Exploring Gender- and Race-Based Financial Stereotypes in Black and White College Students

Vivian Dzokoto[a], Nao Hagiwara[b] and Faye Belgrave[c]

Financial behavior disparities across race and gender persist in the United States. Historical and structural factors contribute to such disparities. It is important to understand the psychological mechanisms underlying these disparities to begin to achieve wealth equity. This study addressed one potentially relevant psychological construct: stereotypes about financial behaviors. Using a sample of 114 college students from a large public university, the study explored societally held beliefs about financial behaviors. The results showed that White men were generally viewed as more financially competent than White women, who were viewed as more financially competent than Black men and Black women. Implications for financial education and financial behaviors are discussed.

Keywords: African Americans, financial behavior, gender, stereotypes

Gender and racial disparities in financial literacy and behaviors in the United States are well-documented (e.g., Baradaran, 2017; Christensen, 2019). Our study extends this literature by examining a potential underlying psychological mechanism: stereotypes about financial behaviors. It is particularly important to understand how such stereotypes may shape the spending behavior of emerging adults. College students will be income earners and an important sector of the economy. Their understanding of saving, spending, and investing will shape their performance once they enter the workforce. In the long term, their spending habits will influence not only their personal economic standing but also those of subsequent generations. In a sample of emerging adults, we explored whether stereotypes about financial behaviors exist.

Literature Review and Hypothesis

Gender Disparities in Financial Behaviors

Prominent gender disparities in financial knowledge and behaviors exist in the United States. On the one hand, women are less likely than men to engage in financially risky behaviors, and over time, working women are becoming less likely to carry credit card debt or engage in expensive credit card behaviors than previously (Lusardi & de Bassa Scheresberg, 2017). On the other hand, the rate of financial literacy in adult females is lower than that in males, a trend that has persisted over time (Mottola, 2018). Women tend to express lower levels of confidence in their financial skills than men and are less likely than men to choose optimal financial products (Organisation for Economic Cooperation and Development, 2013). Women are less likely to save or borrow from banks, or save for retirement (Hasler & Lusardi, 2017). Female millennials report lower levels of personal financial well-being and financial issue involvement than male millennials (Huang et al., 2018). Women most likely to have low financial knowledge include widows, women in low-income brackets, women with low levels of education, and millennials (Mottola, 2018; Organisation for Economic Cooperation and Development, 2013). These and similar disparities in financial behavior are influenced by the gender pay gap, the gendered glass ceiling, more women working part-time, and gendered financial socialization (Graf et al., 2019; Pew Research Center, 2013).

Financial Behaviors of African Americans

In the United States, race is a predictor of financial satisfaction (Aboagye & Jung, 2018) and financial behaviors (Moreland, 2018). Blacks including Black

[a]*Professor, Department of Psychology, Virginia Commonwealth University, Richmond, VA, USA. E-mail: vdzokoto@vcu.edu*
[b]*Associate Professor, Department of Psychology, Virginia Commonwealth University, Richmond, VA, USA. E-mail: nhagiwara@vcu.edu*
[c]*Professor, Department of Psychology, Virginia Commonwealth University, Richmond, VA, USA. E-mail: fzbelgrave@vcu.edu*

Journal of Financial Counseling and Planning, Volume 34, Number 1, 2023, 32–41

http://dx.doi.org/10.1891/JFCP-2021-0020

college students and Black young adults score lower on financial literacy assessments than Whites and lag behind Whites in investment (Yao et al., 2005), debt management (Lusardi et al., 2017), home ownership (Pew Research Center, 2014), and bank account ownership (Kiernan, 2017). Furthermore, racial disparities in financial knowledge and behaviors persist even after controlling for education, suggesting that stable income may be insufficient to guarantee wealth equity (Torres, 2009). One study found that <4% of Black students attending a historically Black university could answer all five financial literacy questions about basic economics and everyday financial concepts (Singh, 2018). These and similar disparities in financial behavior are presumptively influenced by the White–Black wealth ratio estimated as 13:1 (Pew Research Center, 2014), associated socioeconomic and political structure barriers (Hamilton & Darity, 2017), and differences in the intergenerational transmission of assets (Bloome, 2014; Kim & Xiao, 2021; Pfeffer & Killewald, 2018).

Intersectional Effects of Gender and Race on Financial Behaviors

Examining gender and racial disparity intersections is important. For example, Black working women have more difficulty covering monthly expenses and a slightly higher risk of an unexpected income drop than working women of other races (Lusardi & de Bassa Scheresberg, 2017). Disparities in financial behaviors among Black men may be partly attributed to lower college completion rates than for Black women and White men. Factors such as systemic racism in the educational, housing, employment, and criminal justice sectors are vital to understanding intersectional effects in wealth and financial behaviors (Tippett et al., 2014). Practices and policies to close these disparities must acknowledge structural factors. However, structural-level changes require tremendous time and resources; thus, individual-level interventions should be developed simultaneously. To develop theory-driven, individual-level interventions, psychological mechanisms linking race, gender, and financial behaviors must be uncovered.

