Part 3 of 3

'Til Debt Do Us Part:

Student Loan Debt And Romantic Relationships

Student loan debt: The multigenerational effects on relationships and retirement is a 3-part research series sponsored by TIAA and conducted by the MIT AgeLab. Part 3 focuses on how student debt affects romantic relationships.

Background

In romantic relationships, differences in financial attitudes and experiences can be expected. Regardless of a couple's financial situation, conversations about finances are often stressful to have and difficult to initiate. In fact, past research has identified finance as one of the primary stressors within romantic relationships and a key driver of divorce.[1,2] The economic stress that often accompanies carrying debt can be a particularly stressful experience for couples, especially when individual members of the couple prioritize debt reduction and savings differently.[3,4] As an unprecedented number of adults accrue and repay debt for higher education, student loans play an increasingly salient role in modern romantic relationships. Previous research demonstrated that carrying student loan debt can lead to delays in marriage and childbearing.[5,6] However, less is known about how student loan debt impacts romantic relationships on a day-to-day basis.

To explore how student loans manifest within and affect romantic relationships where one or both partners carry student loan debt, the MIT AgeLab conducted a series of focus groups followed by a national survey of adult borrowers of all ages. This study examines how student loans emerge within romantic relationships and provides actionable implications for borrowers and financial professionals to address student loan repayment while avoiding conflict within couples.

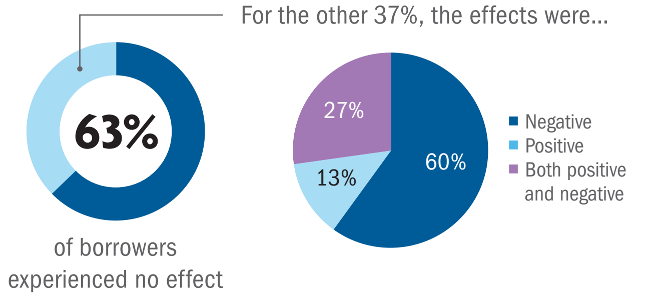
The following details the study's primary findings in this area: Section 1 describes the effects of student loan debt on romantic relationships. Section 2 delves into typical ways in which conflicts arise within couples because of this debt. Section 3 focuses on the importance of communication in these situations. Finally, Section 4 summarizes how borrowers regard the value of the student loan debt they have repaid over time.

Section 1: Effects of loans on romantic relationships

Many borrowers said repaying student loans had not affected their romantic relationship, but when it did it was mostly negative.

Among borrowers who said student loans had affected their romantic relationships in some capacity, relationship status did play a role in the perceived negativity of those effects. Specifically, borrowers who were divorced (80%) were the most likely to report that the loans had negatively affected their romantic

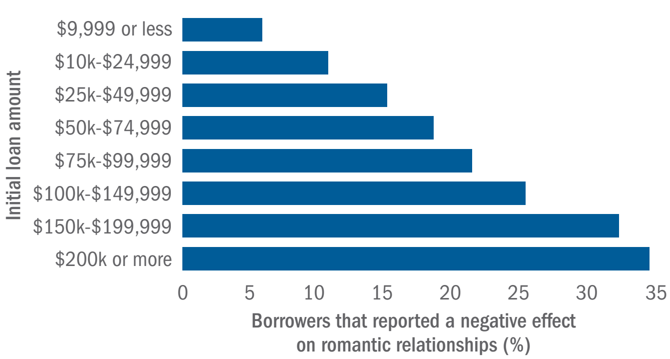
Figure 1: Effect on romantic relationships



relationships, followed by those who were single (77.5%). Married partners (56%), however, were less likely to report that the effects they experienced were negative.

The likelihood of loans affecting borrowers' romantic relationships varied with their loan amounts as well. Only 6% of borrowers with an initial loan amount of $9,999 or less reported a negative effect on romantic relationships, compared to 34% of borrowers with an initial loan amount of $200,000 or more.

