Class, retirement and inequality in later life

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Outline of the paper

1. An ageing world, policy responses and the neglect of inequality.
2. The significance of health inequalities in later life.
3. Compression of morbidity and inequalities.
5. Inequalities in the experience of retirement and paid employment in later life.
6. The importance of class in later life.
7. Concluding comments.
An ageing world

[Nothing] is more likely to shape economic, social, and political developments in the early twenty-first century than the simultaneous aging of Japan, Europe, and the United States ... The human life cycle is undergoing unprecedented change. To preserve economic security, we must adapt the social institutions built around it to these new realities.

*The Commission on Global Aging (1999)*

“If you aren’t scared about the enormous generational storm we’re facing, you must be on a particularly high dose of Prozac” (Kotlikoff, 2004)

Politicians urged to face up to the Demographic timebomb (Guardian 2006)

Population ageing - Are we heading for a future of protest, destruction and the threat of financial meltdown? (BBC 2004)
The perceived impact of an ageing world

- Reduced labour supply and decreased consumption, reducing tax income;
- Increased costs of pension, health and social care programs;
- Enormous pressure to reduce benefits, raise taxes, and reduce spending on other public services;
- Reduced levels of publicly provided benefits and pensions;
- Increased family involvement in care provision.

*The Commission on Global Aging (1999)*

- In response, the major policy strategy is extended working lives.
- More broadly, there is an ‘active ageing’ policy agenda, said to carry both social and personal benefits.
- Ultimately an aspiration to promote productive ageing – if you are not working you should be engaged in social activities, including grandparenting, or civic activities, including volunteering...
An ageing world

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Demographic aging brings with it a systematic transformation of all spheres of social life ... beneath even the daunting fiscal projections, lies a longer-term economic, social and cultural dynamic ... What will it be like to live in societies that are much older than any we have ever known or imagined?

The Commission on Global Aging (1999)
Images of ageing

The title means ‘my mother, poor thing’

Contemporary critics found this image shocking at a time when it was thought that the elderly should be represented with respect or with sentiment.

Sickert instead treads a fine line between complete honesty and brutality applying the paint in small dabs and touches so that the face has the crumbling texture of great age.

Mamma Mia Poveretta (1901-04)
Walter Richard Sickert
ERWIN OLAF (born in 1959 in Hilversum (the Netherlands))

Erwin Olaf's art implicitly visualises the unspoken, the overlooked, that which typically resists easy documentation.

Olaf's trademark is to address social issues, taboos and bourgeois conventions.

Olaf conceals his themes so that the viewer unconsciously and initially accepts the concealment found in his photo series. Yet in the end, his unconventional style delivers dramatic visual and emotional impact … he vividly captures the essence of contemporary life.
The Third Age
Healthy, wealthy and engaged in society

- Post-retirement, post-parenting, but pre-dependency.
- Contributing to society:
  - Voluntary/community activities;
  - Political/civic engagement.
- Consuming and enjoying life, leisure and pleasure – cultural mainstream.
- Self-fulfilment:
  - Having a role;
  - Having status;
  - Having fun.

- A generation liberated from the standardised lives of previous cohorts.
- Or greedy, self-interested baby-boomers, who benefited from social welfare and are living individualised lives orientated to self satisfaction, and giving rise to inter-generational conflict.
- And what about class?
Contrasting images of ageing: reflections of class?

A political storm is brewing over proposals to raise the state pension age to 67

(BBC News 2005)
The English Longitudinal Study of Ageing (www.elsa-project.ac.uk)

- A panel study of people aged 50 and older, six waves of data available, alongside baseline (wave 0) data, and seventh wave about to start.
- Sample drawn from Health Survey for England, living in the private household sector and with periodic sample boosts.
- Face to face interview every two years since 2002, with a biomedical assessment carried out by a nurse every four years.
- Detailed content on: demographics, health, physical and cognitive performance, biomarkers, wellbeing, economics, housing, employment, social relationships, social civic and cultural participation, life history.
- Here using five waves of data covering eight years (2002 to 2010).
- Longitudinal multilevel growth models, observations (level 1) nested within individuals (level 2).
- Sample divided into five year age groups, giving overlapping cohorts.
- Focus on frailty (Rockwood Index) and affect (CES-D).
The significance of health inequalities in later life
Survival rates by wealth, age 50+

Fully adjusted hazard ratio poorest compared with richest = 1.7

(Nazroo et al. 208)
Fair/poor self reported health and wealth

- Men
- Women

- 50-59
- 75+

- Richest
- 2nd
- 3rd
- 4th
- Poorest

Graph shows the percentage of people in different age groups and wealth categories who report fair or poor health.
Compression of morbidity and inequalities
Modelling frailty trajectories by age cohort

