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This paper reports the findings of an all-Russian cross-sectional representative survey (N=1600) that was carried out by HSE in 2011. It investigates money management in Russian families. Pooling is the most common money management style, however, the choice of budget management system does not fully account for financial control and power in the household. The regression results show that main determinants for choosing a budget management system are per capita household income, respondents' gender, wives' education, marital age, and the budget management system in the parental family. Moreover, the interaction between the parental budget management system and current practice of budgeting in the respondent's family varies between men and women. Among those respondents who repeat the budget management system in their parents family men are more likely to choose the male dominated system, while women are more likely to choose the female dominated system, or pooling system.

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Keywords: budget management, sociology of consumer finance, gender norms, gender identity, family, households.

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Introduction

From a formal point of view, individuals not households are the actors of financial behavior. It is individuals not collective agents who sign contracts when opening bank accounts or buying insurance. However, financial decisions are not made by individuals but rather by households. In this context, there is a number of questions which we consider important: how financial decisions are made, how the budget is managed, what gender roles within the family are. Economics is not interested in these questions as it considers the family to be a “black box” whereas in economic sociology, with its tradition of inequality research, it is quite natural to do research into these issues.

We believe that a closer look at these questions is of great interest for a number of reasons. First, we may suppose that the established family budget management mechanism has a certain effect on the money-related decisions within the family, decisions, for example, about purchasing certain goods, about savings as such and their different forms, about choosing appropriate financing sources, such as a bank loan or a private loan. The budget mechanism affects decisions that define spending purposes, in other words they shape the patterns of consumption and financial in a family.³ Second, family budget management is closely connected to the distribution of power within a family, possibly leading to economic independence or financial deprivation of either of the spouses (this is especially important if we are looking at savings, investment and loans rather than daily expenses⁴). The aforementioned financial deprivation can be caused either by economic reasons or particular gender relations.

The problems of household budget management and the distribution of power within households are very actively discussed in sociological literature. However, there is no research based on Russian data, except for the research by British sociologist Clarke [Clarke 2002], based on a survey conducted in 4 Russian cities in 1998.

Russian society has followed a very difficult path of development since 1998 marked by an increase of individual incomes and a growing disparity between them; changes in the structure of employment; widespread higher education; the transformation of demographic processes (increasing number of divorces, widespread cohabiting couples, postponement of childbirth to a later age, etc.); the emergence of new financial services and the rising outreach of financial institutes to people. Have these processes effected family budget management and the perception of gender roles? In other words, can we say that the system of pooling resources is

³The American and British empirical data show that in case the woman rather than the man is in charge of the family budget a relatively greater amount of money goes towards the needs of the children or collective family expenses. Women even if put in charge of the entire family budget tend to limit their personal expenses, whereas men keep a certain amount of money to themselves much more often. [Pahl 1989: 128-131; Blumstein, Schwartz 1985: 101].

⁴ See for example [Kan, Laurie 2010]

dominating family budget management? If not, how are families differentiated by budget management type? Are budget management practices (or ideological adherence to any of these) different in the families where both spouses are working and those where the man is the breadwinner and the woman is a housewife? How are the attitudes to gender roles in the family different for differing ages and genders and what is the effect thereof on family budget management practices? Our study attempts to answer these questions.

The purpose of this study is to identify the types of budget management in Russian families and estimate the share of each type; to find out what differentiates these types, as well as differences in perception of the current management system between men and women.

The paper uses the following structure: it first gives an overview of theoretical approaches to family budget management and then moves on to analyze the empirical data. We will look at the distribution of families according to the type of budget management used, then define the differentiating elements for the families in question through the analysis of cross-tables and finally, define the key factors shaping the choices in family budget management approaches. The factors analyzed include family per capita income, the employment status of the spouses, their age, educational background and the length of marriage (or cohabitation), the socio-demographic type of the family, and whether or not the same type of budget management mechanism is used by the family of the spouses' parents.

Background: Theoretical Approaches

In the past there have been many papers devoted to power relations within the family; empirically they were measured in different ways; by the results of decisions made on certain issues, by the directions of conflicts or by the distribution of labor in the family [Safilios-Rothschild 1970]. Generally, however, money was considered in terms of the earned income and consequently, the reasons for particular forms of power relations were explained through different versions of the resource concept⁵. This concept implies that the spouse having the larger income, i.e. the major breadwinner of the family, plays a dominant role in making financial decisions. Wives having a paid job enjoy more power in the family than the non-working ones, and the amount of power had a positive dependence on the duration of the work period. Since the trend towards female employment was quite evident in the 1960s the conclusion was made that women's entry into the market would enhance equality within marriage.

⁵ Pioneering research of this problem is by Blood, R. and Wolf, D.M. [Blood, Wolf 1960]

The growing number of studies in marital relations in the following years was partially a response to the concept of a family as an “untroubled economic union”. Brines emphasizes that the resource approach (or from a broader perspective the model of economic exchange) is formally gender-neutral, even though the initial conditions (in this case the earnings of the spouses) as well as the consequences (the distribution of household chores, financial decision-making, budget management, for example) are obviously differentiated based on gender [Brines 1994: 654]. On the one hand the existing gender inequality in the labor market does put women in a much less advantageous market position compared to men, but there are mechanisms within the system of family relations that compensate for the resource factor.

Family relations are defined by specific gender traditions which shape the mutual expectations of the spouses in terms of domination and submission including in the financial sphere. From this perspective the type of budget management in a family and spousal access to the financial resources of the household are defined not only through the proportion of the incomes, but also through gender roles, which regulate the symbolic display of masculinity and femininity. The concept of gender display (which is a type of status perception theory) is based on the idea that marriage (as an institution that routinizes male and female behavioral patterns) not only provides conditions for bringing up children and the division of labor, but also creates a space where status preferences are realized, whereby gender is one of the most important characteristics. Thus, by entering into marriage people not only channel their resources into it, but also some socially sanctioned agreements about providing each other with the opportunity to claim and fulfill their pursuits of gender identity [Brines 1994: 654].

In addition, there are cultural and historical factors reflected in the tradition which consider the man to be the breadwinner and, consequently, a dollar earned by a woman does not prove to be equal to a dollar earned by a man. As Zelizer points out [Zelizer 2004: 102], the term “pin money”, used in 17th century England to indicate a wife’s independent personal income, around the turn of the 20th century lost its elitist British background and came to mean an additional household income earned by wives which was treated much less seriously than what the men were making. If the wife’s earnings are initially regarded as merely an addition to the family budget generated by the main (male) breadwinner then it does not proportionally add to her power within the marriage [Ferree 1990]. Zelizer also provides research findings for contemporary American households, which indicate an interesting trend, whereby sometimes, even if the wife’s income is greater, it has little or no effect on the distribution of power within a family. She still “vests her financial fate into the man, giving him complete control over their money” [Zelizer 2004: 109]. Moreover, the legitimate equal ownership right to the resources acquired within marriage are frequently not implemented in practice even when the husband

does not control the wife's expenses as women do not feel they have the right to spend money which is not their own. Thus, the dominating ideology regarding the husband as the "breadwinner" of the family makes family power relations asymmetrical [Burgoyne 1990].

Focusing on the above aspects most of these studies are based on relatively small samplings which do not allow for a correct statistical analysis to identify the structure and factors of family relations within the "money – power – inequality" triad.

The studies made by Pahl and Vogler – and their bibliography on this issue counts about thirty papers including monographs – are based on various data from a small number of interviews to mass polls of British families⁶. All their studies are interconnected as the authors go from one paper to another gradually expanding the scope of their activities and always considering new aspects of family budget management.

Research by Pahl and Vogler on issues of family budget management

The starting point to review these studies will be Pahl's classification of types of budget management in the family including systems of female/male whole wage, housekeeping allowance system, independent management and shared management (partial pool/joint pool) [Pahl 1983: 245-249]. The system of female/male whole wage implies that one of the partners hands over his/her entire earnings (except for some pocket money) to the other with the latter undertaking the whole budget management. Thus, in the case of the male whole wage the wife may not have any funds for her personal needs. The housekeeping allowance system implies division of responsibility in formulating and disbursing the family budget. One of the spouses hands over to the other (normally the husband to the wife) a fixed amount for household expenses while the balance remains under his control and he pays for other expenses independently. This system has variants differing in scale and scope of responsibility. The main feature of the partial/joint pool is that both partners have equal access to the family budget and relevant management; there is no division of financial responsibility between spouses. As Pahl notes both partners may have their own funds for personal needs. When the amount of personal funds becomes significant the system begins to acquire some features of the independent type of family budget management, when both spouses have independent sources of income and neither has the right to all the household money [Pahl 1983: 249].

Later Pahl and Vogler adjusted this classification based on empirical studies. It assumed that the reply to the question related to self-identification of their family budget management

⁶ The first studies were based on the data of survey of 102 family couples in 1982-1984. Then the data of surveys among 1211 British families were used (Social Change and Economic Life Initiative – SCEL, 1986), For details See: [Pahl 1989; Vogler, Pahl 1993; Vogler, Pahl 1994].

type for 50% of British families was the pool system⁷, and in fact it just showed ideological adherence to the principle of spouses' equality of rights and obligations. Therefore the spouses were asked separate extra questions as to who controls the family budget and has the right to make the final decision on the organization of the family budget and the payment of bills [Vogler, Pahl 1993: 76; Vogler, Pahl 1994: 271]. They concluded that the families who had chosen the pool as the most suitable system of family budget management, used, in fact, three different pool practices differing in who controlled and managed the family budget. The families where the responsibility for final decisions and payment of bills lay with the man were referred to as the male-managed pool, and those where one or both of the partners believe that it is the wife's responsibility to make final decisions on financial matters were called the female-managed pool. The term joint pool referred to the families where both spouses agreed they enjoyed equal power and responsibility in making decisions [Vogler, Pahl 1993: 76; Vogler, Pahl 1994: 271].

