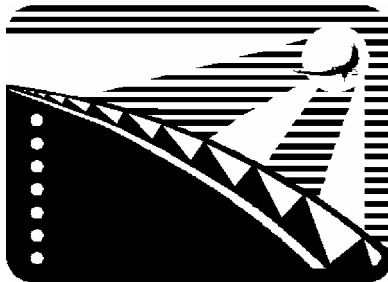


Asset Building in Native Communities: An Asset Building Framework

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I. Introduction

First Nations Development Institute was founded in 1980 with the mission to assist Native peoples to control and develop their assets, and through that control, build the capacity to direct their economic futures in ways that fit their cultures. Since inception, First Nations Development Institute (First Nations) has been working in partnership with Native communities to implement a range of asset-building programs. The approach takes a comprehensive view of assets. First Nations' asset topography includes financial holdings, natural resources, cultural property, human capital, and social, political, institutional, and legal assets. The initial strategy focused on control of assets but has evolved to address six distinct strategies of asset-based development: control, utilize, leverage, retain, create, and increase. Each one requires different tactics, technical assistance, and community capacity. All require a policy framework that upholds sovereignty, tenure rights, usage rights, and rights of self-determination. First Nations chooses to focus on assets because:

- Assets are the building blocks of wealth.
- From assets, people derive income, jobs and other benefits.
- A major difference between rich and poor people is their ownership and control of assets.
- Tribes and Native people own substantial assets (e.g., land, natural resources, trust funds) but because they do not control them, they do not derive the most benefit.

Through building assets, tribal communities can improve the well-being of their residents and move toward self-sufficiency. Through effective asset deployment, tribal communities can continually generate income and other resources, thereby ensuring the maintenance and creation of wealth into the future. Additionally, in times of economic stress, assets provide security and stability. First Nations' work has, and continues to be, based on the hypothesis that it is only through the **control** of these assets, that the economic well-being of Native communities will be improved and sustained.

II. Asset Based Policy in America

The concept of asset-based development, particularly focus on financial assets, has received greater recognition in policy and program development circles over the past 10 years. In 1991, Michael Sherraden published his book *Assets and the Poor*, marking the beginning of heightened public debate on the topic of asset-based social welfare policy. Social welfare policy in the United States, Sherraden argued, has focused on income maintenance without providing the poor with real economic ladders out of poverty. At the same time, asset limitations and disincentives for asset ownership effectively blocked the poor from working towards owning a home, starting a small business, or finding other asset-based paths out of poverty. While our tax system provides asset ownership incentives to middle and higher income people through tax breaks for home owners or small business owners, the poor receive no such supports. Only when we

provide opportunities for asset ownership to the poor, Sherraden has argued, with our social welfare system in the United States begin to be truly equitable.

Sherraden has also noted the social and psychological impacts of asset ownership for the poor. In *Assets for the Poor*, he stated that “people think and behave differently when they are accumulating assets, and the world responds to them differently as well. More specifically, assets improve economic stability; connect people with a viable, hopeful future; stimulate development of human and other capital; enable people to focus and specialize; provide a foundation for risk taking; yield personal, social, and political dividends, and enhance the welfare of offspring.”

Citing the impact of asset ownership for the poor, Sherraden has advocated new policy models specific to building the financial assets of the poor such as Individual Development Accounts, increased homeownership, Children’s Savings Accounts, and other programs to lift people out of poverty, move them from a state of dependence to independence, and provide people with choices and a vision for the future. The heightened public discourse on asset-based policy resulted in several innovative new policy outcomes, such as the inclusion of IDAs in the 1996 welfare reform legislation, and the passage of the Assets for Independence Act in 1998, which provided a federal funding source for IDA programs across the nation.

III. Assets in Native Communities

In the United States American Indian tribes are the single largest private land holders in the country. There are 562 federally recognized tribes with reservations that range in size from less than 100 acres to the 17 million acre Navajo reservation. There are 333 federally recognized tribes in the lower 48 states, and 229 Alaska Native Villages, now legally recognized as tribes. In the lower 48 states, reservation lands account for over 55.7 million acres, and if the 42 million acres of Alaska Native lands are added, the aggregate amount would qualify as the fourth largest land base in the United States, smaller than only the states of Alaska, Texas, and California. Along with the timber, grazing and crop lands, other natural resources include 5 percent of the U.S. oil reserves and 10 percent of the gas reserves, 30 percent of the low sulphur coal reserves and 40 percent of the privately-held uranium deposits. For most people anywhere in today’s world economy, such assets or major property holdings equal wealth and money. Not so for the American Indian and Alaska Native. Defying the economic canon that assets and wealth are two sides of the same economic coin, today’s Native Americans have the highest poverty rate and the highest unemployment rate in the nation. They are the single poorest population in the

The role of assets, and the history of asset ownership in Native communities, is different from any other low-income communities. Native American tribes and individuals technically own many assets, including land, but often do not control these assets and thus do not reap the benefits. Asset-building policy in Native communities thus must have a dual focus: assisting tribal nations in controlling and building their assets, and assisting tribal members with individual asset-building to support their families and communities.

United States.

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While First Nations' programs and policy work look to the present (and the future) for solutions, no discussion of asset building and asset-based development in Native communities is complete without a discussion of the past. There are five main asset eras in Native American history. The first era is **asset stewardship** – an era hundreds of years ago when Native economies reflected the environmental, technological, and cultural factors in each region and community. Early Native civilizations reflected innovative stewardship of natural resources, including land, flora, and fauna, the result of centuries of developing social organization in a pre-modern era. While these communities would never claim to “own” these land and natural resources, given that Mother Earth cannot be bought or sold, their stewardship allowed for complex economies of asset use and accumulation to occur.

