

Age- and gender-based poverty gaps:

Are older persons left behind?

Based on research for the forthcoming UN World Social Report 2022
“Leaving No One Behind in an Ageing World”



Key questions

- **Left behind from what? Exclusion as multidimensional phenomenon. Older persons –spatial and social barriers.
Focus here on income poverty.**



- **Who is left behind? Older people a diverse, unequal “group”**
- **Why are some “groups” of older persons left behind?**
- **Prospects? Economic characteristics of today’s youth and adults?**



Household-level data!

- **Intra-household inequality**

“75% of underweight women and children are not found in the poorest 20% of households” (Brown, Ravallion and van de Walle, 2017)

“Older women and later-born children face the highest probability of living in poverty, even in households living above the poverty line (Brown, Calvi and Pengalese, 2021).

“The share of household resources devoted to women declines significantly at post-reproductive ages (in India)” (Calvi, 2017).

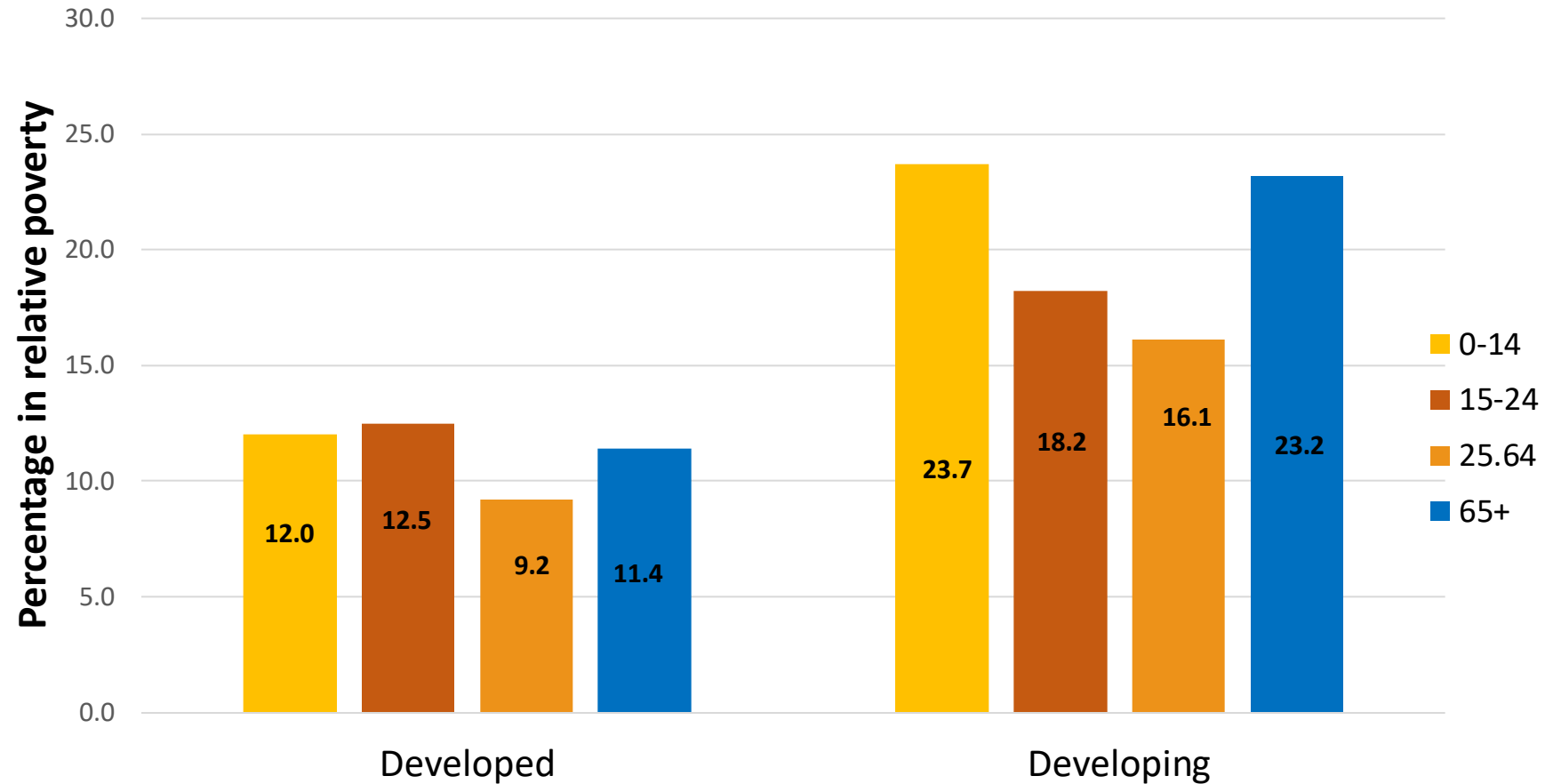
Estimates of the number of older persons living in poor households (NOT the number of people living in poverty)

