

Intergenerational Transmissions of Finnish Baby Boomers – First Report of a National Survey

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Abstract

We report here the first results of a Finnish survey on Generational transmissions (GENTRANS, Academy of Finland 2007-2010, <http://blogs.helsinki.fi/gentrans>). The aim of the whole study is to get information on interaction between generations and reciprocal financial support and practical help. It examines reciprocal social interaction, practical help, and economic support between three generations in the same family by mail questionnaires sent to a large representative sample of people born in 1945-50 in Finland. Their children and parents are studied using similar questionnaires. Official register data were combined with survey data. Some respondents are also currently being personally interviewed.

The topic and research design are inspired by earlier studies on intergenerational exchange conducted in the last decade by Claudine Attias-Donfut (France), Martin Kohli (Germany), Ulla Björnberg (Sweden) and others. We included several questions from the SHARE project conducted recently in many European countries¹. We also included own nationally relevant questions, more detailed information on kin networks, and more detailed questions on ruptures and conflicts related to expectations and experiences of intergenerational transmissions.

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In this presentation, we analyse monetary support (gifts) and heritages and large gifts given to and received from family members, relatives, friends and colleagues. The reasons for giving and receiving financial support are also described as are outsiders and insiders of private and public support. Finnish survey responses by baby-boomers (born in 1945-50) and their adult children will here be compared with each other. Later we shall compare the responses given by parents and children in the same family.

Theoretical tools: Altruism and exchange among kin

We know that kin solidarity and altruism are typically very strong, but we do not know how strong and how they vary with e.g. social class, gender, generation, and national or family cultures. Giving of money between family members and relatives is something shrouded in secret and regulated by both laws (concerning taxfree gift-giving, for example) and unofficial rules.

The main transfer motives are *altruism* and *exchange* or *reciprocal altruism*. Economists understand altruism to be based on norms of familial care and the moral duty to help. (Arrondel & Masson 2005, cited by Reil-Held 2006, 264). In altruistic models, parents consider the well-being of their children when maximizing their own utility. It stipulates that “the generations of a family (‘dynasty’) are altruistically linked. Therefore, the time horizon underlying their decisions goes beyond their own expected length of life and includes the utility of their offspring as well.” (Barro 1974, Becker 1974, cited by Reil-Held 2006, 265). In this theory, the direction of altruism is bilateral. For instance, Barro (1974) assumes that children pay back the support they have received from their parents when these get older. In evolutionary theory the question is posed somewhat differently. To put it simply, there are two basic rule. First, William Hamilton’s rule of altruism and relatedness stipulates that a relative is bound to get the more help, the more genetically close relative he or she is. Second, because altruistic tendencies can be favored by natural selection only if they increase reproductive success in the future, altruism is “future-biased” and help runs from older to younger generations. (Trivers 1972; Trivers 2002; Mace 2006). Parents invest in offspring even when it puts the parents in a worse situation. From this follows that help mainly flows from parents to children.

Second, altruistic behaviour follows the logic of reciprocal altruism (Trivers 1971) or in economical terms, exchange (e.g. Cox 1987, cited by Reil-Held 2006). This exchange motive assumes that people give to others because they – consciously or unconsciously - expect to get something back in return, either immediately or in a more distant future. Reciprocal altruism is the typical mode for transmissions between people who are not kin or distant kin. However, the lines

between “close” and “distant” kin vary with culture and between families. Cousins, for instance can belong to either group: in Finland, most people count cousins as “near relatives”, but a minority sees them as “family members” and another minority does not count them as either near relatives nor family members (Paajanen 2007).

We assume that at present parents are quite altruistic in their financial support to children whereas in the other parts of the kin network there will be more exchange relations.

As women usually are more involved in raising offspring and maintaining kin relations, helping patterns are often gendered. The interesting question is who determines which relative gets what. There are some indications that when mothers can decide, the children get more than when fathers are the deciders (see Cox 2003).

Previous findings

According to the first results from the SHARE –project (Börsch-Supan 2005) there is a clear north-south pattern within Europe: in Northern countries, children and young people receive most assistance, whereas in Southern Europe the older people receive most assistance. In the South children also stay at home much longer, whereas in the north they become independent more quickly. Also frequent contacts between children and parents are characteristic to the Southern pattern.

Claudine Attias-Donfut (2005) found a clear variation in the proportion of people giving financial transfers, from Sweden’s 37% to 10 % in Spain. In the North, only a small minority of children assist their parents financially. All in all, about two thirds of the assistance flow from parents to children and one third from children to parents.

