

Understanding financial elder abuse in families: the potential of routine activities theory

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ABSTRACT

The aim of this paper is to stimulate theoretical thought about financial elder abuse within families, by exploring the potential of ‘routine activities theory’ for raising our understanding of, and response to, its occurrences. Research into financial elder abuse, defined as the illegal or improper use of a person’s finances or property by another person, has tended to emphasise the abusive event and the associated risk factors. ‘Routine activities theory’, in contrast, directs attention more to developing prevention strategies that focus on everyday activities and hence seek to reduce the opportunities for illegal activity. The authors’ research programme on the broad topic of money management and older people in Australia has conceptualised financial elder abuse as one possible outcome of the family management of older people’s assets. This paper reports an application of routine activities theory to in-depth data of the asset-management practices and experiences of 81 family members who were assisting 86 older people. The paper concludes that the theory contributes to our understanding of how and why financial abuse occurs in families. It makes clear the distorting influence of a sense of entitlement and the preventive importance of both capable guardians, to oversee family-asset management and be alert to mismanagement, and the need for improved financial awareness, skills and probity in the community in connection with this common task of assisting older people to manage their financial assets.

KEY WORDS – financial elder abuse, family care, asset management, routine activities theory.

Introduction

This paper explores the potential of ‘routine activities theory’ as a theoretical framework for understanding financial elder abuse. It reviews current theoretical contributions on elder abuse in general, and on

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financial elder abuse in particular, briefly outlines the findings of an in-depth study of asset-management practices in Queensland, Australia, and considers how ‘routine activities theory’ might assist in developing a framework for understanding the problem and in designing prevention interventions. Financial elder abuse can occur alongside or independently of other forms of elder abuse. It has been defined as ‘the illegal or improper use of a person’s finances or property by another person with whom they have a relationship implying trust’.¹ Financial elder abuse is of considerable concern in many countries, and there are indications that it is a growing problem in Australia (Elder Abuse Prevention Unit Queensland 2005; Rabiner, O’Keefe and Brown 2004). While it is difficult to estimate accurately the extent of elder abuse, one Australian study noted that it affects some 4.6 per cent of older people, among whom 1.1 per cent reported financial abuse (Kurrle, Sadler and Cameron 1992). A 2002 study of approximately 1,000 Western Australian agencies (perceived to have knowledge of elder abuse) found that 1,815 cases of abuse came to their notice over six months, and that the staff identified financial abuse in 81 per cent of the cases (Boldy *et al.* 2005).

Financial abuse involves the theft of money or material belongings, the fraudulent use of an older person’s money or belongings, and coercion or undue influence to relinquish money or property. It can also involve the improper use of a legal authority, such as an *Enduring Power of Attorney* (EPA), or the mismanagement of assets through ignorance. Financial elder abuse may be by professional carers and advisors, although most perpetrators are close family members and relatives (Kurrle, Sadler and Cameron 1992; Podnieks 1992; Smith 1999: 4). There is a pressing need to increase our understanding of this important but under-researched problem, and to develop appropriate preventive interventions (McCreadie 2002: 3). Older Australians who are unable to manage their own assets, that is, to carry out the decision-making or practical tasks of managing their finances or other valuables, are most likely to seek or be given assistance from within their ‘small but rich’ social-support network (Kendig 2000: 112; Millward 1998). It is family members (and less often friends) who commonly assist with asset management, often as one aspect of providing care (Langan and Means 1996; Keating *et al.* 1999). For some families, asset-management is straightforward, while others find the tasks very challenging. Whatever the level of complexity, some will manage assets judiciously and thereby maintain and even improve the financial wellbeing of an older person, while others mismanage the older person’s assets, exposing the older person to the risk of financial loss. In some circumstances, asset-management practices by a family member is intentional financial elder abuse.

