



Opening Remarks—Book Launch: The Future of Building Wealth

September 30, 2021

Remarks: [pdf](#) | [text \(below\)](#)

St. Louis Fed President Jim Bullard delivered opening remarks at the book launch of “The Future of Building Wealth: Brief Essays on the Best Ideas to Build Wealth—for Everyone.” The book’s authors aim to document wealth gaps along racial, educational, generational and gender lines, and to point to some promising solutions. The Aspen Institute and the St. Louis Fed partnered to publish the book, which includes 63 essays from leading experts.

Full text of remarks:

Opening Remarks¹

James Bullard

President and CEO, Federal Reserve Bank of St. Louis

Book Launch: The Future of Building Wealth

The Aspen Institute and Federal Reserve Bank of St. Louis

Sept. 30, 2021

It’s a pleasure to be here. I want to thank Dan Porterfield for his introduction and for organizing today’s exciting book launch event.

The St. Louis Fed is proud to partner with the Aspen Institute for this book on building wealth inclusively. When Ray approached us with the idea for this book, we thought, “What a great way to keep Ray busy!”

But seriously, like Ray, the St. Louis Fed believes that the confluence of so many large events makes this book especially timely—the pandemic, the recession that followed, and our nation’s critical efforts around racial reckoning. And all of these are occurring amidst levels of economic inequality our nation hasn’t seen in a century. These are precisely the kinds of

events that present opportunities to update our country's social contract. We didn't want to miss our chance to put some bold and innovative ideas on the table.

While it's not the Fed's role to direct fiscal policy, it is our role as thought leaders—in macroeconomic policy, economic research, economic education and community development—to offer fact-based ideas that could improve our nation's economy, especially for those struggling Americans who could more fully reap its rewards.

Thought leadership has always been central to the St. Louis Fed's mission, and we were eager to provide leadership in an area where we were already heavily invested: savings and wealth building among those with fewer resources.

Through our recently sunset Center for Household Financial Stability, founded in the wake of the Great Recession, we documented large and enduring wealth gaps along racial, educational, generational and gender lines. These gaps, as the opening essays in the book demonstrate, remain large and enduring:

- The top 10% of American families owns 70% of total financial wealth, while the bottom half owns only 2%.
- Those in the top half of the wealth distribution are more likely to be older, white or highly educated; these groups own more family wealth than their share of the population.
- The bottom half is disproportionately younger, Black or Hispanic and less educated; these groups own less family wealth than their share of the population.

In many ways, we see this book as a capstone of the Center's efforts to promote wealth building inclusively, but we also see it as a cornerstone of the Center's successor, the Institute for Economic Equity, which views wealth equity as critical to achieving overall economic equity in our country.

Obviously, we have a long way to go to reach wealth equity. For example, the typical, or median, white family has a net worth of about \$184,000, while the typical Black family has just \$23,000.

Think about what these different levels mean for a family's economic resilience in the face of a job loss, car breakdown or natural disaster—or for a family's ability to look ahead: to invest in education, a small business, a first home or a secure retirement. We all know that wealth begets wealth, so the challenge is: How do you accumulate some wealth in the first place? Answering that question is one of the reasons we're eager to publish this book.

The book aims to document profound wealth gaps but also point toward some promising solutions. Knowing that we don't have all the answers, Ray and Aspen reached out to over

100 diverse and leading experts, resulting in over 60 original essays. These essays not only offered the latest thinking on ways to shore up fragile family balance sheets, but also how to devise entirely new ways of generating an ownership stake in the U.S. economy.

Importantly, working toward wealth equity at the household level contributes to a stronger overall economy. This point was strongly reinforced in a conversation I had with three of my Fed colleagues—Presidents Bostic of the Atlanta Fed, Harker of the Philadelphia Fed and Kashkari of the Minneapolis Fed—a summary of which is included in this book. In that discussion, my colleagues also described how the Fed could help address racial and other wealth gaps using the tools at its disposal.

Thank you for joining us today. We hope you'll pick up your free copy—the price is right—of the book and especially engage in the conversations we're sure it will start.

I'm now pleased to turn the program over to the book's co-editors, my colleague Ray Boshara along with Ida Rademacher of the Aspen Institute.

¹ Any opinions expressed here are my own and do not necessarily reflect those of the Federal Open Market Committee.