Martin Kohli and Harald Künemund (2005) stress the importance of geographical proximity. They show that helping is “cascading”, it goes from parents to children. The major explanatory variables are the wealth and income of parents, number of children (the fewer children, the more assistance per child), their immediate need (e.g. studying, unemployment) and the frequency of contacts. Somewhat surprisingly, the number of children, the direct emotional relationship between parent and the child’s gender did not affect the amount of help given from parent to child.

Monetary transmissions can complement, displace or reinforce public transmissions. Attias-Donfut and Wolf (2000) first showed how public transmissions enable people to help their kin more and so increase the overall transfers and contacts between family generations. xxx (2006*) found a similar pattern in Germany; however, transfers between generations decreased as assistance grew for elderly parents: if the state helped the elderly, the children diminished their support to them.

Kohli and Albertini (forthcoming) discuss specifically the impact of welfare regimes in financial transfers and reach the following conclusions: in the Nordic countries, people have least positive attitudes towards helping and in the Southern European model the most positive. However, in practice the situation is the opposite because in the North, people give most help and in the South least. The only exception is that in the South, children stay longer at home, and those who receive assistance, receive a lot. Kohli and Albertini seem to overinterpret their results in the direction of saying that there is a lot of assistance in Northern Europe, while one could also say that helping children is actually less common one would expect.

Research Questions

The general questions we posed when we embarked on our study were the following:

- How do baby boomers help their parents and children and what help did they get from them?
- How intense are contacts between them and what is their nature, including emotionally both positive and negative forms (support vs conflict and withdrawal)?
- What are the realized and potential inheritances and expectations?
- What effect do social welfare benefits have on these transmissions
- Are there specific gendered or kin patterns of generation transmissions? (see Roos et al: Gentrans research plan, www.blogit.helsinki.fi/gentrans)

Of these questions, we concentrate here on the monetary transactions, i.e giving and receiving money. This is only a small part of the totality of transmissions, but crucial to the ongoing debate of generational conflict around the “pension bomb” and care burden (Arber & Attias-Donfut 2000; Pajamäki 2006). If, as has been proposed, much of the pension resources go to the children of the recipients of pensions, this is very important information. Of course, if the pensioners’ money flows go to employ people in the service sector, this is not a bad thing, either. If the pensioners use their pensions only for personal material consumption, or do not use them at all (hoard them) or move abroad and take their pensions with them, then there will be a problem from the point of view of generational solidarity and altruism.

DATA

Baby boomers born in 1945-50 born and living in Finland were randomly chosen from the population register by Statistics Finland. The sample size was 1 998. In addition, their 3 391 adult

children were included for the study. In March 2007 these people were approached by mail. The questionnaires sent to baby boomers and their children are similar in most respects. In our bilingual country, the questionnaires were in Finnish and Swedish.

People who had not returned the questionnaire in the first round were approached three times, once via a reminder letter and twice by sending the introduction letter and the questionnaire again. Of the baby boomers 56 percent and of their children 42,4 percent returned the questionnaire appropriately filled. The number of the study subjects belonging to the baby boomer generation is 1 115 and that of their adult children is 1 435.

Women responded more actively than men. Single people who perhaps found the questionnaire irrelevant were more passive than (ever) married ones. The most passive group were the sons of the baby boomers of whom only 31,9 percent replied. There were no differences in language, type of home community and province between the respondents and non-respondents.

Demographic and economical information on the study subjects derived from official registers was combined to the survey data. The responses of the parents and their children can be combined by using the family number as a variable. In this paper we do not use register data or data in which parents and children are combined. Instead, we compare Finnish results to those from the SHARE project from twelve European countries and from another Swedish survey by Ulla Björnberg and Hans Ekstrand (2007). The questionnaires are partly similar but some of the questions were formulated and placed in the questionnaires differently which makes some comparisons problematic. SHARE data and the other Swedish data cover a larger range of birth cohorts than the Finnish survey data. We analyse only SHARE study subjects born in 1945-50 in order to make valid comparisons.

METHOD

When studying informal financial help we roughly followed the question in the SHARE telephone questionnaire:

“Now please think of the last twelve months. Not counting any shared housing or shared food, have you or your husband/wife/partner given any financial or material gift or support to any person inside or outside this household amounting to 250 euro (in local currency) or more. (Interviewer guide: By financial gift we mean giving money, or covering specific types of costs such as those for medical care or insurance, schooling, down payment for a home. Do not include loans, only gifts and support.) To whom did you provide financial gift 250 euro or more? (Interviewer guide: Instrument allows to go through the ‘give’ loop up to three times.) The recipient list included following categories: spouse/partner, mother, father, mother-in-law, father-in-law, brother, sister, child 1-6, other child, son-

in-law, daughter-in-law, grandchild, aunt, niece, nephew, other relative, friend, (ex)colleague, neighbour, ex-spouse/partner, and other acquaintance. Spouse/partner is not included in the Finnish questionnaire.

