



Financial Vulnerability and Personal Finance Outcomes of Natural Disasters

by: Kelly D. Edmiston

August 31, 2017

Financial vulnerability, as measured by past due bills or bank card utilization rates, has a significant effect on personal financial outcomes after a natural disaster.

RWP 17-09, September 2017

I examine whether financial vulnerability (or “financial preparedness”) affects financial outcomes after a hurricane. Modeling hurricanes as “treatments” and interacting them with variables from consumer credit reports, I find that the financial vulnerability of residents in affected census tracts is associated with poorer financial outcomes. Considering lags, financial vulnerability has a considerable effect on personal finance outcomes after a hurricane.

JEL Classification: Q54, D12

Article Citations

- Edmiston, Kelly D. 2017. "Financial Vulnerability and Personal Finance Outcomes of Natural Disasters." Federal Reserve Bank of Kansas City, Research Working Paper 17-09, September. Available at <https://doi.org/10.18651/RWP2017-09>

Related Research

- Gallagher, Justin, and Daniel Hartley. 2014. "Household Finance After a Natural Disaster: The Case of Hurricane Katrina." Federal Reserve Bank of Cleveland Working Paper 14-06, July.
-