


**Institute
of Gerontology**





Behind Closed Doors: Older Couples and the Management of Household Money


DEBBIE PRICE, DINAH BISDEE, TOM DALY, RACHEL STUCHBURY, LYNNE LIVSEY, FAY
WRIGHT & KAREN LOWTON

MONEY MANAGEMENT AND DECISION MAKING IN LATER LIFE
16TH November 2010, CPA/SCWRU


debora.price@kcl.ac.uk







**Institute
of Gerontology**



‘Behind Closed Doors’ Project

- How do the financial resources of men and women differ within and between older couples? What are the drivers of difference?
 - Quantitative Study, ELSA
- How do older couples view, manage and negotiate about money? What (if any) are the implications of within-couple unequal ownership of financial resources for the well-being of older people and their families?
 - Two Qualitative Studies – focus groups and couple/individual interviews
- What discourses and practices are prevalent in the formulation of government policy relating to money for older people? How do these relate to the money practices of older couples?
 - Policy Study: Financial Capability, Equity Release – importance of understanding the ‘black box’ of the household

2



**Institute
of Gerontology**



Project Website

Portal for information on older people and later life:

finance, care, health, housing, advice, wills and end of life issues

Findings

Outputs

Web Survey

About the project

www.householdmoney.co.uk






**Institute
of Gerontology**



Gerontology and Couples


- Very substantive body of academic work on how (younger) couples deal with money
 - Has fed into policy e.g. child benefit paid to women
- Almost all academic research about *older couples* relates to gendered care, or sexuality; a tiny amount on gendered housework
- Very little work on older couples and money

4



Organisation of Money: Implications for Social Care Policy and Practice

- Money within older couples is a highly gendered affair
 - Issues of power, control, access to financial resources and decision making; conflict and conflict resolution (esp. housing, family exchanges, spending); organisation of money management
- Gendered organisation of money continues into old age
 - Threats to gender role identity from failing health; maintenance of identity
 - Women have responded in different ways over their lifetimes to financial inequality, leads to different risks on widowhood/virtual widowhood in later life
- End of life financial planning
 - The taboos of long term care and death



Older Couples

- ELSA: 1,960 couples where one partner is over 65
 - » 1,817 with financial data about both partners

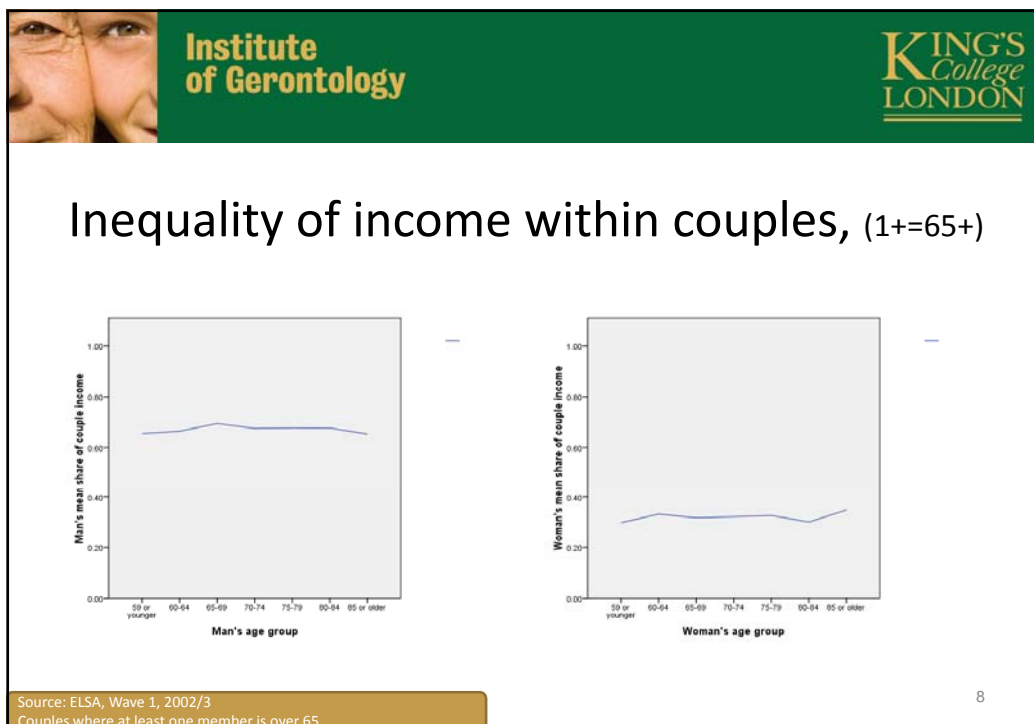
Proportion of all older couples, where woman >65	
First marriage for both	80%
Couple only in household	92%


