

## Foreword

**I**MPEDIMENTS TO INDIGENOUS ECONOMIC DEVELOPMENT—put in place by the Indian Act, which effectively took Indigenous communities out of the mainstream economy—have held Indigenous Peoples back for generations. We are, however, making our way back in and demanding the changes needed to fully unlock the Indigenous economy.

I'm pleased to offer this foreword for Carol Anne Hilton's new book, *The Rise of Indigenous Economic Power: Deconstructing Indian Act Economics*, which makes a significant contribution in this area.

The author and I have known each other for many years through her work as CEO and founder of the Indigenomics Institute and the Global Center of Indigenomics. I've had the pleasure of participating in several of her well-attended Indigenomics events, which bring people together to discuss pathways and actions toward economic reconciliation. Through these events and in her books, Hilton skillfully raises awareness that the Indigenous economy has tremendous potential and—once fully unlocked—will benefit all Canadians.

Many Canadians recognize the urgent need for economic reconciliation, for the colonial barriers to Indigenous economic development to come down so Indigenous Peoples can build better futures. They know that prioritizing action toward economic reconciliation is the right thing for Canada to do. But not everyone is motivated by what is right. We need to also raise awareness, as Hilton does here, about the substantial benefits Canada as a whole will realize when the Indigenous economy is freed from colonial constraints.

As these barriers to the Indigenous economy are removed, major economic growth follows. The benefits of that growth will boost quality of life and opportunity in Indigenous communities, while also benefiting the rest of Canada.

Understanding the harms caused by the Indian Act is fundamental to taking down these barriers, and Hilton rightly dedicates considerable

space to this matter. The Indian Act of 1867 has never reflected the spirit and intent of the Royal Proclamation of 1763, which described a sharing of resources and a respect for the existing governance of Indigenous communities. The harsh reality is that Indigenous governments were never embraced as equals. Indeed, Indigenous communities were placed under the supervision of the Indian agent.

The Indian Act established the parameters of Indigenous economic opportunity and inclusion within the federation. The *Act* did not recognize Indigenous traditional territories; it recognized only those lands the federal government established as reserves.

The Indian Act blocked Indigenous communities from participating in the fiscal framework other governments and Canadians have been able to take for granted for generations.

Additionally, the Indian Act replaced the pre-existing economic systems that had successfully provided for the well-being of our communities. Our economies ceased to exist in areas where they were deemed to conflict with the Indian Act's view of where Indigenous People belonged in the new country's economy. We became wards of the federal government, a government determined to assimilate Indigenous communities and Indigenous Peoples into the European systems and values embraced by settlers.

The Indian Act placed Indigenous Peoples on a path of economic exclusion that has resulted in horrific social and economic consequences for our communities. As well, for most of Canada's history, the country has denied itself the benefits of Indigenous inclusion in the Canadian economy.

These truths of Canadian history are not well known because they have been hidden from view—as are the consequences. As this book explains, the Indian Act economy is still very real today. Hilton brings many of these issues to the forefront, exposing the roots of the harms that continue today.

But there is reason for hope. There are signs of change. There are indicators of the power of the emerging Indigenous economy, and this book shares some of these inspiring success stories. I like how Hilton presents some of these hopeful signs in a list of “25 things that John A. Macdonald would never have seen coming.” These items are among the examples of Indigenous resilience and achievement that inspire us today and demonstrate to all what is possible.

Indeed, work is being done today to take down the significant barriers that continue to restrict the Indigenous economy. Among other things, Hilton introduces the First Nations Financial Management Board-led RoadMap Project in this book, as an important framework for unlocking the Indigenous economy.

RoadMap is a practical pathway to economic reconciliation, with full optionality for First Nations. It's an Indigenous-led plan to breathe life into the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), to move from a system of managing poverty to a framework for generating wealth.

The RoadMap Project is a direct response to what the First Nations Financial Management Board has heard from the First Nations we serve. It reflects our conversations with First Nation leaders around key questions, including: How do we achieve economic reconciliation? How do we create self-governance and Nation-to-Nation relationships from an economic and fiscal point of view?

