Nevena Kulic

Different strokes for different folks?

Intra-Household Sharing and Well-Being

Sociologia

FrancoAngeli

Informazioni per il lettore

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Contents

Preface

The work on this argument began many years ago during the research for my doctoral dissertation. The topic has become increasingly popular in the interim years, and my understanding of it and expertise has changed over time. Specifically, the ideas have become more crystalised and have led to a more thorough understanding of the issues to raise. While my past research mostly reflected upon the lives of women, men were missing from the bigger picture, an omission that has been corrected in this manuscript. Only by looking at both sides of the picture can we have an in-depth understanding of how family dynamics unfold. As a gender scholar, I increasingly realise that men need to be studied as much as women. Only an understanding of male behavioural reactions to changes in gender relations may provide solutions for the years to come. Here, the analyses incorporate both women and men to understand how their financial well-being changes due to shifts in the level of women's contributions to family income. The manuscript relies on the European Community Household survey from 1994 to 2000, which, despite being two decades old, remains the only available comparative European dataset that allows for the study of the financial satisfaction of couples over time. The precious nature of this dataset is coupled with the relative stability in intra-household sharing of income over time, as documented by recent studies and reports that contend that women in Europe are largely economically dependent on men (EUROSTAT, 2013), and the fact that the studied period is uninfluenced by the economic crises that dominated the

2000s, which could also have changed the dynamics in the European households.

I am thankful to everyone who encouraged me while I was engaged in the process of conducting this research and writing the manuscript. The text has profited from fruitful discussions both during the workshop organised by Phillip Lersch at the Humboldt-Universität in Berlin in 2018 and the Inequality Working Group seminars at the European University Institute. I would like to personally thank several people whose research, comments and suggestions were a stimulus for the book. I thank Professor Antonio Schizzerotto for the initial boost during my PhD research and Henri Mari Adam Schadee, whose comments at the time proved valuable these many years later. Further, I have been fortunate to have worked with Professor Hans-Peter Blossfeld, whose research is often cited in this volume and who remains a pillar in the field of family sociology. I am also grateful to Giulia Dotti Sani for our fruitful and inspiring collaborations over the years, which led to many of my ideas on how this topic should be approached. I thank Katja Möhring and Andreas Weiland for inviting me to present my work at the School of Social Sciences at the University of Manheim. They immediately saw the added value of a cross-country comparison even with less recent data, another contribution to the development of this research. I am immensely grateful to Diana Galos, who generously read the entire manuscript and provided insightful comments on earlier drafts. The cluster ‘Politics of inequality’ was my ‘home’ during the final months of the writing process and I greatly appreciate its inter-disciplinary vibe, which offered me the possibility to re-examine stances that I have taken in this research. I was also fortunate to be able to rely on the help of Kim Heinser for the final edits in the book. I thank Barbara Ciotola for her enthusiastic guidance through the editorial process, Sarah Westwood for her excellent academic editing and Mandy Keifetz for the outstanding index. Finally, I thank my parents Radivoje and Dragica and my brother Nikola, who have supported me in all my academic endeavours and encouraged me to publish this research. My husband Ivan has been my greatest ally throughout the years. Without him, this book would not have seen the light of the day. My deepest gratitude goes also to my mother in law,

Lucia, whose untiring support for my career, even in the most delicate moments, has proved essential more than once. I dedicate the manuscript to my daughters, Nicole and Stella: I hope that the future of gender relations will prove the conclusions of this manuscript outdated by the time they reach adulthood.

Introduction

Women's economic independence is believed to be one of the greatest achievements of modern society. Today women are educated, they accrue their own salaries and have numerous career opportunities (Blossfeld and Drobnic, 2001). This comes with the perception that the greatest beneficiary in such a transition have been partnered and, particularly, married women. Not long time ago, married women's main aspirations were associated with raising children and providing family support. At the present, however, paid employment is not only possible but is regarded by many as a precondition for fertility and motherhood, and it is crucial to financially sustain ageing societies (Esping-Andersen, 2009, p. 83). However, from a less optimistic perspective, some authors have argued that women's transition has not been as successful as expected because female working patterns are quite atypical and vary in type and scope from men's, which is one of the reasons for the persistent economic dependency among women (Bernhardt, 1993; Blossfeld and Drobnic, 2001; Sorensen and McLanahan, 1987).

