

Grey Clouds and Silver Linings

UNPRECEDENTED DEMOGRAPHIC changes are transforming the world and will have extensive repercussions for humanity. A new United Nations Report called *World Population Ageing: 1950-2050* presented in Madrid, April 8-12, at the Second World Assembly on Ageing, says that the demographic changes of today and tomorrow are "extraordinary and profound."

The report states: "Human society will itself be restructured, as social and economic forces compel us to find new ways of living, working and caring for one another. No one will remain untouched."

Here are some of the points contained in the report:

- The ageing of the population today is without parallel in history. Increases in the number of older persons (age 60 or older) are being accompanied by declines in the young (under age 15). By 2050, the number of older persons in the world will exceed the number of young for the first time in history. You may not have noticed, but this historic reversal in relative proportions of young and old took place in the late 1990s in more developed regions.
- The steady increase of older age groups in national populations, both in absolute numbers and in relation to the working-age population, will have a direct bearing on relationships within families, equity across generations, lifestyles, and family solidarity – the foundation of society.
- Population ageing has already impacted many areas of day-to-day human life, and it will continue to do so. In the economic arena, population ageing will affect economic growth, savings, investment, consumption, labour

markets, pensions, taxation and the transfers of wealth, property and care from one generation to another. It will continue to affect health and health care, family composition and living arrangements, housing and migration. In the political arena, population ageing has already produced a powerful voice in developed countries, as it influences voting patterns and representation. Older voters usually read, watch the news, educate themselves about the issues, and they vote in much higher percentages than any other age group.

- The proportion of older persons continued to rise throughout the 20th century, and that trend is expected to continue into the 21st century. In 1950, the proportion of older persons was eight percent; in 2000 it was 10 percent; and by 2050 it is projected to reach 21 percent.
- Today, the number of persons aged 60 years or older is estimated at 629 million. That is projected to grow to almost 2 billion by 2050, when the population of older persons will be larger than the population of children (0-14 years) for the first time in human history. Fifty-four percent, the largest share of the world's older persons, live in Asia. Europe has the next largest share, with 24 percent.
- Worldwide, the population of older persons is growing by two percent each year, which is much faster than the population as a whole. The older population is expected to continue growing more rapidly than other age groups for at least the next 25 years. The growth rate of those 60 or older will reach 2.8 percent annually in 2025-2030. Such rapid growth will require far-reaching economic and social adjustments in most countries.

Ageing Apace

- In France, it took 115 years, from 1865 to 1980, for the proportion of older persons to approximately double, from seven percent to 17 percent.
- In China (PRC), it is projected that it will take only 27 years, from 2000 to 2027, for the proportion of the population aged 60 years and over to double, from 10 percent to 20 percent.
- In developing countries such as Colombia, Malaysia, Kenya, Thailand and Ghana, the rate of increase in the number of older people between 1990 and 2025 is expected to be seven to eight times higher than in the United Kingdom and Sweden.
- Developing countries are expected to have an increase of from 200 to 300 percent in their older populations over a period of only 35 years.
- By 2020, it is projected that three-quarters of all deaths in developing countries could be age-related.

- The world has experienced dramatic improvements in longevity. Life expectancy at birth has climbed about 20 years since 1950, from 46 years to its current level of 66 years. Of those surviving to age 60, men can expect to live another 17 years and women an additional 20 years.
- Marked differences exist between regions in the number and proportion of older persons. In the more developed regions, almost one fifth of the population was aged 60 or older in the year 2000; by 2050, this proportion is expected to reach one third. In the less developed regions, only eight percent of the population is currently over the age of 60; however, by 2050 older persons will make up nearly 20 percent of the population.
- Today the median age for the world is 26 years. The country with the youngest population is Yemen, with a median age of 15 years, and the oldest is Japan, with a median age of 41 years. By 2050, the world median age is expected to have increased by ten years, to 36 years. The country with the youngest population at that time is projected to be Niger, with a median age of 20 years, and the oldest is expected to be Spain, with a median age of 55 years.
- The older population is itself ageing. In fact, the fastest growing age group in the world is the oldest old, those aged 80 years or older. They are currently increasing at 3.8 percent per year and comprise 12 percent of this total number of older persons. By the middle of this century, one fifth of older persons will be 80 years or older.
- The majority of older persons are women. Because life

expectancy is greater for women than for men, today there are 81 older men per 100 older women. Among the oldest old there are only 53 men for every 100 women. The ratio of men to women at older ages is lower in the more developed regions (71 men per 100 women) than in the less developed regions (88 men per 100 women), since there are larger differences in life expectancy between the sexes in the more developed regions.

