I. Introduction

Rural America encompasses nearly 75% of the land area of the United States and is home to more than 46 million people. While rural America brings to mind farms, cattle ranches and windswept plains, this vast land area encompasses tremendous economic, racial and ethnic diversity. In fact, the racial diversity of rural American has grown significantly in the past 10 years. Today, 356 counties are “minority majority youth” counties, with a majority of non-white children, and another 300 are close.¹

Among the most misunderstood rural areas are the American Indian reservations, Pueblos, Rancherias, Alaska Native Villages, Oklahoma Tribal Statistical Areas and surrounding counties that are home to the majority of American Indian and Alaska Native (AIAN) people in America. There is a commonly-cited but inaccurate statistic that claims that 72% of AIAN people live in urban areas. The more accurate statistic is the opposite – a majority (54%) of AIAN people live in rural and small-town areas, and 68% live on or near their tribal homelands.

Outdated Census definitions and poor data quality have led to a misunderstanding about the size and significance of the rural Native American population. Unfortunately, in an era of data-driven decision-making and increased...
demands for efficiency and impact, small and rural Native communities are often left behind – twice invisible.

Misleading statistics can cost Native communities funding from federal agencies and private foundations. A close examination of the data suggests that these rural Native communities are often the most in need of assistance and display some of the highest poverty rates in the nation.iii

At First Nations Development Institute, we have been investing in rural, reservation-based communities for more than 30 years. When we speak with funders, we are frequently told that the majority of American Indians live in cities. We have heard this so many times that we felt it was important to explore the origin of this belief and to examine the data sources used to measure the geographic distribution of AIAN people. We are concerned that this “urban myth” is limiting funding and program work in rural Native American communities, which we believe to be among the most in need.

II. Twice Invisible

American Indian and Alaska Native communities are an important part of the diverse fabric of the U.S. population, but they remain misunderstood or forgotten because they are often left out of major data-collection efforts. Referred to as “Asterisk Nation” by the National Congress of American Indians, these Native communities and their citizens are often invisible to funders and policymakers. Recent research suggests that only three-tenths of 1% of all foundation funding is directed to Native American causes in the U.S.iv

In addition, as foundations and federal programs strive to measure their impact and efficiency by reaching large numbers of people, sparsely populated rural areas have seen a decline in funding over time.v In 2008, the Big Sky Institute documented a “Philanthropic Divide” between high-population urban regions and low-population rural regions in the United States.vi Research by the National Committee for Responsive Philanthropy in 2004 and 2007 reached a similar conclusion, documenting that predominantly rural states have the fewest foundations and receive the lowest grant dollars per capita, and that only about 1% of grant dollars and 0.3% of foundations are focused on rural development investments.vii In 2015, the National Center for Responsive Philanthropy repeated a call by Senator Max Baucus in 2007 to increase philanthropic investment in rural America –

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**Invisible Americans**

“While American Indians and Alaska Natives are an integral and unique part of U.S. society, we continue to be invisible to most other Americans due to an absence of data, accurate media images, and historical and contemporary awareness about Native peoples in schools, healthcare facilities, professions, military service and daily life. This invisibility is perpetuated by federal and state agencies and policies that leave American Indians and Alaska Natives out of data collection efforts, data reporting and analysis, and/or public media campaigns.

American Indians and Alaska Natives may be described as the “Asterisk Nation” because an asterisk, instead of data point, is often used in data displays when reporting racial and ethnic data due to various data-collection and reporting issues, such as small sample size, large margins of error, or other issues related to the validity and statistical significance of data on American Indians and Alaska Natives.”

-- National Congress of American Indians

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2 | Twice Invisible: Understanding Rural Native America
where residents are more likely to be poor, on average, than their urban and suburban counterparts.

A 2015 article by the National Committee for Responsive Philanthropy identified several key reasons that rural areas are underfunded:

1. Misconceptions of rural people and places.
2. Rural communities’ isolation from the foundation world.
3. Philanthropy’s reliance on big numbers and scaling up.

Many of these issues face Native American communities as well. Because of this, rural AIAN communities are often twice invisible. Given a general lack of understanding of AIAN populations, and the remote, rural, sparsely populated locations of many Indigenous homelands, these communities are frequently misunderstood or forgotten by funders and policymakers. This issue has been compounded due to a lack of understanding of what constitutes a “rural” community.

