultural preservation. The requirement of work for welfare is increasing the incentives to leave the reservation and to find work in an urban area that will pay more for the same number of hours worked. As one TANF recipient explained,

> I wanted to come back to the rez, but I couldn't make ends meet so I got on TANF. Now I've decided to get off and go back to school. I want to get off the rez and work where I know there's going to be jobs. I had a good job in Colorado, but I left it. Coming back, that was a big mistake. . . . I was making $7.60 an hour. Here I only get about $250 [a month], and I have to work them hours. It isn't fair. You aren't even getting minimum wage.

Yet although urban areas are associated with more jobs and higher incomes, not all Lakota migrants have enjoyed these advantages. Higher wages are often offset by even higher costs of living; employment opportunities are often only temporary or seasonal. Among the Native Americans employed in the Denver metropolitan area in 1979, for example, only half were employed for the entire year; fully one-third were employed 26 weeks or less (Colorado Department of Labor 1980). In the end, some leave rural poverty for a different form of urban poverty, defined by an ethnic hierarchy in the city labor market (Albers 1983:198, 201; Mingione 1996:5–7; Neils 1971:46–57, 91–104).

This history of wage labor migration indicates a desire to work, but an underdeveloped job market on the reservation results in a choice between welfare participation or wage work outside the reservation. Simply forcing welfare recipients to be warehoused at bureaucratic community service sites does not improve their opportunities to earn wages or aid their transition to work in a wage job. In fact, as I discuss below, these community service hours take time from other potential economic strategies that have been essential to the local economy in Pine Ridge.

*Hidden pressure for assimilation?* Federal welfare and development policy has always contained a tension between respecting cultural difference and interpreting that difference as the cause of poverty. Under the guise of fostering economic development, policy works instead to promote cultural assimilation. For example, TANF mirrors the Indian urban relocation program in seeking to reduce welfare rolls by encouraging individual assimilation. The premise of the urban relocation program was that if Indians would simply give up their Indian lifestyle and appearance, they could blend into the dominant society and acquire television sets, linoleum kitchenettes,

and other accouterments of working-class families. Indians who applied for the relocation program were rejected if they looked "too Indian" or were otherwise unwilling or unable to "become white" in their behavior. The cultural characteristics cited by one relocation program officer as determining employability included "choice of clothing, use of lipstick, preparation of hair, preparedness for and participation in conversation, degree of confidence (low monotone with eyes cast down), and directness of approach (limp hand clasp)" (National Archives 1953:1). TANF is also quite explicit in demanding cultural characteristics such as two-parent families, legal marriage before childbirth, and the interpretation of support as dependency (Greenberg and Savner 1996:6–8).

Perhaps the most fundamental cultural premise of TANF is that children should be raised in institutional settings by strangers, and that the responsibility for supporting children is to be borne solely by the parents, not by the larger society. Ironically, however, child care is one of the areas of community service promoted by caseworkers. The state is willing to provide money to a woman to take care of someone else's children while it pays someone else to watch her children, but will not support her while she cares for her own children. This policy does not increase the recipient's skills nor increase her economic well-being in any way. The only real effect is to commodify the labor involved in human child rearing and to impose the regime of labor time on yet another aspect of life.

Furthermore, if TANF is viewed as forcing people to work for less than minimum wage, the pull toward urban migration will increase. The importance of local community, religion, and society will be sacrificed for the sake of imposing a homogenized vision of middle-class wage workers. Without some form of income supplementation that works in the economic, social, and cultural context of Pine Ridge, Lakota culture as a significant national resource may ultimately be lost.