As they continued to research family budget management Pahl and Vogler studied the effect of different factors on the choice of budget type (income, employment, spouses' educational level, socio-professional status, attitudes to family, marriage and gender distribution of roles, socialization in the parental family [Vogler, Pahl 1993]; region of residence and parameters of the local labor market [Vogler, Pahl 1994]; impact of the family budget management type on the decisions made [Pahl 1995]). They specify the notion of power and develop a three dimensional model of power suggested by Lukes in relation to the family [Vogler 1998]. Expanding the framework of the research, they launched studies of budget management practices in cohabiting couples [Vogler 2005; Vogler, Brockmann, Wiggins 2008]; analyzed modern changes in the sphere of gender distribution of roles, providing evidence that the perception of a man as the main breadwinner in the family has shattered in recent years [Vogler, Brockmann, Wiggins 2006], which consequently, transforms budget management practices and power in the family and at times paradoxically, the degree of satisfaction [Vogler, Lyonette, Wiggins, 2008]. Having made an analysis of in-depth interviews and mass polls of British households Pahl and Vogler studies the impact of child-bearing on the system of independent budget management [Pahl 2005]; analyzed practices of credit cards usage and the effect thereof on the access of each of the spouses to the family budget [Pahl 2008].

We will not analyze in detail the findings of these studies because we will turn to those repeatedly to fit the rationale behind our further deliberations. Yet it would be necessary to stress now that all these studies are based on mostly British and American empirical data. The

⁷ The survey of 1211 British couples (Social Change and Economic Life Initiative – SCEL) in 6 urban areas - Swindon, Aberdeen, Northampton, Coventry, Rochdale and Kirkcaldy.

only study related to the problems of interest to us and based on Russian data, is the article written by British sociologist Clarke and published in 2002 [Clarke 2002].

Budget management in Russian households: Clarke's research

Russia is of interest in the study of family budget management for a number of reasons. First, since the Soviet era, Russian families have predominantly had a family model with both spouses worked. In fact, the tradition of mass female employment has had a longer history in Russia than in developed European countries and the USA where the household model with a working man and a non-working woman with children dominated for many decades, including the post-war years. This led to the conclusion that all family decisions could be regarded as those made by the breadwinner (head) of the family as Becker for example suggested [Becker 1991].

Second, since the early 1990s, some Russian women have been returning to the family hearth. In the past, this was caused by the labor market contraction after socio-economic reforms, and changed norms regarding widespread compulsory employment. As a result we can observe an increasing share of non-working women especially among higher income households in the 1990s and 2000s.

Third, Clarke points out that two ideologies coexist in Russian society, one proclaiming gender equality in all spheres and stemming from the Soviet period; and the other reflecting patriarchal views of gender roles. It would be of great interest, therefore, to see which of these conflicting ideologies is prevailing in family budget management.

In Addition to the specific features indicated by Clarke is the number of multi-generational households⁸, as well as the fact that the educational level of Russian women today exceeds that of men⁹, which impacts the sources of income and their time cost.

Clarke interviewed 4023 households in 4 cities (Samara, Kemerovo, Syktyvkar and Lubertsy) in April-May of 1998¹⁰.revealing that over 80% of household heads chose the system of shared (or partial) pool in their families. Having analyzed replies of each of the spouses about the share of individual incomes supplied to the common budget, or spent on collective needs, the

⁸ The share of multi-generational households in Russia amounts to 30% for families of two and more (in 1989 the share of such households was about 20%). Experts link this trend to the expensive housing and inability of young married couples to move out of parental homes. Another contributing factor identified by the experts is refugees and forced immigrants re-uniting with their families in the 1990s (URL: <http://www.spravedlivo-online.ru/content/news/SER1.php?news=23143>).

⁹ According to the Russian National Census of 2002 out of 1000 people of the respective gender 289 women and 250 men had vocational education, 31 people of both genders were undergraduates and 152 men and 161 women respectively held college degrees. (URL: <http://www.perepis2002.ru/index.html?id=15>).

¹⁰ The survey is a part of a larger project "Employment Restructuring and Household Survival Strategies" funded by the British Economic and Social Research Council. A total one-stage sample was drawn randomly from a computerized database, originally derived from registration records, in each city. In each household all those over the age of 14 currently working and all retirees who retires after 1994 were interviewed. During the survey information about the size and structure of total household income, the size and structure of expenses, personal income characteristics, data about distribution of roles and domestic responsibilities was obtained. For details, see (URL: www.warwick.ac.uk/russia)

researcher concluded that replies of family heads self-identifying the budget management system as well those of their partners related consistently to the quantitative distribution of incomes. The high share of households having joint pool¹¹ may be because of: 1) regulatory and socially approved attitudes to shared budget management and power distribution within the family, making adherence to egalitarian management models just declarative; 2) a deviation of respondents' replies to the question on the share of incomes supplied to the joint pool due to the wording of the question about "relative" size of these incomes rather than "absolute"; 3) regional features of cities where the interviews were held and sample organization - not only the spouses but all members of the family were questioned¹².

In addition, the analysis of interview data from families in 4 Russian cities did not show any significant correlation between incomes, employment, spouses' educational level and family budget management type¹³. In contrast to the British situation, it was concluded that the shared management of family budget is culturally embedded in Russia even if only one of the spouses is working [Clarke 2002: 552]. A statistically significant correlation was also found between the demographic structure of the household and the type of budget management in Russian families; the more adults the household has, the more likely it is they will supply only part of their income to the family budget keeping the remainder for themselves. In case of a nuclear family consisting of a married couple with children the probability of a separate budget was lower [Clarke 2002: 543]. Clarke's general conclusion that Russian households are more homogeneous in family budget management compared to the British ones, looks implicitly quite logical yet requires additional justification and verification based on more recent data obtained through samples representative for Russia as a whole.

Research Information and Methodological Approach

The information base of the study is data of the third wave of "Household Financial Behaviour Monitor" National Research University Higher School of Economics (October-November 2011). The sampling design ensures Russian-wide representation of the adult population (over 18) by gender, age, education level and type of settlement and covers some of the RF Federal Districts. The aggregate size of the sample is 1600 people, the number of RF

¹¹ E.g. according to the BHPS of 1995 (BHPS – British Household Panel Survey, N = 5500 households), 51% of the households showed a shared budget management mechanism [Laurie, Gershuny 2000: 58–59].

¹² The question was: How is your household budget formed? (1) All the income is put into a common pot; (2) Every puts part of their income into a common pot, but keeps some for themselves; (3) Some members of the household put money into a common pot, others spend their money independently; (4) Everybody gives their money to one member of the household; (5) Everybody gives some money to one member of the household and keeps some for themselves; (6) Everybody spends their income independently. [Clarke 2002: 542].

¹³ Although the research on the British empirical data shows that these variables make significant influence [Vogler, Pahl 1993].

regions where the sample was made is 42, the number of settlements (administrative-territorial units – ATU) is– 153, the number of respondents in one settlement (ATU) – at least 5 people.

Since this is not a specialized study of family consumer finances it does not contain, for example, detailed information about household expenses, the contribution of any source of individual/family incomes into the common household budget. Yet it enables the identification of some socio-demographic structures of the households as well as the employment status of and education of spouses.

Questions from the list about family budget management are meant only for spouses living together (married or cohabiting), rather individuals which undoubtedly causes some deviations (they will be discussed later). There are 985 such respondents in the sample representing full families. As we can see in Table 1, the main differences are the smaller number of younger (18 to 25) and older (over 65) respondents in the subsample and the larger share of families with children under the age of 18 (43,5%), as well as the employment rates among men and women.

Table 1. Characteristics of the subsample of the respondents asked about family budget management

		Sample (N=1600)	Subsample (N=985)
		<i>% by column</i>	
<i>Gender</i>			
	Male	45.1	50.3
	Female	54.9	49.7
<i>Age</i>			
	18-25 years	18	9.8
	26-35 years	18.1	19.7
	36-45 years	19.4	23.4
	46-55 years	20.2	24.4
	56-65 years	15.9	16.9
	Older than 65	8.4	5.9
<i>Education</i>			
	Incomplete secondary or lower (8 grades or less)	4.5	3.6
	Secondary education	22.1	20.1
	Specialized secondary education	49.2	52.6
	Incomplete higher (3 years)	3.9	2.7
	Higher	20.3	21
<i>Quintile groups by per capita income</i>			
	1 st , the least wealthy	22.2	22
	2 nd	18.1	18.6
	3 rd	21.2	21.1
	4 th	19.9	20.4
	5 th , the most wealthy	18.6	17.9
<i>Settlement size</i>			
	1 million.+	18.7	18.9
	500 thousand - 1 million	9.5	9.5
	100 thousand - 500 thousand	24.2	23.9
	10 thousand - 100 thousand	39.4	39

	Less than 10 thousand	8.2	8.7
<i>Federal district</i>			
	Central	26.2	27.6
	Northwestern	9.6	10.1
	Privolzhskiy	21.3	20.9
	Southern (incl. North Caucasus)	16	14.7
	Ural	8.6	7.9
	Siberian	13.7	14.1
	Far East	4.6	4.7
	<i>Number of family members</i>		
	1	14.5	0
	2	29.7	34.5
	3	31	35.8
	4	18	21.7
	5 and more	6.9	7.9
<i>Marital status</i>			
	Married	56.7	92.2
	Single	18.1	0
	Divorced	10.8	0
	Has a boyfriend/girlfriend	4.8	7.8
	Widow/Widower	9.6	0
	Average size of the household, people.	2.76	3.05
	Have children younger than 18 living with them, %	35.6	43.5
	The percentage of men employed at the present time	74.4	81.8
	The percentage of women employed at the present time	58.1	64.7

Family budget management can differ depending on the age and number of household members. Therefore, one of the methodological objectives of our study is to build a socio-demographic typology of families. The following characteristics served as the basis for our typology: the marriage nucleus (i.e. the respondent is in marriage or cohabitation), the number of household members, the number of children under 18 and the number of other adults in the household. The age of spouses was measured in a separate manner. Children included household members by age (under 18) but not by the form of relationship with the respondent or his/her partner (that is, the form of relationship could be different: grandchildren, nephews, other relatives and even non-relatives, most important being that they reside in this household). Other household adults included all persons over 18 residing on the same territory apart from the respondent, partner and their children.

