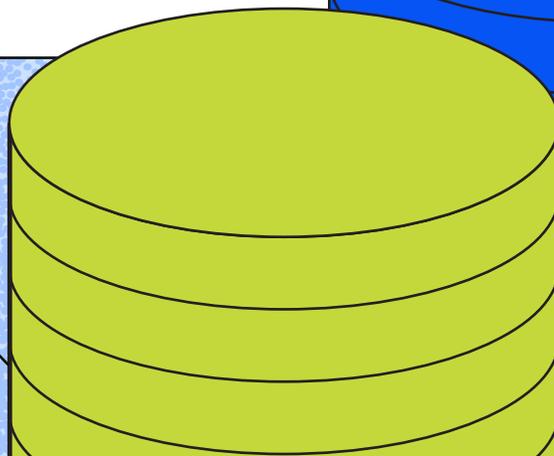
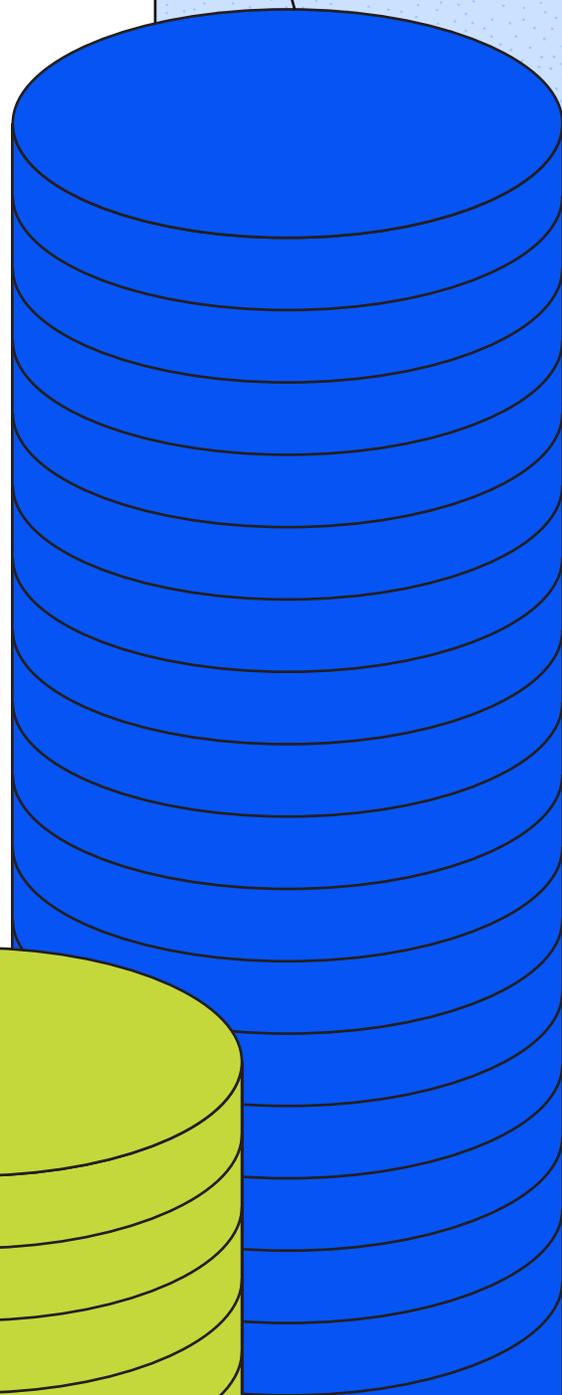


HOPELAB

MARCH 2026

**The Impact
of Financial
Strain on
Young
People's
Mental
Health &
Thoughts
About the
Future**



Introduction

In an April 2025 national survey, 17% of U.S. adults rated their personal finances as poor. The same survey found that 21% had trouble paying their rent or mortgage in the past year, and 19% had to get food from a food bank or pantry.¹

Financial strain is an important social determinant of health — nonmedical conditions in people’s environments that impact their health and well-being, including economic stability and access to health care, housing, and food. Financial strain can contribute to chronic stress and poorer mental health.² Given ongoing economic pressure,³ it is essential to consider how current and anticipated financial strain may affect young people’s mental health.

Importantly, exposure to harmful social determinants of health reflects larger systems and institutions that create and maintain inequities across generations. As such, people in marginalized social positions, including those who are Black, Brown, or Queer, are more likely to experience harmful social determinants of health, such as financial strain.

Young people are growing up in a rapidly changing world. To understand what shapes their mental health and the challenges they face, we should center young people as experts in their own experiences. Financial strain can change what daily life looks like, and young people who experience it often describe different pressures than those who do not. If we overlook their perspectives, we miss essential context about how financial strain affects well-being. This project centers young people throughout the design process.

This brief builds on the findings from a larger [report](#) produced by Hopelab and Data for Progress on young people’s perspectives about what supports their mental health and well-being and what undermines it. That report surveyed 1,304 young people ages 13 to 24. It found that young people who struggle to meet basic expenses report “poor” mental health at more than three times the rate of those who live comfortably.

This brief focuses on findings for young people who are struggling to meet basic needs (17%) compared to those who live comfortably (38%). It highlights what affects their mental health, what they fear about the future, and what gives them hope.

Addressing financial strain is not easy, but targeted interventions can reduce its impact on young people’s well-being. The reflections young people share in this brief are intended to help policymakers, community leaders, youth-serving organizations, schools, and others identify ways to ease financial strain. When young people have more stability and support, it becomes easier to focus on learning, relationships, and potential opportunities ahead.

1 Parker, K & Lin, L (2025, May 7). *Growing share of U.S. adults say their personal finances will be worse in a year from now*. Pew Research Center. <https://www.pewresearch.org/short-reads/2025/05/07/growing-share-of-us-adults-say-their-personal-finances-will-be-worse-a-year-from-now/>

2 National Academies of Sciences, Engineering, and Medicine (2023). *Economic stability*. In *Federal policy to advance racial, ethnic, and tribal health equity*. Washington, DC: The National Academies Press. <https://doi.org/10.17226/26834>.

