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CHAPTER X

FUTURE OF RETIREMENT IN INDIA

10.1 INTRODUCTION

The time has come to review the problems and prospects of retirement in India in the light of experiences of the retired and the findings of serious researches in our country. Retirement, as a social institution reached its peak in 1970s, and ever since it has been influencing every step of the government by way of legislations, pension plans, welfare measures, retirement communities, medical care programs, retirement benefits, and mandatory retirement age. Graebner (1980, p. 262) observes that retirement is being reconsidered because as an institution, it has become too costly to maintain and because, as a mechanism of efficiency it has become counterproductive. But in India, the problem is different. Though retirement has been in limelight quite for some time, it has never been systematically studied, and no uniform policy has been followed until now. Therefore, reconsideration of retirement in India would mean that the issue of retirement as a whole should be studied and evaluated thoroughly from legal, psychological, social, medical and economic perspectives. Based upon these evaluations, policies and
programmes for the future course of action should be drawn up. Development of uniform national public policy on retirement should emerge, and local government should make efforts to put into practice the central legislations.

In evolving such policies, Corin (1982) suggests that interventions be planned so as to avoid current "needs and services" model that thinks to reinforce dependency in the elderly rather than to foster their independence. Secondly, our approach to retirement problem should embody some plan for actually utilizing the potential contributions of the elderly to the productivity of the nation (Goode, 1977, p. 455). It is not merely the assistance in the form of package deals that we give, rather how best we can utilize the resources of the retired.

In drawing up any future plans on retirement, the following aspects of retirement have to be assessed. These are: planning for retirement, counseling assistance to the retired, and evaluation of retirement needs such as retirement communities, re-employment, and institutional care of the retired. Since practical programs for the retired are bound to fall in any one of these areas, a thorough assessment of these is a pre-requisite for the re-consideration of retirement.
10.2 PLANNING FOR RETIREMENT

Until now, it has never been thought that retirement requires planning and preparation. But because of the negative consequences of sudden and unprepared retirement, the idea is gaining ground that retirement also is an event like other events such as taking up a job, choosing a mate and selecting a course that need proper preparation and planning. Telford and Sawrey (1977) write that "adequate planning for retirement in terms of the social, psychological, economic and vocational factors of life after retirement should bring about more favourable attitude towards retirement and enhance the adjustment to the role of the retired person" (501). Bromley (1966) also notes that the financial and leisure problems of retirement can be met only by long term planning.

Empirical studies on retirement planning have given some positive results. Fuller's (1976) study on 379 military officers and 372 enlisted military men showed that those who planned well for retirement adjusted better, regardless of number of years retired. Bowman (1974) compared the attitudes towards retirement and activity involvement of persons who have completed pre-retirement planning sessions with their reported attitudes towards retirement and activity involvement upon reaching age 65 or older.
Though there was no statistical evidence to support a sustained positive change in attitude towards retirement, there was an increase in activity involvement from pre-program status to post-retirement follow-up status.

Retirement planning is a process by which one learns to deal with life in the years to come, firstly by knowing as much as possible about what one can attain and secondly by preparing for possible changes some of which are foreseeable. (Arthur, 1969, p. 23). Preparing for retirement should include economic planning, gathering informations about leisure time activities, and gradually changing the balance between disengagement and activity (Bromley, 1966). Planning for retirement should also include some link between pre and post retirement activities. Continuation of one’s earlier working activities along with the social relationships promote a sense of belongingness and participation (Bromley, 1966, p. 74). Purposeful activity which does not overtax is essential to physical and mental health (Lawton, 1956, p. 103).

As a part of retirement planning, Bromley (1966) proposes a shorter working week, combined with longer working life tapering off gradually to complete retirement from paid work, which will give every individual ample opportunity to cultivate stable long-term interests and
personal activities during his working life (p.70). These interests will help the person to utilize his leisure time in retirement. Barker (1951) too feels that there should be a gradual lessening of working hours as the person approaches retirement.

