

# Money pooling, decision making, and division of labor

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## Research Question

- Does independent money management encourage equality?
  - How is the money allocation system (pooling vs. non-pooling) associated with decision making and division of domestic labor?
  - Is independent money management associated with more equal participation in decision making and domestic labor?
  - If decision making and domestic labor are not equally shared, are they more male or female dominated?

## Background

- The organization of household finances is closely related to other aspects of couples' life, such as the distribution of power within couples (Vogler 1998)
- No agreement about which allocation system produces more equality
  - Pooling conceals unequal access to money (Bennett et al. 2010)
  - Independent management increases inequality, especially if partners' incomes differ (Elizabeth 2001)

## Results

- In comparison with money pooling, both partial pool and independent money management are associated with decreased odds that both partners will have equal say in the decision concerning large expenses
  - If partners do not share equally in the decisions about large expenses, male-dominated decisions are more likely
- In comparison with pooling, partial pool is associated with decreased odds of equally participating in everyday expenses
  - Partial pool is also linked to more male-dominated decisions about everyday expenses
- No clear pattern emerges with respect to the division of domestic tasks.
  - There is less equal participation in grocery shopping and doing dishes

## References:

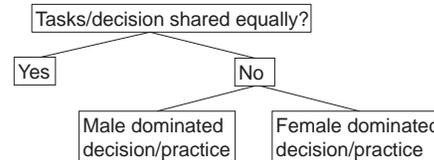
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## Data

- Canadian General Social Survey on Family 2011 (GSS)
- Data include questions on:
  - Bank account ownerships, flow of personal income into respondent's and partner's bank accounts
  - Financial decision making (large and small expenses)
  - Division of domestic labor (cooking, dishes, laundry, groceries, small repairs and others)
- Possible answers: mostly you, mostly partner, shared equally
- N = 11,363 (large expenses), 11,386 (daily expenses), 11,151 (cooking), 10,910 (dishes), 11,103 (laundry), 11,172 (grocery), 9980 (repairs)

## Method

- Sequential logit (Powers, Xie 2000; Buis 2011)
- The process modeled in 2 steps



## Specification of models:

- Main explanatory variable: Money allocation system
  - Pool, partial pool, independent money management
- Models control for:
  - Sex, union type (marriage vs cohabitation), age, education, immigration status, income, partners' socioeconomic homogeneity (age difference, relative education, relative labor force participation)
- Bootstrap weights applied

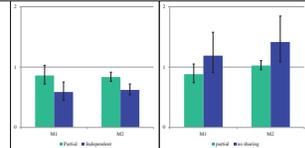
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- 1<sup>st</sup> step: Predicted outcome: shared equally, comparative category: money pooling
- 2<sup>nd</sup> step (if not shared equally): Predicted outcome: decided by man, comparative category: money pooling
- M1 – controls only money allocation system, M2 – adds all controls
- Figures report **ODDS WITH 95% CONFIDENCE INTERVALS**.

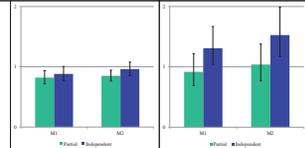
### Large expenses

- Couples who do not share their incomes are less likely to report that the decisions about large expenses are shared equally. This applies to both partial pool and independent money management.
- If decisions are not shared, male and female dominated decisions are equally likely among those with partial pool, but independent money management is associated with male dominated decisions.



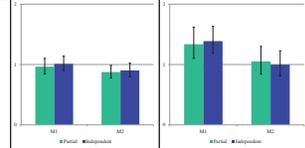
### Daily expenses

- Couples who use partial pool are less likely to have equal say in daily expenses.
- If relevant covariates are included, couples with independent management do not differ from couples who pool money.
- As for large expenses, independent money management is associated with male dominated decisions.



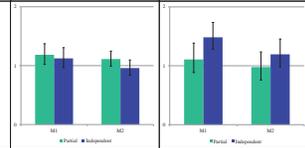
### Dishes

- If covariates are included, partial pool and independent money management are loosely linked to less equal division of domestic tasks - doing dishes (significant only for partial pool).



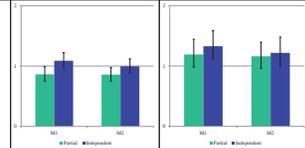
### Cooking

- No link between money management and cooking.



### Grocery

- Partial pool linked to less equal participation in grocery shopping.
- If both partners do not participate equally, the tasks is more likely to be done by men.



### Repairs

- Money management style is not linked to the odds of sharing repair tasks equally.
- Among couples who do not share repairs equally and who do keep their money separate, repairs are more likely to be done by women.

