

Family norms and financial transfers from adult children to parents in European regions

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Intergenerational family solidarity is still alive and well in Europe. As research shows, many parents and adult children support each other with financial gifts, care and household help (Albertini et al. 2007; Attias-Donfut et al. 2005a; 2005b; Bettio & Plantenga 2004; Brandt et al. 2009; Dykstra & Fokkema 2011; Fokkema et al. 2008; Igel et al. 2009; Kalmijn & Saraceno 2008; Kohli & Albertini 2007; Schenk et al. 2009; Wolff & Attias-Donfut 2007). While time-related transfers are generally directed both towards the older and the younger generation, cash mainly flows downwards. Therefore, most research focuses on financial support from parents to children. Yet, in some places, a substantial part of the elderly does receive financial gifts from their children. This kind of support may even become more important with the aging of European populations and the pressure upon pension schemes.

Based on data from the second round of the European Social Survey, we are interested in European patterns of financial support of older parents by their adult children. Are these patterns mainly determined by economic and institutional factors, or does the cultural climate play a role too? To answer these questions, we work on the level of regions nested within countries. This allows us to make use of multilevel techniques, and to account for the heterogeneity that does exist in European countries. Unlike most other comparative research about intergenerational family support, we include Western as well as Eastern Europe in our analyses.

Data

As the main data source for our paper we use the second round of the European Social Survey, carried out in 2004-2005. ESS contains information on regions within countries, but as we want to combine these data with regional statistics from Eurostat, the ESS regional classification was first harmonized with the NUTS system, the Nomenclature of Territorial Units for Statistics (see Róžańska-Putek, Jappens, Willaert & Van Bavel 2009). NUTS is a coherent and standardized system for referencing subnational regions within European countries, created and regulated by the European Union. Within this hierarchical system, we work on the level of major NUTS regions: NUTS 1.

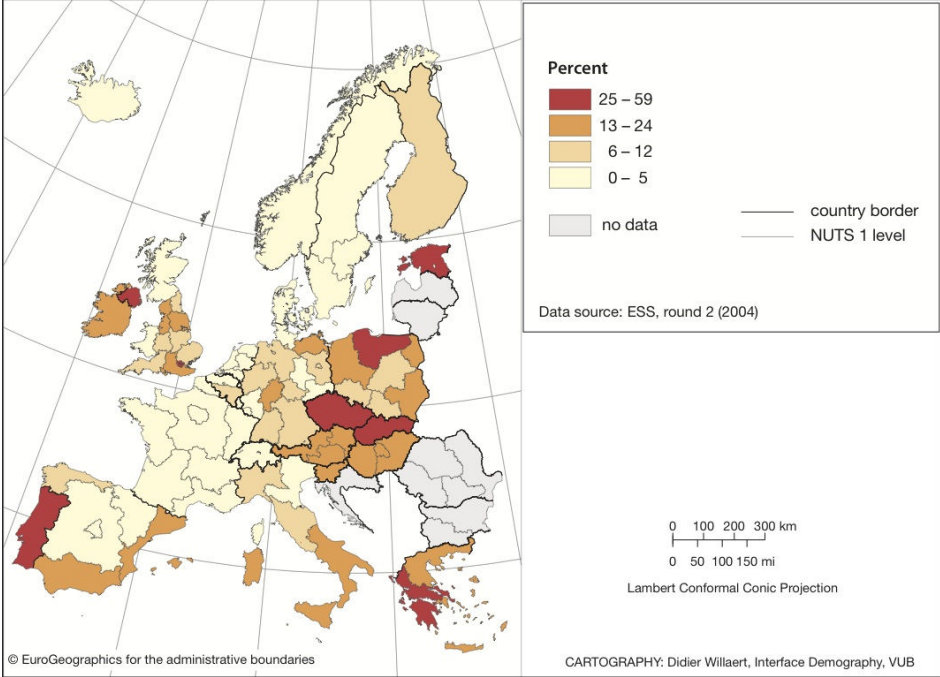
When we talk about 'parents', we refer to respondents aged 60 or older with at least one adult child (aged 18 or older) living outside the household. Using this definition, we selected 9547 parents, living in 87 different NUTS 1 regions.