3 Pew Research Center. (2025, April). *Trump’s job rating drops, key policies draw majority disapproval as he nears 100 days*. Pew Research Center. <https://www.pewresearch.org/politics/2025/04/23/trumps-job-rating-drops-key-policies-draw-majority-disapproval-as-he-nears-100-days/>

4 Respondents (n=489; 37.5%) whose needs are just met (My needs are met with a little left, or I just meet basic expenses) were not included in comparative analyses in this report. An additional 91 young people (7.0%) declined to answer the question on financial strain. Full data tables and be found [here](#).

Summary of Methodology

A complete summary of the research methodology is available in the overall [report](#).

Instrument Development

The Hopelab research team developed the polling instrument through a youth-engaged research process involving 30 young people from across the U.S. The survey consisted of 13 questions, with a mix of closed-ended and open-ended questions, along with validity and honesty checks. Data for Progress administered the survey in English.

Procedure

From July 8 to 19, 2025, Data for Progress surveyed 1,304 respondents ages 13 to 24 using a web panel. Quota-based sampling was used to recruit a diverse sample across key demographics, including age, gender identity, and race and ethnicity. Participants who did not meet the eligibility criteria, including being ages 13 to 24 and living in the U.S., were not included. Data for Progress also did not include additional participants from quota groups that had already been filled. The team weighted the sample to represent young people ages 13 to 24 living in the U.S. across age, gender, education, race, geography, and sexual orientation.

Data Analysis

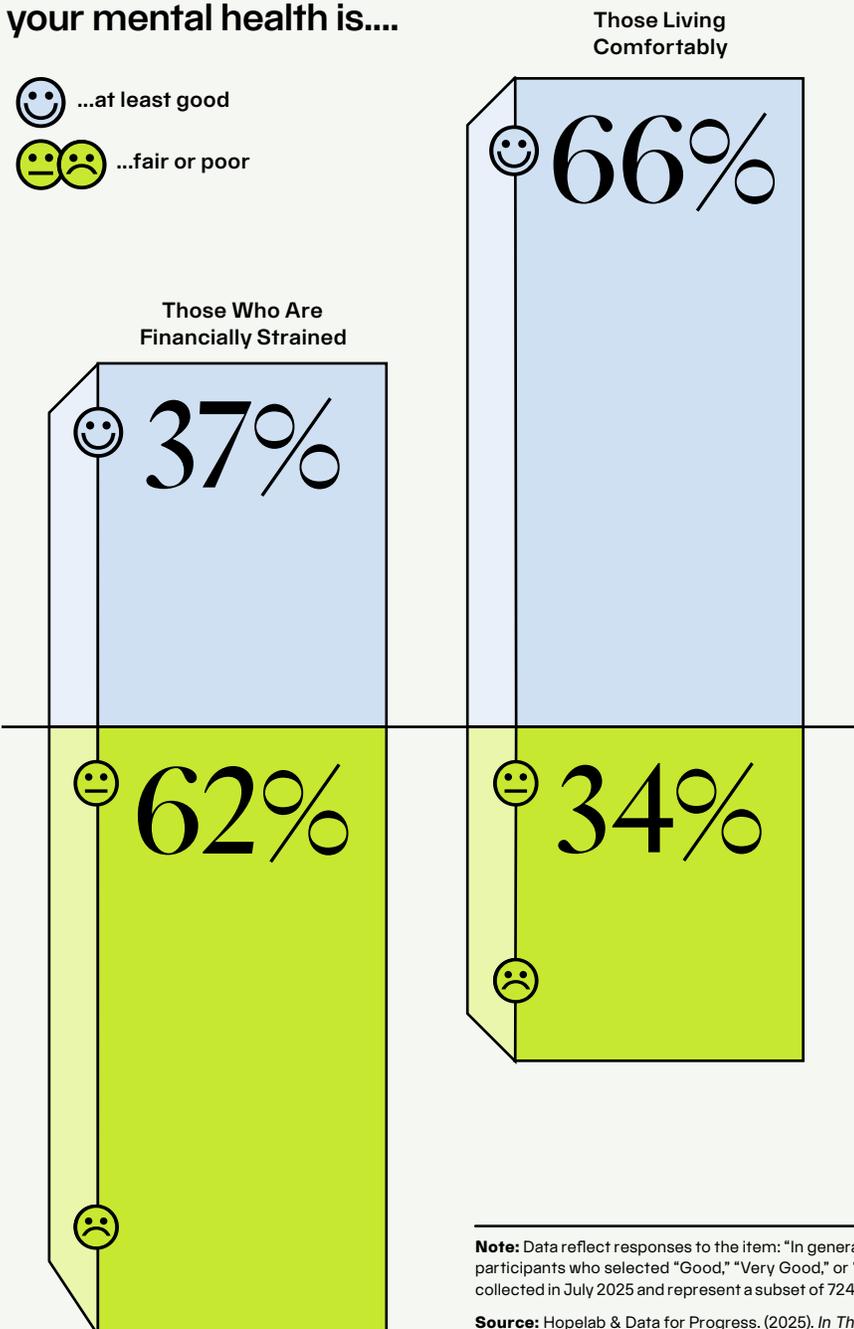
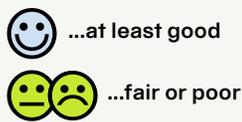
Analyses in this brief focus on young people's perceived financial situation. They compare young people who struggle to meet basic needs ($n = 224$, 17.2%) with young people who live comfortably ($n = 500$, 38.3%).⁴ The margin of error for this subgroup comparison is plus or minus 7 percentage points.