Stereotypes as a Psychological Factor Influencing Financial Behaviors

Psychological factors such as anticipated emotions (Rick et al., 2008), personality traits (Kajonius & Carlander, 2017), accumulated life experiences (Samanez-Larkin et al., 2014), self-efficacy (Brady et al., 2021), and social relationships (Carter, 2014) shape spending behavior. However, research on psychological processes relevant to gender and racial disparities in financial behaviors has been scarce (Xiao et al., 2020). One understudied but potentially relevant psychological process is stereotyping; a cognitive shortcut that simplifies beliefs about personal attributes based on group membership (Fiske, 1998). For example, in the United States, the common image evoked by stockbrokers is likely to be a man. Similarly, a typical representation of Blacks as reported by White participants in an experimental task was "poor," independent of whether the white participants scored high or low on anti-Black attitudes (Devine, 1989). Stereotypes sometimes lead to biases that have far-reaching negative effects (Eberhardt, 2020). Stereotypes can negatively impact behaviors both at the interpersonal and intrapersonal levels directly through discrimination and social exclusion, or through *stereotype threat*, a socially primed threat that arises in a situation for which a negative stereotype about one's group applies (Steele & Aronson, 1995). At the intrapersonal level, research has consistently shown that concern about confirming negative stereotypes impairs behavior across domains such as education, health, workplace, and aging (Aronson et al., 2013; Lamont et al., 2015). Stereotypes may also prompt a self-fulfilling prophecy effect, such that expectations lead to behavior confirming the expectations (Biggs, 2009). These, together with associated implicit biases (see Banaji & Greenwald, 2013; Dovidio & Gaertner, 2010), which are often assessed with the Implicit Association Test (Greenwald et al., 1998), may perpetuate financial behaviors and color the engagement of members of specific groups with financial institutions. At the interpersonal level, for instance, stereotypes could affect the manner in which financial planners and educators engage with women and Black clients. At the intrapersonal level, gender and racial stereotypes about money might affect the ways in which female and Black consumers engage in spending, saving, and investing.

Previous findings suggest that negative race/ethnicity and gender stereotypes within financial domains exist. Stereotypes that Blacks have low-status jobs have been noted in children as young as age 5. The association of more wealth markers (assets) with Whites than Blacks has been observed at age 7 (Elenbaas & Killen, 2016). Brown-Iannuzzi et al. (2019) found that a sample of 243 non-Black US participants was more likely to associate Blacks (vs. White Americans) with the concept of poverty in an implicit association experimental task. Race-based biases have even been found in evaluations of the Black fund managers (people believed to be knowledgeable about financial matters) (Lyons-Padilla et al., 2019). Similarly, Williams et al. (2010) reported a male-wealth stereotype in student and community samples on salary estimation tasks.

Hypothesis. While previous research suggests that financial stereotypes may be present in childhood, it contrasts financial stereotypes in childhood to those in early adulthood are also important to study. Emerging adults have increased autonomy, independence, and responsibilities for managing personal budgets (Choi et al., 2016). Simultaneously, many are burdened by student loans and credit card debt (de Bassa Scheresberg, 2013). Financial behaviors and beliefs established during this developmental period may last throughout life. The current study aimed to assess financial behavior stereotype awareness among Black and White male and female college students. We hypothesize less positive financial stereotypes about Blacks and females.

Methods

Participants

Participants were recruited from a psychology subject pool at a large public university in exchange for course credits. 114 undergraduate students who self-identified as either Black or White American (58.8% women, 42.1% Black, age M = 20.01, SD = 2.98) self-enrolled in this online study after reading an information sheet and providing consent. About 48.2% of participants were freshmen, 22.8% were sophomores, 17.5% were juniors, and 11.4% were seniors. About 60.5% of the sample reported receiving some financial aid. The university is an urban campus with 80% of its post-freshman student body living off-campus. Additional information about the subjects' socioeconomic backgrounds was not collected.

Procedure and Measures

The study design was modeled after stereotype research (e.g., Jackson & Rose, 2013; Penn & Corrigan, 2002) modified to be relevant to financial behaviors. Participants indicated to what degree 26 words that appeared one by one on a computer screen describe socially ascribed stereotypes associated with each of four social groups: Black men, Black women, White men, and White women. Of the 26 words, six were finance-related (i.e., *bankrupt*, *homeowners*, *investors*, *renters*, *savers*, and *wealthy*), chosen based on the literature of African American financial behaviors and experiences (e.g., Hamilton & Darity, 2017). The other nonfinancial words were drawn from the previous work on implicit racial prejudice (Wittenbrink et al., 1997). The scale ranged from "1: Not at all stereotypic of *Black/White men/women"* to "5: Very stereotypic of *Black/White men/women*." Participants rated all 26 words for each of the four sex and gender combinations. However, due to a programming error, participants were not asked to rate "renters" for Black women. Upon completion of the survey, participants provided demographic information (e.g., age, gender, and race/ethnicity). Ethical clearance was obtained from the IRB of Virginia Commonwealth University.

