



technology, children, schools and families

Later life and education: changes and challenges

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Introduction

According to the Office of National Statistics (ONS), the population of the UK aged 65 years and over increased from 7.4 million and 13% in 1971 to 9.7 million and 16% in 2006. By 2051, the projections of the Government Actuary's Department (GAD) reveal that the number will have increased to 18.7 million and 24%. By that time, around half the population of the UK will be over 50. This is historically unprecedented. Indeed, it means that the 20th century was the last century of youth, and the 21st century heralds a new demography – that of maturity.

These dynamics are the result as much of falling fertility as of increasing longevity as women are choosing either not to have children (childlessness in the UK has increased from around 1 in 10 of women born in the mid 1940s to around 1 in 5 of women born in the late 1950s (Office of National Statistics, 2005)), to delay first childbirth (the average age of women at first birth inside marriage in England and Wales has increased from 24 years in the early 1970s to around 30 years (Office of National Statistics, 2005a)) and/or limit the number of children (although the total fertility rate in England and Wales has been increasing in recent years, it still remains below replacement level at 1.86 (Office of National Statistics, 2007)). This is coupled with increasing longevity that has seen life expectancies at birth increase from 70.9 years for males and 76.9 years for females in 1981 to 77.2 and 81.5 respectively in 2006. Similarly, at age 65 years, life expectancies have increased – from 13 years for males and 16.9 years for females in 1981 to 17.2 and 20 years respectively in 2006. GAD's projections indicate continued increases to 85.5 years for males and 88.7 years for females by 2056, with life expectancies at age 65 increasing to 23.9 and 26 years respectively by 2056.

This translates into a significant increase in the number of people aged 100 years and over. In 2006, there were 10,000 people in the UK aged 100 years and over. By 2056, this number is expected to increase to an astonishing 286,000 and to around 1 million by the end of the 21st century.

The prospect of a long and healthy life is thus real for most of us and therein lies the challenge and the opportunity for every individual and for every government. How does this affect our preparedness for later life? Have we as individuals thought about this?

Have we given much thought to how long we are likely to live? Have we given much thought to a life with 20 to 40 years of retirement?

Clearly, population ageing in the UK – and elsewhere – will have far reaching consequences on society. For example:

- More generations will survive together than ever before
- Intergenerational solidarity will take on a different meaning as we will move increasingly into second, third and even fourth partnerships with extended families of a complicated and demanding nature
- Individual life courses will change, both professionally and personally, as we recognise and come to terms with our personal longevity
- The labour market and the workforce will have to adapt to older workers, seeking to recruit, retrain and retain older workers – we may find ourselves delaying rather than forcing our retirement
- Consumption patterns will change and technology, retail and services will need to adapt to older people's needs and capacities
- People's disposable income will need to address changing needs as we age dramatically
- Retirement will become a time of contribution and responsibility, a time of empowerment and citizenship.

The ageing of societies and of individuals has been a topic of intense interest, debate and research for the last 50 years as population demographics changed dramatically, the roles of women in the family and the workplace entered a completely new era, and we as individuals could look forward to an increasing number of years in (comfortable) retirement thanks to early retirement schemes, occupational pensions and increasing longevity (Leeson, 2006; Harper, 2004, 2006; Howse, 2004, 2005).

National, regional and global research enables us to look at the increasingly contributory and responsible role of people in later life in the global world of ageing.

People in later life present an encouraging and challenging profile. People generally feel good, even as they age into what 20 years ago would have been regarded as dependent old age. The boundaries of dependent old age are being pushed ever forward. Modest fears about life after retirement are generally not borne out in retirement and key factors are independence and control, which contribute to a positive quality of life post-retirement. Our families are becoming smaller as we have fewer children, and they are also becoming more fragmented as partnerships are dissolved and new ones formed. And yet, families are the buttress of our society, the phenomenon we identify with and within which we exhibit significant feelings of intergenerational solidarity. Contrary to the popular myth of people in later life, these cohorts are not simply passive recipients of increasing amounts of support from their family, from their community and from their society. These cohorts provide significant amounts of support within the family to both older and younger generations, they are engaged in voluntary work in the wider community, and substantial proportions continue to work after the traditional retirement age. Clearly, without the input from these cohorts, many of the institutions we take for granted would fall apart.

It is this spirit of contribution and responsibility that profiles people in later life. Their demands on society do not equate to need, but rather to contribution – and learning is key to enabling them to do this.

As governments slowly began to wake up to this new dawning of a greying population (Denmark was the first country in the world in the late 1970s to establish a Government Commission on Ageing to develop joined-up policies to address ageing issues (Aeldrekommissionen, 1980, 1981, 1982)), research attempted to provide reliable

information not just about how long and healthy our lives would be, but how we spend that extra healthy life in retirement (ELSA; DLFS; SHARE; GLAS; AXA).

Today, we have a wealth of information. But what does it tell us about later life and the generations that will live it? How do we want to live? Do we want to work? What do we expect of our families? Is financial hardship just around the corner? In this briefing paper, we shall look into these issues drawing on some of the research undertaken in the UK and elsewhere in the last 20 years or so, and we shall endeavour to put this into an educational and citizenship context.

But first a brief overview of strategy and policy in lifelong learning and late life learning.

Keywords: population, demography, education, ageing, longevity

1. Lifelong learning/late life learning - Education and full citizenship

Training and education **is** individually and societally important. Their primary purpose is perhaps best summed up by the following remarks from the rector of Harvard University, who although speaking specifically about the role of a university, encompasses the essence of all education:

"A university is not about results in the next quarter; it is not even about who a student has become by graduation. It is about learning that moulds a lifetime; learning that transmits the heritage of millennia; learning that shapes the future."

(Drew Faust, Rector of Harvard, in his inaugural address in 2007)

When – as we shall see in the body of this review – people in later life are saying they want to be responsible and contribute in the workplace, the community and the family, they are also saying they need the skills to do this, and these will often be skills that they may not have acquired through education and training earlier in life. Education in an ageing society is key to the quality of life of people in later life (Mercken, 2004).

When people in later life need to prepare financially and socially for this stage of their life, they are also saying they need the skills to do this.

As longevity has increased, most individuals face the prospect of spending a quarter of their lives in training and education (at the beginning of their lives), 30-40 years in the workplace, and 20-30 years in retirement. The balance of lifelong learning needs to reflect this demographic life course balance.

There can be no question that quality pre-primary, primary, secondary, higher and vocational education and training are extremely important in a globalised world with intense competition, but there is inherently more to education and training than early learning alone. Lifelong learning is essential for the constant up-skilling that is required in a fast developing world, where technology and demographic change pose their own challenges and opportunities in the workplace. But lifelong learning and late life learning are more than equipping people for the workplace. They are also concerned with equipping individuals of all ages for full citizenship in their families and communities, enabling them to make contribution and be responsible for development.