Practitioners and academics alike must question how far the underlying premises of programs such as TANF are simply another effort to impose white middle-class Euro-American attitudes toward family, work, and values onto a nonwhite, poor population. The residents of Pine Ridge and American Indian communities in general have long resisted these policies of assimilation. Although they have been incorporated economically into the broader mainstream capitalist economy, there is ample evidence that they have not become culturally homogeneous; they still construct social spaces in which the dominant values of capitalism are explicitly rejected (Dunaway 1996; Hall 1989; Pickering forthcoming). Furthermore, as I consider below, without the "unassimilated" values of generosity and sharing identified in Pine Ridge, survival in this marginal niche of

the capitalist economy would be even more uncertain (Pickering forthcoming).

**A Broader Notion of Work: Inactivity or Small Monetary Returns?**

A second issue is raised by the requirement that TANF recipients must perform wage work. The insistence that all residents of the reservation spend office hours at a work site, whether or not the work has any potential for turning into a "real" job, implies that welfare recipients, absent such requirements, do not use their time in productive economic activity. This emphasis on wage labor as the sole mark of productive economic activity overlooks an enduring aspect of the reservation economy: the small-scale production of goods and services within households for sale, barter, and exchange (Macgregor 1946:48; National Archives 1934; Pickering forthcoming).

*Alternative economic strategies.* When the concept of work is expanded to include multiple forms of household-based production, informal activity, and self-provisioning as well as wage labor and commodity production, Pine Ridge is home to a great deal of work experience and work history. During any given year, Lakota individuals are engaged in a combination of wage relations, self-employment, and subsistence activities. One woman explained that this type of constant activity was part of Lakota culture: "Indian time means being always ready, not lazy or lazing around." Far from indicating idleness and inexperience, the life histories of even the poorest and most isolated reservation residents are filled with stories about this constantly changing swirl of economic activities. Each of these activities alone would appear trivial in an attempt to make ends meet in mainstream society, but in combination they constitute significant economic activity.

This study included interviews with 35 Pine Ridge households engaged in various microenterprises: production of traditional Lakota goods such as beadwork, star quilts, and Indian dancing outfits; provision of nontraditional goods and services such as work clothes, food and catering, car repair, and cleaning; and other personal services such as haircutting and babysitting. In those households, 68 percent of the microenterprise producers were women. The individuals involved in these enterprises spanned the spectrum from persons with little formal education to those with higher education degrees; from those still in grade school to the elderly; from those who had lived many years off the reservation to those who had never left home (Pickering 1998b).

Despite the small scale of this form of household production, one must be careful not to underestimate the significance of microenterprise to the Pine Ridge economy. It has been estimated that 83 percent of households in Pine Ridge engage in some form

of microenterprise; 53 percent have no other source of cash income (Sherman 1988:8). Family members, neighbors, and friends continuously barter and exchange goods and services as the needs of daily life dictate. Microenterprise production for sale is most often undertaken to fill a specific cash need such as paying an electric bill, buying school clothes, or purchasing gas to make a trip. As one Lakota woman described it, "More people are trying to sell beadwork and quilts than they were before. It's a way of getting money for the family, so they'll tell us what they are selling it for—they need gas or some other excuse—and that's the way to get the money they need." Although the cash income generated by microenterprise production is limited, sometimes it is just enough to raise poor households above the poverty line (Mushinski and Pickering 1996:159). Microenterprise activities provide a hedge against hard times through inexpensive means of entering the market economy for either the short or the long term.

Both microenterprises and formal Lakota small businesses often adjust their prices for goods and services, depending on the customer's financial circumstances. By convention, the Indian price is substantially lower than the price charged to non-Indians. Further consideration is made for Lakota customers' family size, whether they have a wage labor job, their age, and a general perception of their ability to make ends meet. As one Lakota woman commented about her microenterprise, "I don't raise prices 'cause I feel like, well, I need the money too, but [customers] are needing the money too, if they want it but it's too high priced. Probably if I go outside, not around here, I could charge more. A lot do [charge] a local and an outside price."

