

“The Relationship I Have With Money”: Student Debtors’ Economic Strategies and Approaches to Money Management

Joan Maya Mazelis
Rutgers University - Camden

ABSTRACT

College graduates with student debt face challenges as they manage multiple financial obligations. This paper explores student debtors’ understandings of and relationships to money, including how they think about savings, retirement contributions, and credit card debt. Analysis is based on findings from part of a longitudinal study on student loans: 101 in-depth interviews with 15 participants with loans, first interviewed in 2016 when they were about to graduate college and then almost annually for nearly 8 years. Participants in this study, all college graduates with student debt, varied in their money management strategies. Many tried to avoid credit card debt, aware of its costs, yet succumbed to it out of necessity. For some, student debt obligations appeared to distort their relationship to money in ways that led them to make counterintuitive, disadvantageous decisions. Policy recommendations include relaxing barriers to savings and finding new ways to encourage retirement plan participation among young people.

Keywords: student loan debt, money management, financial strategies, credit cards, savings, retirement, credit card debt puzzle

College graduates with student loan debt face challenges as they seek to manage multiple financial obligations, including student loan repayment. In addition to other regular expenses such as housing, transportation, food, utilities, and health care, those with student debt have the additional financial burden of making loan payments. Managing all these costs requires careful budgeting, stable employment, and affordable expenses. Even for those who navigate this terrain without difficulty,

carrying student debt burdens may complicate their understandings of and relationships to money. Rather than examining student debt's effects on family formation, its impacts on mental distress, or the role of financial literacy and socialization, as other work has typically done, this article focuses on student debtors' understandings of and relationship to money. It focuses on their decisions and opinions about savings, retirement contributions, and other debts such as credit card debt.

LITERATURE REVIEW

Previous literature has examined various impacts of student loans, often focusing on the role of financial socialization in decisions about loans (Curran et al., 2018; Fan & Chatterjee, 2019; Jorgensen et al., 2017; Luhr, 2018; Rea et al., 2019; Robertson-Rose, 2020; Watkins et al., 2024), financial literacy and its impacts on decisions (Kim et al., 2019; Lusardi et al., 2021; Ricaldi et al., 2022), effects on well-being (Bartholomae & Fox, 2021; Curran et al., 2018), debt and psychological distress (Brown et al., 2005; Fiksenbaum et al., 2017; Robb, 2017; Zhang & Kim, 2019), and effects on family formation (Addo, 2014; Kuperberg & Mazelis, 2022). Debt and credit systems tend to exacerbate economic and racial inequality (Charron-Chénier & Seamster, 2021; Seamster & Charron-Chénier, 2017; Wherry & Chakrabarti, 2022). Those with student loans have worse financial well-being (Kim & Lee, 2025; Yao & Xiao, 2023). Racialized patterns of student loan debt contribute to the racial wealth gap (Seamster & Charron-Chénier, 2017).

Heavy debt burdens bring financial risks; even when people have sufficient income to cover debt payments and other expenses, crises can make it impossible for them to service their debt, especially if they lack savings to use in an emergency (Deevy et al., 2021). People who have paid off their student loans are more likely to own a home than those who have not (Letkiewicz & Heckman, 2018). Worry about managing money and debt affects intimate partner relationships (Plyusheva, 2025), and household debt is often the strongest predictor of couple conflicts (Lee et al., 2023). Studies have even found a negative impact on health and health care usage (Kuperberg et al., 2023; Sweet et al., 2013). Amid the body of research on student loan debt and its consequences, comparatively few works have sought to explore student debtors' relationship to money and their approaches to savings, retirement contributions, and other forms of debt like credit card debt.

Debt, Attitudes Towards Debt, and Financial Self-Efficacy

The literature on whether people with debt have greater tolerance for additional debt has produced complicated results. Having high debt as a student is correlated with higher tolerance towards debt (Davies & Lea, 1995), but it is unclear whether the correlation indicates a causal relationship (Boddington & Kemp, 1999). It is possible that tolerant views of debt lead to people taking on more debt, or that having to take on more debt leads people to become more tolerant, or that these develop in tandem (Boddington & Kemp, 1999).

Financial self-efficacy may play an important role in student loan debt's impact on future financial well-being. There is a great deal of research on financial knowledge and literacy, but self-efficacy also supports financial well-being (Brady et al., 2021). Self-efficacy can be defined as "the belief in one's capability to achieve or succeed at a given task" (Lown et al., 2015, p. 491), and financial self-efficacy is the belief in the ability to succeed financially; a study that controlled for age and income found that having financial self-efficacy is associated with greater savings (Lown et al., 2015). Self-efficacy also tends to support repayment of student loan debt (Heckman et al., 2014; Shim et al., 2019).

Debt delinquency—including student loan debt delinquency—increases financial stress, and financial literacy increases this stress (Xiao & Kim, 2022). In other words, understanding one's financial position can add to the stress about being delinquent. Similarly, subjective worry may be even more significant than debt levels in terms of emotional well-being (Loibl et al., 2022; Magwegwe, 2025). Financial stress, particularly regarding their student loan debt amounts, is widespread among students (Magwegwe, 2025). Financial worries can affect well-being, and students with more optimism and a sense of financial self-efficacy have been found to have less stress; student loan debt may negatively affect sense of financial self-efficacy, but those with more self-efficacy may also feel they will have less difficulty in paying off student loans (Heckman et al., 2014). Financial stress as well as attitudes play an important role in future financial decisions (Shim et al., 2019). People's perceptions of their ability to manage money also affect their financial well-being (Farrell et al., 2016; Lown et al., 2015; Montalto et al., 2019). It is also possible that those with difficulty paying off their loans experience decreased senses of self-efficacy.

Higher financial self-efficacy is also linked to lower levels of financial stress among student loan borrowers (Danahy et al., 2024), and good financial literacy *before* taking on student debt is associated with a higher level of financial self-efficacy (Brady et al., 2021). Yet it is important to note that self-efficacy alone isn't sufficient to financially succeed. As Shim et al. (2019) found, perceived difficulty of repayment is directly associated with actual difficulty. Sometimes no degree of positive attitude is sufficient to overcome financial burdens.

Retirement Contributions, Savings, and Student Debt

Most of the literature concerned with understanding the relationship between student debt and savings focuses on the fact that student debt usually correlates with lower savings (Brodmann et al., 2018; Korankye, 2024), and that more lenient student loan repayment models increase personal savings (Boutros et al., 2024). However, some research finds that financial threat, associated with debt, leads to smarter financial decisions (Fiksenbaum et al., 2017; Marjanovic et al., 2018), which could include engaging in saving if funds are sufficient.

Student debt might connect to saving for retirement, with potentially grave consequences for the future. Young adults often don't save for retirement (McKenzie & Liersch, 2011; Suh, 2022), particularly if they have student loans; those with student loans have lower retirement savings (Rutledge et al., 2021). Borrowers often

feel their debt payments keep them from addressing other financial priorities, such as saving for retirement (Lusardi et al., 2021; Rutledge et al., 2021). Research has found that the presence of the loan, not its amount, shapes this feeling, indicating it is possible that the perceived burden and the financial stress it causes is a main factor, rather than actual financial expenses (Rutledge et al., 2021). In light of this, McKenzie and Liersch (2011) argue that making it clear to individuals how retirement savings grow over time, so they understand the true opportunity costs of postponing or forgoing saving for retirement early in life, would increase saving for retirement.

Credit Cards, Buy Now Pay Later, and Predatory Lending

To understand the relationship between student debt and future financial behavior, it can be helpful to consider how debt is both specifically targeted towards vulnerable populations (Loomis & Cockayne, 2025; Roberts, 2013; Threadgold et al., 2025) and increasingly normalized (Cook et al., 2023). Attitudes towards spending and use of credit cards are predictors of debt (Norvilitis et al., 2006), in part because the lending industry tends to target those already accustomed to debt with payday loans or buy now, pay later (BNPL) options (Stegman & Faris, 2003; Waliszewski et al., 2024). Research shows that financially vulnerable households often must rely on credit for essential needs; BNPL services, part of a burgeoning credit option, are targeted toward already financially vulnerable groups, particularly low-income young women (Loomis & Cockayne, 2025). Indeed, BNPL services are the fastest-growing segment of the consumer credit market (Aisjah, 2024). An additional layer of this normalization is what Davey (2019) calls a “suspensory” attitude towards debt, which tends to emerge when individuals feel so overwhelmed by debt that they give up on the thought of ever paying it back.

People with higher self-efficacy are less likely to use BNPL services (Aisjah, 2024). Yet a focus on efficacy or financial literacy can be interpreted as part of an overly agentic assessment of the problem, missing the important role of larger structural factors. Threadgold et al. (2025) criticize the view that young people are ignorant or irresponsible regarding their debt. The authors argue,

Calls to be “responsible” or to make “rational decisions” make little sense when virtually all young people are in some kind of debt, with billion-dollar industries vying to produce new ways to attract their spending, track their buying habits, and encourage more consumption. (Threadgold et al., 2025, p. 52)

Some people—particularly those already in debt—who are unable to cover expenses rely on payday loans, a short-term consumer credit option (Stegman & Faris, 2003). Research examining consumer behavior and attitudes toward money management found that a personal inclination towards going into debt and family history of taking on a variety of loans slightly increased use of BNPL options (Waliszewski et al., 2024).

Research has examined the “credit card debt puzzle,” in which people report having revolving credit card debt, or balances on their credit cards they do not pay in full each month, as well as liquid assets (Druehl & Jørgensen, 2018; George & Leszczyszyn, 2021; Gorbachev & Luengo-Prado, 2019; Greene & Stavins, 2023;

Ricaldi et al., 2022; Telyukova, 2013). Researchers point to reasons for this “puzzle” like low financial literacy (Ricaldi et al., 2022). Greene and Stavins (2023) demonstrated that it is very common for people to hold onto credit card debt while keeping liquid assets in the bank. They provided the explanation that people need money in the bank, not credit cards, to pay for most household bills. They also found that having debt, including student loans, was associated with a higher likelihood of carrying credit card balances.

