Gender, Pensions and The Life Course

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Abstract

The life course approach provides a framework for analysing individual's experiences, at particular stages of their lives. Unlike the term life cycle, which implies fixed categories in the individual and assumes a stable system it emphasises the inter-linkage between phases of the life course rather than seeing each phase in isolation (Katz and Monk, 1993; Hockey and James, 1993). It permits a more dynamic approach to relations between the individual, the family, work and others (Featherstone and Hepworth, 1989). This article examines the different life course patterns associated with men and women and how they may impact on pensions creating a gendered notion of retirement income. It considers changes in retirement transitions and women’s involvement in paid employment where the life course approach is used to analyse the dynamic structure of societal change.

Introduction

Pensions, the main source of income in retirement, can make the difference between a daily struggle to stay out of poverty and a period where individuals' increased leisure time proves to be a time of fulfilment. As people tend to live well beyond pension age an adequate pension is more necessary than ever before. On average women live 20.6 years beyond the age of 60 and men live 11.1 years beyond the age of 65. These figures are likely to increase as by 2031-32 the Government Actuary Department has predicted that life expectancy will be 81 years for men and 85 years for women (although from 2020 the retirement age for women will be 65 in line with men) (Shaw, 2004). However, the concentration of poverty among women in later life is well established (Glendinning and Millar, 1992; Arber and Ginn, 1991, 1996; Rake et al, 2000). This is exemplified by the fact that, on average, net income was higher for single men (£172) than single women (£142) of a pensionable age in 1999/2000 (Cousins et al, 2000). Nevertheless Feminist analysis has barely begun to explore this gendered retirement income and the way in which changing gender roles interact with shifts in pension policy to structure income
inequality between men and women in later life and also among women (Ginn, 2003).

This article faces the challenge of locating the changing gender roles and alterations in pensions policy in a suitable analytical framework. In order to do so the more linear and stable system of the life cycle is distinguished from the more flexible and progressive life course. Initially the article focuses on the use of the term life cycle as a potential indicator of typical patterns of group experiences. Then the life course approach is assessed as a framework for analysing the life experience of individuals at particular stages of their lives. The life course is applied to the analysis of the ‘institution’ of retirement and its subsequent de-standardisation in which changes in work and retirement have included an increase in early retirement and attempts to raise the retirement age. Then the life course approach is used to analyse the ways typically different work and home experiences of men and women impact upon inequalities between their pensions entitlements in retirement. It considers the idea that as people age they are influenced by the societal, cultural, political and economic context prevailing at different times in an individual’s life course. Integrating older age into the life course provides an opportunity to assess the whole of their earning and savings capacity over the life course on an individual’s pension. Finally, the article provides a possible policy agenda, which may incorporate the life course approach, to decrease the gendered nature of retirement income.

The Life Cycle Approach

The life cycle has been commonly used to refer to the typical experiences of individuals over their lifetimes. A model of sequence organises the stages of life into a universal and progressive arrangement. These have generally been seen as the tripartite sequence of education, work and retirement (for women work not only represents any paid work performed in the labour market but also unpaid work performed within the household). It implies that fixed categories exist and assumes a stable system (Katz and Monk, 1993). Within each stage a set of specific behavioural attributes, opportunities and conflicts are assumed to exist (Katz, 1996). The life cycle ideology has existed for over a century. In 1902 Seebohm Rowntree, in his pioneering study of York, demonstrated that adult’s financial requirements fluctuated through the life cycle stages as a function of their responsibilities for children and their earning capacities, ‘the life of a labourer is marked by five alternating periods of want and comparative plenty’ (Rowntree, 1902 : 169 cited in Dewilde, 2003: 111). Older age was perceived as a time of relative financial insecurity as the male household head was too old to earn a wage and his income never permitted a large saving capacity.

