## 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)[1] |
|---|---|---|---|
| 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: [1] 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[1].

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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[1] 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 |
| | Madeira (n=871; 14.0) | 12.9 | 11.0 | 14.0 | 23.4 | 19.5 |
| Gender | Male (n=2620; 42.1) | 22.4 | 51.2 | 22.8 | 51.4 | 61.0 |
| | Female (n=3597; 57.9) | 77.6 | 48.8 | 77.2 | 48.6 | 39.0 |
| Age group | 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[2]. For those less familiar with the

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[2] 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 hierarchic 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). 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.

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
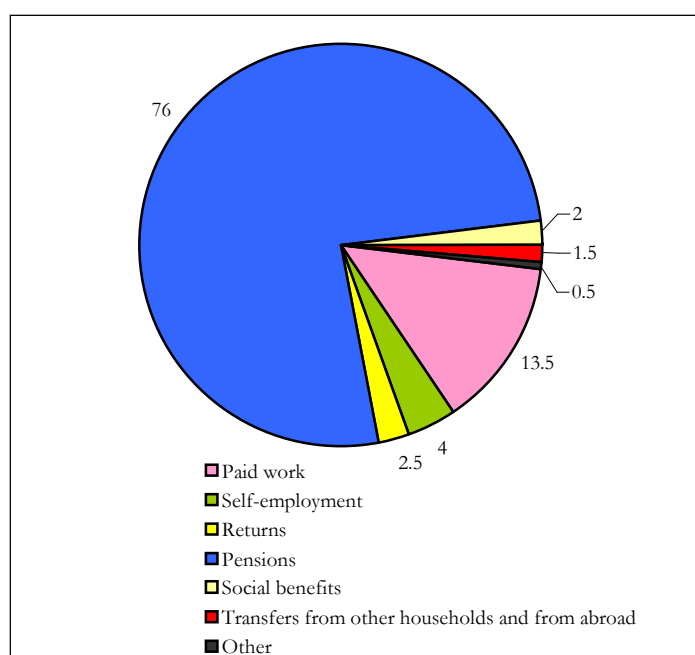


Source: FBS, 2000: own calculations

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[3]

| 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

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[3] 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    $R^2$=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 elder person being below the poverty line, a logistic regression model was run taking as the outcome variable the probability of a Portuguese elder 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[a]

| | 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 likelihood = 6145.173
* significant at 0.05; ** significant at 0.01

Source: FBS, 2000, INE; own calculations
Notes: [a] 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 redistributional 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 [1] | Relative position to poverty line measured by total personal income [2] | Relative position to poverty line after household income redistribution (% within household type and personal income) | |
|---|---|---|---|
| | (% within type of living arrangement) | 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: [1] "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)
[2] 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 economic ties 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 [1]

| 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+ | (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+ | (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
$R^2$=0.182
+ significant at 0.1; * significant at 0.05; ** significant at 0.01

Source: FBS, 2000 (own estimates)
Notes: [1] 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 |
| | 65 or more | 114 | 16.8 |
| Sex of head of household | Male | 539 | 79.4 |
| | Female | 140 | 20.6 |
| Marital status of head of household | Never married | 71 | 10.5 |
| | Married | 517 | 76.1 |
| | Co-habiting | 11 | 1.6 |
| | Separated/divorced | 25 | 3.7 |
| | Widowed | 55 | 8.1 |
| Education level of head of household | Low | 545 | 80.3 |
| | Middle | 99 | 14.6 |
| | High | 35 | 5.1 |
| Activity status of head of household | Working | 427 | 62.9 |
| | Unemployed | 16 | 2.4 |
| | Housewife | 36 | 5.3 |
| | Retired | 174 | 25.6 |
| | Disabled for work | 16 | 2.4 |
| | Other inactive | 10 | 1.5 |
| Professional activity of head of household working | 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) [1]

| 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: [1] 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 N=347 | People caring after adult person 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. [1] | 83.5 |
| | Elsewhere | n.a. [1] | 16.5 |

Source: ECHP, wave 5
Obs.: Non-weighted cases
Notes: [1] 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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