

XXV IUSSP International Population Conference
Tours, France 18-23 July 2005

Informal support networking among older adults in Latin America: comparative studies of SABE surveys

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1. Introduction

Historically, intergenerational assistance and support among family members and kin have been vital and customary to ensure security and survival into old age. While the role of family in providing support to the older family members has been increasingly replaced by the public sector during the twentieth century in the more developed countries, the central role of families in supporting the elderly has in most cases remained constant in many developing countries, including those of Latin America. The lack of capacity of public welfare systems in these countries to provide formal support to the elderly still makes the family the main resource for old age support.

As the ageing process intensifies across the developing regions, thus increasing the demand for informal care of older persons, several factors seem to contribute to constrain the family's ability to provide such support. For instance, the decreasing fertility levels tend to substantially reduce the size of the family network, while the increasing female participation in the labour force tend to significantly reduce women's available time, who traditionally have been the major providers of basic care for older relatives. In addition, the poor economic situation of an increasing portion of the Latin American society tend to prevent younger generations of providing support – especially financial – to older relatives.

Regarding to the later point, it is important to notice that intergenerational support transfer within Latin America is clearly becoming a two-way process. The pernicious consequences of cyclical periods of economic crisis –in particular the rise in unemployment and the growing number of persons living in poverty – have led to a rising number of adult offspring becoming somehow dependent on the resources of their parents. In such cases, the older person's own home or even his minimal earnings from retirement pensions or survivors' benefits would become valuable, if not the only, familial revenue¹. Thus, despite the permanence of a situation of dependency of older persons on family assistance – generating intense flow of support from adult children to elderly parents – one should not discard the prevalence of an equally important flow of support in the opposite direction.

The objective of this study is to assess the incidence of informal support transfers to and from elderly people in Latin America, and to identify their main contributing factors. The analysis focuses on four Latin American urban centres, São Paulo, Buenos Aires, Montevideo and Mexico City, and is based on recently released data from the SABE² project. Because these cities are located in countries that are in different stages of the demographic transition³,

¹ See, for instance, Souza (1998), Camarano and El Gahouri (1999), Beltrão and Pinheiro (2000).

² SABE is the Spanish acronym for Health, Well-being and Aging (*Salud, Bienestar y Envejecimiento*).

³ Demographic transition refers to the changing process from a situation of high mortality and fertility rates to a situation in which the rates are significantly reduced. One of the main consequences of this process is population aging. Compared to Brazil and Mexico, the demographic transition in Argentina and Uruguay started earlier and is currently in a later stage.

it was possible to assess the influence of different demographic contexts on the process of intergenerational support transfers. The article is a concise version of a chapter included in a newly released publication on the elderly population in Brazil (Saad, 2005).

The text is structured as follows. The next two sections after this introduction present respectively a general overview of the theoretical approaches most commonly used to explain the motivation for intergenerational support transfers, and a summary of the most frequently empirical results found in the literature on this subject. Then, a description of the data sources and methodology is presented followed by the discussion of the results. A final section summarizes the main findings and conclusions of the study.

2. Motivation for Intergenerational Support Transfers

Several hypotheses have been developed concerning the motivation for the exchange of informal support between generations within the family. In a recent study, Lillard and Willis (1997) presented a brief review of the most frequently mentioned versions of these hypotheses. One of them, which they call the “old age security hypothesis,” emphasized the difficulties in finding a reliable outlet for saving for old age in developing countries. In a context where “financial institutions are primitive, property rights are insecure, currency is subject to inflation, and government social security schemes, private pensions, and health insurance are nonexistent” (pp. 115), the theory asserts that children represent the only chance for an average person to have security in old age. This hypothesis suggests that fertility should decline as economic development takes place since parents can rely increasingly on market and public sector mechanisms for old age transfers, decreasing, thus, the economic benefits of having children.

An alternative theory, which the authors call the “parental repayment hypothesis”, emphasizes borrowing rather than saving constraints. Considering the scarce mechanisms available in the market for individuals to borrow against their future income, the theory postulates that “there is an implicit family capital market in which parents finance human capital investments in their children through a combination of grants and loans and, in return, children implicitly repay the loan component by providing old age support for their parents” (Lillard and Willis, 1997; pp 116).

