

Intergenerational Family Economies

Alicia B. Kelly

Families continue to be a cornerstone of support for the health and welfare of individuals and of society. Multi-generational family relationships are an increasingly important part of this system. Yet such relationships have not been the subject of sustained or systematic attention in American laws and policies. This article is a step toward that goal.

This article focuses on the legal regulation of economic and social collaborations in families between the generations. Increasingly so, families are building a web of economic and affective connections between older and younger generations. Now that people are living longer, these ties are long lasting, with multi-generational relationships spanning many decades, and cycling through several phases. For example, many aging parents are being cared for by their adult children or other family members. Conversely, many elder family members (G1) help support the younger generations by providing care for grandchildren (G3) and support for the middle generation (G2). The demands on the middle generation are particularly high, and are unsustainable for many, especially for poorer families. Along with providing care for G1 who are living longer, with years of dependency, G2 adults also now often provide care and financial support for their children well into adulthood. At the same time, the middle generation is expected to work full time, to produce income to support themselves and their loved ones, to balance work and family, and to save for their own future retirement and end of life care.

This kin network is becoming a critically important resource in light of changing and varied family structures today that include more single parent households with children, more single people; skyrocketing elder care needs, and a prolonged economic downturn. Intergenerational family relationships contribute significantly to the economic and social welfare of each generation. For example, intergenerational family care networks are incredibly valuable and necessary for human flourishing, from elder care, to child care, to supporting the middle generation through many challenges. Such collaborations also frequently come with costs. Caregivers may reduce their employment and sacrifice earnings and other benefits. Consumption costs also may increase, necessitating reallocation of family spending to care recipients. Additionally, in some families the lines dividing property ownership between the generations are blurred, and property that starts out as belonging to one generation may be transformed into a resource available for another.

Looking at multi-generational relationships as a web of financial and social connections, this article advocates that American laws and policies should recognize and support economic collaborations between the generations to enhance the benefits and also fairly distribute the costs that these ties produce. The paper explores a few key areas of law, including some aspects of elder care and family property law, to evaluate the degree of support in our system for encouraging intergenerational family connections, and suggest improvements.