Journals of Gerontology: Social Sciences
cite as: J Gerontol B Psychol Sci Soc Sci, 2021, Vol. 76, No. 5, 996–1004
doi:10.1093/geronb/gbab010
Advance Access publication January 10, 2021

Research Article

Perceived Types, Causes, and Consequences of Financial Exploitation: Narratives From Older Adults

Annie L. Nguyen, PhD, MPH,[1,*] Laura Mosqueda, MD,[1] Nikki Windisch, MSG,[1] Gali Weissberger, PhD,[2] Jenna Axelrod, PhD,[1] and S. Duke Han, PhD[1]

[1]Department of Family Medicine, University of Southern California, Keck School of Medicine, Alhambra, USA. [2]The Interdisciplinary Department of Social Sciences, Bar-Ilan University, Ramat Gan, Israel.

*Address correspondence to: Annie L. Nguyen, PhD, MPH, Department of Family Medicine, University of Southern California, Keck School of Medicine, 1000 South Fremont Avenue, Unit 22, Alhambra, CA 91803, USA. E-mail: annie.nguyen@med.usc.edu

Received: August 14, 2020; Editorial Decision Date: December 31, 2020

Decision Editor: Deborah S. Carr, PhD, FGSA

Abstract

Objectives: The goal of this study was to investigate the perception of financial exploitation and its causes and consequences by older adults who have firsthand experience of being exploited.
Method: Thirty-one cognitively healthy older adult participants aged 50 or older were drawn from the Finance, Cognition, and Health in Elders Study. In-depth, one-on-one interviews were conducted. Interview transcripts were analyzed using an iterative, data-driven, thematic coding scheme and emergent themes were summarized.
Results: Categories of financial exploitation included (a) investment fraud, (b) wage theft/money owed, (c) consumer fraud, (d) imposter schemes, and (e) manipulation by a trusted person. Themes emerged around perceived causes: (a) element of trust, (b) promise of financial security, (c) lack of experience or awareness, (d) decision-making, and (e) interpersonal dynamics. Perceived consequences included negative and positive impacts around (a) finances, (b) financial/consumer behaviors (c) relationships and trust, (d) emotional impact, and (e) future outlook.
Discussion: These narratives provide important insights into perceived financial exploitation experiences.

Keywords: Elder abuse, Financial fraud, Interviews

Financial exploitation is the illegal or improper use of a vulnerable adult's funds or property for another person's profit or advantage (National Center on Elder Abuse, 1998). When it occurs in older age, financial exploitation is a form of elder abuse. The World Health Organization defines elder abuse as a single or repeated act, or lack of appropriate action, occurring within any relationship where there is an expectation of trust, which causes harm or distress to an older person (World Health Organization, 2015). Although older adults are disproportionately impacted by financial exploitation, it can happen to anyone at any stage of the life span (Templeton & Kirkman, 2007). Laumann and colleagues (2008) found 3.5% of respondents (aged 57–85) in the National Social Life, Health, and Aging Project had experienced financial mistreatment in the prior 12 months. Using a data set from the Health and Retirement Study, Lichtenberg and colleagues (2013) found the prevalence of financial fraud in adults aged 60 or older across a 5-year period to be 4.5%. A meta-analysis of 50 articles published between 2002 and 2015 suggests a global prevalence of 3.8% (Yon et al., 2019). However, prevalence is likely underreported because older participants may be reluctant to disclose their experiences.

There are marked negative consequences from experiencing financial exploitation. The financial loss resulting from exploitation is significant and estimated to be nearly

3 billion dollars per year in the United States (Roberto & Teaster, 2011). Beyond financial loss, people who experience financial exploitation are more likely to report emotional or behavioral reactions such as shock, anger, self-blame, depressive symptoms, anxiety, and all-cause posttraumatic stress disorder (Acierno et al., 2019; Beach et al., 2010; Coluccia et al., 2020; Weissberger et al., 2020). The exact causes of financial exploitation are unclear. Financial exploitation is associated with lower levels of perceived social support (Beach et al., 2018). Having certain personal predispositions like holding respect for authority, generosity, and impulsivity may also contribute to likelihood of being scammed (Whitty, 2018). Considerable attention has been given to the cognitive and neural determinants of financial exploitation, particularly in older age (e.g., Spreng et al., 2016). Susceptibility to scams has been found to be associated with lower levels of cognitive function and with mild cognitive impairment (Han, Boyle, James, et al., 2016; James et al., 2014). Some studies suggest that deficits in decision-making and cognitive decline may precede financial exploitation lending evidence to the hypothesis that cognitive decline may be a cause of financial exploitation in older adulthood (Lichtenberg et al., 2016, 2020). However, financial exploitation occurs in adults without signs of cognitive decline or impairment and it is recognized that the risk factors differ for various forms of exploitation (Wood & Lichtenberg (2017).

