Upward intergenerational transfers, fertility and education

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This paper is at the intersection of the literature on investments in education, intergenerational social mobility, fertility motives and transfers between generations. In particular, we start from the idea that the intergenerational transfers provided by children to their elderly parents might constitute, from the parents' perspective, a motivivation for having children (Billari & Galasso, 2008; Nauck, 2007; Nauck & Klaus, 2007), and conditional on having children, for investing in children's human capital (including education) (Anderberg & Balestrino, 2003; Balestrino, 1997; Raut & Tran, 2005). The importance of these motivations for having children, and investing in their human capital, are likely to depend on the extent to which non-family institutions, such as pension systems, provide support for the elderly, as well as on cultural factors such as "strong" versus "weak" family ties (Albertini, Kohli, & Vogel, 2007; Alesina & Giuliano, 2007; Reher, 1998). Using recent data from the Generation and Gender Surveys (GGS) from several countries, this paper will investigate the following hypotheses:

1) Is the net upward transfer provided by children, which we can approximately estimate from the GGS data using information on children's human capital and parents' receipts of transfers from their children, larger within families with two children as compared to one child; i.e., are the net transfer patterns observed in the GGS consistent with an old-age security motive for fertility? Does this pattern vary with parental education, and across societies with different social security and education systems? How do net upward transfers compare with total upward transfers?
2) Are total and net upward transfers larger when children experienced upward intergenerational educational mobility (controlling for general trends in such mobility). This pattern, if it prevails in the data, would be consistent with an old-age security motive for investment in children's education. Does this pattern vary across societies?
3) Do findings hold similarly when different kinds of transfers – specifically monetary versus non-monetary transfers – are taken into account?

The data for this paper will be obtained from the Generations and Gender Surveys (GGS) (Vikat, et al., 2007). Our initial analyses will include the currently available countries (Bulgaria, France, Georgia, Germany, Hungary, Russia, and the final version of the paper will also include Italy and the Netherlands, for which the GGS data will become available soon). The GGS data contain – comparable across countries – detailed information on fertility histories, the education of the parents and children's generation, and intergenerational transfers of various types. Differently from other comparative survey programmes such as SHARE (Albertini, et al., 2007), the GGS also allows to analyze transfers as seen from the generation of children, and the availability of transfer data as reported by (adult) children and their elderly parents can be used to evaluate the quality of transfer data. Some preliminary descriptive statistics on intergenerational transfer patterns by family types, for different countries, are attached in Table 1.

In summary, this paper will provide the first comparative analyses of intergenerational transfers using the GGS data with a focus on the interaction between fertility, investments in children's human capital

(i.e., education), and total/net upward monetary and non-monetary transfers. The analyses will thus provide essential information about patterns of total and net intergenerational transfers across countries and within-countries by education and gender, and the analyses will shed important new light on the interrelation between transfers and the motivation to have children and invest in children's human capital.

Figure 1. Monetary transfers received and given by number of children and presence of partner. Source: preliminary elaborations on GGS.

MEN 35-59	Bulgaria		France		Georgia		Germany		Russia	
(%)	Received	Given	Received	Given	Received	Given	Received	Given	Received	Given
All	2.2	2.7	8.5	12.1	11.3	10.1	3.0	3.9	6.2	11.5
W partner only	4.0	1.3	6.1	15.3	11.9	8.5	6.5	4.0	4.5	4.5
W partner/kids	1.9	2.2	9.1	12.8	10.9	9.9	2.0	3.5	6.4	11.4
W kids only	5.2	6.8	6.9	10.2	14.7	15.6	4.3	9.1	5.1	16.6
WOMEN 35-59	Bulgaria		France		Georgia		Germany		Russia	
(%)	Received	Given	Received	Given	Received	Given	Received	Given	Received	Given
All	3.0	1.9	9.4	13.0	14.3	8.7	3.7	3.9	7.8	12.8
W partner only	3.2	0.0	4.1	10.1	15.6	11.1	3.7	3.4	6.3	17.0
W partner/kids	2.5	2.1	9.9	13.8	12.2	8.8	3.3	4.1	6.6	13.8
W kids only	5.0	1.1	8.6	11.5	23.9	7.7	4.3	4.3	11.1	10.1

MEN 60+	Bulgaria		France		Georgia		Germany		Russia	
(%)	Received	Given	Received	Given	Received	Given	Received	Given	Received	Given
All	2.6	3.1	4.0	16.9	16.5	5.3	0.9	6.6	6.3	14.1
W partner/kids	2.3	3.5	4.2	17.7	16.8	6.1	1.3	7.8	7.2	15.1
W kids only	4.9	2.4	4.0	22.4	18.5	3.2	0.6	8.2	3.1	13.9
WOMEN 60+	Bulgaria		France		Georgia		Germany		Russia	
(%)	Received	Given	Received	Given	Received	Given	Received	Given	Received	Given
All	2.9	2.3	5.0	15.0	17.1	5.1	1.4	6.9	8.2	13.6
W partner/kids	3.5	3.4	5.6	18.0	19.5	7.0	1.1	7.9	8.5	18.9
W kids only	1.9	1.1	4.9	12.7	16.5	4.5	2.4	7.9	7.9	10.9

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