In our development of the RoadMap Project, I reached out to many Indigenous organization leaders, including Hilton, to discuss their ideas on these matters. I'm grateful to Hilton for sharing her insights and ideas with us. RoadMap is an Indigenous-led response to calls for the jurisdiction and fiscal powers needed for sustainable governance, the statistics and data needed to make informed decisions, and for the infrastructure gap to be closed. It's about collaborating for First Nations' prosperity, unlocking First Nations' innovation and economic development potential, and achieving economic reconciliation.

RoadMap responds to the needs of First Nations Peoples and the desires of all levels of government for meaningful, systemic, and lasting change. It recognizes that a one-size-fits-all solution doesn't work; that the status quo is not a solution.

Indigenous-led institutions are key to advancing economic reconciliation. Hilton points to the success of the First Nations Financial Management Act (FMA) institutions in this context. Working together, the Indigenous-led FMA institutions—the First Nations Finance Authority (FNFA), First Nations Tax Commission (FNTC), First Nations Financial Management Board (FNFMB), and First Nations Infrastructure Institute (FNII)—have

supported First Nations in increasing their own-source revenue, improving financial management, planning and managing infrastructure projects, and accessing the capital needed for socioeconomic development in their communities. In early 2024, the FNFA surpassed \$2 billion in loans to First Nations at competitive interest rates, enabling Nations to address community priorities.

As Hilton makes clear in this book, inaction at this time is not an option. Inaction means continuing to hold back Indigenous Peoples while also failing to meet the needs of the Canadian economy. She wisely reminds us of RBC's seminal 1997 report, *The Cost of Doing Nothing*, released after the Royal Commission on Aboriginal Peoples published its final report. The RBC report outlined the financial implications of inaction on the recommendations of the Royal Commission, including substantial and long-term social and economic costs for both Indigenous Peoples and Canada as a whole.

*The Rise of Indigenous Economic Power* gives us much to absorb and consider. It unpacks many uncomfortable truths and shares important perspectives of the evolution of the Indigenous relationship in Canada. This book reminds us that had there not been the exclusion processes of colonization, we would have our own version of many of the economic and financial structures and institutions that contribute to a higher quality of life for non-Indigenous communities. Our economies would have grown tremendously over the past 300 years. But colonization did happen, we weren't included, and we were held back. As a result, the harmful circumstances that we continue to face must now be corrected.

Ultimately, this book leads the reader to the clear conclusion that Canada must choose whether to take meaningful action or continue to prop up a broken system that perpetuates inequality. It is time to move beyond a failed colonial system that prevents Indigenous Peoples from achieving their socioeconomic goals. Unlocking the Indigenous economy means advancing economic reconciliation—and building prosperity for all of Canada. I welcome Hilton's new book as an important perspective to point us all in the right direction.

Harold Calla, FCPA, FCGA, CAFM

Executive Chair, First Nations Financial Management Board

## Introduction: The Indigenomics Manifestation

*History is the stories we tell about the past.*

—Thomas King

THE FIRE HAS BEEN LIT. Over time, the village home fires died down to glowing embers. It is time to stoke the fire and place more wood on the burning coals. As the flames dance and flicker, a mesmerizing spiral of smoke moves upward, radiating heat. A breeze passes over the flames, igniting the sparks, and the smoke begins to rise for all to see. The sky fills with the sound of the roaring blaze of Indigenous economic resurgence.

The fire metaphorically represents the resilience of Indigenous Peoples faced with generations of economic exclusion. While the fires were merely flickers at one time, today, the rise of Indigenous economic empowerment is an unstoppable, formidable, and undeniable force in Canadian reality. It is happening here, it is happening now, and it is happening across this country. The fire of economic justice has been set in motion.

