

Financial Stability among U.S. Veterans

A summary of financial-related research by the Millennium Cohort Study

OVERVIEW

Economic well-being is essential for veterans, yet some struggle to meet basic needs such as food and housing during their transition to civilian life. A number of veterans encounter significant barriers when seeking civilian employment despite the training, educational resources, and valuable experience gained during their service.

Financial difficulties can create a disconnect between the benefits received during military service and the reality of post-deployment life. This financial strain is often linked to issues such as homelessness, substance misuse, and mental health challenges, underscoring the need for targeted support to improve veterans' financial and overall well-being.

Key Findings

- Mental health conditions, such as depression, anxiety, and panic disorders, were associated with unemployment among veterans.¹
- Veterans who experienced combat while in service were more likely to develop financial difficulties, including severe financial problems³ and homelessness.²
- Problematic anger among veterans was associated with economic difficulties such as, major financial problems, financial insecurity, homelessness, employment status.⁴
- Veterans who identified as non-Hispanic Black, gay, lesbian, or bisexual, as well as those who lacked a college degree, were in an enlisted pay grade, or received a general or other than honorable discharge had an increased risk of experiencing homelessness.⁵

Impact

- Between 2001 and 2008, approximately one out of five veterans reported experiencing unemployment after leaving the service.¹
- Veterans who had a single combat experience while in service were 21% more likely to have serious financial problems when compared to veterans who never saw combat, while those who experienced combat multiple times were 43% more likely to face the same financial concerns.³
- 2% of veterans experienced homelessness between 2001-2016.⁵
- Participants with problematic anger were 47% more likely to experience financial problems, such as bankruptcy, compared to those without.⁴

IMPLICATIONS AND RECOMMENDATIONS

Results of this research suggest that combat exposure increases veterans' risk of financial difficulties and homelessness, particularly for those with mental health issues or multiple combat exposures. The findings emphasize the need for targeted policies that address both the financial and mental health challenges faced by veterans, with a focus on early intervention to improve veterans' long-term well-being.

- Policies to strengthen health or financial management skills may be best applied to targeted populations regardless of deployment selection.
- Mental health concerns are indicators of post-service employment status. This may help identify veterans most in need of job placement services following military service.
- Combat exposure during deployment significantly increased the risk of homelessness among veterans. Policies and programs that promote the physical and mental health of service members, especially those with pre-existing health conditions, may help reduce this risk.

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