An important aspect of study that has not received substantial attention in the literature is the manner in which older adults recall and recount financial exploitation experiences throughout their lives. By eliciting firsthand accounts of exploitation as narrated by older adults, we can examine the degree to which their financial exploitation experiences map onto the existing literature. Qualitative elicitation is an appropriate approach to achieve these aims because it can provide insights into phenomena by allowing participants to provide explanations using their own words (Patton, 2002). In this study, we employed qualitative methods to investigate the perception of financial exploitation and its causes and consequences among cognitively healthy older adults. A subset of participants from the Finance, Cognition, and Health in Elders Study (FINCHES) (Weissberger et al., 2020) were examined for the current study. The overall goal of FINCHES was to identify factors associated with financial exploitation among cognitively healthy older adults (aged 50 and older).

Method

Participants were recruited for FINCHES through community-based outreach in the greater Los Angeles area by distributing flyers at senior centers, coffee shops, elder abuse awareness events, and public lectures. Written consent was obtained from all participants and this research was reviewed and approved by the Institutional Review Board. All participants in the FINCHES study completed a comprehensive neuropsychological and behavioral assessment that gathered data on physical, mental, social, and cognitive health. The assessment included two screening questions related to financial exploitation: (a) "Do you feel you have been taken advantage of financially?" and (b) "Does someone you know feel that you have been taken advantage of financially?" Time frames were not specified in order to capture the full range of participant experiences. Individuals who answered "yes" to either question were invited to complete in-depth, one-on-one, qualitative interviews either by returning at a later time for an in-person visit or over the phone. About half of participants elected to complete the interview over the phone.

The interviews took place between June 2017 and February 2020 and were conducted by an experienced, qualitative researcher (first author) and lasted 30 min to an hour. Identical semistructured interview guides (Supplementary Appendix A) were utilized for both in-person (n = 12) and over the phone (n = 19) interviews. Interviews were conducted in a conversational manner to allow for the organic emergence of topics and open-ended questions (e.g., "Tell me about what happened when you had the experience of being taken advantage of financially") and probes (e.g., "Who were the people involved with the event?"; "How much money was involved?") encouraged elucidation. Interviews were audio-recorded and transcribed verbatim with names removed.

Transcripts were coded using Atlas.Ti software using an iterative, data-driven, thematic coding scheme developed by two coders, consistent with grounded theory approach (Corbin & Strauss, 1990; Strauss & Corbin, 1994). Initially, both coders independently evaluated five identical interviews using line-by-line coding to extract initial themes and codes for the emergent codebook. The emergent codebook was reviewed and discussed by both coders and codes were modified to ensure that they adequately captured the thematic relationships in the data. Then, five additional transcripts were independently coded using the emergent codebook and coders again reviewed the codes and revisions were made to add new themes or modify existing themes. Finally, the remaining transcripts were double-coded by both coders. Coding discrepancies were discussed by both coders at all stages of the process until consensus was achieved. Major themes are summarized here and we employ the use of pseudonyms.

Results

Thirty-four participants were invited to complete a qualitative interview but four people were lost to follow-up. In all four instances, participants initially agreed to complete an interview but were no-shows and we were unable to contact them after repeated attempts. The final sample size was 31 (see Table 1). The mean age of participants was 69.6 (SD = 11.9, range = 53–93), 74.2% were female, 74.2% identified as White, 12.9% as Asian, 9.7% as Latino/

Table 1. Participant Demographic Characteristics ($N = 31$)

	M (*SD*), range	*n* (%)
Age	69.6 (11.9)	—
Sex		
Female	—	23 (74.2)
Male	—	8 (25.8)
Race/ethnicity		
White	—	23 (74.2)
Asian	—	4 (12.9)
Hispanic/Latino	—	3 (9.7)
No response	—	1 (3.2)
Education (years)	15.9 (2.4)	—
Marital status		
Married	—	10 (32.3)
Divorced	—	11 (35.5)
Widowed	—	4 (12.9)
Never married	—	5 (16.1)
No response	—	1 (3.2)
Annual income		
< $40,000	—	8 (25.8)
$40,000–$74,999	—	6 (19.4)
$75,000–$99,999	—	6 (19.4)
> $100,000	—	8 (25.8)
No response	—	3 (9.7)

Table 2. Summary of Emergent Themes

Category	Themes
Type of financial exploitation	Investment fraud
	Wage theft or money owed
	Consumer fraud
	Imposter schemes
	Manipulation by trusted person
Causes and context surrounding the event	Element of trust
	Promise of financial security
	Inexperience or lack of awareness
	Decision-making (poor financial decision-making, compelled to comply)
	Interpersonal relationships
Perceived consequences of the event	Financial loss
	Financial and consumer behaviors
	Relationships and trust
	Emotional impact
	Future outlook

Hispanic, and 32.3% were married. The average years of education completed was 15.9 (*SD* = 2.4, range = 11–20).

