

LONDON SCHOOL OF ECONOMICS AND POLITICAL SCIENCE

**WELFARE ARRANGEMENTS, SAFETY NETS  
AND FAMILIAL SUPPORT FOR THE  
ELDERLY IN PORTUGAL**

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**PHD THESIS**

**JUNE 2006**

## ***Abstract***

This thesis analyses the welfare arrangements of the Portuguese elderly from an historical and a sociological perspective. Two goals form the focus of the thesis.

First, it attempts to enrich the discussion on familialism as a model of welfare provision in old age in Portugal. Starting with the historical analysis of the process of consolidation of a model of welfare provision that is based on a set of assumptions about the existence of intergenerational ties and kin solidarity throughout the life course, the thesis moves on to the sociological analysis of family dynamics and normative propositions related to welfare arrangements in old age. The broad question underlying the analysis is to know how resilient and operative is familialism as a logics of welfare provision for the Portuguese elderly. The thesis shows that the resilience of familialism in the lives of the elderly is related to a complex set of social, economic and normative intricacies that still provide for a support network in old age but that show signs of being under accelerated erosion.

Second, the thesis aims to make a contribution to the analysis of welfare states and social policies in familialist countries by demonstrating the explanatory power of family arrangements for understanding welfare arrangements in old age. This involves introducing in the analysis of welfare arrangements a focus on intergenerational and kin relationships, demonstrating how the familialist model is intertwined with a complex network of exchanges of support that goes beyond the needs of the elderly and that is in fact structured around the functional roles of each member of the household and/or family for the welfare of the whole.

The thesis draws on review of literature and secondary data analysis. The data used came from three main sources: the European Community Household Panel (1998), the Portuguese Family Budget Survey (2000) and the Eurobarometer Survey Series (1992, 1995 and 1998-99). The analysis of data has privileged a descriptive approach, using some multivariate analysis to make meaningful synthesis. It combines cross-national comparative analysis with a case-study focus. The goal of the empirical analysis was to come up with a holistic synthesis of welfare arrangements of the Portuguese elderly linking them to three main dimensions: institutional, familial and normative.

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## Acknowledgements

This thesis was carried out at the Department of Social Policy of the London School of Economics and Political Science, in London, from 2002 to 2006. It was financed by the *Fundaão Ciéncia e Tecnologia*, a national institution for research within the Portuguese government (Ref. SFRH/BD/4898/2001).

I am deeply grateful to Professor Elias Mossialos, who in a distant 2001 read some lines of a very incipient research proposal and believed enough in what he read to accept becoming my supervisor. He has guided me and encouraged me to carry on through these years and has contributed to this thesis with a major impact. Thank you as well for guiding me, often with big doses of patience, through the subtleties of scientific writing.

I am also very grateful to all the teaching and research staff that have taken some time to discuss and enrich my work. Particularly valuable were the corridor chats at the LSE Health and Social Care unit; the PhD research seminars; and the informal meetings in the Methodology Institute. The LSE has provided me with a very stimulating environment in what concerns the extraordinary quality of its academic staff, and that experience will leave marks beyond this thesis.

I want to express my deep gratitude to Anna and Deme, who have always given me a hand to deal with the practicalities of working in a research centre, that have always gone off their way to make me feel integrated and that have been of immense help in building bridges between Porto and London.

Two persons at the Sociology Department of the University of Porto deserve a very special word of gratitude: one is Prof. António Teixeira Fernandes, who has given me valuable support in the beginning of this project, the same way he did in the beginning of my career, and who has created the institutional conditions allowing me to stay in the UK; the other is Prof. José Azevedo, who always had a word of encouragement and who helped me dealing with the bureaucracies of doing a PhD.

I would like to thank all my PhD colleagues, with whom I have shared moments of deep anxiety but also of big excitement. Their presence was very important in a process that is often felt as tremendously solitaire. A warm word for my colleague and great friend Francesca, that always managed to make me feel special and with whom I had the best tea breaks in my life.

Some special words of gratitude go to my friends who have always been a major source of support when things would get a bit discouraging: Carla, Angelica, Helena, Maja, Eduardo, Joerg, Omer, Sherry, Cristina and Isabel. Thanks guys for always being there for me.

I am also very grateful to S.M. for her amazing sense of respect when helping me with the editing of the thesis.

A very special word of thanks goes for my parents, Antonio and Manuela, who have been great over the years and never raised an eyebrow when I claimed my thesis would be finished 'in the next two weeks' for nearly a year.

Finally, I have to thank my husband and love of my life, Seref, for keeping things going and for always showing how proud he is of me.

The last word goes for Deniz, my baby boy, who has been the light of my life for the last two years and who has given me the extra strength and motivation to get things done. This thesis is dedicated to him.

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## Abbreviations

CGA.	Caixa Geral de Aposentações
EU15.	European Union 15 Member States
ECHP.	European Community Household Panel
IDS.	Instituto para o Desenvolvimento Social
INE.	Instituto Nacional de Estatística
IPSS.	Instituição Particular de Solidariedade Social
PAII.	Programa de Apoio Integrado a Idosos
SCML.	Santa Casa da Misericórdia de Lisboa
SNS.	Serviço Nacional de Saúde
UIPSS.	União das Instituições Particulares de Solidariedade Social

## Introduction

*'Informal care in Portugal is expected to stay at the same level in the near future, and households rather than public organisations are likely to continue to be the mainstay. Informal care is not on the political agenda in Portugal because it is taken so much for granted, as is the domestic role of women.'*

(Giarchi, G., p.397)

### **1. The welfare arrangements of the Portuguese elderly: emergence and contours of a research problem**

This thesis addresses the topic of welfare support to elderly people in Portugal and contributes to an extensive body of research on welfare provision in old age, particularly the research carried out within Social Policy. It draws on different contributions to the analysis of social policy design and implementation, of welfare states and in particular of welfare arrangements in old age.

The broad research topic of welfare support in old age has been developing for quite some time, and with greater intensity since the nineties. This was very much prompted by the challenges of the ageing of the population in many European countries and by the challenges this represents for welfare states in modern societies. It is within the context of the challenges the ageing of the population brings about to the welfare state in all modern societies that we have been witnessing a rising interest in the study of models of welfare provision to elderly populations. This topic has been gaining increasing visibility both in the scientific and in the political agenda, and although not belonging to the historical core of the modern welfare state in what concerns provision of social care services, it has been progressively recognised as one of the main challenging domains of action (Flora, 1986; Daly and Lewis, 2000; Bahle, 2003).

In a context of multiple research efforts towards the understanding of the provision of welfare support in old age, it is possible to identify some mainstream approaches that have been more or less influent among researchers in different national contexts.

One of the mainstream areas of research on welfare arrangements in old age, very much aligned with economic theory, has been approaching the topic from the perspective of increasing the economic efficiency of public systems in delivering support to the elderly population (Karlsson, 2002). Some of the topics addressed include the analysis of payment models for long-term care (Glendinning, Schunk et al., 1997; Fine and Chalmers, 2000), the analysis of factors influencing utilization of services and choice of services (Browne, Roberts et al., 1995; Netten, Darton et al., 2001), or the analysis of boundaries between social care and health care (Challis, 1998). Some research has been focusing more on the outcomes of provision, and in some cases even trying to define a measure of social care outcomes (Netten and Smith, 1998). Overall, it is a current of empirical research that takes as reference the realities of developed/mature welfare states, namely in terms of expansion of formal provision of services of assistance to the elderly, and where the priorities of research align with the need to redesign and improve the formal support already provided.

Within this approach, but combining the economic reading with social policy analysis, some research has been focusing on the topic of informal care, namely care provided by families (Pacolet and Wilderom, 1991; Gordon and Donald, 1993; Pickard, Wittenberg et al., 2000). Despite the variation in research topics and outcomes, there is a common trait in the studies discussed in the literature: caring for the elderly tends to be analysed as a separate good and almost exclusively as an outcome of the social policy framework. Very rarely does one find approaches to caring for the elderly that articulate the provision of welfare support with broader social dynamics, namely with family dynamics and normative dynamics.

Some topics that have been gaining increasing visibility within this area of research are those focusing on carers' roles and carer's needs, on quality of care and on choice for care (Murphy, Schofield et al., 1997; OECD, 2000; Pickard, 2001).

One other mainstream area of research, more aligned with political theory, has been studying welfare arrangements in old age from the perspective of the processes of policy design and decision (Raak and Mur-Veeman, 1996). Researchers in this area often focus on the process of policy development in the domain of old age, most of the time from a cross-national comparative perspective (Munday and Ely, 1996; Bahle, 2003). This is an approach that tends to privilege the analysis of policy frameworks and how they impact/influence/explain variations in access to welfare support in old age.

A third current of research is the sociological approach. This approach to welfare arrangements in old age has gained some visibility more recently than the previous two, and has been bringing up topics of analysis such as the links between family helping behaviour and cultural values (Carrafa, Schultz et al., 1997), the impacts of changes in family life on intergenerational relations, caring and transfers of wealth (Bornat, Dimmock et al., 1999), among others.

The goal of this thesis is to develop a holistic analysis of welfare arrangements in old age in Portugal. By holistic, I designate a research approach that attempts to articulate the strategies developed by individuals with a systemic view that privileges the analysis of the institutional configuration and performance of the global system of welfare provision in its multiple dimensions.

The emergence of this research topic is grounded in three inter-related reasons:

- a) At a more personal level, the interest of the researcher in a topic that is just beginning to emerge as a research topic in a country where any public/political debate on welfare support in old age remains conspicuously absent.
- b) The identification of a gap in the body of empirical research on welfare in old age, that tends to take as a reference the realities of the more developed welfare states, leaving out countries where the welfare state project has never fully matured and where the problem of welfare support in old age needs to be analysed from a different angle.
- c) Related to the previous point, the underdevelopment of conceptual categories that centre the analysis on family dynamics in general and on intergenerational dynamics in particular.

In the following paragraphs I expand in more detail each of the three points raised.

### **1.1. Welfare support to old age in Portugal: research and policy agendas**

To start, it should be clarified that social policy is not established in Portugal as a research field where multidisciplinary approaches meet. Research on social policy is carried out mostly by sociologists. Also of significance is the fact that there are no research centres or institutions specialised in research on welfare provision, social care or as a matter of fact on any other specific topic of social policy. Researchers are integrated in research centres/university departments structured along disciplinary

lines. Among other consequences this means that there has been no continuous and systematic research on the topic of welfare support in old age per se that allows for the building up of some type of school or national orientation.

Adding to this, it should be acknowledged that only very recently, largely as a consequence of European integration, did the *Instituto Nacional de Estatística* (official centre producing national data, INE) start implementing surveys that relate specifically to family dynamics (e.g. the European Community Household Panel). Access to databases remains complicated and difficult to achieve, and only in some very few cases research projects have been able to draw on these data.

On the side of policy debate, it is significant to highlight that Portugal is one of the rare cases in Europe where the problem of welfare support in old age has not been clearly recognised as a political priority. This is very much related to what has been the general perspective on family policy in that country.

In Portugal, family policy has remained implicit, in the sense that public responsibility for the welfare of families has been embedded in national policies and not explicitly recognised as a separate domain of policy design. The welfare of the elderly in particular remains included in the larger area of family well-being and as such has not been clearly recognised as an autonomous field of policy design and an issue of individual social rights. In fact, the official discourse remains attached to pre-conceptions on the nature of the relation between state and other spheres of social regulation (family, market and third sector), namely to the principle of family privacy and autonomy and to the principle of subsidiarity, and resists to acknowledge the responsibility for the welfare of the elderly as a state's attribute.

In terms of policy design and public investment in social assistance, there has been an almost exclusive focus on expanding the network of childcare facilities (although under the same principles outlined above and promoting the balance between state, market and third sector in developing responses to support families). This emphasis on childcare is very much related to the need to sustain public responsiveness to the importance of women's work and the participation of women in the labour market. It has also meant the public recognition of the need to reconcile family life and work, but this has been confined to the issue of childcare.

From a global perspective, one could almost say there has been some alignment between the policy and the research agendas on the topic of welfare support in old age. On both sides of academics and policy makers there has been a more or less

consensual acceptance of the status of the elderly as recipients of welfare support in relation to their families, and only very recently the need to address the issue of care for the elderly as a domain of policy design became a topic for debate. Despite the efforts of some researchers to denounce the abusive use of some studies by public agents as instruments to legitimise social underinvestment (namely the use of studies on the nature of the Portuguese society as a case of resilient traits of pre-modern informal networks of solidarity), the truth is that the official discourse takes as a starting assumption the resilience and willingness of Portuguese families to be the primary providers of welfare support to the elderly.

It seemed important in the context outlined above to develop some systematic research effort that would address in some detail the topic of welfare arrangements in old age among the Portuguese elderly. It seemed particularly important to the researcher to dissect the dimensions and implications of the existing assumptions on the familialist character of the Portuguese global system of welfare provision in old age: a system that not only considers families as the primary locus for social aid but that also assumes families are willing and do not fail in performing that role.

## **1.2. The Portuguese case in the international research agenda**

Much of the research carried out by European researchers on the topic of welfare support in old age tends to take a comparative approach, this meaning they draw on the analysis of different national contexts, often classified in light of the established typologies of welfare state regimes. The underlying goal seems to be to understand how different welfare state configurations, (seen from the side of economic decisions and resources allocation, or seen from the side of the processes of policy design and implementation, or from the side of how existing policies impact on individual/collective behaviour), produce different outcomes in terms of the welfare arrangements of the elderly.

However, in the mainstream literature, there is an almost exclusive empirical focus on the well-established, mature welfare states of the most advanced countries. This is particularly so when it comes to including in cross-national comparisons the less developed South European social protection systems. In most research projects that have actually addressed the South European specificities in terms of logics of welfare support in old age, the countries taken as representatives of the cluster are usually

Italy and Spain (Carrafa, Schultz et al., 1997; Fargion, 2000; Aassve, Billari et al., 2001). These, however, are two countries that, within the South European cluster, show the highest degree of industrialisation and generally stronger economies.

The omission of countries such as Portugal (or Greece) from the mainstream research on welfare provision in old age from a comparative perspective has several consequences. I highlight the consequence of having conceptual and methodological developments in the topic aligning with the characteristics of the countries studied, meaning that there may be dimensions of analysis that are undervalued in mainstream frameworks given they are not particularly significant in the empirical contexts analysed.

This relates to the third reason for this research, addressed immediately below.

### **1.3. Established theoretical/conceptual categories and the analysis of familialist systems**

Largely as a consequence of the lack of empirical relevance of countries such as Portugal or other examples of less developed formal systems of welfare support in old age, there is a gap identified in mainstream literature on welfare arrangements in old age. Very incipient attention has been paid to family dynamics and in particular to intergenerational dynamics in welfare arrangements. The dominant approaches in the literature take for granted the role of families in countries such as Portugal (Giarchi, 1996). Although put in a over-simplified way, it seems to be considered that in national contexts where the level of welfare state development lags behind that of more developed countries, for a set of different reasons, families tend to step in and absorb the bulk of the responsibilities for welfare support in old age. There are no relevant studies on why this is the case, or if it is the case, looking at the side of family dynamics and trying to understand the true nature of the negotiations and strategies developed by individuals.

In the literature, the South European cluster is taken as representing social systems still marked by intense flows of exchange of support within the family network as a strategy to tackle old age related needs (Giarchi, 1996; Guillén and Álvarez, 2001). This assumption is then reflected in some more or less simplistic explanations, such as those that establish a straightforward association between multi-generations cohabitation and availability of family support in old age (Giarchi, 1996; Aassve,

Billari et al., 2002). There is no attention paid to the inner logics of living arrangements in these societies and to the effective relation they have with old age related needs.

This thesis was partially triggered by the need to contribute to the clarification of some conceptual categories within the specificities of social policy analysis in social systems marked by familialist logics and underdeveloped formal mechanisms of welfare support in old age.

## **2. Welfare arrangements of the Portuguese elderly: outlining a research strategy**

This thesis takes as a starting point the widespread belief in the tradition of familialism as a model of welfare provision in Portugal, seen explicitly or implicitly stated in much of the literature on comparative welfare state research and reproduced by official discourses of different social actors. Familialism is understood as a model of global welfare provision that assigns to families the primary responsibility for the welfare of its members and as a model that takes for granted that families do not fail when performing that role.

The initial question that triggered the research was:

“How resilient and operative is familialism as a logics of welfare provision for the Portuguese elderly?”

At the beginning of the research, it was identified a puzzling element that would later be assumed as a structural paradox in the current Portuguese welfare system: the generally accepted notion of familialism - as the willingness of families to provide care and assistance to their members - has been incorporated in social policy design and has been used as a tool for legitimising the absence of family support policies and social assistance services. Individuals themselves tend to reproduce this familialist orientation of public policies in the sense that it is part of a larger system of values characteristic of a society of late modernisation. Nevertheless, the changes that have been experienced in Portugal in the last twenty or thirty years have clearly eroded the ability of families to act as the efficient welfare providers that the official discourse of public actors often assumes they are. This situation can be seen as a potential creator of a mismatch between welfare provision assumptions and effective delivery of welfare support. In a context of limited possibilities for welfare state

expansion, this can be creating widening spaces of social exclusion, in particular when considering social groups that already accumulate other elements of social vulnerability such as the elderly.

The research set as main goal to disentangle the logics of familialism as a model of welfare support in old age in Portugal, in order to understand the roots of its resilience and the levels of its performance in a context of change of some of the traditional assumptions of that system. The period of time analysed in the thesis covers the last 15 years, although at times there are some incursions into a more distant past to ground the analysis of more recent trends.

By taking a holistic perspective, the research design has developed a global approach to welfare arrangements in old age as the meeting point of different social dimensions that are important to articulate and understand in both their specific and conjoint effects.

In that sense, and given the implications of the concept of familialism as a model of social welfare provision, welfare arrangements were considered as the outcome of:

1. The institutional configuration of the global system of welfare provision, namely in the way it reflects in the social policy instruments and ideologies.
2. Family dynamics, namely the logics of family arrangements considering all individuals/generations involved and all of their needs/resources (not only those of the elderly).
3. Normative propositions on family solidarity.

The research goal was to unravel the logics behind the welfare arrangements of the Portuguese elderly and to clarify the terms of the problem of welfare support in old age in familialist countries, in light of their recent socio-economic and demographic changes.

### **3. Outline of the thesis**

I introduce next the general structure of the thesis by outlining the main contents of each chapter and articulating them with the overall rationale of the research.

Chapter 1 sets to define in a systematic way the core theoretical pillars/options for the analysis of the welfare arrangements of the Portuguese elderly.

In line with a research strategy that takes a holistic synthesis of patterns of individual behaviour, aiming at unravelling the multisided logics behind familialism as a model

of welfare support among the elderly, the thesis tries to articulate contributions from three lines of reasoning:

- The institutional reading of welfare arrangements, namely those contributions shaped by new-institutionalism approaches that allow tackling the processes of institutional development and change and how social policy design and welfare support opportunities/preferences/choices are imbricated in different dimensions of the historical processes of institutional design.
- The readings of welfare arrangements from the side of family dynamics, emphasising the far-reaching implications of family dynamics and the complexities behind the exercise of family solidarity.
- The normative understanding of welfare arrangements, including in the overall theoretical model social norms and values and discussing the dimensions of influence of cultural/normative factors in the design of patterns of welfare provision.

Chapter 2 of the thesis introduces in detail the empirical case analysed along the thesis and focuses on the main elements of the historical process of welfare state development in Portugal, highlighting the path dependent character of some of its contemporary features. The analysis put forward in this chapter provides the overall context for the understanding of the familialist imprint of the global system of welfare provision in Portugal and sets the tone for the more detailed analysis of the institutional design behind the model of provision of welfare support in old age. This chapter also discusses the late emergence of the Portuguese welfare state and the impact of the heritage of a strong past of centralisation, authoritarian culture and bureaucracy. Furthermore, chapter 2 discusses how and why the Portuguese state has always counted on the civil society to fill in the gaps left by a weak state provision, be that by means of informal networks of solidarity or the expansion of a quasi-government non-profit sector.

Following the global analysis of the overall system of welfare provision in Portugal, in chapter 3 we find a relatively detailed analysis of the existing mechanisms/logics of formal provision of welfare support for the elderly within that same system. The analysis highlights two dimensions of provision: the existing framework of rights/benefits and the actual delivery and access to welfare support among the elderly. The conclusions drawn from this chapter consolidate a set of research questions that are raised in a more systematic way in chapter 4 and that are answered

and discussed along the remaining chapters of the thesis. Among those conclusions it should be highlighted that social security cash benefits and services available within the Portuguese social protection to old age are very low and sometimes so inefficient as to generate extreme poverty. The analysis in chapter 3 demonstrates that since the very beginning of the history of social policies in Portugal, a high level of familialisation of welfare provision has marked social policies tackling old age. Furthermore it is demonstrated that, in that country, there is no mobilisation around the issue of caring for the elderly as a social right and that official discourses remain highly assistencialist and persist in considering the family as the 'natural' and most desirable mechanism to address old age related needs.

Both chapters 2 and 3 were organised on the basis of literature reviews and documental analysis.

Chapter 4 is structured as a discussion on the methodology of research employed and on the methods of analysis developed. It is in this chapter that the rationale of the research design is brought together and that the initial research hypothesis is operationalised into subordinate/applied research enquiries. In face of the discussion developed in the previous chapters, there was a fundamental paradox that needed to be investigated: in contemporary Portugal we seem to have a formal system of social protection in old age that shows all the traits of a familialist system in a society that seems to be moving away from the socio-demographic structures typical of familialism, or at least, that allow familialism to operate effectively. This prompted the research question already introduced and that leads to the analysis of two other dimensions of welfare arrangements complementing the analysis put forward in chapters 2 and 3: the analysis of family dynamics and the analysis of normative dispositions. In chapter 4, we find a relatively detailed discussion on how the two dimensions are operationalised in the research and how they are articulated with the empirical data.

The thesis has used for the empirical analysis data from three different sources: the European Community Household Panel, especially the database for 1998; the Family Budget Survey released by the Portuguese National Statistics Office (INE), in particular the database for 2000; the Eurobarometer Survey Series, especially the databases for years 1992, 1995 and 1998. In chapter 4, we find a summary of each data source and the reasons for its use in the thesis.

The empirical part of the research has involved a great deal of descriptive analysis in line with a study design that aims at providing a holistic synthesis that can explain the trends observed in data. Hypotheses' testing was not at the core of the research framework and this was reflected in the ways the data were analysed. The statistical procedures used for analysing data are those adequate for descriptive purposes. The analysis followed a general scheme of simple description at the univariate and bivariate levels leading to multivariate syntheses that articulate the full scope of factors considered in the explanation of the trends/patterns observed in the data. In chapter 4, we find a set of considerations on the technical details involved in the analysis of data.

Although the thesis focuses on a case study, it resorts to some comparative analysis, namely to highlight the meanings of the trends found for the Portuguese case. The chapters that deal with the presentation and discussion of the results of the empirical analysis are structured to articulate those two levels of analysis: a detailed and more specific analysis of the Portuguese case with a cross-national comparative analysis.

Chapter 5 is structured in a way that allows for the systematic listing of the key elements in the lives of the Portuguese elderly, often defined from a comparative perspective, which will be discussed in more detail in the following chapter. The content of the discussions put forward in chapter 5 address three main issues: i) identifying with whom are the elderly living and the main socio-demographic trends that appear associated with the different living arrangements in old age; ii) describing the general level of well-being of the elderly population by analysing financial conditions in old age; iii) looking at familialism from the side of those engaging in care for the elderly, describing levels and ways of engagement in caring activities among the families.

Chapter 6 moves on to a relatively detailed discussion, for the Portuguese case, on familialism seen from the side of household dynamics. This involves analysing income dynamics within the household as well as in kind exchanges of support. The chapter provides evidence on the inner logics of familialism in the lives of the Portuguese elderly seen from the side of family dynamics and consolidates the argument that welfare arrangements in old age are part of a broader system of intergenerational exchanges of support that do not necessarily prioritise the needs of the elderly.

The last of the three chapters that introduce the results of the empirical analysis carried out in the thesis is chapter 7 and provides a discussion on familialism in the lives of the elderly seen from the normative side of welfare arrangements. In familialist settings, the debate is still very much linked to the belief that there remains a system of values and social norms that are resilient and that pressure towards family responsibility, which largely legitimises, if not *de facto* at least at the discursive level, the under-development of the formal provision of support to the older people. Chapter 7 discusses the expressions and the multisided meanings behind that system of norms and values.

The last chapter of the thesis, chapter 8, summarises the main conclusions of the study and attempts to discuss the main implications of the findings put forward along the thesis.

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## Chapter 1

### Elements of Theory in the Analysis of Welfare Arrangements in Old Age

#### Introduction

Research on welfare state, irrespective of the disciplinary focus, has involved rather open and pluralistic processes, both from a theoretical and from a methodological perspective and only very rarely has drawn on a clear well-established pre-existing theory (Pierson, 2000). This means that, similarly to what Mossialos and Oliver have stated for the analysis of health systems, the analysis of welfare arrangements in old age is unlikely to be bounded by one sole theory and instead requires crossing different theoretical frameworks (Oliver and Mossialos, 2005).

The theoretical model that shapes this study of welfare arrangements in old age in Portugal draws on three main theoretical fields: welfare state theory; family theory; and theory on social norms and values. Welfare arrangements are discussed throughout the thesis as the outcome of the crossing of three dimensions, corresponding to the three theoretical fields: institutional design of the welfare state; family dynamics of exchange of support; normative solidarity. The focus of institutional readings embeds the three analytical axes. The topic of the thesis involves assessing degrees of resilience and/or change in familism as a logics of welfare provision in old age in Portugal. In that sense it calls on a reading that addresses the analysis of institutional development and the analysis of institutional resilience and change.

This chapter is set to identify and review the main theoretical references taken on board the research. It starts with a broader discussion on recent developments of institutional theory, namely on the contributions of new-institutionalism theories, both from the perspective of their heuristic potential for this study and from the perspective of their limitations. The first section of the chapter summarises the overall theoretical approach of the thesis.

The chapter then moves onto the discussion about the three specific theoretical fields that most influence the research design.

Section two starts with a revision of welfare state theory, in particular about theories on welfare state institutional development. It starts by addressing some theoretical frameworks that have been established in the mainstream literature as attempts to classify the institutional building of contemporary welfare states, introducing as well some alternative approaches, namely those that draw on gender approaches and those that introduce a Mediterranean model of welfare state. In this section, I clarify my position towards those proposals and set the theoretical boundaries of my analysis and interpretation of the process of welfare state emergence and development in Portugal.

Section three moves onto some insights on family theory, namely on the sociological approaches to state/family relations and to the place and meanings of family solidarity in the global system of welfare provision. The discussion reviews contributions of recent research on the roles of family in contemporary modern societies, namely its role as a locus for exchange of support, as well as contributions about the evolution of family policies within the welfare state project. This second theoretical axis defines my approach to the place of families in the Portuguese system and launches the basis for my discussion on familialism as a social policy model, leading to some reflections about the concept of familialisation of welfare provision and its heuristic potential for the research.

Finally, section four incorporates into the theoretical model of the thesis some elements from theories on social norms of exchange and solidarity. This section introduces in the discussion the topic of legitimacy and reproduction of familialism as a social policy model, resuming the discussion on institutional resilience and change and on the reasons why individuals conform to certain institutional configurations.

## **1. Welfare state, institutional development and welfare provision**

The literature on the variation in institutional structures of the welfare states of different countries is extensive. Although it is more or less consensual that the welfare states in the rich western democracies have similar broad social goals, it is equally consensual that they have different institutional approaches and means to achieve them.

If we look, for example, at the social insurance programs intended to provide income maintenance to individuals during old age and sickness, although there is a widespread acceptance of that obligation, different countries chose different institutional configurations for these programs. In some countries social insurance has been structured to provide benefits on the basis of a means-tested approach, meaning that each individual must provide proof of his need. In other countries legislation has been developed to encourage self-help, namely by means of state support to a wide range of non-profit organisations. There are countries where social insurance programs have an occupational basis and therefore segment the population, often treating citizens according to different rules depending on their occupational status. Other countries, on the other hand, put the emphasis on equality and provide for universal coverage to all citizens. Among these there are some that protect all citizens equally but only provide for a minimum safety net to avoid them falling into destitution. And there are some that go beyond that minimum and top it up with a relatively long ladder that tackles the effects of the life-course risks for the standards of life of citizens (Korpi, 2001; Schludi, 2001; OECD, 2005).

Confronted with this variety of institutional forms to tackle the same social problems and to achieve the same broad social goals, scholars from different fields of study have been asking about the origins of institutions, how they are formed and how they evolve, how and why they do (do not) change and how they impact on the behaviour of individuals (Esping-Andersen, 1990; Hall and Taylor, 1996; Crouch and Farrell, 2004).

Under the designation of new institutionalism, there are three schools of thought that have established more or less clear theoretical models to account for institutional development: historical institutionalism, rational choice institutionalism and sociological institutionalism (Hall and Taylor, 1996; Rittberger, 2003; Oliver and Mossialos, 2005). Providing different conceptual explanations, the three schools of thought are all oriented by the need to explain institutional stability and institutional change. However, as Rittberger so clearly puts it, they all have been more successful in accounting for the first than for the last (Rittberger, 2003).

In the analysis of institutional dynamics these seem to be the two dimensions to articulate: institutional resilience and institutional change. New-institutionalism approaches are often criticised for their limitations in addressing institutional change, namely by confining change to the result of exogenous events largely happening at a

random rate. However, those same approaches are praised by their heuristic potential in the analysis of institutional resilience (Rittberger, 2003).

This thesis tries to incorporate the contributions from new-institutionalism for the analysis of resilience of familialism as a logics of welfare provision. However, and because the thesis involves opening the discussion to elements of change in familialism, it also draws on some alternative theories to institutional behaviour, namely those that try to address institutional change as the result of endogenous forces (Greif, 2000; Lieberman, 2002; Rittberger, 2003).

The following sub-sections summarise briefly the main contributions of the three schools of thought within new-institutionalism, highlighting their heuristic interest for the thesis as well as their limitations and some alternatives to overcome those limitations. The three schools of thought are: historical institutionalism; rational choice institutionalism; and sociological institutionalism. As the comparative size of the subsections will reflect, historical institutionalism, followed by sociological institutionalism, have a greater weight in the thesis.

### **1.1. Institutional development and the articulation of path dependent processes: readings from historical institutionalism**

Historical institutionalism, and the diversity of proposals within that school, is particularly useful to understand the policy path that Portugal followed along the 20<sup>th</sup> century and how that preceding historical path can explain the current conditions for policy design.

There is one key concept that has been at the core of debates about institutional development since the beginning of the nineties: path dependence. As Crouch and Farrell very well summarise it, path dependence is a concept that has been used mainly as a tool to understand and account for institutional stickiness (Crouch and Farrell, 2004). Historical institutionalism is also referred to as path dependency theory.

At its broader scope, path dependency is a logics of analysis that not only provides explanations for the origins of each particular institutional configuration (linking it to a set of events/forces compelling into a certain direction), but also explains why institutions fail to respond to changes, even when the responses could lead to improved outcomes.

There are many contributions to path dependency theories. At the origin, path-dependency theory came embedded in a determinist coat and was presented as a near-inexorable force determining outcomes over the long term. Applied to the emergence and evolution of welfare state institutions this would mean that once a country engages in a certain path of development of its institutions, that path exercises an influence so compelling that outcomes and future paths of evolution are more or less completely determined (Putnam, 1993).

More recently, however, some authors have been trying to break the determinist character of path dependency analysis, although keeping its central argument of chained events. Crouch and Farrell suggest it is possible to reconcile the logics of path dependent processes in the analysis of institutional development with the possibility of individuals searching for alternative paths with some success (Crouch and Farrell, 2004). In the words of these authors, “(...) paths are institutions, clusters of patterned behaviour that constrain the actions of individuals in particular ways. (...) Individuals change and innovate, not by breaking free from all institutional constraints, but by changing structures of the institutions themselves” (Crouch and Farrell, 2004).

The criticism put forward by Crouch and Farrell on the deterministic uses of the concept of path dependency is of great interest for the analysis of the institutional configuration of national examples of welfare state like Portugal, a country that is systematically left out from the mainstream typologies. They point out the well-established typology of welfare state regimes by Esping-Andersen (Esping-Andersen, 1990) as an example of how a rather deterministic use of path dependency to account for institutional development results in labelling as residual or “empirical noise” all those national systems that do not fit the overall characterisation of available paths.

Adopting a theory of institutional development that accepts that there is more than one path of institutional development available, even if only one becomes established, has broader heuristic potential. On one hand, it provides an explanatory framework that accounts for institutional resilience and that identifies the forces that combine to constrain institutions to evolve in a certain direction, even if the outcomes are not optimal. But, on the other hand, it also opens way to recognising that institutional change is possible (even if costly and hard) and in fact, it helps setting the parameters under which change will be more or less difficult to achieve (Crouch and Farrell, 2004).

More recently some authors have been trying to come up with some alternative theories to articulate institutional change from an endogenous perspective. Rittberger identifies that as one of the big challenges to new-institutionalist theories: the challenge of developing a theory that articulates the way past and existing institutions influence or are likely to influence the direction and rate of institutional change (Rittberger, 2003).

Rittberger cites Liberman and his work on the evolution of policies on racial matters in the USA as an alternative to path dependency theory. Liberman sees institutions as multi-layered, meaning they embed different interconnected patterns of institutional, ideological and organisational design. He further suggests that these layers or orders are often in friction. According to Liberman it is in the friction between orders that the seeds of institutional change can be found (Lieberman, 2002).

One other approach that also tries to conceptualise endogenous institutional change in a path dependent perspective is that of Greif. Greif introduces the notion of quasi-parameters as the set of social and technological factors that are simultaneously at the base of certain institutional configurations and that can be affected by the behaviour attached to certain institutions. Greif suggests that changes in quasi-parameters can reinforce or undermine existing institutions. These quasi-parameters include elements such as demography, wealth distribution or political powers (Greif, 2000).

Although these recent proposals seem at times rather fuzzy or unclear from a conceptual perspective, they open the discussion to a dimension that is often absent from research on welfare state institutional development: endogenous institutional change taking place within and as the result of the institutional building in place.

## **1.2. Rational choice institutionalism and microanalysis of institutional dynamics**

Rational choice institutionalism draws on a *calculus* approach. The emphasis is put on the maximisation of individual/collective benefits as drivers for choosing a particular institutional design.

A variation within rational choice institutionalism is the distributional approach that sees institutions as the reflection of the bargaining power of different actors. Institutions, in the sense that they lock in social equilibriums that favour certain interests, remain as long as there is no change in the interests or in the distribution of

power among interest groups. Resistance to change comes primarily from the actors that benefit the most from existing institutional designs.

Although the thesis does not draw significantly on rational choice institutionalism, there are some insights that are of interest to understand the ‘game’ of welfare provision within the Portuguese system. However, the thesis puts the emphasis on a macro-perspective setting as a goal to provide some holistic synthesis to explain the welfare arrangements of the Portuguese elderly and the dynamics of familialism as a logics of welfare provision in old age. Rational choice institutionalism involves a micro-level analysis that is not taken as central in the thesis.

### **1.3. Sociological institutionalism and culture as an institution**

Sociological institutionalism relates institutional design to a set of shared assumptions about what is legitimate. Actors comply with institutions in the sense that they reflect or materialise what they collectively perceive as the right thing to do. Given that normative change is difficult, institutional change is also difficult.

From a broader perspective it can be said that sociological institutionalism draws on general sociological theory on values and on theories of social change. Social norms and values are seen as the cement of societies and what explains the predictive character of individual behaviour (Therborn, 2002). It is the socialisation in a universe of collectively shared assumptions about how to behave that equips individuals to adjust their behaviour in each specific situation after assessing the degree of social desirability attached to alternative behaviours.

In line with this, institutional stickiness is explained by the adherence of individuals to the shared assumptions that institutions themselves represent. Culture, in that sense, is taken as an institution and not as an external element to the institutional design. Even when the outcomes of a certain institutional design are not optimal, individuals may still adhere to whatever behaviour is defined as socially desirable, since they still adhere to what is symbolically attached to that institutional configuration. Because social norms and values are the most resilient elements in human behaviour, institutional change is difficult.

The three schools of new institutionalism set the tone for the analysis of familialism as a logics of welfare provision in old age. Familialism is discussed from an

institutional perspective that articulates its different dimensions and that tries to capture its inner logics. The thesis will show that new institutionalism frameworks are useful to explain the stickiness of familialism in the Portuguese welfare state system and to discuss how and why it is expected to change and/or remain as a structuring element in the lives of the Portuguese elderly.

The analysis will dwell on three main dimensions of welfare arrangements, each taking us to a specific theoretical field. The following sections address each of those theoretical fields. In a schematic manner, welfare arrangements of the Portuguese elderly will be discussed in the confluence of three dimensions or, using the terms of Liberman, of three institutional layers (Lieberman, 2002): social policy framework; family dynamics of exchange of support; normative dispositions on solidarity.

## **2. State corporatism, path dependence and the Mediterranean model**

One of the most established, if not the most established path-dependent analysis of institutional development in the field of welfare state theory is that of Esping-Andersen (Esping-Andersen, 1990).

In his reference book (*The Three Worlds of Welfare Capitalism*), Esping-Andersen suggests a very elegant typology of three institutional path-dependent logics of welfare state formation and development: the liberal type; the social-democratic type; and the conservative-corporatist type (Esping-Andersen, 1990). I will neither dwell in much detail on the differences between these three welfare state regimes since it is a matter already thoroughly discussed in the literature, nor will I engage in the discussion about how appropriate is the typology proposed by Esping-Andersen to account for each national welfare state. Both lines of reasoning are of marginal interest for this thesis.

Briefly, Esping-Andersen suggests there are three main paths of institutional development explaining the major variations in welfare state configuration. By seeing them as the result of specific approaches to managing social risks within labour markets, the state and the family, Esping-Andersen establishes a parallel between variations in welfare state configuration and historical processes of social stratification and 'decommodification' (Esping-Andersen, 1990). Social stratification is strictly linked to measure to what degree public policies tend to segment or integrate populations. 'Decommodification' is related to the measurement of how

much people are capable of meeting their living standards independent of pure market forces (Esping-Andersen, 1990).

The socio-democratic type, typically found in the Scandinavian countries, is characterised by a universalistic provision of welfare by the state, based on individual social rights and oriented by the principle of individual autonomy *vis-à-vis* the market. The liberal type, on the other hand, is characterised by a non-regulatory approach to the market, believed to be efficient in equipping the individual with the resources to provide for his own welfare. Only in situations of demonstrated need (therefore, of inability of the individual to make it by himself) will the state step in. The result is a residual state provision and the devolution of responsibilities for welfare provision to private forces, be those in the market or in the non-profit sector. An example of this type of welfare state configuration is the United Kingdom.

The essence of the conservative regime of welfare state lies in its blend of status segmentation and familialism. It designates a logics of institutional configuration that has developed primarily in the continental countries of Europe such as Germany, Belgium and the Netherlands. The countries labelled as examples of the conservative type of welfare state are countries that have made the transition from origins to post-war welfare state capitalism under the guidance of conservative coalitions (in some cases even with an incursion through fascism), and that were in some cases heavily influenced by the social teachings of the Catholic doctrine of subsidiarity (Esping-Andersen, 1990).

The state corporatist institutional configuration puts the emphasis on compulsory social insurance, complemented with more or less ad hoc residual schemes for strata without a normal employment relationship. This results in taking the place of the worker in a heavily regulated labour market as the priority in terms of safeguarding. Social protection, in that sense, is biased towards the male breadwinner and calls on families to perform as central caregivers and be ultimately responsible for the welfare of their members.

Feminist scholars have criticised Esping-Andersen's typology for not taking into account the relations between state and family as a dimension of analysis of the impact of social policies. Family is considered only in the conservative-corporatist regime but not in the sense of gendered and generational divisions of labour (Lewis, 1992; Daly, 1994; George and Taylor-Gooby, 1996). Further more, several scholars highlight that concepts such as 'decommodification' have a gendered meaning, in the

sense of having different impacts when applied to men and to women (Lewis, 1992; Orloff, 1993).

More recently, responding to his critics, Esping-Andersen has reviewed his initial classification of welfare state regimes to incorporate the nexus between families and welfare regime. He acknowledges there are differences among welfare states in the welfare roles assigned to families and he demonstrates how different welfare state regimes require families to absorb social risks in varying degrees (Esping-Andersen, 1999). However, Esping-Andersen takes on board family still at a very aggregate level and fails to articulate in his analysis gender and intergenerational relations.

One other line of criticism to the proposal of Esping-Andersen is that coming from scholars arguing that there is a fourth welfare state regime that Esping-Andersen' typology does not account for: the Mediterranean regime.

In his work, Esping-Andersen has always avoided considering that countries such as Portugal, Spain, Greece, and to a certain extent Italy as well, could be anything different from a more or less incipient form of conservative welfare states, leaving them outside his empirical basis (with the exception of Italy) and allowing to extrapolate from his writings that they were expected to follow the same path of institutional development as the countries at the core of the conservative-corporatist regime (Esping-Andersen, 1990; Esping-Andersen, 1996).

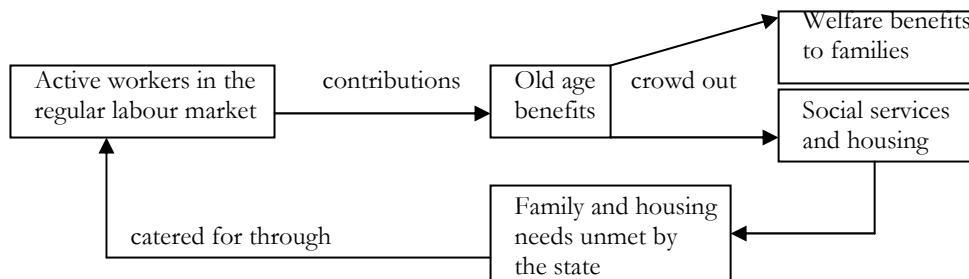
Whether or not the South European countries should be labelled as conservative-type welfare states is a question that remains open for debate. Some scholars like Maurizio Ferrera (Ferrera, 1996(b)) and Martin Rhodes (Rhodes, 1997) have been arguing that these countries show a specific path of institutional development and thus should be considered as a distinct regime type rather than examples of delayed development of otherwise conservative-type systems. These authors do not contest the similarities between the modes of stratification and solidarities emerging from the labour market structures in these countries when compared to the traditional countries labelled as corporatist welfare systems. Nor do they contest that the familism taken to the extreme in the Southern European countries shows as well in the core principles of the institutional structures of conservative-corporatist systems. Those who argue that there is a specific South European or Mediterranean path of welfare state development put the emphasis on processes of policy making and appropriation of welfare programs and benefits, and in that sense, on elements of a peculiar political and institutional culture, and focus less on the structure of the

welfare state building (Ferrera, 1996(a)). Alternatively, they make it depend on a cultural-axiological dimension marked by the prevalence of family inclusion and intergenerational redistribution (Moreno, 1997).

The labelling aspect is of less interest in this thesis. I am primarily concerned with defining the conceptual framework that can help us to understand how and why the Portuguese welfare state has evolved in the specific direction of the last 40 years. The thesis will show that the path dependent analysis of the state corporatist model is one element of large explanatory power to account for the general pattern of institutional development in the Portuguese welfare state.

In a schematic way the path dependent logics of the conservative welfare state could be represented in a diagram as follows.

Figure 1.1. The relatively coherent circle of the conservative welfare state configuration



Because of the determinist imprint of path dependency explanations, the analysis of the conservative character of the Portuguese welfare state combines some elements that deviate from that path, not so much as to create a new path but at least to question the pre-established and expected path of evolution that one finds in the core countries of the conservative type. I am thinking in particular about the lack of any improvement in social assistance mechanisms and on the resilient familialisation of welfare provision, despite the global demographic, economic and social forces that contribute to its erosion.

Some authors have identified the conservative welfare state regime as the most incredibly path-dependent example of institutional development (Crouch, 1999). The reasons for this resilience remain under question. Some make it depend on the strong institutionalisation of familialism that, alongside with the Catholic imprint, makes

“conspicuously absent the ideologically fuelled partisan battles that are fought in other [systems] (...)” (Esping-Andersen, 1996). One example would be the relatively low profile of gender-related debates within the institutional framework of these countries.

Others make the resilience of the conservative regime more dependent on its particularly efficient mechanisms of legitimisation, both by means of creation of interest groups that tend to become very inflexible towards change, therefore showing up as the first opponents to any attempt to institutional change; and by means of the universe of social norms that the institutions help breed and spread (Korpi, 2001).

Informed by all the contributions addressed above, the discussion on the specificity of the Portuguese welfare state draws on the following elements of theory:

1. A broad theoretical perspective that takes into account the historical context of the emergence of the welfare state and that explains social policies in old age as the expression of specific patterns of the relationships between state, family and market.
2. A theoretical perspective that articulates the specificity of the path-dependent events that have marked the national expression of the welfare state project in Portugal.
3. A theoretical perspective that brings into the analysis of social policy gender and intergenerational relationships, not only in terms of content of policies or in terms of actual flows of support among individuals, but also in terms of norms and values.

### **3. Family solidarity, welfare state and familialisation of welfare provision**

The question of family solidarity and its place in the global system of welfare provision in modern societies has been undergoing a significant revision over the past decade. After more than half-century of overshadowing, politically linked to the omnipresence of state’s interventions, the family as a primary unit of solidarity is being brought again to the scientific and the political debates.

This thesis addresses the topic of welfare provision in old age within a social policy context that has a familialist nature. The empirical emphasis is put on living arrangements and strategies that reflect the activation of family-based resources. In

line with that, the second theoretical pillar of the thesis draws on the different approaches to the role and the place of families in contemporary welfare states and to the broader issue of family solidarity and social giving.

### **3.1. Social giving and welfare state: from enemies to allies**

For quite some time it has been possible to identify a widespread idea that ‘giving’ has declined in contemporary societies, and has been replaced by rational behaviour and market exchanges. It is argued that rising individualism causes a decrease in generosity and an increase in rational egocentrism. Classical theories in Sociology in particular, such as those of Tönnies or Durkheim, tend to put things under a too straightforward dichotomy: the past is warmth and solidarity; the future is anonymity and isolation (Willmott, 1996).

To a large extent this thesis takes as a starting point the belief that ‘giving’ and the ‘social gift’ are still central in modern<sup>1</sup> societies, *albeit* with different modes of expression and in varied amounts.

‘Social gift’ is a concept developed by Godbout who defined it as the provision of a good or a service done without any guarantee of return beyond the creation or reinforcement of social ties between people (Godbout, 1992).

Since the mid-1940’s, the kinship economy and solidarity has been overshadowed by the political omnipresence of the welfare state. In fact, for quite a long time, family solidarity became a synonym of pre-modernity<sup>2</sup>. At the core of Sociological theory on social functioning Marcel Mauss emphasises the centrality of this ‘social giving’ in pre-modern societies but cannot see it being reproduced in modern societies (Mauss, 1988).

It was largely as a consequence of the euphoria around the concept of welfare state that sociological theory was invaded by all sorts of theses on the decline of the importance of family ties in the provision of welfare. Sociological theory after the Second World War was largely influenced by one of the most prominent among those theses, the work of Talcott Parsons. He developed a general theory on family

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<sup>1</sup> By modern societies, and modernity, it is meant very broadly the models of socio-economic organisation that have emerged with the industrial revolution and that have later evolved to become what we know today as the societies of advanced capitalism. (Esping-Andersen, 1990).

<sup>2</sup> Pre-modernity is considered in very general terms as referring to the set of modes of socio-economic organisation typical of rural societies before the advent of industrialisation and the expansion of the urban model.

and on how it is articulated with society as a whole, and introduced a model of family he saw as the best fit for the industrial economy. His analysis of the evolution of families in modern societies is marked by the belief that industrialisation has brought in the decline of the family as an economic unit of provision. Parsons described the modern family as a nuclear unit structurally isolated. In his view, this was the result of the transition to modernity, which had implied the breaking up of extended family ties and the emergence of the marital unit as the centre of obligations, leaving out filial obligations of each spouse. This family model, according to Parsons, has emerged not only because kinship has lost its importance as an economic unit, but also because the values and constraints of the industrial society were no longer compatible with family loyalties and solidarities. In that sense, the isolation of the nuclear family was seen as an answer to the needs of modern industrial economies (Parsons, 1955).

During the 1940's and 1950's many studies have reproduced this functionalist view of society. But that was a period marked as well by the expansion of the welfare state and of social theory eager to announce the social righteousness of such a project. Family-based solidarities were looked at with suspicion and the effect of substitution of family solidarity by public solidarity was seen as a good thing. Family solidarities were denounced as creators of inequalities and exercised outside the realm of any social rights. Rights that only the state could define and enforce. It is worth noting that this discourse would be later resumed by social scientists in countries such as Portugal, where family solidarities have remained resilient and have been a building block of the welfare state itself. Overall, at least to a certain extent, the development of the welfare state was seen by many, starting with Titmuss, as a good solution to replace the logics of 'social giving' characteristic of family solidarities, given that it provided welfare under the logics of solidarity but in a fairer way and promoting equality among citizens (Titmuss, 1971).

Sociological theory on family has evolved since Parsons. During the 1960's many studies questioned the role of kinship relations for the functioning of modern families. Many of these studies were a critique to Parsons' idea of rupture of kinship. Contrary to what Parsons had suggested, many of these studies questioned the idea of rupture between the marital nucleus and relatives on vertical and horizontal lines (Townsend, 1963). More recently, other researchers have explored further the empirical findings of that period and developed some conceptualisation around it.

Kellerhals suggested that between the nuclear family and the extended family there are three main types of relations: expressive, normative and instrumental (Kellerhals, 1994). He points out that most studies carried out since the 1960's show that as far as emotions and affections are concerned, the family appears as the primary locus of personal investment and fulfilment. The same way, most studies seem to demonstrate that family remains the model of behaviour and normative beliefs (Kellerhals, 1994).

It is the instrumental dimension of kinship relations that has been more appealing to a great deal of researchers. This is very much related to the growing interest shown by public institutions on the ability of primary groups to act as instances of social support, which has made financing in this area of research somehow easier. Already since the 1970's many studies have been carried out and all seem to point in the same direction: kinship networks have a fundamental role in the provision of support. Some studies have shown the importance of financial transfers within the extended family, ranging from money transfers from parents to children, to helping with the acquisition of house or in key events such as the birth of children (Pitrou, 1978; Finch, 1989). Other analyses have shown the importance of the extended family in service provision, ranging from house chores to childcare or the search for a job (Pitrou, 1978; Finch, 1989; Finch, 1993; Kellerhals, 1994).

The debate seems to revolve around whether this family-based solidarity is a constant exchange or a resource to activate on and off in moments of crisis. All seem to agree though on the centrality of the extended family in the lives of individuals in modern societies.

Bengtson has presented an analysis on the increasing importance of multigenerational bonds in contemporary societies, something he anticipates will grow in the future. Contrary to the thesis of the decline of family solidarity, he presents a thesis on the importance of long-term relationships within kinship. This was supported by empirical research on the American society and shows how multigenerational bonds will increasingly be called upon to provide basic family functions that the nuclear family cannot provide (Bengtson, 2001). He uses the concept of intergenerational solidarity to account for those long-term relationships and identifies six different dimensions where it can be measured: affectual solidarity (the sentiments and evaluations family members express); associational solidarity (the type and frequency of contact); consensual solidarity (agreement in opinions, values

and orientations across generations); functional solidarity or assistance (the giving and receiving of support across generations); normative solidarity (expectations regarding filial obligations and parental obligations, as well as norms about the importance of familistic values); structural solidarity (the opportunity structure for cross-generational interaction reflecting geographic proximity between family members) (Bengtson, 2001). Despite some criticism on the relatively functionalist character of the concept of solidarity (in particular, by leaving outside conflict as a dimension of relationships between kin), the proposal of Bengtson encompasses the potential for capturing the multi-faceted sides of relationships within the family network.

For the last decade we have witnessed a definite return of family and family solidarities to the social and political debates. This return is far from being neutral and in fact it is loaded with political and social implications. In a time when the welfare state is running out of steam to tackle the needs for welfare provision, calling for intergenerational solidarity based on family may be the easy way out, a call that has been available for public powers given that families seem to agree on taking an important role in the responsibility for welfare provision between generations (Bawin-Legros, 2001).

From structural enemies, welfare state and family are being presented as the new alliance in social policy design in areas such as care for the elderly (Bawin-Legros and Stassen, 2002). This however comes with several consequences and implications that one must carefully address. In the next sub-section a discussion on some of those consequences and implications is introduced.

### **3.2. Roles of families and the cycle of giving**

The question of family solidarity has been gaining increasing visibility for the last decade all across the most developed nations. This happens due to a multiple set of factors: the crisis of the welfare state; the rising costs of benefits and social insurance schemes; the emergence of new risks linked to unemployment, to new forms (often unstable forms) of employment, to the break-up of families and to the ageing of the population (Bawin-Legros and Stassen, 2002). After a long period of questioning the traditional, pre-modern regimes of solidarity, many social and political actors want the family, seen as the basic unit of social life, to resume the leading role. Sustained in

a variety of research results, we see public/official recognition of what was always done by families, and an open call for intergenerational solidarity based on the family (OECD, 1996).

In societies characterised by insufficient and/or deficient welfare state provision, the topic of family solidarity is not new but does not have the same visibility one finds in more developed systems. In Portugal, some scholars have been focusing on the analysis of family networks as welfare providers and of their role as buffers for the weaknesses of state provision (Santos, 1990). Yet, in terms of the rhetoric of social and political actors, we do not see the same type of engagement in proclaiming the importance of families as welfare providers. Probably the reason for this has to do with the fact that welfare provision is a building block of the system in Portugal and is taken as a 'fact of life' both by politicians and by the population in general. This will be examined empirically along the thesis.

Family solidarity as a concept became more or less established as comprising the whole range of domestic, affective and financial services that are shared by those connected by kinship links. The limits of this kinship links, however, are still poorly defined (Lash, 1990; Bauman, 1992; Bawin-Legros and Stassen, 2002).

Many researchers have emphasised the challenges of accepting the solidarity exercised within family networks as 'natural', namely when we see a use of that status by public powers to legitimise social disinvestment. That debate offers very important contributions for designing a conceptual framework of family solidarity to address the dynamics of familialism in a country like Portugal.

Overall, the issue under analysis in family/state relations seems to be that of establishing a parallel between family ties and public transfers. The empirical research carried out in different national contexts has shown that these are two distinct spheres that cannot be thought of as replacing each other .

Family ties are, in essence, very unequal and dependent on a wide range of factors. Family solidarity tends to know only one route, the vertical route, and therefore tends to be dependent on parenthood. Several studies have shown it is also dependent on occupational status of children (Bawin-Legros, 2001). The provision carried out by the state does not take place bounded by these social and demographic constraints.

On the other hand, family solidarities tend to follow rather selective logics: they are more often related to the preferences of the provider and less to those of the receiver

of support; they are gender biased, this meaning that different elements in the network of providers are attributed different responsibilities. Research on the topic has demonstrated, for example, that support in the form of personal care or help with household chores is delivered mainly by women, while support in the form of help with financial issues, for example, is more likely to be delivered by men (Cancian and Oliker, 2000). The provision carried out by the state does not have, in principle, this discriminatory distribution.

Some authors have made attempts to overcome this type of criticism to family solidarity. Godbout and Caillé have proclaimed as an absolute fact the three-phased cycle of giving: give-receive-return. Godbout and Caillé tried to build up the idea of asymmetry and reciprocity in family exchanges of support. They argue that although it is undeniable that family solidarity is markedly asymmetric, the reciprocity that also characterises it tends to progressively build balance and symmetry (Godbout, 1992). In the analysis of the roles of families as welfare providers, namely focusing on the roles they play in the lives of the elderly, it is taken as central the need to consider both the potential and the social/political downsides of the type of solidarity that takes place within the family sphere, namely from a gender and an intergenerational perspectives.

### **3.3. Welfare mixes and (de)familialisation of welfare provision**

In the area of conceptualising the nature of the relations between state and family, especially when doing it from the perspective of social policy analysis, there seems to be one perspective that gathers extensive consensus: the welfare mix approach. This term, proposed originally by Adalbert Evers (Evers, 1993), has become a concept in itself and has originated a long debate (and controversy) about the respective roles of the different spheres of society in the global provision of welfare. One element of this debate is precisely about the roles of the state and families and the nature of the relations between the two.

The phenomenon of changing boundaries between family and the state in the domain of welfare support is a phenomenon that can be identified in all western welfare states. With varying degrees, all states seem to be considering the potential of families as welfare providers and requiring they take on a more explicit responsibility for sustaining the well being of their members (Rodger, 2000). The concept of

welfare society sponsored by the OECD puts it quite bluntly as a social system in which welfare assumptions are an organic part of everyday life (Rodger, 2000).

This type of approach often leads to the consideration that the state can have negative effects on 'social giving'. By performing tasks that were done by primary networks of support, the state may be creating incentives for individuals to abandon their social obligations. This is the main argument of those defending the thesis of the crowding out effect of state provision on family and informal networks of exchange of support (Mead, 1986).

Others though, make use of the welfare mix argument to articulate the need for public policies to realise that sectors and areas that have been taken for granted for a long time and that have been conceptualised as self-sufficient spheres of society, need public policies addressing them explicitly if they are to function and reproduce themselves (Evers and Svetlik, 1993).

Another approach to the nature of the relations between state and family in welfare provision focuses on the concept of welfare state familialisation. This approach is to a considerable extent subsidiary to the critique scholars like Jane Lewis, Peter Taylor-Gooby or Mary Daly have developed to the typologies of welfare state discussed in the previous section, namely to that of Esping-Andersen (Daly, 1994; George and Taylor-Gooby, 1996; Lewis, 1998). They have brought into the analysis of the welfare state dimensions that had been traditionally absent, in particular the gender dimension (Lewis, 1992) and the care dimension (Daly and Lewis, 2000), highlighting national variations in the ways social policies and the welfare state building in general deal with the roles of women in society and with the status of caring in the social division of labour.

As a response to this critique, Esping-Andersen, in some of his more recent work, suggests addressing national differences in institutional arrangements as a result of different paths of articulation between state and family. The familialised path would be the one that puts the burden for the provision of welfare mostly on families. On the contrary, a de-familialising regime would be one that seeks to unburden families and to diminish individual's welfare dependence on kinship (Esping-Andersen, 1996).

The analysis of the welfare of the Portuguese elderly will be very much bounded by the need to assess the degree of familialisation of the Portuguese global system of welfare provision. The argument of familialism that is developed along the thesis

rises from here and dwells on the type of welfare mixes that have been established in the Portuguese system and on their implications from a social policy perspective.

#### **4. Legitimacy and reproduction of welfare arrangements: a normative view on the welfare state**

##### **4.1. Conceptual elements of normative action**

As put by Therborn, a norm and its adjective ‘normal’ may be thought of as comprising three dimensions. It may refer to a topic of concern, a definition. It may refer to the distribution of something in a population, in the sense of what is typical or more frequent in that population. And it may designate a prescribed action by identifying what we ought to do (Therborn, 2002).