Who has final say in big decisions	Man	Woman	Equal say
All individuals (100%)	18%	10%	73%

Source: ELSA, Wave 1, 2002/3, couples where at least one partner is over 65

All income, weekly, net, men and women in couples					
	Median			Median gap	Median women's income as % of men's
AGE	Men	Women			
60 - 64	£212	£ 98		£115	46%
All 65+	£180	£69		£110	39%
			n=		
65- 69	£198	£77	668/600	£121	39%
70 - 74	£178	£67	544/429	£112	38%
75 - 79	£167	£60	368/252	£106	36%
80 - 84	£ 151	£56	193/125	£94	38%
85+	£159	£81	77/35	£ 78	51%


Source: ELSA, Wave 1, 2002/3
 Note: includes individual income from paid work, private and occupational pensions, state pensions, income support, state benefits, income from assets and all other sources of income. All income is measured at the individual level (although one partner often answers for both), except income from assets, which has been apportioned equally between partners.



Implications for Social Care Policy and Practice

- Threats to gender role identity from failing health; maintenance of identity
- Women's responses to financial inequality within the household over their lifetimes, leading to different risks on widowhood/virtual widowhood in later life
- End of life financial planning
 - The taboos of long term care and death




**Institute
of Gerontology**

**KING'S
College
LONDON**

Role Identity

- Role Identity: a kind of idealised view of one's social role
 - "...the character and the role that an individual devises for himself as an occupant of a particular social position....such a role identity is his imaginative view of himself *as he likes to think of himself being and acting* as an occupant of that position." (McCall & Simmons, 1966, p.67, their italics)
- Threats to role identity
 - Behaviour not consonant with one's imagined role, may be regarded as threatening in some way, e.g. embarrassing or shaming.
 - To 'enact' and maintain perceived role identity, a person looks for 'role support' from self and from others.
 - If threats are not dealt with, may lead to loss of self-esteem, feelings of failure, despair, even self-destruction.

11




**Institute
of Gerontology**

**KING'S
College
LONDON**

Threats to Role Identity in Older Age

- E.g. Husband with memory loss, dementia or Alzheimer's
- Growing recognition among dementia researchers that the couple and their relationship have been omitted from the thinking.
- Might a person help their partner in 'shoring up' their spousal role identity in the face of threats associated with ageing?
 - ❖ Clear evidence of this in case study reported by Hellström *et al.* 2005: 'Mr. Svensson' helping to maintain his wife's valued identity as a home baker, when her dementia prevented her managing to bake without help.

12




Older Couples – Roles in Household Spending

- Man's income usually > woman's. Complex/ varying pattern of 'who pays' and 'who influences/decides'.
- Usually: men deal with 'essentials', women handle discretionary spending. May leave women unprepared for handling finances if widowed.