- Older men are much more likely than older women to be married. This is because women live longer, and women tend to be younger than the men they marry. Today, 78 percent of older men are married, but only 44 percent of older women are. Most unmarried older persons have been widowed. Men are more likely to remarry someone younger.
- The potential support ratio, or PSR (the number of persons aged 15-64 years per one older person aged 65 years or older), indicates the dependency burden on potential workers. The impact of demographic ageing is visible in the PSR, which has fallen and will continue to fall. Between 1950 and 2000, the PSR fell from 12:1 to 9:1. By mid-century, the PSR is projected to fall to 4:1. Potential support ratios have important implications for social security schemes, particularly traditional systems in which current workers pay for the benefits of current retirees.
- The health of older persons typically deteriorates with increasing age, inducing greater demand for long-term care as the numbers of the oldest old grow. The parent

support ratio, the ratio of the population 85 or older to those aged 50 to 64, provides an indication of the support families may need to provide to their oldest members. Globally, there were fewer than two persons aged 85 or older for every 100 persons aged 50-64 in 1950. By 2000, the ratio had increased to four per 100, and it is projected to reach 11 by 2050.

- Countries with high per capita incomes tend to have fewer older workers. In the more developed regions, 21 percent of men aged 60 years or older are economically active, while in less developed regions 50 percent of men are. In the more developed regions, 10 percent of older women are economically active, compared to 19 percent in less developed regions. Older persons participate to a greater extent in labour markets in the less developed regions, largely owing to the limited coverage of retirement schemes and, when they are available, the relatively small incomes they provide.
- In more developed regions, men become eligible for full pension benefits at age 65 or older in more than one half of countries, while the most common standard retirement age for women is between 55 and 59 years. The standard retirement age in less developed regions is often lower than in more developed regions, most commonly between 60 and 64 years for men. For women, the standard retirement age in less developed countries is 64 years or lower. The differential between more and less developed regions probably reflects differences in life expectancy, which is lower in less developed regions.

Ageing in Developing Countries

Human society is being "restructured" by three simultaneous processes: globalisation, urbanisation and population ageing. Developing countries, many of them in the PATA region, are being hit hardest.

The process of population ageing in developing countries will bring with it new challenges that are different from those confronted by developed countries. And within the group of developing countries, there are also commonalities and differences among regions and circumstances, including economic conditions, cultural traditions, family structure, the effects of widespread armed conflict, natural disasters, patterns of migration, refugee populations, catastrophic disease such as

the HIV/AIDS pandemic, and even national laws. Three factors that contribute to the urgency of the process are the portion of the world's population living in developing countries, the widespread poverty that persists there, and the rapid pace at which the ageing process is taking place.

Most of the older population is still living in rural areas. This is because many young adults migrate to urban areas for economic reasons, leaving older persons behind. Many older migrants who are leaving the workforce in urban areas often return to rural areas. The HIV/AIDS pandemic strikes hardest at young adults.

Developing countries are facing a two-fold challenge: they must continue the process of development, which includes growing economies, providing education, and protecting human rights, at the same time that they must prepare for the ageing of their populations. And the process is expected to proceed much more quickly – in fact, startlingly so – in developing countries than it did in the industrialised world.

Advancing Health and Well-Being Into Old Age

With population ageing, pensions and retirement ages are becoming contentious issues, many countries have been considering ways to prolong working life. Traditionally, old age has been associated with sickness, dependency and a lack of productivity. Today, this traditional view is considered just plain wrong, and now, public policies must reflect this change in thinking. In fact, most people are quite able to adapt as they grow older and remain independent well into very old age.

In developed countries, older persons continue to work in paid and unpaid work. Voluntary activities of older people make an important contribution to society. By encouraging and enabling their participation, and realising their vast potential as a resource, the problem of an ageing population can be transformed into the benefit of a mature one.

