

A summary report from *Speaking for Ourselves: A Study with Immigrant and Refugee Communities in the Twin Cities*



Perceptions of Personal Money Management among Immigrants and Refugees in the Twin Cities

Minnesota is home to more than 400,000 immigrants and refugees. The majority live in the Twin Cities. *Speaking for Ourselves: A Study with Immigrant and Refugee Communities in the Twin Cities* looks at the experiences of Hmong, Karen, Latino, Liberian, and Somali immigrants and refugees living in Hennepin and Ramsey counties.

With the guidance of our advisory group (see a list on page 12), we interviewed 459 immigrants and adult children of immigrants about their lives – their families, education, jobs, health, and engagement in their communities to learn: What are the biggest needs of immigrant and refugee communities in the Twin Cities? What are the issues that are of greatest concerns? What assets are available to address them? For more information about the study methods and participants, see page 8.

This summary highlights what *Speaking for Ourselves* participants had to say about personal money management. It highlights common themes, and suggests potential strategies to support these communities. Other *Speaking for Ourselves* summary reports focus on civic participation and social engagement; education; employment; health, mental health, and health care access; transportation, housing, and safety perceptions; and the immigrant experience in the Twin Cities. All of these reports can be found at wilderresearch.org.



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Cultural communities at-a-glance

The Latino population makes up the largest foreign-born population in Minnesota. About 7 percent of people living in the Twin Cities are Latino. The vast majority of these immigrants originate from Mexico, although Minnesota is also home to Latino immigrants from many other Central and South American countries. About 40 percent, or nearly 100,000, are foreign-born.

Hmong refugees began arriving in Minnesota in the 1970s and 1980s following the Vietnam War, with a smaller second wave arriving in the early 2000s as a result of the closing of a refugee camp in Thailand. The Twin Cities metropolitan area is now home to over 64,000 Hmong residents, making it one of the largest Hmong populations in the country. Karen refugees have recently begun to settle in Minnesota fleeing the violence of the Burmese civil war. At least 3,000 refugees have settled in the Twin Cities; 85 percent came to the U.S. within the last 10 years.

Somali and Liberian refugees came to the United States following civil wars in their countries. Somali refugees first started arriving in the U.S. in large numbers during the 1990s. An estimated 32,000 or more Somalis reside in Minnesota, which makes it the largest Somali community in the United States. Over 10,000 foreign-born Liberian refugees have settled in the Twin Cities. About 80 percent have arrived within the last 15 years.

What are some of the most important issues to remember when communicating the study results?

- Because each cultural community is unique, any and all comparisons made between or across communities should consider the unique historical, social, and economic contexts of these communities.
- Recognize the difference between perception data and incidence data. The *Speaking for Ourselves* study mainly focuses on perceptions of respondents from immigrant and refugee communities; this study does not provide representative incidence data.
- Because immigrant and refugee communities are smaller and close-knit (including, in some cases, the interviewers who worked on this study), and the questions may broach subjects that are sensitive, interpretation of findings must take social desirability bias into account.
- In order to ensure positive impact, data from *Speaking for Ourselves* should be used in conjunction with other data sources. Any policy or programming decisions should be made only in collaboration with affected immigrant and refugee communities.

Key findings

The biggest financial access concern for their communities among *Speaking for Ourselves* participants is the ability to get credit.

Participants were given a list of issues surrounding access to financial services and financial needs and asked to indicate how much of a problem each is for their community. Obtaining credit was most frequently cited as a major problem, and paying their debts was also noted as a major problem by a substantial proportion of respondents. Gambling and uncontrolled shopping or opening a checking/savings account were less likely to be reported as problems. Slightly over half of respondents from the Karen community (58%) reported obtaining credit as a serious problem, while only 6 percent of respondents from the Somali community reported that they have this problem, which is likely related to their religious beliefs around lending and credit (Figures 1-4). These results indicate that many immigrant and refugee communities, and the Karen community in particular, struggle to access mainstream financial systems.

Differences in responses across communities could be related to actual differences in access to financial services and differences in financial needs across these communities. These observed differences could also be attributed to the length of time these communities have been in Minnesota and the U.S., or the respondents' level of comfort in discussing their finances, particularly in regard to sensitive topics such as gambling and uncontrolled shopping.

