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Financial transfers between generations in Sweden

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ABSTRACT
This study has examined the flow of financial transfers between generations in Sweden, measured as financial support in the form of relatively large money transactions or gifts over 12 months. Two questions are considered: is there a net downward flow in the Swedish welfare state and, if so, are there differences according to gender and social class? The questions were tested using data from two linked and nationally representative large-scale surveys. The results show that almost all inter-generational transfers are downward, from older to younger generations. Unlike earlier studies of inter-generational transfers, the analysis focuses on inequality, and the results reveal clear class and income gradients. Both giving and receiving were more common among people in the higher social strata. A gender gradient among unmarried (single) recipients was also found, whereby unmarried women more often received financial support than unmarried men. The paper concludes with a discussion of the implications of the results for social stratification and inequality. From a static or cross-sectional perspective, the results suggest that financial transfers are neutral or even equality promoting, but a dynamic or lifecourse interpretation suggests that financial transfers transmit or even reinforce class inequalities over generations.

KEY WORDS – financial transfers, social class, gender, welfare, inter-generational relationships, Sweden.

Introduction

Welfare state programmes such as retirement pensions, child-care and old-age income benefits have helped to shape and reshape social ties in modern societies. In most post-industrial countries, welfare systems complement private forms of exchange. Some argue that informal solidarity has been undermined by state social protection systems, but others that these are in many respects a positive development, not only because

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they have strengthened the social and economic position of older people, but also because of their profound impact on social relations between the family members of different generations (Kohli 1999).

Empirical research has rarely supported the assumption that public transfers, such as old-age social security or income payments, have crowded out private transfers. One problem with the proposition is that public social protection has been in place for so long that 'crowding out' can no longer easily be studied (Attias-Donfut and Wolff 2000). A long-term analysis by Lampman and Smeeding (1983) showed, however, that while government transfers became much more important in the United States between 1929 and 1979, the relative importance of private transfers fell only marginally. The declining significance of family bonds has also been questioned by Bengtson (2001): indeed, he argued that inter-generational relationships are becoming increasingly important in modern societies. In addition, in recent years a growing body of international research has shown that substantial financial transfers are made, both as financial gifts and bequests, between older and younger generations within the family and beyond the nuclear household (Kohli 1999; Arber and Attias-Donfut 2000). The evidence has demonstrated that private resources nowadays are mostly passed downward, *i.e.* from the older generations to their adult offspring and grandchildren.

From a narrow economic perspective, one may see the linkages between public and private transfer systems as inefficient distortions. If money is going to older people in the public transfer system and is then partly redirected to younger generations in greater need, it would seem more rational to support younger generations directly. The current distributional system may have many positive side effects of great societal value, however, such as strengthening social cohesion and the relations between family members across generations; it has been seen as strengthening the family as an institution (Kohli 1999). A comparative study has supported this interpretation, and claimed that generous welfare systems (in Germany) have increased rather than weakened family solidarity (Künemund and Rein 1999). Similar conclusions were reached in a recent cross-country study (Daatland and Herlofson 2003). However the counter-flow transfers are regarded, it is important to realise that people from different social classes and with different economic resources vary in their ability to provide financial support for their children. Consequently, even if the public transfer system in general strengthens the economic position of older people, the variability of their material resources should not be forgotten.

This study examines inter-generational financial transfers in Sweden by drawing upon two linked, nationally representative large-scale surveys.

Financial transfers were measured as financial support over 12 months in the form of money transactions or gifts between generations with a value of at least 5,000 Swedish *kronor* (SEK). The Swedish case is interesting in several respects, and throws light on the contemporary functioning of both the welfare state and the family as economic institutions – for both, Sweden is often singled out as a special case. In Esping-Andersen's (1990) well-known typology, Sweden is the archetype of the Nordic or social-democratic welfare-state regime. The flow of private resources between generations may of course also have important distributional effects (Gulbrandsen and Langsether 2000), but previous research into private financial transfers has paid little attention to this issue. It is therefore the main focus of attention in this article. We will analyse how the prevalence of private economic redistributions across generations varies by social class and income. Furthermore, the topic of inter-generational transfers may have important gender dimensions, most apparently with transfers in-kind, particularly when it comes to caring. Whether or not gender is an important factor in inter-generational cash transfers in Sweden at the beginning of the 21st century is less certain, but the issue is also addressed in this paper. In the concluding discussion, we will discuss the implications of the findings for social inequalities and social stratification.