Financial support from adult children to parents across European regions

Like other research, our preliminary analyses using ESS2 data show that financial support flows more often downwards than upwards and that financial transfers from grown-up children to their parents are not very common throughout Europe. ESS2 questioned respondents with at least one child living outside the household how much financial support they currently receive from grown up children or

grandchildren who live apart. Respondents could answer that they receive ‘a lot of support’, ‘some support’ or ‘no support’. Map 1 shows the percentage of respondents with children (aged 18 or older) living outside the household that do receive (some or a lot) financial support, per NUTS 1 region. These percentages are situated between 0 and 59, and regions where more than a quarter of parents receive financial help from children are rather exceptional. Very generally spoken, we can say that in Mediterranean and Eastern European regions, a larger share of parents receives financial support from children living alone than in Northern Europe. But this broad division hides a serious amount of heterogeneity, between countries as well as between regions within particular countries.

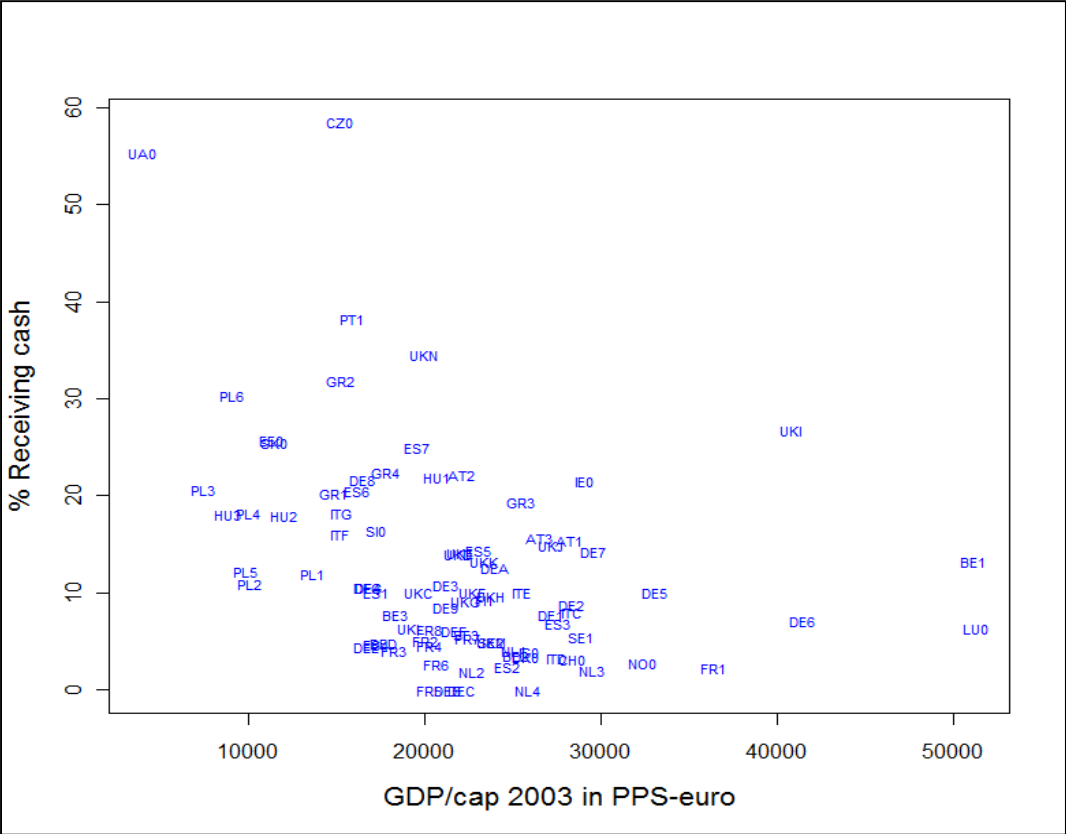
Map 1: Percentage of respondents with children aged 18 or older living outside the household receiving financial support from adult children living apart



