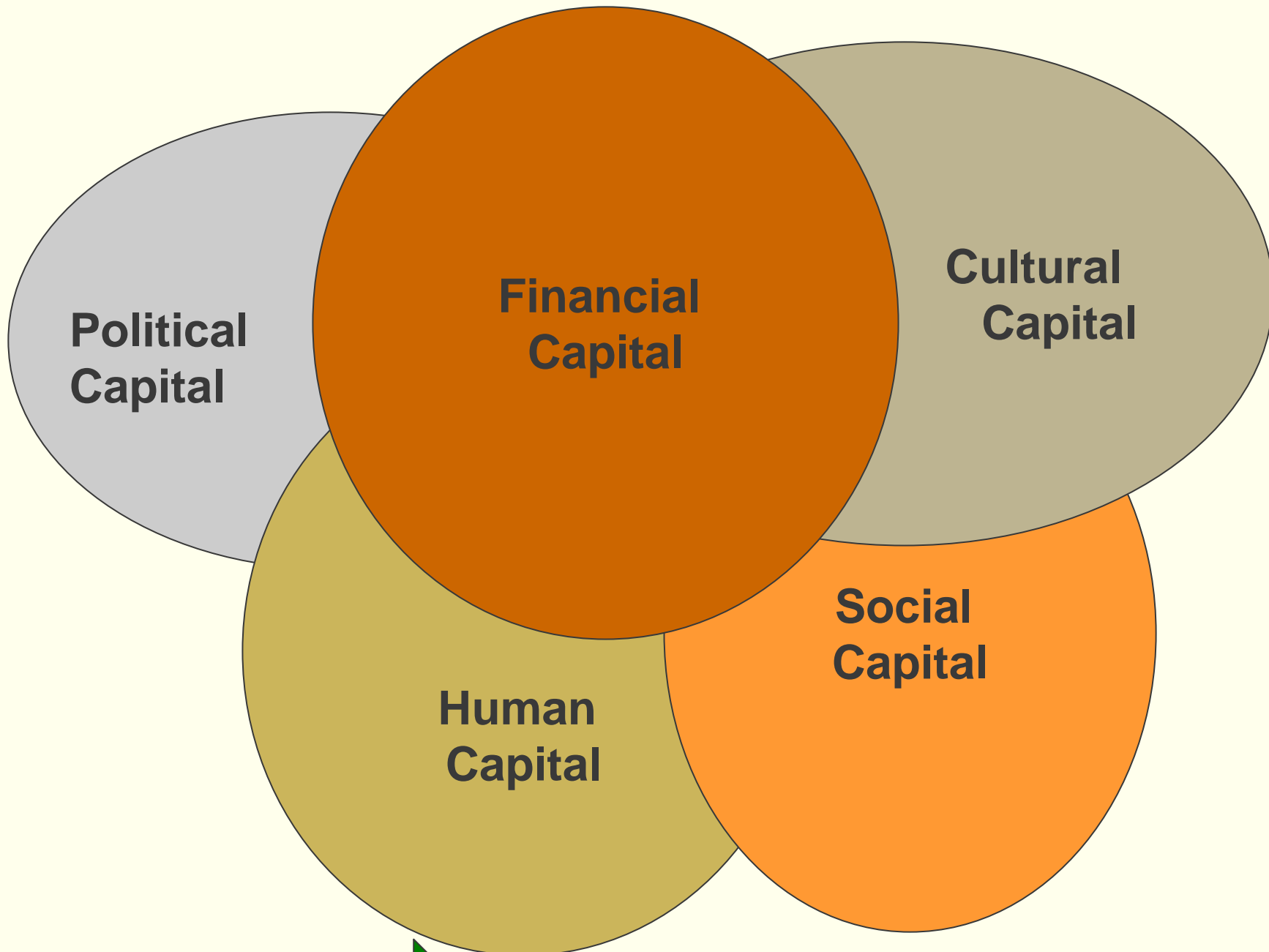


Linking Tax Refunds To Financial Services



Bárbara J. Robles, PhD
Center for Community Development & Civil Rights
and School of Social Work
College of Public Programs
Arizona State University