These three dimensions all lead towards reducing uncertainty by telling actors what to expect. In that sense they contribute to social order. This does not mean norms generate homogeneity of action. Actors do not necessarily conform to norms at all times. Sometimes they deviate from the norms. This however does not make the norm invalid. It means an expectation was not fulfilled and the behaviour taken classified as deviant or abnormal.

In this thesis the primary focus is put on the third dimension of norms: norms taken as normative action.

Generally, normative action can be defined as action driven by a norm about the right thing to do and encompasses all the mechanisms for the maintenance of the norm, namely a system of rewards and sanctions.

Norms are a founding element of sociological theory but, as Therborn points out, it is difficult to find any substantial work on the topic of normative action. After the centrality of norms in the theoretical frameworks of scholars such as Parsons (Parsons, 1955), it is as if mainstream sociology takes norms for granted (Therborn, 2002). Although norms are taken as central for the functioning of social systems it is as if they have stopped being a challenging topic for sociological debate.

In a cross-disciplinary perspective the topic of normative action has been a field for controversies. These controversies are very much related to disciplinary variations in explaining social action. Variations can be identified by the different disciplinary notions of the key explanatory variables in a theory of social action.

Economics, for example, draws on a utility maximisation perspective and on a baseline scenario of constant preferences. Actors behave in anticipation of the outcomes of their behaviour being they will choose the behaviour that maximises the benefits they will get from behaving in a certain way in a given situation. Individual behaviour in that sense is decided on a calculus base and not framed by general norms that surpass the individual interest of utility maximisation.

Sociology on the other hand tends to consider that actors vary in their preferences and interpretations of a given situation, assessing the appropriateness of the behaviour to take according to their norms and values. The behaviour chosen will be that which conforms to the prescribed right thing to do, even if it does not bring optimal outcomes to the actor.

Combining the two disciplinary perspectives is probably the most proficuous approach to fully understanding social action and the role of norms in shaping it: social action is neither just about following norms, taking them as the final goal, nor just acting in anticipation of the utility produced as the outcome of a certain behaviour.

In terms of how norms actually function in human interaction Therborn distinguishes three main types of norms: constitutive norms; regulative norms; and distributive norms (Therborn, 2002).

Constitutive norms define the broad system of action and membership in a given social system. An example would be codes of honour or definitions of human dignity. Regulative norms define actor's expected contributions in the system. One example could be family roles. Distributive norms set the mechanisms of reward/sanction distributed in the system (Therborn, 2002).

The full scope of norms covers all the spectrum of any social system. Norms are ubiquitous and as such, central to the functioning of any social system.

By relating norms to institutions, we can see institutions as delimited complexes of norms of the three types. In sociology, the institution of family has been a major reference in terms of the complex of norms: defining who is a member and the status of membership; assigning roles to each member; operating as an instance of sanctioning/reward for compliance with assigned roles.

One other issue related to the discussion on normative action is that of the determinants of norm conformity (or violation). There is no general theory on this but drawing on different contributions from different disciplinary subsets within

sociology, Therborn highlights some key variables that are worth noting: socialisation of actors and processes of identity formation; perceptions of compliance with norms by others; institutions and clarity of institutional design; coupling of norms and incentives/rewards (Therborn, 2002).

Finally, and still from a conceptual perspective, there is one topic of great importance when debating normative action: normative change. Within this, the issue of intrinsic processes of normative change is of central interest in the sense it opens the way to considering change in norms alongside their reproduction.

Normative change from an endogenous perspective is very much related to the interpretation actors make of norms. Norms tend to reproduce along generations, but each generation represents a potentially different set of actors that may interpret norms in a different way compared to the previous generation. The more internalised a norm, the less subject it is to interpretative variation (Therborn, 2002). Which means that the analysis of resilience of normative elements in social action involves assessing its degree of internalisation.

#### **4.2. Norms, culture and welfare state research**

Cultural norms have always remained implicit in ways of thinking about welfare within the tradition of mainstream social policy. It is only very recently that culture is included in debates as a core variable. In this thesis, and particularly in the discussion about familialism as a social policy model, when trying to account for the reasons for its resilience I shall be calling upon theories on the social policy uses of social norms and values as mechanisms of legitimisation and reproduction of welfare arrangements.

There are two main opposing views on the nature of welfare state legitimacy. The rationalist view of the welfare state refers to the function of benefits people can expect. On the contrary the concept of moral probity of welfare state focuses on the institutional form that is worth supporting.

An example of the first approach is the readings of Goodin and Legrand, suggesting that the larger the number of groups who benefit from the welfare state in some tangible and salient way the more likely the welfare state will have a broad support for government's intervention. The same authors argue that this type of reasoning

explains the centrality of middle classes in many welfare state programmes (Goodin and Grand, 1987).

An example of the second approach goes back to some of the early welfare theorists such as Titmuss. This author believed that the way the welfare state is organised has an impact on people's moral stances and behaviour. He also believed (or hoped) that people are motivated by concern for others (Titmuss, 1971).

More recently there are a number of researchers that try to bring these two approaches together. The premise for these researchers is that “(...) institutions are not just instrumental arrangements but also expression of definite moral conceptions.” (Mau, 2004). Research on the topic has shown that there is some degree of correspondence between welfare institutions and welfare attitudes (Fargion, 2000; Andreb and Hein, 2001; Mau, 2004) . This research allows for the consideration of a normative side to the welfare state. It opens the way to consider that institutions and institutional development and policies are “(...) founded and grounded upon a socially constituted and subjectively validated set of social norms and shared moral assumptions.” (Mau, 2004).

The idea that different welfare state architectures generate different levels of support for their underlying ideological and normative principles was introduced by Esping-Andersen (Esping-Andersen, 1990). The additional conceptual element here is to actually consider the normative side of the welfare state when accounting for the path of development different countries have followed (Jaeger, 2005).

Thinking in particular about the conservative familialised regime of welfare state, already discussed above, there has been some research that highlights the impact of the normative framework that emerged under the influence of Catholic teachings as a powerful instrument of resilience of the welfare state building as a whole (Hornbry-Smith, 1999).

Ferrera and Rhodes also use this type of approach to explain, for example, the different paths of social services development countries have followed. They argue, “Depending on the extent to which the traditional vision of women's responsibilities is entrenched, we might expect social care issues to enter policy agenda sooner or later. In short, the cultural heritage of any given country can either enhance or hinder legitimising the externalisation of caring functions traditionally confined to the family domain.” (Ferrera and Rhodes, 2000).

In the analysis of the Portuguese social policy building and of the welfare arrangements involving the elderly I shall try to articulate some elements on the normative milieu that explains them but that is simultaneously reinforced by them.

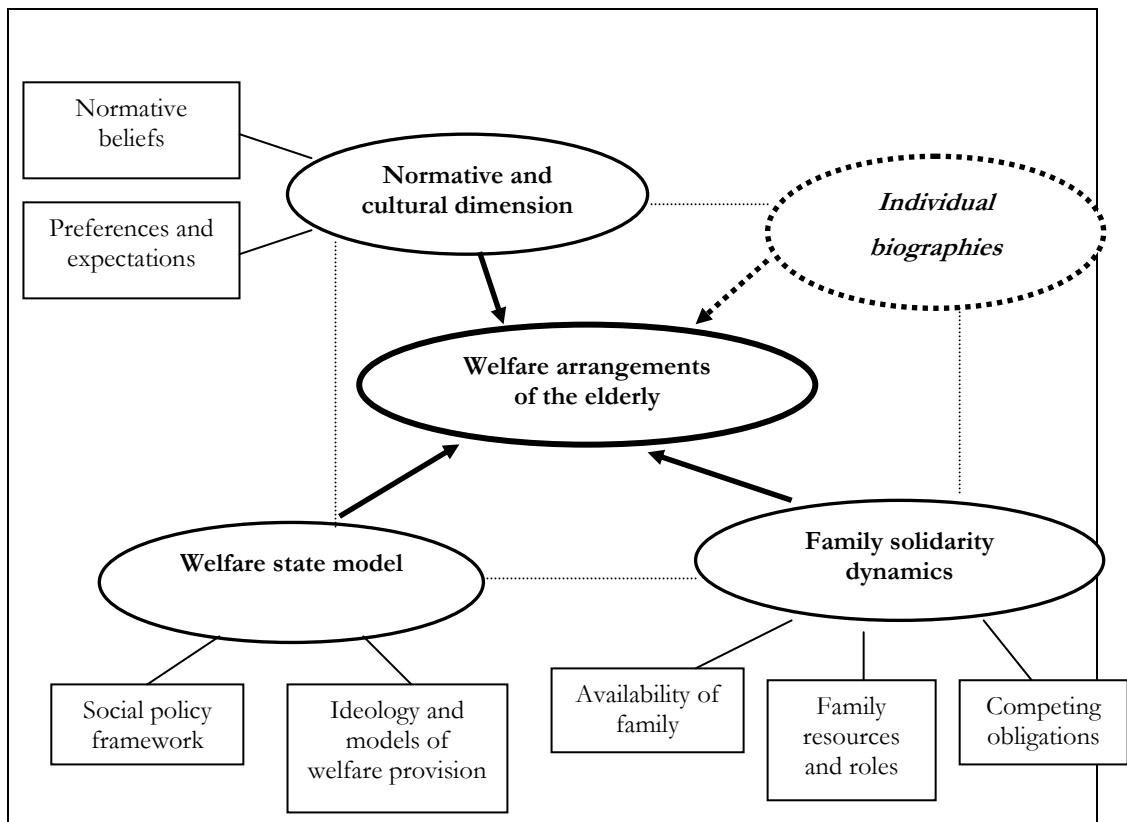
## Conclusion

This chapter briefly presents the theoretical framework(s) used in this study. When addressing welfare arrangements and welfare state dynamics, any researcher will be confronted with a multiplicity of perspectives each emerging from different research problems and each leading to different research designs. It is, in that sense, of great importance to take a position, certain that the position taken will define the lens through which the phenomena of interest will be interpreted.

This thesis addresses the welfare arrangements of the Portuguese elderly from an institutional perspective. That means it focuses on the inner logics of the social system and not on individual drivers. The broad theoretical approach is therefore influenced by theories on institutional development, namely by the several contributions from new-institutionalism schools. Among those, historical institutionalism and sociological institutionalism gain relevance in the sense that welfare arrangements will be primarily addressed from a macro-perspective that highlights path-dependent constraints and normative constraints.

The operationalisation of welfare arrangements is done articulating contributions from three theoretical fields or research areas. The diagram below summarises the conceptual design for the research on welfare arrangements in old age from the perspective of the three research areas.

Figure 1.2. Conceptual design for the research on welfare arrangements of the Portuguese elderly



What the diagram is intended to depict is an understanding of welfare arrangements in old age as the output of a complex set of factors and forces, originating in different spheres of the social space, often interacting and mutually influencing each other. Any attempt to establish a straightforward causal link between welfare arrangements and one of the dimensions represented in the diagram is therefore considered reductionist and inaccurate. It is reductionist because welfare arrangements in old age are understood as complex and multi-sided phenomena in the intersection of different dimensions of life. It is inaccurate because simple causality cannot be established between phenomena where imbrications are a key element.

Firstly, welfare arrangements are considered as a phenomenon that takes place within an institutional setting whose logics of development and functioning must be unravelled. For that I am influenced by path-dependency theory and analyses that tackle the institutional development processes of contemporary welfare states. In terms of the analysis of the Portuguese welfare state that means considering that welfare arrangements and social policies related to old age as a domain for path-

dependent processes, although from a non-deterministic point of view we can try to identify opportunities for change and innovation.

Secondly, welfare arrangements are located in the broader scene of family solidarity, from the perspective of unravelling the different dimensions and implications of social solidarity exercised in that domain. For that, I am influenced by different contributions to Sociology of Family, namely by some institutionalist analyses that focus on the stances of articulation between family and state.

Finally, welfare arrangements are seen as the result of a broad and complex set of institutional and cultural factors. When analysing people's choices and preferences it is important to take into account the normative dimension of the welfare state and to discuss how that normative dimension can help explain the resilient character of some processes.

In the diagram, a fourth dimension of analysis is also represented, that would lead us to the consideration of individual determinants, which are very much related to individual biographies in the setup of different welfare arrangements. Although this line of analysis is acknowledged, it is not included in this thesis.

The three conceptual levels of analysis that are used in the thesis, and that are represented in the diagram above, are considered, in this thesis, and for heuristic purposes, as different dimensions of a multidimensional picture: welfare arrangements of individuals.

Having said that, it should not be inferred from the approach chosen any statement about the nature of the linkages between the three dimensions. Those linkages are acknowledged to exist, and more than that to not always reflect a balanced distribution of power in terms of the weight each has at a given period in time in shaping welfare arrangements. This is particularly so when considering the period of time addressed in the thesis and the political economy dynamics in that same period. Globally, welfare arrangements, understood as the outcome of the institutions in place, the dynamics of families (namely the economic dynamics) and the system of values and norms, reflect the nature of the linkages between those three dimensions. It is not within the scope of this thesis to disentangle those linkages, which among other things would imply a more in depth historical analysis, using time series data and covering a longer period of time.

In line with the above, it is not the purpose of the thesis to provide any analysis on the relative weight of each dimension in shaping welfare arrangements. Theoretically,

it is possible to pinpoint some elements that suggest different weights in different moments in time. For example, a known consequence of joining the EU in the history of Portugal was the fast convergence of mentalities, therefore of the universe of norms and values, with the more advanced European societies. And this without the country experiencing the same rate of convergence in its economic structures.

One other example, more distant in time, is related to the emergence of the welfare state itself, in sequence of harsh political battles in the aftermath of the democratic revolution. Both examples point to potentially different weights of the normative dimension (in the first example) or the political/institutional setting (in the second example).

This type of differences are implicitly acknowledged along the thesis when the analysis articulates some of the trends identified in each dimension with the global dynamics of the political economy of the period under investigation. The later are not addressed *per se* in the thesis since they fall outside its scope.

In the chapter that follows, I begin discussing historical and institutional processes of emergence and consolidation of the welfare state in Portugal.

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## Chapter 2

### Emergence and Consolidation of the Portuguese Model of Welfare Provision

#### Introduction

The welfare production within the Portuguese society has been described as an example of a relatively coherent circle that articulates a weak welfare state with a strong welfare society (Santos 1990; Hespanha 1993; Sapelli 1995; Ferrera 1996(b)). This chapter addresses the logics of that relatively coherent circle and discusses the Portuguese model as a reflex of long-standing path-dependent and self-reinforcing factors.

The main argument put forward throughout the chapter is that it is possible to identify a set of events in the recent history of Portugal that explain, or at least provide, a rational for the path of development of welfare provision and, in particular, that account for the type of welfare state that has emerged in the national context. Among the events that are considered to explain the distinctive traits of the Portuguese system of welfare provision some have played a crucial role and are discussed in this chapter.

The most relevant element in the Portuguese political history of the 20<sup>th</sup> century has certainly been the long lasting conservative dictatorship that remained in place from 1929 to 1974. The imprints left by that regime have outlasted it and to a large extent remain present in today's Portugal. These include: the resilience of a rural economy; the incipient industrialisation and as a consequence the limited expression and influence of trade unions and labour movements; the weak urban network; the passage to a post-fordist economy of an economy that was never fordist; the fragmented development of social policies under the principle of subsidiarity; the weak state apparatus and the non-consolidation of a culture of rights. These and other related forces largely explain the path of development of the welfare state in Portugal and the difficulties in deviating from that path in recent times.

The first section of the chapter summarises briefly the historical process of emergence of the welfare state in Portugal by highlighting its main determinants and discussing the path-dependent character of the problems it has to face in recent years.

The second section of the chapter moves on to a discussion about the familialist character of the Portuguese welfare state. In this section, I will resort to some cross-national comparisons to highlight the distinctiveness of the Portuguese case. It is in this section that I address the problematic nature of service provision within the Portuguese welfare state as well as the sociological concept of welfare society and its adequacy to account for the Portuguese reality.

The third section addresses the role of the private sector in the global system of welfare provision in Portugal, with a special emphasis on the non-profit sector. In a scenario of weak state provision and familialisation of welfare provision, the Portuguese non-profit sector shows as an extension of the state apparatus, reproducing its logics and orientations and operating as a minimum formal network of service provision that answers the needs of those deprived from family resources. I introduce here a discussion about the prominent role of the Catholic Church in this sector and the consequences of that in terms of the general model of welfare provision.

This chapter, and chapter 3 that follows, were elaborated using documental information gathered as explained in the methodological note in appendix 2.

## **1. The emergence and consolidation of the Portuguese welfare state**

Portugal is one of the most ancient nation-states in Europe and simultaneously one of its youngest democracies. According to European standards, it is a small and poor country, and yet less than 40 years ago it was the last multi-continental empire in the world. Today Portugal is a society divided between tradition and modernity. It has shown, in the last 30 years, one of the fastest rates of growth in the western hemisphere, and yet it still shows, among the European family of countries, the highest level of social inequalities.

Some Portuguese analysts say that nowadays Portugal is one of the most peripheral countries in the centre (Santos 1990; Barreto 1996). In fact, Portugal is geographically, politically and culturally part of one of the most important centres of the world: the EU. As such, Portugal has assimilated at a very fast pace with the behaviour of that space, namely in what concerns the spread of urban life styles, the dissolution of the traditional family, the inclusion of women in the labour market, the desertification of rural areas, among other indicators. However, if these changes

could take place in a very short period of time, the same cannot be said about the modernisation of the economic structures and of the political institutions. The welfare state model that has emerged in Portugal, and that has been maturing during the last 30 years, is a direct reflex of that.

Discussing the process of emergence of the welfare state in Portugal is done highlighting the structural opposition between path-dependent developments in basic institutional arrangements and the impact of windows of opportunity for institutional change and innovation.

There are two structuring elements in the Portuguese system of welfare provision. On one hand, it is a system with a weak state apparatus that emerged late in time and that has never fully matured. On the other hand, it is a system where the informal dynamics of exchange of help have remained strong for a long time and have somehow compensated for the weaknesses of the state. This balanced relationship between state and informal solidarity is further reinforced by the non-profit private sector. This sector developed as a para-governmental sector and guarantees for the minimum provision of services, without expanding the state apparatus and without questioning the principle of subsidiarity that is the basis of the global system of welfare provision.

There is a clear time-lag element in the development of the welfare state in Portugal. Portugal is often pinpointed as a latecomer in the family of welfare states and the main reason for that is the fact it is a latecomer to modernity itself.

In most advanced democracies, the emergence of the welfare state project is profoundly linked to the emergence of the industrial economy, to urbanisation, to a set of demographic dynamics and to changes in family organisation and formation. The late process of modernisation of the economic, social and political structures of the Portuguese society explains largely the time-lag element mentioned above.

The reasons for the late modernisation of Portugal are multiple and mostly associated with the historical path that characterised the 20<sup>th</sup> century in that country. That was a path marked by a long lasting non-democratic political regime of a conservative nature; by strong and persistent traits of rurality in a territory of very weak urbanisation; and by a late and incipient industrialisation.

## **1.1. The first steps towards social protection: the compulsory social insurance system of Salazar's dictatorship**

All along its history, and more or less till the middle of the 19<sup>th</sup> century, there was no significant movement at the level of the civil society to insure social risks. Social protection was dealt with on the basis of charity and assistance, with the Catholic Church having a major role in that process. It was only by the mid 19<sup>th</sup> century that some initiatives of social protection started to emerge, taking the form of associations of mutual help (*Associações de Socorros Mútuos*). These organisations were created to tackle the new realities brought about by the expansion of the manufacturing industry, namely the increase in professional instability and the higher exposure to social risks<sup>1</sup>.

However, till the beginning of the 20<sup>th</sup> century, the involvement of the state in this sector was insignificant. In 1919, already after the implementation of the Republican system<sup>2</sup>, the Portuguese state decided upon the creation of compulsory social insurance systems. The main goal was to tackle the insufficiencies of social protection provided by the associations of mutual help. These social insurance systems should cover the risks of disease, work related accidents, disability, old age and death. The population to be covered by the social insurance systems should include all individuals aged 15 to 75, and the benefits should be paid as long as the annual income of the beneficiary would not surpass a certain fixed amount. The funding of the system was guaranteed by the contributions paid both by employees and employers, and the funds were managed according to a method of capitalisation. The state would act as the guarantor of the system.

This first attempt to create a social protection system failed, mostly due to the absence of a compatible administrative body, but also because of the political instability of those early years of the republic and the lack of sufficient funds.

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<sup>1</sup> These associations of mutual help can be considered as an incipient expression of what would later be a system of social insurance organised around corporations. On a voluntary basis, workers in certain professional areas (mainly industrial work) would pay a certain *premium* to an association (*Associações de Socorros Mútuos*) and benefit from help in the event of income loss due to work accident or death. The functioning of these associations, though, still involved a strong charity imprint.

<sup>2</sup> The Republican system was implemented in Portugal in 1910, after almost 100 years of constitutional monarchy. The first attempts to implement a democratic system, despite the goodness of the principles that were guiding the political actors of the time, would soon show their weakness when called to tackle the economic problems that affected the country and that would be aggravated by the 1929 crash. The rise of Salazar, initially as a minister of finance, and later as head of a conservative dictatorship, was made possible to a large extent by the inability of the young republican system to tackle the economic problems of that time.

Therefore, it is usually found in the literature that the first significant system of pensions created in Portugal was founded in 1929. It had the designation of *Caixa Geral de Aposentações (CGA)*, General Fund for Retirement, but it only included public servants. It keeps the same designation today. For the private sector, a system of compulsory social insurance was created in 1933, but implemented in 1935. This system was based on institutions of providence, organised around occupational affiliation, and was financed by capitalisation. The social insurance would insure the risks of old age, disability and sickness, but only for workers in the manufacturing or in the services sectors.

The main structural characteristics of the system in place during the following 40 years can be summarised under three points<sup>3</sup>.

All along the “*Estado Novo*” period, social protection and social assistance were subordinated to the principle of subsidiarity in its purest form. The state did not intervene in the provision of welfare to individuals, given that that was considered a function of families and other basic social groups, such as professional groups. The primacy of these social units within the system is the reason why it was also labelled as a corporatist regime.

Second, the implementation of a compulsory social insurance system never had an extensive coverage of risks. The system assumed the need to insure the basic risks that could threaten the ability of the head of household to provide for the welfare of his family. In that sense, the system only comprised a principle of income replacement and income compensation of the household. It was not embedded in any notion of individual social rights, entitlements or national solidarity.

Third, and given the structure of the labour force in Portugal all along the dictatorship period, the proportion of the population effectively covered by some

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<sup>3</sup> The Portuguese dictatorship was the most resilient of all the European dictatorships in place during the 20<sup>th</sup> century and was labelled by its founders as “*Estado Novo*” (The New State). The name usually associated to the dictatorship is that of Salazar, its founder and main representative. Very briefly, the Portuguese dictatorship was built on the principle of closed economy and privileging a rural model of economic organisation. As a result, it kept Portugal away from the industrialisation movement that swept most of Europe and delayed the implantation of any significant urbanisation. Later in time, already in the late 1950s, Portugal would see some shift towards industrialisation, but always in a rather incipient way and never leading to the emergence of a heavy industry of large proportions. Already during the 1960s, the consequences of the choices, in terms of economic model, would become more acute as the country got involved in overseas wars and started a process of gradual loss of its overseas (mostly African) empire. The last years of the dictatorship, already after the death of Salazar, would be led by his appointed successor, Marcelo Caetano. This man, that some saw as a man with a vision for the future of the country, and despite some attempts to open the Portuguese economy to the European influence, was not capable of reversing the legacy of Salazar and would see the end of the regime in the democratic revolution of 1974.

social insurance system was systematically very small. The social insurance system only covered workers in manufacturing and the services sectors. All along the dictatorship period and largely as a consequence of the economic policies by then implemented, the Portuguese labour force was mainly engaged in agriculture and fishery activities, and therefore not covered by any social insurance system (see table 2.1 below). There were some attempts to create a special regime for these workers, known as “*Casas do Povo*” (Houses of Peasants)<sup>4</sup>. These, however, would never be as inclusive as the social insurance system. The particularly frail condition of these workers would justify the creation of a special regime for agriculture after the democratic revolution in 1974 and the subsequent implementation of a national social protection system. I will come back to this later. Table 2.1 below summarises the main socio-demographic indicators for Portugal along the 20<sup>th</sup> century and gives an intuitive idea of the extent of the time-lag element in the process of modernisation of the country.

Table 2.1. Basic socio-demographic indicators for Portugal during the 20<sup>th</sup> century

	1960	1991
Child mortality rate	77.5‰	11.0‰
Life expectancy at birth (number of years) (Women/Men)	66.4/60.7	77.3/70.2
Illiteracy rate (% of population)	40.3	15.3
Water supply (% of houses)	28.9	86.8
Shower/bath facilities (% of houses)	18.6	81.8
Electricity supply (% of houses)	40.5	97.7
Population engaged in agriculture (% of active population)	43.6	11.6
Social protection coverage (% of active population) <sup>1</sup>	35.0	83.0

<sup>1</sup> It is only considered the coverage by the general regime, given that for comparative purposes the inexistence in 1960 of all the special regimes available in 1991 would bias the analysis.

Source: INE, Annual Data Reports and Demographic Data, 1960 and 1991

The social protection system founded in the early years of the dictatorship regime of Salazar would be extended over time to cover other categories of people. However, any significant change would only take place during the 1960s and already after Salazar stepping down and Caetano taking the lead of the government. It should be

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<sup>4</sup> “*Casas do Povo*”, and similarly for the fishermen “*Casas dos Pescadores*” (Houses of Fishermen), were not real social insurance systems. They were associations that represented a mechanism of social assistance to their associates. The funding of their activities came mostly from the payment of association fees by the associates and, in some cases, from some subsidies given by the state.

noted that until 1960 the social insurance system covered only 50% of the working population in Portugal.

Meanwhile, at the international level, the universality of social insurance policies was becoming a consensual matter as well as the definition of a standard set of risks to cover. One of the most influential elements for that consensus was the Beveridge report introduced in 1942 in the UK (Interdepartmental Committee on Social Insurance and Allied Services and Beveridge 1942). It had as one of its main goals the expansion of the social insurance system to all the population in the country. It was also becoming consensual the notion that the state should have a more prominent role in the global system of social protection, namely by assuring that no citizen would live below the poverty level.

Despite this generalised movement of expansion of social policies across Europe, in Portugal things were evolving at a considerably different pace. Largely because of the ideology of the political regime in place, until the beginning of the 1960s the way the principles of social insurance were being applied was clearly unsatisfactory. At the personal level, the proportion of workers not included in the system was very large (especially rural workers and self-employed people). At the material level, the compulsory system still showed very limited in the risks insured, leaving out things such as maternity, unemployment or death.

It was during the 1960s that the first major reform of the social protection system was introduced. As a result of legislation approved in 1962-63, the scope of social protection was expanded to social groups that had remained outside the system and changes were introduced in its funding principles. Till then, the funding method, especially for old age and disability pensions, was based on capitalisation with an annual interest rate of 4%. After the reform, the system adopted a mixed funding method of capitalisation and pay-as-you-go. This would later be abandoned and turned into a pure pay-as-you-go funding method.

But the real changes in the Portuguese system of social protection would only take place during the 1970s, largely as a result of the democratic revolution of 1974. It was during the 1970s that the basis for a truly national social security system was launched, a project that was only finalised as such during the 1980s.

As for social assistance, it was never recognised as a state attribution during the dictatorship regime. It was a family responsibility and when family would not be able

to fulfil its obligations, charitable assistance would step in, mainly carried out by Catholic institutions.

Regarding the elderly, one can say that under the dictatorship regime old people were dependent on a patriarchal social structure in which families provided care or, when families did not provide, the Church did. Old age pensions were modest, both in content but especially in the extent of people covered by the social insurance system.

## **1.2. The democratic revolution and the project of a national system of social solidarity**

The welfare state has only emerged with some significance after the democratic revolution in 1974 (but still taking place not as the outcome of the economic, social and demographic changes that had been at its origins in the majority of other European countries). Instead, it emerged as a political project and as a tool for consolidation of party politics in the struggle for power in the state arena.

Portugal is a country that experienced a pretty straightforward move from a rural economy to a post-fordist economy. Industrialisation was incipient and neither gave origin to a strong labour movement nor to any real union lobbying. In that sense, there was never a real need for the type of social pact that across Europe had been at the origin of the welfare state.

Yet, the times immediately after the revolution were times of disturbances and social control was key in the agenda. Aspirations among the population were high and group interests were strongly involved in the political process. The focus on some social groups as a means to tackle social insurgencies was a very important policy tool and was reflected in the system created, namely in its fragmentation in several sub-systems. I will come back to this below.

The legacy the state got from the previous regime was a weak apparatus marked by: a history of strong Catholic influence in the definition of social policies; a strong tradition of provision based on religious and private charity and on family solidarity; and schemes of social assistance poorly developed.

Immediately after the democratic revolution in 1974, and within the ideology that shaped the revolution itself, the social pendulum swung towards the concept of the universalistic welfare state. The core element of this was the passing of a National Health law. The problem from the beginning was that there were never the resources

to establish such a system. The distance between the principles and the realities of the system would be a structural feature of the Portuguese welfare state from the very moment it was born.

In 1977, the “*Sistema Unificado de Segurança Social*” (Unified Social Security System) was introduced. The new law integrated social welfare and social assistance, and created regional social security centres. These regional entities were granted administrative and financial autonomy and were empowered to set up local services as close as possible to the needs of local communities. The first years of the newly created system were clearly targeting the extension of coverage of the social security benefits to as many people as possible, namely in terms of old age pensions. The fact that many elderly had never had any contributory career or had never worked in paid employment meant that many were left out of the general old age pensions regime. For that reason, a social pension (“*Pensão Social*”) was created, not based on contributions but rather on means testing and covering those not covered by the general regime. These initial efforts, irrespective of the real value of the benefits granted, were very important in launching the basis of a system based on national solidarity.

During the second half of the 1970s and the first half of the 1980s, several important steps were taken to amplify and consolidate the new model of social security that had been put in place after the democratic revolution. Some of the more impacting measures still reflecting the universalistic ideology of those times were as follows:

- i) The introduction of a social pension covering all people aged 65 and older that had never done any paid work or that had never been covered by any social protection system;
- ii) The creation of an unemployment benefit (initially with an experimental character) covering all workers in situation of unemployment;
- iii) New regulations on family benefits with a major change in the family allowance benefit (“*Abono de Família*”), from then onwards to be considered as a child’s right;
- iv) The introduction of a Christmas subsidy (“*Subsídio de Natal*”) for all pensioners, translated into the payment of a sum equal to one month’s pension in December;
- v) Creation of a transitory regime for the self-employed, in view of the integration of all self-employed workers in the social protection system;

- vi) Integration of domestic workers and their employers in the general system of social security, with contributions defined according to a standard remuneration;
- vii) Widening of the risks insured for the rural workers' regime.

These were important steps towards the consolidation of a more integrated and equitable system, but have meant an abrupt and wide increase in the public expenditure in a moment of severe economic constraints across all of Western Europe. Some authors have indeed identified this mismatch between an ambitious program of expansion of social solidarity and the real economic conditions of Portugal in the last decades of the 20<sup>th</sup> century, as one of the main reasons for not fulfilling what could be considered a major window of opportunity in the recent history of the country (Barreto 1996).

### **1.3. The contemporary Portuguese social security system: fragmentation and selectivity in a weak bureaucracy**

From a politico-institutional perspective, and bearing in mind the historical path of social provision in Portugal, researchers have examined the main traits that characterise the Portuguese welfare state (Santos 1990; Pereirinha 1996; Ferrera 1996(a); Ferrera 1996(b)). The three key aspects found are highlighted here.

Firstly, it is a system with a high degree of fragmentation and with strong corporatist roots in the design and delivery of social benefits. This fragmentation is materialised in institutionally differentiated social protection schemes dependent on the position of the individual in the labour market. In other words, the state based social solidarity does not take place within a logics of citizenship and social rights, but rather within a framework of corporatist origins that fosters a very selective hyper-assistance. On one side, we find the relatively generous schemes for the workers in the formal sectors; on the other side, the almost completely excluded workers in the informal sectors. Additionally, and within the generous schemes for the workers in the formal sectors, we find further occupational-based fragmentations that render even more distributional problems for the overall system of provision: public servants vs. private sector employees; special subsystems for some professional groups, such as employees of banks. All in all, it is a system that reveals the dual character of the state

itself and that makes particularly visible the dichotomy between included and excluded.

Secondly, it is worth noting the peculiar hybrid of public and private provision within the Portuguese welfare system. This often-collusive mix is a strong inducer of distributional distortions further reinforcing the dichotomy discussed in the previous paragraph. This rather promiscuous liaison between private and public domains is mostly visible in the health field and translates into the usage of public health services by the less advantaged groups of society and into the maximisation of public equipment by the private sector, favouring the middle and high classes (Santos 1990). Thirdly, I would highlight as a structural element of the welfare state in Portugal the immaturity of the state bureaucracy that is easily permeated by logics of clienteles and by particular interests. This, according to some authors, is the result of a double deficit of state: on one hand, it is a consequence of the weak penetration of a sense of state in public institutions; on the other hand, it is a consequence of the fact that the state remains very vulnerable to pressures and manipulations from party politics (Santos 1990; Sapelli 1995). What we find in Portugal is a peculiar mode of institutional functioning where social rights are not exercised on the basis of a solid and impartial public administration. On the contrary, they are exercised within an institutional culture of closed networks and selectivity, extremely vulnerable to political games and to the appropriation of social benefits by those that are better informed and better related in a network of client-patron relationships.

These three structural elements summarise briefly the path dependent character of the scenario within which social policies are still designed and implemented in Portugal. They summarise in particular the politico-institutional constraints that have been largely defining the scope and the limits of those same social policies.

The structuring elements of the contemporary social security system in Portugal can be found in the law approved in 1984, defining the legal framework of the system of social protection, and in the law approved in 2000, which would revoke the first, but that would in fact keep the main structural principles, albeit reforming the system in a way found appropriate to tackle the main economic and social constraints that had been felt for some time.

The law of 1984 (*Lei n28/84*, 14<sup>th</sup> August) set the social security system in Portugal as comprising two subsystems: the general subsystem and the non-contributive subsystem. As an independent branch, the social security system also comprises the

domain of social assistance. The general subsystem is to be financed by contributions paid both by employees and employers (thus following the general design of a social insurance scheme). The non-contributive subsystem and the social assistance branch are to be financed by transfers from the state, i.e. are to be tax-funded. Both the general and the non-contributive subsystems are income replacement systems, and target employed and self-employed workers. The non-contributive system was largely conceived as a transitory mechanism to cover those who had been left out of the general regime as a consequence of the development of the social security system, namely those who had most of their working years before 1974 and those who had been working in the informal sector or not working at all, at least in paid jobs (e.g. women and non-paid family workers, mostly engaged in agriculture).

Reflecting precisely the maturation of the system in terms of coverage of the contributory subsystem, the new fundamental law that regulates the social security system in Portugal, published in 2000 (*Lei n17/2000*, 8<sup>th</sup> August), establishes that the system is divided in three subsystems as follows:

- i) The subsystem of citizenship social protection, encompassing the regimes of solidarity and of social assistance;
- ii) The subsystem of family protection, applicable to all citizens and covering all the risks related to family responsibilities, disability and dependency;
- iii) The subsystem of providence, encompassing the regimes of social security for employed workers, self-employed people and for the voluntary social insurance.

This law was quite innovative in terms of certain basic principles, namely by reinforcing the ideal of the right to social security as a right for all, and by setting as clear targets, side by side with the financial sustainability, the efficient management of the system as well as the improvement of the extent and the quality of the coverage assured by reinforcing the application of the principle of equity within the system.

It should be noted that this reform comes as the outcome of a process that the left-wing Socialist Party had been trying to implement for some time, but that had not managed to conciliate within the context of competing approaches to the reform of social security systems. The first attempt to introduce a structural change in the social security system had taken place in 1995, right after the election of the Socialist Party. By then, and following the international debate on the sustainability of the welfare state models designed after the Second World War (Jallade 1988; Boyer and Drache

1996), a commission of experts was nominated to analyse thoroughly the Portuguese social security system and to forecast the most likely scenarios for the upcoming years; thus setting the scene for the most adequate solutions in terms of reform. What was initially conceived to be a consensual panel of experts that would provide the new government with some elements of legitimacy for the envisaged reforms of the system has in fact become a battlefield for two opposing ideological approaches to the future of the welfare state project in Portugal. On one side, the proposals of the majority group, drawing on scenarios of financial non-sustainability and thus advocating the introduction of privatisation mechanisms in the system, in line with the Third Way approach that had been gaining increasing support across Europe (Comissão do Livro Branco da Segurança Social 1997). On the other side, the proposals of a minority group, arguing that the system had not yet fully matured and therefore should be given the chance to develop reinforcing the principle of social solidarity and the responsibilities of the state (Santos 1990). Contrary to what was the initial aim of the policy makers, the fractures within the commission have generated a wide public debate and ended up with the publication of two independent reports and with the maintenance of the general design of the system as it existed by then. Yet, and during the first four years of governance of the Socialist Party, some important initiatives were introduced to reinforce the ideal of social solidarity and the ideal of social security as a citizenship right, namely with the introduction for the first time of a minimum income programme. This would later be abandoned after the fall of the Socialist Party and the election of a right-wing coalition force in 2002.

This new window of opportunity was once more not fully taken advantage of. The reasons for this are not strictly related to inner contradictions and pressures in the system, but also to pressures from outside. One should bear in mind that this is a reform that once more takes place in a moment of international crisis. One important trait of the crisis that was starting to affect most of the European national economies is the slow down in economic growth, which many consider an indicator of how hard it will be to maintain the European space as a competitive actor in the global economy. This economic slow down is felt in a more severe way in national economies that are already structurally weaker, which is the case of the Portuguese economy. As a result of the European integration and of the globalisation of the world economy, countries like Portugal are pressured towards budgetary discipline, bureaucratic rationalisation and control of labour costs. In other words, the trend is

towards the retrenchment of social benefits and programmes and not for its enlargement. In a system that is structurally weak and limited in the type of benefits provided, this retrenchment is expected to be felt with particular severity.

With a new right-wing government in 2002, came a new law to set the legal framework of the social security system. This was published in December 2002 (*Lei n32/2002*, December 20<sup>th</sup>). This new law would introduce two new basic principles: the principle of social subsidiarity and the principle of generational cohesion. The first is based on the recognition of the role of individuals and families as welfare providers, as well as on the recognition of the importance of promoting local, private, voluntary and mutuality based initiatives. The second implies a drive towards generational accounting by which the system guarantees the balance and equity among generations in the assessment of the responsibilities of the system. This has to do with the funding method of the pensions system in Portugal, based on the idea of a pact between generations and on the principle of inter-generational solidarity.

In its current composition, the system comprises three independent systems: the public system of social security; the system of social action; and the complementary system.

As for the public system of social security, it comprises three subsystems:

- i) The subsystem of providence – this is based in a principle of professional solidarity and assumes as its main target to provide the necessary cash benefits to replace loss of work-generated income;
- ii) The subsystem of solidarity – this has as its main target to guarantee the exercise of all fundamental rights of the individuals in order to prevent and eradicate poverty and social exclusion; it also takes as a target to guarantee the necessary provision of benefits in cases of proved need (either individual or family need) that is not included in the subsystem of providence;
- iii) The subsystem of family protection – it envisages the compensation of families for their additional responsibilities in the presence of certain legally defined events; it comprises family benefits as well as disability and dependency related benefits.

A schematic presentation of the design of the Portuguese public system of social security and solidarity is presented in table 2.2 below.

The table represents the main traits of a system with a social insurance base, complemented by some mechanisms of social assistance that are means-tested. The system is funded by contributions paid by employers and employees. The social assistance branch is to be funded by transfers from the state. Within the social insurance system there are special regimes: the regime for rural workers (closed to new claims since 1987, but still including in 1995 around 500 000 individuals); and the regime for public servants managed by the *CGA*. The banking sector has its own pensions system, funded by capitalisation. Its members (around 135 000 in 1995) have access to state social protection only for family benefits, unemployment benefits and occupational accidents benefits.

Table 2.2. Portuguese public system of social security and solidarity as defined in 2004

Public system of social security and solidarity						
	System of citizenship-based social protection		System for family protection	System for social insurance		
	Solidarity regime	Social assistance		Employees regime	Independent workers regime	Volunteer regime
Objectives	To guarantee basic social rights; to guarantee equality of opportunities, the right to a minimum standard of living, and the prevention and eradication of poverty and social exclusion.			To guarantee compensations to families for their family responsibilities.		
Coverage	All citizens but in particular people affected by poverty, disabilities or social discrimination.	All citizens		Employed people	Independent workers	People with no professional activity or with an activity that has no compulsory social insurance system
Risks	Absence or insufficiency of economic resources, both of the individual or of households, to face the basic needs and the needs for social and professional integration; disability; old age; death; insufficiency of cash benefits that compensate for loss of income.	Poverty, disability, social exclusion and discrimination  (Benefits in kind; exceptionally may be benefits in cash)	Family responsibilities; disability; dependence.  (Cash benefits and sometimes benefits in kind)	Sickness; maternity, parental leave and adoption; unemployment; work injuries; professional diseases; disability; old age; death.  (This list of risks can be extended or cut according to specific categories of workers)		
Conditions for access	Legal residency in national territory; means tested; independent of contributory history; special conditions may be taken into consideration.	The general principle is that of material selectivity.	Legal residency in national territory; special conditions may be taken into consideration.	Registration in the social insurance system and fulfilment of contributory obligations both from the workers and, when that applies, from the employers.		
Financial management	Pay-as-you-go	Pay-as-you-go	Pay-as-you-go	Pay-as-you-go and partial capitalisation of pensions		
Management bodies	Public Institutes for Social Security	Public Institutes for Social Security; Private Institutions for Social Solidarity (IPSS) and local government	Public Institutes for Social Security	Public Institutes for Social Security		
Articulation with private bodies	-	Co-operation with not for profit private entities, namely IPSS, that carry out most of the social assistance activities	-	Functional and technical articulation with the complementary regimes of social security.		

Source: Direcção-Geral da Segurança Social, [www.seg-social.pt](http://www.seg-social.pt)

In summary, the Portuguese welfare state reflects in its institutional architecture a set of principles that are particularly important to account for the solutions adopted in terms of provision of welfare to individuals. Among those principles, I would highlight the following:

- Individual dignity is considered coming from the status of the individual as a worker; therefore, the stress is on integration in the labour market and on the ‘fair salary’, sufficient for the family.
- Related to the first principle is that concerning the proper role of women in society and in particular their special task of care giving.
- There is a rejection of any undue involvement of the state in the sphere of family, which translates into an exacerbated principle of subsidiarity and strong corporatist traditions.
- Fraternity and solidarity are not only part of the sphere of values but also structuring elements of the institutional arrangements of the state, a principle strongly related to the influence of Catholic social teaching.

The other side of the coin of the Portuguese welfare state rests precisely on the specific modes of articulation it has fostered with informal solidarity, namely with family solidarity.

The following table (Table 2.3) aims at summarise the overall development of the Portuguese public system of social security since its inception as detailed above, paying particular attention to the contextual factors that have influenced its general principles and structure, aiming to address the social challenges at key points in the recent Portuguese history.

Table 2.3. Evolution of social protection from the 19<sup>th</sup> century to contemporary Portugal

Time line	Context	Principles	Content	Actors
19 <sup>th</sup> century	Expansion of manufacturing and growth of urban centres ↓ Professional instability and professional hazards	Christian charity Moral assistance  Need to control social pressures arising from the expansion of industrialisation and urbanisation	Insurance for professional hazards and job loss ↓ Incipient form of income replacement mechanism	Families provide all assistance and when not able to do it the Catholic Church steps in  Emergence of Associations of Mutual Help (outside the scope of the State)
	1910  Fall of the monarchy and start of the republican regime			
	Increasing pressures in urban centres due to the inability of families dealing with unemployment, low salaries and professional accidents	The state needs to intervene to expand the protection offered by the Associations of Mutual Help	1 <sup>st</sup> incipient attempt to launch a system of compulsory social insurance managed by the state (1919)	The State acts as the financial guarantor of the system
	Financial crisis	System targets low income families and aims at guaranteeing a minimum level of income replacement	Pop. covered included those aged 15 to 75  Risks covered: disease; professional hazard; disability; old age and death	Management of the system done by professional associations  Families and Catholic Church keep the exclusive responsibility for social assistance
	1929  Salazar appointed minister of finances		Creation of the first system of pensions: The General Fund for Retirement (CGA) covering public servants	
1933  Beginning of Estado Novo (Salazar's conservative dictatorship)				

Time line	Context	Principles	Content	Actors
1933 to beginning of the 1960s	Country predominantly organised under the logics of a rural economy  Low level urbanisation  Very high shares of engagement of the population in agriculture	Social control of poverty and of tensions in urban centres  Moralising approach to work and to the roles of the family  Social protection understood as help to guarantee income replacement of the head of household in situations of need	Creation of the compulsory social insurance for the private sector  Sectors covered included manufacturing and services  People engaged in agriculture or fishery were excluded from any formal system of social protection	Professional corporations take the leading role in the organisation of the social insurance system  The State rejects any direct responsibility for the management or funding of the system. It acts as a regulatory instance.  Social assistance provided exclusively by families and the Catholic Church.  Expansion of the non-profit sector connected to the Church in the fields of social care and health care.
1960s	Caetano takes the lead of the government after Salazar's death  Some openness of the Portuguese economy  Growth in industrial work and in urban centres  Overseas war; emigration flows; increasing participation of women in the labour market	Some attempts to reform the social insurance system by widening the scope of risks covered		
1974	Democratic revolution			

Time line	Context	Principles	Content	Actors
1974 to beginning of 1980s	Heated period of political confrontation between socialist forces and neo-liberal forces  Lobbying of some unions linked to the Communist party  Wide increase in public expenditure	Social protection as a social right and as part of national solidarity  Social assistance included in the scope of the attributions of the State  Health care defined as a universal right	Launching of the National System of Social Security in line with the social insurance systems of countries such as Germany or France  Creation of a Social Pension to cover all those excluded from formal coverage of social insurance systems  Creation of the unemployment benefit  National Health Act	The State organises, manages and contributes to the funding of the National System of Social Security.  Families remain the main locus for social assistance.
1980s	Period of consolidation and expansion of the newly created system  1986 Portugal joins the EEC  Neo-liberal orientation in Cavaco Silva's governments  Investment in national infrastructures and slow down in public social expenditure		1984 law defining the structure of social protection in Portugal  Reproduction of the principle of subsidiarity in terms of social assistance  Social protection, effectively, remains a domain for income replacement	
Late 1980s till the middle of the 1990s				

Time line	Context	Principles	Content	Actors
Beginning of the first decade of 2000 Mid 1990s onwards till 2002	The government shifts towards a left wing political orientation with the rise of the Socialist party  Financial crisis Government turns to the right with the rise a right-wing coalition	Acknowledgement of the need to start reforming the Social Security system inline with the international debate on the crisis of the welfare state  System remains unchanged  Political discourse stating the need to retrench social benefits  Refusal of any benefit seen as contrary to a workfare approach to social protection: elimination of the minimum income benefit	Creation of the minimum income benefit (1997)	Some expansion of social care services, mostly in the field of child care  Expansion of the non-profit sector in the field of social assistance  Slow down in the expansion of social services

The flowchart depicts the key moments and elements in the emergence and consolidation of the Portuguese system of social protection all along the 20<sup>th</sup> century and highlights the dominant impact of two main historical determinants: the weight of the heritage from the dictatorship period; and the comparatively higher weight of politics (namely party politics) in comparison to economic forces in shaping the project of welfare state.

Among the elements that have allowed for the system to perform, as already stated some paragraphs above, we find the specific modes of articulation of formal social protection with informal solidarity. The next sections of the chapter address that topic.

## 2. Familiarisation of the welfare of the individuals in a weak welfare state

This section of the chapter addresses the role of informal solidarity, namely family solidarity in the global system of welfare production. In the Portuguese case, and for multiple reasons, this has always been a central domain of welfare production and a key player in the balancing of the system.

If one is to look for the roots of the strong familiarisation that characterises the Portuguese welfare system it is crucial to look into the model of economic

development, but also of social and cultural development that has been seen in the country during the second half of the 20<sup>th</sup> century.

Portugal has experienced, as shown in the first section of this chapter, a late process of modernisation, mostly due to the political conditions that prevailed during that period of time. This has created and strengthened social structures that have remained long after the changes in the context that originated them in the first place. Among those, I would highlight in particular the prevalence of rural modes of social organisation and, related to that, the prevalence of the household as an economic unit.

Some authors have described the specificity of the late process of modernisation of Portugal as a process that brought modernisation without development (Santos 1990; Sapelli 1995; Ferrera 1996(b); Rhodes 1997). Portugal has gone through a very fast process of convergence of its key demographic and socio-economic indicators similar to the better off western European countries. Yet, it has not experienced the same type of development that preceded modernisation in the latter. As a consequence, still according to the same authors, Portugal has remained somehow in between two models of social organisation: modernity and pre-modernity. It is in the mix, but also in the tensions of these two ways of social organisation that one finds the basis of familialism in Portugal and the mechanisms of social regulation that act as a buffer for the weak welfare state, therefore preventing any major social crisis<sup>5</sup>.

The concept of welfare society, from the French “*société providence*”, is often used to describe the Portuguese modes of social functioning (Almeida 1986). It designates a mode of social organisation based on strong informal networks of kinship and neighbourhood. These in turn are based on relationships of mutual recognition and exchange by which the welfare of the individuals is assured. This strong informal society is said to largely compensate the weaknesses of the formal welfare state (Hespanha 1993).

In this section, I discuss the historical process of familialisation of the welfare of the individuals in Portugal from a comparative perspective. The discussion draws on two complementary axes: the first axis highlights the indicators of familialisation in Portugal setting them in a complex framework of socio-economic dynamics; the

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<sup>5</sup> In appendix 1 the reader will find a compilation of historical data that clarifies the nature of the process of modernisation in Portugal over the 20<sup>th</sup> century, and that highlights the main socio-demographic and economic structures of the Portuguese society in recent years.

second axis discusses the implications of the welfare society as a model of social functioning within the context of social policy.

## **2.1. Slow and fragmented processes of convergence in a persistent familialist context**

Familialism designates a social policy context in which families and households are thought to be the primary locus for social aid. More than that, families are assumed not to fail in their role as welfare providers. This widespread belief in families is in turn anchored in a set of socio-demographic structures that many consider reinforce and legitimise the accent put by social policies on family welfare provision (Guerrero and Naldini 1997; Guillén and Álvarez 2001).

The discussion on the degree of familialisation of a system should include this two-folded approach. On one side, it should draw on indicators of state provision and family provision. On the other side, it should draw on indicators of socio-economic and demographic organisation at the family and household level.

For both types of approaches, and setting Portugal on a comparative framework, it is possible to demonstrate how this country has been going through a process of convergence towards the less familialist European welfare states, albeit at a slow and fragmented pace. It is this slow and fragmented pace that has allowed for the maintenance of some disparities on the basis of which one can still build the case for familialism when addressing the Portuguese welfare system.

However, the discussion on the reasons for the persistent familialisation of a social policy system is far from being simple and straightforward. Some see it as the result of institutional settings that appear as a by-product of historical socio-economic dynamics. This is the fundamental approach of those who discuss theories of welfare state regimes (Ferrera and Rhodes 2000). Others see it as an expression of systems of values and attitudes, namely those that draw on a cultural approach (Chamberlayne, Cooper et al. 1999; Jaeger 2005). My approach tries to conciliate the two and states that they are mutually reinforcing.

Thinking about the Portuguese case in particular, it should be stated that to fully understand the dynamics of familialisation of the welfare system, it is absolutely necessary to articulate the historical conditions that describe the emergence of

welfare state arrangements (seen in the previous section) with the context of values and attitudes that emerge in a social formation that has certain characteristics.

Having said that, the discussion on the dynamics of familialisation in Portugal should be performed by looking at the indicators of familialisation as by-products of complex and mutually reinforcing socio-economic dynamics and normative arrangements.

### **2.1.1. State provision and family self-servicing**

Table 2.4 summarises data for a set of indicators of welfare provision from which one can derive the familialist nature of the Portuguese welfare state within a comparative approach. The reader can use this table to crosscheck my statements on the familialisation of welfare provision in Portugal.

Table 2.4. Summary table with data on indicators of welfare provision for the EU15<sup>a)</sup> countries

	B	D	G	GR	SP	F	IR	IT	L	NT	A	PT	FI	S	UK	<b>EU15</b>
Expenditure on social protection as % of GDP <sup>1</sup>																
1992	27.7	30.3	27.6	21.2	22.4	29.3	20.3	26.2	22.5	31.9	27.8	18.4	33.6	37.1	27.9	<b>27.7</b>
2001	27.5	29.5	29.8	27.2	20.1	30.0	14.6	25.6	21.2	27.5	28.4	23.9	25.8	31.3	27.2	<b>27.5</b>
Social benefits by group of function (2001) <sup>1</sup>																
Old age and survivors	43.7	38.0	42.4	51.3	45.3	43.7	24.8	62.3	39.4	41.8	49.5	45.8	36.6	39.1	46.5	<b>46.0</b>
Family/children	8.9	13.3	10.4	6.9	2.6	9.5	12.5	4.0	16.8	4.4	10.6	5.6	12.1	9.6	6.8	<b>8.0</b>
Housing and social exclusion	1.6	6.0	2.5	5.1	1.7	4.4	5.8	0.3	1.6	6.8	2.1	1.3	3.3	4.3	6.3	<b>3.6</b>
Expenditure on pensions as % of GDP (2001) <sup>2</sup>	11.2	10.7	13.1	13.3	9.7	13.2	3.7	14.7	10.1	12.9	14.2	11.4	10.9	11.4	11.8	<b>12.5</b>
Elderly people over 65 (1985-1991) <sup>3</sup>																
Residing institutions	4.0	6.0	6.0	0.5	2.0	3.0	5.0	2.0	na)	10.0	na)	2.0	7.0	5.0	5.0	<b>na)</b>
Receiving home help	6.0	20.0	3.0	-	1.0	7.0	3.0	1.0	na)	8.0	a)	1.0	10.0	12.0	9.0	<b>na)</b>
Children under three in public day care as % of age group (1985-86) <sup>3</sup>	20 to 25	44	3	2 to 3	na)	20 to 25	0 to 1	5	na)	1 to 2	na)	4	22	29	2	<b>na)</b>
Children aged three to five in public day care and pre-school as % of age group (1985-86) <sup>3</sup>	95	87	60	60	66	95	52	88	na)	50	na)	25	62	79	44	<b>na)</b>

Sources: <sup>1</sup> Gérard Abramovici and Eurostat, Statistics in focus, Social Protection in Europe, 2004; <sup>2</sup> Eurostat, Statistics in focus, Pensions in Europe: expenditure and beneficiaries, 2004; <sup>3</sup> Anttonen and Sipilä (1996).

a) In all moments of comparative analysis I only consider data for the Member States prior to May 2004 enlargement.

na) Data not available.

The indicators found in the table are for state welfare provision. There are known and documented difficulties in gathering reliable direct indicators on family welfare provision (Humphries 2000). For the Portuguese case, those indicators are simply non-existent, which forces me to work with indicators of state provision and to consider them as a proxy for family self-servicing. The logics here would be: if the state does not provide, then individuals and families must develop strategies to tackle their needs. They can do it in two main ways: through self-servicing and/or by purchasing/acquiring solutions in the private sector (for profit or not-for-profit). That will be one of the questions I will try to answer along this thesis: if we accept that the Portuguese social policy framework is of a familialist nature, then how are individuals and families tackling their needs in terms of welfare provision?

I would highlight the following elements in the Portuguese welfare state:

- Expenditure on social protection that is growing but that remains much lower than the EU15 average;
- Clear bias towards old age pensions;
- Very low levels of service provision in the areas of care for the elderly and child-care.

In terms of global expenditure on social protection, since the 1970s Portugal has experienced a steady increase in that value. According to calculations from the Eurostat, in 1980 Portugal's expenditure on social protection as a percentage of GDP was 12.9%<sup>6</sup>, whereas in 2001 the figure reached 23.9%. This means that in 20 years the values for this indicator have almost doubled, which from a comparative perspective puts the rate of growth of expenditure on social protection in Portugal at much higher levels than in the majority of EU15 countries (the same trend is observed in Greece). This is the result of the retrenchment of the welfare state across Europe (with a generalised slowing down of the expenditure), but also the result of the maturation of the Portuguese system, as shown in the previous section emerging late in time so requiring a faster rate of growth to approach the EU standards.

However, this type of figures should be interpreted with caution. If one cannot contest the growth in the expenditure in Portugal in the last 35 years, one should also keep in mind that Portugal has systematically shown a very low GDP. As an example, in 1999 and taking the GDP per capita in PPS in the EU15 as 100, Portugal showed a value for

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<sup>6</sup>Source: Eurostat (Eurostat 1995).

the same indicator of around 72. Only Greece ranked worse in that same year<sup>7</sup>. Overall, it should be noted that Portugal is a country with comparatively low expenditure on social protection measured as percentage of GDP, aggravated by the fact that it is a country with an equally low GDP. This creates debilities in welfare provision at the start. Irrespective of the options in terms of policy design, the Portuguese welfare state has comparatively fewer resources than the average EU15 country.

To get a more intuitive idea about the configuration of the Portuguese welfare system, we can look at the decomposition of the total volume of social benefits by group of function. On this I would highlight that, contrary to what some authors claim as distinctive of Portugal (alongside with the Mediterranean family of countries), the bias towards old age pensions is not the most striking characteristic of the overall picture. In fact, for Portugal, that function is set at approximately the EU15 average<sup>8</sup>. What seems note-worthy is the comparatively very low weight of benefits related to family and children (therefore more directly related to family servicing) and to housing and social exclusion. For these items the Portuguese figures are very clearly below the EU15 average. The reason why I consider this to be so relevant is the fact that it illustrates how familialism translates into the policy framework. By electing the family and the household as the primary locus for social aid, the state excuses itself from intervening substantially in certain areas, namely those related to child-care, housing or, as a matter of fact, poverty.

This line of arguments explains the type and volume of provision within the welfare state. Measuring more directly service provision, table 2.4 shows some data for two key areas: care for the elderly and child-care. These have been demonstrated to be particularly burdensome areas for families across Europe and, as such, of central interest when trying to measure the level of familialisation of a system (Giarchi 1996; Kaufmann, Kuijsten et al. 1997; Lewis 1998; Sainsbury 1999).

As for the care for the elderly, Portugal displays a comparatively very low level of elderly people residing in institutions and an even lower level of elderly receiving home help. Although the data available refer to 1991, there are no reasons to believe any substantially different trend has emerged since then<sup>9</sup>. In the field of child-care, again Portugal shows a

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<sup>7</sup> Source: Eurostat

<sup>8</sup> Across Europe, and given population ageing, those figures are expected to converge. What varies considerably is the absolute amount paid to each individual across countries.