The second era is an era of **asset exchange**. As people from England, France, Spain, and Holland began settling in the New World, treaties were signed with Indian nations and new land ownership patterns began to be formed. Many tribes exchanged assets such as land for promised legal rights and recognition of sovereignty. Tribes signed treaties that effectively limited their land ownership to designated regions, restricting their access to many traditional and customary lands that had previously been under their control.

A third era is the era of **asset theft** – an era that many Americans are finally learning about in history books and the popular media. Unfortunately, many of these legal rights promised during the era of **asset exchange** never materialized, or were eroded, and by the early 1800s, the westward expansion of European colonists and the increasing competition for land led to broken treaties, murder, and outright theft of land. Land is one of the most important assets previously controlled by Native populations. The era of **asset theft** included the increasingly invasive federal polices that were enacted to steal Native American land, including the 1887 General Allotment Act (also know as the Dawes Act), the Homestead Act and Pacific Railway Act of 1862, and the Alaska Native Claims Settlement Act of 1971.

A fourth era is an era of **asset extraction** – an era marked by the active extraction of natural resources from Indian owned land. This included the aggressive extraction of gold, timber, coal, oil, water, uranium, and many other natural resources. Indian communities rarely benefited from this asset extraction, and in fact were often left with significant, immeasurable expenses related to environmental pollution, loss of land use, and destroyed ecosystems.

The fifth era is an era of **asset mismanagement**, and in many cases this era overlaps with the **asset extraction** era. In 1830, Chief Justice Marshall stated that the relationship of the federal government to tribes was similar to that of “a ward to his guardian.” As a result, the federal government, through the Bureau of Indian Affairs (BIA), was legally designated the asset manager for many tribes, and had legal responsibility to manage the coal, timber, natural gas, and other leases granted on Indian land, and in addition had responsibility to manage the trust funds of revenue generated from these leases. The BIA significantly mismanaged these leases, and, some argue, to this day continues to mismanage the financial assets of tribes as well as the natural resources and other assets. The result of mismanagement has been lost revenues, over-harvesting of timber and other natural resources, and disrupted or destroyed ecosystems.

These eras of asset theft, extraction, and mismanagement have effectively rendered many Native communities impoverished. An accompanying policy of cultural and social disruption, including brutal cultural reeducation, promotion of urban migration, and BIA control of economic activities on reservations, effectively placed many rural reservation communities in a state of dependence on federal transfer payments. Truly an example of internal colonization, most of the traditional social, political, economic, and cultural institutions in Native communities were disrupted by the late 1950s.

IV. First Nations’ Asset Framework

What we hope to address in this paper is a new era, the era of **asset control**. At a tribal, family, and individual level, Native communities are today faced with new opportunities to control, create, retain, leverage, utilize, or increase their assets. There are many successful examples of tribally led asset-based development, whether it be the Southern Utes’ effective establishment and management of their own trust fund, the establishment of a \$10 million endowed philanthropic fund by the Hopi tribe to support educational achievement for Hopi tribal members, or the Confederated Salish and Kootenai Tribes taking over management of resources and programs previously administered by outside government agencies.

First Nations’ program and policy areas are dedicated to assisting Native communities to control their assets and build capacity to direct their own economic future in ways that fit their culture. While we cannot forget the past, nor ignore the persistence of many barriers to asset control in the legislative, judicial, and administrative actions of the federal government (see Adamson, Rebecca, 2003. “Land Rich, Dirt Poor: The Story of Indian Assets.” in *Native Americas Journal*), First Nations believes that asset-based development in Native communities holds great promise. Our asset framework is what guides our work, and shapes our program through a diverse set of activities including financing, technical assistance, research, and policy advocacy. Our asset framework includes the definition of eight broad types of assets, six strategies for using these assets, and then a framework for understanding what the impact of control of assets is for Native communities.

Asset Types

First Nations has identified a broad typology of assets. These assets reflect the holistic nature of Native communities and Native economies, acknowledging the value of not just financial capital but also cultural and human resources. The eight broad asset categories are as follows:

Financial Assets: This is perhaps the most common form of a community's or individual's wealth. Financial assets include stocks, bonds, savings, trust funds, and other forms of monetized investments. Financial assets are the most liquid form of assets and can be readily used/exchanged to acquire other assets.

Physical Assets: The physical infrastructure within tribal communities, such as transportation, utilities, and technological systems are critical for economic activity. Although primarily important as a means to enhance the productivity of other assets, physical assets can generate income streams for a community and increase access to information and expand communication.

Natural Assets: Land and natural resources form the basis for economic production. The ability to manage these resources in a sustainable manner, while generating economic benefits is a challenge for all communities. Natural resources include water, oil, gas, minerals, agriculture, wildlife, and forests.

Institutional Assets: The institutions and organizations within a community can attract resources to the community, and recycle them there. Such institutions may include the creation of tribal colleges, financial intermediaries, nonprofit organizations, and philanthropic institutions.

Human Capital: The skills, knowledge, education and experience of people within a community are important elements within a community. Nurturing the productivity, innovation, and creativity of people is foundational to community well-being.

Cultural Assets: These refer to the customs, traditions and indigenous knowledge that are specific to the tribal community. Language is a cultural asset, as is tribal intellectual property. Cultural assets are often "intangible" elements that underpin a community. However, the material expressions of culture can generate income and other assets.