At times retirement becomes disastrous, because there is nothing worthwhile to achieve. On the contrary, people who have made a progressive series of goals in life stretching throughout life, make post-retirement more meaningful. Bernard (1951) proposes that one would prepare for retirement by setting up new goals in the form of absorbing hobbies and avocations which can be pursued with interest after quitting the job.

Preparation for retirement should not be relegated to the individual alone, but it should be a joint effort by the employee, employer and the government. The employer should provide regular information regarding retirement life, a few years before actual retirement. As the person nears retirement, he should be given professional help regarding retirement benefits, financial problems and re-employment possibilities. Some industries have already begun to see mid-career change and pre-retirement planning as activities that are valid concerns of the organization as well as of the individual (Super, 1978).
From the part of the government the individual should be given maximum choice concerning age and circumstances. Establishing retirement-counseling programs, assurance of reasonable financial support in old age and opening new functions for the retired are other ways of supporting retirement planning. (Buhler, Keith-Spiegel and Thomas, 1973, pp. 895-896).

10.3 COUNSELING THE RETIRED

Counseling is an essential aspect of preparing the employees for retirement. Importance of counseling in pre-retirement can be observed from the positive results obtained from the studies in this area. In the study of Kremer and Harpaz (1982), an unexpected relationship was observed between a favourable perception of retirement and the intention to continue working. This finding emphasized the dominance of the work orientations and the workers' lack of awareness of alternative social roles. It has been also observed that participation in senior adult education programme eases the transition from the primary occupational role (Bynum, Cooper and Acuff, 1978).

This awareness of post retirement adjustment and pre-retirement counselling has forced the authorities to open more counselling centers and information bureaus.
The first course in pre-retirement education in the U.S. was developed at the University of Michigan and until now they have conducted many pre-retirement counseling instructions. In a survey, Myers (1983), found that 114 counselor education departments nationwide offer coursework to train counselors to work with adults and older persons. Information centers for senior citizens are also taking root in different nations (Radebold, 1976). Another peer counseling program was instituted in California, known as Project PACE (Psychological Alternative Counseling for Elders). The principle behind the use of peer counselors is that they can provide unique insight into the client's problems due to their own similar life experiences. (Aging, Jan-Feb. 1983, pp. 32-33).

Counseling centers are vital part of planning for retirement. Generally the retirees are found reluctant to talk about their retirement planning (Borsay, 1976). In such cases counseling centers can act as forums for sharing retirement plans and for obtaining additional information regarding retirement prospects. These centers can facilitate, clarify and crystallize retirement planning. Counseling sessions can be used to explore the motivations in making change in job, methods of developing self-confidence, teaching new skills, overcoming employment obstacles, and coping with death and bereavement (Sinick, 1977, p. 112).
Sinick (1976) pinpoints two major counseling opportunities with older people: career change and retirement. The idea of career change is gradually gaining ground among the elderly. Waters and Goodman (1977) describe career development program applicable to job change, vocational re-entry and retirement, which can become part of retirement counseling. Apart from career changes in retirement, there are other aspects of retirement that should become part of counseling, such as role adjustments, multiple use of time, management of housing and health care (Sinick, 1976). Entine (1977) has provided models for effective mid-career and post retirement counseling, incorporating both life-state and social change issues.

Counseling aid for the retired should anticipate special problems related to retirement from particular occupations. For example, professionals, high salaried services, and military services have different adjustment pattern in retirement. Schlenoff (1977) discusses unique problems encountered in assisting career officers in their transition from military to civilian environment. Military personnel possess an uncritical acceptance of cultural values and attitudes, and manifest a great amount of self-control and over-all conformity. This concern for orderliness and resulting lack of tolerance for ambiguity
can result in high level of anxiety in retiring officers. These characteristics are also observed in the present study.

