

Are Children a Guarantee for Well-being in Later Life?⁽¹⁾

I figli sono una Garanzia per il Benessere alle Età Anziane?

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Riassunto: Con il presente lavoro si intende verificare se avere figli rappresenti una garanzia per vivere l'età anziana in migliori condizioni sociali (qui approssimate dal numero di contatti extra-familiari) ed economiche (reddito). L'analisi è stata condotta su un campione di anziani (con più di 65 anni), residenti in dieci Paesi europei, intervistati nelle prime sei *wave* del Panel Europeo delle Famiglie. I risultati, seppure con differenze tra Paesi, mostrano una relazione non univoca tra il numero di figli e il reddito personale, anche perché spesso parte dell'effetto pare assorbito dallo stato civile e dal *living arrangement*. Al contrario, i contatti sociali (al di fuori della famiglia), sono ovunque maggiori per gli anziani con figli, anche se vivere in famiglie più numerose porta a ridurre la frequenza degli incontri al di fuori dell'ambito domestico.

Keywords: Childlessness, Socio-economic well-being, Elderly people.

1. Introduction

People who entered older age in the 1990s are much more likely to have no children than earlier cohorts in most European countries. Moreover, if in the past, the older childless were embedded in extensive family networks throughout their lives, current childless people are part of much smaller families (Dykstra 2003). The increasing proportions of people who cannot rely on kin support may have relevant implications for social policy: therefore it is worth to assess the relative *status* of various subgroups of elderly (with and without children; in large or small households; etc.) both in economic and in social terms.

Previous empirical studies suggest that the distinction between parenthood and childlessness makes a certain difference to economic conditions, to level of satisfaction as well as to social support in old age. Nevertheless, the relationships between all the above aspects are far from being simple and straightforward.

But, are childless elderly better or worse off than parents? They may have accumulated more economic resources in their lives, since they saved all the relevant expenses connected to parenthood. But they may also have consumed more (Bloom and Pebley 1982), and they may miss economic support from younger generations. From a social perspective, research continues to affirm the value of parenthood as an important social investments and emotional support in old age. Several studies comparing older childless and parents suggest that childlessness is more often associated to loneliness and depres-

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sion in later life. However, the evidence is still controversial, because, for instance, such effects may derive only from involuntary childlessness (Koropeckyj- Cox 2002).

The aim of this paper is to assess whether a child increases the chances of well being in older ages in terms of both social and economic resources. In practice, a comparison has been made between the socio-economic conditions of childless individuals and parents in later stages of their life, using a pool of data from the European Community Household Panel. The comparative perspective allows us to test our hypotheses in a variety of social and cultural contexts and welfare models, under the assumption that these elements too influence socio-economic level of well being.

2. Data and methods

The study is based on the European Community Household Panel Survey (*ECHP*), a rich longitudinal micro data source providing comparative socio-demographic and economic variables at household and individual level for all the countries in the European Union, although we retained only the ten (Belgium, Denmark, France, Greece, Ireland, Italy, the Netherlands, Portugal, Spain and the UK) that completed the first six waves (1994 to 1999). A sub-sample of people aged 65 and more have been extracted from each wave. We decided to pool the data from the six waves, in order to increase the dimension of the sample.

We estimated several regression models, with various dependent variables: objective economic conditions (net personal income and net household equivalised income) and a measure of social relations (contacts outside the household). As covariates, we focused in particular on two dimensions: number of children ever had and living arrangement. This allows us to distinguish the mere effect of *having* a child from the impact of *living* with a child. Age, marital status, level of education and activity status have been included in the model, as controlling variables.

3. Main findings

Firstly, as a proxy of economic well-being, the average net yearly household equivalent disposable income has been examined. More precisely, we computed the equivalent income, using the OECD modified equivalence scale.

