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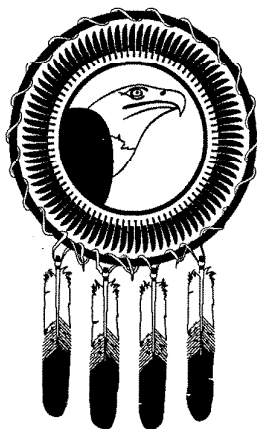
*Making Research Count in Indian Country:  
The Harvard Project on American Indian Economic Development*

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**Abstract**

Harvard University's Project on American Indian Economic Development is the largest and most comprehensive effort ever undertaken to understand how American Indian nations can overcome persistent poverty and restore their own economic vitality and social sovereignty. The Harvard Project's central, continuing activities include comparative and case research on economic development. The Harvard Project is also concerned with making research count in Indian Country by the application of that research in services to Native nations and the provision of executive education to Native leadership. Harvard Project research makes clear that the welfare of American Indian nations in the twenty-first century will depend crucially on their ability to design effective, culturally-appropriate governing institutions and to implement informed economic and social decisions.



**Making Research Count in Indian Country:  
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**Manley A. Begay, Jr., Stephen Cornell, and Joseph P. Kalt<sup>1</sup>**

**The Challenges Facing Indian Country Today**

The indigenous peoples of the United States face a number of major challenges as they approach the turn of the century. Some challenges arise from the economic and social conditions of Indian Country. Reservation Native Americans have among the highest rates of poverty, unemployment, teenage suicides, and high school and college dropouts in the United States. Many suffer from poor health and live in substandard housing. Household incomes are painfully low and significant household wealth is typically absent. One of the most urgent and complex tasks facing Indian leadership is improving the welfare of Indian communities.

Many people mistakenly think that the threats to Indian sovereignty ended at the close of the 19<sup>th</sup> century, but challenges do continuously arise from outsiders trying to reduce tribal sovereignty or gain access to Indian lands. In the late summer of 1997, Senator Slade Gorton of Washington proposed legislation that would have seriously undermined the power of Indian

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peoples to control their own resources and affairs. Around the country state governments are challenging tribal sovereignty on an array of issues, like water rights, gaming, and tax authority. Indian tribes face the constant task of defending treaty rights and sovereignty in state legislatures, the U.S. Congress, and the federal courts.

Still other challenges are products of success. While most reservations today remain poor, and in some cases desperately poor, some have become scenes of occasionally astonishing economic success. The dramatic growth of the Indian gaming industry, for example, has had diverse impacts in Indian Country. Managing those impacts — financial, social, and political — has demanded new skills. Other tribes are having to learn how to manage major natural resource endowments, how to improve and employ their own human resources, and how to negotiate effectively with corporations, governments, and others who wish to use or develop those resources.

At the same time, Indian nations face as well an unprecedented set of opportunities. Tribes are no longer simply wards of the federal government. Through the policy of self-determination, formally adopted in the mid-1970s, the United States has committed itself to the principle of tribal self-governance. While sometimes ignored in federal practice, the self-determination policy has allowed Indian nations to assume tasks of governance long carried out, against Indian wishes, by outsiders. Those nations that wish to do so are now in a position to make many of the major decisions that affect their lives. Tribal governments now exercise significant powers of taxation, regulation, adjudication, law enforcement, land use control, contract origination, and civil and criminal lawmaking. In short, more than at any time in the

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last century, Native American peoples are able to shape their own futures. Growing numbers of them are taking vigorous advantage of that opportunity.

### **The Role of Self-Governance**

This unprecedented combination of enormous challenges and tantalizing opportunities confronts Indian peoples and Indian leaders with one of the fundamental tasks of nation-building: creating capable government. Research from around the world makes clear that the improvement of both socioeconomic and political conditions is inextricably linked to issues of self-governance, management, and leadership. The ways that groups of human beings organize themselves to pursue their objectives are central determinants of their success in achieving those objectives. Governing institutions establish “the rules of the game” through which human beings cooperate and disagree, control their own worst impulses and reward their best, and generally interact with each other both within their society and in relations with other societies. Putting in place effective governing institutions is a crucial first step in any society’s effort to establish and sustain economic growth and to assert control over its own affairs.

