

Prospects for Immigrant Wealth Assimilation: Evidence from Financial Market Participation

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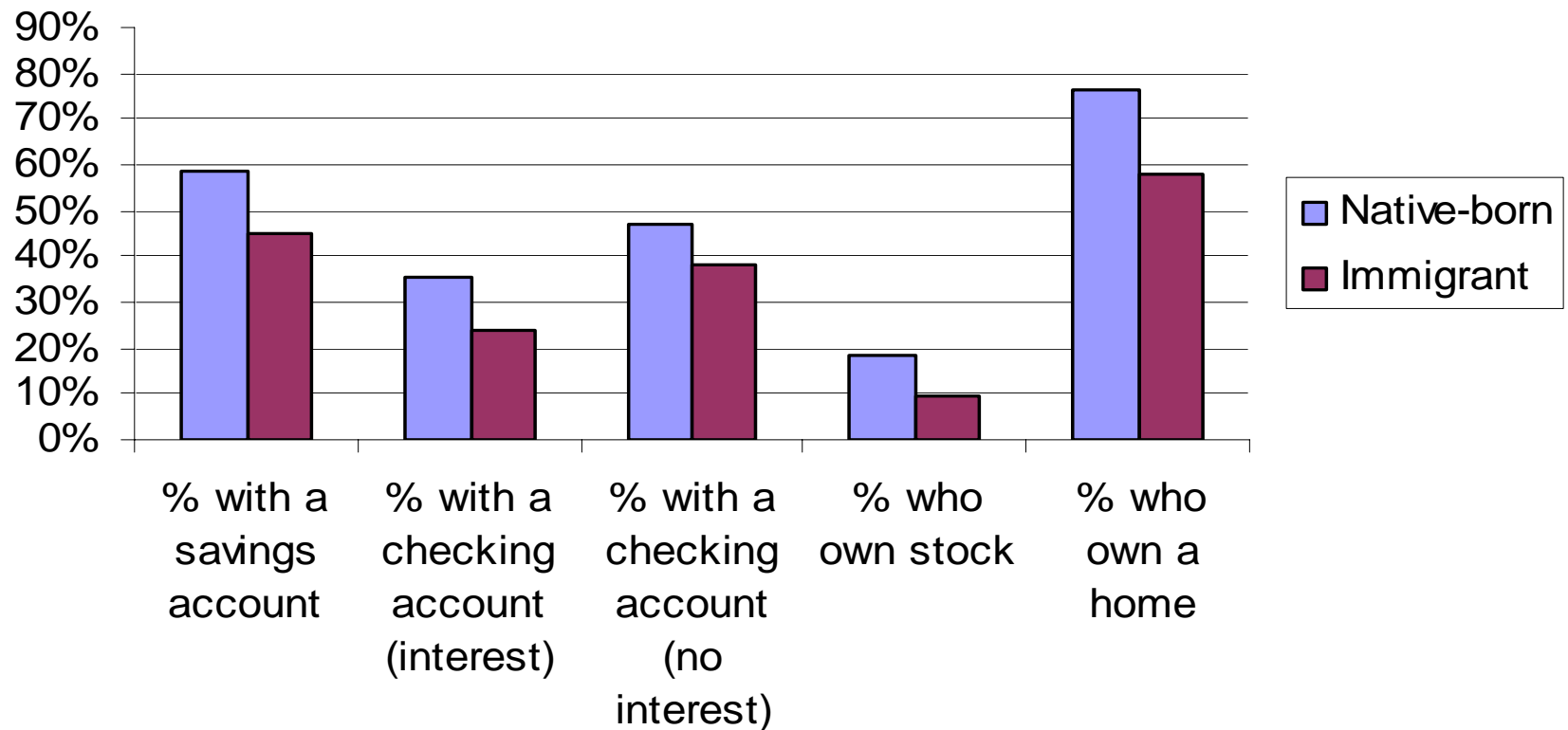
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Individual Data: Financial Market Participation

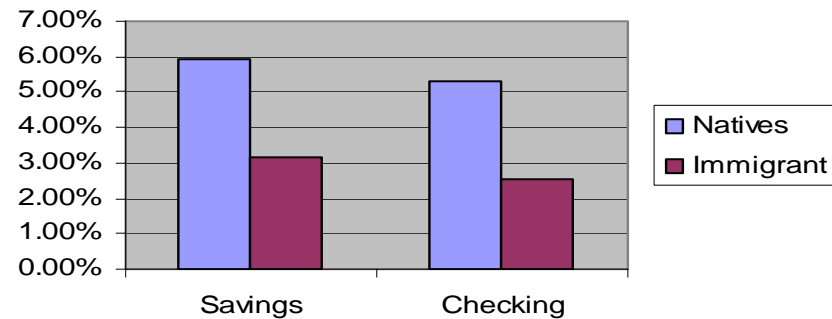
Survey on Income and Program Participation: 1996 – 2000, Panel



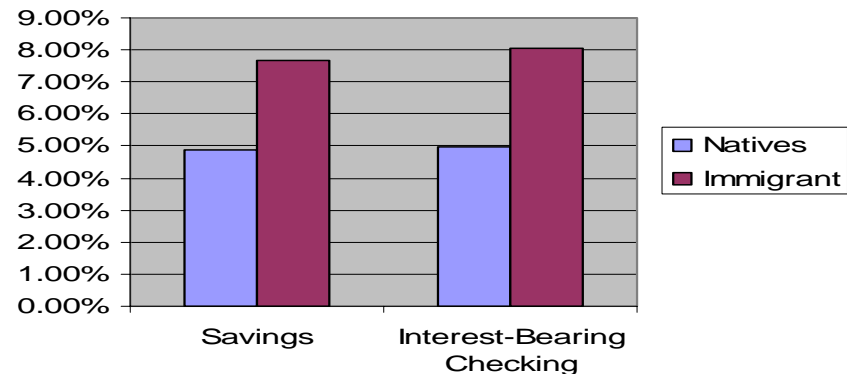
Entry into and Exits out of financial market participation

- Immigrants are *less likely* to enter into account ownership (particularly recent immigrants).
- Immigrants have higher exit rates out of account ownership.

Immigrant-Native Differences in Entry
(SIPP 1996-2000)



Immigrant-Native Differences in Exits
(SIPP 1996-2000)



Conclusions and Implications

- Education, income, residential settlement, country of origin variables, and race—account for a large share of observed immigrant-native gaps in financial market participation.
- Financial education, products and services, as well as outreach strategies may be more successful if they are tailored to the particular institutional backgrounds of different immigrant groups.

Latin America v. Eastern Europe

- Mexico v. Haiti
- China v. India
- Social interactions matter for financial market decisions suggesting that the payoffs to engaging ethnic communities is potentially large.