

VU Research Portal

Services for the elderly

Nijkamp, P.; Vollering, A.

1989

document version

Publisher's PDF, also known as Version of record

[Link to publication in VU Research Portal](#)

citation for published version (APA)

Nijkamp, P., & Vollering, A. (1989). *Services for the elderly*. (Serie Research Memoranda; No. 1989-57). Faculty of Economics and Business Administration, Vrije Universiteit Amsterdam.

General rights

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain
- You may freely distribute the URL identifying the publication in the public portal ?

Take down policy

If you believe that this document breaches copyright please contact us providing details, and we will remove access to the work immediately and investigate your claim.

E-mail address:

vuresearchportal.ub@vu.nl

05348

1989-57

SERIE RESEARCH MEMORANDA

**SERVICES FOR THE ELDERLY
THEORETICAL AND EMPIRICAL DEVELOPMENTS**

**P. Nijkamp
A. Vollering**

Researchmemorandum 1989-57

augustus 1989



**VRIJE UNIVERSITEIT
FACULTEIT DER ECONOMISCHE WETENSCHAPPEN
EN ECONOMETRIE
AMSTERDAM**

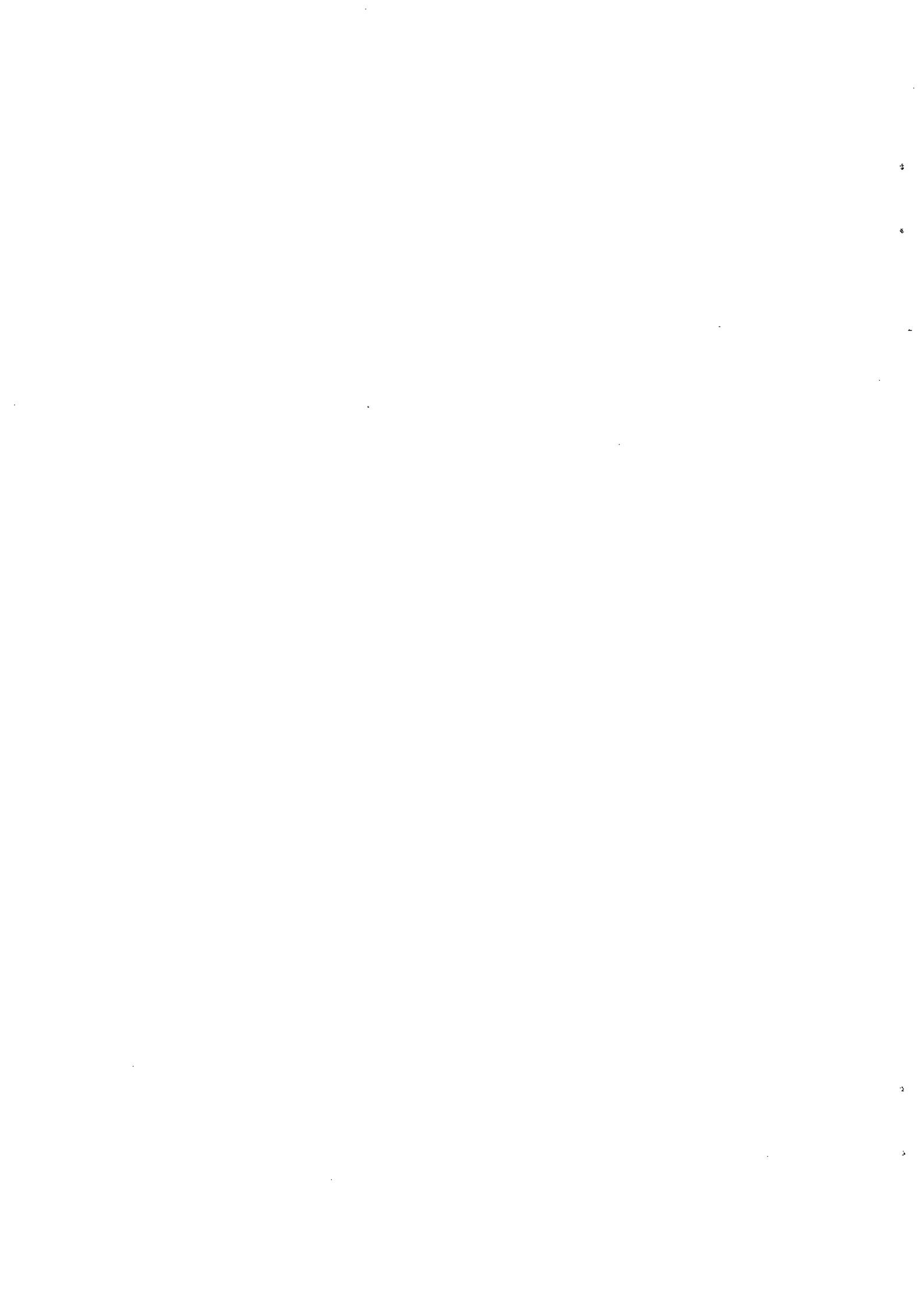


Abstract

Planning of services for the elderly has become a focal point of policy interest in many countries, mainly as a result of significant trends toward an ageing population. Services for the elderly are in general designed for persons who are less capable to live independently in a social, financial and medical sense. Types of services for the elderly may be quite diverse, for example, sheltered housing or other specialized housing facilities, medical and household services, customized transport services, and so forth. Research on facilities for the elderly is varied, both theoretically/methodologically and empirically. An important question which has been left unanswered so far, concerns the interrelationship between theory and practice, especially from a planning viewpoint.

This paper is concerned with the basis for planning of services for the elderly. The starting point for our analysis will be the so-called policy or life cycle model. In this context the simultaneous development of research tools and policy issues will be considered. Research questions dealt with are among others: what are the socio-economic and demographic backgrounds for planning of services for the elderly; which types of analytical models on services for the elderly do exist; is the model/analysis dealing with a coherent set of different types of services for the elderly (i.e., integrative planning) or is it only aimed at one type of service for the elderly (i.e., sector planning; for example, old age homes); which impacts can be signalled from the use of theoretical/methodologicval frameworks on policy issues?