June 8, 2007



Family Assets

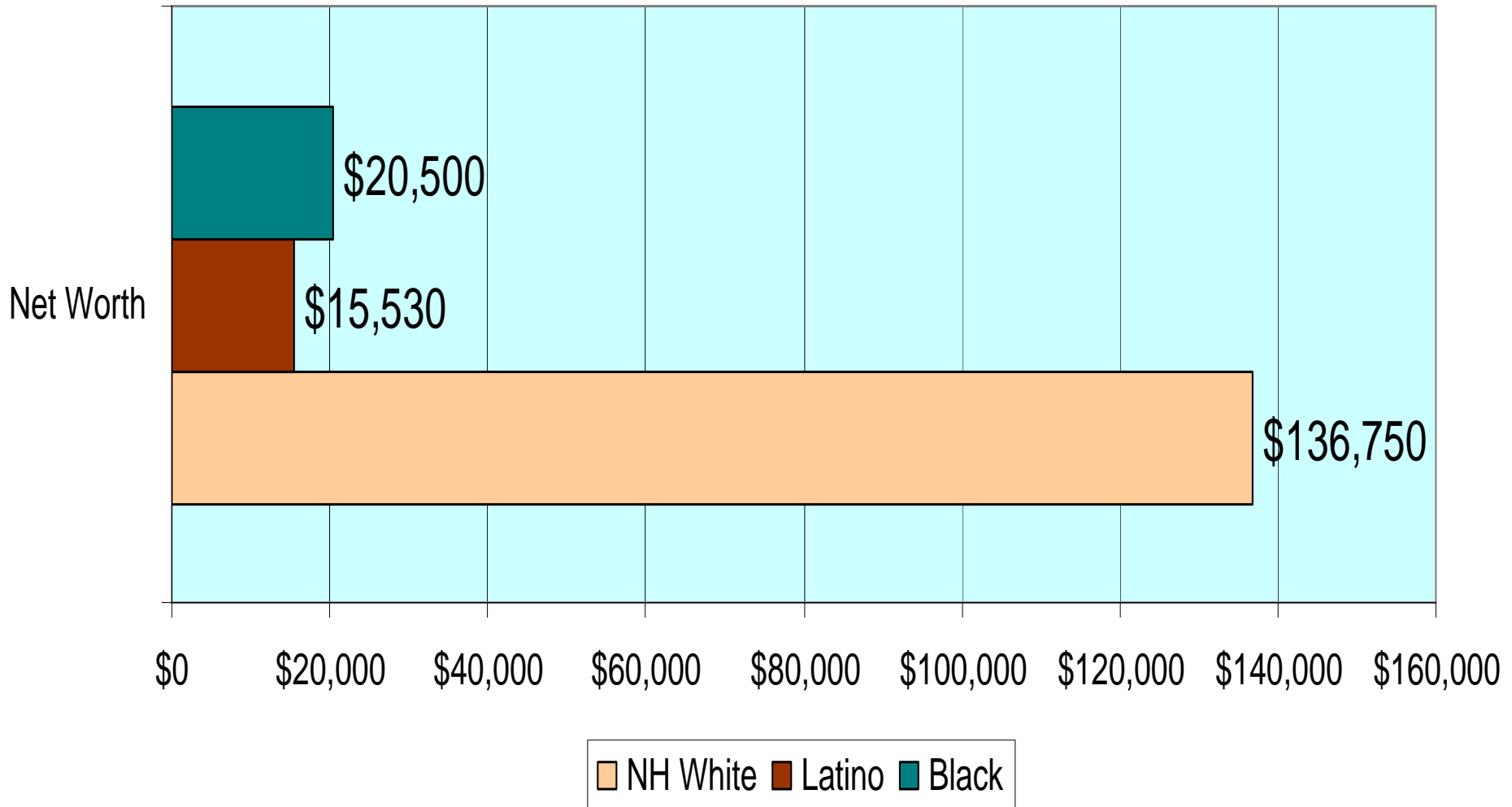


Community Assets

Communities of Color in the U.S.