The survey asked, "Considering your own income and the income from any other people who help you, how would you describe your overall personal financial situation?" Respondents who selected "I struggle to meet basic expenses" or "I don't meet basic expenses" were categorized as **financially strained**. Respondents who selected "I have more than enough to live comfortably" or "I have enough to live comfortably" were categorized as **living comfortably**.

This brief also includes responses to open-ended questions from those experiencing financial strain to add context to the quantitative findings.

Young People Under Financial Strain Report *Poorer Mental Health* & *Less Happiness* than Those Who Live Comfortably

In general, would you say your mental health is....



Young people who struggle to meet basic expenses report worse mental health than those who live comfortably. Nearly two-thirds of young people under financial strain rate their mental health as “fair” or “poor” (62%), compared with 34% of young people who live comfortably.

Young people under financial strain also report higher rates of unhappiness. One in four say they consider themselves an unhappy person (25%), compared with 11% of young people who live comfortably.

A white young adult woman experiencing financial strain explained

“Everything costs incredibly too much right now, [I] can't even enjoy the little things in life anymore without feeling guilty of throwing money away.”

Note: Data reflect responses to the item: “In general, would you say your mental health is_____.” Values represent the proportion of participants who selected “Good,” “Very Good,” or “Excellent,” and those who selected “Fair,” or “Poor.” The presented data were collected in July 2025 and represent a subset of 724 participants from a larger sample of 1,304.

Source: Hopelab & Data for Progress. (2025). *In Their Own Words: Youth Voices on Mental Health and the Future*. Hopelab. <https://hopelab.org/stories/nationalpoll>

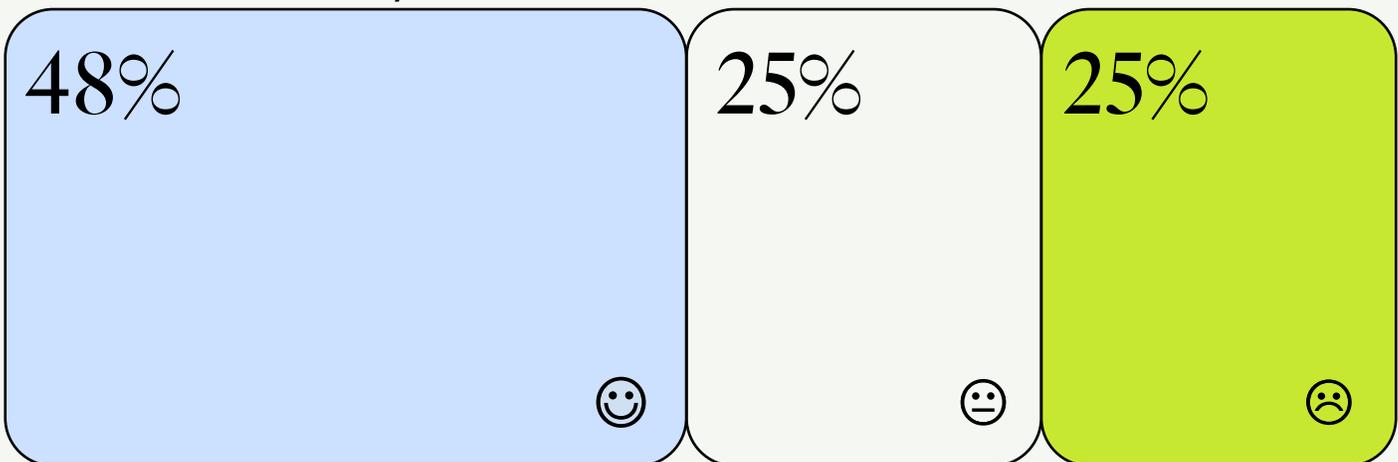
A young Black woman experiencing financial strain shared that the biggest thing hurting her mental health was

“feel(ing) like everything economically is stacked against me in my success.”

In general, I consider myself a _____ person.

 happy  neither happy nor unhappy  unhappy

Those Who Are Financially Strained



Those Living Comfortably



Note: Data reflect answers to the item: "In general, I consider myself a ___ person." Values represent the proportion of participants who responded "Very happy," and "Somewhat happy,"; those who selected "Neither happy nor unhappy", and those who responded "Somewhat unhappy," and "Very unhappy." The presented data were collected in July 2025 and represent a subset of 724 participants from a larger sample of 1,304. Some percentages may not add to 100% due to some participants choosing the response option 'decline to answer.'

Source: Hopelab & Data for Progress. (2025). *In Their Own Words: Youth Voices on Mental Health and the Future*. Hopelab. <https://hopelab.org/stories/nationalpoll>

Young People Under Financial Strain Report *Greater Mental Health Impacts* from a *Wide Variety of Stressors*