After an exploratory policy life cycle interpretation, we will address the question of the variety in services for the elderly, seen from an European perspective. On the basis of a research project focussing on services for aged people in countries of the European Community, we observe that nowadays - even in the countries of the European Community - many differences exist in the supply and use of services for the elderly seen from a cross-national angle. In the paper, the first results of a cross-European comparison will be presented.



1. Introduction

Many developed countries are facing nowadays a situation of a stagnating and sometimes declining population. This ageing process has two backgrounds, viz. an increase in the life expectancy of older people and a decrease in birth rates. In the long run this development leads to two structural demographic shifts in the category of aged people, viz. an increase in the share of older people in society and an increase in the average age of older people (the so-called 'double ageing' process). The ageing pattern can be observed in many countries, as is also reflected in Figure 1 on demographic developments of various OECD countries.

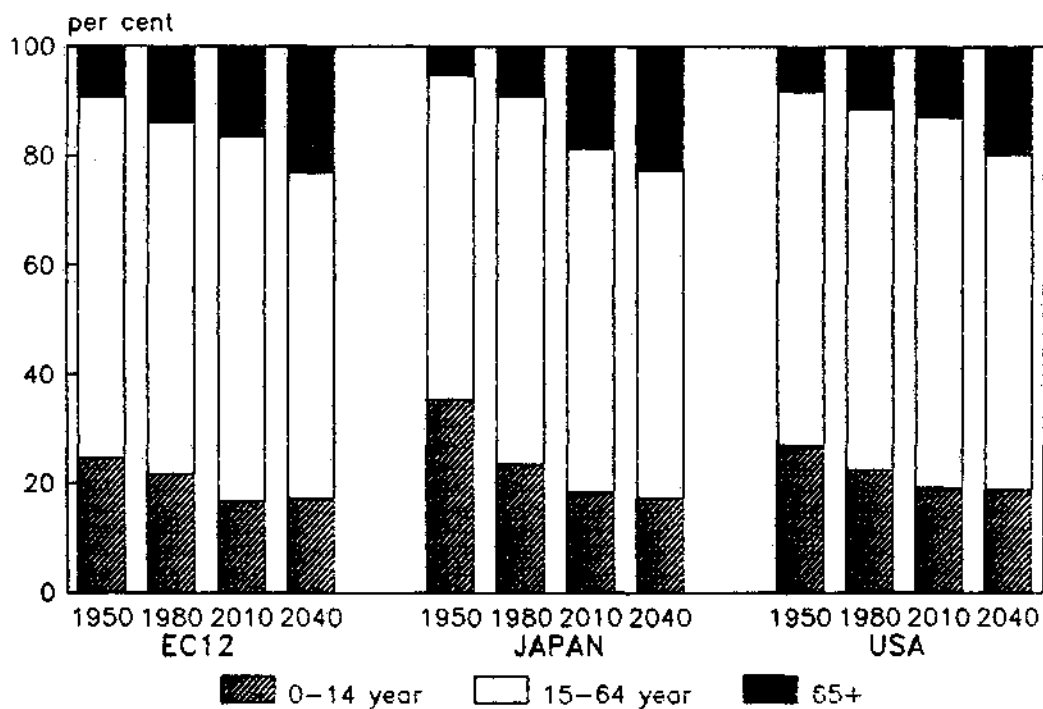


Figure 1. Age structure of OECD populations (Source: OECD, Ageing Populations, 1988).

From Figure 1 it can also be seen that in the period 1980-2040 the share of the elderly population in total population is projected to grow from 13.7 percent to over 23 percent in the EC-countries (EC12), whereas the share in Japan is expected to grow from 9.1 percent to almost 23 percent and in the USA from 11.3 percent to nearly 20 percent. This means that in the year 2040 on average one out of every five persons in these countries is expected to be over 65 years of age.

Another feature of the age structure of Figure 1 is the declining share of younger persons (0-14 year) in the total population. This holds

for the EC-countries and Japan as well as for the USA. The decline of the share of younger persons is smaller than the increase of the share of elderly persons. Therefore, the share of persons of age 15-65 is expected to decrease in the EC-countries, Japan and the USA.

The above mentioned patterns will lead to a dramatic decline in the share of the working population in the total population. This is also reflected in the projected elderly dependency ratio (i.e., the share of population in age group 65 and over with respect to the population between ages 15 and 64) in various OECD countries. This ratio is assumed to increase from approximately 18 percent in most countries (1980) to approximately 34 percent in 2040.

When it is assumed that in general the age segment of 65+ is not economically active anymore, it is evident that the elderly dependency ratio gives an impression of the foreseeable financial burden of the elderly on the economy as a whole. Clearly, one should take into consideration that a considerable part of the extra expenses of the aged population (e.g., medical care, assistance in housekeeping etc) will be covered by their own savings, but nevertheless a considerable part of the social costs of an aged society would have to be borne by the active labour force.

The integral economic impacts of ageing processes in our society have as yet not been totally assessed; only partial attempts have been made. Thus there is a need for a more thorough investigation into the medium and long term economic impacts of these processes. In addition, it is necessary to look into the ways social and economic policies may be focused on the care for the elderly, including institutional changes and physical planning measures. In recent years, planning of services for the elderly has become a focal point of policy interest in many countries, mainly as a result of the significant trend towards an aged society. In general, these services have to be tailor-made with regard to the elderly, as it is a general feature of this group that the possibilities for living independently (socially, medically, financially) are relatively low, so that specialized services (e.g., sheltered housing, specific medical care, customized transport services) have to be offered.

