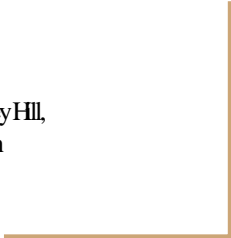




Feminism and Couple Finances:

Power as a Mediator Between Financial
Processes and Relationship Outcomes

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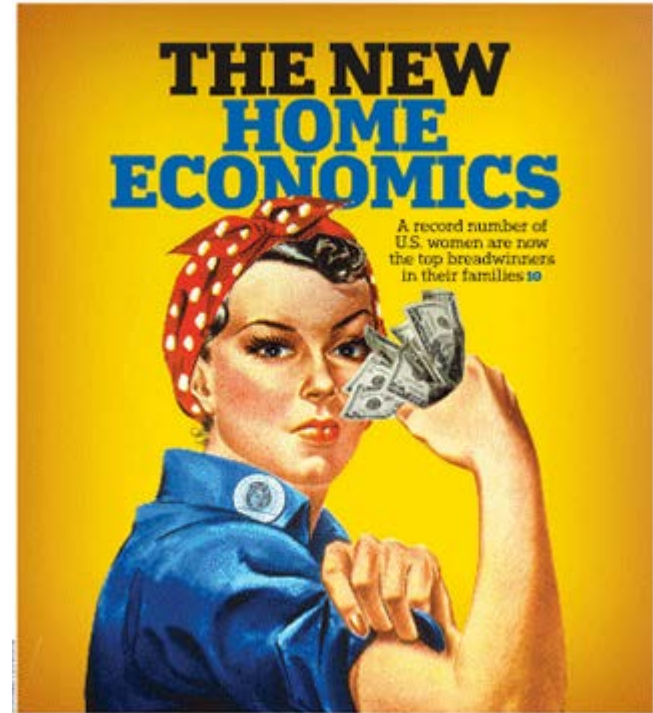


Big Ideas

Feminism is rarely used as a theoretical framework for couple finance research.

Feminism is valuable because it sheds light on power imbalances based on gender, and creates candid discussion of these inequalities.

One way to increase relationship quality and stability is to empower both partners. Money is symbolic of power, so equity in financial processes leads to empowerment.



The purposes of this paper are..

- 1) to discuss couple finance research in the context of feminism in hopes that feminism will be explicitly used more frequently in couple finance research,
- 2) to present a gender and couple finances model, and
- 3) to test this model with longitudinal couple data.

Theory



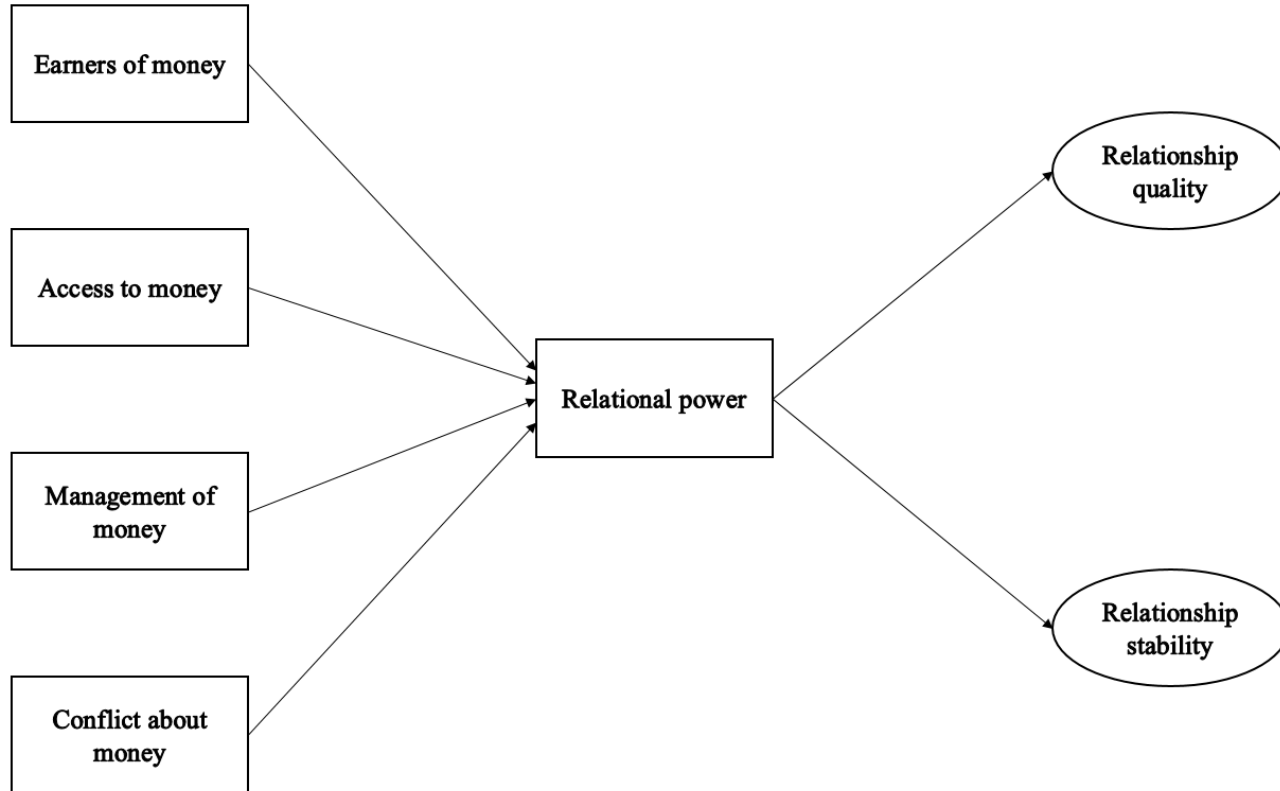
4 key elements of feminism (Allen & Jaramillo-Sierra, 2015)