This story is set against the backdrop of the becoming of Canada. It is a reflection on the explosive growth of the Indigenous economy today and the interplay between the historical systemic design of the exclusion of Indigenous Peoples and the features of Indigenous economic growth. This book is a contribution to bringing the untold story of the rise of the Indigenous economy into visibility. History tells us that economics started in the eighteenth century and is an early articulation of Adam Smith's work. Indigenous economies have been functioning for thousands of years. This book is a story of the contrasting economic narratives between what we are told economics is and the actual functioning of Indian Act economics within Canadian reality. This story is a metaphorical contribution to the field of economy.

This book follows the publication of *Indigenomics: Taking a Seat at the Economic Table*, which grounds the claim of modern Indigenous economic

space and upholds the relevance of Indigenous worldviews and their application in economy and business. Indigenomics is setting out to establish a powerful why—to uphold a modern Indigenous economic response and examine its misalignment with economics. This book calls into the open the need for increasing accountability of the continued activation of Indian Act economics and its outcomes in Canadian reality.

Indigenomics has emerged as a disruptive economic force—bringing focus to the Indigenous economic worldview and its significance to a sustainable human future. Indigenomics is a radical new approach to Indigenous economic policy that addresses the symptoms and the causes of inequality within a mainstream context today. Indigenomics elevates Indigenous worldviews and facilitates a forward-looking, strength-based narrative of Indigenous economic growth and design. At its core, Indigenomics calls for accountability, ethics, and sustainable outcomes of economics itself. The concept of Indigenomics is centred on the economic narrative that it is time to move beyond the fallacy of all we have been told the economy is. Indigenomics focuses to the foundation of humanity's success that must come from economic systems that have life at the center—the elemental forces of air, water, earth, and fire—and must include the contributive wisdom of all peoples to the economy itself.

### **Weaving the Invisible Thread**

An invisible thread connects this country across time, generations, citizenship, and immigration. Whether you are of Indigenous descent from here for thousands of years, your family has been here for recent generations, or you have only recently arrived, this thread connects each of us. This thread is the historical centering of the ongoing impacts of the Indian Act as the only race-based legislation in Canada since its formation.

This book establishes the concept of Indian Act economics as the antithesis of the function of the economy itself. Indian Act economics is a destructive force working against the function of the economy, cultural continuation, and is a standard of living and well-being. Indian Act economics is a fully functioning structure and process of the continued fragmentation of Indigenous reality, and it is deeply embedded into this country's national identity, psyche, belief system, and bias.

The Indian Act was a response to the problem of Indigenous existence, which slowed the settlement of the lands and access to resources for the newly formed Canada. It is in this uncomfortable truth that it is time to come to terms with the inheritance of economic trauma through the functioning of Indian Act economics.

Indian Act economics is the antithesis of Indigenomics. It brings into focus the absence of the function of “economy” through the administration of the Indian Act as the dominant force of economic exclusion. It is time to address the complacency of the status quo of Indian Act economics and the absence of accountability behind the outcomes it creates. This book upholds a strength-based narrative of Indigenous People’s reality—we are a resilient and powerful people and an economic force at the heart of this country.

This book explores several lines of inquiry. It sets out to explore the contrast between the functioning of economy and the ongoing complexities of the Indigenous relationship and the rise of Indigenous economic growth. It questions: Is Indian Act economics working against the function and outcomes of the national economy? It sets out to demonstrate the rise of the Indigenous economy and the features of the emergence of Indigenous economic power. Finally, the book explores a key policy inquiry to drive accountability—is the Indian Act ethical?

Today, the growth of the Indigenous economy has a central role in Canadian reality. Within a constantly evolving economic playing field, this book is set against the background of the Indigenomics \$100 billion Indigenous economic growth trajectory as established by the Indigenomics Institute. It serves to bring forward insights into the emergence of Indigenous economic power. This book focuses in on the processes of Indigenous economic value creation and the visibility of the increasing \$100 billion of Indigenous economic activity. The rise of Indigenous economic growth must be grounded within several important contexts.