Understanding financial abuse

The dominant approach in research on elder abuse (including financial abuse) has been to focus on abusive events, as for example through the analysis of the cases that come to the notice of clinicians and lawyers. In the authors' research programme, by contrast, financial elder abuse has been conceptualised as at one end of a continuum of familial asset-management practices (Tilse *et al.* 2005*a*: S52; 2005*b*: 219). Asset management is defined as having some control over the organisation of an older person's assets and over decisions about their use. It was thought that this conceptual approach would raise understanding of both the everyday practices in the family management of older people's assets and of the underpinning attitudes, and more specifically, would make it possible to understand why some practices become abusive. The ultimate intention was to make recommendations for changes in practice that would protect older people and family members from the repercussions of risky or abusive asset-management. A recent scoping study of the issues around carers and the management of older people's assets in the United Kingdom by Arksey *et al.* (2006) has adopted the Queensland approach.

An apposite theoretical framework can help in framing appropriate responses to elder abuse. The debate about whether elder abuse should be considered a social-service or a criminal-justice problem stems from the two fields' different underlying theories of causation (Brownell and Wolden 2002). The theories that have been used to explain financial elder abuse have tended to point either to individual attributes or to environmental characteristics as causes of the behaviour. Psycho-pathological or intra-individual approaches emphasise the characteristics of both 'perpetrator' and 'victim' to explain elder abuse (Brogden and Nijhar 2000: 9; Doerner and Lab 2002: 253). Symbolic interactionism, social exchange and carer-stress theories focus on inter-personal and social factors, and posit that abuse arises when family members are unable to adapt to changing roles (which creates imbalances in previously equitable exchange relationships), or when there is a lack of economic, political and social support for carers (Steinmetz 1980). Other theories, as from political economy, focus on broader societal factors, and argue that older people's relatively low status in society and lack of economic power create the circumstances in which their victimisation is implicitly invited (Wolf 2000). Other contributions, from gender studies and feminist theory, have highlighted the role of power imbalances in relationships and of the low status of women in encouraging or tolerating the abuse of older people in domestic situations (Biggs, Phillipson and Kingston 1995; Wolf 2000).

A further conceptual problem is the extent to which it is useful to consider financial elder abuse as comparable with or different from other forms of elder abuse. Following McCallum (1993), the authors believe that financial abuse is different in kind, for it has characteristics that are rare in other forms of elder abuse. Some commentators have suggested that financial abuse is more opportunistic than other forms, while others argue the opposite, that it is more often planned. Some say that it is motivated simply by greed, rather than the distress that promotes other kinds of abuse. Some argue that it is most effectively addressed by the criminal law, not social welfare interventions (Brownwell and Wolden 2002; Lock 1996: 58; Lush 1998: 809). Unlike most other forms of abuse, financial abuse can be perpetrated remotely, for several of its forms require access to only the assets, not the person (McCawley *et al.* 2006).

Researchers have developed several conceptual frameworks for understanding financial abuse. A Canadian study described 'typical' and appropriate financial arrangements in families and how these differed in instances of financial abuse, and found that it was most likely to occur in three circumstances: when a family member had a financial need, a sense of entitlement to the assets of the older person, and an opportunity for the abuse (Spencer 1995). More recently, Rabiner *et al.* (2004: 56) proposed a conceptual framework based on an applied ecological perspective that represents financial elder abuse as an outcome of interactions between micro-attributes, such as the characteristics of victims, perpetrators and their social networks, and macro-processes, such as policy, legislation, societal attitudes to older people, and family members' sense of entitlement to the assets of older people (Rabiner *et al.* 2004: 58).

Smith (1999: 2) argued that distinguishing clearly between protective and abusive behaviour may be difficult in situations where the good intentions of the financial adviser and manager are perceived by the assisted person as insensitive and abusive, and when families become more controlling and abusive as they take control of an older person's assets. Many factors play a role in enabling abuse to occur: ignorance of the changing legal requirements for substitute decision-making (Langan and Means 1996: 308), older people's lack of knowledge of the provisions of the *Enduring Power of Attorney* (EPA), their unquestioning trust in family members to act appropriately (Setterlund, Tilse and Wilson 1999), and the limited protective provisions in some legislative changes (Lush 1998; Age Concern Auckland 1999). In particular, considerable concern has been expressed about the frequency with which both the legal instrument of EPA, and the customary arrangements for empowering family members to authorise bank-account transactions, are used to commit elder financial

abuse (Law Reform Commission 2003: 117–8; Mathis 1994: 2; Smith 1999: 2; Nerenberg 2000: 61).

