Financial Vulnerability and Personal Finance Outcomes of Natural Disasters

by: Kelly D. Edmiston

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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.

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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.

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Article Citations


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