<sup>9</sup> There are known difficulties when comparing levels of service provision across countries. In the field of care for the elderly, on top of the limitations of data availability, there are methodological problems related

comparatively low provision with very low proportions of children covered by any public child-care facility. The numbers shown in table 2.4 may not be totally accurate in terms of global levels of children benefiting from formal child-care arrangements. The Portuguese public network is knowingly weak in this field. However, there is a considerable coverage by the non-profit sector, namely the part of that sector related to the Catholic Church. Many families resort to these institutions that operate with subsidies from the state and on the basis of a means-tested approach. Yet, the coverage is still considerably below the needs and remains below the EU15 average.

If we take the concept of de-familialisation, as introduced in the literature, as the effort to relieve families from the burden of some welfare provision activities (Lewis 1992; Orloff 1993; Sipila 1994), we should speak of familialisation when that relief does not take place. Overall, and on the grounds of the data discussed so far, the Portuguese example seems to present the case of a strongly familialised system. In a scenario of a clearly deficient state provision, families and households have to develop strategies to deal with their needs. The strategies they develop eventually materialise in certain social structures that we often find in the literature classified as characteristic of familialist systems.

### **2.1.2. The foundational trinity of familialism: family, household and women**

Countries pointed out as examples of familialism are usually described as countries where the modes of social organisation and functioning are still very much marked by the traditional ways, allowing for the reproduction of a tight social fabric where informal welfare provision remains possible (Guerrero and Naldini 1997). Among those traditional ways it is highlighted in the literature:

- The predominance of a model of family formation based on the strong institutionalisation of marriage;
- The high incidence of extended households with more than two cohabiting generations;
- The strong domesticity of women.

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to national definitions of care and institutionalisation. In any case, most studies on this topic seem to converge in terms of the big picture. For example, a study on care for the frail elderly published by the OECD in 1996, reinforces the conclusions drawn from the data presented in table 2.3. Focusing in particular on the Portuguese case, and isolating the very old elderly (therefore those to whom one expects increasing needs for care), the rate of institutionalisation was, in 1990, of around 4.6, compared to 18.1 in Austria, 24.0 in Denmark, 23.3 in Sweden or 22.4 in the UK. Source: (OECD 1996).

Similar to what was done in the previous sub-section, also in this point I resort to a summary table with some key indicators of the characteristics of families across Europe on the basis of which I will put forward some considerations. The table is 2.5 in the following page.

About table 2.5, I should start by one preliminary note. The indicators shown in the table build up a scenario that suggests how familialism translates into the social organisation. However, one must recognise that Portugal, especially in the last 20 years, has been on a path of convergence towards the realities of the more developed EU countries. It is true that it has been a slow and rather fragmented convergence, and perhaps because it is taking place without the economic change that sustains social change, allowing for the permanence of more traditional social structures. I will come back to this issue when addressing the topic of the consequences of the erosion of the welfare society in familialist settings.

A subject that is often brought to the discussion on familialism, from the perspective of how it shows in the modes of social organisation, is the topic of values. There are authors that argue that the more familialist systems are found in countries where the system of values remains anchored in traditional concepts of family and family obligations, often under the influence of strong religious orientations (Guerrero and Naldini 1997).

My position on this is that, once more, we are addressing a topic that is far from being simple and straightforward. Is social organisation a result of a set of values that compel individuals to act in a certain way? Or is it a consequence, an expected outcome of a specific institutional setting? Probably it is both. Individuals often act in anticipation of the resources they expect will be available to them to deal with a certain condition. For example, in an institutional setting where young adults know they will have problems finding a job and where there are no housing policies to help them become independent from their parents, remaining in the parental home is the option available. However, this type of practice echoes in a set of values that legitimise this behaviour as the norm and reinforce the expectation of families to have their children staying at home until marriage.

Table 2.5. Summary table with family characteristics and labor-market participation data for the EU15 countries

	B	D	G	GR	SP	F	IR	IT	L	NT	A	PT	FI	S	UK	<b>EU15</b>
% of young people living at the parental home (1995) <sup>1</sup>	30.0	27.0	26.0	34.5	39.0	32.0	41.0	35.0	32.0	30.0	32.0	37.0	26.0	27.0	32.0	<b>32.5</b>
Breakdown (%) of those aged 65 or more by type of household (1998) <sup>2</sup>																
Males living alone	21	25	14	14	8	18	22	12	na)	21	16	12	21	27	24	<b>16</b>
Females living alone	53	57	53	37	24	46	37	39	na)	53	47	29	50	53	52	<b>44</b>
Males living with 3+adults and others*	14	3	14	26	39	17	31	28	na)	7	28	35	9	1	8	<b>19</b>
Females living with 3+adults and others*	8	1	8	21	35	11	21	20	na)	3	24	31	6	0	6	<b>15</b>
Average age at first marriage (1999) <sup>2</sup>																
Men**	28.9	32.5	30.9	30.3	29.5	31.2	30.0	30.0	30.7	30.7	30.3	27.2	30.5	32.9	29.6	<b>30.3</b>
Women**	26.6	30.1	28.2	26.5	27.6	29.1	28.2	27.1	28.3	28.3	27.9	25.5	28.3	30.4	27.5	<b>28.1</b>
Marriage rate for women (1990) <sup>3</sup>	66.1	38.5	48.5	92.8	52.4	38.5	41.4	54.7	na)	45.7	50.1	81.0	38.0	31.3	50.3	<b>52.1</b>
Crude divorce rates (1990) <sup>3</sup>	8.4	13.1	8.8	2.6	2.1	8.4	0.0	2.1	na)	8.1	8.5	2.8	9.6	11.1	12.3	<b>7.0</b>
Fertility rate (2002) <sup>5</sup>																
% live births out of wedlock (1990) <sup>3</sup>	8.9	46.5	11.1	2.4	9.6	27.5	18.0	6.7	na)	12.5	25.2	16.1	27.4	49.5	30.8	<b>20.9</b>
Average number of persons per household (1995) <sup>1</sup>	2.5	2.1	2.2	2.7	3.2	2.4	3.1	2.7	2.5	2.4	2.5	3.0	2.1	2.1	2.4	<b>2.5</b>
Employment in agriculture as % of civil employment (1997) <sup>4</sup>	2.3	3.7	2.9	19.8	8.4	4.5	10.3	6.8	2.5	3.7	6.8	13.6	7.1	2.8	1.8	<b>5.0</b>
% of all non-dependent women in domestic status (1995) <sup>3</sup>	51.4	33.1	47.7	59.7	61.1	40.2	51.6	60.2	na)	44.7	45.7	46.0	31.9	31.5	41.7	<b>46.2</b>
% of all non-dependent persons in self-employment (1995) <sup>3</sup>	6.8	6.7	5.2	17.4	9.6	7.2	11.1	11.8	na)	6.6	6.2	13.7	9.2	7.0	6.5	<b>8.9</b>
Female participation rate in the labor market (2003) <sup>6</sup>	50.3	72.0	58.8	40.9	41.9	56.1	55.0	41.1	50.9	65.2	60.1	61.1	65.4	70.4	65.1	<b>54.9</b>

Sources: <sup>1</sup> Eurostat, Statistics in Focus, Trends in households in the EU: 1995-2025 (values presented are rounded up); <sup>2</sup> Eurostat, The life of women and men in Europe, A statistical portrait, 2002; <sup>3</sup> Crouch, C. (1999), p.461; <sup>4</sup> OECD Historical Statistics, 1960-1997; <sup>5</sup> WHO, available online [www.who.int](http://www.who.int)

<sup>6</sup> The Social Situation in the European Union, 2003. European Commission.

na) data not available

\* it includes all households with children and at least one adult aged 65 and over; \*\* Belgium, Spain, France and Italy: 1997; Greece, Luxembourg and UK: 1998

Table 2.5 shows this phenomenon of late departure from the parental home in Portugal, where the share of young people living with their parents is clearly higher than the EU15 average.

Portugal is a country where the traditional models of family formation remain very important. One key indicator is the strong institutionalisation of marriage. If we go back to table 2.4, it is possible to see some complementary elements of this picture: very high marriage rate for women, comparatively low divorce rate, marriage at an early age and low rate of births out of wedlock. These are all elements that concur to the reproduction of the traditional family models and the strength of family ties.

Alongside with the prevalence of traditional modes of family formation, we have in Portugal a comparatively higher incidence of types of household often referred to as typical of pre-modern societies. The reference here is for the extended households with more than two cohabiting generations. According to the data in table 2.5, and focusing on the individuals aged 65 or more, we see that in Portugal the share of those living alone, for both genders, is lower than the share found across the majority of the EU15 countries. At the same time, the share of those living in extended households with multi-generations cohabitation is significantly higher, almost twice the EU15 average, for both genders.

Most likely as a consequence of the incidence of the distribution outlined above, the average size of the household in Portugal is higher than the EU15 average, a trend similar to what we find in countries such as Spain or Ireland. The reason why this figure is likely to be related to the prevalence of the models of family mentioned above has to do with the fact that the fertility rates in Portugal are not higher than the EU15 average.

There is, however, one other dimension of life that has been demonstrated to be closely related to models of family formation and organisation: the models of participation of individuals in the labour market; in particular, the models of participation of women in the labour market.

On the Portuguese case, I would like to start by highlighting two elements that seem of major importance to understand the economic logics of the household within a familialist system: the comparatively higher shares of people employed in agriculture; and the comparatively higher shares of self-employment (see table 2.5).

These two elements are part of a broader picture that results from the model of economic development experienced in Portugal in the last 50 years. This is a topic that

was already addressed, albeit briefly, in the first section of the chapter, but it is important to reinforce it once more since it is the cornerstone of much of what appear as options for the contemporary Portugal.

Employment in agriculture is a particularly important element of this picture but with its full meaning only uncovered if accompanied by others. I think more specifically about the figures for the evolution of the shares of employment in agriculture, in industry and in services.<sup>10</sup> This is a very significant fact, especially in what it implies in terms of social organisation. The Portuguese society has moved towards modernisation with the relationships typical of a rural society remaining relatively untouched and permeating the modern modes of social functioning. There is extensive research on this topic carried out by some Portuguese scholars and all point in the same direction: the familialist society based on relationships of reciprocity and recognisance is intimately related to the importance of rural pre-modern logics of social organisation in Portugal (Pinto 1985; Pina-Cabral 1995). Sapelli puts it very clearly when he addresses the South European realities, describing the importance of the persistent agrarian society going beyond the economy in the strict sense and having also to do with a wealth of values, with close family ties and specific social values (Sapelli 1995).

As for self-employment, it reflects the resource to economic strategies very often based on the household as the unit of production. Again there is some research on the topic, mainly carried out by Portuguese researchers and the conclusions seem to point in the same direction: self-employment is very often associated with the use of family resources and usually involves the entire household (Pinto 1985; Almeida 1986). Within this thesis, the relevance of self-employment is to highlight basically as an indicator that allows me to start building the argument of the household as an economic unit and as the pillar of familialist systems. I will come back to this some paragraphs ahead.

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<sup>10</sup> In 1960, the share of employment in agriculture represented for Portugal around 44% (against a EU15 figure of 21.3%). In 1997, agriculture still represented 13.6% of civilian employment in Portugal (against 5% at the EU15 level). The share of civilian employment in industry in Portugal was 31.3% in 1960 and 31.5% in 1997, with figures between these two moments remaining more or less constant. Until the late 1980s these shares in industry were always below the EU15 average and more importantly referred to workers employed in industries of small or medium dimension. On the other hand, the trend in services as a sector of civilian employment is of a more clear convergence between Portugal and the rest of the European countries. Although the share of civilian employment in services is systematically lower in Portugal when compared with the EU15 average, the trend of systematic increase is constant. In 1960, that share was 24.8% (against 39% EU average). In 1987 it was 42.9% (against 59% EU15 average). In 1997 it was 54.9% (against 65% EU15 average). (Source: OECD Labour Force Surveys, available at [www.oecd.org](http://www.oecd.org))

As mentioned in the beginning of this sub-section, one other element of familialism, viewed from the perspective of its modes of social organisation, deals with the participation of women in the labour market.

It is common to find in the literature references to a high level of domesticity of women as a trait of familialist systems (Guerrero and Naldini 1997; Sainsbury 1999). The argument here is pretty straightforward: the burden of providing for the welfare of family members falls on women and that is possible given the predominance of the male-breadwinner model combined with the kinship model (extending the nuclear family to incorporate other relatives, namely in the ascending order) and, as the other side of the same coin, the high share of women in domestic status.

If it is true that this argument makes a lot of sense, it seems equally true that it does not apply to Portugal. Going back to table 2.5, we can see that Portugal, from a comparative perspective, displays a relatively low degree of domesticity among its non-dependent women, with a figure equal to the EU15 average. In fact, if we look to the most recent figure available for the rate of participation of women in the labour market, we see that Portugal shows a figure much higher than the EU15 average, a trend that one would not expect to be so relevant in a country believed to have a social policy framework of a familialist nature. Other indicators could be called upon to reinforce this picture and all point in the same direction: low shares of employed women in part-time employment; high shares of employment among women with children under three; among others.

The participation of women in the labour market constitutes, in fact, one of the biggest paradoxes of the Portuguese case. There are certainly historical reasons for this<sup>11</sup>, but the prevalent reasons are of an economic nature, namely the fact that Portugal has very low salaries, which makes the male breadwinner model not feasible for many households.

From here emerge, in my view, some of the more intriguing questions about the Portuguese case. If the formal social policy framework relies on family provision and if women are working full-time, how does familialism operate? Who is taking the burden and at what expenses? These are some of the questions that will be addressed in this thesis.

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<sup>11</sup> Among those historical reasons it was of particular relevance the impact of emigration and of war during the entire 1960s. Many men left the country, either as emigrants or as soldiers, which meant the need to replace the predominantly male labour force that was no longer available. This has created an excellent moment of entry of women in the labour market, which remained long after the end of the events that initially triggered it.

## 2.2. Familialism and welfare society

The research on modes of welfare provision, carried out by the Portuguese scholars, does not make very extensive use of the concepts of familialism or familialisation. The clearly elected concept is the concept of “welfare society”. It can be safely argued that both concepts are tackling the same realities. However, the concept of welfare society embeds in a somehow better-defined way a societal approach to welfare provision. In that sense, it incorporates in the concept itself the sociological elements that explain it.

Some comparative research that focus on values and cultural traits tends to explain the cross-country variations shown in the previous point as the result of a pro-family orientation of the individuals in countries such as Portugal, as opposed to a more individualistic orientation in other countries where the de-familialisation of the individual welfare is more evident. What my argumentation so far is trying to put forward is precisely the idea that this pro-family orientation is not necessarily a choice within a framework of values, but very much an imposition within a certain institutional framework marked by a weak welfare state. These phenomena, however, are self-reinforcing and tend to produce the pervasive effect of legitimising themselves by their functional permanence in a given society. In that sense, they reflect themselves in the sphere of values.

Values provide the social cement that brings things together in a given society. They define the universe of possibilities within a society and compel individuals to adopt whatever behaviour is considered desirable and appropriate to deal with a certain situation. The major interest of the concept of welfare society, from my perspective, is precisely how well it embeds the articulation between the historical process of development of the institutional setting and the legitimisation of that process by a set of values. One of the key questions along this thesis addresses how elderly people choose to tackle their needs in a familialist policy framework, when its social basis is going through a process of erosion. The interest of the concept of welfare society, in this context, is the fact that it brings the question to a broader field where, although the social conditions that used to make possible a strong informal support are changing, there is a set of values that make it legitimate to expect that informal support still be the norm.

Having said that, it is important to refer my approach to familialism in the lives of the elderly Portuguese to the broader societal system of welfare provision, where values and expectations about the roles of individuals and families are a core dimension.

But there are other reasons for the interest of articulating familialism with the concept of welfare society. Despite criticism from some academics, according to whom the concept of welfare society is inadequate to account for the Portuguese reality because it does not address the needs of the most vulnerable (Wall, Aboim et al. 2001), it is precisely because of that that I consider it so interesting. Embedded in the concept itself there are elements that allow discussing the pervasive consequences of a familialised system. One of those is the reinforcement of processes of social exclusion among certain groups in society.

The welfare society as described above is based on networks of mutual recognition and exchange. This means that its role as a promoter of social inclusion is highly dependent on the existence of available informal networks to the individual and on the resources available within those networks. In other words, those who have no networks available or that are part of deprived informal networks tend to see their worse off situation aggravated by a system that relies on the performance of these informal networks.

This is of key interest in this thesis given my stated objective of discussing the dichotomy familialism and well being in the lives of the elderly. The fact that the Portuguese elderly live in a policy framework that forces them to rely on their ability to benefit from informal (often meaning family) support, when that support does not exist or cannot perform in a satisfactory way, the likely effect is to increase the risks of exclusion among the elderly.

This in turn is related to another key feature that, once more, the concept of welfare society allows discussing more thoroughly. A structural element of the Portuguese system as a weak welfare state that relies on the performance of the informal networks in the society is the fact that it does not promote the concept of individual welfare as a social right. On the contrary, it reinforces the assistencialist logics of welfare provision and it feeds the values system by putting the burden for the individual welfare on families and on the household.

As described by some researchers that have been studying the ways familialism has materialised in countries such as Portugal (Santos 1990; Hespanha 1993; Ferrera 1996(b); Rhodes 1997), we could systematise the main roles of families in the global system of welfare provision as follows:

- Families, rather than the state or the market, provide for a broad range of welfare services;
- Extended family networks (not necessarily sharing the same roof) share economic and caring resources;
- Families often work as loan agencies and as employment agencies for their members by activating their relational capital;
- Faced with difficulties of insertion in the labour market, and given the absence of housing policies, young people remain in the parental home until later in life;
- The number of elderly people living with their families (namely their descendants), although decreasing, is still relatively high, especially if compared with the modern Western countries in the EU space.

The low development of social assistance and personal services in the Portuguese welfare state, a gap assumed to be filled in by family solidarity, is also a domain for the development of private provision, namely by the non-profit sector. Some authors see in this third sphere of welfare provision the final touch of the Portuguese model of welfare provision. The weak state provision, biased towards income replacement mechanisms, is compensated by family provision and by the intervention of a non-profit sector that has been developing under the wings of the state and that delivers the minimum level of services required to tackle the needs of those deprived from family resources. The next section of the chapter addresses this topic.

### **3. The private non-profit sector in the global system of welfare provision**

In the historical roots of the Portuguese welfare system, it is possible to identify a structural difference between social protection (associated with the idea of anticipating and insuring a risk) and assistance (associated with helping the poorest and most needy that cannot provide for themselves and therefore need the charitable help of others). The way the welfare system evolved in Portugal, and in particular the roles of the non-profit sector, were very much shaped by that structural differentiation.

If we are to consider the very early origins of the welfare system in Portugal, we are taken to the distinct organisations that emerged in the civil society based on the medieval concepts of “charitable help” and “mutual help”. These concepts end up materialising themselves in private organisations that have a long tradition in Portugal: *Misericórdias* and

*Mutualidades*<sup>12</sup>, respectively. Later they would shape the distinction in the organic structure of the welfare system between social assistance and social protection (Rodrigues 1999).

During the dictatorship period, it was key in the political agenda to control all initiatives at the level of the civil society. According to the ideology of the system, the branch of social protection was reduced to a corporatist-based system, already addressed in the first point of this section. As for social assistance, the dictatorship imposed a clearly undervalued version of assistance that was organised according to ethic and religious criteria. Simultaneously, the dictatorship regime was ideologically engaged in integrating everybody through work, which meant a moralising exclusion of poverty by refusing any political and financial responsibility of the state for the living conditions of the population.

In a political framework that confines poverty to an ethical and religious issue, an issue that is part of moral and of Christian education, the State defines as a priority to support those organisations that share the same ideal. The path chosen was that of the principle of subsidiarity of the state relative to private initiatives. The dictatorship regime would implement a policy of reinforcing private institutions, namely promoting the extension of their own property by means of public financing, instead of generalising the access to benefits and services granted on the basis of citizenship rights (Pereira 2000).

Recent research carried out on the historical origins of the non-profit sector in Portugal has demonstrated that, although for some of the 1264 institutions recorded in the dictatorship period, it is not possible to clearly identify their institutional basis, the religious orientation seems to be dominant and only in very few, it would be possible to identify a lay orientation (Rodrigues 1999). The majority of these organisations were basically mobilised to work as an extension of the authoritarian state in the moralising control of poverty and exclusion (Rodrigues 1999). This model of relationship between an authoritarian state and a quasi-governmental non-profit sector has lead to the development of a strong administrative apparatus of control.

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<sup>12</sup> The *Misericórdias* (Houses of Mercy) were founded by royal initiative in the 16th century, under the influence of the Catholic Church, and very much under the principle of Christian charity. Initially, the institutions of *Misericórdias* assisted the most poor and deprived from family support (orphanages, asylums for people with mental disorders and others of the same type were created by these institutions). The *Misericórdias* have expanded to other areas of intervention, namely education and health care.

The *Mutualidades* (Mutuality Houses) were associations created to work as instances of charity towards the most needy, but confined to a group of people belonging to a certain professional group. People would contribute to a common fund that would be used to assist a member in need. We can see in the *Mutualidades* the first incipient expression of the corporatist forms of social insurance that would emerge in the second quarter of the 20<sup>th</sup> century.

After the democratic revolution of 1974, the Portuguese non-profit sector went through some changes, namely as a result of the emergence of a national project of welfare state and the consolidation of the role of the state as the primary responsible for the welfare of the population. For a (brief) period of time after the revolution, the contribution of the non-profit sector would decrease. The ideological orientation of the political forces that had more relevance in the revolutionary period would mean that many private institutions were totally ignored, in some cases even ostracised, by the new democratic state that was eager to cut and dissolve all ties with the past.

However, as far as the institutions that were part of the Catholic Church hierarchy, or that were somehow protected by the Church, were concerned the democratic state had a different orientation. Just two years after the revolution, the government declared its support to these organisations and recognised that they were not treated with the respect they deserved considering their tradition in the field of social assistance. From then on the state became actively involved in organising the sector, which would culminate in the creation of a federation of non-profit institutions that would represent the interests of the sector. The new body was given the designation of UIPSS (*União das Instituições Privadas de Solidariedade Social*)<sup>13</sup>. At the same time, new legislation was approved and published, defining the legal nature of the private non-profit institutions designated as IPSS (Private Institutions of Social Solidarity). That document was elaborated with the participation of the representatives of the *Misericórdias* (the main group of religious oriented organisations with strong traditions in child-care and health care) and the representatives of the Catholic Church hierarchy.

The expansionary impetus of the newly created welfare state would not last long, as already discussed previously in this chapter. Already during the 1980s, and with more clarity in the 1990s, we would see a significant shift in the official discourses. The anti-state and welfare state crisis arguments that were spreading across Europe were mobilised to justify the trend towards the retrenchment of social policies and the transfer of responsibilities for social provision to the private sector.

The legislation of 1983, that defined the legal framework of the Portuguese social security system, would clarify definitely the nature of the relationship between state and non-profit sector. In that document it can be read that the state accepts, supports and values the role of the IPSS in the implementation of social rights. Furthermore, it

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<sup>13</sup> A plain translation would be Union of the Private Institutions of Social Solidarity.

enlarges the domains of intervention of those institutions adding to the traditional domain of social assistance, the areas of health care (hospital care and out-patient care), education, continuous education and housing (*Decreto-lei 119/83*).

As for their formal structure, the state equally defines the bureaucratic rules that these institutions need to follow to have their activities and their institutional entity recognised. Again religious institutions under the wings of the Catholic Church have a special status, being exempt of the bureaucratic procedures mentioned before and having an automatic recognition as IPSS.

Over the last 20 years, the non-profit sector has been expanding quite considerably in terms of autonomy and influence in the sphere of policy design and implementation. The fact that these institutions are key providers in such sensitive areas, such as child-care and care for the elderly, or even in health care outside the big urban centres, gives them a strong power of negotiation that is usually more visible when the time comes to negotiate the financial agreements between the state and the non-profit sector.

The financial relationship between state and non-profit sector has been defined since 1979. It takes the form of Cooperation Agreements (*Acordos de Cooperação*) and basically translates into the payment of a certain amount of money to the institution per user served. From the beginning, the state transfers have been around 70 to 80% of the costs and the rest is expected to be bourn by the institution out of its own resources. The state support though includes other financial transfers, namely support for housing facilities and equipments, tax exemptions, one-off subsidies, as well as transfers within the national program of fight against poverty. As a result, the non-profit sector has been increasing its dependence on the state. That is the reason why many Portuguese scholars consider that designations such as NGO (Non-Governmental Organisation) or Voluntary Sector do not apply to the Portuguese case. Because of their financial dependence from the state and because of the strict legal-bureaucratic criteria the institutions have to follow to be accepted as partners of the state, the non-profit sector ends up working as a para-governmental body that basically extends the state bureaucracy without a real state expansion (Lopes 2000).

Today the non-profit sector in Portugal has considerable importance in the provision of services to the population. The most recent census on the social services that fall within

the field of social assistance<sup>14</sup> has identified the distribution of services displayed in table 2.6.

Table 2.6. Number of social assistance services provided, by district, according to the legal status of the provider, in 2000

District	Total	Non-profit sector					Public sector	<i>Misericórdia</i> of Lisbon	For profit sector
		Total	Associations	Religious	<i>Misericórdias</i>	Others			
Aveiro	<b>746</b>	288	129	64	42	53	401		57
Beja	<b>189</b>	76	23	14	21	18	109		4
Braga	<b>797</b>	369	126	127	57	59	400		28
Braganca	<b>230</b>	109	13	44	43	9	117		4
Castelo Branco	<b>295</b>	157	77	24	47	9	126		12
Coimbra	<b>527</b>	297	136	98	28	35	205		25
Evora	<b>264</b>	169	68	36	42	23	77		18
Faro	<b>296</b>	173	75	14	65	19	70		53
Guarda	<b>364</b>	166	80	31	25	30	193		5
Leiria	<b>465</b>	156	58	42	31	25	255		54
Lisboa	<b>1908</b>	941	508	220	76	137	415	88	464
Portalegre	<b>187</b>	117	51	5	48	13	69		1
Porto	<b>1137</b>	498	225	107	64	102	494		145
Santarem	<b>548</b>	207	102	52	35	18	286		55
Setubal	<b>559</b>	268	131	59	36	42	111		180
Viana do Castelo	<b>268</b>	141	48	52	30	11	126		1
Vila Real	<b>248</b>	90	32	12	33	13	150		8
Viseu	<b>579</b>	143	48	43	38	14	414		22
<b>Portugal</b>	<b>9607</b>	<b>4365</b>	<b>1930</b>	<b>1044</b>	<b>761</b>	<b>630</b>	<b>4018</b>	<b>88</b>	<b>1136</b>

Source: Carta Social, MSSS, 2000

The conclusions that can be drawn from table 2.6 are indirect and limited by the type of data available. The table displays data on the number of services but states nothing about the actual size of the services provided, namely in terms of people covered. Therefore, the interpretation put forward in the next paragraph needs to be weighted and read in light of this limitation. There are no other data available.

The distribution displayed in table 2.6 above reproduces the geographical disparities of the country, with a higher concentration of services precisely in the areas of higher population concentration. The two big urban centres of Portugal show as expected the highest number of services (Lisboa and Porto). Overall, it is worth noting that the non-profit sector accounts for around half of the available services. The share for the private

<sup>14</sup> The domains of action included in the definition of social assistance are: child-care, disabled people care, elderly care, services to the family and community, services for drug addicts, services for HIV/AIDS patients. The last two categories are usually designated as “others” given their low expression in the universe of services provided.

for-profit sector is around 12% at the national level, but with even more pronounced geographical disparities. I will come back to the role of the for-profit sector in the next chapter.

To close the considerations on the non-profit sector in the Portuguese global system of welfare provision, I would recall that many Portuguese scholars, especially in the last 10 years, have been raising important questions about the nature of the Portuguese non-profit sector. These range from reflections on the type of democracy they foster to issues of rights and participation. For this thesis there is one question in particular that should be addressed and that relates to the funding of the activities of the Portuguese non-profit sector.

In Portugal, as mentioned above, the major part of the expenses of these institutions is covered by transfers from the State defined in contracts that are signed between the two parties. These institutions usually have very limited own resources and the donations from private entities are quite insignificant (Lopes 2000). As a result, the major way to cover for the deficits, which often show in their budgets, is by means of users' fees.

Some Portuguese scholars have been warning of the dangers of this type of situation. In times of state retrenchment, the likelihood of these institutions to become an extension of the state bureaucracy is very high. And with the state stepping down it is also very likely that some effects will be felt in the users' pockets (Pereira 2000). Also one must never forget that the solidarity exercised within these institutions is not based on any acquired rights that can be legally enforced. In that sense, it only reinforces the selective character of the welfare provision in the Portuguese system (Santos 1990).

## Conclusion

In this chapter, I have put forward some arguments towards the uniqueness or, at least, the distinctive character of the Portuguese case as a global system of welfare provision. The roots for that distinctiveness were founded in the political history of the country experienced all along the 20<sup>th</sup> century, and in the choices by then made in terms of economic policy and social policy.

During the 40 years of conservative dictatorship, Portugal was kept away from the winds of modernisation that swept almost all of Europe. It did not go through any significant process of industrialisation and, as a consequence, never really saw any significant labour

movement or unionism. Parallel to this, it remained, till very late, permeated by the rural modes of social organisation and functioning. Those are two sides of the same coin that would later lead to a passage to a post-fordist economy and that help to explain the mixture of modern and pre-modern in the contemporary ways of the Portuguese society. After shaking off the dictatorship, Portugal opened what could have been a new era were it not for the heavy constraints posed by the legacy of the long lasting dictatorship and the particularly difficult conditions that were being felt all around the world.

When in 1974, and after the democratic revolution, Portugal initiated a project of welfare state based on the principle of national solidarity, the global economic conditions were no longer favourable to the expansion of the welfare state ideal. The patchy development that had characterised social policies all along the dictatorship would not be effectively improved and would remain a main feature of the Portuguese global system of welfare provision.

The Portuguese welfare state has emerged late in time and has inherited a strong past of centralisation, authoritarian culture and bureaucracy. Remaining distant from the population, the Portuguese state has always counted on the civil society to fill in the gaps left by a weak state provision, be that by means of informal networks of solidarity or by means of the expansion of a quasi-government non-profit sector.

The European integration brought many challenges and constraints to the Portuguese society, but its effects at the level of social policies were modest and very much confined to the financial limitations leading to the retrenchment of what was already a weak provision. The EU itself has always been very hesitant when it comes to any real project of standardisation and cohesion at the level of social policies; therefore, one would be naïve to expect any major impact capable of changing the historical path of social policies in Portugal.

In any case, and especially after the mid-1990s, Portugal has undertaken a process of gradual adjustment in response to the pressures that arose from the growing instability of the structural pillars of the system itself, with special emphasis on the growing instability in the labour market and the visibility of unfulfilled needs, namely in terms of poverty and social exclusion. Some of the trends of that gradual adjustment were discussed along this chapter:

- Some ironing out of benefit formulas for privileged occupational groups;
- Some basic upgrading of minimum benefits;

- Introduction, although without real consolidation, of safety net programmes;
- Some measures to provide some services to families, although at very meagre levels.

On the basis of these trends, one could think that Portugal has been fulfilling the path of the Continental conservative welfare state regime. If that is the case, and in the words of Ferrera, it means it has been “(...) walking down a dead end (...)” (Ferrera and Rhodes 2000). If one thinks of the debate about the problems of the welfare state in countries such as Germany, Belgium or even the Netherlands, we can identify a considerable number of scholars arguing that the only way out for those countries is a strategy of defamilialisation (Chassard and Quintin 1992). How that will be done is the question that remains open. Surely the current global conditions do not make it feasible to think that the Scandinavian path is available for a country like Portugal. It is my hope that the results of this thesis can bring some modest contribution to clarifying the paths effectively available.

In general terms, it can be said that a social security system protects its citizens in light of political, social and cultural concepts that are shared and accepted as the norm within that same system. Debating the welfare of individuals within a familialist system must include not only the analysis of the apparatus of the system, what is available and what is not, but also the analysis of how individuals relate to the system and provide for their well-being as well as the analysis of how satisfied they are and what they expect or perceive as legitimate to expect.

In the following chapter, I start addressing these topics focusing on a specific group of the Portuguese population, the elderly people, and analysing the existing social policy framework that is in place to address the needs of this specific group of the population and their families.

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## **Chapter 3**

### **Social Protection in Old Age in Portugal: a system overview**

#### **Introduction**

All across Europe it is possible to identify mixed feelings about the challenges brought by the ageing population to the existing social protection systems (Jaeger, 2005). On one hand, there is a growing awareness about the risks and limitations it means, especially from a financial perspective, raising worries about the sustainability and the ability to cope with needs of expansion of the existing arrangements. On the other hand, there are growing expectations about the type and the quality of social protection provided. Periodic surveys on attitudes and values of the European population have been showing these dual feelings about the impacts of a growing proportion of older people in Europe on the existing welfare systems, to a large extent irrespective of the degree of maturation and development of the national welfare states (Daatland and Herlofson, 2003).

In this research, I am discussing the issue of familialism in the lives of the Portuguese elderly having chosen to focus on the analysis of their welfare arrangements. These arrangements take place within, and are very much influenced by, the existing formal social protection system. To a certain degree they can be seen simultaneously as a response and a determining factor of the characteristics of the formal social protection system. In fact, if it can be argued, as some scholars have been demonstrating, that the availability of resources within households and families influences the demand for resources from external sources, thus creating pressures on the policy context (Knapp, 1984; Jamieson, 1991; Giarchi, 1996), the other way around is also true. The existing resources from outside the family can influence the allocation of resources within households and trigger arrangements in anticipation of what is available in the policy framework.

In this chapter, the ultimate goal is to offer an overview of the overall social protection system related to old age. Although much of the discussion along the thesis highlights the issue of care provision and its articulation with different living arrangements, this must be understood within the overall social protection system. It is not enough to

demonstrate that the Portuguese system is traditionally characterised by the underdevelopment of its social care services. If this would be compensated by a comprehensive pension system and by other cash benefits targeting the ability of individuals to purchase private care solutions, then it would not necessarily be a problem for the Portuguese elderly. Generally, we have to understand the social protection of dependent elderly within a broader framework that determines their possibilities to address their needs.

The analysis of the existing formal system of social protection in old age in Portugal will demonstrate how familialism is translated into the system and how that affects the real possibilities the elderly have to address their needs within the formal system. The main features highlighted and discussed along the chapter include:

- Demonstrating how the Portuguese system is biased towards income replacement and cash benefits, albeit with very low levels, therefore creating severe problems of poverty among the elder population;
- Showing the clear mismatch between what is theoretically available in the formal system and the real availability/coverage/accessibility of/to social care services;
- Discussing the significance and the implications of the absence of any clear debate on long-term care insurance.

This thesis is about the strategies individuals develop to tackle their needs for welfare provision in a familialist system, particularly in addressing old age related needs. One dimension of familialism is visible in the way the formal social protection system is organised. The starting assumption of this thesis is that the formal state-funded system assumes that families are the main locus of social aid and that they do not fail when performing that role. For that reason the organisation of provision of services not only exacerbates the principle of subsidiarity (which translates into the underdevelopment of the formal network of services), but also puts the responsibility on families to address their elderly members' needs. That can be considered familialism seen from the side of the policy framework. One of the goals of my thesis is to demonstrate the fallacy of this assumption by showing how families are not being able to respond to the pressures the system puts on them.

Adding to these introductory remarks, this chapter is organised in three sections:

The first section puts forward the legally defined policy framework for social protection in old age. Basically, it focuses on identifying what is theoretically available in the Portuguese social protection system and on how the system addresses old age related needs in terms of principles.

The second section is more data based and tries to draw the picture of what is in fact available. The main focus here is on the provision of services itself, identifying what is provided, in what quantity, where and by whom. The discussion unravels the limitations of the formal network of service provision not only in terms of coverage, but also in terms of accessibility and quality.

Finally, the third section critically discusses some of the implications of what is identified in the previous two sections, highlighting the significance of the conspicuously absent debate on long-term care in Portugal.

It is important to clarify that the policy framework discussed in this chapter refers to years 2000 to 2004. It is in that sense more contemporary than the data used in the later chapters of the thesis to discuss family dynamics and normative predispositions. This time-gap is not considered to introduce any serious limitations in the analysis, for two main reasons: firstly, since 1995 there has been no substantial change in the policy framework. If something has changed it has been in the direction of retrenchment of already deficient social programmes. Secondly, by analysing the most recent policy framework, and by demonstrating the resilience of familism in the formal system, we end up reinforcing the conclusions drawn from the data used for the analysis of family dynamics and of social norms and values. If we identify tensions among families on the basis of data for 1998, the reproduction of the familialist social policy framework in 2004 will only suggest that those tensions should be expected to be increasing.

## **1. The policy framework: social protection mechanisms applicable to old age in Portugal**

We can consider that all formal social protection in old age includes three main systems: income support (pension system); health care; and social services. The Portuguese social protection to old age is often labelled as a Bismark oriented system, based on a social insurance approach targeting income replacement. Similar to other conservative type welfare state regimes, in Portugal the pension system represents the lion share in public social expenditure and definitely the overwhelming part of the social protection applicable to old age<sup>1</sup>. Alongside with a social insurance approach to the pension system, social protection in Portugal shows some traits of universalism in the field of health care. In that sense, health care for the elderly is as accessible as for any other citizen, comprising some features of social assistance in terms of means-tested mechanisms of participation in health related expenses. As for the social services part, the Portuguese social protection is generally recognised as underdeveloped, or more than that as undervaluing that domain.

The next paragraphs address the main features of the three dimensions of social protection applicable to old age in Portugal.

### **1.1. Income support**

Table 3.1 lists the social protection mechanisms that are legally defined in the Portuguese system to address the issue of income support in old age.

The information contained in table 3.1 up to year 2004, means it is more recent than the data used in the empirical analysis (covering the period from 1998 to 2000 in the analysis of family dynamics and 1992 to 1998-9 in the analysis of values). It should therefore be explained that: first, there were no significant changes in the mechanisms applicable to old age in the last 10 years, and most of all between 1998 and 2004; second, I want to offer the reader the possibility of using this document, and this table in particular, as a

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<sup>1</sup> The share of old age pensions in the total public social expenditure was 45.8% in 2001 (Source: Eurostat, available online at [www.eu.int](http://www.eu.int) )

piece of work that summarises the contemporary policy framework and that, as such, can be used by other researchers as a source of up-to-date information.

It is possible to identify two main branches in terms of income support. On one hand, we find mechanisms that are part of the typical social insurance scheme. On the other hand, we have a social assistance scheme, often referred to in Portugal as the non-contributory scheme, following the logics of a means-testing approach.

The coexistence of these two forms of income support is very much linked to the historical path of development of social security in Portugal. Adding to what was already discussed in chapter 2 about the evolution of social policies in Portugal, the social assistance branch, in particular the old-age social pension, more than a “contributing to sufficient resources” approach was initially designed to provide some framework to all those that had spent a significant part of their working lives in the previous political regime and that, for a series of reasons, had never been covered by any social protection system. Among these people, a significant share was made of rural workers for whom a special non-contributory regime was actually created. Having said that, it is easy to predict that as the system matures the relative importance of this non-contributory scheme will decrease, which is already visible if one looks at the share of new claims by scheme. In 1990, the social assistance branch still represented around 18.7% of all new claims. In 2001 that number had decreased to 8.4% (source: *Centro Nacional de Pensões* (CNP)).

Table 3.1. Social protection mechanisms applicable to old age in the Portuguese social security system (as legally defined in 2004)

Benefit	Basic principles	Conditions for entitlement	Persons entitled	Content of benefit	Taxation on benefit
Old-age pension	Compulsory social insurance scheme for the active population, with benefits related to registered earnings and duration of affiliation	Minimum of 15 years paid or credited contributions. Full pension on 40 years paid contributions. Retirement age for both men and women: 65. Early retirement possible in certain conditions. Retirement at 65 not compulsory.	All salaried workers and self-employed people paying contributions.	Minimum pension of 30% of average monthly earnings. € 208.12 per month minimum pension for those with up to 15 years paid contributions. Minimum pension of 65% to 100% of national minimum wage for those with 15 to 40 years or more of paid contributions.	Specific taxation system for old-age pensions. Taxation only applied for an annual income starting at € 8,121.
Survivors' pension	Compulsory social insurance scheme for the active population, with benefits depending on the pension of the deceased person	Contributions paid or credited for 36 months.	Surviving spouse, aged at least 35, and divorced spouse who is entitled to alimony. Children till the age of 18 (25 or 27 in case of higher education). Parents dependant on the deceased if there is no spouse or children.	Surviving spouse: 60% of the retirement or invalidity pension received by the insured person or to which he would be entitled at time of death. Children: 20% to 40% according to the number of children. Parents: 30% to 80% according to the number of ascendants.	Specific taxation system for survivors' pensions. Taxation only applied for an annual income starting at € 8,121.
Old-age social pension	Subjective right. Contribution towards sufficient resources. Means-tested.	65 or more years of age. Not entitled to a pension from the contributory system. Income not exceeding 30% (single person) or 50% (couple) of the national minimum wage.	As defined in conditions for entitlement.	€151.84 per month.	No taxation.

Benefit	Basic principles	Conditions for entitlement	Persons entitled	Content of benefit	Taxation on benefit
Extraordinary solidarity supplement	Additional cash benefit paid to those benefiting from the old-age social pension	Being beneficiary of the old-age social pension.		70 or less years of age: €14.46 More than 70 years of age: €28.91	
Widow(er)'s pension	Subjective right. Contribution towards sufficient resources. Means-tested.	65 or more years of age. Widow or widower. Not entitled to a pension from the contributory system. Income not exceeding 30% of the national minimum wage.	Widows or widowers not entitled to any pension under the contributory scheme and without sufficient means.	60% of social pension.	No taxation.
Long-term care assistance	Social insurance: public compulsory insurance scheme; contributory cash benefits.  Guaranteeing sufficient resources: non-contributory cash benefits.	No age limit. No qualifying period. Degree of dependency assessed by social workers.	Persons needing the assistance by a third party to perform the activities of daily life.	Social insurance scheme: €75.92 (1 <sup>st</sup> degree dependency) €136.66 (2 <sup>nd</sup> degree dependency)  Guaranteeing sufficient resources scheme: €68.33 (1 <sup>st</sup> degree dependency) €129.06 (2 <sup>nd</sup> degree dependency)	No taxation.

Sources: MISSOC. Mutual Information System on Social Protection in the EU Member States and the EEA. European Commission. 2002; Ministry of Solidarity. Direcção Geral de Acção Social

In addition to these purely income related social protection mechanisms, the Portuguese system includes one cash benefit that could be considered more related to care provision.

One should be careful though not to be misled by the designation of the benefit. Portuguese institutions usually designate the “long-term care assistance” as a complement for dependency (*Complemento por Dependência*). This benefit is attributed according to the general social protection scheme that applies to the beneficiary: social insurance or social assistance. In both cases, the amount paid is fixed according to the degree of dependency (1<sup>st</sup> or 2<sup>nd</sup> degree dependency), although it is higher for those covered by the social insurance scheme. One should highlight the fact that, within the Portuguese system, dependency in old age is not determined or measured according to any index like the widely used Katz index (Martin, Meltzer et al., 1988; Humphries, 2000). In Portugal, dependency is assessed according to criteria defined by the social protection authorities and is very much dependent on the assessment carried out by social workers, often based on declarations signed by the doctors assisting the elderly. This is one of the reasons why the Portuguese system is often characterised as a very discretionary system with a marked particularistic-clientelistic profile (Kurth and Petras, 1993; Ferrera, 1996(b)).

This overview of the cash benefits available, however, would be incomplete if I would not consider the real values of the benefits. Table 3.2 summarises the amounts paid in old-age pensions and other old age related cash benefits, as defined in 2004<sup>2</sup>.

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<sup>2</sup> Those unfamiliar with the Portuguese reality may need to relate the figures displayed in table 3.2 to the national minimum wage or the average monthly earnings. In Portugal, in 2004, the national minimum wage was set at € 365.60 (source: MSST, 2004). One other figure comes from INE, the national office for statistics, according to which in Portugal, in October 2000, the average monthly earnings of employees were € 421.90 (source: INE, available on-line at [www.ine.pt](http://www.ine.pt)).

Table 3.2. Old-age pensions and other cash benefits, in 2004

<b>Contributory social insurance scheme</b>	<b>Values in euros (monthly pensions)</b>
Number of years of contribution	(Minimums in the contributory scheme)
Less than 15	208,00
15 and 16	217,65
17 and 18	222,48
19 and 20	227,31
21 and 22	238,43
23 and 24	243,25
25 and 26	248,08
27 and 28	252,90
29 and 30	257,72
31	279,33
32	284,16
33	288,99
34	293,81
35	298,63
36	303,46
37	308,28
38	313,12
39	317,94
40 or more	325,31
<b>Special scheme for agriculture workers</b>	186,16
<b>Non-contributory scheme and equivalents</b>	151,84
<b>Extraordinary solidarity complement (added to the Social Pension of the non-contributory scheme)</b>	
Pensioners aged less than 70 years	14,46
Pensioners aged 70 or more years	28,91
<b>Long term care assistance</b>	
Contributory scheme, 1 <sup>st</sup> degree dependency	75,92
Contributory scheme, 2 <sup>nd</sup> degree dependency	136,66
Other schemes, 1 <sup>st</sup> degree dependency	68,33
Other schemes, 2 <sup>nd</sup> degree dependency	129,06
<b>Complement for dependant spouse</b>	31,45

Source: DGSSS, 2004

One of the main features of Portuguese social protection is the very low level of the benefits paid. This does not necessarily contradict the often mentioned “generosity” of the South European welfare systems (Ferrera and Rhodes, 2000), but appears as the reflex of some structural elements of the Portuguese economy and labour market. In fact, similar to its South European counterparts, Portugal shows a relatively high replacement rate in its old-age pensions, higher than most of the other European

countries<sup>3</sup>. Despite that, Portugal has always based the competitiveness of its economy on a cheap (most of the times not qualified) labour force, paying very low wages. This means that even in a scenario of high replacement rates, the average old-age pension will be very low given the reference income taken for the calculations.

If we focus on the levels of benefits paid under the non-contributory social assistance scheme, we will see that the amounts paid are even lower. On this issue, I consider it particularly interesting to highlight the strategy chosen by the Portuguese state to address the low amounts paid under the non-contributory scheme. The “extraordinary solidarity complement” was introduced precisely to address that problem, instead of a general rise in the amount paid under the social pension. What makes this so interesting is the fact that it does not create any right. In other words, considering this as an extraordinary complement, the state guarantees the flexibility to keep it or not according to the needs in each moment in time, at the same time that keeps the reference value of the social pension at an extremely low level guaranteeing yearly rises equally low. If we consider that the Portuguese system is still undergoing a process of maturation, in the future it is expected that these non-contributory benefits will lose some of their importance in terms of the number of elderly covered. However, and considering that in 2000 the total number of pensioners covered by this scheme was still 5.5%<sup>4</sup>, it is impossible to ignore the implications of what is displayed in table 3.2 in terms of the well being of the Portuguese elderly population. If we add to that figure the pensioners covered by the special scheme for rural workers the proportion rises to 22.8%.

All these figures help us to understand the very high and much generalised levels of poverty among the elderly in Portugal, as well as the distributional problems of income among this group of the population. Table 3.3 displays some data on the number of pensioners of different schemes by pension levels and further enforces more my claim that the Portuguese elderly are in a very difficult financial situation to deal with their normal needs, even more so with special needs emerging from old-age related problems.

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<sup>3</sup> The replacement rate in Portugal was 79.8% in 2004, compared to 54.1% in Denmark, 68.8% in France, 68.2% in Sweden and 47.6% in the UK. Yet, the other South European countries to which usually one finds attributed the inordinately generous bias towards old-age pension, the replacement rates were much higher than in Portugal, with 88.3% in Spain, 88.8% in Italy and 99.9% in Greece. These figures are for the replacement rates of old-age pension in relation to pre-retirement net earnings and considering the average earnings in the country. (Source: OECD, *Pensions at a Glance: 2005 Indicators*, available online at [www.oecd.org](http://www.oecd.org))

<sup>4</sup> Source: *Centro Nacional de Pensões* (National Centre for Pensions), data for December 2000

Table 3.3. Number of pensioners, by pension levels, in 2000

Pension levels	General schemes				Social protection scheme for employees and agents of Public Administration			
	Disability pensioners		Old age pensioners		Pension levels	Pensioners		
	N	%	N	%		N	%	
P $\leq$ 102	13 010	4.42	20 918	1.77	-	-	-	-
102 < P $\leq$ 140	24 144	8.20	63 570	5.39	-	-	-	-
140 < P $\leq$ 150	6 091	2.07	16 030	1.36	-	-	-	-
150 < P $\leq$ 200	106 769	36.27	431 672	36.57	-	-	-	-
200 < P $\leq$ 249	82 104	27.89	283 115	23.99	P $\leq$ 249	51 403	16.25	
249 < P $\leq$ 299	25 487	8.66	145 264	12.31	249 < P $\leq$ 499	47 664	15.07	
299 < P $\leq$ 349	5 921	2.01	43 408	3.68	499 < P $\leq$ 748	64 130	20.28	
349 < P $\leq$ 399	6 992	2.38	41 554	3.52	748 < P $\leq$ 998	39 920	12.62	
399 < P $\leq$ 449	7 143	2.43	39 113	3.31	998 < P $\leq$ 1496	53 723	16.99	
449 < P $\leq$ 999	13 620	4.63	72 390	6.13	1496 < P $\leq$ 1995	32 388	10.24	
999 < P $\leq$ 1500	2 100	0.71	15 364	1.30	1995 < P $\leq$ 2494	17 571	5.56	
P > 1500	957	0.33	7 970	0.68	2494 < P $\leq$ 2993	5 456	1.73	
-	-	-	-	-	2993 < P $\leq$ 3990	2 660	0.84	
-	-	-	-	-	P > 3990	1 363	0.43	
Total	294 338	100.00	118 0368	100.00		316 278	100.00	

Source: INE, Statistics on Social Protection, 2001 (available online at [www.ine.pt](http://www.ine.pt))

Notes: Under the general schemes the table aggregates those of the contributory scheme, the non-contributory scheme and the special scheme for agriculture workers. Under the scheme for public servants, the table merges disability and old-age pensions (data not available for a disaggregated analysis).

From those covered by the general schemes, I would highlight that around 45% were benefiting in 2001 from monthly old-age pensions equal or lower than €200. This figure increases to almost 70% if we take as reference a pension equal or lower than €249. Alongside the generalised low pension levels, the table also displays evidence of what many consider a fragmented system with marked inner inequalities (Ferrera, 1996(b)). The split between general schemes and the scheme for public servants is just one example of that. If one compares the pension levels paid under each scheme, it becomes apparent the distributional inequalities between the two groups of pensioners, with public servants benefiting from a better off situation. Table 3.3 shows that around 70% of old age pensioners in the general schemes receive a monthly pension equal or lower than €249, while among public servants that figure is less than 17%.

Portugal has been showing systematically the highest rate of poverty in the EU not only in the total population but also, and particularly, among the older population. The table

above clarifies the reasons for that. According to estimates from Eurostat, in 1998 the rate of people at risk of poverty (defined as 60% of median equivalised income) among the Portuguese elderly was 34%, the third highest in the EU15. This is only surpassed by Greece with 36% and the UK with 40%. For that same year, the EU15 at risk of poverty rate was 20%.<sup>5</sup>

## 1.2. Health care

Within the National Health Service (*SNS – Serviço Nacional de Saúde*) the old-age pensioner, like any other resident, has access to health care as a universal right. There are local health centres, regional and central hospitals where the elderly can go similar to all other people. There are no special health units for the elderly or as a matter of fact specialised geriatric services.

Pensioners below a certain threshold are exempt from paying the user fee that was introduced in the health care system after the 1993 reform (until that date health care had remained completely free at the point of use). That threshold is defined by the national minimum wage, which means that a large number of pensioners benefit from this exemption (go back to table 3.3). As for medication, and according to some comparative studies, the co-payment system in Portugal puts a significant burden on pensioners. It is estimated that the amount of money paid by the elderly for medication is around 50% (Pereira, 2000). In Portugal, medicines are classified according to four groups of state co-payment rates (A=100%; B=70%; C=40%; D=20%). For categories B, C and D, and for those elderly pensioners below the threshold mentioned before, the co-payment rate of the state increases 15%. Given the very low levels of pensions the Portuguese elderly are paid this certainly adds up to the argument of incident poverty among that population.

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<sup>5</sup> Source: European Commission. The social situation in the European Union. 2003. [www.europa.eu.int](http://www.europa.eu.int) (last consultation on the 25<sup>th</sup> January 2004)

### 1.3. Benefits in kind: services

Table 3.4 displays the list of services that are in theory available within the Portuguese social protection system. The reason why I say in theory becomes clearer in the next section when I address the real availability and coverage of the network of services and the issue of affordability of the services provided. In any case, it is worth having a look at the list of services available, taking as an assumption that the more varied a care system is the more it recognises the need for differentiation in service provision and the emergence of new needs. Looking at the list of services displayed in the table there is nothing in particular that distinguishes the Portuguese care system from the majority of the systems in place in other European countries. In theory, all these services are 100% available.

Table 3.4. Benefits in kind/support services to older people in the Portuguese social protection system

Service/Benefit	Description
Social counselling	Information, referral and support to individuals and their families in their specific needs.
Home help	Delivery of personal care in the elder person's house to elderly that are not autonomous in their daily activities
Foster care	Temporary or permanent integration of elderly people in foster families, in situations of absence of own family support or insufficient responses from the formal services system.
Get together centre	Establishment that provides support services for leisure and cultural activities organized by older persons in the community.
Day care centre	Centre where different kinds of services are provided to older persons, allowing them to stay in their homes as long as possible. Services provided may include meals, socialization, occupational therapy, personal hygiene, laundry and organized holidays.
Holiday camp	This service is intended for all age groups or for the entire population.
Home	Temporary or permanent accommodation for older persons at major risk of losing their independence and/or autonomy.
Social canteen	Supplies meals to individuals in socio-economic need.
Residential care	Group of flats with common use services for older people with autonomy and who can take care of their own flat.

Source: Source: DEPP/MTS, 2002 (Ministério da Segurança Social e do Trabalho and DEEP, 2002)

In 1996, a special program of action was created to answer what were starting to be recognised as the growing needs of provision of support services to older persons. This program became known as PAII (*Programa de Apoio Integrado a Idosos* – Program for an Integrated Support to the Elderly). It is a broad program that encompasses several types of service provision to elderly people in need of some form of care:

- **Home help.**
- **Centre for care of dependants:** these are small units, intimately linked to home help services, which can provide temporary residential care to elderly people with special needs, but creating the conditions for their return to their families.
- **Human resources centres:** these aim at preparing a broad range of actors, from families and neighbours to professionals, to provide appropriate care for elderly people in need.
- **Service of telealarm:** this is a complementary service that makes use of communications technologies; through their telephones, the elderly in their own houses benefit from a mechanism that can connect them rapidly to their social support network by the simple pushing of an emergency button; this network includes different entities and services, from fire stations to police stations, including different not-for-profit organisations among others; the subsidized part of this service is means-tested.
- **Senior health and spa treatment (senior tourism):** in association with a major national tourism association, it aims at allowing the elderly with the lowest resources to access thermal water treatments, at the same time as it addresses the social isolation affecting many of these elderly.
- **Old age bus passes:** allows for the use of buses at all times, with restricted fares, in Lisbon and Porto.

The particular feature of this program is that it is funded by the revenues of legal gambling, namely 25% of the net profit of the game JOKER, a game played weekly attached to the Lotto draw. Legal gambling is managed by *Santa Casa da Misericórdia de Lisboa* (SCML), which is the biggest not-for-profit organisation in Portugal in the field of social care.

The Ministry of Health and the Ministry of Social Security promote the program jointly, but the implementation of services is to be delegated in several different types of agents:

- Services and institutions directly dependent on one of the two ministries;
- Private not-for-profit institutions intervening in health and social care issues;
- Other NGOs.

The specificity of the funding source of this program is self-revealing. It means that there is no recognition of social rights and no perceived risk to insure and to be born by all the community. On the other hand, the fact that the provision of services under this program can be assured both by non-profits and by public services represents what I consider a very ingenious mechanism to increase the funding of public services, without any effect in terms of taxation or social insurance. Some research has been done on this topic and in several different domains of social assistance, ranging from the more traditional ones like childcare (Hespanha, 1993) to the more recent such as AIDS patients care (Lopes, 2000). The conclusions systematically point in the same direction: in Portugal, social assistance tends to remain outside the realm of social rights and the not-for-profit sector tends to work as a para-governmental sector that responds to a minimum level of demand without enlarging the state bureaucracy.

Regulations on the provision of social care services are entirely defined by the state, irrespective of who is providing for those services. In the case of the private for-profit network, all organisations should be, in theory, licensed to provide the services they do and should be regularly checked by officials from the Social Security Ministry. This is legally defined, but the cases of illegal organisations providing services and of very low standards of provision are common news in the Portuguese media. There are no studies available to give us an estimate of the number of cases in these conditions, but they are certainly not rare.

Most of the provision of services though is carried out by the non-profit sector. To carry out their activities on issues related to social security, IPSS's can establish cooperation agreements (*Acordos de Cooperação*) with the regional centres of solidarity and social security (decentralised bodies of the Ministry of Solidarity and Social Security), through which they provide services to the population. They can also establish management agreements (*Acordos de Gestão*) with the same public bodies in order to take control of the daily management of equipment and facilities that are the property of the state. The agreements between these institutions and the public bodies take the form of direct payments for the provision of services (usually a fixed amount per user) but also the form of technical support and other financial help to invest in the creation of new equipments and facilities or in the modernisation of existing ones.

The next section of this chapter will address in detail the reality of social care services provision for older persons in Portugal. Some of the issues briefly mentioned till now will be discussed more thoroughly.

## **2. Provision of social care services in the Portuguese social protection system**

Research on the provision of social care services has been marked by some difficulties that have not yet been overcome. This is particularly the case when the aim of the research is to produce some type of assessment of the degree of coverage of the services provided.

The major difficulty that researchers experience when analysing social care provision is the lack of reliable data on which to base serious analysis of services availability and coverage. If this problem exists for the majority of the European countries, it is even more so for Portugal.

One other limitation of the analysis of service provision is the fact that we work with existing levels of service supply. This means that we do not get any information about unmet needs, since services supplied reflect only the needs that are being recognised and met at a given moment in time. There are not available any actuarial studies on the risk of dependency and on the needs of the elderly population in Europe, so there is no reliable way to overcome this type of limitation of the data.

