

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

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Abstract

The research project "Baby Boomers' Generational Transmissions in Finland" examines intergenerational financial and social exchanges of the Finnish baby boomers, their children and parents (Roos, 2005). We here examine financial support between two generations in the same family; parents are not included. Mail questionnaires sent to a representative sample of people born in 1945-50 in Finland. Their children and parents were studied using similar questionnaires. The response rate of the baby boomers was 56% and that of their children 42%. The numbers of respondents are 1,115 and 1,435, respectively. Official register data were combined with survey data.

The topic and research design were inspired by earlier studies on intergenerational exchange conducted in the 1990s and 2000s by Claudine Attias-Donfut (France), Martin Kohli (Germany), Ulla Björnberg (Sweden) and others. We also included several questions from the first wave of the SHARE project conducted in eleven other European countries in 2004 and in Israel 2005-2006¹.

¹ This paper uses data from release 2 of SHARE 2004. The SHARE data collection has been primarily funded by the European Commission through the 5th framework programme (project QLK6-CT-2001-00360 in the thematic programme Quality of Life). Additional funding came from the US National Institute on Ageing (U01 AG09740-13S2, P01 AG005842, P01 AG08291, P30 AG12815, Y1-AG-4553-01 and

The flow of private financial transmissions mainly runs from the parent generation to their children. In parent-child relations parents are altruistic, at least at the present moment when both are relatively young. This holds true as well in the 12 SHARE countries as in Finland.

The reliability of the Finnish results was confirmed by consistency of the reports of parents and children. Other members than parents and children of the network of relatives had a very limited role in private economic transmissions. There is a lot of reciprocity in these transfers at least at the group level. Exchange model explains the transmissions between other relatives than parents and children.

We also studied who are outside and inside the private and public financial support networks which are to a large part overlapping. Finnish people with high incomes and being satisfied with their economic resources are not receiving informal or formal subsidises. The recipients of support have few financial recourses of their own. This indicates that there is some “justice” in the Finnish social system.

INTRODUCTION

We report here some results of the Finnish survey on Generational transmissions (GENTRANS for short) conducted in 2007. The aim of the whole study was to get information on interaction between generations

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and reciprocal and one-sided financial support and practical help. In this paper 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. Receiving public benefits is analysed, too. The target groups consist of people born in 1945-50, the so-called baby boomers and their children. Finns are also compared with people who were interviewed in twelve European countries in the SHARE project and the Swedish survey by Ulla Björnberg and Hans Ekstrand (2007). In some cases we refer to the more recent SHARE study in 2007 (wave 2).

Here we concentrate on private monetary transmissions which can complement, displace or reinforce public transmissions. Economists distinguish between *altruism* and *exchange* as the two main transfer motives (Arrondel and Masson, 2005, cited by Reil-Held 2006, 264). Altruism is based on norms of familial care and the moral duty to help. In altruistic models, parents consider the well-being of their children when maximizing their own utility (Barro, 1974; Becker, 1974). Barro's underlying concept is, according to Reil-Held (2006, 265) 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." The exchange motive assumes that people give to others because they expect to get something back in return (e.g. Cox, 1987). 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 are more exchange relations. But what will happen in the future? Do children pay back the support they have received from their parents when these get older? as is assumed by Barro (1974).

From an *evolutionary point of view* the question is posed somewhat differently. We know that kin solidarity and altruism are typically very strong, but we do not know how strong and what forms does it take. It is also of interest to know how it changes in time. Giving of money between family members and relatives is something shrouded in secret and regulated by both laws (concerning tax-free gift-giving, for example) and unofficial rules. These latter are extremely ancient. To put it simply, the basic rule is that a relative is bound to get the more help, the closer the relative is and the more help he needs. Help is given even when it puts the parents in a worse situation. From this follows that help mainly flows from parents to children.

Also, we have here something akin to the Edward Westermarck (1936, 257-261) effect: the emotional attachment which is permanent and important, is a product of intimate connections when children are small. Thus parents, children and siblings have to be together when they are small: otherwise the

relationship is much more fragile and easily dispersed. This means that the relationship of new spouses to previous children is usually not very close.

Helping may be gendered. The interesting question is who determines who gets what. There are some indications that when mothers can decide, the children get more than when fathers are the deciders (Cox, 2003).

According to the results from the SHARE –project (Börsch-Supan, Brugiavini, Jürges, Mackenbach, Siegrist and Weber, 2005) there is a clear North-South pattern: in Northern European countries, it is the children and young people who receive most assistance, whereas in Southern Europe it is the older people who receive most support. Also, in the South, children 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.