Results

Table 1 presents the means and standard deviations of the six financial stereotypes for the four social groups. A 4 (Social group: Black men, Black women, White men, White women) × 2 (Participant gender: woman vs. man) × 2 (Participant race: Black vs. White) mixed Analysis of Variance with the first factor being within-subject and the last two factors being between-subject was conducted for each of the six stereotypes separately. Missing data were treated with listwise deletion, and the Bonferroni adjustment was used in *post-hoc* tests. Only the significant effects are reported in the following section and displayed in Figure 1.

Bankrupt

There was a significant main effect of social group. Overall, Blacks were more likely than Whites to be associated with the stereotype "bankrupt" F (3,315) = 11.75, MS = 13.14, p < .001. *Post-hoc* pairwise comparisons revealed that there were significant differences between Black men (M = 2.80, SE = .11) and White men (M = 2.14, SE = .12), Mdiff = .66, SE = .17, p = .002; Black men and White women (M = 2.00, SE = .10), Mdiff = .80, SE = .14, p < .001; and Black women (M = 2.14, SE = .12) and White women, Mdiff = .50, SE = .14,

TABLE 1. Means and Standard Deviations of Ratings of Six Finance-Related Stereotypes for Each of the Four Social Categories

	Black men	Black women	White men	White women
Bankrupt	2.76 (1.14)	2.49 (1.11)	2.10 (1.21)	1.96 (1.04)
Homeowners	2.27 (1.00)	2.28 (1.02)	4.25 (1.10)	3.24 (1.35)
Investors	2.01 (1.03)	2.17 (1.10)	4.18 (1.01)	2.54 (1.20)
Renters	3.21 (1.16)	NA	2.52 (1.12)	2.47 (1.02)
Savers	2.23 (.99)	2.41 (1.11)	3.84 (1.10)	3.03 (1.10)
Wealthy	2.13 (.98)	2.25 (1.02)	4.23 (.99)	3.42 (1.22)

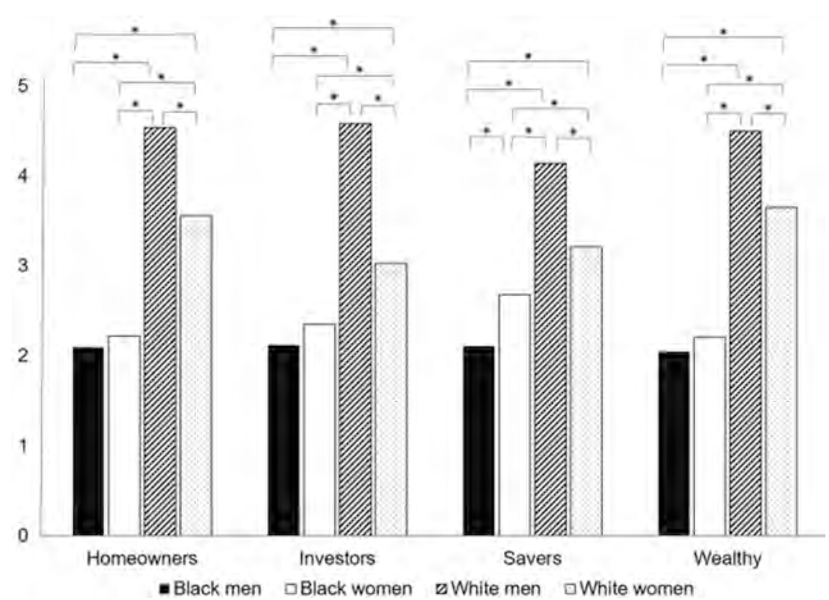
p = .004. There was no difference between Black men and Black women (*M*diff = .30, SE = .13, p = .12) or between White men and White women (*M*diff = − .15, SE = .12, p = 1.00).

There was also a significant two-way interaction between participant race and participant gender, F (1,105) = 4.17, MS = 7.34, p = .044. To probe for this significant interaction, we analyzed a simple main effect of participant race for each gender. Although the simple slope for neither female participants, *Mdiff* = −0.16, *SE* = .17, p = .344, nor male participants, *Mdiff* = .38, *SE* = .20, p = .065, was significantly different from 0, the direction of the slopes was opposite from one another.

Homeowners

There was a main effect of social group, F (3,318) =92.40, MS = 96.84, p < .001. This was qualified by a significant two-way interaction between a social group and participant race, F (3,318) =4.90, MS = 5.14, p = .005. The interaction was followed-up with an analysis of a simple main effect of a social group for Black participants versus White participants. Among Black participants, there were significant differences between Black men (*M* = 2.10, SE = .15) and White men (*M* = 4.54, SE = .16), *M*diff = −2.44, *SE* = .22, p < .001; Black men and White women (*M* = 3.56, SE = .20), *M*diff = −1.46, *SE* = .25, p < .001; Black women (*M* = 2.22, SE = .16) and White men, *M*diff = −2.33, SE = .23, p < .001; Black women and White

Figure 1. Significant two-way interactions between social categories and participant race for four finance-related stereotypes.