Research on facilities for the elderly is varied, in both theoretical/methodological and empirical terms. In this context, it is an important question whether a compatibility between theory and practice exists from a planning viewpoint. This issue will be dealt with in this paper from a broader European viewpoint. Special attention will be

given to the question whether research has been able to identify the most critical factors in this field and how this has influenced planning and policy-making.

In Section 2 the theoretical framework of our paper will be outlined. The policy life-cycle hypothesis will be adopted here as an analytical frame for the planning of services for the elderly; the various stages of this life-cycle concept will also be described here. Section 3 shows a broad application of the life-cycle theory as regards the planning of services for the elderly in some OECD-countries, whilst in Section 4 results from in depth studies for a selected set of five EC-countries will be given. Section 5 will provide a synthesis.

2. A Life Cycle Interpretation of Services Planning for the Elderly

In the previous Section, recent trends in demographic developments and related policy responses have been sketched. In this context, it may be interesting to use the so-called policy life-cycle hypothesis as a frame of reference. The policy life-cycle takes for granted that the political interest in new issues passes through various phases, ranging from awareness, research and agenda formation to policy strategies, solutions and management. Fluctuations over time in scientific interest, social awareness and acceptance and policy recognition are not coincidental, but follow in general a logical trajectory. This hypothesis which bears some resemblance to the well-known product life-cycle in industrial production and marketing has first been described in the field of environmental management by Winsemius (1986), whilst later on new contributions were made by Zoeteman (1987) and Brouwer and Nijkamp (1989).

In general, such a policy life-cycle idea consists of four stages:

- (1) social awareness, scientific research and acceptance of a major new problem;
- (2) political agenda formation and policy formulation, based on adequate information and solid scientific research;
- (3) strategic choices and policy implementation, including institutional and jurisdictional adjustments;
- (4) management and control, based on appropriate information and monitoring systems.

The various stages are concisely and schematically depicted in Figure 2. In this figure the time span of each stage is the same. However, this is by no means necessary, because the time span of each

stage will depend on many factors that are related to the issue concerned. Therefore, the time span of the stages are expected to vary in reality.

The first phase is a rather unstructured phase, in which intuitive ideas and scientific knowledge are combined in order to explore and detect the first ways toward a solid scientific treatment of the issue concerned.

The second phase incorporates an accelerated effort in data collection and scientific research (including modeling and statistical analysis), accompanied by signals in the policy area that adequate policy measures are to be taken.

The next phase builds upon more mature and solid research results (e.g., coherent scenarios, evaluation analysis) which may support balanced and appropriate policies and regulations (including technological adaptations) which have to be implemented and provided with a legal basis with a view on the long run.

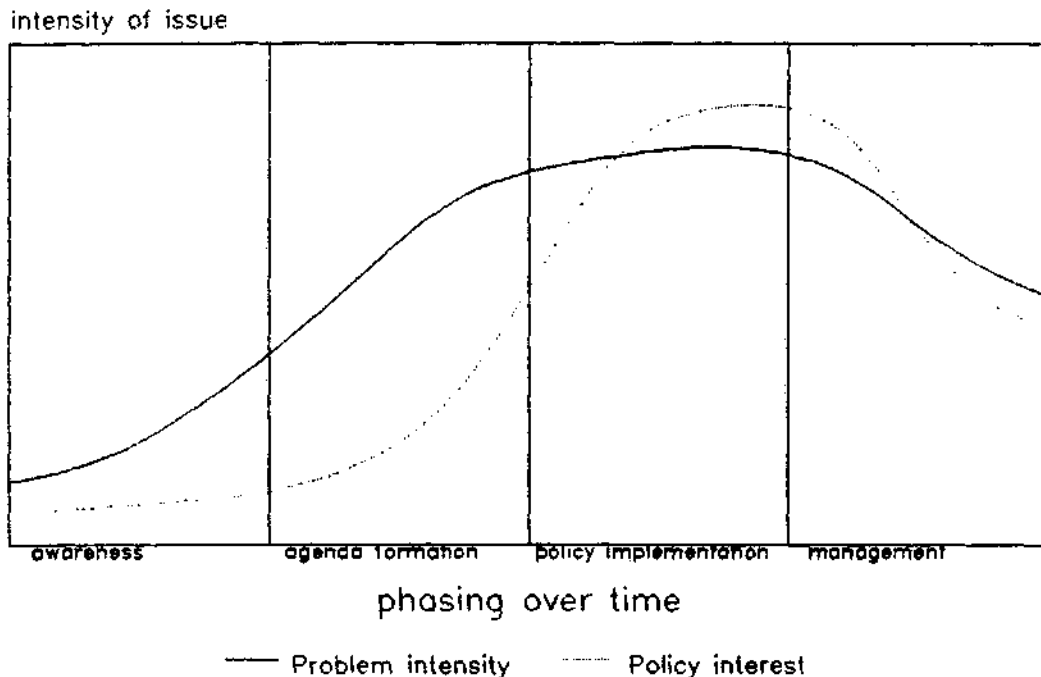


Figure 2. Research and policy life cycle

The fourth phase reflects a decline in research interest, later on accompanied by a decline in policy interest, as after the implementation of policies the only problem left is a matter of maintenance and management (including monitoring of policy results) and advanced data processing. Clearly, a feedback (or adaptiveness) to previous phases may be necessary in order to ensure structurally effective policy results.

It is noteworthy that the above mentioned phases of policy life-cycle focusing on provisions for the elderly is apparently existent in most European countries.

In the first phase, i.e., awareness, we do not only observe an increase in interest from the general public, but also from the scientists from different disciplines. Ageing problems are during this phase not only studied from the viewpoint of special facilities for elderly people, but also in relation to phenomena accompanying ageing such as mobility and migration patterns (see e.g., Serow, 1987), the increase in social costs and public expenditures (see e.g., Social and Cultural Planning Bureau, 1984; IIASA, 1983), the implications for old-age pensions, and the emerging frictions for the elderly in terms of long-term care and social security. Besides, we also witness an increase in research interest in new services provided to elderly people (see e.g., Butler, 1986, De Vos and Bikker, 1984, and Province of Zeeland/POSZ/ETIZ/NEI, 1984); special attention is given here to housing facilities, clinic health care, and extra-mural care for the elderly.