That enabled us to identify five socio-demographic groups of households (table 2). Types 1-3 describe full nuclear families consisting of the spouses and children (families of type 2 and 3) or without children (families of type 1). Type 1 (34.4% of the subsample) includes both young families that did not yet have children, and families consisting of spouses whose children had already left home. Type 2 includes families consisting of spouses and their grown up children who have not left home (17.3%). Type 3 unites typical nuclear, mostly young families (the average age of spouses in this type coincided with the median and is 35 years) consisting of spouses living with their small children. 34.8% of families are of this type in the subsample.

Types 4 and 5 include multi-generational families where the married couple resides with other adults, with their grownup children, and/or their parents with (type 5) or without small children (type 4).

Table 2. The share of different socio-demographic types of households in the subsample, % of people questioned (N=985)

	Count	%
1. Couple without children younger than 18 years old and other adults living in household	339	34.4
Incl. both spouses younger than 30	44	4.5
2. Couple with grown-up children without other adults living in household	170	17.3
3. Couple with children younger than 18 without other adults living in household	343	34.8
Incl. both spouses younger than 30	61	6.2
4. Couple without children younger than 18 years old but with other adults living in household	48	4.9
Incl. both spouses younger than 30	9	0.9
5. Couple with children younger than 18 years old and other adults living in household	85	8.6
Incl. both spouses younger than 30	11	1.1

Definition of concepts and data limitations

A household is normally defined as a group living together and sharing domestic expenses, while a family is defined through kinship, marriage or dependence.¹⁴ If the family resides on the same territory its borders may coincide with those of the household, yet configurations are often different. In our study a respondent's family (household) is understood to be an "economic family", that is a group of people united by kinship relations, living together and sharing expenses. It should be stressed that in this case we do not imply shared budget *management*, in other words not *how* expenses are shared but rather that the family *has* shared expenses.

It would be timely to address the question of what we understand by family budget management and how these concepts are operationalized in the mass poll.

Pahl differentiates notions of "control, management and budgeting" in one of her early papers [Pahl 1983: 244]. The term "control" implies making decisions on what type of budget management the family will have, who will have the final word in large financial decisions, and who will have access to the family budget. Control is associated with the manifestation of power functions. The term "management" means the "bringing into action" of the accepted budget

¹⁴ The same criteria are used in studies of the population income distribution [Atkinson, Rainwater, Smeeding 1995].

management system, that is, determining how much proportionally will be spent on what. For example “How much of our budget will we spend on food, and how much on clothes?” “Budgeting” refers to deciding how much will be spent on a particular item. For example “What food precisely shall we buy for this money?”

When studying types of family budget management we first of all imply management and budgeting while control and power are of secondary importance.

The questionnaire asked the respondent to identify his family with one of the proposed budget management systems or indicate another. The original question was “Who manages family incomes?” The response options were as follows:

1) You individually manage all the funds – gives part of the money to your husband, wife, children, etc.

2) Your spouse individually manages all the funds, gives part of the money to you, children, etc.

3) Your spouse hands over to you a fixed amount for household needs while the remainder of the funds remains under his\her control and he individually pays for other expenses,

4) You hand over to your spouse a fixed amount for her\his needs while the remainder of the funds remains under your control and you individually pays for other expenses,

5) You pool all the funds together and then each takes as much as he/she needs,

6) You pool part of the funds together leaving the remainder for your own personal needs, and then each draws from the shared source to pay for the common expenses,

7) You and your spouse manage your funds independently without pooling them into the “common pot”,

8) Difficult to reply

The response options indicate that the question is closely connected to immediate and current daily expenses which are implied more by the concept of budgeting and only to a limited extent by the concept of management, while larger spending is secondary.

It goes without saying, that the question of budget management is a sensitive one. There are two reasons for the delicacy of the question. First and foremost, questions of money are very rarely discussed even with friends and immediate family, not to mention with a stranger like the interviewer. Therefore any questions that have to do with money, income and savings can show an excessively high share of those who could or would not answer, or answered insincerely. Insincerity is inherent in any sociological research but in this case the lack of truthful answers can be explained through another type of sensitivity. This has to do with the impact of gender stereotypes on the opinions of the respondents, who can either consciously or unconsciously

skew their own answers towards what is considered to be the acceptable gender norm. In other words, the answers to money questions will be emotionally driven, in our case depending on the gender of the respondent.

The question of applying gender norms to budget management in a family is ambiguous. On the one hand, there are male-centered approaches to gender roles, where the man is the breadwinner and the head of the family, whereas the woman is trusted only with household chores within set limits. On the other hand, one should not disregard egalitarian norms, based on the idea of equality in every single sphere including family relations, where all the decisions concerning money, childcare, and entertainment are taken collectively.

Soviet propaganda largely focused on those egalitarian ideas (and it did manage to turn the family with two working spouses into the most common type of family), however the childcare and household chores still remained the woman's responsibility (it has to be underscored, though, that this "double burden" was not specific to Soviet Union; the situation outside was largely similar). The woman would generally be in charge of the family budget and the main responsibility of a "proper" husband was to give all of his earning to the wife, letting her manage his personal disposable income as well as the family expenses on her own.

Moreover, late Soviet feminism (both latent and manifest), denying the traditional norms of male and female roles as well as male intellectual superiority, played an important role. The totalitarian society being paternalistic by nature required no personal responsibility, because everything was settled by the state, and this created parasitical and dependent sentiments. At the collapse of the system, women were much quicker to adapt to the new economic situation and took both social and family responsibility into their own hands. Interestingly, if this adjustment was a forced step for women during *perestroika*, it now is a voluntary and conscious choice of asserting independence from a man. This means an inversion of gender roles, which is not always approved of in society.

The aforementioned imperfections in the data are exacerbated by the fact that the questionnaire did not include questions identifying the mechanisms and the results of financial decision-making (these questions are to be included at the next stage of the project) as well as by the fact that questions related to family budgeting (on financial management, the contribution of each of the spouses into total income, satisfaction or otherwise about the current budget management approach, etc.) were answered only by one of the spouses, which may have led to a skewing of the results. This was likely caused by both the wish to look better in the interviewer's eyes and to fit better with socially acceptable gender norms. Understanding the limitations of the data it sensible to analyze them according to the previously mentioned goals of the research being an initial step towards further progress in in the study of this topic.

Hypotheses and Results

Prevalence of various family budget management systems

Now we will look at the distribution of respondents' replies about budget management system in their families.

Hypothesis 1. The types of budget management mechanisms for Russian households are not different from those identified by the British sociologists Pahl and Vogler, although their distribution is different.

a) Due to a longer tradition of female employment and the concept of gender equality in all spheres we may expect a greater propensity towards the common pool system in the budget management system.

b) Due to a lower standard of living compared to the European average as well as the remains of the Soviet-type family where the man gives all of his earnings to the woman, we may suppose that a family budget single-handedly managed by the woman would also be more popular in Russian than it is in Britain.

As the empirical data show, the contemporary Russian family is a striking combination of egalitarian trends and traditional gender roles.

For example, according to the research carried out by the foundation "Public Opinion", the majority of respondents tend to stick to the idea of the man being a "breadwinner": two-thirds of respondents believe that the husband should earn more than his wife, and only about a quarter believe that the wife should earn the same. When it comes to the distribution of family roles, respondents were more likely to take an egalitarian position, meaning that the decisions about who should run the household, are distributed in a totally different way: almost three-quarters believe that both spouses should be equally involved in this, and only a quarter are of the opinion that the budget of the family should be dealt with by the wife [Vovk, 2006: 73]. The images of a husband and wife are not as differentiated as they used to be traditionally,¹⁵ and the choice of gender identity affects all aspects of life. Earlier studies [Zdravomyslova, Arutyunyan, 1998: 53] found that family-oriented women, recognizing gender inequality in the outside world did not claim equal authority with men outside the family, yet were willing to lead within the family

¹⁵ The same study notes that in the post-Soviet era, for example, Russians changed the balance of opinions regarding preferences for the future of their teenage daughters. In 2005 62% of respondents preferred a good work over a successful marriage, thus effectively abandoning the patriarchal model of gender roles, while 27% of respondents preferred a successful marriage. In 1990 the ratio of the views of Russians on this issue was exactly the opposite. Of course, we cannot take into account the fact that giving preference to any successful marriage or a good job, respondents could have acted not only based on value approaches, but from pragmatic reasons, that is to say the strategies which work best for today [Vovk, 2006: 69].

and manage the household (a kind of compensatory logic). The position of professionally oriented women is more controversial and indicates a desire for equality, and perhaps to even dominate within the household.