No change:
70 year olds in 2010/11 have the same level of frailty as 70 year olds in 2002/3 and the same trajectory.
Modelling frailty trajectories by age cohort

**Optimistic scenario:**

70 year olds in 2010/11 are less frail than 70 year olds in 2002/3 and are on a shallower trajectory.
Modelling frailty trajectories by age cohort

**Pessimistic scenario:**

70 year olds in 2010/11 are more frail than 70 year olds in 2002/3 and are on a steeper trajectory.
Frailty trajectories by cohort

(Marshall et al. 2015)
Frailty trajectories by cohort and wealth

(Marshall et al. 2015)
Frailty trajectories by cohort and wealth

(Marshall et al. 2015)
Frailty trajectories by cohort – United States

(Marshall and Nazroo, unpublished)
Frailty trajectories by cohort and wealth – United States

(Marshall and Nazroo, unpublished)
Ageing, age related transitions, wellbeing and inequality
Age and depressed mood (CES-D score adjusted for gender and ethnicity) (Jivraj et al. 2014)
Age, depressed mood and wealth
(CES-D score adjusted for gender and ethnicity)

(Jivraj et al. 2014)
Age and depression: explaining the relationship

(Jivraj et al. 2014)
Age and depression: explaining the relationship

(Jivraj et al. 2014)
Age and depression: explaining the relationship

(Jivraj et al. 2014)
Age and negative affect: explaining the relationship
Age and depressed mood (United States)  
(CES-D score adjusted for gender and ethnicity)  

(Jivraj and Nazroo 2014)
Age and depression: explaining the relationship
United States

(Jivraj and Nazroo 2014)
What is the role of paid work and retirement?
The impact of work and retirement on health and wellbeing

1. Model continuing to work post state pension age compared with those who retire:
   - Use propensity score matching to deal with selection effects;
   - Examine whether work circumstances matter.

2. Model transitions into retirement compared with those still working, for people aged 70 or younger and who are economically active:
   - Examine the effect of wealth prior to retirement;
   - Examine the effect of route into retirement (routine, voluntary, involuntary).

3. Model transitions into retirement for the whole population, comparing the outcomes for different retirement routes (routine, voluntary, involuntary) directly.
Impact of working post-retirement age on health

Propensity Score Matching

(Matthews and Nazroo 2015)
Impact of working post-retirement age on health

Propensity Score Matching
(Matthews and Nazroo 2015)
Depression and type of retirement transition

Change in depression score compared with those remaining in work: age and gender standardised

Regression model (Matthews and Nazroo 2015)
Depression and type of retirement transition

Change in depression score compared with those remaining in work: age and gender standardised

(Mathews and Nazroo 2015)
Wellbeing and type of retirement transition

Depression

Life satisfaction

Quality of life

Social participation

Voluntary retirement

Involuntary retirement

Both compared with SPA retirement

(Matthews and Nazroo 2016)
The importance of class in later life
How can we understand class in later life?

- Inequalities research typically operationalises class with a measure of occupation (sometimes education), so those of working age have been the main focus.

- Class is largely theorised in terms of the impact of labour position on material and psychosocial factors, which in turn impact on relevant outcomes.

- Psychosocial explanations emphasise work conditions (control/autonomy and effort/reward) and perceived relative social position.

- But, occupational class (and education) may no longer adequately capture (processes of) stratification in societies where consumption and practice – reflecting social and cultural capital – have become significant markers of status.

- This may be particularly pertinent to those post-retirement, for whom (former) occupation may have less direct salience, highlighting the need to consider processes of stratification beyond labour relations.
Class-related pathways in later life

- Class and Education
  - Work and work quality
  - Social connections
  - Social roles and participation
  - Cultural practice
  - Health behaviours
- Wealth/pension
- Material circumstances
- Social status
- Health and wellbeing

(McGovern and Nazroo 2015)
Social detachment and wealth

Prevalence of social detachment

- Civic
- Leisure
- Cultural
- Networks
- Overall
- Adjusted risk of becoming detached*

* Percentage of risk of poorest, over a two year period, adjusted for education, health, car ownership, age, gender, etc.

(Jivraj et al. 2012)
Volunteering

- A quarter (25.3%) of the post-state pension age population report that they are involved in voluntary work, with two thirds volunteering more than monthly.
- Any decline in volunteering with age does not happen until around age 75, and among those who volunteer the frequency of volunteering does not decline until age 80.
- Those in paid work are more likely to volunteer, however those volunteers who are not in paid work engage in voluntary activities much more frequently than those who are in paid work.
- Wealth is strongly related to volunteering, with particularly high rates of volunteering among the richest fifth of the population, at more than two-in-five.
- Self-reported health is also strongly related to volunteering, with around one-in-twelve of those with the poorest health volunteering compared with more than two-in-five of those with the best health.