In the Finnish mail questionnaires there were two questions about giving and receiving financial support. The first question was:

“Next we inquire about financial support you have given. The questions concern financial support to other people than your own children. There will be questions about financial help you have given to your own children later on. Have you given any financial support to any other adult person during the last 12 months?” To whom others than your own children did you give financial support in last 12 months. How much?” The list of recipients consists of nine categories of relatives or friends: mother, father, mother-in-law, father-in-law, sister or her family, brother or her family, other relative, friend, and colleague. There were five categories: less than 50, 50-250, 251-500, 501-1500, and over 1500 euro.

The second set of Finnish questions was related to children:

“Next questions are about financial help you have given to your own children aged 18 and over. By financial support we mean giving money or participating in covering specific types of costs such as those for schooling, purchases or travel. Do not include support given as heritage. Have you given him or her financial support during last 12 months? How much altogether?” The sum was reported in euro. There was space for information on four (eldest) children.

For international comparisons it is potentially problematic that in Finland the questions about financial help to children are separated from those presented to other people whereas in the other countries they are included in the same list of potential recipients of gifts.

Receiving support and receiving and giving (pre)inheritances or large gifts were studied by questions following the same scheme.

We use the words financial support, monetary help, assistance and money gift as rough synonyms. Kin here refers to blood relatives and relatives through marriage and their kin. When parents are not included we use the term “other kin than parents” and when children are excluded “other kin than children”. Occasionally we combine friends and colleagues and simply use for both of them the term “friend”.

RESULTS

Finns help adult children most in Europe

We first describe the financial support given and received by baby boomers and their children in Finland. Then we turn to European comparisons.

Finland

As expected, the flow of financial transmissions runs mainly from the parent generation to their children. As many as 61,1 percent of the Finnish baby boomers reported having provided some financial help to their *children* during the last 12 months. Somewhat fewer of their children, 52,1 percent, reported that they have received some financial help from their parents (Table 1). These large proportions question the validity of recent arguments in Finnish public discussion: for instance, a recent political pamphlet claimed that the baby boomers are a selfish generation which only cares about itself (e.g. Pajamäki 2006). At least in this regard, the generational conflict is a myth also in Finland (Arber & Attias-Donfut 2000).

The consistency of the responses given by parents and children is greater when we compared reported assistance exceeding 250 euro (which was the lower limit in the SHARE studies). Of the baby boomers 33,8 percent and of their children 35,8 percent, see below, reported support from the older generation to the younger.

Table 1. Providers and recipients of monetary support by baby boomers and their children in Finland 2007, percent.

Relation to study subject	Baby boomers		Children of baby boomers	
	Gave support to	Received support from	Gave support to	Received support from
A. Donation at least 250 euro				
Mother	0,3	0,6	0,7	24,3
Father	0,2	0,3	0,5	20,2
Mother-in-law	-	0,1	-	5,6
Father-in-law	-	-	-	3,9
Sister or her family	0,5	0,4	0,4	0,1
Brother or his family	0,3	0,4	0,3	0,3
Other relative	1,7	0,2	0,1	1,7
Friend	1,2	0,4	0,8	0,6
Colleague	0,4	-	0,1	0,3
Grandparent	..	..	0,1	1,5
To or from some of the above-mentioned	4,0 ¹⁾	2,0	2,4	35,8 (30,9 from parents 4,3 from others than parents)
Adult child 1	21,0	0,5 from daughter	0,3 to daughter	-
Adult child 2	18,4	0,4 from son	0,1 to son	-
Adult child 3	8,1	..	..	..
Adult child 4	2,3	..	..	..
To or from any of the children	31,5	0,7	0,3	-
Percent of study subjects who have given / received financial support more than 250 euro to kin ²⁾ and friends	33,8	2,5	2,7	35,8
B. Donation at least one euro				
Kin and friends (Others than children)	61,1 (12,0)	4,2	25,6	52,1
N	1115	1115	1435	1435

¹⁾ The sum is less than the sum of percentages of helping different people because some study subjects have helped several categories of people.

²⁾ Kin includes parents, other relatives and children.