However, the life cycle has been criticised as inflexible and deterministic (Bryman et al, 1987; Hockey and James, 2003). Analyses that characterise demographic transitions over the life span as a series of invariant life cycle stages are empirically inaccurate. The ‘normal’ life experience has become more diverse, more blurred and more contested. Concentrating on the
average experiences of a population artificially produces the impression of homogeneity in life-span transitions giving rise to notions of demographic stages. ‘Research that assumes homogeneity in demographic stages also neglects the consequences of the timing of normative and non-normative events on subsequent life-span development’ (Hogan, 1985:67). As age-graded timing and sequencing of component transitions occur differently between individuals, it is incorrect to characterise the succession of life cycle statuses as constituting a succession of life cycle stages (Hogan, 1985).

The idea of stages encourages the assumption of discontinuity and the subject’s lack of consciousness of the postulated discontinuity (Pilcher, 1995). The roles available to people at particular ages are not fixed or immutable but are reshaped by the collective actions and attitudes of the people who are continually ageing, moving through the roles, and being replaced by their successors from more recent cohorts (Riley et al, 1994). Therefore, the life cycle fails to take historical contexts into account. Furthermore, it fails to accommodate the range of variation in the timing of specific events, which are constitutive of life cycle stages placing little implication on the effects of early life cycle events on later ones (Bryman et al, 1987; Hareven, 2000). These criticisms have led to its use becoming less common and alternative terminology to assess individual’s life span.

**Beyond the Life Cycle – a Life Course Approach to Ageing**

The life course approach provides an alternative framework for analysing the various influences, which contribute to the life experience of individuals at particular stages of their lives. It indicates more flexible biographical patterns within a continually changing social system (Arber and Evandrou, 1993; Katz and Monk, 1993). It emerged within the context of the revival of the ‘political economy’ approach since the mid 1980s and has been advocated by Alan Walker and Chris Phillipson in Britain as a dynamic approach to relations between the individual, the family, work and others (Walker, 1981; Phillipson, 1982). Rather than viewing any stage of life, such as childhood, youth and older age, or any group in isolation the life course is concerned with an understanding of the place of that stage in an entire life continuum (Riley, 1983). It ‘eschews a static view of older age in isolation, providing a dynamic framework which focuses on change and continuity’ (Arber and Ginn, 1991:10). An individual’s social, economic and political situation is both the outcome of previous actions and the contingent result of a historical process.

The life course approach focuses on the relationship between the ‘self’ and ‘society’ and acknowledges the temporal framework of the changes and movements which have and will continue to shape the context of particular cultures and historical periods (Hockey and James, 2003; Dewilde, 2003). For instance, ageing as a social phenomenon can only be comprehended through contextualising physiological ageing within cultural and historical contexts (Pilcher, 1995). It is multifaceted, composed of interdependent biological, psychological and social processes. It is not a unitary or exclusively biological concept or process. The impact of historical events on the life course is
cumulative but not irreversible. The negative impact of societal forces at one point in people’s lives could be rectified at a later date through its modification or reversal.

The life course reflects the linearity of Western perceptions of life, which are both unidirectional and culminate in an endpoint: death. The movement from adolescence to adulthood and eventually older age is a process in which events connect to one another. It does not assume a rigid structuring of experience’s, the status of an elderly person is gradually taken on through a progressive withdrawal from certain aspects of social life (this process varies between individuals). These may be examined by the time, spread and order in which they occur.

The ‘Institution’ of Retirement and De-Standardisation

The modern life course varies within a basic framework, which is largely set by issues of material security. These are influenced by definitions imposed by employment structures and the state. Retirement is viewed as a social process, part of the formal age structuring within the life course, in which entry into the labour force in youth is regulated by the legal requirements of education and exit in older age is regulated by pension requirements and norms (Johnson and Falkingham, 1992). The development of a structured format of retirement age is associated with the first pensions scheme in Britain in 1906 when support for retirement based on a chronological age was first introduced. This chronologization by the state is, ‘derived from the organisation of production, in particular the divorce of the labour process from the family and the creation of a labour market, with the subsequent need for the state to intervene to set the conditions for the stable control of the labour process’ (Vincent, 1995:57).