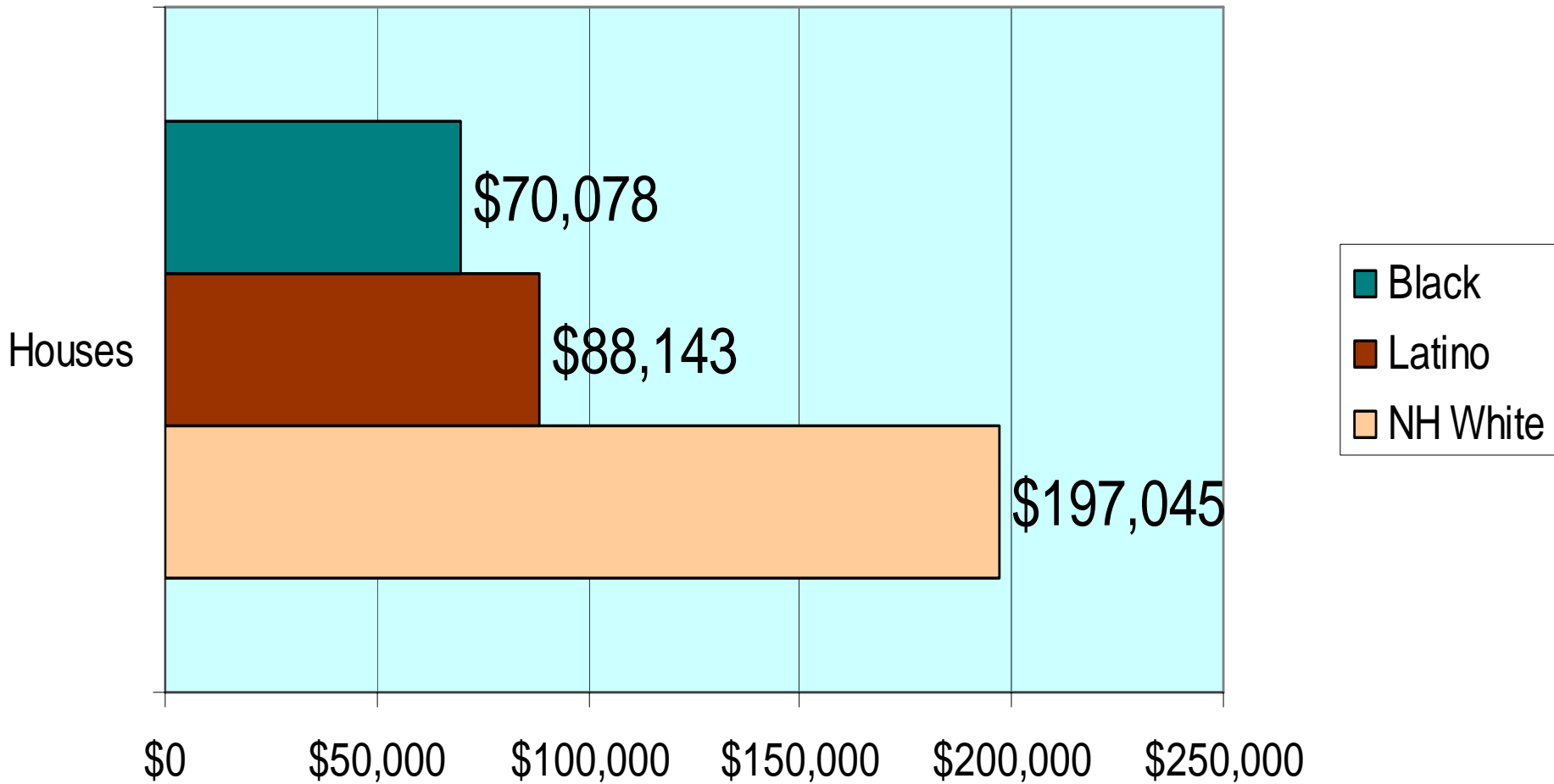
- Landmark: 100 million minorities as of May 2007 or 1/3 of the total US Population
- 55% of all Latinos live in TX, NM, AZ and CA
- 55% of all African Americans live in the South and 18% live in the West, 14% live in TX, NM, AZ and CA
- Border Gross State Product is \$2.9 trillion or 23.3% of Total U.S. GDP, \$12.4 trillion (current 2005\$)
- Arizona Gross State Product is \$216.5 billion (current 2005\$, BEA, Commerce Dept)
- 17% of Blacks and 11% of Latinos 25 years and older have a college degree

