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METHODS OF HANDLING MONEY
INCOME IN 360 SELECTED FAMILIES
IN MICHIGAN

Thesis for the Degree of M. A.
Eunice A. Pardee
1936

THESIS

METHODS OF HANDLING MONEY INCOME
IN 360 SELECTED FAMILIES IN MICHIGAN

A Thesis Submitted to the Faculty
of
MICHIGAN STATE COLLEGE

In Partial Fulfillment of the
Requirements for the Degree
of
Master of Arts

Department of Home Management and Child Development
Division of Home Economics

by

EUNICE ANDERSON PARDEE

1936

THESIS

ACKNOWLEDGMENT

The writer wishes to express her sincere appreciation to Dr. Ruth Lindquist for her interest and criticisms and to Dr. Marie Dye for her suggestions.

The writer is grateful to Miss Edna V. Smith for her cooperation, and to Miss Julia Pond and Miss Helen Noyes for their help in collecting the data.

The help received from Prof. S. E. Crowe in analyzing the data statistically is also gratefully acknowledged.

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CHAPTER I

AN APPROACH TO THE STUDY OF INCOME DISTRIBUTION OF FAMILIES.

Families of this generation differ in many respects from those in earlier generations, but probably no single difference is as pervasive in its effects as the degree of dependence upon money income. A hundred years ago, when a large proportion of the population lived on farms and manufactured its own clothing, soap and candles, there was little need for money. The earlier eras have been those marked by using and trading home products; the present one is distinguished by the practice of purchasing with money and of promising to pay through the use of credit facilities. All families, both rural and urban, are dependent upon money and credit to supply a majority of the physical needs and to provide comfort for adults and children. Without financial resources existence itself is threatened.

Writers of fiction and biography have long been aware of the problems of life which this difference created and with unusual insight they have succeeded in portraying them. For example, in Edna Ferber's "So Big", the theme is that of the transition from using to selling in the farm family and some of the changes that accompany the new order in the realm of mother-son relationships. Another excellent example in a different section of the country is Ellen Glasgow's "Vein of Iron", which shows how little one family actually depended upon money income as long as they lived a simple life on the old farm. A large part of the book, however, deals with the difficulties and struggles that came when the Fincastles moved to town and were forced to depend on money income. Through the years of the depression it dwindled to almost nothing and the lack of it brought hardship, starvation, and death.

These are but two of the many examples which might be given.

The educator, busied with the routine of his job, has less frequently recognized these situations or, if he has been aware of them, the reasons for them have not been studied. A further factor that has interfered with a comprehensive attack upon these new problems, arising from the importance of money and credit in families, has been the tendency to set up courses and units of one kind for men and another kind for women. The result has been that some teachers and other leaders encourage and help farmers to produce a larger amount of stock, farm crops, or dairy products while others help women to want to bring more health, comfort, and beauty into the farm home. Sometimes there has been much too little knowledge and appreciation on the part of educators of women and children of the economic problems involved in earning and safeguarding the money income. Not infrequently the men gain little knowledge and appreciation of the importance of these wants.

Many evidences of discord over financial matters are apparent today. These discords may be due to lack of information on the part of some members as to the amount of the income, its distribution in the family, and its final use. Often a feeling that some members use more than their fair share may cause resentment. One of the chief causes for discord in the farm family, of which the writer has been conscious for many years, is pointed out by Carle Zimmerman¹:

"....the primary competition in the budgets of farm families is between the investments centered around land ownership, its rights and privileges and the increased consumption of material goods of the present."²

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1. Zimmerman, Carle C. - Incomes and Expenditures of Minnesota Farm and City Families, 1927-1928, p. 8. Bulletin 255, University of Minnesota Agricultural Experiment Station.
 2. Op. cit., page 8.

Any one who knows rural women through extension classes is aware of the struggle over money, due to the desire on the part of the woman for more home improvements, more education for the children or for other outlays for immediate consumption as contrasted with the very great desire of the man to put money back into the land and farm business for further security and welfare. Children often increase the discord by their demands for more and more things which only money can provide. The plan for distributing this money income among the members of the family, old and young, is one which has no basis in practices of earlier generations. To secure an equitable and satisfying method is a problem which belongs largely to those of the present generation and of the recent past.

This competition is prevalent not only in rural families but also in urban ones. Particularly does one observe it in those families in which the money income of the man is derived from business ventures and other sources that bring irregularity or uncertainty. Modern novels and plays are frequently written around this theme, while daily observation of family relationships gives additional evidence of the competition.

PURPOSE OF THE PRESENT STUDY

The present study was undertaken because the writer had long had an appreciation of these struggles and conflicts. Its purpose was to determine, if possible, what actual practices in handling money income are being used in families today. A special interest in farm families has grown out of experience in teaching classes of farm women.

If this study can throw light on present practices and some of the satisfactions and dissatisfactions resulting, it may help to provide information of value for educators, for financial counselors, and

for men and women who are eager to achieve understanding and harmony as members of families.

SCOPE AND METHOD OF THE PRESENT STUDY

There was no attempt made to secure a random sample of families in Michigan. Rather the cooperation of the home economics staff of the Extension Service of Michigan was sought. The fact that extension groups of local leaders in home management projects were asked by the two extension specialists in this field to provide information resulted in a further selection on the basis of interest. This selection, however, while it resulted in interested women, did not necessarily bring about the choice of a group of men equally interested in establishing practices satisfactory for all members of the family. For this reason the cooperating families may have represented a less selected group than this method of choice would seem to indicate.

The information for the study was obtained by questionnaire from 360 homemakers living in twenty counties distributed over the state. There were 246 farm, 78 town, and 36 small city families. The form was given at the local leader training schools with an explanation as to why the information was being sought. The specialists briefly explained the form and answered questions on points not clear to those who were cooperating.

The plan of securing the information made checking of the data seem less necessary, but also more difficult to accomplish. Neither was an effort made to compare the patterns and practices with samples selected from other areas and occupational groups, though there is a keen appreciation of the value such comparisons might have.

REVIEW OF LITERATURE

There is still a dearth of information on methods used by families in handling their money income. Many studies have been made of standards of living in both rural and urban areas. The nature of purchases and the purposes for which money is used have been investigated. Such studies as Leila Houghteling's "The Income and Standard of Living of Unskilled Laborers in Chicago" presents information on the expenditures of unskilled laborers' families in Chicago. Jessica Peixotto's study "Getting and Spending at the Professional Standard of Living" gives a picture of expenditures with a different class of city families. E. L. Kirkpatrick's "The Farmers' Standards of Living" provides a great quantity of information on goods and services which were part of the plane of living in farm families in 1922-24. So far comparatively few studies have included any consideration of the way the money income is distributed among the members of the family. Three¹ of those published which do concern themselves with these problems will be reviewed briefly.

Of special interest to the present study is the one reported by Josephine Fuller, which summarizes the findings of 176 families of women students at Michigan State College in 1935. The families lived in cities, small towns, and on farms. About one-fourth of the fathers and mothers were high school graduates, and about one-sixth had graduated only from

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1. Fuller, Josephine - Method of Handling Family Finance in Homes of Women College Students. A Master's Thesis, Michigan State College, 1935.
 Woodhouse, Chase Going - "Managing the Money in Successful Families", Journal of Home Economics, Vol. 23.
 Lindquist, Ruth - A Study of Home Management in Its Relation to Child Development, published as a joint issue of "The Candle" of Phi Upsilon Omicron and Omicron Nu Magazine, Dec. 1929, Pittsburg, Kansas by Moore Bros.

the district school. Twenty-five per cent of the fathers and 18.9 per cent of the mothers were college graduates. The findings include the following:

"....In over two-thirds of the families a system of joint control existed between the two parents in deciding how the money was to be spent The joint account system was the most popular, found in nearly one-half the cases Budget making was carried out by only one-fourth of the families, and was done mainly by the father and mother The mother alone did the buying in over one-third of the cases. In only a few instances did all members share in this activity.... Only two-fifths of the college girls took part in deciding how the family money was to be spent and this was generally by expression of opinion or stating needs Two-thirds of the college girls had only partial knowledge of the amount of the family income and 10 per cent had no knowledge at all. In only 37 per cent of the families did all members discuss the uses to which the family fund was put. Training by means of an allowance was found in over one-half of the cases and the amount had been increased to meet school requirements. About four-fifths of the girls were given money upon request with or without a basic allowance. Less than one-third of this proportion received allowances also.... The practices of handling money did not seem to be related to the education of the parents with the exception that more girls from homes where the parents had gone no further than the district school received money on request than by means of allowance. More of the older children participated in business men's and farmers' families."¹

A second study of interest is the one of 68 successful families made in 1928 by Chase Going Woodhouse. There were two criteria used in judging the successful families in this study. First^{was} the adjustment of husband and wife in their personal and community relations when judged by qualified observers who knew the family well. The second criterion was the ability which they showed in bringing up their children. With few exceptions Mrs. Woodhouse reports both ~~husbands~~ and wives in the group were college trained and all families belonged to the business

1. Op. cit., pp. 82-84.

and professional classes.