Another hypothesis frequently addressed is the so called “altruism hypothesis” advanced by Becker (1974, 1991). According to this view, altruistic feelings of family members toward one another would explain many aspects of family behavior. One aspect would be, for instance, the efficient allocation of family resources by an altruistic ‘head of household’, providing family members with “the benefits of consumption-smoothing over the life cycle and across uncertain states of the world that otherwise would require actions such as borrowing and lending or the purchase of market insurance” (Lillard and Willis, 1997; pp 117). In this context, it is assumed that the more altruistic the household head, the greater the investments in children’s education through gifts, i.e. without requiring future repayment. As noted by Lillard and Willis (1997), however, it is hard to empirically distinguish between transfers that arise because of altruism and transfers that reflect, more properly, efficient contracting among family members.

Much of the recent work on family support transfers, however, uses the social exchange theory as the conceptual framework. Rather than consumption-smoothing motives, these alternative models of intra-family transfers are based on exchange. In other words,

these studies address, in general, the reciprocity in support relationships between the elderly and their family (Lee, 1985; Antonucci, 1990). In this context, the dual roles of individuals both as care providers and receivers are emphasized, as it is in the interest of the individuals to assume both roles in their social interaction. This kind of reasoning is assumed to hold in the case of the family support transfers addressed in this study, since the exchange of support between parents and children in most of Latin America seems to continue throughout the life cycle of the family members, as if there existed an intergenerational contract stipulating the respective roles of the family members at various stages. Traditional norms, both internalized and enforced by social pressures, seem to reinforce this situation by serving as a major motivating force for exchange of support between parents and children.

3. Empirical Background

Prior studies on support exchanges in Latin America are scarce. A significant amount of empirical research, however, has already been developed in other regions, such as the United States and the East and Southeast Asia. In general, these studies have demonstrated the importance of the traits of both the parental and filial generations for family interaction. They also have shown the difficulties that a distance separating parents and children can impose on intergenerational interaction, and that needs increase as resources and health diminish with age. A greater number of children, on the other hand, has proved to increase the opportunity for the elderly to engage in informal support transfers.

The support given and received by older persons is often associated with marital status. In general, research shows that widowed aging parents tend to receive more assistance from their adult children than do married parents. Rossi and Rossi (1990), in particular, found that widowed parents tend to receive more assistance than they give to their children, while married parents tend to give more assistance than they receive.

Besides marital status, other characteristics of the elderly are often associated with different patterns of support. The number of living children, for instance, is expected to significantly improve the likelihood of assistance exchange (Hoyert, 1991). Gender is another dimension often linked with the likelihood of intergenerational support exchanges. Because elderly females are both unmarried more frequently than elderly males and less likely to have any source of income, they are, in general, more in need of assistance, particularly financial assistance, than elderly males (Rossi, 1986). Moreover, women tend to be more emotionally attached to their children and, hence, they are expected to be more frequently involved in intergenerational support exchanges than elderly male (Shi, 1993).

The need for support has been closely related with decreased mobility (Worobey and Angel, 1990; Speare et. Al., 1991). Another common finding in the literature on family support of the elderly is that the balance of support exchange is likely to be affected by declines in resources, which both decrease the ability to provide, and increase the need for receiving assistance (Dowd, 1980). Support transfers that involve caregiving to the elderly, on the other hand, are often reported as requiring close proximity. In these cases, it is important to take into account not only demographic but also geographic availability of adult children (Lin and Rogerson, 1995). Several investigators have also reported that the geographic distance between parents and their offspring is the fundamental determinant not only of the type of interaction but also of the frequency of interaction between them (Crimmins and Ingegneri, 1990; Kivett and Atkinson, 1984).

4. Data and Method

Data

The data used in this study were drawn from a set of surveys on the health and well-being of older persons carried out in the cities of São Paulo, Buenos Aires, Montevideo and Mexico as part of the SABE project⁴. The surveys were conducted in the late 1990's under the coordination of the Pan American Health Organization (PAHO) with the support of the Center for Demography and Ecology of the University of Wisconsin. The samples were based on the most recent of either the Population Census or the National Household Survey. In all cases, the sampling design followed a classical multistage clustered procedure with stratification of the units at the highest levels of aggregation.

Although the SABE surveys provide extremely useful information on the characteristics and dynamics of an exceptionally fast growing segment of the population in different socio-economic, demographic and political contexts within Latin America and the Caribbean, it is important to take into account that the samples are not representative of the entire countries. In particular, the samples exclude elderly populations living in rural areas.