First, the original treaties as the formative contracts of this country remind us of these powerful words: “As long as the sun shines, the grass grows and the river flows.” As long as these elemental forces, the ceremonial foundation of life, continue to live and keep the treaties alive, Canada is in a relationship with Indigenous Peoples. The treaties were confirmed and upheld with life at the center. The lands we collectively live, work, and play on hold the vibration

of the original treaties, covering over 3.5 million square kilometers or about 35 percent of the country's total land mass. This is the common invisible thread across our collective reality. This land mass consistently expands through legal settlements, land claims, and modern treaties.

Second, an important consideration in framing Indigenous economic growth is the economic urgency within the immediate national economic context due to increased uncertainties, including the need to build post-pandemic economic resilience, the threat of a recession, climate change, and global unrest. Further, it has been identified that Canada's recovery in real gross domestic product (GDP) per capita was the fifth weakest in the Organization for Cooperation and Development (OECD) over the 2019–22 period.<sup>1</sup>

A third pivotal consideration in framing Indigenous economic growth in the national context is the need to highlight that the OECD has projected that Canada will be the worst-performing economy among the thirty-eight advanced economies over the periods of 2020–30 and 2030–60, with the lowest growth in real GDP per capita.<sup>2</sup>

Like a ship without a rudder, Canada lacks a clear plan to address these alarming projections. We desperately need economic innovation in this country. The economic story of now is that Indigenous economic inclusion creates certainty and growth for all.

A fourth key consideration was the release of the Truth and Reconciliation Commission report in 2015. The report sets the context for building critical action-oriented responses to advance the Indigenous relationship. A recent national headline, "Diminished Hope: Yellowhead Institute to End Reports on TRC Calls to Action," highlights a 2023 report by the Yellowhead Institute that found that zero Calls to Action were completed that year by the federal government.<sup>3</sup> The article identified that if Canada continues at this current pace, it will not finish implementing these Calls to Action until 2081. The article highlights that "there are limits to how many times you can write a report about how Canada, once again, has failed to make any meaningful progress. The Institute considers only 13 of the 91 recommendations complete." Complacency, the status quo, and Indigenous economic growth do not go well together.

Finally, another significant context in the growth of the Indigenous economy, which is particularly alarming, is the scale of the ongoing identification of



the graves of Indigenous children at residential school sites across the country. First reported on the site of the Kamloops Indian Residential School with the identification of 215 unmarked graves, the number of unmarked graves at residential schools across this country has grown exponentially. The ongoing count is in thousands for unmarked graves of Indigenous children who attended these schools. The growing realization of the horrors of the history and traumatic nature of the story led to the term “genocide” being permanently entered into the lexicon of this country. While Canada is collectively grasping at the meaning of this violent legacy, it is directly connected to the concept of collective trauma. It is time to come to terms with the story and experience of the inheritance of this trauma within Canadian reality.

This collective realization that thousands of Indigenous children were murdered at state- and church-run residential schools broke open this country’s perspective and awakening to the inheritance of this story of collective trauma. A national *CBC* article, “Pope Says Genocide Took Place at Canada’s Residential Schools,”<sup>4</sup> struggles to articulate this trauma. The article reports the Pope describing the Indian residential schools system as “a policy of assimilation and enfranchisement, and that it harmed families by undermining their language, culture, and worldview.” The article then refers to the words of the Pope upon his reflection after the tour to the Indian residential schools: “I condemned it, the taking away of the children, changing culture, the mind, traditions, a so-called race. A whole culture. Yes, it’s a technical word, genocide. I didn’t use it because it didn’t come to mind. But yes, I described it. Yes, it’s a genocide.” It’s so close yet so far from accountability. This is our collective story of the invisible thread that ties our collective national reality and frames the foundation of the context to the growth of the Indigenous economy today.