Note. *Significant at 0.01 level.

women, *M*diff = −1.34, SE = .23, $p < .001$; and White men and White women, *M*diff = .98, SE = .22, $p < .001$. There was no difference between Black men and Black women, *M*diff = − .12, *SE* = .15, $p = 1.00$.

The pattern of the results was the same for White participants, although the magnitude of the mean differences was smaller. Specifically, there were significant differences between Black men ($M = 2.37$, SE = .13) and White men ($M = 3.99$, SE = .14), *M*diff = −1.62, SE = .19, $p < .001$; Black men and White women ($M = 2.94$, SE = .17), *M*diff = −0.57, SE = .20, $p = .039$; Black women ($M = 2.29$, SE = .14) and White men, *M*diff = −1.70, SE = .19, $p < .001$; Black women and White women, *M*diff = −0.65, SE = .20, $p = .007$; and White men and White women, *M*diff = 1.05, SE = .19, $p < .001$. There was no difference between Black men and Black women, *Mdiff* = .08, SE = .12, $p = 1.00$. Taken together, Blacks were less likely than Whites to be perceived as homeowners.

Investors

There were significant main effects of social group, F (3,324) = 114.05, MS = 106.52, $p < .001$, and participant race, F (1,108) = 19.72, MS = 30.80, $p < .001$. However, they were qualified by a significant two-way interaction between social group and participant race, F (3,324) = 3.13, MS = 2.92, $p = .026$. Among Black participants, there were significant differences between Black men ($M = 2.12$, SE = .15) and White men ($M = 4.58$, SE = .14), *M*diff = −2.45, SE = .23, $p < .001$; Black men and White women ($M = 3.03$, SE = .16), *M*diff = − .90, SE = .18, $p < .001$; Black women ($M = 2.35$, SE = .16) and White men, *M*diff = −2.22, SE = .23, $p < .001$; Black women and White women, *M*diff = −.67, SE = .20, $p = .005$; and White men and White women, *M*diff = 1.55, SE = .22, $p < .001$. There was no difference between Black men and Black women, *M*diff = − .23, *SE* = .15, $p = .69$.

Among White participants, there were significant differences between Black men ($M = 1.92$, SE = .13) and White men ($M = 3.85$, SE = .12), *M*diff = −1.93, SE = .19, $p < .001$; Black women ($M = 2.03$, SE = .14) and White men, *M*diff = −1.82, SE = .20, $p < .001$; and White women ($M = 2.12$, *SE* = .14) and White men, *M*diff = −1.74, *SE* = .19, $p < .001$. There was no difference among Black men, Black women, and White women, *M*diff's < |.20|, p's = 1.00. Taken together, White men were perceived to be investors more than any other social group.

Renters

Only the main effect of social group was significant, F (2,212) =16.48, *MS* = 17.89, $p < .001$. Again, due to a programming error, there was no data for a social group: Black women. Post-hoc analyses revealed significant differences between Black men ($M = 3.24$, *SE* = .11) and White men ($M = 2.49$, *SE* = .10), *Mdiff* = .70, *SE* = .17, $p < .001$, and Black men and White women ($M = 2.53$, *SE* = .11), *Mdiff* = .74, *SE* = .15, $p < .001$. There was no difference between White men and White women, *Mdiff* = .04, *SE* = .11, $p = 1.00$. These results suggest that Black men were more likely to be perceived as renters than White men and women.

Savers

The main effects of social groups, F (3,315) =59.86, MS = 54.53, $p < .001$, and participant race, F (1,105) =5.32, MS = 9.17, $p = .023$, were significant. However, these significant main effects were qualified by a significant two-way interaction between social groups and participant race, F (3,312) =2.92, MS = 2.66, $p = .034$. Specifically, among Black participants, there were significant differences between Black men ($M = 2.11$, SE = .15) and Black women ($M = 2.68$, SE = .17), *M*diff = − .57, SE = .18, $p = .010$; Black men and White men ($M = 4.14$, SE = .16), *M*diff = −2.03, SE = .24, $p < .001$; Black men and White women ($M = 3.21$, SE = .16), *M*diff = −1.10, SE = .21, $p < .001$; Black women and White men, *M*diff = −1.46, *SE* = .22, $p < .001$; Black women and White women, *M*diff = − .54, SE = .19, $p = .038$; and White men and White women, *M*diff = .93, SE = .20, $p < .001$. Thus, Black participants perceived White men as savers the most, followed by White women, Black women, and Black men.

Among White participants, there were significant differences between Black men ($M = 2.27$, SE = .13) and White men ($M = 3.55$, SE = .13), *M*diff = −1.28, SE = .20, $p < .001$; Black men and White women ($M = 2.86$, SE = .14), *M*diff = − .59, SE = .17, $p = .005$; Black women ($M = 2.26$, SE = .14) and White men, *M*diff = −1.29, SE = .18, $p < .001$; and Black women and White women, *M*diff = −0.59, SE = .16, $p = .002$; and White men and White women, *M*diff = .69, SE = .16, $p < .001$.

There was no difference among Black men and Black women, *M*diff = .01, SE = .15, *p* = .100. Thus, White participants also perceived White men as savers the most, followed by White women who were perceived to be savers more than Blacks.