- Gender matters, and power differences exist between men and women
- Gender is socially constructed, making it subject to continual change
- Gender inequality is damaging to societies, families, and individuals
- We should try to eradicate gender inequality

Literature Review

- Earners of money
 - Gender pay gap and the motherhood penalty
 - Wife's income is positively related to her financial decision-making power in marriage
 - Financial dependence can perpetuate abuse, but female breadwinners may be abused more than housewives
- Access to money
 - Unequal access to resources enables marital inequality
 - Joint bank accounts more likely in male breadwinning marriage than in female breadwinning or dual-income marriage
- Management of money
 - Financial management by one spouse (husband or wife) disadvantages the wife
 - Greatest equality occurs with joint account and co-management
 - 20% of couples
- Conflict about money
 - Does one spouse's opinion trump the other's?
 - Power and coercion can be part of couple financial decision making

Gender and couple finances model



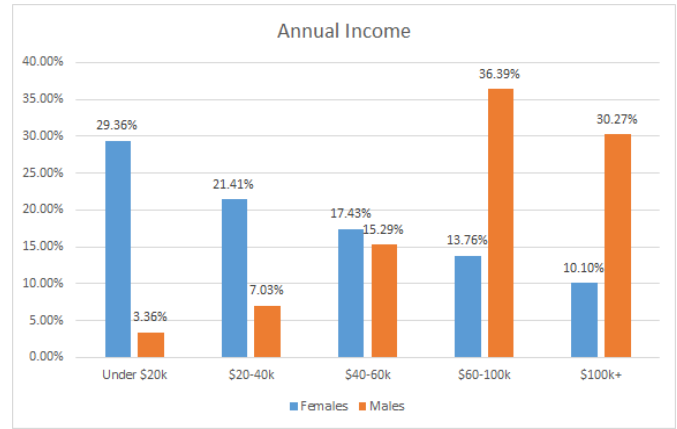
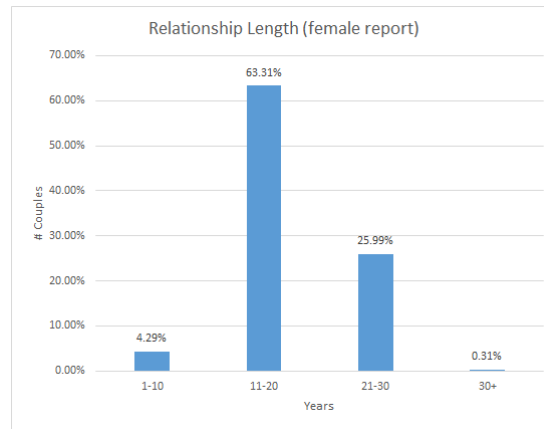
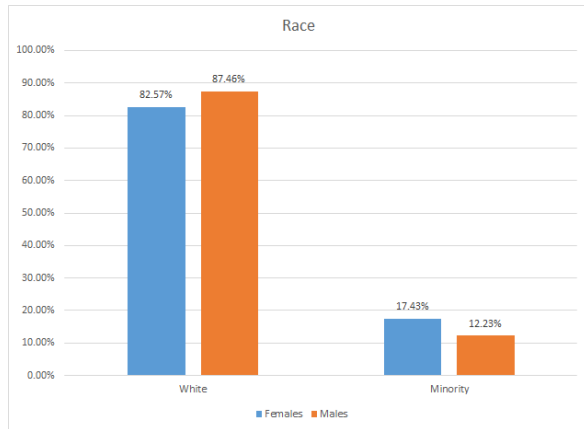
Main Hypotheses

- 1) These four couple financial processes will predict relationship quality and stability.
- 2) Power will mediate those paths.
How couples handle money predicts relationship quality and stability *because* financial processes predict the power or influence each partner feels they have in their relationship, which then predicts relationship quality and stability.
- 1) We will find interesting gender differences and partner effects.