"....In dealing with family finances there are two main problems - who has control of the money and what expenditures are made?The general picture is one of joint control, or perhaps better, mutual control of the family funds The joint account was the most popular, found in nearly one-half the families In the actual handling of money and payment of bills there seemed to be a usual and well defined division of labor. Payments on house, interest, insurance, and coal had a masculine trend. The wife usually cared for purchases of food, service, operating expense, except coal, her clothes and personal expenditures, and those of the children.....

"When deciding on expenditures, in three-fifths of the families husband and wife jointly made the decision and in one-sixth more this was true of all large items....

"An effort was being made to teach these children how to earn money and the parents for the most part were making a conscious effort to find real work for them. The general practice was to give the children allowances from the time they were six years of age, starting to school. The allowances were spent at first for school supplies, ice cream, candy, penny bank, and Sunday School. With increasing age and responsibility came larger allowances and more items to be cared for until usually at adolescence, and in nearly every case upon entering college, the allowance was covering clothes and personal expenditures and in many cases all expenditures....

"Mutual control of funds, mutual agreement as to expenditures, an endeavor to develop a philosophy of spending in accord with the earning power of the bread winner, teaching the children how to earn and how to spend, making a real financial partnership out of marriage, such were the methods by which these families felt that they were working out their financial problems. All through their discussions of hindrances and worries runs one guide thread, the importance of planning, of knowing where the family is financially and where it is going...."¹

"A Study of Home Management in Its Relation to Child Development"
reported by Ruth Lindquist deals with 355 selected families. The

1. Op. cit., pp. 1-8.

selection was based upon the amount and the type of formal education of the women. Eighty women and sixty-eight men out of each hundred have degrees from a college or university. Twenty-two in addition have attended college. In fifty-two of every one hundred homes both parents are college graduates. One-fourth of the men and one-tenth of the women have advanced degrees. The majority of the men are in trade, agriculture, and professional service.

Miss Lindquist reports the following findings:

"A plan for using the income insures less waste and greater satisfaction in one-third of the homes, where members pin their faith to living by a budget One-fourth of the group have something of a plan which covers one or more items and an additional third report that they have none at all. In this latter group are two-thirds of the rural families Sixty per cent of the total number approve of and use the family council.....

"The degree to which children participate in making decisions is slight, due in part to the fact that such a large percentage - eighty-two - are under ten years of age In the matter of allowances for the children there is a wide variation as a result of the attitudes of the parents and the amount of system in the home. Very nearly one in three report regular allowances and of these the majority begin at the age of six years or earlier

"There is no one method of budgeting which is recommended by all of the families and it is apparent that the present plans have been evolved after testing several types. The difference is largely one of detail and of the frequency with which the decisions regarding what can be afforded are made. In all cases it is the needs and the resources of the individual family rather than figures or percentages found in books that determine the division of the income....

"The value of records of past expenditures has been suggested. A few find periodic examination and classification of check stubs sufficiently detailed to provide a basis for the new budget. One out of every five women prefers a careful record of all expenditures....

"There is one conclusion that can be drawn which holds for all families - that a financial pattern for spending which is based upon the needs and resources of the individual family, when it becomes the guide, improves spending, lessens worry, and increases the satisfactions for all."¹

1. Op. cit. pp. 30-37.

CHAPTER II

THE COOPERATING FAMILIES AND THEIR HOMES

The cooperating families described in this chapter live on farms and in towns small and large. The men and women who are the heads of these homes include both native and foreign-born. There are those who are childless and those with fourteen children. In age, we find some children still in their infancy and others who have passed the zenith of life. The life cycle¹ of some of the families is in the pre-school stage, some are in the post-school stage, while many are in the grade and high-school stage.

Of the 360 families who cooperated in this study 36 lived in small cities of 2500 to 25,000, 78 lived in towns of less than 2500, and 246, or 68.3 per cent, lived on farms. Twenty per cent of the families had no children; 23.89 per cent had but one child. More than one-half of the families had two or more children, while almost one-half of this latter group had four or more. All of the families but four were unbroken; in these four farm families the husband had died. This information is presented in Table 1 on page 11.

The husbands and wives in the great majority of these families were, as shown in Table 2, American-born. Only 6.1 per cent of the husbands and 3.6 per cent of the wives were foreign-born. A comparison with the rural population of Michigan is of interest since the cooperating families were so largely rural. The census for 1930² shows that 11.5 per cent of the rural population was foreign born.

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1. For a description of the characteristics of the different stages in the life cycle see "The Life Cycle of the Farm Family" by Kirkpatrick, Tough, and Cowles. Bulletin 121, Wisconsin Agr'l. Exp. Station.
 2. Fifteenth Census of the United States 1930, Population, Vol. III, Part I, page 1115.

TABLE 1
PLACE OF RESIDENCE OF COOPERATING FAMILIES

Location of Home	All Families		Number of Children in the Family							
	No.	Per Cent	None	No.	Per Cent	One Child	No.	Per Cent	Two or Three Children	Four or More Children
	No.	Per Cent	No.	Per Cent	No.	Per Cent	No.	Per Cent	No.	Per Cent
Small City (2500 and over)	36	10	9	12.5	7	8.1	14	10.6	6	8.6
Town (less than 2500)	78	21.7	21	29.2	15	17.5	26	19.7	16	22.8
Farm	246	68.3	42	58.3	64	74.4	92	69.7	48	68.6
Total	360	100.0	72	100.0	86	100.0	152	100.0	70	100.0

TABLE 2
PLACE OF BIRTH OF HUSBANDS AND WIVES

Nativity	All Families		Families				Families			
	Husband	Wife	Husband	Wife	with no children		Husband	Wife	with children	
	No.	Per Cent.	No.	Per Cent.	No.	Per Cent.	No.	Per Cent.	No.	Per Cent.
Foreign-born	22	6.1	13	3.6	5	6.9	2	2.8	17	5.9
Native-born	327	90.8	340	94.5	67	93.1	69	95.8	260	90.3
Not given	11	3.1	7	1.9	-	-	1	1.4	11	3.8
Total	360	100.0	360	100.0	72	100.0	72	100.0	288	100.0

Heads of families in this sample were largely under 50 years of age, and there were a large number of wives under 30. With this exception age groups were very much alike for husbands and wives. As would be expected, there was a larger percentage in the group without children 20-29 years of age than in the group with children. The range in age is indicated in Table 3 on page 14.

In Table 4 the ages of children are given and show a range from under one year to more than 25 years. One-fourth of the entire number were under 10 years and one-fifth were between 10 and 15 years. One hundred eight, 13.5 per cent, were over 25 years. Since so large a proportion of children were under 15 years, the study throws less light on the attitudes and financial practices of families in which there were adolescents than it does regarding families with younger children. Many of those whose children are now grown related practices which had been used when the children were adolescents. This period of the teens is the part of the life cycle, according to Kirkpatrick, Tough and Cowles, in which financial problems are most likely to create discord.

In 131 families, as seen in Table 5, there were persons other than father, mother and children living in the home. Only 22.2 per cent of the families with no children had others in the home. In these 16 homes, one was a hired man and the others were all relatives. Five of them were wholly dependent, seven were partially dependent and three were not dependent on the family for financial support. In the group of families with children, 30.6 per cent had others in the household. Seven were boarders and 32 were full-time hired men. Seven families had a hired man for a part of the year.