A total of 49 events were described across all narratives. Thirteen people (41.9%) reported only one event, eight people (25.8%) reported two events, three people (9.7%) reported three events, and seven people (22.6%) reported four or more events. The estimated amount of money lost ranged from less than $1,000 to $2 million per person. The amount was >$50,000 in six events, $10,000–$49,999 in nine events, $1,000–$9,999 in 12 events, <$1,000 in 17 events, and unknown in five events. Events occurred prior to age 40 to as recent as a few months prior to the interview. Nine participants described events that occurred at age 40 or younger, and seven of those participants did not experience further financial exploitation later in life. Out of the 49 events described, 18 (36.7%) occurred between ages 40 and 59, and 19 (38.8%) occurred at age 60 or older.

Types of Financial Exploitation

The events described by participants broadly fell into five categories: (a) investment fraud, (b) wage theft or money owed, (c) consumer fraud, (d) imposter schemes, and (e) manipulation by a trusted person. See Table 2 for a summary of themes.

Investment fraud was the most common type of exploitation. These included investing in business ventures that never materialized promised gains, or more commonly, following through with financial advice from agents where fraudulent practices (e.g., Ponzi schemes, unauthorized financial transactions) were ultimately uncovered. Some participants had existing relationships with the agent while some participants were referred by a friend or family member. Only one participant ("Howard," age 70) described acting on advice given by a stranger over the phone, "I was at work and was contacted by an agent that I did not know but he seemed to know a lot about me … I was very naïve."

Another type of exploitation described by participants referred to *wage theft or money owed*. Some participants considered identity theft (e.g., unauthorized use of a credit card) to be a form of financial exploitation. "Rita" (age 74) described wage theft where she was "not getting paid for overtime." Two other participants described performing a job or service and not receiving the full amount promised. Several participants described loaning money to a friend or family member that was never repaid. In some cases, participants discovered after the fact that the loan was made under false pretenses. For example, "Donald" (age 83) described loaning money to a friend who needed money to help go through a divorce but later found out "his problem was gambling … he's borrowing money from everyone and they all found out that he was losing money in Las Vegas." In these instances, participants described feeling "disappointed," "hurt," or "angry" after realizing they would not be repaid on the loan. "Kay" (age 59) stated: "Unfortunately, I did lose a friendship over it, which hurt more than the money."

Consumer fraud was described by several participants. Some participants described purchasing items over the internet but receiving something that was different from expected or receiving nothing at all. "Kay" recounted placing an initial deposit for a used camper van through a third-party listing website but the van was never delivered. A few participants described being overcharged on home contractor services such as remodeling. "Cora" (age 85) described hiring a contractor for a home remodeling project but attempted to cancel within the 3-day period stipulated in the contract. However, she stated that the contractor visited her home to first "sweet talk" her out of canceling the job and then "intimidated" her into consenting to the work. She described:

> Before I knew it he was in the bathtub and he was taking a handle hatchet, and he was taking my walls. It was terrible. And I said, oh stop that! He said no you told me to do this. And I said, I didn't tell you to do this. He was lying and it was the worse thing.

This participant stated that she allowed the contractor to finish the job in order to avoid further confrontation but stated that she "felt sick about it."

Imposter schemes varied in scope but all involved an individual who purported to be someone they were not in order to feign legitimacy to solicit money. Examples included technology support scammers, fake Internal Revenue Service or debt collectors, and fake charity solicitors. Most of the imposter scheme incidents described were one-time incidents. Imposter schemes were described only by female participants.

Events that involved manipulation by a trusted person were also only described by female participants. In these descriptions, participants felt they were intentionally tricked by a trusted person to their financial disadvantage. "Dolores" (age 80) described developing a trusting relationship with a "life coach" over the course of several years. Over time, she estimated that the life coach received over $100,000 for travel and "things that he needed." The participant became uncomfortable with the relationship when the life coach "took over some of the [home] remodeling [they] were doing" by making purchasing and financial decisions on her behalf and "realized there was an awful lot of money going out to him." Five other participants described being exploited by a spouse. Some of these participants described events related to divorce proceedings. For instance, "Thelma" (age 76) stated that she discovered during the course of the divorce that her ex-husband had been secretly funneling money to a separate account for his own use. "Gail" (age 62) believed her ex-husband was the victim of a scam that promised him a return of $1 million in exchange for an upfront investment. She estimated that he secretly moved $300,000 from their joint accounts to pay into the scam. Rather than attributing the exploitation to the organizers of the scam, she attributed the exploitation to her ex-husband on account that he violated her trust by moving money without her knowledge. She explained:

> He began taking money out of our accounts and I wasn't aware of that. I was on a business trip and came home the first of the month to pay the bills and so forth. And suddenly I see there's a whole bunch of money gone from our account!

There were no appreciable differences in the types of exploitation described by participants who only reported early-life events and those who reported events that occurred in later life. The seven participants who only reported early-life events described situations that fell into all five types of exploitation including Ponzi scheme investments, unpaid debt from a friend, a "get rich quick" street grift, unscrupulous business practices, and manipulation by a spouse related to child support payments.