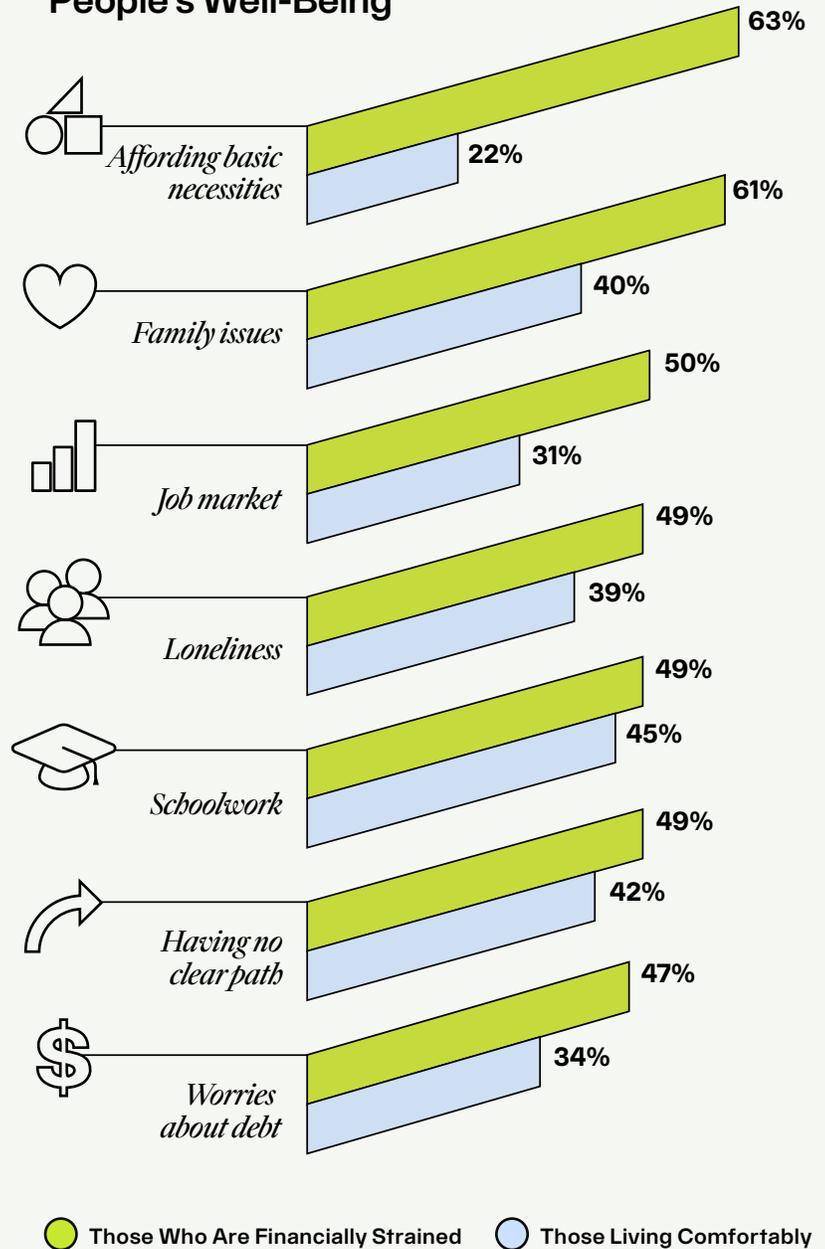
When asked which issues negatively affect their mental health, young people under financial strain more often report that common stressors affect them “quite a bit” or “a lot” compared with young people who live comfortably. Difficulty affording basic necessities is one of the largest gaps. Nearly two-thirds of young people under financial strain say this issue negatively affects their mental health (63%), compared with 22% of young people who live comfortably. Young people under financial strain also report greater mental health impacts from family issues (61% vs. 40%), concerns about the job market (50% vs. 31%), and debt (47% vs. 34%).

A Black teen girl experiencing financial strain shared, “My parents fight a lot about money and stupid stuff. It’s so loud and tense at home. They don’t get that when they yell, my brain just shuts down. And they pressure me about school too—like ‘You better get into a good college, or you’ll fail.’ It’s suffocating. I can’t relax even in my own house.”

A white young woman experiencing financial strain wrote

“The biggest thing that’s making my mental health worse is having to fund my college experience all by myself without any outside help from family.”

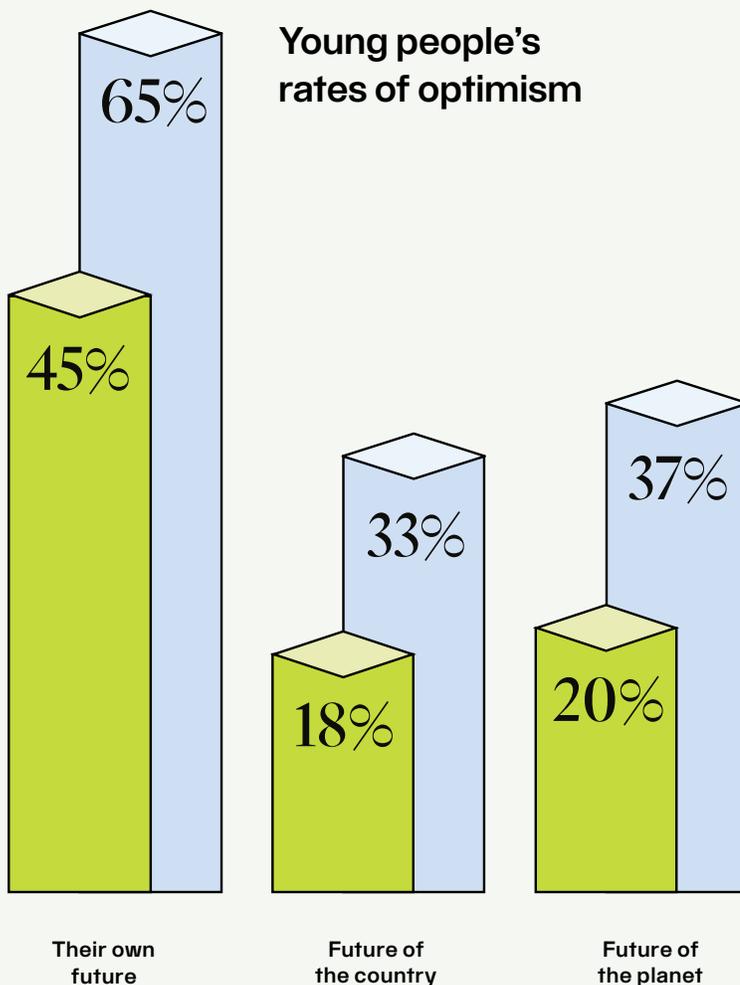
Issues that Negatively Affect Young People’s Well-Being



Note: Data reflect responses to the item, “How much do the following issues negatively affect your well-being or mental health right now?” Values represent choices of “A lot” or “Quite a bit.” Full data tables are available here. The presented data were collected in July 2025 and represent a subset of 724 participants from a larger sample of 1,304.