Sample

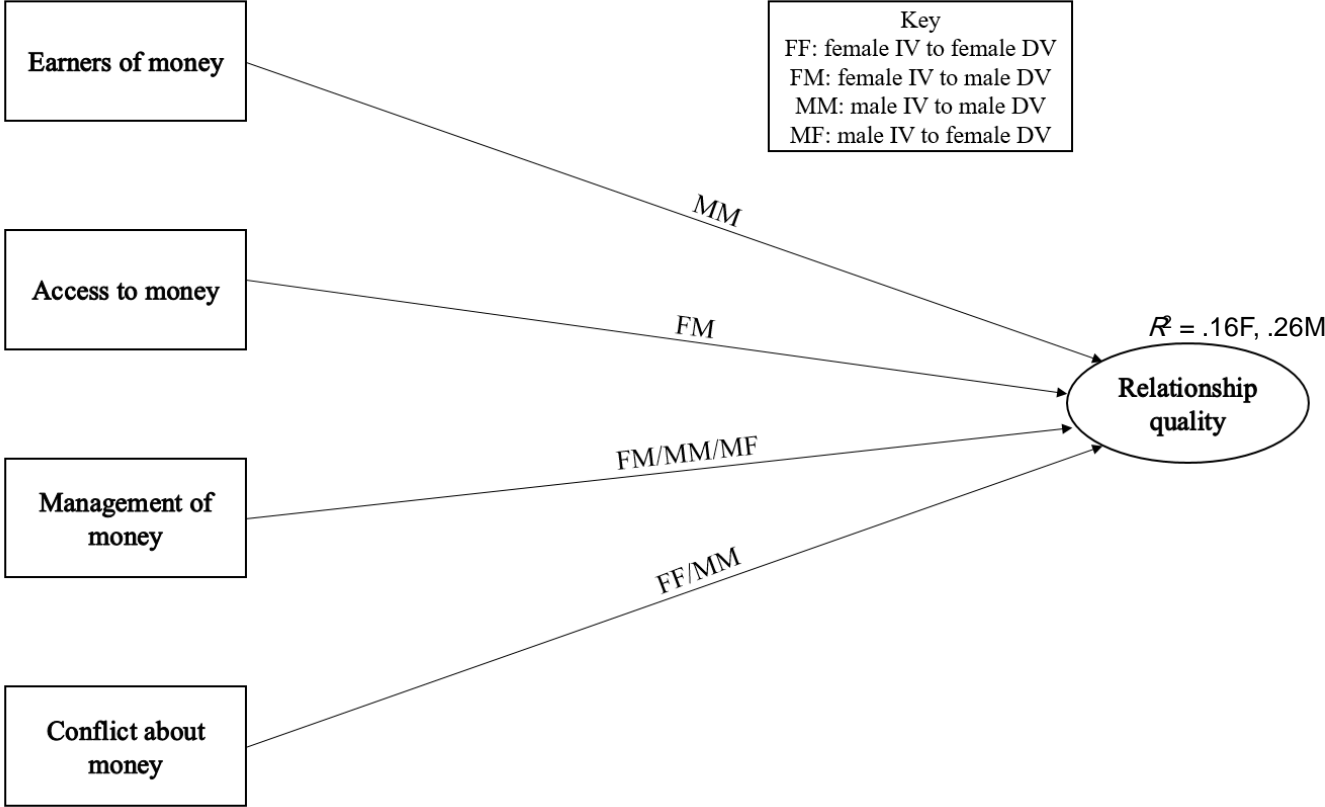
- Flourishing Families Project (FFP), waves 2 - 4
- $N = 327$ couples (Seattle, heterosexual, married/cohabiting)



