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Inter-generational and intra-generational transfers: international evidence

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Abstract

This paper analyses the recent evolution of transfers at an international level to determine how resources are distributed from one generation to another and within same generations. The purpose of our work contributes to understand the link among the exchanges produced in a society and the persistence in economic status. For this purpose, we provide empirical evidence of resource mobility of public and private transfers, asset-based reallocations, level of education and time and monetary transferences among family members. By linking the exchanges in a country with the education transfers from parents to children, results indicate that those societies which have a stronger Welfare State (more public transfers) have more equal opportunities to grow, no matter the socio-economic background of the individual. Furthermore, precarious employment has an impact on the transfers that are carried out within a country. Thus, this paper contributes to the central objective of showing the differences between countries, as a starting-point for policy-makers to improve the situation in those in which there are no equal opportunities, and to improve the transfers of resources in those that, while advanced, still seek for more redistributive policies.

Keywords: Inter-generational Transfers, Intra-generational Transfers, Economics of the Family, Public Policy

JEL Classification: D12, D13

1. Introduction

This paper analyzes the inter-generational and intra-generational transfers that take place at national and international levels. Transfers include exchanges between individuals in the form of cash, time, culture, beliefs, and norms.

The study of individual decisions is carried out by the unitary approach, which allows us to specify observable demand systems, which have provided a wealth of empirical results around the world (see, for example, for the case of Spain, Molina, 1994, for food; Molina, 1997, for transport goods; Molina, 1999, for leisure; Molina, 2002, for all consumer goods, and Molina et al. 2015, 2016, for cultural goods). This unitary approach constitutes the foundation of the subsequent household approach that has emerged during recent decades (some recent examples of both theoretical and empirical applications of the household approach are Andaluz and Molina, 2007; Garcia et al., 2007; Molina and Montuenga, 2009; Garcia et al., 2010, 2011; Molina, 2011; Giménez et al., 2012; Andaluz et al., 2013; Gimenez and Molina, 2013; Molina, 2013, 2015; Molina et al., 2013; Bellido et al., 2016; Giménez and Molina, 2016; Andaluz et al., 2017; Campaña et al., 2015 and 2017).¹

In empirical terms, the study of transfers between individuals could be carried out by different models such as the one dealing with intergenerational well-being mobility (see, for example, Molina, Navarro and Walker, 2011) in that particular case, it is applied to 14 European countries and it is found that persistent is higher in Southern European countries than in others such as Finland, Denmark or Netherlands. Other models such as conceptual Quantity–Quality of Becker–Lewis, has been used for empirical analysis of intergenerational transferences to find out the transmission of poverty between two generations by studying factors related with the level of education (Duarte, Ferrando, and Molina, 2017).

The importance of studying household behaviours in economics (for a deep knowledge about this field see, Molina, 2011), as well as families is gaining relevance (see, García and Molina. 2017), for this reason in the same line of empirical analysis, other leading studies has been performed to know if the education of parents affects the time devoted to educational childcare activities (some recent examples are Campaña, Giménez and Molina, 2017; Giménez, and Molina, 2013).

¹ The inter-generational approach of the household behaviour has been analyzed, for example, in Molina et al. (2011) for the case of well-being, in Giménez and Molina (2013) for education, in Giménez et al. (2014) and in Giménez et al. (2015) for housework time, in Andaluz et al (2007) and Molina (2014) for the case of altruism.

Other papers, which have provided a wealth of empirical results around intergenerational transfers, has shown that the housework time dedicated by parents has positive correlation with the time dedicated to housework by children (see, Gimenez-Nadal, Molina and Ortega 2015; Gimenez-Nadal, Molina and Zhu, 2014). Going on with transferences between household members, relevant theoretical and empirical examples of in-kind transfers within families dealing with co-residence, caring time and love has been set up with different approaches and its advantages (see, Molina, 2013). Analyzing inter-generational and intra-generational transfers could be used with the objective of providing policy advices in order to fight against inequality among households (Molina, 2014; Molina, 2015).

As it has been possible to see with the review of all this economic papers and given the importance of the transferences that are carried out in society with the aim of making policy recommendations, we are going to analyzed them with detail.

It will be important to notice the difference between two types of transfers. On the one hand, the intergenerational exchanges that are carried out among people of different ages. These transfers can follow different paths, from the youngest to the oldest or vice-versa, and the flows between the working population and other groups. Intergenerational mobility will favour an understanding of the differences between parents and children, and will allow us to comprehend the characteristics that remain equal. On the contrary, when we mention intra-generational exchanges, we refer to those transfers that occur between individuals of the same generation. In general terms, the study of transfers and exchanges between generations is becoming more and more important in policy-maker decisions.

Firstly, due to the fact that the older population is increasing at a fast pace in comparison with the working population (Preparing for an Aging World: The Case for Cross-National Research., 2001), so the output that workers produce needs to be sufficient to provide not only for themselves and for the youngest generation, but also for the elderly population (known as the “demographic-economic paradox”). Moreover, how resources are transferred within a society can help to the development of social policies favouring equity and providing equal opportunities. As well as for the general well-being of society, since economic growth is more easily accomplished in those economies that are more egalitarian. Therefore, equity is an essential pre-requisite for economic development.

Furthermore, it is also appropriate to think about the kind of incentives that will encourage individuals to transfer resources between different or same generations that need assistance in the form of time, financial aid... This analysis will also help us to

understand why a given individual, over the course of his life, has persistence of economic status or on the contrary if this economic status is mobile between generations. That will be associated with intergenerational mobility, or immobility (d'Addio, 2007).

2. Evidence

We begin by analyzing the transfers that take place between individuals of different generations (Intergenerational solidarity, 2012) using the data of OECD. In order to obtain an overview of the group that contributes more, and to identify the various resources that are transferred, and the differences that can be found between different countries. First, an outline of the different kinds of transfers to be analysed:

1. Public: those transfers in which government participates as an intermediary, transferring resources from certain individuals to others, providing services such as education, health care, and financial resources.
2. Private: exchanges that are accomplished within the individual household. These are, generally, financial transfers for education, health care, the down payment for a home... and time.
3. Asset-based reallocation: a particular form of private transfer that consists of the transfer of assets such as property, gold, savings...

The groups of individuals in which these exchanges are carried out is divided among three different types; first the youngest, aged between 0 and 19 years old, then the working population, between 20 and 64 years old, and finally the elderly, individuals of 65 years and older. As regards the percentages, they come from National Account Transfers and, in this particular approach, have been calculated as transfers that have been received minus the transfers that have been given as a percentage of the average consumption per capita. The countries analyzed are Finland, Austria, Sweden, Japan, Mexico, Slovenia, Spain, Germany, and the United States.

Focusing our attention on the group aged between 0 and 19 years old, we can easily observe that public transfers directed to the youngest group of people are positive, and around 5-10% for all the countries under analysis. This group receives around 10% of private transfers from the group of 20-64 years old, which can be measured as being financial or in time. However, there are important differences in certain cases, especially in Finland, where this kind of transfer does not exist, or where what is given is equal to what is received, between the 0-19 and 20-64 year-old groups. Another exception is Mexico, where transfers from parents to children are much higher than in

other countries. In that way, the youngest group in the population that receives the vast majority of transfers, relative to what they give, are in Mexico. Those aged between 0-19 who receive the least private transfers are in Finland.

Concerning the 20-64 year-old group, they have negative percentages, around - 20% in Finland, Japan, Slovenia, Austria, and Spain. In Sweden this percentage is close to - 40%. This implies that the resources they transfer are much higher than what they received. In the United States, the percentage of public transfers is lower than in the countries mentioned, and Mexico is the country with the lowest fiscal pressure or what is the same with the lower public transfers, which means they have more resources for transfers in a private manner to the group of 0-19 year-olds.