Telyukova (2013) similarly found that people may not pay off credit card debt even when funds seem available because they anticipate requiring those funds for expenses they cannot put on credit cards. People also sometimes carry credit card debt rather than pay off balances they have accrued as a precaution, knowing that they may lose access to credit or may not gain additional credit; for individuals worried about future liquidity, having an already open line of credit in addition to liquid assets feels safer, as it protects them from the consequences of not being granted credit in the future (Druehl & Jørgensen, 2018; Gorbachev & Luengo-Prado, 2019). Such research, even when it is not about student debt, provides insight into the economic, political, and cultural climate around debt that student loan holders enter after graduating.

METHODS

This study draws on data gathered as part of a larger study that included 116 in-depth qualitative interviews, totaling nearly 270 hours, with 24 participants first interviewed when they were about to graduate college, and then almost annually for nearly 8 years after graduation. In Spring 2016 (Wave 1) a collaborator and I interviewed 24 graduating seniors with student loans at two regional public research universities in the United States (12 students at each). Both schools were rated “best bang for your buck” by *Washington Monthly*, and their student bodies have similar profiles of diverse local students, including many first-generation college students. One school is in the northeast, in a high cost-of-living area, and the other is in the southeast, in a lower cost-of-living area. Participants arguably are the most likely of any group of students to benefit from their student loans: they attended public universities less costly than their states’ flagship campuses and crucially, succeeded in graduating, making them better positioned to repay debt than those who attend but do not complete college.

Screeners emails were sent to graduating seniors, inviting them to participate and asking if they had taken out loans. The plan was to follow a small group of participants in depth over several years at each school to obtain sufficient information power (Malterud et al., 2016). Potential interviewees were selected from a list of all graduating seniors at each university using a random number generator. At each school 23 students expressed willingness to participate, of whom 20 at each had loans. Participants were limited to those with loans to explore the range of experiences of those with loans. A random number generator was used to select 12 from each of these sets of 20, for a total sample size of 24.

Follow-up interviews took place in 2017, 2018, 2019, 2020, 2022, and 2024. All participants received invitations at each wave, so some participants missed one interview but participated in a later one. Among the initial 24 participants, 20 participated in at least one follow-up interview, 15 participated in at least five interviews, and 12 completed all seven waves of interviews. This article focuses on the 15 participants who completed at least five interviews (a total of 101 interviews over the 8-year period).

Recruitment methods allowed for the maximization of variability across the range of experiences, majors, and demographic factors. At Wave 1, participants ranged in age from 21 to 40 (median of 23). Sixteen were women and eight were men. Eleven identified as Black, 10 as White, two as Asian American, and one as Hispanic. The 15 focused on in this article include nine Black and six White participants, 11 women and four men. Self-reported loan amounts ranged from \$9,000 to \$130,000 at Wave 1 (median of \$30,000, mean just below \$40,000).

Interviews followed a semi-structured in-depth interview guide that included questions about various aspects of participants' pre-college, college, and post-college lives, their experiences, and their attitudes. Research focused on the developments in young people's lives as they dealt with loan repayment obligations, including their attitudes and practices regarding their evolving economic strategies and money management. Details were gathered about their employment benefits such as retirement accounts, their banking practices, use or avoidance of credit cards, and attitudes toward savings and debt.

All interviews were audio-recorded and transcribed by a professional transcription service. Transcripts were coded using NVivo qualitative analysis software, relying on inductive analysis and grounded theory techniques (Corbin & Strauss, 2008). The process involved reading transcripts carefully, using software to create nodes for each interview topic. Labels were attached to text from interviews based on the content themes in a process of open coding and then regrouped to identify connections between codes in a process of axial coding. After delving into detailed transcript data on issues related to money management and economic strategies, I identified themes that illustrate important patterns, and I focus my analysis on these below in the findings section.

References to "some participants" rather than a specific number are intentional to avoid any suggestion of statistical representativeness; to give a number might give a false impression. Drawing on the work of Small (2009), the perspective that it is not the number or frequency that matters with small sample or multiple case in-depth qualitative studies, but the identification of mechanisms, also frames my approach. Therefore, I explore the implications of findings regardless of the frequency of responses (Small, 2009).

FINDINGS

Participants in this study, all college graduates with student debt, varied in their money management strategies. Some variations were rooted in their experiences with scarcity at earlier points in their lives. Yet, for some, their student debt obligations

appeared to distort their relationship to savings, retirement contributions, and other forms of debt, such as credit card debt, in ways that led them to make counterintuitive decisions that sometimes disadvantaged them.

Student loans loom large in participants' lives. Crystal Christian said in 2020, "It's so heavy to me and emotionally draining." Simone Brown said in 2024 that she had a lot of financial anxiety and she traced it back to having student loan debt. Serenity Williamson shared in 2017 that if student loans were all forgiven she would save money: "Instead of paying off my past, I would invest it in my future," she said. These participants see debt as having a significant impact on their daily lives and their future plans.

Some participants noted potential positive consequences from their student debt, particularly in terms of their own ability to budget and be responsible. Mia Allen said in 2018, "I think it's made me more cognizant of how I'm spending and ... making sure that I'm being responsible with my money because I have loans to pay off." Mia also said in 2020 that her loans were even an asset in terms of showing regular payments on her credit history. Crystal thought her student loans might provide her some financial discipline, though she still struggled with credit card debt. Others reported that their student debt made them better students, more cautious, more appreciative, and helped them learn how to budget well in college and beyond. These experiences counter the notion that student debt has uniformly negative effects. Of course, reports of positive effects are different from empirical evidence that student debt increases financial savvy or academic diligence. Participants themselves do not know how they would have behaved if they had not taken the loans.

Some participants in this study made savvy financial decisions. But in general, participants' statements reflect a distorted relationship to money that came out in their comments related to credit card debt and savings, including retirement savings. Participants described a range of behaviors and attitudes related to the credit system, banking practices, and retirement contributions, and in their telling, their student debt considerations were intertwined with the rest of their financial decision-making.

"I Don't Want One": Credit Card Resistance and Debt

Some participants had chosen not to have credit cards. Several reported that family members had amassed credit card debt and they wanted to avoid the same fate. Olivia Robertson said in 2017 that her parents both lost their jobs during the Great Recession. She explained, "They were on unemployment, but all they could afford was to pay our bills for food and stuff, and that was it. They ended up with I think a lot of debt because of that." Her parents' past scarcity shaped her wariness of credit cards. Her student loans played a role as well. She said, "I think that's one of the reasons why I haven't gotten credit cards ... because I already know, 'no, you have [student loans to repay].' I didn't want credit debt as well."

Richard Miller also resisted getting a credit card, and he had never carried a balance. In 2017, he said, "I hate credit cards. I think they give you a false sense of security." In 2018 he said:

If I can't afford something I don't need to get it unless it's a necessity.... I think there's some benefits to having a credit card... I think it helps your credit score, so I'm not completely opposed to the idea, but as of right now, I don't want one. By 2022, Richard reported that he had since gotten credit cards but never carried a balance. In 2024, although they still had credit cards, he and his wife continued to avoid using them, primarily relying on their debit cards. Though credit cards were now part of his financial picture, he retained his resistance to them on principle and in practice.

Crystal came to consider credit cards risky through painful direct experience. An older student, she had been through the bankruptcy process prior to the study. From 2016 to 2018 she acknowledged rising credit card debt that was increasingly hard to pay. She had a 401(k) account she had built up before returning to school, and at the time of her first interview in 2016 she had already taken out a loan against it. A year later she was planning to take out another such loan to wipe out her credit card debt. She knew from prior experience that her credit card debt would likely balloon again. As she explained, "Then something comes up, and I'm like, 'All right, I'll just use a credit card for that,' and then [the credit card balance] builds up again.... Paid them off at one point, and it just builds up again." She understood the problem with this strategy, but she repeated it.

In 2019, Crystal said her new plan was that once she and her husband paid off existing credit cards, they would cancel the cards:

No store or regular credit cards, like Visa, MasterCard, done. Cash and a secured card to make purchases on websites that I'm not comfortable with. Or if whatever, a rental place needs a credit card to hold, we'll use a secured card to do that.... If I want a \$1,000 secured card, I'm putting \$1,000 on it. It'll act just like a credit card, but it's my money.

She compared having a credit card to being "like an alcoholic who goes through the [12 Alcoholics Anonymous] steps and no longer drinks, can't really visit the bar right now." When I asked what she would do if she wanted to travel out of state to visit her son at college, but she didn't have the funds at that moment, she said, "Then we will not go.... It's very uncomfortable. Don't get me wrong, it's not an easy thing. It's very uncomfortable, and we just have to go through that sacrifice." She was determined not to ever charge something to a credit card again.

In 2020, Crystal and her husband had gotten a personal loan to pay off some credit card debt and had gotten rid of their credit cards as planned. The interest rate on the personal loan was substantially lower than they had been paying on their credit cards, and it consolidated their debt payments. Crystal reported liking the consolidated debt in the personal loan and no longer having credit cards. She said, "I'm definitely in better control." She reiterated that she didn't think she was disciplined enough to use credit cards for the benefits they can provide, and she continued to compare credit cards to an addictive substance. She said, "You know, it can work for your benefit. Absolutely.... But for us...it was just like being an addict and...you just can't do any drugs at all. Just cut it off." Crystal felt she had finally landed on a technique that would work better for her and free her from credit card debt.

Alice Jones did not get a credit card until 2024. Up until that point she was steadfast that she did not want one. As she said in 2017, “I don’t plan on getting one.” In 2018 she said, “I don’t like the fact of paying money at the end of the month. I like to pay things when they’re due and that’s it.” She acknowledged that having a credit card “can help you build up your credit I’ve heard,” but she thought having credit cards also leads to:

spending money that you don’t need [to spend]. It should only be for an emergency I feel like. And I feel like some people they just swipe, swipe, swipe.

And then at the end of the month when they get the bill they’re like, “oh no.”

And they don’t have the money to pay for it.