- **Equivalence scales**

- **Income or consumption**

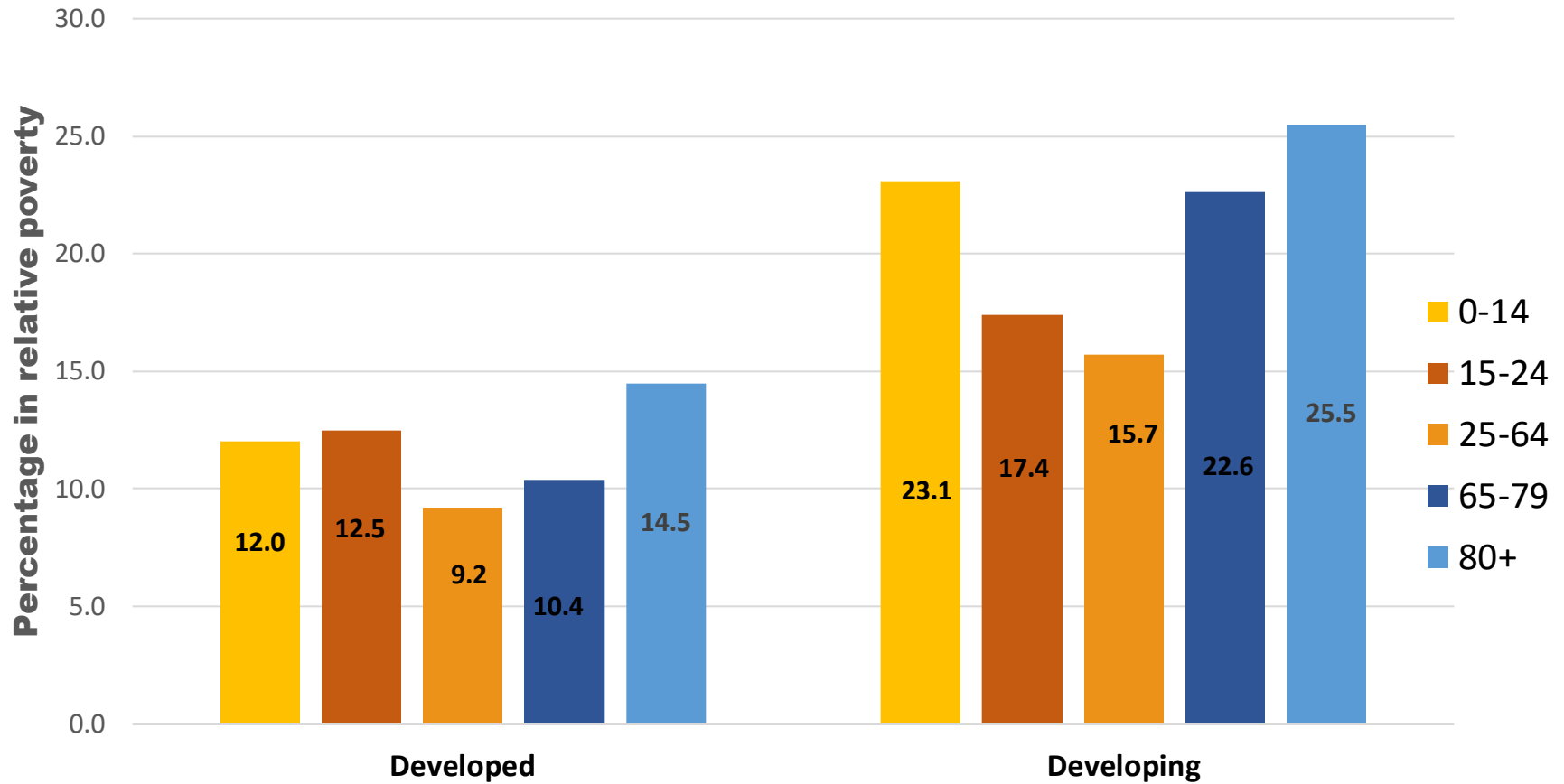
Older persons (and children) live more often in (relatively) poor households (less than 50% median income)

