

ideas42, Wells Fargo Aim to Tackle High Costs of Living in Poverty in the U.S.

Three-year, \$15 million initiative taps entrepreneurs to develop new technologies to alleviate hidden burdens of low-income communities, improve economic opportunity for all

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Four entrepreneurs—Celena Green, Dr. Kortney Ziegler, LaToria Pierce, and Santana Perez—have been selected to join Ventures for Shared Prosperity to design and launch new technologies that alleviate the hidden costs of living in poverty in the U.S.

SAN FRANCISCO, July 30, 2021 /3BL Media/ - Millions more Americans slipped into poverty over the past year, creating fresh concerns about deeply rooted racial inequities and structural barriers to financial prosperity. Today, Wells Fargo and **ideas42**, a leading nonprofit that uses insights from behavioral science to drive social change, announced **Shared Prosperity Catalyst**, a \$15 million collaboration funded by Wells Fargo that aims to increase pathways to economic opportunity and advancement in the United States. The multiyear effort will initially focus on alleviating the **disproportionate cost burdens**, both financial and nonfinancial, faced by low- and moderate-income communities, and particularly communities of color.

For people with lower incomes, the basics of everyday life, including housing, food, child care, health care, transportation, and financial services, come with significantly higher costs. These costs may be financial, such as higher fees for accessing basic services, or the costs of everyday goods like groceries, which disproportionately affects low-income households. They may also be nonfinancial costs, which are often hidden, such as extra time and mental energy spent on care obligations and administrative hassles, or the constant stress of managing scarce resources. To address these cost burdens, four early-stage entrepreneurs will join **Ventures for Shared Prosperity** – an 18-month-long challenge to kick-start new technologies that make it easier for people to access the resources needed to provide for their families and achieve financial stability.

“Shared Prosperity Catalyst will expand the traditional view of what constitutes financial health, such as income, debt, and savings, to include larger structural barriers such as housing, transportation, the justice system, and employment,” said Josh Wright, executive director of ideas42. “Tens of millions of Americans live with the effects of having too few resources and opportunities, financial volatility, and uncertainty around income and employment. Our work will enable better tools for financial, physical, and mental well-being because they will be designed with the real experts of poverty: those who have lived it and experienced its effects.”

“The reality is that it’s expensive to be poor in America. People with lower incomes pay a much larger share of their income on housing, health care, and child care, and a premium for food and everyday necessities. Unforeseen events like traffic tickets, medical emergencies, or reduced work hours can strain household budgets and cause a chain reaction,” said Darlene Goins, head of Financial Health Philanthropy and Banking Inclusion at Wells Fargo. “By reducing systemic barriers, we can create pathways to greater economic opportunity and a more inclusive future for all. Everyone benefits when more people can participate fully in the economy.”

will use a three-pronged approach to seed innovation, while simultaneously tackling the longer-term systems and policy changes needed to create more equitable financial prosperity across the U.S. Each strategy will be informed by behavioral science – the study of how people make decisions and take action in the real world – and consider the financial, physical, and mental health impacts faced by people living in poverty:

- **Narrative Change for Shared Prosperity:** Development and testing of messaging and tools for changing deeply embedded, false stereotypes and cultural narratives about the causes of, impact from, and solutions to poverty in the United States.
- **Policy Lab for Shared Prosperity:** Developing behavioral science-informed, evidence-based policies at the federal, state, and local level to address factors

that lead to and keep people in poverty.

- **Ventures for Shared Prosperity:** Designing and launching new tools and technologies that meaningfully improve economic advancement led by paid cohorts of entrepreneurs and innovators from across the country.

Ventures for Shared Prosperity: Meet the inaugural cohort

After a competitive selection process designed to reduce barriers to technology entrepreneurship, four entrepreneurs – each with personal experience living within the realities of poverty – have been selected to join Ventures for Shared Prosperity. The cohort will receive 18 months of support, including a full salary and benefits, and a team of experienced business builders and behavioral scientists from ideas42 to help turn their concepts into real solutions. The inaugural cohort brings a deep understanding of the contexts in which they'll be working, as well as the skills to build visionary, impactful businesses:

- Celena Green, a social entrepreneur and ecosystem builder in South Bend, Indiana, is exploring ways to save small businesses from closure and help their employees maintain job security. With over 20 years experience leading economic growth and inclusive prosperity initiatives in emerging markets domestically and internationally, Green has experience leading a range of programs, from women's entrepreneurship development in sub-Saharan Africa, to startup and small business development programs in South Bend.
- Santana Perez, based in Houston, Texas, is a real estate investor and former corporate finance professional. She is creating a platform to help people access down payment assistance programs and opportunities for homeownership. Perez, previously a credit manager in the energy industry, has firsthand experience with down payment assistance programs and a passion for helping others improve their financial health and wellbeing.
- LaToria Pierce, an engagement specialist and entrepreneur in Fairfax, Virginia, is exploring ways to help young, single mothers with care obligations access remote jobs and other flexible employment opportunities. Pierce's previous experience includes media, marketing, and FinTech in the areas of domestic violence awareness, small business marketing, and financial stability for families with limited income.
- Dr. Kortney Ziegler, a social entrepreneur from Oakland, California, is developing a platform to help underbanked individuals access instant funding for life emergencies. The founder of several ventures aimed at addressing excess cost burdens within Black and transgender communities, Ziegler's most recent business, Appolition, enabled incarcerated people to afford bail so they could return to their families and livelihood.

Shared Prosperity Catalyst is supported by exclusive funding from Wells Fargo. For more information about this initiative, visit sharedprosperity.ideas42.org.

About Wells Fargo

Wells Fargo & Company (NYSE: WFC) is a leading financial services company that has approximately \$1.9 trillion in assets, proudly serves one in three U.S. households and more than 10% of small businesses in the U.S., and is the leading middle market banking provider in the U.S. We provide a diversified set of banking, investment, and mortgage products and services, as well as consumer and commercial finance, through our four reportable operating segments: Consumer Banking and Lending, Commercial Banking, Corporate and Investment Banking, and Wealth & Investment Management. Wells Fargo ranked No. 37 on Fortune's 2021 rankings of America's largest corporations. In the communities we serve, the company focuses its social impact on building a sustainable, inclusive future for all by supporting housing affordability, small business growth, financial health, and a low-carbon economy. News, insights, and perspectives from Wells Fargo are also available at [Wells Fargo Stories](#).

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About ideas42

ideas42 is a nonprofit looking for deep insights into human behavior – why people do what they do – and using that knowledge in ways that help improve lives, build better systems, and drive social change. Working globally, we reinvent the practices of institutions, and create better products and policies that can be scaled for maximum impact.

We also teach others, ultimately striving to generate lasting social impact and create a future where the universal application of behavioral science powers a world with optimal health, equitable wealth, and environments and systems that are sustainable and just for all. For more than a decade, we've been at the forefront of applying behavioral science in the real world. And as we've developed our expertise, we've helped to define an entire field.

Our efforts have so far extended to 45 countries as we've partnered with governments, foundations, NGOs, private enterprises, and a wide array of public institutions – in short, anyone who wants to make a positive difference in peoples' lives. To learn more, visit us at ideas42.org.

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