



Briefing touts importance of Native financial literacy

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WASHINGTON - Nearly 50 American Indian leaders, congressional staffers and regulatory agency officials crowded into the Senate Indian Affairs Committee chamber recently to hear a briefing on the importance of financial education for raising the standard of living in Indian country.

Sen. Tim Johnson, D-S.D.; U.S. Treasury Department Deputy Assistant Secretary Dan Iannicola; Cecelia Fire Thunder, president of the Oglala Sioux Tribe; Elsie Meeks, chairman of the Native Financial Education Coalition; and Jacqueline Johnson, executive director of the National Congress of American Indians, addressed the briefing, which was held in conjunction with Financial Literacy Month.

All stressed the importance of financial education for Native communities. Iannicola said financial literacy for Native people should be made a high priority. "Native communities often deal with unique challenges, both in the reservation and off-reservation contexts," he said. "Financial education can help people overcome these challenges and achieve a secure financial future."

The briefing was hosted by the Native Financial Education Coalition, a group of organizations and government agencies working to promote financial education in Indian country. NFEC has established an aggressive program that has trained 800 instructors to teach a Native-oriented curriculum called "Building Native Communities: Financial Skills for Families."

That curriculum was developed by the Kyle, S.D.-based First Nations Oweesta Corp. and the Fannie Mae Foundation in Washington, D.C. FNOC is a unit of the First Nations Development Institute of Virginia.

Iannicola, in remarks made last year at a NFEC meeting, said the Treasury wants to bolster basic savings, credit management, home ownership and retirement planning.

According to NFEC, "Native communities have traditionally been underserved by the financial services industry and are frequently targeted by predatory lenders and tax preparers. Limited financial expertise and inadequate financial education resources have significantly hindered the economic health of Native communities.

"Financial education can help to promote financial responsibility and accountability, which leads to stronger self-governance at the individual and tribal level."

The purpose of the briefing was to increase federal policymakers' level of understanding of the issues, request support for policies that advance financial education in Indian country and promote inclusion of Native issues in a national strategy being developed by the Financial Literacy and Education Commission.

That commission, coordinated by Iannicola's Office of Financial Education, is chaired by the Secretary of the Treasury and has more than 20 members from federal regulatory agencies and departments.

NFEC was started by the Treasury in 2000 but is now independent and spearheaded by FNOC. Both FNOC and NFEC are chaired by Meeks. Many dozens of groups now belong to the coalition, including lenders (such as Bank of Albuquerque, Wells Fargo and Washington Mutual), nonprofits (American

Indian Business Leaders, CFED and the Housing Assistance Council) and government entities (Federal Reserve Board Governors, the Federal Deposit Insurance Corp. and the Office of the Comptroller of the Currency).

Other focal points for its work include four pilot projects at tribal colleges and universities, youth initiative pilots in Minneapolis and South Dakota, investing and retirement planning in Indian country, and promoting access to the earned income tax credit in Native communities.

The group said having financial education in Native communities improves savings and budgeting skills, increases access to affordable housing finance, acts as a defense against predatory lenders and helps families achieve their financial goals.

Two years ago, NCAI, First Nations and nonprofit CFED put out a report, written by Jennifer Malkin of CFED, called "Financial Education in Native Communities: A Briefing Paper" which noted the unavailability of financial literacy education on Native homelands and found a direct correlation between that and predatory lending on reservations.

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