

## **Securing our common future: Why investing in reducing aged based vulnerabilities is necessary in the global economic crisis: Background issues paper**

### **Summary**

With the world economy in deep recession the current short term focus of policy making on managing the crisis is understandable. Business failures, rising national indebtedness, growing unemployment and unregulated informal employment, and financial insecurity for millions of people across the globe have seized attention.

However this short term focus should not divert attention from the major socio-economic issues of this century; among which the ageing of global populations is pre-eminent. To meet this challenge societies and economies will have to undergo unprecedented reorganisation, and invest now in the creation of structures and environments for our future ageing world.

This paper argues that comprehensive age friendly social policy responses to both the financial crisis and to demographic transition are necessary and affordable, and that a focus on investment in the health, livelihoods and economic security of the older poor for the benefit of future generations is more urgent than ever.

### **The crisis**

The world is facing its biggest global recession in sixty years. In many places current hardships are worsened by earlier food and energy crises. Livelihoods of rural and urban poor families are affected in all countries, with a serious and disproportionate impact on the poorest. An estimated 125 million more people have been made chronically poor due to the crisis, in addition to the estimated 1.3 billion already living under \$1.00 a day.<sup>1</sup>

For the poorest citizens of the developing world the crisis brings increased economic and social burdens on those already struggling with chronic poverty, poor access to health, safe water and sanitation, inadequate food, poor shelter, an insecure habitat and lack of financial security.

For the poorest nations, dependent on the richer world for jobs and traded goods, the impact of the recession is keenly felt in declines of growth and lost jobs. The ILO predicts that there could be as many as 50 million more jobless than in 2007.<sup>2</sup> With average GDP growth in many developing countries likely to fall to less than half that of pre crisis times the World Bank predicts sharply increased numbers of infant deaths and as many as 90 million more people pushed into extreme poverty.<sup>3</sup> The FAO expect those suffering from malnutrition to peak to one billion in 2009.

Inequalities are growing - inequalities of income, of opportunity for education and employment, and of access to the basic services of health, education, water and sanitation and social protection. Social cohesion and peaceful interdependence is threatened, and we see more and more increasingly precarious living arrangements, a massive increase in informal employment and 'indecent' work, disease, increased migration and conflict.

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<sup>1</sup> Chen and Ravallion World Bank 2008

<sup>2</sup> ILO Global Employment Trends 2009 p 24

<sup>3</sup> World Bank :Global Monitoring Report; a development emergency pg 1/2; and Swimming Against the Tide; how developing countries are coping with the global crisis: page 10 2009

Arguably, increased security, economic growth and social stability will not be possible without decisive national and global action to reduce income and opportunity inequalities.

### The significance of population ageing

Demographic transition, with population ageing at its core, is probably the defining socio-economic development of this century, with the potential to affect human development as profoundly as climate change. Those over 60 will increase 4-fold, from 475 million in 2009 to 1.6 billion in 2050, reaching 20% of the global population, with the greater share in Asia, China in particular, and the most rapid demographic transition occurring in the poorer countries.<sup>4</sup> The projected population increase of 2.3 billion people will particularly affect developing countries, as population increases there are projected to be from 5.6 billion in 2009 to 7.9 billion in 2050, and will be distributed among the population aged 15-59 (1.2 billion) and 60 or over (1.1 billion), with numbers of children under age 15 in developing countries decreasing.<sup>5</sup>

In the developing world policy responses to the demographic transition are patchy. The result is often that older people are marginalised, with the services they require also lacking attention and investment. Despite global commitments<sup>6</sup> to include older people in programmes designed to halve old age poverty and hunger by 2015, an estimated 200 million older people live in poverty while some 80 per cent of older people in developing countries have no regular income.

