

# Studying Numerical Literacy Across Generations in United States Households

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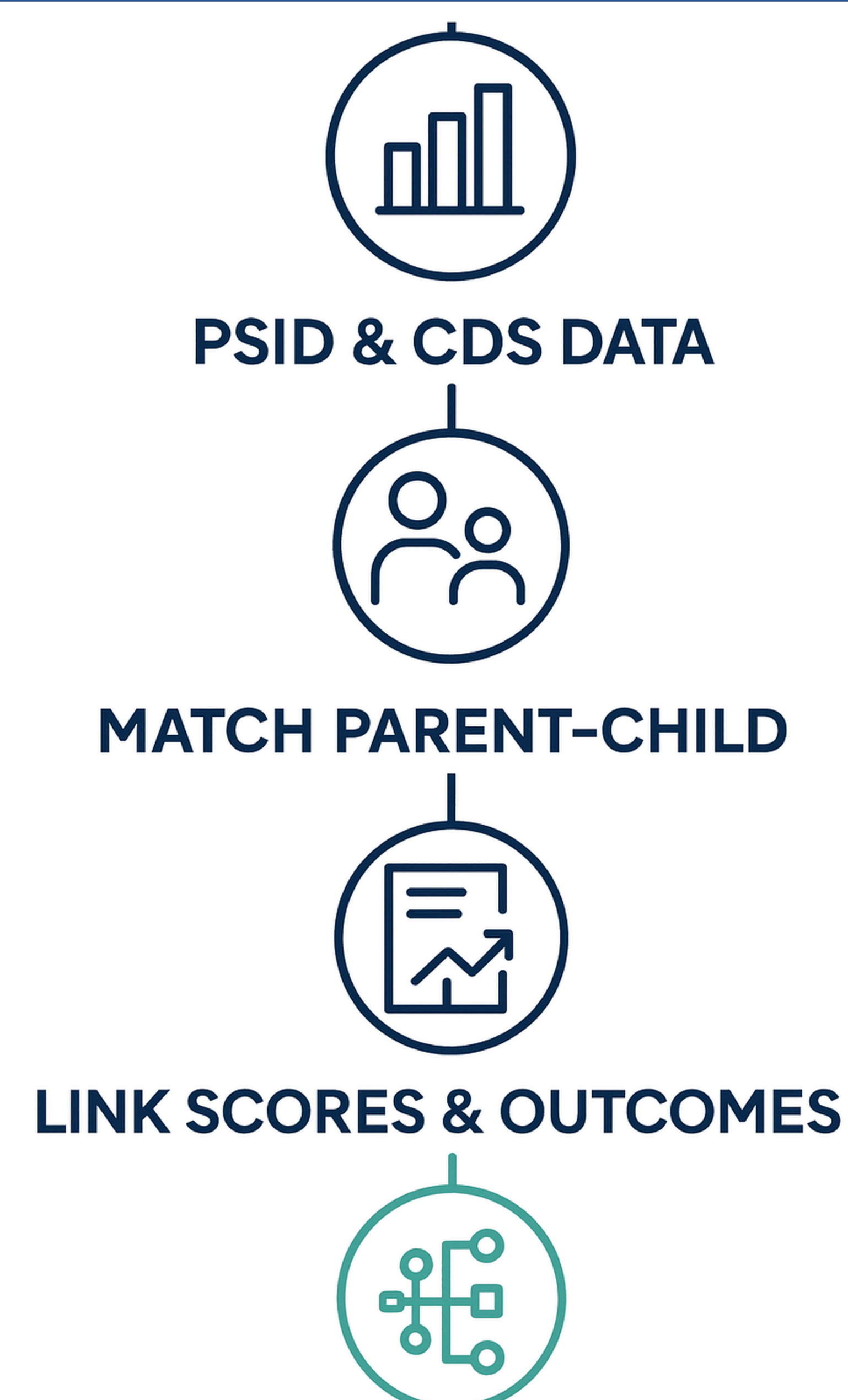
## Background

**Numerical literacy**, the ability to understand and work with numbers is essential for sound **financial decisions** and long-term **wealth building**. Most research focuses on **adults**, overlooking how these skills develop in **childhood** or transfer between generations. The link between **childhood numerical ability** and **adult wealth** remains unclear. Our work uses national **PSID & CDS** data to explore this connection in a multi-generational context.