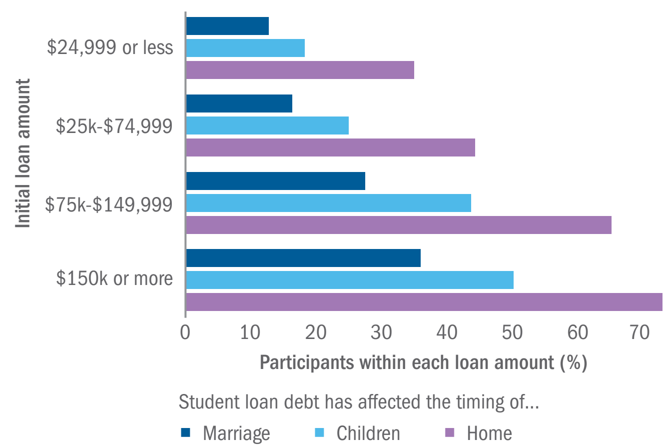
Figure 2: Negative effect on romantic relationships by loan amount



Borrowers with higher initial loan amounts reported greater loan-related delays to traditional milestones.

Major life events such as marriage, having children, and buying a home often present substantial costs, especially when paired with student loan payments. Consequently, the timing of these events appeared to be affected not only by having student loans, but also by the loan amount. Among borrowers in this study, greater effects were seen among those with higher initial loan balances.

Figure 3: Student loan debt effect on timing of traditional milestones



In line with existing research, student loans impacted when borrowers decided to marry. Borrowers with larger loan balances reported the largest effects of student loans on their marriage decisions. While only 13% of borrowers who took out $24,999 or less reported that loans affected the timing of their marriage, 37% of those who took out $150,000 or more reported an effect.

"I would have proposed six months ago if I didn't have any debt, probably. Don't tell her that."

—Male focus group participant

"My fiancée changed career paths and went back to school for a master's degree. I am not willing to add any more debt into my life which means I have pushed back any plans of marriage and entangling our finances."

—Female national survey participant

Similarly, 19% of borrowers with an initial loan amount of $24,999 or less said that the loans affected when they had children, compared to 51% of those with $150,000 or more.

"For me, it's starting a family…this is one of those things that we kind of delayed our planning a little bit, just until we get closer to me being done with my loans."

—Male focus group participant

The effects of loans were greater when it came to buying a home, likely due to the upfront financial component of a down payment, in addition to common minimum credit score expectations. Over a third (36%) of borrowers with an initial loan amount of $24,999 or less and the majority (74%) of those with $150,000 or more said that the loans affected when they planned to buy or bought a home.

"I've gotten more and more irritated about having student loans the longer I have to pay them off, and the longer that it prevents me from doing things like putting a down payment on a house."

—Male focus group participant

"I want to have kids, but I want to be able to get a house before I have kids, so where does that come into play in my life? And I don't really know."

—Female focus group participant

Implication: For many couples, student loan payments compete with other traditional life events, such as getting married, having children, or buying a home. Encourage clients to look and plan ahead, financially, early in the student loan repayment process, so that borrowers can set and work toward achieving goals together.

Section 2: Couples and conflict

Student loan repayment can create conflict in families.

Just under a quarter (22%) of borrowers with loans for themselves, a spouse or partner, or both have experienced conflict or friction in their families related to loans, with women (26%) significantly more likely than men (17%) to report this conflict. Payment responsibility within couples can also spark conflict. Borrowers who reported that their spouse or partner was at least in part responsible for repaying their student loans (32%) were more likely than others (20%) to report conflict.

Unclear expectations prior to repayment can spark conflict for couples.

Borrowers who were less involved in the decision-making process with their partner were more likely to report that it was not clear from the beginning how much they would be contributing to the student loans. Just over half (55%) of borrowers who were *not at all involved* in the decision-making process about paying for a spouse or partner’s education said it was clear from the beginning what they would be contributing, compared to 90% of borrowers who were *extremely involved*.