The amount of formal education of husbands and wives varied from

TABLE 3
AGES OF HUSBANDS AND WIVES

Age	All families		Families with no children		Families with children	
	Husband	Wife	Husband	Wife	Husband	Wife
	No. Per cent	No. Per cent	No. Per cent	No. Per cent	No. Per cent	No. Per cent
Under 20 years	-	2	-	1	-	1
		.5		1.4		.4
20-29 "	30	8.3	16	22.2	14	4.9
		16.1		34.7		11.5
30-39 "	112	31.1	28	38.9	84	29.1
		121		34.7		33.3
40-49 "	117	32.5	14	19.5	103	35.8
		105		15.3		32.6
50-59 "	65	18.1	6	8.3	59	20.5
		56		8.3		17.4
60 and over	21	5.8	6	8.3	15	5.2
		7		2.8		1.7
Not given	11	3.1	2	2.8	9	3.1
		11		2.8		3.1
Deceased	4	1.1	-	-	4	1.4
		-		-		-
Total	360	100.0	360	100.0	288	100.0
		100.0		100.0		100.0

TABLE 4
AGES OF CHILDREN IN COOPERATING FAMILIES

Age	All children		Boys		Girls	
	No.	Per cent	No.	Per cent	No.	Per cent
Under 1 year	3	.4	-	-	3	.8
1-5 years	59	7.4	31	7.3	28	7.4
5-10 "	140	17.5	70	16.5	70	18.6
10-15 "	160	20.0	84	19.8	76	20.2
15-20 "	139	17.4	77	18.2	62	16.5
20-25 "	88	11.0	58	13.7	30	8.0
Over 25 "	108	13.5	61	14.4	47	12.5
Not given	69	8.6	26	6.1	43	11.5
Deceased	34	4.2	17	4.0	17	4.5
Total	800	100.0	424	100.0	376	100.0

TABLE 5

OTHERS IN HOUSEHOLD CLASSIFIED AS TO FINANCIAL STATUS IN THE FAMILY

Type of families	All families No. Per cent	Financial status of others		
		No. wholly dependent	No. partially dependent	No. independent
Families with no children				
City	3 18.8	3	-	-
Town	1 6.2	1	-	-
Farm	12 75.0	1	7	4
Total	16 100.0	5	7	4
Families with children				
City	2 1.7	1	-	1
Town	20 17.4	3	9	8
Farm	93 80.8	16	18	59(1)
Total	115 100.0	20	27	68

(1) Includes 7 boarders, 32 hired men full time, 6 hired men one-half time, 1 hired man two-thirds time, 13 relatives.

the fourth grade to the completion of college courses. Only four, or 5.6 per cent, of those with no children had less than a high-school education, while 51, or 17.7 per cent, of those with children had not attended high school. This difference may be due to the fact that those who had children had stopped school to work and had married at an earlier age than did those in the former group. Two points of especial interest are noted in Table 6: one that wives had on the whole more formal education than had the husbands and, second, that undoubtedly this represents a group above the average in this respect.

Since many children are young and yet in school Table 7 shows only those who had finished their formal education. Forty-six, more than three-fourths of the children who had left school, belonged in farm families. This may be due to the fact that these families were the older ones. Approximately ~~two~~-thirds of the boys and girls remained in school until they had graduated from high school. One in seven was a college graduate.

Occupations of heads of families in this study is of special interest. In the 360 families very nearly one-half of the heads of the families farmed full time. In addition approximately 20 per cent reported part-time farming as an occupation. The next largest occupational group was that of laborers, a group which included both skilled and unskilled workers. There was no information available on earlier occupation of the husbands, and to what extent their present choice was necessitated by the depression is not known. Table 8 shows the infrequency with which other types of vocations were followed. It shows also that there is little difference in the occupation of heads of families in which there are children and those in which there are none.

TABLE 6

FORMAL EDUCATION OF HUSBANDS AND WIVES(1)

Extent of Education(1)	All families		City		Town		Farm	
	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent
No children								
Husband and wife								
4-8 grades	4	5.6	2	22.2	1	4.8	1	2.4
9-12 "	10	13.9	1	11.1	3	14.3	6	14.3
More than 12 grades	18	25.0	1	11.1	7	33.3	10	23.8
Husband more than 12 grades	6	8.3	2	22.2	2	9.5	2	4.8
Wife " 12 "	23	31.9	1	11.1	6	28.6	16	38.0
Husband 9-12 grades	2	2.8	-	-	-	-	2	4.8
Wife 9-12 "	9	12.5	2	22.2	2	9.5	5	11.9
Total	72	100.0	9	99.9	21	100.0	42	100.0
With children								
Husband and wife								
4-8 grades	51	17.7	2	7.4	11	19.3	38	18.6
9-12 "	73	25.3	6	22.2	19	33.3	48	23.5
More than 12 grades	26	9.0	5	18.5	8	14.0	13	6.4
Husband more than 12 grades	14	4.9	4	14.8	4	7.0	6	3.0
Wife " 12 "	47	16.3	6	22.2	3	5.3	38	18.6
Husband 9-12 grades	18	6.3	-	-	5	8.8	13	6.4
Wife 9-12 "	59	20.5	4	14.8	7	12.3	48	23.5
Total	288	100.0	27	99.0	57	100.0	204	100.0

(1) In families in which husband and wife had had differing amounts of formal education, the family is classified according to the one having the larger amount.

TABLE 8
TYPES OF OCCUPATIONS OF HUSBANDS

Type of Occupation	All men		Husbands with no children		Husbands with children	
	No.	Per cent	No.	Per cent	No.	Per cent
Farming, full-time	173	40.4	30	36.1	143	41.4
Farming, part-time ⁽¹⁾	69	16.1	12	14.5	57	16.5
Labor ⁽²⁾	74	17.5	12	14.5	62	18.0
Trade and Transportation	57	13.3	18	21.7	39	11.3
Professional Service	34	7.9	9	10.8	25	7.2
Public Service	10	2.3	1	1.2	9	2.6
Clerical Service	7	1.6	1	1.2	6	1.8
Total	428 ⁽³⁾	100.0	83	100.0	345	100.0

(1) Part-time farmers are also listed in other types.

(2) In this group are included those working on roads, auto mechanics, and factory workers.

(3) This total includes four husbands who had died. During their lifetime they were farmers.

Information regarding vocations entered by the wives and mothers both before and since marriage is contained in Table 9. Eighty per cent of the wives who had no children had been gainfully employed before marriage. This is a considerably larger per cent than was found for those who were mothers, since only 65.6 per cent of that group had been employed outside the home. In the former group, which consists of 72 wives, almost one out of every two had been teachers, but only a little more than one out of every three had been teachers in the group of mothers. Probably the explanation is that those in the latter group had married at an earlier age. Clerical occupations were listed second in order of frequency. One-fourth of the wives had held clerical positions while one-fifth of the mothers had been engaged in this field. Very few had worked in factories or as maids.

Table 10 shows that 45.8 per cent of the wives with no children had been employed at some time following marriage. However, the findings showed that only 23, or 31.9 per cent, were working. Sewing, laundering, substitute teaching and other part-time employment accounts for those who were employed at the time of this study. Seventy-four, or 25.7 per cent, of the mothers have been employed following marriage, but only 17 of the 288 were working in 1936 and they were employed only part time. Fifty-three per cent of all wives living in small cities had work at some time after marriage; 28.8 per cent of all town wives and 24.8 per cent of all women now living on the farm had worked. This doubtless shows that the farm women in this study did not have as great an opportunity to work for pay as did either city or town women. This condition is one which might well receive more consideration by those interested in the welfare of families.