Wealthy

The main effect of social group was significant, F (3,324) = 118.30, MS = 109.42, $p < .001$; however, it was qualified by a significant two-way interaction between social groups and participants race, F (3,324) =3.18, MS = 2.95, $p = .024$. Analysis of a simple main effect of social group within participant race revealed that, among Black participants, there were significant differences between Black men (M = 2.05, SE = .15) and White men (M = 4.50, SE = .15), *M*diff = −2.45, SE = .22, $p < .001$; Black men and White women (M = 3.65, SE = .18), *M*diff = −1.60, SE = .22, $p <$ .001; Black women (M = 2.21, SE = .16) and White men, *M*diff = −2.29, SE = .22, $p < .001$; Black women and White women, *M*diff = −1.44, SE = .22, $p < .001$, and White men and White women, *M*diff = .85, SE = .20, $p < .001$. Thus, Black participants perceived White men as the wealthiest social group, followed by White women who were perceived to be wealthier than Black people in general.

Although the pattern of results was the same among White participants, the magnitude of mean differences was smaller among White participants than among Black participants. Specifically, there were significant differences between Black men (M = 2.18, SE = .12) and White men (M = 4.02, SE = .12), *M*diff = −1.84, SE = .18, $p < .001$; Black men and White women (M = 3.17, SE = .15), *M*diff = − .99, SE = .19, $p <$ .001; Black women (M = 2.28, SE = .13) and White men, *M*diff = −1.74, SE = .18, $p < .001$; and Black women and White women, *M*diff = − .90, *SE* = .19, p = .001; and White men and White women, *M*diff = .85, SE = .16, $p < .001$. There was no difference among Black men and Black women, *M*diff = .01, SE = .15, p = .100.

Discussion

This study assessed perceived gender- and race-based financial stereotypes among a sample of college students. It focuses on college students because they are in emerging adulthood and beginning to make important financial decisions with lifelong consequences. Among college students, financial distress contributes to not only an increased risk of mental health problems but also poor academic performance (Archuleta et al., 2013). Moreover, financial knowledge (or lack thereof) and behaviors established during this age period are likely to continue throughout one's life.

Consistent with previous literature and in support of our hypothesis, we found that negative financial stereotypes were associated with Blacks more than Whites. Blacks were more likely than Whites to be associated with the stereotype "bankrupt" and less likely than Whites to be perceived as wealthy, homeowners, or savers. Black men were more likely than the comparison groups to be thought of as renters. With a few exceptions, patterns of stereotyping were similar for both Black and White participants. This implies that both groups have internalized similar representations of Black and White financial behaviors.

The noted findings about perceived racial differences in financial behaviors are not without foundation. A Black Investor Survey (Kosier, 2010) found a real-life White-Black 401(k) monthly contribution gap of $107.00. This gap translates to $151,685 after 30 years and $1,527,772 after a subsequent 30-year growth period. Choi et al. (2016) report a 30.1% point gap between White and Black homeownership, partially accounted for by differences in income, credit score, and marital status, but not the level of educational attainment. Kiel and Fresques (2017) found that Chapters 7 and 13 bankruptcy filings were noticeably higher for Black debtors than White debtors. While the racial differences in stereotypes may be consistent with racial gaps in financial behavioral outcomes, negative financial stereotypes misrepresent the diversity in the Black socioeconomic experience in the United States and suggest that Blacks as a whole do not engage in wealth-building behaviors. Although there is without question a financial wellness gap, some Blacks are able to save for retirement, about 40% own homes, and the majority of Black homeowners do not file for bankruptcy.

Our results also demonstrated some gender differences in stereotypes about financial behaviors. However, these differences typically interacted with race such that one gender was not more positively or negatively represented across races. For Whites, men were generally linked to more favorable associations than women. For Blacks, the trend was either in reverse or no differences were observed. Positive financial stereotypes were consistently least likely to be linked with Black men. In contrast, White men were more likely than the comparison groups to be thought of as investors. Our findings suggest that, whereas robust gender-patterned differences in financial behaviors have been documented, stereotypes about financial behaviors take race into consideration as well as gender.

While our study did not explore the direct impacts of such stereotypes, psychological theories provide insight into their potential consequences thereof. These need to be examined in future research. For instance, negative financial stereotypes about Blacks may unconsciously shape how some Blacks relate to money. Some individuals may be susceptible to stereotyped threats or a self-fulfilling prophecy when contemplating wealth-building behaviors. Conversely, others may be motivated to break the stereotype, no matter the cost or means. Negative financial stereotypes about Blacks may also unconsciously shape how others relate to them, resulting in discrimination. Interestingly, Armstrong et al. (2019) found that repeated experiences of discrimination against Blacks are counterindicative of a belief in the achievability of the American Dream regardless of gender. Finally, the noted stereotypes could potentially influence how financial professionals work with clients of color.

Limitations and Implications

The limitations of this study need to be acknowledged. Our sample was recruited from one academic institution, and the gender and racial diversity of the sample is not representative of national demographics. Our study did not investigate the direct consequences of the noted stereotype patterns, and we did not explore the extent to which people were concerned about confirming negative financial stereotypes. We also did not consider the possible influence that differences in family income or student debt may have had on individual judgments.

