Indian Affairs - Office of Public Affairs

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For Immediate Release: April 17, 2008
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WASHINGTON – Assistant Secretary – Indian Affairs Carl J. Artman and South Dakota Senator John Thune yesterday unveiled their joint proposal for a South Dakota Indian and Tribal Business Incubator Project to help accelerate economic development throughout the state's nine federal Indian reservations. The project will target the Cheyenne River Sioux, Crow Creek Sioux, Flandreau Santee Sioux, Lower Brule Sioux, Oglala Sioux, Rosebud Sioux, the Sisseton-Wahpeton Oyate, Standing Rock Sioux and Yankton Sioux tribes.

"Senator Thune and I believe that an economic development campaign can be more effective if focused on specific tribes and areas," Artman said. "The South Dakota Indian and Tribal Business Incubator Project is a multi-tiered project designed to accelerate economic development throughout the state's tribal communities. I am pleased that Senator Thune has joined with me in initiating this project to support tribal economic development in South Dakota."

The Incubator Project will aid the tribes by increasing access to capital, promoting financial literacy, providing successful business techniques and know-how, offering strategic advice, developing new businesses, and fostering the legal, corporate, and judicial infrastructures needed for economic development. In addition to business infrastructure as a means of economic development, the Project will also work to develop energy and mineral resources on reservations as another means of fostering the tribes' self-sufficiency.

"The South Dakota Indian and Tribal Business Incubator Project gives Native institutions needed resources to increase financial literacy and entrepreneurial skills on reservations," Thune said. "The project specifically targets resource development on reservations, including wind energy development. It is my hope that the economic development projects that are taking place on reservations today remain a part of the long-term solution to increase the quality of life for South Dakota's tribes."

Yesterday's announcement was made by Robert Middleton, director of the Indian Affairs Office of Indian Energy and Economic Development (IEED), at the Bureau of Indian Affairs' 10th Annual Great Plains Regional/Tribal Economic Development Summit in Sioux Falls.

"The Office of Indian Energy and Economic Development oversees a variety of programs to help create businesses and jobs across Indian Country, but we have never attempted to focus all of them in one state or region," Middleton said. "This project will allow us to assess the effectiveness of a concentrated effort and the possibility of extending the incubator concept to tribes in other states."

To help close South Dakota's investment gap and to promote greater use of loan guarantees for Indian tribes and entrepreneurs, the IEED will hold "lender workshops" throughout the state to acquaint lenders and potential borrowers with its successful Loan Guaranty, Interest Subsidy, and Insurance Program. The IEED will also promote financial literacy by partnering with Community Development Financial Institutions (CDFIs) in South Dakota to sponsor reservation workshops, and seek to educate secondary school students at reservation schools to help them better understand the principles of finance and entrepreneurship and the importance of individual initiative, risk-taking, and innovation

when developing viable businesses.

"The incubator concept proposed by Assistant Secretary Artman and Senator Thune is fantastic," said Lower Brule Sioux tribal chairman Michael Jandreau. "The assurance that this process can work is vested in the willingness of the tribes and the State to work cooperatively with Indian Affairs to ensure that adequate resources and incentives are available to make the initiative fruitful and accepted by the constituency."

The IEED will help South Dakota tribes in several ways to build the capacity necessary to launch businesses and create jobs: through workshops that provide intensive business training, and educating tribal members on how to form 8(a) Indian-owned business enterprises and take advantage of state and federal procurement opportunities. In addition, the IEED will expand federal workforce training programs to fund training of tribal members in the construction, cable laying and meat-packing trades, and in bookkeeping for raising livestock. It will work with tribes to identify opportunities for commercial development of their energy and mineral resources, and it will conduct workshops to train tribal leaders on how to prepare, adopt and administer secured transactions codes, codes to protect intellectual property and cultural patrimony, and indigenous plans to govern land use, economy, and energy use and generation.

The IEED will also collaborate with private sector sponsors to supply computer equipment and computer/Internet training on South Dakota reservations in order to address the "digital divide" that prevents tribes in rural, remote locales from using the Internet to gain access to the global high-tech economy.

Through its efforts, the IEED will provide South Dakota tribes with an array of technical assistance to help them assess economic options and by helping to develop long-term comprehensive economic development plans. It will also facilitate tribal efforts to obtain business development advice from some of the most distinguished business schools in the nation, allowing Indian entrepreneurial and tribal raw materials suppliers to link with demand from out-of-state hospitality sector tribes and federal purchasers. The incubator project will help tribes explore new opportunities on several business fronts.

"One of the most important aspects of this effort will be in developing effective collaborative partnerships with the existing private, tribal, and State programs that have already demonstrated success," Middleton said.

The Secretary of the Interior created the Office of Indian Energy and Economic Development to encourage economic development in Indian Country. The IEED's mission is to foster strong Indian communities by creating jobs, Indian-owned businesses, and a trained workforce, and by developing Indian energy and mineral resources, and increasing access to capital. The IEED believes that thriving economies and opportunities for work are the best solutions to Indian Country's economic and social challenges.

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