We should note that the situation in the US welfare state is quite different, relative to the European Union economies, largely as a result of historical and political factors.

In the US, public expenditures are lower, but are compensated for by more private transfers, as can be seen in Chart 1. We note that the chart we are using for comparison was updated in 2012, but between years 2010 and 2014, the Affordable Care Act (popularly known as 'Obamacare') increased the numbers of individuals that have access to basic health care by 11.4 million, which will certainly change the transfer picture in the US.

Regarding asset-based reallocations in Mexico, within the group of working population, are very high, with large differences with respect to other countries, such as Sweden where they are nonexistent. The main reason is that as the taxes paid are higher in search for a more equal society, this leads not only to a lower transfer of asset-based reallocations but also to the fact that public transfers are bigger than private ones.

In countries such as Mexico, the elderly receive very low amounts of transfers, and in countries such as Sweden, where fiscal pressure is higher for the working population, the elderly receive more transfers, although it should be noted that the transfers they receive are around 20%, and the private transfers given by the 20-64 age profile group is, as we have previously mentioned, 40%. Note that in the United States, the 65 and older population is the one with the highest percentage of asset-based reallocations. The elderly group will pass on their inheritance to their families, currently present in the working population, as can be seen in Chart 1. This inter-generational transfer of wealth leads to high levels of persistent inequality. Sweden provides little or no evidence of this asset-based reallocation.

To sum-up, we can say that the situations in Germany and Spain are largely similar, while Sweden and Mexico are at opposite extremes. Finland is one exception, where we

observe 0% for private transfers in the three age groups. The rest of the countries exhibit a similar structure.

(Chart 1 about here)

Concerning public transfers to society, and primarily focusing our attention in the transfers of education level from parents to children due to the fact that it is one of the most important relocations carried out within society. The education of the parents will be transferred to their children through the mechanism of the greater financial resources available to those parents, by virtue of a certain level of education (Grundiza & Lopez Vilaplana, 2013). To that end, it is gathered data from the EU-SILC (European Union statistics on living and social conditions), employing, for this particular case, the data for EU-28. We are applying the definition given by the EU Labour Force Survey (EU-LFS) in which low level is defined as “Less than primary, primary and lower secondary education (ISCED levels 0-2)”; medium level is defined as “Upper secondary and post-secondary non-tertiary education (ISCED levels 3 and 4)”; and high level is defined as “Tertiary education (ISCED 2011 levels 5-8, ISCED 1997 levels 5 and 6)”. Given these boundaries, it is possible to compare all the twenty-eight countries within the EU.

In 2011, more than 50% of adults had parents with a low level of education. The medium level of education is somewhat less, 29.5% and those parents with a high level of education, as defined, represent 16% of the total.

In a family in which parents have a low level of education, the effect of this transmission to children has around a 33% probability, the possibility for the children to have a medium level education is 48%, and the likelihood of reaching a high level of education is around 19%. As an EU average, this is not necessarily negative, because we can see that the highest percentage is in the medium level of education, indicating some opportunity for improvement, but it must be remembered that these percentages apply to all EU-28 countries together.

When we analyze a family of parents with a medium level of education, the probability of the children achieving the same level is close to 60%. The children’s likelihood of doing no better than a low level of education is much smaller, being roughly 8%. On the other hand, the probability of rising to a high education level would be around 30%, indicating overall a greater probability of remaining at the same level as that of the parents, rather than attaining a higher level.

When we focus our attention on the parents with a high level of education, the chances of their children being equally educated are around 65%, while the likelihood that their children will under-achieve is 40% for declining to the medium level, and only 5% for dropping to the low level.

For the moment, we can say that the higher the level of education of the parents, the greater the probability of transferring that particular level of education to their children.

(Chart 2 here)

Before beginning a thorough analysis of the sample countries, we note that this data was collected in 2011, only a short time after the onset of the 2008 financial crisis, in which countries such as Portugal and Ireland suffered large decreases in GDP. One result of the crisis was a growing demand, within societies, for more redistributive policies.

It is necessary to consider that the data from Chart 2 is aggregated data for all the EU-28 members, but now we will analyze individual countries separately, pointing out the main exceptions because differences across countries are quite significant. When we focus on the parents with a low level of education, in Chart 3, we can appreciate that in countries such as Malta, Portugal, Italy, and Luxemburg, the transfer of this level of education is higher than 50%, closely followed by Spain and Ireland. The percentage for Malta is higher than 70% and in Portugal roughly 70%. On the other hand, in countries such as Czech Republic, Sweden, and Lithuania, this percentage is closer to 10%, so there are more opportunities for improvement.

As we have seen, in Sweden, the working population between 20 and 64 years old exhibits negative public transfers (pay taxes to transfer to the State) that are the double that the ones in other economies. Ultimately, funds are shared among the whole population, seeking to bolster the Welfare State and the maximum possible income distribution in society, with equal opportunity for all, no matter the socio-economic background of the individual. Something similar is at work in Finland, where the probability of low education transfer is around 15%, and public transfers are also notable, but less than in Sweden.

(Chart 3 about here)

For those parents with a high level of education, the probability of transferring that same level to their children varies considerably between countries. With an 80% chance of receiving a high level of education, are countries such as Romania, Luxembourg and Ireland. In those countries, persistence is very high, indirectly implying that there is a low probability for children of parents who have a low level education to achieve a level of high education (and we can see in Romania that this percentage is 0).

In Sweden, the percentage of being highly educated if your parents are highly educated is a little above 60%, indicating greater social mobility. Put another way, whatever the education level of the parents, their children are not going to receive exactly the same level of education (because there are 40% of having low or medium level of education) The country with the lowest rate of such transfer is Austria at around 50%. In Spain, for

example, we can see in Chart 1 that public transfers from the working individuals are lower than in Austria. As a result, persistence is high in Spain, with parent's high level of education being transferred to their children at around 80%.

The likelihood of being a low-educated child of low-educated parents in Spain is 50%, a much larger percentage than the 10% of Sweden.

(Chart 4 over here)

As we have mentioned in the introduction, the study of transfers between generations is becoming relevant in policy-makers decisions, with one of the main reasons being the increase in older population. Due to that fact we analyze the group of individuals aged 50 and older. We go deep, first, in the percentage of this population that gives time and money, noting that the data gathered by OECD only considers the transfers that have a value over 250 Euros, and the same happens as regards time, so transfers in kind will also be valued at a price higher than 250 Euros.

The percentage of individuals aged 50 and over who transfer money is roughly 30%, and the proportion of this population who will give time is a bit more than 30%. This is an average measure for all the countries in the OECD, but when we disaggregate the data for different countries, we see remarkable differences.

The largest percentage of individuals in the aged over 50 that transfers monetary resources is found in Israel, where they represent around 45%. As shown in prior papers, Israeli families tend to be larger than in other countries (García, L. and Molina J.A., 2017), this may imply that grandparents contribute with monetary resources to the households of their daughters and sons to help with the basic expenditures. In the second position is Greece, with around 35% of the population being 50 years of age or older and contributing with monetary resources to other groups. The rest of countries in our sample are around the OECD mean, with the exception of Spain.

In terms of the proportion of this population that takes part in transfers of time, there are four countries in which 40-50% of those aged 50 and over, give resources in the form of time: Denmark, the Netherlands, Sweden, and Belgium. Furthermore, there are three countries that have the same percentage of people over 50 years old giving both money and time: Sweden with roughly 40%, Germany with around 35%, and Switzerland close to the level of Germany.

