

Older People and Europe

Tony Maltby

1993: *European Year of Older People and Solidarity between Generations, Social Europe*, 1/93, Directorate General for Employment, Industrial Relations and Social Affairs, Commission of the European Communities, Brussels, ISSN 0255 0776.

This special edition of *Social Europe* was issued to mark the 1993 European Year of Older People and Solidarity between the Generations. It provides the reader with a very useful summary of the current social and economic position of older people in Europe as well as reporting on the activities of the Year. Following introductory comments from Pádraig Flynn (Commissioner for Social Affairs), Segismundo Crespo Valera (Director General for Employment, Industrial Relations and Social Affairs of the Commission) and Raf Chanterie MEP, the rapporteur for the European Year, the document is divided into four chapters and a concluding note by Peter Gommers. Additionally an Annex provides an extremely valuable collection of the main European Commission and Council decisions relating to this particular European Year.

The first of the main chapters by Odile Quintin offers an overview of the programmes, activities and rationale of the year. This is followed within Chapter 2 by a statistical portrait of older people in European Union countries and a summary of the Eurobarometer survey on attitudes to ageing and older people by Alan Walker and Dominique Van Craeynest. This latter study provides a unique insight into the attitudes not only of older people themselves but also those of the younger generation towards older people. Indeed, the study establishes what older people in the European Union countries prefer to be called. Most favoured either 'senior citizen' or 'older person' in preference to 'elderly'. It also clearly demonstrates, amongst other issues, a willingness by younger generations to pay for pensions and indeed their support for increases in pensions even if this results in higher taxes.

The next chapter, another very valuable source of information for the academic and the interested lay-person, considers the economic and social policies of the member states. It reports the individual studies conducted as part of the European Observatory on Older People by 'experts' from each European Union country. These individual studies formed the basis of the summary edited by Walker *et al.* (1993*a*) and together these represent the most comprehensive comparative analysis available to date on the social and economic conditions of older people in the European Union states. Each of the individual studies adopts a similar methodological approach and considers three key areas,

regarded as a central aspect of their framework for analysis. These areas were standard of living and way of life, older workers and the labour market and the extent of health and social services provision.

The companion volume (Walker ed. 1993*b*) considers the extent of social integration of older people in the European Union states. This is examined in three dimensions: informal relations, quasi-formal voluntary relationships and formal organisations. These dimensions are explored country-by-country, each chapter being prepared by the Observatory member from the country in question. Although this particular analysis was published too late for inclusion in this edition of *Social Europe*, it nevertheless must be considered as an important document as the first comparative analysis of the extent of social integration of older people in the European Union countries.

The final chapter of the special edition of *Social Europe* comprises four short articles on the programme's partners (the Advisory Committee on Community Actions for Older People, the European Observatory, the Liaison Group on Older People, and the European Network of Innovative Projects for Older People). It outlines the role and operation of each. This edition of *Social Europe* has been highlighted as an essential guide to the Year and, perhaps more importantly, to the situation of older people in the European Union countries. It should be essential reading for all subscribers to this journal who have the slightest interest in European issues. Prior to the Observatory reports (see also Walker, Alber and Guillemard 1993) there was little in the way of recent comparative analysis of the situation of older people from a comparative European Union perspective. This surely is one of the positive outcomes of the European Year. This edition of *Social Europe* provides a useful summary of both the statistical situation and the effects of social policies upon older people. It also provides an overview of how ageing is perceived within different European Union states, not only by academics but also by European administrators.

Döring, D., Hauser, R., Rolf, G. and Tibitanzl, F. (1994) Old age security for women in twelve EC countries, *Journal of European Social Policy*, 4 (1), 1–18.

This article reports the first stages of a study of the ASEG project based at the University of Frankfurt, Germany, into what is referred to as 'old age security for women', but which might more usefully be described as state pensions' coverage in European Union countries. The paper is a revised version of one given to the conference marking the 50th anniversary of the Beveridge Report held in York in September 1992.

It marks a growing interest in issues relating to the sufficiency of state pensions for older women amongst many researchers in this field. Readers may also be interested for comparison to consult those articles by Arber and Ginn as well as Hutton and Whiteford (also given at the same Conference) in the edited volume by Baldwin and Falkingham (1994).

The main thrust of the Döring *et al.* paper reflects its origins. The first aim is empirically to assess, through the use of the extensive Luxembourg Income Study (LIS) data sets, basic pension coverage and adequacy for women in six European Union countries (Germany, United Kingdom, Luxembourg, France, Italy and the Netherlands). This analysis is restricted to the six countries because of data availability. The second aspect of the paper, perhaps the more interesting, provides an institutional analysis of all twelve European Union states. It matches each country against two of Beveridge's criteria, universality of coverage through social insurance and the provision of a guaranteed minimum income from an insurance based mechanism. For the purposes of their comparison, the authors assume that there is no immigration into the countries that could affect the level of income.