1. Extent to which ability to get credit is a problem

	All respondents (N=437)	Hmong (N=99)	Karen (N=100)	Latino (N=95)	Liberian (N=57)	Somali (N=67)
Not a problem	47%	49%	35%	28%	42%	82%
Small problem	19%	16%	7%	33%	32%	12%
Serious problem	34%	35%	58%	39%	26%	6%

2. Extent to which ability to open a checking and/or savings account is a problem

	All respondents (N=451)	Hmong (N=101)	Karen (N=101)	Latino (N=101)	Liberian (N=57)	Somali (N=69)
Not a problem	80%	86%	56%	78%	91%	90%
Small problem	10%	10%	11%	17%	7%	7%
Serious problem	10%	4%	33%	5%	2%	3%

3. Extent to which ability to pay debts is a problem

	All respondents (N=446)	Hmong (N=101)	Karen (N=100)	Latino (N=99)	Liberian (N=56)	Somali (N=67)
Not a problem	66%	62%	85%	47%	46%	82%
Small problem	22%	24%	6%	38%	34%	10%
Serious problem	13%	14%	9%	15%	20%	8%

4. Extent to which gambling, uncontrolled shopping, or other problems that compromise the household's financial stability is a problem

	All respondents (N=451)	Hmong (N=105)	Karen (N=101)	Latino (N=100)	Liberian (N=56)	Somali (N=66)
Not a problem	89%	78%	99%	85%	84%	96%
Small problem	7%	11%	1%	9%	14%	0%
Serious problem	5%	11%	0%	6%	2%	5%

More than half of *Speaking for Ourselves* respondents (58%) have sent money to relatives outside of the U.S. and about one-third (32%) have sent money to relatives in the U.S.

Sending money to family members outside of the United States (sometimes referred to as money remittances¹) is common among many immigrant and refugee communities. Respondents from the Somali and Liberian communities most frequently reported sending money to relatives stateside and outside the United States; respondents from these communities are most likely to report sending more than \$500 to relatives (Figures 5 and 6).

¹ Anderson-Porisch, S. J. (2006). *Sending money home: Remittance*. Retrieved from <http://www.extension.umn.edu/family/personal-finance/culture-and-resources/sending-money-home/>

5. Amount of money given or loaned to relatives in the U.S. in the past 12 months

	All respondents (N=451)	Hmong (N=104)	Karen (N=100)	Latino (N=100)	Liberian (N=58)	Somali (N=66)
\$0	69%	89%	96%	72%	38%	26%
\$1-\$500	18%	3%	3%	13%	28%	58%
More than \$500	14%	9%	1%	15%	35%	17%

6. Amount of money given or loaned to relatives outside of the U.S. in the past 12 months

	All respondents (N=448)	Hmong (N=104)	Karen (N=100)	Latino (N=98)	Liberian (N=58)	Somali (N=65)
\$0	42%	78%	60%	27%	12%	8%
\$1-\$500	23%	15%	27%	13%	14%	51%
More than \$500	35%	7%	13%	60%	74%	42%

Issues to consider

A recent study conducted by Wilder Research for ECHO (Emergency, Community, Health, and Outreach) Minnesota and *tpt* (Twin Cities Public Television) focused on strategies to increase mainstream financial service access among the 1.5 generation of immigrant and refugee communities (the 1.5 generation refers to people who came to the U.S. from another country during their childhood).² Please refer to this report for more information regarding the relevance of Islamic banking, lending circles, and general findings about the relationship between communities of immigrants and refugees and the mainstream U.S. financial system.

In recent years, U.S. authorities and banks have become concerned about the international money wiring system's connection to money laundering and terrorism financing. Actions to crack down on these concerns make it more challenging for some immigrant and refugee communities, particularly African refugee communities, to send money to their family members in their home country. The Money Remittances Improvement Act of 2014³ was passed to make it easier for nonbank financial institutions such as money service businesses to provide remittance

² Evans, R., Hall, T., & Shelton, E. (2015). *Strategies for financial inclusion: Findings from talking circles with members of the 1.5 generation community*. Retrieved from <http://www.wilder.org/Wilder-Research/Publications/Studies/ECHO%20Minnesota/Strategies%20for%20Financial%20Inclusion%20-%20Findings%20from%20Talking%20Circles%20with%20Members%20of%20the%201.5%20Generation%20Community.pdf>

³ H.R. 4386 – Money Remittances Improvement Act of 2014, 113th Cong., Retrieved from <https://www.congress.gov/bill/113th-congress/house-bill/4386>

payments internationally. Please refer to the Oxfam America report⁴ for more information on remittances in Somalia.

Members of immigrant and refugee communities may participate in informal lending circles to bypass challenges with the mainstream financial system or to ameliorate economic hardship within extended families. Hmong participants from the aforementioned ECHO study said:

We do that because of our history of poorness and closeness. We don't trust those outside, so we help each other out. When there is a problem, each house or family has to help with a certain amount.