Societal change and generational resources

In Sweden, as in most parts of the western world, a major achievement of the welfare state during the 20th century has been the evolution of pension programmes for older people (Palme 1990; West Pedersen 1999). They have brought about a substantial decline in the risk of poverty among the old. In Sweden, older people today rely on a pension system that combines a basic pension with an earnings-related system: it was implemented in the 1960s and is now fully mature. Since the mid-1990s, Sweden has introduced a new pension system but it does not affect present-day old-age pensioners (Palme 2003).

The development of public pension systems has undoubtedly had a major impact on the inter-generational flows of resources. The distribution of resources by age group has been changing for a very long time, including during recent decades. To exemplify, Figure 1 presents the median value of net household wealth by age group in 1978 and 1997. The calculations are from two comparable wealth distribution studies conducted by *Statistics Sweden* (2000). One general property of personal wealth is that it has an extremely skewed distribution. Over the short period represented in the diagram, the distribution has markedly shifted towards older people. In fact, at the end of the 20th century, the wealthiest

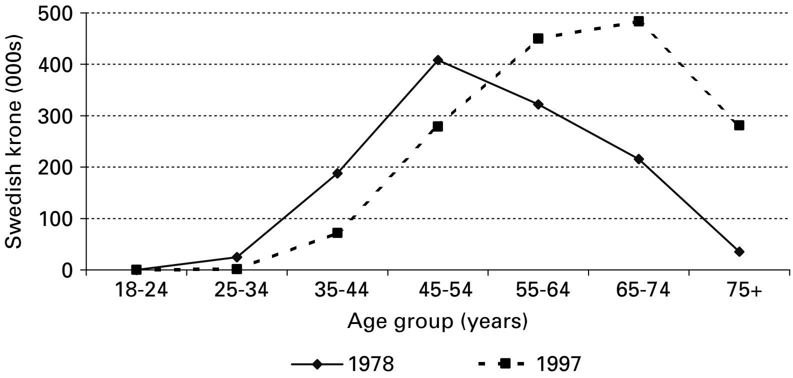

Figure 1. Median net household wealth by age groups, Sweden 1978 and 1997. (*Source*: Statistics Sweden 2000. *Note*: In 1997 prices).

age group in Sweden were aged 65–74 years, as compared to the late 1970s, when the wealthiest were aged 45–54 years. Interestingly enough, this suggests that at both times it was the same birth cohorts who were wealthiest, those born during the 1920s and early 1930s.

Thus, societal change largely brought about by the welfare state has changed older people from a group associated with extreme financial difficulties into a relatively well-off group. This aggregate change does not mean of course that all households of older people have high incomes and good economic resources, but nevertheless the changed distribution of income and economic resources provides one explanation of why inter-generational and intra-familial financial transfers mainly go 'downward' from (grand)parents to (grand)children, rather than the other way. As noted by a recent *Swedish Welfare Commission* report (Palme *et al.* 2003), our knowledge of the extent and amount of this redistribution within families is far from satisfactory.

Research questions

The initial descriptive research questions concerned the direction of financial gifts between generations. Is there a net downward flow of economic resources in Sweden, in accordance with findings from earlier research and the general change in the distribution of economic resources? Class divisions in these flows have hitherto been surprisingly little discussed and investigated. Earlier research on these matters tended to focus on societal change over time, the intricate relationship between

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public and private transfers, and the distinction between reciprocity and altruism as underlying mechanisms (*e.g.* Henretta *et al.* 1997; Kohli 1999; Attias-Donfut and Wolff 2000; Güth *et al.* 2002). In general, these issues concern the institutions of the family and the welfare state. Needless to say, these are important spheres of life, but one should not forget that the most fundamental basis of social stratification in capitalist societies lies in markets. Accordingly, it seems likely that people from different social classes and with different economic resources may act and behave in different ways towards their children and parents. Consequently, inter-generational flows of resources may have an impact on social stratification and the transmission of inequalities over generations (for further discussion see Myles 2002). Our second research question is therefore: To what extent do these flows of resources vary and interact with social class and income? We will scrutinise this issue from the perspective of both the givers and the recipients. After controlling for several other variables, such as age and gender, are givers over-represented in higher social positions? Similarly, are recipients disproportionately found in certain strata?

