

Financial Stress and Its Effects on Psychological Well-Being Among International Students

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Abstract- *Financial issues are among the major problems facing international students across the globe which in turn leads to negative effects on their mental health. The following paper aims to review the link between financial pressure and mental health, using international students in higher education setting. The paper will undertake a literature review of information concerning the subject and evaluate other variables affecting the students' quality of life, and qualitative interview data collected. Research has found revealing evidence that shows that individuals under financial pressure are at a high risk of suffering from anxiety, depression, and social isolation. It is recommended that there should be financial assistance for those who need it, counseling services, and job creation to avoid experiencing these drawbacks.*

Indexed Terms- *Financial Pressure, Students Coming from Other Countries, Well-Being, Anxiety, Depression, Loneliness*

I. INTRODUCTION

The globalization of higher education has been on the rise over the years and this has been accompanied by a corresponding increase in the influx of international students seeking education in foreign universities. These students are a source of cultural enrichment. They also positively impact the academic and social contexts in their host countries and most importantly, they are a major source of income for educational organizations. While international student mobility brings with it obvious advantages, these students are indeed confronted with complex issues and perhaps one of the most important relates to the critical area of finances.

In contrast to domestic students, international students are often charged much higher tuition fees and have significantly higher cost because of their limited

opportunities to receive scholarships, grants, and government loans. Besides, the visa rules intrinsically restrict the number of hours they can work, which intensifies the need to cater for living expenses and tuition fees (Kim, 2020). Financial assistance from their home country may also not be forthcoming in most times hence many students rely on self-funding and family funding which might be easily exhausted given the high cost of living in foreign countries (Nguyen & Thompson, 2022).

Such financial considerations are not simply procedural or practical issues but could carry psychological implications for international students. Researchers have established a relationship between money pressure and mental well-being, such as anxiety, depression, and loneliness (Smith et al., 2022). In the case of international students, financial pressure exacerbates cultural adaptation struggles, language barriers, and academic pressures, all of which significantly increase the likelihood of a deterioration of mental health. It is the student's experience as they overcome a series of challenges that comes with studying in another country and have to struggle with issues of finance, which can affect their studies and well-being. However, cultural taboos against talking about mental health often dissuade international students from seeking help for their mental well-being (Garcia & Williams, 2023). This vulnerability is further amplified by insufficient mental health facilities offered to international students to fit their particular needs, making them susceptible to the impacts of financial anxiety.

II. LITERATURE REVIEW

Financial Stress among International Students

Scholars have identified and acknowledged that financial difficulty is one of the most pressing issues affecting international students in higher learning institutions. Many authors have reviewed the financial

position of these students with most works focusing on the fact that these students are significantly cash-strapped compared to domestic students. For instance, Brown and Li (2021) have noted that international learners often pay more in tuition compared to domestic students with no opportunities for state-supported scholarships such as grants and loans. This financial burden is further exacerbated by the expenses such as rent, utility bills, and food in addition to health insurance which usually cost more in the host country (Lee, 2023).

Entry policies also affect the ability of international students to remain financially independent through imposing visa restrictions. Many countries allow international students to work only within the stipulated hours, normally not exceeding 20 hours per week during term time (Kim, 2020). While some students will be able to search for other employment, these wages are often low and unsuitable to cater for tuition fees or even other daily requirements (Nguyen & Thompson, 2022). These restrictions set a precarious financial model, where students are forced to constantly juggle between the demands of their learning responsibilities and the lack of adequate money to sustain their needs.

Money or rather the lack of it is not simply a basis of financial struggle; the major issue is that money impacts the psychological and emotional world of learners. According to Wong (2021), as is consisted with other scholars like Jeri & Negonde (2024) and Negonde & Jeri (2024), one of the major causes of anxiety and depression among students is financial instability especially when aggravated by academic stress. Many international students, on top of having to cope with the pressure of adapting to a new culture and a new academic system, feel the pressure of the financial investment that their families have made. As Zhou et al. (2023) have stated, many students admitted feelings of guilt or pressure to perform well because of the money spent on their tuition.

The Psychological Impact of Financial Stress

The effects of financial pressure on the mental health of international students have been well-documented in the existing research. Money troubles can take a toll on the people's mental health. People may experience anxiety and depression or have more significant

psychological issues (Smith et al., 2022). Stress, mainly caused by the daily worries for the payments, can cause students to perform poorly in their academic activities since they are more focused with the payment issues. Chaudhry & Singh (2022) revealed the correlation between financial stress and poor academic performance where the students who reported high levels of stress due to financial issues admitted to poor academic performance due to distraction and concern caused by the financial problems.