(Chart 5 about here)

On average in the OECD, the percentage of individuals aged 50 and over who receive money is around 7 % (applied only to transfers in excess of 250 Euros, which may well mean that there are other smaller transfers).

Similarly, the OECD average for transfers of time is around 25 % (time received by those over 50 year old). What is more, it is not possible to find a country that is far from the mean, because all the countries are clustered around the average of the OECD. The results, showing a low percentage of individuals aged 50 and over who receive transfers, are quite surprising. Therefore, looking for additional data to find out what is behind these low percentages will be necessary. In the SHARE (Survey of Health, Aging and Retirement in Europe), we find additional information that allows us to analyze that children transfer many resources to parents, especially in kind, but what we have not considered before is that individuals aged 50 and over do not need much help and so they receive almost nothing. However, at the age of 70 they will receive transfers in the form of kind, such as time, at an increasing rate. When we look at material resources, we appreciate that at the age of 50 individuals still give higher percentages of resources to their children, but that from this age on, the resources (material) given decrease rapidly, because parents at an age over 50 have children with established lives and careers, so financial and material resources are not going to be as important, neither as necessary to build up the daughter's and son's family as in the first stages (Ter Bekke & Fokkema, 2008)

(Figure 1 over here)

Additionally, due to the Welfare State (public transfers), children and parents become more inter-independent, so the level of private transfers will lose importance as the Welfare State comes to be more significant.

The Czech Republic is an interesting case, where the percentage of individuals aged 50 and over who receive time transfers is close to 40 % and the percentage of those who receive money is roughly 10 %. We find no obvious differences between the Czech Republic and the other EU countries, but we note that there are no property taxes (European Commission, 2013), which could indicate that there is more disposable income available for redistribution. The largest percentage of individuals aged 50 and over that receive time is found in Greece, with 11%, a little higher than in the Czech Republic. A reason could be that Welfare State is not so developed in Greece, and so the older generation needs to be supported by other groups, mainly their offspring.

(Chart 6 about here)

The specific situation in Spain has caught our attention because it represents the lowest value of the four possible cases; that is to say, Spain is the country that, not only has the smallest percentage of the population aged 50 and over that gives money and time (see Chart 5), but also the smallest percentage of this population to receive money and time (see Chart 6). Only 10 % of the elderly will give money and around 15% will give time.

Nevertheless, we cannot say in Spain there is little contribution from the elderly to their daughters and sons, and to their grandchildren. The period from 2004 to 2006 preceded the crisis, and Spanish society in those years was living in a bubble. During those years, Spanish households had ample resources to spend, which accounts for the relatively low level of transfers in the form of money and time. During the years of the crisis unemployment was high and, as we can see in Figure 2 that has been obtained through Tax-Benefit Models from OECD, 2015, social transfers to low earners or the unemployed are well below the mean of OECD countries, and even more if we compare it with Finland. Even so, during the period of the crisis, many families came to rely on resources transferred from the older generation.

(Figure 2 about here)

Focusing our attention on Chart 6, we note that Spain is the OECD country with the lowest percentage of people aged 50 and over who receive time and money transfers.

In Spain, only 15% of the older generation receive transfers in the form of time, which is more or less equal to what they give. As for money transfers, the percentage of this population (over 50) who receive these monetary resources is only around 5 %. It is important to note that we are only considering private transfers and, as we have mentioned at the beginning, this part of the population will mainly receive resources from the Public Sector in the form of retirement pensions. The average salary in Spain is low in comparison with some other European countries and for that reason families are less able to transfer resources than in other countries. It will be interesting to know also what part of this salary is completely transferred for the payment of taxes, because this will lead to even a lower salary that makes almost impossible to transfer a proportion of it to other parts of the population, such as the elderly.

(Map 1 about here)

It will be interesting to know and to provide a close approximation of those who participate in the flow of transfers within a family due to the fact that not only government could help in the improvement of the transferences of resources but also the families will be a key institution (OECD. Ministerial meeting on social policy, 2011). Therefore, attention is now oriented towards the totals received and given, in terms of time and money, as well as the ones that participate in the exchanges.

This average data comes from a sample of 13 countries, and ordering it from the lowest to the highest; we find that grandchildren contribute 1% of the total, followed by spouses with 4 %, and siblings with 8 % of the total money resources received by those who are 50 years old or over. Siblings and spouses will be more or less in the same generation and age, in that particular case these are the transfers carried out in an intra-

generational way, but they are so small that could be said that are not important in comparison to those produced between generations. Those who contribute the larger part of the resources received in the form of money are the parents, who give 30 % of their resources to their children, and to the children-in-law in the cases in which their daughters and sons have formed a couple. The percentage of contribution will be of 45% of the total received. This group aged 50 and over also give monetary resources to other groups. Spouses receive 2 %, and siblings receive 3%, for a total of only 5%. Their parents will receive only 4%. They have their own retirement pensions, and do not need as many resources as the children who are just beginning to build an independent life (buying or renting a house, raising children, finding jobs...). Those who receive the greater portions of the total given are the children and children-in-law, with 66% of the total given, and the grandchildren, who receive 12%. In other words, those aged 50 and over contribute 78% of the total given to the son's/daughter's households.

(Figure 3 over here)

We now examine the transfers of non-monetary resources through an analysis of the family relationships, and how transfers flow from one group to another. The total amount of time transfers that individuals aged 50 and over receive, is comprised of: 4% from spouses, 4% from parents (obviously, the parents of people over age 50 will be 70 years old, or more), 7% from siblings, 46% from children and children-in-law. This same group also provides time transfers: 4% to spouses, 7% to siblings, 19% to their children and children-in-law, and 30% to their own parents.

(Figure 4 about here)

When we analyzed the time transferred between the family members, we could examined with more detail the percentage of grandparents who participate actively in caring for their grandchildren differs from one country to another. In those countries where grandparents are more involved in taking care of their grandchildren, there is a mix between parents and grandparents.

In those cases, cultural aspects such as norms, beliefs, and values are more deeply rooted within the population, and intergenerational cultural values will be more strongly transmitted. For example, in countries such as Denmark and Sweden, the percentage of grandparents who take care of their grandchildren is around 50%, while in Ireland and the Netherlands this percentage is around 60%. In Spain and the Czech Republic, only 40% are involved in this activity. In the United States, the percentage of grandparents taking care of grandchildren is lower than in the European Union countries, at 30%, while Korea presents only 9%. Although this percentage is not included in Bar chart 1 because of differences in time threshold, it does provide us with an idea of the

contributions of the older generation to the care of grandchildren as well as family behaviours and family union among the different countries.

(Bar chart 1 about here)

3. Conclusions

Throughout this paper, we have made a deep and thorough analysis of the intergenerational transfers within society, to determine how resources are distributed from one generation to another, as well as within generations. This has allowed to note the different mechanisms of the Welfare State across different countries and to understand how precarious employment could influence in the transfers that are carried out within a country. European economies are starting to grow, but some of them (i.e. the case of Spain that has been analyzed) still have its salaries low, and that implies that for the working population is more complicated to transfer resources.

In a society in which multiple transfers take place among all the members, it is being provided equal opportunities for individual growth, and thus the greater possibility of social cohesion. Those economies that guarantee more equal opportunities are seeding the basis not only for improving their own societies, but also for the prospects of economic growth, which are related to income distribution (Piketty, 2015; Fiscal policy and income inequality, 2014), and measured by the Gini index. As Joseph Stiglitz said, in 2011, “The 1% has the best houses, the best education and the best health system. But they do not realize that their destiny is linked to how the other 99% lives”. It is necessary to bear in mind that obstacles in economic development can be produced within non-redistributive societies because an individual with great potential does not have the resources or the socio-economic conditions for self-development. As the Nobel laureate Amartya Sen has explained, development within nations depends on individual “capabilities” that reflect the possibility of acquiring knowledge and skills, that primarily depends on the transfers that are carried out within society. Sen emphasises that an individual is nothing without others, and adds that the basis for building a solid economy depends on interactions between those who can act providing help and assistance to others, and receiving the same from others.