In order to systemize the family budget management systems we regrouped replies based on the gender of respondents. Men who replied that they are the one who disposes of all the money and relevant replies from women about their husbands are united into the male whole wage system. Equivalent replies given by women about themselves and men about their wives are described as the female whole wage system. The housekeeping allowance system also provided for two options depending on who hands a fixed amount for household expenses to whom, and who controls the remaining funds. The partial/joint pool system includes male and female replies that all/part of money is pooled together and then each takes from the pool the amount he/she needs while the independent management system includes all the replies where each disposes of his/her money independently.

The most prevalent is the system of shared or partial pool (45.6% in aggregate, figure 1), 25% is taken up by the female management and 23% by male management. It is interesting to note that the whole wage system is prevalent among women (22.3%), while among men it is housekeeping allowance system controlled by male (17%). Four percent (4%) of the respondents self-identified their family practice with independent budget management.

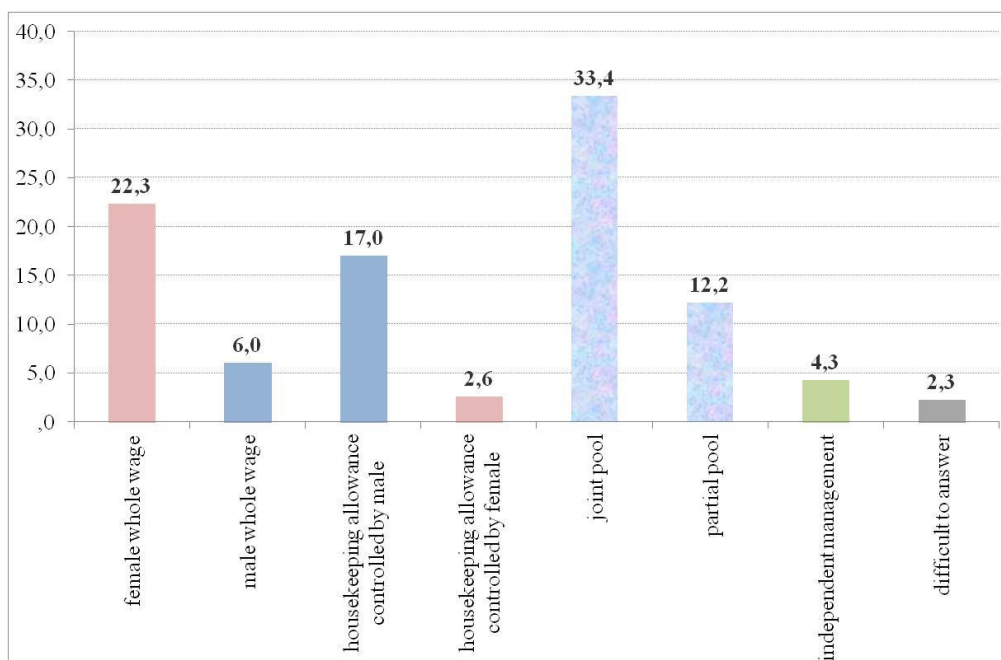


Figure 1. The distribution of budget management systems in Russia, % (N=985).

What is the probability of deviations in studying budget management types based on the reply provided by one of the spouses? Table 3 shows that differences in male and female replies are accidental¹⁶, and here a relative deviation due to only one of the partners being interviewed does take place. The largest differences are observed in replies about someone's whole wage (dominance) management from men and women. The estimates differ when comparing the responses of women to the responses of men. Women identify the budget management system in their family as complete female control 1.4 times more often than men (26.1% against 18.6%), whereas men identify the budget management system in their family as complete male control 3.2 times more often (9.2% against 2.9%). There are no differences related to other family budget management systems.

Table. 3. Distribution of replies to the question as to who manages family incomes depending on the respondent's gender, % by column

	Male respondent (N=490)	Female respondent (N=487)
Female individually manages all the funds and gives part of the money to her husband, children, etc. (<i>female whole wage management</i>)	18.6	26.1
Male individually manages all the funds and gives part of the money to his wife, children, etc. (<i>male whole wage management</i>)	9.2	2.9
Husband gives his wife a fixed amount for household needs while the remainder of the funds remains under his control and he individually pays for other expenses (<i>housekeeping allowance controlled by male</i>)	17.1	16.8
Wife gives her husband a fixed amount for household needs while the remainder of the funds remains under her control and she individually pays for other expenses (<i>housekeeping allowance controlled by female</i>)	2.7	2.5
Spouses pool all the funds together and then each takes as much as he/she needs (<i>joint pool</i>)	33.5	33.3
Spouses pool part of the funds together leaving the remainder for their own personal needs, and then each draws from the shared source to pay for the common expenses (<i>partial pool</i>)	11.4	12.9
Husband and wife manage their funds independently without pooling them into the "common pot" (<i>independent management</i>)	5.3	3.3
Difficult to reply	2.2	2.3

Chi square test = 25.093 (df=7), Sig. = 0,001

Goodman-Kraskel coefficient = 0.003, Sig. = 0.002

¹⁶ As Chi-square test indicates.

Now we will compare the data obtained with other empirical observations both British (1984, 1986, 1995) and Russian (1998, 2007). Recognizing that methodological differences impose restrictions on the comparative analysis it should be noted that the pool system is most prevalent. It is used in nearly half of the families (Table 4). The system of whole wage management by one of the spouses is used in one third of Russian and British families with women most often managing family funds. The most conspicuous of this series are data of the Russian study in 1998, which is most likely to be explained by the specific sample (only 4 cities) and the sample organization. According to our data, housekeeping allowance systems are adhered to by one fifth of Russian families; there were roughly twice fewer families like this in Britain in the middle of the 1990s. The independent management system looks like a rare phenomenon, although the time difference between the polls may account for this.

Therefore Clarke's ideas about Russian families being homogeneous in terms of budget management and a cultural embeddedness of joint management is wrong. His conclusion is quite likely a reflection of the economic situation in 1998.

Returning to the hypothesis 1, it must be rejected: the propensity of both Russian and British families towards a joint pool budget management system is similar, as is the share of total female control over the family finances. We cannot however deem this conclusion totally precise due to a chronological gap between the two surveys¹⁷.

Table 4. Comparison of different empirical data concerning budget management in Britain and Russia, % by column

	UK, 1984, N=102*	UK, SCEL, 1986, N=1211**	UK, BHPS, 1995, N=5500hh***	Russia, 1998, N=3029, 4 cities****	Russia, 2007, GGS*****, N=6246*****	Russia, 2011, NRU HSE, N=985
Whole wage., incl:	14	36	36	8	37	28
woman	14	26			29	22
man	-	10			8	6
Housekeeping allowance, incl.:	22	12	10	5	-	20
Controlled by man						17
Controlled by woman						3
Pool/shared management, incl.:	56	50	51	81	58	46
Pool				68	52	34
Shared management				13	6	12
Independent	9	2		4	4	4

¹⁷ Unfortunately more recent British data were not available.

* See: [Pahl 1989].

** See: [Vogler 1994].

*** See: [Laurie, Gershuny 2000: 58–59].

**** See: [Clarke 2002: 542].

***** We employ the data from the second wave of Gender Generation Survey (GGS 2007, for more details see URL: http://www.socpol.ru/gender/2_w.shtml. The respondents were asked the following question: “How do you and your partner (spouse) manage your household income?”

***** Although the whole sample includes 11117 respondents only those who had a partner (a spouse) were asked about the budgeting. The answers were previously grouped depending on the gender of the person who answered the question.

Budget management and subjective perceptions of the ratio of individual spouses' income

How correlated are respondents' replies about the budget management system in their families with the subjective perception of one spouse's income size against the other?

The answer to this question can be approached differently as indicated before. The idea behind the resource approach is that if the partner's income exceeds one's own, then he or she plays the main role in the family budget management. The compensatory logic of the model of economic exchange may also apply, whereby the lower income of either of the spouses is compensated through greater involvement in the family budget management process. Moreover, the respondents' answers about the proportion of spousal incomes and family budget management can be under the influence of socio-cultural and gender norms.

Hypothesis 2. Regardless of the respondents declared control of family finances, the spouses relative income ratio favors men.

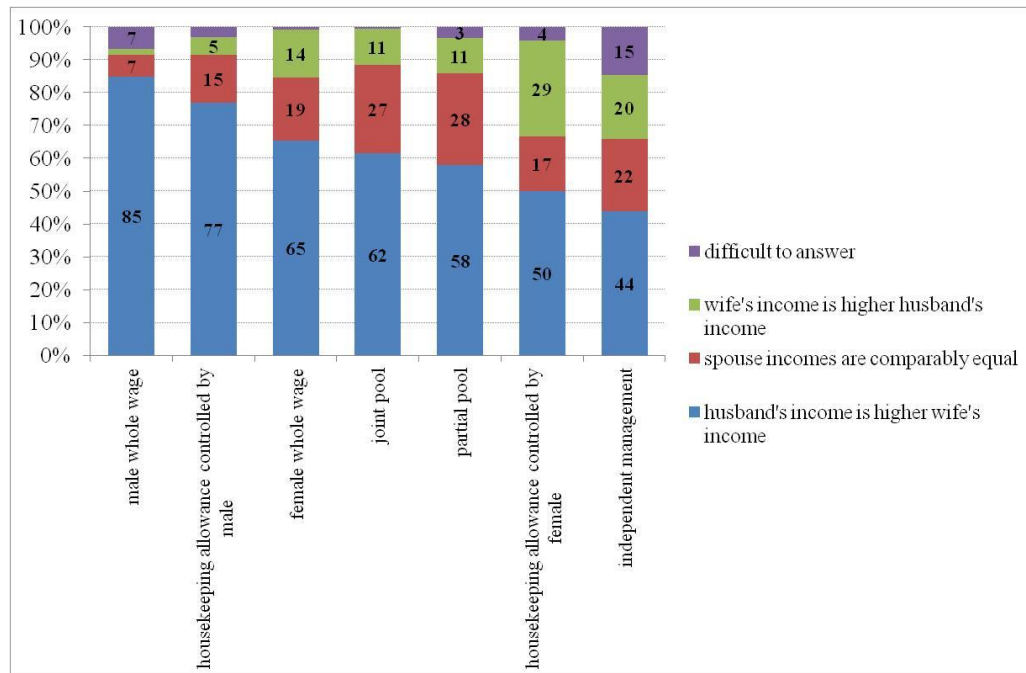
This hypothesis is based on the fact that there are significant gender differences in wages. These are due to many factors, for example sectoral and occupational segregation, differences in the level of human capital, discrimination against women in the labor market [Roshchin 2003]. According to the Survey on Employment of Population of ROSSTAT, the ratio of men's wages to wages of women (as surveyed by types economic activity) in October 2009 amounted to 65.3%¹⁹. This gender inequality is reflected, most likely, in the subjective perception of people. Also, by modern standards a man must work and earn money, but a woman works, only if she wants to. Most Russians recognize a woman's desire, right, and ability to work and pursue a