The education and training policies of the European Union were in theory at least boosted by the Lisbon Strategy in 2000. This, however, focused on growth and jobs and as such is a narrow focus given the ageing of European populations and the changing perceptions and expectations of the older age groups in these populations. The European

strategy still provides some key issues worthy of note in a UK context for *later life and education*.

According to the Council of the European Union, in the wake of its agreement that Member States should have coherent and comprehensive lifelong learning strategies in place by 2006, the status is that most Member States, members of the EEA and Croatia and Turkey have progressed in respect of at least defining strategies, but lifelong guidance needs particular attention (European Commission, 2008). Countries are at one of the following stages of progress in this area: a strategy, framework, validation system or national policies in place (17 countries); developing strategy, framework or validation system (7); lifelong learning policies in place but no explicit strategy (7). However, implementation remains the greatest and most difficult challenge. According to the Commission report on progress, adult participation in lifelong learning *is no longer on track to achieve the benchmark*, which at 12.5% of 25-64 year olds participating in education and training is higher than the EU average in 2006 of just 9.6%. However, the UK participation in 2006 stood at more than 25%. Generally, the participation of older workers in these activities is problematic.

The German Government acknowledges that *lifelong learning is one of the biggest political and societal challenges facing Germany today* (Federal Ministry of Education and Research, 2008) and that implementing the ideas of the European Action Plan is critical to the future of the individual, of society and of trade and industry, taking the role of lifelong learning solidly outside the traditional arena of the workplace. The German Government's Committee on Innovation in Continuing Training make 10 recommendations, which may feed usefully into the UK debate on lifelong learning and learning in later life. Some of these recommendations relate to:

- **motivation and responsibility:** an individual's motivation and willingness should be increased, and general public awareness to the need for lifelong learning in a changing globalised world is key
- **recognition and acceptance:** a move toward skills and competences would increase acceptance of lifelong learning. Learning processes need to encourage active (full) citizenship
- **linked and cross-cutting sectors of learning:** this is vital to establish equal opportunity
- **transparency, quality, development and expansion**
- **integration through education:** intercultural education to foster intercultural skills
- **intergenerational learning:** lifelong learning must remain attractive post-employment
- **active participation in a democratic culture, tolerance and open-mindedness**
- **expansion of lifelong learning for and with enterprises**
- **learning without borders.**

Let us then look at what research tells us about later life and the future, the changes and the challenges.

2. The changes and the challenges

The UK demographics of ageing speak their own clear speak. The number and therefore potentially the visibility of people in later life have increased, and with visibility comes demands. A particular aspect of recent (and future) demographic development is the increasing ethnic diversity of the UK population in view of the high levels of immigration (Leeson, 2005b). Migrants pose particular challenges to an ageing population – both in respect of their labour force participation but also in respect of their ageing in place. In terms of labour force participation, there is the issue of “green card” restrictions, a particularly sensitive issue with regard to ageing as many migrants work with the health and social care of older people (Leeson and Harper, 2006a; Cangiano and Leeson, 2008). Ageing in place brings cultural confrontation – family-based care tradition in a regime of welfare provision. However, there is the key issue of lifelong learning for migrants, many of whom see the UK as a stepping stone to other countries (primarily the USA, but also elsewhere in the EU) and lifelong learning to enhance full citizenship is unlikely to be pertinent to a group who see themselves as part of a global rather than a national community. Indeed, this latter aspect of the **globalisation of citizenship** may also apply to younger groups of non-migrants in the UK, and the question of citizenship education at the global versus the national level therefore needs to be addressed: is it possible to encourage full national citizenship (with all that that concept entails) while rooting this in a globalisation context? The German Government Committee on Continuing Training highlights that *globalisation and the rise of the knowledge society pose enormous challenges that demographic change will considerably amplify*, and in this context the importance of learning as more than a workability qualifier is key (Federal Ministry of Education and Research, 2008). In addition, the Committee underlines the position of Germany as a country with many immigrants and the role of lifelong learning in the integration process.

In addition, the concept of retirement from the workplace has changed dramatically, moving from rest to reward to right, and now arguably moving to one of responsibility (Harper, 2006; Leeson and Harper, 2006, 2007, 2008). While it has been argued that retirement is associated with a significant loss of identity for the individual (Phillipson, 1998), more recent research would indicate that this is no longer generally the case (Leeson, 2006; Leeson and Harper, 2006, 2007).

Not only has the concept and content (Leeson, 2006) of retirement changed, but the timing has changed dramatically over the course of the last two or three generations. This was a result of the introduction of early retirement schemes across Europe and given the anomaly of early retirement and increasing longevity, policy responses in recent years has been to encourage/force late life workers to remain in the workplace (Ebbinghaus, 2006). The individual and societal consequences for changes in the balance of life stages has a number of defining outcomes (Laslett, 1989; Blaikie, 1999), much of which is associated with the rhetoric rather than the rationale, much the same way that an ageing population moved from a problem to a challenge to an opportunity in the course of 20-30 years at the end of the 20th century, despite the underlying demographic trends at least remaining unchanged. So in the 1980s, we saw the introduction of *the third age* rather than old age and this would require gargantuan efforts from societal institutions to adjust to the needs and demands of these *cultural trustees of the future* (Laslett, 1989). *Third agers* were active, well-educated, well-off, in good health and demanding – and, above all, different from previous generations. However, not to deny that this stage of life may well be defined also by dependency and frailty at some stage, *the fourth age* was conveniently coined.

Research focused on these new generations of third agers – the baby-boomers – and the ways in which they would change society fundamentally (Leeson, 2006; Carnegie UK Trust, 1993). There was an implicit danger in the glorification almost of later life that

dependency and frailty would become phenomena of a bygone age. Strangely, what began quite simply as a rejection from the workplace became a defining moment for a new generation of consumers with a completely new lifestyle for this life stage (Blaikie, 1999; Vincent, 1999).

So later life, in the first decade of the 21st century, is firmly defined as a life stage of choice, control, independence, opportunity, creativity and personal development without significant financial fears, at least for the majority (Leeson and Harper, 2007, 2008; AXA, 2008)

In the following, we shall consider key areas of importance in later life to the individual and to society. In understanding the expectations of people to these key areas, we shall understand the cohorts in later life – and be better equipped to meet their needs and harness their talents.