Social Capital: Social relations and networks (e.g. kinship systems) within a community, can support the building and maintenance of assets, but does not in itself, generate income. Leadership development, community empowerment, and social justice are ways of increasing the social assets of a community.

Legal and Political Assets: The legal rights and claims that a Native community may have can support the ownership and control of economic assets. Similarly, "political"

assets, such as sovereign status, tax immunity, or decision-making power can create economic opportunities.

Asset Strategies

The ability to use and organize the community's assets in ways that improve the well-being of the community is the basis for an asset-based sustainable development strategy. We have identified several strategies that can be used to promote asset-based development. Native communities can adopt various strategies to build their assets. Asset-building strategies include the ability to **control, retain, increase, utilize, leverage, and create** assets. These strategies have been defined as follows:

- Control:** To increase the control of the asset through a variety of means, including external-institutional factors (becoming more active in political and other decision making bodies) and internal-capacity factors (increasing the skills of tribal members to effectively control assets).
- Retain:** To create or establish internal controls or regulatory structures within the community to retain assets.
- Increase:** To expand and/or add value to an existing asset.
- Utilize:** To build/strengthen the ability of the community to manage and make use of the asset.
- Leverage:** To use the asset in such a way as to attract/ generate additional resources to the asset pool.
- Create:** To originate, or bring into being, a new asset.

Because little material exists on developing an extensive framework for asset identification or classification, especially for reservation and rural Native communities, research and data collection is ongoing.

First Nations makes grants to Native communities to build their capacity in asset based development. The economic initiatives funded through grant making efforts are strategic, and represent the ways communities have chosen to control, retain, increase, utilize, or leverage their resources or create new resources.

Through our grant making operations, we can collect primary data from tribal communities to inform our ongoing research and policy work and disseminate needed information regarding technical practices. First Nations then utilizes this information to enhance the delivery of technical assistance and other services to Native grantees, especially in the form of workshop, training, and outreach materials. The Eagle Staff Fund (ESF) is the principal component of our grant-making operations and is the culmination of years of experience in promoting models of community-driven development strategies within specific field sites, providing not only financial support for grassroots projects, but also technical assistance to enhance tribal capacity.

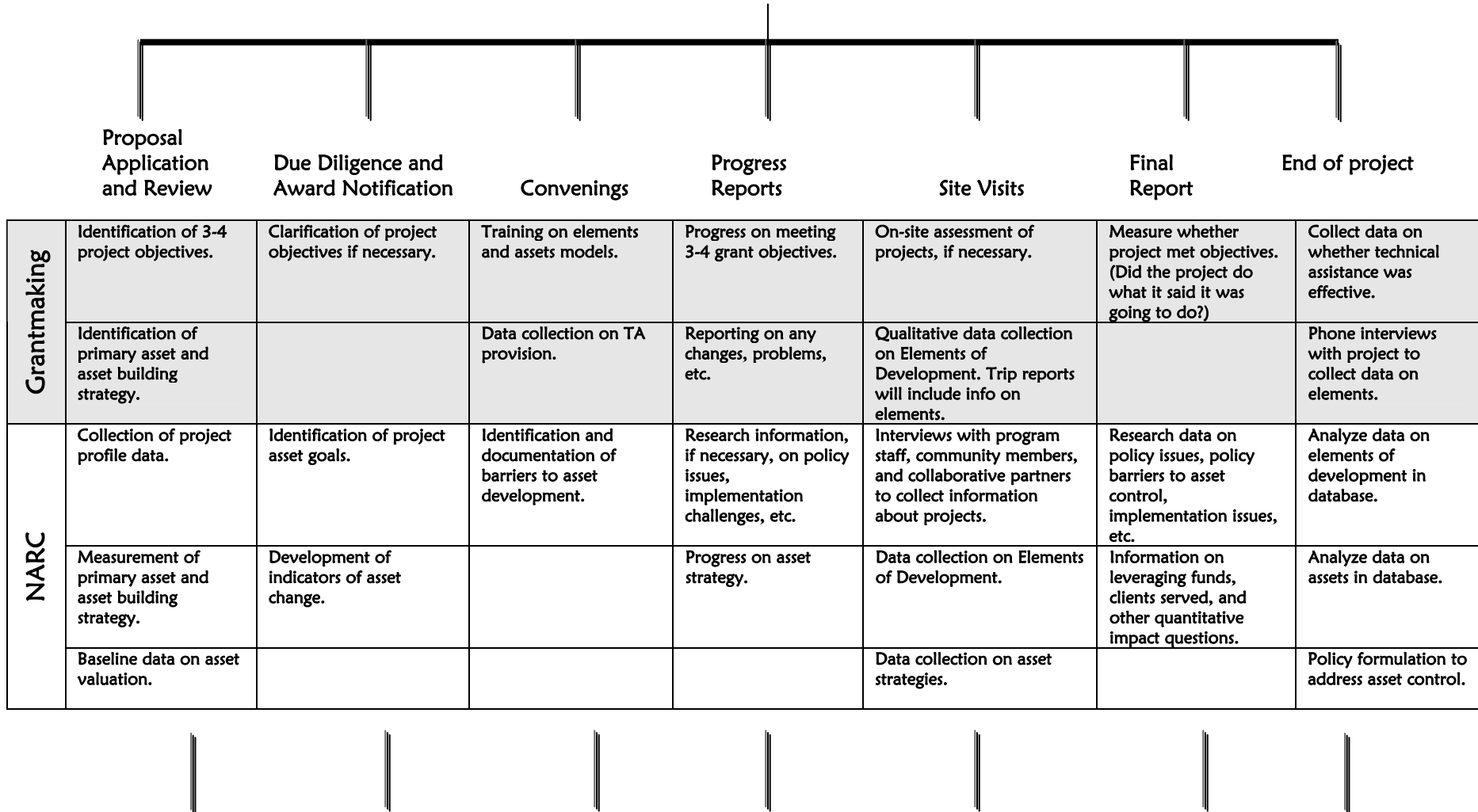
Because little material exists on developing an extensive framework for asset identification or classification, especially for reservation and rural Native communities, research and data collection is ongoing. This dearth of information and research has posed a tremendous challenge to our Native constituents, but it is one that we are committed to overcoming. With the institution of First Nations' Native Assets Research Center (NARC), we have begun to articulate more precisely the complex scheme of Native community development and the assets comprising it. Figure 1 illustrates the way in which the grant making and research departments at First Nations work together to collect data from our grantees on culturally appropriate approaches to community development and asset control, and document best practices and policy barriers that can be addressed with technical assistance and policy strategies.