In 2020 she said, “I don’t have a credit card.... Never have, never will” and in 2022 she said, “I’m never planning to get one.... I heard they get you into trouble, so. And I don’t feel like I need one.”

Big purchases had led Alice to become a borrower, however. While in 2019 Alice still said, “I don’t have a credit card. I never had one,” she had made her first purchase on credit, buying furniture on layaway. This BNPL procedure charged interest. The credit card she eventually got in 2024 was to pay for car repairs she needed and couldn’t afford, and it was linked to the auto repair shop. She was largely positive about having gotten the card. She said,

So they’re like, ‘Well you can open a Firestone MasterCard.’ So I did get a MasterCard and I’m paying—it’s crazy. It’s a really low amount that I’m paying.... I’m paying \$26 a month to pay off that for my car, the work that I had done.

Alice said she didn’t know the interest rate but was happy with the small payment. She said she felt a little nervous getting a credit card and was still planning to use the card only for vital needs. Although Alice felt like this new financial move was a bit daunting, she readily justified it saying, “It wasn’t like it was for shopping or anything.... I just got it to cover like my basic need, which was transportation,” she said. On the other hand, she acknowledged that she had tested whether it worked for other expenses, had found that it worked for a \$13 purchase on Amazon, and that if she got “in a bind” she would have the card with “like a \$4,000 limit.” Alice did need transportation to get to her job, but even if she found the \$26 a month an easy lift, making that payment on a high-interest loan would add up over time, impeding her ability to amass savings. It would have benefited her to have access to another way to pay for this necessary expense so she wouldn’t have had to get a credit card just to cover these urgent costs.

Others amassed credit card debt that was more obviously onerous. At the first interview in 2016, Ashley Rose didn’t have a credit card, but by 2019, she was carrying \$3,000 of credit card debt. She paid \$68 per month, the minimum. By the following year, her monthly payment was \$114, and she said she didn’t how know much was on the card total. “I don’t want to look at it,” she said. By 2022, she was paying \$230 a month and she said her total balance on it was approximately \$11,000. She said she didn’t know what the interest rate was or how long it would take her to repay it. By 2024, Ashley’s debt had climbed to \$14,000. Ashley’s credit card balance

and minimum payment had risen substantially in a few years, and she had no sense of if, or when, or how, she would be free of credit card debt.

Ava Wright at first followed a similar trajectory, and she reported in 2017 that she was paying \$70 a month on about \$2,000 of credit card debt, \$100 a month on \$4,500 in 2018, and more on \$6,600 in 2019. By this point her marriage had fallen apart and she had two small children. She accrued debt in part because she wasn't working and needed to purchase necessities for her kids and their father's financial support was lacking.

In 2020 Ava still had credit card debt. She explained, "I did get my one credit card down to zero at one point, and then I had to use it. Once they're paid off, I try not to use them because I don't want that added expense." Yet she had not been able to make much of a dent in her balances owed in 2020, or in 2022, or in 2024, when she reported essentially the same balances owed, because as she said in 2022, "I just do the minimum payments." She tried not to use her card, but "if I don't have gas money or if I don't have money for diapers or wet wipes, I'll still use it. So [my balance is] really not going anywhere." At her last interview in 2024 she reported she had not been able to pay even the minimums in recent months. Ava's credit card debt was climbing even though her new purchases were small and infrequent.

In 2016 Monique Lewis said that she had about \$2,000 in credit card debt spread across three cards with \$25 monthly payments each. When asked how long she thought it would take to pay it off, she said, "If I could stop buying stuff it shouldn't take that long." She framed the problem as a matter of self-control rather than necessity. But a year later she had seven cards and owed close to \$3,000. She was paying the minimum payment only on one of them, and she was not paying any of the other cards at all. By 2018 her debt was up to \$8,000, and she still wasn't making minimum payments. She was determined to pay it back eventually, but much like other participants with substantial credit card debt, she had no idea of how that might happen.

Some participants noted that getting a credit card might increase their credit scores but were still wary, like Richard, noted above. Serenity said in 2017 she was planning to get a credit card soon to raise her credit score. She said, "I want to open up a credit card ... just making sure that I don't miss any payments because late payments make a huge impact on your credit." She was aware of the dangers, although she emphasized the impact of late payments on her credit score more than the potential cost of carrying a balance while making minimum payments.

Some participants believed, incorrectly, that having credit card debt and carrying a balance rather than paying it off would benefit their credit score. Olivia said in 2018, "I do know that people have said that if you pay off the whole amount, then it doesn't look as good as paying off little by little." Crystal mentioned this as well, as part of a strategy for overcoming the damage to her credit score from having declared bankruptcy in the years before the study. This is an understandable assessment even though it's mistaken.

Several participants mentioned their lack of education about credit cards. Olivia said in 2019 that she felt fortunate her mother had warned her to avoid credit cards, because she did not receive any instruction on the subject in school. "When I

graduated high school, I was not prepared for college, and when I graduated college I was not prepared for life. So, it's just, no, there was no preparation at all," she said.

Unless you have people to talk to you and teach you, you just have to learn on your own. It just feels like, like when ... an eagle teaches this baby to fly and you just get dropped and you have to keep getting dropped until you learn how to fly.

I feel like that's how life has been for me.

The instruction she had received, to simply avoid credit cards, was not enough. Similarly, Ashley noted in 2024,

If they would teach us this stuff in— If they would've taught me— If somebody would've sat me down in high school and be like, "Hey, if you're gonna have a credit card, this is how it goes.... Like just because it exists, doesn't mean you have to use it all"... But then you get to a point where you're in over your head and you're like, "Well, how do I get out?"

Ashley's thoughts here suggest that financial literacy matters, that it is difficult for individuals to make good choices when they were never given education in these concepts, and that young adults may be eager to gain financial literacy if more training were offered widely in school.

Simone referenced the need for people to be better informed. She said in 2017 that she had "heard horror stories" about credit cards, "like maxing it out, \$10,000," and she thought that that came from people letting charges sit and collecting interest. Simone said that was a mistake: "I feel like a lot of people don't understand that sometimes. They're just like, 'Oh, I'll just make small payments, and the interest isn't that much,' but it adds up, especially if you're making large purchases." But she noted that credit cards can function as "an emergency fund," especially for needs that arise just before payday.

Between 2017 and 2022 Simone amassed and paid off most of a significant debt burden over several credit cards. She was down to one card left with a balance of \$3,000. The interest rate was 22%, and she paid a few hundred dollars a month on it. She was trying to avoid using credit and usually used debit instead. She could have paid off the balance with money she had in the bank, but she explained, "that's the thing, like, so I can pay the credit card off, but part of me, like, I guess it's just the relationship I have with money, it's just hard for me to see that go at one time."

Two years later in 2024 Simone's household's credit card debt had increased again. She and her husband had bought a house and had a child. They had credit card debt on five or six cards. She said in 2024, "I haven't looked at how much.... I'm scared. It's not too much though... Maybe like \$10,000." The same amount she had said signaled "horror stories" in 2017 felt more manageable in 2024—and, with a higher salary and a different perspective on finances due to marriage, homeownership, and parenthood, it probably was. Simone's debt picture also included a BNPL service called Afterpay which she had used to make some online purchases. Thus far she had paid on schedule to avoid interest, but this required careful effort and monitoring.

Simone explained that the credit card balance was "a lot, but I say it's not too much because when I think about how much I owe for my student loans, I'm like, 'That's nothing.'" Simone graduated college in 2016 with nearly \$130,000 in a

combination of public and private loans, and after years of paying substantial sums every month totaling approximately \$80,000, had approximately \$75,000 still to repay in 2024 due to interest. Simone's assessment suggests that her student loans weighed on her in a way credit card debt simply did not.

“There's No Point in Paying”: Working the credit card system

A few participants were finding a way around the worst pitfalls of credit cards. David Carter purposely allowed his credit card debt to go into collections. As he explained, once the accounts were in collections,

It's not collecting interest, so there's no point in paying.... They just want you to pay something. So at that point they're willing to negotiate even 50 percent of it. And it's been in collections for a while. Some of them, they escalate it to a lawsuit, and then they pretty much have to come up with a payment plan.

The implication is that such a payment plan might involve reduced payment. He resolved all of his credit card debt by his 2019 interview, and in one case, he had paid just 25% of the balance owed. In 2019, Flo Lily also said she had worked something out with companies for debt that was in collections. Like David she said that if you offer immediate payment, it is easy to get a discount. “The biggest discount I got it was \$1,255 for the one bill. I got it down to \$500.”

Monique said she was able to raise her credit score by having her mother make her an authorized user on two credit cards her mom was paying off. By 2022 Monique had gotten what she referred to as “a fake credit card” which she paid a few dollars per month to have, and it built her credit but did not actually give her a credit card to use. When asked if she had thought about just opening a new credit card to build the credit, she indicated she was afraid of a regular credit card, that she might end up back in collections if she held one. In 2024 she said she had no more credit card debt, and no more credit cards except a secured card she could only use if she put money on it, like a debit card. Over the few years that she implemented these strategies her credit score had improved.

Jason Summers was the only participant who was obtaining significant financial benefit from using credit cards, and it required a lot of work. At the first interview in 2016 he said he had many credit cards which he juggled for their various benefits. He explained:

I do a lot of applying for new credit cards to get the sign-up bonus for it, spending enough money on it, and then paying it off. Never carrying a balance on it but storing up bonuses from these credit cards and things like that, too. Figuring out if I'm making a purchase, what card gives me the best cash back for it or the most bonus points for it and stuff like that, too.... I've got hundreds of thousands of airline miles that I can travel free with now, too, because of it.

Jason was aware that there were tradeoffs and made sure that the sign-up bonuses cards with annual fees provided were worth it. He also acknowledged in 2017,

There's a slight reduction in your credit score whenever you have an application.... However, in the long run, you have more available credit, so your debt to available credit ratio, which is 35% of your credit score, is a lot lower

because any balance that you have is a lot smaller comparatively, because you have a larger credit available.