It is clear that data showing the differences between countries is a starting-point for policy-makers to improve the situation in those countries in which there are no equal opportunities, and to improve the transfer of resources in those countries that, while advanced, still seek for more redistributive policies. This is not to overlook the fact that too much ‘sharing’ could be a disincentive to work and this will imply even more

difficulty in the access to resources. Societies such as Sweden exhibit a Welfare State with a large impact on individual progress, so apart from taking care of not to discourage individual effort, it is important to note that a cultural factor appears in families and in population groups. There is a tendency towards the promotion and participation in building a state that is more egalitarian. Economists talk about the concept of ‘tax morale’, meaning that citizens believe that the payment of taxes is a prerequisite for individual rights within society (¿Es sostenible el estado del bienestar?. Los retos de la economía, 2016)

We would add that education is a significant factor in the development of a welfare state. One of the main problems, as the Nobel laureate E.Lucas, Jr. points out, is that the universal desire for a Welfare State is bigger and more inclusive than the taxes collected. Therefore, education is necessary to improve the perception of the scope - and limits - of the welfare state, not only in households, individual groups, universities, schools, but also in the political area. There are many different ways to implement change, one of which is to examine what other countries do, what are the results, and what are the impacts of the various transfers carried out.

As World Economic Forum has shown in The Global Risk Report (2017) some of the possible risks and trends appearing are the aging population, income inequality, State failure, profound social instability.... These are real problems that are linked to our concerns in this paper. It is enlightening to see that all these problems are interconnected with many other risks and for this reason it will be important to pay attention to them.

(Figure 5 about here)

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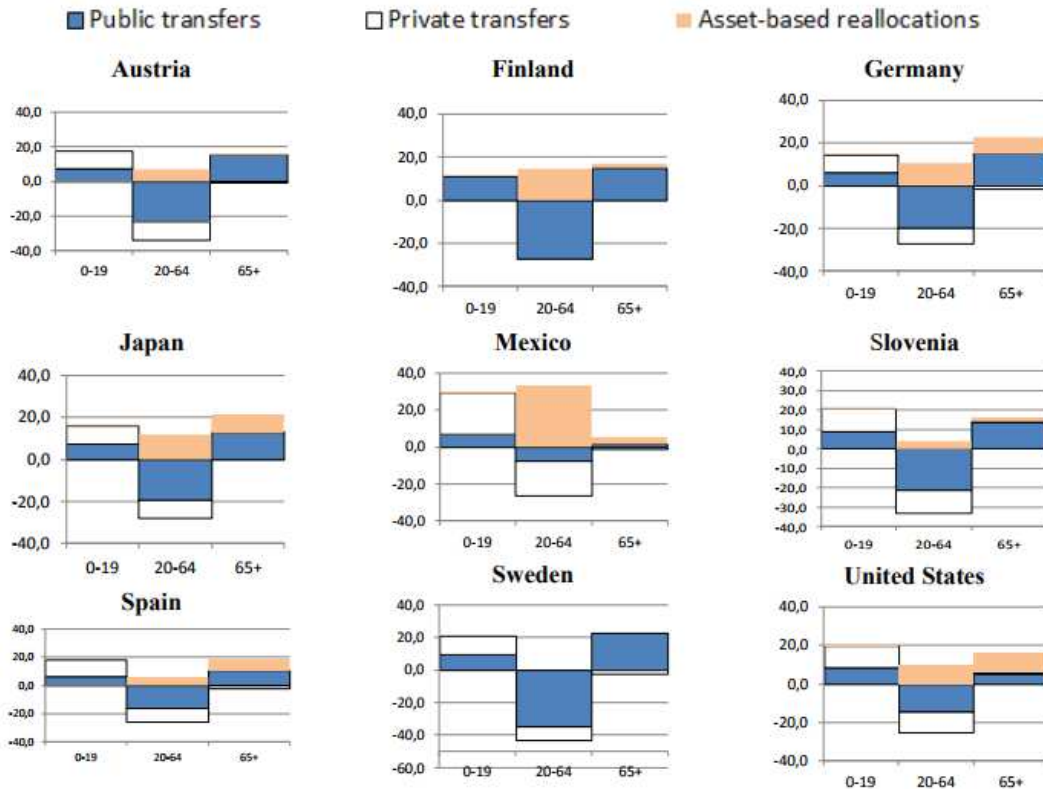
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Chart 1. Age profile of “net transfers”

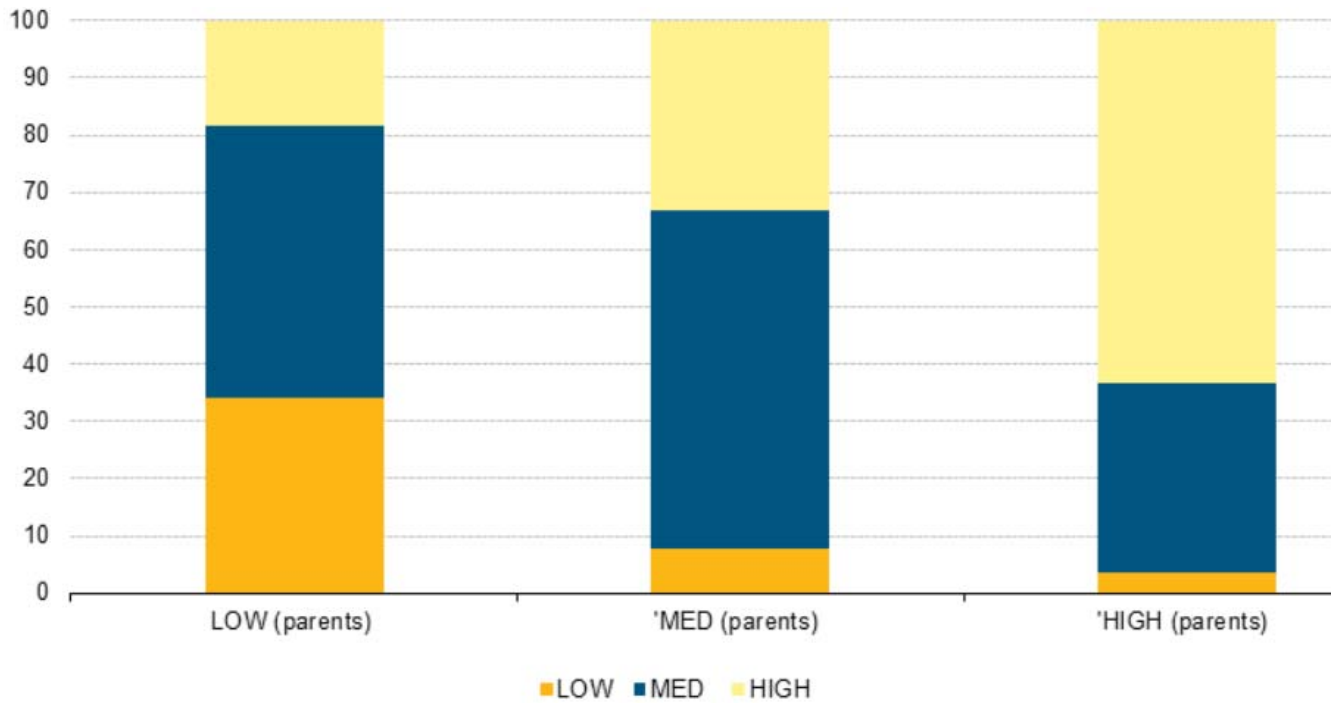
Transfers received minus transfers made as a percentage of the average consumption per capita



