

**Tribal Economic Development Principles-at-a-Glance Series**

**Easy Ways for Tribes to Raise  
Money, Engage in Commerce,  
and Obtain Free Advice**



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### **Easy Ways for Tribes to Raise Money, Engage in Commerce, and Obtain Free Advice**

*This is the 18th in a series of economic development primers produced by the Division of Economic Development (DED), Indian Affairs Office of Indian Energy and Economic Development (IEED), to offer answers to fundamental questions about creating jobs and expanding economies in tribal communities.*

*If you would like to discuss your tribe's industrial strategies in more detail, please contact the Division of Economic Development at (202) 219-0740.*

#### **Why do many tribes often need easy ways to make money?**

The well-known saying “it takes money to make money” is as true in Indian Country as it is anywhere else. For example, DED’s first primer, [The Importance of Feasibility Studies for Federally Recognized Tribes](#), published in 2015, states, “No tribe should undertake an economic development project without first obtaining a feasibility study.” It also says that “costs (of a feasibility study) depend on the complexity of the issues addressed by the study and the expertise required to deal with them. For example, the average IEED Division of Economic Development grant for economic development feasibility studies ... was approximately \$60,000.” Thus, those tribes that do not have many successful projects providing them with a constant flow of cash, and do not have much cash on hand, could easily be stuck in a circular trap: they need new “seed” money in order to implement new commercial ventures to bring in money, but they cannot get that seed money *until* those ventures have already been established!

As suggested in the first primer, some tribes are able to receive grants for economic feasibility studies, or receive financial assistance in other ways, but other tribes simply may not have a chance at this opportunity, *or* they may have the opportunity, but only for a fraction of the projects they want to pursue. In such cases, these tribes need to explore other solutions for raising cash, or for receiving services (like feasibility studies) that do not require major up-front expenditures.

#### **How can tribal governments raise funds without relying on a grant, or relying on a project that requires an initial major investment?**

One method of raising funds is to host fundraising events. While many tribal members know this, not all tribal governments consider and exercise this option as much as they can. They may not realize that if they put more thought and resources into fundraising events, then these extra efforts could help them meet their financial goals. While such events do require a certain amount of set-up costs, they are nothing like the costs of starting new businesses or commissioning feasibility studies.

When they are done well, fundraisers are advertised heavily to both tribal members and non-members, and they can generally offer a unique experience associated with the tribe’s cultural

identity. With the revenue that is collected, the tribe may then be able to afford new things, such as feasibility studies for new projects, without having to rely on grants or other sources of financial assistance that may not be available to it.

A good example is that of the Tulalip Tribes in Washington State, who host a fundraising event they call “[A Night of Tulalip History and Culture](#)” which they describe as follows: “Join us for a special evening at the Hibulb Cultural Center. There will be a traditional salmon dinner, a silent auction featuring works by Tulalip tribal artists, a sneak peek of the upcoming exhibition, and entertainment.” For this event, they sell tickets at varying prices with varying benefits. The tickets range in price from \$50 for an individual to \$2,000 for a large group. While attendees come to enjoy the food and the entertainment, since the event is transparently called a “fundraiser,” they also contribute to the Tribes’ financial well-being.

One idea to help make their fundraisers more successful, tribes should maintain good communications with members who have moved out of the tribal area, but who might gladly visit again to attend a special tribal event. These types of events can help tribes maintain and reinforce their cultural heritage and kinship connections while also helping them achieve their fundraising goals.

### **How can tribal residents engage in commerce and earn money without having to establish formal businesses?**

One way tribal communities can engage in commerce and tribal residents can raise money without having to establish a formal business is to have flea markets. Although flea markets are not ideal forms of commerce, nor are they a long-term solution” for a tribe’s economic development, they can provide several important benefits to the tribe on its way to greater economic development.

Flea markets can raise money for the tribe by: 1) enabling tribal members to sell items they no longer need or want while providing others with the opportunity to purchase items at lower costs than at retail establishments; 2) helping keep money circulating within the Tribe’s own local economy so that tribal income is not “leaking out” of the tribe” and never to be seen again (see the 15<sup>th</sup> primer, “Finding the Best Tribal Economic Development Strategy,” published in 2018); 3) strengthening tribal members’ community spirit through working and shopping alongside each other inside the tribal area, as opposed to people leaving the area to shop elsewhere; 4) attracting visitors to the tribal area who bring more money for the tribe; 5) creating short-term work opportunities among community members who are otherwise unemployed; and 6) providing useful information, confidence, and sales experience to those who aspire to running their own businesses, but who are starting out by selling products at the flea market.

As to the last of these benefits, those flea-markets vendors not already business owners themselves learn which of their products sell more easily and at what prices, so that when they do start their own businesses they are more likely to be successful from having acquired this background knowledge and experience. Conversely, if they learn that their products do not sell at the flea market as well as they had hoped, then they will know not to start a retail business to sell those same items, as that business would be unlikely to succeed. In this sense, flea markets effectively serve as experiments for would-be retailers that can offer the same kind of

information (or even better information) than that which might be obtained in a feasibility study (for the particular sales involved), but without them having to pay for it.

As an example, the Hoopa Tribe in California regularly holds a [flea market](#) where tribal members need only pay \$10 for a table to sell their wares. The best known American Indian flea market is the “[Gallup {New Mexico} 9<sup>th</sup> Street Flea Market](#),” which is held weekly. The website for it describes the flea market as follows:

“The Gallup 9th Street Flea Market is one of the largest Native American markets in the United States. With more than 500 vendors and as many as 10,000 visitors each week, the flea market serves as a social and cultural centerpiece for Gallup and is a significant economic driver for the community and surrounding Native American tribes. ...The flea market has been operating on the current site for more than 25 years ... Open every Saturday from 9 a.m. to 5 p.m. all year long! ... Free admission and parking!”

### **How can tribes receive free services to help them establish commerce without relying on the government or on other tribal organizations?**

Tribal leaders can always seek the advice of experts who may be willing to help them on a *pro bono* basis, especially if they are tribal members who want to help their community as a reflection of their tribal pride and commitment to its welfare. Also, members who may already have successful businesses in the tribal area may have the most practical expertise to help other businesses start, and they may be willing to offer free advice as long as the new businesses they help do not directly compete with theirs. In fact, those tribal members who do have successful, locally based businesses have a vested interest in offering such help because, if those new businesses succeed, they will then likely bring more money into the tribal economy—money that will contribute to the sales of all businesses in the area.

Tribal leaders can help greatly with establishing these collaborative relationships by forming, if there are none, tribal advisory committees for business development, or by expressing their strong support for the committees that do exist. The community can express its appreciation for those who provide free advice by, for example, recognizing them at tribal and public events. Such actions can encourage further offers of such assistance, which, in turn, can benefit the tribe in many ways.