The third research question concerns the relationship between financial transfers and gender. In line with most studies of income distributions, financial transfers can be viewed from the perspective of the household and are not seen as influencing gender differentials (see Jenkins 1991; Fritzell 1999). Nonetheless, economic resources are, at least in part, transferred from and to specific individuals, and not all households comprise couples. The gender perspective is of course of particular interest in this context because inter-generational support, of both cash and kind, was in the past highly structured by gender. For example, until recently in rural Sweden, the oldest son inherited the family farm. Even though after 1921 Swedish marriage law was highly progressive and promoted economic equality between husband and wife, marriages entered into before 1921 were excluded (Niskanen 2000) – which of course had repercussions for several decades. The care and social support of older people also remains highly structured by gender, and largely occupies wives and daughters (Szebehely 1998; Lennartsson 2001). Less is known about financial transfers. Given all these considerations, the third research question was framed as: Are men or women more likely to be givers (and recipients) of financial support in present-day Sweden?

Data and variables

The data used in this paper have been drawn from the 2000 Swedish *Level of Living Survey* (LNU) and the 2002 *Swedish Panel Study of Living Conditions of* *the Oldest Old* (SWEOLD), comprising in total 5,746 people. The LNU was first carried out in 1968 and was repeated in 1974, 1981, 1991 and 2000. It is a nationally representative sample of about 1-in-1,000 of the Swedish population aged 18–75 years. The respondents were interviewed about various aspects of their living circumstances, such as health, working conditions, housing, social relations, material and economic resources (for further details, see Fritzell and Lundberg 2000). The SWEOLD sample originated from the LNU and includes all subjects who were interviewed at least once in any of the previous LNU surveys and who were aged 76 or more years in 2000 (for further details, see Thorslund *et al.* 2004). The SWEOLD samples are nationally representative of the survivors of all birth cohorts from 1892 to 1925. The response rate for LNU2000 was 76.6 per cent (Bygren, Gähler and Nermo 2004) and for SWEOLD it was 87.9 per cent.

The variables of particular interest in this study describe the flow of private financial transfers (or financial support), or in other words whether a person is a provider or a receiver (or both) of financial support. Two question sequences in the surveys collected the relevant information, first: 'Have you, during the last 12 months given any financial support or gifts of a value of SEK 5,000 or more [about €550 in September 2004] to anyone outside your household?' Those who replied 'yes' were then asked, 'To whom?' and asked, 'Can you give an approximate value, for the last 12 months?' The similar sequence of questions on the receipt of financial support began with: 'Have you during the last 12 months received any financial support or gifts of a value of SEK 5,000 or more from anyone outside your household?' Those who replied 'yes' were asked 'Who from?' and about the total value.[1]

The independent variables used are: seven 10-year age groups, gender, marital status, socio-economic group and income.[2] *Marital status* distinguished those who were 'unmarried, divorced, separated or widowed' from those who were 'married or cohabiting'. The measure of *socio-economic position* followed the official Swedish 'SEI classification' (Andersson, Erikson and Wärneryd 1981), which is based on several dimensions of, and has many similarities with, the internationally well-known EGP-1 classification (Erikson and Goldthorpe 1992).[3]

The *income* variable is household disposable income (*i.e.* post-tax and transfer income) in 1999. As is usual in Sweden, the income data were drawn from tax records and other administrative registers. To compare couples with single adults, a version of the *Organisation for Economic Co-operation and Development* (OECD) equivalence scale was used, namely, that household disposable income for couples was divided by 1.7

(OECD 1982). For the analysis, a five-category income variable was created using quintiles of the distribution of values in the sample (taking both men and women together). Finally, a variable measuring 'receipt of financial support or a bequest', was used to analyse the characteristics of the giver. It was constructed from the question on receipt of financial support (described above) and another about whether the respondent had received any bequest of at least SEK 25,000 during 1998–2000. The analysis was carried out using logistic regression and the results are presented as odds ratios. The estimates express the odds of giving or receiving intra-family financial support between generations, for each category (for categorical variables) as compared to a reference category. The odds ratio of the reference category was set at one.

