

WDA Forum



University of St.Gallen

# The WDA – HSG Letters

*on Demographic Issues*

## Closing Speech of the 5<sup>th</sup> World Ageing & Generations Congress

*by Ilona Kickbusch*

*No. 2009/3*



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## **Closing Speech of the 5th World Ageing & Generations Congress**

**by Professor Dr. Ilona Kickbusch, Chairperson**

**University of St. Gallen, 3-5 September 2009**

St. Gallen has always contributed to transformational change in thinking and every year, it seems that there is a core of issues, which comes to the fore during our discussions. I will, therefore, focus only on some of these core issues. It is not possible to spend time telling you about the many exciting things that have happened in the panels and workshops, which our partners organised and, of course, I do not know about all the things that you have discussed in the informal meetings or the agreements that you were able to reach or all the ideas you generated. The feedback I have received from participants indicates that this spirit of St. Gallen as a platform has been as strong as ever. This year though one issue came to the fore repeatedly: **the interface of aging, poverty and social justice**. Indeed it became crucial and critical to our discussion. This focus was built on debates, which we have had at the WDA Congress over the last years; and is a reflection of the new dimension that the participation of more colleagues from the developing countries and more experts on human rights have brought to our debates.

We heard about the major upheavals underway - urbanisation, globalisation and a range of age dynamics - and how they are changing the world; we recognized the extent to which they are also changing the face of aging and the face of poverty, and we came to realize how heavily they are interrelated. We heard that (at the same time) a number of interdependent crisis - climate change, water, food, energy and the Global Financial crisis - disproportionately hit the poor, the aged, and women and children and increase their risks and their vulnerabilities.

It needs to be repeated: one-fifth of the world's population, or 1.2 billion people, is living on less than \$1 per day, roughly the same situation as a decade earlier. In less developed countries, the proportion of people living in poverty rises to 60, 70 and even 80%. In terms of human poverty, which refers to the lack of essential human capabilities such as being literate or adequately nourished, a quarter of the 4.5 billion people living in developing countries cannot fulfil their most basic needs. Poverty and social exclusion are also an important challenge facing the Europe Union. 18%, or over 60 million of the EU's population, are at risk of poverty and about half of these are living in long-term poverty. Children and young people, the elderly, the unemployed and lone parent families have a particularly high risk.

Where does this complexity leave us? I suggest we need to bring these interrelated issues together in a new approach that I want to call the **"Two Billion Strategy"**. This means, that we need to have a greater awareness that there will be two billion older people on this planet by 2050 and that we have to prepare for these 2 billion NOW. Actually, we should have prepared for this development fifty years ago, because we knew that it was going to happen. The message of this WDA Forum 2009 was that we need to act not only with urgency but also with a **moral base and a global perspective**. It was mentioned again and again that the ageing agenda must not become an issue that juxtaposes the developed world against the developing world. It must not become a new form of exploitation of one by the other as the impact of the ageing dynamics hits the rich, but rather it must force us to find a common moral and global base to move forward.

This is all the more critical if we consider the "hundred-twenty ratio". This refers to the speed of change: it means that the population ageing process which took one hundred years in the rich countries is happening in the rest of the world – the poorer countries, the developing countries and the emerging economies - in only twenty years. By 2050, countries like India and China, with the largest populations in the world, will have twenty, respectively thirty percent of their population over the age of sixty-five. So it is this rapid rate of aging in the developing countries that we always need to consider as a policy priority. This also means that we need to

take account of the fact that the vast majority of older people live in a state of poverty and insecurity in countries with little or no capacity of governments to respond to their needs.

At present eighty percent of the world's population is excluded from any kind of social protection – the debates at the congress asked how we can approach social protection as an obligation and as a right: an obligation of states, an obligation of the global community and the right of each and every individual. In particular in a discussion around pensions and social protection, participants shared very interesting examples of non-contributory pension experiences from Latin America and from Africa. They showed very clearly that these contributions and these pensions actually mean that it is not one person, who benefits from a pension, but that it helps whole families to survive; this is what I have called the “one-four ratio”. If you give one person a non-contributory pension, this helps another four people survive - children, grandchildren and other members of the community. This suggests that a commitment to social protection may support several societal goals simultaneously: greater equity, poverty reduction, and increased economic growth. This has also been demonstrated in great detail also in relation to the interaction between health and wealth.

So we felt very strongly that, as we discussed the aging agenda, we also have to discuss the poverty agenda. And we obviously have to discuss the poverty agenda in a very complex way that touches upon the many faces poverty has for different people. Actually one of our participants said, that maybe the word “poverty” may be wrong for the extreme living situations in which many people find themselves and that the utter misery of the living conditions and the lack of dignity that goes with it is something we need to focus on much more forcefully.

We also heard of shocking ways of how ageism is expressed in different societies. It is not only that societies and groups in societies do not treat the old well. They end up in some societies as the poorest and their diseases and illnesses are not taken seriously, because it is said, “you are old not sick” and as a consequence the old are

denied treatment. This discrimination often has a female face. But most shockingly, in some societies, if you are old, you do not actually have a right to live. Our colleagues from an African country told us of examples of witch-hunting older women and dreadful deaths that then take place within that society. So ageism is not only discrimination - in some societies it now is a matter of life and death. This also shows why human rights are so critical in the debate on ageing.