Another identified effect of financial stress on international students is depression. Hopelessness and despair may come when there is no way of overcoming a financial barrier such as part-time job or other sources of funding, which may be unavailable for the student (García & Williams, 2023). Other social factors could include being financially restricted, as international students may not afford to go out for festivities and other events. This can only worsen their mental health, making it harder for them to participate in academic and social life, thereby creating a vicious cycle of depression and withdrawal (Zhou et al., 2023).

Furthermore, cultural attitudes towards mental health issues may dissuade international students from seeking assistance. For instance, in collectivist culture, Nguyen and Thompson (2022) argue that students may not seek professional help due to the fact that they consider mental health disorders as personal or familial shortcomings that should not be exposed publicly. This cultural barrier means that many international students are not able to gain the help they need in this area, even as their mental health declines due to financial pressures.

Coping strategies and sources of support

Although the impact of financial pressure on the mental health of international students is evident, fewer studies provide insight into the use of appropriate coping strategies of these students. Stress management is one area in which students depend on their nonprofessional networks of care givers such as friends or relatives. However, these support systems may not be adequate at all times, especially in cases where the financial load is sustained (Smith et al., 2022). Some of the students settle for part-time

employment while others try to apply for other scholarships or grants, but these are often scarce or insufficient (Brown and Li, 2021).

To effectively cope with financial stress, It is also important to focus more on the specifics of the concern that revolves around the support that universities offer to international students experiencing some form of financial difficulties. According to Garcia and Williams (2023), universities must strive to do more in financing fabricated awareness, mental health services, and culturally respectable counseling to meet the needs of international students. For instance, financial literacy programs can aid students to manage their finances effectively, thereby cutting the possibility of times when they are overpowered by financial woes (Jones & Patel, 2019). Furthermore, cultural-specific substance use as well as mental health services could also offer a form of support to international students by assisting them in the relationship between financial and mental health considerations.

III. METHODOLOGY

To address the research questions for this study, a qualitative approach was used to understand the experience of international students with financial stress and its impact on their mental health. A qualitative research was selected because it permits a focus on participants' everyday life and offers more nuanced perspectives on financial pressure and mental health. The goal of the research design for this study was to capture firsthand experiences from the internship students who are internationals to establish how they perceive and experience financial stress and its effects on their mental health. This approach was considered appropriate because of the research questions that are not quantifiable and the phenomenon under investigation which is not easily measurable.

Research Participants

The participants in the study were selected from a large university in the United States which has many international students. In this study, purposive sampling was adopted in choosing 20 international students based on their academic fields, culture, and financial statuses. The goal was to achieve a diverse

sample in terms of the experience of financial pressure, including students from countries with different levels of economic development, students at various levels (undergraduate, graduate), and students with different levels of financial stress. This means that the diversity in the sample helped in providing a broader understanding of financial stress across different situations.

Data Collection

Semi-structured interviews were used to interview the participants since they provided a detailed account of the information as requested by the researcher and at the same time allowed the researcher to follow up on issues that arose from the interaction with the participants. Structured interviews were not used as this would limit the freedom of respondents to express their opinions and introduce new topics to the conversation. This approach helped keep the focus of the conversations with the participants on the main research questions regarding school choice but also helped them dig deeper into the participants' narratives.

These interviews took between 45 and 60 min each and were performed in private and comfortable environments which could include face-to-face meetings or through secured online platforms such as Zoom or Microsoft Teams. In this study, the participants were briefed about the study prior to the interviews and signed consent forms were signed. They were also told that their responses would be kept confidential and that they could withdraw from the study at any given time without any repercussions.

The interview schedule comprised of questions which were asked in an open-ended way to ensure the interviewees provided as much information as possible. Questions were organized around three main themes:

1. Experiences of Financial Stress: Participants were interviewed on their financial status, including the cost of tuition fees, other expenses, and any sources of funding. Some of the questions asked them about how they dealt with these expenses and whether or not it was challenging to meet their financial obligations.
2. Mental Health Experiences: They were free to express how their financial standing influenced

their mental well-being and the symptoms of anxiety, depression, and stress they experienced. Extra questions asked how financial difficulties influenced their study results, sleep, social life, and wellbeing.

