THE ABORIGINAL ECONOMY

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This paper presents an overview of the Aboriginal economy of north Australia, and some possible options for future Aboriginal economic development. Here the term economy refers to the system a society has devised to provide its material needs - that is, its modes of production, consumption, distribution and exchange. This in no way implies that the economy is independent of a society's cultural, social, political or religious institutions, but for analytical purposes, the economy will be singled out for examination here.

It is difficult to discuss the Aboriginal economy of north Australia, as the north consists of the Northern Territory, and parts of Queensland and Western Australia. In Aboriginal studies, there has been a tendency to divide Australia into 'economic' (southern) and 'empty' (northern) regions following the division of Taylor (1947). Rowley (1971) later adopted this division in his separation of Australia into 'colonial' and 'settled' parts. Other adjectives used to describe the north have included 'remote' Australia (in reference to geographic isolation from major population centres) and traditional Australia (since the majority of Aborigines are not divorced from the social, cultural and kinship systems of their forefathers). For this paper north Australia is defined as the whole of the Northern Territory, plus tropical Queensland and Western Australia (i.e. those portions north of the Tropic of Capricorn). The paucity of economic data on Aborigines in north Australia, means that emphasis will be placed on the Aboriginal economy in regions where statistics exist. This means that Aboriginal communities in the Northern Territory will receive undue attention, and this will result in a somewhat biased account. For, especially with regard to future developments, there is little doubt that Aboriginal communities in the Northern Territory have, owing to land rights legislation, to current and possible future royalty income and to their relatively large proportionate population (and hence political leverage), a rosier short-term economic future than communities elsewhere in north Australia.1

The outline of this paper is as follows: in Section I, the various Aboriginal economies that existed in north Australia prior to the encroachment of Europeans (pastoralists, missionaries and the government sector) will be discussed. In Section II, the almost total destruction of the Aboriginal economy owing to 'contact' with the European economy, from the late 19th century to the early 1960s, will be described. This destruction resulted in the almost total economic dependence of surviving Aborigines on Europeans. In Section III, their current economic status will be described. Western economic indicators such as employment status, occupational status, income status and the extent of reliance on 'unearned' (welfare) income, will be utilised. This section will be divided into two
parts. Dependence I will deal with government settlements, missions, ex-
missions and European owned pastoral stations - that is, with those
Aboriginal communities where the European economy or economic criteria are
dominant. Dependence II will examine decentralised communities and
Aboriginal owned pastoral stations, i.e. those communities where the
Aboriginal economy (albeit in a modified form) and economic criteria can be
said to be primary. Section IV will examine some economic development
problems that different Aboriginal communities may face as they strive for
a desirable amalgam of the Aboriginal and European economies.

It should be noted that there are a number of shortcomings in this
approach besides the one (regional bias) mentioned above. Firstly,
Aboriginal communities vary considerably. There are government settlements
and missions or ex-missions (large, e.g. Maningrida, Papunya; and small,
e.g. Arengonga, Amoonguna), communities on Aboriginal or European owned
pastoral stations (including excisions), decentralised communities,3 fringe
camps (near towns),3 road camps (near roadhouses) and communities more or
less assimilated into European towns. It should be noted that a number of
Aboriginal community types will not be discussed here. Secondly,
variations between communities exist (and always existed) owing to vast
variations in resource endowments and ecosystems in North Australia. One
needs only to glance at a map that divides north Australia into regions on
the basis of climatic factors, soil types or natural vegetation to see this.
Not surprisingly then, the Aboriginal, or European, economy is dependent
on the local ecosystem. Finally, as will become apparent in Section II,
the extent of destruction of the Aboriginal economy depends to a large
extent on the timing and nature of European infiltration. Assuming a
relatively homogeneous robustness of the Aboriginal culture and economy,
variations in the extent of the survival of the traditional economy will be
regarded as a function of various European contacts.

I. THE TRADITIONAL ABORIGINAL ECONOMY: SUBSISTENCE AFFLI\HNCF?

Hunters and gatherers have by force of circumstances an
objectively low standard of living. But taken as their objective
and given their adequate means of production, all the people's
wants usually can be easily satisfied.

M. Sahlins, *Stone Age Economies*

This section describes the Aboriginal economy of pre-contact times. For
the economist, the primary area of interest tends to be production. Output
in the Aboriginal economy was dependent, as it is in all societies, on the
combination of a number of factors of production. The production function
can be represented as:

\[ Q = f (\text{Land, Labour, Capital}). \]

Land

As with all societies that exhibit a hunter-gatherer mode of production,
Aborigines exploited the renewable (and non-renewable) resources of the
land. The main economic unit was the band (or horde). It was not the land
owning group, which was the clan, but the group that had usury rights to
land - the band's territory for productive purposes commonly being termed
its range (Stanner 1965). During normal years, Aboriginal hunter-gatherers could meet their subsistence needs from their own range, but environmental fluctuations sometimes necessitated the use of another range. Hence, while land was a fairly fixed factor of production, periodically it may have expanded (possibly when the productivity of a band's range decreased below a certain minimum level essential for its biological survival). This meant that Aboriginal bands had to maintain cordial social relations with neighbouring bands - usually cemented by kinship, ritual and ceremonial exchange ties. The fact that Aborigines exploited, rather than developed or controlled their ecosystem, meant that they were subject to resource pushes (exhaustion of flora, fauna or water) and pulls which required seasonal movements. But there were differences in the nature of Aboriginal regional economies depending on local resource endowments.