Attias-Donfut, Ogg and Wolff (2005) report that there is a lot of cross-national variation in the proportion of people giving financial help. Kohli, Künemund and Lüdicke (2005) point out that it is important for helping which children live closest to the parents. Helping is “cascading”, it goes from parents to children and the major explanatory variables are the wealth and income of parents, number of children (fewer children, more assistance), their immediate need (e.g. studying, unemployment) and the frequency of contacts. But not, for instance, how many children the person being assisted and his or her direct emotional relationship to the child or the gender of the child.

Kohli and Albertini (2008) 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, whereas in practice the situation is the opposite: 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 over-interpret their results to the direction of saying that there is a lot of assistance while one could also think that helping children is not very common.

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?
- 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 generational transmissions?
- Of these questions, we concentrate here on the monetary transactions, i.e., giving and receiving money and heritages. This is very important to the actual debate of generational conflict of the “pension bomb” and care burden. If, as has been proposed, much of the pension resources go to the children of the recipients of pensions, this is of course 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.

DATA

Baby-boomers born between January 1st 1945 and December 31st, 1950 born and living in Finland were randomly chosen from the population register by Statistics Finland. The sample size was 1, 998 people. In addition, their 3,391 adult children were selected for the study. The questionnaires sent to baby boomers and their children are similar in most respects. In March 2007 these people were approached by mail. 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 56.0% and of their children 42.4% 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 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% 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. However, we compare the Finnish results to those from the first wave of SHARE project, which was conducted in eleven European countries in 2004 and in Israel 2005-2006. We also use some of the findings of another Swedish survey by Ulla Björnberg and Hans Ekstrand (2007). The

questionnaires are partly similar but some of the questions were formulated and placed differently in the questionnaires, which makes many comparisons problematic. The SHARE data and the other Swedish data cover a larger range of birth cohorts than the Finnish survey data. We analyse only those SHARE study subjects who were born in 1945-50 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, children, son-in-law, daughter-in-law, grandchild, aunt, niece, nephew, other relative, friend, (ex)colleague, neighbour, ex-spouse/partner, and other acquaintance.

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 of euro: less than 50, 50-250, 251-500, 501-1,500, and over 1,500 euro.

The second set of Finnish questions was posed 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 recipients of gifts.

Receiving financial support and receiving and giving preheritages or gifts worth at least 5,000 euro were studied by questions following the same list of recipients as in the case of donators and recipients of smaller sums of money.

We use words “financial gift or support” and “monetary gift or support” as rough synonyms. Words “kin” and “relative” refer to the whole kin network: children, parents, siblings and other relatives. Term “family member” refers to parents, children and siblings. Occasionally we combine friends and colleagues and simply use for both of them the term “friend”.

RESULTS

Financial Transmissions Flow from Parents to Children

We shall here first describe 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. Of the Finnish baby boomers 31.5% have provided financial help worth at least 250 euro to their *children* during the last 12 months (Table 1). This large proportion makes the validity of arguments in Finnish public discussion doubtful: it has been claimed that the baby boomers are a selfish generation which only cares about itself (e.g. Pajamäki, 2006). Only 1% of the baby boomers report that they have received some financial help from their parents.

Table 1. Providers and recipients of monetary support >250€ by baby boomers and their children in Finland 2007 (%)

Relation to study subject	Baby boomers		Children of baby boomers	
	Gave monetary support to	Received monetary support from	Gave monetary support to	Received monetary support from
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 ²
Adult child 1	21.0			
Adult child 2	18.4			
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/from kin and friends	33.8	2.5	2.7	35.8
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

