



Spring 2010

Quick Facts about Indian Country, Native Women and Wealth

According to the 2000 U.S. Census:

- The total population of American Indians and Alaska Natives was 2,447,989 representing 0.87% of the total U.S. population.
- The number of American Indian and Alaska Native individuals below the poverty level was 607,734 or 25.7% of the American Indian and Alaska Native population.
- Median earnings for American Indian and Alaska Native males was \$28,919 while the median earnings for American Indian and Alaska Native females was \$22,834.

According to a 2004 survey by the Center for Women's Business Research:

- There were more than 90,000 privately held companies owned by Native American women.
- These businesses generated more than \$12 billion in annual sales and employed some 130,000 people.
- On a national basis, more than one out of 11 Native women own a business.
- [Native women] also had the highest rate of entrepreneurship among major ethnic groups (9.2 percent compared to Caucasian-6, Hispanic-4.2, and African American-2.8 percent.)
- Business ownership increased by nearly 70 percent between 1997 and 2004, and new data due out in 2010 is expected to show further increases.

According to First Nations Development Institute's evaluation of its grantmaking through the Little Eagle Staff Fund (LESF) to *Native* Community Development Financial Institutions (CDFIs) in 2003:

- 100% of all the individuals who received loans from the LESF CDFIs during the evaluation period were Native American.
- 63% of all the individuals who received loans from the LESF CDFIs during the evaluation period were female.
- 80% of all the individuals who received loans from the LESF CDFIs during the evaluation period were low-income.

These numbers corroborate what we have heard anecdotally from our partners in the field, that a majority of the clients for the loan products, especially business loan products, of Native CDFIs are Native women.

Historically, federal law and policy was created to take wealth out of the hands of Indian nations, transferring it into the hands of non-Indians. Few scholars have examined the extent to which these policies had a gendered dynamic. Even contemporary scholarship lacks theoretical and historical underpinnings for understanding the current economic situation of Native women, which have largely been affected by federal Indian policies. Despite these flaws in research and scholarship, women are leading and developing strategies for Native community development. In large part, these strategies are focused on building and developing the infrastructure and capacity of tribal

nations and government. For example, Native women are increasingly assuming leadership roles in tribal government and within the nonprofit sector and other social service programs on American Indian reservations.

What all of this suggests is that to understand the current economic situation of Native women we must first of all understand the history of underdevelopment in Native communities. Moreover, it may be that Native women are continuing to be at the forefront of Native community and nation development, focusing on building community wealth, assets and economies, rather than individually focused wealth creation.

Native women are enrolled in higher education at rates higher than Native men, especially at the Nations tribally-controlled community colleges. Nonetheless, they continue to be below the poverty line. These issues present important puzzles that still remain to be solved by both practitioners and scholars of American Indian economic development. No doubt, further research needs to focus on not only the systematic structures and conditions, and perhaps the attitudinal dynamics of behavior, and further investigate the various conditions that continue to keep Native women at lower levels of the economic strata.

At First Nations Development Institute (First Nations), we do not propose a single “silver bullet” solution for the myriad of issues facing Indian Country and its struggles in rebuilding Native economies; however, we have witnessed firsthand that programs focusing on nonprofit capacity building, VITA, EITC, strengthening Native culture and tribal organizations does improve the economic security of Native women. At the individual level, family economic security measures have a demonstrated positive impact on Native women. For instance, VITA sites and the promotion of EITC programs do have positive impacts for women when compared to men (though not by a huge margin).

What does all of this tell us? First of all, we still have not adequately examined how and why Native women remain at the lower levels of the economic strata on Native reservations. Second, programs and efforts to increase the education of Native women do seem to have an impact on allowing Native women to assume leadership roles within various institutions on Indian reservations. However, the issue of job creation and access to capital still remains a critical problem for many reservations and perhaps has even greater negative effects on Native women.

In examining the effectiveness of Federal transfer payments, First Nations holds that these programs do not necessarily focus appropriately on job creation in *Indian Country* where too often *historically* we have seen the only major employer to be tribal government. Conditions like these – those that do not support a multi-sector economy – also drive tribal members from their communities into urban areas in search of work – further eroding the potential for economic development. Changing all of this is our primary focus at First Nations. We work to develop economies in Indian Country. We recognize that while it is important to provide financial education, investor education and EITC & IDA programs and other asset building strategies to tribes and their members, it is also important to focus on the development of entrepreneurship; organizational and tribal capacity-building; and access to capital to support the for-profit and nonprofit sectors. The Native CDFI movement is a significant part of this as well. And, finally, we know that for any of these strategies to have any success, we must also focus on supporting Native culture and values while also strengthening tribal sovereignty by working with tribal governments.

For 30 years, using a three-pronged strategy of Educating Grassroots Practitioners, Advocating for Systemic Change, Capitalizing Indian Communities, First Nations has been working to restore Native American control and culturally-compatible stewardship of the assets they own - be they land, human potential, cultural heritage, or natural resources - and to establish new assets for ensuring the long-term vitality of Native communities. First Nations serves rural and reservation based Native American communities throughout the United States.

This factsheet was authored by Sarah EchoHawk Vermillion, Vice-President of First Nations Development Institute, and a member of the of the Insight Center for Community Economic Development's Experts of Color Network. For more information, please visit: www.firstnations.org and www.insightcced.org, www.racialwealthgap.org and www.expertsofcolor.org.