Median Net Worth, 2004\$: SCF 2004



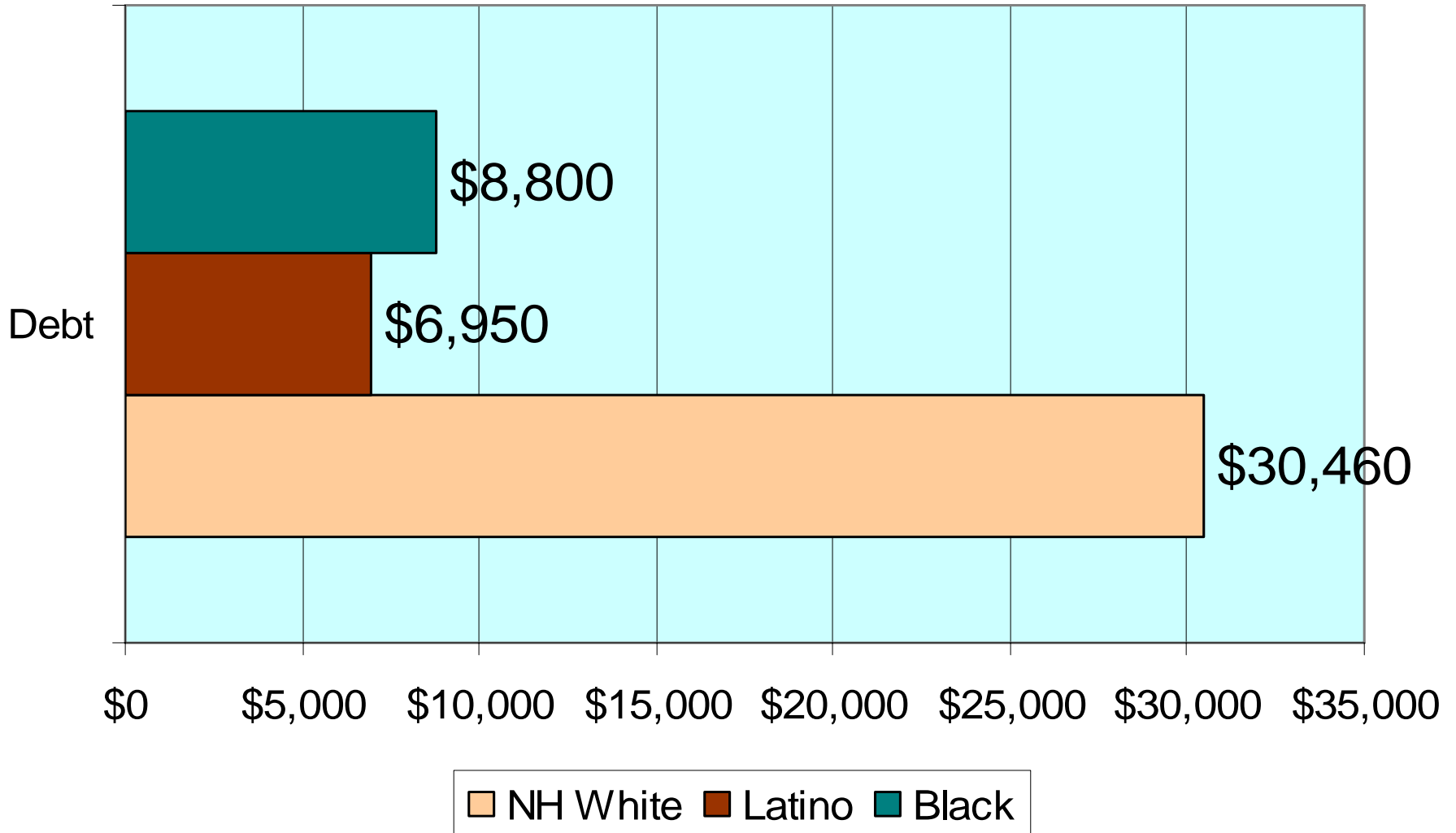
Source: Survey of Consumer Finances, 2004, Board of Governors, Federal Reserve System, data on all families and inflation-adjusted from Public Tabling Extract