3. **Coping Mechanisms and Support Systems:** Concerning self care, participants were asked if they engaged in any practices to manage financial pressure and if they sought assistance from the university or support from their family/mental health professionals. Questions also aimed to identify if participants engaged financial education materials, peer support, or other related programs; and their views on its impact.

Data Analysis

After all interviews were conducted, the researcher took the responsibility of transcribing all interviews conducted in the study verbatim. The obtained transcriptions were further analyzed with the help of thematic analysis, a qualitative research method aimed at identifying, categorizing, and describing patterns (themes) in the material. Thematic analysis was chosen due to its analyse options for the intricate and multifaceted areas of participants' engagement. This method enabled the researcher to examine the data in a structured manner in order to identify major issues concerning financial pressure and psychological wellbeing.

Ethical Considerations

The researcher therefore sought permission from the university's board to conduct the study prior to data collection through filling an approved protocol in the institutional review board (IRB). This is because the areas of concern tackled particularly in this study include aspects such as mental health and financial performance which can be extremely sensitive. Each subject was given a pseudonym, and no personal details were provided in the reports submitted. Regarding the participants' rights, they were fully informed of their right to withdraw from the study at any time and were given information on resources that they could access in case they needed mental health services while participating in the study or in the future after the data collection process.

Also, the researcher ensured that they acted sensitively when conducting the interview to reduce any

discomfort that may rise due to financial pressure and mental health disorders. The interviews were conducted in an anonymous and non-intrusive way to allow the participants to discuss their experiences comfortably without feeling coerced.

Limitations

The study is not without its limitations, which are outlined below. First, although the participants involved in the study were diverse, the number was relatively small and only included 20 participants, which can be potentially deemed insufficient to accurately portray the international student population. Second, the use of self-report data raises the issue of response bias because participants may have provided inaccurate information either intentionally or unintentionally. Finally, the study was conducted at a university setting in the United States only, which restricts the generalization of the results to other international students in other geographical or institutional settings.

Nevertheless, following these limitations, the study employed a qualitative approach that offered nuanced and detailed understanding of the experiences of Magrants and explored important areas that should be examine in future research.

IV. RESULTS

The analysis revealed several key findings regarding the impact of financial stress on mental health among international students:

1. **Anxiety and Depression:** Every respondent indicated that they felt increased levels of stress and, in some instances, even depression as a result of financial situations. Students mentioned financial stress for tuition and for rent and other costs, with some mentioning that they might not be able to finish up because of financial insecurity.
2. **Social Isolation:** More than half of the participants stated that their financial status hindered them from participating in social life. Others mentioned that they lacked social interactions leading to loneliness and worsening of mental health problems.
3. **Limited Access to Support:** High costs, long waiting periods, and cultural barriers were some of the challenges that several students mentioned

concerning mental health service provisions. Collectivists were also less likely to ask for assistance and to handle their stress personally.

4. Coping Strategies: However, the experience of some participants was less pessimistic as they managed to find some ways to deal with their financial problems. These were through scholarships or loans, by seeking employment or having other valid occupations, and care from friends and relatives. Nevertheless, even if many students acknowledged having coping mechanisms for stress, they stated that these were not adequate enough to help them manage stress fully.

V. DISCUSSION

The fact remains, the results of the present study are similar to those documented in prior studies which showed a positive relationship between financial strain and mental health concerns among students. The high levels of anxiety described by the participants, in combination with the levels of depression, highlight the need for institutions to tackle the issues of finances among international students. Also, the concept of loneliness exacerbates their mental health challenges since they cannot afford to participate in campus activities and make friends.

This lack of freedom to seek professional help shows that there are deficiencies in university-related services. Some of the requests that survey participants shared included the need for better mental health services that are more inclusive and culturally competent. These results support Garcia & Williams' (2023) suggestion of enhancing the availability and accessibility of mental health services for international students.

Furthermore, this research revealed that even when certain students applied problem solving methods, they could not effectively reduce the negative repercussions of financial pressures. The continued use of external sources of finance including scholarships and part-time employment implies that more structural solutions are required to alleviate financial burden of International students.

CONCLUSION

As highlighted in this research, financial stress affects the mental health of international students and contributes to feelings of anxiety, depression, and loneliness among others. The implication is that universities have to be diligent in affirmatively addressing these challenges through more scholarships, flexible-work options, and mental health availability. There is a call for institutions to get involved in helping international students effectively manage the financial pressure so that they can have better achievements both in their mental wellbeing and academic performance.

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