For those who don't have a lot of money in the family, we use that for something big for one or more families, like a wedding or funeral.

Supporting or helping to support extended family is a common cultural practice among many immigrant and refugee communities. This may be a source of “hidden” financial costs or burden for these families. Common measures used to determine credit, such as household income, per capita income, or household size, may not capture the full range of expenses that may be incurred within immigrant and refugee communities. According to the study conducted by ECHO, Somali participants struggle with saving money because of these responsibilities:

Saving is difficult. It's difficult because you're sending money to people in Africa. The rent is high. The living, the clothes, you need a lot – so saving is hard.

One thing that government can do to help my community is to help expedite families who are missing their children. Since I only make about \$1000 monthly most of my money I send to back to Africa. My children who are in Africa and I completed DNA tests and to do this I paid \$850. I'm homeless and can't afford living apart from my children.

The cultural practice of financially supporting extended family through remittances and community lending pools may be a source of community strength that could be built upon to improve the quality of life or meet the needs within these communities.

⁴ Orozco, M., & Yansura, J. (2013). *Keeping the lifeline open: Remittances and markets in Somalia*. Retrieved from <http://www.oxfamamerica.org/static/media/files/somalia-remittance-report-web.pdf>



Ideas for action

Factors to obtaining credit should be reevaluated (to take remittances into consideration, for example) to increase access to credit for immigrant and refugee communities. No interest community lending programs geared specifically toward immigrant and refugee communities (and operated by immigrant and refugee communities) would also help to increase access to credit.

Through partnerships with community organizations, financial institutions should adjust products and services to accommodate immigrants and refugees who cannot access credit due to citizenship status and/or religious beliefs. Financial institutions should also hire bilingual or multilingual staff from the cultural communities included and provide cultural competency training for staff who are not from these communities. Financial institutions should also offer culturally appropriate materials. In addition to translating existing materials, we recommend transcreating materials, services, and products. Transcreation refers to the process (which includes, but is not limited to, translation) of altering or creating new products and services that are appropriate and responsive to a person's culture and current life circumstances.

Asset-based approaches that take into account the economic potential of immigrants and refugees in Minnesota are key to growing a financially thriving and healthy community. Important assets include the entrepreneurial spirit of many immigrant and refugee communities, contributions from communities to taxes in the state of Minnesota, and the communities' collective buying power which contributes significantly to the economy. For example, findings from *The Economic Potential of African Immigrants in Minnesota*⁵ show that African immigrant workers are playing a critical role in Minnesota in certain sectors such as manufacturing, transportation, and health care and will continue to do so in the future as Minnesota copes with labor shortages. Additionally, African immigrants build the local economy by paying annually at least \$200 million in state and local taxes and are significant players in the housing market or renters and home owners.⁶

⁵ Corrie, B. P. (2015). *The economic potential of African immigrants in Minnesota*. Retrieved from <http://www.csp.edu/wp-content/uploads/2015/07/AFM-Report2015.pdf>

⁶ Corrie, B. P., & Radosevich, S. (2013). *The economic contributions of immigrants in Minnesota*. Retrieved from http://cdn2.hubspot.net/hub/172912/file-371412567-pdf/Economic_Contributions_of_Immigrants_in_Minnesota_2013.pdf

Study methods

A community advisory board made up of individuals who are members of and/or work with one or more of the participating communities provided guidance throughout this study. Wilder Research designed the survey instrument, developed and implemented the data collection approach, and conducted the analysis and reporting after gathering input from the advisory board and directly from the community.

An innovative data collection approach called Respondent Driven Sampling was used to identify and recruit eligible community members to participate in the study. This approach involves randomly selecting a handful of “seed” respondents within each community and asking those respondents to refer up to three additional people from their community. Those respondents are then asked to refer other respondents, ultimately creating respondent referral “chains” that in some cases carried out as far as 11 “waves” (Figure 7).

Adults who were born outside of the U.S., or had a parent who was born outside of the U.S., who were from one of the cultural communities included in the study, and who live in Hennepin or Ramsey counties were eligible to participate. Respondents who were referred to the study could **not** be a biological family member or live at the same address as the person who made the referral.