When contribution amount was not clear from the beginning, borrowers were more likely to report conflict with their families or partners due to the student loans. Thirty-six percent of participants who were currently contributing to their partner’s education who said their current contribution amount *was not clear* from the beginning reported conflict, compared to 20% of participants who said their contribution level *was clear* from the beginning. When it came to loans for their own education, 42% of borrowers who said their current contribution amount *was not clear* from the beginning reported conflict, compared to only 17% of those who said their current contribution level for their own student loans *was clear* from the beginning.

Why wasn’t it clear from the beginning?

When asked why their current contribution amount toward student loans was not clear from the beginning, borrowers cited a variety of reasons depending on whether the loans were for their own education or their partner’s. With loans for their own education, participants most commonly reported a lack of understanding of the mechanics and repayment terms of student loans that led to the lack of clarity in their repayment responsibility.

“You just don’t realize the per month cost until it actually happens.”

—Female national survey participant

“Though I was technically informed, I had no real understanding of the interest burden and never dreamed I would still be paying off loans I obtained in my 20s at the age of 52. It is absurd.”

—Female national survey participant

When the loans were for a spouse or partner’s education, borrowers more often cited a lack of communication or transparency with their partner regarding student loans.

“He made the decision before we were married. Now, it’s both of our money being used to pay the loans.”

—Female national survey participant

“I didn’t even know him when he took out his student loans”

—Female national survey participant

In these cases, conflict was more likely to arise when couples did not discuss finances and debt early in the relationship. This resulted in couples being unaware of how much debt either partner had accrued in student loans, and in some cases if they had student loans at all.

“We didn’t discuss finances much before getting married. I had no idea his level of student loan debt.”

—Female national survey participant

“When my wife and I started dating I didn’t know exactly what her loans would be. Our debt wasn’t a major topic of conversation until later in our relationship.”

—Male national survey participant

For some couples who were together when student loans were accrued, conflict arose when one member of the couple made a loan decision in isolation. In these cases, the borrower’s partner was not aware of the loans or the loan terms prior to repayment, causing the couple to have different expectations of their financial situation.

“My wife took out high interest student loans without talking to me first”

—Male national survey participant

“My husband told our daughter he would pay for college in spite of our being unable to afford it”

—Female national survey participant

For other couples, the lack of clear financial expectations stemmed from a more external source, such as an unexpected job loss or change in financial security.

“I didn’t know that he would not be making enough money to make the payments for the loan.”

—Female national survey participant

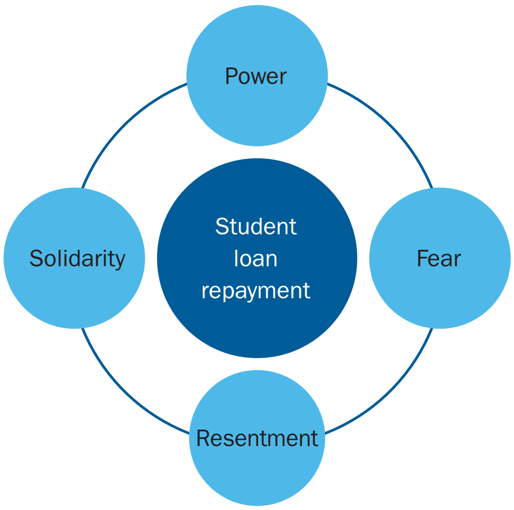
“I knew that as a couple we would pool our money together to repay the loan but I did not expect my husband to be injured and unable to work. I had to assume his payments due to his loss of income.”

—Female national survey participant

Implication: Unexpectedly taking on responsibility for a partner’s student loan payments can be a major cause of strain in a relationship. In many cases, early disclosure about student debt and loan terms paired, with ongoing open discussions about the loans, may help resolve any unclear expectations and prevent future conflict within couples. While finance is often a difficult topic to discuss in romantic relationships, communication around financial responsibilities and expectations is crucial to avoid financially related conflict.