2.1. Housing

During the course of the latter decades of the 20th century, housing and ageing became a central issue in discussions relating to the preparation for retirement. Despite repeated calls for mobility and to move in time, both younger and older generations display a solid lack of propensity to move to housing, which would be more suitable in later life. Staying put is still the preferred option (Leeson, 2000, 2001, 2004). Efforts were made to improve the availability and choice of suitable housing options for the ageing population. These options were designed to address the promotion of independence and self-determination in later life, something which had been the focus of research up through the 1990s (Leeson et al, 2004). The policy aim was to enable people as they aged to remain in the home of their choice for as long as they desired, although there was evidence of an increasing interest in alternative forms of housing in later life (Leeson, 2001; Daatland, 2000).

Increasingly, housing and ageing are now seen from the perspective of independent, resourceful people in search of attractive housing in later life. Gone is the idea that retirement meant sheltered accommodation and wardens.

As Leeson, Harper and Levin (2004) point out much of the discussion about housing in later life has little foundation in empirical evidence elucidating the preferences of those concerned. Instead, discussions are often based on preconceived ideas about the attitudes, behaviour and aspirations of these people, relating more therefore to the assumptive world of policy makers and providers than to that of people themselves (Wilson, 1991, 1997).

An individual's home is now a defining part of his/her identity and lifestyle. It is where we relax, entertain, are entertained, share our experiences with family and friends, learn. It is from here we communicate with the world. Given the lifestyle association of housing and the changing role of people in later life, a change of housing in later life is indeed a lifestyle choice (Hanson, 2001). This lifestyle choice is reflected to some extent in King et al (2000) with reference to older people moving to the warmer climes of Southern Europe, for example, for part of the year.

The research reveals that generations have been, and in later life expect to remain, staying put generations (for example, Leeson, 2006). However, it would seem that the prepare-for-later-life debate has at least brought about one significant change – the proportion stating that they had not thought about their housing needs and desires in later life has been eliminated. This does not mean, however, that people expect in great numbers to seek out new and alternative forms of housing in later life. On the contrary, they expect to stay put. Even in the face of increasing dependency on the support of others, staying put remains the expectation of most.

In terms of attitudes and behaviours of those generations retiring over the next 20-30 years, there are a number of interesting conclusions from the research:

Although it is unlikely that mobility will increase significantly or permanently housing will become a key part of our lifestyle and identity. Our homes will be centres of activity, including not only of social leisure but also of educational attainment as we, as individuals, see the benefits of life long continued education – not necessarily as a meritable aim but more as a means to achieve optimal lifestyle benefits in later life. Learning will need to come into the home but individuals will also seek learning combined with social activity both at home and abroad, combining community contribution as a volunteer (also abroad) with individual experience; However, despite our increasing longevity, there will still be a period – albeit decreasing – of our lives when we need help and support in our homes. We shall be increasingly reluctant to sacrifice our independence. Access to information via technological channels will have made us and our families knowledgeable and challenging to the providers of help and support. Immediate redress to social services will decline as we seek alternative, more flexible solutions to our help and support needs – e.g. live-in migrant carers.

2.2 Late life work and retirement

The ageing of the population has led to political and economic consideration with regard to the intergenerational social contract on which many welfare models are dependent. In many countries, there is increasing doubt about the robustness of pensions systems, both public and private, both with regard to the financing of these and with regard to their ability to live up to people's welfare expectations in old age (Munell, 2002; Clark, 2003; Whiteside, 2002).

As discussed above, on the one hand, demographic development is extending the length of life expectancy, and on the other hand, withdrawal from the labour force has been occurring earlier since the introduction of early retirement schemes in the 1970s and 1980s, although the average age of withdrawal has shown some signs of increase in line with the aims of the EU Lisbon Treaty.

Across Europe, there is a divergence of gender differences in labour force participation, and in broader terms the structural changes in labour forces in terms of gender equality have reached those aged 45-60 years.

Research reveals that work has a relatively low level of importance in relation to identity (Leeson and Harper, 2007; Leeson, 2004, 2006). Family is most important in terms of identity (two thirds of those aged 40-60 years globally according to the Global Ageing Survey (Leeson and Harper, 2007)).

With the advent of early retirement and partial retirement schemes, and with an increasing recognition of the importance of the ageing workforce and population, a wealth of research was carried out to elucidate the popularity of such schemes, their success in bringing unemployed young people into the labour force, attitudes to the schemes among both employees and employers, levels of satisfaction, and life after withdrawal from the labour force (for example, Clark and Spengler, 1980; Clark, 1980; Hurd and Boskin, 1984; Pozzebon and Mitchel, 1989; Trinder et al, 1992; Hurd and McGarry, 1993; Guillemard and Walker, 1994; OECD, 1996; Walker, 1997; Platman, 2003; Taylor, 2003; Platman and Maltby, 2004; Taylor et al, 2004; Leeson and Harper, 2006).

In relation to attitudes and expectations to withdrawal from the labour force, we shall focus on the pre-retirement generations aged 40-60 years, drawing particularly on results from the Danish Longitudinal Future Study and the Global Ageing Survey to

underpin general trends. Among those still working in these pre-retirement generations, almost 50% at the global level expect to continue working for as long as possible with an additional 30% expecting to retire when they are old enough to receive their pension. Only just over 10% expect to take early retirement. Similar trends are found in the UK with 41 per cent expecting to continue working for as long as possible, 29% expecting to retire when they are old enough to receive their pension, and 18 per cent expecting to take early retirement.

The corresponding figures for those still-working after age 60 years at the global level are 54% expecting to continue working for as long as possible, 17% expect to retire when they are old enough to receive their pension, and just 5 per cent expect to take early retirement, while they are 57%, 20% and 3% respectively in the UK. Furthermore, globally, approximately 70% of the cohorts expecting to continue working will do so because they want to work rather than feeling they have to continue to work, and in the UK this is true for 82%.

Thus, substantial numbers of over 50s **are** still working, globally and in the UK, and among these early retirement does not seem to be the preferred option.

By the early 21st century, as governments initiate measures to discourage early retirement, it does seem that expectations have stabilised, and there is a measure of success in halting the increasing expectations to retire early. However, it is still the case that proportions expecting to take early retirement are higher among skilled workers, among employees with occupational pensions, and among those expecting a better standard of living after withdrawal.

Longitudinal analyses of the timing of withdrawal from the labour force reveal that those stating that they expect to retire early in successive waves comprise the most stable group inasmuch as this group has the smallest proportion changing their expectations between waves. In addition, among those changing their expectations there is a significant shift towards expecting to take early retirement.

Reforms of early retirement and pensions scheme are but one of a number of initiatives from the social partners to encourage employees to delay their withdrawal from the labour force. Another is the promotion of flexibility in respect of withdrawal, paving the way for part-time work and flexible working hours as an attractive alternative to the sudden transition from economic activity to economic inactivity.