Older age, unemployment, dependency and mandatory retirement have traditionally been seen as social expressions of each other. They formed the administrative, economic and discursive boundaries that produced older people as a distinct subject. This detachment from paid employment (which is not always applicable to women’s circumstances) creates a situation in which older people are no longer in a socially defined ‘productive’ sector of the economy (Walker, 1981; Phillipson, 1982). Once the age of 60 (women) (65 from 2020) and 65 (men) became institutionalised through pensions and retirement, this became a co-ordination point for the tripartite formulation (Katz, 1996; Phillipson, 1998).

Changing patterns of exit from the labour force are redefining the boundary between work-life and retirement and thus the social meaning of older age (Kohli and Rein, 1991). This has been termed the ‘de-standardisation of the life course’. In late 19th century Britain nearly three quarters of men aged 65 and over were employed; by the early 1950s this had fallen to one third and by 2003 only 9% of men and women over the state pension age (60 for women and 65 for men) were recorded as economically active (ONS, 2003). The median age of with drawl from the labour force is currently 62.6 years for
men and 60.4 years for women (DWP, 2002). From the 1970s onwards there has been an increase in the marginalisation of older employees characterised by a range of pre-retirement categories and an increase in the number of people entering into these positions (Phillipson, 1994). This arose due to the operation of particular schemes to promote worker redevelopment (e.g. the Redundancy Payments Act), the pressure of mass unemployment and the changing attitudes amongst governments, trade unions, business and older people themselves, in respect of the older workers’ right to employment in relation to younger age groups (Phillipson, 1998). A number of bridging pathways emerged which converted a standardised, orderly, predictable transition from work to retirement based primarily on age criteria into a de-standardised, heterogeneous process based largely on functional criteria (Jacobs and Rein, 1994). The transition to retirement is being rearranged more flexibly, but this does not necessarily mean that individual choice is being employed (Phillipson, 1994).

By the early 1990s the debate moved towards how to stem the flow of workers out of employment and to remove age barriers in the retention and recruitment of staff (McRae, 1996). Employers and government are beginning to recognise the costs involved in failing to use mature and older workers, and are beginning to encourage policies to maintain older people’s employment (Phillipson, 1998). These include age discrimination in employment and vocational training becoming unlawful in the UK from 1 October 2006 following the EU Employment Discrimination Directive (DTI, 2003). Many people leave the labour market at a time, which, no longer corresponds, to a direct entry into the pensions system (Guillemard, 1989). Many individual’s who are generally, 'considered to be retired', do not receive a public pension and may not even consider themselves retired (Phillipson, 1994). So regulating definitive withdrawal requires the use of other subsystems of the welfare system (disability insurance, unemployment benefit, etc.). These subsystems create unprecedented and unstable possibilities for moving out of the labour market and meeting the age requirements of entitlement to an old age pension. The rules and requirements of these arrangements govern the passage towards inactivity and set the threshold of older age as a period of life after work.

Standardised life course patterns are being replaced by more individualised trajectories, under the influence of new social roles in different domains of life (Dewilde, 2003). The chronological milestones which once marked the life course are no longer visible and the time for withdrawal from work is no longer fixed at a predictable point. The concept of a stable period of retirement, built upon an orderly phase of work within the life course has become blurred. Employment careers are increasingly condensed into a smaller proportion of the life course. The amount of time spent in education and training has been extended and later entry into the workplace has become more common. In later life the tendency for people to reduce their involvement in employment and increased longevity has lengthened the stage of retirement.
Planning for Retirement

The life course paradigm has directed attention to the dynamic interaction of time and place in people’s lives and in institutions. It emphasises dynamics and synchronisation and reflects aspects of appropriate timing or ill timing in educational, work and family careers (Hareven, 2000). As earlier events, such as savings, condition later events such as pensions this requires the identification of an appropriate time/amount to save. Financial coverage in the context of demographic change and the reorganisation of the life course requires the ability to ‘forecast’ the pensions market (Johnson and Falkingham, 1992; Rowlingson, 2002). It is concerned with the financial and organisational costs and where they fall at each transaction as trajectories merge and compete for the individual’s time and resources.

