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SHARELIFE – One century of life histories in Europe

Axel Börsch-Supan, Martina Brandt, Mathis Schröder

Abstract

Welfare state interventions shape our life courses in almost all of their multiply linked domains. In this introduction, we sketch how cross-nationally comparative retrospective data can be fruitfully employed to better understand these links and the long-run effects of the welfare state at the same time. We briefly introduce SHARE, the Survey of Health, Ageing and Retirement in Europe, and SHARELIFE, which collected 30.000 life histories of SHARE respondents from 14 European countries, providing a unique data infrastructure for interdisciplinary research on the various influences of contextual structures on the lives of Europeans during the last century until today. The eight studies in this special issue show that the multidisciplinary cross national approach of SHARELIFE allows a much more detailed understanding of life histories in Europe than was possible before.

Keywords: *ageing, cross-national research, interdisciplinary research, life course perspective, life history data, SHARELIFE, welfare state*

Life courses in Europe and the welfare state

Work, health, and family are key determinants of our well-being (e.g., Dolan, Peasgood, & White, 2008) and constitute major objectives of the welfare state. European welfare states have considerably expanded during the last century and shaped labour markets, health care as well as family structures and consequently the general well-being of Europeans. In today's societies, however, we still observe large heterogeneities across individuals, both with respect to the various measures of well-being and to its key determinants (e.g., Börsch-Supan et al., 2005). While knowing about and documenting these differences is important, we need to investigate why they exist, and especially, if it is possible to implement certain steps to mitigate or alter them. Understanding the mechanisms through which

policy interventions may be responsible for individual and country differences is of utmost importance as such knowledge will contribute to improved governance and evidence-based policy design. Here, a look in the rear-view mirror can enhance our grasp of individual behaviour: if we understand how the life of an individual today was shaped by the various influences over her lifetime, we are better able to predict how changes today will affect people in future.

So especially when globalisation and population ageing exert large pressures on social policy regimes and necessitate reform, the life course perspective is amidst the public debate (Kohli, 2007: 267). It is well-known that inequalities in different life domains are accumulated across the entire life course (for a review see DiPrete & Eirich, 2005). The well-being of the people today and how it will change due to societal challenges can only be fully understood only from an interdisciplinary life course perspective (Graham, 2002), which takes the individual and the societal level into account. On the individual level, we observe links between different domains across the entire life course: e.g. children with poor school performance due to health problems might become unemployed early on and are then not only subject to higher unemployment risk later in life (Brandt & Hank, 2011), but also face higher poverty risk and have fewer social contacts (Gallie, Paugam, & Jacobs, 2003) as well as poor health (Haan & Myck, 2009) and consequently suffer from lower well-being. Thus, childhood circumstances leave their traces even until very old age (Brandt, Deindl, & Hank, 2012; Mazzonna, 2011). Conceptually, there are

a) links within life course domains from early to later (e.g., childhood health and adult health) as well as
b) links between different life course domains (e.g., health and employment).

These individual lives are embedded in different historical, societal and political contexts which massively affect individual life circumstances. Such contextual differences are visible across countries, but also within countries over time. For example, adverse contextual events in early life such as experience of war or periods of hunger negatively affect old age well-being and mortality (Bohacek & Myck, 2011; Kesternich, Siflinger, Smith, & Winter, 2012; Havari & Peracchi, 2011; van den Berg, Doblhammer, & Christensen, 2009). Welfare states may intervene to mitigate “vicious circles” throughout the entire life, for example in terms of health care provisions, but also at different stages of the life course: In early childhood, parents might have been supported financially and through childcare arrangements; education laws affected the school performance and qualifications; during midlife, one may benefit from unemployment compensation and other income support; and once one retires, pension payments determine the household income. Of course, each of these interventions do not stand alone – e.g. investments in child health care may reduce sickness later in life, increase productivity and thus reduce the need for disability insurance take-up (e.g., Börsch-Supan & Roth, 2011). Again, we can differentiate the

c) links between contextual conditions (and their changes) within a life course domain (e.g. health care systems and individual health) and
d) influences of the contextual conditions (and their changes) on the links between different life course domains (e.g. unemployment benefits and the link between health and employment).

All four points (a) through (d) can be combined in the example of child birth and maternity leave regulations (see e.g., Brugiavini, Pasini, & Trevisan in this issue): Whether a child is born at least partly depends on (a) what happened earlier in a partnership, and (c) on different maternity leave regulations, but also (b) on the labour market situation of a couple, which is also affected by how (d) different maternity leave regulations might additionally change the labour market attachment of women, and consequently also the division of labour within a household.