Results

The basic descriptive findings about givers and recipients are presented first. The sample indicates that during the 12 months before the surveys, 17.4 per cent of Swedish adults aged 18 or more years gave financial support of at least SEK 5,000 in the form of money or commodities to at least one person outside the household (Table 1). About 12 per cent reported receiving equivalent financial support, so more people gave than received financial support. This may indicate that a substantial proportion of financial transfers benefit younger children, but probably also that people under-report receiving such gifts. One reason for the discrepancy may be that the recipients placed a lower value on the gifts than the givers (Cox and Raines 1985).

The percentages in each age-group who gave and who received financial support are shown in Figure 2. Younger adults had the highest proportion receiving financial support, while the peak age group for giving was 60–69 years, and it was also relatively high in the oldest age groups. This is especially surprising given that we are only able to observe transfers over only 12 months. Variations in private financial support by social-class were also found, with a distinct class gradient among givers (Figure 3). The class differences in the percentages receiving financial support were less marked. In other words, financial support, both given and received, was more common among the upper socio-economic strata. It is important to note that many recipients were quite young and had not reached their final class position.

Figure 4 shows how much financial support was given and received within the family including grandchildren and grandparents. The estimated percentages are based on the totals of givers and recipients. Since

TABLE 1. *The characteristics of the study samples*

Independent variable	Category	All %	Givers %	Recipients %
Gender	Males	49.6	18.0	10.8
	Females	50.4	16.9	13.2
Age-group (years)	19–29	19.3	6.2	21.2
	30–39	18.5	8.0	18.6
	40–49	16.4	12.2	15.2
	50–59	18.1	27.3	8.4
	60–69	12.0	31.0	2.5
	70–79	7.8	27.6	1.8
	80–99	7.9	24.7	0.2
Marital status	Unmarried	35.2	14.9	12.7
	Married	64.8	18.8	11.7
Self-rated health	Good	70.0	16.8	13.9
	In-between	22.5	19.0	7.7
	Poor	5.9	19.0	10.1
	Proxy interview	1.6		
Socio-economic status	Unskilled-manual workers	14.3	9.5	9.3
	Skilled-manual workers	18.2	13.8	9.2
	Lower non-manuals	11.7	17.5	13.0
	Middle non-manuals	21.6	15.8	14.6
	Upper non-manuals	17.7	25.1	14.3
	Farmers/self-employed	15.1	23.5	11.0
	Unclassified	1.1	1.8	11.1
Income quintiles	1 Lowest	20.0	12.8	11.0
	2	20.0	14.2	9.7
	3	20.0	15.9	11.5
	4	20.0	17.7	14.6
	5 Highest	20.0	26.5	13.4
Received financial support or bequest	No or missing	84.1	17.5	–
	Yes	15.9	17.1	–
Total			17.4	12.0

an individual can receive (or give) financial transfers from (or to) more than one source, the percentages sum to more than 100 per cent. The figures demonstrate that financial support is concentrated within the family and mainly goes downward, from older to younger generations. Those who had children or grandchildren directed transfers to them. Despite the dominance of intra-family support, the reported figures may well be under-estimates since some in the 'other persons' category may be parents-in-law, daughters/sons-in-law or other relatives by marriage.

Intra-family financial support

To reiterate, the presented findings show that financial support was concentrated within the family and mainly flowed down the generations.