The expansion of employment opportunities for women is also accompanied by certain costs. There is a general agreement in the scientific community that modern societies have failed to completely adapt to women's new role, which is followed by puzzling scientific evidence that women's well-being in recent decades has declined both in absolute terms and relative to men. This may be due to the heavy burden and high levels of personal expectations and societal pressure that modern women face (Blanchflower and Oswald 2004; Herbst, 2011; Stevenson and Wolfers, 2009). Similarly, men are caught in an unstable equilibrium in which they might be losing the role of major provider (breadwinner) without adequately contributing to household work, with negative consequences for their well-being (Herbst, 2011).

The general idea for this book starts in the above-mentioned paragraphs. Before concluding that modern women and men are less satisfied than they used to be, we need to unravel the mechanisms and social contexts that assumedly have led to this point. While focusing on financial well-being as a relevant dimension of individual welfare, this text addresses whether and to what extent we can argue that the economic independence of women is positive for their well-being and the well-being of their partners.

Women's income as a source of inequality

This volume approaches the study of financial well-being from an intra-household perspective. It attempts to unfold the complex picture of the role of different types of women's monetary contributions for the well-being of partnered women and men. The underlying motivation for this topic is that spouses react in particular to matters that they consider salient (Beach et al., 1996; Easterlin and Sawangfa, 2009) and women's income is one example. Women's income is an important precondition for full participation in family life that enables women's freedom to make decisions (Sen, 1993). Therefore, a woman's financial well-being is directly dependent on how much she contributes to the family's finances. Regardless of the degree of equality in relationships, women's income matters for men, too, because the help that accompanies women's income may be a relief for household finances. Yet, because men have been historically, and for a long time, the household breadwinners, any change in this function may be distressing.

The goal of this book is to understand *how* and to *what extent* the individual income of women and its different sources influence the bargaining power and financial position of women and men in a household. It asks whether it makes a difference for a woman whether she or her partner earns or "owns" money. How does the distribution of resources within the household relate to women's well-being? This study poses the same questions for men. Are they satisfied to no longer bear the main burden of providing for the family? If so, under which conditions? What forms of women's monetary contributions matter the most and the least to men and women? How much of women's monetary contribution is too much to be (socially) accepted by women and men, if any? These questions are empirically relevant because, in a majority of countries and throughout Europe, men are still the primary earners in their households and women remain secondary providers (EUROSTAT, 2013; Kudo, 2020). The economic dependency of women has been acknowledged in the earlier literature on the subject (Raley et al., 2006; Sørensen and McLanahan, 1987), but the most recent evidence also reveals that women tend to be economically dependent because they are employed less, work in lower-paid sectors and at lower-level occupational positions (European Commission, 2018). However, because countries may differ in how they set the context for intra-family relations, this book highlights how such differences add to our understanding of the topic. The content of the volume is set in the European context and focuses on the cross-country comparison of five countries, namely Denmark, the UK, France, Ireland and Italy. Despite the relevance of cross-country variations in studying intra-household dynamics (for housework, see Fuwa, 2004; for well-being, see Bonke, 2008), only a few studies have empirically addressed variations across countries in how the economic dependency of women affects the financial well-being of women and men within households.

Any analysis of the influence of a woman's income on her well-being, as well as her partner's, relies on the concept of inequality in families. A family can be viewed in many ways. As a general definition, a family is an institution with an equilibrium between the rights and duties of partners followed by an exchange of power between them. However, conflicts and disputes arise in families, therefore, it may also be an institution without equilibrium. This is because some members might be given less power and more duties than rights, in contrast to those whose power matches their rights (Therborn, 2006). Although both scenarios are possible, the latter is particularly more likely in country contexts with high levels of gender inequality. For this reason, it is important to understand the possible different value of women's monetary contributions across different cultures and countries. In other words, how women's monetary contributions affect women and men might depend on the characteristics of the countries in which women and men are situated, specifically on achieved gender equality in education and labour markets, state support for women and families and societal gender norms. For conceptual clarity, I define gender norms as expectations about male and female roles, behaviours and preferences that keep unchanged the gender system in which mostly men are privileged (Cislaghi and Heise, 2020).

This study addresses a number of relevant questions regarding context in the countries under comparison. If we know that welfare regimes are able to explain differences in individual well-being across countries, can we also assume that this will affect within-household inequality? Are there specific dimensions of achieved gender inequality that particularly matter, for instance, equality in higher education or the intensive labour market participation of women? Do social gender norms over the importance of women's participation in society shape how much women gain from their earnings in the household? It is the expectation of this volume that what happens to women in households and their financial well-being will be moderated by distinctive country characteristics including the following: whether a country is considered to be more or less conservative in the welfare regimes classification (Esping-Andersen, 1999); if they are majority breadwinner or dual earner societies; if there is sufficient state support for working women and mothers (Blossfeld and Drobnic, 2001; Blossfeld and Hofmeister, 2008) and whether there are any prevalent gender norms that impede women's full engagement in employment (UNDP, 2020). In sum, do the monetary contributions of women matter and how much we can generalise their importance for men's and women's economic well-being across different countries? To what extent do countries, and their above-mentioned economic features and gender norms, matter in shaping this relationship?