The limited current understanding of elder abuse in general and more particularly of financial abuse have informed the Queensland research programme and encouraged the search for an innovative theoretical approach. Our recent empirical research has been underpinned by a framework that locates individuals in the social environment, and which requires analysis of power relationships at different levels: within families and between family members and broader systems. The person-in-environment perspective draws attention to the context of abuse. To exemplify, when a family member assists an older person to manage their assets, he or she brings their personal characteristics, their ways of relating to and assisting one another over time, their money-handling practices, their attitudes towards older people, and their knowledge and organisational resources into the practice. Within families, individuals exercise power differently; older members through disability and dependence are generally in a less powerful position than other family members. In many situations, assisting an older person with their financial affairs may be one component of informal care, which brings into play the stresses and rewards of the caring role. Attitudes to the use of an older person's assets are likely to be shaped by the helper's expectations of inter-generational exchanges, inheritance and retirement, as well as the need to provide for their own future care and accommodation (Tilse *et al.* 2005*a*). Some commentators have asked whether ageism in society promotes a sense of entitlement to older people's assets and the view that an older person does not need their assets (Gordon and Brill 2001: 87). The possibility that all these factors interplay makes clear the complexity of the context in which family members manage an older person's assets (Tilse *et al.* 2005*b*).

While the person-in-environment perspective provides a sound basis for understanding abusive behaviour, during the course of our asset-management research, it became apparent that many family members can readily access an older person's money for their own purposes. Many are trusted with confidential financial information, and have legal access to money held in bank accounts and financial instruments by means of, for example, joint accounts, personal identification numbers (PIN) for authorising account transactions, or an EPA. Previous studies had suggested that it was important to understand how the mundane, everyday tasks of managing finances, such as banking and paying bills, can become abusive. The criminology literature, especially on 'white-collar crime', pointed to ways of understanding financial elder abuse. Fattah (1997: 278–80) argued that most criminal activity is petty, mundane and enacted by people who, while dishonest in one aspect of their lives, are scrupulously honest in

others; in short, that the distinction between honest and dishonest activity can be blurred. Recent contributions to criminology theory have suggested that situational theories, such as ‘routine activities theory’, which focus less on deviant behaviour and more on the common contexts and opportunities for illegal activity, may be epistemologically and practically productive. It is emphasised that situational approaches do not negate the need to understand the multiple determinants of crime, as with the search for the risk factors for financial elder abuse (Felson 2002).

Routine activities theory

‘Routine activities theory’ was developed in criminology and has recently been applied to domestic violence and to theft in nursing homes (Harris and Benson 2006; Mannon 1997). It focuses on the customary practices of everyday life rather than aberrant behaviour, examines the ways in which the spatial and temporal organisation of quotidian activities provide the opportunities for people to commit criminal behaviour, and explores how illegality arises from legal activities (Cohen and Felson 1979: 589; Felson 2002). The underlying argument is that the opportunity for illegal activity is heightened when there is a convergence of a likely offender with three conditions: the ability to carry out illegal activity, a suitable target, and the absence of a ‘capable guardian’ who might prevent the illegality (Cohen and Felson 1979: 590). An ideal ‘crime’ setting is one in which there are tools for the offender, camouflage for the illegal activity, and an audience that the offender wishes to impress or intimidate (Felson 2002: 22).

As the research team analysed our accumulating evidence on older people’s and family members’ experiences of familial asset-management practice, the application of ‘routine activities’ concepts revealed that it could be protective as well as abusive. The chance of abuse is reduced if the older person or the family member(s) who assist the older person’s financial affairs have the ability and inclination to be a ‘capable guardian’ – someone whose ‘mere presence serves as a reminder that someone is looking’ (Felson 2002: 22). ‘Routine activities theory’ leads to an understanding of the role that privileged access, through knowledge of passwords, personal ties and confidential information, plays in facilitating illegal activities (Felson 2002: 980). Fattah (1993) argued that many older people are relatively unlikely targets for crimes by strangers, because they are rarely in high-risk public spaces (*e.g.* hotels late at night), and likely to have a family member who will act as a ‘capable guardian’ to deter an offender. The implication is that older people are most vulnerable to

crimes in their own homes, ones committed by a trusted family member. When family members are accepted as 'capable guardians', and have free access to an older person's assets without oversight, the opportunity for financial elder abuse is heightened.