Differences are especially large in developing regions

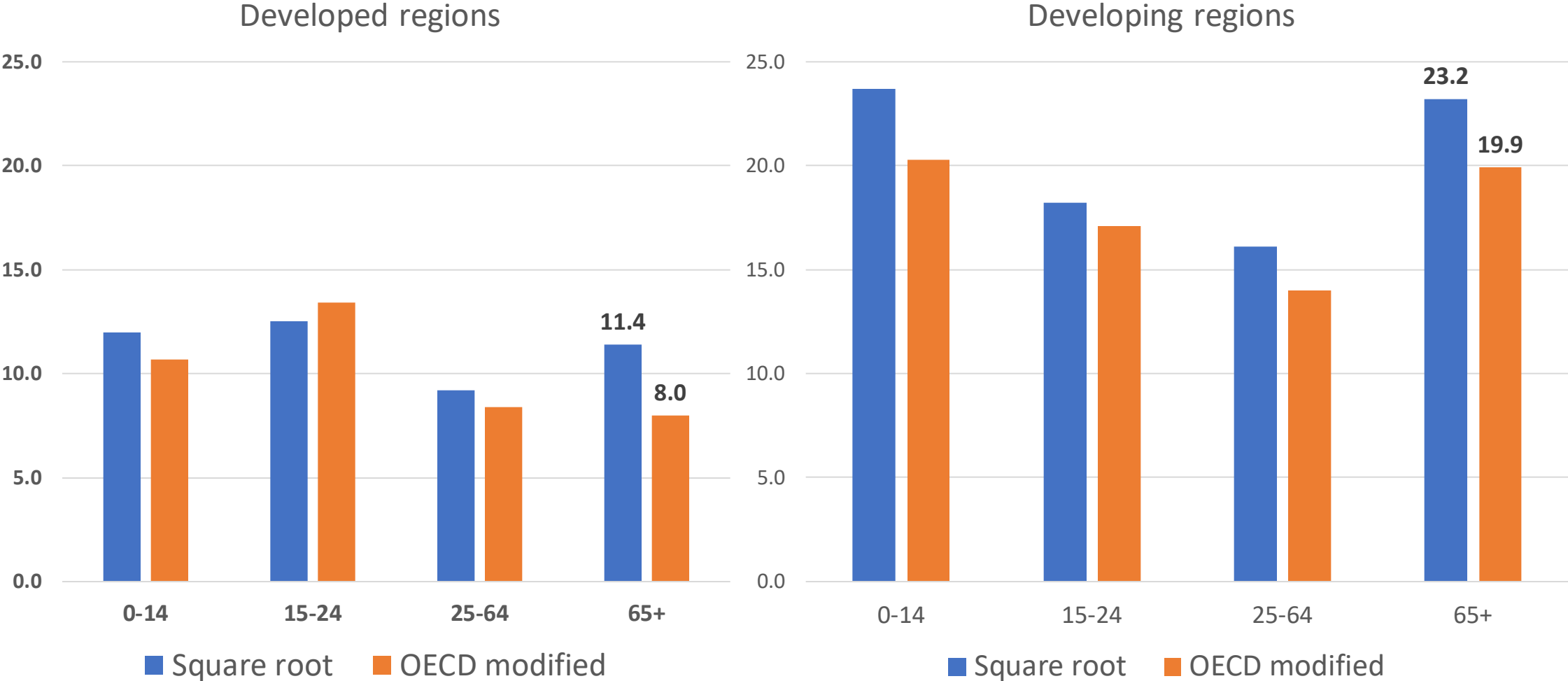