Descriptive statistics are provided in Table 1. In half of the countries considered the childless have a higher income than the average. The Netherlands is the only country where the childless have a more conspicuous income than all the other parities. Among old people not in a partnership, living with a child appears to be an economic advantage in every country. Similarly, among people in couple, living with a child is associated with higher income in most countries, except in Denmark, the Netherlands and France. Among other people living in different household typologies, children do not seem to offer a guarantee for economic well-being in the Netherlands, once again, but also in Italy and Spain. Another useful proxy to assess the individual economic well-being is personal income. Conceivably, this is more closely connected to one's lifetime career and more sensitive to the number of children ever born. Two regression models have been estimated separately for men and women (Table 2). Results, however, do not suggest a univocal relationship between the number of children and the level of personal income. Where the relationship is statistically significant, it is negative for female in

most countries, as expected. Italy, however, where the effect is small but positive, represents a notable exception. In certain countries, like Belgium, the UK, Ireland and Greece, most regression parameters for female are non significant: we venture that, in these countries, the impact of parenthood may be completely absorbed by living arrangement and by marital status. For males, in general, the effect is more important for higher parities. For about half of the countries, fatherhood is associated with lower income: this seems to contradict the common notion that men increase their labour supply when they become fathers.

Table 1: *Average net yearly disposable equivalised income by groups and country (in Euro Purchasing Power Parities). Index numbers.*

VARIABLES	COUNTRY									
	DK	NL	B	F	UK	EI	I	EL	E	P
Gender										
female	96	95	96	95	96	96	98	97	98	97
male	105	106	106	106	105	105	103	104	102	104
Age										
65-74	108	103	103	104	107	107	102	105	102	105
75+	90	94	95	93	89	90	97	92	97	91
Education level										
low	86	94	84	88	84	90	92	89	92	93
intermediate	106	99	116	125	118	123	145	178	165	256
high	146	162	140	179	165	177	213	212	218	375
Mar. status										
married	106	101	104	106	109	106	103	99	100	103
divorced	106	109	98	103	90	76	93	140	112	121
widow	92	93	94	90	85	98	97	101	98	95
never married	89	114	97	91	106	79	85	104	107	92
N. children										
0	97	108	100	100	95	85	94	108	104	99
1	104	98	97	101	111	101	104	118	100	108
2	107	94	102	104	102	119	109	103	95	112
3+	94	93	101	96	95	102	97	83	101	89
Household dymension										
1	92	96	90	88	80	78	87	84	85	78
2	106	103	103	107	105	102	102	96	98	99
3+	103	94	117	95	146	112	106	115	109	114
Household composition										
lives alone	92	96	90	88	80	78	87	84	85	78
alone&kids	121	104	132	108	125	123	121	137	122	112
only with partner	106	103	102	108	104	99	99	92	92	98
parner & kids	95	94	123	95	176	118	112	130	121	114
other hh & kids	225	89	101	95	106	101	94	102	96	116
other hh, no kids	103	99	107	93	126	93	98	113	107	111
Ever worked										
yes	100	123	102	100	101	103	104	98	101	99
no	84	97	94	97	87	81	88	109	96	103
Tot.(=100) Euro	11342	13418	13402	13073	11332	10319	10326	6731	8780	5917

Thirdly, the frequency of contacts with people outside the household, our proxy for the more complex notion of "social relations", increases significantly with the number of children (estimates will be shown in the final paper). This may reveal a more "sociable" and "outward looking" attitude on part of the parents, as compared to those who never had children. On the contrary, it is interesting to notice that the contacts with people living outside the household are less intense for the elderly who live in larger families. Plausibly, those who benefit from rewarding human relationship within the household have less incentive to look for them outside.

In conclusion, empirical evidence shows that having had children does not seem to affect very much one's financial situation in old age, but it may increase the chances that social contacts will be richer in the final stages of life. However, it should be noted that differences across countries are so relevant, that deserve to be studied in depth.

