

## Chicago West Side Women Seek to Narrow Wealth Gap

Produced by Natalie Moore on Tuesday, July 06, 2010

**A group of mothers and grandmothers on Chicago's West Side is tackling an entrenched community problem: too few have assets they can tap if they hit on hard times. That can mean the difference between surviving a lay off, or slipping into poverty. The women are learning financial literacy and how to put more savings in the pot. Policy advocates see it as one way to narrow the wealth gap among whites and black and Latinos.**

A group of two dozen women has set aside their Saturday afternoon to gather here on the West Side and listen to Lynn Morton talk to them about money.

MORTON: When you actually sit down and write down what you're spending every week, it will blow your mind because it blew my mind.

Morton is what's called a "parent peer trainer." She's telling the women here at the Lawndale League of Extraordinary Women how she learned to save.

MORTON: Know where you spending your money. Even that quarter you give to kids to get that quarter juice – know how many times a week you're doing that.

Morton emphasizes being a good steward of your money. She's passionate about the topic because she knows that in some communities of color, a recession can actually be a depression.

According to the nonprofit Heartland Alliance, in Illinois, 51 percent of African Americans have asset poverty. For Latinos, it's 48 percent compared with 19 percent for whites. Other national studies have echoed similar results.

Fifty-year-old Dorrie Myles is one of the women listening to Morton today. Myles got laid off in 2007 and hasn't had any luck finding employment.

MYLES: Single parents who have small children were concerned about not being able to budget their money and handle money in their household. We started talking about budgeting and how to make our families strong financially and how to be stronger women in the household, to discipline our kids, handle our money.

Community Organizing and Family Issues, or COFI, is the nonprofit helping the Lawndale women. The women assessed what was going on in their neighborhood before they decided what to tackle.



Dorrie Myles and Crystal Hoschett  
Lawndale League of Extraordinary Women  
(WBEZ/Natalie Moore)

CROWDER: Financial literacy and the financial crisis became an issue.

Tracy Ocomy Crowder is with COFI. The group works with many other nonprofits on money issues in communities of color.

CROWDER: You have groups like Heartland Alliance and the Illinois Asset Building Group that have been working on different legislative initiatives around preventing foreclosures, payday loans, increasing the earned-income tax credit.

The coalition had a victory when Illinois Gov. Pat Quinn signed a law in June that caps the amount of interest that payday loan companies can charge. Those businesses tend to cluster in low-income communities of color.

Heartland Alliance's Chris Giangreco helped lobby for the law.

GIANGRECO: Unemployment is so high – particularly in African-American and Latino communities. Asset poverty is high as well. We're seeing that so many losing their jobs are falling right into poverty.

Giangreco has also been helping nonprofit COFI on the financial literacy piece in Lawndale.

GIANGRECO: We have a system that doesn't necessarily support low-income people building their own safety nets. One of the biggest issues that we know from experience from being out in the community and talking to people, many of the public benefits require people to spend down their assets and in doing that they're essentially depleting their own safety net to get a temporary benefit from the government.

He also works with the Illinois Asset Building Group. One of its goals is to mandate that the state provide every child with a savings account. Ideally, that will encourage saving early on in a child's life.

By the time the financial class started in Lawndale, Crystal Hoschett already set a personal goal.

HOSCHETT: My financial goals ... is I'm trying to at least obtain \$10,000 in my bank account. How, when, where and why is my problem. Hoschett says she's starting with patience.

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