Causes of Financial Exploitation

Participants were asked to share how they believed the financial exploitation was able to occur. Several main themes emerged. Almost all participants stated that there was an *element of trust* associated with the event or persons involved with the event. Many participants stated that friends and family are supposed to be trustworthy, and thus, the index of suspicion for financial fraud when interacting with family and friends is low. Some participants described incidents that involved strangers who "became friends," which established trust. For example, the life coach described by "Dolores" visited her home often. She explained, "We became very close friends, my husband and I with him and his wife." "Kay," the participant who shared the story of purchasing a camper van that never materialized, explained that the seller corresponded and shared personal details over e-mail to the point where she believed that she had "made a friend." Some participants said they extended trust to someone if they were associated with a trusted organization. "Cora" described giving money over the phone to a fake charity because as she described, "They made a remark that they're not open Sundays because that's the day they're all in church. And that kind of got me because I thought, well I go to church." Some participants described themselves as trusting and having the tendency to "give people the benefit of the doubt." Four participants stated that older adults are "easy targets" and "vulnerable" because as "Dolores" summarized, "People in my generation are pretty trusting. We were raised to trust."

The *promise of financial security* was a factor for many participants in cases that involved financial fraud. Several participants explained that the investment occurred at a time when they had "extra money" to invest coupled with an offer that sounded "too good to pass on." "Neil" (age 60) called this scenario "the perfect storm." Several people were specifically motivated at the idea of securing a financially comfortable retirement with the right investment. "Alice" (age 70) explained that while both she and her husband had full-time jobs, her husband "didn't care about saving money." She stated that she decided, "… to take care of myself and maybe take care of him because he doesn't seem to care [about money].” A few participants described having a “it can happen to me too” mindset where they believed they could make substantial financial gains in a short amount of time because it has happened to other people. “Pearl” (age 80) said, “They have testimonials where someone says, ‘Oh I did this and this is so wonderful.’ Those things do happen to people.”

Some participants cited their own *inexperience or lack of awareness* as a factor in the financial exploitation. In many of these instances, participants blamed themselves for not being more vigilant. This theme cut across multiple categories of financial fraud. Participants used phrases such as “if I had known more,” “had we done our homework,” and “I should have taken the time to ask questions” to illustrate their belief that they could have avoided the fraud if they had greater knowledge or awareness. Four participants specifically stated that it was difficult to detect consumer fraud on the internet or imposter schemes related to computer repairs because of their lack of mastery over technology.

The theme of *decision-making* consisted of two subthemes: (a) poor financial decision-making and (b) compelled to comply. A few participants said that they were “bad at decision-making” related to finances. Two participants stated that their spouses were equally poor at financial decision-making. To these participants, being a victim of financial fraud was not unexpected. “Lester” (age 70) related decision-making to risk-taking and stated that he enjoyed taking risks sometimes to “do things that would be out of the ordinary.” However, “Lester” also shared that he had been the victim of financial fraud four times and that he never confided in his wife about the incidents because she would question his decision-making. He stated, “She would say I was crazy … I just keep my mouth shut, because if I tell her the truth, she’s going to hit the ceiling.”

Several participants felt compelled to comply by making decisions that went against their better judgment despite suspecting the fraudulent nature of the situation. As “Lilian” (age 70) explained about a fake debt collection call that she received over the phone, “You know how you have this gut feeling? And then you think, well maybe I should do it anyway?” She suspected the debt collector was an imposter but was fearful of incurring poor credit if the debt collection was real. “Margaret” (age 93) reported giving money to what she suspected were fake charities and stated that she continued to do so because “they’re so pressing that it’s hard not to.” She further stated that she was “inundated” with solicitations daily:

> We have a mail room in the retirement home where I live, and everybody has a key and unlocks their box and gets their mail out. Almost always I have an enormous pile and people say, ‘What on earth is all that?’ Well it’s almost all requests for money … People ask for the money and ask for the money, and sometimes you just give up and do it.

Finally, the theme of *interpersonal relationships* illustrates the ways in which participants attributed some aspect of the financial exploitation event to interpersonal dynamics. Several participants shared that the exploitation occurred in the context of relationship trouble with a spouse or significant other. “Cora,” who described an event involving consumer fraud, believed that she was vulnerable to fraud because she “was really weak” and “emotionally mixed up” at the time. When asked to elaborate, she explained:

> I was with this guy and the relationship was going south … We finally broke up but it was just one of those things, I would think about him too much and I wasn’t concentrating on reality … I was emotionally—it got to me in such a way.

