

How Financial Resources Affect Older Adults' Social Life

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Introduction

Older adults' social relations has been considered as an important aspect of quality of life course, because it is a source of fundamental psychological reinforcement, and it contributes in an important way to one's self-concept.

Although aging brings with a declining social activity, a history of an active social life is carried into older age. Active social relations remains important to older adults, but access to active social activities can prove difficult, especially after retirement. Thus, studies of aging must pay more attention to the meaning of social relations to older persons.

This study examines how much older adults' financial resources affect their social relations. Data from the American Association of Retired Persons (AARP) survey (Montenegro, 2013) were used. The AARP study sampled persons 60-69 years of age ($n=3005$). It was hypothesized that older adults who have lower financial resources will report lower social engagement/social relations.

Prior research indicates that financial resources and active social relations after retirement are meaningful to the lives of older adults. It has important benefits, such reducing the effects of stressful life events. To build social networks in later life, Lopata (1996) emphasized income which offer potential ability to facilitate the utilization of opportunities for social contacts. Indeed, income level may be essential for participating in volunteer activities, defining problems, and locating outside resources (Lopata, 1996).

Similarly, in the study of Butler (2006), income was the positive predictors of older adults' social relations, in which those who had higher income reported more active social relations. For example, there is empirical evidence that older adults who have more income levels may more frequently participate in leisure and physical activities with their social members (Pinquart & Schindler, 2007). However, less is known about the associations in financial resources and social relations. The goal of this study is to examine how much older adults' financial resources affect their social relations.

The current study's findings build on a social capital theory to account for how older adults' financial resources affect differentially to their social relations. A directive for future research is to examine more diverse variables which explain the dynamic relationships between older adults' demographic factors.

Hypothesis

Older adults who have lower financial resources will report lower social engagement/social relations.

Method

Sample: Secondary data analysis derived from AARP telephone survey (Montenegro, 2013).
Age: adults age 60-69 ($n=3005$)
Sex: (1203 male, 1802 female)

Measures:

The following question was used:

"What is your house hold income relative to American families?" The income was participants' perceived income level. The mean score was 1.2 ($SD = 3.2$).

"How many friends do you have? A score consisting of a 1-5 Likert type scale for question (1= "one" 2= "2-3", 3= "4-9", 4= "10-20", 5="more than 20") was used. The mean score of friend size was 3.2 ($SD = 1.4$).

"How often can you open up to friends?" Friend quality was calculated as an ordinal variable, a score consisting of a 1-3 Likert type scale for each question (1= "hardly ever or never" 2= "some of the time seldom", and 3= "often"). The mean scores of opening up to friends was 2.0 ($SD = .9$).

Results

To address the research question, a Multiple Regression was conducted. The Multiple Regression revealed that there is a positive relations between financial resources and social relation in later life.

Table 1. *Regression Results of Social Relations Size and Quality* (Note. Social Relations Size total $R^2=.047$, Social Relations Quality total $R^2=.067$, $p<.001$, * $p<.05$ ** $p<.01$ *** $p<.001$).

	Friend Relations Quality ($n=2925$)			Friend Relations Size ($n=2855$)		
	B	Std. Error	Beta	B	Std. Error	Beta
Income	.14	.06	0.09***	.11	.03	.08***

Table 2. *Income and Retirement Statuses*

Income ($n=2962$)	Status	Far below average	9%
		below average	18%
		Average	33%
		Above average	16%
		Far above average	3%
Retirement Status ($n=2977$)	Retired	63%	
	Non-retired	37%	

Conclusion

Overall, the findings indicated that older adults had lower financial resources, such as income, reported lower social relations' size and quality than higher financial income older individuals. In addition, older adults' financial resources positively associated with their social relations. This results are consistent with previous studies, higher income level may be associated with maintaining close friend relationships and larger numbers of friends in later life, which is also consistent with the mutually-supportive, reciprocal nature of friend relationships in Social Capital Theory.

Given that studies have shown that older adults have more financial resources and enjoy diverse social activities with their social members, It is possible to assume that male older adults engage more frequently in leisure events that were not assessed. Therefore, this study might not reflect their total social activities.

Further research is needed to clarify demographic differences (e.g., ethnicity, education) in social relations.

References

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