People’s planning horizons vary either because their financial future is too uncertain or because events more than a few years ahead have little bearing on their decisions (Johnson and Falkingham, 1992). The move towards individual responsibility in pensions was encouraged under the conservatives by making public pension schemes (NI and SERPS) less attractive and offering tax incentives for private provisions. The basic pension was changed in line with prices rather than in earnings in 1980, which were greater than prices and in SERPs the best years’ earnings rule was changed along with reductions in widows SERPs entitlements in 1988. Recent reforms such as the introduction of the Pension Credit, the Stakeholder Pension and the S2P are unlikely to make a fundamental difference in terms of providing real security in older age. The move away from state provision has been continued under new labour that want to move from 40% to 60% private pension provision by 2050 (DSS, 1998).

The rise of individualism is likely to have consequences for the later stages of the life course. These changes will force people to make decisions and ‘choices’ in an incredibly complex field or risk becoming dependent on an increasingly poor pension topped up by the means tested Pension Credit. This comes at a period in which even occupational pensions have come under threat as the security offered by final salary pension schemes has been undermined by a move towards money purchase schemes, which place the risk of a poor stock market return on the employee rather than the employer. From 2002 following a 30 % fall in the UK equity market between 2000 and 2002 an increasing number of employers have been closing their final salary schemes, not just to new members but also to existing members. A survey by the Association of Consulting Actuaries (ACA) (2002) reported that 42% of employers were attempting to reduce spending on pensions and 51% were attempting to reduce ‘forward pension liabilities’ (Blake, 2003).

Furthermore, people don’t tend to start thinking about pension provision until they reach their 40s or 50s (Hedges, 1998). This phenomenon can be partially explained by people’s conceptions of appropriate behaviour at certain times in the life course, and is linked to the availability of resources and
choices made at a given time. For instance, a person in their early 20s may choose the immediate gratification of buying a house or a car rather than their pensions contributions where they may not see the rewards for a further 45 years. As pensions can be accumulated throughout the life course and are dependent on the number of contributory years as well as the level of contribution retirement planning early in an individual’s life course tends to result in a larger income in retirement.

The need to change the way pensions are provided is not only as a result of the difficulties in establishing eligibility through employment. It also lies in the reconstruction of meanings associated with older age and retirement. The Beveridge ideology that considered retirement to be a short period of dependency has been replaced by the notion of retirement as a significant period of life, with a range of patterns open to individual choice (Kohli and Rein, 1991). Pensions have become a predictable need now that the majority of people live well beyond retirement age. The challenge of social security lies in the way dependency and poverty in later life are a consequence of problems experienced prior to retirement in middle and late working life, problems associated with ill-health, low income, unemployment and the pressures of care-giving (Glendinning and Millar, 1992). Therefore, the government has a responsibility to provide protection for individuals throughout the life course in order to assist them to achieve a suitable pension provision and reduce dependency upon the state in retirement.

**Gender and the Life Course**

The typical life course renders older women especially economically vulnerable. The life course perspective and life span developmental psychology provides an approach, which not only avoids excluding women but also usefully directs attention to their situation through different life transitions (Glendinning and Millar, 1992; Bernard and Meade, 1993; Blaike, 1999) and emphasises the linkages among the phases of the life course rather than their distinctiveness (Arber and Evandrou, 1993). The dynamic and temporal capacities of the life course approach facilitate an exploration of the gendered nature of pensions. It enables the dissection of gendered tendencies in work and home over time.

As the life course for men and women is organised in unequal measures around work and non-paid activities (within and beyond the home) women have tended to be excluded from access to citizenship (Lister, 1999). The life course perspective facilitates the dissection of contingent career lines, which women have to synchronise and manage. The circumstances during the entire life course influences the situation of individuals in older age. Therefore, women are disadvantaged compared to their male counterparts in their opportunities to build up pension entitlements. The tendency for women to live longer than men creates a situation in which many women may spend a number of retirement years in receipt of a small income. Social assistance and poverty are not given or unchanging states they are the outcome of dynamic and cumulative processes and events. Women’s situation develops
gradually and incrementally over the life course. ‘Gender relations cannot be assumed to be static over the life course, since life transitions, age-based norms and physiological changes all impact on the way gender roles are constructed and gender identity experienced’ (Arber and Ginn, 1996:13). Therefore, a life course perspective has the potential to direct attention to the situation of women at various times in their lives (Arber and Evandrou, 1993; Moen, 1994).