There are different expectations that drive these questions, including the expectations that it matters who contributes the income in the family and that the personal incomes of women have a positive impact on their economic well-being. These expectations rely on the resource theory of power, a perspective that highlights how the exchange of power in a relationship such as a marriage draws on the individual financial contributions of spouses (Blood and Wolfe, 1960; Lundberg and Pollak, 1993; McElroy and Horney, 1981). Partners exchange different types of income, such as earnings or unearned income from state transfers or private investments, for power in intra-household relations. This view is challenged, however, by the expectation that men need to be breadwinners or central earners and that this role contributes to their sense of worth and masculinity. Gender norms about breadwinning assume men's central position in earning family income. Losing the role of breadwinner may be, therefore, particularly distressing for men, not only because their power in negotiations in the family is lowered, but because they also *perceive* it to be lower. Gender identity norms regarding breadwinning predict that women may be sensitive to income dynamics as well: they may believe that women should be secondary earners and, when this does not happen, they might show signs of psychological or economic distress, too. In other words, their well-being does not improve and can even deteriorate once they become the main earners. This could be related to the fact that their real bargaining power changes for the worse due to the pressures of gender norms, but it may also be that they fall back to their traditional role in the household by choice.

This book answers these pertinent questions by looking at how changes in women's income share over time affect their financial satisfaction and that of men. It relies on individual answers regarding financial satisfaction. Specifically, it argues that financial satisfaction is influenced not only by the level of household income, but the distribution of income, as well as the forms of income—such as whether it is non-labour or labour income—and how high it is. The volume relies on individual data regarding the financial satisfaction of men and women in five European countries, using the European Community Household survey (ECHP) for the period 1994–2000. The survey enables a comparison of the same time period for different countries and with the same information that relates to both partners. The strength of this data is that it is the only available survey that collected yearly information on financial satisfaction together with individual income data. The subsequent 2010 EU-SILC module on intra-household sharing, for instance, collected data on intra-household income arrangements on 25 countries, but it lacked a longitudinal dimension that impedes the study of within-couple changes and developments in intra-household sharing that may occur over time (Nagy et al., 2012). Although the ECHP illuminates a reality from two decades ago, it still represents a suitable mirror for gender relations, particularly if the relative shares of income in families have not changed much in the current period. Indeed, the EU-SILC 2010 data confirm the relative stability of women's income share over time in Europe and the strong position of women as secondary earners (EUROSTAT, 2013; Nagy et al., 2012). The focus of the book is on households that remain intact over time, leaving the issue of relationship dissolutions as an important parallel topic of study in the context of intra-household sharing.

Financial well-being

The volume studies the financial well-being of men and women, which encompasses subjective evaluations of individual well-being. Easterlin (1974) introduced the concept of satisfaction to measure individual well-being, challenging the dominant notion in traditional economic research that implied the exclusive relationship between individual welfare and goods. The author argued that a focus on goods alone conceals the complex set of psychological, social and economic conditions that, taken together, more comprehensively explain human welfare. Even though the concept of subjective well-being itself was initially criticised for its ambiguity, today it is heavily used as many empirical studies find its high level of utility (Frey and Stutzer, 2002b; Senik, 2005; Van Praag et al., 2003). The measure adds new information by capturing human well-being directly: individuals themselves evaluate their personal welfare considering past, present and future—evaluations that objective measures do not allow (Frey and Stuzter, 2002a).

Subjective well-being may refer to overall well-being, or to the well-being regarding finances, health conditions, housing conditions, family life etc. Additionally, well-being is most often operationally equated with satisfaction. As Van Praag et al. (2003) have suggested, satisfaction with life is an aggregate concept, which can be disentangled into its domain satisfactions. Financial satisfaction as subjective economic well-being is often found the most important determinant of overall satisfaction because of its power to influence other domains of satisfactions (ibid), which motivates the decision to use it in this book[1]. The most used method to get to the core of subjective well-being is the self-reported survey questionnaire because people are able to report and self-evaluate their well-being. The concept of subjective well-being relies on two essential assumptions, namely ordinal comparability and cardinal utility (Van Praag, 1991). On the first, satisfaction scores are assumed to be directly comparable, which means that individuals who respond similarly also enjoy similar levels of satisfaction. On the latter, the assumption of cardinal utility refers to the equal distance between the satisfaction scores. This, in practice, means that, for instance, the distance between those who are largely satisfied and satisfied is no different from the distance between those who are unsatisfied and largely unsatisfied. Therefore, this book relies on the assumption that satisfaction scores can be compared across people and across countries, with the same meaning attached.

