

# Teach people to invest and they'll save for a lifetime

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## Opportunities



**Tannette  
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For Linda Rogers, becoming a mother too young made it hard to see beyond the immediate needs of diapers and formula, let alone save.

Rogers, 33, had her first child at 16 and her second child several years later. There was no time to learn about finances and money management. Like many single mothers, she was too busy trying to pay the bills and put food on the table, while keeping creditors at bay.

You can find Rogers' story being played out every day in central city households in Milwaukee, particularly in the African-American community, where many families still live from paycheck to paycheck.

"You made a lot of mistakes, buying all the shiny things instead of saving for the future," says Rogers, who runs a group home in Milwaukee for teenage girls. "I want my daughters to understand finances from the ground up."

If you teach individuals like Rogers to save and invest responsibly, they can increase their net worth and lift their families out of poverty, which would have long-term economic benefits for the community.

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That's the goal of a new initiative in Milwaukee called CLIMB (Communities Learning to Invest and Mobilize for Business). While it's hard to get people focused on saving and investing these days in a society that values materialism, I give the organizers of CLIMB credit for at least trying.

CLIMB is an investor education movement led by Asset Builders of America Inc., a Wisconsin non-profit organization that promotes financial education and wealth-building strategies for low- and moderate-income youth, families and communities. The CLIMB program is funded by the Annie E. Casey Foundation and the Forest County Potawatomi Community Foundation.

Organizers have an ambitious goal: to establish 100 investment clubs in the central city within the next three to five years, with each club accumulating as much as \$100,000 in assets within a decade. So far, five investment clubs are up and running and more clubs are in the works. Rogers enrolled her daughters as soon as she could.

## CLIMB Investors Rally

When: 8:30 a.m.  
Saturday

Where: Mother  
Kathryn Daniels  
Conference Center,  
3500 W. Mother  
Daniels Way

Robert Wynn, a director for Asset Builders of America, said there is a keen desire to help young people in the central city to understand the stock market and investing as ways to end the cycle of poverty.

CLIMB is believed to be the first such effort nationwide to implement the investment club model as a solution to inner-city poverty. While the results or gains may not be immediate, the process of investing is as much the aim as the actual gains, Wynn says. Investor education and training are being provided by Better Investing, formerly known as the National Association of Investors Corp. (NAIC).

I'm for anything that gets folks to make wiser choices with their money.

If we're ever to close the wealth gap between minority and white households here and nationwide, it's critical that families get the education and tools to become financially stable. This is particularly important when you look at the stark economic divide between African-Americans and whites in this country. A study released in 2003 by the Federal Reserve Board found that in 2001, a typical white family had six times the wealth of a black family.

"What we see is that this is a sustainable type of program where once we help people to get started, they can keep going," says Wynn. "Middle-class suburbia is doing this already."

For the last decade, Wynn has been on a crusade to help African-Americans in Milwaukee learn to build wealth through investing. But such efforts have been slow to catch on here.

"This is exactly the kind of systematic, methodical strategy that we need to embrace and support to provide people the education and the tools to lift themselves and their families out of poverty," says Linda Stewart, president and CEO of North Milwaukee State Bank, which is providing free checking for the CLIMB investment club members.

"The first step toward being able to raise your net worth is to start taking steps in your own life to increase the ability to save," says Mark Schug, professor and director for the Center for Economic Education at the University of Wisconsin-Milwaukee. "By going to an investment club meeting every two weeks or monthly, you become a different person."

Club members contribute as little as \$10 to \$25 a month from their own money, which is placed in a pot for purchasing shares of stocks.

Already, the CLIMB initiative is becoming a galvanizing force among young African-American professionals in the city. Among them is Steven DeVougas, 22, a second-year law student at Marquette University.

"A lot of young African-American professionals feel that Milwaukee is a city that's full of opportunity, and we're trying to make things happen," says DeVougas, who belongs to

the Dream2Day investment club, which is part of CLIMB. "We want to secure our own future and give back to the community."

Let's hope that this kind of thinking will become contagious.