Population ageing will have a significant impact on the capacity of families to care for their older members in the future. As a result of the global trend toward having fewer children people will have less family support as they age. Long term care for older people, both formal and informal, is already becoming a key issue in many countries, raising questions of cost and sustainability.<sup>7</sup>

### Why is investing in older people important?

Older people play a critical role in holding families and societies together. Many households are both intergenerational and interdependent, with support and investment to older as well as younger people leading to tangible returns to the poorest of the poor for generations to come. One in five of the global population will be over 60 by 2050, with a threefold increase in developing countries.<sup>8</sup> Progress in the elimination of poverty and achievement of the MDGs requires a focus on older people, who are among the poorest of the chronically poor.<sup>9</sup>

In many countries suffering severe insecurities older people are still tending to care for high numbers of children. In some countries of sub-Saharan Africa two-thirds of people living with AIDS receive care from parents over age 60. Nine out of 10 orphaned children live with their extended family, and in many countries this means a grandparent.<sup>10</sup> In areas affected by HIV and AIDS proportions of older people in the population are rising rapidly, largely because of the migration of young adults to the cities in search of work, and in some countries because of the death of young adults from HIV/AIDS. The result is a rising phenomenon of what some observers call "hollowed-out households," made up of the young and the old.<sup>11</sup>

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<sup>4</sup> UNDESA World Population Prospects 2008

<sup>5</sup> UNDESA press release March 11 2009

<sup>6</sup> Madrid International Plan of Action on Ageing April 2002

<sup>7</sup> US Department of State 'Why population Aging Matters: a Global Perspective' pg 16 Washington DC 2007

<sup>8</sup> UN DESA world population prospects /2004 population Database

<sup>9</sup> Gorman HAI 2006: Chronic Poverty Report 1 and 2

<sup>10</sup> UNFPA/Maher 2006

<sup>11</sup> Libor Stockhal FAO 2006

Children and old people are especially vulnerable to poverty. Evidence shows that that households with children and older people are on average the poorest in Africa.<sup>12</sup> As, currently, it only a small minority of older people that live alone, and as families struggle to support their older family members it more likely to be poverty - rather than wealth – that is transferred between generations.

Additionally population ageing and poverty in developing countries is linked to increasing childhood poverty. As more households are characterised by the old caring for the young and vice versa, the failure to invest in the older generation brings with it consequences for their ability to nurture and support those in their care. There is evidence that supporting older people with regular income security and health provision can result in improved indicators for children, as they become direct beneficiaries of the greater economic and social security experienced by the older generation.

### Some key issues

#### **Food security**

The food, fuel and financial crisis has resulted in greater hunger in the poorest regions of the world. In June 2009 the UN stated that the global economic crisis and high food prices are major reasons why in 2009 1.02 billion people - one-sixth of the world's population – do not have enough to eat. 100 million more people are going hungry now<sup>13</sup> than in 2008, with the largest number of hungry people (642 million) in Asia and the Pacific, while the highest rate of hunger (32 percent) is in sub-Saharan Africa.

Millions of poor people can no longer afford an adequate diet. This represents a real challenge in the fight against hunger and a step back in the progress towards the achievement of the MDG target to halve the number of hungry people by 2015. In early 2009 the high cost of food increased the number of people suffering from hunger from 850 million in 2005 to 963 million.<sup>14</sup>

In 2008 rising prices for staples such as rice and wheat caused riots in a number of countries. FAO Director General Jacques Diouf said "*The silent hunger crisis, affecting one-sixth of all of humanity, poses a serious risk for world peace and security.*" Less obviously, high prices are consistently forcing families to adopt damaging coping strategies to maintain staple food consumption, with long-term implications for poverty, vulnerability and malnutrition.<sup>15</sup>

The global crisis has illustrated clearly how severe food and fuel price increases directly affect those already vulnerable. World food prices have increased significantly in the past two years, reaching record highs at the beginning of 2008. Staple food crops such as wheat, rice and maize experienced price increases of between 40 and 100% compared to two years ago.<sup>16</sup> Worst hit by the price increases are net food importing countries, due to their dependency on external markets and international prices. It is estimated that food imports could cost developing countries 25% more than in 2008 than 2007 and that their food import bills will have doubled since 2000.<sup>17</sup>

Hunger and malnutrition affects people of every age, leading to serious problems for infants, children, and adolescents as they will lack nutrients that are critical for growth and development. Across Asia the crisis is associated with increased child mortality, aggravated hunger and disease, and increased school dropout rates; declining household incomes are leading to abandoned education which can

