

Growing Parental Power in Parent-Adult Child Households: A Bi-Generational View of Coresidence in the US, 1960 and 2000

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Research on coresidence between parents and their adult children has challenged the myth that elders are the primary beneficiaries of this type of arrangement. Whether they focus on relatively contemporary households (Choi 2003; Kotlikoff and Morris 1990; Speare and Avery 1993; Ward and Spitze 1992), or on a broad sweep of more than a century of history (Ruggles, 2007), studies have shown repeatedly that coresidential households tend on average to benefit the younger generation more than their parents. These studies highlight the importance of considering the needs of both generations when attempting to understand the causes and implications of intergenerational coresidence.

Although the general pattern seems fairly clear, there have been important changes over time in factors affecting intergenerational coresidence, particularly those introduced by the massive rise in nonfamily living in the second half of the 20th century. This becomes clearer when the subject of study is all individuals rather than simply the members of two-generational households. Improvements in health and economic security among older adults have increased their ability to live independently (McGarry and Schoeni, 2000). Similarly, increases in education, delays in marriage and childbearing, and high rates of family disruption, coupled with the massive rise in nonfamily living in young adulthood, help to explain the large numbers of unmarried young adults who live outside of families. Analyses of intergenerational households have not accounted for these changes.

Further, the economic fortunes of those at the older and younger ends of the adult life course have shifted during the past half-century with increasing financial well-being among older adults and greater financial strain, especially among the young adult parents of children (Preston 1984). This process may have partially reversed itself in the first decade of the 21st century, as the cohorts entering late middle age have suffered financial reversals (Gustman, Steinmeier &

Tabatabai, 2010), yet the fact remains that younger families face greater challenges today than fifty years ago.

This paper examines the extent to which changes in generational financial well-being over the late 20th century have been reflected in the likelihood of coresidence and in the relative power and dependency of both generations in parent-adult child households during the period between 1960 and 2000. Using data from IPUMS for these two census years, we address the questions of whether the economic patterns of intergenerational households have remained essentially unchanged or whether the processes leading to such households have changed. We know from studies like McGarry and Schoeni (2000), that during the 1940-1990 period, the expansion of Social Security benefits made independent living possible for many older widows, but their study did not consider the economic circumstances facing adult children, many with young families, during this period. Ruggles (2007) shows that by 1950, intergenerational coresidence depended more on the economic resources of the younger generation than on those of the aged. However, this study focused primarily on the economic circumstances of young men and did not consider the role of young women, especially in the context of trends in family instability.

In our study, we will examine changes over time in the determinants of living in an intergenerational household from the perspective of both the older parent generation (aged 50+) and the younger adult child generation (aged 25-50). The central problem for studying living arrangements with United States census data is that there is no linking of persons *between* households, and hence no information about the availability and proximity of kin (unlike, for example, the Dutch national population registers, as studied by Smits, van Gaalen, and Mulder 2010). But we can examine the effects of key sociodemographic characteristics such as age, gender, race/ethnicity, marital status, education, employment status and income on the likelihood of living with either adult children or older parents. Moreover, we can decompose the trends over time into compositional and behavioral components in order to see how much of the trends in coresidence reflect composition shifts in family patterns (e.g., marital or parental status) as

opposed to changing preferences about living arrangements among those in similar family circumstances.

In addition to studying trends in the selectivity of who does or does not live in an intergenerational household, we will also analyze the parent-adult child households themselves. Here, our interest is primarily in the relative resources of each coresiding generation. From the limited information available in the census, we are able to draw inferences about power and dependency of each coresiding generation based on household headship (or “householder”- status in 2000), and relative income. We follow the approach taken by Speare and Avery (1993) to see whether and how the power and dependency of each generation has changed over time. Our expectation is that throughout this period, the economic “power” in coresiding households will shift towards the parent generation, with parents increasingly likely to provide both the housing unit itself as well as the majority of financial support.

This analysis is designed as the beginning of a larger project addressing these questions, using both the fuller set of IPUMS files (1940, 1960 – 2010, including ACS as appropriate), and the HRS cohorts for the 1992 – 2010 period. The analysis of the HRS will be particularly valuable because it includes information about all living children regardless of where they live. These data will allow us to model coresidence decisions as a function of both the availability and characteristics of all adult children, and also to compare the robustness of models of coresidence that include such controls or not . However, before we move to this more extensive analysis, we must first establish the general trends in coresidence over the past half-century. Our proposed analysis of 1960 and 2000 Census data should provide an informative first step in this process.

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