Meggitt (1964:32) suggests that north Australia has five broad environments: (1) rainforests (and forested areas in the northeast), (2) humid forests, (3) subhumid grasslands, (4) semi-arid steppes and (5) central deserts. The five can be simplified on the basis of broad categories of Aboriginal social organisation to three basic types: (1) coastal and river estuary, (2) hinterland - forests, savanna and plains, and (3) desert and semi-arid steppes. This tripartite division is correlated with differences in the extent of nomadism among Aboriginal bands. In the more fertile, resource rich regions, communities were only semi-nomadic: for example in the Arafura swamp region of Arnhem Land climatic factors necessitated moving camp, as low-lying regions in the swamp area flooded during the wet. In the desert where the environment was more fragile and water was scarce, bands were more nomadic. Not surprisingly then, environmental factors also influenced band size (which averaged 25-50 in fertile regions and was somewhat less in dry zones) and population density which varied from being as low as one person to 90-100 km² in the central deserts, up to one person per square kilometre in coastal regions (Meggitt 1964; Peterson 1971; Berndt 1972). Also, the local environment influenced the types of subsistence produce consumed, as in general, Aborigines did not have techniques for storing perishable foodstuffs and did not trade foodstuffs.

Labour

Who did what was laid down by a fairly strict division of labour by sex and age. In general, women were the gatherers of plants (vegetables), roots, fruits and nuts, shellfish and small land mammals. Men were the hunters of large land mammals, sea mammals and fish. Occasionally, during large scale fish or game drives there was cooperation between the sexes (also in housebuilding and ceremonies). There is no clear generalisation that can be made regarding the relative importance of the subsistence production of men and women. It has generally been thought that as with other hunter-gatherers in tropical zones, the bulk of subsistence output was produced by women (Lee and Devore 1968; Hlatt 1974). This view has been recently challenged by data from Arnhem Land (Meehan 1975; Jones 1980 in press) which indicate that the importance of meat and fish (and men's subsistence activity) was greater than previously thought. In some areas (e.g. in Arnhem Land) inter-band cooperation occurred regularly (Thomson 1949). Specialists in subsistence activity were not usual. A most important economic resource, contained within the labour factor of production was a great knowledge of plants and animals (Penny and Moriarty 1977:19).
Capital

Producer durables were technologically simple - to some extent a constraint imposed by the nomadic hunter-gatherer mode of production - and included spears, stone axes, boomerangs, fish nets, etc., for men and digging sticks, dilly bags and mortar and pestle, etc., for women. In the far north there was some diffusion of technology following contact with Macassans (Thomson 1949; Warner 1958) and Torres Strait Islanders (McCarthy 1957). Introduced tools included fish traps, dug-out canoes and harpoons (Lawrence 1971).

As suggested above, it was primarily the environment and the adaptation of production to a certain environment that determined the components of subsistence consumption. In common with hunter-gatherers elsewhere, vegetables appear to have provided the regular staple diet and meat the more irregular luxury diet (Joachim 1976). However, in some regions, such as coastal Arnhem Land, the importance of meat was greater than vegetables. (Jones 1980:130-6) suggests that two-thirds or more of the gross weight of food was in the form of meat of all types for Aborigines of the tropical savanna regions). Consumer durables were few and basically consisted of goods with ritual or religious significance: the material culture here was rich. What was not consumed was saved, not by preservation, but by storing in the environment. In general the Aboriginal economy was not wasteful. Direct investment occurred in producer goods, while the building up of social relations with other bands could be viewed as 'indirect investment' for future contingencies.

The basic intra-band distributive mechanism was the institution of sharing between kin. In general, all members of a band were real or classificatory kin, and food was distributed from producers to non-producers. Sharing on the basis of kinship ties must have been a most effective social security. While elders with many wives may have had the means to expropriate a large share of subsistence output, the lack of techniques for food preservation made such a strategy futile. Accumulation of consumer or producer durables by elders could also occur, although nomadism and kinship obligations appear to have put a check on the personal accumulation of property.

Inter-band economic exchange was generally undertaken to extend production possibilities. In the far north (Kimberleys, Arnhem Land, Cape York) this exchange was associated with elaborate ceremonial exchange cycles (see Stanner 1933; Thomson 1949; Kaberry 1939; Berndt 1951; Sharp 1952 and Falkenberg 1962) while further south, institutions similar in scope to 'peripheral markets' appear to have existed (Roth 1897; Howitt 1904). Certainly the archaeological evidence suggests some goods (e.g. stone spearheads, ochres, bale shells) travelled hundreds of miles from their source (see Mulvaney 1976 for an excellent review). In Arnhem Land external economic exchange took place with Macassans and in Cape York with Torres Strait Islanders.

Overall, it appears as if the Aboriginal economy was in harmony with the various ecosystems in north Australia. The only published quantitative examination of the traditional economy (McCarthy and McArthur 1960) suggests that the subsistence needs of the band could be fulfilled with only a few hours work per day - hence Sahlin's apposite quote at the head of this
section. However, McCarthy and McArthur did not examine time spent in domestic activity (e.g. preparing food, cooking food, building shelters) or in manufacturing and maintaining producer goods. Their study was also conducted in Arnhem Land and Groote Eylandt in the more fertile far-north during a productive season in the annual cycle. Gould (1969) suggests that the 'level of living' in the Western Desert may not have been as high (see also Tonkinson 1978). Generally though, Aborigines had survived in north Australia for a very long time which in itself exemplifies that their economic system worked efficiently.