The transfers included are worth at least EUR 250 in cash or a transfer in-kind of equivalent value, and do not include loans the sharing of living expenses.
 Source: National Account Transfers (<http://www.ntaccounts.org/>)

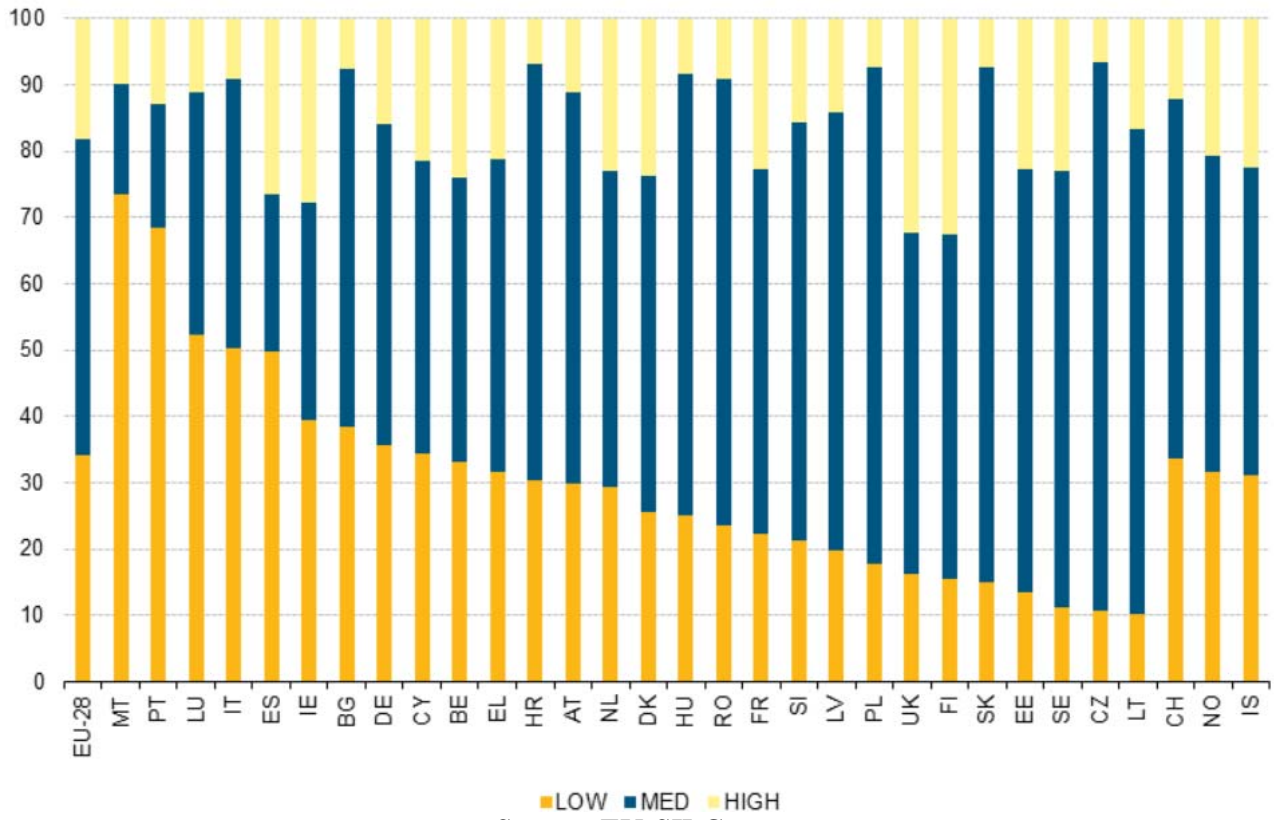
Source :OECD

Chart 2.Highest level of education of the parents by their descendants' level of education, shares, EU-28, age group 25-59, 2011



Source: EU-SILC

Chart 3. Low educated parents by their descendants' highest level of education, age group 25-59, 2011.



Source: EU-SILC

Chart 4: High educated parents by their descendants' highest level of education, age group 25-59, 2011

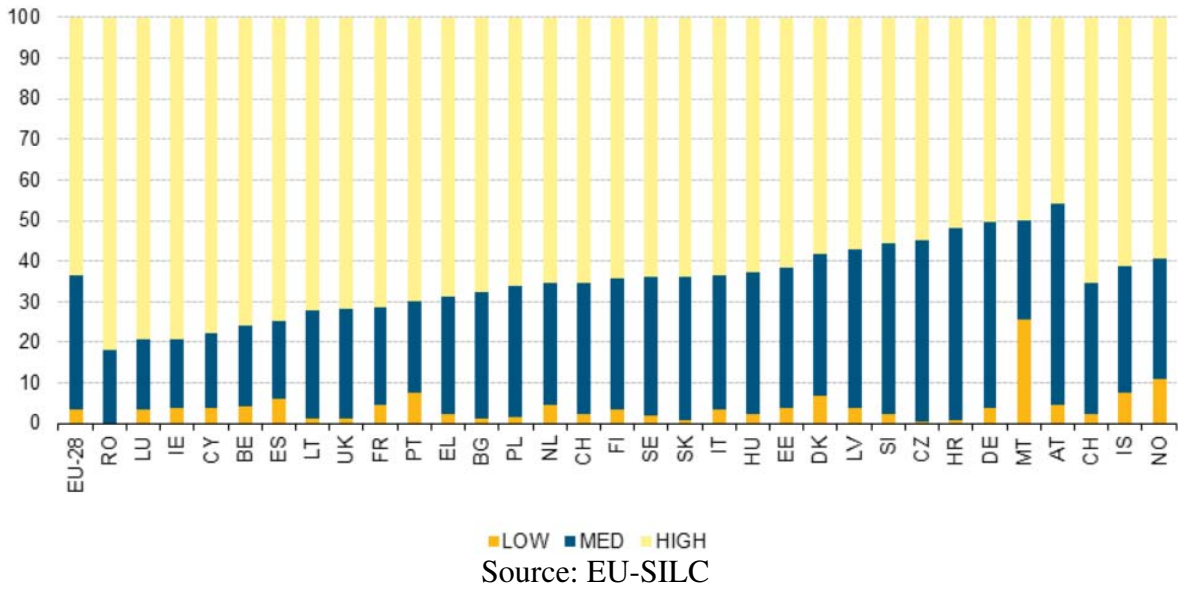
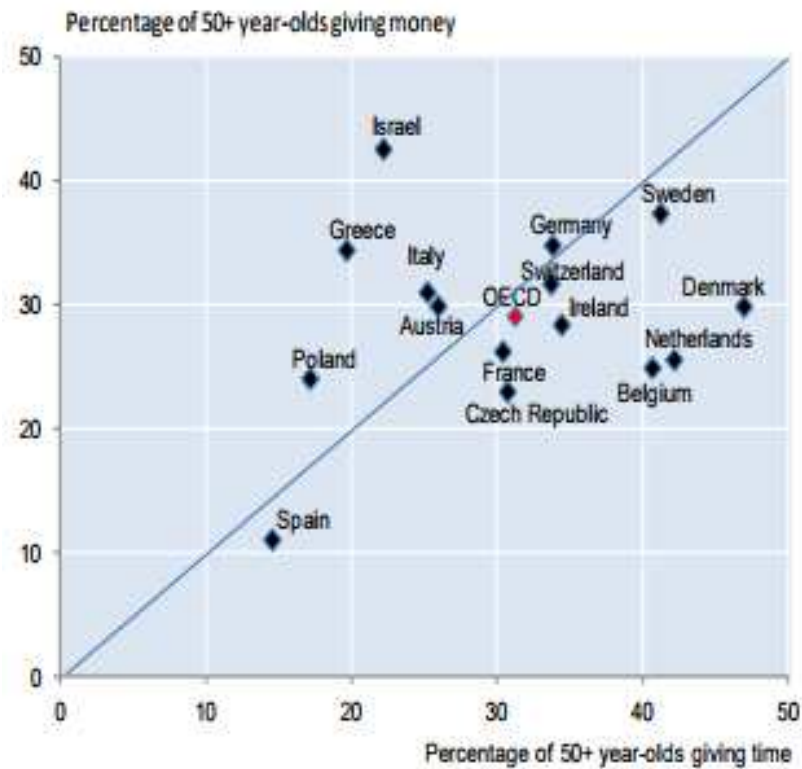