III. Bad Data: Misunderstanding Rural Native America

So what percentage of the total AIAN population lives in rural areas? The answer is: It depends.

**Census FactFinder**

The federal government has more than 15 different definitions of “rural,” which can lead to confusion when trying to understand the diverse communities found in America’s rural areas and small towns. Many of these definitions have problems associated with them. For example, an outdated definition of “rural” appears on the U.S. Census FactFinder site, which has led to confusion about measuring rural populations. The most commonly cited statistic for AIAN peoples living in urban areas – 72% – appears to come from using the Census FactFinder. Using the Census FactFinder’s definition of “rural,” any town with more than 2,500 residents is considered “urban” – and left out of any calculation of “rural” population. Unfortunately, this definition doesn’t provide an accurate picture of the lived reality of many people in remote and small-population towns. Using this definition, the cities of Gallup (New Mexico), Hardin (Montana), and Ketchikan (Alaska) would all be defined as “urban,” even though anyone who has visited these places from larger metropolitan areas wouldn’t call them urban (nor would most foundations serving urban populations). Not one of these towns has a population of over 50,000 people – and Hardin, Montana, is a city of 3,505 people (see Figure 1).

Given that many people don’t look at how federal agencies are defining “rural” and “urban” areas, statistics are used inaccurately and the role of outside agencies in defining these terms is unexplored. This has led to a degree of confusion among funders, federal agencies and supporters, and a belief that the majority of Native people live in urban areas. The oft-cited statistic that “72% of all American Indians and Alaska Natives live in urban areas”
includes people living in remote small towns of less than 4,000 people. This statistic is often repeated without providing context or definition. Unfortunately, this inaccurate statistic continues to shape people’s understanding of rural Native America, rendering it twice invisible.

**IV. A Better Understanding of Rural Native America**

There are two measures that provide a more accurate count of the number of Native people who live in rural areas.

**RURAL AND SMALL-TOWN AREAS**

Some organizations have looked at the rural-urban question using datasets with a finer-grained level of analysis. The Housing Assistance Council (HAC) is an organization with a mission to improve housing conditions for the rural poor with an emphasis on the poorest of the poor in the most rural places. It produced a dataset that uses three main groups to categorize population: “Rural and Small Town” areas, “Suburban and Exurban” areas, and “Urban” areas. Using measures of housing density and commuting, this unique dataset assigns codes to settlements at the Census-tract level, which are smaller geographic units of analysis than counties. Using this classification scheme, HAC provided an analysis of race and ethnicity in America in a 2012 report. Its analysis found that 54% of the nation’s AIAN population resides in rural or small-town areas (see Figure 2). Another 30% live in suburban or exurban areas, and 16% live in high-population-density urban areas.

The numbers are actually higher for specific states with large American Indian and Alaska Native communities. Figures 3-5 provide state-level data for three regions, the Rocky Mountain Region, the Plains Region, and the Southwest Region. In some states, such as Montana, Wyoming and South Dakota, more than 80% of the total AIAN population lives in rural and small-town areas. Notably, in each of these regions the majority of AIAN people (over 60%) live in rural or small-town areas.
Rocky Mountain Region

<table>
<thead>
<tr>
<th>State</th>
<th>% AIAN Rural &amp; Small Town</th>
<th>Population AIAN Rural &amp; Small Town</th>
<th>Total AIAN Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colorado</td>
<td>33%</td>
<td>10,321</td>
<td>31,244</td>
</tr>
<tr>
<td>Idaho</td>
<td>63%</td>
<td>11,072</td>
<td>17,556</td>
</tr>
<tr>
<td>Montana</td>
<td>84%</td>
<td>50,130</td>
<td>59,902</td>
</tr>
<tr>
<td>Utah</td>
<td>53%</td>
<td>14,301</td>
<td>27,081</td>
</tr>
<tr>
<td>Wyoming</td>
<td>92%</td>
<td>10,786</td>
<td>11,794</td>
</tr>
<tr>
<td><strong>Region TOTAL</strong></td>
<td><strong>65%</strong></td>
<td><strong>96,610</strong></td>
<td><strong>147,567</strong></td>
</tr>
</tbody>
</table>