Support to and from *other people than parents and children* is very rare. Only 2-5 percent of the Finnish baby boomers and their children have participated in financial exchange outside the nuclear family. Unfortunately grandchildren were not separately mentioned in the Finnish questionnaires. According to Björnberg and Ekbrand (2007, Figure 1) about 10 percent of the Swedish adults have given financial support directly to their grandchildren.

The low proportion of Finnish baby boomers who have helped their parents (0,4%) is partly explained by the fact that only 31,9 percent have a living mother and 10,4 percent a living father. Still, only a few percentages of baby boomers helped their parents financially. By contrast, almost all children of baby boomers have living parents, as will be shown below. Also here, very few have given financial support to their parents.

European comparisons

Giving gifts. In the twelve European countries, 19,6 percent has given financial or material support exceeding 250 euro to one or more people (Table 1). We start the international comparisons from gifts to *children* and take up gifts to other people later. In the twelve European countries giving money to children is much less common than in Finland. Only 14,2 percent of the study subjects in these twelve European countries on average reported having donated money or other material gifts (> €250) to some of their children (Table 2). The proportion is 13,8 percent for the first four children (which were studied in Finland). In Finland this proportion is much higher, 31,5 percent. The big difference between Finland and the other countries may partly be due to the different layout of the questionnaires. In Finland gifts to children were asked separately from gifts to others. But can a differently placed question explain more than twice as big a result?

After Finland the highest shares of parents who have helped their children are from The Netherlands, Germany, Austria, Italy and Spain.

Table 2 . Financial or material support (gifts) >€250 donated to and received from children or other kin and friends according to country, percent. People born in 1945-50. Source: Share 2nd version and Survey in Finland 2007.

Country	Has donated to children	Has donated to kin or friends, not children	Sum: Has donated to children, kin or friends ¹⁾	Has received gifts from children	Has received gifts from kin or friends, not children	Sum: Has received gifts from children, kin or friends	N
Greece	13,2	12,4	23,3	1,6	2,6	3,4	386
Italy	16,2	3,8	19,3	,0	1,3	1,3	400
Spain	16,1	3,9	19,0	1,3	1,6	2,3	310
Israel	14,7	6,8	20,6	1,4	4,9	6,3	428
France	5,8	3,6	9,4	3,2	2,6	5,2	466
Belgium	13,3	4,9	17,3	,7	3,4	3,7	588
Switzerland	13,4	8,2	21,6	,0	1,5	1,5	134
Austria	16,5	7,7	21,4	2,4	1,2	3,6	248
Germany	16,8	9,3	24,9	1,3	2,8	4,1	386
The Netherlands	19,5	6,3	21,1	,6	3,7	4,3	492
Denmark	8,9	6,8	14,6	1,1	1,4	2,5	280
Sweden	14,9	8,2	21,3	2,0	2,7	4,3	489
Average for SHARE	14,2	6,6	19,6	1,3	2,7	3,8	4607
FINLAND	31,5	4,0	33,8	0,7	2,0	2,5	1115

¹⁾ The percentage is lower than the sum of helping relatives or friends and children as some people have given help to both categories.

Many study subjects reported donating money to several children, relatives and friends. Thus the number of supported people exceeds that of the donors. On average, one donor had given financial help to 1,5 people. The widest networks of recipients are found in Spain, Italy, The Netherlands, Austria and Finland, in this order, although here the differences are negligible.

Lowest percentages of people who have given money to their children are in France, Denmark, Belgium, Greece and Switzerland. Some of the findings are unexpected because in France and Greece there is a strong cultural (and even legal) pressure for helping children and grandchildren. It is indicated by attitudes towards the statement "Parents' duty is to do their best for their children even at the expense of their own well-being". The statement is strongly agreed or

agreed with by 69,6 percent of study subjects in the twelve countries. However, it does not always appear to translate into practice.

To study connections between attitude and practice we use a five-point scale of attitudes toward altruistic parental duties. The range is 10-50. It is worth noticing that our measure is an artificial index constructed for comparing attitudes and behaviour in the same figure. Expectations concerning parents' altruism are strongest in Greece, Italy, Spain, Sweden and France and weakest in Germany and The Netherlands (Figure 1).

Attitudes and practices related to parents' economic support to children differ most in France and Greece. In these countries expectations for parents' altruism are high but their financial assistance is scarce. We could call these *hypocritical* countries, where people are not doing what they are preaching. Another explanation is that assistance in these countries is largely provided on a daily basis, involving small sums that were not asked for in the SHARE questionnaire.