Mean Value Primary Home, 2004\$: SCF 2004



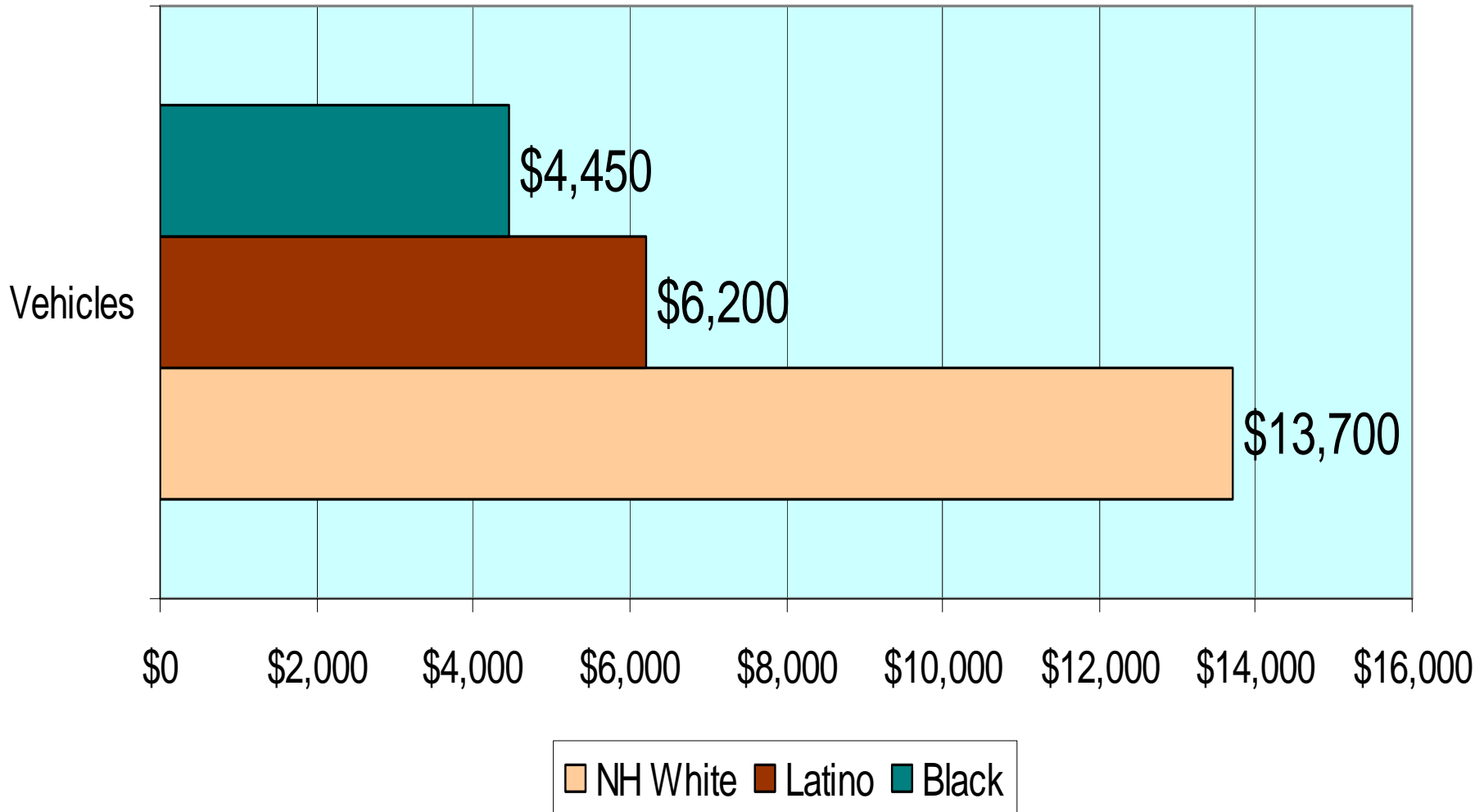
Source: Survey of Consumer Finances, 2004, Board of Governors, Federal Reserve System, data on all families and inflation-adjusted from Public Tabling Extract