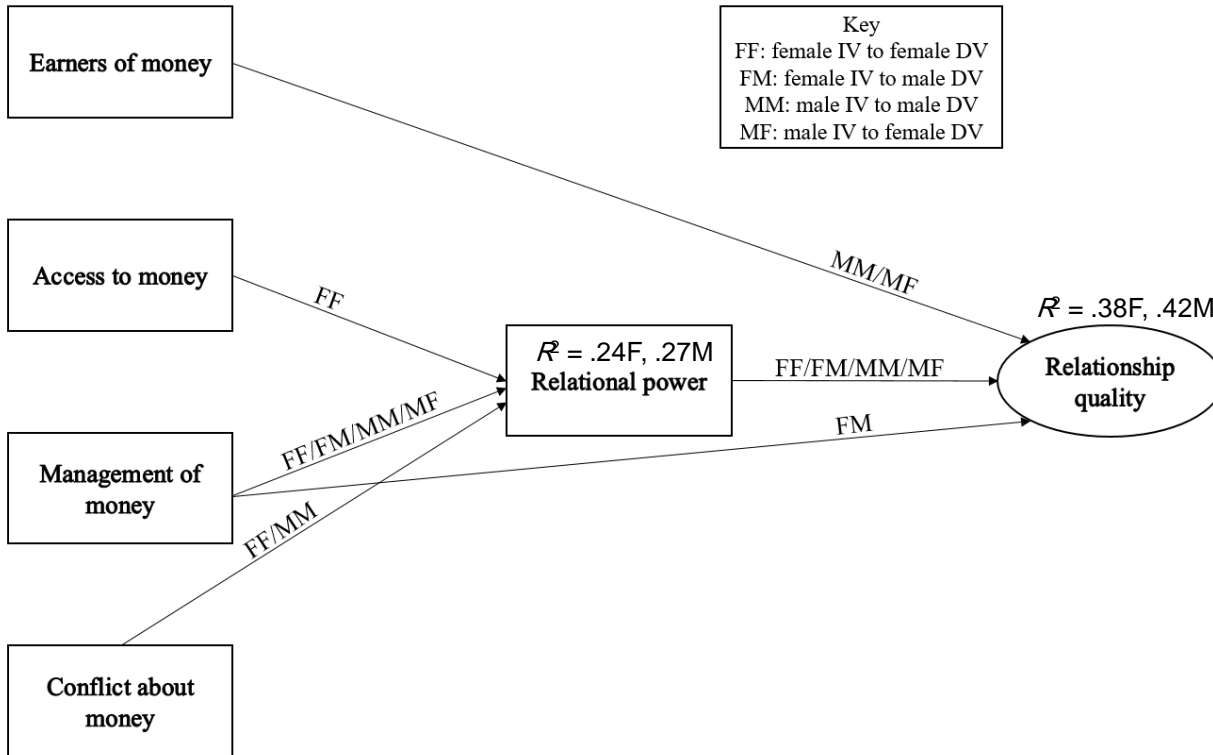
Measures

- **Earners of Money**
 - “What is your present annual income (not including your partner’s wages)?” 12 categories.
- **Access to Money**
 - “Do you and your partner have separate household checking accounts?” Separate=0, joint=1.
- **Management of Money**
 - “How often do you and your spouse work household financial challenges as a team?” 4-point Likert scale (higher scores indicate more joint management).
- **Conflict about Money**
 - “How often are financial matters a problem in your relationship?” 5-point Likert scale (higher scores indicate greater conflict).
- **Relational Power**
 - 15 items such as “My partner tends to discount my opinion” on a 5-point Likert scale, reverse coded. Created latent factor scores.
- **Relationship Quality**
 - 5 items such as “We have a good relationship” on a 5-point Likert scale.
- **Relationship Stability**
 - 3 items such as “How often have you thought your relationship (or marriage) might be in trouble?” on a 5-point Likert scale, reverse coded.
- **Controlled for relationship length (female report) and race (male and female; White=0, other=1)**