The in-depth study sample

The study reported in this paper undertook semi-structured interviews with 81 family members or friends (here referred to as 'asset managers') who managed the assets of 86 older people. A purposive sample of asset managers was drawn from volunteers who responded to a recruitment brochure that explained straightforwardly the aims of the study and what is meant by asset management. The brochure was distributed with a prepaid response card in 2002/2003 through organisations likely to have contact with family asset managers, such as the Queensland Carers' Council, the Guardianship and Administration Tribunal, the Public Trustee, community-health and hospital social workers, and residential care facilities. The recruitment strategy extended to placing articles in the newsletters of various organisations, including the University of the Third Age, the University of Queensland staff magazine, the Queensland Retired Teachers' Association and the National Seniors' magazine. The strategy generated a sample primarily of people resident in, and connected with organisations in, the urban areas of south east Queensland. The strength of the sample is that it comprised asset managers who deployed diverse practices and were prepared to talk about sensitive issues of money management. Its limitation is that it did not include managers without connections to associations, rural dwellers, or those of diverse cultural backgrounds.

The participants reported having current asset-management responsibilities for an older person, and described their asset-management practices as well as the characteristics of the older people whose assets they were managing. Given the exploratory nature of the project, and the sensitivity of discussing family finances with strangers, an 'interview guide' rather than an inflexible questionnaire was used. It included closed and open questions and several probes to encourage the participants to tell the story of their asset-management practices in their own way, and also to provide examples of their practices. The guide explored current practices and tasks, systems of recording and accounting, the difficulties that they had encountered, how decisions were made and the underpinning rationales for money management, loans, and gifts within the family. Experienced and skilled interviewers were required, and they

recorded the responses to the standard questions and verbatim quotes. The interviews lasted on average one-and-a-half hours.

Analysis and results

The responses to the closed and open-ended questions were coded into a database and, in addition, each interview was written up as a case scenario by the project manager and checked by a second team member. The coded data were analysed by means of descriptive statistics and cross tabulations. The findings are exemplified below by reference to the case scenarios.

Characteristics of the asset managers

The characteristic profile of the 81 asset managers was that they were female (68%), aged between 50 and 64 years (68%), employed (51%) or retired (38%); of high socio-economic status (69% worked in professional/managerial positions), and ethnically Anglo-Australian. Asset-management tasks were carried out alone by almost one-half (45%), and of these lone helpers, less than one-half (41%) reported that they consulted others regularly when making a decision about an older person's finances. Among the 86 older people whose assets were being managed, 74 per cent were women, and most were aged between 80 and 94 years (78%), were widowed (76%), received a government pension or allowances as their principal source of income (69%), and had some physical or cognitive incapacity, which probably reduced their ability to guard their own finances. The reasons reported by the asset managers for the older person needing assistance included: cognitive problems (55%), physical health-care needs (47%), frailty (22%), because the spouse was deceased or unable to perform financial management tasks (28%), anxiety (11%), and an inability to handle investments (5%).

The asset managers were asked their opinion about the capacity of the person whose assets they managed to handle their own financial affairs. Approximately one-third (37%) said that those they assisted had the capacity to monitor 'most aspects most of the time', 27 per cent 'some aspects some of the time', and 36 per cent 'very little capacity'. Over one-half (58%) of the older people being assisted were reported as rarely or never accessing the records of their financial accounts and transactions, *i.e.* monitoring their own financial affairs, most frequently (44%) because they were perceived as being unable to do so through loss of capacity. In 35 per cent of the cases, no financial records were kept. Since most of the older people being assisted were perceived as lacking the capability to monitor

their own affairs consistently, in the terms of routine activities theory, the family members or friends who assisted were potentially 'capable guardians'. Over one-quarter (27%) of the family members had sole responsibility for the management of the older person's finances and no one else 'watched them'.