The “oldest-old” (80+) live most often in (relatively) poor households

Differences are especially large in developing regions

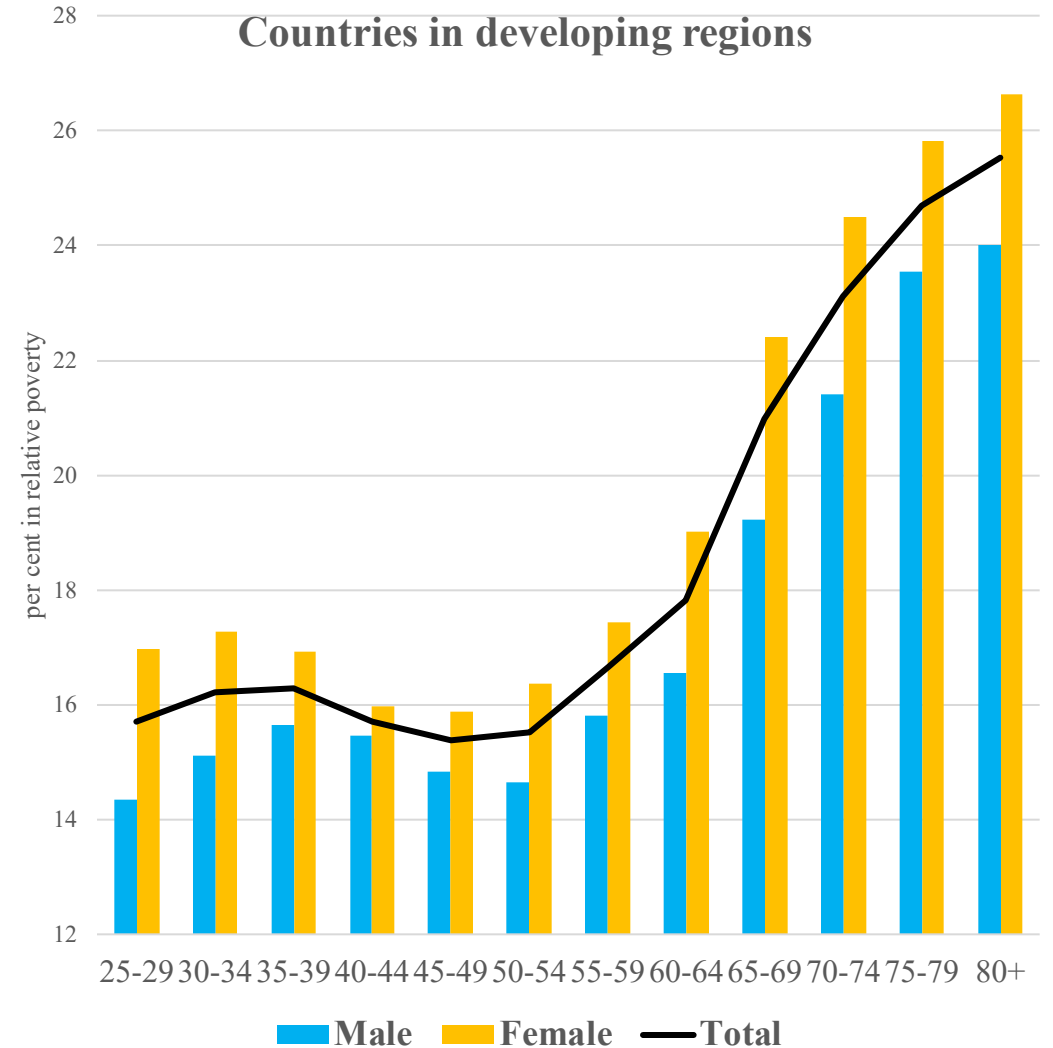
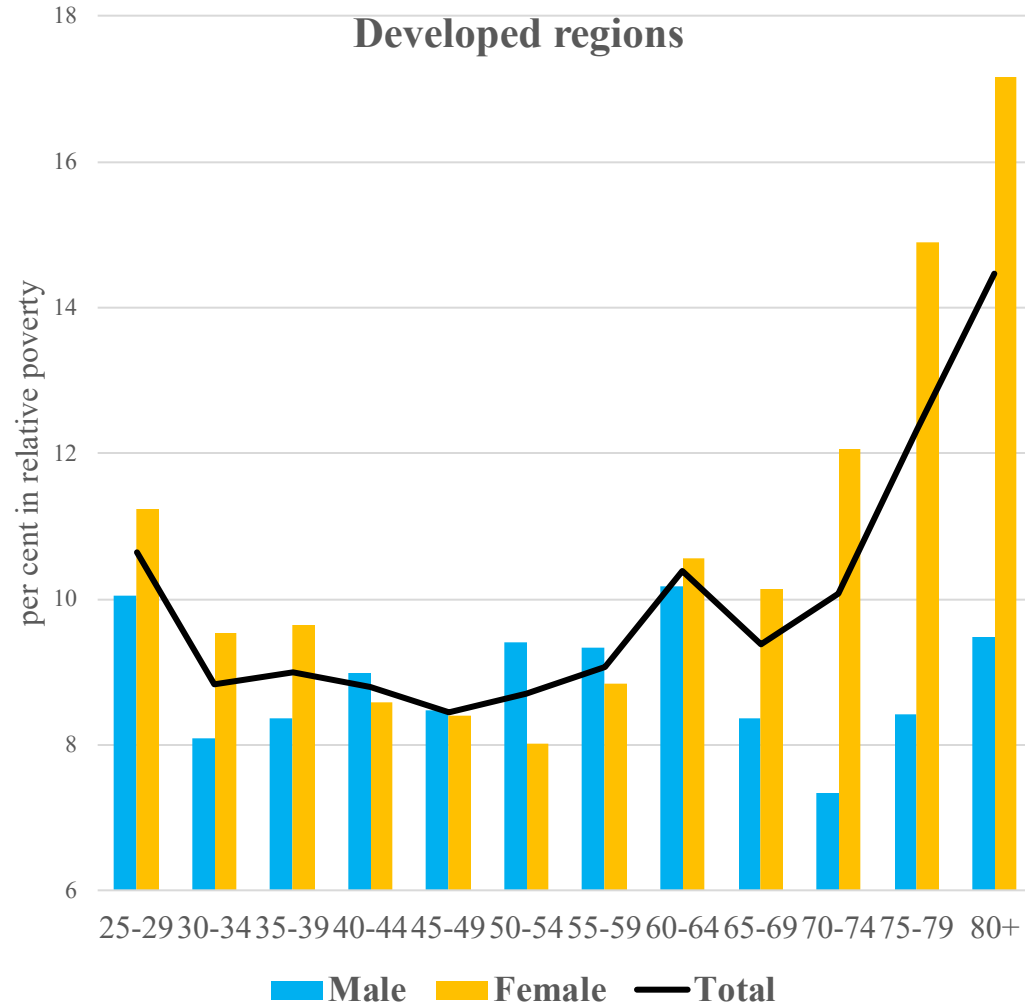