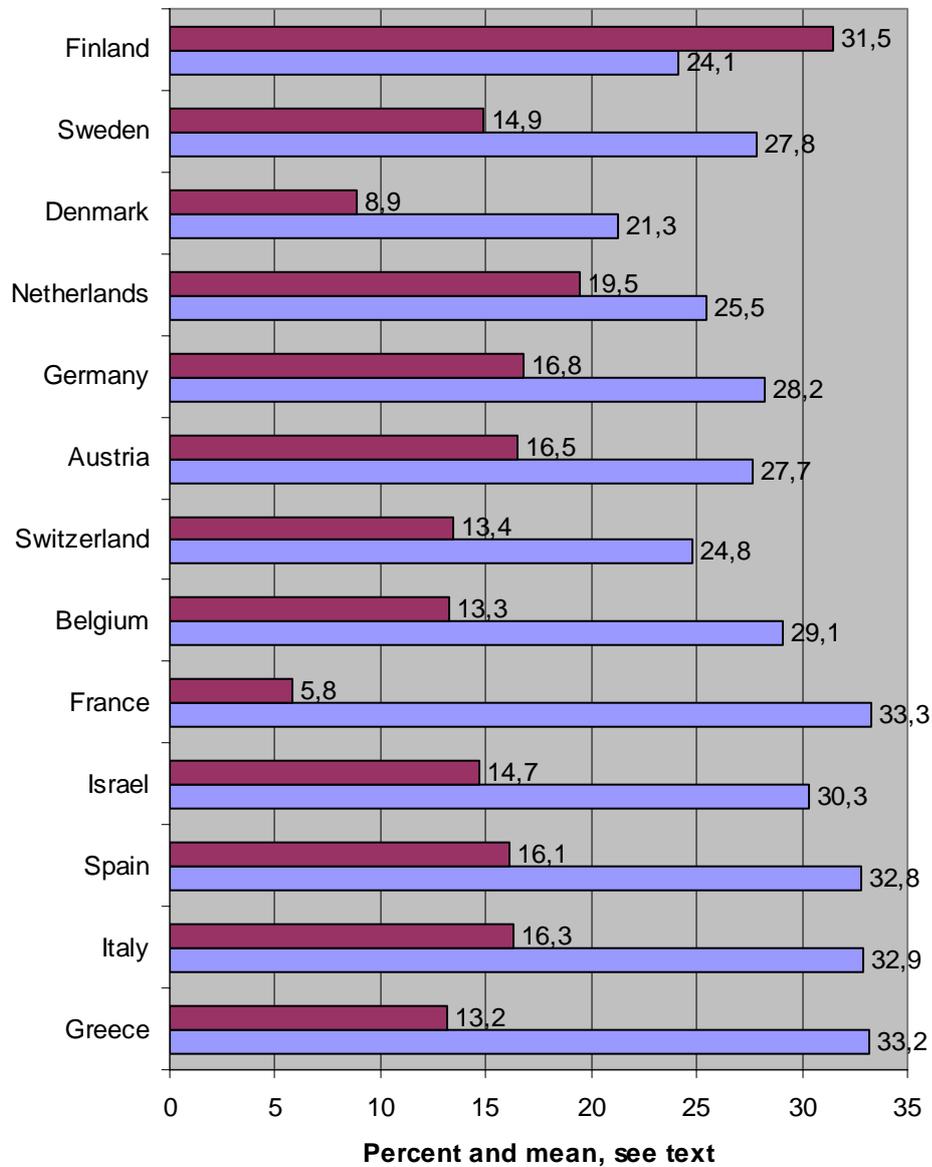
Opposite to hypocritical countries are countries where people are not expecting that "parents do their best for their children even at the expense of their own well-being" but where they are often supporting them financially. On the top of these willing helpers' countries - where the pressure to help children is weak but parents are generous - are Germany and The Netherlands.

The Finnish questionnaire did not ask about parents' duties towards their children, only about the perceived economic duty of grandparents: "Grandparents' duty is to contribute towards the economic security of grandchildren and their families". Of the study subjects in the twelve European countries 35 percent agreed with the statement, in Finland 24,1 percent. We shall explore the connection between economic support to children and attitudes to grandparental duties (although they are not wholly equivalent).

Relying on the grandparental help is most common in the Mediterranean countries Italy, Spain, and Greece and in the Continental France (Figure 2). Grandparental economic responsibilities are most generally rejected in Denmark and Switzerland. The differences between high expectations towards grandparents and relatively small parental help are again largest in France and Greece.