Source: Hopelab & Data for Progress. (2025). *In Their Own Words: Youth Voices on Mental Health and the Future*. Hopelab. <https://hopelab.org/stories/nationalpoll>

Young People Under Financial Strain Are *Far Less Optimistic About the Future* Compared to Those Who Live Comfortably



Young people living under financial strain report lower optimism about the future than those who live comfortably. Fewer than half say they feel optimistic about their own future (45%), compared to 65% of young people who live comfortably. A Black teen girl explained that the biggest thing impacting her mental health is “Being pessimistic about my future, and figuring out how I’m going to live a stable, comfortable life.”

Optimism is even lower when young people think about the future of the planet and the country. Only 20% of young people under financial strain feel optimistic about the future of the planet, and 18% feel optimistic about the future of the country. Both rates are about half those of young people who live comfortably.

A white young adult man experiencing financial strain said

“With what is currently happening in the world, I ain’t got much hope for the future.”

● Those Who Are Financially Strained ● Those Living Comfortably

Note: Data reflect responses to the item: “In general, do you feel optimistic or pessimistic about each of the following?” Prompts included “Your own future,” “The future of the country,” and “The future of the planet.” Values represent participants who selected “Optimistic.” The data were collected in July 2025 and represent a subset of 724 participants from a larger sample of 1,304.

Source: Hopelab & Data for Progress. (2025). *In Their Own Words: Youth Voices on Mental Health and the Future*. Hopelab. <https://hopelab.org/stories/nationalpoll>

Young People Under Financial Strain Report *Less Confidence in Achieving Important Life Goals* Than Those Who Live Comfortably

Young people describe many life goals as important to them. Young people living under financial strain report less confidence in achieving nearly all of these goals compared with young people who live comfortably. One exception falls within the margin of error: “finding work you enjoy and where you will earn enough to support yourself.”

Many of the largest gaps involve goals tied to income. For example, 29% of young people under financial strain feel moderately confident they can afford college, compared with 62% of those who live comfortably. Young people under financial strain also report lower confidence in goals that are not directly about income, including having close and meaningful friendships (63% vs. 76%) and being emotionally stable (62% vs. 72%). Even when a goal is not directly related to income, financial strain can make it feel harder to achieve.

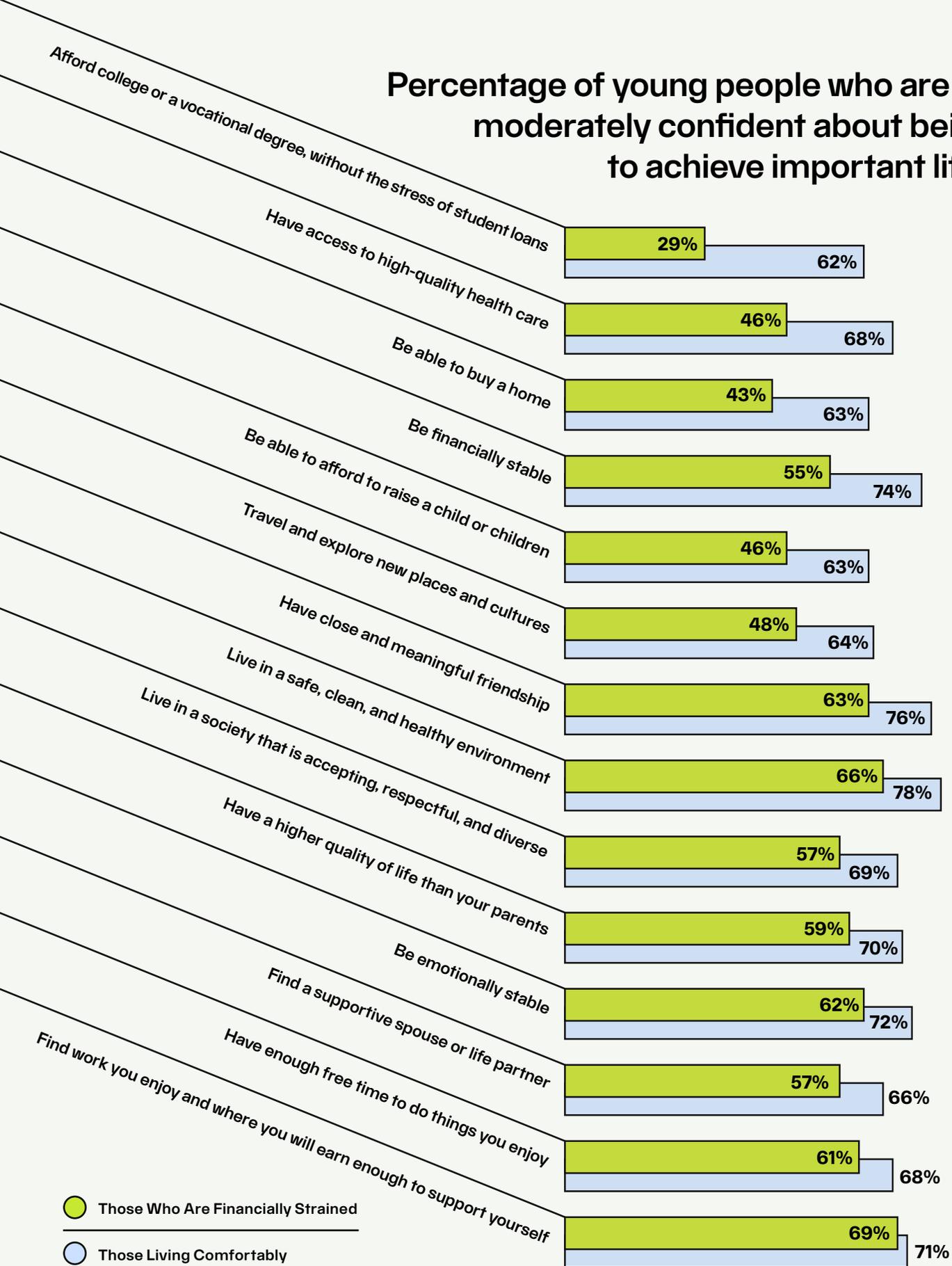
A Latino young man experiencing financial strain described uncertainty about what comes next, saying, the biggest thing hurting his mental health is

“Not knowing my future and where I’m going to go, in the future. Lack of opportunities and not having resources”

A white young adult woman experiencing financial strain said

“Succeeding in society is so much harder now than it was [before]. We can’t just buy a house or a car and things like that.”