The "grey cloud" on the horizon today has several silver linings that have too long gone unnoticed, under appreciated and under utilised. Many traditional cultures, especially in the PATA region, still regard their elders as authoritative decision-makers and a valuable source of counselling and wisdom. But much of modern society, enamoured with the beauty of youth, the flash of high-tech, and material recognition and gain, seems to have forgotten the value of accumulated experience and knowledge.

Volunteering by older persons is a singular and particularly valuable mode of "productive ageing," because their contribution is the gift of experience, skill, wisdom and human warmth to other generations. Instead of producing goods or services – the traditional economic "products" – older persons may contribute a "product" that has value to society, such as caring for children, caring for other older persons, caring for the oldest old, providing community leadership, mentoring or being an effective role model. Indeed, older people fill gaps that the state and the market are unable or unwilling to fill; and they provide precious expertise, networks and knowledge to many organisations that otherwise could not function so well.

Voluntary work is a valuable, productive way for older people to stay engaged with society, to use their expertise and to maintain and nourish their sense of purpose, their innate value and their self-respect. Such involvement and self-value naturally results in more independence, health and well-being for older people.

Older people who stay actively engaged live longer and live better; their lives are healthier than ever before, and they are more often than not more knowledgeable. Orphaned or abandoned children who benefit from human warmth received from older volunteers are children who are much more likely to give back to society in their time.

The potential contribution of older people reaches far beyond a social role: they can be the promoters of key global goals such as human rights, environmental protection, health and peace. They can instil either hatred or peace in their descendants, and thus exert a powerful influence over the way conflict is seen by their family, their society and their nation.

The Internet and e-mail have been a sea-change for those who are online, whether at work or at home, or both. For older persons, getting connected could mean getting in touch and staying engaged on many levels. Information available on the Internet can bring libraries to one's fingertips. Chat rooms can bring house-bound older persons right into the stream of human discourse, in something very close to real time.

The UN Industrial Development Organization (UNIDO) has found the use of older experts very useful. By hiring retired experts to work on its industrial development projects, it puts to good use their level of technical skill, expertise and knowledge. UNIDO feels that retired persons are an extremely valuable

resource and provide a lot of "bang for the buck," with their level of technical expertise and skill, and the lower pay they may require.

UNIDO suggests that consideration be given to developing a database, in cooperation with governments and national organisations, on the skills and capabilities of older experts. This could easily be done in the travel industry.

The Implications for Travel

Bigger Market: A much broader swathe of population with much more leisure time available to travel. Greater demand for cruises, spas and anti-ageing remedies.

Product Development: Redesigning of hotel rooms (and associated amenities), airline seats and tour-coaches to reflect the needs of elderly travellers. This will include everything from expanding the typeface size on menus to wheelchairs and medical facilities.

Training: Staff will need specialised training on handling the needs of elderly travellers, especially in terms of psychological and behavioural issues.

Structure of Tour Programmes: Good potential for long-stay visitors as tour packages will have to reflect a less hectic travelling schedule.

Companies: Extensive re-thinking of early retirement plans and ways to keep the elderly productive, perhaps by re-hiring them at lower pay-scales, or channelling them into other voluntary areas, as mentioned above.

NOTE: This publication is intended to provide accurate information and includes material from sources considered to be reliable. It is provided with the understanding that the Pacific Asia Travel Association, a not-for-profit organisation, is not rendering any professional services and disclaims any warranty concerning information provided. Statements and opinions expressed in any publications do not necessarily represent those of the publisher or PATA.

The editor and PATA's Strategic Information Centre welcome your comments and feedback. Please contact Mr. John Koldowski via e-mail at johnk@pata.th.com or Mr. Imtiaz Muqbil at imtiaz@loxinfo.co.th



Issues & Trends, Pacific Asia Travel is a monthly publication published for the members of the Pacific Asia Travel Association.

Mr. John Koldowski

Mr. Imtiaz Muqbil
Keen Publishing

**Editor and Managing Director-
Strategic Information Centre
Writer and Researcher
Design and Production**

All rights reserved. No part of this publication may be reproduced in any form or by any electronic or mechanical means, including information storage and retrieval systems, without permission in writing from authorised personnel from the Pacific Asia Travel Association, except by media who may quote brief passages in an article.