It turns out that in the first phase problems of an ageing population are recognized in different disciplines, from different angles, and with different results; many research efforts are initially unstructured and incoherent, but have in common a general awareness of the problems inherent in the 'double ageing' of population.

The second phase takes for granted the identification process from the first phase and aims to explore meaningful policy responses based on solid scientific research. For instance, data on facilities (e.g., medical care, housing) for the older generation have to be collected in a systematic way, whilst also projections based on demographic scenarios have to be made (see e.g., Knapp, 1984, and Houben, 1987). Research in this area covers then a wide range of issues, for instance, micro-analysis on individual choice behaviour of the older generation based on discrete choice models (see Vollerling and Nijkamp, 1988), or macro-analysis of equilibrium trends for the economy as a whole. Such new information is also systematically and coherently processed, so that the first step towards a balanced policy for the elderly can be undertaken. During this process of agenda formation and policy translation many inputs are also provided by various interest groups.

During the next phase of policy implementation, generic policies are combined with specific and customized policy measures so as to serve to a maximum extent the needs of the elderly, taking into account the financial limits of the public sector (see e.g. Ministry of Welfare,

1988). Since tailor-made policies are often accompanied by demonstration projects, in which new and innovative solutions are sought (especially in the area of extra-mural care), research becomes also more integrative and strategic in nature. This is also reflected in the increased cooperation between different service institutions in this field, with a strong emphasis on practically-oriented actions.

During the final stage, policies for elderly care have become crystallized, most of the uncertainties have been scientifically investigated, and a policy response to most urgent problems have been given. In most cases, the time trajectory from the first signals of an emerging problem up to the formulation and maintenance of policies will last approximately 10 to 15 years. In this fourth phase, management and control (accompanied by strict enforcement) of policies are critical. Scientific research is much more oriented towards monitoring and towards signalling emerging frictions. In all such cases feedback mechanisms towards previous stages have to be built in (so-called adaptive policy responses). Such feedback processes may also be necessary in order to account for changes in external circumstances which might impact on trends and decision strategies taken for granted so far.

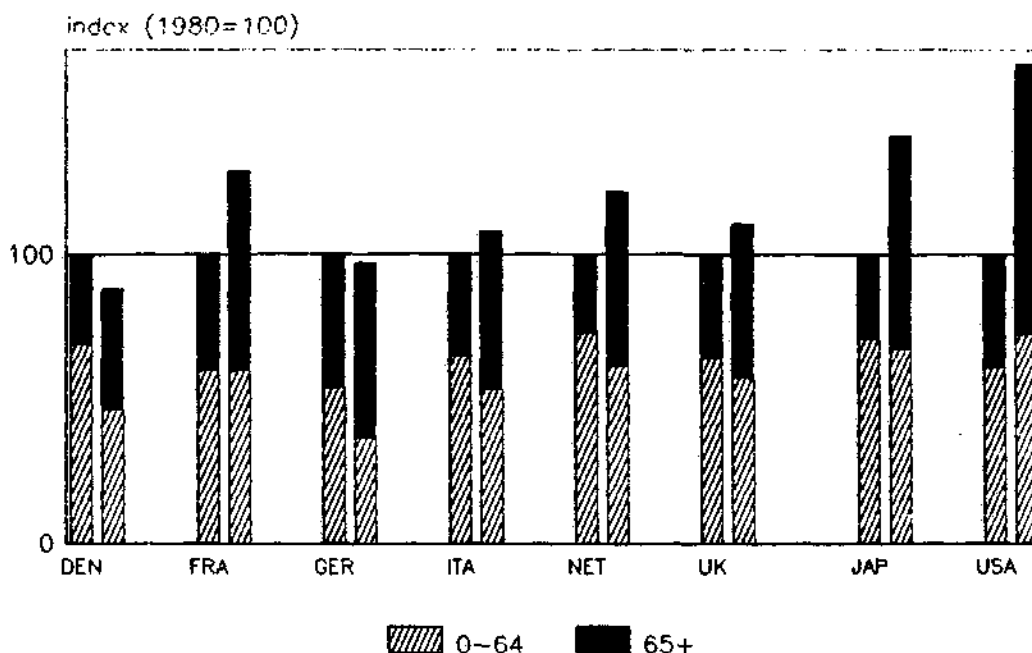
After this broader exposition of various phases of the policy life cycle for elderly care, we will test in the next sections whether in a European setting this hypothesis has some validity. In this context, we will present various results based on a cross-European comparative research project focusing on facilities for the elderly.

3. Service Planning for the Elderly: General

This section will be devoted to a further exploration and interpretation of the life-cycle concept for service planning for the elderly in various countries.

In the light of the policy life cycle interpretation of the planning of services for the elderly, we observe an increasing awareness of the size and impact of ageing in most OECD-countries. This recognition of the first stage of a policy life cycle is reinforced by statistical information and scientific research on recent population projections, which exhibit dramatic changes (See for an illustration for instance Figure 1). Interest in the economic aspects of ageing processes is also growing during that stage. An assessment of the increase in social expenditure for the age group 65+ can be found in Figure 3. The social expenditures are public expenditures on pensions, health, education,

family benefits and unemployment (OECD, 1988, pp 33-42). Clearly, such statistical information is still very tentative, but it points out some main trends in the economics of ageing.



(column 1: 1980, column 2: 2040)

Figure 3. Social expenditure implied by projected demographic change. (Source: OECD, Ageing Populations, 1988)

Information and research on ageing processes appears to have a world-wide coverage nowadays, so that the first phase of the policy life cycle has been passed in most countries.

