

Abstract

In recent years, the role of student loans in higher education has emerged as a crucial financial instrument, allowing individuals to pursue academic goals. This paper focuses on economic conditions and how individuals perceive them. This paper will research how and to what extent these conditions affect student loan decisions. As demand for education rises globally, especially amid economic shifts, factors such as inflation and changing interest rates will also be highlighted, along with the growing need to explore the student loan decision-making process. The research also focuses on the rising cost of living, influenced by economic factors like inflation, supply shocks, and global events like the current Russian-Ukrainian war and the COVID-19 pandemic. Focusing on the relationship between financial stress, socioeconomic backgrounds, and economic factors, this study aims to understand individuals handling these challenges and how they affect their intention to take on student loans. Socioeconomic factors, including family income, cultural background, financial literacy, and their influence on student loan decision-making will also be examined.