Forced retirement in Ecuador’s State Universities: A privilege or condemnation to precarity?

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ABSTRACT
The elderly go through psychological, social and physical transition stages due to natural ageing. Working life is affected by social prejudice against the old. Discussing forced retirement brings to mind the difference between right and ethically correct. This debate includes a public ethics issue and an educational issue; teaching by inexperienced or poorly qualified teachers may affect students’ academic development. This paper will look at forced retirement of Ecuadorian faculty members at the Guayaquil State University. The analysis will center on equality and ethics and will explain the issue’s economical, educational and social context as well as how these decisions place university the schools and departments of the University in a state of precarity. It will also explore how forced retirement is linked with age discrimination and how it influences education, preventing students from benefitting from the experience and knowledge of older teachers.

KEYWORDS:
Retirement, precarity, ethics, justice, age discrimination.

RESUMEN
Las personas de edad avanzada atraviesan transiciones sociológicas, sociales y físicas debidas al envejecimiento normal. La vida laboral se ve afectada por el prejuicio social contra la vejez. La discusión sobre la jubilación obligatoria nos lleva a considerar la diferencia entre lo que es realmente correcto y lo que es éticamente correcto. Este debate incluye un problema de ética pública y un problema educacional relacionado con que la enseñanza la impartan profesores inexpertos o inadecuadamente preparados, lo cual puede afectar el rendimiento académico de los estudiantes. Este paper examinará la jubilación obligatoria de los docentes ecuatorianos de la Universidad Estatal de Guayaquil. El análisis se centrará en la equidad y en la ética y explicará el contexto económico educacional del problema, como también la forma en que estas decisiones colocan a las escuelas y departamentos de la universidad en una situación realmente precaria. Se explorará cómo la jubilación obligatoria se relaciona con la discriminación contra la vejez y la forma en que esta influye sobre la educación, impidiendo que los estudiantes se beneficien de la experiencia y los conocimientos de los profesores de más edad.

PALABRAS CLAVE:
Jubilación, precarismo, ética, justicia, vejez, discriminación por edad.

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Introduction

Stressful situations, especially related with economy and human relationships always follow change, this is more evident when change is not expected and there is a perception that it is unfair. Change can create and exacerbate inequalities globally, according to Sennett (1998) there is a tendency to have a 'flexible specialization' (p.51) to respond to changing market's demands. This situation may force employees to adapt to change whether or not they believe it is for the common good, frequent job changes and relocations results in loose networks and few deep relationships. Sennett argues that even though it seems that there is a successful situation for the employee, the intangible effects of change produces decay of character 'in ways for which there exists no practical remedy' (p.31). A forced retirement is a kind of change that could affect employee's life and character, taking him to a situation that could be worse than the primary one.

This paper will look at the issue of forced early retirement of Ecuadorian State University faculty members. The analysis will be centred on equality and ethics and will explain the economical, educational and social context of this issue as well as how these decisions push faculties to a state of precarity. I will explore how forced retirement is linked with age discrimination and how it influences on education, impeding students to take advantage of the benefit of experience and knowledge of old teachers.

Times of change

Authors have explained changes in economy and production in many different ways. Some, such as Bauman (2000) argue about the transition from solid modernity to liquid modernity, from producer society to consumer society, from productive 'long term' capitalism to fluid 'short term' capitalism that incessantly express itself with the evanescence of products. Other writers announce the transition from a heavy, industrial, rigid, stable and material capitalism to a light, financial, flexible, unstable and immaterial capitalism (Gorz, 2003).

Sennett (1998) writes about the personal consequences of working in a company where change is occurring every time and that is part of what he calls 'new capitalism'. He also reflects about 'working failure' arguing that it is the impossibility to structure a coherent personal life, the failure to accomplish something beautiful we have inside, to ignore the way to live and just to exist. For Sennett new labour conditions are new strategies for domination that demand the breaking up of labour and social rights. This process is undermining legitimacy of actual capitalism, according to Sennett "...a regime, which provides human beings no deep reason to care about one another, cannot long preserve its legitimacy" (p. 1). What is happening in the present time in Ecuador is a consequence of this lack of empathy and indifference. People with high-qualified skills and knowledge, living at the expense of a poor pension that hardly cover basic living needs.