Despite these shortcomings, we believe that our study makes a compelling case for the existence of negative financial stereotypes where Blacks are concerned. These representations of Black financial behavior are endorsed by both Black and White young adults in college. Hawkins and Zuiker (2019) highlight the importance of cultural competence in the financial counseling industry to better serve clients of color. Our work suggests that addressing stereotypes should be part of this conversation.

Our findings suggest that a goal of financial counseling for Blacks in this age group might be challenging dominant money-behavior stereotypes. This can be achieved by identifying historical and structural barriers to wealth as the reasons why financial knowledge and behaviors differ for Blacks. Challenging the dominant stereotypes about Black in this regard could potentially reduce the stereotype threat for Black young adults as far as financial behaviors and associated expectations are concerned.

Other financial counseling strategies for this age group might include the following: (a) discussing savings calculations and long term compound interest; (2) using cultural values of communalism and collective work and responsibility, convey the importance of financial literacy and wealth for the good of the family rather than just focusing on the individual (Belgrave & Allison, 2018); and (c) using culturally similar counselors and financial planners to implement messages as recommendations might be taken more seriously if from a relatable other (Belgrave & Allison, 2018). More research is needed on how to effectively market certain financial behaviors, such as savings, to African American young adults.

It is important to continue studying the financial beliefs and behaviors of college students because, in the short term, these behaviors will impact their engagement in wealth-building activities, including home ownership and saving for retirement. In the long term, their spending habits will shape their economic futures and influence the financial behaviors they pass on to subsequent generations. African American young adults are more likely to be at a financial disadvantage due to the existing wealth gap and their larger reliance on student loans (Goldrick-Rab et al., 2012). Understanding their financial behaviors is crucial in this developmental phase. Such knowledge can inform the development of strategies to address existing knowledge and practice gaps in the short term, which may impact the wealth gap in the long term.

References

Aboagye, J., & Jung, J. Y. (2018). Debt holding, financial behavior, and financial satisfaction. *Journal of*

Financial Counseling and Planning, *29*(2), 208–218. https://doi.org/10.1891/1052-3073.29.2.208

Archuleta, K. L., Dale, A., & Spann, S. M. (2013). College students and financial distress exploring debt, financial satisfaction, and financial anxiety. *Journal of Financial Counseling and Planning*, *24*, 50–62.

Armstrong, J., Carlos Chavez, F. L., Jones, J. H., Harris, S., & Harris, G. J. (2019). "A dream deferred": How discrimination impacts the American dream achievement for African Americans. *Journal of Black Studies*, *50*(3), 227–250. https://doi.org/10.1177/0021934719833330

Aronson, J., Burgess, D., Phelan, S. M., & Juarez, L. (2013). Unhealthy interactions: The role of stereotype threat in health disparities. *American Journal of Public Health*, *103*(1), 50–56. https://doi.org/10.2105/AJPH.2012.300828

Banaji, M. R., & Greenwald, A. G. (2013). *Blindspot: Hidden biases of good people*. Delacorte Press.

Baradaran, M. (2017). *The color of money: Black banks and the racial wealth gap*. The Belknap Press of Harvard University Press. https://doi.org/10.4159/9780674982284

Belgrave, F. Z., & Allison, K. W. (2018). *African American psychology: From Africa to America* (4th ed.). Sage.

Biggs, M. (2009). Self-fulfilling prophecies. In *The oxford handbook of analytical sociology* (pp. 294–314). Oxford University Press.

Bloome, D. (2014). Racial inequality trends and the intergenerational persistence of income and family structure. *American Sociological Review*, *79*(6), 1196–1225. https://doi.org/10.1177/0003122414554947

Brady, S., Miller, J., Balmuth, A., D'Ambrosio, L. A., & Coughlin, J. F. (2021). Factors contributing to the financial self-efficacy of student loan borrowers. *Journal of Financial Counseling and Planning*, *32*(3), 493–506. https://doi.org/10.1891/JFCP-19-00067

Brown-Iannuzzi, J. L., Cooley, E., McKee, S. E., & Hyden, C. (2019). Wealthy whites and poor blacks: Implicit associations between racial groups and wealth predict explicit opposition toward helping the poor. *Journal of Experimental Social Psychology*, *82*(2019), 26–34. https://doi.org/10.1016/j.jesp.2018.11.006

Carter, T. J. (2014). The psychological science of spending money. In E. Bijleveld & H. Blackrts (Eds.), *The psychological science of money* (pp. 213–242). Springer. https://doi.org/10.1007/978-1-4939-0959-9

Choi, S., Gudmunson, C. G., Griesdorn, T. S., & Hong, G. S. (2016). Assessing college student needs for comprehensive financial counseling. *Journal of Financial Counseling and Planning*, *27*(2), 158–171. https://doi.org/10.1891/1052-3073.27.2.158