As couples navigate student loan repayment, conflict can often arise. In some cases, conflict can bring couples closer together, while in others it may act as a wedge in a relationship. This study uncovered four key relationship dynamics related to financial conflict within couples.

Student loan repayment can elicit powerful emotions for individuals and uncover hidden relationship dynamics within couples.



Repaying loans can forge solidarity.

Some borrowers, especially those whose partners also had loans for their own education, described how student loans had actually brought them and their partners closer together. For some, the overall loan amount was something to commiserate about together. For others, the goal of paying off the student loans was a battle both partners were fighting and they felt that they were in it together. In the focus groups this manifested as financial **solidarity** among borrowers and their partners.

“I got married, and my husband said, ‘Look, it’s our loan now. We can do it.’”

—Female focus group participant

From the focus groups and the national survey, three key themes arose for how repaying student loans negatively affected romantic relationships. Often, these themes were interrelated.

Student loan repayment can bring power issues to the surface.

Repaying student loans negatively affected romantic relationships through issues of power, bringing existing **power** imbalances in relationships to the surface. Some borrowers felt that they were at a disadvantage in their relationship because only they had education debt to repay, and thus were not on equal financial footing with their partner.

“I don’t feel comfortable with him taking on the majority of that monthly rent - I’m the type of person that needs to be very equal with what I contribute. Knowing that he will be taking on the majority of it really bothers me.”

—Female focus group participant

Alternatively, when both partners had student loan debt, disagreements about the best way to manage finances often arose. Participants perceived inequalities of financial skills in their relationships, such that their partner’s poor loan repayment strategies hindered their own financial situation. Some married borrowers described a feeling of being dragged down financially by their partner’s spending habits or excessive debt and helpless to address these issues with their partner.

“My husband’s loans are much worse than my own and he lets them lapse to cover other bills. It drives me nuts and makes me anxious.”

—Female national survey participant

Even though the majority (60%) of participants decided to contribute to student loan payments for their spouse or partner’s education out of a ‘desire to help,’ many expressed currently feeling like they were contributing too much to pay down loans for their partner.

“My spouse is unemployed at the moment, so I’m also paying the interest on hers. So I’m basically like paying quite a bit of money just to keep like the status quo where it is.”

—Male focus group participant

Implication: Productive financial conversations can be especially difficult when couples feel a financial imbalance from their partner. Borrowers can benefit from coaching on how to de-escalate financial conflicts with their partner by considering multiple perspectives and practicing active listening.

Student loan repayment can stoke fear for one or both partners.

A common theme that arose in focus groups was the **fear** of becoming financially reliant on their romantic partners. Many borrowers in relationships explained how their partner had offered to help repay their loans or cover a larger share of rent or expenses. However, many borrowers—unmarried women in particular—were fearful of becoming financial burdens to their partner.

“I don’t want to be the hanger-on in a relationship where I think I need to stick with this person because they can provide [for me]. That was the point of going to school. I’m going to be independent.”

—Female focus group participant

When borrowers had more debt than their spouse or partner, many focus group participants disclosed an uneasiness in the relationship stemming from their partner’s fear of the high loan amount. In other cases, unmarried borrowers expressed feeling shame for having student loans and, in turn, fear of disclosing that aspect of their financial situation to future partners. Consequently, some borrowers felt that their student loans prevented the start or growth of romantic relationships.

“I think a lot about getting into another relationship and having to reveal that I have all the student loans. It really gives me a great deal of pause to even consider that, because I just feel like I would be too embarrassed to reveal that I’m not a real adult.”

—Female focus group participant

“It causes me to worry sometimes, if I get in a relationship, if the person won’t want anything to do with me because of my financial burdens.”

—Female focus group participant

Implication: Couples should address student debt as if they are a team. This will ensure that both partners are on the same page about their collective financial situation so that they both feel empowered to set and navigate toward financial priorities. Framing financial goals in a positive light can help alleviate feelings of fear that can lead to conflict within couples.

Repayment can fuel resentment.