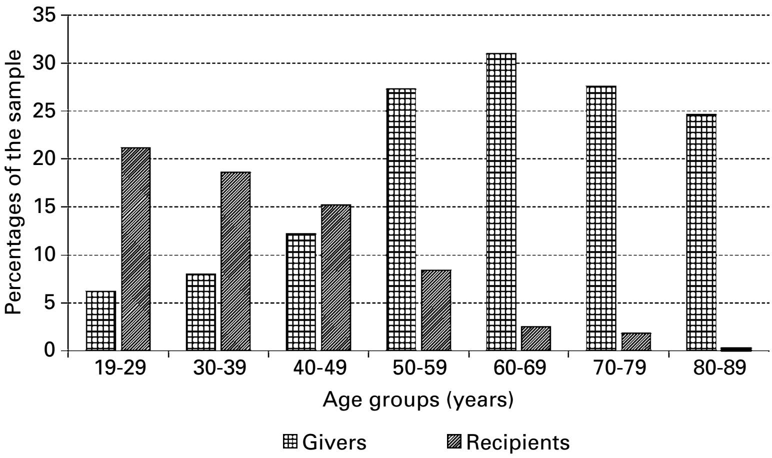

Figure 2. Percentages giving and receiving financial support by age-group.

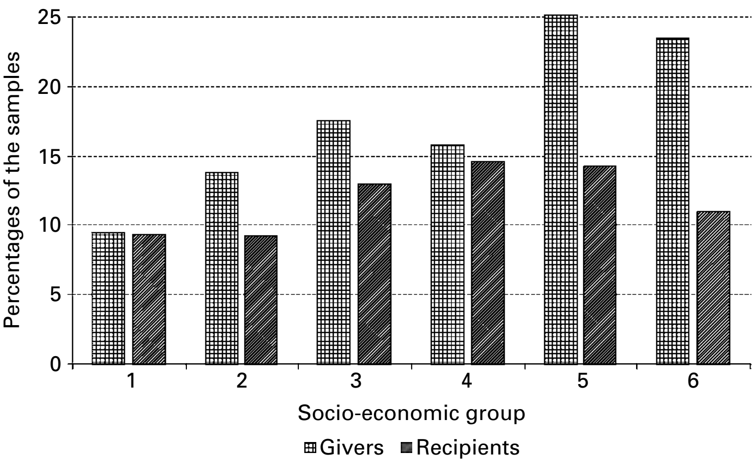

Figure 3. Percentages giving and receiving financial support by social class.

We now turn to an analysis of the flows between parents and their children and grandchildren, with a focus on transfers between, on the one side, parents and grandparents and, on the other side, their adult children and grandchildren who did *not* live in the same household. The characteristics of both the older and the younger generations will be considered, since these substantially condition inter-generational financial support. As noted, upward intra-family support was relatively rare, so the analysis

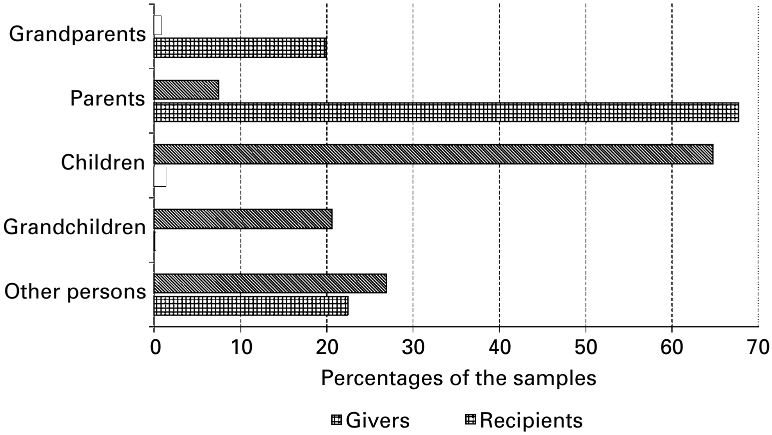

Figure 4. Percentages giving and receiving financial support by family position.

concentrates on downward flows and first examines the characteristics of the older generation. About 46 per cent of the sample had at least one child outside the household. Of these, 25 per cent had given financial support to at least one of them or to a grandchild.