II. EUROPEAN ENCROACHMENT: THE DESTRUCTION OF THE ABORIGINAL ECONOMY

In applying the term 'colonial Australia' to the area ... I have it in mind that in these northern and central regions the social relationships between the indigenous and the settler populations represent an earlier phase of changes brought by European settlement, and that there are many aspects remaining in the relations between the races which are typical of industrial colonialism.

C. D. Rowley, The Remote Aborigines

The history of European encroachment on Aboriginal north Australia has been eloquently described in Rowley (1970). North Australia was the last area of immigrant settlement. There were basically three eras - the pastoralist era, the missionary era and the government era which affected Aborigines in the north - although the three eras overlapped chronologically.

When the pastoralists arrived in north Australia in the second half of the 19th century, they had a set of attitudes and values regarding economic activity that was quite different from that of Aborigines. In view of the fact that most had migrated to Australia from industrial Europe this is not surprising. They had an extremely ethnocentric view of land use and land ownership. 'Civilised' behaviour meant that the land must be exploited in an organised, sedentary, productive manner and the aim of economic activity was the production of a marketable surplus. The extensive land use of the hunter-gatherer mode of production appeared extravagant and wasteful to the pastoralist, who did not recognise the complexity and self sufficiency of the Aboriginal economy - presumably due to their simple material culture and to their lack of military might. Likewise, the pastoralist did not understand the Aborigines' 'loose' concept of land ownership - for Aborigines, land was sacred, the source of life and a part of themselves. For the pastoralist land was a commodity that could be bought and sold and owned - or held by military superiority.

Pastoral stations were successfully established primarily in the Kimberley region of Western Australia, in the north of Queensland and in central and northern regions of the Northern Territory. During the 'colonial establishment phase' of the pastoral industry Aboriginal labour was essential to pastoralists as white labour was difficult to attract to the remote north. Aborigines were forced directly or indirectly to centralise at pastoral stations: directly by force and indirectly by the fact that the exploitation of their land resulted in the destruction of
their traditional economy. Even where Aborigines had maintained some user rights to pastoral leases, they had to compete with cattle for water and resources. Male Aborigines became station hands and females domestic servants (or concubines) and were 'paid' for their services with supplies. Rowley (1971:3) has pointed out the similarity between the economic structure of the pastoral industry in colonial (north) Australia and the plantation economies of colonised countries elsewhere - capital, control and management was applied by one social class and race with cheap labour supplies by another. From late 19th century till 1968, the structure of the pastoral industry changed little, except that since the Second World War consolidation and capitalisation occurred in the industry at the expense of exploited Aborigines whose economic status remained almost stationary. They were paid primarily in kind (via the station store) and only since the 1950s has a 'pocket money' component been included in their 'wage'.6 At this time government started subsidising pastoralists' exploitation of Aborigines by providing them with 'maintenance payments'.7 Since 1968, when Aborigines were included in the Cattle Station Industry (Northern Territory) Award and the Federal Pastoral Industry Award, a new phase in the employment history of Aborigines on pastoral stations has developed - what I have labelled elsewhere the 'labour substitution phase' (Altman and Nieuwenhuyzen 1979:65). Their current economic status, now almost completely dependent on the pastoralist and government sector, will be described in the next section.

The mission era in north Australia began at the turn of the century with the explicit motive of 'protecting and preserving' the Aboriginal race which appeared to be dying out. There were basically three types of mission established - near European towns, in areas of European population and on Aboriginal reserves. Here I will concentrate on the last type. The implicit motive of most missionaries was assimilation based on a pervasive European ethnocentricism. The writings of some missionaries (e.g. Chasing 1957) reveal a genuine desire to 'help' Aborigines. Initially in the mission era Aborigines were able to participate in mission life with comparatively little disruption to many of their patterns of social and economic organisation. In the more fertile regions of north Australia missionaries had much trouble in enticing Aborigines to move to mission stations (Long 1970:140). In Arnhem Land some bands never moved in permanently but only visited mission stations periodically for supplies, medical attention or social reasons (fulfilment of marriage arrangement, or participation in rituals and ceremonies). Basically Aboriginal society is extremely interdependent and once one clan moved to a mission a cumulative immigration process developed. In the economic sphere, missionaries used a type of economic evolution theory and strove to adapt Aborigines to the European economic system via a number of intermediate steps beginning with sedentary gardening or horticulture. But they were in general unsuccessful, owing both to environmental factors (a long dry season) and sociological factors (Aborigines were 'hired' to work gardens, rather than being encouraged to cultivate them on a clan basis).

By the 1930s it was clear that the Aboriginal population of north Australia was no longer dying out, and policy became an intermingled one of protection and assimilation. During the Second World War, owing to an acute labour shortage, there was some migration of Aborigines into northern
tours and army administered camps, and utilisation of their labour in the war economy. The common outside threat to both Europeans and Aborigines appears to have united them to some extent. After the war, the government era in the north, particularly in the Northern Territory, intensified and many government settlements were established from 1945-1959. It is not clear whether initially these settlements were regarded as permanent or temporary institutions, but the primary motive for their establishment appears to have been to keep Aborigines out of towns like Alice Springs and Darwin. By 1954, assimilation became the government's policy (although as Rowley (1971:399) notes it is not until 1961 that its formal meaning was clarified by the Native Welfare Conference) and settlements were viewed as transitional institutions designed to 'teach' Aborigines the European way of life, including the economic system. Missions during this era became increasingly dependent on government subsidies and their nature became similar to government settlements.