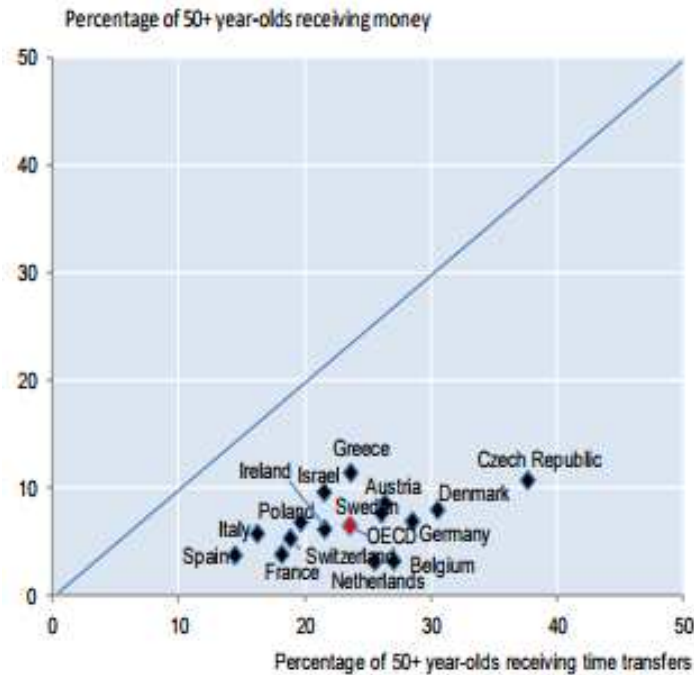
Chart 5: Gifts of time and money from 50+ year-olds (Giving)



Source: OECD analysis of SHARE data (Survey of Health, Ageing and Retirement in Europe) which covers individuals aged 50 or over.

Note: The transfers included are worth at least EUR 250 in cash or a transfer in-kind of equivalent value, and do not include loans or the sharing of living expenses. Data are averaged across the two waves of data collection (2004 and 2006-7) for the 13 countries that participated in both waves. The data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

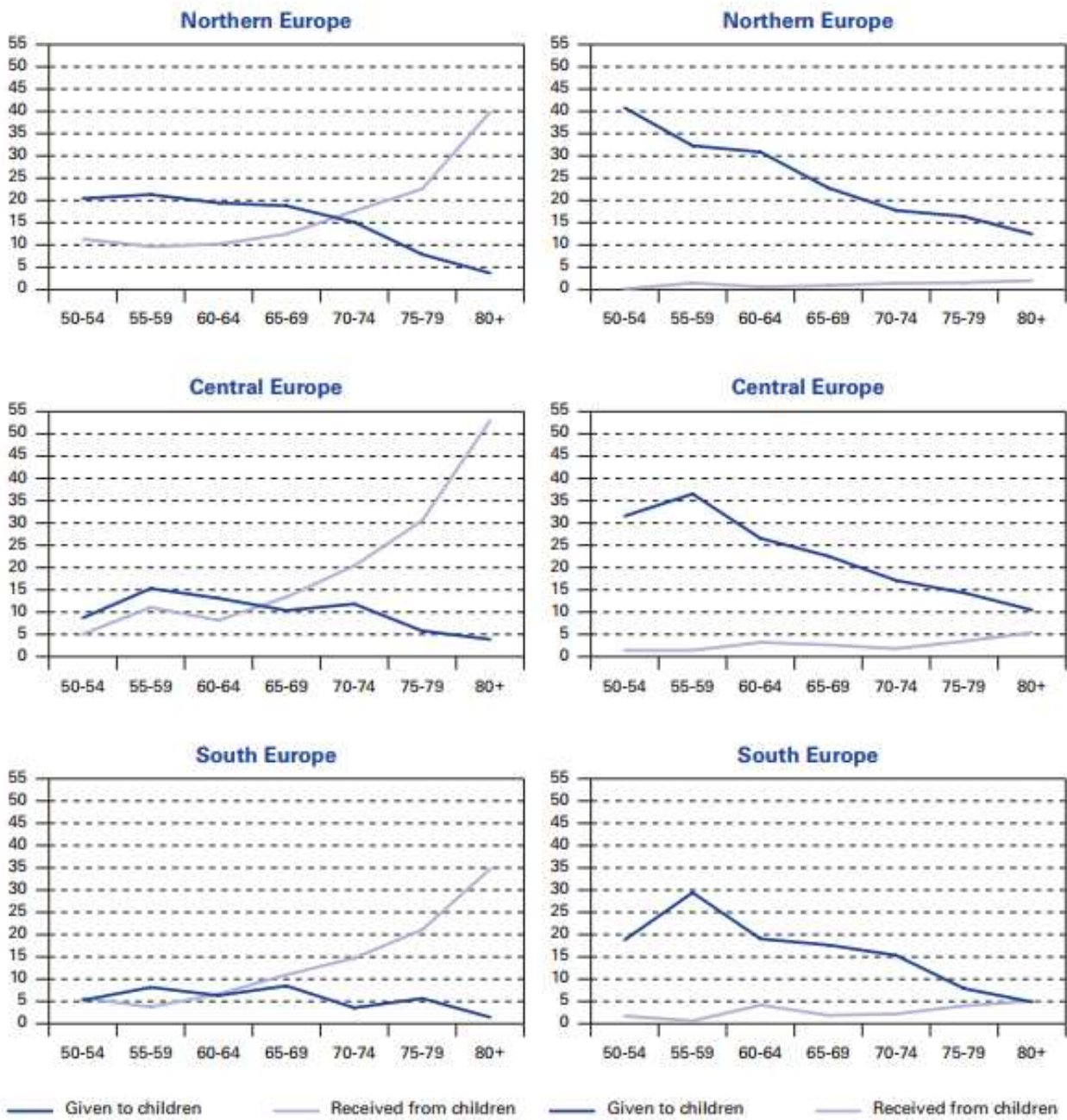
Chart 6: Time and money transfers to 50+ year-olds (Receiving)



Source: OECD analysis of SHARE data (Survey of Health, Ageing and Retirement in Europe) which covers individuals aged 50 or over.

