Past Investment, Current Exchange, and Future Transfer – What Makes Stepchildren Decide to Step In?

Background

In the second half of the past century, American families experienced several important demographic transitions that are likely to re-define the rights and obligations between parents and their children. These changes include an increase in life expectancy, a decline in total fertility rate, and a rise in the number of divorce. As a result of these demographic transitions, today's older people are more likely to live longer, have fewer children to support them, and have experienced divorce during their adulthood than are their parents' generations.

Scholars hold two competing views regarding the consequences of divorce and remarriage on intergenerational transfers. On the one hand, some researchers worry that divorce will disrupt kin networks, weaken parent-child relationship, and reduce family support (for example, see Eggebeen 1992; Lye et al. 1995). On the other hand, other researchers argue that because people usually remarry after divorce, multiple marriages may actually increase potential family support by increasing kin network (Wachter 1997).

Specifically, I will address two research questions in the paper:

- Do adult children provide support to their older stepparents? Do they provide as many and as frequent support to their stepparents as they do for their biological parents?

- Under what circumstances do adult children provide support to their older stepparents?

This paper differs from previous research on similar topics in four important aspects (c.f. Furstengerg et al. 1995; Pezzin and Schone 1999). First, most of the previous studies use the parent as the unit of analysis (i.e., whether a parent receives support from his or her children). Because a parent usually has more than one child, researchers who use the parent as the unit of analysis cannot fully examine how the characteristics of individual children, particularly biological versus non-biological ties, affect the provision of support. In this paper, I will use the child as the unit of the analysis (i.e., whether a child provides support to his or her parent) and consider the characteristics of all adult children, including biological and step children, in a family. Second, I will pay particular attention to gender differences in the consequences of men's and women's remarriage on intergenerational transfers. I will also look at the differences in daughters' and sons' helping behavior. Third, most of the studies regarding intergenerational transfers are based on cross-sectional observations. This approach ignores the likelihood that children who take on a major role in caring for their older parents at an earlier interview may play a secondary role in the provision of support at a subsequent interview, as a result of changes in parents' and children's resources and needs. Thus I will look at the pattern of adult children's provision of support to their stepparents using longitudinal data. Finally, most researchers conflate the different levels of factors that determine intergenerational transfers either by aggregating children's individual characteristics to the family level or by disaggregating family characteristics to the child level. I will use multilevel analysis techniques to take into account the

nesting nature of the data in the analysis. That is, repeated measures of a child's helping behavior at different time points are nested within the child and children are nested within the family.

Data

The analysis will be based on data from the Assets and Health Dynamics among the Oldest Old (AHEAD). The AHEAD consists of persons born before 1924. The first interview was conducted in 1993 and followed up in 1995, 1998, 2000, and 2002 (after 1998, the survey was combined with the Health and Retirement Study). One unique feature of the AHEAD/HRS is its richness in family data concerning intergenerational transfers. The study asks transfers of time, money, and shared housing between the AHEAD/HRS respondents and their parents and children. It also tracks changes in family structure and major life events of three generations (Generation 1: parents of the AHEAD/HRS respondents; Generation 2: the AHEAD/HRS respondents and their siblings; Generation 3: children of the AHEAD/HRS respondents). Parallel data are available on the families of the AHEAD/HRS respondents' spouses or partners. Each transfer is uniquely linked to a specific donor and recipient. Because each person mentioned by the AHEAD/HRS respondent in the support networks can be identified in the study, this feature makes it possible for researchers to examine the patterns of intergenerational transfers between each donor-recipient pair over time.

Methods

I will conduct the analysis using Hierarchical Linear Modeling techniques. The dependent variables are time transfer, monetary transfer, and coresidence. The analysis consists of three levels. The dependent variable at the lowest level is the transfer observed in 1993, 1995, 1998, 2000, and 2002. Explanatory variables at the second level comprises individual child's characteristics, such as child's relationship with the respondent (biological or step), gender, age, educational attainment, number of working hours, marital status, and whether child raises any young offspring. Explanatory variables at the third level concern family's characteristics, such as parents' gender, age, race and ethnicity, educational attainment, marital status, wealth and assets, health status, earlier investment in children, and current support and bequests to their children.

Preliminary Results

In the preliminary analysis, I identified 22,580 parent-child pairs in the ADHEAD 1993 data. Of which, 90 percent are biological ties and 10 percent are non-biological ties. Compared to biological children, stepchildren are less likely to receive financial support from their stepparents in the past and at the time of survey. Stepchildren are also less likely to be included in their stepparents' wills, become beneficiaries of stepparents' life insurance, and own titles of stepparents' homes. In return, stepchildren are less likely to live with or live close to their stepparents, are less likely to provide financial support to stepparents and help with IADLs, are less likely to be consulted by stepparents for making major decisions, and spend fewer hours helping stepparents. Most of the associations mentioned above do not differ by child's gender except for two types of transfers: medical costs and hours spent on ADL or IADL support. Biological sons spend more money helping parents pay for medical costs than do biological daughters, but biological daughters spend more hours helping their parents than do biological sons. Filial responsibilities seem to be more gender-divided among biological children than among stepchildren.

Although few stepparents invested in their stepchildren in the past, provided support to stepchildren at the time of survey, and left bequests to stepchildren, some stepchildren do provide support to their older stepparents. In the next step, I will focus on adult children grown up in blended families and examine factors that motivate stepchildren to help. I will also examine whether the stepchildren's helping behavior changes as stepparents age over the 10-year period and explore factors that may contribute to the change.

References

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