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<sup>12</sup> K. Subbarao Ageing and poverty in Africa 2005

<sup>13</sup> Defined as those consuming less than 1,800 calories per day

<sup>14</sup> FAO 2009

<sup>15</sup> ACF International Network 'Feeding Hunger and Insecurity' January 2009

<sup>16</sup> World Bank commodity price data

<sup>17</sup> FAO, Food Outlook, November 2007

affect generations. The Asia Development Bank has noted that '*experience from earlier crises shows that the children who drop out of school during these times may never return*'<sup>18</sup>. In parts of Africa<sup>19</sup> households are paying significantly more for food compared to 2007. In Kenya the average cost of the food basket in 2007 was Ksh 6,267.83 (US \$82.00); by 2008 the same basket cost 21.5 percent more (Ksh 7,618.03 – US\$ 99.7). The study also shows that households in informal settlements spend 54 % of their monthly income on food compared to 52% in 2007 resulting in a net increase of 2% of households in absolute poverty.

High prices consistently force families to adopt damaging coping strategies to maintain staple food consumption; bringing poverty, vulnerability and malnutrition. Poor households are reported to be spending over 80% of their income on food, leaving them even more vulnerable to rising costs of other commodities<sup>20</sup>. In such cases families are forced to survive on a day to day basis without the means to invest to bring some returns. Households reduce food intake, and expenditure on medicine; they may also withdraw children from schools. Such short-term crisis response exposes children to malnutrition and preventable diseases, and a future without education affecting future employment opportunities.

### ***Hunger in old age***

Older people, main caregivers of young dependents, may also be unrecognised victims of hunger and malnutrition, trapped also by chronic poverty and untreated chronic disease. Older people in Kyrgyzstan report that existing income poverty combined with price rises mean that the entire pension can be spent on flour to make bread, leaving next to nothing for fuel, clothes, shoes and transport to centres of commerce and health provision; a situation which is especially aggravated in winter months.<sup>21</sup> Older headed households in Malawi make up on in 5 of all households, and are on average 5% poorer than other households.<sup>22</sup>

It is often the older women and men that bear the brunt of food shortage. Findings are consistent in the developing world that older carers give priority to younger family members for food at times of scarcity, evidence which parallels a groundbreaking 2008 study of hunger in older age in the USA<sup>23</sup> that showed that the risk of hunger of older age is 50% greater when living with a grandchild.<sup>24</sup> In Sri Lanka, where the price of milk powder rose in February 2009 from 110 rupees to 300, older carers went without to ensure their young dependents did not, and grandparents reported that they considered themselves a burden because of rising costs.<sup>25</sup>

### ***Political crisis and natural disasters***

Emergencies caused by natural disasters and conflict continue to grow in number. Accelerating trends of climate change present unprecedented new risks. Countries affected by changed weather patterns, including floods, drought and extreme cold are facing extreme crisis. In countries and regions in countries affected by both natural disaster and conflict all poor people are at risk, and vulnerable groups, including older people, are especially hard hit. For example 80% of the 'extremely vulnerable' individuals in Northern Uganda in 2007 were over 60; In Uganda today older persons account for most of the people remaining in camps for the

<sup>18</sup> Asian Development Bank 'The Global economic Crisis challenges for developing Asia and the ADBs response 2009

<sup>19</sup> Jesuit Hakimani Survey pg 2 Nairobi 2008

<sup>20</sup> ACF International Network Feeding hunger and insecurity 2009

<sup>21</sup> HelpAge Kyrgyzstan situation report January 2009 unpublished

<sup>22</sup> Integrated National survey 2004-5 Malawi National Statistics Office

<sup>23</sup> The Causes, Consequences, and Future of Senior Hunger in America: Meals on Wheels Association of America Foundation: Washington DC, 2008

<sup>24</sup> Hunger in older age affects a persons ADL (Activities for Daily Living) so that 64 year old can have an ADL rate more consistent with a 78 year old.