Table 2 presents the sequential logit regressions of making a financial transfer of at least SEK 5,000. Model 1 includes gender, age group, marital status and self-rated health as independent variables, and Models 2 and 3 include the stratification variables. The final model also includes the variable for received support or a bequest. Only those with at least one child outside the household are included in the analysis. Consistent with Figure 2, it was found that giving financial support was most usual around 60–69 years of age, and that after the age of 70 years, its relative likelihood decreased but nonetheless remained twice as likely as among those aged less than 50 years (Model 1). Separate analyses show that 16 per cent of parents/grandparents aged 80 or more years had given financial support to their non-resident children or grandchildren. It can also be seen (in Model 1) that there were clear differences by marital status and health status. Married or cohabiting parents were more likely to give financial support, and parents who reported good self-rated health were also more likely to give financial support to their children/grandchildren than parents in poor health.

As with financial transfers in general, intra-family flows were structured by socio-economic differentials (Model 2). Unskilled-manual workers were least like to provide financial support to others, and giving by higher non-manual workers had an odds-ratio that was nearly four times higher. Model 3 added income to the explanatory variables. Level of income was a

TABLE 2. *Variations in the prevalence of giving financial support to children or grandchildren*

Independent variable	Category	Model 1	Model 2	Model 3	Model 4
		Odds ratios			
Gender	Males	1.00	1.00	1.00	1.00
	Females	1.11	1.12	1.16	1.15
Age-group (years)	19–49	1.00	1.00	1.00	1.00
	50–59	2.33***	2.18***	2.21***	2.23***
	60–69	2.69***	2.56***	2.91***	3.02***
	70–99	2.25***	2.15***	3.34***	3.59***
Marital status	Unmarried	1.00	1.00	1.00	1.00
	Married	1.24*	1.05	1.02	1.04
Self-rated health	Good	1.00	1.00	1.00	1.00
	In-between	0.74**	0.81*	0.86	0.88
	Poor	0.61**	0.67*	0.75	0.75
Socio-economic status	Unskilled-manual workers		1.00	1.00	1.00
	Skilled-manual workers		1.62*	1.51*	1.46+
	Lower non-manuals		2.36***	2.01***	2.00***
	Middle non-manuals		2.30***	1.74**	1.70**
	Upper non-manuals		3.85***	2.43***	2.37***
	Farmers/self-employed		2.67***	2.26***	2.22***
Income quintiles	1 Lowest			1.00	1.00
	2			1.11	1.10
	3			1.73**	1.73**
	4			2.13***	2.08***
	5 Highest			3.10***	3.07***
Received financial support or bequest	No				1.00
	Yes				1.64***
−2 log likelihood		2895.6	2830.2	2777.3	2766.4
Nagelkerke R^2		0.036	0.072	0.101	0.107
Sample size		2,531	2,531	2,531	2,531

Notes: Only those with non-resident children have been included in the logistic regression models.
Significance levels: + $p<0.1$; * $p<0.05$; ** $p<0.01$; *** $p<0.001$.

highly significant predictor of giving financial support, with those in the highest quintile having an odds-ratio three times that of the lowest quintile even when controlling for social class. The estimates of the social class effect were, as expected, reduced when income was controlled. Nevertheless, class had an effect over and above household income. The reverse was also the case, *i.e.* the estimates of the income effect were larger with social class excluded from the regression (results not shown).

Model 4 demonstrated that inheriting money (over the previous three years) or receiving financial support (during the previous 12 months) increased the likelihood of giving financial support to children/grandchildren. Thus, receiving bequests associated with downward financial support. The inheritance variable, however, did not explain class and income differentiation since the parameter estimates were almost identical in Models 3 and 4. It is obvious that the ability to give financial support requires substantial economic resources, and that parents of higher socio-economic status and with a high household income were the group most likely to be intra-family givers. This result replicates a finding in a United States study, that the higher the economic status and household income of a parent or grandparent, the greater the tendency to support children financially (Hoyert 1991).

It should be noted that the gender, marital status and health of a parent was not strongly associated with the level of giving financial support to children or grandchildren when socio-economic structuring was controlled. The level was, however, somewhat higher among women than men, and increased a little when socio-economic position was controlled. In summary, the analyses have shown that age, class and income are strong predictors of the prevalence of giving financial support.