Subsistence activities or self-provisioning are another area of ongoing work on the reservation. Since the Pine Ridge reservation was established, the range and abundance of hunting inside the reservation boundaries have never been adequate to maintain the residents. Nevertheless, self-provisioning remains an important element in the mix of economic activities on the reservation: an estimated 75 percent of Pine Ridge households rely on some form of hunting, fishing, and gathering for subsistence (Sherman 1988:5). Hunting and gathering also provide wood, furs, wild fruit, and meat to sell to other Lakota families and to border towns (Cash and Hoover 1971:70, 78–79). Family gardens also exist to supplement food sources, but are not widespread.

An additional realm of activities generates income, goods, and services as well, but this can be described only loosely as self-employment because the activities are sporadic, irregular, and uncertain. Examples include performing odd jobs for people with permanent employment, gathering used items for a rummage sale, and pawning personal items temporarily or permanently. Bingo,

lotteries, contests, raffles, and other games of chance also serve as occasional sources of household income.

In the context of shared resources, welfare programs simply become part of the mix. According to the 1990 census, 45 percent of Pine Ridge households were receiving some form of public assistance. Whereas programs such as TANF consider individual characteristics and the circumstances of the immediate family, Lakota welfare recipients consider the characteristics and needs of the extended family in determining how to maximize the resources available to this larger group. Who receives legal custody of a child or which extended-family members come together to form a household is hardly relevant to a family's day-to-day interactions. The presence of elderly or disabled household members also brings in Supplemental Security Income or other forms of retirement or disability benefits.

Other programs and assets also produce small amounts of cash income over the course of a year; these are insignificant when viewed in isolation, but are essential in combination with other, similar forms of income from other household members. Many Pine Ridge residents own small parcels of reservation land as a result of the Allotment Act and several generations of heirship fractionation; these lands are combined and leased by the BIA to predominantly non-Indian farmers and ranchers. According to the 1990 census, 14 percent of Pine Ridge households receive lease checks for these small parcels; the mean annual amount is $1,651.

Furthermore, the social context of this activity is crucial to understanding the reservation economy. According to the 1990 census, approximately 25 percent of households in Pine Ridge live on less than $5,000 per year; this amount is inconceivably small for most U.S. residents. Lakota households can survive on this tenuous economic base by pooling their labor, cash, and other resources to fill financial gaps that result from the limited returns to each individual's economic activities. The social context of households, families, and communities allows short-term, small-scale, and low-return activities to be combined successfully into a reservation economy.

Just as each individual's economic activities combine various forms of work, so do each household's economic activities include an array of available opportunities and resources. Households vary greatly in composition and in the mixture of their economic activities. Some members contribute wages, work-related benefits, or access to public benefits. According to the 1990 census, 67 percent of Pine Ridge households included at least one wage worker, and 34 percent of the households were receiving work-related benefits. Other household members contribute domestic labor such as food production, sewing, babysitting, and housecleaning. One member

may focus on the family's ceremonial and social obligations. Wild plant gathering, hunting, gardening, or microenterprise production are contributed at various times by other household members. The key to household survival is flexibility in both activities and composition. (In the 1990 census, 33 percent of households were headed by females with no husband.) Because of the uncertainty of each category of resources, household pooling is an essential survival strategy.

Lakota religious precepts and traditional Lakota family values all reinforce the importance of generosity and responsibility to all members of Lakota society, defined as "all my relatives" (DeMallie 1994:137). Of all the aspects identified as fundamental to Lakota culture, the importance of relatives and the obligations of each individual to his or her family members is the most pervasive. Lakota religion also counsels against materialism: personal value is measured through generosity rather than through individual accumulation of wealth, which is virtually unknown. Community events embody the Lakota values surrounding family obligation and commitment to the greater good. In a number of Lakota public ceremonies, food, traditional items, and consumer goods are given to any member of the community who attends. The importance of holding giveaways and sponsoring public meals for the community has continued undiminished throughout the reservation period, even though the occasions for holding such public gatherings have changed over time (Deloria 1944:77–78; Kehoe 1989:65). Honoring ceremonies, memorials for departed loved ones, Lakota naming and adoption ceremonies, and graduations are among the events at which giveaways or public displays of generosity are common.