In just a few decades labour activities have passed from a variety of working positions, social promotion and stability expectations, to high rates of unemployment and labour precarity, from the hegemony of the industrial activity to the progressive development of the outsource sector, from a powerful working class ascending in the social and political field, to the disarticulation of the political meaning of workers, from an ethos with a recognized identity value to the lost of identities and horizons (Bauman, 1998). As I will shortly argue, these processes are evident in Ecuadorian universities which are undergoing radical change like the mandatory accreditation of all universities, or the obligation of faculties to get a master degree in order to be qualified to teach, and where forced retirement means a loss of identity and horizons for
many faculty members.

According to Sennett (2002) changes in people's labour life can decay people labour ethic, which Weber (2001) calls a 'delayed gratification ethic', and ethic which was part of the working activities in organizations where long-term objectives are the main goals, and sacrifice and constancy are characteristics of workers' life. In contrast, a flexible organization considers delay a risk to lose labour's production and sacrifice a waste of time when there is a certainty that the organization won't have a long-term permanence (Sennet, 1998). Sennett argues that the basis of our traditional work ethic that was grounded on delayed gratification has lost economical rationality, talking about risk and uncertainty as the main components of a 'journey into the unknown', where there is a deep concern of the employee where he is 'too old' to do the job. He says that seniority, skills, expertise, experience, is seen as belonging to another era "...in which seniority rights froze institutions and the regime focuses on immediate capability" (p.96). Sennett believes that this anxiety about time 'hollows out' the middle aged, so that their experience "seems a shameful citation", putting their "sense of self-worth at risk" (p.97). This clearly relates with the consequences that this type of retirement have on education, specially higher education where the teacher academic and professional experience is a valuable component of his classes and lectures.

Section I

From Classical Capitalism to New Capitalism

According to the Merriam-Webster dictionary, capitalism is a social and economic organisation characterized by the private property of means of production. In Capitalism, there are two types of rents: owners' benefit and workers' salary. Capital includes material resources as land, mine-
how we have come to this flexible capitalism, Sennett explains the evolution of the productive forms through the years. In XVIII century, routine at work was present and home was the centre of economy where people could work, eat and sleep, labour was linked to family. Years later the concept of ‘labour division’ was introduced, according to Adam Smith, free money circulation led to labour specialization. Smith’s routine fear conducted years after, into Fordism that was based in assembly lines. This increased the number of specialized workers and decreased the specialized artisans that were an expensive resource for companies. In our topic, the early and unplanned substitution of experienced faculties as a consequence of a new policy shows the flexibility mentioned by Sennet, flexibility that is minimizing stability, expertise and unequivocally provoking undesirable consequences on education as we will see later.

Restructuring capitalist system has been a continuous process of short-term and precarious work positions creation, furthermore there is an increase of social inequality and social dumping defined as the practice of employers to use cheaper labour, than what is usually available at their site of production and/or selling (Investopedia, 2013). Within this system many job’s positions are lost without the creation of new ones; on the contrary they are exported to external sources to exploit the costs reduction in the global network. Instead of life long careers and stability that capitalism’s workers might have expected, new capitalism’s workers are now engaged in ‘jobs’ as a kind of short and temporary pieces of work, in which workers seem to ‘drift’ (Sennett, 1998). This has been happening in Ecuador in the last twenty years, paradoxically the government is considering a new law that considers workers stability but early mandatory retirement law is far from offering stability and equality to retired faculties. The Fordism structure have been replaced by an extreme specialization together with flexibility which is now a mandatory pre-condition for the impact of changes in market demand over productive processes. Technology and communication advances have provided this new flexible regime. Within this radical re-organization power is no longer centralized and the pyramidal system’s structure has become weak. Work is closely controlled despite of physical decentralization, the incessant use of mobile phones mean that employees, and especially those in directive positions are constantly working and could be contacted at any time without payment for working usually out of labour hours. As a consequence of the changes produced in science and technology especially in the information and communication applications, labour market has also experienced evident changes. It is true that there is an increase of productivity, but also unemployment and social problems have increased and old workers turn into a manpower reserve. Leonard (1997, 161) considers that “…it is a hard time for those who try to seek new ways to advance in human wellness”. In Ecuadorian experience, this has led to an important number of professionals bound to look for employment or activities that are far away from their real professions, like economists, teachers, medical doctors and engineers driving taxis or selling things as informal merchants. According to the International Labour Organization (ILO), 52,2 % of workers is informal. Regrettably valuable educators also form part of this group, as we will see in the next section.