<sup>25</sup> Annual report (support a Grandparent programme) Help Age Sri Lanka 2009

internally displaced, and are reportedly reluctant to face the hardships of return without support, including that of registration documentation required to enable them to access government benefits once they return to their places of origin.<sup>26</sup>

Climate change may have specific impacts on older people. In Kyrgyzstan, which traditionally utilised its generous water supply to generate hydroelectric power exported to neighbouring countries, climate change is resulting in the melting of glaciers that fed Kyrgyzstan's water supplies causing increasing water supply shortages. The country's capacity to generate hydroelectric power for the national grid and electricity for heating systems during the long and hard winter months has been limited. Older people have been severely affected. Many have small children under their care, who are also at much greater risk during the cold months due to weaker immune systems and restricted mobility. With increased electricity costs more money is needed for electricity bills, leaving little or nothing for other expenses, and nutritious food intake has declined. Although migration has traditionally been a means for securing income for those left back home (The Kyrgyz Republic is amongst the world's most remittance dependent countries<sup>27</sup>) a recent study of poor households shows that less than 5% of income sources in the participating households during the winter 2008-9 was from remittances.<sup>28</sup>

The humanitarian community<sup>29</sup> accepts that significant action is yet to be taken to ensure that older refugees and displaced persons have health provision, social, psychological and livelihood support (including credit, which can still be denied on age grounds). Age based analysis of vulnerable populations and key ways to support them are absent. The United Nations' Inter Agency Standing Committee - which brings together a range of key UN and non-UN humanitarian partners<sup>30</sup> - has recommended that action in humanitarian responses should have an age friendly focus on health, water, sanitation and hygiene, nutrition, shelter, camp coordination and management. Support for older people to maintain a living and to have protection – in terms of tracing and reunification, caring for children, addressing abuse and gender abased violence and land and property rights -is necessary.<sup>31</sup>

### ***Employment and 'decent work'***

The global crisis has seen a growth in the informal employment sector, now accounting for 60- 90% of all work in the developing world. This informal economy - which accounts for the majority of the employment growth amongst the poor - also includes very significant numbers of the older poor. A greater proportion than ever of older people are working into very old age, struggling to maintain land and rural traditions and taking primary caring and income generating responsibilities for children and youth while parents migrate in search of work and opportunity.

Old people across the world often have no choice but to work, often into very old age, often in informal and physically demanding jobs, and without protection. Most older workers have limited access to social protection, no income security, no legal protection for the rights as worker and no formal support mechanisms or networks. Their jobs are irregular, strenuous and low-paid.

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<sup>26</sup> HelpAge International / UNHCR report unpublished 2009

<sup>27</sup> The World Bank: Migration and Remittances Factbook 2008

<sup>28</sup> HelpAge International: Constant crisis ; perceptions of vulnerability and social protection in Kyrgyzstan July 2009;

<sup>29</sup> WHO/HAI/IASC Humanitarian Action and Older persons; an essential brief for humanitarian actors June 2008 London/Geneva

<sup>30</sup> See <http://www.humanitarianinfo.org/iasc/pageloader.aspx?page=content-about-default>

<sup>31</sup> WHO/HAI/IASC Humanitarian Action and Older persons; an essential brief for humanitarian actors London/Geneva June 2008

Studies in Bangladesh, Peru and Uganda<sup>32</sup> show that older people work as cart pullers, brick breakers, domestic servants, street sellers, seamstresses, fishermen and agricultural workers, earning as little as 0.50 US cents for a full day.

Many older women work, though their numbers are often not reflected in official statistics. 92% of women workers in agriculture are in the informal economy where incomes are low and unpredictable. Older women coffee pickers in Uganda earn 0.25 cents an hour. 86% of older women work in Malawi, 76% in Mozambique, 57% in Uganda, 38 % unpaid work in families in Bolivia, 70% in Madagascar.<sup>33</sup> Generally the visibility of the older female worker is low; the work is often unrecorded, being in the domestic, agricultural and informal sector. Older women are also disadvantaged in the job market due to ill health and illiteracy.

### Priority responses to global ageing

The challenges posed by population ageing require radical action. Two key areas of intervention are social protection and health.

In 2009 fewer than 20% of the world's older population receive regular income through social security, even through universal provision of a social pension to the over- 60s would cost as little as 1% of global GDP. The seeming impossibility of accessing affordable and appropriate health care is the issue of most concern to older women and men world wide.