However, it seems that those generations close to retirement would simply prefer to withdraw from the labour force. Interestingly, where some form of flexibility in employment prior to withdrawal from the labour force is a preferred option, it is often not possible in the workplaces in question, indicating that the efforts of the social partners to promote this attractive option to retain ageing workers in the workplace is not feeding through to the workplace to the extent that could be desired.

Which factors could encourage employees to remain longer in the labour force than they envisage doing? There are a number of economic, workplace, educational and personal incentives and disincentives to delaying withdrawal from the labour force, but it is clear that no single incentive/disincentive could delay significantly the withdrawal of the generations approaching retirement.

Increasing the age at which early retirement is available and a reduction in working hours could each delay withdrawal, while other initiatives would only delay withdrawal for modest proportions of workers.

The economic incentive of an increasing pension for each year withdrawal is delayed beyond the early retirement age would delay withdrawal from the labour force for a

relatively small proportion of the generations. Even the effect on withdrawal behaviour of making early retirement more difficult by increasing the age at which early retirement is available is limited.

Workplace incentives such as a reduction in working hours, aligning the pace of work and employees' capabilities, and providing different forms of work to match capabilities would only delay withdrawal for small sections of the generations approaching retirement. Support in the workplace is not an unimportant issue.

Clearly, the factors determining the timing and form of withdrawal from the labour force in the future are complex and varied. The research indicates that there is a similar complex and varied set of factors that could influence future decisions about withdrawal. Most striking is the effect – albeit modest – of recent reforms of early retirement and pension schemes. While securing the continued and longer attachment to the labour force of some, the expectation of large proportions is still to retire early.

Early retirement seems to be a solid feature of the labour market, and there is little evidence that this behaviour can be changed easily or speedily, neither by incentives nor by disincentives. At the moment, there appears to be no single (acceptable) policy initiative that could radically change the behaviour of generations over the next 15-20 years. Since the introduction of early retirement schemes, the social partners have spent almost a quarter of a century educating workforces to retire early and to plan for life after retirement. Those efforts have been successful, much to the chagrin of contemporary decision makers concerned about this behaviour. In addition to the entrenched withdrawal behaviour, there is evidence of a lack of interest in retaining older workers in the workplace despite efforts from policy makers to encourage this. Delaying withdrawal from the labour force seems to be unattractive from both the employee's and the employer's point of view.

In terms of attitudes and behaviours of those generations retiring over the next 20-30 years, there are a number of interesting conclusions from the research:

attitudes and expectations indicate that early retirement will still be the preferred option, but there is a willingness to continue if conditions are right
contribution is again a key issue for the retiring generations of the future. Life long continued learning is then key to this needing to be able to provide up-skilling and re-skilling not purely in a workplace context but in a familial and community context unless the social partners can make work more attractive and rewarding in later life, most are geared to early retirement.

2.3 Financial security in later life

Retirement is a complicated concept. It can be regarded as the state in which one withdraws completely and permanently from paid work; or the state in which one begins to receive a pension (state or other); or the (psychological) state in which one regards oneself as retired from (paid) work. Regardless of definition of the concept, the majority of males and females in the UK have retired before the state pension age – two thirds of males and more than half of females have stopped working before the state pension age.

Historically, retirement decisions are influenced by the institutional structures that either encourage or discourage retirement at a particular age (Harper, 2006). An example of the effects of institutional structures in recent times is the introduction of early retirement schemes in many developed economies in the 1970s and 1980s and the subsequent massive loss of older workers from the workplace before state pension age (Ebbinghaus, 2006), as discussed above. According to Banks and Smith (2006), this institutionalisation of the timing of retirement has led to two distinct early retirement groups in the UK based on a wealth parameter. For those with high levels of wealth,

early retirement has been facilitated by private, occupational pensions, while for those with low levels of wealth, early retirement is not only at an earlier age, financed by income support or disability benefits, and it is not regarded by individuals themselves as retirement. Clearly these two groups have vastly different levels of financial security and – underlying that security – levels of preparedness.

Studies reveal that the timing of retirement and whether it is complete or partial are determined by an individual's financial preparedness as they perceive this (for example, Samwick, 1998), although a number of other factors also seem to influence this decision such as health status, labour force status of spouse/partner (Banks and Smith, 2006; Leeson, 2004). Arkani and Gough (2006) provide analyses that also support the link between the timing of retirement and membership of occupational schemes, and given this body of evidence, it is worth noting at this stage that according to data from the British Household Panel Survey (1991-2003) presented in Banks and Smith (2006), occupational pensions are more common among older male workers. Almost half of females have neither an occupational nor a private pension. Likewise, smaller proportions of females have both types of pension, while the proportion of both males and females born in 1960 or later with occupational pensions is around half.

There is a body of research that underlines the fact that women hitherto face greater financial disadvantage in retirement than their male counterparts (for example, Ginn et al, 2001; Rake, 1999; Olsberg, 2005; Clare, 2004). There are also gender specifics at play in respect of retirement confidence and planning (Joo and Pauwels, 2002). Significantly more males have estimated their financial needs in retirement and it is likely that such initiatives increase the probability of financially preparing for retirement (Joo and Pauwels, 2002).

A recent national general population study (CIPD, 2003) confirms that large numbers of people do not understand their pension schemes, although understanding and awareness seems to be greater among those closer to retirement. There was a strikingly low level of awareness of the cost of financial comfort on retirement. But given this lack of understanding, does it matter what type of pension scheme one has? According to Blake (2000), the answer is "yes" – if you are concerned about your pension! Blake agrees with others (for example, Howse (2004) and Breyer (2001)) that *unfunded state pensions schemes are unlikely to be sustainable*, basing this belief on demographic imbalances, and counter-arguing instead that *funded pension schemes will be able to deliver the pension promise*.

The UK is settling into a pensions structure where most of the pension schemes now being established are defined contribution schemes, but these have a number of "alert characteristics" – high charges, considerable dispersion in the performance of investments, and poor value for money on annuities. It is for these reasons that Blake (2000) asserts that when we choose our pension schemes (assuming we indeed have a choice), we have difficult choices to make. While this is an eminently sensible assertion, it is based on a presupposition that we are knowledgeable and critical consumers of the pension schemes market. While Blake (2000) analyses the pros and cons of defined benefit and defined contribution schemes and then goes on to make policy recommendations for government, there is no real comfort or advice for the individual consumer, whom he claims has difficult choices to make. Instead, he cites inadequate pension savings as *the greatest impediment to having a decent pension*. His recommendation is that governments should ensure sufficient mandatory minimum contributions into a funded scheme while reminding us that the UK mandatory minimum for the second pension is insufficient to provide an adequate pension.