Financial support & regional wealth

The distribution in map 1 gives the impression that financial support of elderly by their adult children is more common in poorer regions. In figure 1 we visually test this assumption by plotting NUTS 1 regions according to the gross domestic product and the percentage of older parents receiving financial support from offspring living outside the household. We use data on GDP/capita at market prices for the year 2003, as provided by Eurostat. To assure the comparability between regions, GDP is expressed in Purchasing Power Standard per inhabitant. The GDP of a region does indeed seem to have a negative effect on financial support from adult children to parents: the wealthier the region, the less older parents receive financial transfers from their adult children outside the house.

Figure 1: GDP per capita and percentage of older parents receiving financial support from adult children outside the household, per NUTS 1 region



Financial support & regional family norms

Literature on this topic also suggests an alternative explanation for the regional variation in financial support to older parents: the pattern of financial transfers could as well be affected by cultural factors. ESS2 contains some questions about attitudes towards gender and family. We created a summated scale (from 1-5) based on four items that behaved well in exploratory factor analysis:

- ‘A woman should be prepared to cut down on her paid work for the sake of her family.’
- ‘When jobs are scarce, men should have more right to a job than women.’
- ‘When there are children in the home, parents should stay together even if they don’t get along.’
- ‘A person’s family ought to be his or her main priority in life.’

We averaged the scores of all respondents per NUTS 1 region. Higher scores stand for more ‘conservative’ and ‘familialistic’ regions. Figure 2 shows that the normative climate of a region is indeed linked to the prevalence of upward financial support in families: the more conservative or familialistic, the higher the percentage of parents receiving financial support from their grown up children in the region. More conservative regions are mainly found in the south and east of Europe, and typically, they often are also poorer regions (see also figure 3).

Figure 2: Average scores on conservative family norms and percentage of older parents receiving financial support from adult children outside the household, per NUTS 1 region