#### **Social protection**

Universally in times of crisis the priority of grandparents will be to try to minimise the long-term threats to the health and well being of children. They know that failure to feed and educate children leads to persistent and chronic poverty that can last decades.

The promotion of a minimum standard of social protection, specifically regular cash benefits to older people, children and people with disabilities as well as access of such groups to health care and education is increasingly recognised as critical for economic growth, reduced inequality and post crisis recovery. On becoming statutory programmes such programmes reduce inequality, realise human rights<sup>34</sup> and achieve a range of development objectives. Brazil's minister of social development has spoken of the importance of making a 'political decision in favour of social policies'.<sup>35</sup>

Where such systems exist the lives of poor families have often been transformed. South Africa and Brazil boast comprehensive social security systems: in South Africa pensions, child grants and disability grants cover most of the population. Pensions have reduced the national poverty rate by 5 per cent and levels of poverty in households with pensioners have been more than halved. Old age pensions are used for the welfare, education and nutrition of family members as well as recipients, and confer wellbeing, dignity and status on older people who might otherwise be marginalised from social and family life.<sup>36</sup> School enrolment among the children in pensioner households has increased by eight percent and employment amongst women increased.

Brazil provides a pension to every older person living in rural areas, and eight million families with children receive a monthly cash grant. In Lesotho, where the pension was introduced as recently as 2004 and increased in 2007 due to its

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<sup>32</sup> Working for Life; Making Decent Work and Pensions a Reality for Older People, HAI London 2009

<sup>33</sup> HelpAge International 2007

<sup>34</sup> Articles 22 and 25 of the Universal Declaration of Human Rights, Geneva 1948

<sup>35</sup> Report of the 1<sup>st</sup> session of the African Union Conference of Ministers in charge of Social Development, Addis 2009: Ref EX.cl/477 (xiv), CAMSD/MIN/RPT: pg 3

<sup>36</sup> HelpAge International and IPDM: Non Contributory pensions and poverty prevention, a comparative study of Brazil and South Africa: London September 2003



impact, recipients spend up to 70% of their cash on younger household members, including items such as more nutritious food.<sup>37</sup>

Cash also injects life into local markets; the ILO has reported that 'the wheels of commerce turn on pension day'. Data from a cash transfer programme in Malawi showed that for every dollar invested there was a 2.45 return in the local economy.<sup>38</sup>

Political championing of social policy budgeting which delivers national systems to secure regular income and health benefits for the poor by right is emerging as a key response to the impact of the financial crisis on the poor in developing countries. In July 2009 the UK government declared in its 2009 development 'white paper' that *'social protection schemes stimulate economics and prevent children and households from suffering irreversible effects. ... Our aim is to help build social protection systems to get help to 50 million people in 20 countries over the next 3 three years .. we have pressed the World Bank to pay greater attention to social protection and welcome [the World Bank's] plans to triple support for social protection and safety nets to \$12 billion over the next two years ..'*<sup>39</sup>

The White Paper followed the G20 April summit which recognized the importance of social protection in mitigating the impacts of the current financial crisis and in ensuring a fair global economy, and which asked its members to commit funding for social protection system development in the poorest countries.

### **Time for a minimum standard of social protection**

The June 2009 the UN Conference on the 'World Financial and Economic Crisis and its Impact on Development' considered a proposition that a social protection approach was timely as a human rights response in the face of the financial crisis. The report of the Independent Expert on human rights and poverty argued for a 'social protection floor'<sup>40</sup> ensuring access to basic social services and a minimum benefit level to all individuals and families. This approach has been put forward by the UN Chief Executives Board, and developed over time by the ILO. Social protection is seen as a powerful instrument to reduce poverty<sup>41</sup> and ensure states realise core human rights obligations. Social protection is one of the four pillars of the ILO's Decent Work Agenda.