As far as the second stage is concerned, we observe that demographic changes are accompanied by profound economic implications and a variety of public policy measures affecting pensions, housing, social services, transport and public facilities. This is especially true for the elderly, because in general older people are often confronted with a declining health situation as well as a reduction of income. Most OECD-countries begin to become aware of these developments, but there is not yet a uniform and systematic strategy for providing services for the aged in the OECD-countries.

In the context of facilities planning for the elderly, it is noteworthy that a major factor in evaluating the relevance of services planning for the elderly is clearly formed by cost consequences, especially in the light of restrictive public budgets. In the field of cost

comparison of services planning in various countries, interesting research has already been carried out. As a good illustration may serve the thorough theoretical study of Knapp (1984). On a basis of welfare theory he argues that Cost-Benefit Analysis can be a helpful instrument in decision-making regarding social care. He states:

"There is certainly a very pressing need for the application of economics to social care. As yet, however, this need has brought forth little empirical analysis, and the influence of economics on planning has been substantially less obvious than the influence of a number of other disciplines. There are a number of reasons for this very limited influence: a lack of economic expertise and interest among social care professionals and managers, a lack of interest among economists, a dearth of suitable and relevant data, and a lack of incentives to pursue efficiency".

Clearly, this does not imply that Cost-Benefit Analysis is by definition the best instrument for services planning, but it points out the need for a rigorous economic trade off of different choices to be made. Nowadays, authorities are becoming increasingly aware of the fact that economics is not in contrast with social care. In various countries some more or less elaborate planning research has been carried out with the explicit aim of providing planning authorities with a solid economic basis for their services planning for the elderly. Thus it is likely that the selected OECD-countries are more or less facing the second (or, in some cases, perhaps the third) stage of the policy life cycle model. There is a need for more insight into the effects of an ageing society on service needs and of new policies related to specialised facilities for the elderly.

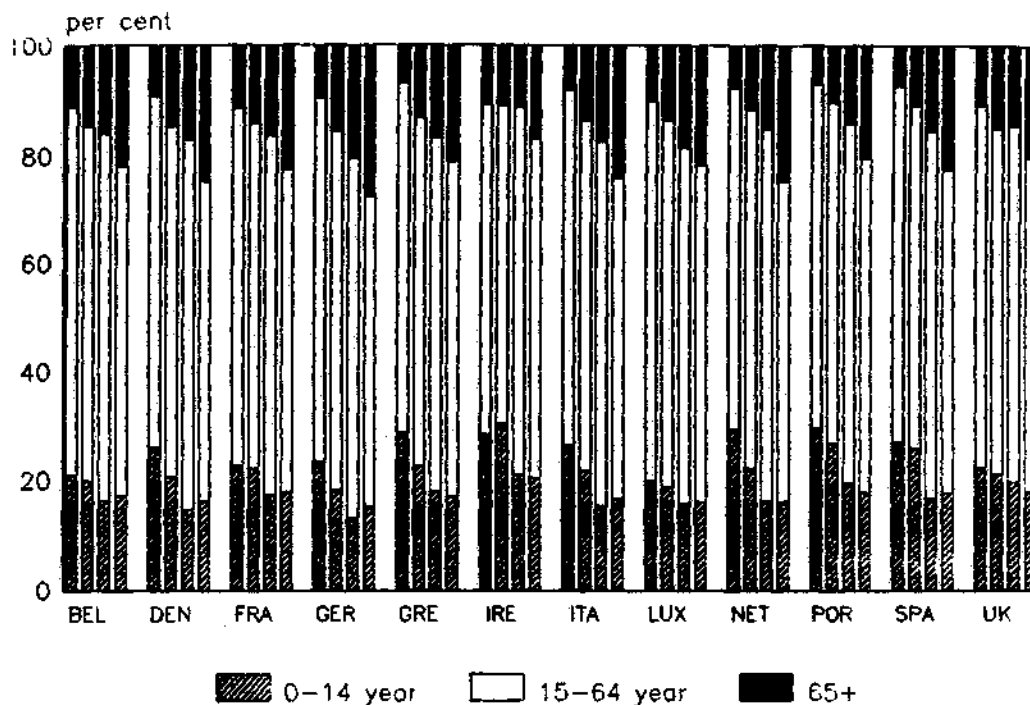
Contemporary policy measures on specialised facilities for the elderly seem to depend much more on developments of the total government budget than they did before. In order to circumnavigate severe frictions from strict budget limitations, governments have sought innovative strategies that guarantee the same service level for the elderly, but at relatively lower cost. In the light of this government objective, a popular and powerful tool is the strategy of decentralization of responsibilities in the planning process of specialised facilities for the elderly. The decentralization strategy - often a part of a broader deregulation policy - can take many shapes. Responsibilities in the field of legislation, finance and administration can be decentralised toward amongst others a lower governmental level, non-governmental institutions or private persons. Decentralization induces on the one hand more involvement of the most directly concerned participants in the

problems to be solved. It is then taken for granted that these participants may form the right platform to identify and handle the needs of the elderly. Therefore, it is often argued that they will be stimulated to find their own optimal solutions for the needs of the elderly. This can be regarded as one of the main advantages of decentralization strategies. On the other hand, this involvement may incorporate serious drawbacks when the optimal solution for the set of clients is not the same as the optimal solution for society as a whole. This is likely to happen when participants have opposite interests, for example, as the result of a different interpretation of the needs of the elderly in order to defend their own rights.

Although most developed countries appear to have a phase 2 policy interest in ageing, at the same time there is much pluriformity in the recognition process of ageing. From Figure 1 it became already clear that the ageing process in Japan, the USA and in the EC-countries is expected to continue for at least the next five decades. At the same time, however, we also observe much variation among different EC-countries. A good illustration of these variations can be found in Figure 4.

