

How Can I Build Wealth as a First-Generation American?

In this episode, Stefanie talks to a listener who is the first in her family to live, work, and build her wealth in the United States, and learns about the impact that has on her relationship with both her money and her family. Personal finance author Berna Anat weighs in with how to manage the unique financial considerations for immigrants, and first- and second-generation Americans.

“Vanessa”: "She could be doing so much better than us, why is she doing something that we can do ourselves?" They definitely thought they had a better idea of what I could do and do better at.

Stefanie O'Connell Rodriguez: This is Money Confidential, a podcast from Real Simple about our money stories, struggles and secrets. I'm your host, Stefanie O'Connell Rodriguez, and this week we're talking to a 23-year-old listener based in the Midwest, who came to the United States by way of Brazil, who we're calling Vanessa, not her real name.

“Vanessa”: My dad and my mom, they were both poor growing up. My mom had seven siblings. They would always take some people in and doing the best that they could for their family and their extended family, but they didn't have much.

Stefanie O'Connell Rodriguez: Vanessa's mom started working as a nurse before getting a technical degree to a work in a more senior administrative role, while her father found work on an oil rig, splitting his months between his work and home, 15 days on, 15 days off.

“Vanessa”: They were the only ones that were middle-income by that time. My dad was always trying to make sure that we knew that we didn't come from much. So we are much closer to being back to that than to a millionaire now.

Stefanie O'Connell Rodriguez: Vanessa came to the United States for the first time as a high school exchange student in Indiana.

“Vanessa”: I'm from Rio. So, Indiana was the smallest place that I had lived in. As a 17-year-old, that was definitely a different experience.

Stefanie O'Connell Rodriguez: To round out her final few credits of the program, Vanessa decided to take a culinary class. And while it turned out that she didn't love the cooking, Vanessa did wind up discovering something she did.

“Vanessa”: I didn't really like using my hands and making, I dunno, biscuits and gravy. I enjoyed much more of the book part. You can actually do sales and work with a wedding, anything like that, that sounds much more up my alley. Let me do this.

Stefanie O'Connell Rodriguez: By the time her exchange program ended and Vanessa went back to Brazil, she had a clear idea of what she wanted to pursue, but first, she had to tell her family about her ambitions to work in hospitality.

“Vanessa”: Everyone in my family always wanted to know, oh, are you going to be a lawyer, a doctor? It's the only things that everyone thinks will make you money. Whenever I said that I wanted to do something in regards to hospitality, they didn't take it well. Everyone said, "You have always been so smart and your parents have poured money into your education. Why are you doing this now?"

Stefanie O'Connell Rodriguez: In spite of the push-back, Vanessa made the case to her family to continue studying hospitality in higher education. As a student, Vanessa was part of a demographic shift that's taken place in higher education over the last few decades. By 2018, nearly [30 percent](#) of all students enrolled in colleges and universities were immigrants or the children of immigrants. And while completing a degree can be worthwhile, with [studies](#) showing college graduates earn \$1 million more over their lifetime than those with just a high school degree, it can also bring with it a higher pressure to succeed to justify the cost of tuition.

Stefanie O'Connell Rodriguez: So, you go through this program and transition out of school and into your career. What was that like?

“Vanessa”: I graduated in 2020.

Stefanie O'Connell Rodriguez: Into hospitality.

“Vanessa”: Exactly. As an international student that needs a job.

Stefanie O'Connell Rodriguez: In other words, Vanessa graduated into the hospitality industry shortly after the COVID lockdowns began, which hit the leisure and hospitality industry harder than any other sector, with [8.2 million jobs lost - an employment decline of nearly 50 percent](#). Not only that, but immigrants also experienced [greater job loss](#) than U.S.-born workers at the start of the pandemic. And for people like Vanessa, living in the U.S. on a visa, losing a job or not being able to find a job, meant potentially losing the ability to stay in the United States.

“Vanessa”: I was living with my girlfriend. There was always that fear of, wow, you have a visa, it could expire any time. So, we got married in October 2020. The justice of peace offices were closed, so we got married in the guy's front lawn.