A NEW VERSION of Figure 2 including Poland and Chechia has been done

Figure . Attitude and practice in intergenerational transmissions



■ Has given financial support to children

■ Agrees with grandparents' duty to contribute towards the economic security of grandchildren

In the Finnish data we can see a connection between attitudes and practices at the individual level. The parents who agree with grandparents' economic duty have statistically significantly more often than other parents financially supported their adult children (Table 3). Norms favoring the role of the extended family in the economic security of grandchildren are thus changed into child-supporting practices.

Table 3. Giving financial help >240€ to children according to attitude towards grandparents' economic role. Finnish baby boomers.

Attitude to statement "Grandparents should contribute towards the economic security of grandchildren and their families"	Has given financial support >€250 to children, percent	N
Strongly agree	23,7	236
Agree	28,8	281
Neither agree nor disagree	35,0	286
Disagree	40,0	190
Strongly disagree	49,2	65
No information	10,5	57
Total	31,5	1115

Having adult children living at the parental home is much more common in the Mediterranean area – Spain, Italy, Greece and Israel - than elsewhere in Europe. One could intuitively suppose that having children living at home might be either positively or negatively related to financial help given to them. That is, however, not the case in the twelve European countries. Only in Finland is there is a statistically significant difference: 41,2 % of Finnish parents who have children at home have given at least 250 euro to their children whereas 30,3% of those whose children were not living at home have done so. This does not, nevertheless, explain why Finnish parents so often support their children financially. The proportion of children living at home is the lowest in Europe, 10,7 percent. It is 34,4 percent on average in the other countries.

Giving financial support to *other people* than children is almost as rare in the twelve European countries as in Finland. Only 6,6 percent of the study subjects on average have given help to other relatives or kin. In Greece, Germany, Switzerland and Sweden the proportions are highest, while the lowest percentages are found in France, Italy, Spain and Belgium. (The exceptionally high Greek figure may be flawed for some reason, e.g. corruption.)

Receiving gifts. In the twelve European countries, 3,8 percent of baby boomers report having received financial support from somebody. 2,7 percent received gifts from other relatives than

children or from friends. Financial gifts from children are extremely rare. For the international comparison it is fortunate that when baby boomers were asked about gifts they have received, children were included in the same list as other people. According to parents' reports, Finnish children supported them as seldom as children in the other countries on average (0,7% vs. 1,3%).

Children confirm the reports by parents

Receiving gifts. Next we look at the replies given by children of the Finnish baby boomers. Comparable data does not exist from the twelve other European countries. One quarter (24,3%) of the children of baby boomers reported that they have received *financial support of at least 250 euro* from their mother and 20,2 percent from their father. 17,2 percent had received help from one parent and 13,7 percent from two parents. 30,9 percent of the children of baby boomers reported help from at least one parent. This is almost the same proportion as was reported by the parents themselves: as was already mentioned, 31,5 percent of them reported financial help to their four eldest children. The reports between gifts given by baby boomers and received by their children thus coincide almost perfectly, indicating reliable results. In later studies we shall explore if this consistency applies to individual families, too.

In Finland, 18.2 percent of children of baby boomers have obtained *some financial support* as a gift from other adults than their parents or parents-in-law. Most of this financial support is less than 250 euro. The proportion of recipients of more than 250 euro is only 4,3 percent. Grandparents are most frequently mentioned here (1,5%). None of the children of baby boomers has received help from their own children, partly because these children are quite young (on average 30,8 years). Blood relations matter. Parents-in-law had helped the children of baby boomers much less than biological parents had: 5,6 percent reported support from mother-in-law and 3,9 percent from father-in-law.

Giving support. Of the children of the baby boomers, 25,6 percent have given some financial support to their relatives or friends during the last 12 months. The sums are, however, very small. Only 2,4 percent has given financial support exceeding 250 euro to other relatives (including parents) than children or to friends. Less than one percent has donated money to mother or father even though 98 percent have a living mother and 91,4 percent a living father. Gifts to adult children

were given by 0,3 percent. In this generation very few people have adult children. Only 4,7 percent were born in 1988 or earlier.

Reasons for giving and receiving financial support

What explains the huge Finnish monetary transfers? In Finland, more than half of the financial support given and received is for satisfying basic needs like food, clothing and dwelling. In the twelve European countries this applies only to one fifth of the study subjects who have received help (Table 3). Housing, big purchases and traveling are mentioned by 20-30 percent of the Finnish study subjects. The list of alternatives was different in the twelve European countries studied in the SHARE project. Basic daily costs and housing costs were clearly less frequently mentioned in these countries than in Finland. Many had given gifts without any specific reason.