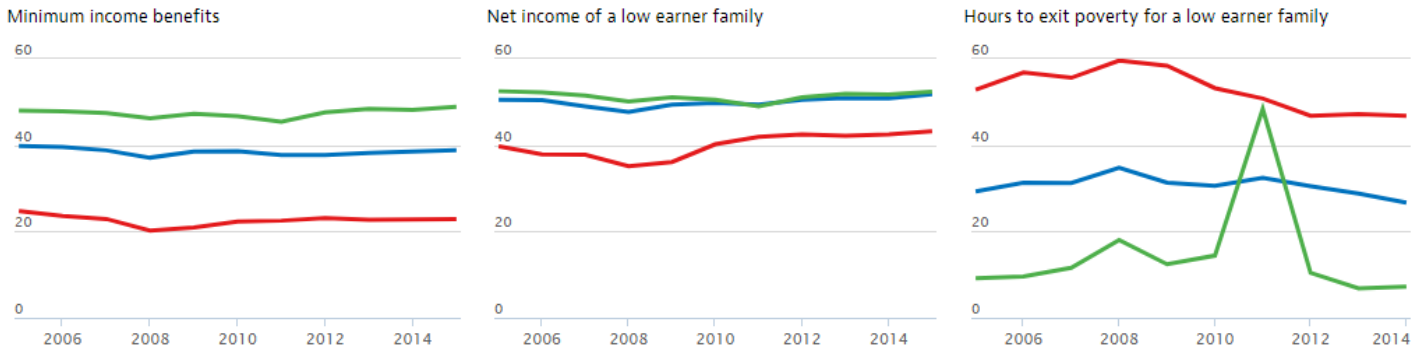
Note: The transfers included are worth at least EUR 250 in cash or a transfer in-kind of equivalent value, and do not include loans or the sharing of living expenses. Data are averaged across the two waves of data collection (2004 and 2006-7) for the 13 countries that participated in both waves. The data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Figure 1: Exchanges of help. First column in Kind. Second column in Material resources.

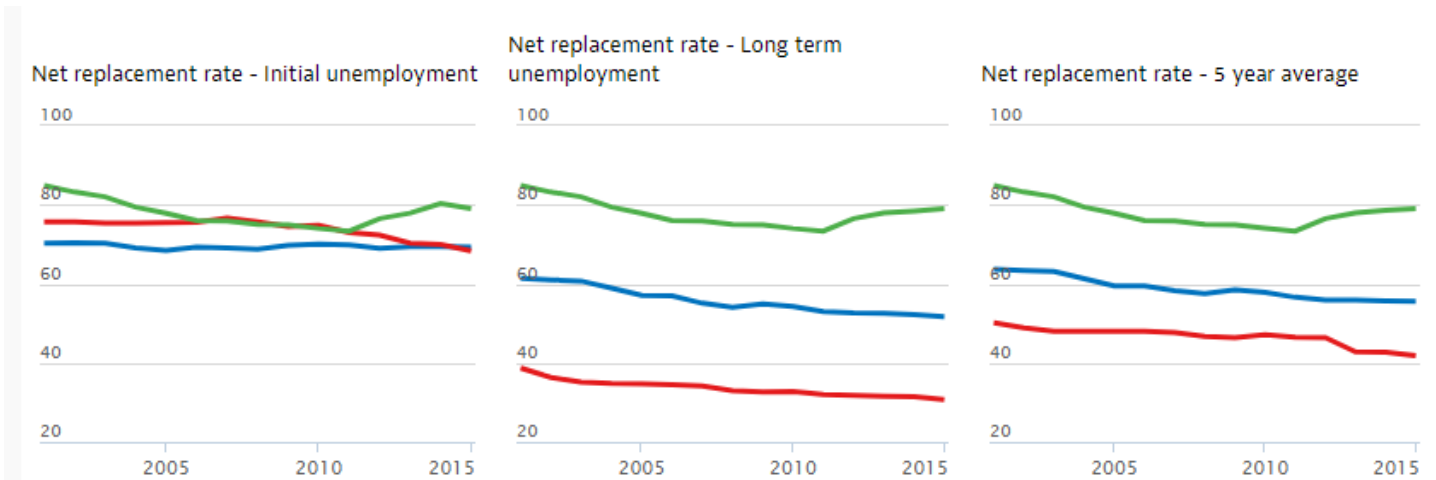


Source: SHARE, Survey of Health, Ageing and Retirement in Europe

Figure 2: Social transfers given to low earners income/unemployed couples.
Income benefits as a percentage of median income, 2015.



To what extent do social transfers alleviate poverty risks? How many hours a week should a low earner work to escape poverty? Results shown correspond to a one earner couple, with two children.

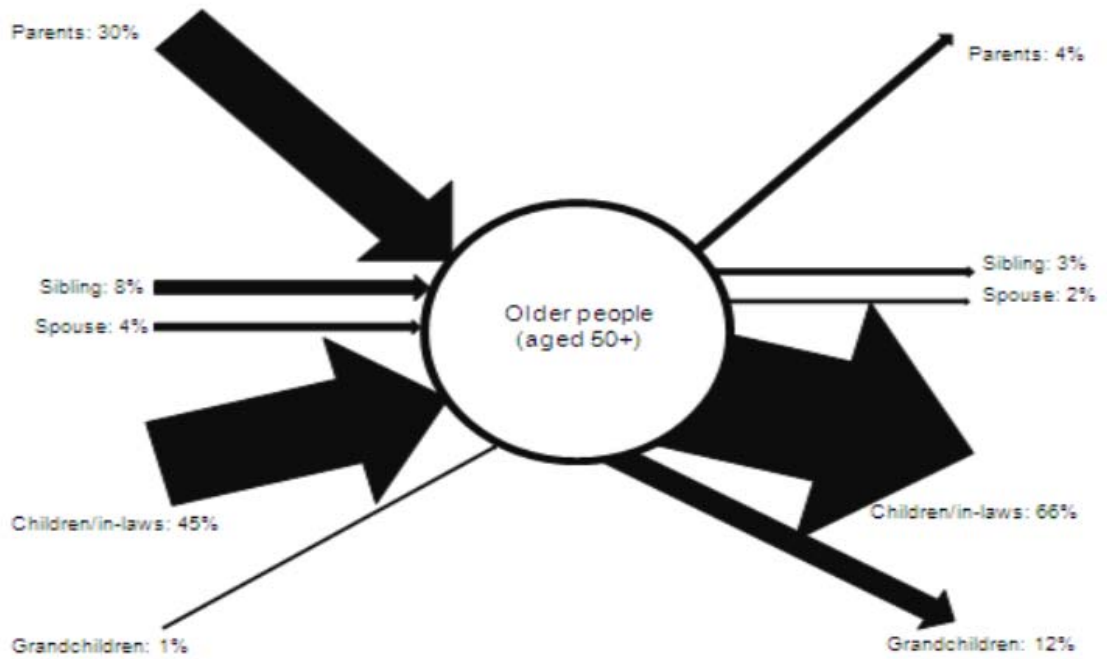


By how much does family income drop during unemployment? Net replacement rates show the proportion of net income in work that is maintained after job loss. Results shown correspond to a one-earner couple, previously earning the average wage, with two children.

Green : Finland; Blue: OECD; Red : Spain

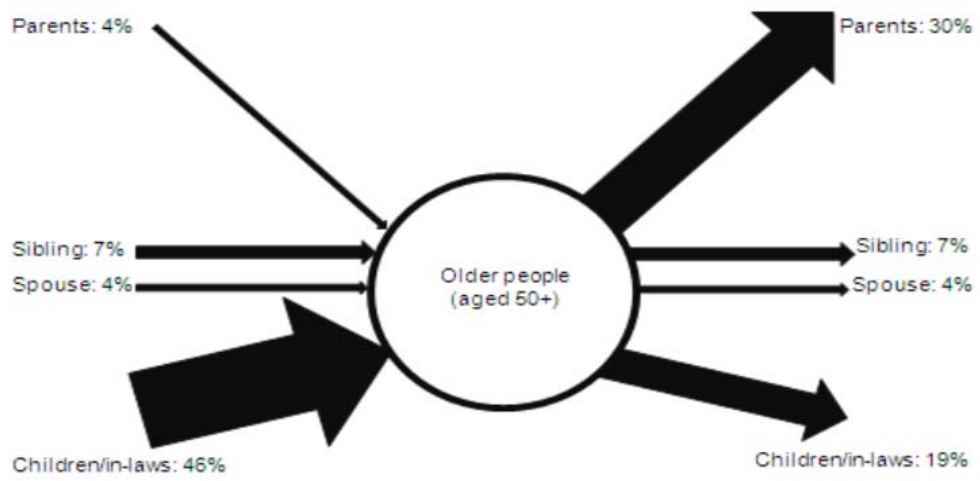
Source : OECD

Figure 3: 50+ year-olds, transfers of money, percent of total receiving or giving.