Collective economic trauma is ongoing, and the cumulative impacts are directly related to the application of the founding policy of the Indian Act. “Collective trauma transforms into a collective memory and culminates in a system of meaning that allows groups to redefine who they are and where they are going.”<sup>5</sup> The term “collective trauma” refers to the psychological reactions to a traumatic event that affects an entire society; it does not merely reflect a historical fact, the recollection of a terrible event that happened to a

group of people. The concept “suggests that the tragedy is represented in the collective memory of the group, and like all forms of memory it comprises not only a reproduction of the events, but also an ongoing reconstruction of the trauma in an attempt to make sense of it.”<sup>6</sup> An important distinction is that “collective memory of trauma is different from individual memory because collective memory persists beyond the lives of the direct survivors of the events and is remembered by group members that may be far removed from the traumatic events in time and space.”<sup>7</sup>

As a country, we are only beginning to grasp the meaning of the inheritance of collective economic trauma. The metrics of this meaning are continuously expressed in the lived experience of the Indigenous socioeconomic gap, which is the inheritance of the outcomes of the Indian Act. The foundation of Canada’s economy has been built on the formative policy of “take the Indian out of the child.” This is the violent legacy of Canada’s original policy of the Indian Act, which continues today to separate Indigenous Peoples from their identity, land, culture, responsibilities, and family connections. This is the formative truth—not one single citizen in Canada can escape the collective inheritance of this story of economic trauma across time until today.

The Indian Act facilitated the policy of systemic elimination, the denial of identity, and the economic and cultural dispossession of Indigenous Peoples across Canadian reality. The expression of our continued existence, “we are still here,” and the Land Back movement are foundational to the rise of Indigenous economic power today. This book is oriented in this context.

In centering my reality as an author, I begin by reflecting on the fragmentation of my reality as a Nuu-chah-nulth woman. I reflect on the experience of my healing journey and my return to wholeness as I continue to witness the impacts of Indian Act economics as expressed through the violence of the living data of the Indigenous socioeconomic gap of this country. Indigenomics is the response to the experience of Indigenous economic and cultural displacement. I posit that the Indigenous socioeconomic gap is a direct metric of the lack of accountability for the legacy of the Indian Act and is a direct outcome of Indian Act economics.

This book is organized into nine chapters, beginning with the Indigenomics Manifestation. This introduction weaves the understanding of

the collective relationship through the invisible thread that connects us and provides critical contexts to today's rise of the Indigenous economy. Chapter one describes the structure of the radical economic exclusion of Indigenous Peoples through the Indian Act. The next chapter focuses on building an understanding of deconstructing Indian Act economics. Chapter three situates the development of the historical evolution of the concept of the cost of doing nothing in relation to the growing Indigenous economy today. Chapter four highlights the fallacy of the Indian Act. It introduces the absence of the ethical framework of Indian Act economics in relationship to the growth of the Indigenous economy today. The next chapter facilitates key insights into the national Indigenous economic media narrative to identify the depiction of value creation. Chapter six examines the pathway of the rise of Indigenous economic power against the Indigenomics \$100 billion Indigenous economic trajectory. Chapter seven describes the design framework of value creation in the Indigenous economy. The final chapter focuses on how meaning is derived from Indigenous economic exclusion and examines the rise of Indigenous economic power today as it is shaping new meaning, accountability, and outcomes of Indian Act economics.

In the process of writing this book, I undertook a series of interviews with key leaders in the Indigenous economy as follows:

**Cadmus Delorme** is an Indigenous political and business leader who served as the Chief of Cowesses First Nation in Saskatchewan for seven years. He recently started One Hoop Consulting and is also the founder of Flowing River Capital. He started these companies in response to his experience as Chief in this country.

**Rose Paul** is the CEO of Bayside Development Corporation in Nova Scotia. Rose is the trailblazer for business development, negotiations, and partnerships for the business arm of Paqtnkek Mi'kmaw Nation.

**Kim Baird** is a formidable Indigenous business and political leader and past Chief of the Tsawwassen First Nation in British Columbia. Kim helped negotiate the first modern-day urban Indigenous treaty, which opened up the governance and economic pathways for the Nation's success today.