Method

Informal support in this study is measured by distinguishing three dimensions of exchange – functional, instrumental and material. *Functional* support refers to the assistance in activities of daily living (ADL) which include walking across a room; dressing; bathing; eating; and using the toilet. The elderly respondents were classified as receiving functional support if they reported receiving at least one of these activities. *Instrumental* support refers to the assistance in instrumental activities of daily living (IADL) which include preparing a hot meal; managing one's own money; shopping for groceries; taking medications; and doing light housework. Again, the elderly respondents were classified as receiving instrumental support if they reported receiving support in at least one of the above activities. *Material* support is restricted to its financial dimension and was separately ascertained for older persons receiving and providing monetary assistance.

The method used for analysing the data consisted in adjusting a series of multivariate models by means of simple logistic regressions in order to identify and estimate the effect of the main factors associated with the different informal support flows considered in the study. The selection criteria for including covariates into the multivariate analysis were based on both the theoretical foundation and the empirical background discussed earlier. The set of covariates included both socioeconomic and demographic characteristics of the elderly. The demographic characteristics were age, sex, marital status and number of living children. Co-residence, income and education were selected as socioeconomic characteristics. All variables included into the models were previously transformed into dummy variables.

5. Characteristics of the sample

⁴ The SABE project includes strictly comparable surveys carried out in the late 1990's in seven urban centres in Latin America and the Caribbean: Bridgetown (Barbados), Buenos Aires (Argentina), Sao Paulo (Brazil), Santiago (Chile), Havana (Cuba), Mexico City (Mexico) and Montevideo (Uruguay). See Palloni and Pelaez (2002) for further details.

The total sample consisted of 5,873 people 60 years and over, of which 2,143 living in the city of São Paulo, 1,039 living in Buenos Aires, 1,444 living in Montevideo and 1,247 living in Mexico City. The fact that Argentina and Uruguay are at relatively advanced stages of demographic transition is reflected in the considerably older samples of Buenos Aires and Montevideo as compared to the samples of São Paulo and Mexico City (Table 1).

Table 1. Percent distribution¹ of older persons according to demographic and socioeconomic characteristics, selected Latin American cities, 1999-2000

Characteristics		<i>Sao Paulo</i>	<i>Buenos Aires</i>	<i>Montevideo</i>	<i>Mexico city</i>
Age group	<i>60-64</i>	32	22	21	32
	<i>65-74</i>	46	50	49	44
	<i>75+</i>	22	28	30	24
Sex	<i>male</i>	41	38	36	44
	<i>female</i>	59	62	64	56
Marital Status	<i>married</i>	57	55	49	55
	<i>widow(ed)</i>	30	32	36	31
	<i>divorced/separated</i>	8	7	12	10
	<i>single</i>	5	6	3	4
Education	<i>none</i>	21	3	4	19
	<i>primary</i>	66	67	71	61
	<i>secondary</i>	13	30	25	20
Income ²	<i>has</i>	85	81	90	62
	<i>does not have</i>	15	19	10	28
Living children	<i>0</i>	9	11	9	5
	<i>1-2</i>	34	55	45	14
	<i>3-4</i>	32	25	30	26
	<i>5+</i>	25	9	16	55
Coresidents ³	<i>none</i>	33	49	44	23
	<i>1</i>	27	24	20	18
	<i>2+</i>	40	27	36	59
Sample size		2143	1039	1444	1247

Source: SABE Surveys

¹ Based on the weighted sample, calculations exclude a few missing values.

² Excludes financial support provided by family or friends.

³ For unmarried older persons, no coresidents means living alone; for married older persons it means living with spouse only.

Because life expectancy is usually higher among women than among man, the female share tends to increase as populations get older. This relationship is illustrated in Table 1 by the significantly higher proportions of women in the samples of Buenos Aires and Montevideo compared with the relatively younger samples of Sao Paulo and Mexico City. Most of the older people were married in the samples of Buenos Aires, São Paulo and Mexico City. In Montevideo, a little less than half reported being married.

The levels of education varied greatly between the different samples, being significantly higher in Buenos Aires and Montevideo compared to Sao Paulo and Mexico City. In particular, it called the attention the high proportions of older persons with no education at all in the later two samples. Important variations between samples were also

observed in terms of income. Although generally high, the proportion of older persons with non-family income⁵ ranged from little more than 60 percent in Mexico City, where pension system coverage is relatively low, to about 90 percent in Montevideo, where the coverage is significantly higher.