## Hypothesis/Objectives

We expect **numerical literacy** to **persist** within individuals **over time** and to be passed from **parents** to **children**. We investigate whether stronger **childhood skills** lead to improved **adult wealth outcomes**. Using **statistical** and **machine learning methods**, we also identify the key factors predicting intergenerational literacy.

## Methods



## Data

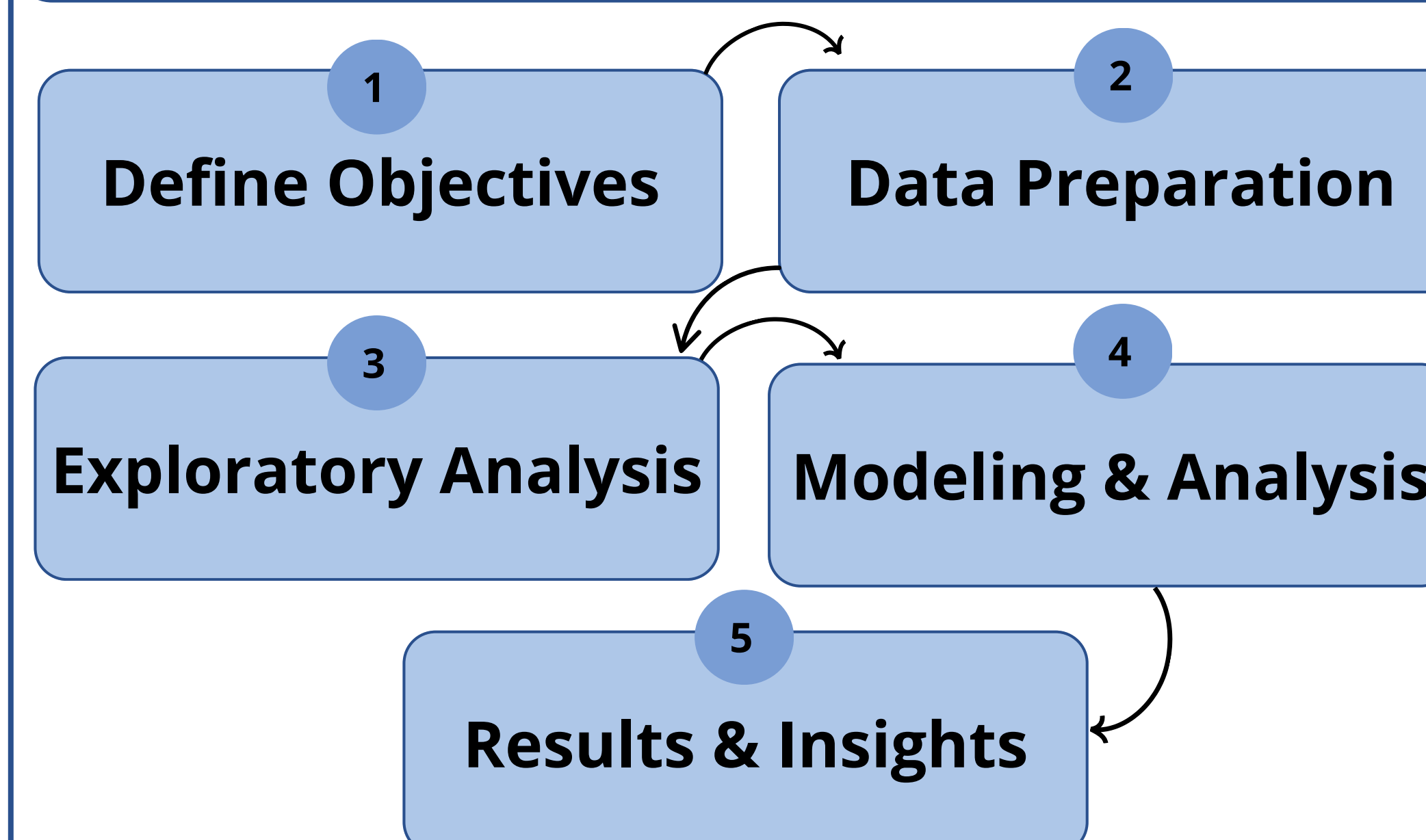
**PSID** → **6-question** numerical literacy test (0–6 score) for parents.