**Bill Gallagher** is a lawyer and strategist focusing on the evolution of Indigenous law and Canada's resource sector. Bill has established an entire volume of work that situates the Indigenous legal winning streak into Canadian economic reality; work that is critical to Canada's knowledge foundation. Bill Gallagher wrote the first book, *Resource Rulers*, in 2012, which identified 150 legal wins and served as a wake-up call to centering Indigenous power in Canadian reality. His second book, *Resource Reckoning*, in 2018, came out with 250 legal wins. At the time of this interview, over 364 Indigenous legal wins can be tracked. The significance of this work is also in the realization that the majority of these have not been adequately covered by the Canadian media. Canadians are not getting the information they need to understand the evolving Indigenous relationship in Canada. This volume of work is of critical importance as it tracks the legal wins, reconciliation, the natural resource sector, and the response to Indigenous economic power.

**Hillary Thatcher** is an Indigenous business leader of Métis descent and serves as the managing director of Investments: Indigenous and Northern Infrastructure at the Canada Infrastructure Bank. Hillary advises Indigenous and northern leaders and structures investments in clean energy, green infrastructure, transit, trade and transportation, and broadband.

**Wilfred Jimmy** is a citizen of the Thunderchild First Nation located in Saskatchewan. Wil respects his culture and traditions and has learned to balance his cultural life in a corporate environment. Wilfred has business experience gained during his career in the financial sector as a manager of Indigenous banking for the Manitoba, Saskatchewan, and Alberta region. Wilfred believes that the two cultures can enhance each other and create opportunities for the First Nation people that will allow equal participation in the business world.

Recognizing that language evolves, this book uses the most current and respectful language by using the term "Indigenous Peoples" as a collective, inclusive name for the original peoples of these lands. The use of the language "Indigenous Peoples" is intended to be inclusive of First Nations, Inuit, and Métis peoples as three distinct peoples with unique histories, languages, and cultures. Sources quoted will also periodically use Indian, First Nations, or

Aboriginal. Within the Indian Act, the use of the terms “Indian” or “Status Indian” refer to the existing language within the Act. While noticeably problematic and alarmingly outdated, as well as racist at its foundation, the use of the term “Indian” is the evidence of our time.

The threads that weave the collective experience of the rise of Indigenous economic power must be examined as the Indigenous economy is becoming an undeniable force to be reckoned with.

### Reflective Questions

1. What is your reaction to the term “genocide” being used by the Pope on his tour to Canada as described here?
2. What does economic displacement mean to you?
3. Why do you think the Indian Act still uses the term “Indian”?
4. What does the term “collective economic trauma” mean from your perspective?



## Radical Indigenous Economic Exclusion

*The happiest future for the Indian race is absorption into the general population and this is the object of the policy of our government. The great forces of inter-marriage and education will finally overcome the lingering traces of native customs and traditions.*

—Duncan Campbell Scott

WHAT A PECULIAR USE of the language “happiest future” as described in a policy of elimination of the Indigenous population. This is the uncomfortable space in Canadian reality—the calculated directive of the eventual elimination of Indigenous Peoples as described in these words of Duncan Campbell Scott, the first superintendent of the Department of Indian Affairs.

The concept of “othering” is the defining and securing of one’s identity by distancing and stigmatizing the “other’s identity.” The concept of othering is an essential construct of the functioning of Indian Act economics. Othering reinforces one’s own “normality” by articulating the differences of others as a point of deviance.<sup>8</sup> The person or group being othered experiences this as a process of marginalization, disempowerment, and social and economic exclusion. This effectively creates the separation between “us” and “them.”

In the context of examining the illusion of the Indian Act economics, the connection between “othering” and structural racism must be examined. The work of Viruell-Fuentes describes othering as being “treated as a function of structural factors, including institutional racism. Othering contributes to shaping an individual’s prescribed racial status and their access (or lack thereof) to resources associated with such a status.”<sup>9</sup> This is the foundation of the functioning of Indian Act economics.