Ecuadorian State university faculties’ forced retirement

Why does the Ecuadorian government compel productive workers in education to retire? One reason is stated in article 47 of Public Workers Organic Law (LOSEP) and article 77of the Higher Education Organic Law, which determines that public workers (in our case teachers) must be compulsory retired when they reach 65 years old, ceasing all their academic activities. This law,
published in 2013, has produced a crisis in public higher education institutions because of the retirement of about 900 out of 1500 faculties of one of the biggest universities of Ecuador (Central University of Ecuador). This situation is being replicated in other higher education institutions, such as the National Polytechnics School, where from a staff of 420, 208 will leave their practice. The government has not announced yet plans for replacing these faculty members but this situation is causing university authorities serious concern.

These policies are part of the Ecuadorian government social and political development plan. According to Ramirez (2012, 32), who is one of the authors of the National Development Plan, the world doesn’t need ‘alternatives of development’ but ‘alternatives to develop’, he argues that ‘instead of taking the benefits of capitalism, there is a need to transform it’, proposing a change of paradigm in all strata of public services. Parts of these changes are the new policies that include a restructuration of universities and their faculties. Again, citing Sennet (2000) these political decisions give to a controller-centralized group power and control that go beyond the fundamentals of our freedom.

Forced retirement

The polemical discussion about forced retirement makes us to rethink about the difference between what is legally correct and what is ethically correct. This debate is only part of a situation that includes a public ethic. There is an important difference between what is strictly legal and what people feel and perceive as injustice. A public employee compelled to retire may be a legal issue, but it turns into an ethical and equality issue when he receives a retirement pension that does not represent the amount of time and work that he invested in the Organization, or when he is still young enough to work and to be active in his profession. To exclude a person from his working place considering that his age is - according to a government policy - not appropriate for being active in his job, even though the individual is still able to work and wishes to continue working, is not ethical and produces a serious damage to the individual’s emotional stability, ‘hollowing out’ his life and character, to use Sennett’s (2000) phrase. In 1965 in the United States an awareness of the age discrimination started in the work market. According to Quadagno (1999), more than half of all the working positions are barred for applicants that are 55 years old or more, 25 per cent of positions were closed for 45 years old and thenceforth people, despite a low from 1967, which prohibited discrimination for 40 to 65 years old workers. Even though this law looks for workers protection, discrimination is not over. The reason seems to be that old workers have more rights and are more expensive and companies tend to decrease their costs by getting rid of them. In 1950 almost 50 per cent of 65 years old and over were part of the labour market (Quinn & Burkhauser, 1990). However at the end of the century this percentage was only 16 per cent. In Great Britain in 1881, 73 per cent of 65 years old and over were employed (Townsend, 1991), one century after, this proportion is less than 10 per cent.