Stefanie O'Connell Rodriguez: Had you talked about money at all before you got married?

“Vanessa”: She knew that I had \$6,000 savings in my bank account and I knew that every single time that her bank account got to \$350, she thought, “Oh yeah, let's go out. Let's go to Red Lobster. Let's go to the Brazilian steakhouse, anything.” I'm definitely the saver. I make much less than her because I'm still starting my career while she's miles and miles ahead. So, she lets me basically be the planner within our finances.

Stefanie O'Connell Rodriguez: What are the things you and your wife want your money to do for you?

“Vanessa”: We are actually building a house that is \$277,000. I am just trying to make sure that we still have our heads on the game and we are not trying to reach too far out.

Stefanie O'Connell Rodriguez: Do you think some of that comes from what you heard growing up?

“Vanessa”: Yes. Yes. Everyone, and her family even, are still, I would say, lower-middle-class. So even the house price that we are looking into, it sounds ridiculous to them. They all bought their houses when, oh my God, a hundred thousand-dollar house is so, so nice. It's a mansion. So now every single thing that we tell them, every single time we mention figures, they think that we're just throwing our money away.

Stefanie O'Connell Rodriguez: How does it make you feel?

“Vanessa”: Like we are still those children and they still think that we need to be coached over every single thing. My parents, they have bought houses and they know the pricing of things, but they're in another country.

Stefanie O'Connell Rodriguez: If you felt like you could talk to your family about these things, what are the things you'd want to ask them?

“Vanessa”: Am I actually doing this right? Am I actually getting ripped off? I don't know because what they think is “too much” is normal. So, they will always think that we're overreaching and trying to do too much.

I'm already thinking about how much do I need to set aside for retirement? Our family just thinks that we need to have more time going out and being able to buy things and enjoy how young we are, because they think that we get too laser-focused on just getting the goals met.

Stefanie O'Connell Rodriguez: Do you think that's true?

“Vanessa”: I think that's sometimes true. And then what happens is then whenever we spend money, we just go and blow it all in one month after five months of not doing anything really big.

Stefanie O'Connell Rodriguez: When you say you “blow it”, it doesn't sound like you're going over a budget.

“Vanessa”: We aren't, but for me, it's still blowing whenever I think that, “Oh, I spent \$300 at this restaurant. The food was great, but I will never see that again.”

Stefanie O'Connell Rodriguez: If you felt like my retirement plan is set, my housing payment plan is set—would you feel more comfortable to spend money freely?

“Vanessa”: I'm not even sure if I would be able to do that. For example, if I'm off and my wife isn't, I would just stay in bed and watch TV. Because I always am scared that why am I spending the money that I could just save for a day that we can both do it together?

Stefanie O'Connell Rodriguez: What would a financial advisor have to tell you to make you feel more secure?

“Vanessa”: Just that I am ahead of schedule or something like that. I always need to keep in mind, have at least \$2,000 specifically to go to Brazil in case anything happens. You can have, “Oh yeah, let's go ahead and have three months of the house payment into a savings account. Then let's have all of those other savings accounts that everyone is supposed to have.” But then I have the extra one on top of everything.

Stefanie O'Connell Rodriguez: Think of two years ago. And think of where you are today. When you think about the difference, what comes up for you?

“Vanessa”: Wow, definitely back then, jobs were terrible, and then now I'm in a job that I actually like, and it looks like I should be shortly getting promoted. And then my wife got a much better job. Our emergency fund is about four months of expenses. So it all falls into place, I guess.

Stefanie O'Connell Rodriguez: When you're raised in a family that's dealt with financial hardship and uncertainty, making financial decisions can come with baggage, like guilt around spending or fear that you'll never have enough in savings. And if your family is from another country, you might face the additional challenge of feeling like they have different values and different context for making value judgments. That can make it very hard to take steps to build wealth, which inevitably involves accepting some financial risk, whether you're buying property or investing in retirement or taking out student loans. But there are people out there who share your outlook and can support you as you take those risks. And it's so important to find them so

that you can learn to trust yourself and feel good about your choices. After the break, we'll talk about what it looks like to do just that with @heyberna, a first-gen financial educator.