A move to mandatory contributions (in some form) may not be untenable. Data from the HSBC Future of Retirement Global Ageing Survey (Harper and Leeson, 2007, 2008; Leeson, 2008) reveal that in the UK there is some degree of support for raising taxes,

reducing state pensions, enforcing additional private savings or increasing retirement age to address the demands of ageing populations. In terms of gender specifics, it is interesting to note that increasing taxes is predominantly a male option, while increasing retirement age is predominantly a female option.

What – apart from available financial resources – influences our preparedness for retirement? Research shows that health is a defining factor in terms of choice of the timing of retirement (Leeson and Harper, 2007, 2008; Leeson, 2006). Even 10 years ago, Sterns (1998) was arguing the emergence of a paradigm shift affecting the way we invest in our future (retirement), but we are still researching to understand the drivers and barriers to retirement planning.

There is evidence too that personality constructs and financial knowledge are significant factors (Hershey and Mowen, 2000), but there is only limited psychological research to investigate pre-retirement, financial-planning decisions. From an economics point of view, on the basis of Poterba (1996), individuals can be grouped according to why they do not prepare for retirement:

- the short-sighted group: they do not save because they are unaware of the value of retirement provision
- the unlucky group: they do not save because they have lower earnings than expected or higher expenses than expected
- the spend-it-now group: they do not save because they have high discount rates and choose to consume while working at the expense of retirement consumption
- the fantasy group: they do not save because they have unrealistic expectations for their retirement income from social benefits, private pensions or other sources and for their own longevity and for their retirement consumption.

This psycho-behavioural categorisation is confounded by other factors such as lack of education leading to negative attitudes towards saving (Bernheim et al, 1997), an overestimation of the financial robustness of retirement investment (Hershey and Wilson, 1997) and an underestimation of one's longevity (Walsh et al, 1989). Building on this, Hershey and Mowen (2000) found that self-rated financial knowledge was positively related to perceived financial preparedness, suggesting that **training and intervention** could encourage financial preparation for later life; a direct relationship between future time perspective and financial preparedness, suggesting that policy messaging, education and training could increase an individual's future orientation and therefore that individual's propensity to prepare financially for later life.

Future time perspective receives a deal of attention as far as financial planning is concerned. A number of studies have indicated that the degree of individual orientation towards the future predicts planning and saving. In addition to the cited work by Hershey and Mowen (2000), work by Lusardi (1999) indicates that pre-retirement a short planning horizon is linked with lower average net worth and expectations in respect of income from personal savings in retirement. Jacobs-Lawson and Hershey (2005) consider the influence of future time perspective, financial literacy and financial risk tolerance on retirement savings behaviours and find that the higher the levels of these three variables the more aggressive the savings profiles.

The evidence is that **education and training** for retirement would seem to be significant in respect of encouraging and enabling financial preparedness (Lusardi and Mitchell, 2007; NCEE, 2005; Hilgert and Hogarth, 2002; Australian and New Zealand Banking Group, 2005; OECD, 2005; Christelis et al, 2005; Miles, 2004).

Those more financially literate are more likely to have thought about retirement (Lusardi and Mitchell, 2006b) even when other factors are taken into account such as level of (general) education, marital status, retirement status, gender, and ethnicity. The crucial

link is that lack of planning equates with lack of saving (Lusardi and Mitchell, 2006a; Lusardi, 1999; Calvert et al, 2005; Kimball and Shumway, 2006; Hilgert et al, 2003).

“Blanket” financial education may not be the answer to preparing for retirement. Moore (2003) found that individuals prefer a personalised approach to financial knowledge provision rather than collective educational initiatives. In the UK, the complexity and incomprehensibility of the pension system prevents people from making rational decisions about their own preparedness needs (Pensions Commission 2004).

According to the Pensions Commission (2005), personal private pension saving (voluntary) rather than increasing – as government would hope and desire – is declining. Of the 34 million persons of working age, almost half (15.3 million) are not contributing to a private pension (either themselves or via a partner).

So, what do we expect in retirement? What can we expect given the experience of present-day generations of retired people? Do we have choices? Are we thinking about retirement?

Evidence from Denmark (Leeson, 2006) suggests that the public debates there over the last 20 years have at least ensured that people **are** thinking about life after work and they **are** making choices. Local evidence from Scotland, however, suggests that large proportions of people are still giving little or no thought to retirement (Anderson et al, 2000). Policy makers may find little comfort in economic modeling of consumption, saving and retirement as this indicates that the whole range of individual circumstances come into play (French, 2005; Blau, 1994; Rust and Phelan, 1997).

Whatever, the demographics of the future – as outlined earlier – demand that individuals and governments face some difficult choices in their response to individual and population ageing. Both the Pensions Commission (2005) and Harper and Leeson (2007, 2008) point out that basically, there are four choices for government: increasing savings, raising taxes, reducing state pensions or increasing retirement age; and two for individuals: working longer, and/or increasing savings.

Evidence for the UK suggests a little bit of everything perhaps, but with some interesting pre- and post-retirement specifics.

So should savings for retirement be compulsory? This choice is more likely to be supported by those already in retirement (Harper and Leeson, 2008). Other survey results provide further support for the idea of compulsory savings for retirement (for example, Mintel (2005)). Alarmingly perhaps, support was lower among those not contributing to a pension.

Or should taxes be raised to finance and support the ageing population?

This choice is more likely to be supported by those approaching retirement (Harper and Leeson, 2008). Males are more likely to support this choice.

Or perhaps reducing pensions?

This is the preferred choice for only a small minority of adults both pre- and post-retirement.

Or working longer?

Working longer is the preferred choice of relatively large groups both pre- and post-retirement.

At the extremes of the preparedness spectrum, there is a group of high income earners with attractive private pension schemes adequately prepared financially for retirement, and there is a group entirely dependent on (inadequate) state provision (and family and community support). In between is the major part of the working population with some degree of preparedness but poorly equipped to understand the complexities of pension provision – this group is significantly susceptible to reaching retirement with inadequate financial provision.

This concept seems to receive some support from the Pensions Commission (2004). Those likely to retire with adequate pensions include:

- large proportions of public sector employees
- those with private sector direct benefit schemes.

Low income employees with no private provision would see increased replacement rates for state benefits if a status quo on indexation is maintained, thus protecting this group from pension erosion.

Losers will be people on average and low (but not very low) incomes with no employer pension contribution (Pensions Commission 2005).

What can be expected of future generations and their financial security in later life?

There is considerable political and economic consideration with regard to the intergenerational social contract on which many welfare models depend. In many countries, there is an increasing doubt about the robustness of pensions systems, both public and private, both with regard to the financing of these and with regard to their ability to live up to people's welfare expectations in old age (Munell, 2002; Clark, 2003; Whiteside, 2002).