Section II

Effects of forced retirement on individuals

The unexpected interruption of labour activities produces a disruption on the individual that requires an adaptation process. Retirement represents the transit from a fully integrated labour activity to a situation that can causes negatives effects like social and psychological deterioration and reduction of self-esteem and social relationships. One consequence of the interruption of labour activities, is the lost of social role as well as personal and social changes that affects individual and his social and family...
context. The effects of forced retirement on individuals will also depend on the characteristics of the work and the labour biography of the employee. Those who received implicit awards from their jobs will be more exposed to uncertainty and frustration; those who have done a routine job throughout their lives are less exposed, because their goal is to make money in order to get other things (Agullo, 2001). Additionally, the increase of life expectancy, which have been distancing the professional activity with the end of life, could deepen the 'structural hold' of old retired people with society and community, especially when the increase of life expectancy includes a healthy and useful life (Robine et al., 1985). The 'structural hole' shows the tendency of social institutions and norms to not fitting to faster changes on individual lives (Riley et al., 1994).

The increase of useful life together with health and education levels in the last years is accompanied by the increase of theories that claim that activity and social participation are key factors for satisfactory old age (Chen, 2001, 75). According to (Sheppard, 1990), people that leave their jobs before they have reached their professional goals, fail to have a scope of purpose in society. In the other hand there are some beneficial changes for early-retired teachers, some roles are intensified including those of homemaker and church member. Older people may also become more active as citizens, as members of the extended family and of informal groups, and as cultivators of hobbies. Conditions making for flexible adaptation to new roles are successful experience in a variety of roles during the middle years and deliberate cultivation of flexibility after the age of 50 (Havighurst, 1954).

Despite these positive points of early retirement, there is no doubt that it produces a damage to the individual's emotional stability, 'hollowing out' his life and character. Sennett introduces us to this notion of 'structural holes' in which 'the more gaps, detours, or intermediaries between people in a network, the easier it is for individuals to move around' (1998, 84). 'Holes' for Sennett are 'sites of opportunity' that seems to be absent for retired people. Sennett also brings us back to Rose - the owner of the next door bar he used to visit, who, after a year working in publicity had a very disappointed return to her bar to start running it again - to illustrate another key idea: the widespread prejudice against old age and the belief they will not be flexible or take risks. He concludes with Rose’s expression that her attempt at a new life was a 'mistake' but that she 'had to do it' (Kindle Access, Chapter 5, Locations 1449-52).

Theory of Roles developed by George H. Mead, (Micelle, 2007) applied to elderly, indicates that as long as individuals get old the available social roles decrease. Retirement reinforces this process with the disappearance of one of the central roles in adults' life: the working role. Theory of roles claims that is necessary to find new roles that could structure and give sense to retired employees' lives. The problem lies not in the absence of roles but in the lack of new ones, the challenge, according to Moody (1998) is to make retired individuals lives more productive. Under the ethical analysis, this law is taking away elderly people to find a sense for their lives. Elderly people are the basis of society; they have played an important role in the present construction, contributing to the formation of young people, therefore society has a debt with elderly in the economic and social aspect. The investment they have received in education and the experience of retired people is a capital that could be transferred to other generations favouring their developing and growing and contributing to collective memory and conservation of the national identity. A society that rejects a human group because of age is not fair and this attitude influence next generations. According to Spano (2000) forced retired
workers have been dispossessed of their personal identity and social recognition, they are part of a group of unconventional workers outside of the resources and social benefits of society. He argues that retirement is a kind of alienation, an unexpected and uncontrolled stage that leaves individuals out of society without a clear purpose in their lives. D'Amours (1999) states that forced retirement does not differ from unemployment in their perception of failure and deceit. After retirement, the absence of employment condemns individuals to the status of receptors of charity benefits, besides precarity they are also affected by the change of status that undermines their identity.