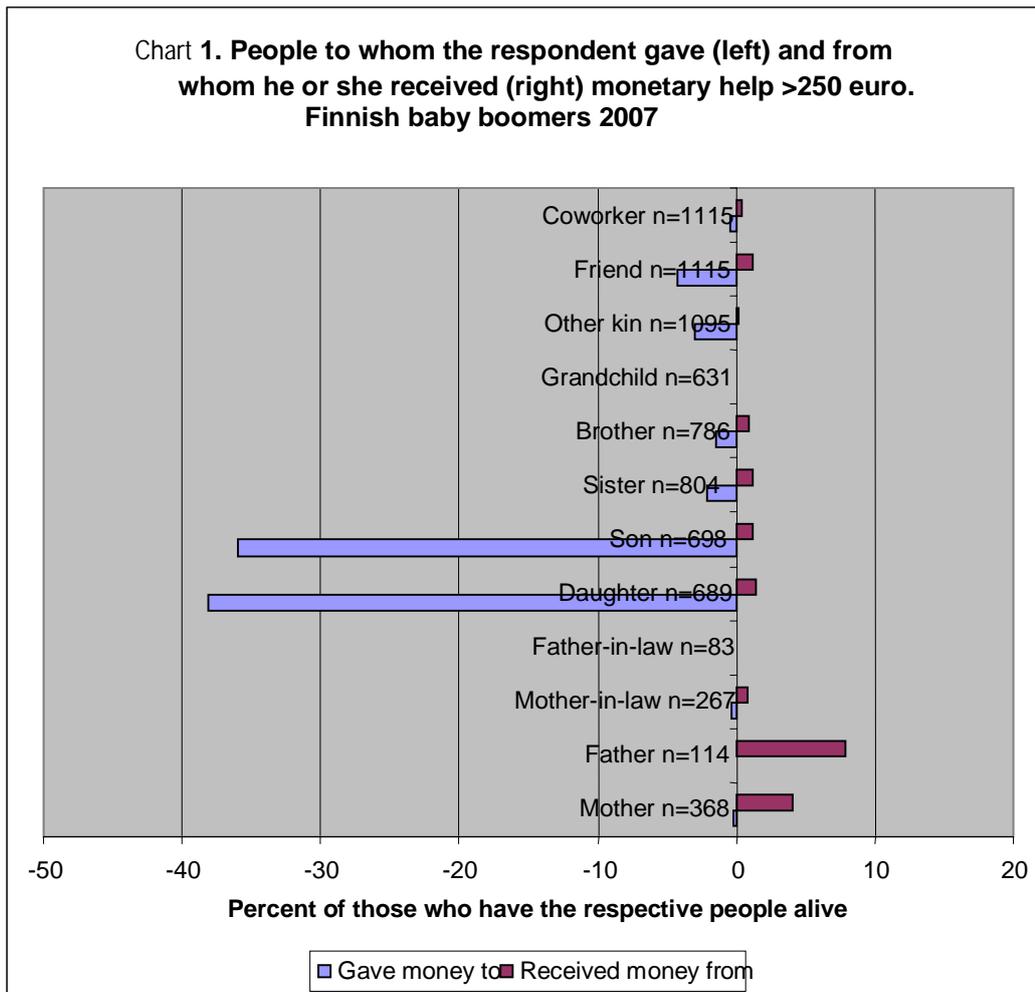
¹ The sum is less than the sum of percentages of helping different people because some study subjects have helped several categories of people. ² 30.9% from parents, 4.3% from other people than parents.

The consistency of the responses given by parents and children is even greater when we compared those who reported assistance exceeding 250 euro (which was the lower limit in the SHARE studies). Of the baby boomers 33.8% (and of their children 30.9 %, see footnote ²) reported the flood of support from the older generation to the younger one. The responses given by parents and children are thus quite similar. Table 1 also shows the proportions of the respondents who have given even less than 251 euro as monetary gifts. Of the baby boomers 61.1% and of their children 25.6% state that that they have given in the last 12 months some monetary help (at least 1 euro) to their kin and friends. Of the children 52.1% has received some financial support from kin and friends. This is not very much less than among baby boomers (61.1%). Children of baby boomers often help their friends with smaller sums (Haavio-Mannila et al. 2009, 204).

Support to and from *other people than parents and children* is rare. Only 2-5% of the Finnish baby boomers and their children have participated in financial exchange over 250 euro outside the nuclear family. When also small monetary gifts are taken into consideration, the proportion of financial support given by baby boomers rises to 12.0%. Unfortunately grandchildren were not separately mentioned in the Finnish questionnaires. According to Björnberg and Ekbrand (2007, Figure 1) about 10% of the Swedish adults have given financial support to their grandchildren.

The low proportion of Finnish baby boomers which has helped their elderly parents (see Table 1 above) is partly explained by the fact that only 31.9% have a living mother and 10.4% a living father. When only those respondents who have their parents alive are examined (Chart 1) the true role of parents of baby boomers as donators becomes visible. About 8% of baby boomers have received monetary help >250€ from their living fathers and 4% from their living mothers. This is more than financial support obtained from any other relative or friend. Chart 1 also shows that available daughters and sons are the by far the most often mentioned recipients of financial support.

Almost all children of baby boomers have living parents. Less than one percent has given financial support over 250 euro in the last 12 months to their mother and/or father (see Table 1 above).