Settlements were established without any consultation with Aborigines and many were forcibly centralised. In some ways, the government era most effectively destroyed the Aboriginal economy, for as elsewhere, centralisation per se, was a sufficient condition to do this. But with centralisation, more and more white administrators came and took away from Aborigines almost all responsibility for their own economic management. And today, it is extremely difficult to see how the assimilation policy was consistent with the establishment of most government settlements (and missions) in isolated areas, with poor market linkage and often with scarce natural resources and a harsh climate, but it is not difficult to see why they have often been dubbed 'false' economies. As White (1977:282) notes, Aborigines became more and more dependent on alien paternalist authority... these settlements became 'total' institutions and as Long (1970:181) suggests a situation of 'hostile dependency' developed.

By 1965, the policy of assimilation was replaced by one labelled 'integration'; in 1972 this gave way to 'self determination' and in 1975 to 'self management'. However, the very establishment of pastoral stations, missions and government settlements in the north, and the centralisation and land alienation associated with their establishment destroyed to a large extent the traditional Aboriginal economy and created an economic dependence on Europeans and particularly on the government sector. The extent of this dependence which was created by Europeans will be described for various communities in the next section.

III. THE ABORIGINAL ECONOMY TODAY: ECONOMIC DEPENDENCE

The popular belief that unemployment is due to the absence of development is clearly without foundation. On the contrary, development is itself in a sense the primary cause of (measured) unemployment, since it is development which opens up the gap between modern and traditional earnings, converts disguised into open unemployment, and accelerates population growth.

W. A. Lewis, Development Planning
In this section the current economic status of Aborigines in north Australia is described. This section is divided into Dependence I and Dependence II. The former will examine government settlements, missions and European-owned pastoral stations with large Aboriginal camps. In the latter, decentralised communities and Aboriginal-owned pastoral stations will be discussed. This division is made for two reasons. Firstly, in Dependence I, the extent of economic dependence on Europeans and the government sector is greater than in Dependence II. Secondly, because little of the Aboriginal economy remains for the communities described in Dependence I, the most appropriate indicators for the measurement of their residents' economic condition appear to be similar to those used in European-Australian society, and include indicators such as employment, occupational and income status. Yet the use of these indicators presents a methodological dilemma, for in European-Australian society, their use is based on the general assumptions that people wish to be employed full-time in jobs with as high an occupational and income status as possible. People are assumed to be relatively mobile in the search for employment. It is difficult to conclude whether these assumptions are tenable for the whole of European-Australian society, but they certainly appear inappropriate for Aborigines. For in general, Aborigines in the north are traditionally orientated and unwilling to migrate for employment. To succeed in employment, particularly in the private sector, Aborigines must work in a cross-cultural context and accept the norms of the dominant society. Employment is interrelated to a number of other socio-economic factors including educational and housing status - hence to compete effectively on the labour market Aborigines must be assimilated or acculturated to an extent unacceptable to them. Finally, such indicators ignore distortions in the labour market - particularly important ones being discrimination against Aborigines in employment and the inflexibility of 'the system' to coincide more closely with Aboriginal work patterns. Despite these shortcomings, no more appropriate indicators exist at present to evaluate the economic status of Aborigines. In Dependence II, these indicators will be used to a lesser extent, owing to the significance of the Aboriginal economy. Wherever cautions arise in the use of the indicators attention will be drawn to them.

Dependence I

Accurate estimates of the unemployment rate for Aborigines on government settlements and missions are rare. The Report of the Interdepartmental Working Party on Aboriginal Unemployment (DAA 1976:1) estimated that 50 per cent of the Aboriginal workforce throughout Australia was unemployed. The Employment Section of D.A.A. estimated in 1976 that the number of unemployed Aborigines was 15-30 percentage points higher than the number registered. Surveys of specific Aboriginal communities by Anderson (1976) and Peterson (1977) substantiate this estimate. An important caution in assessing the employment status of Aborigines is their low propensity to register for employment.

In the absence of accurate estimates of unemployment rates, some idea of employment status may be gained by examining opportunities in the private and public sectors (keeping in mind comments made in previous sections of the variability of resource endowments) assuming that Aborigines want/need
European style employment. In the private sector there appear to be next to no employment opportunities for Aborigines. In the pastoral industry, a little seasonal employment is available, particularly in northern Queensland where Aborigines travel from centralised communities to pastoral stations for employment. Recently, a number of large mining concerns (Nabalco, Comalco, Gemco) have located adjacent to previously remote Aboriginal communities (Yirrkala, Weipa, Anquruq). While some employment has been made available for Aborigines, a survey by Rogers (1973) indicates such opportunities in mining towns are not common and are generally at the unskilled level (owing to the lack of technical training Aborigines have received). The fact of the matter is that most Aboriginal communities in north Australia are remote from the general economy and have no employment opportunities in the private sector. One reason why government settlements and missions are located in remote regions is that it is only there that large Aboriginal population pockets survived - on land generally undesirable to European colonists.