“Harry” (age 67) stated that he made some investments in what he suspected were Ponzi schemes at his ex-wife’s insistence. He explained that they argued often and he relented to the investments “primarily to keep peace in the family so to speak.” Other participants spoke of having relationship trouble as part of the chain of events leading to a divorce and discovering fraud perpetrated by the spouse. Two participants described the ways in which a perpetrator can offer a service that fulfills a need as a way to build trust. In the case of “Dolores” who described the event involving the “life coach,” she explained:

> He came regularly when he started meeting with us for breakfast and it was fun, we had good discussions… If somebody told me at that point [that it was fraud], I probably wouldn’t have listened because he was fulfilling a need we both had.

Perceived Consequences of the Event

Participants described the impact that financial exploitation had on them and responses related to the themes of: (a) *financial loss*, (b) *financial and consumer behaviors*, (c) *relationships and trust*, (d) *emotional impact*, and (e) *future outlook*.

Many participants described the *financial loss* that they experienced, which for some people resulted in having fewer funds to spend on things they needed. For instance, “Lester” said, “I had cut back on a lot of other things that I like to do.” “Gail” stated that she was able to spend money on entertainment and travel but that they were “somewhat more constrained than I really want them to be.” A few participants attributed their “conservative spending” to having experienced financial exploitation. While all participants experienced an immediate financial loss, some participants stated that they were able to financially recover and that the loss did not have a significant impact on their lifestyle. As “Marie” (age 86) stated, “My life has not changed. I live simply. I am not a big liver.”

Some participants made changes to their *financial and consumer behaviors* following the financial exploitation events. Some behaviors involved being more "vigilant" at scrutinizing financial documents and transactions. Examples included reviewing bank balances and investment accounts regularly, researching investment plans closely, and asking more questions. All participants who experienced investment fraud involving a financial advisor reported switching to a different financial advisor. Some participants re-evaluated their investment approach and decided to pursue "low-risk" or "safe" investments. Marie said, "As my [certificates of deposit] matured, I didn't reinvest any of it. It sat in the bank with no interest. That's fine at least it was there." A few participants mentioned that low-risk investments were more prudent for older adults because they have fewer years ahead to recover any losses. Several participants said that they altered their behaviors as consumers to avoid being vulnerable to financial exploitation including avoiding online purchases and refraining from giving out credit card information over the phone for purchases.

Many participants described the ways in which financial exploitation changed the nature of some *interpersonal relationships and trust*. Events that involved family members or friends usually resulted in losses such as divorce or losing friendships. Two participants who felt they were wronged by their spouses specifically cited the incident as the reason they never remarried. "Thelma" (age 76) elaborated, "I want to be in control of my money. I don't want anyone to ever have that kind of power over me that he had by being in total control." Three participants stated that their trust in other people was "not shaken" but other participants expressed differently. Many people stated that they became "more careful" about trusting other people, especially strangers. Several participants went further in their statements and stated that they can no longer trust other people. "Dolores" stated, "it's better to err on the side of being rude than falling for something again." "Janice" (age 59) said that it was "easiest and cheapest [more financially advantageous]" to assume other people are willing to inflict harm in order to make a profit.

The *emotional impact* described generally referred to the immediate reactions after discovering the nature of the financial exploitation event. Participants described feeling "sick," "disappointed," "shock," "betrayed," or "numb." Many people also described feeling a loss of pride or dignity and feeling embarrassed. "Alice" questioned how she allowed it to happen to her because she considered herself "a very smart person" and was proud of her "common sense." A few people expressed the idea that falling victim to fraud contradicted their expectations for older adulthood because older adults are "supposed to be wiser." As "Dolores" explained, "The embarrassment is that we are not supposed to fall for this kind of stuff. After all, we have been around for years, you know." Many participants described feeling outraged and several participants were angry at themselves for falling victim to fraud.

Narratives emerged around the theme of *future outlook*. Some participants said that it was important to "move on," "forget," and "not dwell on" the incidents. These participants expressed the sentiment that it was important to let go of the past and move on. As "Cora" stated, "I have to laugh at it hun, because what good is crying going to do about it? You know, it didn't break me." In a similar vein, several participants framed the events as learning opportunities. These participants saw value in being resilient and learning from the experience. On the other hand, four participants expressed concern that by experiencing financial exploitation in the past, they may be more susceptible to future financial exploitation attempts. "Lester" also attributed his concern to his age and said, "That's my next biggest fear as I'm getting older, then eventually the mind begins to get—not in the same capacity. And that one could be even more susceptible to more things."

Discussion

To our knowledge, this is one of the first studies to systematically collect qualitative data from older adults who have experienced one or more incidents of financial exploitation throughout their lives. Older adults' perceptions of financial abuse have been examined using assessments of vignettes or fictional cases (Golding et al., 2013; Knight et al., 2016; Schwab & Wangmo, 2017) but firsthand recounting of personal experiences of financial exploitation is lacking. Because the participants in this study self-identified themselves as financial exploitation victims on the screening questions, it is important to examine their perceptions of the types of actions that constitute exploitation and the degree to which these events concur with the typologies identified in the literature.

