

# The State of the American Dream: Debt, Income, and Savings and Perceptions of Wealth by Demographic Characteristics

March 6, 2025 | 1:00 pm ET



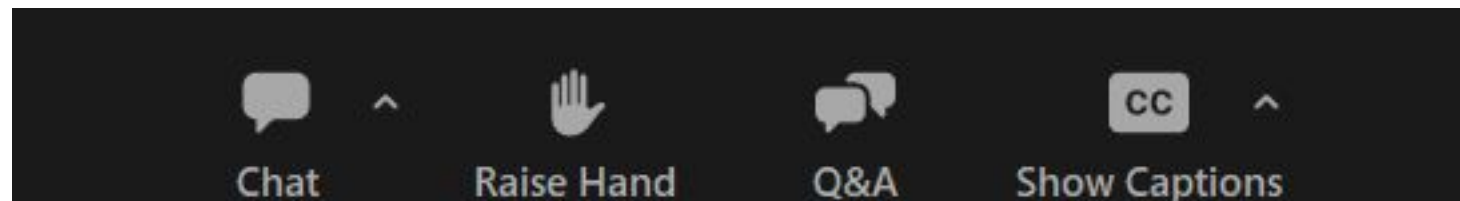
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**The Gender and  
Racial Wealth Gap**



**Employment:  
Benefits & Income**



**Housing: Affordable  
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**Business Ownership**



**Health**

# Speakers



**John Scott**

Project Director, Retirement Savings  
The Pew Charitable Trusts



**Joseph Antolín**

President and CEO  
Asset Funders Network

# AFN and The Pew Charitable Trusts Webinar Series

**March 6, 2025**

[The State of the American Dream: Debt, Income, and Savings and Perceptions of Wealth by Demographic Characteristics](#)

**June 12, 2025**

[Expanding Retirement Savings through State IRA Programs and Addressing Barriers to Building Retirement Wealth](#)

**October 9, 2025**

[The Savers Match: Helping More Americans Successfully Save for Retirement](#)