Median Debt, 2004\$: SCF 2004



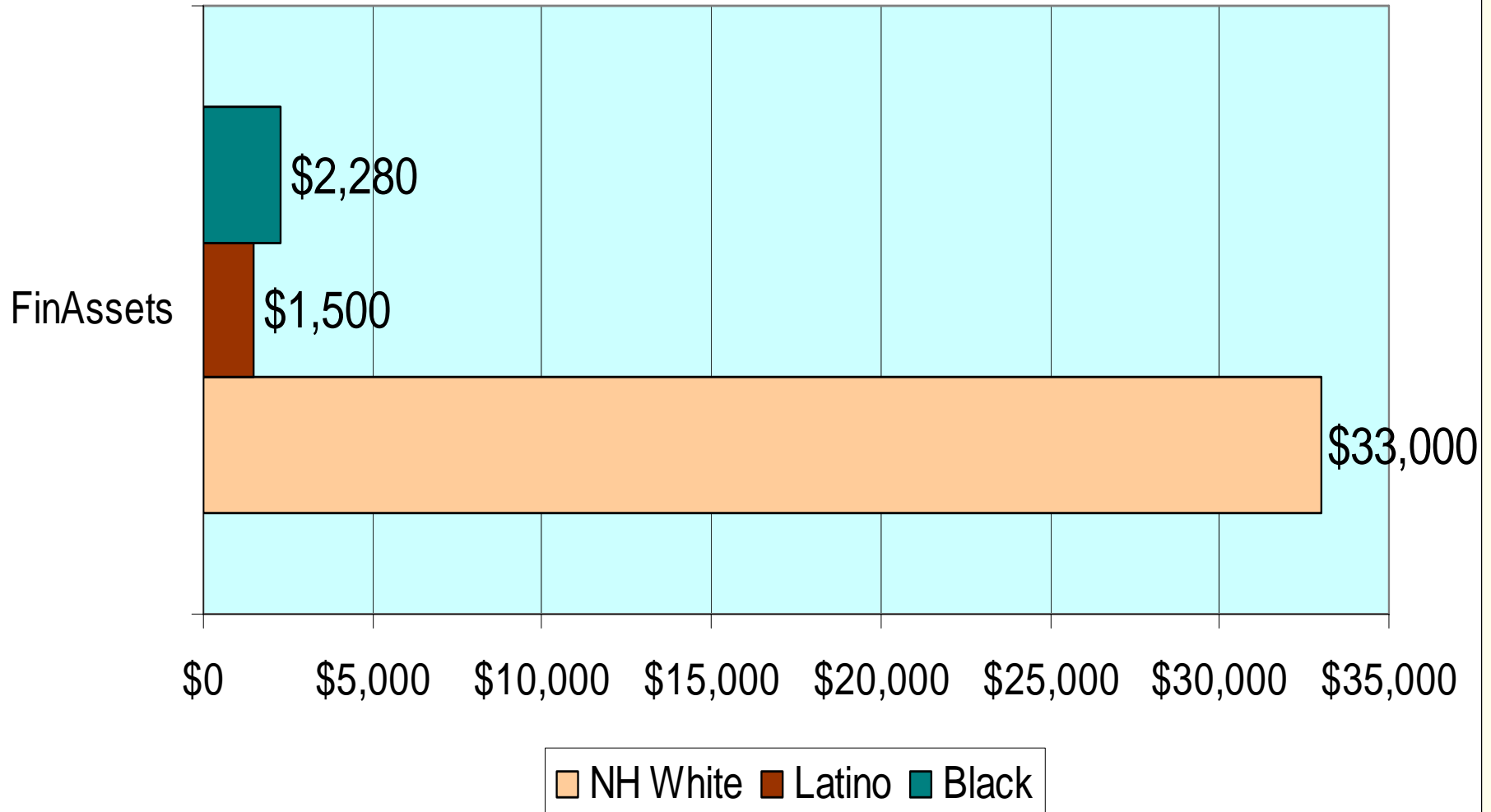
Source: Survey of Consumer Finances, 2004, Board of Governors, Federal Reserve System, data on all families and inflation-adjusted from Public Tabling Extract