Is financial security in old age a myth of welfarism? Is it feasible to expect that universal state pension schemes (state welfarism) can provide this security? How are future generations of retirees reacting to this? Is there potential on the basis of an increased take-up of occupational pension schemes for reduced pressure on the state pension if the latter were made dependent on receipt of occupational pensions? Is there a fear among future generations in respect of their financial security in later life?

From the global ageing survey, it appears in the UK that the fear of not being able to cope financially after retirement is felt by only a relatively small proportion of pre-retirees, and the same is true for post-retirees and their financial fears for the future. Globally, 50% of pre-retirees and 58% of post-retirees are not worried. In the UK, approximately 70% of pre- and post-retirees are not worried.

The proportions of pre-retirees expecting a decline in their standard of living after retirement are modest, as are the proportions of post-retirees who find that their standard of living is worse than it was pre-retirement. Globally, the proportions expecting/experiencing a decline in standard of living are 28/34%, while in UK they are 35/21%.

As the economic climate becomes more tense there is the potential for a breakdown of the social contract between generations and between advantaged and disadvantaged that underpins welfarism. However, there is evidence globally in mature economies that financial disadvantage in later life is **not** something that is expected although lack of money in later life **is** something large proportions fear. The UK has a relatively high proportion both pre- and post-retirement fearing not having enough money. Thus, 45%

pre-retirement fear not having enough money in old age, and post-retirement this proportion is 41%.

Pressure on state provision seems to be modest from the future generations of retirees (Leeson and Harper, 2008). Globally, 31% pre- and post-retirement feel that governments should bear most of the financial costs of supporting them in retirement. In the UK, the figures are 39% pre-retirement and 33% post-retirement. However, confidence in governments living up to this obligation is lower. In the UK, only 19% feel governments will bear most of the financial costs.

The usual mechanisms of government to support its ageing population, such as raising taxes, reducing state pensions or increasing retirement age are rejected globally while there is some support for some of these measures in the UK.

When given the choice of enforced additional private savings, raising taxes, reducing pensions or increasing retirement age, in the UK 18% pre-retirement feel that governments should initially *enforce additional private savings* to support and finance their ageing populations. This proportion increases post-retirement to 28%, and males are more inclined than females to recommend this to governments, slightly more so post-retirement. Pre-retirement, *increasing taxes* is the majority option for supporting ageing populations in the UK with 42% choosing this option followed by *increasing retirement age* (35%). Only 6% feel that the UK government should *reduce pensions* to finance and support the ageing population. Increasing taxes is predominantly a male option. Post-retirement, *increasing retirement age* is the preferred option (40%) followed by *enforced additional private savings* (28%) and *increasing taxes* (26%). Only 5% feel that the UK government should *reduce pensions*. Increasing retirement age is predominantly a female option.

Overall, it seems that UK citizens are saying to governments that they acknowledge the need to finance their old age; that they do not feel confident in the government doing this; and they favour taxation and an increase in retirement age followed by enforced savings as the preferred mechanisms to provide for the ageing population.

So there are some clear messages:

- there is limited apprehension about financial security in later life
- this limited apprehension is not completely and universally supported by the preparedness behaviour of the population
- there is limited expectation of government efforts to provide financial security in later life
- there is an awareness of individual responsibility for financial security in later life
- there is evidence of a *psychological block* and *financial illiteracy* in respect of financial preparedness for later life.

2.4 Family, Community and Citizenship

The demographic ageing of industrialised Western societies which has occurred during the 20th century has affected various areas of society as well as individual behaviour, nowhere more apparent perhaps than in relation to the family (Harper, 2003), where family and social life are subject to pressure and change. Familial and social lives are constantly being transformed, and familial organisation, with kin groups pooling resources and functioning as a single coherent unit, has changed as ideological, economic and social changes have driven control from the family unit towards the individual or towards other social institutions than the family. The kin connection to property and marriage has been destabilised by the move from family- to wage-based

employment, which has encouraged individual autonomy in many of these decisions (Waite et al, 2000). Urbanisation and technological change have almost revolutionised communication, social intercourse and entertainment, dramatically undermining the role of the family in this respect. Furthermore, towards the end of the 20th century, new kin structures emerged: reconstituted or recombinant stepfamilies, ethnic minority families, single-parent families, cohabiting couples, all of which raised questions about individual roles and responsibilities within these new family structures.

In addition, societies are experiencing an *ageing of some life-transitions* (Harper, 2006), which, when combined with the shift from a high-mortality/high-fertility to a low-mortality/low-fertility society, have significant implications for both family structure and kinship roles (Farkas and Hogan, 1995). As populations age, the child-parent relationship moves from one of dependency to one of an adult relationship. The common experience for many parents and children is moving towards one of around 60 years of joint life, with less than a third of this time spent in a traditional parent/dependent-child relationship (Riley, 1983; Grundy, 1999). Time spent as the daughter of a parent over 65 now exceeds the time spent as the parent of a child under 18 (Watkins et al, 1987), but this should be viewed against the situation that while a high proportion of these persons aged 65 years and over previously were dependent to some degree on others, this is no longer the case. Dependence on children for help with daily living activities is now most likely to occur after age 80 (Ulhenburg, 1995). The growing significance and length of old age and grandparenthood, however, places other and additional demands on the roles and relationships of adult women in particular (Zeilig and Harper, 2000).

As family structures change, an older person in need of familial support may be faced with a complex of potential providers of support, whose familial ties vary considerably, and in this respect the role of reconstituted or step families in caring for older adults is a central issue. There is only limited research, which elucidates these phenomena (Finch and Wallis, 1994; Bornat et al, 1998; Dimmock et al, 2004; Haskey, 1998), but the suggestion is that the complexities of the ensuing relationships do not lend themselves to any particular pattern or structure of care. The dominant care relationship of blood-related daughter for mother, found within non-reconstituted families, does, however, seem to remain central. Whilst there is a growing awareness of the possibilities of looser-knit, divorce-extended families, when it comes to 'the crunch' the availability of care will usually depend on access to close 'blood ties' (Dimmock et al, 2004).

Demographic ageing has also brought with it an increasing average length of marriage for those marriages not terminated by divorce, and these marriages have been extensively studied (Bengtson et al, 1990). In addition, the child-parent dyad becomes one not of dependency but of mutual adult relationships (Riley, 1983; Grundy, 1999). Family structures have verticalized during the 20th century (Bengtson et al, 1990; Hagestad, 1986; Dench et al, 1999) leading to intercohortal contraction and an increase in intercohortal extension (Bengtson et al, 1990) with all the implications this may have for late life care.