The timing of particular events is related to gendered cultural norms. Social ageing, and the associated gendered chronologies of the life course, varies according to birth cohort. The social movements concerned with citizenship rights and gender equality, the shifting needs of capitalism for men’s and women’s labour (Ginn, 2003) and the backlash against feminism (Murray, 1996) and collectivism (Deacon and Mann, 1999) have been experienced by various cohorts at varying stages in their life course. The introduction of specific welfare state measures, advances in reproductive technology and the expansion of women’s education and employment opportunities have also been encountered at different ages throughout the life course by successive cohorts (Ginn and Arber, 1996). For instance, the introduction of the National Minimum Wage will not directly influence people who are currently in higher paid employment but it may have benefited their earnings at an earlier stage in their life course.

Figure 1 indicates how stages are linked within the life course to create a tendency for women to access a smaller pension than men (Women receive on average 56% of what men earn from occupational and personal pensions (Ginn and Arber, 1999) which are the key sources of pension inequality in older age). For instance, within the early stages of the life course gender socialisation (the modification from infancy of an individual’s behaviour to conform with the demands of social life such as the tendency for girls to be given dolls to play with and pretend to be a mother) may have an impact upon women’s household roles which, in turn, effects their position in the labour market and adversely affect their saving capacity thus resulting in retirement being a time of financial hardship for many women. Older women do not usually become poor with age, they have a lifetime of multiple and inter-connected disadvantages. The fact that women juggle different roles at different times as a response to child-care, work, adult care or domestic life indicates the value of the life course ideology.
Figure 1: The Impact of Gender Socialisation Throughout the Life Course

**Education**
- Gender Socialisation in Childhood
  - Differential representation in specific school subjects
  - Encouragement of ‘girl’s’ play and ‘boy’s’ play
  - Designated task role
- Female caring responsibilities
  - relatives/friends
  - childcare
- Poor childcare facilities

**Household**
- Women do most of the domestic work
- Husband is main breadwinner
- Women’s disproportionate representation in part-time employment
- Women’s disproportionate representation in managerial positions
- Female tendency towards local area employment
- Glass ceiling of age
- Early retirement age

**Labour Market**
- Feminisation of women’s employment
- Women’s Lower Pay
- Low Self-esteem

**Outcome**
- Potential unequal distribution of income within the household
- Women’s pension

**Pension Provision**
- Women more likely to depend on state pension provision
- Women are less likely to build up their own private pension
- Where a private pension is built up it is generally less than their male counterparts
- Higher female pensioner poverty
- Sex-based annuity rates lead to lower female payouts in defined contribution schemes
The gender revolution in work and family practices has challenged the idealised notions of male and female adulthood, which has been the focus of the post-war settlement. The apparently certain life course trajectories have become increasingly undermined by technological and social upheaval, which challenges the previously non-negotiable apex of ‘normal’ life course construction in industrialised western societies (Priestley, 2000). For instance, within the family key changes over the last 30 years have included the doubling of divorce rates, trebling cohabitation rates, 5 times as many babies born out of marriage (around 40% of births occur outside of marriage), single parent households have doubled and the average family size has decreased from 2.9 children to 1.6 children (Williams, 2004). It is apparent that the gender contract, featuring the male breadwinner and female carer, has eroded to an extent with women now consisting of approximately half of the paid labour force (Walby, 1997). However, much of women’s increased participation in the labour market has been in part time employment characterised by significant forms of discrimination in respect to wages and career development. In 2002 the Labour Force Survey indicated that 44% of women’s employment was accounted for by part-time work compared with just 8% for men (DWP, 2002). The average pay of female part-time workers compared with average male full-time pay was 59% in 2001 (Grimshaw et al, 2002). Employment rights are still curtailed by caring responsibilities (Glendinning and Millar, 1992) and low rates of pay translate into deprivation in later life in the form of limited access to pension provision.