Median Value Vehicles, 2004\$: SCF 2004



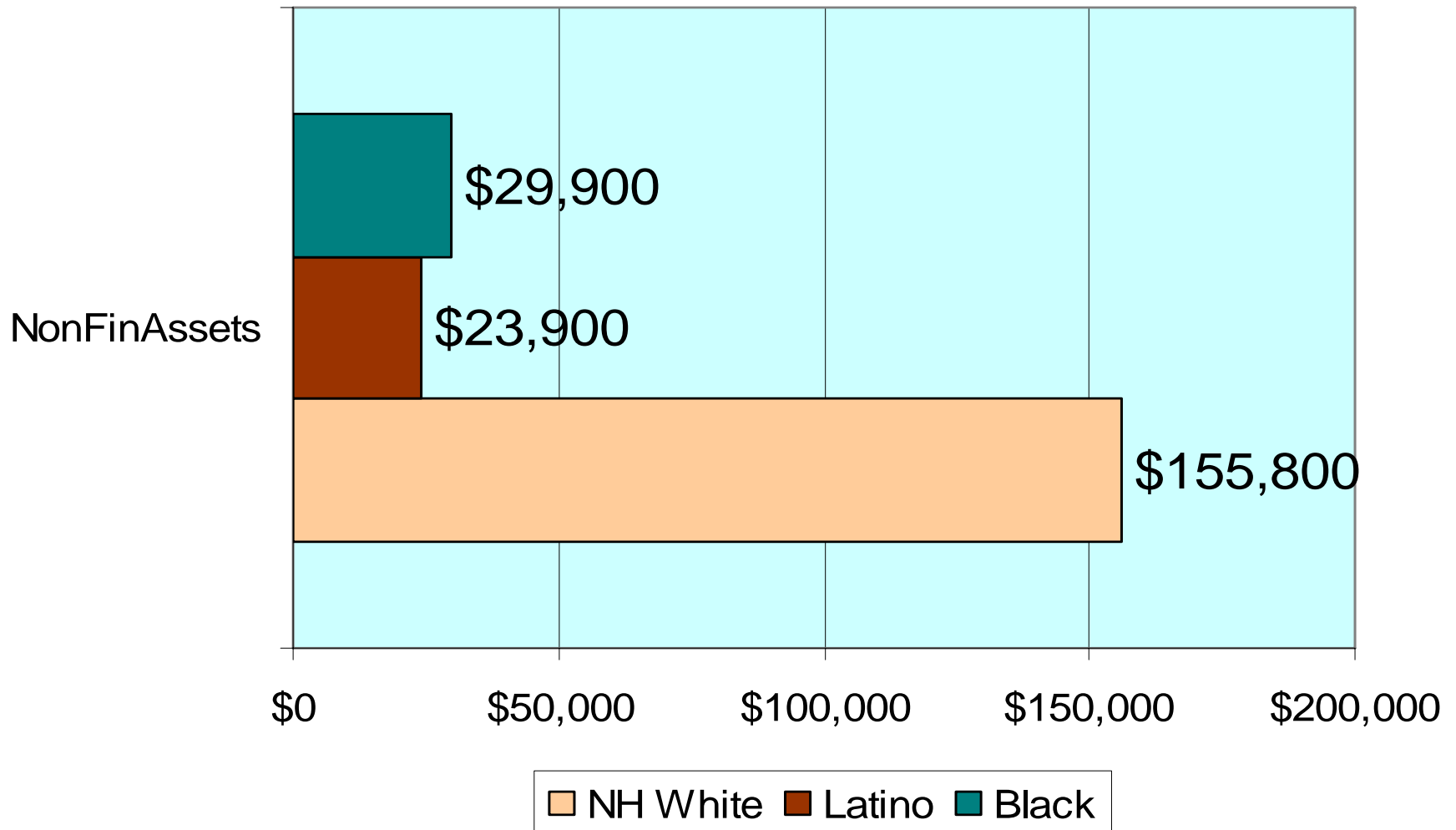
Source: Survey of Consumer Finances, 2004, Board of Governors, Federal Reserve System, data on all families and inflation-adjusted from Public Tabling Extract

Median Financial Assets, 2004\$: SCF 2004



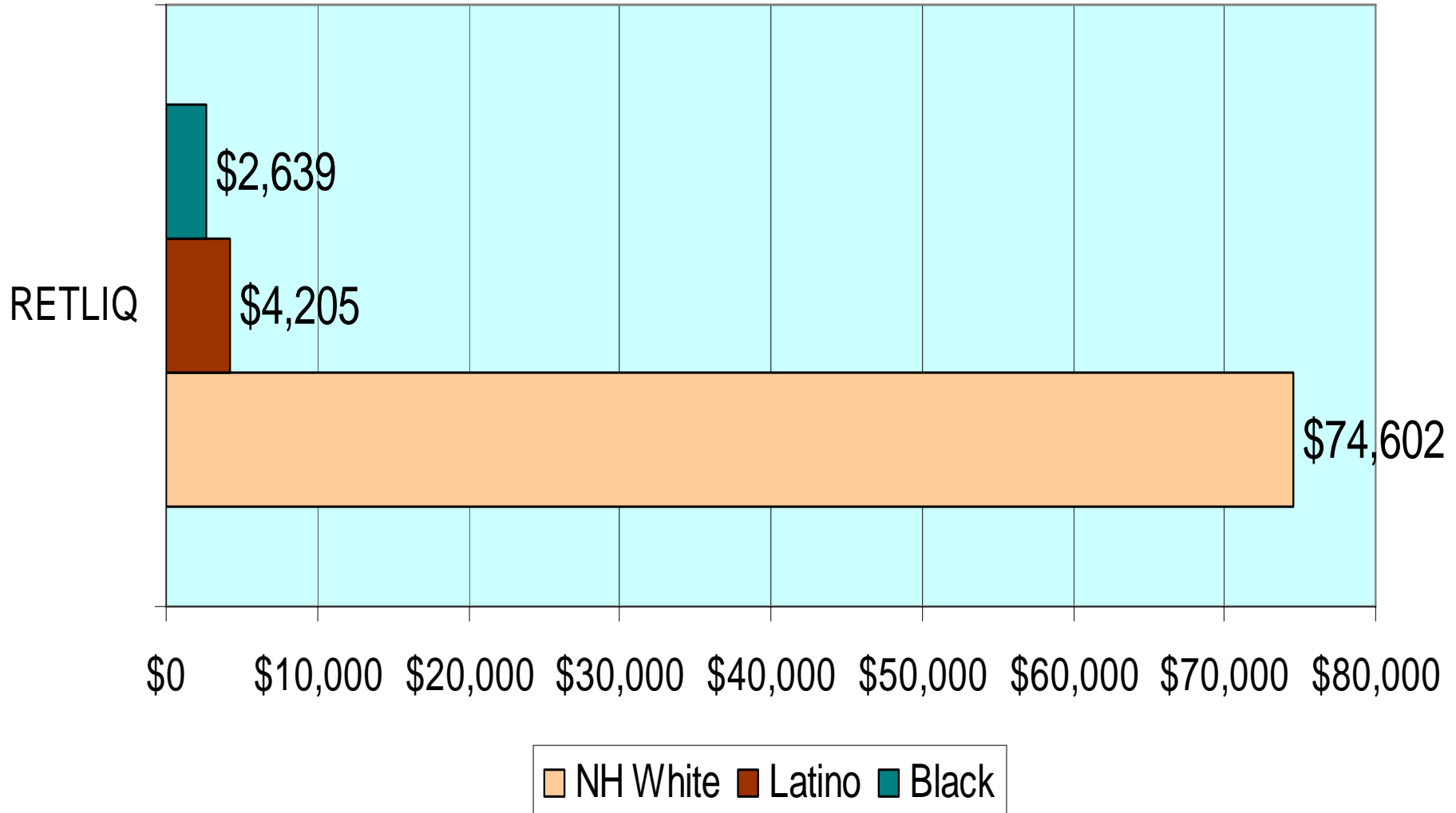
Source: Survey of Consumer Finances, 2004, Board of Governors, Federal Reserve System, data on all families and inflation-adjusted from Public Tabling Extract