Based on the considerable number of living children and of co-residents, two of the most important sources of support for the older population, data from the SABE surveys indicate that, in general, older persons in Latin America have extensive support networks. Here again, however, variation between samples is sizeable. For instance, while 55 percent of the sample in Mexico City had 5 or more children and 59 percent were living with two or more people (besides the spouse in the case of the married), the corresponding proportions for Buenos Aires were only 9 and 27 percent.

6. Intensity of Support Transfers

Table 2 outlines the process of informal support transfers involving older individuals in the four Latin American urban centres included in the study. Besides illustrating the strong intensity of this practice, the data clearly portrays support transfers as a two-way process, where older persons not only receive but also provide a substantial amount of informal support. The proportion of older persons who reported having *received* at least one of the different forms of support considered in the SABE surveys varied from 85 percent in Buenos Aires to 93 percent in São Paulo. The proportion who declared having *provided* at least one type of support varied from 76 percent in Mexico City to 88 percent in São Paulo.

Table 2. Percent of older persons who received and who provided informal support of different kinds, selected Latin American cities, 1999-2000

Kind of support	<i>Received support</i>				<i>Provided support</i>			
	<i>Sao Paulo</i>	<i>Buenos Aires</i>	<i>Montevideo</i>	<i>Mexico city</i>	<i>Sao Paulo</i>	<i>Buenos Aires</i>	<i>Montevideo</i>	<i>Mexico city</i>
Money	61	59	65	74	49	42	62	39
Service	78	68	67	64	64	60	57	50
Goods	65	45	53	54	56	41	50	41
Company	20	29	30	9	7	9	12	2
Child care	-	-	-	-	23	23	25	18
Other	35	14	15	10	34	18	18	9
Any	93	85	88	90	88	79	86	76

Source: SABE Surveys

The most frequently interchanged kinds of support are those involving money and services. With a few exceptions, the proportion of older persons who received these kinds of support is above 60 percent, while the proportion who provided these types of support is above 40 percent. The proportions of older persons who provided and who received support in goods also proved to be important in all contexts, as well as, in a less extent, the proportion of those who received support in the form of companionship (Table 2).

⁵ Excludes financial support provided by family and friends.

Given the important role that financial support usually plays in the well-being of both older persons and their families, the multivariate analysis that follows only considers the monetary component of material support. Before addressing the financial support transfers, however, the analysis focuses on a dimension of support that has a direct impact on the quality of life of an important segment of the elderly population, namely the assistance received in activities of daily living (ADL) and instrumental activities of daily living (IADL).

7. Support in Activities of Daily Living

Table 3 shows that the proportion of older persons who reported having difficulties in performing any ADL is quite similar in all samples, varying from 17 percent in Buenos Aires and Montevideo to 19 percent in São Paulo and Mexico City. The proportions are generally larger and more diversified for older persons who reported difficulty in performing IADL. In this case, the proportions varied from 26 percent in Montevideo to 40 percent in São Paulo.

Among older persons who reported having difficulty in performing ADL, the proportion of those who received support is significantly low, especially if compared to the proportion who received support in IADL among those who reported having difficulty in performing those kinds of activities. In both cases, there are noticeable differences between cities. For example, the proportion of older persons who received support in ADL in São Paulo (32 percent) is almost double the corresponding proportion in Montevideo (17 percent). Similarly, while 92 percent of older persons with difficulty in performing IADL received support in São Paulo, only 65 percent did so in Buenos Aires.

Table 3. Percent of older persons who reported difficulty and who received support in performing Activities of Daily Living (ADL) and Instrumental Activities of Daily Living (IADL), selected Latin American cities, 1999-2000

Activities		<i>Sao Paulo</i>	<i>Buenos Aires</i>	<i>Montevideo</i>	<i>Mexico city</i>
ADL ^a	<i>reported difficulty</i> ¹	19	17	17	19
	<i>received support</i> ²	32	27	17	28
IADL ^b	<i>reported difficulty</i> ¹	40	32	26	38
	<i>received support</i> ²	92	65	78	84

Source: SABE Surveys

¹ among those in the total sample

² among those who reported difficulty

^a Includes the following activities: walking across a room; dressing; bathing; eating; and using the toilet.

^b Includes the following activities: preparing a hot meal; managing one's own money; shopping for groceries; taking medications; and doing light housework.

