

## Extended Abstract

### **Training, trading or taking? Parents' work, children's work and intergenerational transfers**

Several decades of increases in the market employment of both single parents and married women mean that most American children now live in a household in which every parent works outside the house. Research on parental employment and child well-being generally focuses on the relationship between parents' work and transfers of parental time and money to children. The relationship between children's work and their parents' employment receives less attention. Working parents may receive transfers *from* their children in the form of household labor.

Thinking about children as workers challenges a model of children as recipients and suggests a rethinking of household transfers as exchanges. Although cash transfers to children living with their parents are generally credited to parental altruism, children may be compensated for their household work. The focus of the current analysis is the relationship between parental employment, cash transfers to children (allowances) and transfers from children in the form of household work.

Allowances provide one avenue for thinking about the relationship between parental employment and intergenerational transfers. If children of working parents are more likely to receive allowances, is it due to the income the parents bring into the household or is it because parents are trading money for children's work? Parental employment creates a need for household labor and children's activities may respond to this need. This suggests a series of specific hypotheses: 1.) that children are more likely

to work in the household when their parents work outside the household; 2.) that children are more likely to receive periodic cash transfers (allowances) when their parents work outside the household; and 3.) that children who work in the household are more likely to receive allowances. Because care for younger siblings is one frequent contribution, I expect these relationships to hold more strongly in households with younger children. Because gender norms influence parental expectations, I expect these relationships may also hold more strongly for girls than for boys.

Hypotheses are tested using data drawn from the 1997 National Longitudinal Survey of Youth (NLSY97) Waves 1-5 and the National Longitudinal Survey of Adolescent Health (Add Health) Waves 1 and 2. In the NLSY97, 8426 youth contributed at least one observation and analyses are based on a total of 29030 youth-year observations. The Add Health Wave I sample includes 18175 youth.

Preliminary results from the Add Health data suggest that children of working parents are themselves more likely to work around the house. Within two-households, children are 12.4 percent more likely to report doing household chores five or more days per week when both parents, as opposed to one parent, work outside the house.

Preliminary results from the NLSY97 suggest that having a younger sibling increases the likelihood of allowance receipt for children of two employed parents relative to children of one employed and one non-employed parent.