The paper is usefully arranged into five sections. The first two introduce the reader to the methodology and include an interesting discussion of Beveridge's two main principles and its implications for women. The third section sets up a typology for member states' minimum pension benefits coverage, by devising an ideal type and then matching the others (four in all) against this 'Ideal Beveridge system'. This is described as,

A social insurance system for old age, covering all citizens or residents of a country from the time they come of age and obliging all to pay the same absolute amount of contributions (p. 5).

In this way, they argue, it is possible to consider deviations from Beveridge's two main principles of universality and the guaranteed minimum income. The final two sections offer a descriptive analysis of the coverage of the 'core old age security systems' in the twelve European Union states.

This is a very interesting study but one which does not fully appreciate or reflect the differences measured by outcomes (perhaps in terms of size of pensions accrued) by women as compared to men. However, they conclude that Denmark and the Netherlands, where residence based citizen pensions exist, match their 'ideal type' criteria the best. The United Kingdom forms a 'special case' because the level of basic pension provision is so low and reliance upon social assistance

(income support) is required to provide a sufficient minimum. Not surprisingly these were the broad conclusions of the European Observatory study (Walker *et al.* 1993). They also demonstrate that the income differences between women and men are greatest in compulsory insurance systems. This, they conclude, is largely a result of gendered differentiation in employment patterns, the method of calculating the pension (primarily because of its reliance upon the level and duration of earnings as a basis of calculation), and finally because many do not contain a minimum pension.

Comment

What was the rationale for publishing a commentary on the European Year at its very beginning rather than later? Surely the content could have been enhanced by a presentation of the many activities organised by and involving older people themselves that made the Year a success. Secondly, although it is clear from the demographic evidence that there is a preponderance of women aged over 50 years in the European Union countries, why the difficulties experienced by many older women were largely ignored is puzzling. It is true that the Commission, as part of the European Year, did sponsor a conference in Denmark on these issues, but it was a low profile affair. I for one look forward to the International Year of Older People in 1999 when this issue might receive more concerted attention.

The article by Döring *et al* highlights, through the development of an institutionally based typology, the difficulties in securing an adequate income for older women from state pensions in the European Union countries. Overall, they conclude that if this is through an insurance-based system, then women are likely to suffer in terms of the derived benefits; a result of their broken employment patterns because of child care, different employment histories (i.e. mainly temporary or part-time) and their often lower earnings. In this way their analysis adds to the explanation for the gendered differences in pensions outcomes and they are to be commended for this.

They also conclude that their 'Ideal Beveridge system', based upon his two principles and funded through a system of social insurance with subsidisation of contributions for low income earners, would be gender neutral. They sadly note that it does not exist in any European Union country. However, there are good reasons to move away from a wholly insurance-based Beveridge system to one largely determined on the basis of residence, similar to those in Denmark and The Netherlands. Indeed the theoretical analysis by Döring *et al.* demonstrated that,

'differences between women and men are much smaller if residence-time replaces insurance-time and if other minimum requirements become less important' (p. 15). An important finding of the Observatory reports, detailed in the cited edition of *Social Europe*, is the great satisfaction by pensioners with the level of pensions in these countries.

My strongest criticism of the article by Döring *et al.* is that there is little direct reference to the differences between men's and women's incomes from pensions in the European Union countries. The paper is clearly set at the institutional level and on this basis a fruitful comparison is made. The reasons for this approach are largely the lack of comparable statistics for the twelve member states of the European Union. This seems a perfectly adequate explanation, indeed it is a difficulty often experienced in studies of this kind. Why the title refers to women when there is little direct reference to women in the article remains however a mystery.

References

- Baldwin, S. and Falkingham, J. (eds) (1994), *Social Security and Social Change*, Harvester Wheatsheaf, London.
- Walker, A. (1993a), *Age and Attitudes: Main Results from a Eurobarometer Survey*, DG-V, Commission of the European Communities, Brussels.
- Walker, A., (ed.) (1993b), *Older People in Europe: Social Integration*, DG-V, Commission of the European Communities, Brussels.
- Walker, A., Alber, J. and Guillemard, A.-M. (1993), *Older People in Europe: Social and Economic Policies*, DG-V, Commission of the European Communities, Brussels.

School of Social and International Studies,
University of Sunderland,
Sunderland, SR2 7EE