¹⁹ See URL: <http://www.gks.ru/wps/wcm/connect/rosstat/rosstatsite/main/population/wages/#>

career, as equivalent to that of a man, but at the same a legitimate women's biography is the biography of a housewife [Vovk, 2006: 73].

Over half of the respondents estimate the husband's incomes as higher than that of the wife in all families except for those with independent budget management (Figure 2). The share of such respondents is maximal in families with male whole wage system and male-controlled housekeeping allowance system which is quite within the framework of the resource approach. One fourth of the respondents from partial/joint pool families believe that they have approximately equal incomes, but the others indicate that men normally earning more. The largest share of the respondents (29%) indicating larger female incomes is observed in the rare families with female-controlled housekeeping allowance system, that is, where the woman provides the husband with a fixed sum for household expenses while the balance remains under her control and she independently pays for other expenses. This situation looks exotic in the Russian environment, while the system where the woman disposes of the money individually providing part of the money to her husband, children, etc (female whole wage system) is more widespread, although only 14% of the respondents identifying their management system in this way indicated that the wife's earnings are higher than those of the husband. In other words, the male function in this case is to earn the largest amount of money, bring it home and give it to the wife (the income earning function) while she will individually disburse it (the disbursement function).¹⁸ There is a relative parity of views on individual incomes recorded in families with independent budget management. In general hypothesis 2 is true: there are statistically significant differences in subjective perception of the relative incomes of men and women, using different approaches to budget management, but despite these differences most of the respondents, except the ones identifying their budget type as independent, state that the husband's income is greater than the wife's.

¹⁸ This practice might be encouraged by various reasons starting from the unwillingness of men to get involved in the housekeeping, to the inability to handle money. As a 32-year-old woman on a Live Journal blog describes this exact practice: "You know this practice of the majority of Soviet women when she took all the money and gave her husbands a limited sum strictly for a daily newspaper, dinner and cigarettes. All purchases were made only by herself. I had to apply this method, because I had failed to find another way to make my husband control household expenditure. He is not a greedy man and is willing to give everything he has. Hardly does he have something in his pocket, than it evaporates in an unknown direction with the speed of sound. He seemed to be unable to bring earned money home. And couldn't explain where his money disappeared to. After a serious talk he admitted that if he couldn't handle money, the function of cost control should belong to me, And he passed me his credit card. That's how we live: I give him money for dinner, put it on his phone account, for food and everything in this way. And I must say that after 2 months of the experiment significantly more money has been collected on his card. And it is much more now than it was possible in time of his financial independence". (URL: <http://girls-only.org/9425289.html>)



Chi-square coefficient = 113,212 (df=21), Sig. = 0,000

Figure 2. Subjective Estimates of the Ratio of Individual Spouses' Income by the Budgeting Management System Chosen

Types of family budget management systems in terms of socio-demographic characteristics

This section will discuss key elements that may serve as factors to differentiate families by budget management type: average per capita income, spouses' employment, educational level and age, duration of marriage or cohabitation, socio-demographic type of household, size of settlement, as well as values attached to gender roles. It should be stressed that this stage does not serve to detect the effect of each of these factors (that will be discussed later) but rather to identify the these differences by the type of budget management.

Average per capita income

Hypothesis 3. The family budget management models with female domination are more typical of low-income households. This conclusion made on the basis of British data [Vogler, Pahl 1993: 79], will not be contradicted in Russia.

The lowest average per capita income (80% of the average in the sample) is recorded female whole wage management and female-controlled housekeeping allowance families (91% of the average in the sample, Table 5). Limited resources dictate various survival strategies from reducing expenses, which mostly appeals to women, to increasing incomes (searching for a

better paid job or additional sources of incomes) which is preferred by men.¹⁹ In the event of the first strategy prevalence it is women who undertake family budget management.

Table 5. Per capita income in families with different types of budget management (N=985)

	<i>Per capita family income, Rubles per month</i>	
	<i>Mean</i>	<i>Median</i>
Partial pool	13580	10000
Housekeeping allowance, controlled by male	12534	10000
Male whole wage	11336	9600
Joint pool	10714	9000
Independent management	10618	9167
Housekeeping allowance, controlled by female	9948	8583
Female whole wage	8764	8000
Subsample in general	10923	8000

F=6.45; df=7; Sig.=0,000.

Spouses' employment status

The study by Pahl and Vogler concluded that the degree of female activity in the labor market is always one of the major determinants of the family budget management system. Financial equality depends on a wife's full-time employment, since part-time work simply operates to reduce calls on the husband's wage, without ever increasing wives' influence over finances [Morris 1984: 497; Vogler, Pahl 1993: 80].

On this basis we can formulate our hypothesis but only in general, because the questionnaire was designed to detect the level of spouses' involvement in the sphere of labor relations (full or partial employment).

Hypothesis 4. The families' adherence to a budget management system dominated by one of spouses depends on a wife's employment status.

To test this hypothesis we divided all families into 4 groups by core employment of the respondents and their partners. The non-working included jobless, pupils/students, women on maternity leave, housewives and retirees. The reasons for these people's unemployment were undoubtedly different but what is important to us is that at that time they were outside the labor

¹⁹ This is confirmed, for example, by the monitoring of consumer and inflation expectations of the population. Answering the question "Which of the following did you (or your family) start to do last month?", 9% of men and 6% of women said that they had found a better paid job, got additional work, become engaged in business, 21% of men and 29% of women bought cheaper products, 19% of men and 26% of women just stopped buying some of goods and services. These differences tend to remain in the future [Ibragimova 2011].

market and, consequently, without labor incomes. In addition, 7 family budget management systems defined earlier were merged into 4 groups: male domination (combining male whole wage and male-controlled housekeeping allowance systems); female domination (combining female whole wage and female-controlled housekeeping allowance systems); pooling (partial and joint pool); and independent management.

Thus, families where the husband is working and the wife is not (one fifth of families fall into this category) show a higher degree of adherence to management models of male domination, while the shared pool is used by the smallest share of families (see table 6). The rare cases where the wife is working and the husband is not are more inclined to female domination on financial issues, or independent management. Over two thirds of families where neither spouse is working (the financial position of such families must be quite low) rely on the female rule in budget management.

Table 6. Management Systems by the Employment Status of Spouses, % by column

	Both are employed N = 591	The man is employed, the woman is not N = 179	The woman is employed, the man is not N = 45	Both are unemployed N = 142	Subsample in general N = 985
Management dominated by woman	21	25	38	36	24
Management dominated by man	24	30	7	15	23
Pool/shared management	47	38	47	45	45
Independent	5	3	9	4	4
Don't know	3	4	0	1	3

Chi-square coefficient = 66.457 (df=21), Sig. = 0,000

Education of the spouses

Hypothesis 5. More educated people adhere to a more “up-to-date” (that is, a more egalitarian) model of financial relations within marriage.

If at least one of the spouses has secondary vocational or higher education the adherence of families to a shared management system is more evident with no differences observed between men and women (see table 7). This as a whole correlates with the findings of British studies but there is a difference: egalitarian financial management systems are observed in the British families where the male human capital is higher, while the female educational level is of no significance [Vogler, Pahl 1993: 83]. We believe the reasons for such divergence are

associated with a higher level of education among Russian women, the comparison of distributions by educational level separately for men and women did not show any differences (47% of men and women have secondary vocational education while incomplete higher/higher education is recorded among 29% of women and 24% of men). The identification of three groups of families based on the married couples' educational level²⁰ does not reveal any differences between them in respect of budget management systems.

Table 7. Budget management systems by the educational level of spouses, % by column for male and female respondents

	<i>Educational level in the couple.</i>					
	Incomplete secondary, secondary		Specialized secondary education		Incomplete higher, higher	
	Male	Female	Male	Female	Male	Female
Management dominated by woman	35	34	23	27	18	15
Management dominated by man	19	23	23	20	30	30
Pool/Shared management	42	37	50	50	48	49
Independent	4	6	4	3	4	6

Chi-square coefficient for men = 24.880 (df=6), Sig. = 0,000; for women = 34.178 (df=6), Sig. = 0,000

Years of marriage or cohabitation, the age of the spouses, and the budget management system in respondents' parents' family

Hypothesis 6. The longer the spouses have lived together the more they are inclined to egalitarian relations in the budget management sphere.

