

## Financial Giving Patterns of the Sandwich Generation

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Middle generation adult children, sandwiched between responsibilities for teenaged children and parents, are most likely to face competing demands for their time and money. Brody (1990) notes that long life expectancy, falling birth rates, and decreasing prevalence of married households will only exacerbate the phenomenon of competing responsibilities. When adult children give time and money to parents, these efforts compete with other demands for adult children's limited resources. Time and money resources that would otherwise be available for their children spouse, employer, and community are given to their parents (Hong & White-Means, 1997).

Most of the literature on the responsibilities of the sandwich generation, however, has not examined racial patterns. This is in part due to the paucity of data on giving patterns among ethnic minority populations and also due to the relatively small samples of adult children who face multiple roles of providing support for their parents and their children. Caregiving research suggests that older persons' caregiving networks, caregiver activities, and institutionalized care varies by race and ethnicity (Gibson & Jackson, 1989; White-Means & Thornton, 1990).

This study examines the state of being an adult child who is sandwiched in the middle, using the 1992 Health and Retirement Study. The sample for the study consists of 1,772 (1,359 white and 413 black) adult children with at least one living parent and one child younger than 18 years of age who live with the respondent or live away from home. The dependent variables are two dichotomous variables: whether the respondent provided financial support to their parent and their child. Independent variables are support needs, financial support and time given by siblings, altruism, and sociodemographic factors. Bivariate probit analysis was conducted to estimate the giving models for parents and children by race.

About 13.3% of black adult children provided financial support to their parents while only 9.6% of whites adult children did. More white adult children (37.9%) gave money support to their children than black counterparts (29.3%). On average, white adult children gave \$218 to their parents in 1992 whereas black adult children gave \$140. The financial giving to children also is much larger for whites (\$1,109) than that of blacks (\$636). In this study, respondents are primarily in their mid-50s; have completed high school; and two-thirds are white. About 60% of both white and black adult children are employed, with mean incomes of \$12, 275 (whites) and \$10,388 (blacks). About two-thirds of both white and black adult children are in good or better health.

For whites, the bivariate probit analysis indicates that caregiving needs and siblings' giving are positively associated with giving financial resources to parents. Number of own children and total parents reduce the likelihood that adult children give to parents. Parent's education, being employed, receipt of bequest, being in good health, and having post retirement health insurance influence positively the financial giving to their own children. Fewer variables were significant in the giving model of the black sample. Siblings' giving and living in the northeast are positively related to financial giving to parents. Parent's education and having post retirement health insurance also increase the likelihood of giving to children. The study suggests that there are important racial trends in the giving patterns of the sandwich generation. Financial support given to parents by their adult children are complements, suggesting that parents with more children are more likely to receive financial support than those with fewer or no children. With access to post-retirement health insurance, adult children need less financial resources to cover cost associated with their own disabilities and have more resources to give to their own children.

### References

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### Endnotes

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