Due to the long time-frame involved in the accumulation of pensions, the retirement income of successive generations of women reflects past reforms in pension arrangements and the changing norms concerning marriage, motherhood and employment prevailing during that generation’s working life (Ginn, 2003). As women tend to be financially dependent on men, have more irregular work histories, and live longer than men, they are susceptible to the receipt of smaller pension entitlements and are more likely than their male counterparts to exhaust their financial resources in later life (Arber and Ginn, 1991). The need to change the way pensions are provided is not only as a result of the difficulties in establishing eligibility through employment. It also lies in the way reconstruction of meanings associated with older age and retirement occurs.

The Life Course Perspective: a Tool for Comprehending Gender Differences

The gendered patterning of poverty in older age has a number of causes; longer life expectancy of women, diminishing savings over the post retirement years and the greater probability that a female pensioner will be living on their own than her male counterpart, in a situation where risks of poverty among the single elderly are much greater than amongst elderly couples (Glendinning and Millar, 1992). The convergence of life course related vulnerability with economic insecurity and structural economic change may
result in certain individuals being permanently disadvantaged relative to others, and also relative to their age peers in other cohorts (Irwin, 1996).

This article has demonstrated that changes in family formation, work and retirement reflect gendered arrangements, which create and maintain differences between individual women and men throughout the life course. An assessment of the life course approach has emphasised its usefulness in analysing these links. It has the capacity to emphasise diversity in experience, rather than the inevitability of dependency on the one hand, and collective experiences rather than individualistic attitudes on the other (Arber and Ginn, 1996). Yet social policy in Britain has largely failed to recognise the influence of the life course and does little to redress inequalities in older age. The idea of education, work (paid and unpaid) and retirement as a tripartite explanation of an individual’s life course is no longer appropriate. The de-standardisation of retirement and particularly the fewer number of years many individuals are spending in employment has a negative effect on savings capacities and needs to be acknowledged and reflected in policy provision. According to Lange and Atkinson (1995) working lifetimes will continue to shrink, owing to extended education, falling average weekly hours and perhaps, the continuing tendency towards early retirement. Proposals need to tackle the heterogeneity in socio-economic positions of retired people if policy is to be more effective in the future (Arber and Evandrou, 1993). They need to consider developments that construe the ‘normal’ life course for a changing society and also recognise diversity. Accommodating diversity among women is vital in comprehending variations in pensions between women, relative to men and the pension prospects for later cohorts of women (Johnson and Falkingham, 1992; Ginn, 2001).

As long as retirement is earnings related, something is required in policy reforms to restore the earning power and pension-earning power of those whose pension rights have taken second place to caring responsibilities. Therefore, pension systems of the future need to be detached from assumptions about continuous participation in paid work, especially as the model fails to acknowledge the gendered nature of the life course. The basis of such a system must acknowledge flexibility in the working life. An employment and training strategy should equip people for continual change and movement of job and work status, with new types of work attachments being developed (Phillipson, 1994). Innovative policies permitting time off and/or reduced work time in the childrearing years and full-time or part-time jobs in the ‘retirement’ years could introduce greater flexibility and creativity in structuring education, work, and free time throughout the life course. Whether women want to nurture or not, the partnership between the state and women needs to offer women at different life course stages more opportunity to combine caring with other activities (Katz and Monk, 1993). These arrangements may benefit the needs of working parents and older individuals and contribute to the creation of the more flexible and adaptable workforce required by the economy (Moen, 1994).
Bibliography


Biography

Liam Foster is a third-year postgraduate student in the department of Sociological Studies at the University of Sheffield. He graduated from Leeds University in 2001 with a degree in Social Policy and Administration. In 2002 he completed an MA in Social and Public Policy at Leeds University obtaining a distinction. His current field of research is concerned with the gendered nature of pension provision. This article represents a summary of the theoretical framework of the life course approach adopted within his work on gender and ageing. This article was adapted from the paper given at the Sheffield University Annual Postgraduate Conference 2003 and the Annual British Sociological Conference 2004.