10.4 EVALUATION OF MAJOR RETIREMENT NEEDS

There are certain major needs every person faces at the time of retirement. These are housing, re-employment and nursing care. Post-retirement welfare measures are often centered around these three needs. Hence, a critical evaluation of these needs is essential to plan and draw up strategies incorporating these needs.

10.4.1 Retirement Communities

Retirement communities of various types are already an emerging phenomenon in many parts of the world. It is estimated that 24 million Americans over the age of 65 reside in specialized settings (Moos, 1980). In Europe and Asian countries too many more are opting for retirement communities or willage, though mostly they are from upper income groups (Geist, 1968), because, these communities provide skilled nursing, residential care, and recreational facilities. Examples of such retired communities can be seen in Florida (Haynie, 1983), San Francisco and elsewhere.
Retired communities are not always homogenous in character. Rather, as per the needs of the persons who opt for it, the individual structure often varies from one to another. For example, Irvin Cyper Tower at Douglass Garden is an eighty-storey apartment building with 102 studios and one bedroom apartment. (Haynie, 1983). The small apartment building near the shore of San Francisco Bay, known as Merrill Court, which houses 43 old people functions as a mutual aid society. It is not a collection of individuals, but a community, who have collectively devised a solution to one of the most crucial problems of old age - loneliness (Hoschshild, 1973). There are also true retirement villages such as Ryderwood, Mooseheaven and Youngtown, which often provide a sense of security. Other models of retirement communities are board and care homes, foster family care settings, cluster-type congregate apartment housing, and single room occupancy hotels. Some of these settings provide full range of medical and nursing services, but others offer only a moderate level of supportive services or no services at all (Moos, 1980).

Since there has been a spurt in retirement communities it is essential that we evaluate the psychological impact of these communities on the residents who live there.
Studies have proved the assumption that arrangements of dwelling place exercise great influence over the kinds of community relationships which develop (Kleemeier, 1955, p. 445). The role of physical factors arising from the arrangement of housing in determining the type of friendship in retirement homes is also ascertained by Festinger et al (1950, p. 151). The underlying dynamic is that any factor of environment which tends to increase possibilities of contact between people should in the absence of negative forces, increase the probability of friendship formation (Kleemier, 1955, p. 446).

Morale and sense of security are also an outcome of residential arrangement. Studies of certain retirement villages have demonstrated high morale, but others which are virtually isolated homes or relatively inaccessible institutions, give symptoms of lower morale and other correlates of adjustment (Rosow, 1962, p. 332). Nevertheless, if these isolated communities are full pledged, low morale can be replaced by thriving social life.

Motivation in moving to retirement homes is also equally a determinant factor in morale. Generally, relocation of any group, particularly the aged is accompanied with various psychological consequences (Telford, and Sawrey, 1977, p. 506). The underlying psychological
principle is that objects and events that are near at hand and immediately available provide more and more psychological support to a person. The concept of life space and its diminuation with time should be employed in the design of personal and community facilities (Telford and Sawrey, 1977, p. 507).

Physical setting of the retirement has also the problem of integration. The only common denominator of those who live in retirement communities is often the fact of being retired. Apart from this they are widely different from each other. Therefore, formation of retirement homes is often accompanied by three consequences - isolation, segregation and integration (Rosow, 330-337). The people who come to live in these homes are isolated from others by distance, and frequently segregated on the basis of sex and age and now they are confronted with the issue of how to integrate themselves with the people around. Though coming together of the same age group can promote integration better, location and layout of the retirement communities should be chosen so as to maximize the psychological integration of the individual. Taking into consideration the full impact of retirement communities on the well-being of the individual, there is a gradual movement from isolated retirement communities to family integrated
housing designs. Segregating the retired into separate living arrangements should be the last solution when other alternatives have totally failed. In our Indian context, where modernization and westernization have been of great influence, the idea of retirement home is gradually voiced out. However, though on a theoretical plane, such a demand may not be encouraged, the present study reveals that the need for such separate living arrangement still exists.

