Financial Help among Family and Friends in Vulnerable Neighborhoods

Part 2: Who Receives?

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Family and friends are an important resource that lower-income families draw on to deal with difficult financial circumstances. Using data from the Annie E. Casey Foundation’s Making Connections Cross-Site Survey (2002–2004), we examine what percent of respondents in low-income neighborhoods received financial help in the last 12 months from families and friends or from other people they live with. We further examine how receiving assistance differs by nativity and racial and ethnic group.

Overall, 25 percent of respondents received financial help from families and friends. This figure differs substantially by nativity—it is almost twice as high for U.S.-born respondents as a whole (27 percent) than among immigrant respondents (14 percent). The patterns of receiving help from family and friends are fairly similar across race and ethnic groups for U.S.-born respondents. Among U.S.-born respondents, approximately one-fourth of whites, Hispanics, and Asian Americans received financial help from family and friends in the past 12 months (26, 24, and 24 percent respectively). U.S.-born blacks received financial help from family and friends at a somewhat higher rate (31 percent).

In contrast, the percent of immigrant respondents who received help from family and friends differed sizably among region of origin. Among immigrant respondents, those from Europe and Canada (combined) and Africa and the West Indies (combined) had the highest rates of receiving help (26 and 22 percent respectively). These are similar to the U.S.-born respondents’ rates of receiving help.

Eighteen percent of respondents from China and India (combined) reported receiving financial assistance from family and friends in the past 12 months. Respondents from Southeast Asia and Latin America reported the lowest rates of receiving financial help from family and friends (14 and 11 percent respectively).

**Note**