Median Non Financial Assets, 2004\$: SCF 2004



Source: Survey of Consumer Finances, 2004, Board of Governors, Federal Reserve System, data on all families and inflation-adjusted from Public Tabling Extract

Mean Value Retirement Liquidity, 2004\$: SCF 2004



Source: Survey of Consumer Finances, 2004, Board of Governors, Federal Reserve System, data on all families and inflation-adjusted from Public Tabling Extract

What We Lose in Silence

- As a nation, it is in our own best economic interests, in both the short and long-run, to cultivate all of our national human resources. In expanding economic opportunities while closing the wealth divide in communities of color, we signal to the world that we as a nation understand the global economy. We, as a country and global leader, recognize the unique nature of our racial, ethnic and immigrant communities and the cultural and linguistic competencies they contribute to maintaining and expanding our **future global economic security**.
- When we **do not** address the racial and ethnic wealth inequality in the U.S., we implicitly assume and tacitly agree that it is '**individual initiative**' that is the culprit. Our silence permits the American Dream to carry an exclusion clause.
- Government policies have contributed to the **rapid growth in the wealth divide** by expanding opportunities for the affluent through pro-active tax cuts while at the same time, dismantling policies that safeguard educational and wealth creating opportunities for low-income communities of color. These two policies combined have intensified and increased the rate of growth in the racial wealth divide.
- When our government policies contribute to a growing wealth divide which in turn feeds a growing **societal divide** (the visible 'two nations: one white, one not-white' metaphor), we diminish our position and influence as a world opinion maker.
- As we lose the battle to maintain, secure and expand our diverse middle class, we see the erosion in the foundations of our democratic institutions and a growing passivity towards civic participation in all communities. With a decline in a strong and growing middle class, we **undermine our positive political will** at home (domestic policy disarray) and abroad (foreign policy unilateralism).
- Government policies can unite as well as divide societies; in speaking out on the racial wealth divide, we speak truth to power and remind our fellow citizens that we, the people are co-creators of our government policies at all levels: national, state and local and that...we, the people... have a vested interest in strong democratic actions that salute our immigrant history and keeps us mindful of our **shared civic national and global responsibilities**.

Asset Building Issues for Families and Communities of Color

- Collaboration with community based organizations in low-resourced communities
- Providing isolated Communities with Financial Services, Culturally Relevant Products and Literacy outreach
- Increasing participation in the Earned Income Tax Credit
- Designing Financial Products and Services that create opportunities for multi-generational families to 'pool' resources for asset building

Latino Financial Issues Program (LFIP)

- Financial Education and Service Learning
- Training Undergraduate and Graduate Students in Financial Services and Products
- Students intern with community partners providing asset building services and products
- Students become Financial Fitness Change Agents
- Learning-by-Doing...and civic engagement
- Research that makes a difference

¿Comentarios or Questions?



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