Clearly, Jason was a savvy credit card user. He participated in all of the waves of interviews, and at no time during the study did he carry a credit card balance. He also described the tradeoffs. He said that managing his credit cards was “a huge time investment but it’s something that I enjoy doing. Because of that, I’m very financially aware of all of my obligations and stuff.”

Jennifer Smythe took a more measured approach. She said she paid her credit card bill in full each month, explaining that it helped her credit and she was avoiding paying interest. She liked to use it for things that would give her benefits, “Well, you get 5% cashback [on one kind of purchase] in bonuses on there so for that month period. So I think, right now, it’s grocery stores.” She referenced 5% back on gas in 2020 as well.

“In Case for Rainy Days”: Holding on to savings instead of paying off credit cards

One of Simone’s reasons for making only the minimum payment on her credit card in 2022 was she and her husband were saving to buy a house and then to have enough money to have a baby. David said in 2016 that he could have paid off his credit card debt in full but that he was holding the funds “in case for rainy days.” Flo also referenced needing “backup money” and therefore not paying off her \$4,000 in credit card debt as quickly as she might have. She didn’t like that she had the debt, but she still put things she could not afford on a credit card. As she said, “What else can you do?”

Mia and Jennifer were also carrying credit card debts that they could have paid off more quickly than they were. Mia reported in 2022 that she had \$4,000 on a credit card and \$7,000 in savings, but when asked if she thought about using her savings to pay off her credit card, she said that she was afraid to because only having \$3,000 in her account would be too reminiscent of how little money she had when she was getting divorced. “I was like freaking out.... I don’t ever wanna be in that spot again.... There’s no way I could sustain and feel comfortable having that little in my bank account.”

Mia said if she got to \$10,000 she could pay off the \$4,000 in credit card debt because she would have \$6,000 left over. But 2 years later she felt that even though she had over \$11,000 in her checking account she could not pay off her credit card. She said, “If I got to \$15,000, I would put \$5000 toward my card ’cause I’d still have \$10,000 left [in the bank].” She was moving the goal as she still felt uncomfortable with the notion of letting go of a large amount of savings. She explained that she thought that discomfort was rooted in her experiences during her divorce:

I was paying a lawyer \$2,000 a month.... So like that’s where pretty much all my [pay]checks were going.... And there was just like times where like I realized I only had like \$400 to \$600 in my account. And that was such a scary feeling for me....and just that feeling of like helplessness and like feeling of like that I could look tomorrow [at my bank balance] and just with bills and everything and

it could be zero, it could be overdrafted. Like, that was just like a terrifying feeling to me. And I just feel like ever since then, I haven't-- I like try not to touch that big balance I have now because I'm just like, "I don't wanna lose it."

Like, even though I know rationally I have plenty left over, I just can't—I can't find the willpower to even do that, you know?

In 2024, Mia's credit card debt was about \$5,600, up from \$1,000 in 2018. She had saved enough to pay it off completely and was paying about four times the minimum payment. Yet she said, "It just feels safer to leave all that in [my bank account] and just try to keep paying off what—in lower amounts than I have or can do." When I asked if she knew how long it would take her to pay it off at the rate she was going, she laughed and said no, and when I asked if she knew the interest rate she said, "I haven't looked. And I don't really know if I want to."

Simone said in 2022 that she would pay off the balance if she could pay off her credit card *and* her student loans at the same time, but that wasn't possible. She said,

Like, it's so stupid. Like, the smart thing in my opinion to do is just to pay [the credit card] off because it's just literally tacking on interest, but then the other part of me is like, "No, don't pay it off."

With her still substantial student debt burden, she felt the need to hold on to money in her bank account. She said she wanted to hold on to the funds "'cause in the back of my head, I'm like, 'God forbid something happens. I always have at least enough to pay some of my [student] loan.'"

Jennifer also said she maintained a certain savings balance in her bank account instead of paying off a credit card balance when she knew "it would be smart" to pay off the balance. Similarly, Crystal, before she gave up credit cards altogether, said it was "a silly thing" to pay only \$50 on a \$78 credit card balance, even though she knew she would be paying nearly 30% interest on the amount she held onto, "just in case something else happens." She was aware she was spending more in the long run and said, "It's the dumbest... Oh, I can't wait to get out of this rut." She had \$7,000 in a savings account she could have used toward paying off credit card debt to avoid paying interest, but she was reluctant to diminish it, although she could not articulate the practical reasons why. All these participants framed their decisions as not the smart thing to do, indicating they thought there were better decisions they could make, yet they continued to make these—in their words—"silly" and "dumb" decisions.

Yet several participants said they understood why people might hold on to substantial savings when they could pay off credit cards, despite the costs. David said in 2024,

If you're living more paycheck to paycheck, then you wanna have more money in the bank [rather] than, you know, not carry a balance, and [so, you] kind of kick that can down the road.... I mean the savings is, you know, rainy day happens. You have that money there and you don't wanna remove that safety net. And as people in the study grew older and more independent from their parents, they may have felt like they didn't have anyone else they could rely on, so they had to make sure they had enough to cover their own expenses in a crisis.

Like David, Richard was not holding on to credit card debt while having funds to pay it off, and he also expressed understanding of why others might: "Some people

get maybe scared or worried.” Paying thousands of dollars at once feels “scary sometimes” compared to paying a few hundred dollars a month, he said.

You’re like, “What if something crazy comes up and I have this like immediate need for \$5,000 and I just need \$5,000. I don’t know, maybe that’s a reason sometimes. “I’ve got this—I’ve got this security money. I got this security money. I know that this [credit card payment] is only gonna be \$110 for the next infinity years [laughter]....” But, you know, that’s—sometimes it’s comfortable.

For people who haven’t had a lot of money in the past it can be difficult, when income increases and savings start to grow, to let go of a new sense of security to pay off old debt. Because it feels comforting to have that cushion in the bank, as long as people pay the minimums on credit cards they can feel like they are current on their bills *and* have savings. So sometimes people want to hold on to funds even though they pay more in the long run in interest. It can also be difficult to accept that the increases in salary and savings are real and not illusory. Serenity explained in 2024,

It’s kind of, like, not being able to let go of it. And I guess it’s something that is subconscious that you don’t really think about, but then, as you look at the habits in your life, you’re like, “Okay, how come I’m not paying this off if I can afford it?” ... I guess, you know, just from, like, you know, not making that much [in the past], and then you suddenly make that much and you kind of just wanna hold it.... It is security in a way, and the system kind of, like, sets you up in a way where it’s like, “Okay, if you just pay back this, you’re fine.”

Serenity explained that even understanding long-term benefits of debt repayment can make it hard to change habits:

Those habits can keep you, like, in a hole of kind of, like, not progressing financially. So I had to kind of—just kind of, like, get out of those habits. So I don’t think like that anymore ... So, when you’re talking to me now is actually a period where I’m transitioning out of, like, a lot of old habits because I want more and I want better.

Serenity had over \$50,000 saved and could pay off all her credit card debt, but then would have very little in her savings, so she said, “Yeah, I’m not gonna let that go,” though she still made the required monthly payments on her credit card. Similarly, Simone explained that she thought about paying off a credit card with her savings, “but I really hate seeing a large amount of money go, and I know it sounds so stupid, but I hate seeing a large amount of money just go.”

Noah Poole also preferred to run a balance rather than diminish savings. In 2017 he did not have a credit card in part because his parents told him not to get one, but in 2018, Noah said that he would use his recently acquired credit card before the \$3,500 he had in the bank:

I’d rather use my credit card and pay it off small, with small payments, [so] that I can always have that money if I really need it. Because I think I have a \$1,400 limit on my credit card. I’d rather just use that.

Noah also gave a different reason for maintaining a balance, saying that if he paid off the total owed on his card, “then I’ll like feel tempted just to buy something. ... So I try to not pay it off, then I’m like, ‘Okay. I have debt, so don’t spend.’” Noah was strategizing in a way he thought would minimize his debt, counterintuitively

carrying debt and paying interest to keep from overspending—even though by paying interest he was paying more than necessary. He said, “If I see zero, then I’m gonna buy something.... It’s like a discipline thing.” The intangible and emotional impacts of financial decisions were complex.

“I Like a Nice Cushion”: Holding on to Funds Just to Have Them

Many participants tried to build savings, and over the years it seemed the desire or need for a “cushion” grew. It’s possible that the ability and desire to save increased as participants aged and became more established in careers. For several people, “keeping a cushion” seemed more about an emotional and difficult-to-explain desire to hold onto money, rather than having funds available in case of emergency. In 2024 Ashley said she thought about paying some known bills in advance, like car insurance, but “then when the money comes, I’m like, I wanna hold onto it.... Like, I wanna hold onto it just a little bit longer.” Having experienced deprivation in the past seemed to make the desire to hold onto money more acute.

In 2024, Alice said she was able to put money aside, but “but I just like leave it in the checking instead of the savings.” In 2020, Ava had managed to build up a savings of a few hundred dollars, in part from government stimulus money she had been able to set aside, and she said, “I’m really trying hard not to touch that money.” Like Alice, in 2022 she had her money mostly in checking.

Like several other participants, rather than set aside a certain amount to save each month, Jennifer explained in 2020, “I see how much we have left over after we’ve paid all our monthly expenses.... Every so often, I’ve transferred some into savings.... I just let [the money in checking] build up and then when I feel comfortable enough, I transfer it over.... When it’s at \$7,000, I feel comfortable enough to transfer \$1,000 over after I’ve paid all the bills.... I like a nice cushion.” Her savings grew substantially from 2020 to 2022, and again by 2024, but she consistently said she liked to keep \$6,000 in her checking account. Jennifer’s practices highlight that it wasn’t just trying to build savings that mattered to participants, it was about where those funds were. Sometimes participants wanted to keep them in checking accounts, where the funds felt more accessible to them.

Participants also generally viewed funds in checking accounts as available for and earmarked for expenses, whereas they thought of money transferred to savings accounts as put aside, not to be spent on day-to-day expenses. And some had savings accounts that did not allow for instantaneous transfers to checking. When they lacked certainty that their expenses would not outstrip their income, they were reluctant to transfer money to savings accounts; even when they had extra funds, they were not building savings they could leave untouched. This meant missing out on interest they might have accrued in savings accounts, but it also shows that some participants were lacking a sense of security and confidence in their financial stability.