European comparisons

Giving monetary gifts. In the twelve European SHARE countries 19.6% of the study subjects have given financial support exceeding 250 euro to one or more people (Table 2). We start the international comparisons from monetary gifts to *children* and take up gifts to other people later. In the twelve European countries giving money to children is less common than in Finland. Only 14.2% of the respondents in these countries on average have donated money or other material gifts (> €250) to some of their children (Table 2). The proportion is 13.8% for the first four children (which were studied in Finland). In Finland the proportion is higher, 31.5%. The difference between Finland and the other countries may partly be due to the different layout of the questionnaires. In Finland monetary support to children was asked separately from financial gifts to other people. After Finland the highest shares of parents who have helped their children financially are from The Netherlands (19.5%).

Table 2. Financial support (gifts) over 250 euro donated to and received from children, other kin and friends according to country (%). Baby boomers born in 1945-50. Sources: SHARE first wave 2nd version (2004-2006) and GENTRANS 2007.

Country	Has donated to children	Has donated to kin or friends, not children	Sum: Has donated to kin or friends ¹	Has received gifts from children	Has received gifts from kin or friends, not children	Sum: Has received gifts from 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
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	4,607
FINLAND	31.5	4.0	33.8	0.7	2.0	2.5	1,115

¹ The proportion is lower than the mathematical sum of helping relatives or friends and children because some people have given help to both categories.

Finland). In Finland the proportion is higher, 31.5%. The difference between Finland and the other countries may partly be due to the different layout of the questionnaires. In Finland monetary support to children was asked separately from financial gifts to other people. After Finland the highest shares of parents who have helped their children financially are from The Netherlands (19.5%).

Many study subjects report that they have donated money to several relatives and friends. On the average, one donor had given financial help to 1.5 people. The widest networks of recipients are found in Germany, Greece, Switzerland, Austria, Sweden and The Netherlands. Lowest percentages of people who have given at least 250 euro to somebody are in France, Denmark, Belgium and Spain.

Having adult children staying in parental home is much more common in the Mediterranean area and very rare in the Nordic countries (Table 3). One could think that having adult children living at home might be related to financial helping. That is, however, not the case in the twelve European countries. Only in Finland there is a statistically significant difference: 41.2% of Finnish parents, who report having adult children at home, have given at least 250 euro to their children whereas 30.3% of those parents whose adult children were not living at home have done so.

On the country level, the proportion of home-staying adult children correlates with giving financial support over 250 euro ($r=.075^{***}$, $N=4,652$). This finding is based on recent weighted SHARE data (wave 2) collected in 2007 fourteen European countries and Finland (Haavio-Mannila and Roos, 2011).

Giving financial support to *other people than children* is almost as rare in the twelve European countries as in Finland. Only 6.6% of the study subjects on average have given help to other kin than to children or to friends. In Greece, Germany, Switzerland and Sweden the proportions are highest. Lowest percentages are found in France, Italy, Spain and Belgium. The exceptionally high Greek figure may be flawed for some technical reason.

Table 3. Proportion of households with adult children 2007 (%)

Country	Proportion of households with adult children	N
Greece	35.7	687
Italy	32.3	660
Spain	31.1	392
France	14.4	637
Belgium	15.9	728
Switzerland	16.9	307
Austria	15.5	265
Germany	12.2	510
Netherlands	10.9	679
Denmark	8.4	572
Sweden	11.7	622
Finland	10.7	1,115

Receiving monetary gifts. In the twelve European countries, 3.8% of baby boomers report having received financial support from somebody, 2.7% has got gifts from other relatives than children or from friends. 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 monetary gifts. Next we look at the replies given by children of the Finnish baby boomers (Table 1 above). One quarter (24.3%) of the children of baby boomers reported that they have received financial support of at least 250 euro's worth from their mother and 20.2% from their father; 17.2% had received help from one parent and 13.7% from two parents. Of the

children of baby boomers 30.9% reported help from at least one parent. This is almost the same proportion as was reported by their parents themselves: as was already mentioned, 31.5% of them reported that they had given financial help to their four eldest children. Because reports of gifts given by baby boomers and received by their children coincide almost perfectly, our survey results can be regarded as reliable.

Of the children of Finnish baby boomers 18.2% 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 251 euro; the proportion of recipients of more than 250 euro is only 4.3%. Grandparents are most frequently mentioned here (1.5%). None of the children of baby boomers has got help from their children; these are quite young (average age 30.8 years).

Blood relations matter. Parents-in-law have helped the children of baby boomers much less than own parents: 5.6% report support from mother-in-law and 3.9% from father-in-law.