Berna Anat: Hi all, my name is Berna Anat, AKA your financial hype woman. I am she/her pronouns. I'm a first-gen Filipino American daughter of immigrants.

Historically, not only have we been taught to feel ashamed about our money, we've been taught to feel like money is either unladylike or uncouth or rude or weird to talk about money, but we've also been systemically shut out of the conversation about money.

In so many different ways, both using gatekeeping language and actual legitimate discrimination to keep marginalized folks out.

And so doing the opposite of that as much as possible, being loud, being unafraid to make mistakes, and unafraid to talk about these shadowy things that we feel in our money life, because the truth is so many of us feel the same and we're just sort of festering in the dark, not for no reason, but by ourselves, which sucks.

Stefanie O'Connell Rodriguez: So take me back to Berna's own reckoning with this.

Berna Anat: If you can't tell, I'm a giant ham. I was very into communications and journalism and theater, much to the dismay of my Asian parents, who of course, in the classic Filipino American way were like, so doctor, lawyer, engineer.

And I was like, no, no, no, no, no, no, no, no, no, no. None of those things. But also, very grateful that I was able to pursue things that were not those things. I wanted to get into magazines. I wanted to write, and a lot of those things I just listed that were not doctor, lawyer engineer. Ooh, don't pay well. And so in my mid-, early-20s, I had graduated from University of Southern California with \$38,000 in debt. And then because I was living as a freelance writer in New York City, I was very broke and was in \$12,000 of credit card debt.

And I was like, that's cool because, like, I'm pretty sure me and all my friends are broke and it's cute. And it's fun. And we're secretly terrified, but it is part of the culture that we don't talk about how we're terrified. It's just sort of, you know, our personality trait to be broke and cute and also terrified.

The reckoning really came when I wanted to move back to the Bay Area, I wanted to be near family again. And I got a very non-technical job in the tech world that was giving me a paycheck every two weeks, which is like boom - really changed the game for little freelance me.

And so, I was looking at my \$12,000 of credit card debt and the fact that I had no emergency savings. And I was like, I think it's time to learn budgeting. It's time to get on the Googles and just ba-pa-pa-pa-pa. So, I started on this sort of self-learning journey of personal finance.

My mom worked in customer service in the airport for my whole life. My dad is a mail carrier. Nobody in my family is financial. And so very much starting from zero. And so that's really when the reckoning came, it was like, why am I learning this stuff from people who, I can't relate to them in the least. And the advice they give to me is so tone-deaf and irrelevant to me. That's when the financial fire was really lit under my butt.

Stefanie O'Connell Rodriguez: What are the ways in which you see the first-gen, second-gen experience really not accounted for in a lot of the ways we talk about money?

Berna Anat: A lot of us are born into a kind of this experience that's like you are your parents' American dream. You are meant, in a lot of ways, to live out their American dream. A lot of things are already sort of prescribed onto you before birth. Tons of pressure, a lot of like outlines that we struggled to fit into. And as we grow into young adulthood and adulthood, I always see us visually as straddling a canyon and we have one tsinela or chancla or slipper, like in the Homeland, in our parents' mindsets and our home mindsets and the things we have to take care of financially there. And then we have one, Croc in here as first-gen. We were trying to figure out the Americanized side of things and you want to stay rooted in your culture, but you want to assimilate. And the two financial languages can be very, very different. I think one thing I never see or very rarely see is the fact that when you are first-gen or you are in an immigrant family, we don't hear a lot in the financial space about making space in your budget to take care of your family or to send money home or if you're lucky enough to go back to your home country, the financial situations that happen there, where you're helping folks out, or you're seen as in the nicest light, you're seen as someone who can come back and give back, in the most negative light, you're seen as sort of like a U.S. dollar ATM. In Tagalog, in the Filipino language, the phrase is *utang na loob*, which means blood debt and blood debt meaning this is your obligation. You have an obligation to your family. You have an obligation to the folks back home. You might actually take on the financial debts of your family. And that's just sort of part of your culture. The financial side on the Americanist side, either doesn't recognize those sort of things that we carry or looks down on it and says like, Hey, you should just cut your family off. Or like, you should really set these really intense and hard boundaries with your family. And then that just feels so tone-deaf, because again, we're this transition generation. We can't just be like, suck it, parents. Suck it, home country, I'm an American now. I'm an individual.