Asset-management tasks

A national survey had shown that family or friend involvement in the management of older people's finances is relatively common in contemporary Australia (Tilse *et al.* 2005a: S52). One-in-four Australians provided some asset-management assistance to an older person in the previous year. The in-depth study showed that the most commonly performed tasks were paperwork, paying bills, banking, and dealing with superannuation and pension matters (rather than the more complex task of managing investments). Most of the tasks were 'everyday transactions' well within the capabilities of the helper. Although 76 (88%) of the asset managers had experienced some problems with the tasks, they were less often to do with their intrinsic difficulty than with the attitudes and behaviour of the beneficiary and the time demands. Only a minority (17%) expressed concerns about their ability to do the job properly. The asset managers made use of various formal arrangements to manage the assets of the older person, *e.g.* 87 per cent held an EPA. This high percentage reflects the heavy representation of older people with high levels of disability in the in-depth study sample. In 76 per cent of the dyads, arrangements had been made for joint signatories to authorise bank-account transactions. Over one-half (56%) of the asset managers also made use of informal arrangements, the most common (39%) being to combine their asset management responsibilities with their own financial transactions, *e.g.* paying bills or purchasing items out of their own accounts and then being reimbursed. Other informal arrangements included using the older person's PIN number to access bank accounts electronically. The informal arrangements revealed by the in-depth study corresponded to those evinced by the national prevalence survey (Tilse *et al.* 2005b).

The in-depth study provided clear evidence that much family asset-management practice on behalf of older people is not scrutinised. The asset managers were asked about the accountability procedures that they used, that is, about the records that were kept about the financial transactions they made, and the extent to which the older person was enabled to monitor their affairs. Approximately one-third (35%) reported that no records were available: this prevalence needs to be considered alongside the finding that 58 per cent of the 86 older people rarely or never accessed

financial records. If records do not exist, issues of protection of both the older person and the asset manager arise, especially if the older person is incapable of monitoring the manager's actions. The everyday nature of asset-management tasks, the limited use of accountability procedures, the potential for the illegal use of EPAs, PINs, and joint accounts, and the onus on the asset manager to use their own judgment in making decisions about the older person's finances, all suggest that asset managers have the skills, the tools and the opportunities to act illegally and in ways that are difficult to detect.

Asset-management practices within families

The in-depth study did not aim to verify nor could establish whether the practices that were reported to the researchers matched actuality, but in almost all cases the asset managers either showed the interviewer financial records or openly talked about the limited need to keep records. As the study was about asset management rather than financial abuse, the participants seemed very willing to describe risky practices and to explain their rationales. The following brief scenarios provided insights into the circumstances that both restrain and foster risky or illegal practices. The first two describe the asset managers' attitudes to their responsibilities and the steps they had taken to put these into practice:

Scenario 1: Alice, aged 71 years, managed the assets of her 98-year-old aunt, who had both cognitive and physical disabilities. Alice is an administrator under the *Guardianship and Administration Act*, and holds an EPA for her aunt jointly with her sister. She handles shopping, banking, paperwork, pension matters and investments, and had managed the sale of a property. She showed the interviewer the meticulous financial records that she has always kept and which she regularly makes available to her sister and to another of her aunt's nieces. She had a clear rationale for this practice: 'Try and keep good records, because they are necessary so that you make yourself safe ... so that no-one can say you are doing anything illegal. ... When you are using other people's money or public money, you have got to be careful'.

Scenario 2: Katherine, aged 59 years, manages jointly with her sister for her mother, aged 82 years, who lives in a dementia-care unit. Katherine and her sister both have electronic access to their mother's bank account, which they use whenever there is a bill to pay or a purchase to be made, and are joint attorneys under an EPA. Katherine and her sister access their mother's bank statements through the Internet, thus circumventing the problem of both being involved in asset management, but only one receiving statements. They showed the researcher the records of the transactions that they each keep. Both sisters were very aware of the importance of keeping good records: 'We are both keeping very good records, we don't do anything without receipts or some sort of paperwork to go with it, although we trust one another absolutely, just in case someone should question us, we want to have everything we are doing there in writing'.

It is notable that in both scenarios there was more than one ‘capable guardian’, and that they purposively monitored one another’s actions, expressed the duty of being accountable, and translated this attitude into detailed record keeping. Their accounts provide support for the proposition from routine activities theory that, in the position of being responsible for another person’s money, the managers are aware that they are vulnerable to their actions being questioned, and some therefore put in place procedures to reduce the risks both of committing and of being suspected of committing improper or indefensible practices. The next two scenarios describe practices that involved risks for the older person and the asset managers.