The results of the multivariate analysis are summarised in tables 4 and 5. Table 4 presents, separately for each city and for the set of four samples pooled together⁶, the effect of selected demographic and socio-economic variables on the probability of reporting difficulties in ADL and IADL. Table 5 presents, separately for married and non-married older persons, the effect of the selected variables on the probability of receiving support among

⁶ In this case, the model includes an additional variable that refers to the city of residence of the older person, in order to identify differences that remain between cities, even after controlling by the effect of the remaining variables.

those who reported having difficulty in performing ADL and IADL. In both tables, odds ratios greater than one indicate a direct net effect of the variable (in the same direction and controlling by the effect of the remaining variables) on the risk of having difficulties in ADL and IADL (Table 4) or on the probability of receiving support in these activities (Table 5). Odds ratios lower than one indicates an inverse net effect of the variable on such risks and probabilities.

Although the risk of having difficulty in performing ADL and specially IADL is significantly higher among older women than among older men (Table 4)⁷, the likelihood of receiving support among those who reported difficulty does not differ significantly between men and women (Table 5). The only exception refers to the considerably higher probability among older married men than among older married women to receive support in ADL. This result seems to reflect the fact that among married older persons, wives provide support in ADL much more frequently to their husbands than the husbands provide to their wives.

For both ADL and IADL the risk of having difficulty as well as the probability of receiving support increases significantly with age. Curiously, though, being married seems to operate as a protection factor against limiting health conditions among older persons, as indicated by the considerable decrease in the likelihood of reporting difficulty in either ADL or IADL among those who are married, particularly in the case of Buenos Aires (Table 4). Among those who have difficulty, being married does not affect significantly the likelihood of receiving support (Table 5).

As expected, the size of the potential support network (number of living children and of co-residents) only slightly affects the risk of reporting difficulty in ADL and IADL among older persons (Table 4). The availability of a greater support network, however, tends to increase substantially the probability of receiving support among non-married older persons, particularly in IADL. In the case of the ADL, co-residence, more than kin size, seems to be the main factor that assures the provision of support, as shown by the considerable decrease in the likelihood of receiving support among non-married older persons who live alone (Table 5).

Among married older persons, on the contrary, the probability of receiving support in either ADL or IADL is not affected by the magnitude of the potential support network. For example, while having five or more living children increases the odds of receiving support in IADL by almost three times as compared to having one or two children among unmarried older persons (odds ratio=2.84), the corresponding increase among the married is of only 19 percent (odds ratio=1.19). Likewise, while the absence of co-residents decreases by over 80 percent the odds of receiving support in ADL among unmarried older persons (odds ratio=0.19), the corresponding decrease among the married is of only 30 percent (odds ratio=0.70). This fact indicates that spouses, in the case of married older persons, are the main providers of support in ADL and IADL⁸.

⁷ It can be due, in part, to the fact that women tend to report their health conditions more accurately than men.

⁸ If one considers that the likelihood of receiving such types of support is significantly higher among married men than among married women (as previously showed in this analysis), this result corroborates the important role that wives play in the provision of basic support for older men.

Table 4. Odds ratios from logistic regressions of older persons having difficulty in performing Activities of Daily Living (ADL) and Instrumental Activities of Daily Living (IADL) on selected covariates, selected Latin American cities, 1999-2000

<i>Covariants</i> ¹	<i>Difficulty in ADL</i>				<i>Difficulty in IADL</i>				
	<i>Sao Paulo</i>	<i>Buenos Aires</i>	<i>Montevideo</i>	<i>Mexico city</i>	<i>Sao Paulo</i>	<i>Buenos Aires</i>	<i>Montevideo</i>	<i>Mexico city</i>	<i>total sample</i>
Sex									
<i>(male)</i>									
<i>female</i>	1.32*	1.29	1.60**	0.91	1.26**	1.92***	2.23***	1.97***	2.08***
Marital									
<i>(unmarried)</i>									
<i>married</i>	0.91	0.57**	0.86	0.86	0.83*	0.53**	0.75	1.03	0.78**
Age group									
<i>(60-64)</i>									
65-69	1.05	1.77*	0.99	1.45	1.23*	1.57*	1.10	1.77**	1.65***
70+	2.62***	4.51***	2.19***	3.37***	2.89***	4.79***	3.22***	5.58***	4.96***
Living children									
<i>(1-2)</i>									
<i>none</i>	0.80	0.92	0.91	1.19	0.90	1.21	1.30	1.11	1.03
3-4	1.16	0.91	1.23	0.74	1.05	0.99	1.22	0.89	1.05
5+	1.01	0.46*	1.00	1.11	1.02	1.02	1.29	1.18	1.21*
Coresidents ²									
<i>(1)</i>									
<i>none</i>	0.88	0.74	1.01	0.79	0.88	0.67*	1.09	0.75	0.87
2+	1.31*	1.15	1.07	1.09	1.19	0.94	1.17	1.21	1.18*
Education									
<i>(primary)</i>									
<i>none</i>	1.11	3.96***	1.19	1.11	1.17	4.10***	1.95*	1.32	1.76***
<i>secondary</i>	0.64*	0.73	0.50***	0.56*	0.58***	0.85	0.50***	0.59*	0.62***
Income ³									
<i>(none)</i>									
<i>has</i>	0.78	0.61*	0.82	0.53***	0.68***	0.61*	0.68	0.55***	0.63***
City									
<i>(Sao Paulo)</i>									
<i>Buenos Aires</i>					0.96				0.86
<i>Montevideo</i>					0.86				0.40***
<i>Mexico City</i>					0.80*				0.61***
N (Observations)	2114	1030	1426	1202	5772	2114	1426	1202	5772