Givin

g financial support. Of the children of the baby boomers, 25.6% have given some financial support to their relatives or friends during the last 12 months. The sums are, however, very small. Only 2.4% has given financial support exceeding 250 euro to other relatives than children or to friends. Less than 1% has donated money to mother or father even though most of them, 98% have a living mother and 91.4% a living father. Gifts to adult children were given by 0.3%. In this generation very few people have adult children. Only 4.7% were born in 1988 or earlier.

Reasons for Giving and Receiving Financial Support

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 4). Housing, big purchases and travelling are mentioned by 20-30% of the Finnish study subjects. The list of alternatives is 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.

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 other European countries on average.

Table 4. Reasons for transferring financial support (gifts) in Finland and in twelve SHARE 1st wave countries on average. Several alternatives were accepted. (%)

Reasons for financial support	Finnish baby boomers who have given financial support >€250 to kin or friends	Finnish baby boomers who have received financial support >€250 from kin or fr ends	Baby boomers in 12 SHARE countries who have given support >€250 to kin or friends
To meet daily expenses like food, clothing and dwelling	62.3	56.	20.3
Buying, renting and/or repairing hous or dwelling	26.0	21.4	7.8
Other big expenditure	20.7	17.	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 .. means that the alternative was not mentioned in the questionnaire.

Inheritances and Large Gifts

Next we examine the second type of financial exchange, i.e., inheritances and large gifts (Table 5). Again a bigger proportion of Finnish baby boomers (38.9%) 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%). In these countries, relatively many have got 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 indicates that nuclear family ties are strong in Finland.

Children of 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% 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.

Table 5. Preheritages 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 12 SHARE 1st wave 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
Yes-replies to question have you ever received/given heritages or gifts	42.4	17.0	24.8	8.8
N	1,115	1,115	3,359	1,115

¹⁾ Numbers of missing data on inheritance for Finnish baby boomers are small, 22. for their children 8 people. 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%.

Of the Finnish baby boomers 8.5% have *given* pre-heritage or large gift to the members of their kin network. The inheritors are mostly their children or grandchildren. At their age it seems not yet to be appropriate to give pre-inheritance or large sums of money to one's descendents.

Pre-heritages and large gifts are in most cases (84%) agreeable to the relatives and their spouses. Of the Finnish baby boomers, 10% mentioned small disagreements concerning them, 2.9% reports severe disagreements and for 3.5% the relationships were broken because of conflicts concerning inheritance or large gifts.

Insiders and Outsiders of Financial Support

Next we ask to whom support from kin has been directed and who have not received it. Are they people who are on their own, or have they got public social benefits². This is analyzed in both generations in Finland, first by looking at the children of baby boomers and then at the baby boomers themselves. *Children of 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 financial gifts from kin. Adding up private (54.4%) and public support (72.3%) shows that 84.9% of the children of baby boomers had received private or public help or both. Those 15.1% who had *not* received any help had a considerably higher income than those 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 in the baby boom generation have higher income (the net monthly income is 2,067 euro on the average) than those who have not given assistance (their average net monthly 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 the 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 inheritances and 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 monthly incomes of children of baby boomers, who have 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 inheritances or large gifts have significantly higher incomes (2,807 euro) than those who have not given them (1,500 euro).

² The following 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.

Compared to their children, *baby boomers* themselves are economically independent. According to Table 1 above, only 4.2% of them have received financial gifts from kin. However, as many as 62.5% have received social benefits during the last 12 months. Of the baby boomers 63.8% 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 are mostly directed to those baby boomers whose monthly incomes are small, on the average 1,303 euro compared to 2,114 euro among the non-receivers of public benefits.

The tiny group of baby boomers who have obtained financial help more often than the others also has got social benefits, although the correlation between these two forms of assistance is not statistically significant. They also have lower incomes and they perceive their economic situation poorer than the non-recipients of private monetary help. Among baby boomers private help seems to be directed according to the needs. Its redistributive effect, however, cannot be compared to the private help received by their children.

If private financial help is directed according to needs, the same is not true with heritages. Those baby boomers who have received inheritances have higher incomes and are more satisfied with their level of living and consumption possibilities than those who have not got them. In some cases, they may be well-to-do just because they have inherited money or received it as large gifts.

Summary

Both in Finland in 2007 and in other eleven European countries included data from release 2 of the first wave of SHARE surveys in 2004 and in Israel in 2005-2006, 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. In regard to inheritances and large gifts, nuclear family ties seem to be strong. The reliability of the Finnish results was confirmed by consistency of the reports of parents and their children.

Other kin network members than parents and children have a limited role in private economic transmissions. A much smaller proportion of Finns and other Europeans has given gifts to other relatives and friends than to members of the immediate family.

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 the kin networks.

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