This hypothesis is one of the derivatives of the household strategy concept, based on the idea that all personal differences aside, each individual takes other family members' behavioral patterns into consideration when making his own decisions. In other words, the household strategy in any sphere is the result of a complex collective bargaining process within that household [Barsukova, Radaev 2000: 73]. Therefore we may assume that since the initial stage of a relationship is a "trial period" reaching a collective agreement is generally much harder. As the family life experience grows the dialogue between the partners is no longer as tense, which ultimately leads to more democratic relations.

Hypothesis 6 was partially confirmed. On the one hand, virtually half of the families with over 20 years of marriage declared adherence to the partial/joint pool systems while the respective share in younger families is 40-43% (see table 8). Yet on the other hand 52% of

²⁰ Families were grouped thus: 1) families where the level of education of husband and wife is the same (in our subsample they make 58%), 2) families where husband's education level is higher than wife's (16%), 3) families, where wife's educational level is higher than husband's (26%).

families with up to 5 years of marriage choose a democratic model when replying to the question on budget management. In budget management models with one of the spouses dominating the husband is more frequently dominating in young families while it is the wife in more experienced families.

Table 8. Budget management systems by years of marriage or cohabiting, % by column

	<i>Years of marriage or cohabiting</i>				
	Less than 5 years (N=153)	6-10 years (N=147)	11-20 years (N=202)	21-30 years (N=230)	More than 30 years (N=192)
Management dominated by woman	19	21	23	27	34
Management dominated by man	26	32	30	18	15
Pool/Shared management	52	40	43	51	47
Independent	3	7	4	4	4

Chi-square coefficient = 33.971 (df=12), Sig. = 0.001

Length of marriage is to a certain extent connected with the age of spouses. Unfortunately we know the age of only one of spouses but since there is an equal share of men and women in our subsample we may hope that the bias has been reduced to a minimum. Having identified age groups separately for male and female respondents and having analyzed cross-distribution between the two, it was found that most men and women in couples belong to one age group. Therefore we considered it possible to set up a new variable on this basis: the average age of the spouses. As table 9 shows the results are consistent with the previous: the older the spouses are (50 and above) the more these families adhered to the female dominating budget management and conversely the younger they are, the more frequently budget management is male dominated. The partial/joint pool system is spread evenly across all age groups.

Table 9. Budget management systems by the average age of the spouses, % by column

	<i>Average age of the spouses</i>				
	18-29 years (N=150)	30-39 years (N=192)	40-49 years (N=218)	50-59 years (N=215)	60 years and older (N=129)
Management dominated by woman	21	23	15	33	37
Management dominated by man	27	27	32	16	13
Pool/Shared management	49	45	49	46	45

Independent	3	5	4	5	5
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Chi-square coefficient = 42.803 (df=12), Sig. = 0.000

We think there might be two reasons for this. The first is changes in incomes throughout the life cycle that are reducing dramatically after retirement²¹, which is especially typical of Russia and as it has been mentioned before, budget management systems with female domination are more widespread in low-income groups. The other reason may be associated with the cohort effect, for example those who grew up and were socialized in Russia during the 1990s are different in terms of their preferences and economic resources from those who grew in the 1970s.

Hypothesis 7. If the budget management model changes in families as spouses grow older, this implies the age effect, if not the cohort effect.

Ideally, this hypothesis should be verified by multi-year panel data complemented by in-depth interviews of spouses in order to clarify the budget management model transformations and relevant reasons for such transformations. In the absence thereof we decided to ask the respondents what system of budget management was used in their parents' families, realizing that parents and children belong to different generations.²² Nearly one fourth of the respondents found it difficult to reply. Verification for deviations showed no significance for differences in respondents gender or age. As table 10 shows, the respondents' families use the housekeeping allowance system more than their parents (20% against 11% - 14%), and use the whole wage system less (28% against 26% - 35%). British studies in the 1990s show other transformations in budget management systems used by respondents' and their parents' families, a reduced share of housekeeping allowance systems (from 36% to 12%), a somewhat reduced share of female whole wage models (from 35% to 27%) and a significant increase in the number of families adhering to the shared pool (from 19% to 50%) [Vogler, Pahl 1993: 83].

Table 10. Budget management systems in respondents' families and their parents' families, % of respondents (N=985)

	Respondent's family (N=985)	Respondents' parents' family	
		Incl. "Don't know" (N=985)	Exl. "Don't know" (N=753)
Whole wage, including:	28	26	35

²¹ The retirement age in Russia differs from European and American ages. For women it is 55 and for men 60. Additionally there are early retirements for some groups of employees. More than 3.2 million Russians, or 14 percent of the Russian workforce, are currently retired and receive their pensions early due to occupational or other hazards. See: <http://russiaprofile.org/business/58137.html>

²² Naturally, we have to understand that the approach to family budget management in the parents' family could have changed with time. The question, unfortunately, does not imply a specific time frame.

	woman	22	21	29
	man	6	5	6
Housekeeping allowance, including:		20	11	14
	controlled by man	17	9	11
	controlled by woman	3	2	3
Pool/shared management, including:		46	35	45
	pool	34	27	35
	shared management	12	8	10
Independent		4	5	6
Don't know		2	23	-
Total		100	100	100

At the same time over two thirds of the respondents identifying their family budget management system as female whole wage or partial/joint pool stated that the same system exists (or existed) in their parents' family (table 11); a similar indicator is recorded for nearly half of the respondents (42-43%) from families with male whole wage system or independent management, controlling for the age of the respondents. This implies that when analyzing budget management systems in Russian families one may refer to the cohort effect and their specific socialization experience in the parents' families more than to the age effect. However this conclusion calls for further and more profound verification.

Table 11. Budget management system in respondents' families by the budget management system in respondents' parents' family, % by column (N=985)

<i>Budget Management system in respondents' parents' family</i>	<i>Budget management system in respondents' families</i>			
	Management dominated by woman	Management dominated by man	Pool/Shared management	Independent
Management dominated by woman	66	26	18	14
Management dominated by man	8	42	9	17
Pool/Shared management	21	29	69	26
Independent	5	3	4	43

Chi-square coefficient = 345.651 (df=9), Sig. = 0,000

Type of settlement

Hypothesis 8. Residents of large cities show stronger egalitarian practices in budget management.

Thus hypothesis did not prove true, the observed differences were insignificant.

Socio-demographic type of the family

Clarke’s study found that the more adults there are in the household, the more likely it is that they will pay only part of their income into a common budget. In case of a nuclear family consisting of a married couple with children, no separate budget was usually observed, while two-thirds of households with independent budget management were represented by families without children [Clarke 2002: 543]. Our data show that a male-dominated budget management system is more frequent among full nuclear families with children under 18 but without any other adults living in the household (31% against 24% as a whole in the subsample). The partial/joint pool system is more frequently observed in families without children under 18 regardless of other household members (see table 18). To estimate the “pure” effect of children or household members a multivariable statistical analysis is presented in the next section.

Table 12. Budget management systems by socio-demographic types of the family, % by column (N=985)

	Couples without children younger than 18 years old and other adults living in household N = 327	Couples with grown-up children without other adults living in household N = 162	Couples with children younger than 18 without other adults living in household N = 334	Couples without children younger than 18 years old but with other adults living in household N = 47	Couples with children younger than 18 years old and other adults living in household N = 78	Subsample in general N = 948
Management dominated by woman	25	29	23	23	27	25
Management dominated by man	17	23	31	19	24	24
Pool/Shared management	52	44	43	53	44	47
Independent	6	4	3	4	5	4

Chi-square coefficient = 20.616 (df=12), Sig. = 0.05

The Main Determinants of Budget Management Systems

In order to reveal the determinants for choosing a family budget management system, a multinomial logistic regression was used. To achieve greater fullness of groups the dependent

variable (the type of budget management in the family) was combined into four categories: (1) male domination (this includes the system of male whole wage and housekeeping allowance controlled by men), (2) female domination (combining the system of female whole wage and housekeeping allowance controlled by women), (3) joint or partial pool, and (4) independent management. The budget management system dominated by women was adopted as the base category. Those respondents who found it difficult to answer (37) were excluded from the analysis. As a result, the sampling frame was 948 people.

Based on the previous analysis of characteristics of families according to the type of budget management, predictor variables were chosen as follows:

- the gender of the respondent;
- the logarithm of the per capita income (the logarithm is used to approximate the distribution of income to the normal form);
- the employment status of spouses, which was divided into four categories: (1) both the husband and the wife work, (2) the husband works, the wife does not, (3) the wife works, the husband does not, (4) neither the husband nor the wife work);
- the education of the husband, 3 categories: (1) lower secondary, secondary, vocational, (2) special secondary, (3) incomplete higher education, higher education);
- the education of the wife (as in the previous variable);
- the average age of the spouses;
- the number of years of marriage or cohabitation;
- the presence of the same type of financial management in the family of the respondent's parents (dichotomous variable);
- socio-demographic type of household;
- the number of children under the age of 18 in the household;
- the number of other adult household members, which includes all persons living in the same address, in addition to the respondent, the partner and their children.

In addition, we assumed there would be a significant multiplier effect for two variables: the existence of the same type of financial management in the family of the parents of the respondent and the gender of the respondent. Including the product of these two variables into the model will test another hypothesis.

Hypothesis 9. The interaction between the parental budget management system and current practice of budgeting in the respondent's family will vary between men and women.

For the same reason as we checked the effect of the interaction between the level of the per capita income and respondent's gender, we introduced another multiplier into the model, which is the product of these two variables. This means the assumption that the correlation

between income and the type of budget management in the family is different depending on who answered the question, a man or a woman.