Source: SABE Survey

Significance levels: * p < 0.05; ** p < 0.01; *** p < 0.001

¹ The reference category for each covariate appears between parentheses.

² For unmarried older persons, no coresidents means living alone; for married older persons it means living with spouse only.

³ Excludes financial support provided by family or friends.

Table 5. Odds ratios from logistic regressions of informal support received by married and unmarried older persons in Activities of Daily Living (ADL) and Instrumental Activities of Daily Living (IADL) on selected covariates, selected Latin American cities, 1999-2000

<i>Covariates</i> ¹	<i>Support received in ADL</i>			<i>Support received in IADL</i>		
	<i>all</i>	<i>married</i>	<i>unmarried</i>	<i>all</i>	<i>married</i>	<i>unmarried</i>
Sex						
<i>(male)</i>						
<i>female</i>	0.84	0.49**	1.18	0.95	0.86	1.06
Marital						
<i>(unmarried)</i>						
<i>married</i>	1.21			1.32		
Age group						
<i>(60-64)</i>						
65-69	1.53	1.69	1.24	1.41	1.91*	1.17
70+	3.14***	2.45**	3.00***	2.93***	2.82**	2.27**
Living children						
<i>(1-2)</i>						
<i>none</i>	0.81	0.99	0.85	0.92	0.57	1.11
3-4	0.97	1.15	0.84	1.47*	1.35	1.34
5+	1.02	0.95	1.18	2.05***	1.19	2.84***
Coresidents ²						
<i>(1)</i>						
<i>none</i>	0.37***	0.70	0.19***	0.50***	0.56	0.49**
2+		1.05	0.93	1.33	1.16	1.56
Education						
<i>(primary)</i>						
<i>none</i>	1.27	1.34	1.03	1.79**	1.22	1.50
<i>secondary</i>	0.96	0.85	1.14	1.03	1.69	1.12
Income ³						
<i>(none)</i>						
<i>has</i>	0.87	0.61	0.77	1.25	1.07	0.97
City						
<i>(Sao Paulo)</i>						
<i>Buenos Aires</i>		0.93	0.65		0.17***	0.27***
<i>Montevideo</i>		0.93	0.68		0.26***	0.55*
<i>Mexico City</i>		0.88	0.54*		0.51*	0.27***
N (Observations)	1153	475	678	1722	661	1061

Source: SABE Survey

Significance levels: * p < 0.05; ** p < 0.01; *** p < 0.001

¹ The reference category for each covariate appears between parentheses.

² For unmarried older persons, no coresidents means living alone; for married older persons it means living with spouse only.

³ Excludes financial support provided by family or friends.

The results suggest the existence of an important association between the socio-economic characteristics and the health and physical conditions of older individuals. As can be seen in Table 4, older persons with non-family income and higher levels of education are at a considerably lower risk of reporting difficulty in performing either ADL or IADL. Nonetheless, better socio-economic conditions among those who reported having difficulty in performing these activities does not significantly change their likelihood of receiving support (Table 5).

Once demographic and socio-economic variables are statistically controlled in the multivariate models, only a few differences still remain between cities in terms of both the risk of presenting difficulties and the likelihood of receiving support in ADL. The differences among cities, however, seem to be more important in the case of IADL. Taking São Paulo as a reference, the probability of reporting difficulty in performing IADL is practically the same among older persons residing in Buenos Aires, but significantly lower among older persons residing in Montevideo and Mexico City (Table 4). Among those who reported having difficulty in IADL, the likelihood of receiving support was found to be significantly greater in São Paulo than in any other of the remaining cities, for both married and unmarried older persons (Table 5).