Like Jennifer, Mia kept thousands of dollars in her checking account. She said she had about \$5,000 in her checking account and about \$1,200 in her savings account. She explained that she did this because she was overcompensating for fear from when she had less than \$500 in her checking account in a period of hardship

after her divorce when she was “always so worried about overdrafting and stuff.... it’s just like that fear that I have inside that makes me not want to transfer it.” Past experience of hardship kept her from being able to trust she wouldn’t confront the same difficulties again.

Two years later, Mia reported that she had approximately \$7,000 in her checking account and \$200 in her savings account. She said in 2022, “I think it’s more of a comfort thing for me. Because I get worried that, like, you know, something’s gonna happen and I’m gonna end up getting a notification like, you have \$3 in your bank account.” She said if she had \$10,000 in her checking then she would be comfortable transferring money to savings. She believed her funds needed to be liquid, and likely spent, soon, so she wasn’t ready to think of her money as set aside and did not want to put it in her savings account.

Like others, Noah said in 2019, “I don’t like to put away too much money, I like to have money handy” and “I have to have a certain amount in my checking account for me to feel comfortable.” He said it sometimes took a few days for funds to be available when he transferred money from his savings, so, like other participants, Noah was forgoing some interest to keep funds in checking. In 2020, he said, “I don’t like to dump money into my savings account until I see a certain number in my checking account.” At the time he had about \$9,000 in his checking account and \$100 in a linked savings account. He said, “Honestly, it just feels safe [chuckles] when I log into my bank account, I’m like, ‘Oh, man I have all this money like ready to go, whenever.’”

In 2020 Noah thought about how in the longer run when he was making a higher salary, he would double up his student loan payments. But he was thinking long term about how he would want savings too. He said, “I think the only way I [would] feel comfortable is if I had \$50,000 in savings.” This large savings goal highlighted how difficult it was for Noah to trust that his cushion would be a lasting one, and it kept him from increasing his monthly student loan payment amounts even though doing so would have eliminated his debt sooner.

Crystal was also reluctant to diminish her funds, though she took it further than Noah did, delaying payment on bills that were due. She said in 2017 that sometimes she put off paying bills, but she wasn’t sure why. She explained that she was considering “hold[ing] onto the money. I don’t know what I’m doing with it, because it has to be paid anyway.” Crystal’s experiences demonstrate the interconnections of savings, retirement contributions, and credit card debt. In 2019 as she tried to get a handle on her finances, she said she had learned that first she should save \$1,000, “The second step is to pay your debt, and then third ... would be you have to have five to six months of expenses saved up, and then it’s retirement.” Crystal and her family had taken a financial course through their church, and a few other participants also noted seeking out advice from online forums or financial advisors who speak on radio or television shows. But Crystal was having trouble following the advice she had heard.

Crystal said in 2020, “I’m actively saving up to make sure that I have at least \$3,200 in our savings account” because that would cover her mortgage for 2 months. She said,

Two months is the number for now just so that we'll never be in a position again where we're two months behind in our mortgage which just happened. I want to be able to say, "Here you go. Here you go," and not feel that pressure of a mortgage.

Having experienced the inability to pay her mortgage and the risk of losing her housing was destabilizing to Crystal. Prior bouts of financial insecurity led her to prioritize building liquid savings.

"Can I Close This Account?": Banking Practices

Some participants struggled to build savings because they had little money to begin with and banking practices eroded what remained. Ava had struggled to save. She said in 2019 that overdraft fees were eating away at all her cash and she could not even close her accounts because they were overdrawn. In contrast, David had overdraft protection that drew any overdrawn amounts automatically from his savings account. He had more money than Ava and thus was able to do that.

Other participants had unconventional strategies for saving. Monique said in 2018 that she had about \$200 saved, in a drawer, in cash—not in the bank, because "if I leave it in the account I will spend it." When Monique had saved some money, her girlfriend encouraged her to do this. In 2019 she said:

She was like, "take it out your bank account," because that's my other thing. I swipe, swipe, and I don't look. So, she was having me take out my money every week, making sure I did it, and we would put it up in the room so that I wouldn't touch it.

Monique was using a strategy to make herself save, but she was risking the security of her funds, given that they were vulnerable to theft or incidents like fire.

Participants sometimes tried to trick themselves by putting money in different accounts to keep them from spending more than they wanted. Crystal explained that she had accounts with different banks to try to keep herself from touching the funds she wanted to save. Crystal said in 2024:

We got money for Christmas and it didn't need to sit in the account that we used to cover our bills, and we wanted to start saving. So we were strategic in saying, "let's get the money out of here, put it into another account so we don't look at it, and have it sit there for whenever we need it."

Flo said in 2022 that she did something similar, splitting paychecks and putting some in one account and some in another account. She had to be careful to manage the funds to make sure that she could cover bills as they came in, but automatically putting some money into an account she didn't use for bills made it easier not to spend it. This is effectively the opposite strategy from those who kept a "nice cushion" in their checking accounts instead of putting money into savings.

In 2020 Simone had amassed \$10,000 in savings. Like Crystal, Simone kept money in different accounts in different institutions. She said,

I have two different accounts that I try to hide, but I've been pulling from them now.... I have an account set up with a credit union, and I don't even know the account number. I keep the card away from myself.... I do not want to tap into

that. That's supposed to be my real, actual savings account. I try to keep that account far away because if I see a card, I'm going to use it.

Simone had multiple accounts and put funds into one that was more difficult to access as a way to keep herself from spending it. Simone said in 2022 she had amassed approximately \$25,000 in savings. She said:

I never thought I would say that ever. It kind of makes me emotional. Like, I never thought I would say that.... This is like the most money I've ever had in my life. So I'm kind of like, oh my gosh.... The one thing I'm good at is saving.... Like especially seeing things like how I really needed that rainy day fund, I'm like that there's nothing more comforting to me financially than knowing if, God forbid, if you couldn't work and you lost your source of income, like I have a few months I can like get by.

In 2024, Simone said, "Sometimes I just feel like you want your money to be yours." She referenced both "rainy day funds" and "different things" she might buy. Even though an economic assessment would treat her debt as a negative part of her financial picture, she felt that by not paying it down she was keeping her money. Over time Simone became more tolerant of debt, especially when holding onto it or even seeing it increase also meant she was building savings.

This Isn't Money Where I Can Just Change My Mind and Be Like, 'I'll Grab It': Attitudes and Practices Regarding Retirement Contributions

In 2016 most participants were not working for employers that provided access to retirement accounts. Over the years that followed, some remained tenuously connected to the formal labor market, either working intermittently in unstable jobs or as part of the gig economy. Others gained access to retirement accounts at work over time. Some opted to contribute, reported that their employer provided matching funds, and purposely contributed the amount needed to get the maximum employer match. Other participants believed they were participating in their employer's retirement fund program but were not sure how much they were contributing or if their employers were providing matching contributions. In some cases, they believed they had maximized their employer match and then forgotten the amount.

Jason was very aware of his employer's plan. Throughout the entire study, he knew how much his employer contributed, how to maximize it, and was contributing as much as he was allowed. In 2020, Flo was maximizing her employer's match by putting in 5% so that they would match 3% of her salary. "I don't miss a couple of dollars" in the paycheck, she explained.

Jennifer began participating in her employer's plan as soon as she was eligible. In 2018 she said, "Why wouldn't you" contribute the necessary amount to maximize the match from the employer. As she explained in a later interview, she was contributing 4% of her salary to her retirement plan in 2018 because her employer had a "little meeting thing about benefits" in which "they said, 'The way you get the best bang for your buck is doing a 4% [contribution] just because they match it at that.'" She was not entirely committed to maximizing an employer match, however.

In 2019 she acknowledged that if her employer would match up to 7% she would not be able to take advantage of the additional funds because of other financial priorities, explaining:

I'm going to wait until I make more money [to increase my contribution] just because right now we're just starting out and starting our retirement fund so early, I don't think it's going to be a big deal if I only do 4 percent now.

She increased her contribution to 5% in 2020, saying that at some point she had decided that she would increase her contribution each year if she got a raise. According to Jennifer she was just "listen[ing] to other people" when she made these decisions because she felt she didn't "know anything about" money management. In her case financial education in the form of her employer's meeting about benefits had been largely effective, although it had not made her feel very confident about her decisions.

Other participants had not set up retirement accounts, even though they were available through their employers. Mia said in 2017, when she already had a professional job in her field, that her employer had retirement options, but "I'm not entirely sure what it is. I haven't really set it up for myself yet. I figured that I'm young enough that I don't have to worry about it for a little while." She gave similar responses in 2018 and again in 2019. In 2020 she said that she still had not set up a retirement account. She explained,

I guess I just figured when I first started that I just didn't want to do it then and I just haven't really done it since. I figured that if I wanted to do it I could in a couple years so I just... not yet.

In 2022 Mia had moved and had a different job, and again she said she *thought* her employer provided access to a retirement account, "but I don't think I have that." When asked how she decided not to enroll, she said, "I think I was just like, 'Eh, whatever,' to be honest with you." It seems likely that the anxiety she referenced about having a substantial cushion of savings after going through a divorce that nearly ruined her financially played a role in her reluctance.

Ashley said in 2020 that she didn't participate in the retirement plan "because I wasn't really feeling their vibe. They were very pushy about it." She described the people at work who explained the accounts as "like vultures. They were money-hungry." Ashley's decision not to participate highlights an important point: even among those who were certain they had access to such accounts, some people opted not to enroll in employer-based retirement plans. The reasons may be more complex than Ashley's initial statement indicating distrust. It may also be that some people simply did not feel they could spare the funds from their paychecks, and indeed, as Ashley explained, the minimum contribution would have been \$75 per paycheck, "and I was like 'that's a lot of money from a check that's already not that big.'" It is impossible to distinguish between Ashley's sense of being pressured into participating in the retirement plan and her sense that people in her workplace were insensitive to the financial hardship of having her pay reduced. Regardless of the reasons, the result was that she was not enrolled in this vital program which would have benefited her financial future.