The unique cultural context of Pine Ridge influences the range of locally acceptable subsistence activities. The dominant society defines individuals by their wage jobs; Lakota society accepts a broader spectrum of talents as valuable. Individuals are encouraged to develop their skills in traditional Lakota arts, music, dance, hunting, medicinal plants, oral history, and spiritual enhancements for the good of the community, regardless of the monetary returns from such activities. Time is a flexible, cyclical concept that defies punching a clock. This flexibility, in turn, allows for the productive incorporation of new economic activities as opportunities arise, however short-term they may be.

*Policy based on imagined economies.* The depth and variety of Lakota work experience, however, has not translated into economic well-being for the community as a whole. As in the pre-reservation economy, each person must perform multiple and diverse roles simultaneously and over time, which coalesce into one living. The type of specialization and expertise that the mainstream economy rewards is not an option for most Pine Ridge residents. If these alternative

forms of economic activity could be recognized and valued, the great majority of reservation residents would no longer be characterized as failing to engage in gainful economic activity. Welfare, rather than imposing an already existing regime of work, would simply provide monetary supplements to compensate for the artificially low returns that reservation residents receive for their "work," in the broad sense of the word.

Instead TANF, as it is applied to Pine Ridge, is imposing its own concepts of work hours and assumptions of economic inactivity. These threaten to undermine the adaptive strategies that households have constructed to survive on this extreme periphery of the national economy. By attempting to assimilate individuals into mainstream economic relations, public policy is overlooking broader forms of group productivity that suggest dramatically different solutions to issues of welfare and economic development. If policy makers succeed in imposing commodified child care and eliminating economic activities outside formal wage labor relations, what will happen when the five-year lifetime limit for TANF is implemented on the reservation? The basis for meeting basic needs through a dynamic mixture of monetary and nonmonetary forms of production and exchange will be destroyed, with no lasting form of support to replace it.

Welfare and development policy should be based on the real economy, not on an imagined economy of universally available wage work. When the reservation economy is defined as wage work occurring within the physical boundaries of the reservation, most of the Oglala Lakota tribe members' economic activity is excluded. Rather than focusing on the absence of formal wage work, welfare and development policy should encourage the economic potential of the vibrant but small-scale informal economy. With a focus on what people are already doing, rather than on what they are not doing, it becomes possible to strengthen the actual reservation economy as it is currently constituted. This organic economic activity then may be combined with strengthening tribal government, education, and control over the reservation's natural resources to improve the tribal communities' real economic conditions (Cornell and Kalt 1995; Letgers and Lyden 1994).

A clearer understanding of alternative work strategies and of the social relations that extend beyond reservation boundaries is a critical first step in defining policy appropriate to the reservation. In the words of one young Lakota man involved in microenterprise,

> We don't have any shortage of ideas around here. It's the people in the community that know what's needed to solve our problems, not the people out there that end up controlling all the funds that come onto the rez. We need

> people who will support the people in their own ideas, who will listen rather than always talking about what's wrong with this place. People are doing their own things around here, they just don't get the big payoffs, they just get what they need to get by.

## Conclusion

The advent of TANF provides an opportunity to consider how policy misperceptions about culture, human capital, and economy have resulted in programs that produce irrelevant solutions to critical problems of economic development for reservations such as Pine Ridge. First, high rates of welfare participation are the result of a lack of jobs, not a lack of job experience or an avoidance of existing jobs. The history of wage labor migration from Pine Ridge illustrates the hidden tension between economic development and cultural assimilation that TANF reflects. Second, unemployment does not imply economic inactivity. The reservation is home to a broad array of alternative economic activities beyond wage labor. At any given time, individuals are involved in a mixture of formal and informal economic activities and exchange relations that fluctuate throughout their lifetime. Households pool labor, cash, and other resources, including welfare, to ensure that individuals are covered regardless of their personal mix of economic activities.