8. Financial Support Transfers

The results of the multivariate analysis involving financial support transfers are presented in Table 6. Similarly to the previous analysis, odds ratios higher than one indicate a direct effect (positive) of the demographic and socio-economic variables on the probability of receiving or providing financial support, whereas odds ratios lower than one indicate opposite effect (negative) of the variables.

Compared to older men, older women present higher probability of receiving and lower probability of providing financial support. For both older men and women, being married tends to increase significantly the participation in financial support transfers. The probability of both receiving and providing financial support is significantly higher among married older persons than among the unmarried. Age has an important effect in only one dimension of the financial transfers. The likelihood of providing financial support tends to decrease at older ages, particularly in the case of Mexico City. The likelihood of receiving financial support, on the other hand, is not affected by the age of the older person (Table 6).

The likelihood of receiving financial support decreases considerably if the older person has no living children. The absence of children, however, does not seem to significantly affect the likelihood of the older person to provide financial support. Co-habitation, in contrast, tends to substantially increase the financial support flow, as suggested by the low odds ratios relative to older persons in households without co-residents (Table 6).

Financial support transfers are greatly affected by socio-economic characteristics of the older persons. Both their level of education and their financial conditions are directly associated with their probability of providing financial support and inversely associated with their probability of receiving this kind of support (Table 6). In other words, having attained at least the secondary level of schooling as well as having some sort of non-family source of income, diminishes considerably the likelihood of receiving financial support and, at the same time, increases the likelihood of providing this kind of support.

Table 6. Odds ratios from logistic regressions of financial support received and provided by older persons on selected covariates, selected Latin American cities, 1999-2000

<i>Covariants</i> ¹	<i>Support received</i>				<i>Support provided</i>				
	<i>Sao Paulo</i>	<i>Buenos Aires</i>	<i>Montevideo</i>	<i>Mexico city</i>	<i>Sao Paulo</i>	<i>Buenos Aires</i>	<i>Montevideo</i>	<i>Mexico city</i>	<i>total sample</i>
Sex (male) female	2.96***	2.10***	3.31***	4.26***	0.39***	0.45***	0.42***	0.30***	0.40***
Marital (unmarried) married	2.91***	2.05***	5.22***	2.75***	2.75***	2.96***	4.34***	2.68***	3.03***
Age group (60-64) 65-69 70+	1.08 0.93	1.17 1.30	1.51* 1.25	1.29 1.18	1.26 0.75*	0.89 0.73	1.24 1.16	0.74 0.47***	1.03 0.76**
Living children (1-2) none 3-4 5+	0.67* 1.12 1.08	0.41*** 0.92 1.61	0.90 1.23 1.61*	0.31** 1.28 1.32	1.00 1.17 1.10	0.51** 1.04 1.29	0.69 1.19 1.02	1.15 1.13 1.02	0.77* 1.11 1.04
Coresidents ² (1) none 2+	0.51*** 1.15	0.37*** 1.24	0.44*** 1.70**	0.52** 1.68*	0.48*** 0.77*	0.45*** 0.81	0.28*** 0.84	0.62* 0.84	0.43*** 0.82*
Education (primary) none secondary	1.13 0.67*	1.41 0.70*	1.32 0.59***	1.10 0.52***	0.85 1.47*	0.60 1.33	0.66 1.14	1.03 1.47*	0.85 1.32***
Income ³ (none) has	0.34***	0.40***	0.73	0.37***	4.84***	6.12***	5.15***	3.31***	4.70***
City (Sao Paulo) Buenos Aires Montevideo Mexico City									0.81* 2.04*** 0.74**
N (Observations)	2114	1030	1426	1202	2114	1030	1426	1202	5772

Source: SABE Survey

Significance levels: * p < 0.05; ** p < 0.01; *** p < 0.001

¹ The reference category for each covariate appears between parentheses.

² For unmarried older persons, no coresidents means living alone; for married older persons it means living with spouse only.

³ Excludes financial support provided by family or friends.

After controlling for the effect of the demographic and socio-economic variables, important differences still remained between the cities in relation to the flows of financial support transfers. Taking the older persons residing in São Paulo as a reference, the probability of *receiving* financial support was only slightly higher for older persons in Buenos Aires, but substantially higher for those in Montevideo and Mexico City. In the case of *providing* financial support, the probability was significantly higher among the elderly in Montevideo, but only slightly higher among the elderly in Buenos Aires and Mexico City as compared to São Paulo (Table 6).