Recently, some attempts have been put forward to estimate the risk of dependency among the elderly European population. One such attempt is a study funded by the European Commission on social protection for dependency in old age (Pacolet, Bouteren et al., 2000). In this study the authors use the definition of dependency according to the Katz index (Pacolet, Bouteren et al., 2000), therefore distinguishing between dependency on personal activities of daily living (PADL: bathing, dressing, toileting, transfer, continence and feeding) and dependency on instrumental activities of daily living (IADL: shopping, cleaning, transportation and cooking). To estimate the risk of dependency in old-age, the authors use information about the number of older persons, their life expectancy and degrees of disability (Pacolet, Bouteren et al., 2000). According to generalisations of data to a macro-level, it is concluded in that study that the old-age risk of dependency is currently linked with more or less 15% of the European population,

more or less 20% of whom will be dependent on PADL and IADL after the age of 65. According to the same estimates, approximately 5% of the 65 and older are expected to be severely dependent on PADL (Pacolet, Bouten et al., 2000).

Although this type of estimation may be criticised because of the assumptions on which it is based and of the baseline scenarios on which it draws, it does work as a good alternative to define some kind of reference or benchmark given the lack of reliable actuarial studies.

One other option is to rely on cross-country comparisons, taking as an assumption that what other systems provide is what is needed among the population of elderly people. If one considers that there is a relatively high degree of similarity between European countries in terms of the health status of their elderly populations, one can consider that needs determined by health related hampering conditions are similar. They can be met using different mechanisms, but within this argumentation we would take the country with the highest level of provision as the reference to assess the degree of availability and coverage of the other countries. Obviously we are all aware that the level of need for elderly care mechanisms is determined by a very complex set of factors and in fact shows considerable cross-national variations (Giarchi, 1996). These are just oversimplified arguments on how one can try to assess that need and, particularly, on how one can produce some judgements about the existing provision in a specific country.

Looking at table 3.5 we can draw a picture for Portugal based on this comparative approach.

Table 3.5. Proportion of individuals 65 and over using different types of formal care in EU15 countries

Country	% of older people in institutional care	% of older people using home care services
Austria	4.7	3
Belgium	4	6
Denmark	5.7	17
Finland	7.2	24
France	3	7
Germany	5	3
Greece	0.5	-
Ireland	5	3
Italy	2	1.3
Netherlands	10	8
Norway	7.1	14
Portugal	5	1.5
Spain	2.8	1
Sweden	5.4	13
United Kingdom	5.1	13

Source: European Commission, 1998 in (Pinelli, Hoffman-Nowotny et al., 2001)

From the table there are two elements that are quite illustrative of the overall situation of care for the elderly in Portugal.

Firstly, and looking solely at the column on institutional care, the figures presented seem to remove Portugal from the Mediterranean family of countries to which one usually finds attached a widespread belief in something like a Mediterranean culture favouring care by the family and a low public spending on elderly care facilities. In fact, the percentage of older people in institutional care in Portugal is quite similar to the numbers found in countries such as Germany, the UK, Sweden or Denmark.

At the same time, Portugal shows a very low percentage of older people using home care services, the often called new generation of services (OECD, 1996). On that figure, Portugal shows a trend similar to what one can observe in the rest of the Mediterranean family.

This is a good example of the challenges often involved in cross-national comparative analysis, especially when the interest is on defining typologies. One cannot clearly define the Portuguese case in a comparative perspective given that it shows opposite traits depending on the dimension of analysis one decides to focus on.

These figures, however, are illustrative of the type of development Portugal has followed in terms of the formal network of care services to older persons. Until very recently,

there was a clear privilege of institutional care, determined by different factors such as imperatives of resources allocation but also by a certain philosophy of care. It should suffice to look at the size of the institutions normally found in Portugal and at the type of facilities they provide (e.g. the number of people per room is usually between four and eight). I will get back to this issue some paragraphs ahead and discuss more thoroughly the importance of identifying the philosophy of care behind the investments promoted and the system developed.

Alongside with this privilege of institutional care, the Portuguese system has clearly undervalued the development of services designed to help the elderly (and their families) to stay at home, thus the very low proportion of people using home care services.

Focusing on the Portuguese reality *per se*, table 3.6 offers a relatively clear idea about the real availability and coverage of some social services for older persons in the formal network.

Table 3.6. Number of old people's homes and residential care units in the solidarity network and in the private for-profit sector, in 2000 – capacity, usage rate<sup>a</sup> and coverage<sup>b</sup>

Regions	Solidarity network				Private for-profit sector				Total usage rate	Coverage rate ≥65	Coverage rate ≥75
	N services	N capacity	N users	Usage rate	N services	N capacity	N users	Usage rate			
North	262	11497	10777	93.7	51	693	620	89.5	93.5	4.0	6.8
Centre	305	13659	14115	103.3	78	1795	1651	92.0	102.0	4.9	11.6
Lisbon & T.V.	255	11955	11782	98.6	342	7103	6648	93.6	96.7	3.6	9.4
Alentejo	122	6152	5990	97.4	12	218	212	97.2	97.4	5.8	13.7
Algarve	43	2295	2279	99.3	8	388	313	80.7	96.6	4.0	9.6
Portugal mainland	977	45558	44973	98.7	491	10197	9444	92.6	97.5	4.2	9.4

Notes: <sup>a</sup> usage rate is the ratio between capacity and users

<sup>b</sup> coverage rate is the ratio between capacity and total number of individuals in the specified age group in the region

Source: DEPP/MTS, 2002 (Ministério da Segurança Social e do Trabalho and DEEP, 2002)

Under the designation of solidarity network, we have the equipment managed by public institutions and by non-profits. It is quite hegemonic the provision of services by this sector (around 81.7% of the total equipments identified). The usage rates in all regions are very high which should be taken as an indicator of shortage of supply. Although there are no studies available, it is a widely recognised problem, both by the general public and by the politicians, the problem of waiting lists of elderly for this type of institutions. According to an audit recently carried out in this sector, the length of the

waiting lists to find a place in old peoples' homes is very long, with an estimated 60 000 individuals enrolled<sup>6</sup>.

Looking at the coverage rates, and focusing on the national value, one should note that the coverage rate is not that low. If we take the estimates of dependency risk mentioned before in this section, one could almost say that the installed facilities are more or less sufficient to answer the needs of a 5% risk of severe dependency in persons aged 65 and older. This is a very crude analysis and would require a different type of research than the one I am presenting in this thesis. However, there are reasons to say that this could never be the case, especially because the facilities providing institutional care in Portugal are not designed to be long-term care facilities. The general public often calls them '*asylums*', which reflects to a large extent the type of care provided, more oriented to housing than to caring. Although they include facilities for severely dependent people, the majority of the users are elderly with a relatively high degree of autonomy and often in institutional care because of economic reasons or lack of social networks, and not necessarily because of dependency.

Some of the results of the audit mentioned before point to a general lack of appropriate facilities in the majority of the homes, ranging from a lack of any system of fire detection (in more than half) to all sorts of architectonic barriers that prevent the mobility of the elderly in the majority of these establishments. This study, even if relatively limited in some dimensions (namely because it leaves out all the facilities that are operational without being legalised), gives us an idea of the real panorama of the provision of services for the elderly and particularly of the gap one often will find between what is formally defined as available and what is in fact operating in the field.

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<sup>6</sup> The audit mentioned in the text was an audit carried out to all old peoples' homes by a team of researchers working for the Institute for Social Development (IDS – *Instituto para o Desenvolvimento Social*). This institute was closed in the beginning of 2003, after the change of government to a centre-right coalition force. It carried out this audit during 2001 in sequence of a plan that had been approved in 2000 by the previous government. That plan was known as Plan Grandfather (*Plano Avô*) and was designed to provide funding for studies that would assess what had been and was being done in the domain of care for the elderly. The results of the studies should then be used to organise for ways to improve the quality of the services provided. This plan was later suspended, after the audit to the old peoples' homes was finished, and it took more than one year after the research was terminated to have the results publicly discussed (available on-line at [www.mtss.gov.pt](http://www.mtss.gov.pt)).

Table 3.7. Evolution of social care services for the elderly (number of services opened each year out of the total services available in 2000)

Services	Until 1974	1975 to 1994	1995	1996	1997	1998	2000	Total in 2000
Get-together centre	20	283	21	21	24	27	42	438
Day centre	25	929	104	81	91	89	201	1520
Old people's home	192	670	57	61	82	81	226	1369
Residential care	7	55	1	2	2	6	12	85
Home help	15	256	133	110	134	108	293	1049
Total in Portugal mainland	259	2193	316	275	333	311	774	4461

Source: DEPP/MTS, 2002 (Ministério da Segurança Social e do Trabalho and DEEP, 2002)

Focusing now on the evolution of social care services (table 3.7) and adding up to what was stated before about table 3.6, we get an even clearer picture of the philosophy of care that has been followed in Portugal in terms of development of social care services for the elderly.

Until the democratic revolution (1974), there was a clear institutionalisation of care, responding largely to the principles of social protection defined under the dictatorship regime. Institutional care was the chosen way to deal with poverty and abandonment and did not necessarily involve real care services. This is why still today many people label old peoples' homes as asylums.

After the 1974 revolution and the setting up of a national social security system, and until the mid 1990's, the priority was still given to institutional care. The public and political visibility of old-age related needs and of the challenges brought by an ageing population were not issues in the agenda. Institutional care was still responding to situations of poverty and abandonment and, for that reason, it was considered as the most efficient social policy instrument. It is in this period that we see the beginning of a move towards community care with a considerable expansion of solutions such as day centres and get-together centres. One must say though that these facilities in those early years of development were still very limited in the type of services provided and were mostly organised by local parishes. The objective was to keep the elderly occupied during the day, in a time when it was becoming clear that the problem of loneliness and isolation was starting to be a reality in a society that until then had been used to consider itself a society of dense informal networks of kinship and neighbourhood where people were never left alone.

From the mid-1990's onwards, it is possible to recognise a shift in terms of philosophy of care with the acknowledgement of the need to diversify responses and to start addressing issues of quality in the provision of services. It is from this moment onwards that we see a boom in the development of home help services. This has corresponded to some efforts towards the upgrading of minimum social services to families, similar to what was experienced in other Southern European countries (Ferrera and Rhodes, 2000).

The system remains very much oriented towards institutional care and towards the less comprehensive forms of community care (day centre and get-together centre), and the shift towards community care was not a question of moving from institutional care to community care but rather a topping-up of residential care with home help care.

This thesis is not on the formal provision of services for older persons therefore it does not aim at giving anything more than a general overview of the formal network of those services within the Portuguese social protection system. The data available and the admittedly superficial analysis developed in this chapter do not allow the capturing of certain realities that are quite crucial to understand the availability and coverage of services. Issues such as the waiting lists in institutional care or the indicators of poor standards of care are left out due to lack of reliable data. Yet, and despite the limitations of my analysis, it is possible to draw some general conclusions about the logics of the system itself and to discuss its most problematic aspects. That is done in the following section.

### **3. Familialism in the formal social protection to old age in Portugal**

At this point it is clear that the Portuguese social protection to old-age composes a picture of a familialist policy framework. At a system level of analysis, it is a system clearly biased towards income replacement and with a marked lack of social care services. This puts the Portuguese case among the family of welfare states that have developed according to the logics of a male breadwinner model, with all the implications that this model has both for the individuals and for households and families.

Adding to that, the Portuguese case is characterised by a very low level of pensions and a very minimal degree of cash assistance in poverty in old-age. The unit of reference in

terms of policy design for old-age is still the household and the family, and not the individual. Despite the very low levels of pensions paid, the absence of mechanisms to clearly address the problem of poverty in old age can only be explained by a continuing trust that deficiencies of the system will be compensated by the household and by within household transfers. This is the clear reflex of considering the family and the household as the object of rights and not the individual. In fact, Portugal is one of the very few EU15 countries that embed in its legal framework the responsibility for the well being of ascendants in case of need and insufficient resources. By keeping this legal principle active, the state clearly declares the reproduction of the subsidiary logics in its functions. If one considers more broadly the logics of the system, attempting to capture its ideological dimension, familialism appears once more as a structural element. To sustain this argument, I would raise three points.

Firstly, we have to recognise the meaning of the absence of any debate on long-term care insurance. Across Europe, irrespective of the welfare state models one finds in place, the debate about how to finance increasing demands for long-term care in old-age is a reality. The discussion on long-term care insurance is the most prominent element in that debate and some mechanisms of that type have already been put in place in some countries (Pacolet and Wilderom, 1991; Karlsson, 2002). The reason why I consider significant the absence of any debate on long-term care insurance in Portugal occurs because it reflects the lack of official recognition about the need for long-term care as an issue of social rights and as a risk that needs to be born by the society as a whole. On the contrary, families are once again called to act as the welfare providers, reinforcing the familialist character of the system.

Secondly, the prominent, if not primordial, role of catholic-based not-for-profit organisations in the field of social care to the elderly has been influencing enormously the terms of the debate on how to address old-age related issues. The catholic ideology reinforces the principle of subsidiarity and as such acts as a powerful force shaping social policies. On top of that, it reproduces a rather assistencialist approach to care therefore contributing to keeping it outside the realm of social rights.

Finally, and at a more general level, it should suffice to analyse the recent ways of social security in Portugal. There has been a growing incorporation of the challenges of old-age in the political discourse, but still very much confined to the issue of pensions and of the

sustainability of the system. Care services remain very low in the political agenda and the political discourses remain permeated by the ideals of familism. Alongside the constant reference to the importance of the role of families as care providers to old people, it is not possible to identify any significant investment in policy tools that help families, and particularly women, to perform that role. Adding to this, if we look at the tax benefits related to engaging in care it is possible to realise how undervalued is the commitment with aiding families. For example, if a family takes in an elder ascendant it will benefit from a reduction in the taxable income equal to 55% of the national minimum wage, but only if that elder ascendant does not have an income higher than the minimum pension of the general contributory scheme. The means-tested approach could be considered reasonable if it wasn't for the very low levels of both salaries and pensions in Portugal, as I have already demonstrated. This means that in reality the tax benefit ends up not working for many elderly, albeit their low pensions and irrespective of the low income level of the household that takes him or her in. Another example is the tax benefit associated to institutionalisation. A household can present 25% of all expenses with old peoples' homes for tax return purposes but only if the institutionalised person has an income lower than the national minimum wage. Once again this is a means-tested approach that guarantees only a minimum assistance in cases of very extreme financial difficulties.

Having said the above, we can then draw a summary picture of the expected scenarios for the elderly in Portugal and for the Portuguese families.

First, it should not be a surprise to find a high risk of poverty and social exclusion among the Portuguese elderly given the generalised low level of old-age and survivors pensions as well as the meagre possibilities to accumulate wealth along life. Adding to this, there is, as shown before, an insufficient availability of services to support the life of the elderly in their own social environment. All these seem to point to an increased risk of having to resort either to institutionalisation or to help from the family in a situation of need (that does not necessarily involve dependency caused by health problems, but sometimes just financial need that impedes the elder person from keeping up with a minimum level of comfort).

In Portugal, and for a set of reasons that I am not going to expand on in this thesis, institutionalisation is still seen as the last resort. Old-peoples' homes still have associated

to them a very negative image, very well summarised in the term '*asylum*'. They are often associated with loneliness and abandonment by the family and are very much the place for those who have absolutely no means to provide for him or her or a family willing to take them and help them. This is not to say that things are in fact like this, but it is the widespread perception the elderly themselves have of these places. Families, on the other hand, still consider that having a relative in an old-peoples' home is something to be ashamed of, and still feel the social pressure to avoid it. The familialism of the social policy framework in Portugal has been counting on this as a major ally. The chapter on the analysis of the normative framework on old age (chapter 7) will clarify some of my statements.

But things change, society changes and the logical question to ask seems to be: Are families still able and willing to perform a strong role as welfare providers?

## Conclusion

Keeping in mind the historical framework that was introduced in the previous chapter, making us look at the issue of social protection to old-age within a broader policy context, and after analysing some of the issues put forward in the previous sections, it is difficult to argue against the fact that social security cash benefits and services available within the Portuguese social protection to old-age are very low and sometimes so inefficient as to generate extreme poverty. It is also difficult to argue against the fact that the drawn picture is probably condemned to not experiencing any significant increase, at least in the forthcoming years. The rhythm of economic growth that has been experienced in the country in recent years and the general argument of economic crisis, alongside a political project that clearly favours the retrenchment of the welfare state, have eliminated any signs of expansion of the public provision of welfare.

A high level of familialisation of welfare provision has marked social policies tackling old-age. Income support policies, although often generous in principle, have been characterised by very low levels of benefits paid. The network of services to the elderly is underdeveloped, shows territorial asymmetries and provides assistance outside the realm of social rights, embedded in a philosophy of charitable help and above all under the principle of subsidiarity.

Given the generalised income related problems of the Portuguese households, market-based solutions do not seem feasible in the near future. Despite some attempts to promote private initiatives in the domain of provision of care to the elderly, the lion share of that is still being delivered by the non-profit sector, clearly under the wings of the state and following a logics of quasi-state expansion. For the public sector, this seems to be the most affordable way to address growing needs in the population without expanding the state apparatus and especially without consolidating social rights that have been kept more or less latent in the Portuguese policy framework. Other studies have been developed on the specificity of the relationship between state and non-profit sector in Portugal, and the conclusions seem to be almost always the same. There is a symbiotic relationship between a non-profit sector under the domain of the Catholic Church (that reproduces its tradition in the field of social assistance and that way keeps its influence in the Portuguese society) and the state (that avoids expansion by financing existing structures that keeps under its regulatory power).

I consider this to be the bulk of familialism in the Portuguese social protection system in general, and in the case of this thesis, in the domain of social responses to old-age. There is no mobilisation around the issue of caring after the elderly as a social right. The discourses remain highly assistencialist and the family is still considered by policy makers as the 'natural' and most desirable mechanism to address old-age related needs.

The following chapter introduces some questions that appeared almost as the logical sequence for the analysis of the policy framework in the Portuguese welfare state system and that became the research questions and hypotheses leading to the thesis.

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## **Chapter 4**

### **Methodology and Research Design**

#### **Introduction**

The broad empirical goal of this thesis, as already stated in the previous chapters, is to unravel the welfare arrangements of the Portuguese elderly. The pursuit of that goal is done within a theoretical framework that sees the welfare arrangements of the elderly in the confluence of three main dimensions: i) the institutional settings that account for the social model of welfare provision chosen in each specific country, and that define the social policy environment in which the population finds different possibilities to answer their needs; ii) the family solidarity dynamics that account for the structure of opportunity related to family resources that each individual may activate in pursuit of answers to his needs; and iii) the cultural and normative dimension that accounts for what individuals believe is best and most desirable to tackle their needs, as well as what they prefer and expect from different agents of welfare provision.

After setting the theoretical framework of the research in the first chapter, the last two chapters have dealt with identifying the main traits of the Portuguese welfare state, in general and of social protection mechanisms in old age, in particular.

It has been shown that the Portuguese welfare state has developed within a specific historical path of modernisation that helps understand not only some of its institutional traits but also its structural financial constraints. The specificity of the socio-economic model of development of this country in the 20<sup>th</sup> century is visible in indicators, such as: the slow decline in agricultural workers without any peaks in industrial employment; the rapid change from an agrarian society to a post-fordist society; severe territorial cleavages; and the patchy development of social policies subsidiary of family-kin based solidarity. Social protection provided in old age was seen as reflecting the main structuring principles of a system that puts the emphasis on family networks' solidarity. Similar to other state-corporatist countries, the Portuguese system is biased towards income replacement benefits. These, however, show such generalised low levels that are expected to generate high levels of poverty among the elderly. Typical of a system that relies on families as primary welfare

providers, the Portuguese social protection system is marked by the underdevelopment of social services to the elderly.

The literature review and the review of the policy framework suggested some propositions that the thesis should address:

1. The Portuguese social protection system counts on families to act as primary welfare providers.
2. The underdevelopment of the care system and the generalised low levels of old age pensions and old age related cash benefits suggest that the welfare of the elderly can hardly be met by formal provision by public instances.
3. The generally meagre old age related cash benefits do not make credible any significant expression of private, market-based, welfare arrangements.
4. The expansion of the non-profit sector in the field of assistance to the elderly has provided a minimum safety net to tackle the cases of near destitution and has followed the principle of subsidiarity in relation to family provision.

The compilation of data on the main socio-demographic trends and features of the Portuguese population in recent years further suggested the following propositions:

5. The Portuguese population has been undergoing profound changes in its socio-demographic structures for the last 40 years, following a process of clear convergence with the better-off European countries and, in that sense, moving away from the pre-modern traits that used to justify labelling Portugal as a “traditional” society. Among the indicators of socio-demographic modernisation we find: a high rate of participation of women in the labour market; growing plurality of family models; low fertility rates; a rise in education levels; urbanisation of life styles; and decreasing impact of the Catholic Church in individual behaviour.
6. The trends identified above suggest that the Portuguese society is undergoing a process of erosion of the traditional social fabric that used to be taken as the basis for the familialisation of welfare provision.

In face of these propositions, there was a fundamental paradox that needed investigation: in contemporary Portugal we seem to have a formal system of social protection for old age that shows all the traits of a familialist system in a society that seems to be moving away from the socio-demographic structures typical of familialism, or at least, that allow familialism to operate effectively. Following the

identification of this apparent paradox the broad research hypothesis of this thesis can be put as follows:

“Familialism, as a logics of welfare provision, is no longer resilient or performing effectively for the Portuguese elderly.”

This chapter discusses the research methodology developed to address the research hypothesis phrased above.

The first section of the chapter deals with the operationalisation of the research hypothesis and with the conceptual rationale leading to the breaking up of the general hypothesis into research questions.

In the second section, I discuss the research method, specifically identifying the research paradigm and the study design, as well as the methodological and analytical approaches developed in terms of empirical analysis. It is in this section that I discuss data sources and data handling procedures.

The third section of the chapter brings the two previous sections together by mapping the empirical analysis in a systematic way. It links the conceptual framework to the empirical material analysed in the study, consequently leading the reader to the later chapters of the thesis.

This chapter is further complemented by an appendix (Appendix 3) where the reader finds a compilation of different technical details that are useful for assessing the quality of the procedures of data handling developed along the thesis and that provide some elements to enable an independent assessment of the relative value of the empirical material used.

## **1. Conceptual rationale and research questions**

The starting point of this thesis was, to a large extent, the observation of the situation in Portugal: the observation of the current social policy framework and of the main socio-demographic trends. This two-fold observation has led to the identification of some paradoxes and triggered some perplexities, which in turn have led to formulating a broad research hypothesis:

“Familialism, as a logics of welfare provision, is no longer resilient or performing effectively for the Portuguese elderly.”

To address this research hypothesis, I was compelled to observe the realities of life of the Portuguese elderly and of their families, looking for patterns or trends that can

be used to develop an explanatory scheme that accounts for the current welfare arrangements of the elderly population.

The research design, however, was not developed into a set of explanatory propositions derived from the main research hypothesis. On the contrary, building on an overall understanding of how one should address the observation of the realities of the Portuguese elderly, how to enquire the data and what to look for, the research design opens the way to alternative explanations, which will be built as data are analysed, and that are initially phrased in the form of questions. The next two sub-sections dwell on how this was done.

### **1.1. Conceptual rationale of the research**

The general conceptual design for the object of this research ('the welfare arrangements of the Portuguese elderly') was introduced as a diagram in chapter 1.

Briefly summarising what the diagram tried to depict, there is an understanding of welfare arrangements in old age as the output of a complex set of factors and forces, originating in different spheres of the social space, often interacting and mutually influencing each other.

Familialism is the term used to describe a social protection system where families are assumed to be the primary locus for social aid. More than that, they are assumed not to fail in performing that role. Translated into welfare arrangements, familialism can be assessed in several dimensions: materialised in institutions and policies; operational at the level of family dynamics; and expressed as social norms and values. These are the three dimensions included in the conceptual design of the research as introduced in chapter 1.

As already discussed in previous chapters, and leading to the research design of this study, welfare arrangements in old age were first addressed with their relation to the institutional setting. The analysis of the Portuguese social policy framework and of the socio-economic and demographic processes of the Portuguese society in the last 40 years has suggested that familialism does not have the clarity often found to be assumed in some related literature (Janssens, 1997). In summary, it was said that the Portuguese case shows the traits of a familialist state, with a social policy apparatus built around the principle of subsidiarity and reflecting the belief in families and households as the primary locus for social aid. But simultaneously it was observed

that the socio-demographic structures of the Portuguese society are increasingly bringing it closer to the realities of the most modern societies, suggesting a clear path of convergence with the broader space of the EU, this despite the resilience of some indicators of pre-modernity. Among the processes identified, it is useful to remember the increasing plurality of family models and the decrease of the size of families; the increasing participation rate of women in the labour market, especially for those working full-time; the rise in the education levels; and the urbanisation of the territory and hence the urbanisation of life styles.

It was largely because of some apparent paradoxes in the institutional settings of contemporary Portugal that I have raised some questions, later becoming a broad research hypothesis. From what was discussed in the last two chapters it resulted clearly that there is a potential widening of the space between the policy framework and the trends of modernisation of the Portuguese socio-demographic structures. These fractures, within the institutional setting, were interpreted as representing a potential source of constraints for the elderly and as a sufficient reason to question the resilience of familialism in their lives. In other words, the reasoning here was: the potential erosion of the traditional social fabric in which the familialist Portuguese welfare state was based is not being compensated by any significant upgrading in the social policy framework. This means that it is plausible to think that the elderly, and their families, are being pushed into a vacuum that needs to be understood and explained.

This has prompted me to question if familialism is in fact still resilient and operative as a solution for welfare provision for the elderly.

The resilience and performance of familialism in the welfare arrangements of the elderly is assessed by looking at two other dimensions: family dynamics and normative universe(s).

### **1.1.1. Looking at family dynamics**

On one side, it was important to take a close look at family dynamics to understand how individuals and families tackle their needs. Familialism is considered a social model and not just a quality of the social policy framework. In that sense, it was found of interest to identify patterns/trends of resilience and of erosion of familialism on the side of family dynamics. It is in the assessment of the balance of

forces between the two opposite trends that one can understand the expression and the performance of familialism as a logics of welfare provision.

There are two conceptual elements to emphasise in the analysis of family dynamics: kinship solidarity and household solidarity. They are intertwined.

Portugal has been broadly described as a global system of welfare provision that shows most of the traits of the conservative-corporatist state. However, there is one feature that marks some difference between the Portuguese system and that welfare state model: family solidarity goes beyond the nuclear family and includes other kin, namely those defined on a vertical line. This means that in the Portuguese welfare system the emphasis is put not only on the male breadwinner model of family organisation, but also on the extension of that model to include other members, namely ascendants of the nuclear couple. Some researchers like Naldini have actually suggested that in South European countries the family model incorporated in social policies is the kin model and not the male breadwinner model (Guerrero and Naldini, 1997).

This kinship solidarity is considered in close relation with the household as the real social unit implicit in the social policies framework. This is particularly so when the population in consideration are the elderly. Exchanges of support can take place within the household and between households. In familialist systems, both are expected to have a considerable expression.

Family dynamics are taken once more as a complex, multi-sided concept. The research takes as a starting assumption for the analysis of family dynamics the complexity of relations and meanings related to the experience of families. This implies considering not only the actual expressions of living arrangements and the outcomes associated to each type of living arrangement, but also the inner logics of family dynamics.

Family support in old age is considered in two main domains: financial support (which includes accommodation) and caring. These are the two traditional types of family obligations considered in most of the research on welfare provision by the family in old age.

### **1.1.2. Looking at social norms and values**

Seen as complementary to the analysis of family dynamics, it was felt important to address the normative universe around welfare arrangements. It is considered that, in

the chain of events that lead to different welfare arrangements in old age, it is crucial to understand not only the opportunity structure related to family dynamics, but also the system of normative constructs that act simultaneously as rationalisations of behaviour and as prospective motivators of such behaviour.

When assessing resilience/change in familialism as a logic of welfare provision in old age it is important to look at what people consider ‘the right way to do things’, what people prefer and what people actually expect from others and from themselves. Familialism was said to count a great deal on the willingness of families to act as welfare providers. This willingness in turn was said to be anchored in a set of values and norms that make it socially expected that families do take on that role. The question to investigate is to what extent does this proposition remain valid in contemporary Portugal.

Normative prescriptions should be considered in different levels of analysis: as prescribed social desirability; as general individual preferences; and as anticipated behaviour. These different levels of analysis suggest different degrees of incorporation and strength of social norms: from broad guiding principles to effective incorporation into action. It is considered important to assess the resilience of familialism at the three levels.

## **1.2. Research hypothesis and research questions**

In line with the conceptual rational outlined above, the general research hypothesis was broken into subordinate questions, each phrased to address a specific aspect of that hypothesis. There are three research questions:

1. What are the living arrangements and living conditions of the Portuguese elderly compared to their European counterparts?
2. How and how much are Portuguese families engaging in welfare provision for the elderly?
3. What are the perceptions, expectations and preferences of the Portuguese in terms of welfare arrangements in old age?

The answers to these questions are sought in the analysis of family solidarity dynamics and in the analysis of the normative propositions that surround opinions and preferences about the delivery of welfare to the elderly, and is done in light of a

critical review of the main trends of socio-economic development of the country and of the broad system of social protection in the recent past.

The starting point was, as already mentioned several times in this chapter, the puzzling situation of familialisation of welfare provision on the side of the social policy framework in a country that shows clear indicators of erosion of the traditional socio-demographic assumptions of familialism. The research hypothesis put forward implied figuring out where this was leaving the elderly and how this was affecting their lives.

By the way it was phrased, the research hypothesis involves analysing two sides of familialism: resilience and performance. Although, one does not necessarily imply the other. The discussion put forward in the last two chapters suggested that the resilience of familialism in Portugal could be related to the fact that there is no alternative to it. However, it did not suggest that familialism is performing well as a logics of welfare provision in old age.

This general hypothesis needed testing from different angles of analysis. One angle involves measuring the incidence of indicators of familialism at the level of family dynamics and at the level of social norms and values. The other angle involves assessing the outputs of those indicators, namely the levels of welfare achieved and the effective translation of perceived norms and values into actions.

The general hypothesis outlined above was broken into a set of questions in a systematic manner, each in turn developed into even more specific queries, leading to the analysis of data.

**Research question 1:** What are the living arrangements and the living conditions of the Portuguese elderly compared to their European counterparts?

- Do the Portuguese elderly organise their lives activating comparatively more family resources than their European counterparts living in less familialised social policy systems?
- Is it possible to identify a higher incidence of extended households with multi-generations cohabitation among the Portuguese elderly; a lower incidence of elderly living alone; and more intense flows of support from the family network (namely from adult children) to the old person?

This set of questions is addressed in chapter 5 of the thesis.

Research question 2: How and how much are Portuguese families engaging in welfare provision for the elderly?

- Does the identification of traits of familialism in the way the Portuguese elderly organise their lives translate into the effective fulfilment of their needs by means of family dynamics?
- Is the activation of family resources in old age tackling exclusively the needs of the elderly? Or is familialism in old age reflecting a system of provision of welfare that is organised around the functionality of the household unit and the relative roles of different generations for that functionality?
- Is familialism a socially selective model of social organisation that reproduces itself in social milieus still marked by the resilience of socio-economic indicators of pre-modernity?

This set of questions is addressed in chapter 6 of the thesis.

Research question 3: What are the perceptions, expectations and preferences of the Portuguese in terms of welfare arrangements in old age?

- Can familialism, as the dominant model of welfare provision in Portugal, be identified in the resilience of social norms and values that prescribe it as the rule?
- Is it possible to identify a generalised adherence to family solidarity as the norm in all European countries? Or can it be identified a higher acceptance of filial obligations towards the elderly amongst the Portuguese?
- Does the resilience of familialism in the universe of values translate into the sphere of preferences and expectations of the Portuguese elderly for support and care from the family?
- Is it possible to identify indicators of change in values surrounding family solidarity, namely across generations and across the social spectrum?

This set of questions is addressed in chapter 7 of the thesis.

The first dimension of empirical analysis to build my argumentative scheme involves looking at the dynamics at the level of families, namely of families with elderly members. The expected scenarios have different contours.

If families are no longer the primary locus of welfare provision for the elderly, then the vacuum of an underdeveloped social protection system that hardly leaves the elderly outside poverty is leading them to growing problems of social exclusion.

If, on the other hand, families are still performing effectively as welfare providers in old age, then there may be indicators that the social sustainability of familism remains, despite the general processes of modernisation of the Portuguese society. In that scenario, it is important to identify how, why, at the expenses of who is this achieved? Another difficult question concerns - till when?

A third scenario can take us to the coexistence of resilience and change in family dynamics, which would impose the identification of the potential and limitations for families to function as primary welfare providers for the elderly.

Yet, family dynamics as a dimension of welfare arrangements in old age cannot be confined to a one-way view that takes the elderly as recipients of support from their families. My choice for the term welfare arrangements (rather than care or support in old age) should be self-explanatory. When analysing family dynamics, I consider the multiple roles of all individuals as members of a family, particularly the multiple roles of the elderly in the family system. One area of particular interest is precisely the exchanges of support where the elderly is the recipient in confrontation with exchanges where the elderly is the source. The argument implicit in this approach is that the elderly may have functions in the family economy that explain their welfare arrangements and that may be, at least partially, the reason for the resilience of some traits of familism in the modes of organisation and functioning of families in Portugal. Among those functions, and given the general characteristics of the Portuguese welfare state, two areas were defined as priorities for analysis: caring after children and provision of accommodation. The potential roles of the elderly as agents that compensate for the gaps of the formal system in these two domains may have a considerable explanatory power to understand welfare arrangements in old age. If proven so, this type of dynamics would suggest that welfare arrangements in old age may not emerge directly from needs of the elderly and on the contrary, be built on the functional role of the elderly in a family unit.

The second dimension of empirical analysis to investigate takes me to the universe of social norms and values. The interest in examining norms and attitudes in a familialist social policy model arises from the need to test the real strength and resilience of what is largely considered the core cement of those systems. Once more the outcomes of the analysis could be several.

On one hand, family solidarity may become insufficiently strong to provide the needed support for older people if the norms and expectations on which it is underpinned are relaxed. In that sense, identifying elements of resilience and change in attitudes and preferences should be of great interest to discuss the effectiveness of familialism as a logic of welfare provision.

On the other hand, maybe familialism is still the social norm compelling families to go beyond their material limits to perform their role as primary welfare providers. If that is the case, the analysis could lead to discussions on the ways welfare policy can make use of social norms to maximise the potential of a given community.

As stated before, the explanatory hypotheses of this thesis were built in the interaction with the observation of patterns in data. The arguments presented in this sub-section should therefore be seen as a starting point for those hypotheses and not a finished set of propositions to be tested by data.

## **2. Considerations on research method**

The exploratory imprint of the study and the stated goal of identifying patterns and trends that can help to understand, by means of description, the full range of welfare arrangements of the Portuguese elderly has led me to adopt a research method that can be clarified in three aspects:

1. Patterns and trends that articulate individual dynamics and collective dynamics need survey data to be analysed. Survey data are considered the appropriate method for data selection in studies that have simultaneously an exploratory/descriptive nature and a research goal of providing a holistic synthesis (Hantrais, Mangen et al., 1985).
2. The focus on the Portuguese case involves a great deal of case-study analysis. However, the argument for the distinctiveness or uniqueness of certain phenomena can only be built from a comparative perspective. In that sense, it was considered that the analysis of data should articulate the case-study

approach with comparative cross-country analysis (Hantrais, Mangen et al., 1985).

3. In studies that aim to contribute to policy discussion, and although we can always learn from the past, it is also important to work with up-to-date data. The efforts in terms of data selection were organised from the beginning under the assumption that the research should be based on data as recent as possible, within the available data for addressing the research questions.

The next sub-sections address the practicalities of the research method, namely the processes of selection and handling of data.

The thesis has used different data sources that could be organised in two main groups. The first group includes the data sources used for the founding observation on the basis of which the research hypothesis, and subsequent research questions, were raised. The analysis of the data used in this stage of the research has in fact preceded this chapter and for that reason it was organised in an appendix to which the chapters 2 and 3 have referred to (see appendix 2).

The second group includes the data sources used for the empirical part of the research on the basis of which an overall explanatory model was built. The data sources used in this stage of the research are: the European Community Household Panel, especially the database for 1998 but also, on occasions, the database for 1994; the Family Budget Survey, released by the Portuguese National Statistics Office (INE), in particular the database for 2000; and the Eurobarometer Survey Series, especially the databases for years 1992, 1995 and 1998.

After some exploratory work of what data sources were available, and keeping in mind that the purpose of identifying trends/patterns could only be achieved by means of survey data for a large number of cases, the researcher was confronted with some alternatives, each presenting comparative advantages and disadvantages. After careful assessment of each alternative, the researcher has decided for the use of more than one data source hoping that the use of different data would allow for data triangulation and, as a consequence, to the strengthening of the explanatory schemes that would be developed on the basis of the empirical analysis. The datasets selected comprise information that was found appropriate to address the research questions of this thesis. The ECHP is a survey that, on top of the cross-national comparison element, gathers information on topics of great relevance to this thesis, that have never been addressed by any other comparable survey including the Portuguese case.

Such is the case, for example, of information on engagement in caring for somebody. The FBS, on the other hand, is the only detailed data source, in Portugal, that gathers information on characteristics of households and on financial dynamics of households. The EB series, finally, is not the only cross-national survey with data on attitudes and values but it was the one found appropriate for the thesis given it has included Portugal for many years and provides data on different dimensions of normative solidarity that can be used to test some of the arguments put forward along this thesis.

Next, I introduce a general description of each data source selected for the research. For each I provide a general overview of the content of the data and a general discussion on the main limitations of each database within the context of the thesis. In appendix 3 the reader can find some additional information on some technical characteristics of the data, namely those related to sampling methodologies, sample sizes, response rates and attrition rates (when applicable); the identification of the unit of analysis and the main variables/dimensions used in the analysis; the identification of the main procedures of weighting and harmonisation of data (when applicable). In appendix 3 the reader will also find some general figures on the samples and population distributions by age group to assess the level of representativeness of the data retained for analysis. Finally, the appendix includes information on original methodologies of measurement of key variables and considerations on data completeness for those same variables.

## **2.1. The European Community Household Panel (ECHP)**

The ECHP is a standardised survey carried out in Member States of the European Union under auspices of Eurostat. The survey involves annual interviews of a representative panel of households and individuals in each country, covering a wide range of topics. It was established largely in response to the increasing demand for comparable information across the Member States on income, work and employment, poverty and social exclusion, housing, health and a series of other social indicators concerning the living conditions of private households and persons.

The survey runs from 1994 to 2001<sup>1</sup>. In the first wave (1994) a sample of some 60 500 households (approximately 130 000 adults aged 16 years and over) were interviewed across 12 Member States including Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain and the United Kingdom. Austria has joined the ECHP in wave 2 (1995), then Finland in wave 3 (1996) and Sweden in wave 4 (1997). At the time when the analysis was carried out, the available data included the first 5 waves of the ECHP (1994 to 1998). For most countries, the surveys were carried out using the harmonised ECHP questionnaire. For some countries, the national institutes in charge of the production of the ECHP have converted national data surveys into ECHP format (in Belgium and the Netherlands, the ECHP was linked from the beginning to already existing national panels; in Germany and the United Kingdom, the derived national data was provided from 1994 to 2001; in Luxembourg and Sweden the derived national data replaced the ECHP from 1997 onwards). It is necessary to be quite careful when analysing the converted data for these countries, as some information may not have been collected in the national surveys and thus appears as missing in the ECHP.

Direct access to the original data is restricted and Eurostat has developed an 'anonymised' version of the database: the ECHP Users' Database (ECHP-UDB). This was the database made available for this research under a research contract signed by the LSE with Eurostat<sup>2</sup>.

There are three main characteristics that make the ECHP a very interesting source of information for researchers and that explain its relevance for this specific research.

The first interesting characteristic of the ECHP is the multidimensional character of the topics covered, which is extremely promising in terms of its broad and integrative character, thus making it possible to inter-relate information of earnings, social benefits, employment, housing, family structures, social relations, and so on.

A second promising feature is the cross-national comparability of the data. The ECHP (apart from those countries using data derived from national sources, as noted above) is a harmonised and comparable dataset across countries. Comparability is achieved through a standardised design and common technical and implementation procedures, with centralised support and co-ordination by Eurostat.

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<sup>1</sup> The ECHP was interrupted after the 2001 wave and will be replaced from 2004 onwards by a new instrument called EU-SILC (Statistics on Income and Living Conditions).

<sup>2</sup> For a description of the ECHP-UDB see Eurostat (1999) ECHP-UDB Manual, waves 1,2 and 3

The third characteristic of interest in the ECHP survey is its unique features compared to other cross-national surveys – its panel design. Within each country, the original sample of households and persons is followed over time at annual interviews. As a result, the sample reflects demographic changes in the population and continues to remain representative of the population over time (except for losses due to sample attrition and non-inclusion of households). For reasons discussed below, on the limitations of the database for this research, the longitudinal dimension of the ECHP had to be left out from the analysis carried out within this thesis.

The main pitfall of the ECHP for this thesis has to do with the procedures for data management developed by Eurostat, namely the anonymisation procedure.

The anonymised version of the dataset that Eurostat made available for the research has dropped from the dataset some variables that were included in the original survey. Among those, and given their importance for this thesis, I highlight: region of location of household (NUTs aggregates); degree of urbanisation of region of location of household; savings from consuming food from own agriculture or gardening; fertility data (a question on having had children was dropped from the survey after the first wave); and information on reasons for moving in/out of households. The inexistence of data for these indicators has determined the exclusion from the empirical analysis of the longitudinal approach. Although it is analytically very important to address change when discussing welfare arrangements, the lack of data for the variables identified above, considering the phenomena of interest in the study, would make any longitudinal analysis severely incomplete and for purposes of explanation of limited use. Having said that, it was considered prudent not to include any longitudinal analysis in the thesis and to focus on cross-sectional readings.

The ECHP was tested for representativeness of the sample, especially after eliminating cases due to dropouts from the survey between waves 1 and 5. This was done taking into account in particular the relative weight of the target population in the ECHP samples (please see table A3.4 in appendix 3).

The data in table A3.4 indicate that the share of elderly, in particular those aged 80 or more, in the ECHP samples, tend to increase between 1994 and 1998 at a higher rate than they do in the respective populations.

This finding is in itself important given it can affect some analyses that involve considering trends of change along time. However, it would be particularly worrying

if the analysis would draw on the panel approach and on longitudinal readings. Given that, in this thesis, the bulk of the analysis of ECHP data is confined to year 1998, and given the shares of elderly in Portugal, for that particular year, are relatively close to those found in the general population, the researcher has considered the data were sufficiently representative of the target population.

## **2.2. The Portuguese Family Budget Survey (FBS)**

The search for an alternative source of data that could bring more wealth to the analysis of household dynamics, namely in terms of financial dynamics, has led the researcher to the Portuguese Family Budget Survey<sup>3</sup>.

The FBS is a national survey, carried out by the National Statistics Office (INE) on a yearly basis, and collects information covering a wide variety of items concerning consumption expenditure, income of private households, savings and indebtedness, among other household characteristics. The purpose of the FBS, in a more broad sense, is to give a picture of the living conditions of Portuguese private households in each defined point in time. In this sense, the survey gives a precise picture of the household's total consumption broken down in sufficient detail as a function of household characteristics (income, social and economic characteristics, size and composition, degree of urbanisation and region, etc.). The survey also provides information about the living conditions and expenditure levels.

The units of register are both the household and the individuals in the household. The database released for analysis includes 3 files: the 'household file', the 'individual file' and the 'household register file'. The household file includes information provided by the member of the household identified as the head of household. It records a series of characteristics of the household (household demographics, location, possession of goods) but mostly detailed information on household income and on household expenditure.

The 'individual file' records information for each person in the household, including children, and focus mainly on personal income and personal consumption.

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<sup>3</sup> This survey is the instrument known across the EU countries as the Household Budget Survey. In Portugal, the institution in charge of producing the survey has chosen the term 'Family' instead of 'Household'. Considering that this choice of labels may be reflecting the national/official understanding of the social unit 'household', it was decided to retain the original name of the survey.

The main interest in the FBS for this thesis is the possibility to analyse in some detail the financial dynamics of households with elderly people, enriching the discussion on family dynamics and exchanges of support.

The most recent dataset available at the time of the analysis reports to 2000 and was made available by contract between INE and the national funding institution that awarded a PhD scholarship to the researcher.

The main limitation of the FBS stems from its own nature and goals. Contrary to the ECHP survey, the FBS lacks multi-dimensionality, therefore making it impossible to relate dimensions of household/family dynamics (namely financial dynamics) with other household and individual indicators (for example, the health status of individuals). The analysis carried out throughout the thesis, in that sense, remains limited in the explanations provided and can only point to potential associations, requiring further research to be tested.

Similarly to what was done for the ECHP datasets, the FBS was assessed in terms of representativeness of the target population (the elderly). As can be confirmed by table A3.5 in appendix 3, the relative weight of the elderly groups in the FBS sample is very close to the respective weight in the national population. In fact, there is a slight overrepresentation of the elderly over 75 years in the FBS sample.

### **2.3. Eurobarometer Surveys (EB)**

The Eurobarometer Survey series (EB) is a programme of cross-national and cross-temporal comparative social research conducted on behalf of the European Commission and is designed to monitor social and political attitudes. It has been in place since the early seventies but it is since 1990 that it includes separate supplementary surveys on special issues. The range of topics covered by the EB survey programme is very wide and changes according to what is found more relevant in each moment in time. I have selected for this research the surveys that included data found suitable to address the normative dimension of welfare arrangements in old age.

The surveys selected from the series were:

- EB 37.2 on the topic of “Attitudes towards the elderly Europeans”.

The data was gathered in 1992 and included several questions on perceptions, preferences and opinions on several issues related to the

elderly, their needs, and their roles in society, among others. The survey involved national samples of the overall population and samples of persons aged 60 years or more. The countries included in the survey were: Belgium, Denmark, France, Germany (with a split for East and West), Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain and the UK.

- EB 44.0 (1995), EB 50.1 (1998) and EB 51.0 (1999) on general topics, but that included questions related to the topic of the 1992 survey.

The fact that it is available for different years, and with comparable questions included in different surveys, has made the EB series appear in the opinion of the researcher as the most adequate source of data for the analysis of values and norms related to the topic of welfare arrangements of the Portuguese elderly. Additionally, the fact that it includes data for all EU countries, before the May 2005 enlargement, signified that the analysis of norms and values could be done articulating the single-case and the comparative perspective approaches.

EB surveys are available to LSE members, students and staff, upon request to the data library.

Once more, the main limitations of the EB, are related to the design of the survey but also to some data management procedures.

One of the main pitfalls of the EB data is, as already stated above, the format of data on income released for analysis. The variable on income, available already harmonised, classifies each person in relation to the quartiles of the national distributions. The original figures for income are provided according to a 'country specific' series of intervals which, combined with the generalised high non-response rates for that variable (around 25% in all surveys) make it quite limited the use of income in the analysis.

## **2.4. General notes on analysis of data**

The research has involved a great deal of descriptive analysis in line with a study design that aims at providing a holistic synthesis that can explain the trends observed in data. Hypotheses' testing was not at the core of the research framework and that reflected in the ways data were analysed.

The statistical procedures used for analysing data are those adequate for descriptive purposes. The analysis follows a general scheme of simple description at the univariate and bivariate level leading to multivariate synthesis that articulate the full scope of factors considered in the explanation of the trends/patterns observed in the data.

Multivariate analysis is used purely as a descriptive tool. The nature of modelling techniques in broader terms is descriptive, although some researchers use them as a basis for generalisations to wider populations. In this study, modelling techniques are taken solely in their quality of descriptive synthesis. Depending on the variables analysed at each stage of the research, multivariate analysis is carried out by means of multiple linear regression or by means of binary logistic regression.

### **3. Mapping the empirical analysis: from the world of ideas to the world of facts**

Rigour and validity are at the core of doing research and are intimately related to the researcher's need to measure phenomena (Blalock, 1985). Measurement, in turn, is intimately related to two processes: conceptualisation and operationalisation.

Conceptualisation is the process of taking a construct or concept and refining it by giving it a conceptual or theoretical definition. This is usually done under the guidance of the theoretical framework, perspective or approach the researcher is committed to. The process of conceptualisation of the research was already discussed and presented in section 1, and it is closely related to the chosen theoretical framework discussed in the beginning of the thesis and to the research questions raised.

The process of operationalisation makes the bridge to data analysis. Operationalisation is taking a conceptual definition and making it more precise by linking it to one or more specific, concrete indicators or operational definitions. The end result of operationalisation is the mapping of the empirical research, by which the link between the world of ideas and the world of empirical evidence is drawn. That is the topic of this section.

The issue of rigour and validity, although omnipresent along any research, takes a crucial role at this stage.

Validity, using terminology from Statistics discipline, refers to the truthfulness of findings. Said in other words, validity is the condition of having really measured what one wanted to measure.

The threats to validity are numerous and not always controllable or even perceptible. The complex nature of the social phenomena is just the starting bit of those threats. There is however a preliminary consideration that equips the researcher to deal with problems of validity: ensuring internal validity.

By internal validity it is commonly understood the need to use the most appropriate research design for what you are studying (Blalock, 1985). What I have done is to design the research to insure internal validity, hoping that the consistency between the patterns observed in the data and the explanatory arguments proposed will be a clear test for that.

Validity, however, cannot be achieved without the research first being reliable. Reliability, once more using terminology from Statistics, has to do with the consistency of findings and, in that sense, is directly related to procedures of data handling and analysis. Along the process of analysis of data, reliability was a constant concern and all efforts were made to guarantee reliability of findings. The efforts were concentrated around two specific issues perceived as the most relevant threats to reliability (and to validity) within the research carried out:

- Avoiding ambiguity in the analysis, namely not taking correlation for causation;
- Controlling for interaction, i.e. controlling for co-occurring effects that may render some phenomena invisible.

But other forces can also contaminate validity and rigour. Among these I highlight the ethics in data handling and analysis, an issue that becomes even more relevant in studies that involve a high degree of personal proximity to the topic of research or the case being analysed, and that evolve with a high degree of openness in the explanatory arguments. This is the case of this study, in both aspects.

The first step to deal with a potential problem is to acknowledge the problem itself. Along the research, and especially when analysing data, there was a constant concern with avoiding the simplest, often most obvious, explanations and with avoiding any pre-concepts about the patterns identified. The researcher has attempted to maintain all along the research process a critical attitude towards all procedures adopted.

The purpose of this last section of the chapter is to clarify some elements of liaison that make the bridge between the research goals and conceptual tools and hypotheses to the empirical world. It tries to summarise the actual indicators measured with the data available and to clarify the substantive meaning of those indicators by rooting them in the dimensions of empirical analysis defined in the study design.

This section is complemented by some additional information introduced in appendix 3, on the issue of measurement of variable in the original instruments of data collection. This is particularly relevant for some variables, as they play a central role in the analyses presented in chapters 5-7. The reader will find in appendix 3 a table (Table A3.6) summarising the modes by which some variables were measured in the original surveys and, when relevant, some information on data completeness for those same variables.

### **3.1. From family dynamics to the analysis of households and exchanges of support**

The chosen way to address family dynamics was quite influenced by the social network approaches that analyse family exchanges by measuring the personal networks of the individual and the flows of support and demand within (and between) those networks (Mugford and Kendig, 1986).

The empirical analysis of family dynamics has evolved around this two-folded approach: i) identifying the main personal network of the old person, considered to materialise in the close and intimate network of the household; and ii) identifying the flows of exchange of support within that network, considering the multiple roles of the old person both as receiver and provider of support.

#### **Households**

The focus on the household as the main personal network of the old person does not imply undervaluing the importance of social networks not based on the household. In fact, equally important when addressing the personal network of an older person is to measure the size and density of the network that involves relationships with other households, namely with households of descendants.

However, there is no data available to carry forward an extensive analysis of the personal networks of the Portuguese elderly outside their household. This limitation,

although serious from a conceptual perspective, may have a lesser impact in the assessment of personal networks in familialist systems. In those systems it was already argued that the household operates as the socio-economic anchor and in that sense, if one is to assess the resilience of familialism in the lives of the elderly, it is of central interest to assess its traditional forms of expression, namely those that materialise in large and intense personal networks as household units.

Households represent the space for close interpersonal ties that are a major source of support as well as of demand on individuals.

Drawing on the analyses others have done on households as networks of relations of support and demand, and especially on the contributions from the historical readings of household formation (Anderson, 1980), I take as an empirical reference the following typology of households (Laslett and Wall, 1972):

1. Solitaires. It includes all those living alone, namely single people and widowed.
2. Nuclear family. It includes married or cohabiting couples, with or without children as well as widowed with dependent children. The key element here is the bond by marriage (or consensual union) and the dependence of children from parents (or from surviving parent).
3. Extended family. It includes the extension of the nuclear family, upwards, downwards or laterally. The key elements in this category are: the presence or absence of dependent children (which involves different demands within the household); and the origin of the household and direction of extension.

Depending on the dataset used in each stage of the empirical analysis the above typology was operationalised in slightly different ways, but the core criteria are the ones identified above. The purpose is not to be exhaustive from a conceptual point of view but to use the best fitted tools to address the questions raised along the thesis.

#### Household typology for ECHP data:

- Living alone
- Living in couple
- Living in couple with non-married adult children
- Living alone with non-married adult children

- Living in extended household with dependent children
- Living in extended household without dependent children

The data from the ECHP does not allow the researcher to distinguish in a reliable way the direction of the extension in extended households. This means that we cannot distinguish for example between households for which the head of household is an elder person and for which the extension of the household was the result of taking in spouse(s) of descendants, from those households where the elder person moves in with a descendant.

However, the data allow distinguishing between extended households where there are dependent children present, from those where there are no dependent children. This distinction was considered very important for the analysis given that the presence of dependent children in the household often implies specific demands in terms of exchange of support, namely in terms of child care.

#### Household typology for FBS data

- Living alone
- Living in couple
- Living in own extended household
- Living in someone else's extended household

The main specificity of the typology used for the analysis of FBS data is the fact that it allows distinguishing the elderly that are living in extended households where the extension was done downwards (by incorporating spouses of descendants), from those living in households where the extension was done upwards (the elderly have moved in with descendants). However, this typology brings together the households where descendants are married and the households where descendants are not married.

FBS data does not allow the identification of the presence of dependent children in households.

#### Exchanges of support

The analysis of flows of exchange of support within the personal network of the old person is done according to some coordinates that, once again, derive from the

interaction between what is available in the data and what are the research goals of the study.

Firstly, given that the national case in focus is considered an example of familialisation of welfare state provision, and based on the proposition that the weak Portuguese welfare state leaves unattended gaps of provision, it makes sense to elect for analysis the domains of exchange of support that somehow fill-in those gaps.

As a result, the empirical analysis does not focus solely on the issue of caring for dependent elderly, which has been the elected topic of most of those who address family support in old age. Instead, it includes several dimensions of exchange of support, emphasising the idea of exchange. In other words, in each dimension of support it is not only the flows from family to the elderly that are of interest but also the flows of support from the elderly to their families. The dimensions of analysis elected are:

- Exchanges of care, where care is understood in a broad sense including the most demanding forms of caring for someone in cases of severe illness or dependency but also looking after children;
- Financial exchanges, which can only cover within household exchanges since there is no data available for between household flows. Despite this limitation, it is still of great interest the analysis of within household financial flows, especially the analysis of the pooling mechanisms in the formation of the household budget and the impact for the welfare of the elderly;
- Provision of accommodation, which is a topic of relative importance in familialist systems where housing policies are entirely absent or very underdeveloped and where the activation of family resources can be a solution to deal with needs related to accommodation.

The main target underlying the empirical analysis of family dynamics, and given the available data for an extensive quantitative analysis, is to provide an overall view of the incidence and type of family bonds in the living arrangements of the Portuguese elderly, to assess their potential as support networks and their performance as instances of provision of welfare.

### **3.2. From the normative universe to the analysis of adherence to values, preferences and intentions**

The analysis of social values and norms as a dimension of familialism is an attempt at measuring the adherence of the socio-cultural environment to the familialist ideal and principles. It draws on data from the EB surveys.

The social-cultural environment, and once more balancing research goals and available data, is decomposed in three spheres of empirical analysis:

- Family values, whereby I try to measure degrees of adherence to family solidarity norms and in particular to filial obligation norms;
- Preferences, whereby I try to identify the result of the incorporation of perceived norms and their translation into desired solutions to tackle welfare provision in old age;
- Intentions, whereby I try to identify potential planned behaviour and the result of the negotiation between perceived norms, preferences and personal/individual resources and constraints.

Although one may not necessarily find a coincidence of orientation in the three spheres of analysis elected, there is an underlying logical sequence to the three that ultimately allows measuring the resilience of familialism as a symbolic and normative framework.

The logical sequence would be: a high adherence to norms of family solidarity and filial obligation will increase the likelihood of preferring family support to deal with old-age related needs. This, however, is not necessarily incompatible with an equally high orientation to state responsibility, and can result from the joint effect of adherence to family solidarity norms and perceived lack of alternatives from other instances, namely from the state. In any case, the preference for family support should in turn correlate with an increased likelihood of expecting family support in case of need or, if the latter is perceived or anticipated as not available, may appear associated to higher levels of frustration and anxiety.

## **Conclusion**

The research objective of this study is the welfare arrangements of the Portuguese elderly. Welfare arrangements are considered in their quality of reflections of the

global system of welfare provision. They result from the interaction of different factors and forces originating in different spheres of the social space. Welfare arrangements appear in the confluence of institutional settings, of family dynamics and of normative systems.

The revision of the main trends and characteristics of the Portuguese welfare state, and in particular of the social protection mechanisms in old age, suggests that there is a potential mismatch between a familialised formal system of welfare provision in old age and the socio-economic fabric that traditionally allowed for the implementation of such a model. This prompted me to question how resilient and operative is familialism in the lives of the Portuguese elderly in recent times.

The study analyses resilience and performance of familialism by looking at welfare arrangements of the elderly from the side of family dynamics and from the side of normative prescriptions.

The broad research hypothesis is operationalised and broken down into subordinate questions, each related to a set of explanatory inquisitions.

The first set of questions takes us to the analysis of living arrangements and living conditions of the Portuguese elderly from a cross-national comparative perspective. This part of the analysis is presented in chapter 5 of the thesis.

The second set of questions takes us to an in-depth analysis of family dynamics within the households of Portuguese elderly. The analysis focus on exchanges of support in the form of care, financial support and provision of accommodation and the results for it are presented in chapter 6 of the thesis.

The third and last set of questions takes us to the analysis of social norms and values related to family solidarity and involve both a cross-national comparative analysis and a case study focus. The analytical goal is to measure the adherence of the socio-cultural environment to the familialist ideal and principles. The results for this part of the analysis are introduced in chapter 7 of the thesis.

The study draws on survey data and on descriptive analysis. The data used for the empirical part of the research come from three different sources: the ECHP database provided by Eurostat; the FBS provided by INE; and the EB Survey Series, available for use at the LSE library.

The next three chapters of the thesis introduce the results of the empirical analysis and discuss the findings in light of the research framework. The final chapter of the

thesis will provide a global discussion of the findings and relate them to the broad research hypothesis of the thesis as well as to its policy implications.