Women	Joint/ Both	Men
Food	Bank accounts	Housing costs (rent, council tax, utilities)
Cleaning products	Garden	Car/ car related
Clothing	Home maintenance	Insurances
Gift purchases	Holidays	Meals out
	'White goods'	
	Furniture	

Gendered nature of household spending very similar to pattern found in a 2000 study across adult age groups (Pahl, 2000)

13



Identity, Older Couples and Money

- In our research, we found that traditional gender roles in an older household seem often to be reflected in their money practices
 - ❖ men dealing with the more 'fixed' expenditure commitments (e.g. relating to housing and cars)
 - ❖ women dealing with items liable to short-term variation (grocery shopping, gifts, clothing) – and where economies were easier to make
 - ❖ men often controlling, though women may 'manage'
- However, it happened that some of the men in our sample apparently now had difficulty fulfilling these traditional roles, due to:
 - ❖ memory loss/ incipient Alzheimer's/dementia
 - ❖ other health threat
 - ❖ personal difficulties e.g. history of crime/ imprisonment/ insolvency
 - ❖ unemployment/ low income

14




15

Institute of Gerontology

KING'S College LONDON

The Case of Jamal and Latika

- Both Indian Muslim: Jamal from East Africa, Latika from India
- Jamal aged 65-70, Latika <65
- Jamal was supermarket manager but had to retire early on health grounds: Latika came from rich family in India, but has worked in factories and as school dinner supervisor since came to England. Now she is the main earner.
 - ❖ Back home in India, the males in her family always provided her with money – she had not worked in India before marriage
 - ❖ Important to her to continue in this way?
- Jamal always managed the money in their marriage: Latika was content with that, and gave him her own money to manage
 - ❖ “this is joint account, but he still... he handle [it] himself. If one person handle, they know to spend the money, all it was. I mean he keep the account, how much spend the money.”




16

Institute of Gerontology

KING'S College LONDON

Important to Latika that Husband Manages the Money

- Though she is now main earner, Latika expresses trust in her husband by accepting his management of her money
 - ❖ “...when I come over here, a lot of [people] always say, ‘Oh, why you are giving to your husband that money?’ I say, ‘Why, why not? Because he doesn’t take it, my own money, why I need I spend myself?’ ”
- Now Jamal is unemployed, he continues to manage their joint money; Latika seems to feel that without her money under his management, he could not fulfil (what they both see as) his male ‘provider’ role.
 - ❖ “.... then he provide everything proper, nice things, all clean. But then if I keep my money.. in my control, then he would [find it] more difficult in his life, how to provide everything.”
- She seems to prefer it this way, to shore up his male role and keep things in the traditional pattern; also shoring up her own familiar ‘wife’ role.



**Institute
of Gerontology**

**KING'S
College
LONDON**

Alfie and Susan

- Both aged 71-75; White British
- Alfie was in Army, then insurance salesman; Susan was a catering manager
- Susan, their daughter and their doctor believe Alfie has early stage Alzheimer's; Alfie has not been told this
- Alfie still manages the household bills to the extent that he can: Susan insists that he is still capable of that although she feels she should keep an eye on it.

17




**Institute
of Gerontology**

**KING'S
College
LONDON**

Important to Alfie to fulfil his family role – and to Susan to 'respect' him in that role

- "I mean he's the sort of person that he always puts himself last, and he's...y'know, makes sure that we would be all right. I mean it hurts him a little way now that he can't do it quite so much, you know, but... we all respect him..."
- But he is developing memory problems
 - "Unfortunately, you know, between you and I, Alfie is in the very early stages of....his memory and everything like that's going. So ummm, it's a matter of keeping an eye on things a little bit at the moment."
- Both Susan and their daughter try to behave so as to protect him from knowledge of his condition
 - "...you try and be respectable about it and not disrespect him for it....You know, and he's still a person isn't he?... But he is in the early stages of it unfortunately....He doesn't know that we've been to the doctors or anything, you know....He's absolutely fantastic really for his age, but he hasn't, his memory bank is very bad at the moment."
 - "He's not aware, so you just have to respect that, don't you really."