**CDS** → standardized child assessment (0–120 score) for children.

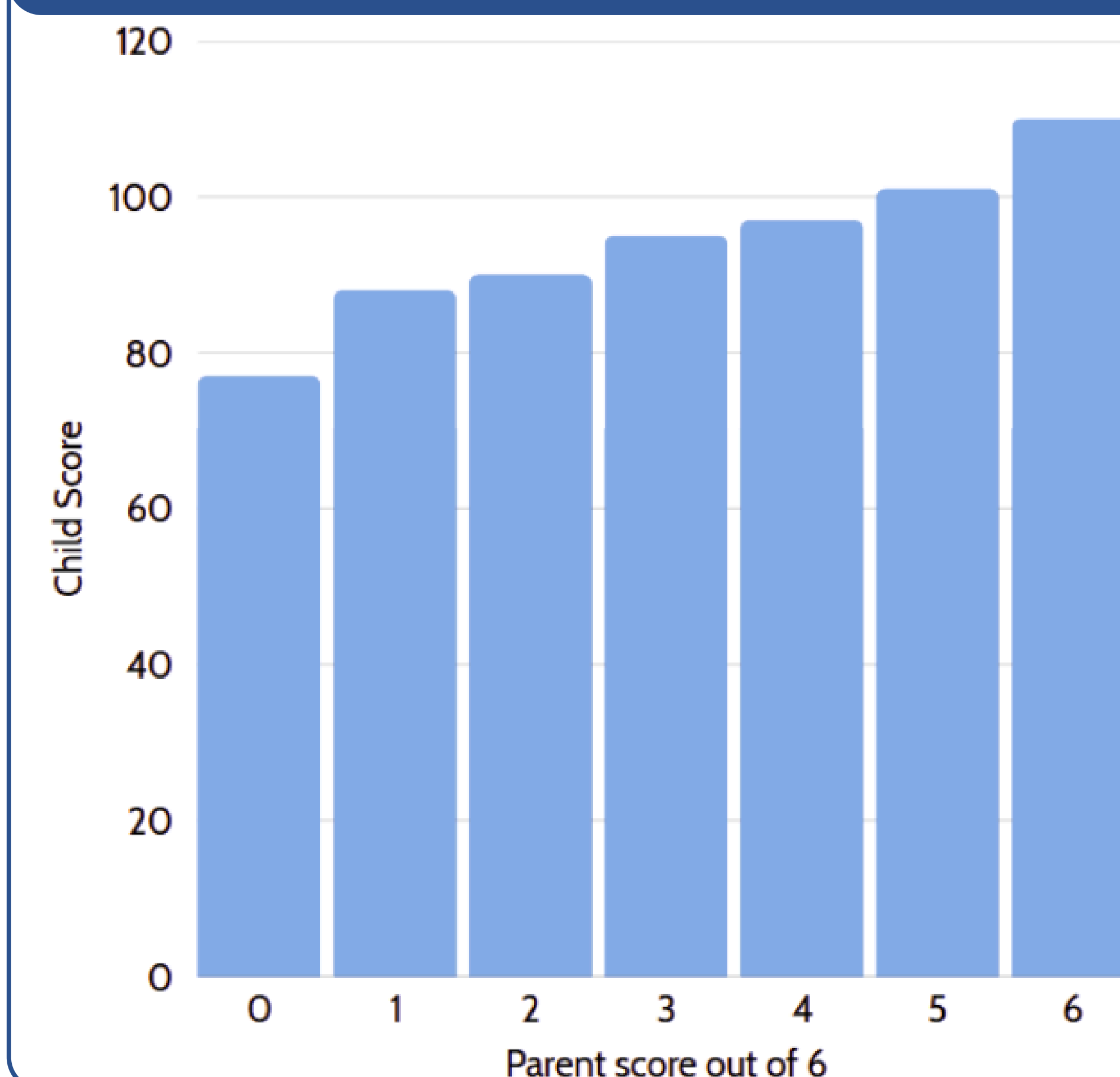
**Why these exams?**

- Used in past **economic research** for **financial/numerical literacy**.
- **Comparable** across **survey years**.
- Simple and objective scoring.