This also is the conclusion reached by the Harvard Project on American Indian Economic Development, the largest and most comprehensive effort ever undertaken to understand how Indian nations can overcome persistent poverty and restore their own economic vitality and social sovereignty. Harvard Project research makes clear that economic development in Indian Country is first and foremost a *political* process. The foundations of successful, long-term, self-determined reservation prosperity lie in the institutions of self-governance that Indian nations put in place. While the economic problems tribes face are daunting, the solutions to those problems have roots not so much in classically economic

factors such as resources, capital, and markets as in the organizational ability of tribes to take effective advantage of the economic opportunities they have or can create. Tribal sovereignty is incomplete and subject to play a determinative role in whether or not economic and social well-being are sustainable on reservations.

### **The Harvard Project on American Indian Economic Development**

Founded at Harvard University in the late 1980s, the Harvard Project on American Indian Economic Development is now the longest-running university-based effort of its kind. Over the last decade it has become a primary source of research, field service, and executive education in Indian Country. The Harvard Project's central, continuing activities include comparative and case research on economic development, the application of that research in services to Indian nations, and the provision of executive education to tribal leadership.

#### **1. Research**

By the late 1980s it had become apparent that, for the first time in this century, a significant number of Indian nations had begun to break away from the relentless poverty and stark dependence on the federal government that had long been the dominant pattern in Indian Country. Among others, the Mississippi Choctaws, the Confederated Salish and Kootenai Tribes of the Flathead Reservation in Montana, some of the New Mexico pueblos, the White Mountain Apaches in Arizona, and the Mescalero Apaches in New Mexico were gradually building vibrant, sustainable economies. The Choctaws, for example, eventually had to import non-Indian labor because there were not enough Choctaws to fill all the jobs they were creating. The Salish and Kootenai and the White Mountain Apaches were transforming

regional economies as their business activities, both public and private, spun off ancillary benefits of various kinds in nearby non-Indian communities. By the 1990s, on these and selected other reservations, employment rates were climbing, social problems had been reduced, dependence on federal transfer payments was down, and reservation economies were reflecting tribal as opposed to federal development agendas.

The Harvard Project, directed by the authors, began as an effort to understand this phenomenon. What was the difference between these “breakaway” tribes and others whose situations had not significantly changed? We put ourselves in the field to understand the decisions and actions made by both “success” and “non-success” tribes as they pursued economic development. Over the years, we and our students assembled data from a field sample that has now grown to more than twenty reservations and close to a thousand person-days in the field and from a statistical sample of nearly 70 tribes.

As this research has progressed, it has become clear that Indian Country has a great deal to teach the rest of the world. In a nutshell, we find that successful economic development in Indian Country is founded on three key factors. (1) Sovereignty and self-governance are indispensable. Not unlike the economies of Central and Eastern Europe, American Indian tribes cannot succeed under *de facto* planning and control by another government. (2) Sovereignty alone is not sufficient to create sustainable economic development. Economically, politically, and socially successful tribes back up their sovereignty with capable institutions of self-governance. The challenge, in short, is to *exercise* sovereignty effectively. (3) Capable government (both in Indian Country and elsewhere) means laying down and enforcing stable rules of the game. Without hard-to-override policies, institutions, and law that channel effort and dispute resolution into

productive ends, individuals rich and poor, Indian and non-Indian will not invest themselves and their resources in a reservation economy. But one size does not fit all. To be capable, tribal government and economic system does not fit all. To be capable, tribal governments must have formal structures in their constitutions, courts, legislatures, and bureaucracies that have legitimacy with the people. In other words, those formal institutions have to be well matched to the society's cultural norms, to indigenous understandings of how authority ought to be organized and exercised.

This last point probably is the one with which the Harvard Project is most identified. It is *cultural match* that explains, for example, why a centralized, strong chief executive system may work well for the hierarchical White Mountain Apaches, but a decentralized parliamentary government with a strong and genuinely independent judiciary works far better for the Salish and Kootenais' confederation of former enemies on the Flathead Reservation. Contemporary institutions have to fit the political culture of the people. On the other hand, this does not imply simply a romantic return to traditions of the 18<sup>th</sup> and 19<sup>th</sup> centuries. While governing institutions have to have legitimacy, they also have to be suited to the contemporary challenges tribes face and to the world in which tribes have to operate. If such institutions are not available in the indigenous repertoire, then they have to be borrowed or invented. The trick is to find institutions that can pass two tests: they are at once both practical and legitimate. The goal might be described as culturally-appropriate development with "teeth".