Nazroo and Matthews (2012)
Wealth, self-perceived social status and volunteering in the past year

Poorest  Second  Middle  Fourth  Richest

Low  Middle  High

Nazroo and Matthews (2012)
Volunteering and wellbeing

Change in wellbeing: volunteers compared with non-volunteers

Adjusted for demographics only

Also adjusted for health, wealth, etc.

Nazroo and Matthews (2012)
We travel a lot. That's the other thing I do in my spare time, I do travel talks for the local hospice for charity. I did two last week actually. People like ... the groups like Probus ... retired businessman's association, and I talked to them about Japan where my daughter had lived for 4 years and we visited them quite a lot. So I do slide shows. And I did Peru on Friday ... I do those I suppose ... well once or twice a month I suppose. Have lunch and ... or evening sessions with different groups of people, talk to them about different places round the world that we've visited.

When I was at the county high school I looked after Modern Languages for a period of time as a governor. And so I had a talk about ... the area around Avignon. So I had some slides and did a talk in French ... we then set a test for the youngsters. And we tried to make the subject live rather than ... you know. So I could bring from something outside into the school. You know with my own knowledge of languages, which is reasonable, and with [the teacher's] expertise we could actually together make the language more interesting than just learning for the sake of learning.
The distribution of non-pension wealth in later life

Mean level of wealth within population deciles, and percent of total non-pension wealth

- £000
- 1 2 3 4 5 6 7 8 9 10
- £0 100 200 300 400 500 600 700 800 900
- 1 2 3 4 5 6 7 8 9 10
- 43% 18% 12% 12% 18%
Social mobility: odds to be in a professional or managerial class for four age cohorts

<table>
<thead>
<tr>
<th>Class of origin</th>
<th>&lt; 1920</th>
<th>1920-29</th>
<th>1930-39</th>
<th>1940-45</th>
<th>1946-52</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semi/un-skilled manual</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Skilled manual</td>
<td>1.5</td>
<td>1.4*</td>
<td>1.4</td>
<td>1.5</td>
<td>1.3</td>
</tr>
<tr>
<td>Administrative/Skilled non-manual</td>
<td>1.9*</td>
<td>3.3</td>
<td>2.8</td>
<td>2.3</td>
<td>2.1</td>
</tr>
<tr>
<td>Manager/professional</td>
<td>2.8</td>
<td>4.9</td>
<td>4.0</td>
<td>3.4</td>
<td>3.3</td>
</tr>
<tr>
<td>Female compared with male</td>
<td>0.4</td>
<td>0.3</td>
<td>0.5</td>
<td>0.6</td>
<td>0.7</td>
</tr>
</tbody>
</table>

Bold figures p < 0.05, *p < 0.1
There are significant class inequalities that continue into later life.
These inequalities are present for almost all relevant outcomes, proximal, intermediate and distal.
There are important variations by cohort, with a strong indication of increases in levels of morbidity, or, at best, stability in levels, and a widening of inequalities.
The occurrence and nature of later life transitions and circumstances are related to outcomes:
- Marital status (divorce and widowhood);
- Health/disability;
- Retirement status/route (voluntary) and employment conditions;
- Wealth.
And these are all related to class position.
Concluding comments (2)

- The mechanisms through which these inequalities operate are complex, inter-related processes, operating over time:
  - Material/economic wellbeing;
  - Social and cultural capital;
  - Employment quality and retirement processes;
  - Social status and valued identities.

- There are important cohort and period changes that are reshaping later life and that have implications for these inequalities:
  - Occupational structures;
  - Pension arrangements, retirement choices/opportunities;
  - Marriage choices;
  - Health.

- All of this has implications for policies to address ageing, which currently neglect class inequalities; and it also points to the need to address proximal effects and inequalities within the post-retirement population.
Policy interventions

- Socioeconomic inequalities in later life are an absent topic in policy discussion and development.
- Almost no consideration of inequalities in discussions around later life employment, active ageing, pensions, social care and welfare reform.
- Almost no interventions to address inequalities in health in later life.
- And for the interventions focussed on later life there is no direct evaluation of their impact on inequalities.

- Policy discourse and focus is on empowerment, productivity, individualisation of risk and responsibility in the context of welfare retrenchment.
- In fact, there is a policy space for interventions targeted at reducing inequality and increasing social justice: pensions; job quality; housing; and social roles that provide valued identities, contribute to personal development and enhance social status.
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