Conrad and colleagues (2010) identified six operational forms of financial exploitation: (a) theft and scams, (b) abuse of trust, (c), financial entitlement, (d) coercion, (e) signs of possible financial exploitation, and (f) money-management difficulties. In their study, Conrad and colleagues found theft and scams, defined as taking an older adult's money without permission, to be the most severe form of financial exploitation. In our study, the category of "wage theft or money owed" also included situations where money was loaned under deceptive circumstances and never repaid to the participant, noting that unpaid debt can be considered a form of theft. While coercion was considered by Conrad and colleagues to be a separate category, we found elements of coercion to be prevalent across multiple categories of financial exploitation as an explanatory mechanism for the occurrence of fraud.

The Taxonomy of Fraud from the Financial Fraud Research Center at Stanford (Beals et al., 2015) offers a detailed classification system for understanding financial fraud. The broadest level of classification identifies fraud related to: (a) consumer investment, (b) consumer products and services, (c) employment, (d) prizes and grants, (e) phantom debt, (f) collection, (g) charity, and (h) relationship and trust. The types of exploitation described by the participants in our study mostly aligned with the taxonomy, but this classification also omits events where money was loaned under deceptive circumstances and never repaid. The Taxonomy of Fraud related to "relationship and trust" describes situations where deception is employed to foster a relationship such as the so-called grandparent scams or sweetheart scams and does not apply to unpaid debt. Although the seriousness of unpaid debt from a friend or family member may not rise to the level of a financial crime, like a grandparent scam would, our findings suggest that older adults may nonetheless consider themselves to be victims of financial exploitation in these situations.

In the Abuse Intervention Model (Mosqueda et al., 2016), interpersonal dynamics related to the "trusted other" are considered an important determining factor for elder abuse and elder mistreatment. Trusted others typically have an ongoing relationship with the older adult, and some participants in our study described poor or turbulent ongoing relationships with a loved one as implicated in exploitation. A key characteristic of the relationship with a trusted other is the expectation of trust. Many participants in our study stated that the expectation of trust played an important role in financial exploitation because it allowed them to operate with a lower index of suspicion, regardless of whether the other party was a trusted other or a stranger. Some participants stated that trust could be assigned to strangers in one-time encounters. Although strangers are not by definition considered to be "trusted others," they may still be deemed to be trustworthy particularly if they are thought to be associated with a trusted entity or organization. As remarked by several participants, older adults may be more trusting, which bad actors can exploit.

Poor decision-making (James et al., 2012) and susceptibility to scams (James et al., 2014) have been shown to be associated with lower levels of financial literacy. Better financial literacy has also been found to be associated with white matter integrity in the brain, which could be protective against poor financial decision in older age (Han, Boyle, Arfanakis, et al., 2016). Our study showed that poor decision-making and lack of financial awareness were driving factors in some instances of exploitation. Of interest, the desire for financial security was also cited by some participants as a factor. In instances where these factors overlap, that is, poor decision-making coupled with desire for financial security, vulnerability to financial exploitation may be enhanced. The interaction of these drivers is an area for further study.

It was notable that the perceived consequences of financial exploitation extended beyond financial loss. For some, financial exploitation can result in the loss of social relationships and the loss of a sense of trust in social relationships. Given the evidence that lower levels of perceived social support are associated with risk for financial exploitation (Beach et al., 2018), this is concerning as it suggests that victims may be at greater risk of being re-victimized. In the descriptions of changes enacted related to financial and consumer behaviors, participants described taking less risk. Interestingly, greater risk-taking is cited as a possible risk factor for financial exploitation (Shao et al., 2019). Participants in our study described emotional impacts that included intense emotions like anger, shock, and betrayal. Evidence suggests that financial exploitation can lead to greater levels of depression, anxiety, and poorer self-rated health (Acierno et al., 2017).

We recruited participants who were aged 50 or older at the time of the study but because the screening questions for financial exploitation did not specify a timeframe for the event, some of the exploitation described occurred much earlier in life and thus is not considered elder financial abuse. Regardless of when the events transpired, the perception of having been a victim of financial exploitation in one's lifetime may have psychological or behavioral consequences that extend into later life. This is an important point for consideration and is illustrated in the narratives of participants who stated they made changes to investment strategies or spending habits that have lasted a lifetime. Further, individual explanations of the causes and consequences of financial exploitation still provide firsthand details about the events and demonstrate that financial exploitation is not unique to older adults. More research is needed to disentangle differences in consequences between subjective and objective assessments of financial victimization.

Reports are subject to recall bias and because some incidents occurred up to decades prior to the interview, it is possible that participants missed or incorrectly recalled some information. Financial exploitation is also a sensitive topic so it is also possible that participants underreported their experiences. Finally, it is worth mentioning that qualitative inquiry serves to discover the range of responses, prove "thick description," and explore personal perceptions rather than to measure trends or quantify responses.

