



Generational Wealth



EXECUTIVE SUMMARY

The Math Ain't Mathin': The Struggle to Create Wealth in a Pandemic

Wealth, especially generational family wealth, is the foundation for a family's livelihood. It determines how families plan, how they save, their ability to save, how they plan for retirement, and whether they can purchase a home. It also determines the level and amount of debt accrued, creditworthiness, and interest rates and is the vehicle for obtaining loans.

Generational wealth is unequally distributed, with Black and brown families having mere fractions of what their white counterparts have. A 2019 Federal Reserve Board's Survey of Consumer Finances reported that Black and Latinx families are far less likely to own different asset types, including homes, retirement assets, and financial savings. When examining family wealth, an average white family owned around \$184,000, while an average Latinx family-owned \$38,000 in family wealth, and Black families owned merely \$23,000 in family wealth.

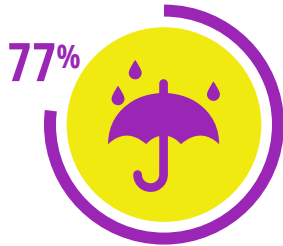
Historically, the default economic policy of this country has been to block Black and Latinx families from asset building while extracting their labor. Add a global pandemic and the medical debt and employment disruptions accompanying it, and the wealth gap immediately widens.

"I feel like there is no long term help."

— ASHLEY, NEW YORK

No Margin for Error

It is a historical truth embedded in our country and perpetuated in our policies that U.S. wealth, especially generational wealth, is unequally distributed, leaving Black and brown families with mere fractions of what their white counterparts have.



have less than \$30,000 in assets for a rainy day



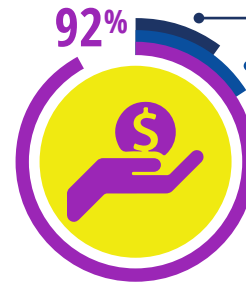
do not feel confident they will be able to pay off their debt with current or future income



say their income is barely enough to make it



putting off owning or purchasing a home, thus delaying their ability to build assets



delayed one or more actions that could increase their financial security, due to changes in economic circumstances during the pandemic, with...



halting a career change or stall career advancement, which would have potentially offered more income

Fight for Black & Latinx Families

Create a direct and comprehensive asset-building strategy.

For Black/Latinx families whose capacity to build generational wealth has been deliberately stunted by over a century of racist U.S. economic policy.

Reinstate rent forgiveness and mortgage moratoriums.

The economic precarity because of rising rent and pressures to carry a mortgage through job losses threatens the stability of Black & Latinx families.

Pass the John Lewis Act.

This is vital to protecting the franchise, generally, and the interests of Black & Latinx communities, particularly.

Forgive student loan debt.

Black women hold an outsized share of student loan debt. Without this debt, they could survive this pandemic from a much stronger financial position.



TAKE ACTION

This project was made possible with the partnership of The Insight Center and the National Black Child Development Institute.

bit.ly/FamilyVoicesAmplified