The bulk of employment opportunities in these communities is financed by the government sector. It is for this reason that they could be dubbed 'dependent' economies - public authority funds are often the only generator of 'economic activity'. Only since 1969, when the Training Allowance Scheme was introduced in the Northern Territory have Aborigines received regular cash income. Prior to this, payments were made in a paternalistic in-kind way (with a pocket money component). By 1973 when this scheme was at its zenith 4000 Aborigines in the Northern Territory received Training Allowances. Generally these allowances were sought after, as unemployment benefits were not paid to residents of government settlements and missions. It should be noted that the nature of the scheme was primarily assimilationist: Aborigines were employed at a menial unskilled level (makework scheme) and received little on-the-job training; and the rate of pay (allowance) was well below the Award Wage (in 1969 the Allowance was 62 per cent of the Award (minimum) Wage and by 1973 had slipped to 46 per cent of the Award). The Senate Standing Committee on Aboriginal Affairs (1975: 52) suggested that the scheme was just a disguised form of handout. In December 1973, the scheme was abolished and 1,000 Award Wage positions were created on government settlements and 500 on missions. Grants were made to communities by the D.A.A. on an annual basis to finance employment. By October 1974 when the phasing out of the scheme was completed 2,500 Aborigines previously on Allowances were unemployed and supposedly entitled to unemployment benefits.

The extent of dependence on the government sector for cash is exemplified in a study by Coombs and Stanner (1974:32) who found in 1974 that 82 per cent of employment opportunities of Yuendumu and 90 per cent of opportunities at Hooker Creek were financed by government. Anderson (1976) at Yuendumu, Penny (1977) and Cutter (1975) at Papunya and Coombs (1978) at Areyonga describe similar situations. Today, it seems as though only the method and not the extent of government subsidisation of communities has changed. Special Work Projects, Town Management and Public Utility Grants, Enterprises Grants and Community Development Employment Project grants have all been introduced, but basically these communities remain dependent on annual allocations from Government.
The incomes of Aborigines on government settlements on a per capita basis appears extremely low. Altman and Nieuwenhuysen (1979:48) present a table that summarises information on per capita annual income. These ranged from a low estimate of $295 per capita (Kowanyama 1972) to a high of $1,080 per capita (Papunya 1974/75). These figures were 16 per cent and 35 per cent of Australia-wide average per capita income at that time. Of course, the appropriateness of social accounting for Aboriginal communities can be called to question here as: (1) subsistence activity and cash remittances into and out of communities are generally not estimated; (2) the cost of living in these communities is not comparable with the urban cost of living which affects most of Australia; (3) these estimates are generally based on short study periods (averaging around two weeks); and (4) the aggregate nature of per capita income estimates conceal important variables such as income distribution (the mean often hides the extremes) and possible causes of low per capita income such as high dependency ratios. Basically social accounting is a formal economic statistical technique that even has its shortcomings in the 'market' framework for which it was designed, let alone in the 'false economies' of Aboriginal communities. The evidence here suggests that employment, occupational and income status on government settlements and missions is low and basically only reflects the extent of government support.

The situation for Aborigines on European-owned pastoral stations seems little better. As noted in Section II, only since 1968 have Aborigines employed in the cattle industry been entitled to Award wages. While a survey in 1965 (see Stevens 1974:72-73) indicated that pastoralists found Aboriginal workers as good as, or better, than white stockmen, there appears to have been a decline in Aboriginal employment since pastoralists have had to pay them equal wages. Scott (1971:12-15) showed a decline in the number of Aborigines employed on stations in the Kimberleys from 1966-1971 and the Gibb Committee (1973:6-7) showed a similar decline for the Northern Territory. A survey of 17 stations in the Alice Springs area by the Northern Territory Cattle Producers' Council showed a decline of 32 per cent in Aboriginal employees and an increase of 66 per cent in white employees from 1965 to 1971. The Gibb Committee (1973:23) found that of 2,733 adults resident on stations in the Northern Territory in 1969, 1,481 (54 per cent) were employed for at least part of the year. Stanley's (1976:162) survey of five stations in the Alice Springs area in 1973 found a crude employment rate of only 26 per cent - less than half the estimate of the Gibb Committee. O'Connell (1977) suggests that the decline in numbers is continuing, although the Community Profiles Survey by the D.A.A.A. (1978) show that Aboriginal groups still reside on 60 stations in the Northern Territory. It is extremely difficult to decide whether the decline in the number of Aborigines on pastoral stations has been due to the introduction of the Award, the pull of settlements and missions (when Training Allowances were available), to the deep recession the beef industry is experiencing (cyclical unemployment) or to structural unemployment (due to the changing nature of the industry). Aborigines who were not employed on stations, but reside on them, have since the 1950s been eligible for maintenance payments usually administered by European property owners. The only estimate of Aboriginal per capita income (Stanley 1976:160) for 1973 suggests that it is as low or lower than on settlements and missions (20 per cent of Australia-wide disposable per capita income). The account by
Stevens (1974) suggests that the economic status (and level of living) of Aborigines on pastoral stations was extremely low in the 1960s and little has happened in the industry since then to change this situation.

Dependence II

The decentralisation movement is the name given to an outmigration of clans to traditional areas on reserves since the early 1970s. The motives for this outmigration are primarily linked to: (1) dissatisfaction with life in centralised communities where the breakdown of traditional authority structures and extreme economic dependence were resulting in much social disruption (the push factor); and (2) the possibility of establishing claims to traditional land via occupancy due to the emergence of the land rights movement (the pull factor). Coombs (1974) and Gray (1977) discuss the foundation of this movement in depth. Whatever the forces of social push to encourage decentralisation, most groups did not wish to abandon completely the access to goods and services to which they had become accustomed on settlements. Hence, there is little doubt that this movement was precipitated by the advent of social security endowments (excluding unemployment benefits) for Aborigines (irrespective of their place of residence). The government policy of self-determination also initially encouraged the movement with the provision of establishment grants (which varied considerably - from $30,000 for Yai Yai, a Papunya outstation, to $2,000-$3,000 for more recent Arnhem Land outstations). While outstations have been founded primarily for non-economic reasons, the migration of small groups to areas with natural resources, plus the inadequacy of income levels and inaccessibility to European style goods for long periods, has resulted in the regeneration of the Aboriginal economy, albeit in a modified form owing to the diffusion of Western technology.