Table 2: *Parameter estimates for the multiple regression model. Dependent variable: net yearly personal income.*

	DK	NL	B	F	UK	EI	I	EL	E	P
	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.	Coef.
FEMALE										
age	-695	-3 n	-1839	-542	-22	22	23	-9296	-430 n	-2427
Education level (ref. high)										
lowedu	-18353	-3100	-138463	-46313	-2106	-1537	-8199	-1201638	-961389	-1428955
Mar. status (ref.married)										
widowed	13648	10318	152052	33367	2209	1991	4030	474613	457283	158770
divorced	18953	8259	68629	32187	1347	1320	-252 n	420152	262932	129201
never married	-2153 n	15666	135092	33233	3128	1875	2346	309126	466948	83411
N. of children (ref. 0)										
1	-10814	-2677	17242 n	2668	168 n	282 n	940	-43264 n	-39365	-14118 n
2	-10397	-3489 n	7149 n	-1402	-55 n	273 n	1141	-58799	-63194	6330 n
3+	-7088 *	436 n	-948 n	-5693	155 n	99 n	407	-133346	-68673	274 n
Living arrangement (ref.lives alone)										
alone&kids	31835	1452 n	-4993 n	-6345	-363 n	-931	-797	-34063 n	87412	-30773
only with partner	-24895	-2247	-153777	-11458	-545	-895	-2339	-266157	-144454	-110583
partner & kids	-43743	-4987 *	-124964	-14871	-973	-1357	-3367	-315539	-153358	-137226
other hh & kids	-22396 n	-1328	-100733	-17085	-1048	-1250	-2873	-284808	-61019	-118011
other hh, no kids	-24143	-4041	-21484 n	-19795	-499 n	-823	-1637	-260372	-67543	-114543
Ever worked (ref. no)										
yes	76577	30054	291190	63854	2156	7712	17346	606529	864772	535196
constant	156262	19504	529360	127865	6592	2472	15380	2632650	1420245	2029237
Adj R²	0,13	0,22	0,20	0,30	0,17	0,21	0,25	0,26	0,41	0,31
MALE										
age	-870	-427	-3653 n	-785	-42 n	-62	-79	-13135	-3272	-9424
Education level (ref. high)										
lowedu	-33194	-6051	-324856	-69951	-4207	-5593	-14124	-1961890	-1407029	-1949982
Mar. status (ref.married)										
widowed	-3835 n	-1050 n	-13692 n	-12266	-780 n	-555 n	883 n	-230164	-47494 n	-37431 n
divorced	-22090	3125 n	89971 n	-18847	-955 n	-2051	-840 n	-70862 n	71206 n	-21068 n
never married	-18883	-10370	-175702 n	-34779	9 n	-2459	-5000	-190915 n	-252893	-208960
N. of children (ref. 0)										
1	6883 n	-679 n	-94462	10279	660 n	-1170	467 n	-52126 n	51318 n	-37306 n
2	4373 n	-15666	-131236	14216	1186	-553 n	874	-305398	-8312 n	68418
3+	-14968	-7989 n	-106486	16650	1020	-203 n	-53 n	-559684	90677	-108038
Living arrangement (ref.lives alone)										
alone&kids	-1427 n	-3770 n	533950	-1511 n	1478 n	-313 n	-149 n	293076 n	27411 n	49032 n
only with partner	-12148 n	-4628	88321 n	-927 n	264 n	597 n	-684 n	-101633 n	-1639 n	137020
partner & kids	-42413	3187 n	99349 n	-27546	-1468 n	-580 n	-1780	175376 n	117752	65044 n
other hh & kids	-	-20020 n	90869 n	-6223 n	-2223 n	-1595	-3243	-350346	-95520	97776
other hh, no kids	329	-6688 n	2020 n	-16860	-1464 n	-944	-3446	-408163	-53842 n	-2227 n
Ever worked (ref. no)										
yes	76829	24019	512574	55715	5642	5983	16900	847165	995600	773131
constant	197067	73173	1090067	218518	12961	16484	35420	4608186	2756432	3262651
Adj R²	0,14	0,37	0,05	0,08	0,03	0,14	0,17	0,14	0,20	0,24

data source: ECHP

all estimates are significant at 5% level, apart from the ones marked with (*) significant at 1% and with (n) non significant

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