Scenario 3: Dorothy and her sister hold a joint EPA and management for their mother, aged 87 years, who has mild dementia and is physically frail. Dorothy does the shopping, bill paying, paperwork, and manages fixed-term deposits. She has set up a systematic accounting system that is available to her sister and brother. Financial transactions are handled informally, through cash withdrawal forms signed by their mother and through use of the mother’s PIN. Their brother also has the PIN and appears to have been using it to ‘dip into Mum’s money’ [Dorothy’s words], by making regular withdrawals without their mother’s knowledge. To counteract this, Dorothy is setting up a cheque account to replace the savings account. While Dorothy and her sister monitor the situation, they find it difficult to confront their brother, as their mother would have no hesitation in giving him money if he asked for it. They are clear about the boundaries between their own and their mother’s finances, and had refused their brother’s proposal to borrow a considerable amount of money from their mother without her knowledge, and to have the amount deducted from his claim on her estate when she died. They recalled what they said to their brother: ‘We can’t touch that, because if Mum needs to go to a high level of care, we need that ... the money is there for Mum, not for us, and as long as she is alive, that is what it is there for. You won’t be able to touch it’.

In this case, the asset-manager sisters attempted to protect their mother’s assets against the brother’s inclination to use them for his own purposes. While the sisters’ presence and views appear to have discouraged him from availing himself of his mother’s assets, the tools of asset management, namely having access to the mother’s accounts, made access easy. It seems that the only way to prevent the brother’s further misuse of the mother’s account was to change the banking arrangements.

Scenario 4: Tom had managed his aunt’s finances for more than 10 years. Tom’s aunt is aged 84 years, single, childless, lives alone, has very little cognitive impairment, and is isolated except for her relationships with Tom and a community carer, who assists her every other week. Tom holds his aunt’s EPA, which he rarely uses. He is signatory to her bank account, which has enabled him to link up his own and her accounts to Internet banking, and to move money freely between the two accounts. Tom does not tell his aunt about all transactions,

because as he said ‘she can get very anxious about small, silly things’. To avoid such anxieties, Tom buys things and then reimburses himself, which the aunt ‘never notices’. Tom showed the researcher several boxes of unfiled receipts of purchases for his aunt over many years. He said, ‘if anyone ever wants to know what has happened, it is all there’. Over the years, the aunt had changed her will twice, removing bequests to other relatives and making Tom the executor and sole beneficiary. Tom fears that this will cause problems with several close relatives, but said that he defers to his aunt’s wishes to reward Tom as the only one who cares for her. Tom has told his aunt that she need not tell the relatives about the will changes, as they might die before her. Tom’s relatives once complained about never seeing any records; Tom told them that he had records, and the matter was not pursued. Tom has advised his aunt to sell the valuable property in which she lives, because he believes that the cost of upkeep is too onerous.

In this scenario, the asset manager has unfettered access to his aunt’s money and made liberal use of it for his own needs. Only the community-care worker was a potential ‘capable guardian’, but she had not questioned his intentions, and probably had not been trained or instructed to ask about finances. Tom maintained only a rudimentary record of the transactions. His aunt had changed her will twice in Tom’s favour, and other family members had asked questions. There is no way of knowing how well Tom’s aunt’s finances have been managed over the 10 years, but should any malpractice be alleged, Tom would have difficulty defending his actions. Perversely his practices made it difficult for any authority to accuse him of impropriety. The lack of systematic records and external monitoring, and the fact that his practices were obscure, meant that the aunt was vulnerable to financial abuse, and Tom to unfounded charges of negligence or malpractice.

In the presented scenarios, those in a position to be ‘capable guardians’ used everyday asset-management practices either to protect themselves and the older person or to benefit themselves. The standard asset-management tools, such as EPA, joint accounts and shared PINs, enabled and permitted both benign and abusive practices. Where there is a lack of systematic record keeping, it is difficult for the manager to prove or disprove the legality of their activities. The older people in the four scenarios meet the criteria of a ‘suitable target’: several had a cognitive impairment, and several tacitly accepted illegal practices on the grounds, it appeared, of family loyalty, their need for assistance, or their social isolation.