Mia and Ashley were not contributing to employer retirement plans like Jennifer was but Jennifer's overall financial picture was less precarious than Mia's or Ashley's. David also was not precarious in the way Mia and Ashley were. He had secured a high-paying job in his field, but in 2019 he wasn't contributing to the employer-provided 401(k) plan yet because he wanted to keep money more accessible due to high expenses. He did not feel he could afford the reduction to his take-home pay. Though David's salary was much higher than Jennifer's, his student debt burden was too.

Retirement accounts may be vital investments but the funds in them become difficult to access compared to savings accounts, and at least some participants were aware of this. In 2022, Simone explained she had contributed to her retirement accounts at the various jobs she had held since graduation. She had heard that she should increase her contributions from the 3% she had been doing "because it just works out for you in the end... I have yet to do that, but I'm gonna do that." Yet, she hesitated. "This isn't money where I can just change my mind and be like, 'I'll grab it,' you know," she explained. Contributing to a retirement account would threaten the cushion she preferred to have.

Crystal's experiences are unusual, but very instructive. Crystal had gone to—but not completed—college two decades earlier and had returned to school to finish her bachelor's degree later in life. She was the oldest participant, and she had been working full-time in a job that provided a 401(k) plan since well before the study. Throughout the study, Crystal contributed the amount needed to get the maximum matching funds available from her employer, but the worth of those contributions diminished when she took out 401(k) loans.

Crystal had an option to borrow against her 401(k), and with little in savings and mounting credit card debt, it's a choice she made more than once. When we spoke in 2017, she had just finished repaying a 401(k) loan for \$17,500 and had another for \$10,000 she was still paying back. Crystal said that taking on the loan allowed her to pay off bills that were weighing heavily on her; she explained in 2017, "I feel a lot freer and lighter." However, the reduction in her take-home pay led her to rely on credit cards to cover expenses in what became a vicious cycle. In 2019, Crystal had a second 401(k) loan and her husband had taken one through his work as well. Combined, over \$1,500 a month was withheld from their paychecks to repay these loans.

Crystal and her husband were not just borrowing from their retirement, but also reducing their take-home pay in ways that almost guaranteed they would continue to amass credit card debt. But the arrangement set her mind at ease. In 2018 she said, "Because they just automatically take it off the top [to repay the loans], I don't see it, and I get to live with, have to manage what I have." But she had great difficulty managing on what she had, which was why she had taken out the 401(k) loans in the first place, and now her take-home pay was further reduced to repay the loans. She even sometimes worked a supplemental part-time job on top of her full-time job to earn extra funds.

Crystal's situation was complicated. Taking 401(k) loans allowed her to immediately wipe her credit card debt, but it also siphoned from her retirement to do

it. The drop in her take-home pay reduced her disposable income, which in turn led her to rack up credit card debt again. It's possible to imagine a different arrangement in which she never touched her 401(k): nothing would have been withheld from her paycheck to reimburse her retirement for the 401(k) loans, and she would have had greater take-home pay which she could have used to pay her credit card debt; this would have meant more money in her retirement account. But it is hard to know if the additional take-home pay would have been sufficient to fully pay off her credit card debt.

In 2022 Crystal regretted having taken out loans against her 401(k), much as she regretted having carried the credit card debt. As she said, "There's a learning experience... Don't borrow from your 401K. If you can avoid it, don't do it. Because it eats away from the money that you bring home every day." She was also aware that borrowing against her 401(k) had reduced the funds invested for the future, and she said that it would likely affect when she could retire. In 2022 she said, "half of the time that I've been here I've been paying loans back. So I would say I'd probably have 50% more in my account now...if I hadn't taken these loans out." She was conscious of her mistake and wished she had done things differently.

At her last interview in 2024 Crystal had changed jobs, and her new employer did not provide matching funds. Instead, they provided year-end bonuses and she explained:

If you take that full bonus, and you put the whole amount in your 401k, they will match that amount... But if you take some money out of it, they don't.... You can take it all in cash and get nothing else from them. You can take part of the cash, put part into your 401k, you don't get anything. But if you take the full thing and throw it in there, then they'll match it. Because they're trying to encourage retirement to save for it. 'Cause they don't have pensions or anything. But when asked if she planned to put the whole bonus in to get the matching funds, Crystal said, "I probably won't. Even though ... that's probably the best financial decision. ... I should. I don't have a reason not to. I don't have a reason not to." We continued to discuss it, and Crystal concluded, "Because there's this sense of security, I think. Saying to myself, 'Well, at least take the money, put it away, just in case something happens. You'll have it in your savings account and it'll be there.'" Liquid assets still made her feel more secure, even though she would forfeit matching funds and she was far closer to retirement than other study participants.

DISCUSSION

Findings revealed that people's worries about financial insecurity played a role in their decisions about money, debt, savings, and credit. Yet, in addition to individual framings and personal experiences, financial precarity played a role as well. Common patterns as well as differences in perspectives and approaches highlight the complexity of the issues.

In line with other research (Davies & Lea, 1995), this study found some evidence that student debt may increase tolerance toward other debt. Simone was one example. She expressed a sense that her \$10,000 credit card balance was "nothing" compared

to what she owed for her student loans. This study was not designed to test whether people with student debt take on more debt, but in general having student debt did not seem to make people feel more *comfortable* taking on debt after graduation, even when they did take on credit card debt. Rather, they carried credit card debt largely because they felt they had no choice if they were to meet expenses, which included student loan payments. Concerns about credit score sometimes led participants to avoid late payments but not to avoid carrying a balance, despite the expense.

Some participants did not know their credit card balances or interest rates and preferred not to know because of the worry it sparked. It may be that they avoided understanding details about retirement contribution amounts and matching funds because more knowledge might make taking action feel more urgent. Thinking in realistic terms about what is necessary for retirement is particularly overwhelming for people who have experienced—or are experiencing—economic scarcity.

Some participants had access to retirement accounts but were unaware of matching contributions. This may be an issue for many workers, even those in middle age with retirement accounts for decades, and how to decide whether how, and how much to invest in retirement accounts remains mystifying to many workers. At the same time, a different problem some participants confronted—that employer-provided retirement funds are unavailable and salaries are insufficient—will remain a problem if not addressed, as other research has documented (McKenzie & Liersch, 2011). Amassing sufficient funds to borrow significantly against a 401(k) as Crystal did takes time, and it is not an ideal use of retirement funds once accumulated. Participants with a need for more liquid funds, including those with lower incomes and little to spare, as well as participants with a desire to hold on to a larger cushion of accessible funds in a bank account, were less likely to contribute to retirement accounts. In other words, those most financially able and secure were also able to contribute the necessary funds to get the maximum matching funds from their employers. Greater economic advantage makes it easier to benefit from tax-advantaged workplace retirement plans. This dynamic further widens economic inequality between student debtors.

For those with substantial student loan debt burdens, it is difficult to gamble on a long-away-future and risk not having access to funds in the nearer term, even though taking out student loans was also a substantial investment and a gamble they had hoped would pay off. It is possible that the sense that retirement is far in the future could play a role, but as Crystal's case suggests, even middle-aged workers may not have a strong enough sense of the impact of saving for retirement to prioritize planning for old age. It is unlikely this finding applies only to student debt holders. Anyone who's faced financial precarity, bouts of unemployment, or periods when their expenses outstripped their income might face similar constraints in saving for retirement.

Some participants strategized to save by keeping money in different banks, segregating funds in separate accounts, and making it difficult to access some of their funds. Many who were able to amass extra funds held on to those funds in checking accounts, hesitant to trust that they would truly be able to save those funds and not

need them for regular expenses in short order, perhaps indicating lower financial self-efficacy, as others have argued (Lown et al. 2015).

In line with past research, some participants carried credit card balances from month to month and paid interest on those balances, even though they had funds available to pay the credit cards off in full, because they wanted to hold on to savings (Drue Dahl & Jørgensen, 2018; George & Leszczyszyn, 2021; Gorbachev & Luengo-Prado, 2019; Greene & Stavins, 2023; Ricaldi et al., 2022; Telyukova, 2013). Similarly, they opted out of contributing to retirement so they could build more liquid savings instead. In both scenarios participants decided against something that would have economically advantaged them in order to prioritize a higher balance in a savings account. Findings reveal a kind of invisible mental accounting participants engage in that sometimes led them to do counterintuitive things to restrain their spending, like making their own money hard to access, keeping cash hidden in their homes, or carrying credit card debt even when they could be free of it. Participants sometimes saw both credit cards and savings held in a checking account as sources of emergency funds. In addition to needing cash to pay for certain bills or as a precaution in case of losing access to credit in the future, participants cited a desire for comfort and an easing of financial worry.

This research is not without limitations. This study does not include people without loans, and undoubtedly student debt is only one factor in participants' lives that influences their approaches to retirement, savings, and credit card debt. Future research would do well to compare attitudes and practices regarding debt and money management between those with and without loans. Future research might also explore the role of financial advice from varied sources, as participants mentioned online forums, public figures offering financial advice, and courses available through their churches.

CONCLUSION

There are potential interventions that could mitigate some of the negative effects documented here. Institutions might provide students with information regarding credit card, saving, and retirement strategies, much as some of the participants proposed. The misconceptions many participants harbored regarding how to build a good credit score suggest a clear need for more education on this subject. At the same time, participants were aware that credit card debt is expensive and tried to avoid it. Programs to loan money to borrowers facing an urgent crisis, like Alice's need to repair her car, would be beneficial. Participants' experiences with a lack of adequate information also suggest that training in navigating savings, credit, and debt landscapes would be beneficial for young adults. Courses geared toward increasing financial literacy should be widely offered, and possibly required, in colleges but also in high schools to benefit those who do not attend college.