FIGURE 3

Plains Region

<table>
<thead>
<tr>
<th>State</th>
<th>% AIAN Rural &amp; Small Town</th>
<th>Population AIAN Rural &amp; Small Town</th>
<th>Total AIAN Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iowa</td>
<td>47%</td>
<td>3,999</td>
<td>8,581</td>
</tr>
<tr>
<td>Kansas</td>
<td>47%</td>
<td>10,933</td>
<td>23,073</td>
</tr>
<tr>
<td>Minnesota</td>
<td>60%</td>
<td>33,075</td>
<td>55,421</td>
</tr>
<tr>
<td>Missouri</td>
<td>42%</td>
<td>10,012</td>
<td>24,062</td>
</tr>
<tr>
<td>Nebraska</td>
<td>65%</td>
<td>9,611</td>
<td>14,797</td>
</tr>
<tr>
<td>North Dakota</td>
<td>80%</td>
<td>28,406</td>
<td>35,562</td>
</tr>
<tr>
<td>South Dakota</td>
<td>82%</td>
<td>56,651</td>
<td>69,476</td>
</tr>
<tr>
<td><strong>Region TOTAL</strong></td>
<td><strong>66%</strong></td>
<td><strong>152,689</strong></td>
<td><strong>230,972</strong></td>
</tr>
</tbody>
</table>

FIGURE 4

Southwest Region

<table>
<thead>
<tr>
<th>State</th>
<th>% AIAN Rural &amp; Small Town</th>
<th>Population AIAN Rural &amp; Small Town</th>
<th>Total AIAN Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona</td>
<td>68%</td>
<td>175,376</td>
<td>257,426</td>
</tr>
<tr>
<td>New Mexico</td>
<td>73%</td>
<td>127,205</td>
<td>175,568</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>66%</td>
<td>203,813</td>
<td>308,733</td>
</tr>
<tr>
<td>Texas</td>
<td>22%</td>
<td>17,490</td>
<td>80,586</td>
</tr>
<tr>
<td><strong>Region TOTAL</strong></td>
<td><strong>64%</strong></td>
<td><strong>523,884</strong></td>
<td><strong>822,113</strong></td>
</tr>
</tbody>
</table>

FIGURE 5
LIVING ON OR NEAR RESERVATIONS

Another way of looking at the “rural” question is to examine what percentage of American Indian and Alaska Native people live on reservations or in Alaska Native villages. This figure is often used as a proxy for “rural,” but in fact measures something very different. The U.S. Census Bureau recently reported that 22% of American Indians and Alaska Natives, alone or in combination, lived in “American Indian areas or Alaska Native Village Statistical Areas in 2010.”xv This statistic examines population on federal American Indian reservations and/or off-reservation trust lands, Oklahoma Tribal Statistical Areas, tribal-designated statistical areas, state American Indian reservations, and state-designated American Indian statistical areas. Using this statistic, one would assume that 78% of American Indians and Alaska Natives do not live on or near their Native homelands.

A more recent analysis by a team of researchers for the U.S. Department of Housing and Urban Development (HUD) found that the majority, or 68%, of American Indians and Alaska Natives live on or near their tribal homelands.xvi Forty-two percent lived on tribal lands (defined as counties containing reservation boundaries), and 26% lived in the surrounding counties (see Figure 6). This analysis compared people living in counties with reservation boundaries (“reservation counties”) and those who lived near them, in surrounding counties. In many cases, individuals may leave a tribal homeland area for economic, personal or other reasons but live near enough to maintain ties to those communities.xvii

Why should we look at the population surrounding reservation areas? Individuals living near reservations in surrounding counties are still very much connected to their reservation culturally (by participating in rituals and traditions with community members), socially (living in close proximity and having interconnected social ties with friends and families), and politically (by voting in tribal elections and taking advantage of tribal community services). In many cases these individuals may be much more aligned with the tribal communities considered “rural” rather than any urban centers.

Research suggests that Native American people living on or near Native homelands, and in non-metropolitan areas, are more likely to report a specific tribal affiliation than those living in metro (urban) areas.xviii The individuals living on or near Native homelands are different in other ways. Native Americans living in counties that include tribal lands tend to have lower educational attainment, higher poverty rates, lower household incomes, and lower occupational attainment compared to Native Americans who live in metropolitan areas or in counties with no tribal lands.xix However, at First Nations Development Institute, we also know that there are many people working to build strong and healthy Native economies in their home communities, and exploring innovative economic and community development models - looking to reverse tides of dependency created by years of settler colonialism and asset theft by the federal government.