Cross-sectional Non-mediation: Quality



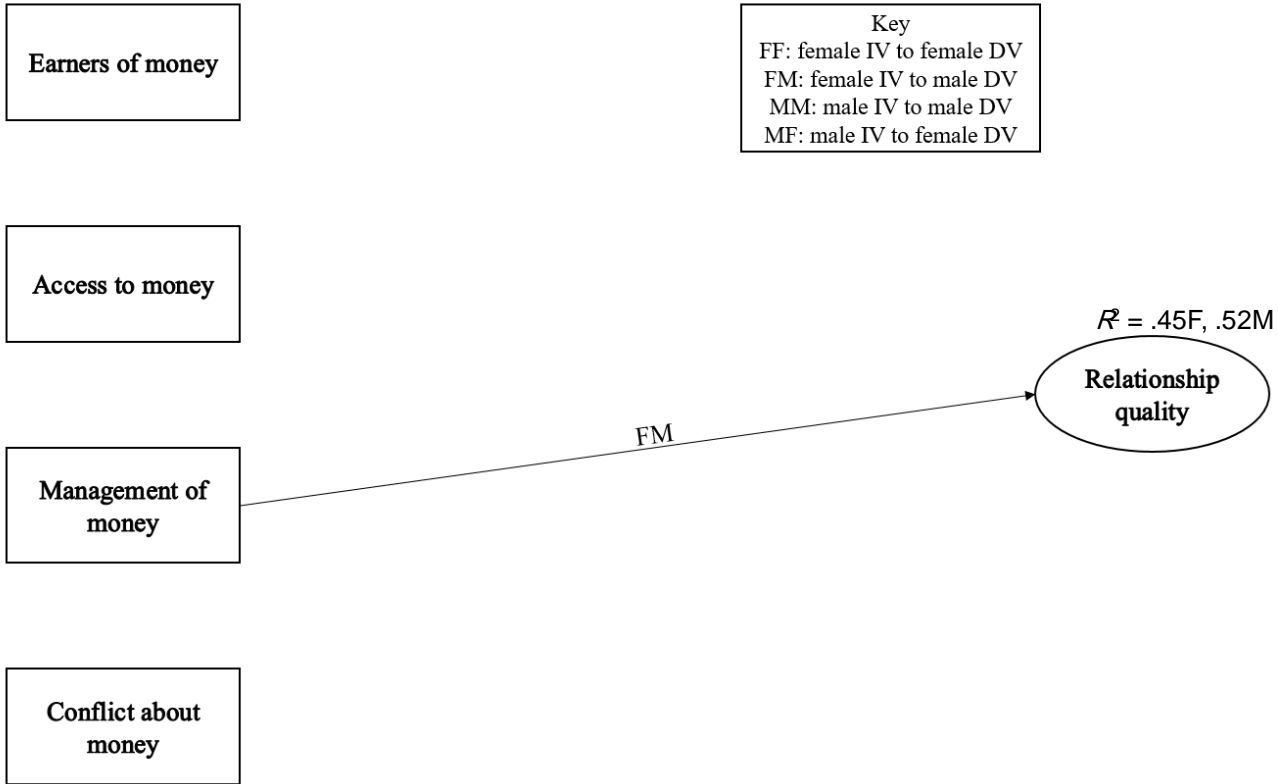
Cross-sectional Mediation: Quality



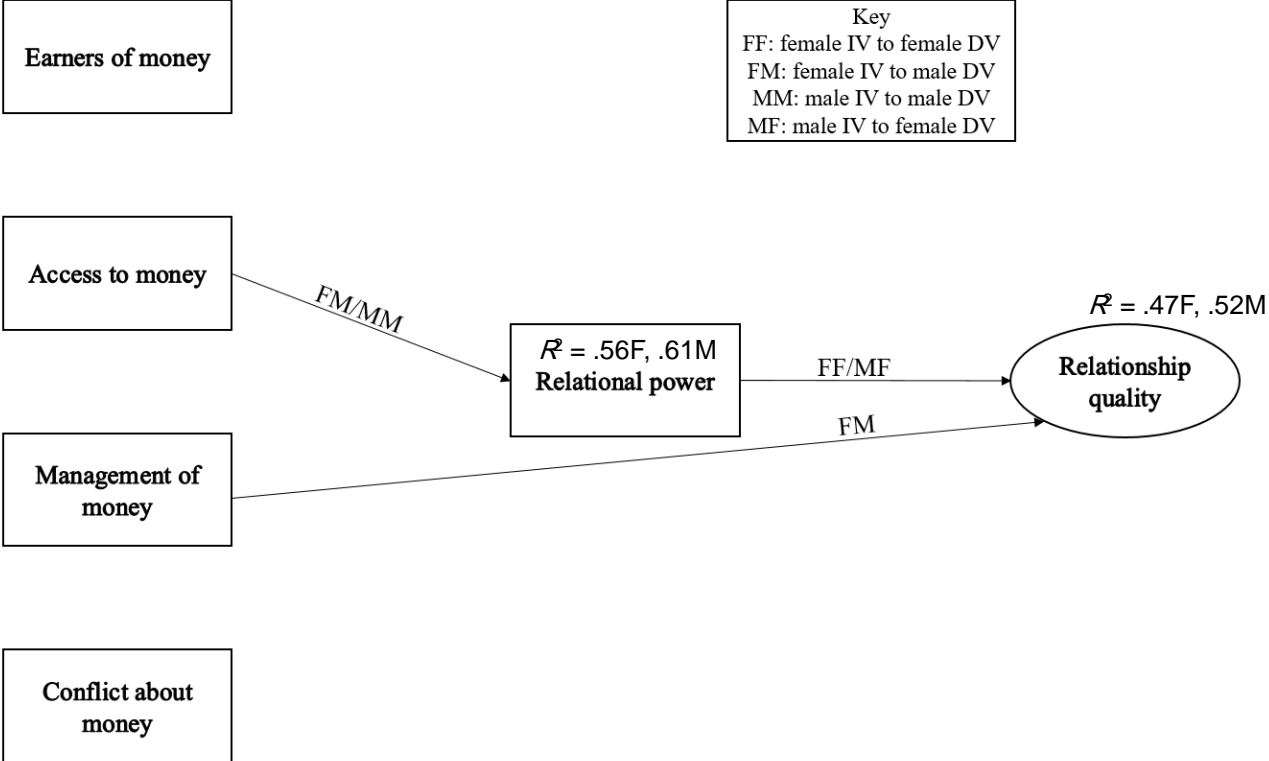
Indirect Effects

- F Access → F Power → F Quality
- F Management → F Power → F Quality
- F Management → M Power → F Quality
- M Management → M Power → F Quality
- M Management → F Power → F Quality
- F Management → F Power → M Quality
- F Management → M Power → M Quality
- M Management → M Power → M Quality
- F Conflict → F Power → F Quality
- M Conflict → M Power → F Quality
- F Conflict → F Power → M Quality
- M Conflict → M Power → M Quality