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## Chapter 5

### Traditional Indicators of Familialism Related to Care for the Elderly

#### Introduction

In chapter 4 some questions arose from the discussion about the Portuguese social policy framework as familialist in nature. This chapter answers some of those questions, the first of which is to identify how the lives of the elderly in a familialist policy setting are organised. The chapter starts by setting the scene in terms of the living arrangements and living conditions of the Portuguese elderly. Given my assumption about the Portuguese case as an example of a familialist system within the EU family of countries, this first description should allow the identification of the traditional indicators of familialism in the lives of the elderly. At the same time, the analysis summarises the structuring elements of life in old-age, and begins to discuss their relevance in terms of policy implications. It also includes some descriptive analysis on the living conditions of the elderly, demonstrating their worse off situation compared to the average ECHP countries.

Another question put forward in chapter 4, a subsidiary of research question 1, was related to the role of families as welfare providers in old age and to their ability to act as such in the contemporary Portuguese society. In this chapter, and since it is strongly related to the essence of familialism, I develop a first approach to care, discussing the traditional assumptions about the household as the locus for care in familialist systems. This should involve some simple descriptive analysis on the levels of engagement in care within the household and at the individual level from a cross-national comparative perspective. Following the discussions in previous chapters, the assumptions to test here are: care is a household matter; care is a markedly gendered domain, with women appearing as the main, if not exclusive, care provider.

This thesis draws on a case study, Portugal, and focuses on a set of research questions that aim at unravelling the dynamics of familialism in the lives of the elderly people in that particular national context. This means that the analysis is primarily concerned with within country trends and variations and not with cross-national comparisons. This does not mean, however, that any comparative approach

is totally excluded from the analysis. In this chapter, and purely for descriptive purposes, I put forward some useful comparisons between Portugal and other EU countries for some selected indicators. The purpose of this is purely to highlight the meaning of some trends reported for the Portuguese case and to set the case for familialism in the lives of the Portuguese elderly by comparison to their European counterparts.

For this comparative approach I rely on the mainstream research on social policies across Europe, namely on the approaches that try to present social policy models and regimes (Esping-Andersen 1990; Ferrera 1996(a); Rhodes 1997). Yet, it will never be the purpose of this thesis to test any assumptions about those models or in fact, to explain differences between countries. The differences are of interest in the research only in the sense that they reinforce the meaning of the Portuguese trends.

This chapter is structured in a way that allows for the systematic listing of the key elements in the lives of the Portuguese elderly. These key elements will be discussed in more detail in the following chapter. The main goals of the chapter are as follows:

- To identify with whom the elderly are living and the main socio-demographic trends that appear associated to the different living arrangements in old age;
- To describe the general level of well-being of the elderly population by analysing financial conditions in old age;
- To look at familialism from the side of those engaging in care for the elderly, describing levels and ways of engagement in caring activities among the families.

## **1. Living arrangements and familialism**

One of the most frequently mentioned manifestations of familialism as a way of social organisation and social functioning is the prevalence of certain types of households, namely those that imply cohabitation between different generations and those that result from the late departure of adult children from the parental home (Segalen 1995; Guerrero and Naldini 1997). These household formations and organisation are believed to be linked to specific socio-economic dynamics and cultural contexts, but also to be triggers of other types of social behaviour that reinforce the picture of familialism. It is in that sense important to start addressing the realities of the Portuguese elderly from the perspective of their living

arrangements. Living arrangements are one of the most important dimensions of quality of life and well being in old age. They are strongly correlated with the availability of family care, as well as social and economic support; therefore determining the ways the elderly will tackle old age related needs.

I start the analysis of the data available from the ECHP by looking at table 5.1 and at the dominant trends across some of the EU countries in terms of the living arrangements of their elderly populations. I introduce figures for two distinct points in time to allow for some preliminary dynamic analysis of changes in living arrangements.

Table 5.1. Cross-national analysis of the living arrangements of the sample of elderly people in 1994 and in 1998 (row percentages)

Countries	Year	Living arrangements			
		Alone	With spouse	With spouse and adult children	With adult children
Germany	1994	38.1	52.0	5.7	a)
	1998	42.2	48.6	3.6	a)
Denmark	1994	39.4	58.4	a)	a)
	1998	48.2	50.0	a)	a)
Netherlands	1994	37.5	56.4	4.4	a)
	1998	43.5	52.6	a)	a)
Belgium	1994	41.4	45.6	7.2	a)
	1998	45.9	43.0	4.2	a)
France	1994	33.0	54.3	6.3	3.9
	1998	37.7	49.1	4.3	4.0
UK	1994	40.4	50.5	4.3	3.3
	1998	45.9	44.1	2.8	3.4
Ireland	1994	37.1	34.0	15.4	8.4
	1998	40.6	31.0	9.3	8.4
Italy	1994	27.8	45.5	11.8	4.3
	1998	31.9	39.3	9.0	5.2
Greece	1994	21.5	46.4	10.4	4.0
	1998	27.4	41.1	7.0	4.5
Spain	1994	16.7	41.4	19.4	7.1
	1998	19.4	35.9	15.4	7.7
Portugal	1994	21.0	44.7	14.1	5.9
	1998	26.9	38.1	9.5	5.1
					20.3

Source: ECHP, waves 1 and 5 (1994, 1998)

Obs.: Cases are weighted

Notes:

1) The typology of households defined for ECHP data includes two categories of extended households: with and without dependent children, as presented in chapter 4. However, given the very low frequencies observed in those two categories, it was considered that the aggregation of both would bear more significance for the cross-national comparison. If not, the small numbers observed for those categories would make it impossible to display any data at all for some countries.

a) The frequencies observed are below 40 (non weighted cases) (Eurostat regulations on data presentation determine that I do not present the respective proportions for those categories)

The table above displays both similar and distinct trends across the EU countries. It should be highlighted that the interpretation of the trends identified in the table

above should be done with some caution, especially in light of the discussion introduced in chapter 4 on the issue of representativeness of the ECHP sample along time. As noted in chapter 4, there is a clear ageing of the sample, taking place at a higher rate than the respective population. In that sense, some of the changes identified between 1994 and 1998 can be related to the ageing of the sample rather than to a corresponding change in the populations.

Having said that, and although recognising that it is something that can potentially introduce some limitations in terms of generalisations to the population, the cross-sectional analysis is still considered relevant, namely as illustrative of the changes associated to ageing.

Firstly, I highlight the fact that in Portugal, like in most other countries, the majority of the elderly are living with a spouse, which is not in itself particularly surprising considering the normal life course of an individual in western societies, but that is still worth considering from the point of view of its implications in terms of policy design. Research that has been carried out on care for the elderly in several countries has often demonstrated that the likely carer of an older person is another older person, most of the times a spouse (Kendig, Hashimoto et al. 1992; Murphy, Schofield et al. 1997; Twigg 1998). This should be taken into account when designing care solutions, not only in terms of the ability of an older person to deliver care but also in terms of the material/financial resources available within the household to deal with care delivering. This is a point to discuss later when analysing the financial conditions of the households with elderly people.

Another trend that seems more or less common across the countries included in the ECHP is the growing number of elderly living alone. This is a widely recognised phenomenon all across Europe and is often mentioned as one of the biggest sources of pressure for the contemporary welfare states. Living alone often means being deprived from effective informal mechanisms of support, very much linked to the family. Also, it means there are increasing needs that must be met by other mechanisms, namely by means of formal care. It should be stated clearly that this is not implicitly suggesting any equivalence between living alone and some kind of abandonment by the family. Yet, from a purely functional point of view, if the elder person lives alone some of the daily activities involved in a standard life style may require help from someone outside the household. Although this seems to be a common trend in Europe, and a growing phenomenon in all countries, it is

important to highlight the comparatively lower share of elderly living alone in Portugal, alongside with Greece and Spain. One first sign of familialism in the living arrangements of the Portuguese elderly could be the less pronounced likelihood of living alone, which is common to other countries often pointed out as other examples of familialist societies.

Still, the share of elderly living alone in Portugal is not small and it has increased between 1994 and 1998. In 1998, more than a quarter of the elderly declared living alone, a number that is significant both in terms of the absolute number this represents in the population and in terms of the policy framework within which it takes place.

In absolute terms, and according to the population estimates for 1998, the number of elderly living alone is around 417 000<sup>1</sup>.

In terms of the policy framework, this is a growing group of individuals that may not have a credible alternative to family or informal support. However, one cannot infer from the fact that an elder person lives alone that he or she does not have access to informal networks of support. Moreover, it is not always the case that all elderly need or will ever need help in their daily lives. Yet, the growing share of elderly living alone have shown to go hand in hand with decreasing opportunities to get family-based support (Kendig, Hashimoto et al. 1992) and, in that sense, should be taken as an indicator of growing needs that must be tackled by formal mechanisms of support.

Table 5.1 also presents the share of elderly living in complex households and of the elderly living with a spouse and adult children.

The comparatively high share of elderly living with a spouse and with adult children reflects the well-documented phenomenon of late departure from the parental home that is characteristic of the Southern European familialist countries. It is a phenomenon that has been explained not only by cultural reasons, but also by a specific model of economic and social development. An example of that is the clear absence of policies oriented to the young, namely in the domain of employment (Aassve, Billari et al. 2002). Young people in South European countries are severely affected by problems of accessing the labour market (Kurth and Petras 1993). This, alongside with the absence of housing policies, makes it very difficult for many young adults to gain their independence from the parental home (Aassve, Billari et al.

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<sup>1</sup> Source: INE, Population Estimates for 1998, [www.ine.pt](http://www.ine.pt)

2002). The significance of this phenomenon, within the analysis of the living arrangements in old age, has to do with the fact that it is part of a broader system of social organisation where the family remains as the main safety network and the most important resource available to deal with the several obstacles the individual faces from a very early stage of life. This can be interpreted as potentially creating a culture of “care” and “support” within the family and, in that sense, creating expectations of exchange of care along life, culminating with being cared for in old age.

The share of elderly living in some type of complex extended household can also be analysed as a reflection of familialism in the living arrangements of the elderly, a trend that also seems common to the Southern European cluster (to a certain extent followed by Ireland as well). It is worth noting that not only is the share of elderly in this type of household clearly higher in those countries than in the rest of Europe, but also that it has experienced a significant increase from 1994 to 1998. This observation suggests changes in old-age that may reflect the need to tackle specific problems by means of activating family resources.

Summarising what was presented so far in terms of the living arrangements of the Portuguese elderly, it seems to hold that they are living in a markedly familialist social protection system. They are using, comparatively more often than their European counterparts, the extended family and cohabitation with adult children and other kin as their preferred living arrangements in later life. This could indicate familialism in their lives and sustain to some extent the belief that these elderly have available informal networks of support that one should expect are to be triggered to deal with old-age related problems. Whether that is the case or not needs some more investigation. Also, if this correlates with better living conditions and better care in later life is still to be demonstrated. I move to these and other related issues in the following sections.

## **2. Structuring elements of life in old age among the Portuguese elderly**

Similar to what was discussed in the previous section, and although this thesis is focusing on the Portuguese case, I will resort to some elements of comparative analysis to fully understand what is distinctive about the realities of old-age in Portugal. Table 5.2 below displays data for a series of individual-based variables describing the living arrangements of the elderly included in the ECHP survey in

1998. For the sake of cross-national comparison, I work with two levels of aggregation of countries that are used as a comparative basis to read Portuguese figures: all countries (ECHP average) and the Southern European family, excluding Portugal (Spain, Italy and Greece).

Table 5.2. Individual-based variables describing living arrangements among the elderly Europeans in 1998 (row percentages)

Describing variables		Alone	With spouse	With spouse and adult children	With adult children	Complex household with dep. children	Complex household without dep. children
Sex	Male	ECHP	18.8	62.1	11.5	2.1	3.1
		South Eur.	12.7	60.3	15.5	2.5	5.9
		Portugal	17.0	54.2	15.6	1.2	4.9
	Female	ECHP	49.4	30.9	4.1	6.9	4.5
		South Eur.	39.4	30.2	5.7	9.7	7.9
		Portugal	37.3	27.7	7.3	8.4	11.9
Age group	65-69	ECHP	21.7	53.3	14.6	5.9	2.5
		South Eur.	17.2	47.6	20.6	8.5	4.1
		Portugal	11.5	43.4	15.9	13.3	8.8
	70-74	ECHP	28.0	52.4	9.8	4.1	3.3
		South Eur.	23.0	48.5	13.5	5.9	5.5
		Portugal	21.7	45.3	13.9	5.1	7.8
	75-79	ECHP	36.7	45.6	6.2	4.9	3.9
		South Eur.	27.9	46.7	8.4	6.2	7.2
		Portugal	35.0	39.3	9.2	3.4	7.4
	80 or more	ECHP	53.1	27.6	2.4	5.8	5.2
		South Eur.	37.5	31.4	3.6	7.6	9.6
		Portugal	41.2	24.6	5.2	5.8	12.9
Marital status	Married	ECHP	0.6	81.0	13.4	0.1	2.9
		South Eur.	a)	74.4	17.1	a)	5.6
		Portugal	a)	70.1	19.7	0	4.7
	Divorced/ separated	ECHP	83.5	8.6	0	4.7	1.0
		South Eur.	82.2	a)	0	a)	a)
		Portugal	50.0	a)	0	a)	a)
	Widowed	ECHP	76.1	1.2	0.0	12.2	5.6
		South Eur.	64.4	a)	0	17.3	9.2
		Portugal	63.4	a)	a)	13.0	15.0
	Never married	ECHP	84.1	3.2	0.0	1.3	3.7
		South Eur.	70.1	a)	0	a)	a)
		Portugal	60.4	4.2	0.0	0.0	8.3
Health status (hampered due to health problem)	Yes, severely	ECHP	42.3	40.0	5.0	5.6	3.6
		South Eur.	30.1	41.8	5.4	8.5	7.2
		Portugal	24.1	40.3	14.5	7.6	8.3
	Yes, to some extent	ECHP	37.1	43.6	6.7	5.0	4.4
		South Eur.	28.8	42.6	10.1	6.8	6.9
		Portugal	27.5	36.1	9.2	4.9	14.5
	No	ECHP	34.7	45.1	8.1	4.6	3.9
		South Eur.	27.3	43.4	11.1	6.0	7.1
		Portugal	32.8	38.5	9.5	4.8	6.5

Source: ECHP, wave 5

Notes: a) The frequencies observed are below 40 (non weighted cases)

Obs.: Cases are weighted

The ECHP average refers to the 11 countries displayed in table 5.1. The Southern European average aggregates data for Spain, Italy and Greece. It reproduces a clustering often found in the literature on welfare state models or regimes and includes the countries seen as sharing a high degree of familism in their social policy frameworks (Rhodes 1997; Guillén and Álvarez 2001).

## 2.1. Gender and age as pillars of the living arrangements among the elderly

Several studies have shown the strong association between gender and living arrangements in old age, as well as the patterns of change in living arrangements as age progresses (Walker and Maltby 1997; Phillipson, Bernard et al. 1998). One should note that, at least partially, these features should not be imputed to any specific institutional or cultural milieu in the sense that they are often the “natural” consequence of the demographic behaviour of older cohorts. It is not surprising then to find that, among the elderly living alone, 75% are females. This is undoubtedly related to the fact that women not only have a higher life expectancy than men but also tend to marry at a younger age than men, both trends jointly making women more exposed to widowhood. The most recent figures published by the National Statistics Office estimate a gender gap of around 6.5 years in life expectancy (74.53 years for men and 80.98 years for women; these figures are estimated as life expectancy at birth in 2003-2004)<sup>2</sup>.

Although this is a far too well recognised trait of the living arrangements of the elderly (Murphy, Schofield et al. 1997), it is important to highlight it once more from the perspective of the implications of gendered patterns of living arrangements for policy design. An examination of the distribution within each gender category, at the ECHP level of aggregation, shows the importance of recognising that more than 60% of the male elderly are living with a spouse, while among females that group just reaches 30%. When it comes to discussing the provision of care for the elderly, it is clear that for males the most likely provider will be a spouse, frequently an elderly herself. As for females, that likelihood is significantly reduced, while the likelihood of living alone increases. Therefore this creates the exposure to the risk of a lack of a cohabiting carer if needed and the need to resort to descendants or other kin. What the gender divide seems to suggest is that the issue of living arrangements is largely an issue for females. Women are more often confronted with changes in living arrangements, which is reflected here in a larger variety of living arrangements than men. In Portugal, although with some significant differences in the proportion of women living alone (less 12% than the ECHP female average), the overall gender patterns described above seem to hold.

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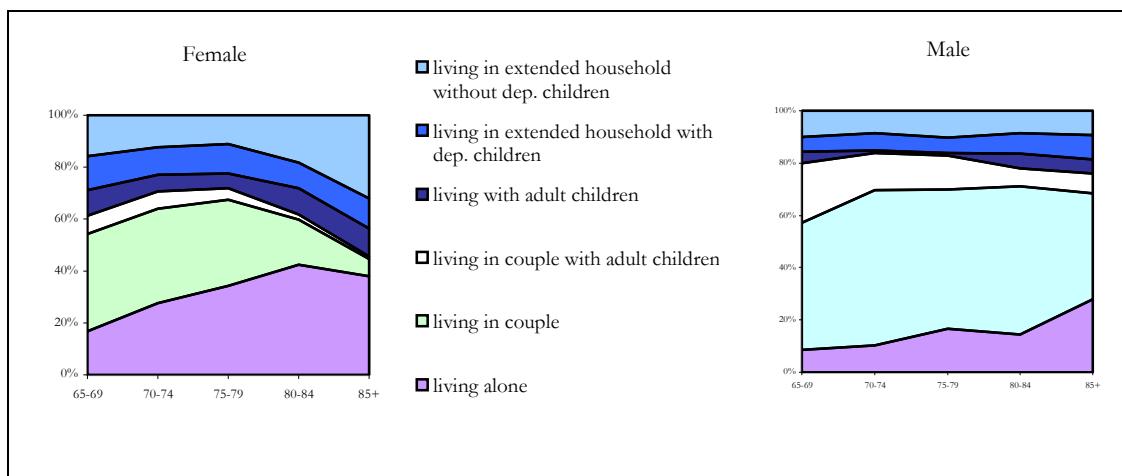
<sup>2</sup> (Source: INE, [www.ine.pt](http://www.ine.pt) )

Age seems to be an equally significant discriminator element of living arrangements in later life. As the table above illustrates, as age progresses it seems to increase the likelihood of the elderly living alone. Again this is a well documented phenomenon that appears strongly associated to the dissolution of marriage due to widowhood (Giarchi 1996; Iacovou 2000).

The gender divide mentioned before is largely reinforced by age, which shows again the effect of the demographic behaviour of older cohorts, namely in terms of male and female life expectancies. The graphs below provide a very intuitive description of this phenomenon among the Portuguese elderly.

If for both men and women the likelihood of living alone increases with age, the growth is more marked among women. In fact, all along the age line males are most frequent living with a spouse (with or without adult children). A further cross-tabulation with marital status shows that even among those men in other living arrangements, namely in complex households, the share of individuals that cohabit with a spouse is far greater than amongst women (see below on marital status).

Figure 5.1. Living arrangements of Portuguese female and male elderly, by age, in 1998



Source: ECHP, wave 5 (1998)

Figure 5.1 also shows that the likelihood of living in extended households increases with age for both gender groups. This increase is however more pronounced among females, again undoubtedly an effect of their greater exposure to widowhood.

This type of analysis is adding weight to the existing evidence about the heterogeneous composition of the elder population and reinforces the need to tackle different segments of older persons when designing policies. For elder males the

issue of care may often be put in terms of helping a “natural” carer (a spouse), while for females the issue of care may involve more often the need to find a carer. The same way, if at younger stages of old age the majority of the elderly seem to be benefiting from some type of co-habitation, it is when age increases, (therefore the likelihood of needing care), that they are more likely to loose that co-habitation.

On the topic of age, however, it is worth highlighting one last element from table 5.2: the higher share of elderly in extended households in Portugal in comparison to the Southern European cluster, namely the pronounced difference observed among the younger elderly. In Portugal, the share of elderly between 65 and 69 living in an extended household are more than twice the share found in the Southern European cluster for the same age group. This may indicate that for the Portuguese case the extended household may be more than a primary resource for the elderly in need. In fact, it may be an element of a specific socio-economic model and in that sense, responding to broader and eventually more complex determinants. This issue will be examined in chapter 6.

## **2.2. Marital status and living arrangements**

Although changes in marital status taking place in old age tend to be associated with the natural demographic dynamics of older cohorts (therefore they tend to be an independent external variable in terms of the social policy context), it is still important to highlight the potential implications in the creation of needs that must be met by the social policy context.

The first most evident trait to highlight is the strong correlation between widowhood and living alone. This is the single most impacting event in old age as has been largely demonstrated elsewhere(Walker and Maltby 1997; Iacovou 2000). Widowhood often means that the individual changes from their current state to living alone status. The data from the ECHP seem to follow the general trends one finds in the literature, as table 5.3 below illustrates.

5.3. Living arrangements of the elderly according to their marital status, in 1998  
(percentages within living arrangement)

		Living arrangements	Alone	With spouse	With spouse and adult children	With adult children	Extended household with dep. children	Extended household without dep. children
Marital status	Married	ECHP	0.8	98.0	99.8	a)	38.5	30.6
		South Eur.	a)	99.5	100.0	a)	45.3	26.5
		Portugal	a)	98.9	99.2	0	27.2	36.7
	Divorced/ separated	ECHP	6.5	a)	0	a)	a)	a)
		South Eur.	a)	a)	0	a)	a)	a)
		Portugal	a)	a)	0	a)	a)	a)
	Widowed	ECHP	79.9	1.0	a)	95.3	55.5	55.0
		South Eur.	85.7	a)	0	97.1	48.9	59.9
		Portugal	88.2	a)	a)	97.1	66.7	45.6
	Never married	ECHP	12.7	a)	0	a)	a)	12.5
		South Eur.	10.3	a)	0	a)	a)	13.6
		Portugal	a)	a)	0	0	a)	a)

Source: ECHP, wave 5

Obs.: Cases are weighted

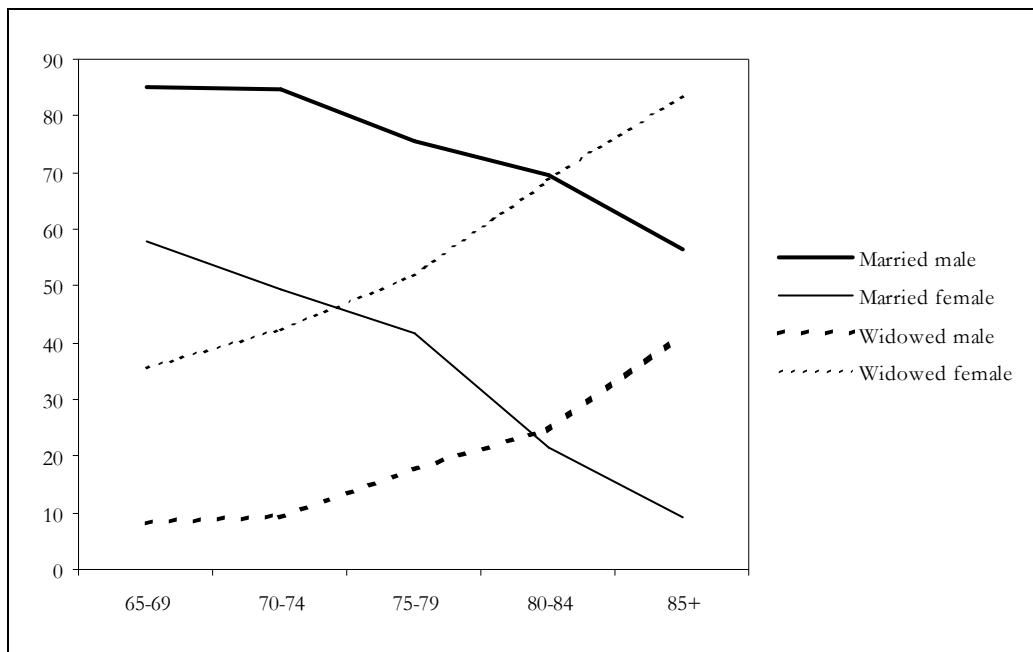
Notes: a) The frequencies observed are below 40 (non weighted cases)

Across the countries included in the ECHP, the overwhelming majority of elderly living alone declare to be widowed. The figure is highest in Portugal, with more than 88%.

Yet, within the distribution of widowed Portuguese elderly, around 40% of the individuals are not living alone (go back to table 5.2). This implies that living alone in old age among the Portuguese elderly, similar to what one observes at the ECHP level of aggregation, is largely associated to widowhood, but that widowhood in Portugal has the triggering potential both for changes to living alone and for changes to living with descendants or other kin. At the ECHP level less than 25% of the widowed elderly are not living alone (see table 5.2).

Going back to the previous considerations on gender and age, the analysis of marital status according to gender groups and age groups reinforces the argument of gender differences in living arrangements in old age and of the need to differentiate social policies according to gender-age groups.

Figure 5.2. Marital status<sup>1</sup> and age of the Portuguese elderly, in 1998 (percentages within gender)



Source: ECHP, wave 5 (own estimates)

Notes:

<sup>1</sup> I have omitted from the graphical representation the categories “divorced” and “separated” since they both show too small numbers to have any significance for the analysis.

The figure above shows, once more, the gendered incidence of a potentially determinant event in old age, with widowhood affecting proportionally more women than men. More than that, and coherent with the first descriptive analysis of the distribution of living arrangements, for men the predominant marital status is married all along the age line, while for females from the mid-seventies onwards widowed shows as the most frequent status. Again there is empirical evidence reinforcing the potential for elderly women to be more exposed to the risks inherent to old age – among those risks widowhood and the changes it may trigger in the individual’s life. Although these are topics to address more thoroughly in chapter 6, the changes that may be triggered by widowhood include a broad range of situations, from material/financial needs to needs of a more emotional/psychological nature. The way the elderly resolve those situations, the level of engagement of their families in resolving those situations and the mechanisms that are necessary to develop from a social policy point of view are all elements to be jointly considered.

### 2.3. Health status and living arrangements

The ECHP is not comprehensive when it comes to data on health related issues. Besides the usual question on self-reported health status, it only reports information on the existence of a long-term illness or disability. This, however, does not specify the nature of the health problem and relies solely on the self-perception of the interviewee on his/her status. The risk of dependency is also measured exclusively by asking for the individual self-perception on the severity of the health problem. Having said that, one should keep in mind that all the analyses on the health variables are done within a potentially biased context. As demonstrated by some empirical studies on perceptions and health conditions, what the individual declares in surveys and what he/she perceives to be his/her health condition are greatly affected by socio-cultural factors (Fry 2000). This has been used among others to account for some variations in the declared health status across countries.

Starting with the analysis of the existence of a hampering condition and its potential association with different types of living arrangements, one would expect to find among the Portuguese elderly a relatively higher incidence of hampered elderly in the types of households that reflect availability of care within the household and a lower incidence among those living alone. This has been the conclusion of several studies on this topic in other countries that are not considered examples of familialism (Giarchi 1996; Walker and Maltby 1997). In a familialist setting, where the family is taken as the primary provider of help in old age, this association should be identifiable even with more clarity. Furthermore, what the literature has been suggesting is the association between a higher incidence of elderly living alone with a long-term illness or disability and an institutional setting characterised by the availability of domiciliary-care services (OECD 1996; Walker and Maltby 1997). In Portugal, and given the description of the social policy framework put forward in chapter 3, one would expect the reverse.

Looking back to the data presented in table 5.2, the associations outlined above can be in fact identified. Portugal shows a clearly lower share of severely or even moderately dependent elderly living alone than the ECHP average (among the severely dependent elderly, at the ECHP level, 42.3% are living alone, while that share is only 24.1% for Portugal). If one looks instead at the shares of disabled elderly living in some type of extended household, against an ECHP of 7.3%,

Portugal shows a percentage of 13.5%. One can always raise the hypothesis of the lower shares of disabled elderly living alone in Portugal, when compared to the ECHP, being explained by a higher rate of mortality in this group in Portugal. Considering the policy framework available, it is a plausible hypothesis. There are no data to test it. However, the difference between the ECHP and the Portuguese averages for disabled elderly living in extended households can hardly be explained by the same demographic argument. It seems to suggest that disabled elderly in Portugal are living with the extended family comparatively more frequently.

Having said that, one should equally highlight that, as demonstrated by other studies (Iacovou 2000), most people declaring a hampering condition are living with a spouse, for all levels of aggregation of the countries considered and with similar figures. This reinforces the importance of spouses (mostly women) as potential carers in old age.

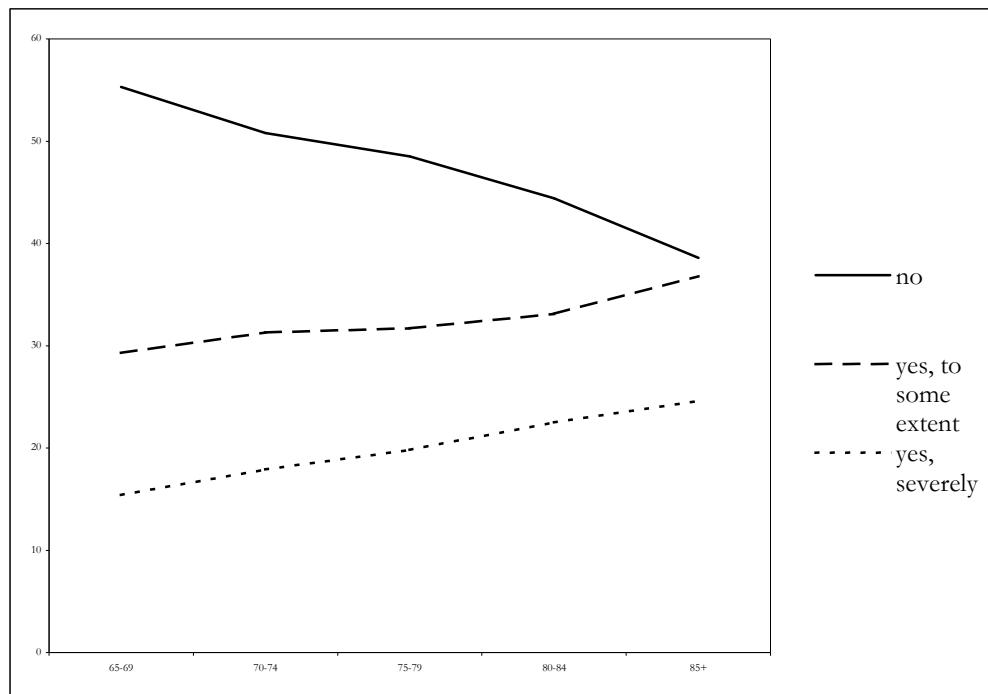
At this point, a note should be added on the issue of institutional care. The ECHP has the limitation of only sampling the non-institutionalised population. Furthermore, since the ECHP is a longitudinal survey, the fact that there is no data on the causes of sampling death (individuals and households that dropped from the survey along waves) and no follow up of members that leave the sampled households, leaves us with no information on the proportion of sampled elderly that move to institutional care along the survey. At the national level, there are no reliable data on the socio-demographic profiles of the elderly living in institutions that could be used to raise some tentative explanations for the trends observed in the ECHP data. This is in itself significant from the perspective of policy discussions, but more than that impedes any consideration of institutional care as a response to the deterioration of the health status of the elderly in our analysis. This severe limitation of the analysis should not pass unaccounted for and should be present as a reference point along the discussions that follow.

Focusing now on the Portuguese case, once again the gender dimension pops in as a crucial differentiating element. According to the data, around 60% of the Portuguese elderly who declare being hampered are women. Yet, among the disabled women, close to 30% are living alone, while among men that figure is only 10%. 77.5% of men declaring being hampered are living with a spouse, with or without adult children. For women that figure hardly reaches 48%. Among disabled women, around 16% are living in complex households (only 9% of men are in the same

situation). Although these distributions constitute no surprise and in fact reinforce the conclusions other researchers have been putting forward on gender differences in morbidity and in dependency rates (Martin, Meltzer et al. 1988), the data reinforce once more the importance of the gender divide in old age and contribute to substantiate the need for gendered policies in old age. Several studies have demonstrated that women are more likely to live longer but have higher probability of being sick and experiencing chronic illness at a later age. In all countries researched on the topic of disability free life expectancy, women have shown to have higher life expectancy but more years of disability (Huisman, Kunst et al. 2003). Portugal, therefore, aligns with the overall trend.

Age also appears as an important differentiating factor when analysing the health status of the elderly. In the sample of Portuguese elderly, there is a clear picture of increasing likelihood of living with some hampering condition as age increases. The figure below provides a clear representation of this trend.

Figure 5.3. Existence of a hampering condition, according to severity of hampering, by age group, in Portugal, in 1998



Source: ECHP, wave 5 (own estimates)

This picture clearly reinforces the heterogeneous character of old age and adds to the argument that social policies must tackle in a differentiating way subgroups of elderly.

As for the variable measuring self-perception of health, the Portuguese sample shows a very high proportion of elderly people perceiving their health status as bad (around 46%). According to the data presented in table 5.2 though, this does not seem to bear any relation with the type of living arrangement in which the individual is currently engaged. Which brings us to the question, often discussed in health related analyses, of knowing if the self-perception of health status is a leading factor or a consequence of the individual's living arrangements (Fry 2000). I do not go into this issue in depth in this thesis.

In terms of policy design, it seems important to discuss the proportion of elderly declaring some type of hampering condition and the ways they deal with needs emerging from that condition. According to the sample of Portuguese elderly, 24.7% declare being severely hampered in their daily activities due to some health problem, and 28.1% moderately hampered. Considering the population estimates for the 65 plusers in 1998, this would represent an absolute value of around 382 000 of severely hampered elderly and around 435 000 moderately hampered ones. The policy responses available within the social policy framework need to be assessed in consideration of these figures.

## **2.4. Living arrangements and familialist social policies**

Living arrangements are not always rational choices among alternatives. They sometimes result from the lack of alternatives and often denote individual biographies and life-course experiences that data not always capture.

In any case, it seems of interest to try to assess the relative impact of different socio-demographic factors in the likelihood of choosing a certain type of living arrangement. In particular, it seems of interest to assess the significance of what influences the decision of living alone and of living in an extended household. Since this thesis is primarily interested in understanding the living arrangements of the elderly in a familialist social policy setting, those two types of living arrangements can be taken as the two poles of such a system.

Two logistic regression models were defined to assess the relative impact of each socio-demographic factor considered in the likelihood of an elder person living alone and in the likelihood of living in an extended household.

The first model takes as the outcome variable the logistic transformation of the probability of an elder person in the ECHP survey living alone in 1998. This model was restricted to non-married elderly.

The second model takes as the outcome variable the logistic transformation of the probability of an elder person in the ECHP survey living in an extended household. This model was run for all sampled elderly but pooling those living in extended households with and without dependent children.

When running this type of analysis one is free to include as many variables as one wishes. The factors considered in my analysis result from an attempt to summarise what has been put forward so far and as such have a holistic descriptive character.

In that sense, the variables addressed in the previous sub-sections from the perspective of their bivariate associations with living arrangements are included as explanatory variables in the models. Some further variables are included to account for effects often found in the literature: age squared to control for a potential non-linear effect of age; previous living arrangement to include some proxy for the resilience of living arrangements irrespective of events that can potentially be triggers of changes; experience of death of member of household along the survey, to include the impact of losing co-residents other than the spouses.(Iacovou 2000)

Table 5.4. Summary of the significance of factors associated to the likelihood of an elderly living alone and of living in a complex household, in 1998

Factors	Living alone <sup>1</sup>			Living in complex household		
	Coefficient estimates	t statistics	Odds ratio	Coefficient estimates	t statistics	Odds ratio
Gender						
Male (base)						
Female	0.394*	2.10	1.483	0.20	1.08	1.221
Age	-0.349	0.95	0.705	0.539	1.38	1.714
Age squared	0.002	1.00	1.002	-0.003	1.50	0.997
Marital status						
Married (base for model 2)	-	-	-			
Separated/divorced (base for model 1)				2.258**	3.76	9.568
Never married	0.287	0.73	1.332	1.319*	2.23	3.739
Widowed	0.598*	2.01	1.819	1.09**	4.24	2.976
Living arrangement in 1994						
Alone (base)						
Couple	-5.405**	19.58	0.004	1.942**	4.42	6.972
Couple with adult children	-10.462**	23.83	< 0.0005	3.604**	7.90	36.744
With adult child	-7.413**	31.88	0.001	1.836**	3.74	6.272
Complex household with dep. children	-10.033**	24.29	<0.0005	9.070**	22.34	8688.9
Complex household without dep. children	-12.519**	12.48	<0.0005	8.399**	19.95	4444.6
Experienced death of member of household along survey						
No (base)						
Yes, partner died	4.082**	13.56	59.253	-1.255**	3.67	0.285
Yes, other member of household died	3.426**	9.84	30.749	-2.066**	6.91	0.127
Hampering condition						
No (base)						
Yes	-0.112	0.70	0.894	0.135	0.78	1.145
Country						
Portugal (base)						
Germany	0.541	1.60	1.718	-1.307**	3.14	0.271
Denmark	0.431	0.91	1.539	a)	-	-
Netherlands	2.188**	5.42	8.919	a)	-	-
Belgium	0.944*	2.08	2.571	-1.246*	2.51	0.288
France	0.838*	2.52	2.311	-1.453**	4.04	0.234
UK	0.649	1.71	1.913	-1.022*	2.48	0.360
Ireland	0.444	1.16	1.559	-1.310**	2.87	0.270
Italy	0.491	1.50	1.634	-1.410**	4.86	0.244
Greece	0.609	1.71	1.838	-0.714*	2.42	0.489
Spain	0.059	0.18	1.061	-0.787**	2.93	0.455
Constant	18.978	-	-	-30.306	-	-

Source: ECHP, waves 1 and 5 (own estimates)

Obs.: The models were also tested for interaction terms between variables but no significant interaction was identified.

Notes: \* significant at 0.05; \*\* significant at 0.01

a) No elderly in the national sample living in extended household

<sup>1</sup> The likelihood of living alone was calculated only for the elderly not married. That way the research design controls for a potentially differentiated incidence of marriage in different countries and analyses the relative impact of the other variables.

The gender factor has been mentioned several times along the previous sections as one important structuring element of living arrangements in old age. The multivariate analysis clarifies the nature of that importance. In fact, once controlling for all other factors, gender does not show as significant as one could initially expect (it is only marginally significant in the first model). This reinforces the association between gender and other variables, namely marital status, and dilutes any real gender-based difference in the choices in terms of living arrangements.

The same way as gender, age shows no significance in itself. Once more it seems this is the result of the association between age and living arrangements highlighted in the descriptive analysis being mediated by other factors, namely by marital status.

Marital status does seem to work as one of the most impacting single factors in life among the elderly. As shown under model 2, it is among those elderly that are deprived of a cohabiting spouse that the likelihood of living in some type of extended household increases.

The striking impact of the previous living arrangements is key to understanding the relatively static condition of living alone. What the results displayed in the table seem to suggest is that once the elderly person lives alone, they are likely to remain like that. This in turn is very much associated with the loss of a spouse, as the results on the experience of bereavement along the survey seem to suggest.

The health variable included shows no significant impact in the likelihood of living alone or of living in extended households. Again it is in other events, namely in the changes in marital status, that one seems to have to look for the triggering mechanism of changes in living arrangements.

Finally, in a rough attempt to control for the effect of the social policy context, a series of dummy variables for country were included in the models. The significant effect is only visible as far as the likelihood of living in an extended household is concerned. This is coherent with the familialist argument I have put forward for the Portuguese case, but the fact that the likelihood of living alone in Portugal is more or less the same as in all other ECHP countries brings about some questions. In particular, it seems to plant the seed to enquire about the prevalence and/or erosion of the familialist mode in the lives of the elderly. That topic will be examined in chapter 6.

### **3. Financial conditions in old age**

The well being of individuals in contemporary societies is very much associated with their financial resources. In the most straightforward way, it allows individuals to purchase whatever is lacking for the fulfilment of that well being. When financial resources are missing or are scarce other resources need to be activated, among them informal networks or formal social assistance. In any case, it is very important to address financial conditions in old age to understand fully the logic of the strategies the elderly activate.

The information available in each wave refers to the income available in the year prior to the survey. I use data for household income (from this point forward designated as income) and not personal income for a set of different reasons. On one hand, the focus on living arrangements brings us to the household level of analysis. On the other hand, and from a more methodological perspective, analysing the household income instead of the personal income allows one to consider transfers within the household and that way to have a better measure of the objective living conditions of the elder person.

#### **3.1. Low income and poverty in old age**

Reproducing the generalised low level of pensions in Portugal, the sample of Portuguese elderly shows a very low level of income when compared with their European counterparts. Table 5.5 below displays the national median income for both the general population and the sub-sample of elderly people, for the 11 ECHP countries. Given the characteristics of income distributions in general in terms of asymmetry, readings from the median give more reliable information about the central tendency of the distributions than the mean.

Table 5.5. Median household income of ECHP national samples and elderly subsamples, in 1998 (household income equalised for the OECD modified scale and harmonised for PPPs)<sup>1</sup>

Country	National sample	Elderly sub-sample
Germany	14157.42	13078.75
Denmark	14559.91	9627.43
Netherlands	13600.00	11572.91
Belgium	14203.28	11364.63
France	12878.02	11547.28
UK	14919.57	9331.09
Ireland	10772.98	7584.47
Italy	9646.94	9059.23
Greece	7497.07	5466.61
Spain	8285.51	7728.99
Portugal	6691.12	4791.91

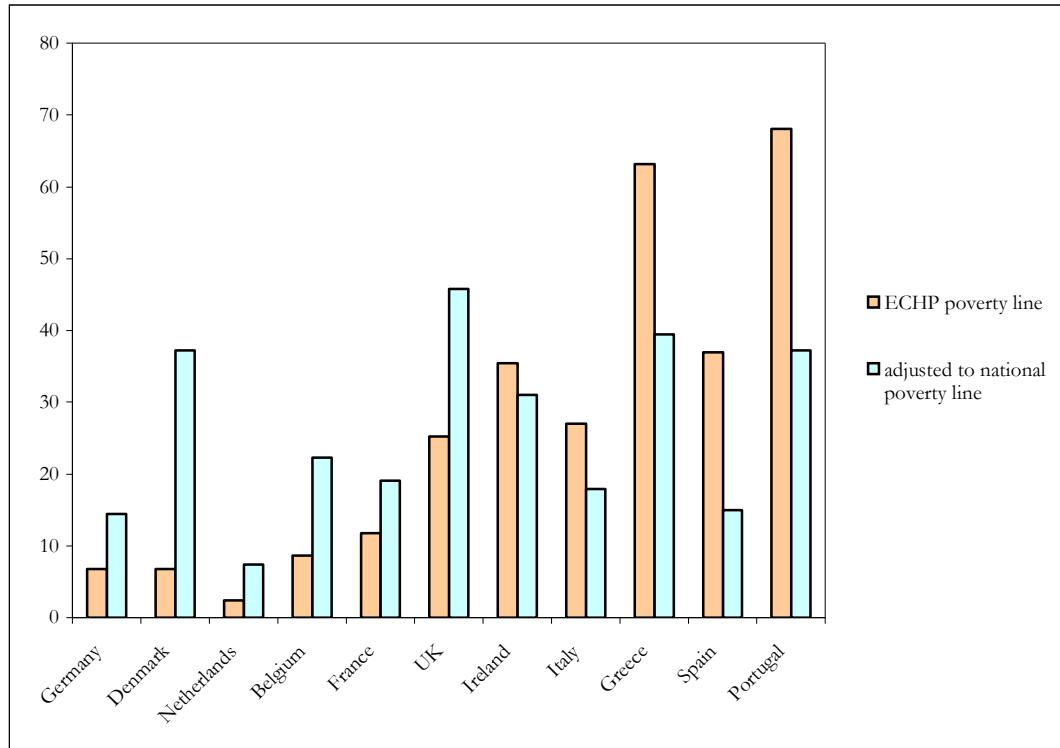
Source: ECHP (own estimates)

Notes:

<sup>1</sup> To analyse the income variable I first had to weight the household income by the number of individuals in the household. The OECD modified scale is an equivalence scale that assigns different weights to the individual members of the household, allowing computing for each an individual income value: the scale attributes a weight of 1 to the first adult, 0.7 to other adults and 0.5 to each child. After this equivalence procedure I had to harmonise the variable in terms of its unit of measurement. The ECHP records income values in national currencies. To standardise these national currencies I have chosen to use a weighting procedure that also considers the differences in the life standards among countries: the Power Purchase Parities, PPPs. Because in each year of the survey the income recorded refers to the previous year I have used the 1997 PPPs to harmonise income in 1998. PPPs are supplied by Eurostat and are the same as the PPPs used by the European Commission.

The table clearly shows Portugal as a country with a generalised low level of income, especially among the elderly population. Portugal is followed by Greece and Spain and to a certain extent by Ireland as well, but maintains its ranking as the country where financial conditions in old age seem to be the worst. This income distribution reinforces the analysis presented in chapter 3 about the limitations of the pension system in Portugal. Within the national framework, and that is of more interest for this research, the relative position of the elderly is strikingly bad as one can realise from the information represented in figure 5.4 below. The graphic representation displays the share of elderly people below the poverty line in each ECHP country, but defining the poverty line in two different ways: as 60% of the ECHP median income; and as 60% of the national median income.

Figure 5.4. Proportion of elderly people below the poverty line, in 1998, in 11 ECHP countries (proportions for poverty line as 60% of ECHP median income and adjusted for national poverty lines)



Source: ECHP, wave 5 (own estimates).

If we take as a reference for defining a poverty line the 60% of the national sample median household income we come to the conclusion that almost 40% of the Portuguese elderly are below that value. This proportion increases to almost 70% if we take the ECHP poverty line, again reflecting the comparatively worse off financial situation of the Portuguese elderly.

It is not the aim of this thesis to focus on income per se or to engage in any substantive discussion on the meaning of income as a measure of poverty. The research goal is rather to analyse the available data to provide the clearest picture possible of the living realities of the Portuguese elderly. The figures above seem to sustain a claim for a generalised low income that surely has strong impacts on their overall well being as well as on the opportunities available to address needs and demands that may arise from old age. I will discuss this issue in more detail in the next chapter. In any case, and just as a note, one can collect these pieces of data and understand more clearly the generalised lack of interest of the private sector in Portugal to develop services of support to the elderly. In terms of policy design this

must be taken into account and must be accepted as an indicator of the reasons why market-based solutions will not be feasible in the short-run in Portugal.

### **3.2. Extended participation in the labour market and economic relief in old age**

One of the most striking differences that distinguish Portugal from the rest of the ECHP countries is the high share of elderly people that declare being engaged in some type of professional activity after the statutory age of retirement. Against an ECHP average of 2.2%, Portugal shows a proportion of 8.9% of 65 plusers declaring being active in the labour market. This difference is particularly significant as it can be taken as an indicator of the worse off financial situation of the Portuguese elderly when compared with their ECHP counterparts. If one goes back to the discussion on the information contained in chapter 3, the generalised low level of old-age pensions that characterises the Portuguese system is most certainly a key factor to consider.

This topic will be resumed in detail in chapter 6. At this stage the analysis introduces some elements that will provide coordinates for a more in-depth discussion of the financial dimension of living arrangements in old age in Portugal. The first relates to the importance of the elderly themselves as income generators.

If one looks at the distribution of living arrangements among the working elderly, it is clear that the higher share of working elderly in Portugal is seen in all living arrangements, including those that imply some type of multi-generations cohabitation.

Table 5.6. Shares of working elderly in each type of living arrangement, in 1998 (percentages within living arrangement)

Living arrangement	ECHP	Portugal
Living alone	2.2	7.2
Living with spouse	5.0	17.6
Living with spouse and adult children	10.4	13.7
Living with adult child	3.9	16.2
Living in complex household with dep. children	4.4	9.7
Living in complex household without dep. children	3.7	6.7

Source: ECHP, wave 5

These comparatively higher shares of elderly working after the statutory age of retirement may be equally related to the socio-economic model that is still

predominant in large portions of the Portuguese society. Among the features of that model it should be highlighted the prevalence of traditional rural modes of social functioning and the high shares of self-employed people in the labour force. As for the first, it is significant to note that among the elderly declaring that they are still working, a bit more than 63% are working in agriculture activities. As for the second, around 69% declare being self-employed and 5.5% are unpaid workers in family business. Although the data available do not allow for any further considerations, the traits identified above seem coherent with the description others have made about the Portuguese society as still marked by strong elements of rurality (Pinto 1985; Almeida 1986; Pina-Cabral 1995).

The logical question to ask, given this scenario, seems to be to what extent is this lasting participation in the labour market an efficient way to pull up the elderly from poverty? This and other related questions will be examined in chapter 6.

#### **4. The foundational trinity of familialism: women, household and care**

As stated in the opening of this chapter, one of the objectives is to include in this first approach to how familialism shows in the lives of the Portuguese elderly some remarks on how families engage in looking after them. That is the topic of this section.

Familialist systems are not identified by a greater willingness of people to engage in caring activities, namely in caring for elderly people. What I argue is specific to familialist systems is the way caring activities are entangled with the household structure and with gender roles. Moreover, and despite the inequalities and burden this often represents on women in particular, what characterises familialist systems is the way caring arrangements remain functional within the overall household structure.

Table 5.7 displays cross-sectional frequencies of engaging in caring for a person other than a child in 1998 in the 11 ECHP countries. A note on the question asked to individuals and on the fact it did not identify clearly caring for an elderly person – the ECHP distinguishes only between looking after a child and looking after a person other than a child. It is assumed that caring for a person other than a child designates those who look after an elderly, although this might also include disabled people of

younger age. Given that the recipient of care is not identified, it is impossible to regroup the sample in any other way besides the original ECHP grouping.

Table 5.7. Descriptive variables on the amount and nature of engagement in care for elder people, in 11 ECHP countries, in 1998 (percentages in each national sample)

Country	% engaged in care for elderly	Intensity of care giving (% of those engaged in care)			Location of care (% of those engaged in care)		Caring prevents from taking paid work	% of women among those engaged in caring for elderly
		Less than 14 hours per week	14 up to 28 hours per week	More than 28 hours per week	Cared after person lives in household	Cared after person lives elsewhere		
Germany	3.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Denmark	6.9	66.9	19.7	13.4	30.0	69.3	15.5	63.2
Netherlands	7.5	45.9	44.9	9.2	29.9	70.1	15.3	58.4
Belgium	6.8	68.7	15.6	15.7	30.2	68.7	13.5	57.1
France	4.1	64.3	22.2	13.5	35.6	63.3	6.8	63.8
UK	15.4	n.a.	n.a.	n.a.	31.4	64.4	n.a.	58.0
Ireland	5.1	31.2	17.5	51.3	56.9	42.6	33.3	67.6
Italy	6.6	41.6	30.7	27.7	45.7	49.8	15.9	64.3
Greece	4.1	34.0	46.1	19.8	65.2	32.2	14.8	78.4
Spain	5.8	17.3	25.9	56.8	66.6	32.3	20.3	72.8
Portugal	5.1	23.8	23.0	53.2	83.0	15.7	32.7	85.1
ECHP	6.2	53.5	22.5	24.0	49.2	48.6	18.1	64.8

Source: ECHP, wave 5

Obs. Cases are weighted

Note: n.a. means data were not available for the country on that particular variable

A first analysis of the data shows what some would find surprising higher shares of people engaged in caring for an elderly person in countries such as Denmark, The Netherlands or Belgium, especially when compared to the Southern European cluster. Portugal in particular is shown as a country where the share of engagement in caring for elderly people is significantly low, in any case well below the ECHP average.

This should be interpreted in two ways. First, it shows that familism does not mean higher commitment of individuals with caring for older cohorts of their society, the later measured as the share of individuals engaged in caring activities. Second, global shares of engagement in caring activities do not say anything about the content of the care being provided and the consequences of providing care for the individuals involved.

My interpretation of this is that in familialist systems, largely as a consequence of the lack of a formal institutional setting that can provide support services, caring for the elderly is basically a household matter and a responsibility of women. This reflects

the reproduction of the strongly gendered divisions of responsibilities within the household that characterise familialist systems, as well as the nature of caring as an economic arrangement that involves the entire household. The association of this to the normative system has more to do with the responses of individuals and households to a poor institutional setting than to a somehow more cohesive social fabric where intergenerational solidarity is more valued. The analysis on the normative universe put forward in chapter 7 will bring additional elements to this discussion.

Several reports have been published on the gendered dimension of caring for elderly people and on the unequal consequences of engaging in caring for men and women (Cancian and Oliker 2000; OECD 2000; Pickard 2001). The structural gender bias of care is a much-debated topic that the thesis does not address *per se*. The focus on this study is to show how that gender bias in the Portuguese case appears associated with the fact that caring for the elderly is a household matter.

My argument is that the particularly exacerbated gender bias in the Portuguese case is significantly associated with the fact that caring for the elderly takes place inside the household and in that sense tends to be an intense activity. This is largely a consequence of the insufficiencies of the institutional framework that makes it difficult to combine moderate informal care giving with the use of formal services of care. Given that the burden of caring for the elderly will fall on the household, rather than on an individual, within the household that burden will be absorbed differently by the household members, with the major consequences falling on women.

Going back to the data presented in table 5.7 it is clear that the empirical evidence gathered suggests an explanation like the one outlined. Countries with high shares of carers, such as Denmark, Netherlands or Belgium, according to the same table, are countries where most of the care giving takes place outside the household of the carer. On the contrary, for countries such as Portugal, but also Spain and Greece, caring seems to imply co-habitation between the carer and the recipient of care. This supports my argument about the Portuguese case and about familialist systems.

It is likely that the average citizen of any country would like to see his or her elderly parents being cared for and getting all the support they need if in a situation of frailty or incapacity. Also one would accept that for most people being personally involved in the life of that elderly relative is something all accept as part of their responsibilities. The models according to which that involvement takes place and the

extent of the impact of that involvement in the individual's life though may vary significantly.

If care giving takes place outside the household, that means one of two things: either the recipient of care has a moderate to low need for care, therefore retaining a high level of autonomy; or, there are formal services that provide for the support needed and complement the care provided informally by a family member or friend. In any case, it seems plausible to infer that in situations where there is no co-habitation between the carer and the recipient of care, the intensity of the care giving is more moderate than in the situations where that cohabitation occurs. If, on the other hand, care giving takes place inside the household then that means a permanent proximity between the carer and the recipient of care, which undoubtedly suggests a higher intensity of care giving, if not *de facto* at least potentially. Additionally, it is likely that when the care giving takes place inside the household, the presence of the recipient of care will directly affect all members of the household, whereas in situations where it takes place outside the household of the carer it can be potentially confined to an individual situation that affects solely the care provider and not necessarily the other members of his or her household.

This is the second piece of evidence to build my argument. It would be plausible to expect that a broader involvement of the household in care giving would mean a potentially more equitable distribution of the tasks involved in caring for an elderly person. However, in familialist settings, on the contrary, it only reinforces the gender division of work within the household and therefore the burden on women.

It seems that in Portugal caring for an elderly person is an affair of the household. It implies cohabitation between the carer and the recipient of care and as such it configures a context of intense care giving. The data displayed shows that, although the gender bias is a common cross-national trait when analysing caring for the elderly, it is more pronounced in some countries, namely in Spain, Greece and Portugal and, among these, more exacerbated in the Portuguese case. Caring for an elderly person in Portugal is based on a triangle that articulates the household, women and intense care giving.

The implications of the erosion of this triangle seem to be the focal point of any discussion on policy design for an ageing population in a country like Portugal. That, and other issues already outlined along this chapter, will be addressed in detail, for the Portuguese case, in the following chapter.

## Conclusion

This chapter has presented the results of the analysis of ECHP data focusing on cross-national comparisons. The discussion put forward answers the first set of research questions introduced in chapter 4. The research questions addressed were as follows:

- What are the living arrangements and the living conditions of the Portuguese elderly compared to their European counterparts?
- Do the Portuguese elderly organise their lives activating comparatively more family resources than their European counterparts living in less familialised social policy systems?
- Is it possible to identify a higher incidence of extended households with multi-generations cohabitation among the Portuguese elderly; a lower incidence of elderly living alone in Portugal; and more intense flows of support from the family network (namely from adult children) to the old person in Portugal?

The main conclusions of the analysis introduced along this chapter suggest that there are some trends differentiating the welfare arrangements of the Portuguese elderly when compared with their European counterparts. Some of those trends are also identifiable in other countries that are usually introduced in the literature as examples of familialist systems. Such is the case of Spain or Greece and to a large extent Italy. It was seen that there is a higher share of elderly living in some types of extended household in Portugal and a lower share of elderly living alone. The changes observed between 1994 and 1998 further showed that both types of living arrangements have increased in the 5 year period considered. This simultaneous increase was considered quite interesting as it reveals the likely co-existence of a trend of convergence with the modern European societies (more elderly living alone) and the resilience of more familialist arrangements (more elderly living in extended households).

The analysis put forward along the chapter has tried to disentangle some of the inner logics behind the patterns in living arrangements. The conclusion seems to be that

there are similar and differentiating elements in the lives of the Portuguese elderly when compared to their European counterparts.

In terms of demographic trends, it was seen that there is a considerable amount of commonalities among the elderly in all countries considered. Gender and age show as the main axes of variation in living arrangements: men are more likely to have their spouses around for longer in their lives; women are more affected by widowhood; very old women are more likely to be living alone. This gender-age variation was showed to be related to the differentiated impact of marital status along the gender-age line.

These commonalities though appear alongside with some distinctive traits for the Portuguese case. It was seen that in Portugal the impact of marital status, namely the impact of widowhood, goes both ways: it is likely to trigger an elder person to live alone as it is to live in an extended household. It was also seen that, in Portugal, living in an extended household is not just an arrangement for the very old but a significant element in the living arrangements of younger elderly as well.

The analysis has also tried to test some associations between living arrangements and the risk of dependency by looking at some health variables. It was possible once more to identify the co-existence of patterns of similarity and of differentiation between the Portuguese elderly and their European counterparts. Among the similarities, it is worth highlighting the prevalence of spouses as main carers of disabled elderly. Among the differentiating trends, there is a higher share of potentially disabled elderly living in extended households in Portugal. Yet, the complex nature of the relationships outlined cannot be fully captured by the data available. The limitations of the ECHP data on health related variables are certainly a topic to reflect upon.

On the topic of financial conditions, the analysis has shown that the characteristics of the pension system in Portugal are reflected in the worse off situation of the Portuguese elderly when compared with their European counterparts. The Portuguese elderly are poorer than the average elder European from a monetary perspective. It was also shown that the Portuguese elderly are comparatively more engaged in the labour market after the statutory age of retirement than their European counterparts. This was observed in all forms of living arrangements.

Finally, the chapter has included a first attempt to analyse flows of exchange of support focusing on the delivery of care to the elderly. The results suggest two main

conclusions. On one hand, there are similar patterns of engagement in caring for the elderly across Europe and in that sense that there is no empirical evidence to support that in familialist systems people are more engaged in looking after their elderly. On the other hand, the data showed that there are differences between engagement in caring and modes of engaging in caring for an elder person. In Portugal, as well as in other Southern European countries, although the overall levels of engagement in caring for the elderly are similar or even lower than the ECHP average, caring for an elder person, when it takes place, seems to involve cohabitation between carer and cared for and seems to imply a more intensive delivery of care, measured as total amount of time spent caring for the person. This was said to be likely to reinforce gender differences in engagement in care in familialist settings, since within the household the burden of caring is likely to fall on women.