I think there's a lot of things wrong with that mindset as well. And so, our job as first-gen in the finance is to sort of try to blend these worlds together and kind of pick and choose and buffet what works for us.

Stefanie O'Connell Rodriguez: So can we talk through what this might look like practically in our financial lives as people who are trying to blend our values and our goals and our family values and goals?

Berna Anat: Yes, absolutely. I think with one very specific instance, being that, a lot of people in my community, the first-gen community, immigrant family community, we want to support our families. Either families here or back home. That's not something that we want to cut out of our

budgets. And so how do we build this sort of like Americanized ideal of a budget, which there's lots of very soothing organization to it, but also bring in those aspects of our culture?

And so I've spoken with lots and lots of specifically Filipino American families in discussing, "Okay, what we do is we go to LBC or Balikbayan boxes or whatever, we go to these resources where we are sending money or resources back to the Philippines every month or every few months. How can we regulate that in a way that is sustainable for us?"

Because in the before times we would just be like, oh, family needs something. I'm going to basically empty out what I've got. Or I'm going to try to cover my bills and give you everything else left or give you everything else first and then try to cover my bills.

How can we borrow the idea of like, what would it look like to huff a little bit for my own oxygen mask first, before I put it on somebody else? Let's get away from "I'm going to give you everything I've got" and start moving towards "Let's see what I can give you every month in a sustainable way that I can sustain for this month and next month and next month and say yes to our families, but yes, with this specific amount or yes, with this specific portion of giving that you know you can sustain."

And then it's important to think about the messaging of when you're talking to family back home. It's not just like, I'm not giving you that any more. You only get X amount of dollars per month. The messaging is, I'm excited to share this life with you. I'm excited to share my resources with you. Here's what I can give. If I can give more in the future, I will let you know. But for now, this is what I can give, here's when you can expect it.

How can you organize your money so that you can joyfully say yes to things as opposed to the very sort of like no! Boundaries! Diet! Like what yes can you give to your family back home that feels good and still looks out for your own survival as well?

Stefanie O'Connell Rodriguez: This is why it's hard because we like things that are really simple and really straightforward. But the way this shows up in someone's life can mean looking at your story where you were paying down student loans, and if somebody's paying down student loans, how does sending money to family at home fit into that?

Berna Anat: When you have a financial goal, you're like totally focused on that financial goal. And the Americanized side, it's like, everything should be going towards your debt. If you're putting any other dollars towards anything else, you are stupid. but then the sort of more nuanced side is that we have to make room, like we're going to have to make room financial room literal numerical math room in our budgets to do both. And so what does that look like? First, you might go all the way to the side of the spectrum of like, if I didn't give a F about anybody, this is what my debt pay-off journey might look like. And it might happen at this time. All right. Well, I do want to send \$100 U.S. back home every 15th of the month. How does that affect my debt pay-off journey? How does that mess with my deadline a little bit? Can I find that

\$100 from a different source? Then it's just literally doing the math to see where that would fit and then communicating that to your family.

It also really helps to explain what you're doing, because at least in the experience of my family, there is sometimes this perception of folks, my family back home, that in America there's money, it's just sort of like rolling in and like pouring from the ceilings. And it is very true that a lot of us don't have it nearly as hard as folks back home, but it does help to sort of illustrate exactly why you're doing what you're doing. If I was talking to my family, I'd be like, you know, I have these student loans and I'm trying to pay them off. This is important to me. This is how much I'm paying. And so, because it's like this, I can give you this much. It's not forever, but understand that this is where I'm coming from financially. This is what I'm dealing with. And I still want to give this to you. Like being more transparent about what you are dealing with so that you can start to see each other on this human level.