Othering is described as a set of dynamics, processes, and structures that cause marginality and persistent inequalities across the full range of human differences based on identity. In the *Economics of Belonging*, author Martin Sandbu introduces the concept of “the end of belonging.”<sup>10</sup> The author highlights the absence of economic belonging and its social implications. He eloquently describes how “the notion of belonging captures the psychological, sociological and political fallout of economic change.” Sandbu establishes that economics is at the center of widening social and economic inequality. “Othering” is a term that not only encompasses the many expressions of prejudice based on group identity but also provides a clarifying frame that reveals a set of common processes and conditions that propagate inequality and prejudices. This is Indian Act economics.

The concept of othering is useful language in naming the cause-and-effect experience of Indian Act economics and the radical exclusion of the Indigenous population. The Indian Act is an architectural structure designed specifically for the absence of belonging of Indigenous Peoples and their dis-invitation from having a seat at the economic table. Foundational to the concept of Indian Act economics is its intention to sever Indigenous cultural and economic belonging. It was and is the radical structure for the systemic isolation of the Indigenous population to further access lands, resources, and economic base. The structure and process for the absence of belonging is a core feature and function of the Indian Act. The structure for the absence of belonging continues across the original version of the Indian Act in 1876, the amendments in 1927, and the 1985 version as it remains to this day. Each clause of the Indian Act can be broken down into the structure and process of othering and the absence of belonging of Indigenous Peoples.

Some examples of the structure of othering are demonstrated through the externalization of authority and the establishment of the Indian reserve, which was upheld through the relationship of lands held in trust for the Crown as a specific form of physical and economic isolation. Economic isolation within the Indian Act is structured through the disallowance of leases, sales of grain, oil and gas, and other resources on reserve. Another example is holding “moneys in trust for the Indian,” which upholds the structure of othering in Indian Act economics. The policy of isolating and removing Indigenous identity is another example of othering in the Indian Act.

Othering, in practice, upholds the structure of radical exclusion through the Indian Act, which is outlined in a paper for the Centre for First Nations Governance titled *Indian Act Colonialism: A Century of Dishonour, 1869–1969* by John Milloy.

“Indian status” as created in the Indian Act grew out of Victorian cultural and ethno-centric assumptions: that property ownership was the foundation of civilized society and that both ownership and descent of property were attached, primarily, to males. In line with these beliefs, the Indian Act defined “Indian” in relation to property. Thus “For the purpose of determining what persons are entitled to hold, use or enjoy the lands and other immoveable property belonging to or appropriated to the use of the various tribes bands or bodies of Indians.”<sup>11</sup>

Understanding the distinctions of the practice of radical exclusion is important in realizing how language is used to uphold othering in the Indian Act. The use of “Indian” upholds both radical exclusion and activation of othering through its definition. “The term ‘Indian’ means: first, any male person of Indian blood reputed to belong to a particular band. Second. Any child of such person. Third, any woman who is or was married to such person.”<sup>12</sup>

The paper continues:

This legal formulation of the “Indian,” rooted in the patriarchal nature of property ownership, went a step further. It dismantled tribal nations by segregating their bands into separate property-bound entities and units of municipal administration. Thereafter, the individual’s status was tied to the band on its reserve rather than to traditional, tribal collectives. Thus if an Indian woman married an Indian of another band, she “shall cease to be a member of the band to which she formerly belonged, and become a member of the band ... of which her husband is a member.” And men’s property rights and privileges were restricted to their own reserve. Indians attempting to live on a reserve to which they were not attached by their status were, like white trespassers, subject to removal.<sup>13</sup>



The externalization of authority in the Indian Act was a central feature of othering and radical exclusion of the Indigenous population. The author continues breaking down the structure of othering and the absence of belonging of the Indigenous relationship in Canada.

