



NATIVE AMERICANS IN ARIZONA AND THE RECOMMENDED PHILANTHROPIC RESPONSES JULY, 2021

Native Americans in Arizona

North American indigenous peoples, more commonly known as Native Americans, have inhabited what is now Arizona for thousands of years. They currently comprise [6.3% of the state population](#), making Arizona the US state with the largest number of Native Americans after California and Oklahoma. In addition, the majority of the [Navajo Nation](#), the largest Native American reservation in the US, and the entire [Tohono O'odham Nation](#), the second largest, are located in Arizona. Over a quarter of the area of the state is reservation land, which can be seen on the following [map](#).

The Grand Canyon State is also home to more speakers of Native American languages than any other state. According to the [US Census Bureau](#), more than 85,000 inhabitants of Arizona speak Navajo, and more than 10,000 speak Apache. Today, 22 sovereign Native communities reside in Arizona, lending their [unique spiritual, cultural, and economic richness](#) to the state.

Native American Veterans

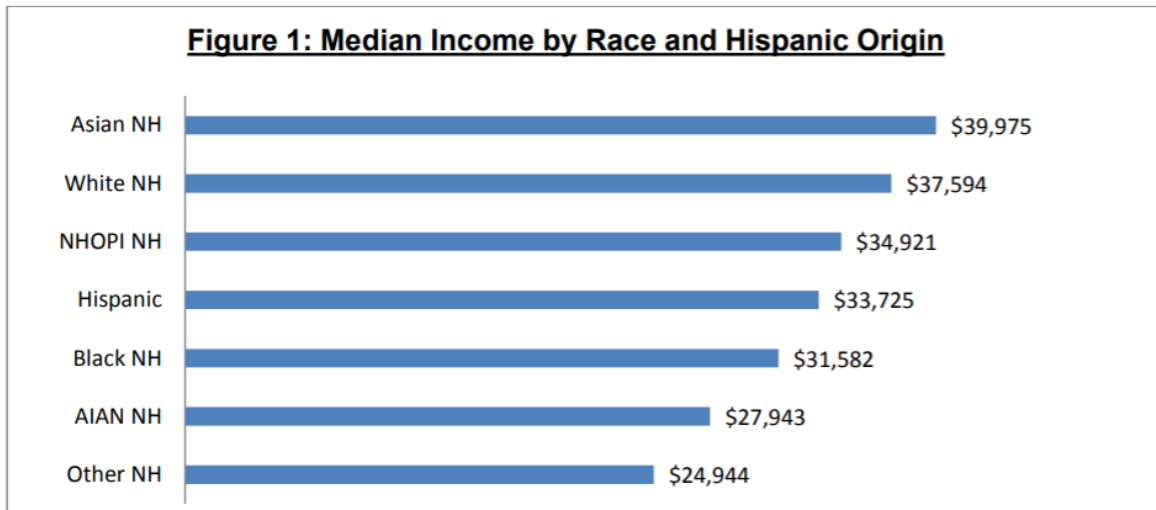
Regarding Native American veterans specifically, the research indicates that this community is not that dissimilar to non-veteran Native Americans.

According to the [2015 American Community Survey on American Indian and Alaskan Native Veterans](#), there are approximately 134,000 veterans who identify as Native American or Alaskan Native (AIAN), representing .7% of all U.S. veterans. Interestingly, this community of veterans were younger than veterans of all other races combined. The median age of AIAN Veterans was 59, compared with 64 for veterans of other races.

In 2015, over one-third of all AIAN Veterans lived in five states: California, Oklahoma, Arizona, New Mexico and Texas, representing a majority living in the West and Southwest. In Arizona, they live in both rural areas such as the Hopi Reservation, which covers 2,532 square miles in northeastern Arizona, and urban centers such as Phoenix and Tuscan.

Interestingly, a higher percentage of AIAN Veterans (40.4%) used VA health care in 2015, compared with veterans of all other races (33.2%). The percentage of AIAN veterans who did not use VA health care included the uninsured population.

In terms of income, Native American veterans (AIAN) consistently rank as the lowest income level among all veterans. The graph below illustrates the total overall ranking of income among this community.



Source: U.S. Census Bureau, American Community Survey, Public Use Microdata Sample, 2015.
Prepared by the National Center for Veterans Analysis and Statistics

Understanding Native American needs

Some specific needs that have been identified by Native Connections, a grassroots, Phoenix-based service organization founded by Native Americans, include:

- substance abuse intervention,
- affordable and supportive housing,
- fighting negative stereotypes, and
- **economic development to enhance Native American-led businesses.**

In a 1999 article on self-determination in *Native American Philanthropy*, Mindy L. Berry, a development professional, and her colleagues noted that there is a need for enhanced cultural awareness and understanding of local traditions, resources for community building, new perceptions of Native Americans as creative and generous rather than poor and dependent, and **greater self-determination** ([Berry 1999: 35-36](#)). Patrick Borunda, a Native American businessman who contributed to Berry’s report, noted that **“the future of the Native community in some areas is in small business (37).”**In addition to entrepreneurship, higher education has also begun replacing casinos as the “New Buffalo” in the minds of many Native American tribes and nations ([ibid](#)). This includes tribal higher education institutions.

A 2019 report jointly drafted by Candid, a 501(c)3, and *Native American Philanthropy* supports Berry’s findings by noting **that focusing on self-determination is a more culturally competent approach.** It builds trust but also helps organizations establish the specific needs of a location and ensures that a development program remains self-sustaining ([Candid and Native American Philanthropy 2019: 32](#)).