Issues of power and fear often manifested as **resentment**. Particularly when partners came from different backgrounds or cultures, participants expressed difficulties accepting different money-management styles and attitudes toward debt. Some borrowers resented their partner for being more financially privileged and not understanding what it meant to live with debt. Some resented their partner for spending frivolously, accruing debt, or not saving enough. Others resented their partner for not appreciating the value of a higher education degree and their reasons for accruing loans in the first place.

“My fiancé’s parents paid for his education so he struggles to understand my student loan situation.”

—Female national survey participant

“Paying for an overpriced education she doesn’t use is bound to cause some animosity and frustration.”

—Male national survey participant

Among couples who were no longer together, resentment stemmed not only from the mere presence of loans, but also from an unsatisfactory settlement of finances when the relationship ended. These participants often resented their partner for fundamentally changing their financial situation, only to eventually separate or divorce.

“We broke up, and then I get stuck with the loans, and I’ve been dealing with that ever since.”

—Female focus group participant

Regardless of the reason, participants' stories of resentment about student loan repayment were sometimes accompanied by expressions of resentment toward their partner for additional reasons, which pointed to the hidden dynamics that loan repayment often masked.

Implication: Borrowers should understand that it's common for romantic partners to have different financial priorities and financial management styles and encourage them to discuss "gridlocked" financial conflicts openly and honestly in order to move forward.

Section 3: Communication about loans

Insights from the focus groups and the national survey demonstrated how essential communication can be in avoiding or resolving conflict due to student loans. While communication is crucial for couples to successfully navigate student loans, many study participants reported having few conversations with their spouse or partner about the topic.

Many borrowers reported infrequent discussions during loan repayment.

Participants most often reported thinking about the loans (45%) as well as discussing the loans with a partner (45%) 'once a month'. This frequency of discussion may be explained by couples thinking and talking about the loans only when a monthly payment is due.

"We really don't talk about the loans. We just do the monthly crunch-down of all the bills. We argue for like five minutes because I want to pay more of something or he wants to pay less. We compromise and just do it down the middle somewhere, and that's that."

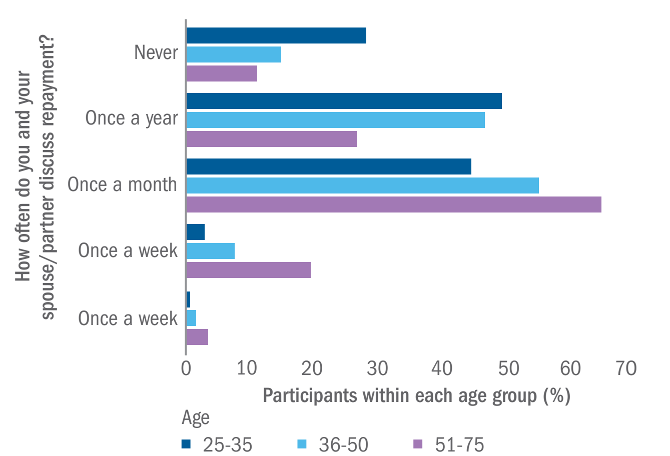
—Female focus group participant

The frequency of discussion within couples varied by relationship status and age of borrowers.

Participants who were divorced or separated had conversations around loans even less frequently, with the majority (84%) discussing loan repayment with a spouse or partner once a year or less, compared to 44% of non-divorced borrowers.

Younger borrowers discussed loans more often than older borrowers. Participants ages 25-35 (70%) were more likely than those ages 36-50 (51%) and ages 51-75 (38%) to report discussing student loan repayment with a spouse or partners at least once a month. In fact, 18% of borrowers ages 25-35 discussed loans with their partners at least once a week.

Figure 4: Frequency of loan repayment discussions



Comfort and conversation around finance were closely intertwined.

