Understand the Gendered Difference in Intergenerational Giving in China

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Objective

Aside from the rapidly growing economy and increasing government funding for studying abroad, more and more Chinese families invest large sums of money to pay tuition and living expenses for their children or grandchildren to study in the U.S. This study aims to understand: 1) Who is paying for students overseas? 2) What factors influence intergenerational giving in higher education?

Significance

Three theoretical perspectives guide our thinking. The exchange perspective suggests that older generations support younger generations in the expectation of material return when aging. Altruism perceptive suggests that intergenerational giving usually flows from the better-off to the needier. Solidarity perspective suggests that emotional closeness is the foremost dimension in intergenerational support. In line with Confucius’s ideology, Chinese society is more vigorous in differentiating men and women’s traditional gender roles. Sons/grandsons are deemed to have a better income prospective, while daughters/granddaughters are expected gentler, nicer and closer to their parents and grandparents. These three theoretical perspectives provide conflicted guidance in understanding intergenerational giving in China. Under the exchange perspective, we may expect sons/grandsons to get more support, while altruism and solidarity perspectives suggest otherwise. Empirical evidence appears to be contradicted too. A further investigation of this topic is needed, and our study meets this need.

Method

Utilize 3 waves (2011-2015) of data from the China Household Finance Survey (CHFS), the only national representative household finance survey in China (N= 28,054), we plan to conduct multivariable regression analysis. We use whether has educational loans as the dependent variable, gender of children/grandchildren as the key predictor. A set of commonly controlled variables are included.

Results

Using 2013 wave as a pilot, we found that: 1) there is no significant relationship between parents’ gender and educational support; 2) daughters and granddaughters are more likely to get educational support keeping others the same; 3) older age is positively associated with supporting the younger generation, while the relationship is a reversed u shape; and 4) educational level of parents/grandparents, whether have a house, coresidence intention appears no significant impacts. We plan to further validate the analysis including 3 waves and a longer period.

Conclusion

Education has always been emphasized in Confucian societies, particularly in China. With a promising child or grandchild at home who is aspired to study abroad, taking a loan for higher education for children or grandchildren understandably is accepted as a worthwhile investment for children’s future. Yet, such investment is not made indiscriminately for male and female offspring. Our results show that daughters and granddaughters are more likely to be supported for studying abroad, which supports solidarity and altruism perspective. This study provides insight into households’ educational funding behaviors and intergenerational giving in Contemporary China.

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