TABLE 9
TYPES OF OCCUPATIONS OF WOMEN BEFORE MARRIAGE

Type of Occupation	All women		Wives with no children		Wives with children	
	No.	Per cent	No.	Per cent	No.	Per cent
Public Service	8	2.2	1	1.4	7	2.4
Professional Service	123	34.2	34	47.2	89	30.9
Domestic and Personal Service	26	7.2	5	7.0	21	7.3
Clerical Work	80	22.2	18	25.0	62	21.6
Manufacturing	10	2.8	-	-	10	3.5
None	113	31.4	14	19.4	99	34.3
Total	360	100.0	72	100.0	288	100.0

TABLE 10

TYPES OF OCCUPATIONS OF WOMEN AFTER MARRIAGE

Type of Occupation	All women		Wives with no children		Wives with children	
	No.	Per cent	No.	Per cent	No.	Per cent
Public Service	3	.8	-	-	3	1.0
Professional Service	51	14.2	16	22.2	35	12.2
Domestic and Personal Service	10	2.8	-	-	10	3.5
Clerical Work	37	10.2	13	18.1	24	8.3
Manufacturing	6	1.7	4	5.6	2	.7
None	253	70.3	39	54.1	214	74.3
Total	360	100.0	72	100.0	288	100.0

Among the rural families general farming is found most frequently since 62.2 per cent of the farms were reported by the cooperators under this heading. Other types of farming included in the table are mainly poultry, truck, and grain. This information is contained in Table 11.

Almost 50 per cent of all farm families lived on farms of less than one hundred acres. Thirty-six per cent of the families without children lived on farms of 100 acres or more, but 41.1 per cent of those with children lived on these larger farms. Only 2 per cent of all families lived on farms of 300 or more acres. Small truck and poultry farms were operated by 12.2 per cent of the farm families.

The most important finding noted in Table 13 is that 65.3 per cent of those families with children owned their own farms, which is considerably higher than the percentage found for the group without children in which only 52.4 per cent were owners. If there is added to these percentages those for partial owners, the findings are even more striking. Eighty-three per cent of the former group is then contrasted with 66.7 per cent. The explanation may be one of difference in age; it may point to the tendency to settle down after the coming of children; or there may be a number of factors affecting this finding.

TABLE 11

TYPE OF FARM OPERATED

Type	All families		Families with no children		Families with children	
	No.	Per cent	No.	Per cent	No.	Per cent
General	153	62.2	28	66.7	125	61.3
Dairy	22	8.9	3	7.1	19	9.3
Fruit	14	5.7	1	2.4	13	6.4
All others ⁽¹⁾	23	9.3	4	9.5	19	9.3
Not given	34	13.9	6	14.3	28	13.7
Total	246	100.0	42	100.0	204	100.0

(1) All others include: Truck - 10, poultry - 7, grain - 4, stock - 1, and peppermint - 1.

TABLE 12
ACREAGE UNDER CULTIVATION BY FAMILIES OF FARM OPERATORS

Number of Acres	All families		Families with no children		Families with children	
	No.	Per cent	No.	Per cent	No.	Per cent
Less than 25	30	12.2	7	16.7	23	11.3
25-49	32	13.0	4	9.5	28	13.7
50-99	57	23.2	11	26.2	46	22.6
100-149	46	18.7	5	11.9	41	20.1
150-199	35	14.2	5	11.9	30	14.7
200-249	12	4.9	3	7.1	9	4.4
250-299	1	.4	1	2.4	-	-
300 and over	5	2.0	1	2.4	4	1.9
Not given	28	11.4	5	11.9	23	11.3
Total	246	100.0	42	100.0	204	100.0

TABLE 13
EXTENT OF FARM OWNERSHIP AMONG COOPERATING FAMILIES

Tenure	All families		Families with no children		Families with children	
	No.	Per cent	No.	Per cent	No.	Per cent
Owned	155	63.0	22	52.4	133	63.3
Partly owned	42	17.1	6	14.3	36	17.6
Rented	38	15.4	11	26.2	27	13.2
Not given	11	4.5	3	7.1	8	3.9
Total	246	100.0	42	100.0	204	100.0

CHAPTER III

FINANCIAL PATTERNS AND PRACTICES USED BY FAMILIES

Two out of every three of the cooperating families lived on farms. Not all of these depended upon farming as the only source of money income since a little more than one-third of the group reported earnings from business enterprises or from wages. The frequency with which the different sources were reported is shown in Table 14.

Families in this study were maintained very largely by income supplied by the husbands. Table 15 shows that very nearly half supplied all the money income and almost all of the remaining contributed more than one-half. Only sixteen husbands provided less than this portion. One-half of the wives with children contributed some money to the family fund, whereas one out of every three women without children helped to supply the income. The sum contributed by wives is largely that obtained from the sale of farm products, since the group is so largely a rural one, and this probably explains the above finding. Slightly less than three women out of every ten provided part of the income from the sale of poultry or of other farm products. Only slightly more than one in ten reported earnings from wages and but twelve of the entire group increased the money income by returns from investments. Very few of the children contributed any amount and those who did help contributed only small portions.

Only nine of the 360 women reported that no discussion of the use of income occurred. The most common method was discussion by husband and wife. In one of every three families with children, discussion by all members was the custom. Ten other families permitted the older children to enter into the discussion. Table 16 presents the additional

TABLE 14

SOURCES OF MONEY INCOME FROM HUSBANDS IN ALL COOPERATING FAMILIES

Source	All families		Families with		Families with	
	No.	Per cent	No.	Per cent	No.	Per cent
Farming	246	57.5	42	50.6	204	58.7
Profits from Business	56	13.1	18	21.7	38	11.1
Wages	123	28.7	23	27.7	100	29.3
Investments	3	.7	-	-	3	.9
Total	428(1)	100.0	83	100.0	345	100.0

(1) This includes four families in which the husband was a farm operator at the time of his death.
 Sixty-nine husbands had ~~some~~ income from more than ~~one~~ source and are listed twice in the table.
 One family gave no information on this point.

TABLE 15

PORTION OF THE MONEY INCOME CONTRIBUTED BY MEMBERS OF THE FAMILY

Portion contributed	Husbands(1)		Wives		Children		daughters	
	no children	children	no children	children	sons	daughters	No. Per cent	No. Per cent
All	48	66.7	116	40.8	-	-	1	.2
More than one-half	23	31.9	153	53.9	-	1(2)	.5	-
One-half	1	1.4	13	4.6	1	1.4	11	3.9
Less than one-half	-	-	2	.7	23	31.9	132	45.8
None	-	-	-	-	48	66.7	144	50.0
Total	72	100.0	284	100.0	72	100.0	288	100.0
							407	100.0
							353	86.8
							330	91.9
							359	100.0

(1) Four husbands are dead.

(2) The earnings in this case were from teaching art.

TABLE 16

THE USE OF THE FAMILY COUNCIL IN THE MANAGEMENT OF FINANCIAL MATTERS(1)

Type and locality of family	Total number of families discuss- ing matters		Husband and wife		Parents and all children meet together		Parents and some of the children		Family and all relatives living in the home	
	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent
Families with no children										
City	10	14.7	-	-	9	13.5	1	100.0	-	-
Town	19	27.9	-	-	19	28.3	-	-	-	-
Farm	39	57.4	-	-	39	58.2	-	-	-	-
Total	68	100.0	-	-	67	100.0	1	100.0	-	-
Families with children										
City	26	9.5	7	6.9	17	10.7	-	-	2	20.0
Town	57	20.7	13	12.9	41	25.8	1	20.0	2	20.0
Farm	192	69.8	81	80.2	101	63.5	4	80.0	6	60.0
Total	275	100.0	101	100.0	159	100.0	5	100.0	10	100.0

(1) Nine families indicated that there was no discussion; eight families supplied no information on this question.

fact that in twelve other families all relatives living in the home joined with the family in discussion of financial matters.

In that matter of interesting conjecture, who makes the decisions as to how the money shall be spent, only fifteen families left the decision regarding the use of the money income to one person. That men continue to have the dominant role in money matters seems apparent for eleven of the fifteen who made the decisions alone were men. Except for the six who did not answer the question, all others indicated that there was some system of joint control in making decisions. The term joint control used here means that control in handling money is in the hands of more than one person in the family. It may be husband and wife, husband, wife, and older children, or husband, wife, and all children.