Christensen, M. A. (2019). Feminization of poverty: Causes and implications. In W. Leal Filho, A. Azul, L. Brandli, P. Özuyar, & T. Wall (Eds.), *Gender equality. Encyclopedia of the UN sustainable development goals*. Springer Cham. https://doi.org/10.1007/978-3-31970060-1_6-1

de Bassa Scheresberg, C. (2013). Financial literacy and financial behavior among young adults: Evidence and implications. *Numeracy*, *6*(2), 5. https://doi.org/10.5038/1936-4660.6.2.5

Devine, P. G. (1989). Stereotypes and prejudice: Their automatic and controlled components. *Journal of Personality and Social Psychology*, *56*(1), 5–18. https://doi.org/10.1037/0022-3514.56.1.5

Dovidio, J. F., & Gaertner, S. L. (2010). Intergroup bias. In S.T. Fiske, D.T. Gilbert, & G. Lindzey (Eds.), *Handbook of social psychology* (pp. 1084–1121). John Wiley & Sons, Inc. https://doi.org/10.1002/9780470561119.socpsy002029

Eberhardt, J. L. (2020). *Biased: Uncovering the hidden prejudice that shapes what we see, think, and do*. Penguin Books, an imprint of Penguin Random House LLC.

Elenbaas, L., & Killen, M. (2016). Age-related changes in children's associations of economic resources and race. *Frontiers in Psychology*, *7*, 884. https://doi.org/10.3389/fpsyg.2016.00884

Fiske, S. T. (1998). Stereotyping, prejudice, and discrimination. In D.T. Gilbert, S.T. Fiske, & G. Lindzey (Eds.), *The handbook of social psychology* (4th ed., Vol. 1 and 2, pp. 357–411). McGraw-Hill.

Goldrick-Rab, S., Harris, D., Kelchen, R., & Benson, J. (2012). Need-based financial aid and college persistence: Experimental evidence from wisconsin. *SSRN Electronic Journal*. https://doi.org/10.2139/ssrn.1887826

Graf, N., Brown, A., & Patten, E. (2019). *The narrowing, but persistent, gender gap in pay*. PEW Research Center. www.pewresearch.org/fact-tank/2019/03/22/gender-pay-gap-facts

Greenwald, A. G., McGhee, D. E., & Schwartz, J. L. K. (1998). Measuring individual differences in implicit cognition: The implicit association test. *Journal of Personality and Social Psychology*, *74*(6), 1464–1480. https://doi.org/10.1037//0022-3514.74.6.1464

Hamilton, D., & Darity, W. A. (2017). The political economy of education, financial literacy, and the racial wealth gap. *Federal Reserve Bank of St. Louis Review, First Quarter 2017*, *99*(1), 59–76. https://doi.org/10.20955/r.2017.59-76

Hasler, A., & Lusardi, A. (2017). *The gender gap in financial literacy: A global perspective*. Global Financial Literacy Excellence Center. https://gflec.org/wp-content/uploads/2017/07/The-Gender-Gap-in-Financial-Literacy-A-Global-Perspective-Report.pdf

Hawkins, B. P., & Zuiker, V. S. (2019). Financial counselors' experiences working with clients of color: Lessons of cultural awareness. *Journal of Financial Counseling and Planning*, *30*(1), 6–17. https://doi.org/10.1891/1052-3073.30.1.6

Huang, E. J., Lassu, R. A., & Chan, K. K. (2018). User-source fit and financial information source selection of millennials. *Journal of Financial Counseling and Planning*, *29*(2), 272–289. https://doi.org/10.1891/1052-3073.29.2.272

Jackson, J. W., & Rose, J. (2013). The stereotype consistency effect is moderated by group membership and trait valence. *The Journal of Social Psychology*, *153*(1), 51–61. https://doi.org/10.1080/00224545.2012.703710

Kajonius, P. J., & Carlander, A. (2017). Who gets ahead in life? Personality traits and childhood background in economic success. *Journal of Economic Psychology*, *59*(1), 164–170. https://doi.org/10.1016/j.joep.2017.03.004

Kiel, P., & Fresques, H. (2017). *Data analysis: Bankruptcy and race in america, an in-depth discussion of racial patterns in bankruptcy filings and outcomes. Introduction and findings*. ProPublica. https://projects.propublica.org/graphics/bankruptcy-data-analysis

Kiernan, J. S. (2017). *2017's most & least financially literate states*. WalletHub. https://wallethub.com/edu/most-and-least-financially-literate-states/3337

Kim, K. T., & Xiao, J. J. (2021). Racial/ethnic differences in consumer financial capability: The role of financial education. *International Journal of Consumer Studies*, *45*(3), 379–395. https://doi.org/10.1111/ijcs.12628

Kosier, M. (2010). The ariel investments 2010 black investor survey: Saving and investing among higher income African-American and white Americans. *Ariel Investments*. www.arielinvestments.com/repository/func,download/filecatid,219

Lamont, R. A., Swift, H. J., & Abrams, D. (2015). A review and meta-analysis of age-based stereotype threat: Negative stereotypes, not facts, do the damage. *Psychology and Aging*, *30*(1), 180–193. https://doi.org/10.1037/a0038586