It is claimed that intergenerational ties in some cases strengthened towards the last decades of the 20th century (Mendras, 1988; Dirn, 1990). Furthermore, inter-cohortal relations in relation to ageing are quite central to the social contract (Bengtson, 1993), and the question of intergenerational equity in relation to a redistribution of resources is equally central (Guillemard, 1996). Indeed, the whole issue of families and the sociology of families raises widespread interest (Newman, 1999).

Families and their roles and responsibilities have thus been challenged profoundly over the last 100 years, and are increasingly so as family structures have changed. Economic, social and even ideological shifts have shaped and threatened the accepted role of the family, both for the individual and for society.

Most certainly, the definition of what constitutes a *family* is now more fluid, accommodating numerous combinations of cohabitation forms and sexualities, children and stepchildren. Delayed life transitions such as marriage, birth, and leaving the parental home compress the time and space within which the *family* is expected to germinate and grow. From being a (lifelong) unit within which reproduction and (economic) production are concentrated, the family as a social-functional unit seems to have a much reduced role to play in the 21st century. Reproduction is at a minimum and production is the responsibility of independent individuals outside the family unit. Female labour force participation rates at all ages are approaching those of males. Dependent children and dependent adults in advanced economies are the responsibility not just of the family but of society, freeing families to some extent of the caring burden, but at the same time removing a function of family life to outside the familial sphere.

However, the changing structure of families in ageing societies does not need to mean that the supportive role of families is decreasing in importance, and in fact in many societies, the family seems to be increasing in importance in people's lives. Comprehensive studies of the intergenerational supportive role within the family reveal the complex aspects of this phenomenon. The size and density of a social or familial network are not positively linked to support *per se*. Large, closely-knit families can be sources of intrusiveness, bad advice and conflict as well as support.

Since the 1960s, mean household size in the European Union has decreased in all countries (Hall, 1993) and by the late 20th century ranged from just over 2 in Denmark to approximately 3.5 in Spain and Ireland. This development has been driven by two primary factors, namely a decline in the number of large households and an increase in the number of single-person households. The former can be related to declining fertility levels while the latter can be related to both an ageing population and the tendency for younger people to choose the single-life style. Behind this simplified statistical picture is a backdrop of complicated patterns of one-parent households, remarriage of adults with children (having their own children), consensual unions (with or without children), and maximum two-generation households.

As early as 1986, the complex changes in families and household structures and the wealth of related behavioural phenomena were summed up in the following (Burnel, 1986):

"All of these changes are associated with the arrival to adulthood of the post-Second World War generation. There seems to be a fundamental change in attitudes to life, which is not caused by political or economic factors peculiar to a region or social background. There would seem to be a major transformation affecting all advanced countries, irrespective of their social and regional structure, and the movement is universal, causes are therefore deep-seated, common to all the Western countries and capable of changing mentalities."

In historical terms, marriage is the institution that establishes families and provides the human framework within which reproduction begins. However, in true Malthusian fashion, younger people across Europe since the 1960s have been delaying their entry into marriage – though not necessarily into cohabitation – and at the same time marriage rates have been declining. However, perhaps the one single dominant factor driving much of this fertility and marriage related behaviour has been the influx of women into the labour market, bringing in its wake the increased independence of women in partnerships.

It is clear from the above discourse that the family is not a constant phenomenon over time or over different individuals. There are inherent and potentially significant differences with regard to family structure, family size and family function. It is often

assumed that older people without children are more disadvantaged with respect to familial support than older people with children, but this simplistic assumption excludes the potential supportive contribution from other members of an individual's familial and social network (siblings, friends and neighbours, for example). However, the family as an institution may have more than a purely practical supportive function, and its importance may therefore not necessarily be determined by the willingness or capability of family members to provide support in some shape or form.

The Global Ageing Survey reveals that across the globe the family remains strong in defining who we are and we still feel high levels of obligation and responsibility to our family members. Furthermore, the contribution of people in later life to the family is vital.

So in the UK, approximately 70% across the 40-79 year cohorts of GLAS state *family* as the main thing they think of when they think of who they are, making the family the main factor of personal identification. Our duty towards our families is as manifest as our personal identification with our families. Around 70% of respondents in the UK feel that it is the duty of adults to provide for their parents (in-law) in times of need later in life. In addition, approximately 80 per cent in each cohort feel that it is the duty of a parent to do his/her best for his/her children even at the expense of their own well-being, and around 80% feel that it is the duty of grandparents to be there for their grandchildren in times of difficulty. There is significantly less support for grandparents contributing to the economic security of the family with only 25% of the youngest cohort rising to 47% of the oldest cohort feeling that this should be the case.

Our family commitment also extends to actively supporting and helping family members. Large proportions of the over 50s are indeed providing financial support, practical help and even personal care within the family and the proportions providing are greater than the proportions receiving, indicating a simple positive balance of support in their favour.

In respect of practical support during the previous 6 months, in the UK between 24% of the 70-79 year olds and 49% of the 50-59 year olds have **provided** support to a relative or friend. The proportions **receiving** practical support from a relative or friend are more modest ranging from 15% of the 50-69 year olds to 23% of the 70-79 year olds. Between 5% of the 70-79 year olds and 17% of the 40-49 year olds have provided personal care, with 2-4% of the cohorts receiving this form of support.

While there may be an expectation of family involvement and identification, this need not be the case in respect of the wider community, and yet it is this community identification and involvement that in many ways fundamentally defines citizenship – an activity, an involvement beyond the personal and familial.

Community involvement is substantial among the over 50s as we witness the development of the concept of life after retirement towards a time of responsibility, a time of *pay-back*. In the UK, the organised voluntary contribution to communities from the 40-79 year old cohorts ranges from 30% of the 40-49 year olds to 38% of the 70-79 year olds. In addition, others have been involved (but are not involved at present) in this form of voluntary work, ranging from 17% of the 40-49 year olds to 23% of the 70-79 year olds. The average number of hours per week ranges from 3.5 hours for the 40-49 year olds to 4 hours for the 50-59 year olds to 4.5 hours for the 60-69 year olds and to 5.2 hours for the 70-79 year olds, and in terms of the economic contribution of the voluntary engagement of the two oldest cohorts to the national economy of the UK, these figures correspond to a contribution of almost 18 million hours per week, and more than £4 billion to the UK national economy on an annual basis.

But in addition, there is also evidence from the research of an engagement in a wide variety of activities, both learning activities and activities of a socially interactive nature

(Leeson, 2005a; Leeson et al, 2004), but in order to realise the contribution at both the individual and community level, there is a need for skills development provided by late life and lifelong learning.

A number of interesting issues arise from the research in this area.