Table 3. Reasons for transferring financial support (gifts) in Finland and in twelve European countries on average. Several alternatives were accepted. Percent.

Reasons for financial support	Finnish baby boomers who have given financial support >€250 to children, other kin or friends	Finnish baby boomers who have received financial support >€250 from children, other kin or friends	Baby boomers in twelve European countries who have given support >€250 to children, other kin or friends
To meet daily expenses like food, clothing and dwelling	62,3	56,6	20,3
Buying, renting and/or repairing house or dwelling	26,0	21,4	7,8
Other big expenditure	20,7	17,9	13,5
Travel	20,7	32,1	..
To help with a divorce	.. ¹⁾	..	0,9
To help following a bereavement or illness	..	..	1,0
To help with unemployment	..	..	2,4
For further education	..	..	7,4
To meet a legal obligation (e.g. alimony or compulsory payment)	..	..	1,5
Other	10,6	21,4	10,8
No specific reason	0,1	3,6	23,4
N	377	28	910

1) The alternative was not mentioned in the questionnaire.

The different reasons of support in Finland and other countries may explain the high proportion of children helped in Finland. In Finland there seems to be more need for financial help to cover daily expenses and housing costs than in the twelve European countries on average. It should be noted that both housing and food are exceptionally costly in Finland, which in these respects is commonly found among the most expensive countries in Europe.

Inheritance and large gifts

Next we examine the second type of financial exchange, i.e. inheritances and large gifts. Again a bigger proportion of Finnish baby boomers (38,9 percent) reports having *received* an inheritance or large gift (5 000 euro or more) from their parents than of baby boomers in the twelve European countries (17,2 percent). In these countries, relatively many have received a heritage or large gift from other people than their parents (parents-in-law, siblings, other kin or friends). None of the Finns reported to have inherited from other people than their own parents. This points to the strength of parental and nuclear family ties are strong in Finland.

Table 5. (Pre)heritages and large gifts from and to different nearby people

Relation to the study subject	Has inherited or received large gifts from the person ¹⁾			Has given pre-heritage or large gift to the person
	Finnish baby-boomers	Children of Finnish baby boomers	Baby boomers in twelve other European countries	Finnish baby boomers
Parent	38,9	11,4	17,2 ²⁾	-
Daughter or son	-	-	0,1	8,3
Parent-in-law	-	0,6	5,1 ³⁾	-
Sibling	-	-	0,5 ⁴⁾	-
Grandparent	-	5,4	-	-
Grandchild	-	-	-	0,4
Other relative	-	2,1	2,5	0,1
Friend	-	-	0,3	-
Colleague	-	-	-	-
Someone of these	38,9	17,3	22,0	8,5
Replies to question have you ever received/given heritages or gifts	42,4	17,0	24,8	8,8
N	1115	1115	3359	1115

¹⁾ Numbers of missing data on inheritance for Finnish baby boomers are small, 22, for their children 8. In this table, Finnish percentages are calculated from all respondents. In the other countries, there is a lot of missing data (1 248). The percentages in the twelve countries are calculated only from those who had answered to the question.

²⁾ From mother 9,7, from father 8,3. ³⁾ From mother-in-law 2,6, from father-in-law 2,7. ⁴⁾ From sister 0,1, from brother 0,4.

Children of the Finnish baby boomers have - as one can expect on the basis of their younger age, 30,8 years - inherited or received large gifts less frequently than their parents who, are on average 58,5 years old. 17,3 percent reported this kind of financial transmissions. The spread of givers is

larger than in the case of baby boomers. In addition to parents, some of them have inherited or received large gifts from grandparents, parents-in-law and other kin.

Of the baby boomers 8,5 percent have *given* pre-inheritance or large gift to the members of their kin. The inheritors are mostly their children or grandchildren. At the age of 58 it seems not yet to be appropriate to give pre-inheritance or large sums of money to one's descendents. In the SHARE project pre-heritages or large gifts are not studied.

Heritages, pre-heritages and large gifts are in most cases (84 percent) agreeable to the relatives and their spouses. Of the Finnish baby boomers, 10 percent mentioned small disagreements, 2,9 percent severe disagreements, and for 3,5 percent the relationships are broken because of conflicts concerning inheritance or large gifts.

Insiders and outsiders of financial support

Next we study to whom support from kin has been directed and who has not received it. Are they people who manage on their own, or have they received public social benefits²? This is analyzed for both generations in Finland, first by looking at the children of baby boomers and then at the baby boomers themselves.