Overall, the results put forward in this chapter start demonstrating, from a comparative perspective, how familialism translates into the lives of the Portuguese elderly in terms of family dynamics. The main conclusions of this chapter open the way to further enquiries and are to be followed by a more in-depth analysis of the Portuguese case to unravel the logics behind some of the trends identified. That is the topic of chapter 6 that follows.

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## **Chapter 6**

### **Focusing on the Portuguese Case: Within Household Dynamics in Familialist Settings**

#### **Introduction**

This thesis has already discussed with some detail two important topics to understand the realities of the lives of the Portuguese elderly. One of those is the broader social policy framework and social policies directly related to old age in Portugal. On this topic, the main conclusions were: it is a system marked by a fragmented and insufficient provision, especially of services; it is a system that, despite its apparent generosity in terms of calculation and definition of entitlements in the area of old age pensions, it is marked by deep distributional inequalities and generalised low levels of paid benefits.

Also the relative situation of the Portuguese elderly from a cross-national perspective was examined. The goal was to demonstrate how the familialist nature of social policies in Portugal translates into the living arrangements of the elderly and their families. The key findings were: there are big disparities between countries in the living arrangements of the elderly, with the Portuguese elderly more likely than their European counterparts living in an extended household; the Portuguese elderly are worse off financially than their European counterparts and the strategies they develop in terms of living arrangements may be tackling more the financial constraints of old age than their needs for care in situations of dependency; despite the higher incidence of extended households in Portugal, the levels of engagement in caring for an elder person are not substantially different than what is found across the rest of the countries included in the analysis; the substantial difference that one finds is the fact that caring for an elder person is a household matter in Portugal, which implies cohabitation between carer and care recipient therefore reinforcing the nuclear role of the household in familialist settings.

The main goal of this chapter is to discuss in detail, and for the Portuguese case, familialism as seen from the side of household dynamics. This involves analysing income dynamics within the household as well as in kind exchanges of support.

The results introduced in this chapter are used to answer the second set of research questions put forward in chapter 4 as derivatives of the question on how and how much are Portuguese families engaging in welfare provision to the elderly. The chapter provides a series of evidence on the inner logics of familialism in the lives of the Portuguese elderly seen from the side of family dynamics.

The first section of this chapter discusses as thoroughly as the data allow the financial situation of the elderly in Portugal. The discussion focuses on the distributional effects of familialism and on the logics of income formation within the household. The analysis put forward in this section also includes some detailed discussion on the sociological profile of the extended household and related to that on the expected evolution of familialism among the Portuguese households. On this topic, I work with a nuclear differentiation between extended households centred on the elderly and extended households centred on other people. I also address other elements of differentiation that are considered relevant when discussing the expressions of familialism in the Portuguese society, such as territorial disparities; social class related differences and education related differences.

The second section of the chapter resumes the discussion on familialism as a system of exchange of support in kind. It addresses two elements of support in particular: accommodation and care.

The analysis of exchanges of support in the form of providing for accommodation is very limited by the available data. I try to discuss in particular the importance of home ownership in old age in Portugal and how it can be seen as an element of strength when negotiating living arrangements. I focus on the extended household that has an elder person as head of household and discuss the importance of multigenerations cohabitation for younger generations as a means of providing for accommodation.

The analysis of exchanges of support in the form of care flows once more along the principle of seeing the household unit as the locus of care delivery. The analysis runs along the line of a differentiation between caring for children and caring for elderly people. This dichotomy allows addressing the issue of two-way intergenerational exchanges of care, as well as the dual roles of the elderly in familialist systems. Within the limitations of the data available, I put forward some considerations on the issue of carers in familialist settings.

The different sections in this chapter draw on empirical evidence from different sources. The analysis on income and on accommodation uses data from the Portuguese Family Budget Survey, for the year 2000. The analysis on exchanges of care uses data from the ECHP, focusing on 1998. Given it is the first time the thesis uses data from the Portuguese Family Budget Survey, I introduce in the first section some summary description of the sample of elderly peoples' households included in that survey.

### **1. Familialism and economic ties within the household: bidirectional relations of intergenerational support**

It is sometimes claimed that larger households with cohabiting generations may promote intergenerational support and, in particular, increase the opportunities of the elderly to deal with old age related needs, be those financial, emotional or needs for care. However, what I argue happens in a familialist setting is that larger households may reflect economic constraints rather than preferences of the cohabiting generations and as such they may be reproducing the distribution of resources and its inequalities in the population.

Household relations are very complex and do not lend themselves to objective assessment or systematic analysis. As already discussed in my chapter on methods, taking the household as my primary unit of analysis imposes by definition limitations that I am not able to always overcome with the available data. Therefore, I have chosen to address a limited number of issues that enable a relatively sophisticated analysis. Those issues are as follows:

- The net importance of cohabitation in the extended household for the financial situation of the elderly. The goal is to identify the relative impact of a set of socio-economic factors on the income variation of the elderly and to discuss to what extent the elderly in extended households are economically dependent on other household members. I am interested in particular in discussing the redistribution effects of the unified household budget in terms of poverty alleviation.
- The net economic losses or benefits that household members derive from their household ties. I am interested in particular in discussing how the household

budget works as a common pool and the roles of the elderly in contributing to that pool.

- The sociological profiles of the extended households with a special focus on income and occupational scales. The goal is to discuss the social selectiveness of familialism and to discuss its limitations and its potential as a principle of welfare provision.

### 1.1. Introductory considerations on the data

The results presented in this section are based on data from the Portuguese Family Budget Survey for the year 2000, as released by INE. I work with both individuals and households as my units of analysis.

The database contains a list of variables with detailed information on revenue and on expenditure of both individuals and households. The principal accounting period for income and expenses employed by the FBS is the previous calendar year.

The sub-sample of elderly people comprises 6217 individuals aged 65 or more. Using the information available in the dataset, it was possible to group the elderly according to their living arrangements as shown in table 6.1 below.

Table 6.1. Living arrangements of the Portuguese elderly sub-sample, in 2000

Type of household	n	%	Equivalent % in ECHP data (1998) <sup>1</sup>
Elderly alone	1323	21.3	26.9
Elderly in couple	3059	49.2	38.1
Elderly in someone else extended household	679	10.9	20.3
Elderly in own extended household	1079	17.4	
Other household type	77	1.2	-
Total	6217	100.0	

Source: FBS, 2000

Notes: <sup>1</sup> the equivalence between types of households is far from perfect and should be seen as a crude attempt to establish a parallel between the two data sources. In particular when it comes to the extended household, the equivalence is very rough, especially because in the FBS some cases of elderly living with single adult children are classified as extended households. The two categories where the equivalence is straightforward are 'alone' and 'in couple'. It is interesting to note that the shares in those two categories show some considerable variation in the two data sources.

The classification above is simpler than the one used for the analysis of ECHP data. However, it allows for a clear and reliable differentiation between extended

households whose head of household is an elder person cohabiting with descendants in his/her own house; and extended households whose head of household is someone else not the elder person, usually a son/daughter or a son in law/daughter in law, although in some cases other relatives<sup>1</sup>.

This distinction is very important to discuss my arguments about the dual nature of familialism in the lives of the elderly: relieving them in situations of need vs. putting on them the burden of supporting younger generations. This is addressed in some detail below.

Table 6.2 below summarises some descriptive variables for the living arrangements of the sample of elderly in the FBS.

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<sup>1</sup> The variable with information about the relationship between each individual and the head of household does not specify what type of kinship is involved in the label “Other relatives”. Therefore we should expect to find classified in this category situations such as brother/sister, uncle/aunt, among others.

Table 6.2. Descriptive variables for the living arrangements of the Portuguese elderly sub-sample, in 2000 (percentages within living arrangements)

	Descriptive Variables (n and % in total sample)	Type of household				
		Alone (n=1323)	Couple (n=3059)	Other person extended household (n=679)	Own extended household (n=1079)	Other type (n=77)
Region	Rural (n=1842; 29.6)	30.4	34.0	24.9	20.4	15.6
	Semi-urban (n=1958; 31.5)	33.0	29.6	32.3	35.1	24.7
	Urban (n=2417; 38.9)	36.7	36.4	42.9	44.5	59.7
NUTS II	North (n=978; 15.7)	13.2	13.8	16.9	22.9	27.3
	Centre (n=906; 14.6)	15.4	16.1	14.0	9.6	14.3
	Lisbon and Tagus Valley (n=649; 10.4)	11.9	11.0	8.5	7.7	16.9
	Alentejo (n=1022; 16.4)	19.8	19.5	10.0	8.5	3.9
	Algarve (n=1026; 16.5)	17.2	19.2	12.2	11.2	10.4
	Azores (n=765; 12.3)	9.6	9.4	24.3	16.6	7.8
Gender	Madeira (n=871; 14.0)	12.9	11.0	14.0	23.4	19.5
	Male (n=2620; 42.1)	22.4	51.2	22.8	51.4	61.0
Age group	Female (n=3597; 57.9)	77.6	48.8	77.2	48.6	39.0
	65 to 69 (n=1867; 30.0)	20.8	31.8	19.7	42.6	33.8
	70 to 74 (n=1756; 28.3)	25.9	31.4	18.0	28.5	31.2
	75 or more (n=2594; 41.7)	53.4	36.8	62.3	28.9	35.1
Marital status	Never married (n=359; 5.8)	12.5	2.7	12.8	1.6	7.8
	Married (n=3718; 59.8)	0.6	85.7	25.6	79.9	68.8
	Co-habiting (n=70; 1.1)	0.2	1.6	0.3	1.3	2.6
	Separated or divorced (n=97; 1.6)	4.7	0.5	1.3	0.6	3.9
	Widowed (n=1973; 31.7)	82.0	9.4	59.9	16.6	16.9

Source: FBS, 2000

In terms of the relative weight of each type of living arrangement, the distribution in the FBS sample shows an overall similar trend to what was seen in the previous chapter with the data from the ECHP sample. Also in terms of the socio-demographic profile of each type of living arrangement, the main conclusions drawn on the basis of ECHP data hold for the FBS: age and gender as structural pillars of living arrangements in old age; marital status as a central defining element in old age. The data from the FBS includes some variables on region of residence, which allows me to introduce in the analysis something that was missing in the ECHP data: geographic criteria.

As can be seen in table 6.2 above, the territorial distribution of the sub-sample of elderly shows an overall higher concentration of elderly in urban areas. This, although not surprising in itself as it results from the trend towards urbanization that characterises populations in modern countries, is still relevant from the perspective of resources allocation and concentration of needs.

If we split this analysis by type of living arrangement, we see that it is in urban areas that the phenomenon of extended households is relatively more common. This may be reflecting the well-documented desertification of rural areas in Portugal that, among other effects, tends to deprive the elderly from the proximity to their descendants, given it is usually the younger generations who migrate from rural regions (Pina-Cabral, 1995; Barreto, 1996). In Portugal this is a well-known phenomenon that has been taking place for more than 40 years. The isolation of the elderly in today's rural areas is basically a consequence of that and is reflected in their living arrangements.

On the other hand, this rural vs. urban distribution raises some other interesting observations. It is often claimed that the extended household is typical of societies where rurality is a strong feature and that urbanisation brings with it, among other consequences, the dissolution of that family model (Kurth and Petras, 1993). This is very much related to the specificity of the model of rural economy dependent on the ability of families to provide enough labour force to guarantee the productivity of the family land (Pinto, 1985). The fact that we are seeing precisely the reverse trend can mean different things. It can mean, as some scholars have suggested, the transfers of the rural modes and values to urban settings (Santos, Bento et al., 1998). It can signal, as others have suggested, the inability of the welfare state to tackle people's needs, namely in terms of housing and poverty, and the need to resort to the traditional mechanisms of social solidarity (Rodrigues, 1999). All these need to be addressed in some detail to fully understand the social basis of familialism. This is a topic to resume later in this chapter.

Also related to the dichotomy of rural vs. urban is the distribution of elderly people and of their living arrangements by NUTS<sup>2</sup>. For those less familiar with the

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<sup>2</sup> NUTS are the statistical concept defined at the EU level for dealing with territorial units. They were defined to allow for the collection, organisation and dissemination of harmonised regional data in the EU space. NUTS divide the economic territory of each member state in territorial units and attach to each unit a label and a specific code. This is a hierachic classification. The economic territory of each Member State is defined in Decision 91/450/EC ECC of the European Commission. In appendix 1

Portuguese case, the figures will not say much by themselves, but some notes on the characteristics of each region may clarify the meaning behind the numbers.

Firstly, it is worth highlighting the proportionately higher incidence of extended households in the North of Portugal and in the Islands of Madeira and Azores.

The data available do not allow me to go further in the analysis and test my assumptions on the issue of territorial distribution of living arrangements. However, if I take as a reference data gathered by other researchers (Barreto, 1996; Pereirinha, 1996), some tentative explanations could be raised that are of relevance to discuss familialism. The regions mentioned above, as regions of higher incidence of the extended household, are regions in the country that share some similarities that I consider important to understand familialism. They are recognised as the most conservative areas of the country, which shows in several indicators such as higher institutionalisation of marriage, lower divorce rates, higher fertility rates, higher rates of confessional Catholicism, among others (Source: Demographic data, INE. [www.ine.pt](http://www.ine.pt)). They are also similar in one key element: the regime of property. Land is divided into small and very small plots where farmers engage in a livelihood type of agriculture. This activity is often complemented by other activities, namely manufacturing. The extended household is still the best strategy to maximize resources in this type of setting, often marked by a high incidence of monetary poverty.

On the opposite trend, we have the lower incidence of extended households around Lisbon and in Alentejo. The first is a region of high intensity industrialisation and, along the Tagus Valley, of latifundia property. Alentejo is a region of big properties (therefore where agriculture is dependent of employed rural workers and not family workers) but is also a region that has been going through a process of territorial desertification as well as human desertification. It is the region in the country that systematically shows the highest levels of unemployment, especially among the youngest groups in the active population. As a result of that, it has been going through a process of emptying that leaves behind just the elderly.

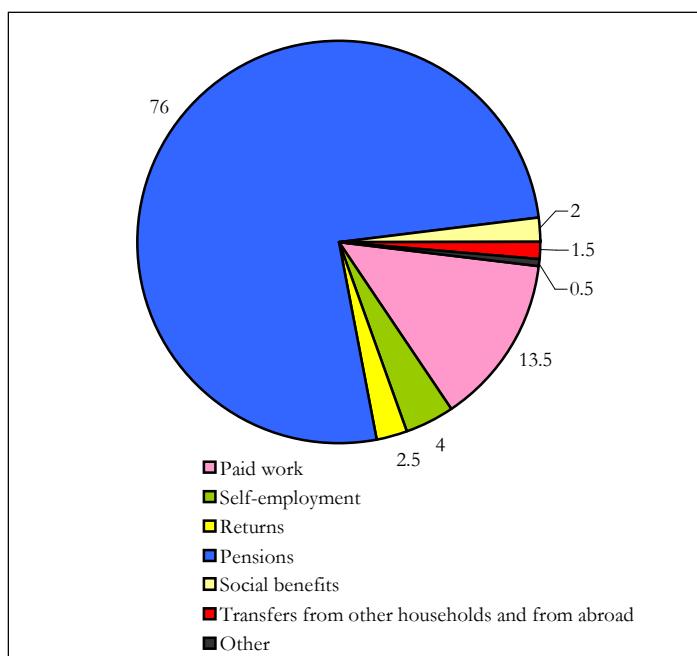
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there is a map that identifies the NUTs used to analyse data for Portugal in the thesis. The thesis works with NUTs II, which means the second level of division of the territory.

## 1.2. Living arrangements and financial (in)dependence

By looking at the composition of household income for all the households with elderly people, and considering the sources of income, the data show that pensions rank first and paid work ranks a distant second place as the main sources of household income (Figure 6.1).

Figure 6.1. Composition of household income: relative shares by source of income, in 2000



Source: FBS, 2000: own calculations

Following what was already discussed in the previous chapter, the income distribution of the Portuguese elderly reflects on one hand, the generalised low level of pensions in Portugal, and on the other hand, the distributional inequalities that affect the overall population and that derive from the structural imbalances of the Portuguese labour market. Table 6.3 displays the figures for median equivalent adult income and median personal income for the sub-sample of elderly according to some other grouping variables (as discussed in chapter 4, household income is redistributed by household members according to the modified OECD equivalence scale resulting in equivalent adult income). The goal is to help visualise the key structuring elements that explain income variation among the elderly.

Table 6.3. Median equivalent adult income and median personal income by different grouping variables, in 2000<sup>3</sup>

Grouping variables		n	Median equivalent adult income	Median personal income
Living arrangement	Alone	1323	3256	3256
	Couple	3059	3192	2513
	Own extended household	679	4534	2393
	Other person extended household	1079	4298	2723
Gender	Male	2620	3491	3242
	Female	3597	3488	2374
Age	65 to 69	1867	3701	2793
	70 to 74	1756	3525	2641
	75 or more	2594	3347	2530
Marital status	Never married	359	2863	2374
	Married	3178	3420	2513
	Separated/divorced	97	3392	2762
	Widowed	1973	3687	3247
Education level	Low	5777	3359	2558
	Middle	271	6678	7263
	High	169	14275	15572
Type of region	Rural	1842	2957	2444
	Semi-urban	1958	3212	2493
	Urban	2417	4272	3196
NUTs II	North	978	4045	2793
	Centre	906	3273	2495
	LTV	649	4440	3292
	Alentejo	1022	3399	2708
	Algarve	1026	3121	2663
	Madeira	765	3286	2444
	Azores	871	3294	2394

Source: FBS, 2000, (own estimates)

Data displayed in table 6.3 suggest that the biggest differences are found between elderly with different levels of education. This is mostly related to past opportunities in the labour market that are later reflected in the pension system. These big differences in terms of income between elderly with low and with higher levels of formal education are very much reflecting the distribution of pension levels that was discussed in chapter 3. All the other differentiating trends are of a smaller scale and reflect what has been found in other national contexts: lower income levels in rural areas; gender bias in terms of personal income, with women earning substantially less than men; compensation of the worse off situation of women by means of redistribution within the household, suggesting financial dependence of elderly

<sup>3</sup> The monetary unit of analysis is not described in much detail given there is no cross-national comparison involved in the analysis, therefore no need to use any harmonisation procedure. Given the survey took place before the introduction of the euro, the figures report with the former Portuguese national currency: escudos (expressed as hundreds of escudos). As an informative note, 1 euro represents 200,482 escudos.

women from their household ties; younger elderly doing better than older elderly; widowed elderly doing slightly better financially than married or single elderly (this needs some further analysis given that it may reflect different income distribution mechanisms, such as within household transfers or social benefits related to bereavement).

In terms of the differences between different types of living arrangements, it is worth noting that the elderly living in some type of extended household are in a better financial situation than their counterparts living alone (*de facto* or in couple). This is true only if we focus on equivalent adult income, which reinforces the idea of economic benefit for the elder cohabiting with younger generations under the same roof.

To assess the relative importance of each of the factors considered to have a potential impact on income variation among the elderly, a multiple regression model with equivalent adult income as dependent variable was run. The results are shown in table 6.4 below.

The rationale for inclusion of explanatory variables in the multivariate model is the same as what was discussed in chapter 5: variables included are those addressed in the previous paragraphs and discussed from the perspective of their bivariate associations with the household income of the target population. Explanatory variables included in the model are as follows:

- Traditional demographic variables (age, gender and marital status), discussed not so much from their demographic meaning but more from their implications in terms of segmentation of the target population;
- Geographic variables (region classified as urban/semi-urban/rural and NUTs II), discussed to address both the issue of the relative incidence of certain economic arrangements associated to rurality/urbanity and the issue of territorial differences in the economic/financial realities of households with elder people;
- Education, a variable discussed in other studies on the topic, namely because education is taken as a proxy for past opportunities along the working period of the target population (Iacovou, 2000);
- Type of household, a variable that allows beginning to identify the relative importance of cohabitation in the extended household to improve the financial situation of the elderly (and their families).

Table 6.4. Multiple regression model for factors of income variation among the elderly, in 2000 (dependent variable is equivalent adult income)

Variables		Regression coefficient	(t statistics)	Standardized regression coefficient
Type of household (base=alone)	Couple	594.6**	(4.07)	0.078
	Someone else ext. household	1826.5**	(12.1)	0.150
	Own ext. household	1189.7**	(7.3)	0.118
Gender (base=female)	Male	154.4*	(1.8)	0.020
Age group (base=64 to 69)	70 to 74	-288.3**	(2.8)	-0.034
	75 or more	-628.8**	(6.4)	-0.081
Marital status (base=widowed)	Never married	-945.5**	(5.3)	-0.058
	Married/cohabiting	-577.0**	(4.4)	-0.074
	Separated/divorced	-500.2	(1.5)	-0.016
Region (base=rural)	Semi-urban	347.4**	(3.4)	0.042
	Urban	1237.9**	(12.1)	0.158
NUTS II (base=Lisbon and Tagus Valley)	North	-715.3**	(4.5)	-0.068
	Centre	-710.1**	(4.3)	-0.066
	Alentejo	-645.4**	(4.1)	-0.063
	Algarve	-1152.8**	(7.4)	-0.112
	Azores	-893.1**	(5.3)	-0.077
	Madeira	-1167.2**	(7.1)	-0.106
Education (base=high)	Low	-11640**	(47.0)	-0.775
	Middle	-8027.8**	(26.3)	-0.426
Constant included in the model: 15948.4		F test=180.83 p<0.0005		
* Significant at 0.1; ** Significant at 0.01		R <sup>2</sup> =0.36		

Source: FBS, 2000, INE (own estimates)

Generally, the results are compatible with the more descriptive analysis done before. I would highlight as a very interesting result the significance of the differences between widowed elderly and married and single elderly. It is true that the better financial situation of the widowed may be partially a result of working with redistributed household income as the dependent variable. Equivalent adult income incorporates a redistribution effect of income among the household members, which in the case of widowed elderly may be improving their situation. Or, as some research on morbidity has been showing, it results from an over representation in my sample of widowed elderly in higher income groups as a result of socio-economic differences both in death rates and in institutionalisation rates (Martin, Meltzer et al., 1988).

However, the core question to answer with this analysis was: to what extent does cohabitation in the extended household improve the financial situation of the

elderly? The results seem to suggest that in fact it does. Elderly people living in extended households, other things being equal, on average do better financially than their counterparts living alone.

This, however, is not adequate to qualify the net importance of cohabitation in the extended household for the financial situation of the elderly. It is necessary to address more clearly the degree of financial dependence of the elderly towards their household ties. This can be done by means of different measurements. One can base the analysis on the perception of the old person about his/her level of financial dependence from others. One can try to quantify how much of his/her needs can the elder person cover with their own income. None of these approaches are possible with the data available. Therefore, a different approach was chosen to address the issue of financial dependence. The analysis focused on the redistribution effects of household income in terms of poverty alleviation. The assumption here is that if cohabitation pulls out individuals from poverty, then individuals in those households are financially dependent on their household ties.

### **1.3. Economic benefits to the elderly deriving from household ties**

Starting by analysing the relative impact of a set of socio-economic factors on the likelihood of an elderly person being below the poverty line, a logistic regression model was run taking as the outcome variable the probability of a Portuguese elderly person being below the poverty line. The results are presented in table 6.5.

The rationale for inclusion of explanatory variables is the same as the one discussed above on the factors of income variation among the elderly. The explanatory variables included in the model that follows are the same as in the previous model. That strategy allows some tentative testing of the resilience of the effects identified as explanatory of the financial realities of the Portuguese elderly.

Table 6.5. Logistic regression model to estimate the likelihood of a Portuguese elder person being below the poverty line, in 2000<sup>a</sup>

Variables		Coefficient estimates	t statistics	Odds Ratio
Type of household (base=alone)	Couple	-0.706**	5.88	0.493
	Someone else ext. household	-1.489**	11.11	0.226
	Own ext. household	-1.309**	9.28	0.270
Gender (base=male)	Female	0.075	1.08	1.077
Age group (base=64 to 69)	70 to 74	0.471**	6.04	1.602
	75 or more	-0.013	0.15	0.987
Marital status (base=widowed)	Never married	0.959**	7.16	2.610
	Married/cohabiting	0.510**	4.43	1.665
	Separated/divorced	0.472*	1.92	1.603
Region (base=urban)	Rural	0.942**	11.21	2.566
	Semi-urban	0.745**	8.98	2.106
NUTS II (base=North)	Centre	0.261*	2.14	1.298
	Lisbon and Tagus Valley	-0.154	1.05	0.857
	Alentejo	-0.173	1.41	0.841
	Algarve	0.433**	2.45	1.542
	Azores	0.687**	5.50	1.988
	Madeira	0.555**	4.55	1.741
Education (base=high)	Low	3.102**	4.31	22.235
	Middle	2.016**	2.67	7.505
Constant included in the model: - 4.922				
Hosmer and Lemeshow Test: $\chi^2=12.5$ ; df=8; p=0.130				
$-2 \log \text{likelihood} = 6145.173$				
* significant at 0.05; ** significant at 0.01				

Source: FBS, 2000, INE; own calculations

Notes: <sup>a</sup> the poverty line is defined on the basis of 60% of the median equivalent adult income

Overall table 6.5 shows that the size and direction of most effects reinforce the previous conclusions about the determinants of income variation among the elderly. We see, in particular, a very strong effect of the education variable, meaning that the small group who already had economic advantages in the active period of their lives due to their education levels see those advantages persisting in old age.

It is worth highlighting the relative situation of the elderly living in extended households. They seem somehow more protected from poverty than their counterparts living alone. This surely means that family resources are important in old age to tackle poverty, especially in a setting where pensions are generally low and often not guaranteeing the minimum required for subsistence.

However, the question about the redistributive effects of household income remains only partially answered. The results displayed in the table above do not

exclude the possibility of economic selectivity in living arrangements. By economic selectivity I refer to a higher incidence of extended households among better off elderly, which would explain the results but not support the thesis of economic benefits for the elderly in extended households.

To answer the question fully we need to see how effective the extended household is in pulling out the elderly from poverty. For that we can compare the relative situation of the elderly considering their financial household ties with their relative situation without those same ties.

Table 6.6 below displays the distribution of the sample of elderly people in terms of their relative position to the poverty line but defining that position according to their personal income. The poverty line is defined using the same method as in the analysis put forward for equivalent adult income (60% of the median household income).

Table 6.6. Relative position to poverty line measured by total personal income, by type of living arrangement, in 2000

Type of household	Relative position to poverty line measured by personal income (% within type of household)	
	Below	Above
Living alone	34.8	65.2
Living in couple	50.9	49.1
Living in someone else extended household	55.7	44.3
Living in own extended household	44.9	55.1

Source: FBS, 2000, INE (own estimates)

Generally, it is the elderly living alone that show lower levels of people in a potential situation of poverty. This reinforces the suggestion others have been putting forward about the increasing likelihood of living alone in old age among higher income groups (Iacovou, 2000). However, it is equally significant to consider that almost 35% of the elderly living alone generate income that is insufficient to keep them out of poverty.

The goal of this type of analysis however is directed to the effects of cohabitation in the extended household on the distribution displayed in the table above. For this reason, the elderly living alone are excluded from the analysis given that there is no redistribution effect deriving from household income.

Table 6.7. Redistribution effect of household income on poverty measured by personal income, by type of living arrangement, in 2000

Type of living arrangement <sup>1</sup>	Relative position to poverty line measured by total personal income <sup>2</sup> (% within type of living arrangement)	Relative position to poverty line after household income redistribution (% within household type and personal income)	
		Below	Above
Living in couple N=3059	Below		
	N=1558 (50.9%)	40.8	59.2
Above N=1501 (49.1)		9.2	90.8
Living in someone else extended household N=679	Below		
	N=378 (55.7%)	18.3	81.7
Above N=301 (44.3%)		9.0	91.0
Living in own extended household N=1079	Below		
	N=485 (44.9%)	23.5	76.5
Above N=594 (55.1%)		8.4	91.6

Source: FBS, 2000 (own estimates)

Notes: <sup>1</sup> "Living alone" is not included in the table given that there is no income redistribution within the household for these individuals (personal income=household income)

<sup>2</sup> The poverty line uses the median equivalent adult income as in previous analyses (60% of median equivalent adult income).

From table 6.7 above, the results clearly indicate that the elderly share with their extended households bring them on average an overall economic benefit. This is particularly so for the elderly living in extended households where they are not the head of household. For those, if we consider the starting position as their personal income, among the elderly that would be below the poverty line if depending solely on their personal income (around 55.7%) more than 80% are pulled out from that situation as a result of household income redistribution.

The same trend holds for the elderly living in extended households where they are the head of household (or the spouse of the head of household). Although with slightly lower figures (76.5% of those that would be below the poverty line if

depending on their personal income are pulled out from that situation after within household transfers), still there is an overall economic benefit to the elderly deriving from household ties. With respect to this group it is relevant to note that they are the ones who show a lower level of poverty in terms of personal income, when compared to the other two categories in the table.

This analysis should not be the base though to infer that the economic flows within the household are unidirectional flows of support benefiting only the elderly, an assumption that is often implicit in the widespread notion of considering the elderly as a financial burden on their relatives.

The elderly can also be considered in their role as contributors to the household income. Even if, considering the overall level of pensions in Portugal, their personal income may represent only a fraction of basic living requirements; nevertheless, especially in a context of poverty, it may still be a significant contribution to the general household income.

#### **1.4. Economic roles of the elderly in the extended household**

There are conceptual problems involved in the analysis of household income, particularly when focusing on extended households. The FBS data available contain information on the total amounts of income by source of income but do not include information about the use of each share of income by the household members. So, the fact that an elder person has a certain personal income does not necessarily mean he or she is making a “net contribution” to the economic welfare of the household. He or she could be backing the bulk of their income for personal expenditure. Therefore, it is not possible to be totally certain that in the extended household economy we have an income pooling mechanism and analyse to what extent are all household members effective contributors to that pool. Introducing other variables that allow for a sociological characterisation of the extended households will complement the analysis of income dynamics.

I start by addressing the factors that explain the variation in the share of contribution of the elderly to the total household income in extended households. For that purpose a multiple regression model was run taking as dependent variable the share of household income originating in an elder member. The results are displayed in table 6.8 below.

Once more, the explanatory factors included are the same used in previous models. An additional variable is considered: working status, and it is included in light of what was discussed in chapter 5 on the topic of the extended participation of the Portuguese in the labour market after the statutory age of retirement being a potential strategy of poverty alleviation and a relatively incident phenomenon.

Table 6.8. Multiple regression model for factors of variation in share of contribution of the Portuguese elderly to the total household income, in extended households, in 2000<sup>1</sup>

Variables		Coefficient estimates	t statistics	Standardized regression coefficient
Type of household (base=other person extended household)	Own extended household	3.339**	(2.84)	0.077
Gender (base=female)	Male	13.532**	(13.02)	0.314
Age group (base=64 to 69)	70 to 74	-2.753*	(2.22)	-0.056
	75 or more	-2.548*	(2.12)	-0.059
Marital status (base=widowed)	Never married	-0.677	(0.325)	-0.008
	Married/cohabiting	-5.650**	(4.38)	-0.131
	Separated/divorced	-6.432	(1.31)	-0.029
Region (base=rural)	Semi-urban	-2.112 <sup>+</sup>	(1.65)	-0.047
	Urban	-4.244**	(3.38)	-0.100
NUTS II (base=Lisbon and Tagus Valley)	North	-1.870	(0.97)	-0.036
	Centre	-0.108	(0.05)	-0.002
	Alentejo	-1.323	(0.59)	-0.018
	Algarve	3.686 <sup>+</sup>	(1.73)	0.056
	Azores	-5.316**	(2.71)	-0.100
	Madeira	0.747	(0.38)	0.014
Education (base=high)	Low	-19.791**	(6.18)	-0.227
	Middle	-9.255*	(2.40)	-0.087
Current activity status (base=not working)	Working	10.649**	(5.30)	0.120
Constant included in the model: 47.774				
F test=21.57 p<0.0005				
R <sup>2</sup> =0.182				
<sup>+</sup> significant at 0.1; * significant at 0.05; ** significant at 0.01				

Source: FBS, 2000 (own estimates)

Notes: <sup>1</sup> The dependent variable in the model is the share in the total household income brought by the elder person.

The significances identified in the model highlight education level and working status as the factors with the highest impact. As for the first, once more we see the

cumulative effect of income inequalities along life reflecting in later stages in life. As for working status, its substantive interest is two folded. On one hand, it is important to identify that there are differences in the rate of activity in the labour market among the elderly. For those living alone that rate is only 2.6%, but for those living as a couple it is 6.8%. Among those living in extended households, the group in which the analysis is focusing on, the differences are quite significant, with rates of 1.8% for the elderly living in extended households where they are not head of household, and of 9% for the elderly that are head of household of extended households. Moreover, the net contribution of the elderly working is significantly higher than that of the elderly not working. Although it can be argued that this is an expected finding, it may be indicating the importance of the elder person as generator of income and the search for maximising resources by means of complementing a meagre old age pension with paid employment.

The results also show as significant factors gender, age and type of extended household, as well as, although marginally, type of region of residence. Males have, on average, higher shares of contribution to the household income than women, which only reinforces the gender differences in income in old age and the generally worse off situation of women. It can also indicate different motivations for cohabitation with younger generations, with elderly men appearing more associated with financial arrangements than elderly women. This is particularly relevant bearing in mind that elder men in extended households are almost always married and heads of household.

The effect of age goes in the direction of younger elderly contributing more than older elderly. This may be associated with two different types of motivation on the basis of the extended household as choice for living arrangement – one more motivated by needs of the elder person (more likely among the older elderly), and one more related to extended arrangements that serve different interests and needs of the members of the household and for which the financial contribution of the elder person is quite central (more likely among the younger elderly).

As for region of residence the data seem to suggest that in rural areas the contribution of the elderly to the household income is slightly higher than in urban and semi-urban areas. This can always be related to the lower levels of household income in rural areas, which makes the contribution of the elderly more significant.

Key for the analysis is the significant difference between the average contributions of the elderly living in extended households where they are head of household and in extended households where they are not. Those elderly that are head of an extended household tend to have a higher contribution to the household income than those who are not. This, once more, may be associated with two types of extended households: the ones where the elder person is taken in and where it is more likely that the needs to be tackled are those of the elder person; the ones where the elder person leads a multigenerational household that is organised around economic ties that serve all members of the household, and often serve particularly the needs of younger generations.

This type of dynamics though needs to be addressed from a different angle to better clarify the true nature of the arrangements underlying the extended household in familialist settings.

Table 6.9 below isolates data that was already introduced in table 6.2 but that it is worth going through again to start closing my arguments about the nature of living arrangements in familialist systems.

Table 6.9. Descriptive variables for the Portuguese elderly living in extended households, in 2000 (percentages within type of household)

	Descriptive Variables	Type of extended household	
		Someone else head of household N=679	Elder person head of household N=1079
Region	Rural	24.9	20.4
	Semi-urban	32.3	35.1
	Urban	42.9	44.5
NUTS II	North	16.9	22.9
	Centre	14.0	9.6
	Lisbon and Tagus Valley	8.5	7.7
	Alentejo	10.0	8.5
	Algarve	12.2	11.2
	Azores	24.3	16.6
	Madeira	14.0	23.4
Gender	Male	22.8	51.4
	Female	77.2	48.6
Age group	65 to 69	19.7	42.6
	70 to 74	18.0	28.5
	75 or more	62.3	28.9
Marital status	Never married	12.8	1.6
	Married / cohabiting	25.9	81.2
	Separated or divorced	1.3	0.6
	Widowed	59.9	16.6
Education level	Low	96.3	92.1
	Middle	2.4	5.2
	High	1.3	2.7

Source: FBS, 2000

Three differences seem to be central: gender, age and marital status. For those elderly living in extended households where they are the heads of household there is a more or less even split between males and females, in line with the fact that most of them are married. Younger elderly belong to this group. On the other hand, for those elderly living in an extended household in which they are not head of household, we find mostly women, widowed and older.

This clearly signals two distinct situations in extended households. We have the extended households that represent the activation of family resources to tackle the needs of an elder person, most of the times a widowed old woman. And we have the

extended household that is organised around the elderly couple as central elements of an enlarged household economy that tackles the needs of all household members and, in particular, the needs of younger generations. It would be important to complement this analysis with some data on levels of unemployment among the members of this second type of household or on housing needs. The data needed for that type of analysis however is not available. The data available though seems to point in the direction of sustaining the argument about living arrangements in old age, in familialist settings, being more than a mechanism to tackle old age related needs and being also a mechanism of multidirectional intergenerational exchanges of support.

Linked to this is a final argument I have been trying to develop around the economic ties in the household: that of the social selectiveness of familialism and of how familialism breeds in certain social milieus.

To discuss this, I suggest looking at the socio-demographic profiles of the head of household of extended households where the elderly are taken in.

Table 6.10 below displays data on a set of variables to characterise the individuals that were identified in the survey as being the head of the household. The interviewed individuals define the member of the household they recognise as head of household.

Table 6.10. Descriptive variables for the head of household of the Portuguese elderly living in someone else extended household, in 2000

Descriptive variables		N elderly	%
Age group of head of household	Less than 40	73	10.8
	40 to 44	90	13.3
	45 to 49	101	14.9
	50 to 54	84	12.4
	55 to 59	91	13.4
	60 to 64	126	18.6
Sex of head of household	65 or more	114	16.8
	Male	539	79.4
Marital status of head of household	Female	140	20.6
	Never married	71	10.5
	Married	517	76.1
	Co-habiting	11	1.6
	Separated/divorced	25	3.7
Education level of head of household	Widowed	55	8.1
	Low	545	80.3
	Middle	99	14.6
Activity status of head of household	High	35	5.1
	Working	427	62.9
	Unemployed	16	2.4
	Housewife	36	5.3
	Retired	174	25.6
	Disabled for work	16	2.4
Professional activity of head of household working	Other inactive	10	1.5
	Managing positions	35	8.3
	Professionals	24	5.6
	Middle level professionals	25	5.8
	Clerks and service workers	39	9.1
	Shop assistants and similar	19	4.4
	Agriculture and fishery workers	75	17.6
	Construction workers and manufacture workers	106	24.8
	Operators	47	11.0
	Elementary occupations	57	13.4

Source: FBS, 2000

Among the descriptive variables included in the table above there is one particular element worth highlighting: the professional activity of the heads of household working. More than 66% are engaged either in agriculture or other manual and/or elementary occupations. Considering the scale of pay in the Portuguese labour market, we can actually say that around 80% of the heads of household are actually working in the segment of low paid jobs.

This is important in many aspects. On one hand, it sheds some light on the social milieu of familialism, anticipating the consequences in terms of the family model of the departure (effective or desired) of younger generations from that social milieu. On the other hand, and discussing in particular the situation of the elderly that are living in this type of household, if in the future they develop some need for special care associated with a situation of physical and/or mental disability, the potential for these families to act as effective care providers may be limited. Purchasing care in the market is potentially difficult due to income limitations, and engaging in direct provision of care may not be possible in households where all the members may need to contribute to the household income.

This will link to another dimension of within household dynamics of exchange of support: the exchanges of care and the roles of each member of the household in the exchange of care. That is a topic to address in the next section of this chapter.

## **2. Familialism and non-economic exchanges within the household**

In the analysis of exchanges of support within the household, it is not enough to examine economic ties measured as financial exchanges of support. It is also important to examine non-economic ties and the dynamics involved in the exchanges of non-economic support. Within this definition, we can include several types of situations. This thesis addresses two particular fields of exchange of support that are central to familialist systems: the provision of accommodation and the provision of care.

The fact that these are labelled as non-economic ties has to do with the fact that they are not directly measurable as financial exchanges. However, they can be considered indirect economic ties in the sense that they are associated to costs and economic benefits to the members of the households and as such are related and have an impact on the household income.

## 2.1. Living arrangements and housing arrangements

Surveys from several countries report that levels of home ownership are considerably high for the elderly (Johnson and Falkingham, 1992). This is a very relevant aspect to understand the relative position of the elderly in familialist settings, not only because of its role as a reducer of economic vulnerability, but especially because it can potentially increase the bargaining power of the elderly with other relations, namely family relations.

Still using data from the FBS 2000, the distribution of the sample of Portuguese elderly according to their tenure status in 2000 is displayed in table 6.11 below.

Table 6.11. Distribution of tenure status of elderly people's households for total sample of elderly and by type of household within tenure status, 2000 (percentages of type of household within tenure status)<sup>1</sup>

Tenure status	Sample %	Type of household			
		Alone	Couple	Someone else extended household	Own extended household
Owner: inherited	22.1	23.5	46.3	11.8	17.6
Owner with mortgage	3.6	6.7	33.0	39.7	18.8
Owner with no mortgage	47.9	17.2	54.6	9.2	17.8
Owner: other	5.4	20.4	48.5	9.0	21.3
Tenant: furnished	0.4	25.0	58.3	16.7	0
Tenant: unfurnished	13.3	28.9	42.8	10.6	15.7
Tenant: other	0.9	29.6	46.3	1.9	16.7
Social housing	1.1	26.9	29.9	6.0	35.8
Free accommodation	5.1	38.4	44.1	8.1	8.8
House is in salary	0.2	(a)	(a)	(a)	(a)

Source: FBS, 2000

Notes: <sup>1</sup> The totals (in column for first column and in row for remaining columns) do not add up to 100 because the category "other" was not included in the table for both variables.

(a) The percentages are too close to zero to bear any significance.

Firstly, we can see in the table that the levels of home ownership are considerably high for the Portuguese elderly. If we add up all types of home ownership displayed in the table we get an overall percentage of around 79%.

Within the analysis of exchanges of support within the household, the hypothesis to test is that provision of accommodation is an important element in the negotiations for the extended household.

It is among owners or beneficiaries of social housing that we find the highest shares of elderly living in extended households. It should be noted that these are extended

households where the elderly are heads of household. This indicates that younger generations are benefiting from accommodation as a result of cohabiting with the older generation.

On the other hand, it is among tenants and owners who are paying a mortgage that one observes the highest incidence of elderly living in extended households where it is someone from the younger generation that is the head of household. In these cases, the presence of the elder person may bring an economic benefit by increasing the household income, but it would seem more plausible that these are the cases where it is mostly the elderly that are benefiting from accommodation.

The data do not allow going much further in the analysis. However, there is one piece of evidence that is worth introducing. Even if it does not allow for any confirmatory analysis, it does create space for some discussion on the multiple dimensions of familialism. Table 6.12 below shows the shares of elderly below the poverty line by tenure status. Once more, the analysis of poverty is for monetary poverty and the poverty line is defined as 60% of the median equivalent adult income.

Table 6.12. Proportion of Portuguese elderly below the poverty line by type of tenure status, in 2000 (percentages within tenure status)

Tenure status	% Below the poverty line
Owner: inherited	31.1
Owner with mortgage	12.9
Owner with no mortgage	24.2
Owner: other	23.4
Tenant: furnished	16.7
Tenant: unfurnished	13.5
Tenant: other	20.4
Social housing	23.9
Free accommodation	38.1
House is in salary	0.0

Source: FBS, 2000 (own estimates)

It is among the different types of home ownership that we find the highest shares of elderly below the poverty line. This is quite interesting in terms of policy implications since it draws the attention to the bias introduced in some analysis of home ownership in old age. Although in theory it makes sense to consider that home ownership relaxes financial constraints in old age, it does not mean that in practice home ownership is an indicator of well being in old age. This is particularly so in

Portugal given the generalised low rents paid by the elderly tenants. That is a feature related to the historical evolution of housing and rents in that country but that, nevertheless, should be taken into account when discussing the financial implications of home ownership vs. tenancy for the elderly.

There are two particular situations to highlight for their numerical expression: elderly living in inherited houses and elderly using accommodation provided for free. In both cases, we find a rate of poverty above 30%, reaching almost 40% in the latter case. A further cross tabulation, introducing in the analysis the type of region of residence, showed that these figures vary considerably between regions: in rural areas the afore mentioned rates reach 37.8% and 47%, while in urban areas they are only around 23% and 22%, respectively. This is a piece of information that further reinforces the belief that the elderly in rural areas do considerably worse than their counterparts in urban areas.

## **2.2. Living arrangements and caring arrangements**

Once more the issue of care is addressed trying to challenge or, at least, to go beyond the traditional view that older people represent a burden on younger generations, namely on younger household members. If we think about it, it is precisely this view that is implicit in the concept of dependency ratio so widely used to describe the burden an ageing population represents for societies.

I have been arguing that, in familialist settings, living arrangements in old age often respond to broader needs beyond the needs related to dependency in old age. They tend to serve the interests of different household members, sometimes benefiting the youngest generations more than the oldest.

When analysing exchanges of care within the household, this means looking not only at support for older people by caring for them, but also at the roles of the elderly within the exchange of care and at their roles as carers, namely of children.

For this analysis, I use data from the ECHP, which includes information about types and levels of engagement in caring for adults and for children.

As already discussed in chapter 5, the levels of engagement in caring for someone, in Portugal, are not as striking as one would expect in a familialist social policy setting. Overall, the ECHP data show that 470 people in the Portuguese sample are looking after an adult person and that 1374 are looking after at least one child. These

correspond roughly to 4.1% and 13.3% of the total sample of Portuguese individuals, respectively.

These figures, however, are not enough to provide a clear picture of the realities of care, given that it is an activity that takes place in social contexts that are selective both in terms of gender and in terms of age. Therefore, the analysis must be narrowed to a smaller group of individuals, and highlight gender and cohort specificities.

The analysis was narrowed to the sample of individuals aged 45 or more. Given that the goal is to discuss the dynamics of exchange of support within the household, with a special emphasis on the roles of the elderly in those dynamics, by focusing on 45 plusers we are close to isolating the situations of exchange of care that are more typical of familialist settings. On one hand, the analysis will be focusing on those that are more likely to have relatives, namely old parents or spouses, needing care. On the other hand, it will be focusing on those that are more likely to engage in caring for grandchildren.

When narrowing the analysis to the 45 plusers we get shares of engagement in caring that are higher than the sample average for caring for an adult person (although not that much higher) and shares that are lower than the sample average for caring for children (which is hardly surprising since it excludes from the counting women in fertile years, therefore the likely mothers of young children needing care). The figures for the 45 plusers decomposed by age groups are displayed in table 6.13 below.

Table 6.13. Shares of engagement in caring for an adult person and in caring for children for Portuguese 45 plusers, by age group, in 1998 (percentages within total people in age group)

Age group	% caring for children	% caring for adult person
45 to 54	10.0	6.8
55 to 64	7.5	5.8
65 to 74	4.0	5.1
75 or more	1.0	5.0

Source: ECHP, wave 5

Looking more broadly at some descriptive variables for those 45 plusers engaged in either caring for children or caring for an adult person, the patterns in the distributions suggest some typical profiles of carers. Data for this analysis are displayed in table 6.14 below.

Table 6.14. Descriptive variables for carers of young children and of adult person, among Portuguese people aged 45 and more, in 1998 (percentages within type of caring)

Descriptive variables		People caring after young children	People caring after adult person
		N=347	N=327
Gender	Male	10.7	12.8
	Female	89.3	87.2
Marital status	Married	71.5	72.2
	Not married	28.5	27.8
Age group	45 to 54	47.8	34.6
	56 to 64	31.7	25.7
	65 to 74	17.0	24.5
	75 or more	3.5	15.3
Main activity status	Normally working	29.6	30.0
	Unemployed	2.1	4.0
	Inactive	68.3	65.9
Education level	High	6.3	4.9
	Low	93.7	95.1
Living arrangement	Couple	20.4	23.0
	Couple with young children	26.2	8.5
	Elderly with adult children	9.7	35.4
	Complex/extended household	36.9	31.6
	Others	6.8	1.5
Intensity of caring	Less than 14 hours	21.0	15.3
	14 up to 28 hours	32.3	33.6
	More than 28 hours	46.7	51.1
Locus of caring	In own household	n.a. <sup>1</sup>	83.5
	Elsewhere	n.a. <sup>1</sup>	16.5

Source: ECHP, wave 5

Obs.: Non-weighted cases

Notes: <sup>1</sup> not available

Looking first at caring for children, there are three typical scenarios:

- 26.4% of 45 plusers taking care of children live in couple with cohabiting children; despite the efforts to narrow the analysis and exclude the scenario of parents taking care of their children, we still capture a considerable slice of 45 plusers in that situation, eventually representing a share of individuals that experience parenthood at later ages;

- 20.4% of 45 plusers taking care of children live in couple; this means we have individuals that take care of non-cohabiting children, most likely grandparents that look after grandchildren during the day; this scenario represents a case of exchange of support between households, another side of familialism that most surveys do not capture and that the limitations of the data available have determined was left outside this thesis as well;
- 36.9% of 45 plusers taking care of children live in some type of extended household; this represents more clearly the scenario where one can talk about intergenerational exchange of care within the same household; the carers here are mostly grandmothers looking after grandchildren; it is surely significant that among older carers of children the largest slice takes place within the extended household.

Looking now at carers of an adult person, again there are three typical situations:

- 23% of carers are living in couple; this represents the typical situation of spouse carers;
- 35.4% of carers are in a household where we find parent(s) living with adult children (this category aggregates individuals that live in couple with adult children or alone with adult children);
- 31.6% of carers live in some type of extended household, with or without dependent children; it is in this arrangement that we can find more clearly the exchange of support between cohabiting generations.

Despite the very small numbers in each type of profile, it is still worthy to have a general look at the main descriptors of each to try and explore the possibility of identifying some sociological trends or commonalities. The analysis focuses in particular on the situations of exchange that take place within the extended household.

Examining at first those individuals that are looking after children within the extended household, the descriptive analysis has showed that 92% are women. 61.6% are over 55 years old. In terms of activity status, 73% are inactive and 22% still working. Among the inactive individuals who have worked before, 72% were on elementary occupations or craft and related trades work. As for marital status, around 61% are married and around 30% are widowed.

The descriptive elements put forward suggest that, within the extended household with cohabiting children, elderly women play an important role as carers. Among all

the women aged 45 or more living in an extended household with dependent children (334), around 30% are looking after those children. Decomposing this figure by age group, it is observed that the figure increases to around 36% among those aged 45 to 55 and to 47% among those aged 56 to 65. This clearly shows some signs of the granny carer in the extended household. Obviously without any data on parenthood the analysis must stop here. However, the data give us enough clues about the roles of the older generations (namely women) as carers of young children in the extended household. This supports, even if in a tentative manner, the thesis of older cohabiting generations not being exclusively recipients of support but active agents in delivering support to younger generations, often making it possible for younger women (the mothers of children) to engage in paid work.

Focusing on the individuals engaged in looking after an adult person, again within the extended household, a similar descriptive analysis showed that: 86% are females; around 80% are between 45 and 65 years of age; 87.5% are married; 56% are inactive while 39% remain active.

Again limitations of the data available do not permit more sophisticated analysis. However, the descriptive profile does seem to sustain the assumption about carers in extended households being mostly middle-aged women that look after dependent old parents or parents-in-law (although we have no information on degree of dependency).

The average levels of engagement in looking after a child are higher than those for looking after an adult person when focusing on the extended household (18% and 10%. respectively). This difference could be used to argue that in the extended household the overall volume of exchanges of support in the form of care swings more to the side of older generations helping younger generations, adding some more evidence on the thesis of living arrangements in old age being determined not necessarily by the needs of the elderly but by his/her ability to remain functional within the extended household, namely by helping younger generations.

## Conclusion

This chapter has presented the results of the analysis of FBS and ECHP data focusing on family dynamics within Portuguese households. The discussion put

forward answers the second set of research questions introduced in chapter 4. The research questions addressed were as follows:

- How and how much are Portuguese families engaging in welfare provision to the elderly?
- Does the identification of traits of familialism in the way the Portuguese elderly organise their lives translate into the effective fulfilment of their needs by means of family dynamics?
- Is the activation of family resources in old age tackling exclusively the needs of the elderly? Or is familialism in old age reflecting a system of provision of welfare that is organised around the functionality of the household unit and the relative roles of different generations for that functionality?
- Is familialism a socially selective model of social organisation that reproduces itself in social milieus still marked by the resilience of socio-economic indicators of pre-modernity?

The analysis in this chapter has some weaknesses if assessed from the side of its potential as findings that can be generalised. Household relations are often complex, varied and dependent on many factors that we not always manage to control in the research design. Despite the limitations, it was possible to gather evidence suggesting that living in the extended household (taken as an indicator of familialism in the living arrangements of the elderly) does have an overall positive impact in the welfare arrangements of the elderly Portuguese. This was seen in different dimensions, namely in terms of financial impacts and of exchanges of support in kind.

Distributional inequalities in income in old age were seen related mostly to education, as well as to territorial variables, gender and age. On this, the trends identified seem to align with what has been seen in other countries. However, the data have also shown that the elderly living in extended households, everything else equal, are doing better financially, which bears particular significance in a national context marked by generalised low pension levels and by high levels of incidence of monetary poverty among the elder population.

The analysis of the economic ties between the elderly and the extended household has revealed two main patterns that are interpreted as defining the essence of familialism reflected in welfare arrangements. When living in the extended

household, the elderly can be beneficiaries and/or contributors to the household economy, namely to the household income. For the elderly living in households where the head of household is someone else other than the elder person, the effect of household income distribution tends to be fairly positive for the elderly, often pulling them out of poverty. For the elderly living in extended households where they are themselves the head of household (or a spouse), the share of their contribution to the household income tends to be highest. This means that overall the Portuguese elderly derive financial benefits from living in the extended household, but those benefits tend to extend to the other members of the household. This interpretation of the patterns observed in the data is extensive to the exchange of support in kind, seen as provision of accommodation and as exchanges of care.

Provision of accommodation was a topic less thoroughly analysed given the limitations of data on the subject. However, it was possible to gather indicators suggesting that both the elderly and the younger generations cohabiting with elderly derive benefits from the extended household.

On the topic of exchanges of care, it was possible to identify these dynamics more clearly. The data showed that the elderly in extended households are likely to be or become recipients of care delivered by other members of the household, namely by middle-aged women. However, the data have also showed that in the extended household the shares of engagement of the elderly themselves in caring are considerable, namely in caring for children. This trend indicates the importance of the elder person in the extended household as an active contributor to the household economy and organisation, especially in creating the conditions for younger women to engage in paid work.

The general conclusion to be drawn from the data is that exchanges of support, financial or in kind, are not necessarily unidirectional exchanges that benefit exclusively the elder person. Often they imply two-way exchanges that benefit a broader scope of individuals, namely younger generations. In that sense, discussing familialism in the lives of the elderly should not be so much centred in the levels of informal support available to tackle old age related needs, but should also incorporate in the analysis the roles of the elderly as effective contributors to the well being of households.

Familialism, analysed from the side of family dynamics, seems to be a socially selective phenomenon. The extended household seems to take place more often

among the segment of the population engaged in low paid jobs (suggesting the importance of the economic side of welfare arrangements). The fact it is not more frequent in rural areas is significant in itself, especially as it can be interpreted as an indicator of transposition of rural ways into urban settings.

This issue though is already crossing the border with one other dimension of analysis of welfare arrangements: values and normative universes. It is in this dimension that the social selectiveness of familialism can be more thoroughly analysed and discussed. This is the subject of chapter 7 that follows.

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## Chapter 7

### Familialism and Normative Family Solidarity

#### Introduction

Discussing familialism in the lives of the elderly cannot be confined to examining how the elderly actually organise their lives. Knowledge about this is as important as it is to know about their actual sources of help and the dynamics involved in actual exchanges of help. However, it seems equally relevant to include in the discussion about familialism some information about the norms, attitudes and behavioural factors that guide people's choices and preferences.

This chapter examines norms and attitudes towards the support and care of older people, with a particular focus on the relative preferences for, and on the perception of relative responsibilities of adult children/family and the welfare state.

There are some assumptions underlying the debate on the provision of care to older people in familialist settings. These are believed to be examples of a model of social policy that has deeply and strongly incorporated the 'subsidiarity principle' – the prime responsibility for the individual welfare rests with the family, while the welfare state has a residual function and acts as a safety net to be activated when family resources are insufficient to guarantee a minimum provision.

Contrary to other social policy settings where there has been a considerable (*albeit* insufficient in many cases) expansion of formal provision to older people, in familialist settings the argument for the crowding out effect of formal provision on informal solidarity is not widely used. The argument that if formal services are unduly expanded they discourage family and other informal sources of help is not incorporated in the official discourse, as it is not the issue of the need to revive the traditional forms of family solidarity and of informal care.

In familialist settings, the debate is still very much linked to the belief that there is in such settings a system of values and social norms that remains resilient and that pressures towards family responsibility, which largely legitimises, if not *de facto* at least at the discursive level, the under-development of the formal provision of support to the older people. From that point of view, retrenchment of formal provision is not

an issue to address given that there was never a real expansion. If there is any debate it is on the need for expansion and on how to tackle that need.

The interest in examining norms and attitudes in a familialist social policy model arises from the need to test the real strength and resilience of what is largely considered the core cement of those systems. Family solidarity may become insufficiently strong to provide the needed support to older people if the norms and expectations on which it is underpinned are relaxed. In that sense, identifying elements of reliance and of change in attitudes and preferences should be of great interest to policy makers in familialist countries, since they signal the direction of adjustments that will be required in the social policy framework.

If one is to go even further on this point, and drawing on the research on the ways welfare policy can make use of social norms (Mau, 2004), one could even argue that assessing norms and values on family solidarity is, in a familialist social policy setting, an exercise of self-assessment of the state of the infra-structure of the entire social policy building.

The discussion on social norms and values is very complex. The link between norms and perceived obligations and concrete actions is not straightforward and simple. It often results from a compromise between normative beliefs, aspirations and opportunities, which brings to the picture elements of a contextual nature such as policy framework, financial circumstances and also life-course biographies. The discussion on attitudes and preferences will be placed within a conceptual approach that tries to retain the complexity of social phenomena in all their dimensions and avoiding any type of determinism, be that cultural, institutional or of other nature.

The chapter starts with some considerations on the data used for the analysis of social norms and values as well as on the research approach to the topic. These initial considerations complement and resume what was already introduced in chapter 4. The chapter then moves to the analysis of normative family solidarity across Europe, keeping as a reference case the Portuguese context. This second section starts by examining general views and opinions of Europeans on family solidarity when dealing with elderly people's needs for care and their preferences in terms of care for their elder parents. The goal is to examine country variations that can align with the degree of familialisation of the respective social policy models. The discussion moves next to the analysis of the elderly people's opinions and expectations as well as to their preferences in terms of care receiving. Finally, this chapter addresses the

Portuguese case *per se* to examine within-country variations and to discuss the degree of normative homogeneity in the Portuguese sample when it comes to normative family solidarity.

## **1. Considerations on data and on research approach to social norms and values**

Similarly to what has been addressed so far, the approach to the issue of social norms and values in familialism also tries to combine two levels of analysis.