## **2. Services to Indian Nations**

We recognized from the earliest days of the Harvard Project that the most important test of our research effort would be its utility to Indian nations themselves. One of the handicaps that tribal leaders face is the shortage of information, practical research, and hard-nosed policy analysis that can inform the strategic decisions, policy-making, and institution-building in which tribes are increasingly engaged. Our goal has been to cooperate with tribes, using our research effort to assist them in dealing with the fundamental problems and challenges they face.

We have been fortunate in this regard that Harvard University's John F. Kennedy School of Government, where the Project is headquartered, requires all of its Master's in Public Policy students to produce, in lieu of a traditional master's thesis, a year-long policy analysis for a real-world client. Coupled with the fact that the problems in Indian Country span the areas of specialization (from economic development and politics to public management and social services) that our students are being trained in, this has provided us with a virtual army of *pro bono* "consultants," typically inexperienced in Indian affairs but smart, resourceful, and trained to produce the kinds of analysis and policy-related information that tribal decision-makers need. Over the last nine years, these students, working under our supervision, have completed more than 130 analytical projects on topics ranging from aquaculture at Cochiti Pueblo in New Mexico to judicial reform at the Navajo Nation, from financial planning at Seneca in New York to the impact of federal welfare reform at Rosebud Sioux in South Dakota. These projects, chosen by tribes and Indian organizations, are invariably of a practical nature, reflecting tribes' requests for our services and choices of topic rather than esoteric research agendas.

Together with research studies undertaken by Ph.D. students and ourselves and pending tribal approval, these field projects eventually appear in our Project Report Series. Through this series we are able to distribute — at the cost of printing — project results and recommendations throughout Indian Country. This series is now the largest resource of its kind, providing tribes with assistance on a wide range of topics. Approximately 7000 reports have been requested and distributed, the vast majority by tribes. In 1992, we brought together a number of key or frequently requested reports in the volume *What Can Tribes Do? Strategies and Institutions in American Indian Economic Development*, published by the American Indian Studies Center at UCLA. With Ford Foundation support, we distributed this volume free of charge to every tribe in the U.S. Field observation finds it sitting dog-eared in tribal offices around the U.S. and Canada and as far away as New Zealand. A second collection is now in the works.

In addition to these graduate student field projects, we are under more or less constant request for our services as advisors and *pro bono* consultants. The list of matters in which we have been involved is extensive and includes: advisor to Canada's Royal Commission on Aboriginal Affairs (Begay and Kalt); negotiation of a treaty on endangered species management between the U.S. Department of the Interior and the White Mountain Apache Tribe, arbitrator on a coal contract dispute for the Crow Tribe, and advisor to the Maoris of New Zealand on fishing treaty compensation (Kalt); uranium mining compensation and protection of traditional lands for the Hatchet Lake Chippewa in Saskatchewan, governmental reorganization at Tohono O'odham, the design of an economic development board at Grand Traverse in Michigan, and strategic planning and organization for the Haida Corporation in Alaska (Cornell); and governmental

reorganization at the Oglala Sioux Tribe; self-governance at Wampanoag Tribe of Gay Head (Aquinnah); curriculum development in economics and public affairs for American Indian high schools, and service on the board of the Smithsonian's National Museum of the American Indian (Begay).

### **3. Executive Education, Teaching, and Outreach**

The return of significant economic and political control to Indian nations has brought tremendous nation-building responsibilities to Native legislatures and chief executives. Tribal leaders have to be able to operate effectively both in the reservation world and in the wider world of American and, in some cases, international realm. All of them are confronted with the often desperate needs of their peoples. They also have before them the opportunity of self-determination. But most tribal leaders are poorly equipped institutionally to deal with the situations they face. Most tribal governments were designed by the United States not by Native peoples. The federal bureaucrats and lawyers who put together the boilerplate on which most tribal governments are based had no idea that many of those governments one day would be engaged in high-stakes negotiations with multinational corporations or with states, municipalities, and the federal government; that in some cases they would be managing billions of dollars worth of resources; or that they would be making sovereign decisions regarding their own futures. As a consequence, the governing institutions the United States proposed for Indian nations are in most cases utterly inadequate to the tasks of sovereign government.