9. Conclusions

Consistent with previous studies (Saad, 1996; Camarano, 2003; Delgado and Cardoso Jr., 2000), the present analysis confirmed that informal support transfers involving older persons in Latin America is a process of reciprocal interchange. Older persons not only receive but also provide a large amount of support in goods, services and wealth, illustrating a situation in which children remain receiving support from elderly parents well into their adult lives.

The intense flow of informal support directed to the older population, on the one hand, could be replacing a significant portion of the support that otherwise should be transferred to the older members of the society through formal channels. On the other hand, the flow in the opposite direction could be reflecting the consequences for the older population of an adverse socio-economic context, in which not only their main sources of informal support may vanish, but they themselves become a source of family support.

In spite of the unexpectedly high levels of informal support rendered by the elderly, the support they receive still constitutes a crucial dimension of their well-being in Latin America. As the process of population aging in the region intensifies, however, the availability of informal support to the elderly in the future is usually viewed at an increasing risk. In conjunction with a situation of poor economic conditions among large shares of the younger generations, fertility decline, rural to urban migration, and increasing female labour force participation have been thought to pose potentially serious problems for older persons requiring support in old age⁹.

The study clearly showed the primary role of co-residence in the exchange process of informal support between generations. As is the case in most of the less developed regions, co-residence in Latin America seems to constitute a central element in the process of intra-familial support transfers. Because a substantial part of the informal transfers occur between members of the same household, co-residence in these regions is usually seen as a driving factor leading to support transfers. More specifically, the results showed that co-residence is crucial for unmarried older persons to obtain support in activities that require closer physical proximity such as those involving functional and instrumental activities of daily living. In the case of married older persons, however, neither co-residence nor the number of living

⁹ Although such considerations should not be completely dismissed, they should be taken cautiously. In a previous study for Brazil that takes into account the characteristics of the younger generation (Saad, 1998), the author suggests that there are many reasons to believe that intergenerational support exchanges will remain important in most of Latin America. First, because the effect of the rapid fertility decline in recent decades will be felt with a lag. Second, because both declining fertility levels and increasing female participation in the labour force can, instead, constitute stimulating factors for financial support transfers to the elderly.

children affected the chances of receiving support in activities of daily living, suggesting that spouses are the main providers of this kind of support.

The results indicate that support transfers are strongly moderated by the characteristics, resources, opportunities and needs of the older individuals. A larger number of living children increases the likelihood of older persons receiving financial support, but does not affect their probability of providing this kind of support. Being married seems to represent a “protecting factor” among older persons, as shown by the lower risk of reporting difficulties in performing activities of daily living among those who are married as compared to those who are unmarried. Married older persons also receive and provide financial support more frequently than unmarried older persons.

Informal support transfers are also strongly affected by socio-economic conditions of the older persons. Higher socio-economic levels both decrease the risk of reporting difficulty in performing activities of daily living and increase the chance of providing financial support. Lower levels of education, on the other hand, significantly increase the probability of receiving support in instrumental activities of daily living, particularly in regards to activities that require intellectual skills such as the management of financial resources.

Although support transfers are affected by both demographic and socio-economic factors, it is worth noting that even after controlling for such effects, important differences still remain between cities in terms of the intensity in which these transfers occur. Older persons living in São Paulo tend both to report difficulty and to receive support in instrumental activities of daily living much more frequently than older persons in the other cities. Even though they tend to receive less financial support, older persons in São Paulo tend to provide more financial support than older persons in Buenos Aires and Mexico City.

Such differences indicate the need for further research aimed at identifying factors such as cultural norms that were absent from this study but could be a reason behind the differentials in levels of support transfers. In view of the large socio-economic contrasts that prevail in Latin America, another aspect to be pursued in future analyses refers to the different patterns of population aging within countries. Most specifically, future studies should include rural areas. As urbanisation is mostly resulting from migration of young people from rural to urban areas, the rural population tends to remain proportionally older than the urban population. In this respect, comparative analyses should be devised in order to investigate how distinctly intergenerational support transfers operate within rural and urban contexts. Finally, future research on intergenerational transfers in Latin America and the Caribbean would considerably improve with the inclusion of the younger generation dimension into the analysis. In fact, information on the characteristics of living children as well as other relatives for the older population is becoming increasingly available in the region.

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