18




**Institute
of Gerontology**

**KING'S
College
LONDON**

She keeps a watchful eye:

- While he still manages aspects of their finances, she keeps a watchful eye on things. He still looks after utility bills etc.
 - “He would do that. He’s quite capable of doing that.”
 - “Now, at this point in time, I would sort of umm, y’know, I would sort of perhaps remind him or watch what...But then, when he’s got to do it, he’s quite capable of doing it. Y’know. Something that’s presented in front of him immediately, he’s perfectly all right.”
- Susan insists Alfie is still capable of looking after the bank account:
 - “Alfie would do that. He, y’know, he’s, at the moment he’s quite capable of doing that.”
- If she can reduce his responsibilities, he may feel less anxious
 - “... that will probably take a lot of pressure off of him, and he wouldn’t have to worry quite so much.”

19




**Institute
of Gerontology**

**KING'S
College
LONDON**

She is hoping to move but he doesn't want to:

- She is hoping they will move so that she has less to take care of if he gets worse:
 - “I was just trying to...narrow things down as much as possible, but...obviously he doesn't want to move..... you've got to approach it in a right way, because they're not aware that these things are happening to them, you know. And you, you mustn't lose the respect for them, you know.”

20




**Institute
of Gerontology**

**KING'S
College
LONDON**

Identity Issues Raised

- Money management can be an important part of the 'husband' role identity within this age group (65+) but enacting of role undermined by ageing/ health threats
- Some wives seem to want to help husband keep this role, or at least *keep the illusion* of fulfilling it, so that his self-respect can be maintained within the family context.
 - ❖ In supporting their husbands thus, these wives also preserve their own identity as 'wife', in the face of a serious threat to coupledness
- While the importance of family role identity has been recognised in psychology for many years, it has not apparently yet been much considered in the context of ageing, dementia and other health threats.

21




**Institute
of Gerontology**

**KING'S
College
LONDON**

Implications for Social Care Policy and Practice

- Threats to gender role identity from failing health; maintenance of identity
- Women's responses to financial inequality within the household over their lifetimes, leading to different risks on widowhood/virtual widowhood in later life
- End of life financial planning
 - The taboos of long term care and death




Institute of Gerontology

KING'S College LONDON

Ageing and the female role

- Last 50 years have seen enormous changes in role of women
- Women in our sample have lived through these changes
 - broader opportunities for careers
 - equality legislation
 - feminist movement
 - migration
- These older women in our study could be broadly classified into 3 types, relating to money and the 'traditional' female role (i.e. allowing husband to control household money)

23



Institute of Gerontology


KING'S College LONDON

Women and money over the lifecourse

<p>“Accepters” (15/45)</p> <p>Willingly accepted traditional role</p> <p>Supported husband in his retention of male money role</p> <p>Own work clearly seen as secondary to husband's</p>	<p>“Modifiers/ Resisters” (16/45)</p> <p>Tended to reject traditional role</p> <p>Independent money for most of life</p> <p>Some on 2nd marriages</p> <p>Maintained this independence in older age</p> <p>Included all 4 Afro-Caribbean women</p>	<p>“Resenters” (8/45)</p> <p>Gave up work for children</p> <p>May not have own pension</p> <p>Dislike dependence on husband</p> <p>May use 'strategies' to achieve financial needs.</p>
<p>3 borderline Acceptor - Modifier</p>		<p>2 borderline Resenter - Modifier</p>

(1 – insufficient data to classify)

24



Institute of Gerontology

KING'S College LONDON

What 'Accepters' said: Nazma

Nazma works as a carer. Husband is accountant (early retired – poor health). She pays most of her salary into husband's account, and spends the rest on her (adult) children. They both consult each other before spending.

INT: ... if you wanted something for yourself I ... what would be something that you might have wanted for yourself? Clothes or something?

NAZMA: Clothes, jewelry, yeah.

INT: How would you have gone about buying that?

NAZMA: He always, I always ask him first. I say, 'Look, I want to buy this thing is it OK? Is it enough for you know if I can buy it?'

INT: OK. Yeah.


NAZMA: I never got a refuse from him. Yeah, he's ... because at that time we were quite, not doing quite well, because both of us were earning so he never refused.

INT: So even when you had your own account?