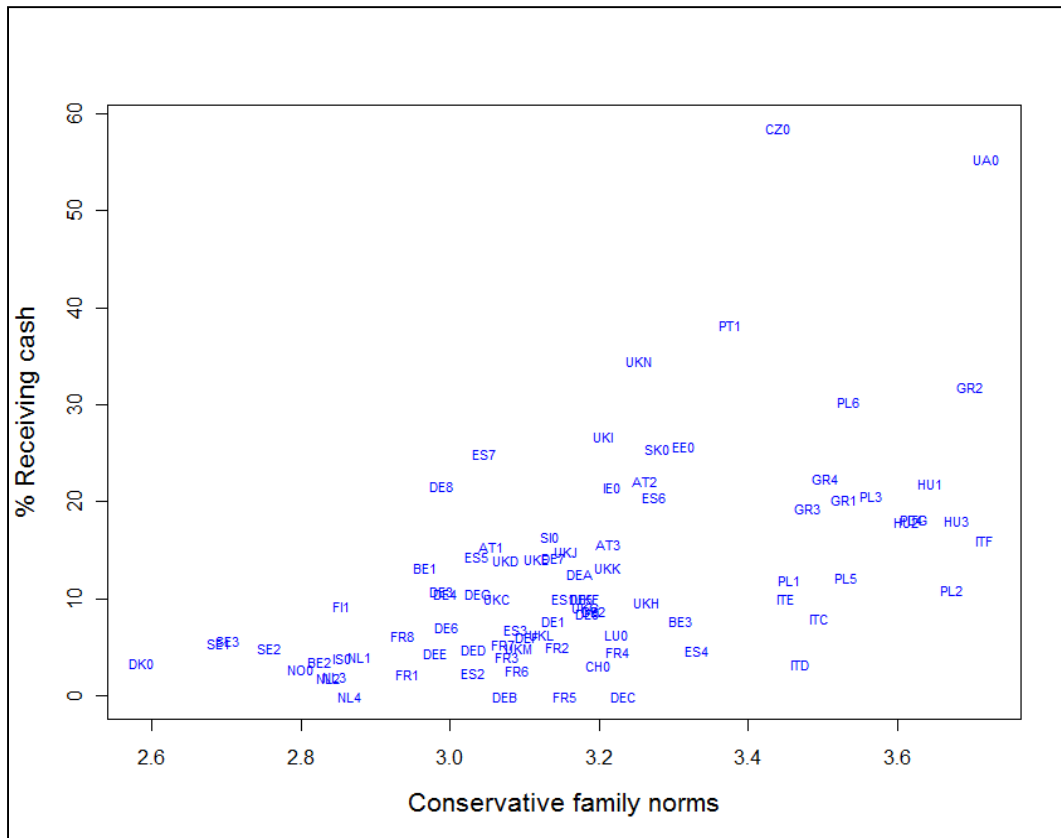
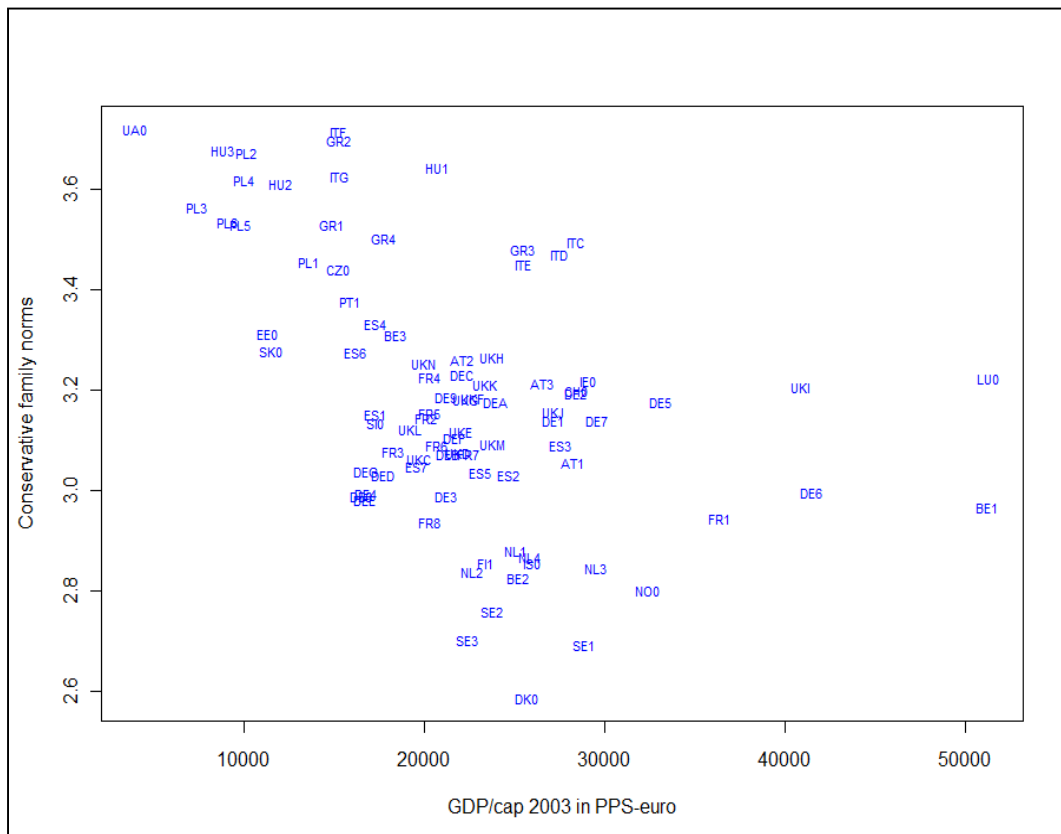


Figure 3: GDP per capita and average scores on conservative family norms, per NUTS 1 region



Multilevel logistic regression analysis

Our descriptive analyses showed that European regional variation in the financial support received by older parents from adult children seems affected by the economic situation of a region. But also a region's value pattern seems to play a decisive role. Some other possible explanations are connected to the need for support and the family practices and attitudes of these parents themselves.