Lakota communities have been able to survive economically and culturally through fluid household composition and social values promoting generosity, extended-family obligations, and economic redistribution. Welfare and development policies such as TANF need to reflect the real populations and economies of these rural American Indian reservations rather than superficially assimilated and economically imagined communities.

## References

Albers, P. 1974. "The Regional System of the Devil's Lake Sioux: Its Structure, Composition, Development, and Functions." PhD dissertation, Department of Anthropology, University of Wisconsin-Madison.

———. 1983. "Sioux Women in Transition: A Study in Their Changing Status in Domestic and Capitalist Sectors of Production." Pp. 175–236 in *The Hidden Half,* edited by P. Albers and B. Medicine. Lanham, MD: University Press of America.

Amott, T. and J. Matthaei. 1996. *Race, Gender and Work.* Boston: South End Press.

Beneria, L. 1988. "Conceptualizing the Labour Force: The Underestimaton of Women's Economic Activities." Pp. 372–91 in *On Work,* edited by R.E. Pahl. Oxford: Blackwell.

Bureau of Indian Affairs (BIA). 1991. *Household Income and Unemployment Statistics, Pine Ridge Agency.* Pine Ridge, SD: U.S. Government, Department of the Interior.

———. 1993. *Household Income and Unemployment Statistics, Pine Ridge Agency.* Pine Ridge, SD: U.S. Government, Department of the Interior.

———. 1996. *Household Income and Unemployment Statistics, Pine Ridge Agency.* Pine Ridge, SD: U.S. Government, Department of the Interior.

———. 1998. *Household Income and Unemployment Statistics, Pine Ridge Agency.* Pine Ridge, SD: U.S. Government, Department of the Interior.

Burgess, T. 1991. "Wage Labor Lost: Silent History of the Lakota." Presented at the annual meetings of the American Anthropological Association, November 15–20, Chicago.

Carlson, L. 1981. *Indians, Bureaucrats and the Land: The Dawes Act and the Decline of Indian Farming.* Westport, CT: Greenwood.

Carson, C. 1993. "The Underground Economy: An Introduction." Pp. 324–66 in *Work Beyond Employment in Advanced Capitalist Countries,* Vol. 1, edited by L. Ferman, L. Berndt, and S. Henry. Lewiston, NY: Edwin Mellen Press.

Cash, J.H. and H.T. Hoover, eds. 1971. *To Be an Indian: An Oral History.* New York: Holt, Rinehart and Winston.

Castells, M. and A. Portes. 1989. "World Underneath: The Origins, Dynamics and Effects of the Informal Economy." Pp. 11–37 in *The Informal Economy,* edited by A. Portes, M. Castells, and L. Benton. Baltimore: Johns Hopkins University Press.

Colorado Department of Labor. 1980. "Minority Workers in the Denver Metropolitan Area." Denver: State of Colorado.

Cornell, S. 1988. *The Return of the Native: American Indian Political Resurgence.* New York: Oxford University Press.

Cornell, S. and J. Kalt, eds. 1995. *What Can Tribes Do? Strategies and Institutions in American Indian Economic Development.* Los Angeles: American Indian Studies Center, University of California.

Deloria, E. 1944. *Speaking of Indians.* New York: Friendship Press.

DeMallie, R. 1994. "Kinship and Biology in Sioux Culture." Pp. 125–46 in *North American Indian Anthropology: Essays on Society and Culture,* edited by R. DeMallie and A. Ortiz. Norman: University of Oklahoma Press.

Department of Health and Human Services (DHHS). 1999. "Administration of Children and Families." Retrieved 8/11/99 (http://www.acf.dhhs.gov/programs/dts/trbcht811.htm).

Dunaway, W. 1996. "Incorporation as an Interactive Process: Cherokee Resistance to Expansion of the Capitalist World-System, 1560–1762." *Sociological Inquiry* 66:455–70.