As a Native-led organization, First Nations has always recognized the deficiencies of many public policies and economic theories, especially with regard to Indian Country. Either researchers and policy makers overemphasize the problems in Indian Country without offering any viable solution, or they sometimes support continuing misrepresentations of Indian Country through incomprehensive research. Furthermore, some policy-makers themselves still reinforce historical policies circumscribing Native control over tribal resources within an ongoing policy agenda. In either case, researchers and policy makers rarely consider the contributions or potential of Indian Country by overlooking the strong tradition of sustainable management at the core of many Native communities.

Building from this understanding, First Nations promotes an asset-based development strategy as a means to achieve a sustainable economy. Specifically, the ability of tribes to develop self-sustaining communities is determined by control of local assets. That is, the ability of tribes to retain, maintain, control, increase, and leverage assets in order to revive reservation economies. Many Native communities incorporate different values into their asset equation, i.e., specific cultural values of kinship, social responsibility, mutual reciprocity, and reverence for the earth. Although most economic systems comprise a comprehensive collection of laws, institutions, and social activities that govern the accumulation, distribution, and management of individual assets, many Native economic models consider these mechanisms as part of the local asset pool and crucial to the community's sustainability.

Figure 1: Research and Data Collection Framework

GRANT-MAKING PROCESS



RESEARCH AND DATA COLLECTION

V. (E)valuation of Asset Strategies

The role assets play in sustainable community development is difficult to quantify. In many cases, the underlying value of the asset or the change in asset valuation cannot be captured by a simple numeric dollar amount. Therefore, First Nations has identified 16 elements that we hypothesize are crucial for understanding and assessing changes in Native communities that occur as a result of changes in the control of assets. These “**Elements of Development**” provide a paradigm for measuring the multi-dimensional impact for each project investment in asset based community development. Research and data collection begins with the onset of every project. After a baseline of data is established the project is tracked according to all 16 **elements of development** throughout the life of each project. The “elements,” defined first in 1990, are drawn from the first decade of First Nations’ work and from the culture and value system of Native people.¹ They represent a holistic way to measure community economic development in Native communities (see Figure 2: “**Elements of Development**”).

One set of elements concerns the **economic and financial changes** in the development process. This includes such factors as income, employment, savings, and business activities.

- ♦ **Income:** This element refers to improvements in the financial well being of the community. Specific indicators include a change in the financial valuation of an asset, an increase in the personal savings rate, or a decrease in the level of poverty. Changes in financial well-being can be measured at the individual, organizational, or community level.
- ♦ **Trade/Exchange:** This element attempts to capture changes in the economic relationship between the community and others by measuring both the direct and indirect impact from economic activities. Specific indicators include changes in the level of sales, increase in marketing outlets, the number of subsidiary businesses/activities supported, the level of additional resources secured, the type of resources secured (private vs. public), and the number of new clients assisted or served.
- ♦ **Productivity Skills:** This element refers to changes in employment, skills and knowledge in the community. It is related to building human capital. Specific indicators include the number of jobs created, the number of training workshops held, the number of individuals trained, the number and type of skills acquired, the amount of knowledge obtained, and the type of positions created.

A second set of elements relates to **leadership, community and institutional capacity, and security.**

- ♦ **Vibrant Initiative:** This refers to the creativity and entrepreneurial spirit within the

¹The Elements of Development were later outlined in a 1994 publication for the Richard Schramm Paper on Community Development titled “Redefining Success in Community Development: A New Approach for Determining and Measuring the Impact of Development.”

community, and is related to leadership and innovative use of resources. Specific indicators include the number and type of leaders developed, the number of entrepreneurial activities, the amount of participation by leaders, the innovative use of resources, and the use of self-help or self-directed activities.

- ◆ ***Responsibility and Consequences:*** This element relates to strengthened integrity and accountability within the community. At the organizational level, this may be measured as improvements in the management capacity of the organization. Other specific indicators include the number and type of new organizations and entities established, financial stability, staff and leadership stability, ability to leverage resources, and increased community inclusion in decision-making processes.
- ◆ ***Health and Safety:*** This element refers to a sense of security and well-being within the community. Defined broadly, indicators include an improvement in health status, a decrease in the crime rate, and an increase in the availability of food resources.

A third set of elements addresses **social, political and cultural changes** in the development process.