To build a regression model we used the statistical package R (*R Studio*), which provides opportunities for graphic visualization of the results of different multinomial regressions²⁴.

Six variables proved to be significant in the model: $p = 0$ for the level of per capita income (in logarithm) and the presence of the same type of budget management in the family of the parents of the respondent; $p < 0,001$ for the gender of the respondent; $p < 0,01$ for the education of the wife, length of marriage and the multiplicative variable, equal to the product of variables such as the presence of the same type of financial management in a family of the parents of the respondent and the gender of the respondent.

Let us now look at the probability of selecting a family budget management type based on these characteristics. We provide graphs to visualize the effects of different variables on this choice²⁵.

At low levels of per capita income, the probability of choosing a system in which the household finances are managed by the woman is almost maximal. The growth of material wealth increases the probability of selecting the joint or partial pool approach. The highest probability of choosing a male-dominated family budget management system occurs at a high level of income (see figure 3). The likelihood of women choosing an egalitarian model of financial management is slightly higher than for men, and the belief that in their family the role of "finance minister" belongs to the wife is significantly higher (see figure 4). The practice in which the leading role in family budgeting belongs to the husband is likely to be chosen by men almost twice as often as by women. This situation is affected by the desire to conform to gender norms, although the question of what is meant by gender norms in relation to the management of the family budget requires separate research. The probability of selecting an independent financial management system is higher in more affluent families and among men.

²⁴ Since the multinomial logistic regression compares the probability of falling into one of the categories of the dependent variable compared to the base one, the set of coefficients in the output tables only multiplies complexity in representation, perception and analysis of the results.

²⁵ A detailed description and justification of effects rendered by a multinomial regression is to be found in the work of Fox and his collaborators, see: [Fox, Andersen 2004; Fox, Hong 2009]

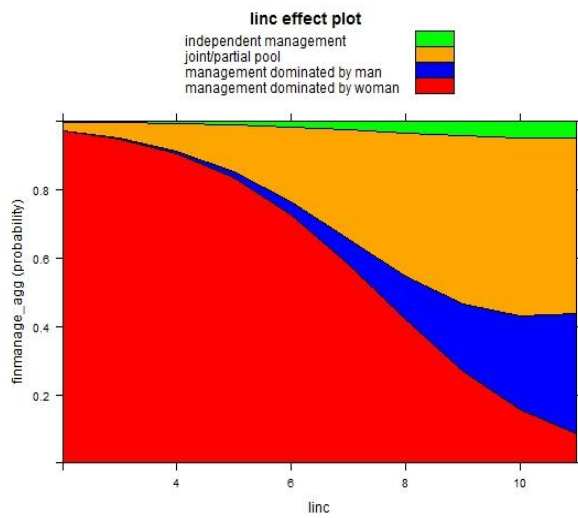


Fig. 3. Display of the interaction between per capita household income and the budget management system

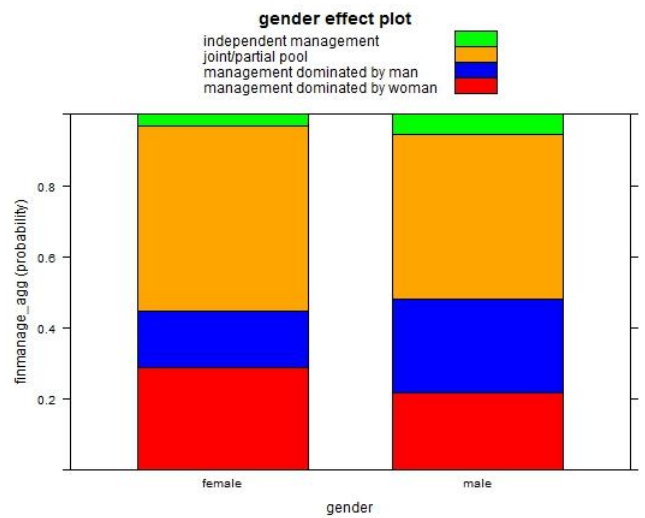


Fig. 4. Display of the interaction between respondent's gender and the budget management system

The analysis of the interaction between income level, respondent's gender and the type of budgetary management²³ shows that at the same low level of income per capita, the probability of a man choosing a model, where a woman is in charge of money, is almost maximal, when the level of income is identical and slightly above average (the logarithm is between 7 and 8), the probability of choosing a joint pool is almost identical both for men and women, but the probability of characterizing the current management practices as independent is higher for men. Women are likely to choose a stand-alone model of budgeting at a high level of per capita income, and men with this level of family wealth are more likely to indicate a male dominated management system (see figure 5).

²³ Although the multiplied variable is statistically insignificant, we consider it worth analyzing.

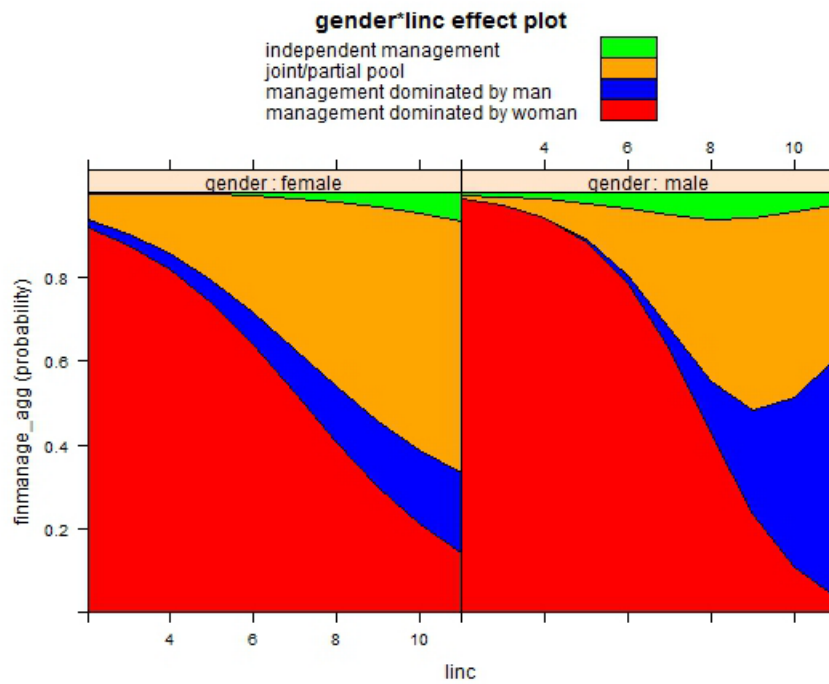
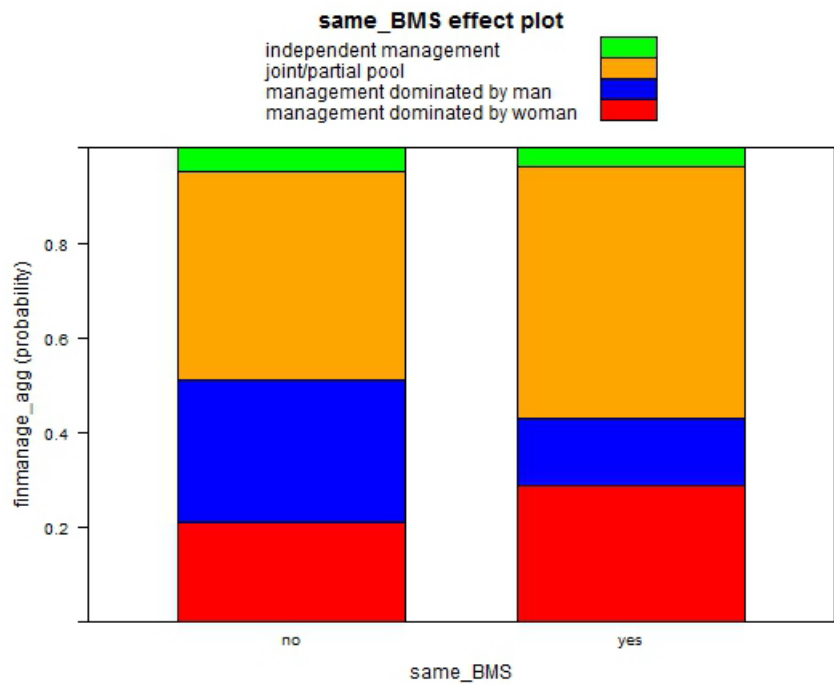


Figure 5. Display of the interaction between respondent's gender, per capita household income and the budget management system

To build a regression model we constructed and introduced an additional variable, taken as a predictor: the same type of financial management in the family of the parents of the respondent. The distribution of the responses is almost even: 39% affirmative, 36% negative, 25% difficult to answer. The analysis shows that the probability of choosing an egalitarian model of family finances or a budget management system with female dominance is higher for the respondents whose parents have (or had) the same practice, and respondents who report differing parental practices are more likely to describe their system financial management as male dominance (see figure 6).



* BMS — Budget Management System.

Figure 6. Display of the interaction between the parental budget management system and the current practice of budgeting in the respondent's family

Previously we hypothesized that the interaction between the parental budget management system and the current practice of budgeting in the respondent's family will differ in responses between men and women (hypothesis 9). This hypothesis was confirmed.

If perceptions of parental practices of financial management are identical to the practice of the respondents, then the probability of responses that in their families all the money is commanded (in one way or another) by a woman, or management is carried out jointly is higher for women; and the responses reporting male dominance is higher for men (see figure 7). We can say that socialization and assimilation of gender norms on the example of parents in this case, clearly manifests itself in the families of the children. If parental budget management practices differ in the perception of the respondents from their own, women show a higher probability of selecting a female dominated system, whereas men prefer the independent management model, where each spouse manages the money on his/her own. The probability of selecting male-centered or co-managed systems in this case is almost the same for both women and men.