The [Indian] Act gave the Department the authority to attribute or deny status to individuals and this led to the development of a powerful colonizing device—a status tracking system composed of band and treaty numbers for individuals, a national registrar and registry to make and register status determinations and eventually status cards. These made the status population legible to the Department, marked it genealogically. That legibility facilitated heightened levels of Departmental surveillance and intervention in communities and in the lives of individuals. By regulating registered births and determining the paternity of each child, band lists could be established and policed and the separation was maintained between status and non-status Indians and non-Aboriginals. Such surveillance and regulation became increasingly important in the 1950s and thereafter as the Indian population increased and thus Federal expenditures in treaty payments and welfare state benefits and services escalated accordingly.<sup>14</sup>

Another clear example of the structure of othering as a tool was the use of gender as a weapon against Indigenous Peoples embedded in the Indian Act.

In defense of the legal status “purity” of band populations, and of the Indian Department’s budget too perhaps, thousands of Indian women and children, culturally but not considered legally “Indian,” were exiled from their communities and identity. Cut-off from family and community support, and, often lacking education and job skills, these women often became, in the post-war period, the objects of off-reserve provincial social service organizations. The most tragic consequence of this exile and surveillance was that many of their children would be “apprehended” by child welfare officials and

would be lost to culture and community in the labyrinth of the fostering and adoption system.<sup>15</sup>

The Indian Act establishes the externalization of the position of power. The following chart articulates the key functions of othering as structured within the Indian Act.

**Table 1: The Structure of Radical Indigenous Economic Exclusion within the Indian Act**

Structure of Radical Exclusion	How
Upholds only ethnocentric worldview and practice	Imposes a singular worldview as the source of power, authority, definition, and isolation  Serves to eliminate the Indigenous population to clear the lands and access resources
Externalized decision-making away from Indigenous Peoples	Isolates decision-making to the Indian agent and today to the federal agency
Forces economic isolation/displacement of the Indigenous population	Reserve system isolates land mass and resources
Forced externalized limitations on Indigenous identity	Prescribed conditions for identification with the purpose of reducing the continuation of a people
Attack on existence	Long-term core objective is for Indigenous Peoples to cease to exist
Forbids Indigenous language and cultural practices	Suppression of cultural practices and continuation of identity
Weaponizes Indigenous education	Isolated the Indigenous population to remove continued existence
Indigenous gender isolation and weaponization	Prescribes conditions for gender isolation and removal from Indigenous identity
Isolation from worldview—practice of culture, belonging, property.	Removal of inherent Indigenous stewardship and responsibility

Externalization of decision-making	Removes the ability of Indigenous communities to make decisions for themselves for the purpose of activating control
Removal of any function of Indigenous asset ownership and commerce through the reserve system	Better able to access and control resources on and off reserve
Self-appoints Indigenous Peoples as wards of the state	Removes absence of self-regulation/ self-government through externalized governance of the Indian Act Deems Indigenous Peoples as incapable of self-governance
Physical isolation of the Indigenous population from the rest of Canada	Isolates Indigenous population onto reserves and establishes limited mobility
Weaponizes identity	Controls identity as a tool for discontinuation and limitation

### **The Indigenous Socioeconomic Gap**

The Indigenous socioeconomic gap is the accumulation of the long-term impacts of the structured absence of economic opportunities, unequal distribution of resources, and lack of access to the basic functions of economy and commerce. One of the opening clauses of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) is that Indigenous Peoples have the right to dignity. The Indigenous socioeconomic gap is the absence of dignity. Every time you pass by an Indigenous person living the experience of homelessness, this is the continuous accumulative outcome of Indian Act economics in action—the perpetuated impact of long-term trauma of the economic displacement of the Indian. Indian Act economics is the continuous upholding of Indigenous economic displacement. The Indigenous socioeconomic gap is the cost of doing nothing. The Indigenous socioeconomic gap is a value crisis.

### **Reflective Questions**

1. Why is the Indian Act Canada's only race-based legislation?
2. In what ways does the Indian Act establish "othering?"
3. What does radical economic exclusion mean today?
4. How are the processes of belonging and reconciliation connected?