Granovetter, M. 1996. "The Economic Sociology of Firms and Entrepreneurs." Pp. 128–65 in *The Economic Sociology of Immigration: Essays on Networks, Ethnicity, and Entrepreneurship,* edited by A. Portes. New York: Russell Sage Foundation.

Greenberg, M. and S. Savner. 1996. "A Brief Summary of Key Provisions of the Temporary Assistance for Needy Families Block Grant of H.R. 3734." Unpublished Document. Washington, DC: Center for Law and Social Policy.

Hall, T. 1989. *Social Change in the Southwest, 1350–1880.* Lawrence: University Press of Kansas.

Hargreaves, M. and H.N. Chang. 1989. *Evaluating the Impact of Federal Welfare Reform in Indian Country: A Case Study of the Rosebud Sioux Reservation.* Cambridge, MA: Harvard University Press.

Henry, S. 1993. "The Working Unemployed: Perspectives on the Informal Economy." Pp.41–60 in *Work Beyond Employment in Advanced Capitalist Countries,* Vol. 2, edited by L. Ferman, L. Berndt, and S. Henry. Lewiston, NY: Edwin Mellen Press.

Hurt, R.D. 1987. *Indian Agriculture in America: Prehistory to Present.* Lawrence: University of Kansas Press.

Hurtado, A. 1979. "Controlling California's Indian Labor Force: Federal Administration of California Indian Affairs During the Mexican War." *Southern California Quarterly* 61(3):217–38.

Hyde, G. 1937. *Red Cloud's Folk: A History of the Oglala Sioux Indians.* Norman: University of Oklahoma Press.

Jorgensen, J. 1980. "A Century of Political Economic Effects on American Indian Society, 1880–1980." *Journal of Ethnic Studies* 6(3):1–82.

Kehoe, A. 1989. *The Ghost Dance: Ethnohistory and Revitalization.* Chicago: Holt, Rinehart and Winston.

Knight, R. 1978. *Indians at Work: An Informal History of Native Indian Labour in British Columbia, 1858–1930.* Vancouver: New Star Books.

Legters, L. and F. Lyden, eds. 1994. *American Indian Policy: Self-Governance and Economic Development.* Westport, CT: Greenwood.

Littlefield, A. and M. Knack, eds. 1996. *Native Americans and Wage Labor: Ethnohistorical Perspectives.* Norman: University of Oklahoma Press.

Macgregor, G. 1946. *Warriors Without Weapons.* Chicago: University of Chicago Press.

Miles, R. 1987. *Capitalism and Unfree Labour: Anomaly or Necessity?* London: Tavistock.

Mingione, E. 1991. *Fragmented Societies: A Sociology of Economic Life Beyond the Market Paradigm.* Oxford: Blackwell.

———. 1996. "Urban Poverty in the Advanced Industrial World: Concepts, Analysis and Debates." Pp. 3–40 in *Urban Poverty and the Underclass,* edited by E. Mingione. Oxford: Blackwell.

Mushinski, D. and K. Pickering. 1996. "Micro-Enterprise Credit in Indian Country." *Research in Human Capital and Development* 10:147–69.

National Archives and Records Administration. 1934. "Economic and Social Survey and Related Records." Record Group 75, Pine Ridge Indian Agency, Item 151, Boxes 905–907. Kansas City, MO.

———. 1948a. "Letter from the Commissioner of Indian Affairs to Mr. S. Leonard Allshouse, Jr., Greensburg, PA, July 28, 1948." Record Group 75, Entry 121, Central Classified Files 1940 to 1956, General Series 1948–1952, File 17007 1948 921. Washington, DC.

———. 1948b. "Letter from Assistant Commissioner of Indian Affairs John Provinse to Mr. T. Barton Akeley, Olivet College, April 19, 1948." Record Group 75, Entry 121, Central Classified Files 1940 to 1956, General Series 1948–1952, File 9531 1948 920. Washington, DC.