Lusardi, A., & de Bassa Scheresberg, C. (2017). Financial capability and financial literacy among working women. *New Insights*, *1*(1), 1–8. https://arc.accesslex.org/fe-status/10/

Lusardi, A., Mitchell, O. S., & Oggero, N. (2017, July 30). *Debt and Financial Vulnerability on the Verge of Retirement*. Wharton Pension Research Council Working Paper No. 2017-15. https://doi.org/10.2139/ssrn.3038788

Lyons-Padilla, S., Markus, H. R., Monk, A., Radhakrishna, S., Shah, R., Dodson, N. A. D., & Eberhardt, J. L. (2019). Race influences professional investors' financial judgments. *Proceedings of the National Academy of Sciences of the United States of America*, *116*(35), 17225–17230. https://doi.org/10.1073/pnas.1822052116

Moreland, K. A. (2018). Seeking financial advice and other desirable financial behaviors. *Journal of Financial Counseling and Planning*, *29*(2), 198–207. https://doi.org/10.1891/1052-3073.29.2.198

Mottola, G. (2018). Gender, generation and financial knowledge: A six-year perspective. *Insights: Financial Capability*. www.usfinancialcapability.org/downloads/Issue-Brief-Gender-Generation-and-Financial-Knowledge-A-Six-Year-Perspective.pdf

Organisation for Economic Cooperation and Development. (2013). Gender differences in financial literacy. In *Women and financial education: Evidence, policy responses and guidance*. OECD Publishing. https://doi.org/10.1787/9789264202733-5-en

Penn, D. L., & Corrigan, P. W. (2002). The effects of stereotype suppression on psychiatric stigma. *Schizophrenia Research*, *55*(3), 269–276. https://doi.org/10.1016/s0920-9964(01)00207-9

Pew Research Center. (2013). *On pay gap, millennial women near parity – for now*. Pew Research. www.pewsocialtrends.org/2013/12/11/on-pay-gap-millennial-women-near-parity-for-now

Pew Research Center. (2014). *Wealth inequality has widened along racial, ethnic lines since end of great recession*. Pew Research. www.pewresearch.org/fact-tank/2014/12/12/racial-wealth-gaps-great-recession

Pfeffer, F. T., & Killewald, A. (2018). Generations of advantage. Multigenerational correlations in family wealth. *Social Forces*, *96*(4), 1411–1442. https://doi.org/10.1093/sf/sox086

Rick, S. I., Cryder, C. E., & Loewenstein, G. (2008). Tightwads and spendthrifts. *Journal of Consumer Research*, *34*(6), 767–782. https://doi.org/10.1086/523285

Samanez-Larkin, G. R., Hagen, T. A., & Weiner, D. J. (2014). Financial decision making across adulthood. In E. Bijleveld & H. Blackrts (Eds.), *The psychological science of money* (pp. 121–135). Springer. https://doi.org/10.1007/978-1-4939-0959-9

Singh, K. (2018). Financial literacy of African American college students: Evidence and implications from one historically black institution. *International Journal of Economics and Finance*, *10*(8), 204. https://doi.org/10.5539/ijef.v10n8p204

Steele, C. M., & Aronson, J. (1995). Stereotype threat and the intellectual test performance of African Americans. *Journal of Personality and Social Psychology*, *69*(5), 797–811. https://doi.org/10.1037//0022-3514.69.5.797

Tippett, R., Jones-DeWeever, A., Rockeymoore, M., Hamilton, D., & Darity, W. (2014). *Beyond broke: Why closing the racial wealth gap is a priority for national economic security* (pp. 1–12). Center for Global Policy Solutions. http://globalpolicysolutions.org/resources/beyond-broke-report

Torres, P. (2009). How (and why) athletes go broke. *Sports Illustrated*. www.si.com/vault/2009/03/23/105789480/how-and-why-athletes-go-broke

Williams, M. J., Paluck, E. L., & Spencer-Rodgers, J. (2010). The masculinity of money: Automatic stereotypes predict gender differences in estimated salaries. *Psychology of Women Quarterly*, *34*(1), 7–20.
https://doi.org/10.1111/j.1471-6402.2009.01537.x

Wittenbrink, B., Judd, C. M., & Park, B. (1997). Evidence for racial prejudice at the implicit level and its relationship with questionnaire measures. *Journal of Personality and Social Psychology*, *72*(2), 262–274. https://doi.org/10.1037//0022-3514.72.2.262

Xiao, J. J., Lavigueur, B., Izenstark, A., Hanna, S. D., & Lawrence, F. C. (2020). Three decades of the journal of financial counseling and planning. *Journal of Financial Counseling and Planning*, *31*(1), 5–13. https://doi.org/10.1891/JFCP-20-00010

Yao, R., Gutter, M., & Sherman, H. (2005). The financial risk tolerance of blacks, hispanics, and whites. *Financial Counseling and Planning*, *16*(1), 51–62.

Disclosure. The authors have no relevant financial interest or affiliations with any commercial interests related to the subjects discussed within this article.

Funding. The author(s) received no specific grant or financial support for the research, authorship, and/or publication of this article.