Percentage of young people who are at least moderately confident about being able to achieve important life goals



● Those Who Are Financially Strained
● Those Living Comfortably

Note: Data reflect responses to the item, "When you think about your future, how confident are you that you'll ___?" Values represent participants who selected "Very confident" and "Moderately confident." Full data tables are available in the overall report. The data were collected in July 2025 and represent a subset of 724 participants from a larger sample of 1,304.

Source: Hopelab & Data for Progress. (2025). *In Their Own Words: Youth Voices on Mental Health and the Future*. Hopelab. <https://hopelab.org/stories/nationalpoll>

Young People Under Financial Strain *Value Friends, Family, & Free Time but Report Less Access* to These Supportive Resources

When it comes to what supports their well-being, young people living under financial strain say time with friends helps, whether in person (71%) or online (57%). These rates match those of young people who live comfortably. Even so, fewer than half of young people under financial strain say they have enough social support from friends (48%), compared with 66% of young people who live comfortably.

Young people under financial strain also say solo downtime, positive feedback, and quality time with family support their mental health and well-being, though at lower rates than young people who live comfortably. At the same time, they more often report not having enough emotional support from family or enough free time compared with their peers who live comfortably.

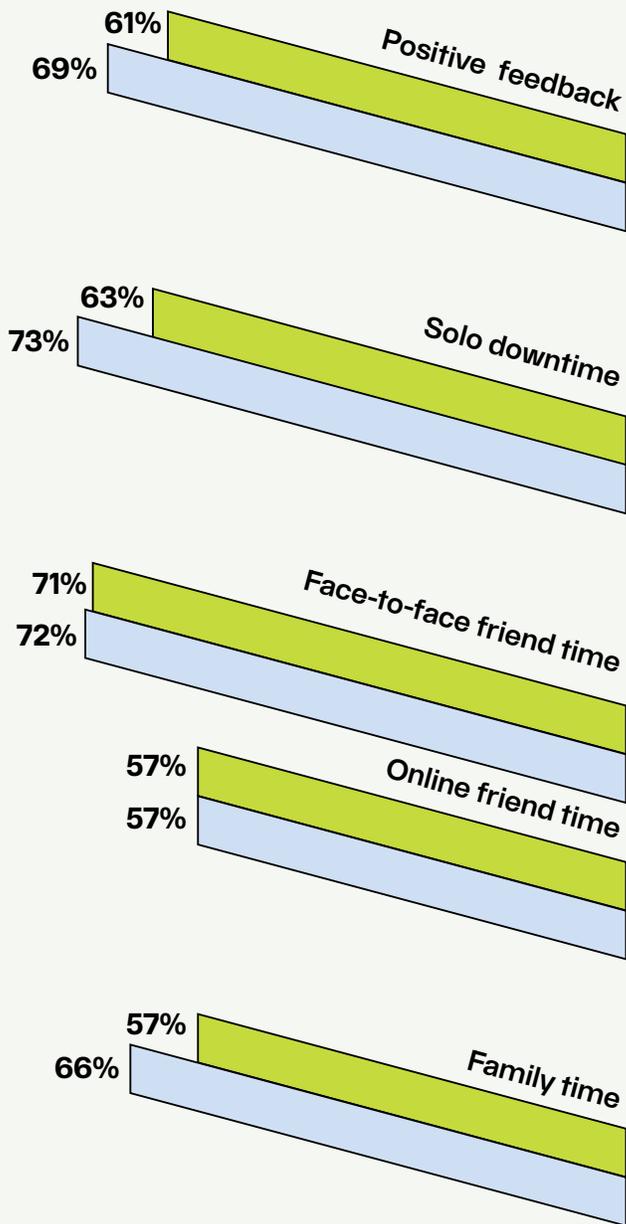
A Black teen girl experiencing financial strain shared that she has been struggling with

“Feeling alone even when I’m surrounded by people who don’t really get what I’m going through.”

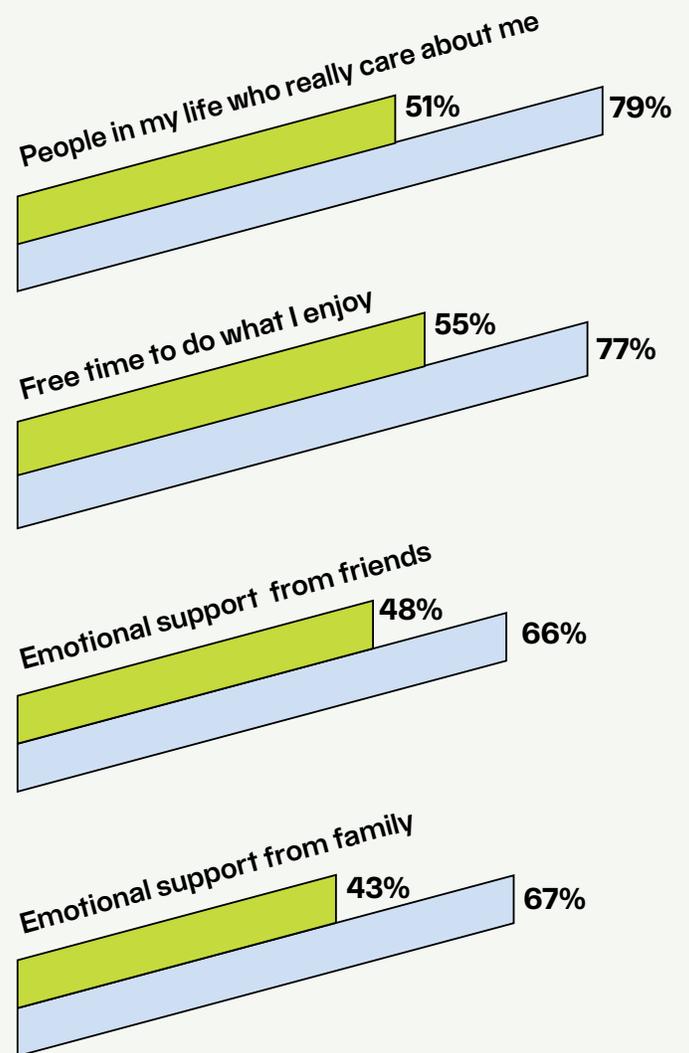
A Black young woman experiencing financial strain described a lack of understanding from older people in her life, saying