Approximately 75 per cent of the families who had children permitted them to participate in making decisions as to how the money should be spent. The age at which children began, indicated in Table 18, varied from less than 10 years in 39 of the families to those 14 years or over in 59 families. Other studies in this field provide information on this point. In "A Study of Home Management in Its Relation to Child Development"¹, Ruth Lindquist found that 60 per cent of the families in the study used the family council in making decisions and Josephine Fuller² found in "Method of Handling Family Finance in Homes of Women College Students" that in over two-thirds of the families of girls studied that the husband and wife made the decisions.

Very nearly one family out of five made no plans for spending the income. Probably the meaning of their statement was that they did not

1. Lindquist - op. cit., p. 33

2. Fuller - op. cit., p. 82.

TABLE 17

PLANS FOR DIVISION OF RESPONSIBILITY IN FINANCIAL DECISIONS (1)

Type and locality of family	Income in hands of one person		System of Joint control	
	No.	Per cent	No.	Per cent
No children				
City	-	-	9	13.4
Town	1	25.0	20	29.9
Farm	3	75.0	38	56.7
Total	4	100.0	67	100.0
With children				
City	1	9.1	25	9.2
Town	1	9.1	56	20.6
Farm	9	81.8	191	70.2
Total	11	100.0	272	100.0

(1) Six women did not answer this question.

TABLE 18

AGE AT WHICH CHILDREN BEGIN TO PARTICIPATE IN FINANCIAL DECISIONS

Age groups	Total		City		Town		Farm	
	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent
Under 10 years	39	19.1	8	42.2	13	31.0	18	12.6
10-12	62	30.4	5	26.3	12	28.5	45	31.5
12-14	44	21.6	2	10.5	4	9.5	38	26.5
14 years and over	59	28.9	4	21.0	13	31.0	42	29.4
Total	204	100.0	19	100.0	42	100.0	143	100.0

consciously apportion the income for various expenditures. Less than one in ten budgeted all of the money income according to a written plan. A like number budgeted some income in writing, but the most popular method recorded in Table 19 was that of apportioning the income according to an unwritten or mental plan. Sixty-four per cent of the families budgeted this way. Nineteen families reported that they used both a written and an unwritten budget.

Josephine Fuller¹ reports that budgets were made and used by one-fourth of the families. The findings in the present study correspond quite closely with those in the study by Ruth Lindquist² in which she reports that one-third of the families studied had no plans at all.

Principal headings under which expenditures were budgeted include clothing, food, insurance, supplies and furnishings. In addition to the above, which were listed most frequently, car, recreation, and taxes were named in approximately half as many cases.

The arrangement for access to the family income found most frequently was that of the common purse; Seventy-nine per cent of the families used this method, though in many families it was not used exclusively. A number report^{ed} that both the common purse and joint bank account were used. Approximately one-half of the families had a joint bank account, as Table 20 shows.

Ninety-five wives had household allowances and twenty-two of these stated that the income from the sale of certain farm products constituted this allowance. In these cases it was not a definite amount each month, a condition which added to the problems of management.

1. Fuller - op. cit., p. 82

2. Lindquist - op. cit., p. 32.

TABLE 19
EXTENT AND TYPE OF BUDGETING IN COOPERATING FAMILIES⁽¹⁾

Type and locality of family	Total making plans		All income appor- tioned according to written plan		Some income appor- tioned according to written plan		Income apportioned according to an unwritten plan	
	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent
No children								
City	6	10.9	2	22.2	-	-	4	9.5
Town	14	25.5	4	44.5	2	50.0	8	19.0
Farm	35	63.6	3	33.3	2	50.0	30	71.5
Total	55	100.0	9	100.0	4	100.0	42	100.0
With children								
City	25	10.5	4	18.2	1	3.6	20	10.6
Town	51	21.3	7	31.8	11	39.3	33	17.5
Farm	163	68.2	11	50.0	16	57.1	136	71.9
Total	239	100.0	22	100.0	28	100.0	189	100.0

(1) Nineteen had made both written and unwritten plan; sixteen did not reply, and sixty-nine made no plans.

TABLE 20

METHODS USED IN PROVIDING ACCESS TO THE MONEY INCOME, BY TYPE OF FAMILY

Type of method	All families (360)		Families with no children (72)		Families with children (288)	
	No.	Per cent	No.	Per cent	No.	Per cent
Common purse	286	79.4	54	75.0	232	80.6
Joint bank account	168	46.7	29	40.5	139	48.5
Household allowance	95	26.4	14	19.4	81	28.1
Personal allowances						
Husband ⁽¹⁾	30	8.4	6	8.3	24	8.3
Wife	41	11.4	8	11.1	33	11.5
Children	74	25.7	-	-	74	25.7

(1) Percentage based on 356, as four husbands are dead.

Personal allowances were not used frequently in the families studied. Only 8.3 per cent of the husbands and 11.4 per cent of the wives had personal allowances. Twenty-five per cent of the families gave some or all of their children allowances. The most common plan in use was that of giving children money on request, as shown in Table 21. Fifty-five per cent used this plan. Fifteen families did not give the children money, but allowed them to earn it, and fourteen paid them for work done at home.

Children in forty-eight families received money in more than one way. Twenty-nine received it by allowance and request. For seventeen it came by request and from the common purse. Two had access to a joint bank account and the common purse. The question might well be raised as to whether or not those indicating that children had access to the common purse fully understood the point.

A slightly larger per cent of both town and city families gave children allowances than did farm families. The explanation may be that the income of the farm family is irregular and uncertain and that the background of rural parents is not likely to include allowances. Throughout the study, however, attention is called to the fact that only 36 city families and 78 town families are studied, while there are 246 farm families. Had the groups been of more equal size some of the percentages might have presented a different picture.

The data in Table 22 show that 61.4 per cent of all families kept some records of expenditures. Slightly less than one family in four, however, kept records of all expenditures. Those who kept partial records listed operating expenses, clothing, food, insurance, car expenses and taxes most frequently.

TABLE 21

METHODS USED IN PROVIDING ACCESS TO THE MONEY INCOME, BY LOCATION OF FAMILY

Type of method	All families (360)		City (36)		Town (78)		Farm (246)	
	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent
Common purse	286	79.4	30	83.3	60	76.9	196	79.7
Joint bank account	168	46.7	23	63.9	40	51.3	105	42.8
Household allowance	95	26.4	9	25.0	34	43.6	52	21.1
Personal allowance								
Husband ⁽¹⁾	30	8.4	5	13.9	13	16.7	12 ⁽²⁾	4.9
Wife	41	11.4	5	13.9	19	24.4	17	6.9
Children ⁽³⁾	74	25.7	10	27.5	20	25.6	44	17.9

(1) Percentage based on 356, as four husbands are dead.

(2) Percentage " " 242.

(3) Percentage " " 288; all families with children.

TABLE 22

PROCEDURES IN USE TO PROVIDE MONEY FOR CHILDREN

	All families		City		Town		Farm	
	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent
Request	159	54.6	17	60.8	30	53.6	112	54.1
Allowance	74	25.5	10	35.7	20	35.6	44	21.5
Access to common purse	25	8.6	-	-	3	5.4	22	10.7
Joint checking acc't.	4	1.4	-	-	-	-	4	1.5
Work outside home	15	5.1	1	3.5	3	5.4	11	5.4
Work at home	14	4.8	-	-	-	-	14	6.8
Total	291	(1)100.0	28	100.0	56	100.0	207	100.0

(1) Forty-five did not give any information on this point.

TABLE 23

EXTENT OF RECORD KEEPING IN FAMILIES

Type	All families		City		Town		Farm	
	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent
All expenditures	81	22.5	10	27.8	15	19.2	56	22.7
Some	140	38.9	18	50.0	33	42.3	89	36.2
No	159	38.6	8	22.2	30	38.5	101	41.1
Total	360	100.0	36	100.0	78	100.0	246	100.0

The survey failed to show that there was any difference in the patterns for expenditures and paying bills among farm, town and city families. Men tended to carry only the responsibility of buying their own clothing, paying for the insurance, fuel, taxes, car, lights, and telephone. Forty-one per cent of all families indicated that definite responsibilities for expenditures were not assumed by the same member at all times, but rather that there was a shift from person to person. Women generally assumed the responsibility of buying their own and the children's clothing, the food and household supplies and furnishings. The data showed that there was no difference in the patterns followed in families with no children when compared with those having children.