The transition of retired people from an activity-working situation to inactivity has three fundamental implications for the individual's social situation, in my view. First, it implies the beginning of a low income rent stage. According to a survey done by the Ecuadorian Minister of Labour (June, 2014), 70 per cent of 65 years old and over declare that their retired income level is less than an active person's income. This reduction of income has consequences in the standard of living and is worsened by the change of priorities on expenses. Retired people have to satisfy health and medicine needs, special food and other needs in accordance with their age. Consequences are also related with the disruption of retired people with the social networks linked with working activities, which in many cases were the only relationships they had because of the loss of personal relationships in modern societies. This increases the risk of loneliness and social isolation, due to the marginalisation of old people's social role and function, whilst in past societies, experience and knowledge granted this social role. On this matter, Putnam (2000, 274) claims: 'our deepest sense of belonging is to our most intimate social networks, especially family and friends. Beyond that perimeter lie work, church, neighborhood, civic life ...' Further, strong social networks with high trust and reciprocity are supportive, even though they may occasionally suppress individual expression (Putnam, 2000, p. Location 2947). About this topic, Sennett (1998) cites the sociologist Mark Granovetter (1973) arguing that modern institutional networks are marked by the 'strength of weak ties' (p.1360) and emphasizing that strong social ties have ceased to be compelling (Kindle, Location 266-73).

Additionally, new capitalism's logic based on each individual's personal and social recognition according to his market value makes that knowledge and experience become no longer valued. Retired people's status is linked to a loss situation of his labour status but also of incomes, health, social relationships and society place (Diez Nicolas, 1996). The fundamental consequence of this social exclusion is the high incidence of poverty in families where a retired person is the head. Poverty within this context is not only the scarcity of economic resources, but also health conditions, access to public services, opportunity for dwelling property or a family network for support.

The 'working failure' mentioned by Sennett (1998, 125) where the 'impossibility to structure a coherent personal life, the fail to achieve something precious that we have inside, not knowing to live but only to exist' applies to old people whose retirement instead of being a privilege seems to be a condemnation. The question 'who needs me?' turns into a character issue that suffers a radical change in new capitalism. The system radiates indifference and lack of trust, that spreads to organization and result in restructuring of institutions where people are treated as expendable things. These practices decrease the individual perception of being important and necessary to others contributing as Sennett mentioned with the corrosion of character, which under my view is a matter of ethics and equality as we
will see in the next section.

**Section III**

Ethical considerations of forced retirement

One of the most important topics in today’s ethic is related with the elderly. Current society, filled with technocracy and functionality has put aside the rights of old people, our culture lacks of solidarity and real knowledge about elderly people who is considered somebody whose time is over and has anything to offer. This is a cosmoplosion that becomes evident in the treatment to the elderly. Retirement is supposed to be a synonymous with privilege and wellbeing.

After an entire life of production and work, the retired worker should be worthy of receiving not only an appropriate amount of pension but also to have health and social services up to the end of his or her life. However the reality is quite different in Latin America where using foreign socio-economic formulas, the elderly experience acute economic and sanitary needs while potentially abandoning many of them to a dangerous loneliness. Nowadays there is a tendency to calculate the proportion of investment in a citizen according to what he does and what he is expected to do. This criterion is eminently utilitarian. Utilitarianism is defined as cost-benefit binomial, which is understood as how much the state or private institutions invest in the elderly and how much benefit is expected to receive from them. This mind-set, in my view, has produced a humanist crisis in which elderly people are devalued in the middle of a world that measures him according to what he has or he produces, instead of what he represents in essence as a professional and human being. These strange socio-economic formulas come from ‘new capitalism’, which is taking advantage in ‘revolutionary’ countries in Latin America. According to Monge (1989) death and suicide in the elderly are associated with the loneliness that retired people feel plus the lack of attention from their relatives and from the state; their basic needs are almost covered by a meagre retirement fund, increasing the tendency of the retired employee to have a precarious life which is unethical and constitute an injustice for this people.