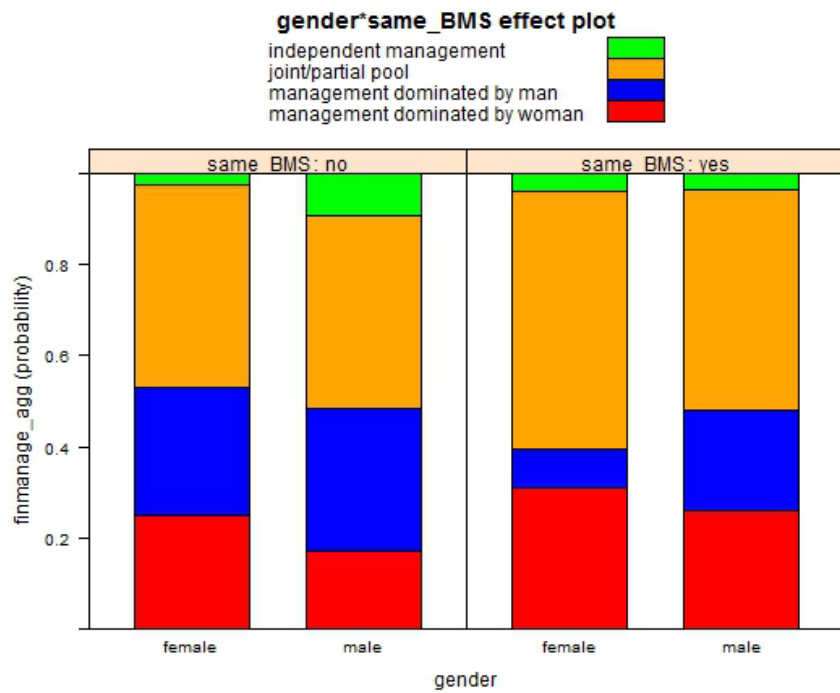


Figure 7. Display of the interaction between respondent's gender, the parental budget management system and the current practice of budgeting in the respondent's family

The education of women is related to the family budget management system. As seen in figure 8, with an increasing level of education of women, the likelihood that the "treasurer" in the couple is the wife is reduced, and the likelihood of adherence to a joint pool system increases. The probability of selecting the model of male domination is higher only if the wife's human capital corresponds to the level of secondary education or below.

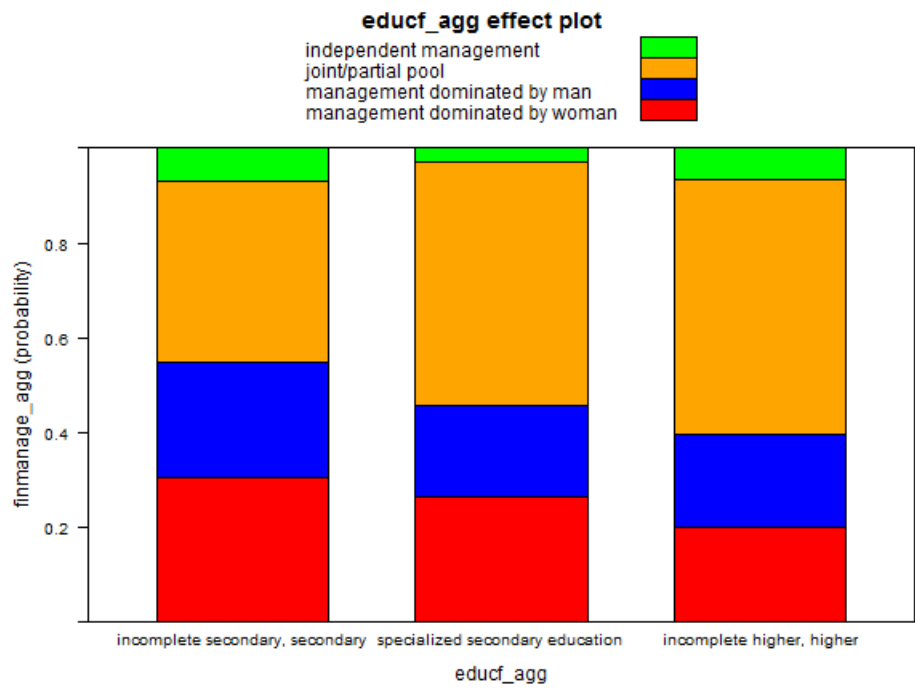


Figure 8. Display of the interaction between the wife's education level and budget management system

Finally we analyzed the interaction between the length of marriage and the budgetary management. We previously put forward the hypothesis that the longer a couple live together, the more they focus on egalitarian relationships, including budget management (hypothesis 6). The cross-tables confirmed the hypothesis only partially. However, additional verification by means of regression analysis confirmed the hypothesis completely. Figure 9 illustrates that the likelihood of adherence to a pool system is higher the longer the couple live together, while having a man in charge of the family financial management is more likely for young couples. Whereas the probability of choosing a female-dominated or independent management system is almost constant with an increase in the length of the marriage.

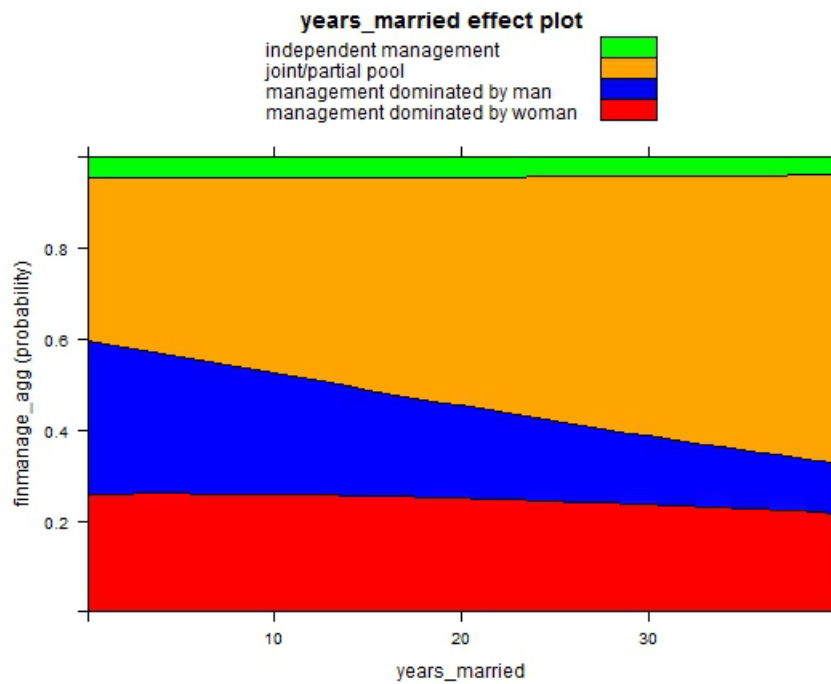


Figure 9. Display of the interaction between the marital age and budget management system

Conclusions

The investigation of the mechanisms of budget management in Russian families shows that the most widespread system is the joint or partial pool, although joint financial management does not necessarily mean shared leadership between the spouses in the family, and probably not even a shared responsibility for managing money. A quarter of respondents' replies showed a model of female dominance to some degree, another quarter to male dominance. Independent financial management, where each spouse manages their own money is still less common. There is no talk of homogeneity in the management practices in Russian family finances.

The main determinants for choosing the type of financial management are the level of per capita income, gender, years of marriage or cohabitation, the wife's level of education, and the same type of financial management in the family of the respondent's parents. The interaction between the parental budget management system and current practice of budgeting in the respondent's family varies between men and women.

At low levels of per capita income the probability of choosing a practice where the money in the household is controlled by the woman is almost maximal. This confirms the finding of the British survey that the model of family budget management dominated by women is more typical for low-income households. Limited resources dictate various survival strategies from reducing expenses, which mostly appeals to women, to increasing incomes, which is

preferred by men. In the case of the former strategy it is women who undertake functions of family budget management.

The probability of men identifying the current situation with money management practices as male-dominated is almost two times higher than for women, whereas women are more likely to express their conviction that the role of their families' "finance minister" belongs to the wife. The reason for this situation lies in the effect of gender stereotypes in the opinion of respondents who (consciously or not) can "shift" their responses towards gender norms.

A very important factor in selecting the type of budget management is the perception by respondents of the parental practices. If this perception is identical to the practice of the respondents, the probability of women's responses that in their families all the money is commanded (in one way or another) by a woman, or management is carried out jointly is higher, whereas the responses of male dominance in budget management is higher for men. In this case we can speak about the experience of socialization and assimilation of gender norms following the parental example and its consolidation into the children's family. If parental management practices differ from their own in the perception of the respondents, women show a higher probability of selecting a female-dominated model than men, but men choose independent management models.

These studies also support the hypothesis that the longer a couple live together, the more they focus on egalitarian relations in the field of budget management.

Both the British studies and our analysis showed that education is related to the family budget management system: the higher education level, the greater the probability of adherence to a joint pool system. However, a significant difference is that in Britain what matters is the man's education, and in Russia, the education of women. We believe the reasons for such differences are associated with a higher level of education among Russian women compared to men.

This article represents a first stage in studying the problem of budget management in Russian families. The next step will be a study of the financial behavior of families with different budget management systems, the distribution of financial power within the family and the mechanisms of decision making on various monetary issues, transformations of budget management practices due to changes in the sphere of employment, financial markets and marriage relations.

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