NAZMA: Yeah, I would ask him. Mmmm.

Nazma, aged <65, Indian, C1 – husband aged 65-70

25



Institute of Gerontology

KING'S College LONDON

What 'Resister/Modifiers' said: Georgia

Georgia, 76, came from Jamaica in 1961. She worked mainly as a domestic in hospitals and care homes. She is on her 2nd marriage and had children from both marriages.


Georgia: I don't like to be, I don't like [to be] housewife [laughs]. I like my own..... I like to work or ...go out. I love to be independent. I don't like ask people for money, ask people for anything. If I want something ... I like to go and get it, I can get it, without have to ... ask, 'Oh daddy, can I have dress?' No. That's not for me.

Int: So what did it mean to you to have your own money?

Georgia: Everything. It meant *everything* [said with meaning]. I can't understand peoples that don't work, and are looking to their husband for everything they want.

Georgia, Afro-Caribbean, E (state pension only)

26



**Institute
of Gerontology**

**KING'S
College
LONDON**

What 'Resenters' said: Cathy

Cathy, 71, had been a housewife but also worked as an Avon lady, school playground supervisor and, when children left home, in M&S. Husband Sidney was senior executive, and spent quite a lot on smart clothes: she relied mainly on her own earnings and Family Allowance. When problems occurred, only Cathy's modest income and pension had kept them afloat. She is resentful.

As a young woman in her first job she had enjoyed the independence:

CATHY: Well, it was just that freedom, you know..... which I could actually go and buy myself something. I'd been totally dependent on my parents,... em, for everything..... clothes, because I never had any, well, apart from pocket money and birthday money, so I, it was just wonderful to be able to go and buy myself my own clothes.


But after Sidney's philandering and bankruptcy:

CATHY: Yes, yes, I can't change it. Em, maybe I could have done things differently, em, but, I, I don't know what, em, because there's, em, I said wine, women, and cigarettes might be... *[Laughter]*... em, all three..... have been a problem, so, er, it's..... one follows the other. Yes. And then he would, em, seek refuge and take..... a consolation, he would find somebody else who would, er, be sympathetic and, you know, was obviously going to be fun when I wasn't, you know. *[Laughter]*

Int: Oh dear, that's very...

CATHY: No, no, it's all right, I just got, you know, you get resigned to it because what are the options? You know, there's, I can't walk away from..... this, it's too late.

27
Cathy, White British, AB



**Institute
of Gerontology**

**KING'S
College
LONDON**

What 'Resenters' said: Carole

Carole:

No, no, it's all right, I just got, you know, you get resigned to itbecause what are the options? he would never, er, never disclose, you'd say to him, 'How much are you earning?' and he said, 'You don't need to know.'

Int: Yes, yeah. You said you still felt a bit resentful, I mean...

Carole:Mm.

Int:... do you feel it's sort of unfair what's happening, or...?


Carole: Oh, yes, I've got resigned to it now...

Int: Mm.

Carole:... you know, things won't change, so...

Married 50 years (70)

28



29

Institute of Gerontology


KING'S College LONDON

How ageing affects their money issues

- These types of women seem differently affected by the changes and trials of ageing.
- Pattern cuts across income groups

<p>"Accepters"</p> <p>Problems of low income once widowed</p> <p>Wife identity threatened by husband's incapacity</p> <p>Unprepared for widowhood: may depend on children to help them out</p>	<p>"Modifiers/ Resisters"</p> <p>Maintain independence in older age – seem empowered</p> <p>Capable when/if have to take over all finances</p> <p>Cope with husband's illness/ ageing</p> <p>Identity not threatened by husband's incapacity or death</p>	<p>"Resenters"</p> <p>Took traditional housewife roles</p> <p>Jobs, but not 'careers'</p> <p>May have problems of low income once widowed</p> <p>May feel they have lost out in life</p> <p>Feel powerless to change</p>
---	--	---