Due, perhaps, to failure in interpreting the questionnaire, the data showed that children had little responsibility in making expenditures. Those responsibilities assumed were for school supplies, recreation, and clothing. These were mentioned only in comparatively few cases, although it was evident that educating children to use money in these families was not limited to those having allowances. For example, twice as many children had responsibility in buying some articles as those who had allowances.

The collection of data and the findings in this study have raised further questions in regard to distribution of financial income in families. In Chapter V some of them are presented for the consideration of those interested in this field.

CHAPTER IV

SOME FACTORS RELATED TO FINANCIAL PATTERNS
AND PRACTICES IN FAMILIES

A general picture of the cooperating families has been given and their practices in handling financial matters have been presented. Some of the factors which may bear a relation to these customs have been studied, and these relationships are the subject of this chapter. The influence of formal education of husbands and wives, the occupation of husbands and the number of children in the family were given special attention. The six practices included in this study of relationships were:

Planned spending

Family discussion

Allowances for children

Joint bank account

Keeping records

Joint control of the family purse.

Hazel Kyrk in "Economic Problems of the Family" uses¹ the term joint control to mean mutual rights. The writer interprets this term to mean that decisions are not left to one person, but rather that the husband and wife or husband, wife, and children make decisions together.

The influence of formal education of husbands and wives was first considered. Since the size of the groups varied, percentages in each group following the practice indicated were determined. These percentages are shown in Table 24. The classes of families were arranged by

1. Kyrk, Hazel - "Economic Problems of the Family", p. 183.

TABLE 24

EXTENT OF FINANCIAL PRACTICES AMONG PARENTS WITH DIFFERENT EDUCATIONAL BACKGROUNDS

Group	Total Families in group	Planned spending		Family discussion		Allowances for children		Joint bank account		Keeping records		Joint control of family purse	
		No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent
Husband and wife more than 12 grades	44	38	86.3	10	22.7	13	29.5	20	45.4	35	79.5	43	97.7
Wife more than 12 "	70	66	94.2	17	24.3	19	27.1	29	41.4	51	72.9	65	92.8
Husband " " " "	20	18	90.0	1	5.0	5	25.0	11	55.0	13	65.0	19	95.0
Husband and wife 9-12 grades	83	70	84.3	22	26.5	14	16.9	25	30.1	51	61.4	79	95.1
Wife 9-12 grades with husband less	68	47	69.1	26	38.2	11	16.2	30	44.1	34	50.0	67	98.5
Husband 9-12 grades with wife less	20	19	95.0	5	25.0	3	15.0	7	35.0	10	50.0	18	90.0
Husband and wife 4-8 grades	55	40	72.7	20	36.3	9	16.4	17	30.9	27	49.1	48	87.3

formal education as follows:

Husband and wife with more than twelve grades of schooling

Wife with more than twelve grades, husband less

Husband with more than twelve grades, wife less

Husband and wife with 9-12 grades

Wife with 9-12 grades, husband less

Husband had had 9-12 grades, wife less

Husband and wife had had 4-8 grades, inclusive.

Rank correlation was employed in determining the significance of the findings and is merely a comparison of the ranking of educational levels from the highest to the lowest.

TABLE 25

CORRELATION OF CERTAIN PATTERNS AND PRACTICES
WITH FORMAL EDUCATION OF HUSBANDS AND WIVES

Practice	Correlation
Keeping records	+ 1.0
Allowances for children	+ .994
Joint bank account	+ .57
Joint control of the family purse	+ .33-1/3
Planned spending	+ .29
Family discussion	- .71

A coefficient of +1 in rank correlation indicates that the highest educational group had a corresponding highest per cent of families following the practice considered; the next highest educational group, the next highest percentage, etc. down through all of the groups. A coefficient of -1 shows that the highest ranking educational group had

the lowest per cent of the total group following the practice considered, the second highest educational level, the second lowest per cent, etc. on down to the lowest educational group, which had the highest per cent of the total group following the practices. A coefficient of 0 indicates no correlation. An example illustrating the method of obtaining rank correlation is found in Appendix II.

A study of Table 25 shows that for the families in the present study there is a perfect correlation between formal education of husbands and wives and the practice of keeping records, and almost a perfect correlation with the practice of giving allowance to children. In other words, the more education husbands and wives had had the higher the percentage of families who kept records and gave children allowances. It is likewise true that the more education the greater was the percentage having joint bank accounts. There was a slight tendency for more to make plans and to follow a system of joint control, when those families were in higher educational groups. As for the correlation regarding the practice of family discussion, which indicates that the more education, the smaller the percentage of families using the council plan, an explanation may throw some light on this. Many of the families have only one or two young children who are not old enough to enter into family financial discussion. This, of course, would be reflected here.

The second factor considered was the occupation of the husband. These groups were arranged in what seemed to be a logical order: professional, clerical, public service, trade and transportation, farmers, part-time farmers, laborers. The findings are presented in Table 26.

TABLE 26

EXTENT OF FINANCIAL PRACTICES AMONG FAMILIES REPRESENTING DIFFERENT OCCUPATIONAL GROUPS

Group	Total Families in group		Planned spending		Whole family discusses		Allowances for children		Joint bank account		Keeping records		System of joint control	
	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent
Professional	34	28	82.3	4	11.8	8	23.5	16	47.1	27	79.4	27	79.4	
Clerical	7	7	100.0	1	14.3	3	42.8	2	28.6	7	100.0	7	100.0	
Public service	10	4	40.0	0	0.0	0	0.0	1	10.0	8	80.0	2	20.0	
Trade and transportation	57	28	49.1	6	10.5	12	21.1	16	28.1	37	64.9	34	59.7	
Farmers	173	144	83.2	67	38.7	27	15.6	73	42.2	112	64.7	169	98.7	
Part-time farmers	69	54	78.3	15	21.7	17	24.6	19	27.5	50	72.5	65	94.2	
Laborers	74	33	44.6	8	10.8	7	9.5	12	16.2	50	67.6	35	47.3	

The same method of securing the degree of correlation was applied in considering the practices of occupational groups as used in studying the educational groups. Table 26 shows coefficients of correlation found.

TABLE 27
CORRELATIONS OF CERTAIN PATTERNS AND PRACTICES
WITH OCCUPATION OF HUSBAND

Practices	Correlation
Keeping records	+ .6
Joint bank account	+ .5
Planned spending	+ .36
Allowances for children	+ .32
Joint control of the family purse	+ .18
Family discussion	- .15

A study of Table 27 shows that there is a significant correlation between occupation of the husband and the practice of keeping records. The use of a joint bank account and the occupation of the husband are correlated also. The other practices considered indicate less correlation.

The third and last factor considered was the number of children in the home. Families were classified as follows:

Those with no children

Those with one child

Those with two or three children

Those with four or more children.

Table 28 gives the results in terms of percentage.

TABLE 28

EXTENT OF FINANCIAL PRACTICES AMONG FAMILIES WITH DIFFERENT NUMBERS OF CHILDREN

Group	Total Families in group		Planned spending		Whole family discusses		Allowances for children		Joint bank account		Keeping records		System of joint control	
	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent	No.	Per cent
No children	72	59	81.9	-	-	-	-	-	29	40.3	54	75.0	67	93.0
One child	86	72	83.8	29	33.7	25	29.1	29	33.8	65	75.6	82	95.3	
Two or three children	133	110	82.7	47	35.3	36	27.1	61	45.9	85	63.9	127	95.5	
Four or more children	69	60	86.9	25	36.2	13	18.7	20	28.9	41	59.2	63	91.3	

The same method of securing the correlations was used as in the previously cited factors. The findings are presented in Table 28.