It starts with a cross-national comparative approach to address the overall topic of family solidarity as a system of values and norms in Portugal. I am particularly interested in examining to what extent contrasts or similarities between countries are dominant to assess the relative strength of cultural explanations and the relative force of general processes, respectively.

In some research on values, especially in Europe, a trend can be identified towards dividing Western Europe in two main groups of orientation towards family responsibility in welfare provision, a divide made along the North/South axis. The North would be less keen on upholding filial obligation norms and on expecting much from intergenerational solidarity, while the South would be more oriented towards the fulfilment of family solidarity. Some scholars defending this European divide recognise that recent demographic changes and different sources of external pressure may be producing some sort of convergence, but still believe they are unlikely to “undermine the deep disparities that have always characterized the family in different regions and cultures of Europe” (Daatland and Herlofson, 2003). The first part of the analysis in this chapter addresses precisely to what extent is it possible to link people’s attitudes and preferences with national policy elements and traditions. My hypothesis is that family solidarity is the widespread norm across Europe. What differs is the way it actually translates into effective action.

The second part of the analysis draws on a case-study approach and focuses on identifying within country variations. It examines in more detail the Portuguese case and discusses the idea of normative homogeneity in Portugal and its meaning in terms of social policy thinking.

The considerations put forward in this chapter use data from the Eurobarometer (EB) survey series. Part of the cross-national analysis draws on data from the 1992

database (EB 37.1 and EB 37.2), since it is the database that contains a sufficiently large list of variables to run a multivariate analysis.

The EB series though, included questions related to the topic of the 1992 study in the questionnaires used in later years. The analysis resorts to data from those every time it is felt suited to enrich the discussion. This thesis uses data from the years 1995 (EB 44.0), 1998 (EB 50.1) and 1999 (EB 51.0).

On the conceptual approach to the topic of this chapter, and resuming the discussion put forward in the beginning of the thesis, there are two perspectives in the analysis.

Firstly, when considering the analysis of attitudes and norms one must keep in mind two levels of expression of norms and values: a) what one thinks about a certain situation in a more abstract way (which tends to reflect collective discourses and social desirability); b) what one declares to prefer in a hypothetical situation involving oneself (which tends to reflect the individual negotiation of norms and personal wishes together with the assessment of real opportunities and constraints).

These two dimensions of expression of social norms and values, when analysed at the individual level, may not necessarily correspond. I believe that at the more aggregate level they tend to correspond in a clearer way, and therefore the importance of focusing on national or group trends rather than on individual patterns.

Secondly, and because the analysis focuses on social norms and values related to support for older people, it is important to consider and articulate two levels of analysis: a) the expression of norms and values among the elderly, which should be reflected in preferences and expectations; b) the expression of norms and values among the population in general, which may meet or not meet the preferences and expectations of the former. The analysis includes not only elements on preferences of adults for care provision to elderly parents, trying to assess levels of pro-filial obligation, but it also includes elements on the preferences, expectations and perceptions of the elderly as potential or *de facto* care receivers.

## 2. A comparative view of normative family solidarity

### 2.1. Filial obligations vs. welfare state orientation

The analysis of the normative dimension of family solidarity starts by examining national variations in the expression of norms. The question to address is to what extent can we identify a clear division between countries associated to their degree of orientation towards filial obligation/welfare state in tackling old-age related needs.

The presumption on this is that familialist social policy systems assume that the family accepts the prime responsibility for supporting the elderly. That being correct, it should reflect in a proportionately higher degree of normative family solidarity in the countries considered as examples of social policy familialism.

In the 1995 EB survey, Europeans were asked to express their opinion about what they consider the best solution for an elderly person needing care. This was presented as an abstract situation, clearly trying to capture discourses that reflect social desirability. The results shown in table 7.1 below allow the identification, in fact, of some major divides between familialist and de-familiased national systems.

Table 7.1. Preferred solution for an elderly needing care by country, in 1995 (percentages in category within country)

Country	Preferred solution <sup>1</sup>		
	Live with family	Go to old people's home	It depends
France	34.9	25.4	37.3
Belgium	26.1	29.4	41.2
Netherlands	13.5	61.8	22.5
West Germany	52.8	14.5	28.2
Italy	62.6	12.2	22.7
Luxembourg	35.0	25.0	40.0
Denmark	12.4	63.5	21.9
Ireland	42.1	15.2	35.2
UK	23.5	30.7	43.1
Greece	77.9	5.4	15.3
Spain	66.5	11.6	18.3
Portugal	60.2	19.9	17.7
East Germany	51.3	15.8	28.9
Finland	15.3	60.3	23.6
Sweden	7.2	77.1	14.4
Austria	50.3	17.4	28.2
Total	44.2	23.5	29.3

Source: Eurobarometer 44.0, 1995

Obs.: Weighted cases

Notes: <sup>1</sup> The categories included in the table correspond to the alternative answers presented to interviewed people.

We can see, on one side, countries such as Italy, Greece, Portugal or Spain with very high shares of expression of filial obligation, while on the other side we have countries such as Finland, Sweden, Denmark or The Netherlands, with very high shares of orientation to institutionalisation. It should be noted that the options presented to the respondents were the ones shown in the table. In that sense, I would interpret preference for institutionalisation in these countries not so much as such but as a rejection of multi-generations co-habitation as a good solution.

However, resuming the theoretical discussion in chapters 1 and 2, familialism does not necessarily mean a full support from the population to an absent state provision. One distinctive element in familialist settings is the patrimonial concept of state, which means that attribution of responsibilities may be selective according to the dimension being focused on. Families may in fact accept more easily residential proximity, but they may as well reject responsibility for financing provision of care.

Table 7.2 below displays the shares of Europeans that in the same survey, EB 1995, show a dominant orientation towards individual responsibility/family responsibility or state responsibility for the payment of care for the elderly.

Table 7.2. Perception on responsibility for the payment of care for an elderly in need, in 1995, by country (percentages in category within country)

Country	Main responsible for the payment <sup>1</sup>	
	Elderly/Family	State/Community
France	34.5	48.1
Belgium	35.9	46.2
Netherlands	19.0	73.0
West Germany	29.4	55.9
Italy	26.6	66.1
Luxembourg	36.4	54.5
Denmark	7.7	85.4
Ireland	30.3	51.0
UK	19.7	69.0
Greece	35.5	61.2
Spain	32.5	55.8
Portugal	37.2	57.8
East Germany	27.8	62.4
Finland	24.9	68.1
Sweden	12.6	76.0
Austria	48.0	40.1
Total	28.2	60.0

Source: Eurobarometer 44.0, 1995

Obs.: Weighted cases

Note: <sup>1</sup> The totals in row do not add up to 100% given that there were some residual categories included in the counting that were not considered in the table ('Don't know'; 'Don't answer')

From the data displayed in table 7.2 we see that, although there is some space for national variations, the dominant trend seems to be that of attributing to the state the responsibility for paying for care for the elderly in all countries.

I argue in my thesis that this is of crucial importance in terms of social policy design in the sense that it signals very clearly the need to invest more on cash benefits for carers and care receivers and on services that support primary family carers in familialist systems. In other words, in familialist settings families seem to still accept to have a role as primary carers, but they refuse the financial burden of this role. This may be easily understood in light of what was already said in the previous chapters on the financial constraints that are felt by households in these systems.

A similar question was introduced in the EB survey in 1998. The respondents, however, were given a broader scope of possible responses, allowing national variations to be distinguished a bit more clearly in perceptions about paying for the care for elderly. Results are shown in table 7.3 below.

Table 7.3. Perception of responsibility to pay for the care of elderly parents, by country, in 1998 (percentages in each category within country)

Country	Responsible for paying care for the elderly parents <sup>1</sup>			
	The elderly	Their children	State/Community	Local government
Belgium	20.5	10.7	42.2	6.5
Denmark	5.4	1.8	74.6	13.4
West Germany	20.8	11.9	38.8	5.8
Greece	9.1	27.4	39.3	1.3
Italy	11.9	23.5	34.1	7.4
Spain	12.4	30.1	29.1	6.9
France	16.0	15.1	37.9	9.5
Ireland	5.8	16.2	29.9	11.7
Northern Ireland	7.7	7.7	41.5	24.6
Luxembourg	22.2	16.7	38.9	-
Netherlands	14.0	6.7	61.3	3.8
Portugal	7.8	29.1	43.8	2.6
Great Britain	11.7	12.6	38.2	18.5
East Germany	12.2	7.7	49.4	4.7
Finland	11.2	3.3	61.2	4.2
Sweden	8.6	2.4	62.4	17.3
Austria	10.5	41.5	19.0	2.3
Total	14.0	16.9	39.2	8.7

Source: Eurobarometer 50.1, 1998

Obs.: Weighted cases

Note: <sup>1</sup> The totals in row do not add up to 100% given there were some residual categories included in the counting that were not considered in the table ('Don't know'; 'Don't answer')

The dominant trend however remains the same. The highest shares of respondents across countries attribute the responsibility for paying for the care of the elderly to

the state or to local authorities (this last option reflecting national traditions of organisation of the respective systems of social protection).

Looking at the Portuguese case in particular, it is relevant to note that there is some variation in the distribution of answers from the 1995 to the 1998 surveys. If, on one hand, the percentage of those attributing to the elderly/family the responsibility for paying care remains more or less the same, the percentage of those putting the responsibility in the state decreases around 10 points between the two surveys. Although the data do not allow for any longitudinal analysis, and although in theory the difference may be related to sampling, the magnitude of the variation suggests some alternative explanations. One hypothesis to raise would be that of increased perception of the limitations and constraints of public providers. It should be noted that the variation goes in the direction of increasing the percentages in the residual categories (not displayed in the table), suggesting eventually some difficulty among the Portuguese in conciliating alternatives in a scenario of insufficient provision by the state and of increasing difficulties among families.

One issue that is often present in research on provision of care for the elderly is the issue of freedom of choice. This is a field of research that has been very valued in certain national contexts but that remains almost entirely absent from the research agenda in countries like Portugal. One of the reasons for that, I argue, is the underdevelopment of a culture of social rights and of individual freedom in familism.

The 1999 EB survey asked Europeans about their opinions on who is in a better position to decide what is best for an elder person in need of care. The answers are displayed in table 7.4 below.

Table 7.4. Perception of the best person to decide what services are appropriate for an elder person in need of care, by country, in 1999 (percentages in each category within country)

Country	Best person to decide what services are appropriate <sup>1</sup>			
	Relative or friend	Elderly person	Service provider	Other professional
Belgium	20.9	46.1	8.0	22.9
Denmark	29.8	44.3	12.3	11.5
West Germany	24.1	48.7	5.5	19.3
Greece	21.5	44.0	12.4	21.7
Italy	37.8	20.9	6.6	32.8
Spain	36.1	30.8	2.0	28.9
France	26.9	37.2	2.7	31.4
Ireland	34.8	38.5	5.0	17.4
Northern Ireland	41.2	25.0	1.5	32.4
Luxembourg	26.3	31.6	10.5	31.6
Netherlands	24.9	45.2	8.7	19.2
Portugal	39.9	22.1	8.3	27.7
Great Britain	41.2	39.1	5.8	9.6
East Germany	23.7	46.6	4.1	22.9
Finland	26.3	57.1	2.2	12.5
Sweden	26.3	54.6	2.1	14.4
Austria	26.5	42.0	6.4	20.4
Total	31.2	37.9	5.3	23.2

Source: Eurobarometer 51.0, 1999

Obs.: Weighted cases

Notes: <sup>1</sup> Residual categories are not displayed (NA; DK: INAP)

It is interesting to note how countries cluster (although not always in a very clear way) and how it is possible to identify two opposite trends: on one side countries with a culture of empowerment of the elderly by recognising their ability to decide what is best for themselves; on the other side countries, such as Portugal, that attribute to family or formal providers/professionals the ability to decide on behalf of the elderly.

In summary, what I have been trying to demonstrate is that when we set ourselves the goal of identifying a distinct set of social norms and values that clearly distinguish familialist settings from other social policy models we are confronted with a rather complex picture that brings together elements that show the multiple sides of familialism. Some of those elements may be apparently competing: a recognisable social desirability attached to children/old parents cohabitation and proximity side by side with an equally generalised orientation towards the welfare state as the responsible for financing solutions to attend the elderly. Some of those elements may show the less democratic side of familialism, a system where the space for the elderly becoming trapped in a disempowering net of dependencies is wider than in more de-familialised systems.

## 2.2. Preferences in terms of provision of long-term help

As already discussed, when analysing preferences, especially by means of a standardised method of observation such as the questionnaire interview, what individuals say they prefer may not necessarily correspond to what they want in reality or what they will do. Preferences are more likely to be the result of a combination of personal wishes, subjective incorporation of social norms and values and envisaged opportunities. Having said that, and using data from the 1998 EB survey (EB 50.1), when asked about their preferences in dealing with an elder parent needing care, among the Europeans we have highs of around 70% preferring children/parents co-habitation in Greece, Spain and Portugal, and lows of around 10% in countries such as Sweden, Denmark or Finland. On the opposite trend, we observe highs of 70 to 80% preferring formal services in the later countries and lows of around 15% in the former. Results are displayed in table 7.5 below.

Table 7.5. Expressed intentions in terms of care for frail elderly parents, by country, in 1998 (percentages in category within country)

Country	Preference for care of respondent's frail elderly parents <sup>1</sup>		
	Co-habitation child/parent	Old people's home or nursing home	Home help
Belgium	33.6	20.0	28.0
Denmark	9.9	30.9	43.5
Germany <sup>2</sup>	45.5	9.8	21.5
Greece	70.8	0.4	10.8
Italy	51.6	1.7	25.6
Spain	73.1	4.9	9.5
France	32.9	13.2	38.0
Ireland	44.8	3.2	24.7
Luxembourg	36.9	21.1	15.8
Netherlands	14.2	32.7	39.0
Portugal	67.1	9.0	12.3
Great Britain	33.7	14.2	25.0
Finland	15.4	15.4	51.9
Sweden	11.1	40.4	38.3
Austria	33.8	9.6	28.6

Source: Eurobarometer 50.1, 1998

Obs.: Weighted cases

Notes: <sup>1</sup> The categories in the table result from the aggregation of the original alternatives presented to interviewed people. The first category labelled as "co-habitation child/parent" includes those that have chosen either "Myself or my brothers or sisters should invite my father or mother to live with one of us" or "I or one of my brothers or sisters should move in with my father or mother". The two other categories reproduce the original answers. There are some residual categories that do not have any substantial meaning therefore were not included in this table ('Don't know'; 'Don't answer')

<sup>2</sup> Data just for West Germany.

This strong country variation seems to align more or less with the relative availability of services in each national context and, as such, may be reflecting less real preferences and more perceptions of what will work better for the elder person in tackling her needs. This may be particularly so in familialist settings. It is a hypothesis virtually impossible to test but still worth raising for the purpose of policy discussion. The belief on the willingness of families to take care of the elderly is at the very basis of familialist social policies. To what extent we still have that willingness (if it ever existed as a generalised feature of the society anyway) or to what extent people just voice what they perceive as resources available (or not available in this case) needs to be questioned.

Table 7. 6 below summarises the estimates for two logistic regression models that model the likelihood of Europeans preferring family care or formal care as the best solution to deal with an elder parent in need of care. The two models were run independently and estimate the impact of the same set of explanatory variables in the probability of someone preferring family care and in the probability of someone preferring formal care to assist an elder parent. The models are binary logistic regression models.

Table 7.6. Logistic regression models for the likelihood of declaring as first preference for care provision to elderly parents: family care and formal care, in 1998

Explanatory variables		Likelihood of preferring family care			Likelihood of preferring formal care		
		Coefficient estimates	T statistics	Odds ratio	Coefficient estimates	T statistics	Odds ratio
Gender	Male (base)						
	Female	0.124**	(2.70)	1.132	-0.179**	(3.89)	0.836
Marital status	Married (base)						
	Co-habiting	0.005	(0.05)	1.005	-0.135	(1.53)	0.874
	Never married	0.367**	(4.65)	1.443	-0.340**	(4.10)	0.712
	Separated/divorced	0.074	(0.94)	1.077	-0.024	(0.30)	0.976
	Widowed	-0.188*	(2.00)	0.829	-0.127	(1.28)	0.881
Age		0.005**	(2.5)	1.005	0.002	(1.00)	1.002
Age when stopped studying	Up to 15 years (base)						
	16 to 19 years	-0.104+	(1.73)	0.901	0.246**	(3.90)	1.279
	20 years or more	-0.234**	(3.16)	0.792	0.268**	(3.53)	1.307
	Still studying	-0.069	(0.55)	0.933	0.098	(0.75)	1.103
Occupational scale of head of household	Farmer (base)						
	Professionals	-0.629**	(3.19)	0.533	0.195	(0.98)	1.215
	Self-employed	0.021	(0.14)	1.021	-0.127	(0.78)	0.880
	Business proprietors	0.227	(1.23)	1.254	-0.299	(1.52)	0.742
	Employed professional	-0.203	(0.94)	0.816	-0.538*	(2.49)	0.584
	General management	-0.297+	(1.71)	0.743	-0.163	(0.92)	0.849
	Middle management	-0.051	(0.35)	0.951	-0.046	(0.30)	0.955
	Clerk	-0.202	(1.42)	0.817	0.068	(0.45)	1.070
	Sales person	-0.379*	(2.38)	0.685	-0.031	(0.18)	0.970
	Employed position in other services	-0.119	(0.82)	0.887	-0.145	(0.94)	0.865
	Supervisors	0.138	(0.81)	1.147	-0.295	(1.63)	0.745
	Skilled manual workers	-0.098	(0.74)	0.907	-0.047	(0.33)	0.954
	Other (unskilled) manual workers	0.057	(0.40)	1.058	-0.218	(1.40)	0.804
Harmonised income scale <sup>1</sup>	Lower quartile (base)						
	Middle lower quartile	-0.171**	(2.59)	0.843	0.235**	(3.46)	1.265
	Middle upper quartile	-0.403**	(5.84)	0.668	0.389**	(5.40)	1.476
	Upper quartile	-0.444**	(5.69)	0.641	0.575**	(7.19)	1.778
Household size		0.101**	(5.05)	1.107	-0.072**	(3.43)	0.930

Explanatory variables	Country	Likelihood of preferring family care			Likelihood of preferring formal care		
		Coefficient estimates	T statistics	Odds ratio	Coefficient estimates	T statistics	Odds ratio
Portugal (base)							
Belgium		-1.098**	(5.33)	0.334	1.072**	(5.06)	2.922
Denmark		-2.694**	(9.73)	0.068	2.237**	(9.90)	9.367
Germany		-0.674**	(4.99)	0.510	0.355*	(2.31)	1.427
Greece		0.218	(1.27)	1.244	-0.900**	(4.04)	0.406
Italy		-0.349*	(2.53)	0.706	0.125	(0.79)	1.133
Spain		0.369*	(2.51)	1.447	-0.469**	(2.73)	0.626
France		-1.239**	(8.98)	0.290	1.289**	(8.37)	3.630
Ireland		-0.822**	(2.80)	0.440	0.359	(1.11)	1.433
Luxembourg		-1.460+	(1.72)	0.232	1.079	(1.39)	2.941
Netherlands		-2.340**	(13.00)	0.096	2.173**	(12.28)	8.786
Great Britain		-1.285**	(9.11)	0.277	0.851**	(5.42)	2.342
Finland		-2.187**	(8.93)	0.112	1.923**	(8.70)	6.843
Sweden		-2.606**	(12.01)	0.074	2.539**	(12.63)	12.670
Austria		-1.311**	(6.62)	0.269	0.825**	(4.02)	2.281
-2 Log likelihood		11875.553			11527.011		
Hosmer and Lemeshow Test							
$\chi^2$ and p value		11.234	; p=0.189		21.583; p=0.006		
Constant included in the models		0.392			-1.264		
Significance levels:							
** 0.01; * 0.05; + 0.1							

Source: Eurobarometer 50.1, 1998

Notes: The models were also run without the income variable. The income variable in the EB series is systematically affected by large missing data (around 30% of cases in 1998 EB survey). Yet, the estimates for the two models without the income variable have remained constant in the direction and significance of the effects observed in the models displayed in table 7.6.

The results in the two models are very consistent and seem to reflect both general processes and national variations in preferences for the care of elderly parents.

Preferences for formal services generally increase with income the same way as preferences for family care decrease as income increases. This seems to corroborate the findings of other studies (Johannesson and Johansson, 1996; Iacovou, 2000) that have been demonstrating how income impacts on availability of family care. The same way, women seem more likely to prefer family care while men prefer formal care. This may be somehow associated with self-perceptions and gender constructs of carers showing in individuals' discourses, as a result of differential socialisation that produces greater family orientation in women than in men. Formal education also shows a significant impact, with more educated people showing more likely to prefer formal care and less educated people showing more likely to prefer family care. It also appears that the preference for family care is promoted by cohabitation with more people. In the models, household size was used as a proxy for type of household. The assumption was that larger households are more likely to be

multigenerations households. In any case the models seem to corroborate the idea that cohabitation in the family raises expectations about the availability of family care hence the preference for that type of care.

Alongside with these general processes, the models also show a significant impact of national traditions on preferences for family and for formal care. Given the interest in Portugal as the case study for this thesis, and taking that country as the reference category in both models, we see that Portugal is the national context where one finds a higher inclination towards family care and the lowest preference for formal care. What these data seem to suggest is that Portuguese people seem to subscribe to relatively more norms of family solidarity, and of filial obligations in particular, than their Europeans counterparts. In that sense, we have a first set of empirical evidence that seems to sustain a resilient willingness among Portuguese to provide informal/family care to older people.

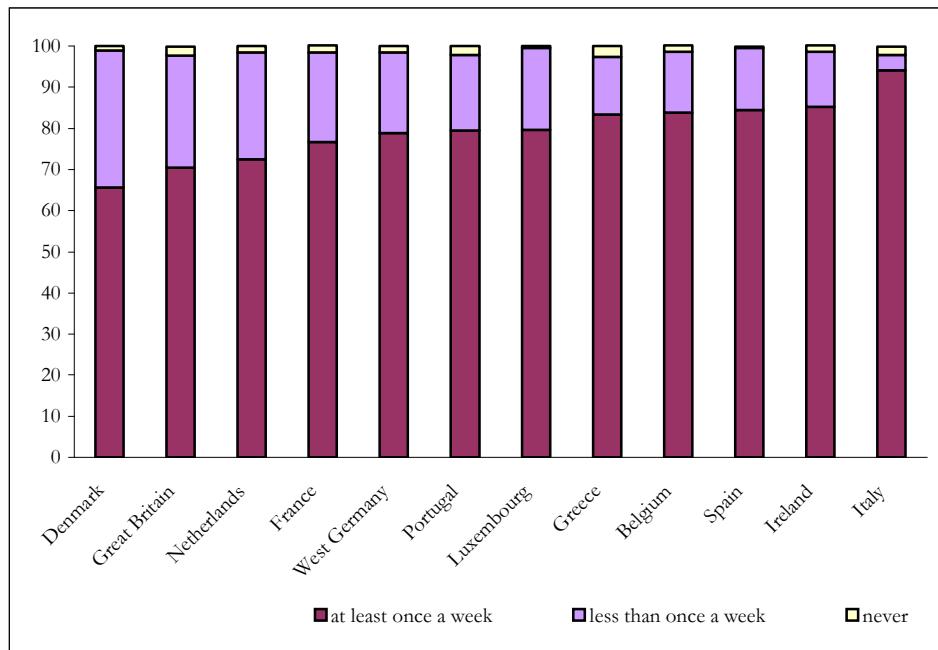
### **2.3. Normative solidarity and preferences: the elderly people's views**

The EB survey carried out in 1992 has included a special topic on elderly people's opinions and preferences. Although the data are less up to date than what I have used so far, it is still worth analysing. Social norms and values do not change in short periods of time and preferences, as the mirror images of socialisation, tend not to vary substantially along short periods of time (Therborn, 2002).

It is very important to include in the analysis a section on the elderly people's views given that, in terms of social policy design, the way things will evolve will not be exclusively influenced by what adult children are willing to offer but also by what the elderly themselves expect and prefer.

The first assumption I would like to challenge is the widespread belief that in familialist social policy settings the elderly are closer to their families and therefore tend to feel less lonely than their counterparts in de-familialised settings. The graph below pictures levels of family connectedness among the elderly across Europe. Family connectedness is measured as frequency of contacts between the elderly and their family.

Figure 7.1. Family connectedness measured by frequency of contacts between the elderly and their family, by country, in 1992



Source: Eurobarometer 37.2, 1992.

Obs.: Weighted cases.

What the picture shows is that family connectedness prevails in all countries, contradicting the idea of the erosion of family ties in more de-familialised social policy settings. The lowest proportion of elderly who have contact with their families at least once a week is found in Denmark and mounts to around 65%. One could hardly use this figure to build a case for the erosion of family ties in that country. Families across Europe do seem to remain connected, even if beyond cohabitation. The case to build seems to be more about the ways family connectedness translates into support in old age and not so much about family connectedness vs. family disconnectedness.

The table below displays the distribution of respondents from the sample of elderly Europeans that at the time of the interview were receiving some type of care, by source of care.

Table 7.7. Shares of elderly receiving care by source of care, by country, in 1992 <sup>1</sup>

Country	Share of elderly mentioning each source of care relative to total receiving care					
	Spouse	Children or other relatives	Friends and neighbours	Market	Public services	Non-profit organisation
France	26.9	28.8	6.2	28.2	17.2	1.1
Belgium	25.4	51.1	14.0	9.6	19.8	0.9
Netherlands	8.4	25.2	8.2	33.8	26.3	2.8
West Germany	38.4	53.8	12.8	14.7	3.6	5.2
Italy	24.7	59.7	4.5	20.0	2.8	0.0
Luxembourg	35.4	45.0	6.6	16.5	1.5	0.7
Denmark	18.7	31.2	11.8	15.0	66.7	0.0
Ireland	23.0	64.7	19.1	4.2	9.4	3.3
Great Britain	34.6	40.2	10.8	20.8	26.2	2.3
Greece	46.5	66.7	7.6	6.4	2.2	0.7
Spain	29.1	61.0	10.3	6.2	8.4	5.4
Portugal	44.7	58.6	8.7	5.3	4.1	3.2

Source: Eurobarometer 37.2, 1992

Obs.: Weighted cases.

Notes: <sup>1</sup> Categories of care may overlap given that this was presented as a multiple answer set. Values displayed in the table refer to percentage in total national sample.

The data seem to point to a generalised practice of family solidarity. Across all countries the shares of engagement of children and other relatives in care delivering are considerably high. There is national variation and it is possible to identify some sort of divide between countries in the total amounts of care delivered by informal carers (three first columns). The prevalent trend though remains considerably common across Europe and points in the direction of informal care being of high importance for the elderly Europeans. This in any case corroborates what other researchers have been finding (Jamieson, 1991; Kendig, Hashimoto et al., 1992; Giarchi, 1996; Pickard, Wittenberg et al., 2000).

Yet, if the analysis focuses on aggregate sources of help and quantifies the shares of elderly that are receiving exclusively informal help (or formal or mixed), the patterns of national variation shift considerably. Results are displayed in table 7.8 below.

Table 7.8. Shares of elderly receiving care by source of care, by country, in 1992  
(percentages in category within country)

Country	Source of care relative to total receiving care		
	Just informal care	Just formal care	Mixed care
France	51.2	41.9	7.0
Belgium	69.1	21.6	9.3
Netherlands	33.5	57.8	8.7
West Germany	79.1	14.7	6.2
Italy	77.2	19.8	3.1
Luxembourg	81.0	19.0	0.0
Denmark	22.0	49.7	28.4
Ireland	82.9	11.3	5.7
Great Britain	54.5	26.3	19.2
Greece	91.4	3.5	5.1
Spain	79.6	14.0	6.4
Portugal	87.3	7.2	5.5

Source: Eurobarometer 37.2, 1992

Obs.: Weighted cases.

We can see how overwhelming is the dependence of Portuguese elderly on informal carers, a trend that can also be identified in other countries (such as Greece, Luxembourg or Ireland) but that allows for a clearer divide between countries. That divide seems to reflect the availability of formal provision in each national context and the national traditions of organisation of care delivery. For example, we see that in Denmark, although formal care prevails, mixed care has a very considerable expression. This is also the same for the UK, where although formal care is less significant, mixed care shows a high figure, from a comparative point of view.

The goal of this sub-section though was to address elderly people's perceptions and preferences in terms of care receiving. I start by a broader approach to their perceptions on family responsibility and on family willingness to take care of old people. Table 7.9 displays the distributions of strong agreements and strong disagreements with two different statements, each trying to capture dimensions of expectations of the elderly Europeans towards families.

Table 7.9. Perceptions about the centrality of family in solving old-age related problems, measured as share of strong agreement or disagreement with some statements, by country, in 1992 (percentages in category within country)

Country	Shares expressing strong agreement or disagreement with statements <sup>1</sup>			
	"You must expect to rely more on others when you are older."		"Families are less willing to care for older relatives than they used to be."	
	Strongly agree	Strongly disagree	Strongly agree	Strongly disagree
France	36.0	6.3	41.4	9.5
Belgium	30.5	4.5	32.4	9.2
Netherlands	42.8	4.5	34.4	12.5
West Germany	28.5	2.1	24.3	8.9
Italy	26.1	11.8	39.4	5.1
Luxembourg	42.9	5.6	39.2	11.9
Denmark	40.4	5.6	32.7	16.4
Ireland	36.8	5.0	25.6	22.5
Great Britain	17.2	18.0	26.4	18.3
Greece	36.6	9.2	36.0	7.8
Spain	27.9	4.9	45.2	5.5
Portugal	31.4	14.8	42.9	4.9

Source: Eurobarometer 37.2, 1992

Obs.: Weighted cases.

Notes: <sup>1</sup> The shares displayed are only for strong agreement or strong disagreement. The intermediate categories do not allow for a clear classification of individuals and were therefore withdrawn from the analysis.

It is interesting to note that for both statements, it is not possible to establish a correspondence between countries said of a familialist character and more positive expectations of the elderly towards family as locus for care. In fact, and looking at the second statement, it is in countries such as Portugal or Spain that we see the highest shares of elderly somehow disenchanted with the ways that families are performing as carers in old age. The meaning of this can be two-folded. It may signal, in fact, higher expectations towards the family from these individuals or/and increasing perceptions of fast changes in family solidarity.

Irrespective of their perceptions on who is or should be responsible for helping the elderly in situations of dependency, when asked about their preferences for care solutions, once more the norm that prevails across countries is that of informal care, namely care from spouses and from children and other relatives. Table 7.10 displays results supporting this reading.

Table 7.10. Preferences of the elderly for care solutions, by country, in 1992  
(percentages in category within country)

Country	Care solution				
	Spouse	Children or other relatives	Friends and neighbours	Market	Public services
France	28.8	28.3	5.5	13.1	23.9
Belgium	36.7	34.4	5.0	6.8	15.7
Netherlands	24.6	26.1	6.9	14.1	24.0
West Germany	45.8	41.6	4.4	5.4	1.9
Italy	38.0	47.7	4.1	4.1	4.5
Luxembourg	27.3	48.2	3.3	12.9	7.6
Denmark	35.6	28.2	4.5	5.6	25.1
Ireland	28.6	51.7	12.8	1.5	3.5
Great Britain	36.3	40.8	9.6	2.3	10.0
Greece	43.9	50.6	3.3	1.0	1.1
Spain	52.7	43.0	1.3	0.3	2.4
Portugal	45.2	38.0	6.9	2.1	4.4

Source: Eurobarometer 37.2, 1992

Obs.: Weighted cases.

In all countries, although with some variation in the absolute shares in each category, the preferences of the elderly go mostly to family care. The ubiquitous preferences for family care do show some adjustment to local circumstances, and seem to be more distinctive in Portugal, Spain, Greece or Italy, but also in Ireland or in Germany, where the provision of services to the elderly has resilient traits of familism.

The multivariate analysis on preferences of the elderly for care solutions shows in more detail how those are structured and the real weight of national traditions as a determinant for those preferences. Once more I have run logistic regression to estimate the likelihood of an elder European preferring care from children or relatives or formal care. The results are displayed in table 7.11 below.

Table 7.11. Logistic regression models for the likelihood of declaring as first preference for care provision: family care and formal care from public services, in 1992

Explanatory variables		Likelihood of preferring care from children or relatives			Likelihood of preferring formal care		
		Coefficient estimates	t statistics	Odds ratio	Coefficient estimates	t statistics	Odds ratio
Gender	Male (base)						
	Female	0.544**	6.25	1.722	-0.042	0.32	0.959
Marital status	Not married (base)						
	Married	-1.932**	18.94	0.145	-0.537**	3.29	0.584
Age		0.026**	4.33	1.026	0.003	0.38	1.003
Parenthood	Never had children (base)						
	Had at least 1 child	0.945**	8.22	2.572	-0.434**	2.91	0.648
Age when stopped studying		-0.067**	3.35	0.020	-0.039	1.39	0.028
Harmonised income scale	Upper quartile (base)						
	Middle upper quartile	0.377**	2.92	1.458	0.157	0.78	1.170
	Middle lower quartile	0.326*	2.49	1.385	0.545**	2.73	1.724
	Lower quartile	0.261+	1.89	1.299	0.512*	2.39	1.699
Risk of dependency	Disabled (base)						
	Not disabled	0.048	0.54	1.049	-0.457**	3.57	0.633
Recipient of care	Yes (base)						
	No	-0.400	0.71	0.671	0.722	0.89	2.058
	No need for help	-0.386	0.68	0.680	0.526	0.63	1.693
Carer	No carer (base)						
	Informal	0.128	0.23	1.137	-0.132	0.16	0.877
	Formal	-1.246*	2.17	0.288	1.443*	1.77	4.234
	Mixed	-0.599	0.98	0.549	1.427*	1.69	4.164
Household size		0.101*	0.044	2.30	-0.072	0.095	0.76
Tenure status	Owner (base)						
	Tenant	-0.080	0.82	0.923	0.542**	4.11	1.720
	Other	-0.142	0.51	0.867	0.151	0.40	1.163
Type of community	Rural (base)						
	Small/ middle town	-0.035	0.36	0.965	0.199	1.42	1.220
	Big town	-0.114	1.05	0.892	0.099	0.60	1.104
Country	Portugal (base)						
	France	-0.388*	1.97	0.678	1.758**	5.90	5.802
	Belgium	0.046	0.24	1.047	1.239**	4.00	3.453
	Netherlands	-0.346+	1.68	0.707	1.752**	5.73	5.766
	Germany	0.338+	1.90	1.402	-0.984*	2.20	0.374
	Italy	0.810**	4.22	2.248	-0.091	0.23	0.913
	Luxembourg	0.740**	3.10	2.095	0.666	1.55	1.946
	Denmark	-0.085	0.41	0.918	1.747**	5.58	5.738
	Ireland	0.785**	4.18	2.192	-0.202	0.52	0.817
	Great Britain	0.578**	3.03	1.703	0.449	1.34	1.566
-2 Log likelihood	3763.364				196.567		
	Hosmer and Lemeshow Test						
χ <sup>2</sup> and p value	31.966; p < 0.0005				12.654; p = 0.124		
	Constant included in the models	-2.500			-3.375		
Significance levels: ** 0.01; * 0.05; + 0.1							

Source: Eurobarometer 50.1, 1998

Obs.: Weighted cases

In the analysis, it was only considered the likelihood of preferring care from children or other relatives and not from spouses. It is known that spouse carers are the norm across Europe and in the case of married elderly that would be almost an invariant preference (Kendig, Hashimoto et al., 1992; Murphy, Schofield et al., 1997). On the other hand, the analysis is primarily interested in examining the expressions of filial obligation norms and values across Europe; therefore, in understanding what motivates individuals to prefer care from their children and what motivates them to prefer formal care.

Starting with gender, it seems to affect the elderly preferences for filial care, with women more likely to prefer being cared for by their children than men. The gender difference though is not significant in preferences for formal care. This can be a reflection of the way the female dominance in care provision ends up reflecting in their preferences.

Marital status shows, as expected, a very significant impact on the preferences of the elderly. Married elderly are less likely to prefer care from children and care from formal services. This is surely associated to the perceived availability of a 'natural carer' (a spouse) among the married elderly. This reinforces to a certain extent the thesis of hierarchy in care arrangements, where generally we would have as first preference a spouse, as second children, and in the absence of these more intimate carers, formal services.

Age does not have a straightforward effect on preferences, and although it seems that older elderly are more likely to prefer children carers, this does not imply that they are less likely to prefer formal services.

Parenthood, on the other hand, shows a clear and expected impact. People who had at least one child are much more likely to prefer children carers and much less likely to prefer formal care. This only reinforces the argument that preferences may be largely determined by what the individual perceives as available resources to himself and not so much by his adherence to general social norms and values.

Education level and income show a somewhat erratic effect. This is interesting in itself in the sense that it may mean that as age progresses, preferences related to 'social status' (that were so clear for the overall population) may tend to smooth.

Some variables with information on needs for care and care opportunities were also included in the models. The effects of the three variables are very interesting and should be taken into account in policy discussion.

Firstly, we can see that the presence of a disability, which is used in the models as an indicator for risk of dependency, only shows a significant impact in the preferences for formal care. This may indicate that the experience of a disability makes the elderly more aware of the importance of ‘professional’ services.

Secondly, we see that the actual availability of a carer does not impact on the preferences of the elderly. However, if that carer is a formal carer (formal services) it seems to reinforce the preference of the elderly for formal care. Once more, this points in the direction of the perceived availability of resources having a determinant influence in the preferences for care solutions.

Remarkably, and contrary to what could expect, urbanisation does not seem to have a determinant impact in people’s preferences, as shown by the variable ‘type of community’. This fact may add a bit more evidence to what I have been already suggesting in previous chapters about the nature of differences between rural and urban areas being more related to economic arrangements and needs, and less to differences in social norms and values.

Alongside with these general processes, the models test the significance of national variations, more specifically the possibility of identifying a distinct pattern of preferences in Portugal that could be explained by the familialist nature of its social policy framework and of its society. The data seem to support the first part of the explanation, but not so much the second. In other words, there is more or less a clear distinction between Portugal and most other countries in the preferences for formal care, reinforcing the thesis of preferences being very much influenced by actual availability of resources in the respective welfare state. The same does not work so clearly for the other side, which means that preferences for filial care seem to be more miscellaneous and less clearly related to welfare state models.

#### **2.4. Family solidarity and preferences among the Portuguese: testing the homogeneity of normative family solidarity**

From the comparative analysis, which focused on inter-country variations, we got a general idea about Portugal as a familialist country and a society where there is a relatively higher expression of normative family solidarity, if not so much in abstract terms, at least in terms of preferences of people for dealing with old age related needs for care.

I want to address now, *albeit* briefly, the Portuguese case *per se* and discuss to what extent we can talk about cultural homogeneity in the ways the Portuguese express their positioning towards provision of care for the elderly. It should be taken into consideration that one of the historical roots of familialism is the high degree of cultural and normative homogeneity, that is linked to the centrality of traditional family formation and to a process of normative socialisation, which is very much centred on the ideal of family solidarity and family reproduction (Naldini, 2003).

Some researchers have been trying to address the issue of cultural change in familialist countries as a main pressuring element to their social policy model (Wall, Aboim et al., 2001). This change is related to a set of different factors and is expected to become visible when we introduce in the analysis variables such as age, education, income, social status or indicators of change in models of family formation.

Using data from the EB survey for 1998, and focusing on the Portuguese sample, the thesis examines variations in preferences of the Portuguese people for care solutions for their elderly parents, and variations in the perceptions of the Portuguese on the responsibility for payment of care for the elderly. The results of the descriptive analysis are displayed in table 7.12 below.

As can be observed in the table, the variation in the data is far smaller than what one would like to have to sustain an argument of differences in normative views. All across the descriptive variables considered, the main conclusion is that there is a considerable homogeneity of preferences and views among the Portuguese.

Table 7.12. Preferences of the Portuguese for care solutions for their elderly parents and perceptions on responsibility for payment of care solutions, in 1998 (percentages within categories of grouping variables)<sup>1</sup>

		Descriptive variables		Preferences for care solutions		Opinion on responsibility for paying care solutions	
		Shares preferring co-habitation with elder parent	Shares preferring resource to formal care	Elder person	Children of elder person	State	
Gender	Male	69.9	20.7	6.5	27.6	47.0	
	Female	65.8	20.9	8.8	29.2	42.5	
Age	15 to 24	67.9	20.8	7.3	32.6	44.4	
	25 to 34	65.6	22.9	7.0	25.5	45.9	
	35 to 44	62.1	21.3	7.5	25.9	48.9	
	45 to 54	69.6	16.9	8.8	23.0	40.5	
	55 to 64	67.5	23.0	8.1	30.4	45.9	
	65 +	69.9	16.4	7.7	32.1	41.8	
Marital status	Married	69.2	20.7	7.3	29.8	43.7	
	Living with partner	65.3	19.2	11.5	19.2	53.8	
	Never married	67.2	20.9	8.6	28.6	45.7	
	Divorced/separated	58.9	25.5	5.9	23.5	45.1	
	Widowed	60.7	18.7	8.4	26.2	43.9	
Education	Basic/lower	66.5	19.5	9.0	28.6	44.5	
	Secondary	72.8	22.5	3.5	30.1	43.9	
	Graduate	62.0	19.2	8.3	17.6	50.9	
	Still studying	64.8	19.3	5.7	37.5	38.6	
Income scale	--	69.4	17.3	9.2	29.0	45.2	
	-	59.8	25.5	5.7	23.0	50.8	
	+	67.4	18.8	7.3	25.2	45.0	
	++	63.8	26.1	6.2	21.5	50.0	
Socio professional status of respondent	Farmer and fisher	77.3	10.7	8.0	37.3	36.0	
	Self-employed	75.3	20.8	6.9	35.6	40.6	
	Business proprietors	66.7	23.8	9.5	19.0	45.2	
	Professionals <sup>2</sup>	70.0	20.0	-	-	-	
	Middle management	60.3	26.5	11.8	17.6	44.1	
	Employed position at desk	79.1	17.9	9.0	29.9	40.3	
	Employed position travelling	65.9	24.0	7.6	24.1	57.0	
	Employed position, services	62.2	23.2	4.9	28.0	47.6	
	Skilled manual workers	66.4	20.1	6.1	34.9	42.4	
	Unskilled workers	61.6	20.8	8.1	23.7	48.8	

Source: Eurobarometer 50.1, 1998

Notes: <sup>1</sup> Shares do not add up to 100% in categories of each grouping variable given that residual categories were left out of the table

<sup>2</sup> The absolute number of professionals answering to second part of table was too small to bear any significance

Moving to a more detailed analysis of the results, and considering each grouping variable, I suggest as main conclusions the following:

- Portuguese people prefer family care and in particular, child-parent cohabitation to formal care when asked about what would be best for their own parents; this however does not necessarily mean that that is what they will in fact do if confronted with a situation of dependency of an elder parent; also, it does not measure to what extent this preference is related to real desirability or to the perception of lack of formal services and/or lack of good quality solutions in the formal sector.
- Portuguese people consider the state as the main entity responsible for financing care for the elderly; the percentage of people that put the financial burden of care in the elderly themselves is very low, and may be influenced by the generalised perception of the difficult financial situation of many elderly; also, the level of acceptance of filial obligations in paying for the care of the elderly is relatively small.
- Among the slight variations observed, special attention should be put on the variation associated to occupational status; the results align with what was discussed in chapter 6 and show a relatively higher level of preference for care by adult children from those respondents engaged in farming/fishery and those self-employed. As discussed in chapter 6, these are occupations that often appear associated to household arrangements that imply multigenerations co-habitation and that, as such, may promote a stronger socialisation in family solidarity and create expectations of exchange of care in old age in sequence of life courses already marked by exchanges of support between generations. The variation though is not so marked as to sustain a clear trend in normative views and preferences based on occupational categories.
- Of high significance is the fact that neither age nor marital status introduce relevant variation in the distribution of preferences. It would be expected, under the assumption of weakening of normative homogeneity and of traditional family ties and roles, that younger people and/or people experiencing new forms of family formation would show a lower level of acceptance of adult child/old parent cohabitation and would prefer relatively more frequently formal care solutions. That is not observed in the data and,

as such, reinforces the argument of normative homogeneity in the Portuguese population.

It was already discussed that there are conceptual and methodological limitations in the analysis of social norms and values. In particular, when we focus on what people express as their preference we know we will not be measuring directly adherence to certain norms, but instead the result of that adherence mediated by personal wishes and constraints. In that sense, the alleged homogeneity observed in the data can be a result of the assessment individuals make of the current provision of social services to the elderly and of the inexistence of alternatives to family care. These words are necessary to limit a potentially abusive use of the results to further legitimise the under-investment in formal public provision of care to the elderly.

## Conclusion

In this chapter, I have tried to complement my analysis on the lives of the elderly in familialist settings with a cross-national analysis of normative views on family solidarity, by providing some conclusions about the observed patterns of norms, opinions and preferences across Europe. My interest was directed mainly to examine the similarities and variations across countries. The starting assumption was that if similarities prevail, then we would have to consider the existence of general processes of opinion formation; if differences would prevail, then we would have evidence to sustain national, cultural or idiosyncratic explanations. The ultimate goal was to test to what extent we have evidence to sustain a familialist normative orientation in countries such as Portugal compared to examples of more de-familialised welfare states.

This chapter has presented the results of the analysis of the Eurobarometer Survey data focusing on opinions, preferences and expectations related to provision of care for the elderly. The discussion put forward answers the third set of research questions introduced in chapter 4. The research questions addressed were as follows:

- What are the perceptions, the expectations and the preferences of the Portuguese in terms of welfare arrangements in old age?

- Can familialism, as the dominant model of welfare provision in Portugal, be identified in the resilience of social norms and values that prescribe it as the rule?
- Is it possible to identify a generalised adherence to family solidarity as the norm in all European countries? Or can a higher acceptance of filial obligations towards the elderly among the Portuguese be identified?
- Does the resilience of familialism in the universe of values translate into the sphere of preferences, namely into the sphere of preferences and expectations of the Portuguese elderly for support and care from the family?
- Is it possible to identify indicators of change in values surrounding family solidarity, namely across generations and across the social spectrum?

Adherence to family solidarity norms cannot be addressed as a general domain of expression of norms and values. There are different dimensions of the manifestation of acceptance of filial obligation in support for the elderly. The findings suggest that there is a higher acceptance of filial obligation in provision of care solutions in familialist countries (among which we find Portugal), but also a generalised orientation to the welfare state when the issue at stake is the responsibility for the payment of care solutions. This is, as discussed, a particularly relevant finding for familialist social policy models as it provides evidence to sustain the belief that families may still be willing to care for their elderly, but that they are not willing to bear the financial burden of care.

When analysing the preferences of individuals, as a field where adherence to norms translates into would be action, it was possible to identify both general processes and national variations in the preferences of Europeans for care solutions for their elderly parents. The co-existence of general processes with national variations may suggest that country-specific trends may be more related to social policy models and real availability of resources (namely formal care provision) and less related to clear cuts in social norms and values.

The cross-national analysis has also involved the examination of how norms of family solidarity translate into the lives of the elderly and more specifically, into their opinions and expectations about the role of families and family solidarity in their lives.

The findings suggest that levels of family connectedness remain high across Europe, which contradicts the thesis of erosion of family ties in more advanced societies and particularly in highly de-familialised welfare states. What seems to vary is the way family connectedness is expressed, namely when we look at the effective care arrangements across Europe. Here there are clear national differences that align with the differences observed in terms of acceptance of filial obligation in care provision. Again it is plausible to conceptualise these differences in terms of their association to the formal resources available (or not available) in each national context and not necessarily to deep cultural differences. Overall, family solidarity remains the norm in the lives of the elderly across Europe. The national variations examined in chapter 5 (with a special emphasis on multigenerations co-habitation and mixture of formal and informal care), and once more revisited in this chapter, show a clear alignment with welfare state models.

This line of arguments can also help understand the perceptions and expectations of the elderly Europeans about families as potential sources of care and about family solidarity. The elderly in familialist settings, where we find a stronger expression of normative family solidarity, are those that show higher shares of 'frustration' or 'disenchantment' about the roles of families. This can be interpreted, once again, as a result of the weak formal provision that creates a strong sense of insecurity among the elderly. This feeling is strengthened by the perception of decreasing opportunities towards family solidarity, if not because families are less willing to care, then because they are finding it increasingly difficult to perform this role.

However, preferences are still directed towards family care rather than to formal care, and this is observed across Europe. The findings suggest that general processes of the formation of opinions and preferences have a globally stronger impact than national variations. The latter seem to be more related to the availability of resources than to social norms and values.

As a general conclusion, we can say that normative family solidarity prevails as the norm across Europe, although there is a familialist/de-familialised gradient in the level of expression of adherence to norms of filial obligation. However, I find no clear evidence to sustain the argument that familialist social policy contexts are marked by stronger norms of family solidarity and in fact, that seems to be the generalised practice across Europe. National variations seem more in line with availability of alternatives to family solidarity, and when focusing on the preferences

of the elderly the reluctance to take filial care seems to increase as more alternatives become available.

These conclusions are further reinforced when we focus on within-country variations and take a closer look at the Portuguese case. The absence of relevant variation in preferences, that one could use to sustain the claim of normative homogeneity among the Portuguese population, can in fact be signalling a generalised perception of the under-development of social services and of formal care to the elderly, in particular. Both hypotheses should be considered when discussing and planning social policy solutions.

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## **Chapter 8**

### **Familialism and Welfare Arrangements in Old Age**

#### **Introduction**

This thesis was developed within a theoretical and empirical body of research on welfare state and welfare provision, focusing on welfare arrangements in old age. It addressed specifically the Portuguese case and it aimed at, not only contributing to unravelling some features of a national context that only very rarely is considered in mainstream literature, but also at enlarging the discussion on familialism as a system of welfare provision in old age. At a time when most research on welfare in old age discusses the effects of welfare state retrenchment and the variations in social policies addressing family-based care, this study works on a national case where there is not much to retrench given that it has never fully developed and matured, and where formal policies addressing families are practically non-existent. These general traits configure the case of a familialist welfare state, a model of welfare state functioning that considers families as the main locus of welfare provision and that assumes families do not fail in performing that role.

The assumption behind the thesis was that the terms of the debate on welfare provision in old age in familialist welfare states are different from those systems where some degree of de-familialisation has taken place. The thesis brings some contributions to defining those differences.

This is the concluding chapter of the thesis and is structured in four inter-connected sections.

The first section addresses the main findings of the thesis, discussing their articulation with the research questions and the research hypothesis. The second section summarises the contours of the more general discussion on welfare state research and identifies some contributions to the theoretical framework on familialism that arise from the thesis. In section three we find a summary of the main limitations of this study, as perceived by the author, and a discussion on how some of those limitations could be overcome by further research. The last section of this chapter relates more clearly to the national case analysed and to the policy implications of the arguments developed along the thesis. This section puts forward a

set of considerations on how social policies in Portugal address the issue of welfare in old age, the pitfalls and the opportunities of the Portuguese system and even some broad recommendations for future developments.

## **1. Welfare arrangements of the Portuguese elderly: main trends and constraints**

In mainstream literature one often finds references to the model of welfare provision in South European countries, among which Portugal is included, as a case of comparatively more intense exchange of support within the extended kinship network. This is a feature that is commonly taken as a distinctive element in the analysis of the living arrangements and welfare provision arrangements of the elderly in those countries when compared to their European counterparts. It is a trait seen as part of a model that compensates the gaps of the weak formal system of welfare provision by means of resilient and strong informal provision.

In this thesis, and in order to unravel the logics of welfare provision in old age in Portugal, the conceptual framework presented an understanding of welfare arrangements that puts them in the confluence of three main dimensions of collective life: the institutional dimension; the family dynamics dimension; and the normative dimension. According to this approach, familialism as a model of welfare provision for the elderly was first addressed from the perspective of the existing policies and formal mechanisms within the state-based social security and social assistance system, in view of identifying not only the available resources to tackle old age related needs, but also the ideology/philosophy of provision that characterises the formal system of provision.

In chapters 2 and 3 of this thesis it was seen that the Portuguese welfare state system, developing late in time and within a context of structural constraints that have never allowed for it to fully mature, has taken as a main pillar for social policy design the familialist principle. Largely in sequence of a previous path of strong reliance on primary solidarities fostered all along the 20<sup>th</sup> century under the dictatorship, the Portuguese welfare state clearly shows signs of a familialised approach to welfare provision, especially when it comes to the elderly.

The analysis of the social policy framework, and more broadly of the process of emergence and consolidation of the welfare state in Portugal, has lead to some main

founding prepositions to understand the nature of the welfare arrangements among the Portuguese elderly in present times:

1. The Portuguese welfare state has emerged along with a very specific process of modernisation and within a *svi generis* socio-economic model that largely explains some of its current characteristics and some of its main challenges.
2. The Portuguese social protection system counts on families to perform as primary welfare providers. This is largely rooted in the historical process of consolidation of a system of provision marked by: the strong influence of the Catholic doctrine of subsidiarity; a model of social organisation where kinship ties remain strong in the outcome of a more or less straightforward jump from an agrarian society to a post-fordist society; the patchy development of social policies within a welfare state project that emerged late and in times of global economic and financial crisis.
3. The main elements of the Portuguese social policy framework concerning old age reproduce: a strong principle of fraternity in solidarity; a strong belief in subsidiarity; a ‘naturalisation’ of the roles of women as carers; a clear priority given to family. From a material perspective and focusing on effective levels of provision, one finds in Portugal a pension system characterised by generalised low old age pensions, not so much because of a lack of generosity of the system but more as a reflection of the socio-economic model of that country. Social assistance mechanisms are patchy, fragmented and assistencialist, clearly developing outside the realm of social rights.
4. The underdevelopment of the care system and the generalised low levels of old age pensions and old age related cash benefits suggest that the welfare of the elderly can hardly be met by formal provision by public instances.
5. The generally meagre old age related cash benefits do not make credible any significant expression of private, market-based, welfare arrangements.
6. The expansion of the non-profit sector in the field of assistance to the elderly has been done guaranteeing a minimum safety net to tackle the cases of nearly destitution and privileging a principle of subsidiarity in relation to family provision.

The overall conclusion one takes from the analysis of the existing social policy framework in old age related issues is that the elderly and their families remain confronted with a system that leaves them without any alternatives in terms of

welfare arrangements, but to look for the maximisation of resources within the kinship network. Currently there are no signs that things will change from the side of public provision. Despite some expansion of services in the last ten years, the official discourse still takes for granted the availability of strong informal ties within the family. Social programmes from the two political parties that alternate in government do not create any expectations of significant expansion of the public provision in the coming years.

In times of erosion of the traditional social fabric that sustained familialism and that made it credible to assume that families did not fail when asked to take the primary role as welfare providers, the logical question to ask seemed to be: How resilient is familialism and how well is familialism performing as a model of welfare provision for the elderly? The broad research hypothesis to test along the thesis was precisely that familialism is no longer resilient or performing well as a model of welfare provision for the elderly.

To address this hypothesis the thesis has made an attempt to measure familialism from the side of family dynamics and from the side of social norms and values. The ultimate goal was to shed some light on how resilient familialism is and how well it is performing, in actual terms, in the welfare arrangements of the elderly, the relative importance of families for those arrangements and the expressed willingness and acceptance among the Portuguese to comply with a familialist model of social provision.

The research hypothesis was broken down into subordinate research questions. The answers to those research questions were expected to allow testing the research hypothesis. The questions were:

1. What are the living arrangements and the living conditions of the Portuguese elderly compared to their elderly counterparts?
2. How and how much are Portuguese families engaging in welfare provision to the elderly?
3. What are the perceptions, the expectations and the preferences of the Portuguese in terms of welfare arrangements in old age?

The analysis of family dynamics and normative prepositions has suggested two main consequences in the lives of the Portuguese elderly arising from familialism as a model of social welfare provision. To a large extent they can be pointing to what may be considered essential to address by social policies in that country.

### **1.1. Aggravation of the dichotomy included/excluded**

There are two opposite trends coexisting in the living arrangements of the elderly Portuguese. On one side, we see a resilient relevance of extended households; on the other side, an increasing share of elderly living alone. This stems directly from familialism and reveals the dual character of the system.

The overall scenario points to hardship in old age and increasing difficulties for families to perform as sole welfare provision agencies. The social policy framework does not offer more than two alternatives: either family is available to look after the elderly; or institutionalisation must be considered. This crossroad may actually explain why the levels of institutionalisation in Portugal are so close to the European Union average. The same cannot be said for the levels of home help, considerably below the EU figure (as seen in chapter 3).

What the analysis has demonstrated is that the trends in the living arrangements of the elderly go both ways. The extended household remains an important arrangement for the Portuguese elderly. But side by side with that we see more elderly living alone, a potential signal that there is a growing share of individuals for whom the activation of family resources may be more difficult.

In a familialist social policy framework, families do not have much help when performing as welfare agencies. This has one immediate consequence: engagement in caring for an elder person is a household matter, therefore a very intense activity, with clear gender implications and eventually with implications in terms of quality of care and life both for the elderly looked after and for their carers. That is what probably explains why the global levels of engagement in caring for the elderly are not higher in Portugal when compared to the rest of the EU, and in fact are lower than what is found in some of the more de-familialised welfare states, as discussed in chapter 5.

This type of evidence clearly adds up to the research that tries to demonstrate the fallacy of the substitution argument in the area of social policies/family solidarity.

With regards to the more de-familialised systems, it is often said that social policies in general and social care systems in particular developed as a response to the growing individualisation of societies and to the weakening of family ties and family solidarity. The reverse is said about familialist systems: the pressure to develop social policies is not felt given the strong family ties and the resilient family solidarity model. The

evidence gathered throughout the thesis suggests precisely the other way around. The lack of public support/formal social policies targeting families in their role as welfare agencies ends up weakening family solidarity: not because families refuse to perform that role, but because it is increasingly difficult for them to do so.

It is not the praising of family support that is at stake here. The thesis does not share in any way an idyllic view of family as the best solution for tackling old age related needs, or as a matter of fact of the family as a functional space of fulfilment of individual needs. Families are also spaces of conflict and of inequalities. What seems unavoidable is that the Portuguese public social protection system is not widening its scope in a substantial way. The financial crisis that affects the Portuguese state is a consensual topic among the main political forces and the need to contain public expenditure widely accepted as a prime political priority. Therefore, in the years to come it is not realistic to expect any significant change in the extension of welfare provided by public instances.

However, what this study seems to demonstrate is that it is equally unavoidable that if nothing is done to help families they will not cope for much longer as generalised instances of welfare provision. In a context of increasing life expectancy, of population ageing, of deep economic and financial crisis, the system seems to be at a critical moment. For some the family network will remain a resource. For many it is not credible to think so, not necessarily because they do not have potential networks of support within family, but because that potential cannot be turned into effective support.

As long as social care policies reproduce the subsidiarity principle instead of adopting the complementary principle, the trend of erosion of family solidarity is doomed to leave more and more elderly people exposed to the risk of social exclusion.

## **1.2. Increasing difficulties in fulfilling the cycle of giving**

There is a second duality in familialism that the thesis has unravelled and that needs to be considered both in welfare state research and in policy design. That duality stems from the fact that in familialist systems the elderly cannot be considered only in their quality of recipients of support from the extended family. They need to be considered equally as sources of support to the extended family. The implications of this duality are several.