As was already noted in Table 1, more than half of the children of baby boomers had received private financial help from their kin network, most of it from their parents. Receiving gifts from parents and receiving them from other kin correlates statistically significantly ($r = .30$). Receiving support from any private source also correlates significantly with receiving public support ($r = .11$). Private gift recipients tend to be people with scarce economic resources. About half of them (51,6 %) regarded themselves as people with low incomes, whereas among non-gift recipients so gloomy evaluations were much less frequent (24,5 %). All this means that those who receive financial support often receive it from several sources, and most likely also need it.

Children of the baby boomers are in such phase in their life course that some of them are not yet economically independent. Receiving social benefits is common among them, even more common than receiving gifts from kin. Adding up private (54,4 %) and public support (72,3 %) shows that 84,9 percent of the children of baby boomers had received private or public help or both. Those 15,1 percent who had *not* received any help had a considerably higher income than those

² In the questionnaire the following social benefits were listed: unemployment allowance or labour market subsidy, earnings-related unemployment allowance, sickness allowance, child benefit, old age pension (national and earnings-related pensions), unemployment pension, disability pension or rehabilitation subsidy, national survivor's pension (spouse's and orphan's pension), housing supplement or housing allowance and living allowance.

who had received it. They also perceived their own economic situation as relatively good and were fairly satisfied with their level of living and consumption possibilities. In other words, they were not in such a need of support. In addition, many of them felt that their parents and grandparents have relatively low incomes and are, thus, not so able to assist. This was confirmed when we had a look at the parents' answers. Providers of financial assistance among the baby boom generation had higher income (the net monthly income is 2 067 euro on the average) than those who have not given assistance (the average net monthly net income is 1 362 euro). They also perceived themselves as wealthier and were more satisfied with their level of living and consumption possibilities.

All in all, "justice" seems to prevail in the economic transmissions inside kin networks. Our analysis, however, has been based only on the frequencies of receiving financial help. Before making conclusions about the redistributive effects of private help, we also have to look at the sums given and received. We assumed that the recipients of large gifts are relatively well to do, as are their parents who have provided such a gifts. However, this is only partly true. The net incomes of children of baby boomers having inherited or received large gifts are only a little higher (1 663 euro), than those of the others, (1 511 euro), and the difference is not statistically significant. However, baby boomers who have given gifts have significantly higher incomes than the others, 2 807 vs. 1 500 euro.

Compared to their children the baby boomers themselves are economically independent. According to Table 1, only 4,2 percent of them had received gifts from kin. However, as many as 62,5 percent have received social benefits during the last 12 months, and 63,8 percent are inside either the public or private support system or both. The great number of public support recipients is not necessarily an indicator of needs and economic situation, but has more to do with the fact that the Finnish welfare state still has some universalistic features; everyone gets some social benefits during their life course. However, public social benefits received during the last 12 months were mostly directed to the baby boomers whose monthly incomes were small (on the average 1 303 euro compared to 2 114 euro among the others).

The tiny group of baby boomers who received financial help (4,2 %) more often than others got also social benefits, although the correlation between these two was not statistically significant. They also had a lower income and they perceived their economic situation poorer than others. Also among baby boomers private help seems to be directed according to the needs. Its redistributive effect, however, can not be compared to the private help received by their children.

If private financial help seems to be directed according to needs (at least cross-sectionally), the same is not true with inheritance. Those baby boomers that have got heritages had higher

incomes and were more satisfied with their level of living and consumption possibilities. In some cases, they may be well-to-do just because they have inherited money or received it as large gifts. Similarly to their children, the outsiders in the group of baby boomers report higher incomes and are more satisfied with their level of living and consumption possibilities than insiders.

The flow of financial transmissions runs from the parent generation to their children. Parents belonging to the baby boomer generation are altruistic, at least at the present moment. Also in regard to inheritances and large gifts, nuclear family ties seem to be stronger in Finland than in the other European countries where the network is broader. The reliability of the Finnish results was confirmed by consistency of the reports of parents and children.

Other kin network members than parents and children have a limited role in private economic transmissions. An equally small proportion of Finns as of other Europeans have given gifts to other relatives and friends.

There is equal exchange in these transfers at least at the group level. Social support benefits reach a wider circle of people than private support does. People who remain outside both private and public assistance are mainly economically well-off, and the providers of private help are relatively wealthy. "Justice" seems to prevail in the economic transmissions inside kin networks.

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