Many Native scholars have argued that living on or near Native homelands or reservations – physical places with cultural meaning – has a strong effect on an individual’s identityxx and self-esteem because individuals feel proud of
their racial and ethnic heritage. Physical place plays an important part in developing and maintaining an identity as an individual, as a member of a community, and as a member of a racial or ethnic group. American Indians and Alaska Natives who claim only one race on their Census forms are more likely to live on or near tribal lands. They are also less likely to change their response to the race question from decade to decade on the decennial Census. In addition, they are more likely to report that their children are Native American and a child is significantly more likely to be reported as single-race American Indian if the family lives near a tribal area.

**Population on or Near a Reservation – Minnesota and Idaho**

To demonstrate the importance of examining surrounding counties, we utilized HUD’s categories to examine population patterns. We looked at Census data for two states with significant AIAN populations: Minnesota and Idaho. Figure 7 (Minnesota) and Figure 8 (Idaho) show how many individuals are missed when the Census measures people only in “American Indian areas or Alaska Native Village Statistical Areas.” Unfortunately this approach - looking at only those living on a reservation - is often utilized by governmental agencies offering assistance, and foundations deciding between funding “rural” or “urban” Native Americans.

Figures 7 and 8 show a striking difference in numbers depending on whether you are measuring 1) people who live within reservations boundaries, 2) people who live on the reservation or in counties that have a part of the reservation in their boundaries (“reservation counties”), and 3) those who live either in reservation counties or the surrounding counties. In Minnesota, only 32% of the total AIAN population lives within reservation boundaries. This number increases to more than 55% if you also include individuals who live in the reservation counties. When you add in the AIAN population living in reservation counties or surrounding counties, this number jumps to 89% of the total AIAN population in the state.

AIAN population and community boundaries do not always follow state lines, because many of the ancestral homelands existed before state lines were drawn. In some states, such as Idaho, many of the counties surrounding a reservation are actually outside of the state boundaries. Figure 8 demonstrates that in Idaho, only 45% of the total AIAN population lives within reservation boundaries. But that number increases when adding in other AIAN people living off reservation, but in the same county (living in “reservation counties”). This group accounts for 75% of the total AIAN population in the state. Idaho reservation lands are surrounded by counties in five additional states. When adding the population living in these counties, the total number is actually higher than the AIAN population in the state reported by the U.S. Census.
V. Conclusion

There is a great deal of misunderstanding regarding the number of American Indian and Alaska Native individuals who live in rural and small-town areas. The fact that there are more than 15 definitions of what constitutes a “rural” community makes the issue even more confusing. In addition, rural Native America is “twice invisible” due to a lack of familiarity with both rural areas and Native American communities.

Using Census data to understand the Indigenous population in America is a challenging task. The way that the Census Bureau collects its data is challenged by both overcounting and undercounting errors. In addition, there are many different ways to measure Native American identity. These detailed issues are not covered in this report, and are in need of more research. Our goal with this report was to have a better understanding of the way the term “urban” is used when describing the Native American population in America.

A close look at the data, and a careful understanding of the appropriate definition of a “rural” area, helps bring rural Native America into focus. By using a more accurate definition, it becomes evident that a majority of Native people live in rural and small-town areas, and that in some states it is the vast majority. In addition, the majority of people who self-identify as American Indian or Alaska Native live on or near their traditional communities and homelands. By using the correct definition and a careful understanding of the data, we can begin to make rural Native America visible again.
VI. Endnotes


2 The terms “Native American,” “American Indian and Alaska Native,” and AIAN are used interchangeably in this report to describe non-Hispanic American Indian and Alaska Native population in the United States (self-identifying as AIAN alone, not in combination with any other race).


8 See Schlegel 2015.


10 Schlegel uses Rural Urban Commuting Area Codes to measure commuting patterns. For more information, see the methodology section of this report: Housing Assistance Council. (2012). Taking stock: Rural people, poverty, and housing in the 21st century. Washington, DC: HAC.


12 See Pettit et al. (2014).


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