

Phonphat Intaravorrachit 2014: Causal Factors Influencing Indebtedness of Undergraduate Students in Bangkok. Doctor of Philosophy (Human and Community Resource Development). Major Field: Human and Community Resource Development, Department of Human and Community Resource Development. Thesis Advisor: Miss Sireerat Chetsumon, Ph.D. 447 pages.

Household debt has become a national crisis in Thailand. Among college students, it was reported that student loan debt has recently increased. The situation is getting worse when the students are involved in non-student loan debt. This study investigated the causal factors influencing student loan and non-student loan indebtedness of undergraduate students in Bangkok. Using multi-stage sampling technique, a sample size of 1,601 undergraduate students was randomly selected from five universities in Bangkok. Structural equation modeling, coupled with, indepth interview and focus group were used to explore the pattern of relationships among the aforementioned factors.

As a whole, the amount of student loan debt was positively influenced by perceived utility of a bachelor's degree, student expenditure, consumerism behavior, attitude towards indebtedness, expected future income after graduation, financial stress and student's purchasing power (income, asset and total saving money), in rank order. On the other hand, the amount of debt was negatively influenced by competency on the Philosophy of Sufficiency Economy, level of education of household head, household income, the student's financial learning, perceived utility of saving money, financial knowledge, saving per month and financial management, in rank order. All these causal factors accounted for 6 percent of the variance explained by the amount of debt ($R^2 = 0.06, p < 0.05$).

As a whole, the amount of non-student loan debt was positively influenced by expected future income after graduation, student expenditure, perceived utility of a bachelor's degree, consumerism behavior, attitude towards economic situation, financial stress, household income, attitude towards indebtedness and student's purchasing power (asset, total saving money and income), in rank order. On the other hand, the amount of debt was negatively influenced by competency on the Philosophy of Sufficiency Economy, the student's financial learning, saving per month, perceived utility of saving money and financial management, in rank order. All these causal factors accounted for 41 percent of the variance explained by the amount of debt ($R^2 = 0.41, p < 0.05$).

Moreover, an intertwined cycle of student indebtedness driven by consumerism behavior was discovered. Based on the research findings, a practical guideline on prevention of student debt – student loan and non-student loan – were proposed. Further research issues were also recommended.

Student's signature

Thesis Advisor's signature