On this topic, Jiménez (2011, 239-240) argues that due to life expectancy extension, some countries extended the working life, avoiding the shortage of active workers. The UK, for instance, abolished forced retirement preventing the interruption of labour when they reach 65 years old. This way the social security system maintains equilibrium, and prevents discrimination against elderly people and the interruption of their working life against his will. In present days there are not reasons to consider a person who is 65 or more as ‘out of order’, in most cases they are in excellent conditions for a satisfactory labour performance, we can see today 70, 80 years old people that are able to respond to labour challenges in many fields like education. Actually, the British government increased the retirement age to 67 because so many are living longer, and so increasing the cost of state pension provision. There were utilitarian and practical reasons, to rise the retirement age. But age is not the only component of my arguments against mandatory early retirement, there is also another situation that involve the life style of the retired teacher which is ‘precarity’, a term that we will explain in the next section.

**Forced retirement: a way to precarity?**

Precarity - a condition of existence without predictability or security, affecting material or psychological welfare – may be considered a problem of modernity and is part of insecurity and vulnerability. Only a society of ‘individuals’ as modern society can be a society that is self-aware of its precarity. The Hobbesian hypothesis about ‘the state of nature’ shows the vulnerability, insecurity and precarity that we could be exposed if we don’t agree all together a common protective regime (Hobbes, 1909). Hobbes argues
is a circumstance that we have to construct, a situation that we have to invent, and he asks the question: how can we protect all members of a society? This topic is a fundamental part of the problem of precarity. Castel (2004) holds that insecurity is not only civil but also social and in my view also just, and that to be protected in this context has to do with 'being safe' from imponderables that could decay the social status of the individual. These imponderables are diseases, unemployment, but also forced retired because of age.

Precarious job is not defined by its illegal essence but by its uncertainty in terms of rights and justice with a strong instability in respect of protection and social security. Precarious job situations started to emerge in the seventies and at present most of working positions are precarious, in my view. Precarity has put those individuals in a hard position being that the aspect that has been mostly affected is the individual's character in addition to the core of his personality and strength that lies in long term working positions with the possibility to project to the future. According to Sennett (1998) the essential word to think about the contemporary experience of precarity is 'flexibility' which - he states - is a name used to soften the oppression of capitalism. The corrosion of character - says Sennett - is the end of every solid and predictable experience, understanding change as a drift. This is exactly what I have been arguing in the previous sections and what is happening with teachers that are forced to retire.

How retired workers could fall into precarity? One of the factors that may cause this is the amount of retirement pension that they receive. Standing (2011) argues about this stating that one of the main problems that worry the politicians and pension fund analysts is that the share of the world's population aged 65 and over will double between 2010 and 2040, to 14 per cent. This means that more old workers will be receiving pensions for a longer time. In Ecuador there are 1,229,089 elderly, 57.1 percent of this group receive less than the basic amount of money to survive (INEC, 2012). One detail that worsens the precarity situation of the retired worker is that according to the Ecuadorian Institute of Social Security (IESS), after retirement, if the worker finds another job, he will have a penalty of forty percent discount of his pension. Under these circumstances the economic situation that may increase the precarity of the elderly immersed in a society that, instead of caring about him, tries to drives him to the ruin.

Conclusion

Elderly people goes through a psychological, social and physical transition stage due to natural ageing process, his working life is affected in this stage because of the existence of social pressure against old people. To exclude a person from his working place considering that his age is - according to a government policy - not appropriate for being active in his job, even though the individual is still able to work and wishes to continue working, is not ethical and produces a serious damage to the individual's emotional stability, 'hollowing out' his life and character, to use Sennett's (2000) phrase. Reduction of income, loss of roles, lack of time organization, social isolation because of the loss of his working partners, produces depression and health problems: this is surely not jus. The final result of forced retirement is the perception of social discrimination, physical and mental diseases and in worst cases early death. It is the duty of a just government's duty to look after citizens' welfare no matter their age or social condition; it has to defend the rights of vulnerable groups like elderly. Ecuadorian government should reconsider the deep analysis of this law, extending the retirement age of teachers or at least making this retirement a voluntary and optional action. This will contribute to stabilize the great gap in education that will occur without the experience of these valuable people.
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