Indigenous Wealth in the Early 20th Century

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Motivation

From 1492 to today, Indigenous nations have experienced a reversal of fortunes, at least as measured by population density (Carlos, Feir, Redish 2023)

The historical narrative has emphasized the colonization process, but misses a discussion of wealth accumulation, despite a focus on wealth by recent inequality work (Piketty & Zucman 2014; Saez & Zucman 2016, Derenoncourt et al. 2022; Dray et al. 2022)

Our work is motivated by this absence of literature

→ **Today, I will present a snapshot of our work in progress - all results are preliminary and should be interpreted with the understanding that there is still much left to do**

Context: What is Wealth and why does it matter?

"All the assets over which ownership rights can be enforced and that provide economic benefits to their owners" (Piketty and Zucman, 2014)

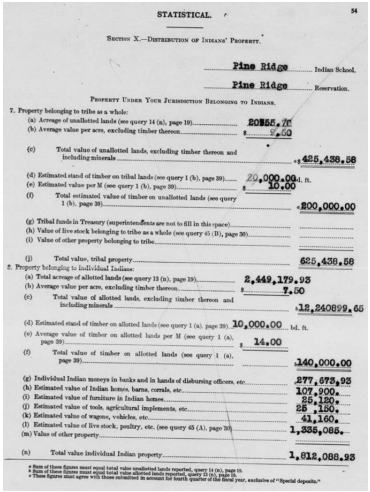
For Indigenous nations:

- Much of their wealth was tribally owned rather than individually owned
- Much of their wealth was held 'in trust' by the US government
- The definition of wealth in terms that omit social, cultural and environmental capital is too narrow

And yet, economic capital is one of the bases of economic growth and can be key to smoothing consumption

Data

- Our data comes from the BIA Annual Reports of 1912-1927
- Statistical and narrative sections submitted yearly by each superintendency to the central agency
- Included a variety of information, most useful for our work are the wealth (by type) and population tables



STATISTICAL. 54

SECTION X.—DISTRIBUTION OF INDIANS' PROPERTY.

Pine Ridge Indian School.
Pine Ridge Reservation.

PROPERTY UNDER YOUR JURISDICTION BELONGING TO INDIANS.

7. Property belonging to tribe as a whole:

(a) Acreage of unallotted lands (see query 14 (a), page 19)	2055.76	
(b) Average value per acre, excluding timber thereon	$ 7.50	
(c) Total value of unallotted lands, excluding timber thereon and including minerals		$ 425,438.56
(d) Estimated stand of timber on tribal lands (see query 1 (b), page 39)	20,000,00	M. ft.
(e) Estimated value per M (see query 1 (b), page 39)	$ 10.00	
(f) Total estimated value of timber on unallotted lands (see query 1 (b), page 39)		200,000.00
(g) Tribal funds in Treasury (superintendents are not to fill in this space)		
(h) Value of live stock belonging to tribe as a whole (see query 45 (D), page 30)		
(i) Value of other property belonging to tribe		
(j) Total value, tribal property		625,438.56

8. Property belonging to Individual Indians:

(a) Total acreage of allotted lands (see query 13 (a), page 19)	2,449,179.93	
(b) Average value per acre, excluding timber thereon	$ 7.50	
(c) Total value of allotted lands, excluding timber thereon and including minerals		18,240899.65
(d) Estimated stand of timber on allotted lands (see query 1 (a), page 39)	10,000,00	bd. ft.
(e) Average value of timber on allotted lands per M (see query 1 (a), page 39)	$ 14.00	
(f) Total value of timber on allotted lands (see query 1 (a), page 39)		140,000.00
(g) Individual Indian moneys in banks and in hands of disbursing officers, etc.		277,673.93
(h) Estimated value of Indian homes, barns, corrals, etc.		107,900.
(i) Estimated value of furniture in Indian homes		26,150.
(j) Estimated value of tools, agricultural implements, etc.		25,150.
(k) Estimated value of wagons, vehicles, etc.		41,160.
(l) Estimated value of live stock, poultry, etc. (see query 45 (A), page 30)		1,335,085.
(m) Value of other property		
(n) Total value individual Indian property		1,812,088.93

* Sum of these figures must equal total value unallotted lands reported, query 14 (a), page 19.
† Sum of these figures must equal total value allotted lands reported, query 13 (a), page 19.
‡ These figures must agree with those submitted in account for fourth quarter of the fiscal year, exclusive of "Special deposits."