There are only few datasets in the world following people for a time span that would allow such analyses – two examples are the British Cohort Study from 1946 and the Panel Study of Income Dynamics, which started in 1969 – and these are not cross-nationally comparable. Therefore, we are just beginning to understand how exactly specific welfare state interventions influence different life course domains in different historical, societal and political contexts. First and foremost, long term relations within and across different life course domains have to be disentangled on an individual level. Only then it becomes possible to assess which social policy measure at which life course stage can efficiently prevent unfavourable outcomes in different life course domains under different contextual circumstances. Identifying such multiple causalities and establishing links between specific interventions and specific outcomes, is a complex enterprise and a methodological challenge which is only possible when detailed comparative life course information exists. SHARE's third wave of data collection in 2008/2009, SHARELIFE, takes up this challenge and provides information that is exactly targeted at the need of long-term data without being able to go back in time, giving the possibility to link current outcomes to previous life events as well as to changes in the contextual environment.

SHARE and SHARELIFE – one century of life histories in Europe

Several countries have recently implemented surveys in order to monitor, document, and understand the complexities of individual and societal ageing processes (e.g., the Health and Retirement Study (HRS) in the United States, the English Longitudinal Study on Ageing (ELSA), and the Survey of Health, Ageing and Retirement in Europe (SHARE)). The focus of these studies lies on measuring outcomes in older people, usually defined as the population aged 50 and over, in different domains such as health, the financial situation, or family life. As these surveys are set up as interdisciplinary panel studies, they also allow observing changes in the lives of older people, and how they result in changes in various outcomes.

Since 2004, SHARE collects bi-annual panel data on health, social networks and the socio-economic situation of Europeans aged 50 and over (Börsch-Supan & Jürges, 2005). In 2008-09, the so-called SHARELIFE survey added retrospective life histories of 30.000 SHARE respondents from 14 countries (Austria, Belgium, the Czech Republic, France, Germany, Greece, Ireland[1], Italy, Netherlands, Poland, Switzerland, Spain) to the database and therefore opened vast new research possibilities. SHARELIFE not only allows to analyse how the respondents` earlier life shaped their situation today, it also helps explaining the multiple links between different key areas in life as well as the influence of welfare state interventions on one century of life histories in Europe. The combination of all data collection efforts gives a detailed picture of the status of each individual in 2004-05, 2006-07, and 2010-11[2] plus a view across the entire life course in 2008-09, ranging from career steps, economic conditions, family histories, health developments, and housing back to childhood living conditions. The data thus provide a fascinating account of the life in Europe over the past century – a century not only characterized by wars and oppression but also the expansion of welfare states along with crucial impacts on individuals' lives.

First, SHARELIFE takes a *life history* approach, as the live circumstances of older Europeans and the effect of welfare state interventions can only be understood from a life course perspective and not by comparing concurrent policies and outcomes (e.g., Mayer, 2009). Specifically, it is important to identify intervention points – at which state policies affect women and men at various points in their lives. Some interventions offset and others amplify each other, and they may have cumulative effects over the life course. Second, SHARELIFE uses a *multidisciplinary* approach that explicitly accounts for the interactions mentioned before, i.e. between different life course domains such as health, employment and family histories. These long-term interactions are crucial in creating different old age outcomes. Third, we base our analyses on *cross-national* comparisons to take account of general policy differences as well as the large heterogeneity of life circumstances in EU member countries which make similar policies work differently.

The SHARELIFE data were collected with computer-aided personal interviews making use of latest technologies (for methodological details see Schröder, 2011) and cover the most important domains of the life course[3]:

- *children* (e.g., birth of children, maternity leave decisions, pregnancies),
- *partners* (e.g., number of partners, history for each serious relationship),
- *accommodations* (e.g., place of birth, amenities during childhood, number of moves),

[1] The data from Ireland were not yet available when this special issue was prepared.

[2] The wave 4 data from 19 countries including additional social network information will be publically available from November 2012. A first results volume is edited by Börsch-Supan, Brandt, Litwin and Weber and will be published in June 2013. See www.share-project.org for details.

[3] We are grateful to the investigators of the English Longitudinal Study of Ageing (ELSA) who provided us with a template of their life history interviews (see Ward, Medina, Mo, & Cox, 2009). The US Health and Retirement study (HRS, http://hrsonline.isr.umich.edu) contains childhood information comparable to SHARELIFE.