From figure 4 it becomes clear that the expected shares of the age groups in the period until 2040 varies among all countries considered. One of the striking age structures in the EC countries appears to prevail in Ireland (IRE): the share of younger persons (0-14 years) in 1980 is relatively high - as compared to the average of all EC-countries - and the share of the elderly persons (65+) is rather low. As a consequence, Irish population is expected to grow the fastest in all EC-countries, whilst Portugal (POR), Spain (SPA) and Greece (GR) show this tendency to a lesser degree. On the other hand, especially Germany (GER) has a relatively large share of older persons in the total population, and a below average share of younger people. Here, population is expected to decrease in absolute terms.

These observations suggest that policy implementation (phase 3) and maintenance (phase 4) among different countries are likely to show much diversity in the future. Therefore, the next section will focus in particular on variations in the policy life cycle phases in selected EC-countries.



(column 1: 1950; column 2: 1980; column 3: 2010; column 4: 2040)

Figure 4. Age structure of EC-countries (Source: OECD, Ageing Populations, 1988).

4. Country studies

Economic implications of the ageing society and a variety of public policy measures may have important consequences for the population. This holds especially for the elderly, because, in general, older people are often confronted with a declining health situation as well as a decline in income. The Commission of the European Communities in Brussels is fully aware of these developments. To be ahead of problems in providing services for the European aged, the European Community has requested an inventory of existing and future bottlenecks of services for the aged and of solutions for these problems. This project therefore focuses on the effects of the ageing society on service needs and appropriate policy responses related to specialised housing, social services, etc.

Limited time and budget did not allow us to undertake an extensive and original data collection in a cross-national sense. Therefore national experts on services for the aged were requested to provide their assistance and contribution to this project on the basis of a systematic questionnaire including most relevant questions on service planning for the elderly.

In this paper the first results of the project will be described. At the moment information is available for the following countries: Germany, Greece, Italy, the Netherlands and the United Kingdom.

The questionnaire is amongst others concerned with services for the elderly in general, whilst special emphasis is placed on changes in the supply of services for the elderly, on causes for these changes and on existing bottlenecks. For each country attention will be paid to these items successively.

Germany

As mentioned before, Germany has a relatively aged population. In 1980 about 16 per cent of the total population was 65 years or older (in the EC-countries, the average share in 1980 was 13.7 per cent), and the ageing process is not likely to end in the near future. In addition, it is noteworthy that total population is expected to fall in the period 1980-2010 with about 8 per cent, whereas the total population growth of the EC-countries in the same period is projected at almost +2 per cent.

General changes in demand are mainly caused by demographic changes, i.e. the changing age structure (more elderly, in particular more elderly women, decline of total population, increase in life expectancy). Other causes are the changes in marital status (decreases in household and family size, in the number of children per family and in the marriage rate and the increasing divorce rate), health status (increasing multimorbidity and number of chronic illnesses), disposable income (general real income increase accompanied by a more than proportional income increase for the elderly) and changes in preferences (increasing number of elderly persons prefer to live independently).

The legislative responsibility of government policy toward services for the elderly is almost exclusively at the national (Federal) level. An exception is the 'Landespflegegesetz' in Berlin. The most important source of financial funds for regional (Länder) and local governments are indirect subsidies. The regional government offers subsidies for the foundation of ambulatory, mixed and stationary service institutions for

the elderly. The municipalities are sponsors of all public ambulatory, mixed and stationary institutions. In addition, they pay welfare and housing allowances. The administration takes place at the local level (municipalities).

German policy trends for using services for the elderly are toward de-institutionalization of the entire service sector. The most important guiding principles are to stimulate elderly persons to live independent and self-determined as long as possible, with full participation in public and social life. Therefore the material and social security for the elderly will be provided, while also care will be given when independent living is no longer possible. The rate of growth of nursery home beds was more than the rate of population growth of the very old (85 years and older). On the other hand, acute care hospitals and psychiatric institutions have withdrawn from providing services to the elderly. Besides, the rate of growth of ambulatory services is smaller than the growth rate of the populations aged 65 and above. Therefore, a shift from the formal sector to the informal sector appears.

There are a few self-organised pressure groups, but they appear to have little influence on actual government decisions. However, another guiding principle for the government is to stimulate self-representation by the elderly, for example in patient boards in nursery homes.

Decentralization has taken place on a large scale in Germany: the responsibility is at the level of the local government. This often leads to monopolization of services in each community with little pressure for efficiency and innovation.

Another problem is the shortage in qualified nursing personnel both in hospitals and in institutions for the elderly, because at the prevailing (very low) wage rate for nurses recruitment of young nurses is very hard. As already stated in Section 1, the ageing population influences also the labour population. Therefore, this shortage of nursing personnel is likely to worsen in the medium term.

Innovating services for the elderly are mainly generated by local level authorities, because all public institutions are run at this level. The national government provides direct subsidies for innovative demonstration and research projects on a case-to-case basis. It is stated that no systematic research in elderly issues has been done in Germany. This results from decentralization of planning services for the elderly, but also from an obvious lack of interest in elderly affairs in Germany. However, changes are expected, primarily by the Bundesministerium für Jugend, Familie, Frauen und Gesundheit.

Greece

The most important driving forces behind the changes in demand for services of the elderly are nowadays:

- demographic changes (see also: Germany);
- the change appearing in the social and economic patterns of the Greek society and especially the introduction of women in the production process. In that context, many elderly have been forced to live apart from their children and although they still receive a considerable help from their children, the need for the elderly to participate in the social processes has grown, in order to remain active and avoid isolation and frustration (marginalization);
- a certain differentiation of the social role of the elderly. A great effort has been undertaken for the elderly to realize their power and the new role they can play in the social processes as well as to help the elderly to remain active and to participate as much as possible in the social environment.

