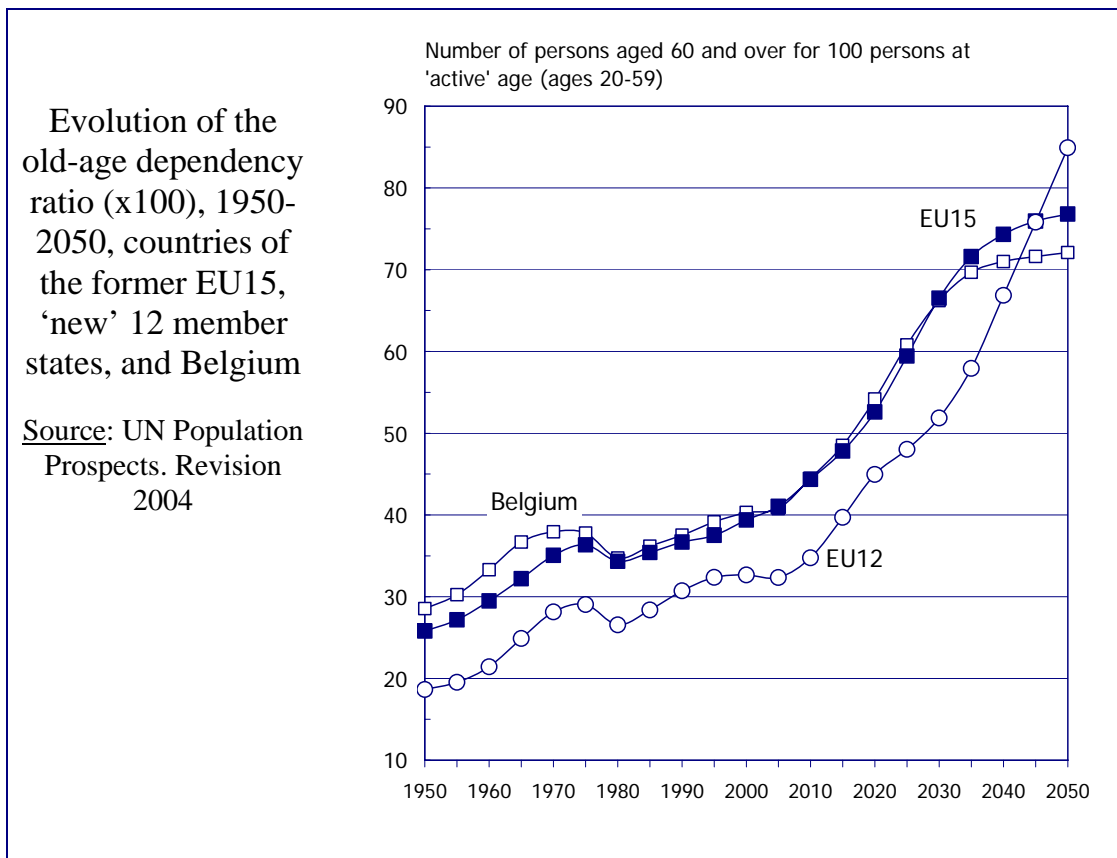


Intergenerational solidarity: a necessary but likely difficult target

In its Green Paper of mid-2005 “*Confronting demographic change: a new solidarity between the generations*” the European Commission regards ‘intergenerational solidarity’ as a necessary condition to overcome the problems created by an ageing population structure. The key issue of ‘population ageing’ is the shrinking in the population of the number of people at working age compared to the ‘young’ — those under age 20 — and the ‘old’ — those aged 60 and over. In other words, the key problem related to ‘population ageing’ is that the responsibility for the welfare of *ALL* will need to be born by smaller and smaller numbers in the population.

This pattern is captured, for example, by the evolution in the old-age dependency ratio — the ratio of the number of ‘older’ persons (those aged 60 and over) over the ‘economically active’ (those aged 20-59).

In the 25 EU member states, between 1950 and 2005 the old-age dependency ratio has increased from 0.243 to 0.391 (see chart). In other words, in 1950, for every 100 people at working age, there were 24 persons aged 60 and over; in 2005 the number amounted to 39 (an increase by 60 percent). According to the UN Population Prospects, this number is likely to double again in the next 40 years, attaining 78 by 2050 (or an old-age dependency ratio 0.782): by 2050, 100 persons at working age will need to sustain the social benefits — pension, health expenditures, care, ... — of 78 older people (those aged 60 and over).



The figure varies slightly between countries. For the former EU-15 member states it will be 77 'older' persons for every 100 'active'; for the new 12 member states the figure will be around 85. For Belgium it would be (depending on the source) between 72 (UN Prospects) and 69 (national statistics). Population ageing is more advanced in Flanders than in the other two regions of Belgium: in 2050 the figure will be 74 against 66 for Wallonia and 'only' 51 for the Brussels Region.

Obviously, this demographic situation may be a source of tension between the younger and the older generations in the population. The answer to the problem then would be a new solidarity between generations.

According to the results of the DIALOG-project, an international project that was carried out in 2002-2004 in 15 European countries, nearly 80% of the citizens aged 20-64 agree that elderly are still socially useful, that they guarantee the

maintenance of traditional values in society and that subsequent generations could profit from the presence, knowledge and experience of the aged. Regarding the more economical statements the picture is less positive: 'only' 60% to 70% of the respondents do not agree with the statement that elderly are no longer productive and take away resources from society, that they are an obstacle to change or a burden for society.

It indicates that there is still some way to go and that a 'new solidarity between generations' must be achieved. The question then is: how to reach this goal?

One of the solutions could be the increase of labour force participation of both women and people 55 and over by incentives such as a flexible transition from work to pension. An increase in the employment rate would stimulate the creation of a larger basis in order to sustain the costs of population ageing. Extending the possibilities of gainful employment in old age could be an alternative. One other solution might be part of the education process, for example by providing students a 'life course' perspective (younger people do not 'see' themselves becoming 'old'); or perhaps through a better understanding of demographic change (the number of older people increases because life expectancy increases with every next generation: the changes are that as a young person you will live longer than your parents and that you will have similar needs as they have currently).

Public opinion about the elderly may greatly improve as the result of better information. Indeed, many people simply underestimate the care and support that is provided by older people in society. Recent surveys in Flanders (Belgium) show that up to age 75, elderly are rather care *providers* than care *receivers*, although their contribution to the informal sector is not reflected in GDP-values. They give instrumental, financial and emotional support to their children and they have an important share in childcare (more than 30% of the children below the age of 3 rely on their grandparents for baby-sitting). Moreover, many older persons are capable

— and willing — to provide care to *other* elderly. This is not a case of intergenerational solidarity but of *intra*-generational solidarity.

In order to stimulate the solidarity between generations, much more work has to be done in order to support the persons who take care. Respite care, new initiatives among which more investments in the development and the implementation of new technologies like ICT-applications are recommended. In addition to the appreciation and recognition of the caring responsibilities, education and training of those who are involved in this process, is necessary.

‘Population ageing’ is certainly a challenge for society, which may involve great costs. But it may also create great opportunities. Unfortunately, many citizens have misperceptions about the role and the contribution of the elderly. Therefore, the singular most important task of governments may be to provide proper information by increasing public awareness and education. This appears essential for obtaining a ‘society for all ages’.

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