- ◆ ***Political and Civic Participation:*** This refers to the degree to which the community engages in the political and civic life both within and outside the community. Specific measures include the number of political positions held, the number of people who attend community activities, changes in legal rights and authorities, and the number and type of resolutions, laws and policies passed.
- ◆ ***Social Respect:*** Social respect is closely related to political and civic participation, but refers to the type of networks and collaborative partnerships formed between the community and others. Specific indicators include the number of collaborative partners, the number of new partnerships and networks formed, the quality and diversity of networks, and the level of collaboration or coordination.
- ◆ ***Cultural Integrity:*** This element captures the maintenance and strengthening of traditional knowledge and cultural practices. Specific indicators include the degree to which indigenous knowledge is protected and promoted, the maintenance of language, and the continuation of traditional practices.

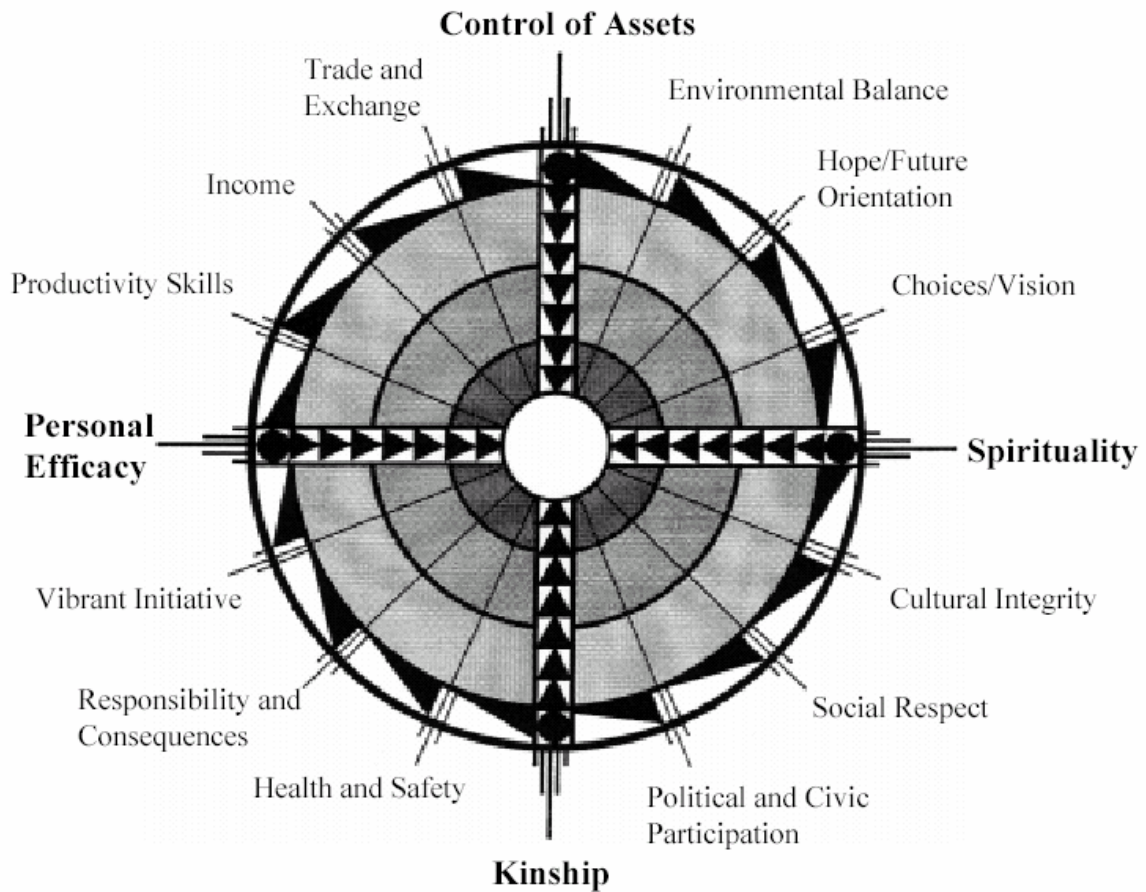
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A fourth set of elements relates to the future in terms of **planning, opportunities and sustainability**.

- ◆ ***Choices and Vision:*** This element refers to the expansion of opportunities in the community and engagement in long-term strategic visioning. Indicators include the existence of a strategic plan and the number of people engaged in the planning process.

- ♦ ***Hope/Future Orientation:*** Closely related to choices and vision, this element captures the level of community investment in its future and its people. Specific indicators include the number of youth and elder participants in projects, the number of young adults who stay in the community, changes in educational attainment, and changes in the level of financial investment.

Figure 2: Elements of Development



- Individual 
- Project 
- Tribe 
- Nation 
- Ecology 

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- ◆ **Environmental Balance:** This refers to the environmental or ecological impact of economic activities, and the degree to which a balance is maintained between ecological and economic outcomes. Specific measures include the degree to which natural resources are utilized or reproduced, the use of sustainable materials and technologies, the maintenance of genetic variety, and the use of risk analysis and cost/benefit analysis to assess alternatives.

Finally, four elements represent **significant relationships and cross cutting themes in the development process**, and link the other elements together.

- ◆ **Control of Assets:** This element refers to the ability of the community to control their assets in order to create wealth. Examples of indicators are an increase in the access to land rights and an increase of control in the decision-making process.
- ◆ **Personal Efficacy:** This element refers to a sense of confidence in one's own ability. A community needs people with confidence in their own ability. Indicators include the ability to problem solve, increased self-esteem, a positive outlook, increased knowledge and skills, and the ability to engage in teamwork. On a community level, indicators include improved tribal leadership, community cooperation, and teamwork.
- ◆ **Kinship:** This element relates to the networks among community members and families. The kinship network connects the individual to the family and the tribe. Indicators related to the strengthening of kinship ties can focus on family and extended family gatherings and shared services. Indicators include the extent to which a project strengthens family ties, and the number and type of extended families within a community.
- ◆ **Spirituality:** This element refers to the underlying value system of the community, and the sense of well being among community members. Spirituality gives a person a sense of vision, a sense of who they are and meaning within the community and the larger universe. Indicators include instilling traditional values in children, helping children learn traditional language skills, and helping community members maintain a balance in life. Other indicators are the design, goals, and work patterns of the projects and whether they contribute to community well being.