Routine activities theory and financial elder abuse

Routine activities theory illuminates the everyday practices enacted by asset managers and the opportunities they create for illegal activity. It has

been shown that many tasks of asset management are well within the capabilities of most people. The tools that make asset management possible (EPAs, joint accounts, PINs, Internet banking), in combination with a relationship of trust, enabled the financial tasks to be managed with relative ease, although in some cases in questionable ways. The privacy of family interactions, the closed spaces in which financial transactions are made, the ease of access to an older person's money, and personal frailties all make some older people potential targets for abuse, particularly given the low probability of a formal complaint. While the opportunity to act inappropriately was there for all, various preventive practices were evident. Some asset managers were aware of the importance of managing wisely for the future needs of the older person, rigorously demarcated their own and the older person's money, and were scrupulous in making transparent records available to others. They took the time, and perhaps had the skills, to keep meticulous records. Others enacted practices which increased the risk of abuse, such as merging bank accounts, making liberal use of PINs, and not keeping records. In other words, some acted as if there was a 'capable guardian' present to whom they could be called to account for their practices, while others acted as if accountable only to themselves.

Conclusions and recommendations

One of the most useful returns from this application of routine activities theory to financial abuse was that it pointed towards practical measures that prevent criminal activity, largely in the form of reducing the opportunities for malpractice (Felson 2002). This study has demonstrated that family members are in a position to transform legal into illegal practices, and that although most act appropriately, well-targeted prevention would reduce the opportunities for illegality. Several strategies can reduce the likelihood of illegality, including electronic monitoring to detect unusual transactions by the financial institutions, a requirement for EPA attorneys to submit annual records of accounts, random audits of attorneys' activities; and promoting the role of 'capable guardians' by requiring that more than one family member has EPA powers. Mandating that anyone who handles the financial affairs of another person must keep adequate records should also be considered. Peer mentoring schemes, by which older people have access to advice from peers trained in financial management, empowering them to monitor the activities of a family asset manager, may also be useful. While it is acknowledged that some individuals will attempt to circumvent restrictions,

increasing the likelihood of being called to account for one's actions will deter abuse.

Many of the suggested strategies may be time consuming for family members, and their need for support should be recognised. Possible prevention measures include educational programmes to increase financial literacy and to raise the awareness of a person's obligations when they handle another's assets, and public awareness campaigns that provide information about safe and risky money-management practices. Access to affordable financial and legal advice is also likely to be important. The need for education and training of both care workers and the staff of financial institutions about best practice in the management of older people's finances, and about their monitoring role, is increasingly recognised (Price and Fox 1997; Choi, Kulick and Mayer 1999; Malsk, Buckmaster and Cunningham 2003). It would be counterproductive, however, if new protective measures discouraged family members from assisting older people with their financial affairs, or if ageist attitudes were promoted rather than challenged by such interventions. Assistance in the management of older people's assets takes place alongside the potentially competing discourses of care and protection, and, as this paper has shown, many opportunities for abuse. In relation to the care and use of vulnerable older people's assets, the abiding principle should be that the older person is assisted, not the narrow notion that the assets are managed.

The application of routine activities theory to these issues has usefully added to the current understanding of why and how abuse occurs. It provides a direction for setting policies and procedures that will balance, on the one hand, supporting carers in their task of assisting older people, and on the other, protecting vulnerable people from abuse. As in most jurisdictions financial abuse is often identified only once irreplaceable assets have been lost, more effective prevention would be of great benefit. At the broader social level, more public debate is needed about attitudes to older people and their assets – not least to challenge the sense of entitlement to an older relative's assets that some family members express. In essence, family members who take on the role of assisting an older person with their finances need to be aware that, although they act in private spaces and in the context of family relationships, whatever the circumstances legal and ethical obligations to others always apply.

NOTES

- 1 This definition of elder abuse was endorsed by all Australian states and territories through the *Healthy Ageing Taskforce* on 8 December 2000. For details, visit <http://www.eapu.com.au/?TM=3>

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