TABLE 29
CORRELATIONS OF CERTAIN PATTERNS AND PRACTICES
WITH NUMBER OF CHILDREN IN THE FAMILY

Practice	Correlation
Allowances for children	+ 1.0
Keeping accounts	+ 0.8
Joint control of the family purse	+ 0.2
Joint bank account	- 0.1
Planned spending	- 0.8
Family discussions	- 1.0

Explanations are required in applying rank correlation to this section. Here we find that for practices two and three there are only three levels considered since in group one there are no children. Therefore in considering the families which discuss financial matters with the entire family, or give allowances to their children, we consider only those groups that have children. Thus in practices two and three the grouping starts with those having one child. An example of the method used in obtaining these correlations is found in Appendix II.

This study shows what might, perhaps be expected, that is, that the more children there are in the family the more plans are made for spending. This no doubt is especially true in families with adolescent children who are in high school. Demands for money become more and more numerous and pressing, as a result some sort of planning or budgeting must be done to make ends meet. The same holds true, naturally, for all

large families regardless of age of children, where demands are many and dollars few. The study shows also that a larger percentage of families with more children had joint bank accounts and family discussions. The findings show, however, that a larger percentage of those families with fewer children gave allowances and kept more records of expenditures. An explanation may be that younger parents are using the newer ideas of management, also it may be that the younger woman with only one child has more time for keeping records than does the mother with a large family.

From the schedules it is evident that the practices followed in connection with children's allowances vary widely. A most interesting family practice in teaching children the value and use of money is described by one cooperating farm family. The two children, now in college, were given one cent on each dollar of gross income when they were ten years of age. This amount was gradually increased as they grew older. In addition to this, they were paid for all extra work such as picking berries and harvesting potatoes. The father invested this money for them throughout the years. This investment, together with the income from current sales, has been the principal source of money for college expenditures. It has meant financial responsibility and has created a feeling of ownership in the farm.

CHAPTER V

SUGGESTED STUDIES IN FAMILY PATTERNS AND PRACTICES

Home management specialists, counselors, and parent educators often have presented to them preplexing problems which center around the distribution of the financial resources of families. The lack of information regarding what constitutes successful practices makes difficult constructive suggestions. Often the inability of the family to face and analyze their financial problems together, constitutes a tragedy for themselves and perhaps a very great one for society.

The present study has suggested to the writer other questions for which answers are needed. There are at least two types of studies in this field, that which deals with the financial patterns and practices, and the type concerned with attitudes which occasion the patterns or emerge from them. The present study is of the former type. In investigations dealing with patterns there is still the question as to whether the data collected by means of the questionnaire is as satisfactory and complete as that collected by one or more field workers who interview singly heads of cooperating families. In the latter probably a less detailed form would be used, and the cooperating member encouraged to express himself. The use of the interview might serve to encourage a free expression of opinion. If it were used with husband, wife, and children, the study would be a more comprehensive one, and therefore one of greater value to educational policy in this field.

Among the questions for study, which seem desirable, there is the matter of home ownership in its relation to the presence of children. In the study reported in these chapters there seemed to be a tendency

for rural families with children to attempt home ownership. Facts were not available regarding the nature and extent of sacrifices, if any, which were involved in such an investment, or the compensations resulting from it.

Carle Zimmerman¹ has pointed out the tendency of farm families to invest their profits in the farm business. Another frequent form of investment has been stock in community banks. With the coming of the depression these two forms of hitherto "gilt edge securities" have often involved additional expenditures as well as loss of principal. A study of special interest would be trends in investment programs of farm families when there is again a margin between income and out-go. Useful facts would be available if one could learn the frequency with which insurance and other forms of investments, yielding the entire principal in the form of cash payable periodically, were purchased. The kind and amount of policies as well as the frequency with which they are found are of importance. Closely related to the above are investigations on the subject of adjustments, economic and otherwise, which widows of farmers make. The present study of 360 families included only four which had lost the husband and father by death. The 1930 Census² shows, however, that one in twelve rural families were without husband and father for this reason. In urban families very nearly one in eight families were without the bread winner. This difference suggests that perhaps the explanation may lie in a tendency for widows of farmers to move off the farm. If this be true and the explanation is their inability to act as

1. Op. cit., p. 8.

2. Op. cit., p. 9.

executives of the farm business, then the problem becomes a more difficult one for the family and for society.

One of the sources of income which was very infrequently mentioned by the 360 cooperating families was the returns from investments and legacies. It is possible that the recent depression helped account for this. If a sampling of families could be made in which this source were found more frequently it would be of interest to study the effect upon relationships, particularly when a part of the income is derived from the wife or her family.

The factors affecting financial patterns and practices in the study did not include the size of the money income. An investigation designed to determine the correlation between size of money income and the financial customs observed in the home should be of interest.

There is need also for more specific information on children's allowances. At the present time the information which we have is largely in the form of generalizations and we know too little regarding such matters as the specific ages at which different responsibilities were assumed, the process of growing into increased responsibility, and the outcome in adulthood of early financial training. One may well ask the question of the effect that a family's practices has upon the different children when they regard a checking account in a bank as unnecessary or undesirable. For example, one girl whose family had never had a checking account believed it was wiser to go through life without one, and to pay all bills promptly with cash. Whether or not this attitude was passed on by the parents is not known. Many other families without checking accounts or those with a household account in the hands of adults have apparently

given no thought to teaching such procedures as the writing of checks. The result has been that these children have later used checking accounts without ever knowing the correct from the incorrect method. Nor has the school recognized its responsibility in an era marked by the use of credit devices.

From an educational standpoint the value of such studies as those suggested above, and others which occur to leaders, cannot be overestimated. The incentive which research funds already available has given to studies of family life needs no comment. If graduate students, research workers, and administrators do see the importance of increased attention to such investigations, and the cooperation of families is secured, the way ahead is likely to be marked with significant milestones of achievement.

SUMMARY AND CONCLUSIONS

Three hundred and sixty families were included in this study; two hundred and forty-six were farm families, seventy-eight lived in towns and thirty-six were residents of small cities. Questionnaires were obtained from leaders of home economics extension groups, under the direction of the home management specialists in the Extension Service at Michigan State College.

The husbands and wives were largely American-born. Only 6.1 per cent of the husbands and 3.6 per cent of the wives were foreign-born. Heads of families were largely under fifty years of age, and a large number of wives were under thirty years. One-fourth of the children were under ten years and almost another fourth were between ten and fifteen years. Twenty-two and two tenths per cent of the families with no children had other persons living in the home, while 30.6 per cent of those families with children had others in the household.

The formal education of the men and women was above the average. Only 5.6 per cent of the group without children had less than a high school education, while 17.7 per cent of those with children had not attended high school. In general, wives had had more education than had husbands.

Almost ~~one~~-half of the ~~husbands~~ were farmers and an additional fifth were part-time farmers. The second largest occupational group is that of laborers and approximates twenty per cent.

Before marriage 80.6 per cent of the women in the group with no children had been gainfully employed. But only 65.6 per cent of those in the group with children had been employed. After marriage 45.8 per

cent of the first group had been employed at some time, and 31.9 per cent of the second group. Fifty-three per cent of all women living in small cities had worked at some time since marriage; approximately 30 per cent of town wives and about 25 per cent of the women now living on the farm had been employed.

Almost 50 per cent of all farm families lived on farms of less than 100 acres. Only 2 per cent lived on farms of 300 or more acres. Of the families with children 65.3 per cent owned their own farms, but only 52.4 per cent of those farm families without children owned their farms.

Very nearly one-half of the husbands in the study supplied all of the money income; only sixteen supplied less than one-half. One-half of the wives with children contributed some money income and about one-third of those with no children contributed. The money contributed by wives was largely from the sale of farm products.

Of the 360 families, only nine reported that they did not discuss financial matters. The most common method used in considering these questions was that of husband and wife talking together, but, in one-third of the families with children, discussion took place in the whole family. In fifteen families the decisions as to how the money should be spent was left to one person - eleven husbands and four wives.

About one-fifth of the families made budgets. Less than one-tenth budgeted all the money using a written plan. Approximately the same number budgeted only part of the income using a written plan. Sixty-four per cent used an unwritten or mental plan. About one-half of the families had a joint bank account. Ninety-five women had a household allowance. Allowances for husbands was the custom in eight per cent of the

homes, for wives in eleven per cent and for children in twenty-five per cent.