Within this context, we discussed that the development policies which many organisations still pursue are perhaps still working with economic and social models and development approaches that do not fit this rapidly aging world. This includes working with models of social protection and social and health insurance, which perhaps don't fit this new world and we need to generate more creativity to move a new model forward which combines economic policy with social protection and poverty reduction in new ways and refers to the Universal Declaration of Human Rights which states that "everyone, as a member of society, has the right to social security".

What is good aging? What do we actually want to measure? Two issues emerged in our discussions. One is definitely the strengthening of the capacity for independent living. But again, many of our colleagues from the developing world told us to not see aging only as an individualistic concept. Ageing is linked to the family; it is linked to the community and it is a societal phenomenon that we must all approach together. Previous WDA Forums have highlighted that we must look at ageing through the lens of the life course, this year we were urged to see aging not just as an individual process, but as a social process.

In our part of the world, there is a lot of discussion around choices and enabling choices, and making choices easier. We did draw attention at this conference to the fact that for many people the choices are very stark; that you have choose either to eat or to insure your health; that you have to choose either to eat or to heat your home. So those are choices I think that none of us want to have and none of us should be forced to make. But we also spoke about the skills that are necessary. If

you have no skills, you have no choice. We spoke about civic literacy and about being able to participate in society. Increasingly important for older people is financial literacy; this is a literacy you actually already need when you are young in order to be able to take decisions when you are older and, of course, we spoke repeatedly about the importance of health literacy.

We spoke about the need for new policy instruments and we were delighted that, at a common meeting with the World Economic Forum here, we were able to discuss a new document "Transforming Pensions and Healthcare in a Rapidly Ageing World: Opportunities and Collaborative Strategies" that made a range of policy recommendations for governments, the private sector and civil society which time does not allow me to draw your attention to right now – but which underlined and reinforced many of the policy recommendations made at previous WDA forums. We are proud though that many of the experts that contributed to this document are also part of the WDA Forum and we hope that this cooperation will continue.

We also spoke about two critical global policy issues. First we discussed the Millennium Development Goals. One of the biggest gaps that many participants saw these goals having is that they do not mention age. And so I took the liberty of inserting age in the third millennium development goal; so that MDG 3 now calls for “promoting gender and **age** equality” - this is something that many of us would like to move forward as the MDGs are reviewed in an upcoming process.

Then there was much discussion, particularly, by many of our partner organisations, about developing further the proposal of a **UN convention for the rights of older people**. Some of you might not know that the UN declaration of human rights does not mention age and older people. We spoke a lot about the advocacy, the benchmarking and the moral force that such a convention could take forward, just as it did for children with the Convention on the Rights of the Child. The merits of different human rights instruments were discussed: a special rapporteur on the rights of older people, a declaration – a non-legally binding statement indicating political and moral commitment and a convention – an international treaty that is

legally binding on those member States who ratify it. The WDA Forum would want to continue to be a forum that takes this discussion further.

Finally of course, we spoke about wealth; we agreed that older people do not suck the wealth out of society; they bring resources to society in the formal and the informal sector and, if they have money, whether it is the small amount (for example though pensions) in the developing countries or the richer baby-boomers in our part of the world, that they actually contribute to the economy in many ways. And increasingly, in our part of the world, we need to consider the responsibilities that come with wealth.

Because of this, we had interesting discussions on what is called the Silver Economy, which in my view is sometimes discussed too narrowly. Usually the term is used to describe the market power of the baby boomers and all the products and services they are going to buy out there in the free market. But the phenomenon is actually much more complex and economically important than we sometimes think. David E. Bloom (Harvard University) drew our attention to the great importance of the savings of those who now live longer and their contribution to society. Others – such as Dalmer Hoskins, former director of ISSA - reinforced this argument by showing how social protection and non-contributory pensions contribute to the economic development of communities. Other – like Alexandre Kalache, from the International Centre for Policies on Ageing in Brazil – showed the contribution of the older generation to care giving, for example to AIDS victims and AIDS orphans. Let us take this broader view of the Silver Economy and define it as the enormous economic contribution that older people make in a range of ways in their society and make new economic calculations based on these contributions.

We spoke at length about bad public policy and I've listed some of the things that were mentioned: the silos, the wrong accounting approach, the lack of inter-sectoral accountability, fiscal isolation, lack of sustainability and, the lack of courage, lack of forecast and lack of vision. The report by the World Economic Forum drew our



attention to the fact that the window of opportunity in this field of policy is closing fast. Therefore, there is an urgent need to generate political will.

At our dinner speech last night, we heard from Senator Carolyn Bennett (Canadian Senate) what this actually consists of: political will does not just come out of nowhere, perhaps politicians sometimes need to be nudged, sometimes need to be pressured, sometimes need to be pushed to develop political will. I think that this is one of the things this forum wants to do more and more – to support and to move forward generating political will and generating political will at all levels of governance.

But what we also want to make sure with this forum was expressed this morning in a very beautiful way through the interviews with the Silver heroes. If we talk about a “Two Billion Strategy”, it still means that these two billion are composed of individuals, person by person by person. That when we leave this congress, we don’t talk about the old or the elderly or the aged as if they were one big bulk. But that we remind ourselves they are a diverse group who contribute to society in many, many different ways and that these are human lives with an enormous richness and with an special future still. We met people who have redefined ageing for themselves and we have discussed how we need to reinvent ageing in societal terms – both are important for each and every one of us, because it will be our future, no matter what our age is today.

Thank you very much.

Professor Dr. Ilona Kickbusch, St. Gallen 5th of September 2009



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