While there is no 'one size fits all' approach some countries facing the toughest social and economic challenges are recognizing that sustainable social protection delivers results, and must be embedded into national budgets and national development programmes. In January 2009 the Executive Committee of African Union Heads of State agreed the African Union policy recommendations for social protection which are contained in the African Social Policy Framework<sup>42</sup>, The social protection segment calls for *"a minimum package of essential social protection [that] should cover: essential health care, and benefits for children informal workers, the unemployed, older persons and persons with disabilities."* The framework goes on to state that *'this minimum package provides the platform for broadening and extending social protection as more fiscal space is created. A minimum package can have a significant impact on poverty alleviation, improvement of living standards, reduction of inequalities and promotion of*

<sup>37</sup> David Croome/National University of Lesotho; personal communication 2007

<sup>38</sup> Regional Hunger and Vulnerability Programme: Economic issues paper 2007

<sup>39</sup> Department for International Development UK 'Eliminating World Poverty : Building our Common Future'; pg 25 paras 2.19 and 2.20: London July 2009

<sup>40</sup> Submission of the Independent expert on human rights and extreme poverty to the UN Conference on the World Financial and Economic Crisis and its impact on development: June 2009

<sup>41</sup> ILO 'How to strengthen social protection in the context of the the European Agenda on Decent work and promoting employment in the informal sector: an issues paper: Geneva 2009

<sup>42</sup> agreed at the October 2008 Conference of Ministers in charge of Social Development, held in Windhoek, Namibia

*economic growth and has been shown to be affordable, even in low-income countries, within existing resources, if properly managed.*<sup>43</sup>

### **Invest in health for older people**

Health is a global priority. The G8 governments have committed £6 billion to health services and systems by 2015. It is recognised that improved health is inextricably linked to nutrition, reduction of poverty, shelter, access to water and sanitation and to education.

WHO is rightly championing the renewal of primary health care and universal access, and is calling for 'an acceptable level of health for all the people of the world'. But it is also important that the focus of health policy and budgets shift from an overwhelming focus on infectious disease to providing appropriate responses, including appropriate and affordable access to treatment, of non communicable health conditions, or disease (NCDs). The figures illustrate why. WHO are predicting that the trend of death caused by infectious disease will decrease by 2030 by 3%, whilst mortality from non-communicable disease is set to increase by 17% in the same period, with the most significant growth in Africa, the Eastern Mediterranean and Asia.

The rise of non-communicable disease and the need to respond in health policy is linked to a significant degree to the demographic transition. Attention to the changing health requirements of the growing numbers of older people, especially those living in poverty, is overdue. Older people cite health maintenance and capacity to deal with health problems as their main priorities. While older people too suffer from infectious diseases, TB, malaria and HIV, evidence from across the world indicates that it is non communicable conditions such as stroke, hearing loss, vision problems and mental disorders that are the most common causes of disability and loss of livelihood in older age. Some examples suffice. 82% of blind persons are over 50. About 85 per cent of deaths from stroke occur in developing countries, and two-thirds are in people aged over 70. Two-thirds of people with Alzheimer's disease live in developing countries, and almost all – 98 per cent – are over 65, with Alzheimer's affecting one in five over the age of 80.<sup>44</sup> WHO predict the major causes of death on 2030 will be heart conditions, cerebrovascular and pulmonary disease.

Despite the possibility of effective treatments of chronic limiting disorders at low cost, fewer than 25% of those affected in older age have access to adequate treatment and health care. Such a situation leads to chronic diseases becoming life threatening and overwhelmingly expensive to manage, which can plunge a family into destitution. It is estimated that the most dramatic 'out of pocket' expenses on health occur in older age, often borne by families least able to afford it. This applies equally to health facilities in emergencies, which often fail to consider the need for drugs to enable older people to manage chronic health conditions, which then become life-threatening.

### **Age-friendly health policy**

The WHO's World Health Report, *Now more than ever*, recommends the four key reforms of universal coverage, people centred service delivery, healthy public policies across sectors, and participatory leadership. It is also proposing an additional expenditure of US\$2.00 per person per year to address mental health in low-income countries, and urges a greater emphasis on these conditions, and wider access to interventions that help people manage their health and live productively. Effective health care needs also to be supported by appropriate drug

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<sup>43</sup> African Union 'Report of the 1<sup>st</sup> session of the African Union Conference of Ministers in charge of Social Development', camds/exp/4/1/p17 32,32, Addis 2009

<sup>44</sup> Alzheimer's Disease International <http://www.alz.co.uk/research/statistics.html> July 2009



supply in clinics and pharmacies which respond to age related conditions. This should be a core component of the global essential drugs programme.