Speaking for Ourselves Buy-A-Question Partners

The following partner organizations contributed to this study by funding one or more study questions and by committing to using the results to improve service access or delivery:

- Hennepin County Public Health
- Metropolitan Library Service Agency
- Minnesota Children’s Museum
- Minnesota Historical Society
- Minnesota Humanities Center
- Minneapolis Institute of Arts
- Science Museum of Minnesota
- Family and Community Knowledge Systems Project, Wilder Research, and Training and Development, Inc., with funding from the Kellogg Foundation



7. Respondent Driven Sampling: Number of seeds, referrals, and waves in the referral chains

Total number of:	All respondents ^a	Hmong	Karen	Latino	Liberian	Somali
Seeds	52	11	7	11	3	9
Referrals	407	94	94	90	57	60
Maximum number of waves	--	11	7	8	9	6
Total number of respondents	459	105	101	101	60	69

^a In addition to the five main cultural communities listed in the table, the “all respondents” group also includes 6 Lao, 7 Oromo, and 10 Vietnamese respondents. We did not obtain enough completed surveys from members of these cultural communities to be able to report data for these communities separately.

Wilder Research hired bilingual staff from participating communities to help with data collection; interviews were conducted in the respondents’ preferred languages, either over the phone or in-person. Respondents received \$20 for completing the survey and \$5 for each referral they made, up to three.

By using Respondent Driven Sampling, we were able to survey a group of study participants who are more representative of these cultural communities in the Twin Cities than if we had used convenience sampling methods (i.e., survey people who are all affiliated with one program, religious organization, housing site, neighborhood group, etc.) However, study participants are **not** statistically representative of their broader cultural communities because scientific random sampling was not used, and the full Respondent Driven Sampling method for weighting and analyzing data was not appropriate given these data.

Therefore, the data presented here should be interpreted with caution; we do not claim that the results exactly mirror the overall experiences of the broader community. Rather, we suggest that in many cases the data produced by this study are better than any other existing source of data about these immigrant and refugee communities in the Twin Cities. The key findings included in this report have been endorsed strongly enough by a wide enough range of study participants and community stakeholders to be considered valid and actionable for all practical purposes.

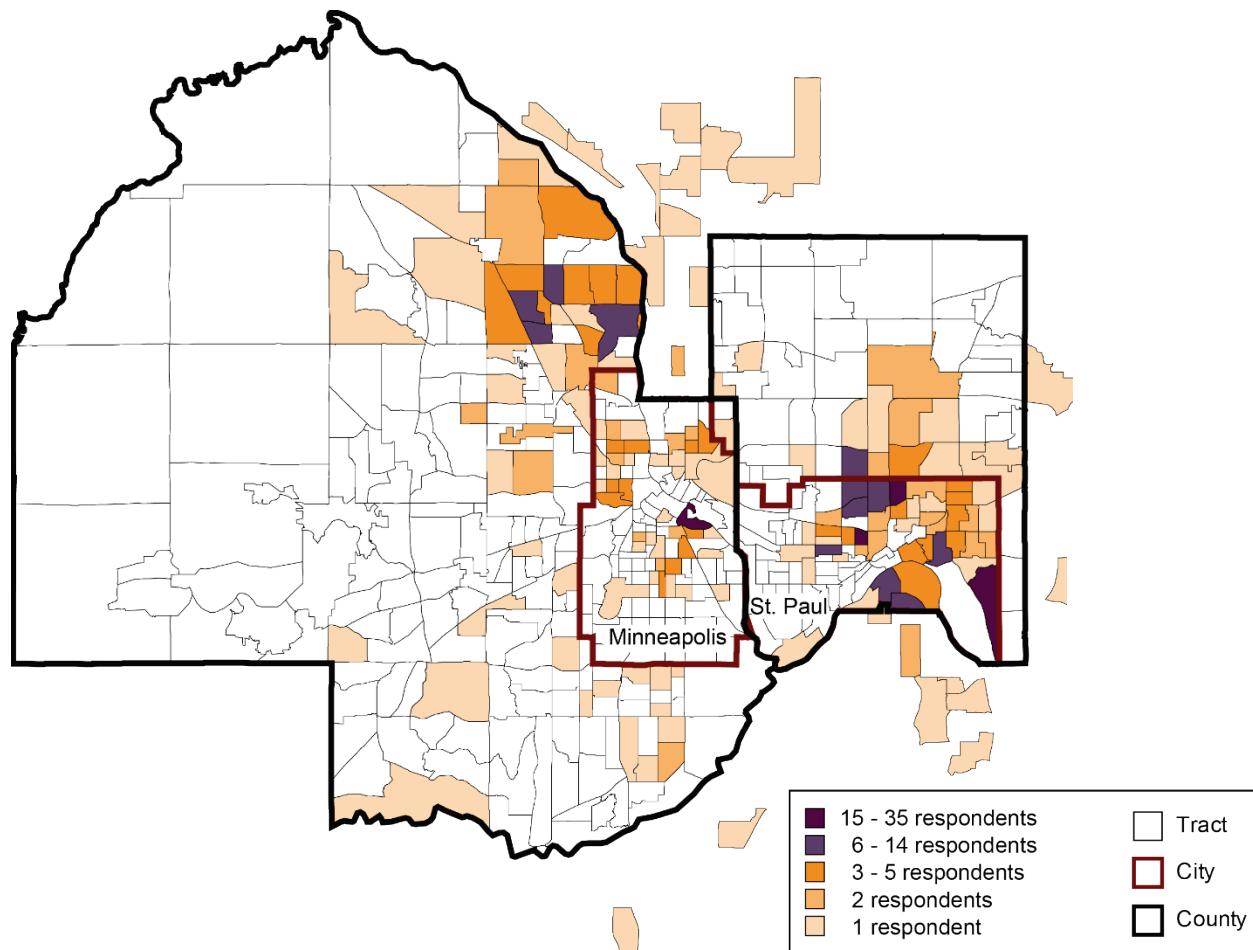
Differences among groups may be attributable to actual differences in their experiences, but may also be due to differences in survey responding patterns (e.g., some groups are more likely to give moderate responses, other groups are more likely to give extreme responses, regardless of the type of question). Therefore, as noted previously, comparison across communities should be done with caution and only with consideration of the unique contextual factors that influence these and any research findings.