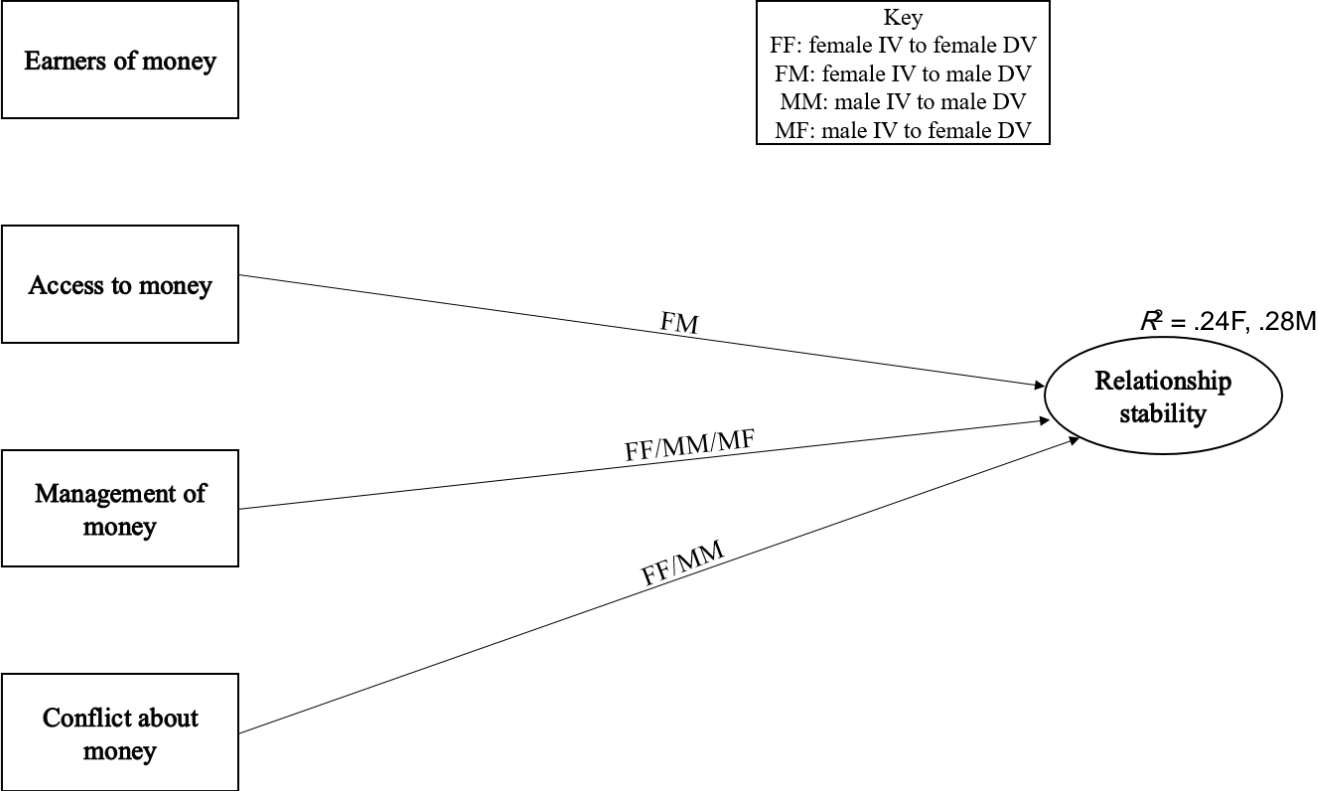
Longitudinal Non-mediation: Quality



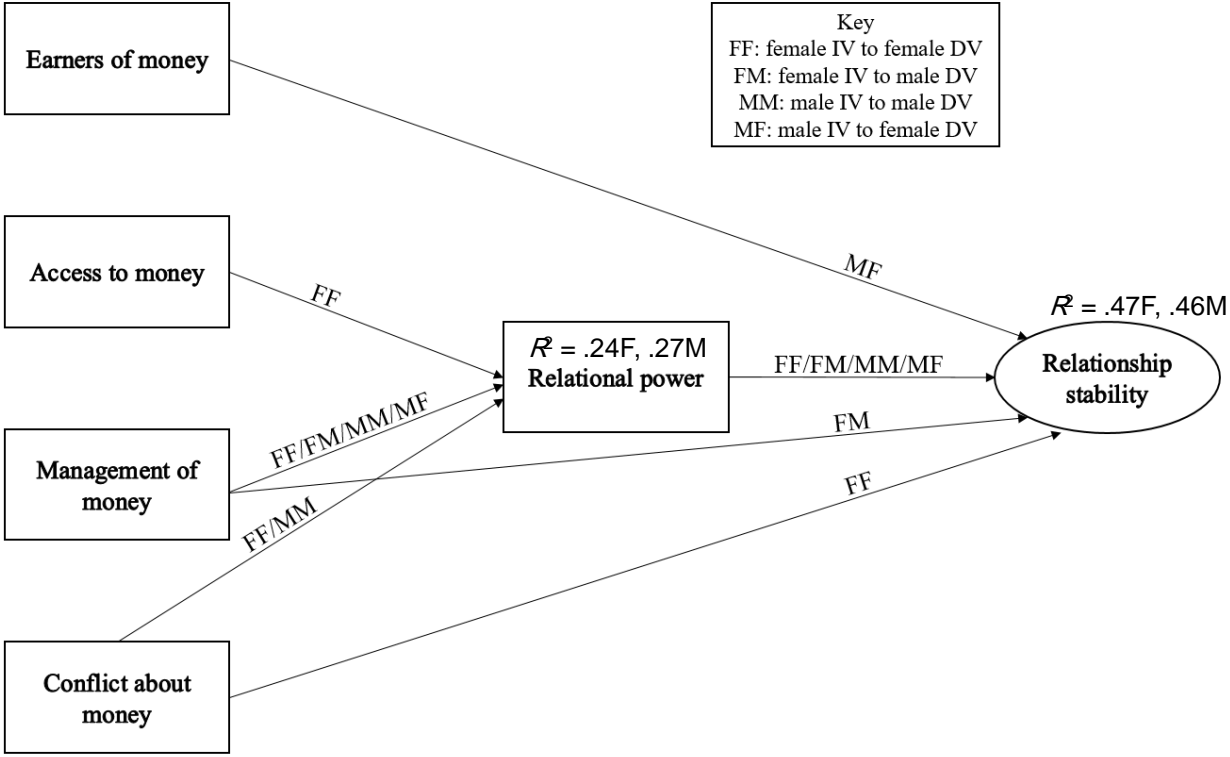
Longitudinal Mediation: Quality



Cross-sectional Non-mediation: Stability



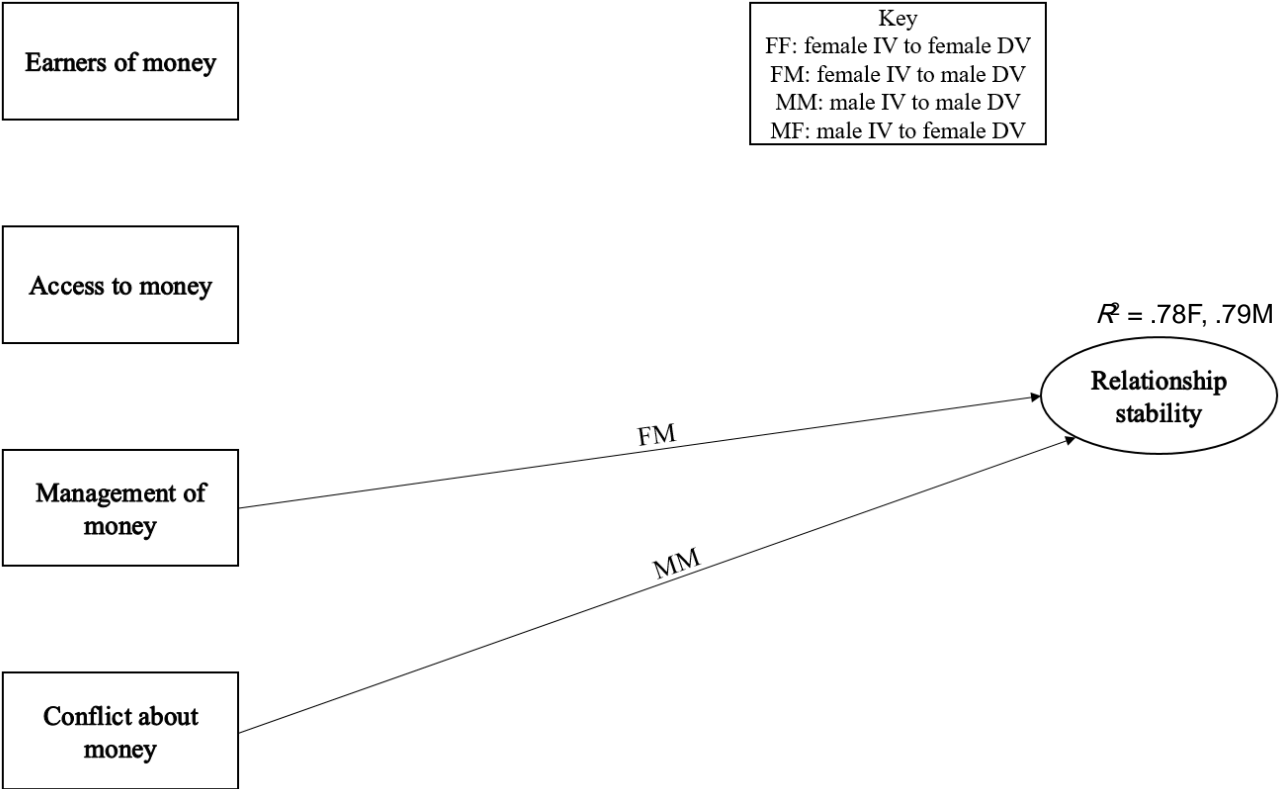
Cross-sectional Mediation: Stability



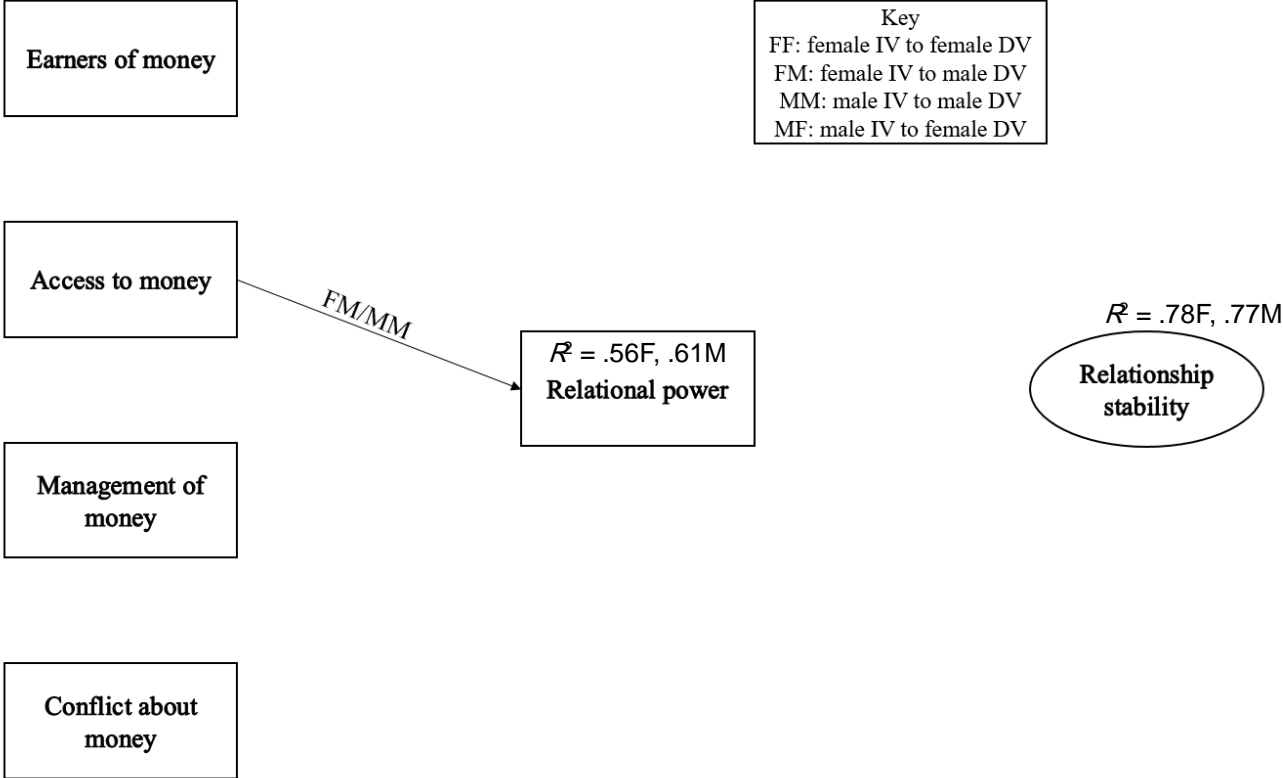
Indirect Effects

- F Access → F Power → F Stability
- F Management → F Power → F Stability
- M Management → F Power → F Stability
- F Management → F Power → M Stability
- M Management → F Power → M Stability
- M Management → M Power → M Stability
- F Conflict → F Power → F Stability
- F Conflict → F Power → M Stability
- M Conflict → M Power → M Stability

Longitudinal Non-mediation: Stability



Longitudinal Mediation: Stability



Discussion

H1: The four couple financial processes will predict relationship quality and stability. (Partially confirmed)

- Quality cross-sectional: income, access, management, conflict
- Quality longitudinal: management
- Stability cross-sectional: access, management, conflict
- Stability longitudinal: management, conflict



* Joint management and low conflict are key, even longitudinally

Discussion cont.

H2: Power will mediate those paths. (Partially confirmed)

- Quality cross-sectional: income was not mediated, access and conflict were fully mediated, management was partially mediated
- Quality longitudinal: management was not mediated
- Stability cross-sectional: access was fully mediated, management and conflict were partially mediated
- Stability longitudinal: no mediation

* Not necessarily causal, but certainly connected

