

# Rise of 'Helicopter' parenting increasing economic inequality

IZA World of Labor Study finds emerging of Parenting Gap that is eroding equality of opportunity, leading to persistent inequality and low social mobility

Intensive parenting could backfire on parents with children less focused on creativity and independence, which could be more essential in the future as AI displaces demand for core skills

10 November 2021 – London, UK – With the increasing importance of educational achievement, more parents are engaging in intensive parenting styles. 'Helicopter' parents oversee every aspect of their children's lives, constantly; 'Tiger' parents mimic the Chinese approach to childrearing; and 'Snowplow' parents remove any obstacle that might get in their children's way. However an <a href="IZA World of Labor report">IZA World of Labor report</a> on the impact of global parenting styles on society, published today, finds that these intensive parenting styles increases pressure on children, with evidence of rising anxiety and depression.

Children of these more authoritarian and authoritative (intensive) styles of parenting also have less room to develop independence and creativity, which can impact their future employment. For example, as artificial intelligence displaces demand for mathematics and coding skills, the ability to be creative and flexible could be more in demand in the future, particularly for entrepreneurs.

In countries where a large share of parents emphasize the value of hard work, fewer emphasize the value of independence or imagination. In a low-inequality country such as Sweden for example, close to 60% of parents list imagination among the most important values for raising children, compared to less than a third in a high-inequality country such as the US.

The report finds that college educated parents, who have greater earning potential, increased time they invested in children much more than less educated parents. Their higher ability to pay for private schools, tutoring and extra-curricular activities, means that families with a low or even average income have not been able to keep up. For those in the bottom quarter of the income distribution, real spending on children has actually declined.

Today, children's' future opportunities depend much more on their educational accomplishments than for earlier generations. Indeed, children of intensive parenting perform significantly better across all subjects and are more likely to earn college and higher degrees. However, many parents worry about the stress that intensive, child rearing imposes on their families and the future achievement of their children.

"Parents everywhere want their children to be happy and do well. Yet how parents seek to achieve this ambition varies enormously," said report authors Mathias Doepke from Northwestern University -, and Fabriozio Zilibotti from Yale University. "For instance, American and Chinese parents are increasingly authoritative and authoritarian, whereas Scandinavian parents tend to be more permissive. Why? We believe that economic forces, especially growing inequality, shape how parents raise their children."

At a societal level, unequal investments in children across the socio-economic scale in recent decades has created a worrying parenting gap. A vicious cycle is evident where inequality leads to competitive parenting, which further exacerbates inequality for the next generation. This suggests that inequality will continue to rise and social mobility decline, further eroding the equality of opportunity between children from richer and poorer families.

The report notes that if parenting turns into an arms race, with parents working harder and harder to make sure their family stays ahead of others, everyone may end up worse off.

## Other report findings:

- There has been a 50% increase or more on time spent by parents on interacting with their children since the 1970's education oriented activities such as helping with homework have risen most quickly, by 3.5 times since 1976.
- Intensive parenting is more common in countries with high inequality. In contrast, countries where inequality is low and there are more paths to secure a happy existence, parenting is more permissive. In the US, the income ratio of families in the top and bottom 10% of the income distribution more than doubled from 9.1 to 18.9 between 1974 and 2014 (also a period of increased intensive parenting).
- European countries have lower levels of intensive parenting, tending to be more permissive, but also saw inequality rise during the same period.

Although research on the economics of parenting is still in its early stages, this report aims to highlight for policy makers the potential repercussions of parenting styles on society at a large – including on education, future skills, mental health and social inequalities.

### **ENDS**

#### Notes to editors:

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#### About the authors:

Fabrizio Zilibotti is an Italian economist. He is Professor of International and Development Economics at Yale University. A past recipient of the Yrjö Jahnsson medal for best European economist below age 45, he is a former editor of Econometrica, the Review of Economic Studies and the Journal of the European Economic Association.

Matthias Doepke is a Professor at the Department of Economics, Northwestern University. His book, 'Love, Money & Parenting: How Economics Explains the Way We Raise Our Kids' has been named best parenting book of the decade by Fatherly.

# For further information or if you have any queries please contact:

Teodora Rousseva teodora.rousseva@bloomsbury.com

or Teresa Horscroft at Eureka Communications teresa@eurekacomms.co.uk Tel: +44 (0)7990 520390