These projects contributed not only to economic opportunities in local Native communities, but also have revitalized cultural traditions, cultivated new leaders, and given the younger generation a sense of hope and future orientation. It is only through this multi-dimensional approach to community development that culturally appropriate, sustainable economic development can occur

By tracking the “**Elements of Development**” over time in the communities we work with, we can assess whether asset development generates the hypothesized benefits for communities. At the same time, we can assess the impact of our grant making on the communities we serve in a holistic sense, and in a manner that reflects the holistic economic paradigm of not just increased income but also increased community well being (see **Case Study: Evaluation of Agricultural Assets and the Elements of Development**).

Case Study: Evaluation of Agricultural Assets and the Elements of Development

First Nations recently conducted an evaluation of the first round of Native Agriculture and Food System Initiatives (NAFSI) grantees. Three questions were asked at the start of every project.

1. What is the primary asset seeking to be influenced?
2. What is the strategy being used to influence the asset (control, increase, retain, leverage, utilize, or create)?
3. What are the changes (positive and negative) in the various “Elements of Development” resulting from the project activities?

Not surprisingly, the most common asset identified by Native communities is land, in particular, agricultural related natural assets. Using the Elements of Development to evaluate the activities and impacts of fourteen projects supported by First Nations’ Native Agriculture and Food Systems Initiative, it is clear that the affects of these projects are diverse and far-reaching. Communities took a wide range of approaches to investing in assets, including utilizing existing agricultural assets, creating new agricultural assets, or increasing the value of agricultural assets. Most common, however, was simply utilizing agricultural assets for the first time. For example, the Wampanoag in the Northeast have had access to their traditional tribal territories for some time, but for the first time are utilizing this territory, which includes oceanfront property and accompanying aquaculture rights, to create a new economic asset, the shellfish hatchery. The shellfish hatchery is the only economic venture owned by the tribe at this time. The Tohono O’odham in the Southwest also found a way to utilize existing agricultural land in a new way, and at the same time utilize traditional agricultural knowledge in the community to revitalize cultural traditions.

What was most surprising in this cluster of agricultural projects was that all projects touched on all sixteen Elements of Development at least once. However, some Elements of Development were more evident than others. The two themes that emerged are economic development and cultural integrity. For example, eight of the fourteen projects had impacts that could be measured by *Trade and Exchange*. *Trade and Exchange* measures changes in the economic relationship between the community and others by measuring both the direct and indirect impact from economic activities. Specific indicators include changes in the level of sales; increase in marketing outlets; and the number of businesses/activities supported. Eight projects are geared toward production of food for sale, including the processing of traditional subsistence foods by the Native Village of Kotzebue and the production of oysters and other shellfish by the Wampanoag tribe. In addition, many of the projects reflected an increase in *Productivity Skills*. *Productivity Skills* refers to changes in employment, skills, and knowledge. Specific indicators include the number of individuals trained; the number and type of skills acquired; the amount of knowledge obtained; and the types of positions created. Eight projects reflected an impact on *Productivity Skills* in the local community, including the Wampanoag shellfish hatchery that trained Native American student interns and other tribal members, and the Oneida cooperative

grocery store that reserves two paid positions for youth and employs other tribal members. Many other projects, such as DINE, Inc., and Tohono O'odham Community Action (TOCA) are training local farmers in a culturally appropriate manner. Many of the NAFSI projects had a specific economic or business development focus, and the Elements analysis reflects this.

Another surprising area of impact was *Cultural Integrity* and *Social Respect*. Nine projects touched on *Cultural Integrity*. *Cultural Integrity* refers to the maintenance and strengthening of culture as a result of economic activities. Specific measures include the degree to which indigenous knowledge is protected and promoted; the maintenance of language; and the continuation of traditional practice. Several projects incorporated some form of traditional knowledge or traditional practice to their projects. For example, TOCA is revitalizing traditional farming practices that work in harmony with the local environment and protect local farmland. At the same time, they are revitalizing traditional ceremonies that are in harmony with traditional agricultural practices. The Native American Community Board is utilizing knowledge of traditional food, herb, and medicinal plants to increase knowledge of and access to indigenous food sources on the Yankton Sioux reservation. Finally, DINÉ, Inc. is translating their Internet-based agricultural training materials into Navajo to increase access by more of the Nation, this translation exercise itself works toward language maintenance. Closely related, nine projects touched on the Element of *Social Respect*. *Social Respect* is closely related to *Cultural Integrity*, but refers to the types of networks and collaborative partnerships formed between the community and others. Specific indicators include the number of collaborative partners; the quality and diversity of networks; and public recognition of work. Many of the NAFSI projects successfully developed new networks, and have received recognition for their work. For example, Senator Russ Feingold recognized Oneida for being the first cooperatively owned grocery on a Native American reservation. Co-directors Terrol Johnson and Tristan Reader of Tohono O'odham Community Action (TOCA) received the 2002 Leadership for a Changing World award from the Ford Foundation.