* May be in part due to relative stability of Quality and Stability across time, especially in this sample (r 's between .61 and .82)

Discussion cont.

H3: We will find interesting gender differences and partner effects. (Partially confirmed)

- Earners: male's income matters for his own and his partner's outcomes
- Access: female's report matters for her own and her partner's power and outcomes
- Management: lots of actor and partner effects cross-sectionally; female's report matters for her partner's outcomes longitudinally
- Conflict: only actor effects; no obvious gender differences

* Female's report of access and management

* Continued cultural emphasis on male's income



Strengths

- Exploration of gender and couple finance called for (Dew, 2008; 2016)
- One of the first uses of feminism in couple finance research
- One of the first to explore relational impact of various financial processes together
- Relatively large sample
- Longitudinal, dyadic data

Limitations

- Sample: stable marriages, wealthy
- Single-item measures for exogenous variables
- Nuances missed: access, management
- Quality and stability run in separate models

Implications

- Researchers
 - Feminism is a valuable framework for couple finance research
 - Power is an important factor in how financial processes connect with relationship outcomes
 - Need to explore actor and partner effects in couple finance research
- Clinicians
 - Joint bank accounts, joint management, low financial conflict
 - Importance of relational power
- FLEs
 - Educate couples on healthy, equitable financial processes

Future Research



- Does female income matter more for Millennials?