Furthermore, there is little available in the way of information, models, or guidelines to assist Indian leaders in making the momentous institutional and strategic decisions that they face. At universities and think-tanks around the country, national and corporate executives

governance and economic development to tribal chairs, senior managers, and program directors across Indian Country.

NEEPINAL sessions are modeled after senior executive education programs available to high-level state, federal, and international government officials and senior corporate executives. Each session brings together a limited number of leaders of similar rank and responsibility for frank discussion of shared problems, possible solutions, and strategic options in an intense, participatory learning environment. The small size of the discussion sessions encourages maximum candor, creative thought, a high level of participation, and sustained interaction among attendees. Sessions range from one to two and a half days each and involve focused discussion of critical issues in economic development, governance, and strategic decision-making. Discussions typically range across a wide array of topics, from constitutional reform to enterprise development, from governmental capacity building to comprehensive economic policy. The objective of the Program is to place before Native leaders the latest research on how self-determined, sustained, and culturally-appropriate economic development might become a reality across Indian Country, and to explore with them how to build government and social institutions that can best serve the long-term welfare of their nations.

The foundation of the NEEPINAL curriculum is the Program's continuing, field-based, case research in Indian communities and among First Nations in Canada. The Program translates research findings into accessible, educational formats. Topics covered reflect the findings of Harvard Project research, other research on development and governance around the world, the experience of the professional faculty in the Program, and the expressed needs of Native leaders. Discussions are thus rooted in the real world

have available to them senior executive education programs through which they can explore possible futures, train themselves for strategic decision-making, and absorb the practical findings of research on their most pressing policy and strategic problems. Nothing comparable has been available to Indian leadership. While there are numerous programs offering tribes technical assistance in legal, business, educational, and social program areas, there has been nothing designed to assist senior tribal executives in the crucial tasks of nation-building.

In response to this void and as a direct outgrowth of the Harvard Project, in 1990 we founded the National Executive Education Program for Native American Leadership (NEEPNAL). This program is the only national and international program specifically designed to meet the strategic and educational needs of the highest level of Native leadership. It is founded on the premise that the welfare of Indian nations in the twenty-first century will depend crucially on their ability to design effective, culturally-appropriate governing institutions and to implement informed economic and social decisions. Responsibility for these tasks rests primarily with Native leaders.

Originally formed as a partnership with the College of Business Administration at Northern Arizona University, Flagstaff, NEEPNAL has now branched out to partnerships with a number of institutions in the U.S. and Canada. NEEPNAL offers American Indian leaders and the leaders of Canada's First Nations educational programs and curricular materials designed to help them address the challenges of asserting sovereignty, governing their nations, and developing their economies. With seed money from the Northwest Area Foundation and subsequent funding from the Pew Charitable Trust, the Department of Commerce's Economic Development Administration, and the Christian A. Johnson Endeavor Foundation, NEEPNAL has been bringing senior executive education in

Native leaders deal with every day. NEEPNAL materials have been used in tribal colleges and other educational institutions, thus contributing to the broad goal of preparing future generations of Native leadership.

In addition to NEEPNAL, the Harvard Project has launched several other educational efforts, including the Christian A. Johnson Endeavor Foundation Native American Fellowship in American Indian affairs at Harvard's Kennedy School. The fellowships are premised on the proposition that Indian Country has benefited greatly from the training of lawyers, educators, health professionals, and the like, but that the future of self-governance requires skills in leadership and public. The fellowships provide top-flight Indian professionals committed to public service in Indian affairs with the financial support necessary to allow them to pursue graduate degrees at the Kennedy School.