See the detailed study methodology report and data book for more information about the study methods and limitations (*[Speaking for Ourselves: A Study with Immigrant and Refugee Communities in the Twin Cities Data Book](#)*).

Study participants

A total of 459 immigrant and refugee community members participated in the study. Participants' locations (home address) generally reflect the geographical spread of these cultural communities in Hennepin and Ramsey counties (Figure 8). A few respondents live outside of the target counties.

8. Participants' locations in Hennepin and Ramsey counties



Most participants were born outside of the U.S. They are split nearly evenly between Hennepin and Ramsey counties, although some specific cultural communities are concentrated in one county or the other. Two-thirds of respondents are female; they are split fairly evenly across the age spectrum from younger adults to older adults. Although participants fall into all education levels, most have a high school diploma or less. Similarly, although all income ranges are reflected, over half have household incomes below \$30,000 annually (Figure 9).



9. Demographic characteristics of study participants

	All respondents (N=459)	Hmong (N=105)	Karen (N=101)	Latino (N=101)	Liberian (N=60)	Somali (N=69)
County of residence						
Hennepin	47%	40%	0%	58%	85%	57%
Ramsey	49%	51%	100%	40%	10%	35%
Other	4%	9%	0%	2%	5%	9%
Generational status						
1 st generation – born outside the U.S.	95%	87%	100%	92%	98%	100%
2 nd generation – born in U.S.	5%	13%	0%	8%	2%	0%
Gender						
Female	65%	61%	77%	81%	42%	55%
Male	35%	39%	23%	19%	58%	45%
Age						
18-29	25%	26%	24%	20%	37%	18%
30-49	54%	32%	68%	66%	48%	65%
50+ years	21%	42%	8%	14%	15%	18%
Education						
No formal education	17%	46%	21%	1%	0%	10%
Elementary/some high school (no diploma)	27%	21%	57%	30%	0%	33%
High school diploma or GED	27%	1%	20%	43%	17%	39%
Some college/Associate degree	21%	0%	2%	19%	62%	15%
Bachelor's degree or higher	9%	10%	0%	7%	22%	3%
Household income						
Under \$10,000	17%	10%	26%	7%	7%	33%
\$10,000 to under \$20,000	16%	5%	24%	22%	12%	17%
\$20,000 to under \$30,000	22%	8%	31%	28%	24%	22%
\$30,000 to under \$50,000	23%	20%	12%	31%	34%	26%
\$50,000 or more	9%	21%	1%	7%	9%	1%
Don't know or refused	13%	37%	6%	4%	15%	0%

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Wilder Research would like to thank the study participants and their communities who entrusted us with their perspectives and shared with us their time. The participation of the *Speaking for Ourselves* advisory board members, our partners, and the community members through each phase of the project, made this study possible and made its findings more meaningful. We would also like to thank our Wilder Research and Wilder Foundation staff who contributed to the completion of this study.



***Speaking for Ourselves* Advisory Board**

Sunny Chanthanouvong, Lao Assistance Center of Minnesota
Angelique Cooper-Liberty, Angel Eyes Foundation
Kim Dettmer, Lutheran Social Service of Minnesota
Hsajune Dyan, Saint Paul Public Schools
MayKao Fredericks, Wells Fargo Foundation
Michele Garnett McKenzie, The Advocates for Human Rights
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Tony Yang, Amherst H. Wilder Foundation (former)
Ladan Yusuf, CrossingBarriers