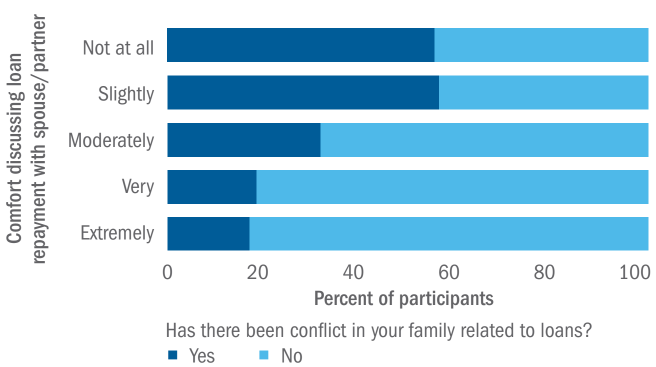
The more comfortable borrowers said they were discussing loans and general finances with their partner, the more often they reported discussing these topics.

"It didn't affect us because from the beginning we spoke about it. We just spoke about all the finances."

—Female focus group participant

Level of comfort also played a role in conflict about loans. Only 17% of participants who were 'extremely comfortable' discussing loan repayment with a spouse or partner had experienced conflict or friction in their families related to their loans, compared to 57% of borrowers who were 'not at all comfortable'.

Figure 5: Comfort level discussing loan repayments



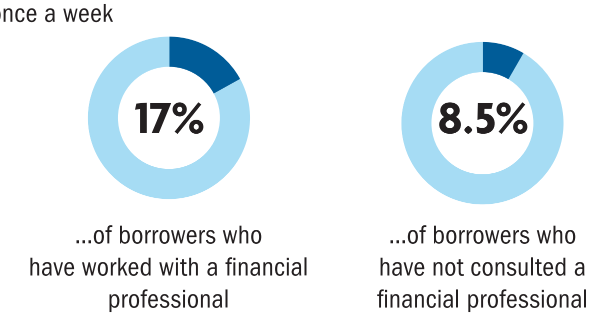
Implication: As a key component of the financial picture for many couples, student loans should be addressed and discussed frequently. Because individuals are less likely to discuss student loans with a spouse or partner when they do not feel comfortable doing so, it is crucial to help destigmatize student loans in conversation. It is especially important to foster these conversations among older borrowers who are less likely to be having these financial discussions. Facilitators can help to spark financial conversations within couples to help ease stress and discomfort around money that can often lead to conflict.

Borrowers who had worked with a financial professional had more frequent discussions with their partners about student loans.

Borrowers who consulted a financial professional for advice and found that advice helpful reported having frequent conversations with their partners about student loans. Borrowers who had worked with a financial professional and reported not finding the advice helpful still reported more frequent conversations with a partner than those who had never consulted a financial professional or advisor.

Figure 6: Financial professional consultation and loan discussion frequency

Percent of borrowers who discuss loans with a partner at least once a week



"At one point in our lives, there was a lot of energy around it and it was very stressful. We went and got like a professional to help out with it. And then [the loans were] more in the background... And now it's kind of popping up because it seems like there's a little bit of urgency around it again"

—Female focus group participant

More frequent conversations about student loans may spark couples to participate in long-term planning.

Frequency of discussion about student loans with a spouse or partner appeared to affect the timing of major milestones for borrowers. Sixteen percent of those who 'never' discussed loans with a partner said the loans affected the timing of marriage, compared to 31% of those who discussed loans 'every day' and 51% of those who discussed loans 'once a week. Nineteen percent of those who 'never' discussed loans with a partner said they affected when they had or planned to have children, compared to 69% of those who discussed loans 'once a week' and 53% of those who discussed loans 'every day'.

This greater perceived effect on other life events may be explained by more deliberate and thoughtful planning by couples balancing student loans with other aspects of their lives.