Data

INDIAN TABLE 4.—*Value of Indian individual and tribal property, June 30, 1927*—Continued

State and agencies	Total value of individual and tribal property	Individual								
		Total	Lands, exclusive of timber	Timber	Estimated value of oil, gas, lead, zinc, coal, and other minerals in soil	Funds in banks and in hands of superintendents	Homes, barns, furniture, etc.	Wagons, autos, implements, etc., including autos	Livestock and poultry on hand	Crops and miscellaneous supplies on hand
Colorado: Consolidated Ute	3,247,917	679,091	400,000	12,000	0	155,091	47,000	17,000	22,000	26,000
Florida: Seminole	297,000	7,000	0	0	0	0	0	3,000	2,000	2,000
Idaho	18,585,509	14,117,442	12,060,180	215,020	0	451,033	400,756	296,650	239,803	454,000
Coeur d'Alene	6,352,732	6,305,489	5,536,600	177,520	0	166,369	160,000	42,000	70,000	153,000
Fort Hall	6,932,036	4,399,514	3,830,000	[1] 2,500	0	47,014	90,000	[2] 75,000	70,000	285,000
Fort Lapwai	5,300,741	5,412,439	2,693,580	35,000	0	237,650	150,756	179,650	99,803	16,000
Iowa: Sac and Fox	604,181	55,871	0	0	0	11,071	31,000	3,800	9,000	1,000
Kansas: Potawatomi Subagency (under Haskell)	2,764,247	2,633,073	1,746,948	0	0	95,644	411,000	119,480	130,000	150,000
Michigan: Mackinac	319,643	314,968	139,300	5,000	0	38,668	95,000	18,500	12,500	6,000
Minnesota	14,941,674	6,739,974	4,513,000	695,500	0	729,659	361,350	202,750	223,715	14,000
Consolidated Chippewas	11,618,395	5,900,984	4,498,000	695,500	0	333,384	86,350	119,250	161,000	7,500
Pipestone	71,387	68,387	5,000	0	0	8,387	50,000	1,500	2,000	1,500
Red Lake	3,851,892	770,603	10,000	0	0	387,888	225,000	82,000	60,715	5,000
Mississippi: Choctaw	117,450	117,450	35,000	4,000	0	9,450	30,000	7,000	15,000	17,000

We compute wealth per capita, by superintendency or state. This does not include liabilities, and all estimates are presented in 1912 prices.

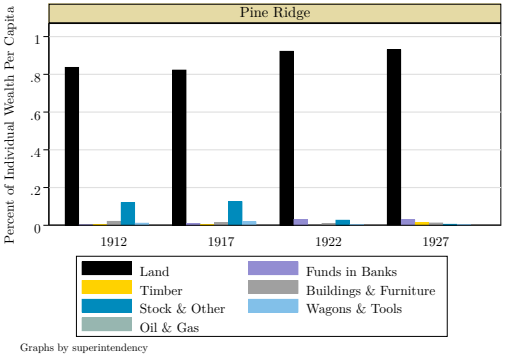
Results - Types of assets held (1912)

Table: Share of per capita wealth, by asset class in 1912

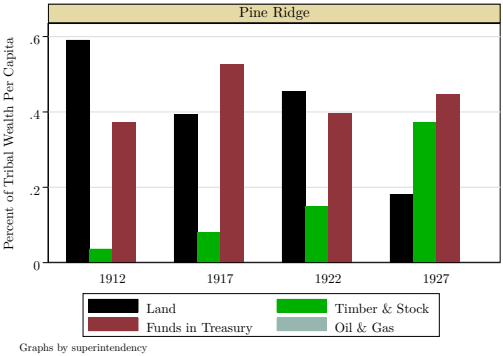
	Individual		Tribal		% of each asset
	Fraction	Level, PC	Fraction	Level, PC	held individually
Land	0.766	596.21	0.443	312.67	0.656
Timber	0.051	39.45	0.343	241.99	0.140
Monies	0.038	29.36	0.212	149.55	0.164
Stock	0.094	73.37	0.000	0.07	0.999
Other	0.051	39.93	0.001	0.97	0.976
Total	1.000	778.33	1.000	705.24	

Notes: Per capita wealth is calculated by summing over all superintendencies and dividing by the total population. 125 superintendencies included with a total population of 297,699. Individual monies were held by banks while tribally held monies were held in trust at the U.S. Treasury.

