Ageing and the G20 – Invited Commentary
Precarious ageing versus the policy of indifference: International trends and the G20

Population ageing, the global economy and the G20

The 2014 G20 Summit met at a time of stuttering recovery for the world economic system, in so far as recovery relies on economic growth and trustworthy and reliable international financial institutions. During the global financial crisis (GFC) that took place between 2007 and 2010, not only did many advanced economies have to bail out those financial institutions, generating austerity measures that varied in scope and severity between countries, the crisis was also used as an opportunity to reengineer public policy and the practices of private corporations. For older people, this was perhaps most notable in the arenas of pensions and social recognition, expressing itself in the co-option of a number of formerly progressive ideas from gerontology. In particular, the promotion of models on active and productive ageing and non-compulsory retirement ages became part of an economic agenda of restricting definitions of legitimate social engagement to work availability, the pushing up of state pension age eligibilities and the rapid replacement of defined benefit by defined contribution superannuation schemes. While these trends had been nascent in policy thinking prior to the GFC, they had now become an explicit element of public policy.

The changes reflected a broader and profound shift toward personal and away from collective sharing of risk across the life course, which had now taken a particular form in later life.

By 2050 the global population aged over 60 will reach two billion, three times more than in 2000. Almost 30 per cent of Australians, or 6.1 million people, will be 65 or older by the same date. It is a challenge that is facing both mature and emerging economies and will be key to social development in the 21st century. However, the 2014 summit said almost nothing about the effects of population ageing. In fact, like that other ‘slow burn’ global issue, climate change, the topic had been pushed off the G20 agenda. In Australia, host to the 2014 Summit, a group of 12 leading scientists, including Nobel laureate Professor Peter Doherty, wrote an open letter to the Prime Minister, Tony Abbott, linking the two issues: ‘mismanagement of the world’s climate and environment is weakening the foundations of health and longevity’ [1]. It had little effect. However, the G20 has proved unable to tackle pressing global problems across a series of issues, including dealing with international tax avoidance, increased trade quotas for emerging economies and food insecurity [2].

‘The unpalatable truth . . .’ writes The Guardian newspaper [3] ‘. . . is that the history of the G20 since its heyday at the London Summit in April 2009 has been one of fragmentation and increasing irrelevance. It lacks a political leader to give it impetus and lacks an agenda that could put in place measures to tackle unemployment, global warming and the threat of a second financial crash’. It may be that the G20 is increasingly less relevant as a change agent, but it nevertheless reflects the preoccupations of the global governing elite, thus becoming an important arena for the battle of ideas around the purpose and meaning of a long life.

Why the indifference?

One reason for G20 indifference to population ageing may be because the issue is thought to be solved. If the aim of the Summit was to raise global growth by two percentage points over five years (G20 Finance Ministers meeting, Sydney, 15 August 2014), then the past work of the Organisation for Economic Co-operation and Development (OECD) [4] plus policy statements of numerous nation states (see [5,6]) have shown an international consensus on the contribution of older people to this end. This consensus marks a shift away from a holistic approach to the inclusion of older adults, as reflected in the OECD’s 1998 Report on ‘Active Ageing’ [7] to a more restricted approach, encapsulated by the title of the seminal document ‘Ageing and Employment Policies. Live Longer, Work Longer’ [4] which focuses almost entirely on employment as the road to social inclusion for older adults. This view appears to have become increasingly entrenched following the GFC, such that The European Year of Active Ageing and Intergenerational Solidarity stated: ‘Empowering older people to age in good health and to contribute more actively to the labour market and to their communities will help us cope with our demographic challenge in a way that is fair and sustainable for all generations’ [6]. This assumes that a new direction has been found, which lies in extending working life and adopting a restricted understanding of active and productive ageing that has been reduced to work and work-like activities [8]. Whether there are jobs available and ageism can be reduced in the workplace is, unfortunately, debatable. Further, the London G8 ‘Dementia’ Summit of 2013 showed that for key G20 members the solution to the problem of old age was principally bio-medical. The G8 set an ambition to identify a cure, or a disease-modifying therapy, for dementia by 2025, significantly increase the amount spent on dementia and develop an international action plan for research. To this end the UK would host Europe’s first Drug Discovery Institute for neurodegenerative diseases that cause dementia [9]. While these two trends may initially appear unrelated, they do solve the problem of a long life by turning it into a period of work disciplined production or of medical consumption. Neither of these address a growing global concern: the exacerbation of social inequality within contemporary society and across the life course. Little
consideration has been given to the quality of work, precarity of working life, or more specifically what Estes [10] has called the ‘ageing enterprise’: a commodification of old age via the pharmaceutical and pensions industries.

A change of direction: inequality and the new precarity
Whatever the GFC may have produced, from G20 indifference to a tendency to call upon Australian exceptionalism, there are signs of a change of direction in global economic thinking that will increasingly effect the prospects for Australia’s older citizens. This can best be seen in two phenomena, the former forming an iterative relationship with the latter. First, growing concern among capitalist international organisations about the effects of inequality on global stability; and second, a new series of critiques of the neo-liberal project, which had been embraced by almost all advanced economies since the Thatcher–Reagan years of the 1980s.