Together with Harvard's Native American Program, the Harvard Project has created a university-wide course in *Native Americans in the Twenty-first Century: Nation Building*. This course is unique in its interdisciplinary approach to the real problems that leaders in Indian Country and other developing societies face. The course is now "exporting" its curriculum upon request to other institutions in North America. The *Nation Building* course is the cornerstone of an interfaculty teaching and research initiative at Harvard that has succeeded in bringing a large group of faculty and students into the orbit of Indian affairs. It provides a forward-looking and proactive approach to institution building and social problem solving in Indian Country to students who might otherwise have access to courses that primarily emphasize history and culture divorced from contemporary challenges.

## Future Directions

The challenges that Indian nations face today are sobering ones. Sovereignty — a keystone in tribes' efforts to solve the seemingly intractable problems of poverty and hopelessness — is under attack in the Congress, the courts, and the states. Undermining tribal sovereignty, by stripping tribes of both the responsibility and the power to shape their own futures, threatens to perpetuate the dismal conditions under which America's poorest population now lives.

On the other hand, the opportunities Indian nations face are exhilarating ones. It has been well over a century since Native peoples were in the driver's seat in their own affairs. Sovereignty places the keys to Indian economic and social development in the hands of tribal governments and tribal leaders. The decisions and actions they take in the next decade will transform Indian Country — for good or ill — for years to come.

Again, the particular combination of challenge and opportunity in Indian Country suggests the tasks that lie ahead. Clearly further research is crucial. There is a great deal yet to be discovered.

- What are the impacts of successful economic development and political power on social problems? Is the intuitive conclusion of an Indian Health Service epidemiologist we talked to — “most of the public health problems I'm dealing with are products of poverty and hopelessness” — supported by research? Is nation-building in Indian Country not only a political and economic necessity but an urgent matter of public health?

- Why and how does one tribe come together and solve its political and economic problems, while another tribe cannot ever “get off the dime”?
- How can research best assist tribes in making strategic economic decisions? What kinds of economic activities work best where? How does a tribe meet its economic needs without undermining its social sovereignty — its ability to shape the quality and nature of community life?

The evidence is largely local and anecdotal but powerfully suggestive that economic success on Indian reservations has significant spin-off effects on non-Indian communities. From Mississippi to Arizona to Montana, vital reservation economies are generating business and employment opportunities for non-Indians, reducing transfer payments and burdens on taxpayers, and contributing to regional economic wealth. As the evidence comes in, this constitutes a growing argument in support of tribal sovereignty, for sovereignty itself is a key to tribal economic success. Exploring these links is a research priority.

- How can individual Indian nations achieve the cultural match that the research says is essential and still retain the practical capability that effective government demands in a rapidly changing and challenging world? How can tribes move toward economic prosperity and still retain the cultural practices, from language use to ceremonial activity, that they view as essential parts of their lives? Research evidence says these goals need not be mutually exclusive, but how can those findings be applied across diverse tribal situations?

In terms of services to Indian nations, the need in the future is for hard-nosed analysis provided in usable form. The tasks facing Indian nations are the ones that all societies face. They are the tasks of designing effective governments and making informed, sound strategic

decisions. The needs in Indian Country range from major constitutional reform to building administrative infrastructures and independent tribal courts to determining appropriate economic strategies to reorganizing program management. This means there will be a continuing demand for the tools of nation-building, from information to analysis to models of possible solutions to pressing problems.

In terms of education, the task is to expand curricular and program resources so that we can bring education of the highest quality to a much wider constituency of tribal leaders, managers, students, and other citizens. Our sense is that the nature of the conversation about Indian economic development has changed over the last decade. What used to be a conversation largely about government grants and programs is beginning to sound more and more like a conversation about the building of sovereign societies that are no longer hostage to federal decisions or agendas but which are increasingly in charge of their own affairs and shaping their own futures. That conversation needs to grow. It will continue to grow as larger numbers of Native peoples become engaged in the difficult tasks of nation-building.

In light of these continuing needs and challenges, the work engaged in by the Harvard Project is just beginning. Our hope is not only that this work will continue to grow, but that other institutions and organizations will become partners in an ongoing effort to empower Indian nations so that they can solve their own problems in their own ways.

### **Selected Resources and Further Information**

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Project Report Series. A list of available reports completed under the auspices of the Harvard Project on American Indian Economic Development. Orders may be addressed to the Project at the Kennedy School of Government, Harvard University. 79 John F. Kennedy Street., Cambridge, MA 02138.