Financial support received by children and grandchildren

Adult children are the main recipients of all financial transfers (Figure 4). This section examines the characteristics of adult children that influence the likelihood of receiving a financial transfer. Around 15 per cent of adult children received intra-family financial support over 12 months, *i.e.* 15 per cent of those with at least one parent alive.[4] The results of a multivariate analysis of the factors influencing the receipt of financial support are presented in Table 3: this analysis includes only those with at least one parent alive. As can be seen from Model 1, intra-family support was essentially towards young adults, with a bias towards daughters. A substantial class gradient in giving intra-family financial support is revealed (*cf.* Table 2). Model 2 shows a similar pattern for receiving financial support (Table 3). Of all socio-economic groups, manual workers were the least likely to receive financial support and, more generally, a strong class difference between the non-manual and manual classes is shown: the former were much more likely to be recipients of intra-family financial support. This suggests that our findings may have under-estimated the class gradient.[5]

The association with the level of household income was less strong, yet those in the two highest quintiles had a higher likelihood of being supported than those in the lowest (Model 3). Thus, unlike public transfers that mostly benefit the economically-inactive, such as the unemployed, intra-family support tends to benefit financially-strong children. These results deviate from previous German findings which found that transfers tended to go to needier children (Kohli 2003). This might also be the case in Sweden for *within family* transfers, but the data do not permit a

TABLE 3. *Variations in receiving financial support from parents and/or grandparents*

Independent variable	Model 1	Model 2	Model 3
		Odds ratios	
Gender (males)	1.00	1.00	1.00
Females	1.37**	1.33**	1.33**
Age-group (years) (19–29)	1.00	1.00	1.00
30–39	0.82+	0.79+	0.69
40–49	0.75*	0.72**	0.61**
50–75	0.47***	0.44***	0.38***
Marital status (Unmarried)	1.00	1.00	1.00
Married	0.86	0.80*	0.74**
Self-rated health (Good)	1.00	1.00	1.00
In-between	0.80	0.86	0.86
Poor	0.88	0.96	1.00
Social class (Unskilled-manual)		1.00	1.00
Skilled-manual		0.87	0.86
Lower non-manuals		1.73**	1.69**
Middle non-manuals		1.74***	1.65**
Upper non-manuals		1.65***	1.51*
Farmers/self-employed		1.38+	1.38+
Income quintile (Highest)			1.00
Second			1.09
Third			1.21
Fourth			1.44*
Lowest			1.51*
−2 log likelihood	2990.4	2959.4	2959.8
Nagelkerke R^2	0.023	0.038	0.041
Sample size	3570	3570	3570

Note: Only those with at least one parent alive have been included in the logistic regression models.
Significance levels: + $p<0.1$; * $p<0.05$; ** $p<0.01$; *** $p<0.001$.

comparable test since there was insufficient information about siblings' social positions. Table 3 does show, however, that on average recipients had relatively good material conditions – yet they might still be the neediest in the family.

It has been shown that there was very little difference between men and women in the level of giving financial support, and that women were more likely than men to receive financial support (Table 3). In other words, the regressions indicate that intra-family, inter-generational transfers benefit women more frequently than men. At face value, therefore, the findings suggest that intra-family transfers foster gender equalisation. Or could the result be influenced by response biases? Although women and men answered identical questions, one cannot fully rule out the possibility that the higher odds for women than men of being a recipient arose from how husbands and wives reported intra-familial gifts. If women were more likely than men to report gifts to a household irrespective of which specific member was the recipient, the result would be a gender difference within couples. The findings demonstrate, however, that significant gender differences applied to single not coupled women and men; in other words, that single women more often received financial support. Recent Swedish research has identified single mothers as a highly vulnerable group in economic terms (Palme *et al.* 2003); it is possible that they attract a disproportionately high share of family transfers. Our findings show, however, that co-resident children cannot explain the gender difference among single persons (results not shown).[6]

Conclusions: the implications for social stratification and inequality

This study has examined the flow of financial transfers in Sweden as recorded by two linked and nationally representative large-scale surveys. We have focused upon the variation in receiving and giving financial support by age, class and gender. The results show that age is a prime factor for both giving and receiving, with younger adults receiving financial transfers and older adults giving. This basic finding is very much in line with earlier studies (*e.g.* Kohli 1999). We have also shown that financial transfers are largely confined within extended families and mainly go downward, from older to younger members. The analysis has also examined variations by class and gender, and found that class and income differences influence giving and receiving – both were more common among the higher social strata. With regard to gender, no significant difference in giving financial support was found, but women were more likely to have reported receiving. Several tests of the gender differentials suggested that they mainly characterised non-co-habiting individuals.

