



## Financial Help among Family and Friends in Vulnerable Neighborhoods

### Part 1: Who Gives?

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Financial assistance from family and friends is an important resource for lower-income families dealing with difficult economic circumstances. Using data from the Annie E. Casey Foundation's Making Connections Cross-Site Survey (2002–2004)<sup>1</sup>, we examine what percent of respondents in low-income neighborhoods gave financial help, either to family and friends or to other people they live with, in the last 12 months. We further examine how this giving differs by nativity and racial and ethnic group.

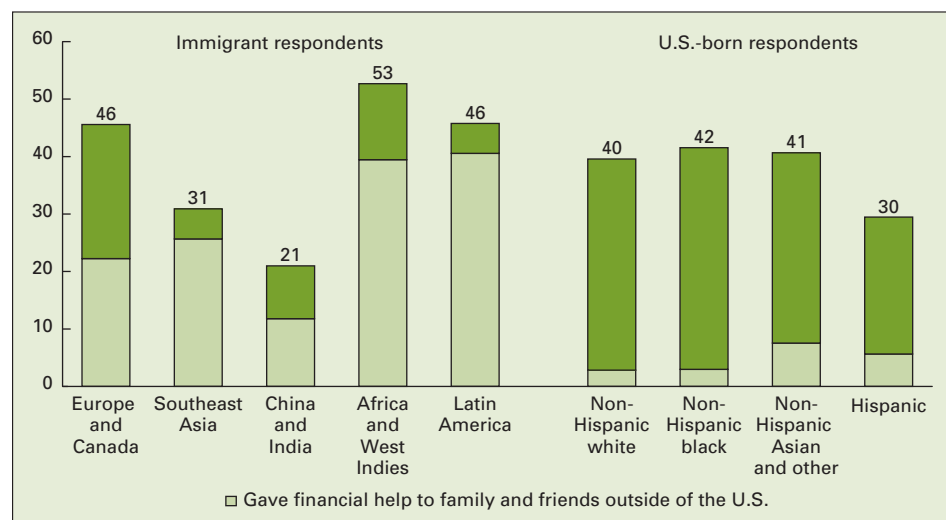
Overall, the percentage of respondents who gave financial help is high—39 percent. This does not differ substantially when we examine immigrant and U.S.-born groups as a whole. However, the aggregate numbers mask substantial differences within these groups. Among U.S.-born respondents, approximately two-fifths of whites, blacks, and Asian Americans gave financial help to family and friends. U.S.-born Hispanics gave financial help at a substantially lower rate (30 percent).

Among immigrant respondents, those from Africa and the West Indies (combined) had the highest rates of giving financial assistance (53 percent). At 46 percent, respondents from Europe and Canada (combined) and Latin America were the next most likely groups to give help. Immigrants from Southeast Asia and China and India (combined) gave at much lower rates (31 and 21 percent respectively).

Not surprisingly, the groups differ substantially in whether the financial assistance given is to those within the U.S. or out of the country. Only 10 percent of U.S.-born respondents who gave financial assistance sent it outside of the country, as compared with 83 percent of immigrant respondents. Of the U.S.-born respondents who gave financial help, whites and blacks sent only 7 percent out of the country. Approximately 20 percent of U.S.-born Asian and Hispanic respondents who gave financial help sent it out of the country.

There are also substantial differences between the immigrant groups. Respondents of from Africa and the West Indies (combined), Southeast Asia, and Latin America sent over three-fourths of their financial assistance to family and friends outside of the country (75, 83, and 88 percent respectively). Respondents from Europe and Canada (combined) and China and India (combined) have lower rates of sending help outside of the country than other immigrant groups (49 and 56 percent respectively).

FIGURE 1. Percent Giving Financial Help to Family and Friends



Source: Annie E. Casey Foundation, Making Connections Cross-Site Survey (2002–2004).

Notes: Europe and Canada includes Oceania. Latin America includes the Spanish-speaking Caribbean.

### Note

1. The Making Connections Cross-Site Survey is a product of the Annie E. Casey Foundation. For more information, see <http://www.aecf.org/MajorInitiatives/MakingConnections/FAQs.aspx> (accessed May 5, 2008).