



Society's response to age

What are the the emerging new markets that will cater to the lifestyles of the over-50s? UCD's Prof Patrick Wall and Dr Liam Delaney investigate.

The grey market will be a key consideration for Irish business people in the coming years. Understanding the lifestyles, wellbeing and health of the over-50s is also becoming a key item on the agenda for Irish academics, policymakers and non-government organisations (NGOs). Several recent initiatives in academic institutions such as the formation of the Centre for Social Gerontology in NUI Galway, the launching of the Irish Longitudinal Study of Ageing (based in Trinity) and a number of recent papers by the Economic and Social Research Institute indicate that the pace of knowledge gathering is increasing markedly.

The stakes are high. While academics have fallen victim to some degree of sensationalism in the pursuit of research funding in recent years, the phrase "agequake" is probably not inappropriate in this context. Society is ageing and this will create problems and opportunities that are of a high degree of complexity. While only 15% of the population is currently in the 60-year plus bracket, this is projected to rise to 28% by 2050. In particular, we will witness a phenomenon not seen in Ireland before, a growth of the "oldest old" – those aged 80 and over. Even under optimistic assumptions about fertility and migration, Ireland's dependency ratio will climb to nearly 60% toward the middle of this century.

Ageing should by no means be viewed as unambiguously negative in terms of its economic effects. In particular, the non-market contribution of older people has been quantified to a far greater extent in recent years and, taking account of activities such as child-minding, volunteering, cash transfers to children,

acting as five-star hoteliers and life-coaches to highly economically active offspring etc, the picture of the contribution that older people make to society looks considerably more favourable.

However, the future orientation of all the Irish population needs to be highlighted. While economic growth has maintained a favourable momentum, we now are experiencing the paradoxical problems of affluence. Interest rates in Ireland are lower than what they would have been had we set them ourselves. Savings rates are low, pension take-up is abysmal and private sector credit reached almost €300bn this year according to recent Central Bank figures. Indeed, one of the major growth industries in recent years in Ireland has been gambling, something that does not bode well for the orientations of the Irish population toward future fiscal harmony.

Furthermore, recent exposés have revealed the challenges faced in models of private-sector-provided residential care, problems that are urgent now but will be of a higher order of magnitude in years to come without dynamic thinking.

As well as future financial problems, we are also facing complex future health problems that may result from boom-fuelled indulgence. Obesity is increasing and, in the context of an ageing population, this takes on a greater degree of seriousness as obesity is associated with a raft of serious health conditions, many of which are personally traumatic and very expensive to treat. Historically high levels of alcohol consumption have only recently levelled off at a very high rate and the effects on future public health costs are as yet unclear but do not give grounds for

optimism. Mental health will take on growing significance with depression being among the most debilitating of all problems associated with ageing. Such problems may seem less urgent to many young, healthy individuals now but could become a major source of societal division in future years as many of these problems are associated with lower income levels and thus it will further increase political divisions with regard to redistributive healthcare.

The news need not be bleak and the dynamics that created many of the above problems also led to the economic growth, technology transfer, human capital development and huge increase in absorptive capacity that amply equips us to deal with many of these problems. Ireland is strategically positioned to be a global leader in the field of ageing from several perspectives. Our population is much younger than much of continental Europe and we are in an excellent position to learn vicariously from their experiences.

Ireland is much older than many developing countries that will not face such issues for several decades and thus, from a policy and business perspective, Ireland could represent a major hub for developments in ageing that will have substantial application for both entrepreneurs and policymakers interested in these future growth markets.

Recent moves toward compulsory pensions represent one method that is being proposed to tackle some of the issues that we will face. However, the country needs a broader, innovative set of policy-design mechanisms to deal with these complex issues. If we can learn from other countries as well as provide innovative solutions across sectors, the rewards will be high on several fronts. Academic and business collaborations in independent living aids, biotechnology and pharma represent a powerful force in the global drive to manage ageing change. EU and US universities and corporations are filled with ageing research centres and commercial enterprises that have provided a huge way forward to which Ireland can look and seek to integrate the successful ideas. Nutrition is one area where Ireland has already begun to take a lead and health-enhancing functional foods and customised nutrition for older people are

areas highlighted for attention by Enterprise Ireland.

Projects that have been funded over the last number of years by the US National Institute of Ageing provide a rich menu of innovative solutions. Even a brief perusal of its website (<http://www.nia.nih.gov/>) will give the reader a sense of the depth of institutional activity that has been taking place around the globe. As Ireland taps more and more into these rich resources, the problems of ageing will seem more surmountable. As it begins to innovate in some of the fields, the problems will become opportunities.

However, before policy design can take place, we need data. UCD is about to go to the field with the Survey of Health, Ageing and Retirement in Europe (Share), a major pan-European study that examines the 50-plus age-group. Share is funded by DG Research in the EU Commission and is seen as a major element of European policymaking in this field into the future. The additional support of the US National Institute of Ageing underscores the global interest in this work, which is currently also being replicated in Korea. The Irish study, which is funded by the Irish Research Council for the Humanities and Social Science, and headed up by Prof Colm Harmon of UCD will provide the first internationally comparable data on ageing in Ireland.

The data is already available from 11 countries and it provides a mass of information on the wealth, income and portfolios of older Europeans as well as their living conditions, family arrangements, mental health, service utilisation and non-market activities. It is designed as a follow-up panel study so the same participants will be tracked over time to examine how their circumstances are changing. Share has been designed after the role models of the US Health and Retirement Study and the English Longitudinal Study of Ageing and thus also provides comparability to these studies.

Summarising the results of the European studies, Prof Axel Borsch-Supan of the Mannheim Institute for Ageing Research commented that "Northern Europeans are healthier and wealthier but the people in the south live longer. There is a clear north/south gradient in health and income: older persons in the north are

better-off financially and are in better health, but this does not translate into corresponding mortality differences.”

The study also finds marked socio-economic differences in health and health-risk behaviours and patterns of illnesses such as Alzheimer’s disease. There were clear differences in retirement and employment patterns across Europe. Importantly, retirement decisions are very strongly linked to the pleasantness of the work environment. While further research is ongoing, it is clear that the encouragement of longer working lives must take place on the basis of making working environments good places to be for people in older age brackets. Another important result the Share findings have borne out is the lack of geriatric screening, assessment and care mechanisms.

The results of this study will be of interest to all those doing business and making policy in continental Europe and are available from the following website: www.share-project.org.

Ireland is one of several countries that have recently joined the study, and the Irish results will be available next year. For all sectors of society, we can expect ageing to be high on the agenda. ■

Dr Liam Delaney is a senior researcher in the UCD Geary Institute and part of the UCD Survey of Health Ageing and Retirement research team. Prof Patrick Wall is an associate professor at the UCD school of public health and population science and chairperson of the European Food Safety Authority.