How has the economic status of Aborigines changed with decentralisation?

Indications are that a retreat from the European way of life (as represented by artificial settlements) and a decline in dependence on the government sector has in fact raised economic status. The primary reason for this, I feel, is that a more obvious linking of work effort and reward (not necessarily monetary) has been possible on outstations. Indications are that outstation communities are productive communities. Economic activity, which is often based on traditional lines is primarily of subsistence production with some market orientated production.

Subsistence (or non-market) economic activity includes primarily hunting, gathering, gardening and the construction of community infrastructure (shelters, etc.). Published evidence of such economic activity is scant. But for example, Meehan (1975, Appendix 1:39) showed that a community at Kowanyama, near Maningrida, provided all the flesh protein in its diet from subsistence activity. On average about 0.6-0.8 kg of flesh was consumed per capita per day, mainly in the form of fish or shellfish (see also Meehan and Jones this volume). Coombs (1974:140) reports similar hunting and gathering activity among a variety of outstation communities. Morice (1976:939) noted that approximately 50 per cent of food supplies at Kowanyama (a Papunya outstation) was obtained by traditional and neo-traditional means. Traditional exploitation of the land also provides most of the raw materials for the construction of shelters, for traditional
weapons, religious objects and utensils, and for artefact manufacture. Non-traditional subsistence activities such as cattle raising and horticulture are also being undertaken.

The only major market-oriented economic activity undertaken in decentralised communities is artefact production. This is far more common in Arnhem Land than in central Australia. Morphy (1976:2) estimated income derived from artefact production for the Yirrkala community from 1976-74 was in the region of $30,000 per annum. By 1976 he estimated this would have grown to $100,000.10 Most artefacts are produced by outstation communities. Gillespie et al (1977) note for the Maningrida outstations that in the 1976-77 year, payments to artists totalled $42,143.11 While artefact production appears to be an important source of cash income from productive economic activity, at present it is faced with many marketing problems - owing both to poor communications (market linkage) with most outstations, and to inconsistent demand in southern markets.

It is obvious, that Western style economic indicators, particularly with respect to employment and occupational status are of little use here, for the traditional mode of production seems of greater importance. Estimates of per capita income that do not numerate the value of subsistence activity, indicate that cash incomes do not vary significantly from those on centralised settlements. Hunter (unpublished data) estimated per capita cash income at 10 Maningrida outstations to average $364 per annum in 1973. At the same time, Meehan (1975, Appendix 1:39) estimated per capita cash income at Kopanga to average $500. Data from the Maningrida Outstations Resource Centre (Gillespie et al 1977:12-37) indicated average outstation per capita income of $591 for 1976-77. Meehan (1977:4) states that if seafood at Kopanga was valued at $1 per kg (a fairly conservative 'market' price) then cash incomes would almost double. The economic status of Aborigines on outstations is at least equivalent to those in Dependence I - but when 'quality of life' factors are taken into account, life on outstations is no doubt more appealing to many Aborigines particularly those more tradition-orientated.

A parallel movement to the outstation movement has occurred in the pastoral industry, pioneered in 1966 by the walk-off of the Gurindji from Wave Hill station. Doolan (1977) discusses this and noted (ibid:112) that Aboriginal pastoral groups aimed to secure some land of their own, and live as close to the traditional (pre-contact) mode of life as present conditions would permit. Since 1972 a number of pastoral leases have been acquired for Aboriginal groups, and these groups have established their own cattle projects with D.A.A. enterprises funds. It is difficult to comment on the economic status of these groups. Like outstations, these pastoral communities have been founded primarily for non-economic motives, yet the environments where they have been founded is in general poorer (owing to prolonged cattle grazing) and do not allow much traditional economic activity. Penny (1977:10-15) raises the pertinent question of whether Aboriginal properties are viable cattle projects or settlements. For while the average cattle station needs 60 man/months of labour per annum, the populations of stations increase rapidly when they attain Aboriginal ownership. For example, Willowra's population increased from 130 in 1971 to 240 by mid-1975. Hence to measure employment or occupation status in Western terms is again inappropriate. The per capita income at Willowra in 1974-75
was $610, most of which came from the government sector. The value of subsistence activity like hunting or consumption of locally-produced beef has not been calculated for any of the Aboriginal-owned stations.

IV. ECONOMIC DEVELOPMENT: FUTURE OPTIONS

Colonies to do not cease to be colonies because they are independent.