———. 1950. "Memorandum from D.S. Myer, Commissioner of Indian Affairs, July 21, 1950." Record Group 75, Entry 121, Central Classified Files 1940 to 1956, General Series 1948–1952, File 10890 1950 903. Washington, DC.

———. 1953. "Report of Official Visit to Chicago Placement Office by Paul W. Hand, Program Officer, February 26, 1953." Record Group 75, Entry 121, Central Classified Files 1940 to 1956, General Series 1948–1952, File 10302 1951 920.4. Washington, DC.

Neils, E. 1971. *Reservation to City.* Chicago: University of Chicago Press.

Normandin, H. 1998. "The Effect of Welfare Reform on Wisconsin Tribes: An Exploratory Study." Presented at the annual meetings of the Rural Sociological Society, August 4–8, Portland, OR.

Pahl, R.E. 1985. "The Restructuring of Capital, the Local Political Economy and Household Work Strategies." Pp. 242–64 in *Social Relations and Spatial Structure,* edited by D. Gregory and J. Urry. New York: St. Martin's.

Pandey, S., E. Brown, and L. Scheuler-Whitaker. 1998. "Impact of Temporary Assistance for Needy Families (TANF) on American Indian Families with Children:

Initial Experience of Service Providers and Recipients on Reservations in Arizona." Unpublished document. St. Louis: Kathryn M. Buder Center for American Indian Studies, Washington University.

Parman, D. 1971. "The Indian and the Civilian Conservation Corps." *Pacific Historical Review* 40(1):39–56.

Pickering, K. 1998a. "Urban Migration, Reservation Populations, and Frozen Landscapes: The Regional Phenomenon of Lakota Society." Presented at the annual meetings of the American Anthropological Association, December 2–6, Philadelphia.

———. 1998b. "Gender, Class and Social Capital: A Comparison of Microenterprise and Small Business on the Pine Ridge and Rosebud Indian Reservations." Unpublished manuscript.

———. Forthcoming. *Lakota Culture, World Economy: An Experience of American Indian Economic Incorporation.* Lincoln: University of Nebraska Press.

Polanyi, K. 1944. *The Great Transformation.* Boston: Beacon.

Sahlins, M. 1972. *Stone Age Economics.* New York: Aldine.

Sassen, S. 1998. *Globalization and Its Discontents.* New York: New Press.

Sherman, R. 1988. "A Study of Traditional and Informal Sector Micro-Enterprise Activity and Its Impact on the Pine Ridge Indian Reservation Economy." Unpublished document. Washington, DC: Aspen Institute for Humanistic Studies.

Snipp, C.M. 1986. "The Changing Political and Economic Status of the American Indians: From Captive Nations to Internal Colonies." *American Journal of Economics and Sociology* 45:145–57.

———. 1996. "The Size and Distribution of the American Indian Population." Pp.17–52 in *Changing Numbers, Changing Needs: American Indian Demography and Public Health,* edited by G. Sandefur. Washington, DC: National Academy Press.

South Dakota Department of Labor. 1991. "Labor Availability Study: Pine Ridge, South Dakota." Pierre: State of South Dakota.

Stack, C. 1974. *All Our Kin: Strategies for Survival in a Black Community.* New York: Harper & Row.

Vinje, D. 1985. "Cultural Values and Economic Development on Reservations." Pp. 155–76 in *American Indian Policy in the Twentieth Century,* edited by V. Deloria Jr. Norman: University of Oklahoma Press.

Witte, A. 1993. "The Nature and Extent of Unrecorded Activity: A Survey Concentrating on Recent U.S. Research." Pp. 396–422 in *Work Beyond Employment in Advanced Capitalist Countries,* Vol. 1, edited by L. Ferman, L. Berndt, and S. Henry. Lewiston, NY: Edwin Mellen Press.

Wolf, E.R. 1982. *Europe and the People Without History.* Berkeley: University of California Press.