Although changes in demand are important driving forces behind the current changes in the supply of services for the elderly, the government policy is more dominant in the provision of services for the elderly. The main goal of the Greek government policy in the last decade has been the decentralization of services for the elderly, as it has been realised that the local level appears to be the most proper one to handle and manage such services. This has taken shape quite strongly during the period of past five years of the open protection of the elderly instead of the closed protection. In the light of this perspective, subsidies disposed to conventional services for permanent residency by the elderly have been dramatically decreased, while the decree of open protection has been greatly enriched and a great effort has been undertaken to reinforce the role of the local level as the main carer responsible for the successful implementation of this decree. A policy goal to be pursued for the next decades is the gradual abolition of conventional services for permanent residency by the elderly and a change of the role of these institutions into institutions concerned with chronic diseases for adult people of all ages, and the fast development of the Technological Centres for Crippled Persons aiming at offering services to them on an every day basis.

Another guiding principle of the Greek national government with respect to providing services for the elderly is propulsion of the dynamic role of the elderly in the societal processes. An important

policy measure is the stimulation of collective representation of the elderly in the boards of the authorities dealing with their problems (local associations, elderly federations, etc.). However, this has been moderately successful, because the main problem is that the elderly are not aware of the fact that they constitute an equally important part of the society.

Whilst the national government has created the institutional framework for the open protection centres for the elderly (KAPI), innovative policies in this context at the local level are related to the supply of services at home or in certain places organized specially for the elderly, preventive medicine/health services, action-therapy/physiotherapy, permanent or temporary social sheltering and recreation/social tourism/ education. At the national level a great effort has been undertaken in order to transfer the whole management of the above centres towards the local level.

Italy

In Italy a shift from residential care to community care for the mainly self-sufficient (able) elderly takes place. However, there is a strong inclination to institutionalization for disabled elderly.

In the '70s the whole social and health service sector was involved in a complex reorganization process, aiming to unify a wide set of private and public institutions in a national public system. This system was then decentralized from national government to local governments. The process has not yet been carried out, and therefore is still incomplete. Moreover, it is in a financial, functional and social crisis. Nowadays, there is a growing interest and diffusion of private institutions, profit as well as non profit, in supplying non-public care.

Also informal help is growing in size. From 1983 to 1989 voluntary activities have been growing in kind and number, often changing themselves into more structured interventions. In the '80s there has been a strong growth of the number of cooperative societies on a non-profit basis. This trend is spread mainly in medium-sized and big towns, where public social services admit clients to services, which are provided directly by private societies on non-profit basis.

A bottleneck in the supply of services for the elderly is that the number of nursing operators is strongly below the actual demand of health services (residential as well as in community services, home

care), because the educational system is not able to graduate enough workers. This is expected to last for at least the next decade.

Most responsibilities have been committed to regional governments, while the national level will continue to play a strong role of financing each sector as a whole. Therefore, choices for the allocation of resources to facilities for elderly or handicapped people are made at the regional level. Also legislation is committed to regional governments (directly elected by people). This means that no national plans exist for health services nor for social services. Although a national framework does not exist, from the legislative measures of the 20 districts in Italy it can be derived that from the beginning of the 1980's there has been a strong trend towards maintenance of the elderly in their family and social context, strengthening non-residential care.

The main positive aspect of this decentralized system is a greater flexibility for regional government. However, three problems remain unsolved:

- a general lack of supply of services, specifically for long term residential care, because of shortage of economic funds. Also innovative services can hardly be set up.
- no admittance of use of social services for elderly with medium-level income. On the other hand, their income is not high enough to enable them to buy on the market the same services.
- each district has its own system of services supply that cannot be compared with other districts, and therefore little insight is available on different criteria of analysis, such as efficiency, efficacy, common work of professionals of different disciplines (interprofessional 'equipes').

Innovative and experimental projects implemented at the local level are only legislatively supported by the regional level. These experimental services are carried out mainly in Northern Italy. Local units that promote an innovative service must pay for it. At the national level a recent government law appropriated an amount of about 30.000.000.000 Italian Lire in order to build up new accommodations (residential services) for non self-sufficient elderly. The implementation is committed to local government.

The Netherlands

In the Netherlands the elderly population growth is one of the driving forces of the demand for services for the elderly (See also

Germany). Besides, increasing incomes and higher education level permit aged persons to be a more critical consumer of services for the elderly. Therefore, they tend to live independently longer.

The share of cost for residential services (and therefore that for the community services) in the total costs for both residential and community services have hardly been changed in the period from 1982 on (about 88%). However, given the process of 'double ageing', the share of cost for residential services was expected to grow. However, since the actual developments show otherwise, the conclusion must be that there is a shift from residential services toward community services.

The national government is responsible for both legislation and finance of most of the services for the elderly. The regional level (provinces) have distinct financial responsibilities for old age homes. At the local level the implementation and administration of services for the elderly takes place. The guiding principles for the national government with respect to planning services for the elderly are twofold: stimulating of the elderly to live independently and cost reduction of the services. Besides these two policy aims self-representation of elderly and integration of the elderly in society is encouraged. Policy measures have been decentralisation of responsibilities to the regional level (for example, old age homes) and stimulating ambulatory services. However, frictions caused by budget restraints are often faced, especially by the organisations that supply the services.

The national government plays an important role in innovative services for the elderly, by creating the institutional framework for innovative projects. These projects are subsidized on a case-by-case basis. Since the beginning of the 1980s, in the Netherlands several elderly care projects have been devised and implemented by government institutions, insurance companies and private initiatives. The purpose of these projects is to reduce the costs for care for the elderly. Elderly persons are stimulated to remain living on their own or to return to their homes after hospital treatment by introducing or extending such facilities as home help, other professional help and by giving financial support to volunteers for elderly help. In 1988 the Ministry of Welfare initiated six large projects (Ministry of Welfare, 1988). In six regions of the Netherlands various extensive care facilities in a wide variety will be implemented until 1990. Very important in these projects is the co-operation of the institutions of care, in order to create an optimal package for each individual who needs elderly care. During the initial period of the project, the process will be evaluated

on such aspects as progress, willingness to co-operate, organisation, etc. An evaluation of the results of the projects will be made on economic grounds: do the costs of the projects outweigh the benefits of the projects? The expenses saved on elderly care are evidently benefits of the projects.