Employer practices regarding retirement accounts should be more transparent and communicated to employees clearly and frequently with options to revise, with clear information about the benefits of contributing. It is unsurprising some participants opted not to enroll; some truly felt they could not afford to see their take-

home pay reduced in the short term, like Ashley, but others, like Mia, simply did not understand how early contributions to a retirement account can compound over decades. How are employees supposed to assess what the right decision is in this regard?

The kind of informational meeting held at Jennifer's place of employment might be advisable in all workplaces with employer-provided retirement accounts, though Ashley's experience of mistrusting the information she received about the accounts at work suggests it is important to be sensitive to tone and perspective in such meetings. Transparent communication would aid people's understanding of how to best take advantage of retirement accounts, matching funds, and their options for rolling accounts over. It shouldn't be only the most savvy and wealthy who take advantage of these programs and the value of long-term investment. In line with McKenzie and Liersch's (2011) findings, making clear to people how beneficial it is to contribute even small amounts to retirement accounts early on in their careers so that such accounts can grow over time could help increase employee participation in employer-provided retirement accounts.

Allowing employees to take out their own contributions with no penalties and keep employer matching funds invested might encourage people to enter these programs, although they should be educated on the benefits of retaining invested funds rather than withdrawing them even in a crisis. An expanded Earned Income Tax Credit (EITC) could enable people to feel they can afford to contribute instead of opting out, and a government-provided option to start an IRA-style retirement fund independent of employer participation, with matching contributions from the government, could also encourage young people to invest in retirement accounts. Such accounts could operate like the EITC and other tax credits, requiring people to register and participate to get the matching funds.

Credit card reforms could increase transparency about the hidden costs of interest charges and reduce the high interest rates so that credit card debt does not balloon as easily as it does now. One participant, Jason, suggested that people having access to credit cards is a good thing, but that it might be advisable to better tie charge limits to income so that people don't get into too much debt. He had a point: It serves credit card companies to woo customers with high credit limits because those companies hope consumers will charge beyond their means and pay hefty fees as they struggle to repay balances for months or years. The misconception some participants held that it's good for your credit score to carry a balance—and the fees they paid as a result—served the interests of the credit card companies, but not their own interests.

Banking reforms can make no-fee checking accounts more accessible and can offer high interest rates in accounts even for people with low balances in savings accounts. Federally funded banking options and requirements that banks provide no-fee accounts with overdraft protection would improve financial well-being for low-income people. Another welcome change would be removing double overdraft charges so that if an account holder pays a fee for an overdraft, they do not pay that fee for a repeated overdraft from the same charge.

Banking institutions could allow account holders to segregate some funds to earn higher interest without the delays on funds transfers that high-yield savings accounts

sometimes impose. Account holders could set some money to be inaccessible through a debit card so that people don't feel a need to take the risk of hiding cash at home, as Monique did. No one should have to leave money in cash, which is vulnerable to loss, to protect it. These recommendations would allow those with lower incomes to get access to some of the same kinds of benefits higher-income people generally have to plan for retirement, avoid fees, and build savings.

Student loans are supposed to provide recipients a route to the American dream. Increasingly, evidence suggests that they may not be serving that purpose for many borrowers. This study shows that money management practices in the years following graduation may not support the wealth building that people borrow money to go to college to accomplish. Addressing these practices through revision of banking and credit procedures and policies, as well as provision of education and support to borrowers, could help universities and their students achieve their goals and enable the student loan system not only to make it possible for people to attend college, but also to broaden opportunities for mobility after college.

REFERENCES

- Addo, F. R. (2014). Debt, cohabitation, and marriage in young adulthood. *Demography*, 51(5), 1677–1701. <https://doi.org/10.1007/s13524-014-0333-6>
- Aisjah, S. (2024). Intention to use buy-now-pay-later payment system among university students: A combination of financial parenting, financial self-efficacy, and social media intensity. *Cogent Social Sciences*, 10(1), 1-15. <https://doi.org/10.1080/23311886.2024.2306705>
- Bartholomae, S., & Fox, J. J. (2021). A decade review of research on college student financial behavior and well-being. *Journal of Family and Economic Issues*, 42(Suppl 1), 154–177. <https://doi.org/10.1007/s10834-021-09756-6>
- Boddington, L., & Kemp, S. (1999). Student debt, attitudes towards debt, impulsive buying, and financial management. *New Zealand Journal of Psychology*, 28(2), 89-93. <https://www.proquest.com/docview/212443024/citation/ACFD253550DE48FFPQ/1>
- Boutros, M., Clara, N., & Gomes, F. (2024). Borrow now, pay even later: A quantitative analysis of student debt payment plans. *Journal of Financial Economics*, 159, 103898. <https://doi.org/10.1016/j.jfineco.2024.103898>
- Brady, S., Miller, J., Balmuth, A., D'Ambrosio, L. A., & Coughlin, J. F. (2021). Factors contributing to the financial self-efficacy of student loan borrowers. *Journal of Financial Counseling and Planning*, 32(3), 493–506. <https://doi.org/10.1891/JFCP-19-00067>
- Brodmann, J., Rayfield, B., Hassan, M. K., & Mai, A. T. (2018). Banking characteristics of millennials. *Journal of Economic Cooperation & Development*, 39(4), 43–73. <https://www.proquest.com/docview/2240072963/abstract/6B9887C712C74F51PQ/1>
- Brown, S., Taylor, K., & Wheatley Price, S. (2005). Debt and distress: Evaluating the psychological cost of credit. *Journal of Economic Psychology*, 26(5), 642–663. <https://doi.org/10.1016/j.joep.2005.01.002>

- Charron-Chénier, R., & Seamster, L. (2021). Racialized debts: Racial exclusion from credit tools and information networks. *Critical Sociology*, 47(6), 977–992. <https://doi.org/10.1177/0896920519894635>
- Cook, J., Davies, K., Farrugia, D., Threadgold, S., Coffey, J., Senior, K., Haro, A., & Shannon, B. (2023). Buy now pay later services as a way to pay: Credit consumption and the depoliticization of debt. *Consumption, Markets & Culture*, 26(4), 245–257. <https://doi.org/10.1080/10253866.2023.2219606>
- Corbin, J., & Strauss, A. (2008). *Basics of qualitative research: Techniques and procedures for developing grounded theory* (3rd ed.). SAGE Publications.
- Curran, M. A., Parrott, E., Ahn, S. Y., Serido, J., & Shim, S. (2018). Young adults' life outcomes and well-being: Perceived financial socialization from parents, the romantic partner, and young adults' own financial behaviors. *Journal of Family and Economic Issues*, 39(3), 445–456. <https://doi.org/10.1007/s10834-018-9572-9>
- Danahy, R., Loibl, C., Montalto, C. P., & Lillard, D. (2024). Financial stress among college students: New data about student loan debt, lack of emergency savings, social and personal resources. *Journal of Consumer Affairs*, 58(2), 692–709. <https://doi.org/10.1111/joca.12581>
- Davey, R. (2019). Suspensory indebtedness: Time, morality and power asymmetry in experiences of consumer debt. *Economy and Society*, 48(4), 532–553. <https://doi.org/10.1080/03085147.2019.1652985>
- Davies, E., & Lea, S. E. G. (1995). Student attitudes to student debt. *Journal of Economic Psychology*, 16(4), 663–679. [https://doi.org/10.1016/0167-4870\(96\)80014-6](https://doi.org/10.1016/0167-4870(96)80014-6)
- Deevy, M., Streeter, J. L., Hasler, A., & Lusardi, A. (2021). *How to strengthen household financial resilience* [Policy brief]. Stanford Center on Longevity; Global Financial Literacy Excellence Center. <https://gflec.org/wp-content/uploads/2021/08/Financial-Resilience-in-America-Policy-Brief-August-2021.pdf>
- Druehdahl, J., & Jørgensen, C. N. (2018). Precautionary borrowing and the credit card debt puzzle. *Quantitative Economics*, 9(2), 785–823. <https://doi.org/10.3982/QE604>
- Fan, L., & Chatterjee, S. (2019). Financial socialization, financial education, and student loan debt. *Journal of Family and Economic Issues*, 40(1), 74–85. <https://doi.org/10.1007/s10834-018-9589-0>
- Farrell, L., Fry, T. R. L., & Risse, L. (2016). The significance of financial self-efficacy in explaining women's personal finance behaviour. *Journal of Economic Psychology*, 54, 85–99. <https://doi.org/10.1016/j.joep.2015.07.001>
- Fiksenbaum, L., Marjanovic, Z., & Greenglass, E. (2017). Financial threat and individuals' willingness to change financial behavior. *Review of Behavioral Finance*, 9(2), 128–147. <https://doi.org/10.1108/RBF-09-2016-0056>
- George, E. E., & Leszczyszyn, N. (2021). Overconfidence and the credit card debt puzzle. *Journal of Financial Counseling and Planning*, 32(2), 252–265. <https://doi.org/10.1891/JFCP-20-00004>