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**John Scott**

Project Director, Retirement Savings

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The Pew Charitable Trusts

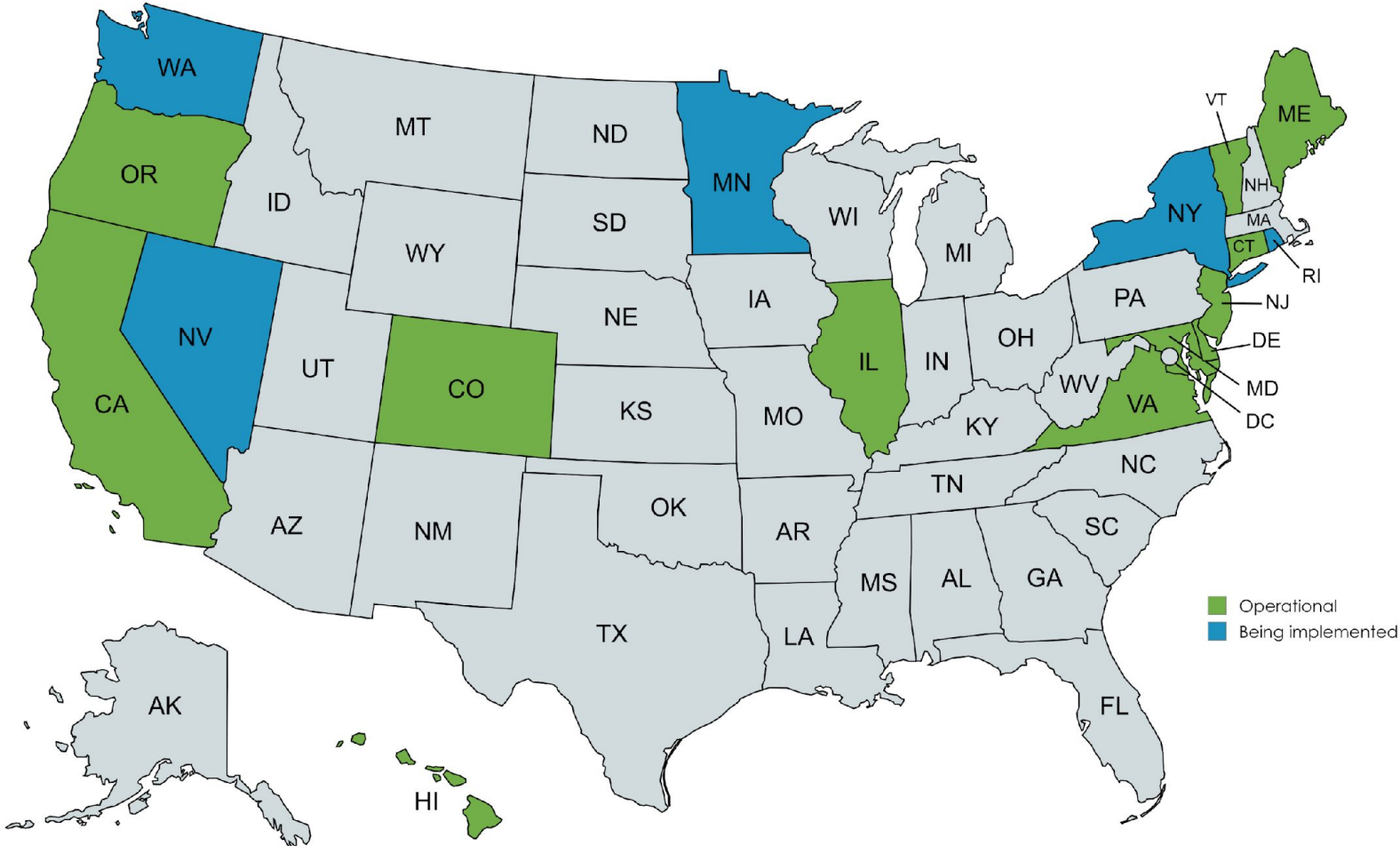
March 6, 2025

**Pew**

# State Automated Savings Programs

- The Problem: Americans are not prepared for retirement due to low savings
- Why? Nearly 50% of working Americans in the private sector do not have access to an employer-sponsored retirement plan
- Policy response: Since 2017, 17 state governments have created statewide retirement savings programs for workers without workplace retirement benefits.
  - Workers are automatically enrolled, employers' main job is to facilitate payroll deductions, and state oversees private firms managing investments and administration
- Nine state programs in total report:
  - \$1.9 billion in assets
  - 971,000 funded accounts
  - 240,000 registered employers
- Roughly two-thirds of workers participate, many withdraw contributions

**17 states have passed legislation; 11 programs are active**



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# The Pew Wealth Survey

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Pew

# The 2024 Wealth Survey: Background

- Motivations:
  - Understand how moderate wage workers view and work towards wealth
  - How do retirement savings fit into a larger picture of wealth building?
- The survey: 1,134 private sector **workers** ages 18 to 64 who **lacked access** to employment-based retirement benefits
- Demographics: Hispanic (n=498), non-Hispanic Black (n=204), and non-Hispanic White respondents (n=430); 78% do not have a college degree; 48% have more than one job
- Publication series to include barriers to wealth building, caregiving, state-facilitated retirement programs, and the new federal savers match, among other topics

Note: Results are preliminary and unpublished

## Financial goals to focus on in the next 12 months

- A majority say the major goal is **saving toward a major expense or purchase** (e.g., house, care, vacation, education, planned medical expense)
- Another key goal for all is **paying down or paying off debt** – but over two-thirds of Blacks cited this goal
- Blacks were also much more likely to list **budgeting my money more efficiently**
- Hispanics and Whites were more likely than Blacks to say **savings for retirement**
- Hispanics were more likely than Blacks or Whites to have **starting a business** as a goal

# Respondents report tight financial situations

I have money left over at the end of the month	Black, non-Hispanic	Hispanic	White, non-Hispanic
Always/Often	30%	30%	41%
Sometimes	42%	27%	27%
Rarely/Never	30%	42%	31%

## What Is Wealth?

*“I’m **not concerned with wealth per se** but being able to pay bills and buy things I want from time to time would be nice” – Black respondent.*

*“When I think of wealth, I think of **being secure. Not worrying about anything.**” -Native American respondent*

*“It is very important that **my children not have to be responsible** for my debt or large expenses to take care of me, so it is important that I build up some extra savings for the future.” - Asian American respondent.*

## What is the most important reason to build wealth? No Financial Worries

	Black, non-Hispanic	Hispanic	White, non-Hispanic
I want to afford an enjoyable lifestyle without financial worries.	<b>51%</b>	<b>50%</b>	<b>57%</b>
I want to leave money to the next generation, whether my children or younger members of my family.	28%	18%	14%
I want to retire or stop working and be secure in my old age.	20%	30%	28%

## Reasons that are ‘very much’ preventing respondents from building wealth

	Black, non-Hispanic	Hispanic	White, non-Hispanic
Not making enough money at my current job(s)	<b>43%</b>	<b>43%</b>	<b>42%</b>
Not having enough savings to start investing	37%	44%	31%
Poor credit	20%	13%	8%
Not having enough money to start a business	24%	<b>35%</b>	14%
Too much debt	<b>34%</b>	19%	21%

## Respondents asked to list the three best ways one could build wealth

	Black, non-Hispanic	Hispanic	White, non-Hispanic
<b>Put money into savings and investments.</b>	<b>64%</b>	<b>58%</b>	<b>68%</b>
<b>Increase income.</b>	<b>60%</b>	<b>49%</b>	<b>55%</b>
<b>Minimize debt.</b>	<b>43%</b>	<b>44%</b>	<b>52%</b>
Living within my means.	32%	24%	39%
Build emergency savings to handle unexpected expenses.	26%	20%	25%
Buy a house or other property.	12%	18%	11%
Entrepreneurship (e.g., start a business, side hustle).	12%	<b>21%</b>	13%
Increase my education or professional skills.	14%	11%	6%
Other (please specify):	1%	3%	2%

Savings and Investments: Property or real estate, retirement accounts, the stock market



# Thank you!

**For more information, you can reach me at**

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[jscott@pewtrusts.org](mailto:jscott@pewtrusts.org)

LinkedIn: [john-c-scott-pew](#)



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