Stefanie O'Connell Rodriguez: This disconnect between perception and reality, it's something that came up in our listener's story this week. And one of the pain points was, the dialogue from family using their framework of cost and value from home, for giving feedback on the choices that our listener's making here in the United States.

And so there's this conversation around this house and why would you spend \$250,000 on a house? If you don't have somebody in your life who's a sounding board who's been through it, it can feel really hard to know, are they right? Am I crazy?

Berna Anat: I think this is where first-gen folks, people who come from immigrant families, we have to tap into that superpower that we grew up with, which is going to hunt and gather the information and the people for ourselves. A lot of us, we don't grow up with role models of people who've bought many, many homes and passed the thing down, and teach us how to invest, blah, blah, blah, blah, blah.

You need to find role models outside of your world, because that's like your whole existence as a first-gen person. Is building a world that didn't exist. And building from tools that you never had. Look around for those folks that seem like strangers to you, but there are now so many people on the internet who are documenting their experience and buying a home, and talking to their family about it and the awkwardness that comes up.

For example, the financial choices I've made in my life, my parents are definitely like, why would you do that? Namely, they're like, why are you out here living on your own? Come home, you weirdo. Like, come live with us over here. Why do you need these things?

I've found that it isn't helpful for me and my family to dump on them all the reasons that I have about protecting my own independence or renting or things like that. I need to give them time to get used to the things I'm thinking of.

In the meantime, you've got to find those communities of people who are doing what you want to do. And I don't mean you have to join a Facebook group and buy into a membership and all that stuff. Just find the three or four people that you like to observe and watch them like a reality TV show. Connect with people who are in the comments that are like, damn, that was my problem too. And I'm in Florida and be like, I'm in Florida too. You want to talk, start to crawl in through those communities and just observe. That feeling can support you so much when again, you're working with a blank slate.

Stefanie O'Connell Rodriguez: In some ways that's a blank slate, but in other ways it's the programming from childhood especially when it's coming from a very different cultural set of values or experience, and one thing that happened for our listener was her family made their way into the middle class. But then the narrative from her father was this language around, just making sure you don't fall backwards. Not falling backwards and how do I build wealth are very different things.

Berna Anat: I'm so glad we're talking about this because I think even just in the last three, four years, my own generational wealth brain has changed. Even the last two years and thinking about how hustle culture has just not been that cute anymore, to be honest, like we're all really side eye-ing her. And if you asked me three, four years ago, I would've been like, I am hustling as hard as I can. It's almost like the Olympic long jump. I'm pushing to try to throw my body into capitalism as far as I can. So that I can drag my family behind me because I have this super boost. You know, I could speak English. I've got these skills, like I'm going to take our family there. And I'm gonna do it. But if you ask me now, I am realizing, I think there's been this collective awakening to the trap of hustle culture and how pervasive that is and how that could be extremely insidious as first-gen because we're hustling to bring our family up, but that's a trap too. Like I, the youngest and the only in this generation have all the responsibility to do all these things. And I had to really think about it over the last year of like, okay, generational wealth is important. The way you find the people around you succeeding just like eons and eons beyond you is because people chapters and chapters back worked really hard for them. And now they're reaping the benefits. You want that for your family.

Also, over the last few years or so, I've been watching my parents retire and watching all my other first-gen friends' parents retire. And we're like, damn, you know what the real wealth is? Freedom, time, rest, the ability to be with each other, the ability to be healthy, the ability to feel like if something wild happened to you tomorrow, you lived a good life today.

My ancestor's wildest dreams was not for me to work until I die. And so I'm still very much reckoning with that and trying to parse it out because as much as I want to go as far as possible and bring my family up, what legacy am I really leaving? How am I honestly honoring the people who came before me and worked so hard before me, if I'm torturing myself just as much as they did, but with different tools and in a different system? I think a lot of us are waking to the fact that we for so many reasons, have been running on this hamster wheel our whole lives, and now it's almost like, okay, fine hustle culture is dead. I'm trying to step off the hamster wheel.