- Gorbachev, O., & Luengo-Prado, M. J. (2019). The credit card debt puzzle: The role of preferences, credit access risk, and financial literacy. *The Review of Economics and Statistics*, 101(2), 294–309. https://doi.org/10.1162/rest_a_00752
- Greene, C., & Stavins, J. (2023). Credit card debt puzzle: Liquid assets to pay household bills. *International Review of Economics*, 70(4), 503–535. <https://doi.org/10.1007/s12232-023-00429-4>
- Heckman, S., Lim, H., & Montalto, C. (2014). Factors related to financial stress among college students. *Journal of Financial Therapy*, 5(1), 19–39. <https://doi.org/10.4148/1944-9771.1063>
- Jorgensen, B. L., Rappleyea, D. L., Schweichler, J. T., Fang, X., & Moran, M. E. (2017). The financial behavior of emerging adults: A family financial socialization approach. *Journal of Family and Economic Issues*, 38(1), 57–69. <https://doi.org/10.1007/s10834-015-9481-0>
- Kim, K. T., Anderson, S. G., & Seay, M. C. (2019). Financial knowledge and short-term and long-term financial behaviors of millennials in the United States. *Journal of Family and Economic Issues*, 40(2), 194–208. <https://doi.org/10.1007/s10834-018-9595-2>
- Kim, K. T., & Lee, J. (2025). Financial well-being, anxiety and payment delinquency among student loan holders in the United States: Insights from the COVID-19 pandemic. *International Journal of Bank Marketing*, 43(2), 424–445. <https://doi.org/10.1108/IJBM-05-2024-0277>
- Korankye, T. (2024). Student loan debt in retirement: Identifying the correlates and implications for policy, practice and research. *Managerial Finance*, 50(4), 791–810. <https://doi.org/10.1108/MF-11-2022-0543>
- Kuperberg, A., & Mazelis, J. M. (2022). Social norms and expectations about student loans and family formation. *Sociological Inquiry*, 92(1), 90–126. <https://doi.org/10.1111/soin.12416>
- Kuperberg, A., Williams, K., & Mazelis, J. M. (2023). Student loans, physical and mental health, and health care use and delay in college. *Journal of American College Health*, 72(8), 2991–3001. <https://doi.org/10.1080/07448481.2022.2151840>
- Lee, J., Yoo, J., Chin, M., Son, S., Sung, M., & Chang, Y. E. (2023). Pathways from economic hardship to couple conflict by socioeconomic status during COVID-19 in Korea. *Family Relations*, 72(1), 60–76. <https://doi.org/10.1111/fare.12771>
- Letskiewicz, J. C., & Heckman, S. J. (2018). Homeownership among young Americans: A look at student loan debt and behavioral factors. *Journal of Consumer Affairs*, 52(1), 88–114. <https://doi.org/10.1111/joca.12143>
- Loibl, C., Drost, M. A., Huisman, M., Suanet, B., de Bruin, W. B., McNair, S., & Summers, B. (2022). Worry about debt is related to social loneliness in older adults in the Netherlands. *Ageing and Society*, 42(12), 2869–2891. <https://doi.org/10.1017/S0144686X21000325>
- Loomis, J., & Cockayne, D. (2025). A feminist approach to fintech: Exploring ‘buy now, pay later’ technologies and consumer fintech. *Journal of Cultural Economy*, 18(1), 1–17. <https://doi.org/10.1080/17530350.2024.2323692>

- Lown, J. M., Kim, J., Gutter, M. S., & Hunt, A.-T. (2015). Self-efficacy and savings among middle and low income households. *Journal of Family and Economic Issues*, 36(4), 491–502. <https://doi.org/10.1007/s10834-014-9419-y>
- Luhr, S. (2018). How social class shapes adolescent financial socialization: Understanding differences in the transition to adulthood. *Journal of Family and Economic Issues*, 39(3), 457–473. <https://doi.org/10.1007/s10834-018-9573-8>
- Lusardi, A., Hasler, A., & Yakoboski, P. J. (2021). Building up financial literacy and financial resilience. *Mind & Society*, 20(2), 181–187. <https://doi.org/10.1007/s11299-020-00246-0>
- Magwegwe, F. M. (2025). The determinants of student loan repayment worry. *Journal of Consumer Affairs*, 59(2), e70011. <https://doi.org/10.1111/joca.70011>
- Malterud, K., Siersma, V. D., & Guassora, A. D. (2016). Sample size in qualitative interview studies: Guided by information power. *Qualitative Health Research*, 26(13), 1753–1760. <https://doi.org/10.1177/1049732315617444>
- Marjanovic, Z., Fiksenbaum, L., & Greenglass, E. (2018). Financial threat correlates with acute economic hardship and behavioral intentions that can improve one's personal finances and health. *Journal of Behavioral and Experimental Economics*, 77, 151–157. <https://doi.org/10.1016/j.socec.2018.09.012>
- McKenzie, C. R. M., & Liersch, M. J. (2011). Misunderstanding savings growth: Implications for retirement savings behavior. *Journal of Marketing Research*, 48(SPL), S1–S13. <https://doi.org/10.1509/jmkr.48.SPL.S1>
- Montalto, C. P., Phillips, E. L., McDaniel, A., & Baker, A. R. (2019). College student financial wellness: Student loans and beyond. *Journal of Family and Economic Issues*, 40(1), 3–21. <https://doi.org/10.1007/s10834-018-9593-4>
- Norvilitis, J. M., Merwin, M. M., Osberg, T. M., Roehling, P. V., Young, P., & Kamas, M. M. (2006). Personality factors, money attitudes, financial knowledge, and credit-card debt in college students. *Journal of Applied Social Psychology*, 36(6), 1395–1413. <https://doi.org/10.1111/j.0021-9029.2006.00065.x>
- Plyushteva, A. (2025). Worrying the right amount: Intimate relationships and the emotional work of pursuing financial literacy together. *Economy and Society*, 54(1), 92–113. <https://doi.org/10.1080/03085147.2025.2454143>
- Rea, J. K., Danes, S. M., Serido, J., Borden, L. M., & Shim, S. (2019). “Being able to support yourself”: Young adults’ meaning of financial well-being through family financial socialization. *Journal of Family and Economic Issues*, 40(2), 250–268. <https://doi.org/10.1007/s10834-018-9602-7>
- Ricaldi, L. C., Martin, T. K., & Huston, S. J. (2022). Financial literacy and its impact on the credit card debt puzzle. *Financial Services Review*, 30(2), 107–124. <https://doi.org/10.61190/fsr.v30i2.3477>
- Robb, C. A. (2017). College student financial stress: Are the kids alright? *Journal of Family and Economic Issues*, 38(4), 514–527. <https://doi.org/10.1007/s10834-017-9527-6>
- Roberts, A. (2013). Financing social reproduction: The gendered relations of debt and mortgage finance in twenty-first-century America. *New Political Economy*, 18(1), 21–42. <https://doi.org/10.1080/13563467.2012.662951>
-

- Robertson-Rose, L. (2020). "Because my father told me to": Exploratory insights into parental influence on the retirement savings behavior of adult children. *Journal of Family and Economic Issues*, 41(2), 364–376. <https://doi.org/10.1007/s10834-019-09643-1>
- Rutledge, M. S., Sanzenbacher, G., & Vitagliano, F. M. (2021). *How does student debt affect early-career retirement saving?* (Boston College Working Papers in Economics No. 1037). Boston College Department of Economics. <http://fmwww.bc.edu/EC-P/wp1037.pdf>
- Seamster, L., & Charron-Chénier, R. (2017). Predatory inclusion and education debt: Rethinking the racial wealth gap. *Social Currents*, 4(3), 199–207. <https://doi.org/10.1177/2329496516686620>
- Shim, S., Serido, J., & Lee, S.-K. (2019). Problem-solving orientations, financial self-efficacy, and student-loan repayment stress. *Journal of Consumer Affairs*, 53(3), 1273–1296. <https://doi.org/10.1111/joca.12228>
- Small, M. L. (2009). "How many cases do I need?": On science and the logic of case selection in field-based research. *Ethnography*, 10(1), 5–38. <https://doi.org/10.1177/1466138108099586>
- Stegman, M. A., & Faris, R. (2003). Payday lending: A business model that encourages chronic borrowing. *Economic Development Quarterly*, 17(1), 8–32. <https://doi.org/10.1177/0891242402239196>
- Suh, E. (2022). Can't save or won't save: Financial resilience and discretionary retirement saving among British adults in their thirties and forties. *Ageing and Society*, 42(12), 2940–2967. <https://doi.org/10.1017/S0144686X21000337>
- Sweet, E., Nandi, A., Adam, E. K., & McDade, T. W. (2013). The high price of debt: Household financial debt and its impact on mental and physical health. *Social Science & Medicine*, 91, 94–100. <https://doi.org/10.1016/j.socscimed.2013.05.009>
- Telyukova, I. A. (2013). Household need for liquidity and the credit card debt puzzle. *The Review of Economic Studies*, 80(3), 1148–1177. <https://doi.org/10.1093/restud/rdt001>
- Threadgold, S., Shannon, B., Haro, A., Cook, J., Davies, K., Coffey, J., Farrugia, D., Matthews, B., Healy, J., & Burrows, R. (2025). Buy now, pay later technologies and the gamification of debt in the financial lives of young people. *Journal of Cultural Economy*, 18(1), 52–67. <https://doi.org/10.1080/17530350.2024.2346210>
- Waliszewski, K., Solarz, M., & Kubiczek, J. (2024). Factors influencing the use of buy now pay later (BNPL) payments. *Contemporary Economics*, 18(4), 444–457. <https://doi.org/10.5709/ce.1897-9254.548>
- Watkins, K., McCoy, M., White, K., Reiter, M., & Liu, Y. (2024). Exploring the role of financial socialization on financial planning students' financial and career confidence: A thematic analysis. *Journal of Family and Economic Issues*, 45(1), 106–116. <https://doi.org/10.1007/s10834-023-09892-1>
- Wherry, F. F., & Chakrabarti, P. (2022). Accounting for credit. *Annual Review of Sociology*, 48, 131–147. <https://doi.org/10.1146/annurev-soc-030320-114444>

- Xiao, J. J., & Kim, K. T. (2022). The able worry more? Debt delinquency, financial capability, and financial stress. *Journal of Family and Economic Issues*, 43(1), 138–152. <https://doi.org/10.1007/s10834-021-09767-3>
- Yao, R., & Xiao, J. J. (2023). Financial capability and informal bankruptcy: Comparing student loan holders and non-holders. *International Journal of Bank Marketing*, 41(1), 34–51. <https://doi.org/10.1108/IJBM-05-2022-0207>
- Zhang, Q., & Kim, H. (2019). American young adults' debt and psychological distress. *Journal of Family and Economic Issues*, 40(1), 22–35. <https://doi.org/10.1007/s10834-018-9605-4>

The author thanks Hannah Beck and Katie Fredricks for research assistance and Kate Epstein for editorial assistance.

JOAN MAYA MAZELIS, PhD, is an Associate Professor of Sociology in the Department of Sociology, Anthropology and Criminal Justice at Rutgers University-Camden. Her major research interests lie in poverty, social ties, support, and reciprocity, and in student debt, inequality, and the transition to adulthood. Email: mazelis@rutgers.edu