Philanthropic interventions

Local investment in Native American-led organizations has been a growing need over the past 30 years. Doing so could address longstanding issues such as addiction, homelessness, and a lack of community resources such as cultural centers.

Unfortunately, philanthropic interventions in Arizona exclusively targeting Native Americans represent [only 4.1%](#) of grants awarded in that state. One of the main areas philanthropy has traditionally focused on behalf of Native Americans in Arizona is arts and cultural heritage preservation. As a means to disrupt issues such as addiction, homelessness, and dependency, a burgeoning movement of organizations are investing in economic development of the Native American population in a variety of ways.

The American Indigenous Business Leaders (AIBL) focus on youth business education. The mission of AIBL is to increase the representation of American Indians and Alaska Natives in business and entrepreneurial ventures through education and leadership development opportunities. According to their website:

AIBL’s vision over the next decade is to become the pre-eminent national non-profit organization serving American Indians by providing business and entrepreneurship education, leadership development training, and the necessary support to help young men and women who aspire to pursue studies and careers in business, entrepreneurship, or related disciplines.¹

AIBL offers a youth scholarship program on business training hosted at [Diné College](#), the first tribally controlled and accredited collegiate institution in the United States. Additionally, the organization hosts the Student Business Plan Competition that simulates the real-world process of seeking start-up funds for competing teams in a high school and college division.

The National Center for American Indian Enterprise Development (NCAIED) is one of the largest Native American specific business nonprofits in the country. Its mission is to:

Develop and expand an American Indian private sector which employs Indian labor, increases the number of viable tribal and individual Indian businesses, and positively impacts and involves reservation communities by establishing business relationships between Indian enterprises and private industry.²

The organization helps Native American and tribally-owned businesses obtain financing and gain critical access to federal business development programs and contracts by:

- Providing professional business consulting services
- Fostering partnerships with the formal economy resulting in 65,000 jobs.
- Increasing the number of Native-owned businesses, including helping Fortune 1000 companies use more Native businesses in their supply chains.
- Fostering a new generation of entrepreneurs among aspiring Native American youth.

¹ <https://www.aibl.org/about>

² <https://www.ncaied.org/about/>



Additionally, NCAIED invests in economic development by increasing access to capital as one of the biggest challenges Native Americans face today. NCAIED helps businesses obtain financing, develop networks, and access needed training, through methods such as the following:

- Launching Native Edge Finance, Inc., (NEF) to provide economic opportunities for communities and businesses by providing products and financial services to support business growth and development. NEF will begin lending during the [summer of 2021](#).
- Connecting businesses directly with financial institutions and individuals.

These are just two examples of organizations doing important work in Arizona. Their structure is similar to Habitat for Humanity in that they have local affiliates or partners that help execute the national vision.

Native Americans who have served in the US armed forces grapple not only with issues faced by veterans in general, but also problems connected to their cultural and ethnic identity. Where they live can also have an impact on what needs to be addressed. According to a 2020 article published by Arizona Public Media, some of these needs include:

- Physical injuries,
- PTSD,
- Navigating bureaucracy,
- Culturally competent therapy,
- Transportation to VA facilities from rural reservations, and so on.

Recommendations

Based on the current state of the Native American community in Arizona, I would recommend exploring two opportunities for engagement in a strategic and sustainable manner.

First, philanthropic interventions that focus on fostering an environment of business education for Native American youth and prospective business owners creates a climate of self-determination and self-sufficiency. To borrow language from Borunda, **“the future of the Native community in some areas is in small business.”** This future can be achieved through (but not limited to) the following philanthropic opportunities:

- Fund a business education competition among youth and/or adult prospective business owners with a monetary prize for the winner. The goal would be to help the winner(s) start their business immediately. AIBL is already hosting similar competitions.
- Partner with Diné College to provide a scholarship to Native American students pursuing a degree in business. As previously mentioned, tribal higher education institutions are replacing casinos as the “New Buffalo” for Native Americans.
- Give to the Arizona affiliate of NCAIED, designating funds for Arizona Native Americans seeking support through Native Edge to learn business skills and how to access capital.



Second, explore opportunities for venture philanthropy by way of leveraging investments and loans to increase access to capital for prospective business owners. NCAIED could be a perfect partner in exploring investments screened for Native American-owned businesses. Funding could be designated as capital or debt. These are summarized as:

- “Start-up capital” in the form of investment in the company that had an interest in honoring the philanthropic spirit of a gift (typically below market rates).
- Loaned capital, or, even more interesting these days, loaned guarantees that essentially leverage your own capital as a guarantee to the business owner’s loan, thereby reducing the lender’s required interest agreement. This can save the entrepreneur significant funding without actually spending any capital.

While venture philanthropy is a new concept for the Client, this serves as an introduction for future reference.

For Native American veterans, these aforementioned recommendations remain highly relevant. Native American veterans earn the lowest wage and have high levels of interest in self-sufficiency. The programs above would enable these characteristics to help them realize their potential. In addition to these suggestions, others specific to veterans might include culturally competent veteran services, particularly with regard to mental health and wellness. Suggestions include partnering with local organizations germane to serving Native American veterans. For example, reinvigorating the Hopi Nation-sponsored program providing free busing for veterans from the reservation to the nearest VA clinic would be one possible solution. Another might be partnerships with NGOs serving Native American veterans themselves, such as the Southwest Native American Veterans Association, located in Albuquerque. Establishing programs that help Native Americans navigate tribal and federal bureaucracies would also be helpful. These could, perhaps be done in partnership with Native American universities such as Diné College, such as through a scholarship program.

In summary, philanthropic recommendations are focused on helping Native Americans and Native American veterans build a culture of self-determination that is already underway through a few leading organizations.