Our findings support the notion that there are many forms and types of financial exploitation. It occurs within a relationship where there is an expectation of trust, which can be extended to strangers in one-time encounters. The harm caused by financial exploitation may be monetary or psychological in nature and it may be immediate or linger past the exploitation experience. Findings from this study demonstrate that the perceptions of financial exploitation among older adults are diverse. Qualitative responses as articulated by older adults who have experienced financial exploitation can provide useful insights to measure the potential types, causes, context, and consequences of financial exploitation.

Supplementary Data

Supplementary data are available at *The Journals of Gerontology, Series B: Psychological Sciences and Social Sciences* online.

Funding

This research was supported by the Elder Justice Foundation awarded to S. D. Han, the Department of Family Medicine of the University of Southern California, and by the National Institutes of Health/National Institute on Aging (K01AG064986) to A. L. Nguyen.

Conflict of Interest

None declared.

Acknowledgments

We thank the participants of the Finance, Cognition, and Health in Elders Study (FINCHES) for their participation. We also thank Caroline P. Nguyen, Emanuel Parunakian, Jacqueline (Jackie) Chen, and Cinamin Aalund for their assistance with data collection and audio transcription.

References

Acierno, R., Hernandez-Tejada, M. A., Anetzberger, G. J., Loew, D., & Muzzy, W. (2017). The National Elder Mistreatment Study: An 8-year longitudinal study of outcomes. *Journal of Elder Abuse & Neglect,* **29**(4), 254–269. doi:10.1080/08946566.2017.1365031

Acierno, R., Watkins, J., Hernandez-Tejada, M. A., Muzzy, W., Frook, G., Steedley, M., & Anetzberger, G. (2019). Mental health correlates of financial mistreatment in the National Elder Mistreatment Study Wave II. *Journal of Aging and Health,* **31**(7), 1196–1211. doi:10.1177/0898264318767037

Beach, S. R., Schulz, R., Castle, N. G., & Rosen, J. (2010). Financial exploitation and psychological mistreatment among older adults: Differences between African Americans and non-African Americans in a population-based survey. *The Gerontologist,* **50**(6), 744–757. doi:10.1093/geront/gnq053

Beach, S. R., Schulz, R., & Sneed, R. (2018). Associations between social support, social networks, and financial exploitation in older adults. *Journal of Applied Gerontology*, **37**(8), 990–1011. doi:10.1177/0733464816642584

Beals, M., DeLiema, M., & Deevy, M. (2015). *Framework for a taxonomy of fraud.* https://longevity.stanford.edu/framework-for-a-taxonomy-of-fraud

Coluccia, A., Pozza, A., Ferretti, F., Carabellese, F., Masti, A., & Gualtieri, G. (2020). Online romance scams: Relational dynamics and psychological characteristics of the victims and scammers. A scoping review. *Clinical Practice and Epidemiology in Mental Health*, **16**, 24–35. doi:10.2174/1745017902016010024

Conrad, K. J., Iris, M., Ridings, J. W., Langley, K., & Wilber, K. H. (2010). Self-report measure of financial exploitation of older adults. *The Gerontologist,* **50**(6), 758–773. doi:10.1093/geront/gnq054

Corbin, J. M., & Strauss, A. (1990). Grounded theory research: Procedures, canons and evaluative criteria. *Qualitative Sociology,* **13**(1), 3–21. doi:10.1007/BF00988593

Golding, J. M., Hodell, E. C., Dunlap, E. E., Wasarhaley, N. E., & Keller, P. S. (2013). When a son steals money from his mother: Courtroom perceptions of elder financial exploitation. *Journal of Elder Abuse & Neglect,* **25**(2), 126–148. doi:10.1080/08946566.2013.751816

Han, S. D., Boyle, P. A., Arfanakis, K., Fleischman, D., Yu, L., James, B. D., & Bennett, D. A. (2016). Financial literacy is associated with white matter integrity in old age. *Neuroimage,* **130**, 223–229. doi:10.1016/j.neuroimage.2016.02.030

Han, S. D., Boyle, P. A., James, B. D., Yu, L., & Bennett, D. A. (2016). Mild cognitive impairment and susceptibility to scams in old age. *Journal of Alzheimer's Disease,* **49**(3), 845–851. doi:10.3233/JAD-150442

James, B. D., Boyle, P. A., & Bennett, D. A. (2014). Correlates of susceptibility to scams in older adults without dementia. *Journal of Elder Abuse & Neglect,* **26**(2), 107–122. doi:10.1080/08946566.2013.821809

James, B. D., Boyle, P. A., Bennett, J. S., & Bennett, D. A. (2012). The impact of health and financial literacy on decision making in community-based older adults. *Gerontology,* **58**(6), 531–539. doi:10.1159/000339094