Economic and Financial Changes in the Community

Related to *Trade and Exchange* and *Productivity Skills*, many of the projects touched on the Element of *Income* (seven projects). *Income* refers to the financial impact generated by the economic activities. Specific indicators include the dollar amount of income generated; changes in the financial value of the asset; changes in personal savings rate; changes in government assistance; and decreases in poverty levels.

Many of the NAFSI projects have led to new economic enterprises in communities, and in many cases new jobs and skills. In the case of DINÉ, Inc. and Oneida, a farmers market was developed, and in the case of Oneida, a store was opened that employs two youth in the community, among many other community members. The Native Village of Kotzubue has processed over 1,680 pounds of meat for sale, and TOCA sold more than 500 pounds of farm produce. The fact that so many projects touch on the Elements of *Productivity Skills*, *Trade and Exchange*, and *Income* reflects both the economic potential of using agricultural assets to create

new employment opportunities, and also the importance of the agricultural sector to the economy of these communities.

Social, Political, and Cultural Impact within the Community

As mentioned above, many of the projects touched on the Elements of *Cultural Integrity* and *Social Respect*. In addition, four projects touched on the Element of *Political and Civic Participation*. *Political and Civic Participation* refers to the degree to which the community engages in political and civic life both within and outside the community. The most notable example is found in Louden Tribal Council, where community food projects are part of a community plan for the future. Louden Tribal Council is working with the City of Galena to identify a site for new community gardens and plan for future food system activities.

Planning, Opportunities, and Sustainability

The Elements of *Choices and Vision*, *Hope and Future Orientation*, and *Environmental Balance* relate to planning, opportunities, and sustainability in the community. Three NAFSI projects address *Choices and Vision* in the community. *Choices and Vision* refers to the ability of the community to expand its opportunities and engage in long-term strategic visioning. One example is the work of the Louden Tribal Council to ensure that the future policy and land use plan for the community will now incorporate food projects. Five projects reflect *Hope and Future Orientation*. *Hope and Future Orientation* is related to choices and vision, and refers to the level of community investment in its future and its people. Specific indicators include the number of youth participants; changes in educational attainment; and changes in the level of financial investment. Many of the projects involve youth participants and train youth in new skills, giving them hope and future orientation. Finally, three projects directly address *Environmental Balance*. *Environmental Balance* refers to the environmental or ecological impact of economic activities, and the degree to which a balance is maintained between ecological and economic outcomes. Specific measures include the degree to which natural resources are utilized/reproduced; the use of sustainable materials/technologies; and the maintenance of genetic variety. The Native American Community Board project worked with the General Tribal Council to draft an environmental policy, and work is ongoing. The Wampanoag project is working to identify environmentally sensitive, sustainable approaches to shellfish hatching.

Leadership, Community and Institutional Capacity, and Security

The Elements of *Responsibility and Consequences*, *Vibrant Initiative*, and *Health and Safety* focus on issues related to leadership, community and institutional capacity, and security. Only two projects address issues related to *Responsibility and Consequences*, but both are related to choices in the local food system. Indigenous Diabetes Education Alliance (IDEA) educated people about choices related to diet and health. Native Village Kotzebue helped educate people about how to reduce dependence on imported food. Seven projects address *Health and Safety*. *Health and Safety* refers to the sense of security and well being within the community. Specific indicators include reduced crime rates, increased nutrition, and lower rates of disease. Both

IDEA and Native Village Kotzebue are encouraging community members to eat more healthy foods. The Native American Community Board is educating people about the risks of chemically contaminated food and the need to cultivate safe, sustainable sources of food. Only one project directly addresses *Vibrant Initiative* (although all projects could be seen as examples of vibrant initiative). *Vibrant Initiative* refers to the creativity and entrepreneurial spirit within the community, and is related to leadership and innovative use of resources. Specific indicators include the number and type of leadership, number of entrepreneurial activities, and the amount of participation by leaders. DINÉ, Inc. has cultivated leaders in forty-four community farms to receive technical assistance, and an advisory board formed among five core communities.

These projects contributed not only to economic opportunities in local Native communities, but also have revitalized cultural traditions, cultivated new leaders, and given the younger generation a sense of hope and future orientation. It is only through this multi-dimensional approach to community development that culturally appropriate, sustainable economic development can occur in Native communities. The work of First Nations, in Native agriculture and food systems, is helping Native communities effectively use their agricultural assets to create better opportunities for all community members.

The 14 projects of the Native Agricultural Food Systems Initiative (NAFSI) that were reviewed for this evaluation were:

1. Native American Community Board (South Dakota)
2. Native Village of Kotzebue (Alaska)
3. Developing Innovations in Navajo Education, Inc. (Arizona)
4. Indigenous Diabetes Education Alliance (South Dakota)
5. Oneida Community Integrated Food Systems Project (Wisconsin)
6. Louden Tribal Council (Alaska)
7. Makah Tribal Council (Washington)
8. Wampanoag Tribe of Gay Head Aquinnah (Massachusetts)
9. A:shiwa A:Wan Museum and Cultural Center (New Mexico)
10. Kenaitze Tribe of Indians (Alaska)
11. Yavapai-Apache Nation (Arizona)
12. Tohono O'odham Community Action (Arizona)
13. Native Resources Developer (American Samoa)
14. Pinewoods Community Farming Project (New York)

VI. Asset-Based Development in Native American Communities Today

The programs of First Nations are guided by the philosophy that only when Native people control Native assets will successful, culturally appropriate, self-determined development follow. Early programs of First Nations included small business development and the creation of the first peer lending microfinance organization on an Indian reservation, the Lakota Fund. In 1984, First Nations started working on the issue of the Indian Trust Funds, which at the time was one of the largest Indian asset valued at over \$2 billion.