We construct a multilevel logistic regression model to investigate why some parents do receive financial support from their adult children and others don't. We include random intercepts on the NUTS 1 level and covariates on the NUTS 1 and the individual level. Explanatory variables on the individual level consist of:

- The age and gender of the respondents
- The subjective health of the respondent (ranging from 1 = very bad to 5 = very good)
- Whether or not the respondent is living with a partner
- Whether or not the respondent is living with any adult child
- The attitudes towards gender and family of the respondent
- Whether or not the respondent provides any financial support to adult children
- Whether or not the respondent receives care or support in the household from adult children living outside the household
- Whether or not the respondent gives care or support in the household to adult children living outside the household

On the regional NUTS 1 level, we control for the two indicators introduced above:

- GDP/capita
- Average score on 'conservative family norms'

As to the individual level covariates, results of our preliminary multilevel analyses show that the probability that parents receive financial support from children increases with their age. Also when they consider their health less good, they are more likely to receive financial support. Regarding gender, results show that women are not significantly more likely than man to receive financial support from children outside the household.

Parents that are living with a partner have lower chances of receiving financial support from their children. Living in the same household with at least one child does not significantly affect the probability that parents receive financial transfers from their children living outside the household, neither does the fact that parents give financial support to one or more children. Exchanging care or help in the household with adult children on the other hand does: if parents provide care to children and if parents receive help from one or more children outside the household, they are more likely to also receive financial support. Parents' attitudes towards family and gender do not affect the likelihood of receiving financial help.

When only the regional indicator for the gross domestic product is added to the model, we see that if parents live in a poorer region, they make more chance to receive financial support from their children. But after controlling for the normative climate too, it becomes clear that this effect is only spurious. The economic situation of the region parents live in does not have an effect, but the

normative climate does: in more conservative and familialistic regions, parents are more likely to be financially supported by their children outside the household. The multilevel model clearly indicates that is the dominant normative pattern in the region that matters, not the attitudes held by the parents individually. Table 1 presents the fixed effects of our preliminary model containing both covariates on the regional level. Removal of outliers (Brussels, London, Hamburg and Luxembourg) did not alter this result.

Table 1: Multilevel logistic regression model of parents (60+) with adult children outside the household receiving financial support from children (N=9547).

	b	s.e.	p	
(Intercept)	-10.357	1.477	0.000	***
Covariates on individual level				
Age	0.022	0.005	0.000	***
Gender: being a woman	0.107	0.072	0.140	
Subjective health (1 -5 = very good)	-0.215	0.040	0.000	***
Conservative family norms	0.010	0.054	0.845	
Living with partner	-0.555	0.077	0.000	***
Living with at least one child	-0.075	0.084	0.371	
Financial support given to child	-0.001	0.073	0.989	
Care or support in household received from child	1.796	0.072	0.000	***
Care or support in household given to child	0.609	0.074	0.000	***
Covariates on NUTS 1 level				
GDP/capita	0.000	0.001	0.975	
Conservative family norms	2.073	0.393	0.000	***

Preliminary conclusion & outlook

Generally seen, financial support from adult children outside the household to older parents is not very common in Europe, but there exists a lot of heterogeneity between countries and between subnational regions. Preliminary analyses show that this regional European pattern is not primarily subject to the wealth of the regions concerned, it is the family norms prevalent in the region the parents live that constitute a more important factor.

To test the importance of this cultural factor for the European pattern of financial transfers towards older parents, our future analyses will not only control for the GDP of a region, we will also have to account for institutional factors like pension schemes. On the macro level we may use country statistics on pensions' beneficiaries of expenditure on pensions as provided by Eurostat, or data on minimum pensions and the net replacement rate from the Multilinks database on social policy indicators (see Keck, Hessel, and Saraceno 2009). On the micro level, it is possible to include information on 60+ respondents' household income and how they can cope on it.

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