Abolishing user fees and low cost or free medicines are critical to adequate access and response to older people's health needs. Fees are a major constraint to access to services in old age, cited as a major factor for not attending clinics and seeking medical attention. Support also needs to be provided for home based care provision. Much of the care of older people is done by older people themselves, managing their own care, or caring for a spouse or parent older than themselves. Formal systems are also dependent on informal support, with family members, often older women, helping to care for relatives in hospital. Policy responses relating to health services for older people should also include training and support to family and community carers - including older people - and be responsive to needs identified by older people themselves.

As longevity increases in all regions of the world, innovative policies, national debate and budget provision are needed. Some governments have begun to recognise both the need for changes in health and social care, and for a national debate on the shape such reforms should take. For example, the recently launched proposal of the UK government for a 'national care service' to run alongside the National Health Service has been initiated with a nationwide consultation process on the reform proposals<sup>45</sup>. While governments clearly play a critical role, a significant and increasing proportion of health care provision is provided by the private sector in all countries. The development of coordinated approaches through public/private health care partnerships is therefore a core direction for health care policy in response to population ageing.

## Conclusions

Crises can and should create the political stimulus for long-term solutions.

Previous crises show that more needs to be done to protect – and invest in - the poorest. Failure to do so in the short term risks losing key development gains in health, nutrition and education, with clear implications for longer term intergenerational poverty, inequality and growth.<sup>46</sup> This has been recognised in the statements by world leaders and the United Nations<sup>47</sup> in New York who, in April 2009, affirmed the importance of a range of measures to support the vulnerable, including a social protection floor, food security and decent work for all.

Ensuring income and health security in old age and protection in the work place are key public policy and budget priorities of the developed world, and are enshrined in the right to social security and other human rights instruments.

While policy makers everywhere will need to balance a range of difficult trade-offs, including the amount of public resources for the old as opposed to the young, the degree of certainty of population ageing means that policy decisions made now will have benefit across the generations in the future. The evidence tells us that investments in older people's well-being and livelihoods through pensions, credit and health care delivers significant benefits across the generational divide by reducing poverty and improving education nutrition and health of young people in their care and the wider family group.

Cost is not an impregnable barrier to begin building a social protection system which provides income and health security in old age. For many OECD countries such basic provision began when countries were recovering from the effects of world war and struggling with endemic poverty. Today a number of poor

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<sup>45</sup> HM Government : 'Shaping the Future of Care Together' Green Paper July 2009

<sup>46</sup> Ravallion, 2008

<sup>47</sup> Chief Executive Board for Communication (CEB) 'Communique on the global crisis' April 2009

countries, including Bolivia, Senegal and Nepal are looking to establish regular income and health access in older age based on universal principles. At the same time a range of studies indicate that the cost of social protection policies are not insurmountable, and that the decision to move forward with economic and health security for those currently without either is more to do with political will and public support for measures addressing ageing populations than cost.

Nevertheless it is fair to say that rapid population ageing in the developing world is not yet accompanied by age-friendly 'inclusive' social policy and budgets. What would an age friendly policy look like? Some elements include: age, as well as gendered, data disaggregated analysis in poverty and health programmes; and ensuring that older people can be active participants in policy dialogue and decision making. Adequate budgets for social security provision in both old age and childhood are needed too, alongside secure access of older people to health services that can respond to chronic and non-communicable diseases; support for carers and the provision of home based care; and the active promotion and protection of human rights in old age.

Alongside income and health security older people in the developing world must be included in nationwide programmes of poverty reduction and hunger alleviation, and have access to education, to clean water, sanitation, shelter and identity documentation.

In the face of population ageing no society can delude itself that it is 'business as usual'. Inaction is not an option. Political will is now needed to ensure that global policy translates into inclusive, coordinated and comprehensive budgeted responses that address the needs and rights of older people who are among those most at risk in the short and long-run at the global, national and local level.<sup>48</sup>

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<sup>48</sup> Ravallion 2008