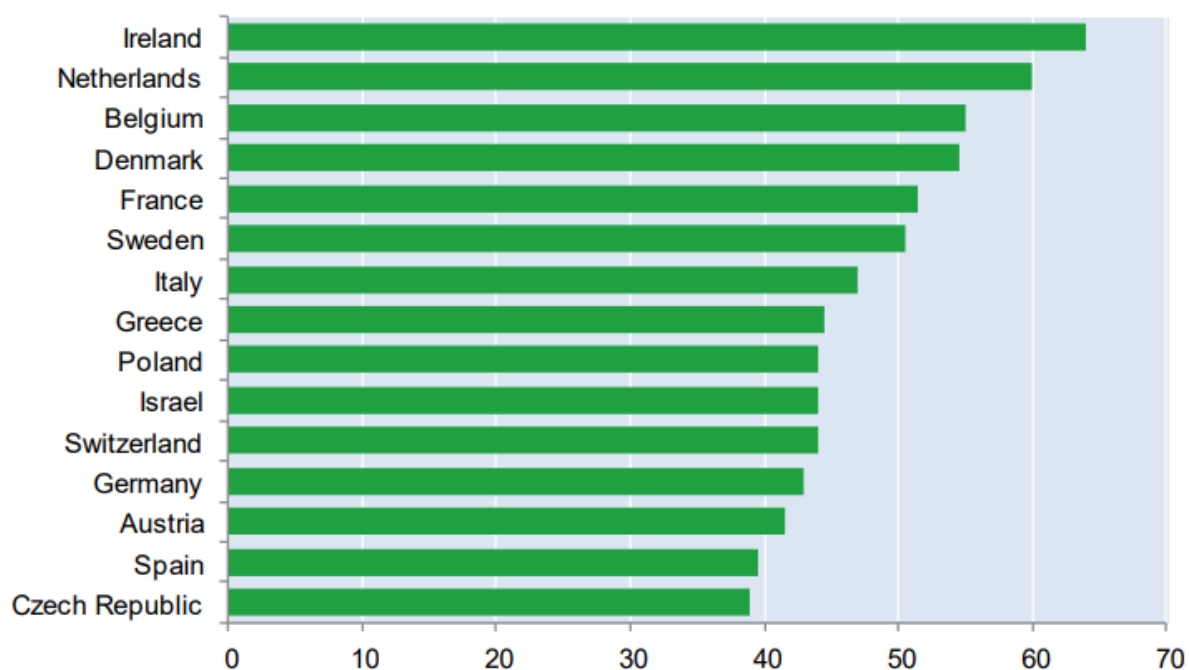
Source: OECD- Social Policy Division- Directorate Employment , Labour and Social Affairs.

Figure 4: 50+ year-olds, transfers of time, percent of total receiving or giving.



Source: OECD- Social Policy Division- Directorate Employment, Labour and Social Affairs.

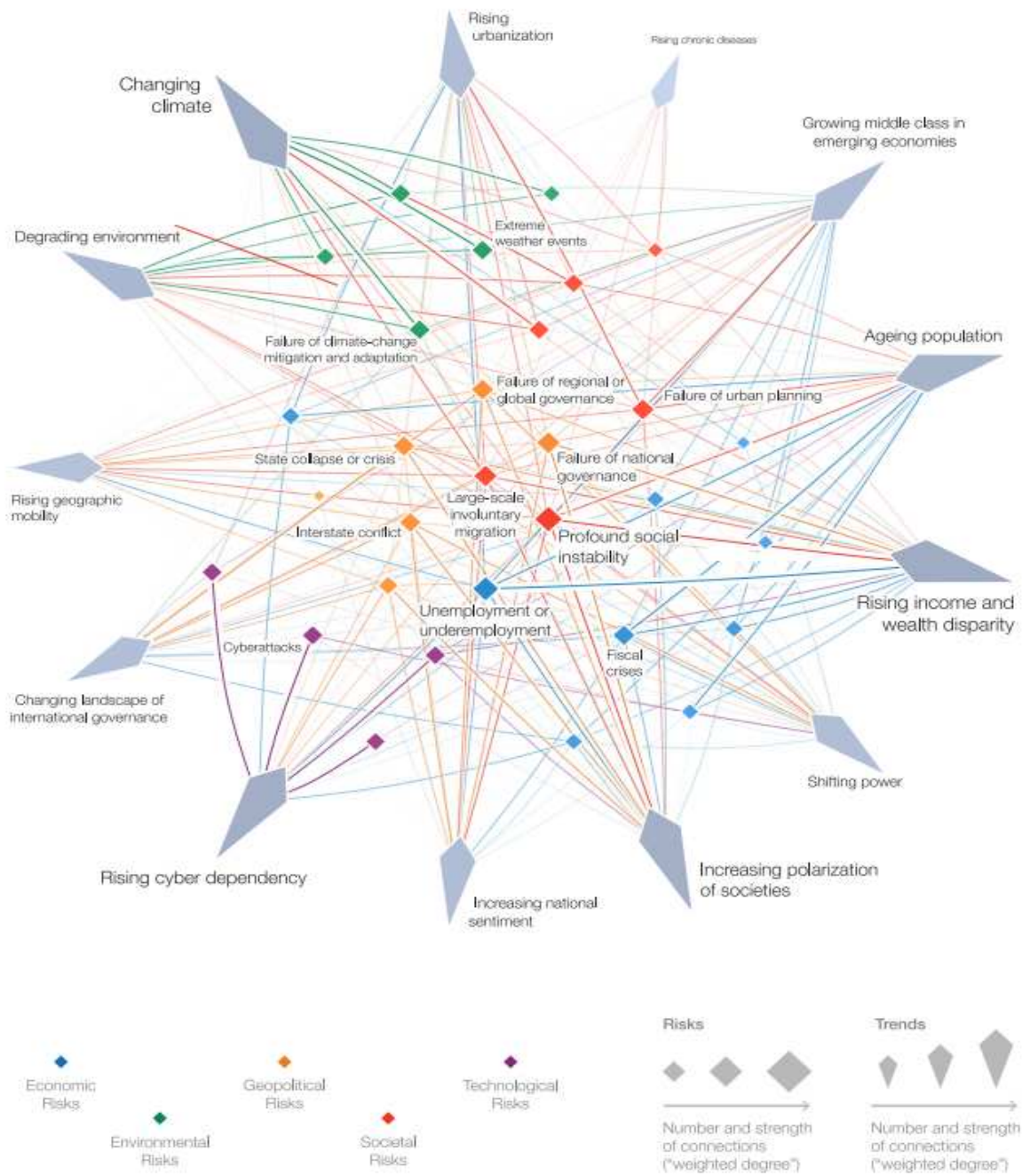
Bar chart 1: Percentage of grandparents taking care of at least one grandchild (2006-2017)



Source: OECD

The data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law

Figure 5 : The risk-trend interconnection map



Source : World Economic Forum