29



30


Institute of Gerontology

KING'S College LONDON

Implications

- Identity regarding money and independence seems to develop early: life events have an influence (e.g. parents, own divorce)
- Ageing differently affects these women's identity
- Modifiers/resisters best equipped for old age and widowhood
- Accepters least equipped:
 - Financial capability agenda: how to educate so can manage money for selves, *without challenging their identity*
- Resenters at least realise there's a problem, even if feel powerless to change situation
 - Different challenges in how to ensure appropriate and independent money management skills are developed
- Different approaches may be needed to help these women deal with ageing and widowhood

30




Institute
of Gerontology

KING'S
College
LONDON

Implications for Social Care Policy and Practice

- Threats to gender role identity from failing health; maintenance of identity
- Women's responses to financial inequality within the household over their lifetimes, leading to different risks on widowhood/virtual widowhood in later life
- End of life financial planning
 - The taboos of long term care and death




Institute
of Gerontology

KING'S
College
LONDON

Planning for care

- Many people did plan for funeral costs
 - Often community based saving
- Some respondents had altered their homes or were planning to do so; or front-loading long term maintenance jobs on their properties
- But *no* participants were planning for costs of care

32




'Downsizing' for care

- A catastrophic thought:

...Something that might stop me from downsizing is the fact that is anything happened to one of us we'd lose all our money being in a, ummm, care home, or something like that. That is a horrendous ummm ... thought, after we've paid into the National Health system all these years

Woman 71 – 75, White
British, AB

33



Or taking equity from the house:


Razak: This is one asset I got me, actually. It's errr for my future, for our future ... Me and my wife's future

Int: Well, you said for your future, but would you ever actually take money from the house?

Razak: No, I would never take the money from the house. I would never remortgage it or anything. ... No, I would cut my expenses completely ... Before I, unless I'm literally desperate. ...

Man, 65 – 70, Indian, C2

34




**Institute
of Gerontology**

**KING'S
College
LONDON**

Barriers to contemplation of care/ long term health costs

- Uncertain, unnecessary, unclear and confusing, overwhelmingly expensive, open ended, poor quality
- Wasted since death was the inevitable end
- Death was seen as preferable to spending resources on long term care.
 - Taboos existed around 'fourth age' dependency, form obstacles to forward planning.
 - Frightening ideas even to well-off and rich couples.

35



**Institute
of Gerontology**


**KING'S
College
LONDON**

Easier to contemplate death than care:

Gervais: ... And you know, my poor old mother, died of a heart attack, just went like that. So it saved my father ... enormous amount of money putting her in a home..... I mean, I tend to be a bit more sanguine I'm gonna die before that happens. Right? But how do I know?

Man, 81 - 85, White British, AB

36



**Institute
of Gerontology**

**KING'S
College
LONDON**

Easier to talk about suicide than care:


Cathy: ... You know, talking about £20,000 tax on getting old now in the paper today. [Laughter]

Int: Yes, I haven't had a chance to read it yet.

Cathy: Front page, I think, 'Oh, please, no.'
Switzerland here we come. [Laughter]

Woman, <65, White British, AB

37




**Institute
of Gerontology**

**KING'S
College
LONDON**

Implications

- At the point that care is needed, it is unlikely that the costs will have been planned for
- Discussions will have hoped for the best, or that they would not be needed
- Simply 'educating' people: telling people that they must discuss these things and plan for them is a policy strategy that is unlikely to work
 - They have to be understood as taboo subjects
- The use of the home to raise money for care is potentially emotionally catastrophic

38



**Institute
of Gerontology**

KING'S
College
LONDON

Conclusions

- Managing gender identities through control over money is important in the face of failing health for husbands and wives, and services need to strive not to undermine the personal strategies that couples develop to cope with change
- Over the lifecourse, women adapt to financial inequality in different ways, and understanding how individuals have coped within their partnerships can be key to understanding how to support them in transitions such as widowhood
- Care in the 'fourth age' is a very difficult subject for people to contemplate – support given around the financial implications of needing care should take account of the psychological barriers that exist to this kind of planning

39