It turns out the hamster wheel is also a place of comfort for a lot of us too. It's what we know. It's how we know how to function. To step off the hamster wheel of hustle culture, to try to even think and comprehend saying, I've done enough. This is good. I can stop here. Terrifying. This is speaking as me as a very much still recovering perfectionist, type a, youngest, golden child daughter thing going on.

It is terrifying to think of complacency. Or enough being connected to scarcity. And it makes total sense why, because we have been running our whole lives. We were raised by people who have been running their whole lives.

And that's the part that's difficult for us to untangle, but we gotta try.

Stefanie O'Connell Rodriguez: Sometimes we talk about enough and people assume it means enough cumulatively, instead of enough for now. And I think that can be tricky too, especially in personal finance world, where you've got early retirement, you got these things that are so predicated on, when I X, I will X. When I am debt free, I will X. When I have this many million dollars in the bank, I will not do anything. And I don't know how within reach that is. And so maybe trying to figure out what are the things that are going to give me a sense of security in my financial life that I know I've done enough for now.

Berna Anat: It's like a next-gen-level question to ask yourself, because we've only ever been asking ourselves, do you have enough for the future? Are you investing? And then are you investing turbo? You just learned about investing 30 days ago. Now you're learning about investing so hard that you're retired at 22.

We're just thrown to all the different sides of the spectrum so quickly. And it's almost again, difficult to walk back and be like, well then what is enough for now? And that's very difficult for us to think about, because again, we're raised by runners. We were raised running, we were raised building for the future. We were raised being terrified of scarcity, never wanting to feel like we didn't have enough ever again. Never wanted to go back to poverty and all the things that happened inside of poverty. And so to pull back, it's just wild to think about it. As we're talking, I'm like seeing the sort of line graph of the emotional journey of a first-gen person, trying to figure out their finances, it's like, go hard, go hard, go hard, go really hard. Now, go soft, go very soft, be extremely soft. F hustle culture, reject it. Wait, get into it. Nope, reject it. It's truly whiplash. And so I feel like I'm still amid that with whiplash and trying to figure out. What's enough for me, for now? Am I okay this month? Am I okay in three months and six months? But there's still that colonized side of my brain that's like, you're kind of a failure. What about your parents? Are they gonna retire? You need to hustle, girl. It's still those two parts of my brain. And I think being first-gen means having to hold both and not having the answer necessarily to, which one do we choose? You just have to hold both.

Stefanie O'Connell Rodriguez: How do you give yourself some grace?

Berna Anat: Oh, talking about it. I'm very into therapy, I will never stop talking about therapy, but like in my body, I literally feel like a trickle of relief go down my spine. When I'm talking to someone that's like, you get it. You get that you want to hustle and you don't ever want to hustle again. You understand that you want an, A plus the finance world for you and everyone that came before you, and you want to nap for the next 50 years. And you are impressive and you are ungrateful and you are tired and you are not doing enough. When I talk to people who hold all those nuances in their body, I feel physical relief in my body. The more you share your experiences with money, the more you lean into the fact that when you say something about money, it's not an absolute. We're always learning. We're always changing. We're having to hold all these nuances. The more you talk about the nuances, the more you relieve yourself and you relieve somebody else listening. Hopefully someone listening right now feels relieved about this conversation.

Like this mushy part of the financial conversation, the emotional part, I love to talk about it and we need both. We need the tactical sides, the hard facts, the tips, and we need the emotional side because money is both.

Stefanie O'Connell Rodriguez: No matter your family's background, their views about money are probably going to inform your own. And for those from immigrant backgrounds, that can feel especially challenging when you feel like your values don't always align with those of your family. But charting your own path doesn't have to mean disregarding your cultural and familial values entirely.

You can pick and choose the advice that feels most aligned with your priorities to build your budget, savings and investments around. Building out your own chosen community that gives you space, support and understanding, and giving yourself some grace through the process as well. Because reaching big financial goals takes a lot of work, and if your family isn't able to help or doesn't understand your choices, you're likely doing a lot of that work by yourself. So remember to be patient with the process and recognize the progress you're actually making, keeping in mind that when it comes to blending new goals with traditional values, the process isn't necessarily as neat as a spreadsheet and there are many other people trying to figure it out as well.

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