B. Disraeli,
Speech in the House of Commons,
5 February 1873

In this section future options for the Aboriginal economy in north Australia will be discussed. An initial assumption I make, is that the status quo is not acceptable to Aborigines, and in discussing the future my major theme will be economic change and development. It is imperative however that Western theories of economic development, with their over-emphasis on employment, productivity and profitability, and the aim of providing ever increasing living standards are not utilised. Such policies are based on an ethnocentric bias and have an implicit assimilationist bent and have left in their wake a variety of dependent 'false' economies described in Section III. For too long European-Australian concepts of development (for Aborigines) have ignored the non-economic dimensions concerning the quality of life and undervalued the traditional value system of Aborigines. Policy makers have made the assumption that as the Aboriginal economic system has been destroyed, the social system must soon follow. In fact this does not appear to be the case. Anthropologists like Tonkinson (1974), Turner (1974) and Morphy (1977) have shown that even at missions where Aborigines may be almost totally dependent (in the economic sense), the traditional social organisation and religious life survives. (The religious life may even have been enhanced with centralisation, as logistically ceremonies are easier to manage). The various traditional Aboriginal social institutions that exist today will not be discussed here, but given their robustness, any development strategy must be in harmony with the non-economic subsystems of Aboriginal society. Such strategy may be termed 'appropriate development'.

Appropriate development must be based on the economic goals, values and aspirations of Aborigines. It must be stressed here that economic development for Aboriginal groups has always been planned 'from the top' usually by bureaucrats. No study has as yet been published that examines Aboriginal attitudes to the economy from the 'grassroots' or community level, although a study currently underway (Fisk and Young) should go some way to rectify this situation.

Owing to various 'contact' experiences, resource endowments and official policies, a heterogeneity of community types exist today. Hence it seems pointless to talk of an overall development strategy for Aboriginal communities. All I plan to do is to present generalised scenarios of how I envisage the future for the four types of community described in the previous section. Yet even a general approach is dependent on a number of crucial assumptions. The first concerns land rights, for the Aboriginal Land Rights (Northern Territory) Act 1976,
created a new dimension for Aboriginal economic development. For Aboriginal groups to have appropriate development options in the future a land base is essential. I make the assumption here that Aboriginal communities will get land rights (eventually) but realise that this may be an optimistic assumption for Queensland and Western Australia. Linked to land rights is the question of royalty payments, and ground rents - for there is little doubt that royalties could for the first time provide Aboriginal communities with a source of discretionary income independent of Government control. In development terms, this is an exciting possibility, but one must bear in mind the debilitating social consequences that large mining concerns may have. A trade-off seems to exist between short-term social costs and long-term financial independence, with Aboriginal groups in the north at present placing much emphasis on the former. A further question regarding royalties is that concerning the distribution of royalty income - for mineral deposits in north Australia are not evenly distributed. Today, Aboriginal communities adjacent to mining ventures are entitled to 30 per cent of royalty income, the balance going to the Aboriginal Benefits Trust Account. Problems exist in defining which communities are entitled to the 30 per cent, how to allocate funds between clans within these communities, and on what basis the Trust Account should disburse funds. These are complex political issues which I shall gloss over here with the assumption that communities will receive some royalty income. The final assumption concerns the future role of government - whether its nominal policy of self-management becomes effective policy and whether it provides Aboriginal communities with services (such as health and education facilities) of an appropriate type irrespective of location. I assume here that government remains (becomes?) committed to mould policy to suit the economic development needs of different Aboriginal communities.

Scenario A: Government settlements and missions

As has been shown in Section III the most 'dependent' communities are government settlements and missions. As White (1977:202) notes although present policy (self-management) aims to make these communities autonomous, the long period of dependence has made it hard to develop new decision-making processes or to revive traditional ones. For a long time now paternalism has taken matters concerning the economy out of peoples' hands, and has resulted in 'false' economies. The aim of development must be to unfalsify these communities' economies and make them more self-sufficient and independent.

Given that there are few 'meaningful' employment opportunities for Aborigines at settlements and that Europeans occupy most positions of importance, there is an intuitive appeal to suggest that these communities should be 'decolonised' by the government sector. In fact Penny (1977:16) has shown that the extent of dependence of Aborigines is exaggerated by a European presence. For while at Papunya, total per capita disbursement by government was $2,990 in 1974-75, Aborigines received directly only 36 per cent.12 Turnbull (1978:41) notes that settlements have become over-capitalised and that much of the economic and technological dependency of Aboriginal communities is encouraged by a white presence. Turnbull in particular draws attention to the example of sophisticated housing which is provided for white settlement staff but much less often for Aborigines.13
The basic constraint on Aboriginalisation of services at settlements is the accountability of community councils to government. Because communities are aid-dependent, they can only plan on a one-year time horizon as they are dependent on annual budget allocations. Discretionary revenues from royalties may give some communities independence from government, and this in itself may provide the regenerative impulse in economic activity, as perceived on outstations. Another alternative may be for communities to be financed consistently on a per capita basis (with schemes similar to Community Development Employment Project grants, where the local Aboriginal council is given a lump sum grant).

In future I feel that settlements may serve as a useful intermediate place of residence for Aborigines who do not wish to participate in the European economy, as represented by the private sector and possible urban living, nor wish to participate in the Aboriginal economy as represented by outstations. Alternatively, they may be temporary stops for people heading in either direction. The major function of these settlements may well be as service or resource centres for decentralised communities. They can provide services, such as retail outlets, banks, garages and trading posts, i.e. all the services provided by any small European township. Some outstations are located well over 100 km from settlements at present, and there may be a need to fragment and relocate some of the larger settlements. With discretionary incomes for investment purposes, clan based productive economic activity may also arise, particularly if vehicles are provided at those communities where local resources are currently depleted.