- Are these findings different for couples who haven't been together as long (i.e., was there a selection effect)?
- Are these findings different for lower SES couples?
- What role does relational power play for same-sex couples?
- Discrepancy between reports of access, management, and conflict

Conclusion

- “Money buys privilege in the world and at home” (Parker, 2003, p. 228).
- Gender, and therefore power, are inseparably tied to couple finances.
- Feminism should be used more explicitly in couple finance research.
- *Financial processes matter. When both spouses are involved in these processes, partners tend to be more empowered, and relationship quality and stability tend to be higher.*





Questions?

Bivariate Correlations

- Quality, stability, and power: significant positive relationships between male and female reports, across time, and between all endogenous vars
- Income: male's income significantly, positively related to quality (wave 3) and stability (waves 3 and 4)
- Access: significantly, positively related to stability and power, and females' report of access is positively related to males' quality
- Management: significantly, positively related to all endogenous vars
- Conflict: significantly, negatively related to all endogenous vars

Measurement Model

- Factor loadings all above .4
- Model fit
 - Quality: acceptable
 - Chi-square test of model fit: 1103.72(705), $p < .001$
 - Likely due to relatively large sample size
 - RMSEA: .04
 - CFI: .98
 - SRMR: .02
 - Stability: fair
 - Chi-square test of model fit: 827.92(273), $p < .001$
 - Likely due to relatively large sample size
 - RMSEA: .08
 - CFI: .92
 - SRMR: .10