Children and the Elderly . . .
How Will They Fare as the
American Family Changes?

A Summary of
Research Results

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**CHILDREN AND THE ELDERLY . . .
HOW WILL THEY FARE AS
THE AMERICAN FAMILY CHANGES?**

N-2518-NICHD, *Changing Family Structure: Who Cares for America's Dependents?*, by Peter A. Morrison, December 1986, 18 pp., \$4.00.

Laws aimed at safeguarding America's traditional dependents—children and the elderly—may be due for some serious rethinking as demographic shifts continue to destabilize the American family.

The instability of American family life, marked by marital dissolution and the formation of increasingly diverse, nontraditional kinds of families, is already eroding the ability of many Americans to meet the needs of their dependents, both young and old, according to N-2518.

At the same time, lengthening life expectancy among older Americans intensifies the health care needs of the elderly and affects their income security. This is a situation that will worsen early next century as the Social Security system is forced to squeeze more dollars out of a slowly growing (or possibly shrinking) work force in order to pay benefits to a swelling number of retirees who are members of the baby boom era.

All of these changes are altering and clouding traditional notions of family responsibility.

GROWING FAMILY INSTABILITY . . .

High divorce rates (coupled with a shift to a pattern of earlier marital dissolution) are affecting everybody—mothers, fathers, and children—much earlier in their lives. Proportionally more children spend part of childhood in single-parent families and in "blended" families, along with their stepparents and stepbrothers and sisters.

According to the report, if current trends continue, 56 percent of first marriages of women aged 35 to 39 in 1985 will eventually end in divorce. Similarly, among this year's six-year-old children, as many as 2

out of 3 white children and 19 out of 20 black children may, over the course of their first 18 years, experience life in a one-parent family.

A more disturbing departure from old norms is out-of-wedlock childbearing, particularly among teenagers. Unmarried women gave birth to 770,000 babies in 1984—21 percent of all children born in the United States.

FAMILY RESPONSIBILITY LAWS . . .

Single-parent families are not by themselves inherently unstable, but they are a departure from the traditional norm. As such, they pose problems that are not easy for legislators to deal with, especially if the aim is to encourage or mandate the shouldering of family responsibilities. Many legislators want the family to be what it was, not what it is, and that's where the questions arise: Is a father equally responsible for his natural children and his stepchildren—and they for him, if the law mandates that children help pay for their parents' nursing home care? Which parents? What children? To what extent?

Laws requiring the children of Medicaid recipients to help pay for their parents' nursing home care have already touched off intense debate. What happens, for example, if an unmarried woman with minor children (one of them handicapped) marries a man who develops a chronic health condition that is expensive to treat? If he has adopted her children, are they legally obligated to share in his medical costs—eventually wiping out trusts that she and their natural father jointly established to provide for one's college tuition and the other's institutional care? As the author notes, "Those children probably would need a lawyer, rather than a mother, to represent their interests."

INCREASING LONGEVITY . . . THE MINUS SIDE . . .

The report also contends that, through population aging, the income security needs as well as health care needs of the elderly may increase more than federal planners now predict.

In an examination of Social Security financing, the author maintains that the current legislative outlook on population growth “invites a false sense of security.” A substantial actuarial deficit could result from a misreading of fertility trends. The nation’s fertility rate, down from 3.8 children per married couple in the late 1950s to 1.8 births today, is expected to remain low and might decline further. Meanwhile, 28 million Americans—12 percent of the population—are over 65. But by 2025, they will number 59 million and make up 19.5 percent of the population.

These two trends—declining fertility levels and growing numbers of older Americans—spell financial trouble. By 2025, there may be far fewer dollars available than expected to support a much larger than expected group of retirees.

It won’t be only the sheer numbers of elderly persons that will increase, according to the report. There will be a disproportionate shift within this age range toward the very old ages, in which chronic and disabling conditions are most prevalent. In 1950 a 65-year-old person could expect to live 13.9 more years, but by 1985, that figure has risen to 16.8 years. The further increase in future longevity is thus a demographic uncertainty to be weighed cautiously, because it will carry massive implications for the provision of health care as well as basic income security.

PLANNING AHEAD . . .

All of this underscores a pair of concerns for legislators. They must be prepared to accommodate in future social legislation the growing diversity of families, and they must guard against premising legislation on technically unsound demographic assumptions about the future.

First, using the results of demographic research to fine tune their views about tomorrow’s families, policymakers can avoid unintended effects in future social legislation. As the author notes, the former “man-in-the-house” rules, which broke up low-income families so that children could become eligible for AFDC benefits, serves as a reminder of

what can go wrong when changing family realities are ignored.

Second, the report calls for a thorough reappraisal of the demographic assumptions underlying the long-range forecasts that Congress uses. Those assumptions are critical in shaping legislators' views of families and of emerging future dependency relations within American society.

N-2518 may be obtained directly from the Publications Department, The RAND Corporation, 1700 Main Street, P.O. Box 2138, Santa Monica, California 90406-2138, or by telephoning (213) 393-0411, Extension 6686.

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