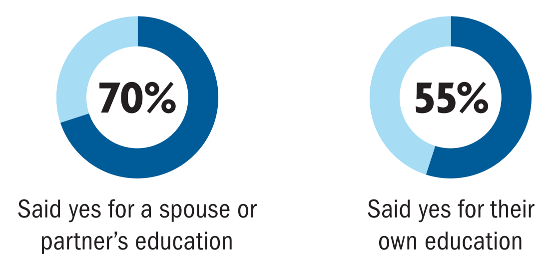
Those who work with financial advisors are more likely to bring these discussions home to their spouse or partner which may in turn lead to long-term planning within and outside of the financial domain.

Implication: It's important for borrowers to discuss student loans with their spouse or partner frequently. Many borrowers tend to discuss loans only when monthly payments are due, or when the loans negatively influence an aspect of their lives. Addressing loans outside of payment periods or otherwise stressful situations may take some pressure off, and allow for more comfortable and open conversations. More frequent discussion may also encourage borrowers to participate in long-term financial planning with their partners that may reduce future conflict around finances.

Section 4: Looking back on the student loan debt experience

Although the presence of student loans created financial and relationship challenges for couples in this study, the majority of participants reported that overall, loans were worth it, especially for a spouse or partner's education.

Figure 7: Were loans worth it?



Over half of participants felt that their own loans were worth it, while just under three-quarters of participants felt the loans for their spouse or partner were worth it.

In the focus groups, participants were also asked what they would have done differently, if anything, in regard to funding higher education for themselves or a partner. Although a gap exists between responses for a borrower’s own education versus a partner’s, participants across both loan situations expressed similar sentiments regarding what they wish they or their partner had done differently to reduce the amount of debt.

Some borrowers did not express any regrets about their student loan experiences; 27% with loans for themselves and 30% with loans for a spouse or partner said they wouldn’t change anything.

“Education is very important to me, and if that was the only way I could do it at the time, it was worth it.”

—Female focus group participant

“I have no regrets. I really don’t. I think I made a good decision, based on the information that I had at the time.”

—Female focus group participant

Other borrowers did feel that they could have paid for their own or a partner’s higher education differently. Just over a third of participants (35%) with loans for their own education, as well as those with loans for a spouse or partner’s education, wished they had more actively sought out financial aid. Alternatively, 33% of those with loans for themselves and 25% with loans for a spouse or partner wished they had taken out a lower student loan amount. In alignment with the finding that most borrowers found the loans worth it, less than a quarter (23%) of borrowers with loans for themselves and only 18% with loans for a spouse or partner wished they had not taken out student loans.

In light of the challenges loans posed to many borrowers, several focus group participants exemplified the potential for success dealing with student loan repayment with their spouses or partners. These individuals demonstrated that with proper financial management and open, productive conversations within relationships, partners were capable of creating positive student loan experiences.

“It’s very easy between the two of us… And we trust each other…It’s like it’s completely transparent.”

—Female focus group participant

“There is no friction on the graduate loans because my husband and I were in total control.”

—Female national survey participant

Despite the common challenges that student loans pose within romantic relationships, they often provide a gateway to higher education. Although financially and emotionally disruptive, many borrowers would repeat the process if they had the choice, especially when loans were for a spouse or partner's education.

Implication: Borrowers that fully understand the positive and negative implications of student loans are better prepared for the necessary steps and tough conversations. Borrowers that tackle the worst of student loans could be in a better position to enjoy the potential benefits.

Improving student loan debt management

Couples need help developing goals and planning for major life events early.

In line with previous research, borrowers in this study revealed that student loans had delayed major life events, including marriage, having children, and home ownership. Unsurprisingly, borrowers with greater loan burdens experienced the greatest impact of student loans on the timing of these events.

Similar to the cost of education, these major life events are often associated with high financial costs. Early planning is key to helping couples meet their loan repayment responsibilities while simultaneously working toward life milestones that are most important to them. Because both loan balances and the priority individuals place on these life milestones can vary greatly, it is important for couples to seek professional help to create attainable goals and tailored financial plans to work toward achieving those goals. Those who engage with qualified financial professionals are generally better equipped to make decisions about paying for education for themselves or a loved one without sacrificing their future financial security.