More recently, First Nations has been active in supporting Individual Development Accounts in Native communities, providing financial education training, including training on how to access the Earned Income Tax Credit, and building local financial institutions in Native communities to provide a local source of credit and financial services. First Nations has also been working with tribes and Native nonprofits through their Native Agriculture and Food Systems Initiative (NAFSI) to assist tribes in more effectively utilizing their land assets and developing agriculture-related businesses. Through the Native Youth and Culture Fund, First Nations has been financing innovative youth programs designed to foster community leadership for the next generation.

As mentioned earlier, asset building in Native communities must have a dual focus. At the tribal, or community level, programs must assist tribes in controlling community assets, such as natural resources, trust funds, the local land base, and even the local economy. At the individual level, programs can assist family members in controlling their own personal finances as well as purchasing assets such as homes and small businesses. Many times these strategies are interrelated – for example, a community’s economy is healthy if its citizens own homes, run local businesses, and have access to credit. Table 1 provides a broad overview of the activities of First Nations Development Institute in promoting asset-based development in Native communities both at the tribal and individual level, and the interrelation of these strategies. Thus far, First Nations is most active in areas related to economic development in Native communities – activities related to financial and natural assets.

Table 1: First Nations' Program Activities Related to Asset-Based Development in Native Communities

	Activities to Assist Communities to Control, Create, Retain, Increase, Leverage, and Utilize their Assets	
	Tribal or community level strategies	Individual or family level strategies
Financial Assets	<ul style="list-style-type: none"> Gain control of tribal trust funds. Develop Native controlled financial institutions (e.g. CDFIs). Develop philanthropic foundations and funds. Promote anti-predatory lending activities. Provide access to credit and capital in Native communities. 	<ul style="list-style-type: none"> Support Individual Development Accounts. Support small business development. Support financial education training. Promote anti-predatory lending activities. Promote use of Earned Income Tax Credit (EITC). Provide access to credit and capital in Native communities.
Natural Assets	<ul style="list-style-type: none"> Assist tribes to gain control of land on reservations. Assist tribes in land acquisition. Assist tribes in land consolidation. Assist tribes to gain control of leasing process and fund management. Assist tribes in mapping their territories (including GIS). Promote use of land and other natural resources to support business development, e.g., agriculturally related businesses, through the Native Agriculture and Food Systems Initiative. Promote sustainable harvest practices and certification through the Sustainable Forest Fund. Assist tribes in developing Tribal Inheritance Codes. 	<ul style="list-style-type: none"> Assist individuals in land acquisition. Assist individuals in land consolidation. Assist individuals to gain control of leasing process and fund management. Promote use of land and other natural resources to support business development, e.g., agriculturally related businesses, through the Native Agriculture and Food Systems Initiative. Assist tribes in developing Tribal Inheritance Codes.
Institutional Assets	<ul style="list-style-type: none"> Develop Native controlled financial institutions (e.g. CDFIs). Develop philanthropic foundations and funds. Develop the Native nonprofit sector. 	
Human Capital	<ul style="list-style-type: none"> Strengthen youth leadership through the Native Youth and Culture Fund. Strengthen nonprofit leadership through the Leadership and Entrepreneurship Apprenticeship Development (LEAD) program. 	<ul style="list-style-type: none"> Strengthen youth leadership through the Native Youth and Culture Fund. Strengthen nonprofit leadership through the Leadership and Entrepreneurship Apprenticeship Development (LEAD) program
Cultural Assets	<ul style="list-style-type: none"> Support youth with the Native Youth and Culture Fund. Supporting culturally appropriate economic development. 	<ul style="list-style-type: none"> Support youth with the Native Youth and Culture Fund. Supporting culturally appropriate economic development.
Social Capital	<ul style="list-style-type: none"> Develop the Native nonprofit sector. 	
Legal and Political Assets	<ul style="list-style-type: none"> Develop the Native nonprofit sector. Strengthening Native American Philanthropy. Assist tribes in passing UCC codes and anti-predatory 	

	lending codes.	
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At issue is the Western understanding of community development. It does not fit the reality of many Native Americans who are living on reservations or within rural localities. The values that pervade the Native understanding of community is not factored into the classically Western development mode. The well being of the community as a whole, specifically the relationship to the land, sacred institutions, bloodlines, ancient wisdom, and traditional trade, is not present. To a large extent, the driving force behind both economic theory and the standard development model is the concern for maximized growth. It is an equation propounded by many Western economists and promoted by many Western policy-makers.

The traditional understanding of community development rests upon the concept of sustainability, that is, resources—or community assets—are utilized through methods conserving their continual use for subsequent generations. Native development strategies appreciate the inherent relationship among economic, social, and political systems, as well as recognize the interdependence between human society and the earth. The elements interconnect with various aspects of Native society, to isolate one from the other is not an accurate depiction of the process of development or the values used to implement it. The depth of this interconnectedness is reflected in an intricate network of associations, rights, and civic obligations. These rich traditions stem from a consciousness that seeks to fulfill the physiological need for sustenance, the economic need for livelihood, and the spiritual need to respect the land and the elements of one's natural surroundings.

First Nations has been working with Native communities for almost 25 years. Through our decades of work, we have learned that asset-based development truly works, and it is an effective strategy for preserving community resources for the seventh generation. It is only through Native control of Native assets that the economic well-being of Native communities will be improved and sustained.

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