Scenario B: European pastoral stations

Owing to the slump in world beef prices in the early 1970s many stations have been overstocked and overgrazed, and linked to low investment in land management, the fragile environment may have suffered irreparable damage. This industry does not seem particularly viable in the long run. Today some Aboriginal groups live on excisions of European-owned properties and pursue life styles akin to groups on outstations and on Aboriginal-owned stations. If, counter to my prognosis, the pastoral industry in the north proves to be viable, possible employment for Aborigines may exist in contract work. But as noted in Section III, the pastoral industry appears to be releasing Aboriginal labour, due partly to structural changes (capitalisation) in the industry. Another possibility is that land rights may be granted to Aboriginal groups on European stations (alienated land) and they may become Aboriginal-owned stations (see Scenario D). With the profitability criteria of less importance to Aboriginal groups, such a strategy may diminish environmental damage, especially if indigenous wildlife was to replace cattle on these properties.

Scenario C: Decentralised communities

There appears little doubt that in future, with land rights, the number of decentralised communities will increase rapidly. A situation may arise (as is at present evidenced at communities such as Maningrida) where outstation communities support larger total populations than settlements. However, the economic development options available to outstation communities may vary considerably on the basis of resource endowments and royalty income. It appears that the level of living that outstations in
the far north experience (and may have always experienced in pre-contact times) is higher than that for communities in central Australia. Royalty income (which is also more abundant in the 'Top End') also causes variability in the availability of discretionary income. This factor appears to necessitate periodic centralisation for participation in meetings that decide the allocation of royalty funds on a clan basis. It appears as if there is some difficulty in developing a neo-traditional distributive mechanism to divide funds equitably - as in European society, often funds are disbursed to the most powerful or wealthy (clans).

The major problem outstation communities face at present revolves around transportation. All communities are dependent to some extent on market goods and need to maintain a year-round link with resource centres. Yet initial establishment grants to communities, that were spent primarily on vehicles have never been renewed, and most vehicles no longer function - for their average life in the north particularly with offroad use is only two to three years. Consistent funding (from royalties or government) is essential for outstation survival.

The propensity to produce market orientated goods at outstations appears high, but effective market linkage and outlets for produce are needed (services the resource centres may be able to provide). A number of small scale projects, such as artefact production, fishing, prawning and horticulture appear viable. Subsistence activities would be aided by extension services. The training of Aboriginal extension field officers (who may reside at resource centres) appears desirable. There is also the need for intermediate or appropriate technology for irrigation of gardens, generation of power, supplying of water and provision of housing. Recent advances have been made here with CSIRO interest in Aboriginal communities in Central Australia (see Hetzel and Frith 1977) and interest by the (now defunct) Aboriginal and Torres Strait Islander Housing Panel in desert housing. A problem here exists in disseminating information to outstation communities. Turnbull (1978:48) suggests that the D.A.A. should move from being a tertiary industry providing services, to a 'quaternary' industry providing knowledge of appropriate self-help technology.

The development goals of outstations appear to be the achievement of some degree of self-sufficiency from subsistence production (of a labour intensive nature) and to have a small discretionary income for the procurement of some market goods and services (especially transportation). Traditionally, continuous economic growth has never been a goal of the Aboriginal economic system and it appears quite reasonable to suppose that in small communities (similar to the bands of pre-contact times) where traditional social, kinship and religious values are dominant, the economic values of the traditional society will also be reaffirmed.

Scenario D: Aboriginal-owned stations

The future options for Aboriginal cattle stations appear little different from outstations, and their development goals also appear little different (Doolan 1977). As I noted in Section III, the cattle projects on these stations are not sufficient to support whole communities, and it seems necessary for residents to become involved in subsistence (horticultural) or market oriented economic activity. In these areas, they seem to face similar requirements to decentralised communities.
ABORIGINAL ECONOMY

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NOTES

1 This is not meant to imply that there are not inequalities between Aboriginal communities in the Northern Territory, particularly with respect to royalty income and land ownership. This problem will be examined below.

2 Decentralisation refers to an outmigration from centralised communities in the 1970s. Some groups have always remained 'in the bush', particularly in Arnhem Land and maintained irregular contact with missions.

3 While I do not discuss fringe camps in this paper, it should be noted that where a combination of rural push and urban pull is responsible for Aboriginal migration, there is an implication of dissatisfaction with settlement life. The issues involved here are extremely complex and are covered in B. Sansom's forthcoming book (Australian Institute of Aboriginal Studies) tentatively entitled "Aboriginal Countrymen Come to Town".

4 An important corollary of nomadism was that Aboriginal population growth was extremely low or even zero owing to practices such as infanticide, and the extended weaning of children. Such population control was of extreme importance over the long run especially in areas with a fragile ecosystem.

5 Meehan (1975) and Jones (1980) do examine the economy of an Aboriginal outpostation (Kopanga) during the 1970s (see Meehan and Jones, this volume).

6 The lowly economic status of Aborigines in the pastoral industry during the 1960s is vividly described in Stevens (1974).

7 Maintenance payments were made to pastoralists to finance the upkeep of non-productive Aborigines camped on stations.

8 See Penny (1977) for a most interesting discussion on the issues involved.

9 There is a possibility, given the inappropriateness of Western economic indicators discussed above, that the low economic status of Aborigines may be exaggerated.
Morphy (personal communication) informs me that since 1976 the value of artefact produce at Yirrkala has dropped considerably owing to changed marketing strategy.

This annual total has been fairly constant for about five years.

The balance was used to pay European salaries and to procure materials from outside the settlement (hence could be regarded as a leakage) and for infrastructure investment.

This is a consequence of the assimilation ideology that remains today. For settlements had to have comfortable housing to attract European staff to manage them, to teach at schools etc.

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