- *employment* (e.g., number of jobs, job quality, history of work disability), and
- *health* (e.g., health shocks, current health, health care usage),

as well as information on

- *childhood conditions* (e.g., childhood health, school performance, accommodation features)
- *finances* (e.g., insurances, housing, stock market participation)
- *general life events* (e.g., persecution, periods of hunger, periods of happiness)

Such retrospective data collection has by now proven to be a very successful way to assess developments across a very long time span, not only in terms of cost (financial and time), but also in terms of quality (for an evaluation of SHARELIFE, see Mazzonna & Havari, 2011). It allows assessing individual life courses and the effect of welfare state interventions over the respondents' entire life. With this variety SHARELIFE constitutes an ideal interdisciplinary dataset for research in the many fields, including sociology, economics, gerontology, and demography.

This issue

This opportunity is taken up in this special issue. It introduces eight innovative interdisciplinary studies based on the comparative SHARELIFE data. They explore some key connections between different domains of life and their interconnectedness in different contexts in depth.

In the domains of *employment* and *health histories*, **Mathis Schröder** focusses on long term health consequences of involuntary job loss due to plant closures and lay-offs controlling for early life conditions. He finds that such unemployment experiences lead to worse health conditions more than 25 years later, and affect men and women differently. **Morten Wahrendorf, David Blane, Mel Bartley, Nico Dragano,** and **Johannes Siegrist** analyse the link between working conditions in mid-life and mental health and depression in older ages based on the demand-control-support and the effort-reward imbalance model. The authors show that retirees aged 60 and over that experienced poor working conditions between 40 and 55 suffer from more mental health problems than their counterparts. It is thus not just employment alone, but also the working conditions across working life that policy makers should monitor closely when aiming at encouraging healthy and active ageing.

In the realm of *gender*ed *employment histories* and their consequences, **Antigone Lyberaki, Platon Tinios,** and **George Papadoudis** explore career and family patterns of women across different cohorts. The authors investigate how different social norms and welfare state arrangements affected individual career choices. They especially focus on the differences between minorities and majorities within different countries and conclude that the transformation of the "European Social Model" has translated into changing female life course patterns. Relatedly, different patterns of maternity leave depend on respective regulations which therefore influence overall female labour supply – a topic dealt with by **Agar Brugiavini, Giacomo Pasini,** and **Elisabetta Trevisan**. The more generous the

maternity leave, the more women stay employed. This cumulates in differences in pensions which are explored by **Anikó Bíró** in terms of the financial situation of female widows. These women are on average less wealthy and healthy than their married counterparts. In countries with higher expenditures on survivors` pensions the adverse financial effects of widowhood are, however, less severe.

The next section then looks into *financial histories* in detail. Housing wealth belongs to the most important non-pension assets of people aged 50 and over in Europe. Studying how SHARE respondents acquired their housing, **Viola Angelini, Anne Laferrère,** and **Guglielmo Weber** conclude that family, government, and markets play complementary roles. **Danilo Cavapozzi, Elisabetta Trevisan,** and **Guglielmo Weber** analyse the links between life insurance investments in early life and participation in the financial market later on. Emphasizing the educational role of early life insurance policy purchase, its holders are more likely to invest in stocks and mutual funds later in life.

Life satisfaction in old age is the focus of **Christian Deindl** in the final paper of this issue, a topic that gains more and more attention not only by psychologists and sociologists, but also economists (Dolan et al., 2008). The author finds that childhood living conditions affect later life satisfaction directly as well as indirectly, thus again emphasizing the importance of a long term perspective in understanding well-being at later stages of the life course.

The eight studies in this special issue on *One century of life courses in Europe* based on SHARELIFE are exemplary. Not every domain of the survey could be highlighted in this issue.[4] The eight studies, however, show nicely how the different types of linkages which we have identified at the outset of this introduction can be disentangled:

(a) Old age life satisfaction can be traced back to childhood living conditions; financial market experience in younger age goes hand in hand with higher participation later on.

(b) Health and employment histories are closely linked in terms of unemployment and later life health; working conditions influence old age depression.

(c) Welfare state regimes influence the entire set of life-course domains highlighted above.

(d) Linkages between different life course domains are moderated by welfare state contexts, especially between family and employment, and this not only for women.

Older age living conditions and well-being are the sum of all these parts. The vast range of topics covered by the SHARELIFE data provides an idea of the extent to which SHARELIFE can and will advance the state of life course research. We hope that this special issue will set the stage for many more comparative life course studies to come.

[4] See Börsch-Supan, Brandt, Hank, & Schröder, 2011, for more SHARELIFE results,

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