Countries

The role of institutions, culture, societal norms, gender norms and attitudes in determining the financial well-being in couples is a rather unresearched topic. It is too often assumed that households alone are responsible for the way well-being is distributed across partners, while all the institutional factors are left aside as exogenous. But what if what happens within households does not represent the real game because the 'real action' is elsewhere: in the game before the

1. The terms financial well-being and financial satisfaction are used interchangeably in this text.

game (Pollak, 1994)? Indeed, scholars have increasingly acknowledged the endogenous character of institutions and norms from a societal perspective (England and Kilbourne, 1990; Kulic and Dotti Sani, 2020; Pollak, 1994; Sen, 1990). In other words, individual preferences and human behaviour might already be shaped by external factors, leaving only a little space for intra-household processes to be shaped independently. When it comes to women and men, the opportunity costs of their choices and acceptable behaviour are innate to gender socialisation and existing national policies and institutions. The inclusion of varying characteristics of countries thus have the potential to shed light on the role of social context in understanding families' financial well-being. Moreover, a contrast between country contexts and specific macro features helps explain whether it is a combination of country-level factors that most affect intra-household processes, or whether singular dimensions of gender (in)equality matter most.

Country institutions often serve as 'filters' of the effect of various factors on a woman's decision to work and her bargaining position. They guide processes in specific ways by affecting levels of individual involvement that differ from one country to another. This volume engages in a comparative analysis of Denmark, the UK, France, Ireland and Italy, countries with different institutional characteristics regarding the welfare regime typology, the participation of women in education and the labour market, the prevalence of dual earner or breadwinner models and prevailing gender norms (Esping-Andersen, 2002; Gornick and Meyers, 2003). By comparing individuals across countries, the role of economic context, culture and norms in their behaviour can be captured. Yet, such differences are attributed to a collective set of factors that uniquely describe each country. It is, therefore, the 'decomposition' of country macro contexts that provides the further opportunity to understand the exact mechanisms in place, and which particular factors play a major role.

The expectation of this volume is that the five studied countries will provide sufficiently different settings through which to understand the role of contexts in intra-household sharing. First, these countries form a part of different groupings according to the similarity of their state institutions. Esping-Andersen (1990, 1999) launched a typology which divides countries according to the prevalence of state, market or family in the combination of individual welfare inputs. This classification includes: Social-Democratic regimes, characterised by individual and universal entitlements for all citizens and the primary role of the state; Liberal regimes that rely on the primary role of the market, and Conservative regimes, which place the greatest value on the support of family members. These regimes have their representation in Europe, where Scandinavian countries, including Denmark, belong to the socio-democratic block, the UK and Ireland form part of the liberal group, and conservative countries include France together with Germany, Italy, Spain and Greece. Later, some authors (Ferrara, 1996; Lessenich, 1995) have made a strong case for the inclusion of Mediterranean countries as a separate block, as they often appear different from other conservative countries. This block includes Italy.

Welfare regimes have a specific relationship to gender. For instance, regimes that place the central role on the family, such as conservative ones, impede women in their effort to work and gain economic independence from their husbands. Those with the primary role of the state instead improve women's integration into the labour market, which is shown through their relatively higher labour market participation (Esping-Andersen, 2009). The prevalence of the market in liberal countries decreases male breadwinners' wages, so that a woman's income becomes essential for family living standards. This regime is conducive to the dual earner model, in which both members of the household work for wages. Welfare regimes may therefore be responsible for the transition to dual earner models among countries (Blossfeld and Drobnic, 2001). It is also noticeable that liberal and socio-democratic regimes are very different in their postulates on the involvement of the state, but they manage to achieve the same goals: the growing dual earner concept.

Second, in the studied period from 1994–2000, conditions for women in the five countries varied substantially, particularly from the point of view of levels of achieved equality in education and the labour market as well as societal gender norms in the form of gender role attitudes. According to EUROSTAT (2020), the highest percentage of highly educated women in the age group 15–64 was