What are the implications of these findings with reference to social stratification and inequality? Seen cross-sectionally, the results suggest that financial transfers are neutral or even equality promoting with respect to class and income. Even though it has been shown that the higher social strata are more likely to receive financial transfers from their parents or grandparents, these are counter-balanced by the finding that those with high incomes, and the upper non-manual strata, were most likely to be givers. The cross-sectional interpretation may however be misleading. First, many recipients were relatively young and had not reached their final class position or peak income, which means that we may have under-estimated social differences among the recipients. In fact these financial transfers, received in young ages, may be very important in increasing

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opportunities and life chances, and thereby as influences on the prospectively attained social position. Secondly, a relatively even flow of income is generally regarded as positive for economic wellbeing, as compared with high income-variability over time. If intra-family, inter-generational financial transfers have an income-smoothing effect, they should also improve the long-term economic circumstances of the recipients. From a dynamic or lifecourse perspective, the results indicate that financial transfers secure and even reinforce class inequalities over generations, and may even foster inter-class inequality.

In terms of gender stratification, the findings suggest that inter-generational transfers tend more often to go to women than to men, and therefore to equalise gender differences. From a longitudinal perspective, however, and with the support of earlier research in this field, our findings permit another interpretation. Henretta *et al.* (1997) showed that receipt of a financial transfer as an adult was a strong predictor of parental care-giving at an older age: this finding is very much in line with theories of reciprocity and social obligations (Coleman 1990). If similar processes are at work in Sweden, the findings of our analyses suggest that gender-specific roles are transmitted over time through reciprocity and expectations.

Finally, it should be emphasised that this study has analysed the occurrence of transfers of relatively large values of money or gifts – the actual values were not studied (and should be examined in future research). Furthermore, our interpretation of the long-run consequences for class and gender inequalities has been somewhat speculative. The findings require further testing with longitudinal data. Future research should also address the no doubt complex connections between financial transfers and cross-generational caring.

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NOTES

1 The codes for the recipients of the subjects' gifts and for the donors or payments to them were identical: '1' parents, '2' grandparents, '3' children, '4' grandchildren, and '5' other persons. In the analysis of the SWEOLD data we have used only three groups: '1' children, '2' grandchildren, '3' other persons.

2 *Age* was divided into seven categories: 19–29, 30–39, 40–49, 50–59, 60–69, 70–79 and 80–99 years. In the multivariate analyses some categories were collapsed or aggregated since few of the youngest respondents had children outside the household, and very few of the oldest had surviving parents.

3 The social position of the household rather than that of the individual is the basis for the classification. This was indicated by taking into account the main occupation of both respondent and spouse or, for widows and widowers, the main occupation of the deceased spouse. The occupation of the class that was dominant in the household was then used for the household as a whole (Erikson 1984). The procedure is based on the assumption that some positions dominate others in a household, as exemplified in their greater influence on the attitudes, behaviour, ideology and consumption patterns of the household in general. The gender of the spouse with the dominant position was not thought to be of significance. Young adults with no labour market experience were assigned the dominant class position of the parents. Pensioners were assigned a class position according to former main occupation. Six classes were distinguished: unskilled manual workers; skilled manual workers; lower, middle and higher non-manuals; and the self-employed (including farmers). The 63 unclassified respondents were excluded from the analysis of financial support.

4 As noted earlier, this is probably an under-estimate, partly because financial support given by parents-in-law and grandparents-in-law has not been taken into account.

5 Again it should be noted that many recipients were young adults and had not yet reached their final class status. There is support for this assumption in that the income effect was stronger when the analysis excluded those aged less than 30 years (results not shown).

6 We carried out one further test of this finding. We used only the SWEOLD sample in which information exists not only about financial support given to a child but also the sex of that child. This result also indicated that financial gifts more frequently benefited daughters than sons.

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