At the second National Conference of Association of Gerontology (India) held at Tirupati, in November 1984, there was a strong suggestion from the participants who had retired, that there was an increasing need for retirement homes, as many were experiencing loneliness and lack of family members to take care of them. There are many socio-cultural factors that necessitate such requirements in India.

However, while setting up retirement homes in places where it is absolutely necessary, experts in different disciplines should look at home and community designs to find ways that might function better for the elderly. A suitable balance must be struck between privacy and human contact. Double housing, multigeneration group living arrangements and congregate housing and basic houses with flexible design features are among the proposed alternatives (Woodward, 1982). Also there are mobile home parks, retirement villages, day treatment hospitals, domiciliary
programes, and multi-level geriatric centers that provide a full range of housing and care (Moos, 1980, p. 94).

10.4.2 Re-employment

Opening new areas of re-employment is a constant request from the retired population, and it should form part of the national policies. Before launching into any specific program, an objective assessment of current conceptions regarding the older persons should be made.

In the mind of the employer and the general public there still exists certain fixations about the retired which should be removed. Findings of studies regarding psychomotor abilities (Ramamurti, 1965) accident pronness (King and Speakman, 1953; Speakman, 1968; McFarland and O'Doherty, 1968), speed and accuracy (Brinley, 1965), employment mobility (Jaffe and Milavski), willingness to work (Stagner, 1978), impact of technology on the health of the retired (Alcalay, 1983) should be incorporated.

Certain findings of the above authors have a great bearing in designing the type and place of employment for the older persons. For example, it has been conclusively proved that due to the weakening of psychomotor abilities there will be also a reduction in speed, accuracy and agility. In relationship to environment, the older employees show less voluntary mobility. As regards motivation, all are
not equally motivated or the purpose of seeking re-employment may be different for different persons. These factors related to body, environment and motivation should form as a basis for further action.

Super (1978) lays down a few guidelines regarding re-employment:

- awareness of body changes related to aging
- awareness of advancing age and awareness of death
- knowing how many career goals have been or will be attained
- search for new life goals
- marked change in family relationships
- sense of work obsolescence
- feelings of decreased job mobility and increased concern for job security.

If these guidelines are followed, involvement in certain amount of work can become therapeutic, giving purpose, responsibility and satisfaction. Persons who given a chance to work have demonstrated considerable ability and usefulness. However, considering the psycho-physical changes that occur at the time of retirement, the change of occupation should be from heavy to light work, from high speed work to work with less speed, with possi-
bility of having pauses and intervals, from piece rate to time rate (Forssman, 1968, p. 175).

In the coming years it will become incumbent on the part of government to open a department to handle the problem of re-employment and other related issues. The department also can coordinate different activities of the associations of the retired for the over-all welfare of the retired in India.

10.4.3 Institutional Care of the Retired

Persons who are unable to take care of themselves due to advancing age and deterioration of health, have to be provided with institutional care. The first task in this regard is to examine the rationale of the institutional care of the aging individual. The trend to place the invalid to the institutional care, either sponsored by the government or by voluntary associations, is fast spreading, especially in the lower socio-economic classes. This tendency is a part of the general change in the outlook of the society, which is unwilling to shoulder the responsibility of taking care of the aging individual.

Institutional care is often sought when the burden becomes overwhelming. But institutionalization often produces feelings of guilt on the part of the family, and the feelings of abandonment on the part of the individual.
(Tobin, 1981). Institutionalization also brings certain impersonalism in human relationships. Moreover, the bureaucratic structure in which these institutions function makes service inefficient and time-consuming. In the U.S. there are two federally sponsored bureaucracies for the aged, namely Medicaid and Medicare which provide medical and nursing care facilities to the retired. Wack (1978), observes that such institutions foster both dependence and a loss of individuality, so that an elderly nursing home resident comes to view himself as helpless and unable to return to the community. Further, he says that the nursing home environment unwittingly accelerates the process of deindividuation, leading to feelings of loss of personal identifiability.