United Kingdom

In the United Kingdom there is a slight trend towards community care, and this trend is likely to continue in the near future.

As regards the formal and informal network offering services for the elderly, significant changes have not occurred in the size and composition of both networks.

The most important driving force behind the changes in supply is the demographic change, especially in the age group of over 85 years. Other factors are not yet important, but it may be expected over the next twenty years that:

- incomes of elderly people will increase
- better housing conditions will prevail
- if inflation in housing prices continues more elderly people may cash in on stored wealth of dwelling

It is noteworthy that one of the features of policies for the care of the elderly is the lack of pressure groups.

The aim of the national government is to maintain people in their own homes. For this purpose various important policy measures and interventions were implemented, such as:

1. financing residential care in private sector. This policy measure has been very successful;
2. encouragement of inter-agency collaboration. It was not a successful policy measure;
3. support to carers. This was a quite successful policy measure.

In innovating services for the elderly, the national government in the UK has the role of encouragement only. Both National Health Services (NHS), i.e. ad hoc regional and district health authorities, and municipalities set up innovative services alone or in collaboration with each other.

5. Synthesis

In the present paper the main question to be answered was on the compatibility between theory and practice of planning services for the elderly. First, a theoretical framework was developed: the policy life-cycle theory. The policy life-cycle hypothesis has four stages:

1. social awareness;
2. political agenda formation;
3. policy implementation;
4. management and control.

The practice of planning services for the elderly is outlined for five countries: Germany, Greece, Italy, the Netherlands and the United Kingdom. Regarding population developments, a mutual characteristic of these countries is their tendency towards an ageing society. Because of this tendency the social cost on behalf of the elderly is increasing dramatically. One of the main items in social cost is the services for the elderly. Therefore more insight in the planning process of services for the elderly is required. In this paper the planning process of services for the elderly was described, and in this way we may interpret the planning process in the light of the theoretical framework of the life-cycle hypothesis.

These five countries all have passed the first stage of awareness. Stage 2, political agenda formation, can be characterized by two main features: the degree of decentralisation of the responsibilities for the planning process, and the extent of collaboration between institutions that supply the services for the elderly. In the next scheme the process in each of these countries is evaluated on these two features on the basis of the results described in Section 4.

	Degree of decentralization	Collaboration between institutions on regional/local level
Germany	++	-
Greece	+	n.a.
Italy	++	-
the Netherlands	+	n.a.
United Kingdom	n.a.	-

Legend: ++ successful; + successful; - not successful; n.a. no information available

From this scheme it can be seen that in general the tendency is towards some degree of decentralization of responsibilities of the national government. However, for the two countries with the most profound decentralization - Germany and Italy - it is increasingly recognized that at the decentralized level the planning process is not very transparent any more, and that therefore collaboration between institutions is not likely to exist. On the other hand, no thorough judgement of the planning situation in Greece and the Netherlands can be made properly, as long as no information is yet available on the success or failure of collaboration among institutions in these countries. For the same reason, the planning process in the UK cannot entirely be evaluated.

Although it is clear that the countries concerned are all facing an increase of social costs, no tailor-made services for the elderly appear to exist. It is surprising to see that these countries are in a search process for finding their own solutions for in principle the same economic problem, without a clear coordination - or even information - of their policy strategies.

References

- Brouwer, F., and P. Nijkamp, Modelling Interactions Between Economic Development and Environmental Change: A Policy Life-cycle Interpretation, Research Report, IIASA, Laxenburg, 1989
- Butler, A., Housing the Elderly in Europe, Social Policy & Administration, vol. 20, no. 2, 1986
- Houben, P., A Compulsory Housing Path or a Possibility of Choice by the Elderly, The Netherlands Journal of Housing and Environmental Research, Vol. 1, No 3, 1986, pp. 101-114
- Knapp, M., The Economics of Social Care, MacMillan, London, 1984 (reprinted 1986)
- Ministry of Welfare, Meer Maatwerk in de Ouderenzorg. Verschuiving in de Zorg, DOP, 's-Gravenhage, 1986
- Province of Zeeland/POSZ/ETIZ/NEI, Oud en Zelfstandig. Een Onderzoek naar de Voorzieningen voor Ouderen in Zeeland, Middelburg, 1984
- Serow, W. J., Determinants of Interstate Migration, Differences Between Elderly and Nonelderly Movers, Journal of Gerontology, vol. 42, no 1, 1987, pp. 95-100
- Social and Cultural Planning Bureau, Kosten en Financiering van Bejaardenvoorzieningen 1981-1991, SCP-Cahier 39, Rijswijk, 1984
- OECD, Ageing Populations. the Social Policy Implications, Paris, 1988
- Vollering, A, and P. Nijkamp, Size and Distribution of Expenditures on Amenities for Aged People, Research Memorandum 1988-40, Dept. of Economics, Free University, Amsterdam, 1988
- Vos, A.F. de, J.A. Bikker, Een Structuurmodel voor de Klinische Gezondheidszorg. Bruikbaar bij Analyse, Voorspelling en Regionale Planning, VU Uitgeverij, Amsterdam, 1984
- Winsemius, P., Gast in Eigen Huis, Samson, Alphen, 1986
- Zoeteman, B.C.J., Soil Pollution: An Appeal for a New Awareness of Earth's Intoxication, Vulnerability of Soil and Groundwater to Pollutants, TNO Committee on Hydrological Research. Proceedings and Information, (W. van Duijvenboden and H.J. Waegeningh, eds.), vol. 38, Delft, 1987, pp. 17-27