IABG | Illinois Asset Building Group
Building financially strong families and communities

Research shows positive impacts of asset building for children and parents

Research findings on asset-building programs, such as Individual Development Accounts (IDAs) for adults and Saving for Education, Entrepreneurship, and Downpayment (SEED) accounts for children, show positive results. Individuals with assets save more, invest in their community, aspire toward educational goals, and strive for personal advancement.

Assets positively influence behavior

Asset ownership leads to positive attitudes and behaviors, and positive attitudes and behaviors lead to greater participation in wealth-generating activities.

- Adult participants in an IDA program reported that they worked more and increased their earnings because of their savings account.
- As accountholders bought homes and started new businesses, they reported new incentives to care for their property and become involved in the community.
- The poorest IDA participants saved a higher proportion of their income and saved about as much as those who were not as poor.
- After universal children's accounts were initiated in the United Kingdom, studies found that approximately 40% of parents have entered into other additional savings plans.
- Holding assets at age 23 is associated with later positive outcomes such as better labor market experience, marriages, health, and political participation.

Assets positively influence aspirations

The presence of an asset, such as a savings account, appears to matter more than the monetary value of the asset itself.

- Among adult participants in an IDA program, 93% reported they were more confident in the future, 59% reported they are more likely to make educational plans, 59% reported they are more likely to work or stay employed, and 57% reported they are more likely to plan for retirement, because of their savings account.
- A parent's IDA changes the expectations, attitudes, and aspirations of their children.
- Youth SEED accountholders see their accounts as enhancing their hopefulness about the future, particularly as it pertains to college.

Primary Source: Schreiner et al. (2002). Saving Performance in the American Dream Demonstration, research report. St. Louis: Center for Social Development, Washington University.

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For more information about IABG and asset-building efforts in Illinois, please contact Chris Giangreco (773.336.6073 or support@illinoisassetbuilding.org).

IABG is co-chaired by Heartland Alliance for Human Needs & Human Rights and the Sargent Shriver National Center on Poverty Law.