The evidence discussed along the thesis has showed that the Portuguese elderly are effective contributors to the welfare of the extended household: financially, providing accommodation and providing care, namely child-care, as discussed in chapter 6. The limitation of not having data on inter-households exchanges of support means this statement cannot be empirically extended. However, there are good reasons to admit that the role of the elderly as sources of help for the extended family, especially to descendants, may be even more significant than what the data have showed.

In any case this means that the debate on the increasing number of elderly people in societies cannot take as a starting point that the elderly represent a burden to families. On the contrary, and particularly in familialist settings, they seem to play an important role as agents of welfare provision to younger generations. In a context marked by the underdevelopment of housing policies, by increasing problems of unemployment along the age line and particularly of insertion in the labour market among the youngest, the roles of the elderly as compensators of the weaknesses of the socio-economic structures and of the welfare state model are likely to continue and eventually to increase.

However, once more there is the other side of the coin. Although one might presume that the importance of the elderly as welfare providers may create and strengthen ties between members of the extended family, there is no certainty about that. The concept of cycle of giving can work, in this context, as an interesting concept to understand inter-generational relations in familialist systems. However there are no certainties about how well it actually performs. Too many variables interfere in this cycle and to take it for granted in terms of social policy design only reinforces the potential imbalances of family solidarity in terms of distribution of support among its members.

Again the discussion takes us to the importance of shifting the principle of subsidiarity in social policy design to the principle of complementarity. If in fact there is the potential among families to act as key welfare providers, that potential must be turned into effective support by means of social policies that help families coping with the demands and the consequences arising from engaging in support to elderly relatives.

The fulfilment of family solidarity is in fact one of the most important fields of tension that the thesis has unravelled and an important element to consider in the debate about the welfare arrangements of the elderly in familialist systems.

The thesis has reinforced the argument about family solidarity being the norm across countries and not an exclusive of familialist countries. What differentiates familialist systems seems to be the extent individuals are willing to go to fulfil family solidarity. That, however, can be argued to be more related to socio-economic structures and to perceived opportunities and less to clear-cut differences in adherence to family solidarity.

The main piece of evidence to highlight seems to be the comparatively higher willingness of Portuguese families to accept co-residence with elderly parents in situations of dependency of the old person, as seen in chapter 7. To what extent this reflects real preferences or perceived lack of alternatives to guarantee the welfare of an elder parent cannot be fully disentangled. Yet, and in light of what was discussed along the thesis, it may very well be the case of the later.

Overall, this relates also to the fulfilment of the cycle of giving and reinforces the picture of familialist social protection systems as vicious circles: the deficient or even absent formal provision forces families to find their ways using their own resources, which in turn creates expectations and pressures families to actually do it, making it possible in turn that the underdevelopment of the formal system remains almost unquestioned.

The forces constraining this functional circle of giving are accumulating. The tensions within the system are visible precisely at the level of the distance between generalised expressed preferences for family care and the effective levels of engagement of families in caring after their elderly.

The pressuring element in terms of policy design seems to be the need to move away from the subsidiarity principle and to implement the complementary principle. If Portuguese families are more willing to take in their elderly than their European counterparts, than social policies need to help them fulfil that willingness.

## **2. Welfare arrangements in old age: contributions for welfare state research**

Welfare arrangements in old age were conceptualised in this thesis as the outcome of three dimensions of social life: the institutional design of the welfare state; family

dynamics of exchange of support; social norms and values concerning solidarity. This has meant considering welfare arrangements as a multi-sided, complex phenomenon that cannot be reduced to a relatively straightforward outcome of social policies. On the contrary, welfare arrangements in old age appear in the confluence of a more complex scenario where family dynamics, namely intergenerational dynamics, and normative dispositions have a very important role to play.

This methodological/theoretical point of departure was central to the way the study of welfare arrangements of the Portuguese elderly has evolved along the thesis, and to unravel the complexity involved in the relations between social policies and living arrangements in old age.

Path dependent theories, and new institutionalism readings in general, have shown to be very important in conceptualising the historical determinants of the contemporary relations between state, family and the labour market. In the Portuguese case, they are quintessential to define familialism and to understand how it shapes contemporary social policies in general, but particularly in the area of old age, and overall to understand national specificities that may sometimes look like paradoxes in light of established typologies.

However, one cannot be confined to deriving from the existing policy framework in a certain national context the responses of individuals and families in terms of welfare arrangements. Certainly the institutional setting delimits the universe of possibilities and defines the constraints and resources available for families and individuals to tackle old age related needs. Yet, it is important to articulate that institutional setting with the analysis of family dynamics, unravelling their inner logics. Only by doing that can we capture the full extent of the impacts of the social policy framework on people's lives but also its 'side effects' and 'confounding effects', all interacting to explain the resilience of a certain social model.

The Portuguese case is particularly illustrative in this respect and points to some issues that should be addressed with caution in some research on welfare provision in old age. For example, one often finds a pretty straightforward stated association between familialist policies and the reproduction of traditional family models. These are then associated to greater availability of family resources for the elderly. The research carried out within this thesis calls for some caution in this type of explications.

It was demonstrated along the thesis that the welfare arrangements of the Portuguese elderly are marked by two opposing but coexisting trends: on one hand, we saw that there are significant shares of elderly living in the extended household with three or more adults; on the other hand, we saw that the share of elderly living alone is also increasing. This is particularly worrying given that familialist social policy frameworks are ill equipped to tackle the lack of family support, leaving the elderly in much worse situation than their European counterparts, for whom the defamilialisation of welfare provision is a generalised principle, if not *de facto*, at least in the public agenda. An excessive focus on the reproduction of traditional family models and on the performing side of familialism can mask the particularly pervasive effects of changing conditions in the social systems of these countries.

But even if one focuses on the traditional forms of family organisation, establishing a direct association between their availability and the availability of informal support in old age, this can be an equally misguiding route. The thesis has clearly demonstrated that for the Portuguese case that link does not hold with unquestionable clarity. On the contrary, it was shown that the extended household is more often responding to the needs of the younger generations and as such to the household as a unified budget unit, and less to the needs of the elderly. In fact, even if there is evidence to make a case for support in old age taking place within the extended household, it was shown that the extended household goes much beyond the needs of dependent elderly and as such may not be a resource that is activated to respond to the needs of the elderly and instead something already there preceding the needs of the elder person. Although one could argue that the outcomes would be the same in any case – the extended household as a source of support in old age – the reality is that understanding the motivations underlying that particular living arrangement unravels the nature of the resources really available in familialist systems to tackle old age related needs: The extended household takes place in specific social milieus being far from cutting across all social classes; the extended household involves more often functional elderly that are likely to have an important role in the domestic economy than dependent elderly.

This in turn is related to the third dimension of analysis addressed in the thesis: normative dispositions and predispositions. Again this is a topic of research where one often finds pretty straightforward associations between familialist social policies

and a normative social milieu prone to accept family solidarity and in particular, extended family obligations beyond the nuclear family.

The thesis has provided evidence to at least question this linear reasoning, suggesting that normative dispositions and perceived obligations may in fact be a reflection of perceived opportunities and less the reflection of some sort of idyllic social warmth that keeps people integrated in the kinship network. I am not defying the fact that in familialist countries we do seem to have a more resilient acceptance of family solidarity as the desired source of support in old age. What I am defying is the reading of that resilient trend as a reflection of a *de facto* willingness to perform the role prescribed to families.

Overall, the thesis adds up to the research that claims the need to go beyond the traditional analysis of policy frameworks when doing research on welfare state provision, and to incorporate the analysis of within family dynamics and normative dispositions. This is particularly relevant for the research carried out in national systems where families are assumed to be the main locus of social aid and where one often masks the true nature of the arrangements individuals develop by focusing solely on the legally defined policy framework.

### **3. Limitations of the study**

As stated in chapter 4, the broad goal of the thesis was to provide some sort of a holistic synthesis to explain the welfare arrangements of the Portuguese elderly, hoping that by doing so we would enrich the existing body of research that informs social policy design and social policy debate in that country.

This synthesis was only partially achieved in the sense that some dimensions of analysis had to be left outside the research. Those are dimensions that the existing data do not contemplate in the surveys design and, as such, should be considered simultaneously as limitations of the study and as clues for further research and suggestions for improving the existing large-scale surveys that much of the research on welfare provision across Europe uses as an empirical base.

There are three principal dimensions of analysis unaccounted or only briefly explored in the thesis that, had I been in a position to design the surveys, I would have liked to include:

### **Between and within family dynamics**

At a time when the relevance of families in the lives of the elderly is more or less established, it would be interesting if surveys like the ECHP would not confine themselves to a methodological equivalence between the household and the family.

Certainly the conditions within the household largely determine the living conditions and resources available to individuals. Yet, they do not suffice to fully capture the extent of the importance of families in the lives of the elderly, especially if focusing on the material/instrumental importance.

In this study, I was limited to analysing exchanges of support taking place within the household. It was not possible to take into account exchanges between households, namely financial exchanges. In contexts marked by strongly familised social policies in old age, confining the analysis of welfare arrangements in old age to within household exchanges of support may be losing some indicators of the reconfiguration of familialism itself.

### **Family line perspectives**

Living conditions in old age are not only determined by the existing conditions at that time, but are very much related to the building up of opportunities along life. This holds for several aspects of social life, from family life to employment history. There is one aspect though that seems fundamental to understand the structure of opportunities the elderly have and that needs be taken into account in the analysis of their welfare arrangements: demographics of family line. Under this designation, I include data on parenthood, on residential distance between the elder person and their relatives (especially descendants), on frequency and content of contacts between elder person and their descendants and other close relatives.

The absence of these data often leads to short-sighted associations between certain types of living arrangements and opportunities/demands related to the kinship network. This, in a way, builds up on what was laid down in the previous point and can be overcome in some aspects by taking into consideration between households dynamics.

In any case, the absence of these data was the main reason why the longitudinal analysis of the ECHP was not developed in this thesis.

### **Assessment of needs**

One last topic where limitations of the data available were felt particularly significant was that of assessment of needs. In studies about welfare arrangements in old age that aim at giving some contribution for policy discussion, it is very important to have reliable data on needs, namely on needs for social support and care.

The ECHP survey relies exclusively on self-perception of health status, defined in very broad terms. One declaring being “severely hampered”, on top of the subjectivity bias, does not say much about the intensity of needs resulting from this status. Also, surveys like this are doomed to lose those individuals that may be precisely the most interesting ones from a social policy design perspective: old people confined to a bed; old people with mental health problems. All these cases, even if present in the household, will be unaccounted for purposes of analysis, which can, at least potentially, introduce an underestimation bias in the research on fulfilment of needs by the family in old age.

Adding to the limitations arising from the data used, it would have been interesting as well to articulate the more quantitative approach developed along the thesis, with a qualitative reading that could, not only enrich the discussion on the multiple dimensions of welfare arrangements in old age, but also include the views of the agents involved in the provision of welfare to the elderly. This could have been achieved by means of interviewing key policy makers and key providers, among others. Time limitations have not made it possible to develop this qualitative side of the analysis.

Despite these limitations, the research hypothesis of this thesis was broadly tested and, in light of the elements put forward so far, it could be sustained it was generally corroborated. There are indicators that familialism is no longer as resilient as the formal social protection system seems to continue assuming it is, and there are clear indicators it is not performing so well in the fulfilment of the elderly people’s needs in Portugal.

This general conclusion has several implications in terms of social policy design and evolution. The last section of this chapter addresses those.

#### **4. Familialism and welfare arrangements in old age: social policy implications and future developments**

Overall, it seems fair to say that the Portuguese elderly and their families are experiencing a period of transition from a deeply familised global logics of welfare provision to something we are not yet sure of. It is as if the global system of welfare provision in Portugal is in a state of limbo, this meaning the familialist reference is gradually fading away without being perceptible what can be developed to replace it. The analysis developed along the thesis provides enough evidence that the availability of families to act as primary welfare providers, within a social policy context that does not foster that ability, is being reduced. Based on the recent trends of evolution of the Portuguese society, namely those related to the changes in the labour market, especially with the increasing participation of women, but also those related to changing life styles, to individualisation and diversification of life trajectories, it can be expected that the erosion of the traditional social fabric sustaining familialism as an operative social model, will continue to take place.

The main challenge facing the formal system of social welfare seems to be that of expanding formal mechanisms. Yet, the financial situation of the country, and the likely scenarios in the near future, do not make it feasible to believe a universal expansion of social protection mechanisms will be available for the Portuguese elderly.

It is really difficult to guess at this stage, how the Portuguese system will evolve.

Other countries that share the familialised imprint of their social protection systems seem to be following the path of expansion of formal mechanisms. That is for example what has been taking place in Spain in the last couple of years, with deep reforms in the public policies targeting the elderly pointing to the reinforcement of formal provision. Yet, it is too soon to tell if those reforms will go further away than the documents that state them.

In Portugal, things are quite fuzzy and the likely evolution of social policies can be dependent on a series of factors that are yet to be clarified. What will be the pressures from stakeholders? Who will verbalise them towards answering which agenda? What will be the dynamics of provision in the near future, namely how will the private for-profit sector position itself?

One thing seems clear: One of the major challenges for the Portuguese state, and a core area for social policy design, will be that of avoiding the widening of social inequalities in old age that are likely to be strengthened by the erosion of familialism. Social cohesion in that respect shows as a likely priority to address when thinking of providing welfare to the elderly. How will that be achieved? Can it be achieved by developing a targeted system? What can be the role of the non-profit sector in that process? These are questions that need to be answered and that could be taken as starting points for some further research.

The main contribution of this thesis, despite showing that the elderly are being increasingly deprived from family resources, left in the vacuum of an underdeveloped formal system, and more exposed to the risk of social exclusion and poverty, is that there is still a comparatively tighter social fabric pressuring towards family solidarity. This can signal the need to invest public resources in strengthening and maintaining informal/family based support networks to the elderly, namely by helping their informal carers. Less familialised systems across Europe seem to have chosen that path. It would apparently make more sense to take that road in a system where families have not yet fully withdrawn from the global logics of social provision.

Research on the lives and on the needs of the Portuguese elderly is a field that is now taking its first steps. Contrary to other countries where the topic has acquired large visibility for quite some time, in Portugal both the public debate and the research agenda seem to keep it as a secondary theme.

More significant though is the continuous and conspicuous absence of any gender lobbying, of any pressures from representatives of families or of aged people to bring the issue of old age and of social protection in old age to the front public arena. The public debate, quite heated in fact, that was recently seen in Portugal on account of the reforms in the pension systems came mostly from the traditionally better protected sectors of employed workers, namely from the public sector area, that see their historical privileges being questioned. It was not grounded or expressing any national consensus on how and where to go.

Today's elderly people, the ones considered in this thesis, were born between 1910 and 1930, in any case individuals heavily marked in their life courses by the conditions in the country during the dictatorship period. Meanwhile, Portugal has

undergone profound changes, ranging from changing fertility patterns to increases in education levels and changes in labour market structures. All those changes, alongside others such as changing family models or changing life-styles, are expected to impact on old age related issues. How will these be dealt with? And how resilient should we expect familialism to remain in the future?

At the end of this research one cannot avoid the feeling that we are only starting to spot the size of the problem in a familialist system such as Portugal. Simulations, cohort studies and other basis for projections are of crucial interest at this point to inform social policy decisions and options. We have certainly come a long way since the patriarchal family of the dictatorship. However, the pressures on families seem to remain, more subtly expressed at times, but still there.

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## Appendix 1

### Historical data on Portugal: demographics, family formation, housing and labour force

**Table A1.1. Total population and population growth in Portugal, 1920-2001**

Year	Total Population	Population Growth
1920	6080135	-
1930	6802429	11.88
1940	7755423	14.01
1950	8510240	9.73
1960	8889392	4.46
1970	8663252	-2.54
1981	9833014	13.50
1991	9867147	0.35
2001	10356117	4.96

The decrease in the population observed during the 70s was a direct result of the wars in the African colonies and of the high levels of emigration.

Source: INE, Population Census, 1920-2001

**Table A1.2. Life expectancy at birth, by gender, 1920-2000**

Year	Life expectancy at birth	
	Males	Females
1920	35.8	40
1930	44.8	49.2
1940	48.6	52.8
1950	55.5	60.5
1960	60.7	66.4
1970	64.2	70.8
1980	69.1	76.7
1985	69.7	76.7
1990	70.2	77.3
1991	70.3	77.5
1995	71.5	78.6
2000	73.5	80.3

After half a century of demographic pre-modernity, the life expectancy values for the Portuguese population, especially in the last 30 years, have been steadily approaching the same figures in the modern developed countries of Western Europe

Source: INE, Population series 1920-2000

**Table A1.3. Fertility, mortality and child mortality rates in Portugal, 1960-2001**

Year	Fertility rate	Mortality rate	Child mortality rate
1960	3.20	10.70	77.50
1970	3.00	10.80	55.50
1980	2.20	9.70	24.30
1990	1.50	10.40	11.00
2001	1.50	10.20	5.00

Looking in particular at the fertility rates, Portugal is today one of the EU countries with the lowest fertility rates.

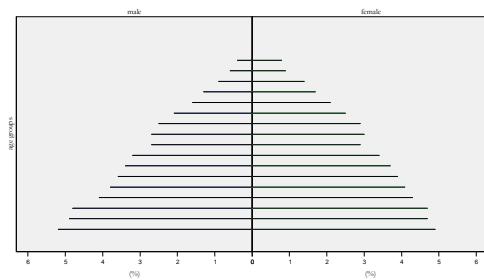
**Table A1.4. Age structure of the Portuguese population, 1960-2001 (% of total population)**

Age group	1960	1970	1981	1991	2001
0-14 years	29.16	28.47	25.52	20.58	16.00
15-24 years	16.33	15.78	16.56	16.80	14.29
25-64 years	46.53	46.08	46.49	49.23	53.36
65 or more	7.98	9.67	11.44	13.39	16.35

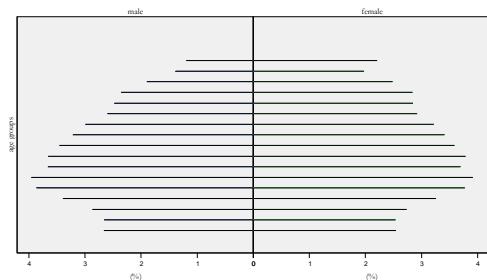
Source: INE, Population Census, 1960, 1970, 1981, 1991, 2001

**Pictures A1.1 and A1.2. Portuguese population pyramids for years 1960 and 2001<sup>1</sup>**

1960



2001



The joint effect of the demographic dynamics shown in previous tables is the ageing of the population. The striking differences between the two pyramids give a very intuitive idea about the speed of changes in Portugal in the last 40 years.

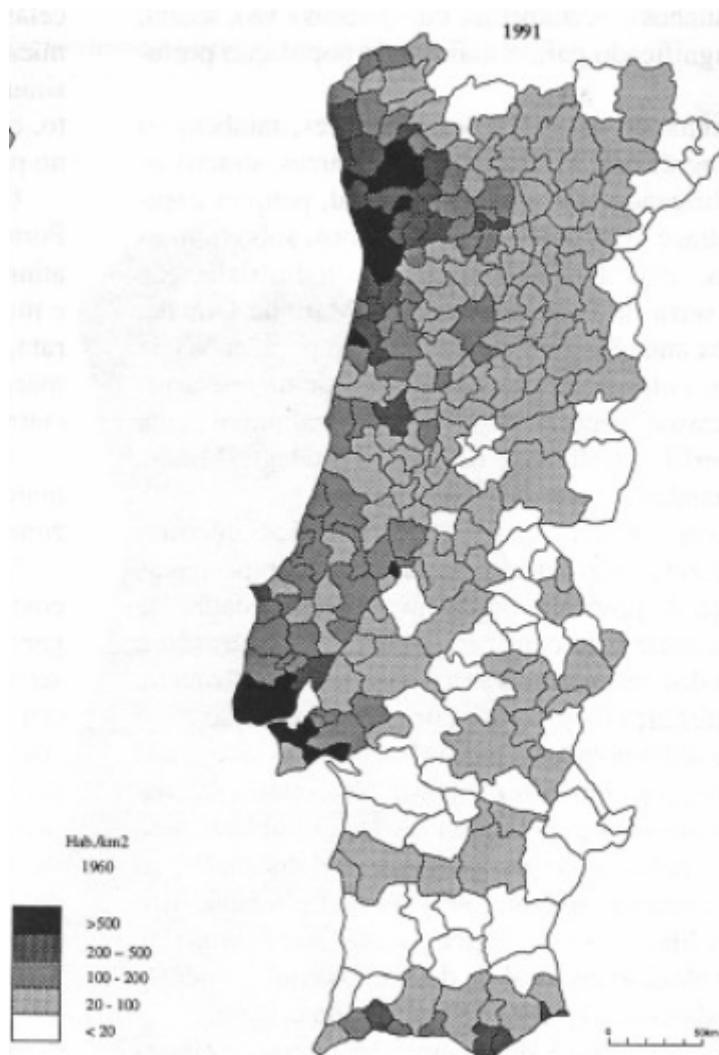
<sup>1</sup> The pyramids are the own construction of the author using census data for the years 1960 and 2001.

**Table A1.5. Geographic distribution of the Portuguese population, 1960-1991 (in thousands)**

Region	1960	1970	1981	1991	$\Delta$ 1960 and 1991
Northern Sea Coast	875	864	966	987	112
Porto	1193	1319	1562	1635	442
Central Sea Coast	1363	1329	1480	1501	138
Northern and Central Inland	1640	1328	1312	1172	-468
Lisbon and Tejo Valey	2222	2483	3182	3220	998
Alentejo	685	532	512	474	-211
Algarve	314	29	324	368	54
Madeira	269	253	253	264	-5
Azores	328	287	243	241	-87

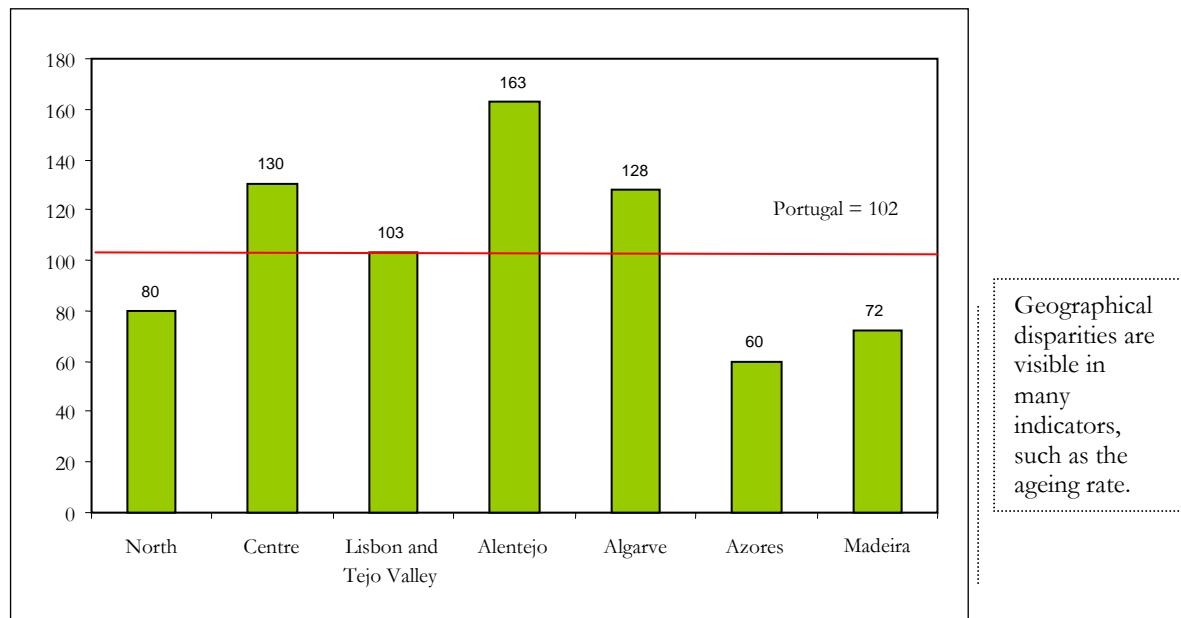
Source: INE, Population Census, 1960, 1970, 1981, 1991, 2001

**Picture A1.3. Population density in Portugal by NUTs III, in 1991**



For the last 40 years there has been a process of displacement of the population from rural areas to the urbanized seacoast.

**Picture A1.4. Ageing rate in Portugal, by region, in 2001**



Source: INE, Population Census, 2001

**Table A1.6. Distribution of the population by dimension of places of residence, in percentage of total population, 1960-2001**

Year	Dimension of places (in 1000 individuals)										
	< 1	1 - 2	2 - 5	5 - 10	10 - 20	20 - 30	30 - 40	40 - 70	70 - 100	> 100	
1960	57.8	7.92	7.18	4.49	4.87	1.29	1.52	2.48	0	12.44	
1970	-	-	-	-	6.07	3.27	0.45	4.26	0	12.49	
1981	44.6	7.8	8.47	4.93	6.32	4.77	1.42	3.11	2.52	11.54	
1991	44.04	7.72	8.92	6.22	8.61	5.25	1.42	3.15	3.63	11.03	
2001	42.44 <sup>a</sup>	9.43	7.71	9.62		11.24 <sup>b</sup>			4.05 <sup>c</sup>	12.80	

Source: INE, Population Census

Notes: a, b and c – the 2001 Census has used a different grouping of places according to their size (less than 2000; between 20 and 50 thousand; between 50 and 100 thousand, respectively).

Portugal is still a country of small and medium size villages, and even nowadays less than 143% of the population lives in agglomerates over 100 000 inhabitants.

**Table A1.7. Distribution of the population according to their marital status, 1960-2001**

Year	Marital status (% of total population)					
	Single	Legally married	Living with a partner	Widowed	Separated	Divorced
1960	52.8	41.5	-	5.5	0.1	0.2
1970	49.0	45.0	-	5.6	0.2	0.2
1981	44.2	49.3	-	5.7	0.5	0.4
1991	40.6	48.8	2.0	6.4	1.2	1.0
2001	37.5	49.6	3.7	6.6	0.7	1.9

Source: INE, Population Census

**Table A1.8. Marriage and divorce rates in Portugal, 1960-2000**

Years	Marriage rate	Divorce rate
1960	7.8	0.1
1965	8.4	0.1
1970	9.4	0.1
1975	11.3	0.2
1980	7.4	0.6
1985	6.9	0.9
1990	7.3	0.9
1995	6.6	1.2
2000	6.2	1.9

Source: INE, Demographic Statistics Series, 1960-2000

Despite the changes suggesting a trend of convergence with the more developed countries, in Portugal it still prevails the more traditional model of family formation and the strong institutionalization of marriage.

**Table A1.9. Proportion of non-catholic weddings in Portugal, 1960-2001**

Years	Non catholic as % of total weddings
1960	9.3
1965	11.4
1970	13.4
1975	20.0
1980	25.4
1985	25.9
1990	27.5
1996	33.5
2001	37.5

Source: INE, Demographic Statistics Series, 1960-2001

Although often presented as a country with strong Catholic implantation, the impact of the Church in the lives of citizens has been decreasing.

**Table A1.10. Distribution of the families by number of members in the family, in percentage (1960-2001)**

Year	Families, by number of members (%)			
	1 individual	2 individuals	3 to 5 individuals	more than 5 individuals
1960	10.77	19.55	52.56	17.13
1970	10	21.94	52.19	15.87
1981	12.97	23.49	52.9	10.64
1991	13.85	25.34	54.21	6.6
2001	17.45	28.64	50.91	3.00

Source: INE, Population Census 1960-2001

The enlarged family has been steadily giving place to the nuclear family. Also on the increase is the share of people living alone.

**Table A1.11. Average number of people by family**

Years	Number of people by family
1911	4.2
1920	4.2
1930	4.1
1940	4.3
1950	4.2
1960	3.8
1970	3.7
1981	3.4
1991	3.1
2001	2.8

Source: INE, Population Census, 1991-2001

**Table A1.12. Percentage of houses by availability of basic infrastructures, 1960-2001**

Year	Water supply	Shower/Bath	Toilet	Electricity	Kitchen	Sewage
1960	28.9	18.6	41.8	40.5	97	38.3
1970	47.4	28.7	58.1	63.8	94.1	58.1
1981	72.4	58.2	79.1	90.7	98.1	68.0
1991	86.8	81.8	88.5	97.7	98.2	90.7
2001	97.9	93.7	94.2	99.5	99.7	n.a.

Source: INE, Population Census, 1960, 1970, 1981, 1991, 2001

One of the domains where it is more visible the impact of the modernization of Portugal during the last 4 decades is that of the living conditions of families. Basic infrastructures in housing have known an incredibly fast rate of improvement and nowadays one can claim they are available to almost all the population.

**Table A1.13. Education levels of the Portuguese population, 1960-2001**

Years	Illiterate (%)	University degree (%)
1960	40.3	0.6
1970	33.6	1.5
1981	26.4	1.6
1991	15.3	4.9
2001	9.0	10.8

Source: OECD Education at a Glance; INE, Population Census 2001

Despite the recognizable improvements, Portugal still features, in the EU15 family, as the country with the highest illiteracy rates and the lowest University qualification rates.

**Table A1.14. Evolution of activity rates, employment and unemployment in Portugal, 1960-2001**

Years	Active population		Employment rate	Unemployment rate
	in thousands	as % of total population		
1960 <sup>1</sup>	3316.0	37.5	-	-
1970 <sup>1</sup>	3164.0	39.4	-	-
1981 <sup>1</sup>	4367.2	46.0	92.1	7.9
1991 <sup>2</sup>	5101.6	49.3	95.2	4.8
2001 <sup>3</sup>	4990.2	48.2	93.2	6.8

Notes:

1. Age to be considered part of active population is 10 years.
2. Age to be considered part of active population is 12 years.
3. Age to be considered part of active population is 15 years.

Source: INE, Population Census and Labour Force Survey

Currently it has been aggravating the unemployment rates, as a result of the economic crisis that affects the country.

**Table A1.15. Distribution of the active population by activity status, 1974-200**

Year	Employers	Self-employed	Employed	Family workers and others
1974	2.6	16.3	64.6	16.5
1980	2.3	15.8	66.4	15.5
1985	3.6	22.6	67.8	6.0
1990	4.6	21.2	70.5	3.6
1995	6.5	19.5	72.0	2.1
2000	6.0	17.5	72.7	3.8
2001	6.2	18.4	72.6	2.8
2002	6.2	18.6	73.0	2.3
2003	6.4	18.6	73.0	2.0
2004	6.4	17.8	73.8	2.0

Source: INE, Labour Force Surveys series

It remains relatively high the rate of self-employment in Portugal, which is related to the resilient pre-modern features of the economy of that country.

**Table A1.16. Evolution of labour force composition by sector of activity in Portugal, 1960-2001**

Sector of activity	1960	1970	1981	1991	2001	Portugal is a good example of a pretty straightforward move from a rural economy to a services economy.
Agriculture	43.6	31.7	19.7	17.9	12.6	
Industry	28.9	32.3	38.7	32.4	34.4	
Services	27.5	36.0	41.6	49.7	53.0	

Source: INE, Population Census and Labour Force Surveys, 1960-2001

**Table A1.17. Evolution of activity rates in Portugal, by gender, 1960-2001**

Activity Rates	1960	1970	1981	1992	2001
Global Rate	37.50	39.40	42.50	48.40	51.7
Male Rate	63.80	62.10	57.10	56.30	58.3
Female Rate	13.00	19.00	29.00	41.30	45.6

Source: INE, Population Census and Labour Force Surveys, 1960-2001

Portuguese women have experienced a very accelerated rate of increase of activity rates.

**Table A1.18. Evolution of female participation rates in the labour force in EU countries, 1960-2000**

Country	1960	1970	1980	1985	1990	1995	2000
Austria	-	48.73	48.73	50.98	55.42	62.26	62.2
Belgium	36.41	39.76	47	49.3	52.44	56.09	59.2
Denmark	43.5	57.95	-	74.51	78.47	73.63	75.9
Finland	65.9	61.43	70.13	73.67	72.85	70.3	72.2
France	46.56	48.47	54.41	54.77	57.61	59.39	62
Germany	49.25	48.03	52.81	52.94	57.4	61.74	64
Greece	-	-	32.99	41.83	43.64	45.85	50.2
Ireland	-	34.29	36.31	36.63	38.87	47.48	56.2
Italy	39.63	33.45	39.64	41	45.94	43.25	46.8
Luxembourg	-	33.81	39.92	43.21	50.65	57.98	68.8
Netherlands	-	-	35.49	40.95	53.06	58.97	65.2
Portugal	-	-	54.27	56.1	62.86	62.37	67.2
Spain	-	29.16	32.21	33.44	41.21	45.11	50.7
Sweden	-	59.42	74.1	78.12	80.08	76.09	75
UK	46.13	50.7	58.31	60.52	65.47	65.99	67.8

Source: OECD Labour Force Statistics, 1960-2000

The comparative picture illustrates how the rapid increase in female participation rates in Portugal over the last 40 years has put Portuguese women side by side with their counterparts in the most developed EU15 countries.

**Table A1.19. Part-time employment in EU countries, 1990 and 2000**

Country	Part-time employment as % of total employment						Female part-time employment as % of total part-time employment	
	1990			2000				
	Both sexes	Men	Women	Both sexes	Men	Women	1990	2000
Austria	-	-	-	12.2	2.6	24.4	-	88.1
Belgium	14.2	4.6	29.8	19	7.1	34.5	79.9	79
Denmark	19	10.2	29.6	15.7	8.9	23.5	71.5	69.8
Finland	7.5	4.7	10.6	10.4	7.1	13.9	67.2	63.8
France	12.2	4.4	21.7	14.2	5.3	24.3	79.8	80.1
Germany	13.4	2.3	29.8	17.6	4.8	33.9	89.7	84.5
Greece	6.7	4	11.5	5.4	3	9.4	61.1	65.5
Ireland	9.8	4.2	20.5	18.4	7.7	32.2	71.8	76.4
Italy	8.8	3.9	18.2	12.2	5.7	23.4	70.8	70.5
Luxembourg	7.6	1.6	19.1	13	2.1	28.9	86.5	90.4
Netherlands	28.2	13.4	52.5	32.1	13.4	57.2	70.4	76.2
Portugal	6.8	3.1	11.8	9.2	4.8	14.7	74	71.7
Spain	4.6	1.4	11.5	7.8	2.7	16.5	79.5	78.6
Sweden	14.5	5.3	24.5	14	7.3	21.4	81.1	72.9
UK	20.1	5.3	39.5	23	8.4	40.8	85.1	79.9

Source: OECD, Labour Force Statistics, 1990-2000

**Table A1.20. Self employment in EU countries, 1990 and 2000**

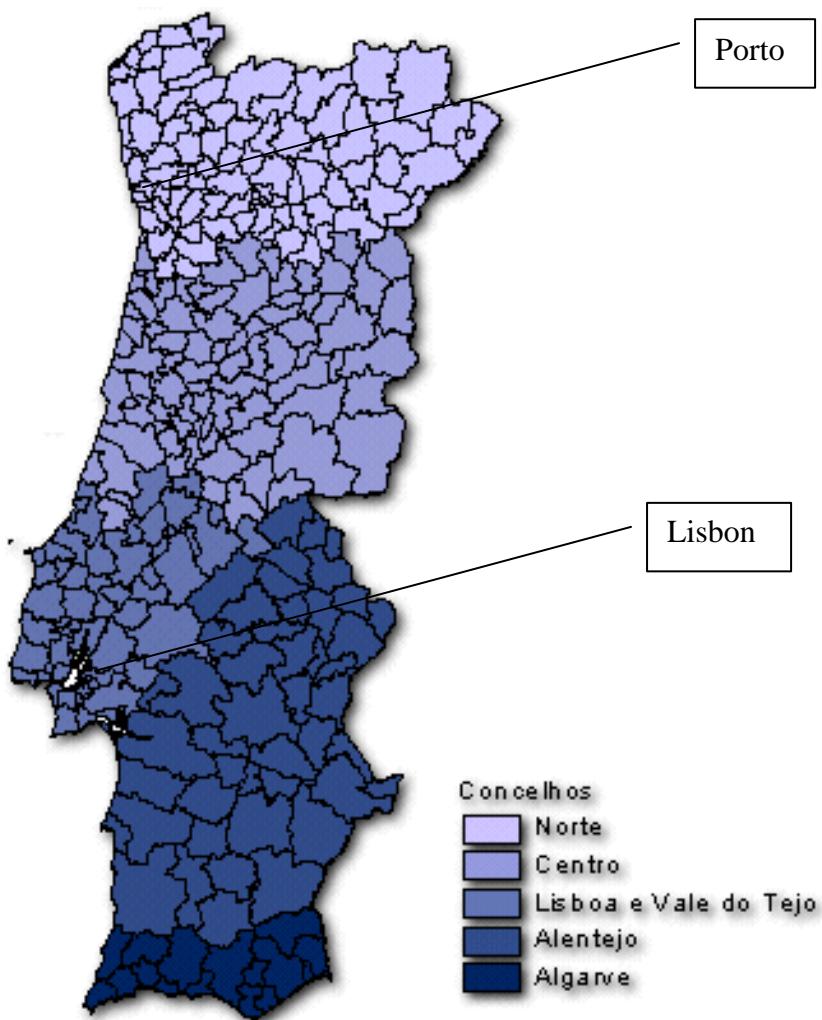
Country	Self-employment rate	
	1990	2000
Austria	10.5	10.6
Belgium	14	14.5
Denmark	9.5	7.7
Finland	14	12.9
France	12.9	10.4
Germany	10.8	10
Greece	34.8	32.4
Ireland	22.2	17.6
Italy	23.9	24.1
Luxembourg	9.3	6.4
Netherlands	9.5	11.2
Portugal	25.7	23.1
Spain	20.3	18.1
Sweden	8.9	10
UK	13.3	11.3

Source: OECD, Labour Force Statistics, 1990-2000

The comparative pictures show that employment in Portugal is generally full-time employment, both for men and for women.

Also in Portugal, alongside with the other South European economies, we find a very high incidence of self-employment.

Picture A1.5. Map of Portugal by NUTs II



## Appendix 2

### **Methodological notes on literature review and documental analysis**

Chapters 2 and 3 of this thesis involve a series of considerations on the characteristics of the Portuguese welfare state and system of social protection, as well as on the detailed aspects of social protection in old age as designed within the Portuguese formal system.

The elements and statements introduced in chapters 2 and 3 are the result of an extensive literature review and documental analysis, carried out on different materials from different sources. They are also the result of some descriptive data analysis carried out on official statistics released by several institutions, both at the national and at the international level.

Table A1.1 below summarises the materials used as a basis for chapters 2 and 3.

The materials referred to in the table were obtained either directly from the London School of Economics, namely from the data library and other web-based resources; from official institutions in Portugal, namely from the Ministry of Social Security offices; and from the national institution responsible for official statistics, with whom there was an agreement granting access to all resources available (this agreement is part of the PhD scholarship, granted by the Portuguese state to the author of this thesis).

The different sources of the material used are identified in the table that follows.

Table A1.1. Summary of data sources and data analysis procedures for the first stage of the research

Target	Data sources	Brief description of contents of data	General procedures for analysis of data
Identifying main traits of the Portuguese welfare state	<u>Literature</u> <u>International Datasets:</u> <ol style="list-style-type: none"> <li>1. OECD Social Expenditure Database</li> <li>2. Eurostat, ESSPROS Database</li> <li>3. OECD Historical Statistics</li> </ol>	Documents produced mainly by Portuguese scholars and experts, both with an academic/scientific content and with a more technical content  Datasets contain data for several countries, namely for the EU15 group, on topics such as: social expenditure; old age pension; social care provision	Review and summary.  Descriptive analysis with a comparative focus.
Identifying main traits of the social policy framework in old age in Portugal	<u>Literature</u> <u>Legislation</u> <u>Datasets:</u> <ol style="list-style-type: none"> <li>1. MISSOC, European Commission</li> <li>2. Statistics on Social Protection, INE</li> <li>3. Data from DEPT, MTS</li> </ol>	Technical documents produced by Portuguese experts on social protection in old age  Documents obtained on-line at the Ministry of Social Security URL or directly from the Ministry services by request  Datasets contain data on topics such as: number of pensioners; pension levels; service provision.	Review and summary.  Exploratory unstructured content analysis for the summary of policy contents and principles.  Descriptive analysis.
Identifying the main traits of the socio-demographic structures of the Portuguese society	<u>International Datasets:</u> <ol style="list-style-type: none"> <li>1. UN Population Database</li> <li>2. OECD Labour Force Surveys</li> <li>3. WHO Statistics</li> </ol> <u>National Datasets:</u> <ol style="list-style-type: none"> <li>1. Census</li> <li>2. Demographic Series</li> </ol>	Datasets contain data for several countries, namely for the EU15 group, on topics such as: participation in the labour market; family formation; education; health.  Datasets contain data for different socio-demographic indicators of the Portuguese population	Descriptive analysis with a comparative focus.  Descriptive analysis on the Portuguese case per se.

## Appendix 3

### Additional information on technical details of the datasets used in the thesis

#### 1. The European Community Household Panel (ECHP)

The ECHP-UDB released by Eurostat includes several files, some wave specific, others covering all the waves.

The ‘country file’ and the ‘longitudinal-link file’ cover all waves. The first contains information for each wave and country on population figures, purchasing power parities, purchasing power standards, and exchange rates figures. The second contains a record for every person that ever appeared in the ECHP and allows rebuilding the ‘longitudinal status’ of the person from the beginning to the end of the panel.

There is a series of files available for each wave: the ‘register file’, the ‘relationships file’, the ‘household file’ and the ‘personal file’. The ‘register file’ contains a record for each person currently living in a private household with a completed household interview. The ‘relationships file’ records the relationship between each pair of persons in the same household.

The main files in terms of analysis are the ‘household file’ and the ‘personal file’. The ‘household file’ contains one record for each household with a completed household interview. The data in the household file are grouped into seven sections, as follows:

- HG: General information
- HD: Demographic information
- HI: Household income
- HF: Household financial situation
- HA: Accommodation
- HB: Durables
- HL: Children

The ‘personal file’ contains one record for each adult with a completed personal interview.

The information is grouped into thirteen sections as follows:

- PG: General information
- PD: Demographic information
- PE: Employment

- PU: Unemployment
- PS: Search for a job
- PJ: Previous job
- PC: Calendar of activities
- PI: Income
- PT: Training and education
- PH: Health
- PR: Social relations
- PM: Migration
- PK: Satisfaction with various aspects of life

The target population of the ECHP survey includes all the private households throughout the national territory of each country. The sampling frames used in the Member States included the population register, master samples created from the most recent census of population and houses, the postal address registers and the electoral roll.

The sample size of each Member State was defined on the basis of various criteria (theoretical, practical and budgetary). In the first wave (1994) the total community sample was slightly over 60 000 households and 130 000 persons aged 16 years and over. It should be noted that generally, larger countries, because of their greater need for disaggregate results but also because of their greater capacity, received larger samples. Within each country, the sample was distributed proportionally across geographical regions, so as to maximise the precision of the estimates at the national level. Some countries, however (i.e. Spain and Italy), have chosen disproportionate allocations with a view to ensure a minimum sample size for each region of the country (sampling smaller regions at higher rates).

All surveys in the ECHP are based on probability sampling. Most of the surveys are based on a two-stage sampling (i.e. selection of sample areas in the first stage, followed by the selection of a small number of addresses or households at the second stage, within each selected area). However, there are cases where a single stage sample is drawn or, on the other hand, a three-stage sample takes place.

Diverse criteria are used for the stratification of area units before selection. The most common criterion used in the surveys is the geographical region and/or urban-rural classification. Stratification by population size or other social indicators was also used in

some countries. Within explicit strata, areas were selected systematically in some countries, randomly in others (Peracchi 2002).

Table A3.1 gives information on the number of cases available for cross-sectional analysis in each wave released at the time of the analysis.

Table A3.1. Number of observations available for analysis in each file and wave of the ECHP, 1994-1998

Wave	Year of survey	Household file	Personal file
1	1994	71 367	149 306
2	1995	73 715	156 063
3	1996	74 746	157 536
4	1997	68 788	143 935
5	1998	66 097	136 238

Source: Eurostat documentation released with the ECHP-UDB.

The overall participation rates, by country and by wave, are generally high, despite some national variations. In the first wave, there is a high of 91.4% in Italy and a low of 83.1% in Ireland (Nicoletti and Peracchi 2002). More importantly, the attrition rates along waves as well as the response rates vary substantially across countries. Nicoletti and Peracchi, in their analysis of non-participation in the ECHP, have summarised for the first 5 waves the following figures:

Table A3.2. Response rates and attrition rates, by country, along the first 5 waves of the ECHP

Country	Response rate	Attrition rate
Germany	63.8	16.8
Denmark	46.8	31.9
Netherlands	56.1	20.1
Belgium	57.1	26.5
France	58.1	26.6
United Kingdom	61.8	14.8
Ireland	44.7	40.0
Italy	62.4	19.5
Greece	55.5	27.6
Spain	50.4	29.6
Portugal	62.4	16.0

Source: (Nicoletti and Peracchi 2002)

The variability in response rates and attrition rates is important for many reasons, among which I would highlight the selective character of its occurrence. Some researchers have demonstrated, for example, that sample attrition is more incident among the oldest and among the less educated groups of the population (Nicoletti and Peracchi 2002). This can

have implications in the findings one gathers from the available data. In this thesis, though, and given Portugal is the case of interest, these problems may have a lesser impact. Portugal has shown one of the highest response rates and one of the lowest attrition rates along the first 5 waves of the ECHP.

The data from the ECHP included in the analysis refer to wave 5, 1998, the most recent series available at the time of the empirical analysis<sup>1</sup>.

However, throughout the analysis, there were moments when it was considered relevant to include a time-variant approach to clarify some dynamics. This was done using cross-sectional comparisons for different points in time, and involved using data from the first wave of the ECHP (1994). It was considered that a 5 years interval could shed some light on some general trends of interest for the thesis. The use of data for 2 distinct years was confined to the cross-national comparison part of the empirical analysis. The national samples used for cross-national comparisons were limited to the cases present in wave 5 that were also present in wave 1. The countries considered included only those present in wave 1. Luxembourg was excluded given there were no data available for that country in wave 5.

The final sample sizes of the different ECHP countries included in the analysis are those presented in table A3.3.

Table A3.3. National samples sizes for ECHP countries<sup>a)</sup> included in the analysis, by type of file and by population

Country	Household file (all sample)	Personal file (all sample)	Household file (elderly sample)	Personal file (elderly sample)
Germany	4 917	9 344	825	1 058
Denmark	1 967	3 220	369	463
Netherlands	3 785	6 575	709	932
Belgium	2 454	4 411	554	703
France	4 991	9 430	1 101	1 419
United Kingdom	4 249	7 045	960	1 155
Ireland	2 449	5 124	608	757
Italy	5 334	12 891	1 388	1 782
Greece	3 732	8 138	1 200	1 508
Spain	4 582	10 575	1 442	1 911
Portugal	3 960	8 852	1 338	1 716
<b>Total</b>	<b>39 971</b>	<b>85 605</b>	<b>10 494</b>	<b>13 404</b>

Notes:

a) The samples for Germany and the UK refer to the original ECHPdata.

<sup>1</sup> Eurostat issued the first release of the ECHP-UDB, covering waves 1 and 2, in December 1998, three years after completion of fieldwork for wave 2. The second release, covering the first three waves, was issued in December 1999. The third one, covering waves 1 to 4, was released in June 2001. The fourth one, used in this research, covering waves 1 to 5, was released in February 2002.

Table A3.4. below displays figures for the relative weight of the target population (individuals aged 65 or more) in the final ECHP national samples and in the respective national populations.

Table A3.4. Relative weight of the target population in the ECHP national samples analysed and in the respective national populations<sup>1</sup>, in 1994 and 1998

		65 to 79 years		80 or more years	
		1994	1998	1994	1998
Germany	ECHP	14.2	18.3	2.9	4.8
	Population	13.4	14.4	4.8	4.4
Denmark	ECHP	13.6	16.0	2.6	5.1
	Population	13.9	13.4	4.7	4.7
Netherlands	ECHP	14.2	17.2	1.7	4.1
	Population	12.4	12.6	3.7	3.9
Belgium	ECHP	14.0	17.5	2.2	4.0
	Population	14.4	15.7	4.5	4.4
France	ECHP	13.3	17.0	3.2	4.9
	Population	13.3	14.7	5.1	4.7
UK	ECHP	16.3	19.1	3.6	6.3
	Population	14.8	14.8	4.8	4.8
Ireland	ECHP	11.6	14.1	1.8	3.6
	Population	12.0	11.6	3.2	3.3
Italy	ECHP	12.3	16.8	3.6	5.7
	Population	14.5	15.8	4.5	4.7
Greece	ECHP	14.4	19.0	2.1	4.1
	Population	14.1	15.4	3.8	3.7
Spain	ECHP	13.8	17.7	2.3	4.3
	Population	13.9	15.0	4.0	4.3
Portugal	ECHP	13.5	16.9	1.9	4.1
	Population	14.2	15.0	3.6	3.9

Source: ECHP, waves 1 and 5 (own calculations on total cases retained for analysis); EUROSTAT population estimates for years 1994 and 1998

Note: <sup>1</sup> shares in age group adjusted to same base population as in ECHP: individuals 16 or more years of age

The analysis of data from the ECHP takes both the individual and the person as units of analysis, and at times combines these. In order to combine the person and the household, some variables are used for matching files. Each person is identified by a unique identification number (PID) and by a country code. Also each household is identified by a unique identification number (HID) and by a country code. Matching these variables across files allowed the building of a final dataset combining information for each person with information about his/her household, in the two waves selected for analysis.

In terms of the variables/dimensions of information available in the ECHP, the analysis carried out in this thesis has considered the following:

- Household demographics

- Household income
- Housing conditions
- Status of dependent children in the household
- Personal demographics
- Employment history
- Personal income
- Health status and needs
- Social relations and personal networks
- Relationships between persons in households.

In the ECHP-UDB files, weights are available for households and persons. These weights, according to Eurostat documentation, are calculated taking into account the sample design and characteristics of persons and households<sup>2</sup>. The weights are calibrated to reflect the structure of the population.

In the ECHP there are two main types of weights: the base weight (at individual level only), used for longitudinal analysis (not required for the analysis carried out along the thesis); and the cross-sectional weight (at both household and individual level) for use in cross-sectional analyses.

The weighting factor for the purpose of pooling of countries in cross-sectional analyses was normalized, which means that the differences in frequencies between weighted and non-weighted variables are very small. In any case, and whenever cross-national analysis was involved, a weighting factor was used for all the calculations. Each table of results introduced in the following chapters identifies if the data were weighted or not.

Harmonization of data was an issue that involved in particular the analysis of income data for the purposes of cross-national comparisons.

The ECHP database includes information on PPP's (Purchasing Power Parities) as defined by Eurostat. Given that, in each wave of the survey, the data recorded referred to income of the previous year, the harmonization of income is done by dividing the data in each income variable of interest by the corresponding national value for the PPP's in the previous year. For example, income from wave 1 (1994) is harmonized according to the PPP's defined for 1993. Income data was recorded in national currencies. In the case of

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<sup>2</sup> Eurostat releases a series of ECHP documents together with the ECHP-UDB files, designed to describe the main technical details of the survey. PAN 165 is the document describing the weighting procedure that has been implemented for calculating individuals' and households' weights.

Italy, data was recorded in thousand of lire, which means that harmonization of income for the Italian sub-sample involved a previous multiplication by 1000 of the original data in the dataset.

## **2. The Portuguese Family Budget Survey (FBS)**

Like all its European equivalents, the FBS is confined to the population residing in private households. As to geographical coverage, the survey covers the entire population residing in private households in the national territory.

The FBS sample is obtained from a master sample drawn for the purpose of common use in different surveys, and defined by INE on the basis of the most recent census data.

The FBS makes use of probability sampling and of a two-stage design. First, a stratified sample of suitable area units is selected, typically with probabilities proportional to size after stratification by region, socio-economic status of the reference person (head of household) and household type or size. The second stage consists of the selection, within each sample area, of households and addresses for inclusion in the survey.

The total number of observations available for analysis, by file, in the FBS 2000, are the following: 28 311 individuals and 10 020 households.

The use of the FBS in the analysis was restricted to the in-depth analysis of the Portuguese case and focusing exclusively on financial dynamics.

The analysis of FBS data focused on the sub-sample of elderly, defined as all those aged 65 or more. The total number of sampled individuals is 6 217 in 4 447 households. The final database built for the analysis includes variables with information on individual characteristics of the elderly but also information on other members of the households, namely detailed socio-economic and demographic characteristics of the head of household.

The FBS database includes weighting variables, both for households and for individuals, to adjust results to the size, distribution and characteristics of the population. Given it was not possible to obtain, from INE, a detailed description of the weighting procedures used, it was decided not to weight FBS data.

Procedures of harmonisation of data do not apply to the FBS data.

Table A3.5. below displays information on the relative distribution of different age groups in the sampled households of the FBS and the respective estimated weights in the Portuguese population in 2000.

Table A3.5. Relative weight of the target population in the FBS sampled households and in the Portuguese population, in 2000

Age group	N in sample	% in sample	% in total population <sup>1</sup>
< 5 years	1057	3.7	5.4
5 – 9 years	1399	4.9	5.2
10 – 14 years	1763	6.2	5.4
15 – 19 years	2097	7.4	6.7
20 – 24 years	1928	6.8	7.8
25 – 29 years	1478	5.2	7.9
30 – 34 years	1564	5.5	7.1
35 – 39 years	1850	6.5	7.3
40 – 44 years	1962	6.9	7.1
45 – 49 years	1813	6.4	6.6
50 – 54 years	1747	6.2	6.3
55 – 59 years	1648	5.8	5.5
60 – 64 years	1788	6.3	5.3
65 – 69 years	1867	6.6	5.1
70 – 74 years	1756	6.2	4.5
≥ 75 years	2594	9.2	6.7
Total	28311	100.0	100.0

Source: FBS, 2000 and INE

Note: <sup>1</sup> the shares of the total population by age group are estimates for 2000 released by INE and available online at [www.ine.pt](http://www.ine.pt)

### 3. Eurobarometer Surveys (EB)

The EB survey series takes as target population individuals residing in private households in the space of the European Union. It selects sampled individuals by multi-stage random route sampling of persons 15 years old and older.

EB surveys do not involve representative samples of countries. Given that the main goal of the program is to identify profiles of attitudes and opinions, statistical representativeness is not a core technical requirement. The majority of the national samples include around 1000 individuals. The exceptions are Luxembourg with a sample of approximately 600 respondents, Northern Ireland with approximately 300 respondents and Germany with around 2000 respondents (1000 in the East of Germany and 1000 in the West of Germany).

Information about response rates in Eurobarometer is not published.

The EB surveys are not panel sets therefore the analysis does not involve a longitudinal approach to data. However, and given that values and social norms have a clearer meaning if analysed at the societal level and not at the individual level, by examining data at different

points in time it can be introduced in the discussion some ideas on values change/resilience.

The information recorded in the EB surveys concerns individuals, this being the unit of analysis. The information available is used for the discussion on the normative dimension of welfare arrangements and, when possible, tries to relate that to several individual characteristics. In section 3 of this chapter some more in-depth discussion about the variables used for the analysis will be resumed.

Starting with EB 32 (1989), for each of the participating countries, a comparison between the sample and a proper universe description is carried out for internal weighting procedures. The universe description is made available by the national research institutes in charge of the survey and/or by Eurostat. On that basis, a national weighting procedure, using marginal and intercellular weighting, is applied (criteria used include sex, age, region NUTS II and size of locality). Population size weights correct for the fact that most countries have identical sample sizes, no matter how large or small their populations are.

For purposes of pooling of countries for analysis, all EB survey datasets contain variables with weighting factors, defined according to different interests in terms of analysis (GESIS). Given the purpose of the analysis carried out within this thesis, I have used the following weighting factors:

- WEIGHT RESULT FOR TARGET: it reproduces the real number of cases for each country and can be used when the national samples are analysed separately.
- EURO WEIGHT 15: it includes the adjustments of each national sample in proportion to its share in the total population of the European Union (at the time of the analysis only comprising 15 countries). It is used when the total population of the 15 EU countries is to be analysed as a whole.

As for harmonisation of data, the EB series does not require any harmonisation procedure. This is explained especially by the fact that income variables are made available as aggregate results, expressed as relative position to distribution quartiles. This is, as discussed below, one of the limitations of the EB surveys data.

#### 4. Measurement of variables and data completeness

In this section the reader finds some information on how some specific variables were measured in the original surveys. These are variables that show central in the analysis put forward in the thesis but that are also potential source of data problems when conducting a survey. Those variables include: income; health status and education.

Table A.3.6. below summarises how these variables were measured in the original surveys and how data was manipulated before inclusion in the final datasets used for the analysis.

Table A.3.6. Measurement of variables in the original surveys and organisation of data in the final datasets

Variables	Dataset(s)	Original measurement of variables	Procedures for obtaining data in datasets
Personal income	ECHP FBS	Interviewed individuals are asked to provide exact amount for a series of sources of income ranging from paid employment, to self employment, social benefits and private income.	Amounts of income declared in each type of income are added up to compute final personal income. Procedures of income imputation were developed to reduce missing data.
Household income	ECHP FBS	Not asked to interviewed individuals.	Amounts of household income are obtained from the data available for the personal income of the members of the household. Imputation procedures were developed to minimise missing data. The teams managing the databases run both procedures.
	EB	Individuals are asked to state the monthly income of their households relative to a list of income-intervals.	Data is harmonised relative to the quartile distribution. Final data available for analysis include the relative position of each respondent's household income to the quartiles of the national income distributions.
Long-standing limiting health problem	ECHP EB	Individuals are asked if they have any health problem that limits their daily activities. If	Original answers are presented in the final datasets.

		answering yes, individuals are asked to qualify the extent of the hampering condition: if moderate or if severe.	
General health status	ECHP	Individuals are asked to rate their own health status, being presented with the following alternatives: very good; good; fair; bad.	Original answers are presented in the final datasets.
Education	ECHP	In each national survey individuals are asked about their highest level of formal education completed, according to the national typologies.	A final typology is derived from the national datasets, standardising responses to a three categories typology: recognised 3 <sup>rd</sup> level education; second stage of secondary level education; less than second stage of secondary education.
	FBS	Individuals are asked to identify the highest level of formal education completed in a 10 categories typology.	Original answers are presented in the final datasets.
	EB	Individuals are asked about the number of years of schooling completed.	Data is presented in a three categories typology: up to 15 years; 16 to 19 years; 20 or more years.

In terms of data completeness, it should be stated that neither the ECHP nor the FBS surveys are affected by large amounts of missing data, this in particular for the income variables. This is related to the imputation procedures developed by the managing teams of each survey. It was not possible to assess the reliability of those imputation procedures. The EB series is systematically affected by large numbers of missing data for the income variable, across datasets with an average of 25% of cases.