

The Economic Impact of Financial Abuse

What is Financial Abuse

Source: National Network to End Domestic Violence

<http://nnedv.org/resources/ejresources/about-financial-abuse.html>

Financial abuse is a common tactic used by abusers to gain power and control in a relationship. The forms of financial abuse may be subtle or overt but in general, include tactics to limit the partner's access to assets or conceal information and accessibility to the family finances. Financial abuse along with emotional, physical and sexual abuse, manipulation, intimidation and threats are all intentional tactics used by an abuser aimed at entrapping the partner in the relationship. In some abusive relationships, financial abuse is present throughout the relationship and in other cases financial abuse becomes present when the survivor is attempting to leave or has left the relationship.

Financial abuse, while less commonly understood, is one of the most powerful methods of keeping a survivor trapped in an abusive relationship and deeply diminishes her ability to stay safe after leaving an abusive relationship. Research indicates that financial abuse is experienced in 98% of abusive relationships and surveys of survivors reflect that concerns over their ability to provide financially for themselves and their children was one of the top reason for staying in or returning to a battering relationship. As with all forms of abuse, it occurs across all socio-economic, educational and racial and ethnic groups.

Forms of Financial Abuse

As with other forms of abuse, financial abuse may begin subtly and progress over time. It may even look like love initially as abusers have the capacity to appear very charming and are masterful at manipulation. For example, the abuser may make statements such as "I know you're under a lot of stress right now so why don't you just let me take care of the finances and I'll give you money each week to take care of what you need." Under these circumstances, the victim may believe that she should or can trust the partner she is in love with and may willingly give over control of the money and how it is spent. This scenario commonly leads to the batterer giving the victim less and less in "allowance" and by the time she decides she wants to take back control of the finances, she discovers that the accounts have all been moved or she no longer has knowledge or access to the family funds.

In other cases, the financial abuse may be much more overt. Batterers commonly use violence or threats of violence and intimidation to keep the victim from working or having access to the family funds. Whether subtle or overt, there are common methods that batterers use to gain financial control over their partner. These include:

- 🌀 Forbidding the victim to work
- 🌀 Sabotaging work or employment opportunities by stalking or harassing the victim at the workplace or causing the victim to lose her job by physically battering prior to important meetings or interviews
- 🌀 Controlling how all of the money is spent
- 🌀 Not allowing the victim access to bank accounts
- 🌀 Withholding money or giving “an allowance”
- 🌀 Not including the victim in investment or banking decisions
- 🌀 Forbidding the victim from attending job training or advancement opportunities
- 🌀 Forcing the victim to write bad checks or file fraudulent tax returns
- 🌀 Running up large amounts of debt on joint accounts, taking bad credit loans
- 🌀 Refusing to work or contribute to the family income
- 🌀 Withholding funds for the victim or children to obtain basic needs such as food and medicine
- 🌀 Hiding assets
- 🌀 Stealing the victim’s identity, property or inheritance
- 🌀 Forcing the victim to work in a family business without pay
- 🌀 Refusing to pay bills and ruining the victims’ credit score
- 🌀 Forcing the victim to turn over public benefits or threatening to turn the victim in for “cheating or misusing benefits”
- 🌀 Filing false insurance claims
- 🌀 Refusing to pay or evading child support or manipulating the divorce process by drawing it out by hiding or not disclosing assets
- 🌀 Threatening deportation if the victim is an immigrant

The Impact of Financial Abuse

The short and long term effects of financial abuse can be devastating. In the short term, access to assets is imperative to staying safe. Without assets, survivors are often unable to obtain safe and affordable housing or the funds to provide for themselves or their children. With realistic fears of homelessness, it is little wonder that survivors sometimes return to the battering relationship.

For those who manage to escape the abuse and survive initially, they often face overwhelming odds in obtaining long term security and safety. Ruined credit scores, sporadic employment histories and legal issues caused by the battering make it extremely difficult to gain independence, safety and long term security.

Escaping Financial Abuse

As organizations dedicated to the empowerment of minority women, especially Latinas, USA AMEP Foundation and AMEP USA connect, develop, and empower these women through our signature activities and programs:

- networking skills and opportunities
- cross-cultural training
- training in soft skills
- financial literacy
- entrepreneurial education
- access to institutions

AMEP USA was launched in February 2012 as a 501(c)(6) non-profit organization with two initial regional chapters: Dallas and San Antonio. In June 2014, the organization opened a chapter in the state of Arkansas, in October 2016 it opened its Fort Worth Chapter and in 2017 it formally opens its Austin Chapter. In a few years, AMEP USA has managed to obtain recognition for its work on behalf of the professional women and Hispanic businesses in Texas.

USA AMEP Foundation, a non-profit organization obtained its 501(c)(3) status in 2016 to continue and expand the work of AMEP USA and its chapters, as well as do other charitable work benefiting minority youth and women.

Many of these women face a number of barriers and obstacles to thrive:

- they don't obtain accreditation for their studies abroad; therefore accessing lower paying jobs that are beneath their skill levels
- they face language barriers as they are not proficient in English
- they are victims of domestic violence
- they face barriers to obtain a GED, high school, college or graduate degree
- they don't understand the culture of the U.S. and particularly the professional and business culture of our country

AMEP USA through its different Chapters continually provides courses, seminars and workshops in areas such as negotiation, marketing, sales, work-life balance, leadership, communication skills, personal and business finance, as well as other soft skills that are essential in the workplace.

Specifically, we conduct trainings in key subjects such as the legal aspects to start a new business, tax training for small businesses, and negotiation skills for the workplace, sales, and obtaining loans for starting or expanding a business, financial opportunities for minority-owned businesses, work-life balance, cultural competencies, personal branding, as well as CPR & AED.

Our experience has shown that Latina women have been significantly underserved, as it has been hard to find custom-made programs to help them achieve their dreams of advancing in their careers and in the workplace, and of becoming business owners.

AMEP USA's women's education programs have been successful at a small scale as AMEP USA has operated with little or no funding. Nonetheless, AMEP USA's efforts have already made a significant impact on women in the geographical areas it has served through its programs. As a direct result of its efforts, Latina women have acquired skills sets that have enabled them to better manage their money, start new businesses, learn about nutrition, and improve the sales skills of those engaged in a direct selling business, among other skills.

AMEP USA has partnerships with different organizations, including Lift Fund, the Greater Dallas Hispanic Chamber of Commerce, the Ana G. Mendez University System, Femmes International, Women Living Abroad and others. AMEP organizes an annual event called "Women's Entrepreneurship Forum" for Latinas to obtain hands-on knowledge on how to start their own business, as well as other programs benefiting Latina women and their families.

With respect to its partnership with Ana G. Mendez University System, AMEP USA refers women wishing to pursue a college education, to further their careers with additional schooling or to obtain accreditation for college and graduate education abroad. Ana G. Mendez University System is the only campus in Texas offering fully bilingual education to its students.