Results - Types of Assets Held on Pine Ridge



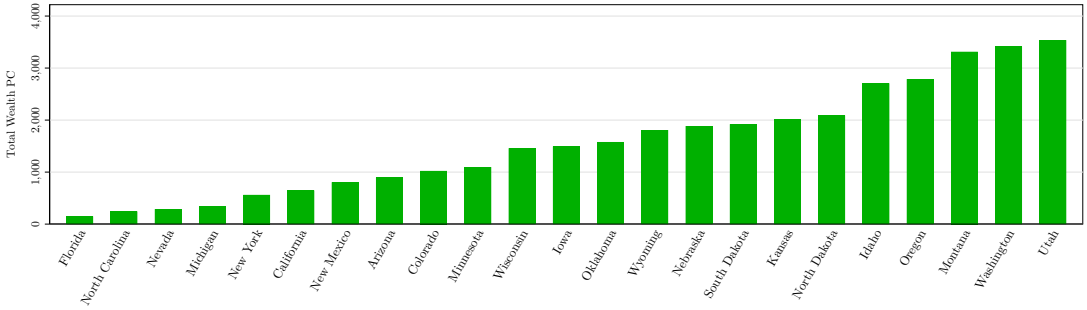
(a) Fraction of Individual Wealth



(b) Fraction of Tribal Wealth

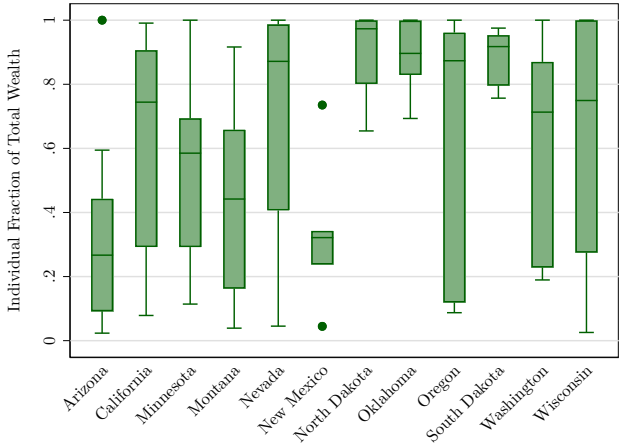
Results - Heterogeneity in Wealth (1917)

Our data reveal substantial heterogeneity in the levels of per capita wealth



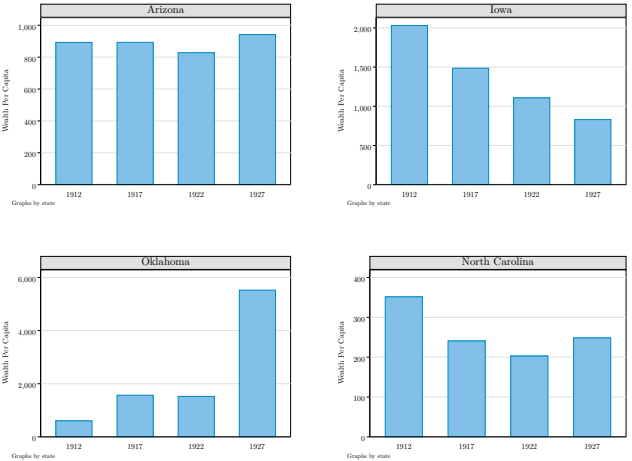
For reference, per capita white wealth was approximately $1,846 in 1917

Results - Heterogeneity in Wealth (1917)



There is also considerable variation in the degree to which wealth was held individually

Results - Heterogeneity in Wealth Trends



Patterns of wealth accumulation varied across region; in most states, total wealth per capita either declined or followed no discernible pattern between 1912-1927

Results - Indigenous wealth in context

Table: Estimates of nominal per capita wealth, by group

	Indigenous			Black	White
	Indiv	Tribal	Total	Indiv	Indiv
1912	778	705	1,484	100	1,104
1917	1,375	718	2,092	169	1,846
1922	1,743	626	2,370	270	2,756
1927	2,392	2,983	5,375	313	3,171

Notes: Black and White estimates from Derenoncourt et al (2022)

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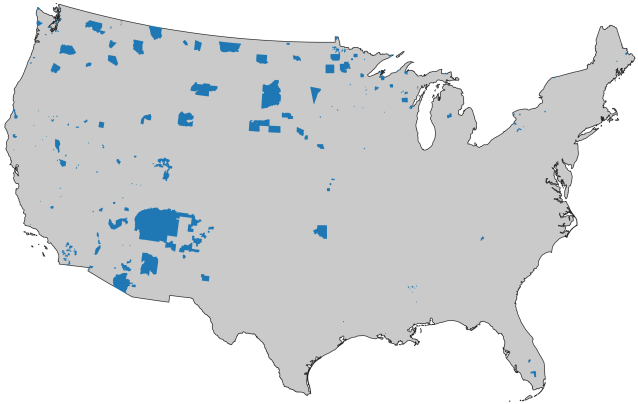
Notes: Black and White estimates from Derenoncourt et al (2022)

Context: Indigenous lands pre-contact



The point in time that we measure, is a point when the majority of Indigenous lands had already been dispossessed

Context: Indigenous lands by 1900



Despite this land loss, we saw that Indigenous lands still made up the bulk of Indigenous wealth by the early twentieth century

Context: Today

Contemporary estimates of Indigenous wealth remain scarce and are hampered by data limitations

Those that do exist suggest a tremendous widening of the wealth gap

- Taking individual wealth as a lower bound, our estimates suggest a movement in the Indigenous-White wealth gap from close to 1:1 to 1:9

This is in stark contrast to the patterns in Black-White wealth accumulation documented in the literature (Derenoncourt et al. 2022)

What institutions restricted Indigenous wealth-accumulation over the course of the twentieth century?

→ **This question forms the basis of our future work**