Approximately forty per cent of all families kept some records of expenditures, but less than one-fourth of the families kept records of all expenditures. The husbands tended to carry the responsibility of buying their own clothing, paying for insurance, fuel, lights, and telephone. The wives generally assumed the responsibility of buying their own and the children's clothing, food, household supplies and furnishings. Forty-one per cent of the families indicated that the responsibility for expenditures was not definitely assumed by certain members of the family.

From the data it was determined that the more formal education husbands and wives in the study had the more they tended to keep records, give children allowances, have joint bank accounts, make plans for spending and to follow some system of joint control.

There is a tendency for families in higher groups, classified as to occupation of husbands, to keep more records of expenditures, have more joint bank accounts, more plans for spending the money income and more frequently to give children allowances.

Families with a larger number of children made more plans for spending, had more joint bank accounts, and more family discussions, but children in these families less frequently received allowances.

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APPENDIX I

A STUDY OF METHODS USED IN HANDLING MONEY INCOME

I. General Information

County _____
 Place of residence: (1) Small city 2500-25000 _____
 (2) Town (less than 2500 _____
 (3) Farm _____
 (a) Number acres cultivated _____ (b) Type of farming _____ (c) Owned _____
 (d) Partly owned _____ (e) Rented _____

II. Information about the family (a)

	1	2	3	4	5
	Nationality	Country or	Grade finished	Occupation (b)	Money income (c)
	Father	Mother	State of birth		
			if in U.S.		
Husband	:	:	:	:	:
Wife	:	:	:	:	:
(d) Sex	:	:	:	:	:
Child 1	:	:	:	:	:
2	:	:	:	:	:
3	:	:	:	:	:
4	:	:	:	:	:
5	:	:	:	:	:
6	:	:	:	:	:
7	:	:	:	:	:
8	:	:	:	:	:
9	:	:	:	:	:

Others in household	Relationship	None	Financial dependence on your family
			Partially or wholly
1	:	:	:
2	:	:	:
3	:	:	:
4	:	:	:
5	:	:	:

- (a) In case any member is not living, indicate thus: (Husband) or (Child 2).
 (b) Indicate present occupation of all members. In space for wife, write none if not now employed for pay. Also for wife, indicate type of previous employment using letters B.M. if before marriage and A.M. if after marriage.
 (c) In column a, indicate by check members who now contribute to the money income. In column b, indicate approximate part of total they contribute as for example: (Husband all); or (husband $\frac{3}{4}$, wife $\frac{1}{4}$, child S 1 $\frac{1}{4}$). In column c, write in source of money income contributed as for example: wife, farm products. S 1, all wages or part wages.
 (d) Indicate the number of children using child 1 for the oldest, opposite in column "Sex" use S for son or D for daughter.

III. Apportionment of money income of the family.

A. Discussion of money matters.

(check)

1. Whole family meets together_____
2. Husband and wife_____
3. Husband, wife, and children over____years of age_____
4. All members of family and relatives living in home_____.

B. Making decisions regarding uses to which the family fund will be put.

1. Is the income placed in the hands of one person to delegate amounts to be spent? Yes___No___Whom?_____
2. Is there a system of joint control between parents? Yes___No___
3. At what age do you plan to have children participate in deciding how money is to be spent:
 - a) Not at all_____
 - b) Boys at age of_____
 - c) Girls at age of_____.

C. Is all of the income apportioned according to a written plan made in advance? Yes___No___.

Is some of the income apportioned according to a written plan? Yes___No___.

According to an unwritten plan? Yes___No___.

What large headings do you use in planning a budget if it is written? (List)

_____	_____	_____
_____	_____	_____
_____	_____	_____

IV. Using the money income.

A. Indicate the responsibilities carried by members of the family in spending the income.

Name

Purchases Made and Bills Paid
(If no special division is made, indicate by writing "None".

Husband	:	_____
Wife	:	_____
Child	:	_____
	:	_____
	:	_____
	:	_____
	:	_____

B. Indicate the home products or services exchanged for groceries or other family needs in the following spaces.

	In return for	Always	In some seasons	In some Years
eggs	:	:	:	:
butter	:	:	:	:
poultry	:	:	:	:
fruit	:	:	:	:
vegetables	:	:	:	:
baked goods	:	:	:	:
canned goods	:	:	:	:
sewing	:	:	:	:
nursing	:	:	:	:
handicraft	:	:	:	:
cleaning	:	:	:	:
laundering	:	:	:	:
cleaning	:	:	:	:

C. What arrangements are made for access to the family income.
(check)

1. Joint bank account___
2. Common purse___
3. Household allowances___
4. Personal allowances: Father___Mother___Boys___Girls___.

D. How do the children receive money?

1. Allowances:
 - a) State amount received at earliest age_____
 - b) How much is it increased_____
2. Requests Yes___ No___
3. Access to money income in common purse Yes___ No___
4. Joint checking account Yes___ No___.

E. Indicate which of the following items the children spend money for without supervision.

	Age : of boys:	Age : of girls
Dresses	:	:
Underwear	:	:
Hats and Caps	:	:
Shoes	:	:
Suits	:	:
Hose	:	:
Coats	:	:
Gloves and Mittens	:	:
Scarfs, Handkerchiefs, etc.	:	:
Movies and other entertainments	:	:
Club Dues	:	:
Candy, Sodas, etc.	:	:
Cosmetics	:	:
Gasoline	:	:
Vacations	:	:
School Supplies	:	:
School Lunch	:	:
Church	:	:
Books	:	:
Magazines	:	:
Beauty Parlor Services	:	:
Gifts	:	:

V. Keeping Home Accounts

(check)

1. Do you keep a record of all money income contributed by the family? Yes___ No___
2. Do you keep a record of all that contributed by husband? Yes___ No___
3. Do you keep a record of some contributed by husband? Yes___ No___
4. Do you keep a record of that contributed by sons?___ Daughters___
5. Do you keep a record of income from sale of eggs___ Poultry___
6. Milk___ Cream___ Butter___ Vegetables___ Fruit___
7. Do you keep a record of all items of expenditures? Yes___ No___
8. Do you keep a record of expenditure for some items? Yes___ No___
9. List principal ones___.

APPENDIX II

METHOD OF SECURING CORRELATIONS

Formula for finding r (the correlation coefficient) is

$$r = 1 - \frac{6 \sum d^2}{n(n^2 - 1)}, \text{ where "d" is the deviation in rank and "n" is the}$$

number of groups.

ALLOWANCES FOR CHILDREN

Educational group		Corresponding ranking of percentages in case	
		d	d ²
1. Husband and wife more than 12th grade	1	0	0
2. Wife more than 12th grade	2	0	0
3. Husband more than 12th grade	3	0	0
4. Husband and wife 9-12 grades	4	0	0
5. Wife 9-12 grades	5	0	0
6. Husband 9-12 grades	6	1	1
7. Husband and wife 4-8 grades, inclusive	7	1	1

$$2d^2 = 2$$

$$r = 1 - \frac{6 \sum d^2}{n(n^2 - 1)} = 1 - \frac{6 \times 2}{7 \times 48} = 1 - \frac{1}{28} = 1 - .036$$

$$r = +.964.$$

ALLOWANCES FOR CHILDREN

Occupational group		Corresponding ranking of percentages in case	
		d	d ²
1. Professionsl	2	1	1
2. Clerical	6	4	16
3. Public service	1	2	4
4. Trade and transportation	4	0	0
5. Farmers	5	0	0
6. Part-time farmers	7	1	1
7. Laborers	3	4	16

$$d^2 = 38$$

$$r = 1 - \frac{6 d^2}{n(n^2 - 1)}$$

$$r = 1 - \frac{6 \times 38}{7 \times 48} = 1 - \frac{38}{56} = 1 - .68$$

$$r = +.32$$

ALLOWANCES FOR CHILDREN

Grouping as to number children in family		Corresponding ranking of percentages in case	
		d	d ²
1. With 1 child	1	0	0
2. With 2 or 3 children	2	0	0
3. With 4 or more children	3	0	0

$$d^2 = 0$$

$$r = 1 - \frac{6d^2}{n(n^2 - 1)} = \frac{6.0}{3 \times 8}$$

$$r = 1 - 0 = +1$$

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