Knight, B. G., Kim, S., Rastegar, S., Jones, S., Jump, V., & Wong, S. (2016). Influences on the perception of elder financial abuse among older adults in Southern California. *International Psychogeriatrics,* **28**(1), 163–169. doi:10.1017/S1041610215000587

Laumann, E. O., Leitsch, S. A., & Waite, L. J. (2008). Elder mistreatment in the United States: Prevalence estimates from a nationally representative study. *The Journals of Gerontology, Series B: Psychological Sciences and Social Sciences,* **63**(4), S248–S254. doi:10.1093/geronb/63.4.s248

Lichtenberg, P. A., Ficker, L. J., & Rahman-Filipiak, A. (2016). Financial decision-making abilities and financial exploitation in older African Americans: Preliminary validity evidence for the Lichtenberg Financial Decision Rating Scale (LFDRS). *Journal of Elder Abuse & Neglect,* **28**(1), 14–33. doi:10.1080/08946566.2015.1078760

Lichtenberg, P. A., Gross, E., & Ficker, L. J. (2020). Quantifying risk of financial incapacity and financial exploitation in community-dwelling older adults: Utility of a scoring system for the Lichtenberg Financial Decision-Making Rating Scale. *Clinical Gerontologist,* **43**(3), 266–280. doi:10.1080/07317115.2018.1485812

Lichtenberg, P. A., Stickney, L., & Paulson, D. (2013). Is psychological vulnerability related to the experience of fraud in older adults? *Clinical Gerontologist,* **36**(2), 132–146. doi:10.1080/07317115.2012.749323

Roberto, K., & Teaster, P. (2011). *The MetLife study of elder financial abuse: Crimes of occasion, desperation, and predation against America's elders*. MetLife Mature Market. https://ltcombudsman.org/uploads/files/issues/mmi-elder-financial-abuse.pdf

Mosqueda, L., Burnight, K., Gironda, M. W., Moore, A. A., Robinson, J., & Olsen, B. (2016). The abuse intervention model: A pragmatic approach to intervention for elder mistreatment. *Journal of the American Geriatrics Society,* **64**(9), 1879–1883. doi:10.1111/jgs.14266

National Center on Elder Abuse. (1998). *The National Elder Abuse Incidence Study.* https://acl.gov/sites/default/files/programs/2016-09/ABuseReport_Full.pdf

Patton, M. Q. (2002). *Qualitative research and evaluation methods*. Sage Publications.

Schwab, D. R. & Wangmo, T. (2017). Perceptions of elder abuse from community-dwelling older persons and professionals working in Western Switzerland. *Journal of Interpersonal Violence*, 36(1–2), NP135–NP161. doi:10.1177/0886260517732345.

Shao, J., Zhang, Q., Ren, Y., Li, X., & Lin, T. (2019). Why are older adults victims of fraud? Current knowledge and prospects regarding older adults' vulnerability to fraud. *Journal of Elder Abuse & Neglect,* **31**(3), 225–243. doi:10.1080/08946566.2019.1625842

Spreng, N. R., Karlawish, J., Marson, D. C. (2016). Cognitive, social, and neural determinants of diminished decision-making and financial exploitation risk in aging and dementia: A review and new model. *Journal of Elder Abuse & Neglect,* **28**(4–5), 320–344. doi:10.1080/08946566.2016.1237918

Strauss, A., & Corbin, J. M. (1994). Grounded theory methodology. In N. K. Denzin & Y. Lincoln (Eds.), *Handbook of qualitative research* (pp. 273–285). Sage.

Templeton, V. H., & Kirkman, D. N. (2007). Fraud, vulnerability, and aging: Case studies. *Alzheimer's Care Today,* **8**(3), 265–277. doi:10.1097/01.ALCAT.0000281875.55721.0f

Weissberger, G. H., Mosqueda, L., Nguyen, A. L., Samek, A., Boyle, P. A., Nguyen, C. P., & Han, S. D. (2020). Physical and mental health correlates of perceived financial exploitation in older adults: Preliminary findings from the Finance, Cognition, and Health in Elders Study (FINCHES). *Aging & Mental Health,* **24**(5), 740–746. doi:10.1080/13607863.2019.1571020

Whitty, M. T. (2018). Do you love me? Psychological characteristics of romance scam victims. *Cyberpsychology, Behavior and Social Networking,* **21**(2), 105–109. doi:10.1089/cyber.2016.0729

Wood, S., & Lichtenberg, P. A. (2017). Financial capacity and financial exploitation of older adults: Research findings, policy recommendations and clinical implications. *Clinical Gerontologist,* **40**(1), 3–13. doi:10.1080/07317115.2016.1203382

World Health Organization. (2015). *World report on ageing and health*. World Health Organization Press.

Yon, Y., Mikton, C., Gassoumis, Z. D., & Wilber, K. H. (2019). The prevalence of self-reported elder abuse among older women in community settings: A systematic review and meta-analysis. *Trauma, Violence & Abuse,* **20**(2), 245–259. doi:10.1177/1524838017697308