As a solution to these negative effects of institutional care of the retired, some propose other alternatives like community based care (Blum, 1980), and home care (Sussman and Romeis, 1981). Other alternatives are planned independent housing, and mobile homes (Lawton, 1981). Gurland (1981) has reviewed an array of studies evaluating these alternative settings and programs for the long-term care of the elderly. Lawton (1981) lays down the principle of optimization to evaluate the worth of any alternatives to institution. This principle states
that the most positive outcome can be expected in an environment that affords the exercise of autonomy to the maximum extent tolerable for the level of competence of the individual and one that simultaneously provides support for those areas in which autonomy cannot be exercised (p.10). The principle of maximization which guarantees autonomy of the person to the extent possible should guide us in selecting alternative arrangements for long-term care of the aging retired. At the same time, our approach with the aging retired should be guided by reality orientation which entails a systematic, ongoing program for orienting the patient to the essential elements of external reality. Behaviour and attitudes that reinforce regression in the retired and strengthen helplessness should be avoided (Brink, 1977).

Keeping these aspects in mind, training programs should be opened to prepare personnel to care the aged. Such facilities are still not existing in many nations. After surveying the existing doctoral, clinical and counseling program in U.S. only 6 formal and 21 informal programs in psychology of aging were reported to be giving training programs. Among the internship programs, 56 had a formal part of training devoted to work with the elderly (Cohen and Cooley, 1983). Situation in India is still bad. S.V. University, Tirupati, is launching a
Chair in gerontology to train students in the psychology of aging. But it will take considerable time to promote studies on aging and training programs throughout the nation.

10.5 SUGGESTIONS AND RECOMMENDATIONS BY THE RETIRED

As part of the study, the retired persons were requested to spell out their suggestions and recommendations for the welfare of the retired in India. These suggestions and recommendations were summed up as given below:

10.5.1 General Suggestions

i) The government and the society should utilize experience and potential of the retired through proper network with adequate remuneration.

ii) Retirement homes with adequate nursing facilities must be created for those persons who have no one to take care of, and for those who, for some personal reasons, would prefer to live in such homes.

iii) Central government Health Scheme should be extended to all the retired. Specialized centers dealing with gerontological problems must be set up wherever possible.
iv) Since recreational needs are vital to preserving mental health, adequate recreational centers, with library, reading room and game rooms must be erected at different centers of the country. Accommodation and other facilities must be provided to the retired at hill stations and holiday resort houses at concessional rates.

v) Associations of the retired should be formed wherever possible in order to prepare a forum for exchange of views and opinions.

vi) There should be a 'Pensioners' Day' which should be celebrated every year with becoming gravity and decorum.

vii) Every state government should create a special cell in the ministry to look into the grievances of the retired.

viii) The public in general, and the employers in particular should develop a sympathetic attitude towards the retired in view of their past services. Persons at the pension counters should be extremely kind and polite while dealing with the pensioners who come to receive their benefits.
ix) The retired government servants should be honoured and respected for the service they have done to the country, by inviting them to participate in the national celebrations such as Independence day, Republic day etc.

x) The employees, should be given professional assistance in advance to plan their post retirement life.

xi) The retired in our country should be officially called as 'Senior Citizens'.

xii) There should be a provision in the law to absorb all ex-service men into government service at the time of their retirement from the military services.

xiii) A few seats in the buses and trains must be reserved for the retired to make travelling easy.

xiv) Census of the retired should be undertaken periodically and their needs be assessed by voluntary organizations or government agencies.

xv) Special programmes in T.V. should be introduced at regular intervals, that are interesting and useful to the retired.
10.5.2 Financial Matters

i) Social security benefits such as retirement pension, gratuity, bank loans etc., should be enhanced in order to meet the present-day inflation rates.

ii) Financial assistance should be made available by the government for meeting economic needs of the retired, such as, building a house, daughter's marriage, and children's education.

iii) Pension scales must be revised from time to time to match the cost of living.