Couples should communicate openly about loan repayment expectations as early as possible.

A key driver of conflict within couples in this study was unclear expectations about responsibility for loan repayment. There were a variety of reasons for this gap in expectations. Some couples had met after one partner had already accrued loans; other couples had made loan decisions or other financial decisions in isolation from their partners. Regardless of why repayment responsibly was unclear, conflict always appeared to be tied to a lack of conversations about repayment expectations. Encouraging open conversations about student loan repayment responsibilities and expectations can help couples communicate more comfortably and openly. Ultimately, encouraging conversations about loans early in the loan accrual and repayment process can help to mitigate financial conflict among borrowers and their partners.

Frequent discussions throughout the student loan repayment process are needed.

This study revealed that more frequent communication about student loans correlates with less conflict within couples. While more communication can often lead to improved dynamics within romantic relationships, many borrowers expressed discomfort discussing loans and other financial topics with their partners. However, borrowers who spoke with a financial professional about their financial situation were more likely to have had these conversations with their partners. These findings suggest that conversations with financial professionals may encourage borrowers to discuss student loans with their spouses or partners. When working with clients, financial professionals can, and should, help initiate these conversations. It is also the case that more frequent conversations about loan repayment may lead to more productive long-term planning. In addition, more frequent conversations about loan repayment and overall financial management can help couples work as a team to balance current financial responsibilities with future goals—such as saving for retirement and ensuring they have enough income to last throughout retirement.

Learn more

Read about how student loan debt also affects retirement planning and family relationships in Parts 1 and 2:

Part 1: Repay Now or Save For Later: The Balancing Act of Repaying Student Loans and Saving for Retirement

Part 2: The Elephant at the Dinner Table: Family Conversations and Conflict Surrounding Student Loans

About the MIT AgeLab

The MIT AgeLab was created in 1999 to invent new ideas and creatively translate technologies into practical solutions that improve the quality of life of older adults and those who care for them. The AgeLab applies consumer-centered systems thinking to understand the challenges and opportunities of longevity and emerging generational lifestyles to catalyze innovation across business markets.

Methodology

The MIT AgeLab conducted a two-part mixed methods study between February 2018 and April 2019. The first part consisted of small, in-person focus groups with 88 participants, in conjunction with pre-group and follow-up online questionnaires. The second part of the study involved a larger online national survey of 1874 participants. In both parts of the study, participants ranged in age from 25-75. For this analysis, a subset of the national survey sample was used (N=1166) consisting of borrowers who were contributing to student loan payments for their own and/or a spouse or partner's higher education.

Note: Unless otherwise noted, statistics included in the text were derived from national survey data, while participant quotes were derived from focus groups.

[1] Falconier, M. K., & Epstein, N. B. (2011). Couples experiencing financial strain: What we know and what we can do. *Family Relations*, 60(3), 303-317.

[2] Papp, L. M., Cummings, E. M., & Goeke-Morey, M. C. (2009). For richer, for poorer: Money as a topic of marital conflict in the home. *Family Relations*, 58, 91 – 103.

[3] Dew, J. P. (2007). Two sides of the same coin? The differing roles of assets and consumer debt in marriage. *Journal of Family and Economic Issues*, 28, 89 – 104.

[4] Gudmunson, C. G., Beutler, I. V., Israelsen, C. L., McCoy, J. K., & Hill, E. J. (2007). Linking financial strain to marital instability: Examining the roles of emotional distress and marital interaction. *Journal of Family and Economic Issues*, 28, 357–376.

[5] Addo, F. R., Houle, J. N., & Sassler, S. (2019). The Changing Nature of the Association Between Student Loan Debt and Marital Behavior in Young Adulthood. *Journal of Family and Economic Issues*, 40(1), 86-101.

[6] Min, S., & Taylor, M. G. (2018). Racial and Ethnic Variation in the Relationship Between Student Loan Debt and the Transition to First Birth. *Demography*, 55(1), 165-188.

908016c