“Older generations are missing that the world is not the same as it was when they were our age. It is harder for us to get jobs, have stable relationships, and it’s becoming harder for us to take care of our well-being due to the world making it harder to have access to health care and the price to have good health.”

Resources that young people report support their mental health and well-being



vs. resources that young people feel they have enough of



- Those Who Are Financially Strained
- Those Living Comfortably

Note: Data on the first chart reflect responses to the item, "How much do the following activities support your well-being or mental health?" Values represent participants who selected "A lot" or "Quite a bit." Data in the second chart reflect responses to the item, "Rate your degree of agreement or disagreement with the following statements. I have enough ___." Values represent participants who selected "Strongly Agree" or "Somewhat agree." Full data tables are available in the overall report. The data were collected in July 2025 and represent a subset of 724 participants from a larger sample of 1,304.

Source: Hopelab & Data for Progress. (2025). *In Their Own Words: Youth Voices on Mental Health and the Future*. Hopelab. <https://hopelab.org/stories/nationalpoll>

Despite their Many Worries, Young People Under Financial Strain Are Able to *Identify Sources of Hope for the Future*

Young people under financial strain report many stressors that drain their mental health. They also report less optimism about the future and less confidence in achieving important life goals. Even so, more than 90% endorse at least one source of hope or optimism for the future.

Nearly half say knowing there are people who love them and want to see them succeed gives them hope (45%). Other common sources of hope include having clear personal goals or a sense of direction in life (42%) and belief in their own inner strength (41%). Some sources of hope, including intergenerational activism, appear at similar rates among young people under financial strain and those who live comfortably.

At the same time, young people under financial strain report lower rates for many sources of hope compared with those who live comfortably.

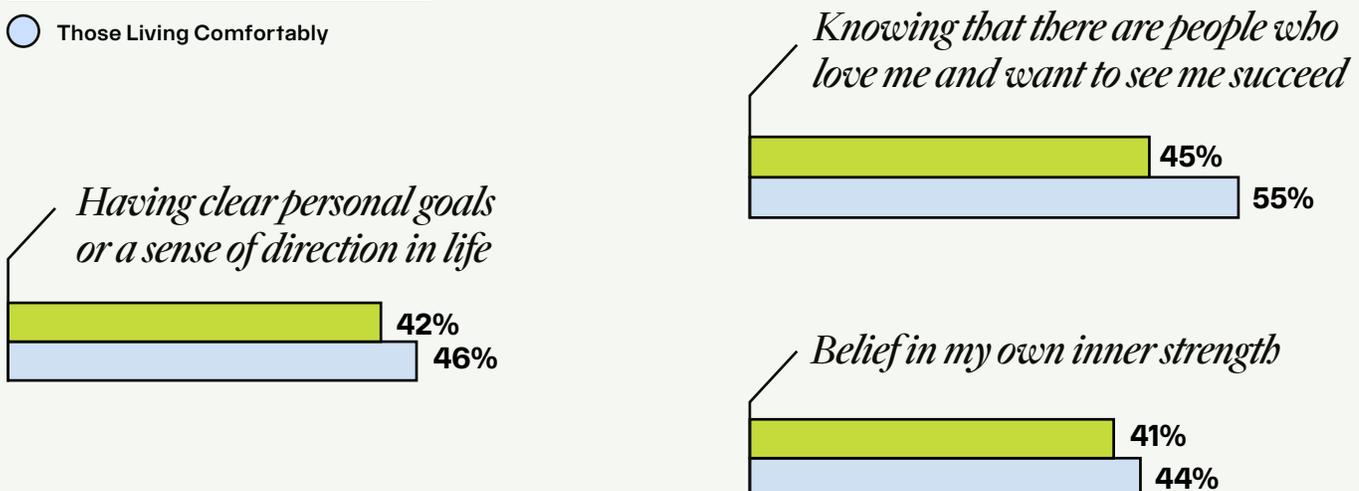
A white young adult woman experiencing financial strain shared what helps her mental health

“Knowing that there's a light at the end of the tunnel. I will become a doctor someday. If I didn't have my career to look forward to, I would be depressed.”

Sources of Hope or Optimism for the Future Among Young People

● Those Who Are Financially Strained

○ Those Living Comfortably



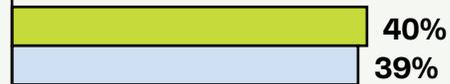
Note: Data reflect responses to the item, “When you think about the future, which of the following gives you a sense of hope or optimism? Select all that apply.” The data were collected in July 2025 and represent a subset of 724 participants from a larger sample of 1,304.

