

KEY FINDINGS:

Sueño Incompleto: A History of the Latino Wealth Gap in the U.S.

Understanding the Historical Roots of the Latino Wealth Gap

As of 2022, Latino households held just 22 cents for every \$1 of wealth held by white households, with median wealth at \$62,000 compared to \$284,000.¹ This Latino wealth gap reflects decades of U.S. policy decisions across **FIVE KEY DOMAINS** that have shaped Latino access to wealth-building opportunities.

IMMIGRATION

HOMEOWNERSHIP

LABOR

SOCIAL BENEFITS

EDUCATION

IMMIGRATION

RESTRICTIVE IMMIGRATION POLICIES AND FOREIGN RELATIONS shaped wealth specifically by creating a hierarchy of legal statuses and rights that set unequal starting points. Limited or temporary status restricts job mobility, reduces access to homeownership and financial systems, and increases exposure to income loss and displacement, constraining wealth across generations.

KEY STATISTICS:



Latino noncitizens saw only a **18% income growth** (1970–2023), compared to 33% growth for U.S. Born Latinos.²



H-2B workers earn about **25% less** than others in the same jobs.³



Losing an undocumented earner could cut mixed-status household income by **48%**.⁴

¹ UCLA LPPI analysis of Federal Reserve, “Survey of Consumer Finances, 2022.

² UCLA LPPI analysis of IPUMS USA, Census Bureau CPI data 1940–2023.

³ Daniel Costa and Josh Bivens, “The H-2B Visa Program Has Ballooned Without Being Fixed. Expanding It to Year-Round Jobs like Meatpacking Would Lower Wages and Revenue,” Economic Policy Institute, September 18, 2025, [available online](#).

⁴ Matthew Lisiecki and Gerard Apruzzese, Proposed 2024 Mass Deportation Program Would Socially and Economically Devastate American Families (New York: Center for Migration Studies, October 10, 2024), [available online](#).

POLICY DRIVERS

Recurring Policy Designs in Immigration That Shape Latino Wealth Across Generations

POLICY SYSTEM #1

Legal Status as a Tool of Inclusion & Exclusion

HOW IT SHAPES WEALTH? Defines access to work authorization, mobility, public benefits, and financial systems through a hierarchy of legal categories.

Policy Dimension	THEN: The 1966 Cuban Adjustment Act	NOW: Deferred Action for Childhood Arrivals (2012)
Purpose of Program	Provided Cuban migrants with a pathway to permanent legal status alongside access to economic supports	Provides temporary protection from deportation and work authorization for select undocumented youth
Narrow Eligibility	Cubans broadly classified as political refugees and prioritized for rapid legal incorporation	Eligibility limited to a narrowly defined group meeting strict age, education, and conduct requirements
System Design	Policies expanded entry pathways for Cubans, while the Immigration and Nationality Act of 1965 imposed caps on Mexican migration, increasing undocumented status	Developed in a context of high undocumented populations, constrained refugee admissions, and expanded reliance on temporary status (e.g. TPS)
Economic Mobility & Stability	Permanent status enables full labor market access, geographic mobility, and access to credit and public benefits	Work authorization allows labor force participation but restricts access to credit, federal benefits, and career pathways
Wealth-Building Impact	Legal pathways to permanence enable stable employment, credit access, and long-term asset accumulation, while temporary protections create instability and restricts wealth-building	

POLICY SYSTEM #2

Labor Recruitment & Regulation as Economic Control

HOW IT SHAPES WEALTH? U.S. immigration and labor policies have enabled employers to rely on Latino labor while limiting workers’ stability and ability to build wealth. As a result, Latino workers remain essential to the economy but face persistent barriers to asset-building.

Policy Dimension	THEN: Bracero Program (1942-1964)	NOW: H-2A and H-2B Visa Programs
Purpose of Program	Addressed labor shortages in agriculture and railroads during WWII recruiting Mexican workers on temporary contracts	Address labor demand in agriculture, construction, hospitality, and seasonal industries
Employer Control & Job Mobility	Contracts tied workers to a single employer; termination often meant immediate loss of legal status; workers could not freely move between employers	Visas are employer-specific; changing jobs risks loss of status and deportation; job changes require new sponsorship and government approval
Ability to Report Abuse	Reporting abuse risked retaliation, contract termination, and removal	Reporting violations risks retaliation, blacklisting, or visa nonrenewal
Role of Enforcement	Threat of removal reinforced compliance and employer power	Background enforcement reinforces dependence and suppresses worker bargaining power
Wealth-Building Impact	Employer-tied legal status restricted job mobility and suppressed wages, while the temporary and enforceable nature of these programs allows income generation without enabling durable pathways to economic stability or asset accumulation	

POLICY SYSTEM #3

Enforcement & Deportation as Instruments of Economic Loss

HOW IT SHAPES WEALTH? During economic downturns, immigration enforcement has been used to remove workers from the labor force, stripping Latino households of income, assets, and stability and undermining local economies.

Policy Dimension	THEN: Mexican Repatriation Campaigns (1929-1936)	NOW: Illegal Immigration Reform and Immigrant Responsibility Act (1996) & Exec. Order 13768 (2017)
Purpose of Program	Reduce labor competition and public relief costs by removing Mexican immigrants and Mexican Americans	Expand deportation and deputize local law enforcement, while framing undocumented immigrants as the source of economic woes
Enforcement Mechanism	Coordinated removals across local governments, police, charities, and federal agencies enabled mass removals	Formalized federal–local partnerships that expand surveillance, detention, and removal through routine policing
Targeting Criteria	Targeted Mexicans broadly, often disregarding citizenship status	Targets undocumented immigrants but broad enforcement increases racial-profiling of Latino communities
Economic Stability & Asset Retention	Removals abruptly terminated employment and residency, eliminating income and asset retention	Persistent threat of deportation constrains job mobility, suppresses wages, and deters participation in formal financial systems
Wealth-Building Impact	Mass removals and sustained deportation risk destabilize employment, reduce income, and erode assets, limiting both short-term stability and long-term wealth accumulation	

CASE STUDIES

Using Latino Stories to Document Impact

THE IMPACT OF MASS DEPORTATIONS

Emilia Castañeda de Valenciana

Born in Los Angeles to Mexican immigrant parents, Emilia's family was repatriated to Mexico during the Great Depression after her father lost his job. There, she left school early and worked low-wage jobs, losing access to the opportunities she once had in the U.S.



Photograph of Emilia Castañeda with two dogs in Los Angeles, California (1945). **Source:** "Outspoken: A CPH Podcast," Department of History, Lawrence de Graaf Center for Oral and Public History, accessed August 3, 2025, [available online](#).

Nory Santoy Ramos and Estela Ramos Baten

After migrating from Guatemala in 2016, Nory Santoy Ramos built a life in Los Angeles with her mother, Estela Ramos Baten. Deportation policies abruptly removed that stability, forcing Nory to rebuild her life in a country she barely knew.



Photograph of Nory Santoy Ramos and Estela Ramos Baten. **Source:** Jacob Soboroff and Kay Guerrero, "The Disappearance of Nory Santoy Ramos," *MSNBC*, September 2, 2025, [available online](#).