

# WOMEN AND WEALTH

## INSIGHTS FOR GRANTMAKERS

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The women's wealth gap has been largely overlooked in discussions of women's economic security, yet wealth is the most comprehensive indicator of financial health. Without wealth, families are one paycheck away from financial disaster.

*Women & Wealth: Insights for Grantmakers* examines the causes and dimensions of the women's wealth gap and provides recommendations and best practices for grantmakers to reduce the women's wealth gap and improve women's access to the wealth escalator. Improving women's ability to build wealth is not only good for women, but is essential for the economic well-being of children, families, and our nation.

### WEALTH IS THE VALUE OF ASSETS MINUS DEBTS.

Wealth provides an overview of financial health; it represents our ability to deal with the economic consequences of illness, unemployment, and financial emergencies. Wealth also reflects our ability to invest in our own future and the future of our children.

#### WEALTH PROVIDES:

- ✓ A reservoir that can be drawn upon in times of need
- ✓ A better future for our children
- ✓ Support in old age

#### MAIN FINDINGS

- Women have less wealth than men. Single women have only 32 cents for every dollar of wealth owned by single men.
- Women of color are in a more difficult situation as they experience both a gender wealth gap and a racial wealth gap.
- The wealth gap exists throughout women's life cycle with Millennial women hit particularly hard due to education debt and the costs of parenting.
- The difference in wealth between men and women continues to increase as education increases.
- Closing the wage gap does not fix the gender wealth gap. Women at every income level have less wealth than men.
- Women also experience higher debt, with a debt-to-income ratio almost twice that of men.





INVESTING IN STRATEGIES that promote women's wealth not only improves women's financial status, but also the financial status of subsequent generations and improves our nation's economy.

### FUNDERS ROLE IN NARROWING THE GENDER WEALTH GAP

Funders play a critical role in supporting the types of activities that are catalysts for reducing the women's wealth gap and supporting the financial well-being of our nation's families. Investment recommendations include:

- **SOLICIT** and support efforts to close the wage gap with an associated asset building strategy.
- **PROMOTE** and increase opportunities for women to build assets.
- **REDUCE** the "costs" that limit women's ability to build wealth.
- **SUPPORT** asset building strategies that increase women's access to the wealth escalator.
- **INVEST** in timely and relevant financial education coupled with coaching.
- **FOSTER** innovative programming, research, and evaluation of outcomes.
- **BUILD** coalitions for effective public policies
- **ADVANCE** two-generational strategies that target women and their children.

Grantmakers can leverage their funding, networks, and authority to make the types of investments that will reduce the women's wealth gap and lead to a more equitable and economically prosperous country.

#### THE WEALTH ESCALATOR



#### GOVERNMENT BENEFITS

- ◆ Unemployment insurance
- ◆ Social Security
- ◆ Welfare

#### FAVORABLE TAX BREAKS

- ◆ Capital gains tax
- ◆ Tax credits

#### FRINGE BENEFITS

- ◆ Paid vacation days
- ◆ Health insurance
- ◆ Stock options