Source: Hopelab & Data for Progress. (2025). *In Their Own Words: Youth Voices on Mental Health and the Future*. Hopelab. <https://hopelab.org/stories/nationalpoll>

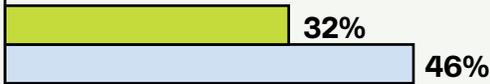
● Those Who Are Financially Strained

● Those Living Comfortably

Belief that the future will be better than the past



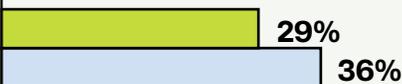
Believing that I have control over the important aspects of my life



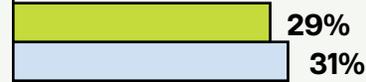
Faith in a higher power or greater force for good



Having greater autonomy and freedom



The activism and advocacy effort of Gen Z



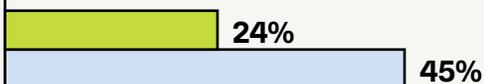
Resilience of the natural world



Intergenerational activism and advocacy efforts



Knowing that I can rely on family or friends for financial support, if needed



Potential advances in science and technology



Note: Data reflect responses to the item, "When you think about the future, which of the following gives you a sense of hope or optimism? Select all that apply." The data were collected in July 2025 and represent a subset of 724 participants from a larger sample of 1,304.

Source: Hopelab & Data for Progress. (2025). *In Their Own Words: Youth Voices on Mental Health and the Future*. Hopelab. <https://hopelab.org/stories/nationalpoll>

Conclusions & Implications

As we address young people's mental health challenges in the United States, we must examine the impact of financial strain. This brief highlights clear disparities in mental health and well-being between young people living under financial strain and their peers who live comfortably. As rates of mental health concerns, including suicide, continue to rise among young people, prevention requires both support for young people now and systems-level solutions over time.

Addressing financial strain is complex, and systemic change takes time. Still, communities can reduce some of the mental health burden young people carry without waiting for comprehensive economic restructuring. By responding to common stressors young people report, parents, educators, and community and nonprofit leaders can help reduce these disparities.

One starting point is to expand and support programs that help families meet their basic needs. This can include free breakfast and lunch for all enrolled students, with meal kits during school breaks. It can also include free and low-cost health care, child care, and summer camp programs offered through community centers and schools. Stable housing is another essential need. As housing costs rise, efforts that increase affordable housing⁵ can reduce stress for families and young people.

Education and training also shape opportunity. The cost of attending college or vocational school can create serious stress for young people under financial strain, and some decide not to pursue these paths. Financial assistance can reduce those barriers, lower long-term debt, and support young people in reaching goals that strengthen their future.

While access to mental health care alone will not solve financial strain, it can reduce suffering for young people who face both financial pressure and mental health challenges. Access is easier when treatment does not depend on high copays and large upfront costs.

Young people under financial strain express that loneliness affects their well-being, while also rating face-to-face time with friends as the top support for their mental health and well-being. These perspectives point to clear opportunity. Communities can support young people under financial strain by creating free, safe places to spend time with friends and build connections.

⁵ Feiveson, L., Levinson, A., & Schreiner Wertz, S. (2024, June 24). *Rent, house prices, and demographics*. U.S. Department of the Treasury. <https://home.treasury.gov/news/featured-stories/rent-house-prices-and-demographics>.

Some community spaces, such as the YMCA and Boys and Girls Club, offer low-cost options, but they are not always free. They may also require some level of parental involvement, and sometimes a parent's presence. This barrier can be difficult for families already juggling multiple stressors. Free opportunities for community engagement also tend to decline as young people get older, even as risk behaviors often increase during adolescence.^{6,7} As part of prevention, communities can expand existing programs to better include older teens and young adults and explore ways to offer opportunities that build confidence through self-directed accomplishments and goals, such as entrepreneurship programs, skill-building projects, or youth leadership roles.

Young people under financial strain also describe many sources of hope or optimism for the future. Adults in their lives can strengthen these sources of hope by working with young people and supporting what they need. Importantly, while many of the aforementioned interventions require policy change or financial investment, the most common sources of hope that young people under financial strain reported only require people to be there for them, listen, and provide guidance.

Systemic change is difficult, but it remains essential as we address the things we can do in the moment. Young people under financial strain recognize the need for broader-scale action, and many – including those who live comfortably — see intergenerational activism as an important source of hope. Adults who care about young people's well-being can advocate alongside them. That support can provide emotional connection in the present and also help move policy change forward over time.

Money may not buy happiness, but it can reduce day-to-day stressors and increase access to resources that support health, which in turn, allows for better well-being. This brief highlights what financial strain looks like in young people's lives and why it matters. It also offers insights for policymakers, community leaders, youth-serving organizations, schools, nonprofit leaders, and other stakeholders who want to support young people's mental health and well-being.

6 Feldman, J. S., Zhou, Y., Weaver Krug, C., Wilson, M. N., Lemery-Chalfant, K., & Shaw, D. S. (2021). Extracurricular involvement in the school-age period and adolescent problem behavior among low-income youth. *Journal of Consulting and Clinical Psychology*, 89(11), 947-955. <https://doi.org/10.1037/ccp0000685>

7 Peeters, M., Oldehinkel, A., Veenstra, R., & Vollebergh, W. (2019). Unique developmental trajectories of risk behaviors in adolescence and associated outcomes in young adulthood. *PLOS ONE*, 14(11), e0225088. <https://doi.org/10.1371/journal.pone.0225088>

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About

Hopelab envisions a future where all young people have equitable opportunities to live joyful and purposeful lives. As a funder, connector, and science translator, Hopelab supports and builds equity-centered solutions for the mental health of Brown, Black, and Queer young people. For more information, visit hopelab.org.

Data for Progress (DFP) is a progressive think tank and polling firm, which arms movements with data-driven tools to fight for a more equitable future. DFP provides polling, data-based messaging, and policy generation for the progressive movement, and advises campaigns and candidates with the tools they need to win. Learn more at dataforprogress.org or follow DFP on X at [@dataprogress](https://twitter.com/dataprogress).

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