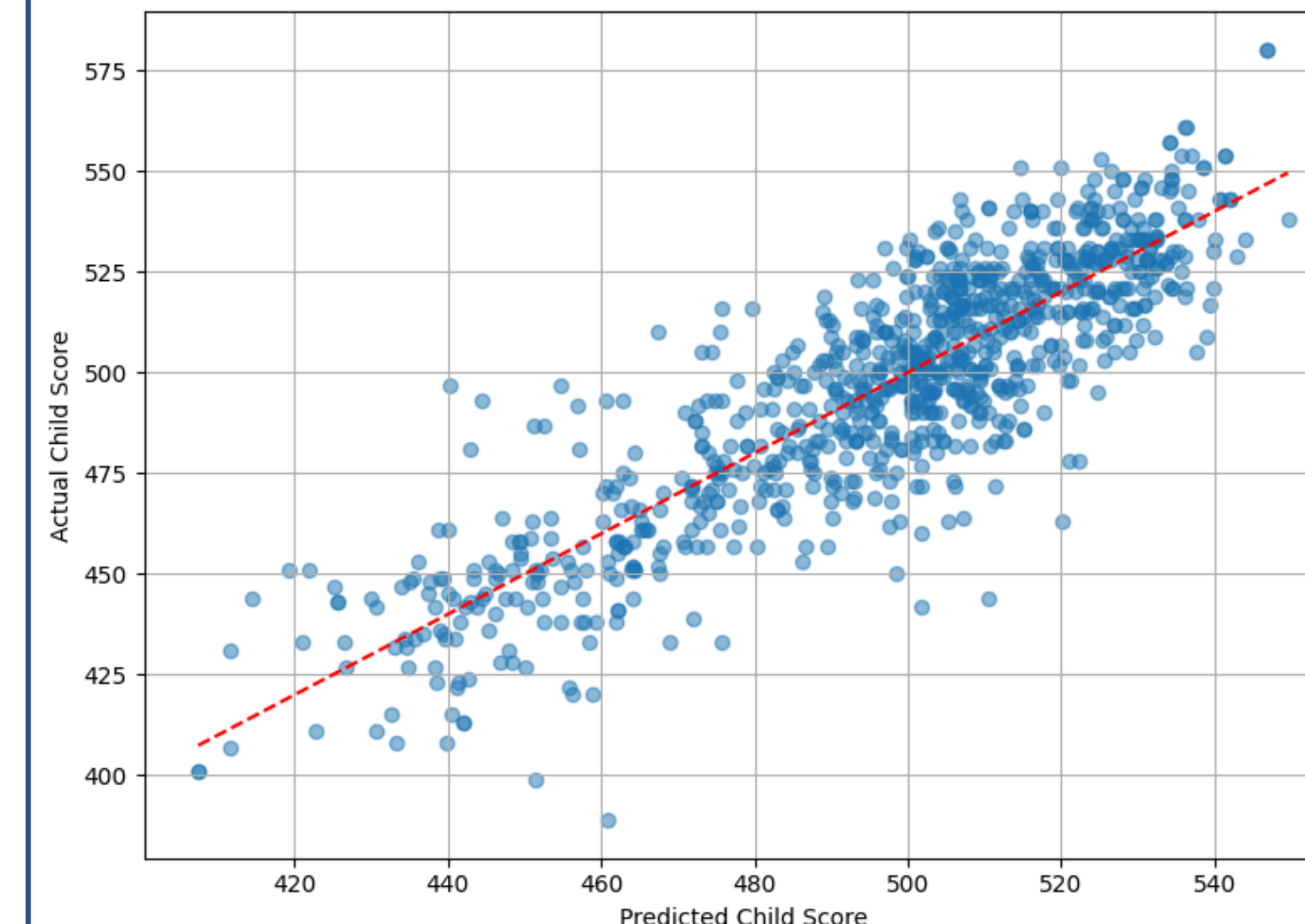
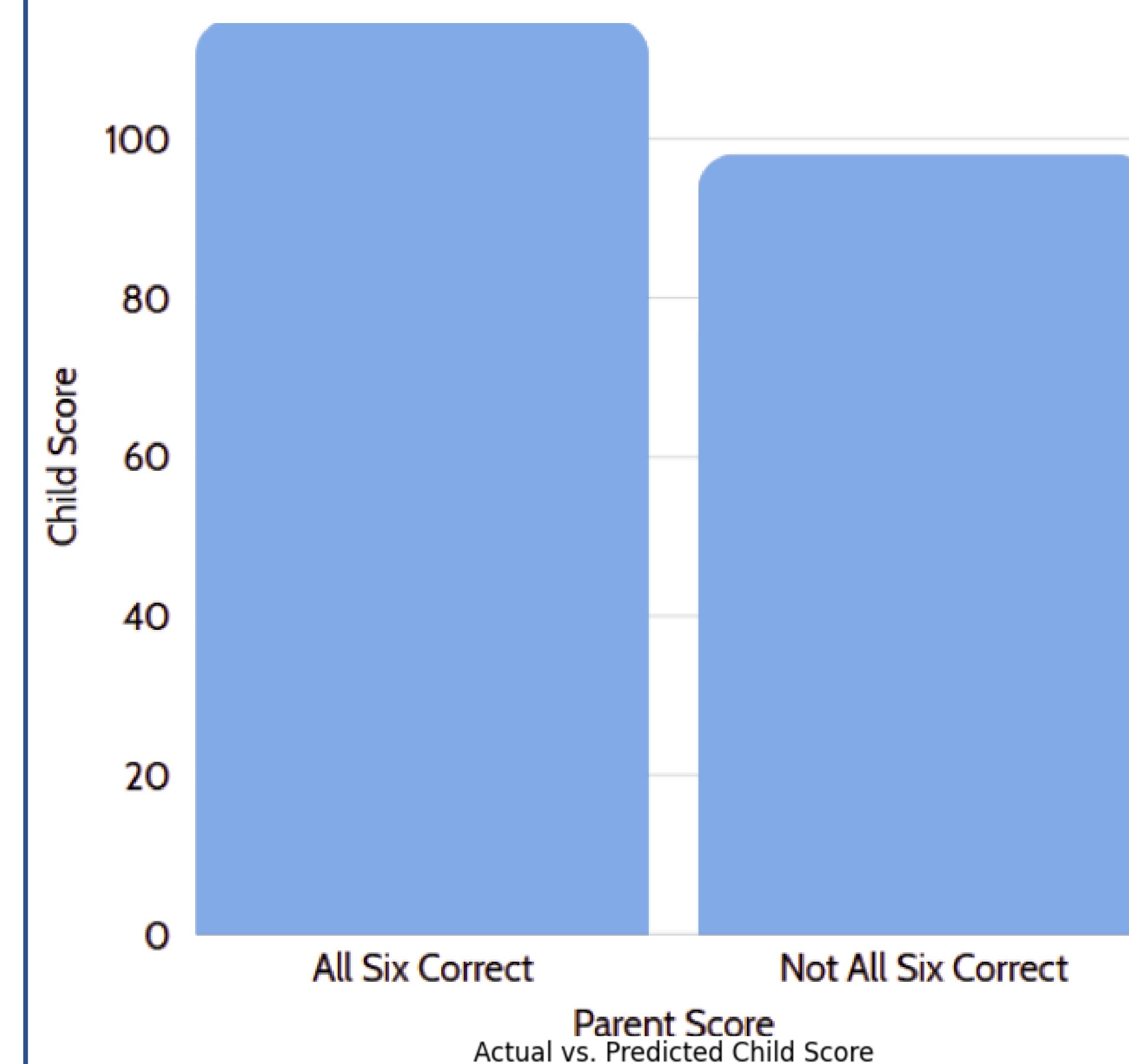
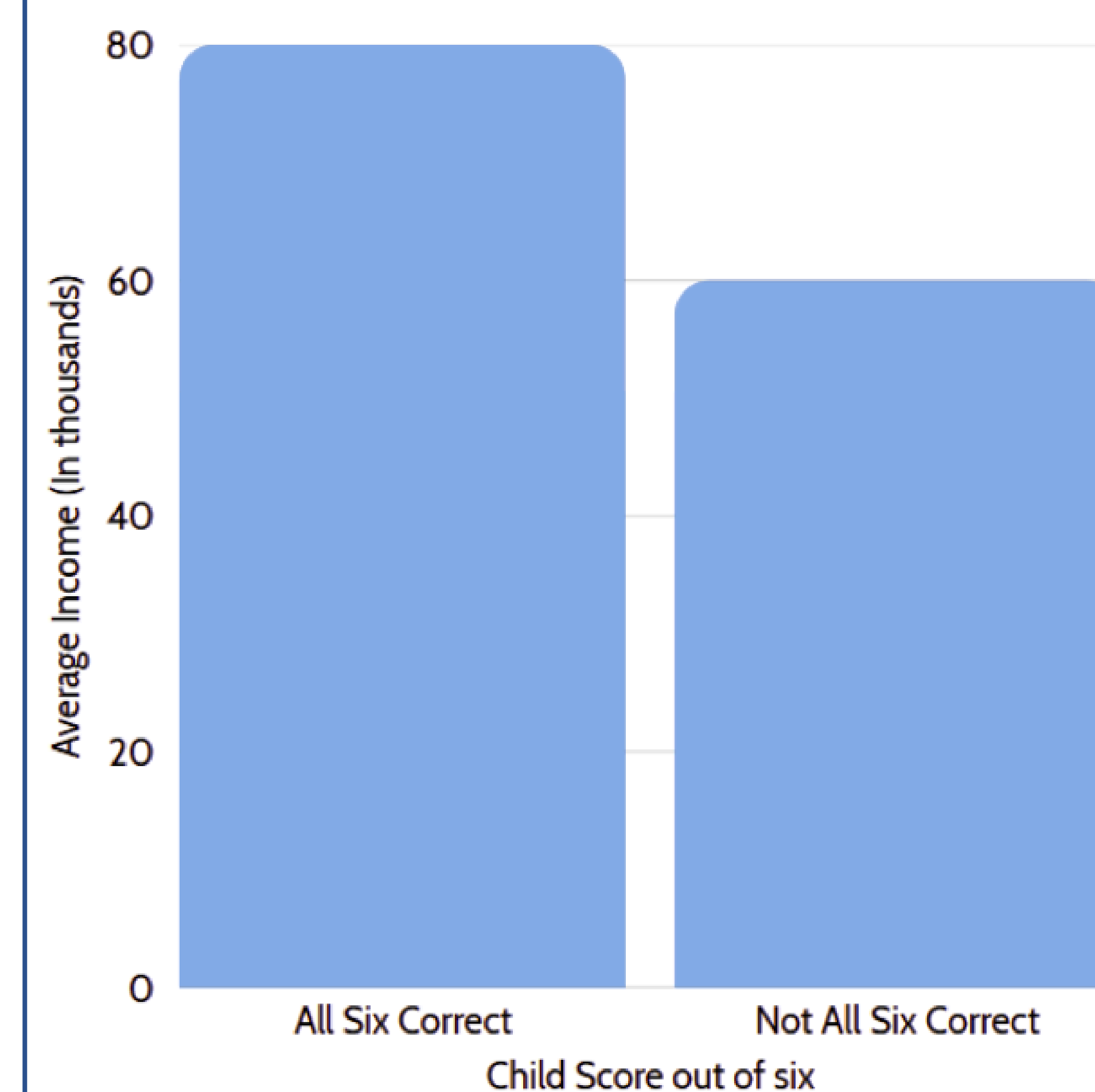
## Pipeline



## Results



## Results



## Tools



## Conclusion

**Numerical literacy** endures over time and is **transmitted** across generations. Stronger early life numeracy is associated with better **adult wealth outcomes**. Family context, especially **parental income**, spending habits, and **educational** expectations, emerges as a key predictor, underscoring the role of the home environment in shaping **financial** security.

## Future Directions

- We aim to extend our analysis to more **PSID** waves, add richer **socioeconomic** indicators, and explore advanced ML techniques to improve predictions.
- Longer-term, we will expand to study **wealth mobility** and compare findings across different countries.

## Acknowledgements

Supported by the **Data Sciences Institute**, **University of Toronto**, and **KAUST Academy**.

Thanks to **Prof. Michael Boutros** for mentorship and to the **PSID & CDS** teams for data access.

## Resources & Contacts

