

GFLEC

GLOBAL FINANCIAL LITERACY
EXCELLENCE CENTER

NEWS FLASH



**FINANCIAL RESILIENCE
IN AMERICA**



STANFORD
CENTER ON
LONGEVITY

GFLEC
GLOBAL FINANCIAL LITERACY
EXCELLENCE CENTER

JUST RELEASED

Financial Resilience in America New Report and Policy Brief

About one-third of American families could not handle a \$2,000 financial shock before the COVID-19 pandemic. Among this group were those most impacted by the Great Recession including women, Black Americans, Hispanic Americans, individuals 30–44 years old, and individuals without a Bachelor's degree. GFLEC and Stanford Center on Longevity researchers found that these groups have recovered from the Great Recession more slowly than the general population, making them more susceptible to the economic hardships resulting from the COVID-19 pandemic.

Using data from the FINRA Foundation's National Financial Capability Study, researchers looked at three proxy measurements: individuals' ability to come up with \$2,000 within 30 days to pay for emergency expenses, perceived level of indebtedness, and adequate savings to cover three months of living expenses. Additional significant findings include:

- Lack of financial resilience may reduce short- and long-term financial security. For example, it could impede people's ability to make ends meet and pay down debt.
- Economic downturns can exert pressure on personal finances, mainly through reduced employment and income.
- Financial resilience—and lack of it—varies substantially by age, race/ethnicity, gender, and educational attainment.



1 IN 2 AMERICANS don't have at least 3 months of savings.

1 IN 3 AMERICANS think they have too much debt.



RECOMMENDATIONS

Recommendations from the researchers for improving financial resilience and addressing the inequality gaps include:

- **Enhancing earnings for low-skilled workers**
- **Mitigating the impact of student loan debt**
- **Improving risk protection against extreme out-of-pocket health expenditures**
- **Implementing a holistic approach to financial education**

[Access the full report and policy brief here.](#)



This research was supported by a grant from the FINRA Investor Education Foundation.

All results, interpretations and conclusions expressed are those of the research team alone, and do not necessarily represent the views of the FINRA Foundation or any of its affiliated companies.



Follow us on social media to get instant updates.

DONATE

GFLEC would like to recognize and thank its members.

ACADEMIC DIRECTOR'S CIRCLE



AMBASSADOR SUPPORTER



ADVOCATE SUPPORTERS



The results, interpretations, conclusions, and opinions expressed in this article are those of GFLEC and do not necessarily reflect the views of any GFLEC members.

For more information about becoming a corporate member, please contact
Kristen Burnell at kburnell@gwu.edu or +1 (202) 731-9926.