

Income Pooling within Families - Survey Evidence of Denmark

Jens Bonke & Hans Uldall-Poulsen

The paper addresses the income pooling phenomenon by applying the Danish household expenditure survey merged with register information. Additional questions on income sharing among 1372 couples thus allow for analyzing, if the intra-household distribution of resources reflects both individual preferences, the distribution of power, and experience, i.e. the number of partners and years in other marriages. The analyses show that most Danish households employ some sort of income pooling and that the likelihood of income pooling varies considerably with a number of individual characteristics (age, education, occupation, past partners, upbringing, etc.) and household characteristics (household income, duration of marriage, location of residence and the existence of public goods incl. children). However, when all variables are evaluated in a common model, only duration of marriage and the existence of public goods - in the form of children - seem to have a clear impact on the likelihood of income pooling.

Key Words: income organization, money management.