The family and the broader social network are important factors in defining identity. Network building blocks are available for most individuals – few have no surviving family or friends. There is a wealth of intergenerational, intrafamilial contact and support both up and down the generations with larger proportions of the over 50s giving than receiving.

Community involvement is widespread and on an impressive scale both in terms of numbers and contribution to the wider economy.

3. Age integration or age segregation?

Let us conclude by considering two (likely) scenarios which will impact not only on the individual and society, but also on lifelong and later life education and training. Basically, we propose two simple scenarios for the UK 2050, which can be regarded as diametrically opposite in respect of the ageing of our population. These are:

1. **Age segregation** – large proportions of people have continued to retire early. This will in itself, as we have seen with regard to financial preparedness, result in a polarised segment of the population in later life. On the one hand, those who are poorly secured financially and on the other hand, those with adequate, even extremely adequate, pension provision. The unprepared and unsecured group will have no plans and no inclination or resources to contribute to their community or to broader society. They become an embarrassing burden, despised and dismissed by their wealthier peers and by younger generations who see themselves as financing this inactive, non-contributory group who will be in poorer health. They will be subject to age segregation, taking no part in the functioning of society.

The prepared and secure group, however, will have planned their later life (with their partner and family) and as well as being able to enjoy their later life as they wish, they will be responsible and inclined to contribute (pay-back time) overwhelmingly, but not exclusively, in a voluntary context. They will be active and seek out education and training, mostly to fulfil their own desires, and although they too are subject to age segregation, they will not seriously be affected by this.

2. **Age integration** – over a period of 40 years, citizens have reaped the benefits of programmes for lifelong and later life education and training, empowering them and enabling them to function as full, equal and active citizens in a society which works as a collective while optimising individuality. All generations in 2050 contribute and are responsible - in the workplace, the family, the community.

The programmes which have brought about the change in scenario 2 have been developed from the Danish *folk high school* tradition (Leeson, 2004).

Danish Folk High Schools:

Danish Folk High Schools are independent, adult boarding schools (although Day High Schools do exist too) offering general subject courses including history, the arts, music, sports, philosophy, theatre, photography etc. There are 83 Folk High Schools of which

four are specifically for older people (old age pensioners). The philosophy of the Folk High School is to combine vocational education with personal and social experiences. The duration of courses ranges from one week to 10 months. Students must be over 17.5 years old at the commencement of the course.

The idea of Folk High Schools dates back to 1836 when Grundtvig advocated the establishment of Folk High Schools. A few years prior to this, he had already campaigned for a new kind of school. Grundtvig's ideas were radical indeed. He envisaged a people's university where all could learn – civil servants alongside peasants, practitioners and theorists on the same school bench, a true interaction between the elite of society and commoners. Students should through studying history and poetry become aware of themselves as a part of something bigger – the Danish People. In many ways, the first seeds of the Danish welfare state were sewn in Grundtvig's ideas.

In fact, the first Folk High School opened in 1844 in Roedding in Slesvig-Holsten, which is now a part of Germany. The establishment of Folk High Schools surprisingly pre-dates the free, democratic constitution in Denmark (1849), and by 1851 the Danish State was providing financial support to the schools.

Folk High Schools spread across Denmark but also Norway (1864), Sweden (1868) and Finland (1889) took on the idea.

In Denmark, the development of the Folk High School movement runs parallel with other democratic developments in the country – the co-operative movement (farmers) and the establishment of the Social Democratic Party in 1871 (workers). In just 26 years, the number of Folk High Schools in Denmark had reached 52, rising to 75 by 1890. With such a large number of Folk High Schools across the country, the Association of Danish Folk High Schools was established in 1891 and encompasses agricultural schools too (not surprising in view of the close democratic links with the co-operative movement).

The first Folk High Schools for senior citizens were opened in 1971 when the agricultural schools split from the movement.

With over 100 schools at the beginning of the 1990s, the movement has been hit by a number of factors in the last decade – increasing difficulty in attracting younger people, declining subsidies – and today there are 83 schools according to the Association.

Adult Education Associations:

As mentioned above, numerous local, regional and national adult education associations across the country provide a wide-ranging number of courses.

Let us exemplify this development by considering a single case-study: AOF (Workers' Education Association).

AOF was established in 1924 by the Danish Social Democratic Party, among others, and on its establishment 56 trade unions immediately joined the cause, so to speak. The first major activity of AOF was a national series of 953 lectures attended by almost 60,000 persons, followed by study groups and workshops and the emergence of evening schools. In 1925, AOF began to receive financial support from the State, and by 1929, AOF had developed from a national to a local movement comprising 90 local associations of which 32 also offered evening school activities.

In 1930, legislation was passed granting state financial support to evening schools and in 1932 it was decided by government that mainstream school facilities be made available to evening schools and study groups under the Adult Education Associations.

There was a boom in participation after 1938 when Holiday Legislation was passed – workers could now take part in courses during their holidays. New legislation on financial support from the State was passed in 1942 and evening high schools were allowed. In the 1950s legislation relating to the education of workplace workers' representatives opened up a new field of activity.

In the mid 1970s, AOF comprised 175 local associations, and by 1978, over 500,000 persons were participating annually in the courses they were offering.

Adult education in general:

In 2002, 95,000 year-participants took part in public financed adult education courses (a *year-participant* corresponds to 925 hours of teaching). This indicates a decline in activity over recent years – a decrease of 5% in relation to the 2001 (5000 year-participants). In addition, 30,000 year-participants took part in local authority supported evening school courses (under the Folk Education Legislation). Thus, in 2002, a total of 125,000 year-participants took part in supported adult education courses. There are also private adult education courses available.

It is estimated (Ministry of Education, 2003) that these figures translate to a total of 400,000 persons taking part to some degree in adult education (including vocational training).

Just over 5000 of these year-participants attended a Folk High School – decline of more than 30% since the mid 1990s. This is due to smaller generations of young people, a number of schools lost their support from public funds, plus it has become more difficult for unemployed persons to attend Folk High Schools since legislation from 1996 was introduced.

State, county authority and local authority expenditure in this field in 2002 amounted to 6.4 billion DKK, which corresponds to approximately 10% of the total public expenditure on education (excluding costs of student grants etc). From 1993 to 1998, this expenditure increased by 40%, but from 1998 to 2001 they have declined by 20%.

Generally speaking, the majority of participants are female – for example, 60% of Folk High School students are female. In all types of courses, persons aged 60 years and over constitute less than 20%

Providers of adult education are Folk High Schools, local, regional and national associations, trade unions, agricultural bodies, industry, and private organisations. There are national networks for most of these groupings, which represent the interests of the member providers in relation to local, regional and central governments.

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