iv) Some new measures must be introduced into the present payment system so that the retired can draw a monthly pension equivalent to his last pay. One such measure is to debit 10 per cent of the salary to his retirement account.

v) The present practice of providing 2.5 per cent of D.A. must be replaced by 5 per cent as in the case of persons in service.

vi) One free rail or bus pass should be issued to the retired once a year to visit their homeland.
vii) Retirement benefits (such as pension, provident fund, and gratuity) should be made available to the retired on the day of retirement itself without undue delay. Therefore, rules regarding withdrawal of such benefits must be simplified.

viii) Separate allotment of land, subsidized ration etc., should be made available to the retired, in view of their economic stringency.

ix) Provision should be made in the law for the retired to receive a percentage of income tax they had paid while they were in service.

x) Pension schemes must be expanded to all categories of employees.

xi) Some schemes must be introduced in our country so that the person receives a house of his own at the time of retirement.

xii) As against the present practice, the retired must be allowed to commute full amount of their monthly pension.

xiii) If a person survives after the calculated period of commutation, he should be permitted to enjoy full pension as long as he lives.

xiv) Bank interests on the fixed deposits of the retired should be raised at least to 15 per cent per annum.
xv) The limit up to which gratuity can be taxed must be raised; pension received by the retired should be outside the periphery of taxation.

xvi) Industries should be persuaded to set aside a percentage of profits for the assistance of needy persons who originally served in their sector.

xvii) Education of the children of the retired should be made completely free.

10.5.3 Re-employment

i) The vacancies created by the outgoing retirees should be filled in by the children of the retirees.

ii) Provision should be made to absorb the children of the retired into government departments.

iii) Retiring persons who are economically weak should be given an extension of their service or suitable alternative jobs be provided if they are physically healthy and mentally alert to carry the task.

iv) Cooperative societies must be set up at different parts of the country in order to rehabilitate ex-service men.
10.5.4 **Retirement age**

i) Retirement age of government employees must be raised from the present practice of 58 to 60.

ii) Retirement age of professional services, such as medical, engineering and teaching should be made flexible because of their expertise in the field.

iii) Chronological age should not be the only criteria of retirement. His professional experience, physical and mental health, and personal needs should also be taken into consideration.

iv) Present system of retirement age in all sectors must be revised in view of improved health and longer life-expectancy of the individuals.

v) Rules of retirement age should be made uniform for all categories of employees.

10.6 **FUTURE RESEARCH IN RETIREMENT**

The above considerations lead us to focus our attention on future research on retired. The present study at hand does not exhaust all aspects of retirement. There are other important areas in retirement that stand in need of thorough investigation. Future research should be directed along this line. Some of these areas are:
1) Developing and refining psycho-social instruments of research, applicable to aging and retirement.

2) Reformulating and redefining certain vital concepts from gerontological standpoint, such as adjustment, health and leisure. Since these concepts have different connotations at various age levels, they have to be redefined at every age.

3) Assessing possible impact of attitudes and prejudices prevailing in the culture and society on the adjustment pattern of the retired.

4) Making a proper assessment of institutionalization, retirement homes and retirement villages.

5) Delineating different correlates of adjustment in retirement.

6) Preparing guidelines for retirement planning and pre-retirement counseling.

7) Cross-cultural and cross-occupational studies in post-retirement adjustment and life satisfaction.

8) Critical evaluation of government sponsored programmes for the retired.
ix) Assessing the functioning of Central government Health Scheme with its merits and demerits.

x) Developing action oriented programmes such as establishment of geriatrics and geriatric psychiatry, and gerontological research centres, with training facilities for personnel.

10.7 CONCLUSION

Reconsideration of the problems and prospects of retirement in India should help us to chart out the course of action to be taken to improve the overall life of the retired. They are integral part of the society and should be treated as such. Integration of the retired to the mainstream of the society will depend upon how the problem of retirement is approached by the larger society and by the retired themselves.