

CLOSING THE WOMEN'S WEALTH GAP

Closing the Women's Wealth Gap (CWWG) is a national initiative advancing policy and practical strategies that build the financial security and economic mobility of low-wealth women. The initiative targets solutions to women who are most negatively affected by the gap, including women of color, undocumented immigrant women, LGBTQ and other economically vulnerable women.

In recent years, a national discussion about the causes and effects of inequality has played out in our communities, the media, the presidential race and the halls of Congress. The issue is often framed in terms of growing income and wealth gaps, but the conversation about solutions typically focuses on income—connecting people to job opportunities, raising wages, expanding access to education and skills training, and other approaches. The discussion about inequality has significant implications for women; yet a focus on income alone leaves out a key part of the story.

Today, the gender *wealth* gap is far greater than the income gap. Median wealth for single men is \$10,150, but for single women it is only \$3,210. For many women of color, the gap is really a chasm: Black and Latina women own just pennies on the dollar compared to white men and white women.²

Income is central to the ability of women and their families to get by day-to-day, but

building their long-term financial security requires access to income *and* wealth-

"If we want to achieve economic security for women and our families, we have to address the gender wealth gap in addition to the gender wage gap."

- Surina Khan,
Women's Foundation of California

building opportunities. For example, women need access to financial education and coaching coupled with affordable and appropriate savings and credit-building products. They need to be able to save for emergencies, higher education, and a secure retirement; and they need opportunities to leverage savings into wealth-building opportunities through investments in

stocks, bonds, homes, real estate, and businesses.

Maximizing opportunities for women to build financial assets will benefit their families, communities, and the national economy as they will be more able to survive temporary economic disruptions, invest in their future, and pass resources on to future generations.

“In discussing the financial standing of women in America, a focus on income is misleading because wealth is a much more meaningful measure of economic well-being.”

- Mariko Chang, Author/*Shortchanged*¹

Today, women face a host of barriers to building wealth. They are less likely to have access to employer-based retirement and health benefits or to have access to tax subsidies that incentivize savings and investment. They are more likely to be caring for children or elderly parents, which limits their capacity to work and save, and to be carrying high levels of student debt, which restricts their ability to build a nest egg for emergencies or to invest in homes or businesses.⁶

Until now, there has been no national forum for stakeholders to come together, discuss the causes and effects of the gap, and identify policy and practical solutions.

The *Closing the Women’s Wealth Gap* initiative is a national network of more than

400 advocates, organizers, researchers, practitioners, and funders who are working together to advance solutions. Heather McCulloch is founder and executive director. Founding partners include Angela Glover Blackwell of PolicyLink, author Mariko Chang, Elena Chavez Quezada of The San Francisco Foundation, Noreen Farrell of Equal Rights Advocates, Surina Khan of the Women’s Foundation of California, and Kilolo Kijakazi of The Urban Institute. We’re grateful to our supporters: AARP, Bank of the West, California Wellness Foundation, Friedman Family Foundation, S&P Global Foundation, Silicon Valley Community Foundation, Walter and Elise Haas Fund, and W.K. Kellogg Foundation; and thank you to JPMorgan Chase and Co. for supporting national meetings. *Closing the Women’s Wealth Gap* is a project of Community Partners.

¹ Mariko Chang, *Shortchanged: Why Women Have Less Wealth and What Can Be Done about It*, Oxford University Press 2010.

² Mariko Chang, PhD., *Women and Wealth: Insights for Grantmakers*, Asset Funders Network, 2015 – http://www.mariko-chang.com/AFN_Women_and_Wealth_Brief_2015.pdf

³ Ibid.

⁴ Chang, *Shortchanged*.

⁵ Heidi Hartmann, “Women and Wealth: How to Build It,” *What It’s Worth*, Federal Reserve Bank of San Francisco and CFED, 2015.

<http://www.strongfinancialfuture.org/essays/women-and-wealth>

⁶ Rebecca Loya et al., *Tipping the Scale: How Assets Shape Economic Wellbeing for Women and Families*, Institute for Assets and Social Policy, November 2015 <https://iasp.brandeis.edu/pdfs/2015/tipping.pdf>

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