According to the World Economic Forum’s ‘Outlook on the Global Agenda 2014’ [11], widening income disparities, persistent structural unemployment, diminishing confidence in economic policies, the rise of misinformation, and a lack of values in leadership vie with climate change and geopolitical tension as key concerns for the next decade. Indeed, international concern about widening inequality across the life course has led the OECD to suggest that: ‘Economic growth is not an end in itself; addressing the multidimensional nature of inequalities and their impacts on different population groups matters for Inclusive Growth. . . . There is much to gain from going beyond income to include non-monetary dimensions that matter for well-being, and from assessing the impact of policies on different social groups’ (‘All On Board’ [12]).

The growing critique can be traced through the publication of three books. First came Wilkinson and Pickett’s ‘The Spirit Level: Why More Equal Societies Almost Always Do Better’ [13]. Greater equality, it is argued makes societies stronger across 11 different health and social problems: physical health, mental health, drug abuse, education, imprisonment, obesity, social mobility, trust and community life, violence, teenage pregnancies and child well-being, while outcomes are significantly worse in more unequal rich countries. Second, Standing’s ‘The Precariat: the new dangerous class’, where the processes of increasing globalisation, it is claimed, have created precarity in everyday life, marked by job insecurity, discontinuity of identity and lack of time control [14]. And third, Pickett’s ‘Capital in the 21st century’, where it is proposed that the long-term evolution of concentrated wealth in the hands of the few negatively effects the prospects for global economic growth [15]. He argues that the period of increased growth and reduced inequality in most Western economies (lasting from the end of the Second World War to the 1970s) may have been an historical anomaly, and that current trends toward extreme inequality would stir discontent and undermine democratic values. Piketty’s approach also reintroduces the concept of political economy as an approach that links economic with wider aspects of social engagement and well-being.

While none of these books address later life in any detail, taken together with the OECD’s ‘All On Board’ [12], the door is opened for a critical examination of the non-economic contributions of older adults to society, the effects of increasingly precarious life trajectories, and the many dimensions of inequality that affect old age.

There are certainly indications that a long life is increasingly becoming a precarious one. The International Labour Organisation’s World Social Protection Report [16] indicates that 49% of all people over pensionable age do not receive a pension and for many who do, pension levels may leave them below national poverty lines. Additionally, future pensioners will receive lower pensions in at least 14 European countries. According to the Brotherhood of St Laurence’s Social Exclusion Monitor [17], Australians who are 55 years and older are now entering life after full-time work both underprepared and underfunded. In 2011, 15% of 55-to 64-year-olds were living below the income-poverty line (defined as 50% of the median equivalent household disposable income), and the level of disadvantage increases with age. People currently aged 65–75 and 75 years plus are the most deeply socially excluded age-groups (meaning that they score on three or more factors on the Brotherhood’s Social Exclusion Monitor). When we add housing affordability to the mix, the numbers of people over 65 who will fully own their own homes are expected to fall significantly by 2050, completely changing the profile of those with housing assets and security in old age [18].

Precarious lives, precarious ageing
Within gerontology, momentum has been gathering to generate a critical social agenda for this changing geography [8,19–22]. There are also a series of factors that indicate that later life is becoming increasingly precarious. Standing’s exploration of contemporary precarity has a number of implications [14]. It will most affect an increasing number of people who find themselves pushed to the margins of social and economic life. These, he argues, would include young adults who may well have an education but find themselves in work that has little security, poor pay and no obvious career pathway; migrants and asylum seekers attempting integration into a new and often ambivalent host society; and low-paid workers who have not had access to skills, experience or positive life chances and where in-work poverty combines the experience of insecure work with dependence on diminishing benefits.

The current debate on precarity does not extend to looking at an ageing population. However a key consequence of this changing landscape would be that there may no longer be the predictability to a long life that many in advanced economies have come to expect. In the area of later life the likelihood of an increasingly precarious existence would be exacerbated by:
• A lengthening of the statutory retirement age.
• Questions over the availability and forms of work, with older people being used as a surplus pool of labour.
• The absence of affordable housing and the growth of private rental.
• The dwindling of generational housing wealth.
• Inadequate and unaffordable care and support services.
• Changing family structures.
• Significant others living far away or overseas.
• Public debate that emphasises generational competition.

Taken together these trends leave us in an uncertain world where the prospect of a long life becomes increasingly difficult to navigate. It raises a number of questions for research and policy: What might be the cumulative effects of current trends and, by implication, what might be preventative measures that can be taken earlier in the life course? What would activity look like in the here and now to enhance the agency of mature aged adults in an intergenerational context? What sort of society would best meet the needs of those in deep old age, and those suffering from forms of deprivation or impairment? What would a good long life look like?

The point here is that the new precarity is a social phenomenon; it is the product of policies that can be changed. It is not rooted in the biology of an ageing of the body, although it may have consequences that both exacerbate the likelihood and ability to handle disability in later life.

If we are to rethink the value and contribution of a long life, the indifference of the G20 is only exceeded by the poverty of the thinking that it itself feeds upon. As explored elsewhere [23], an authentic answer to the question of a long life lies in connecting its special significance with negotiated intergenerational relationships. This would require social contribution, arising from age-specific life tasks for older adults, married to the fostering of generational empathy and ability to handle disability in later life.

References

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