The choice of equivalence scale matters. A lot.

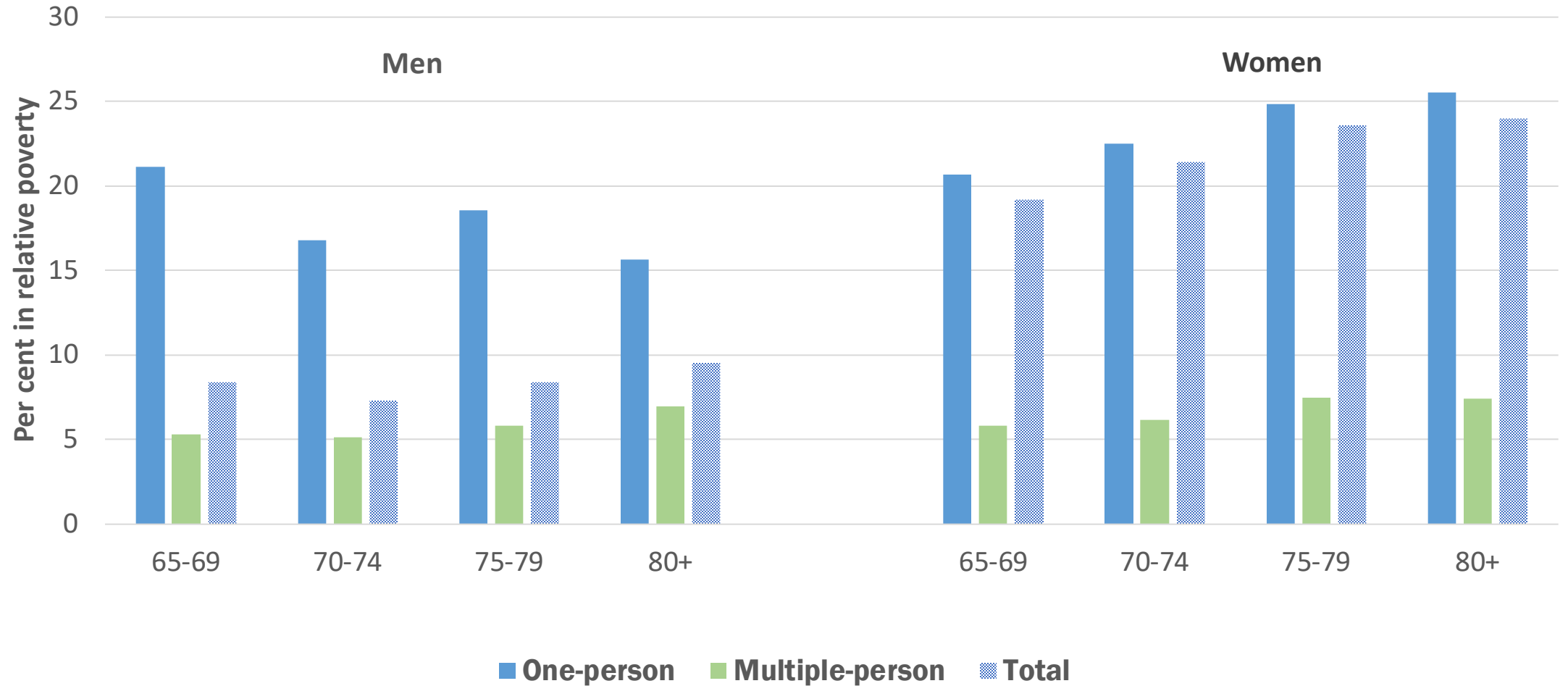


Old-age poverty is women's poverty

(Different Y-axis scales on each graph. Goal is to compare groups within each graph)



Do living arrangements matter? (Do we know if they matter?)



Education affects the odds of living in poverty (*in poor households*) in old age but not so much the sex gap in poverty

Odds ratios of the effect of education for men and for women

(controlling for place of residence, living arrangements, employment history,.....).

	Women	Men
Education (Low level)*		
Middle	0.63***	0.66***
High	0.35***	0.36***
R^2	0.26	0.19
N	24,638	23,643
*** $p < 0.001$		

(Developed regions. Effect a bit stronger for developing regions)

Predicted probability of poverty (%) (controlling for place of residence, etc.etc.)

	Women	Men	Difference
Developed			
Low educ	16.4	14.9	1.5
Middle	10.2	8.9	1.3
High	6.6	5.3	1.3
Developing			
Low educ	34.8	34.1	0.7
Middle	26.6	23.8	2.8
High	12.2	14.1	-1.9

Developed: Low educ = primary or less; middle = secondary; high = tertiary..

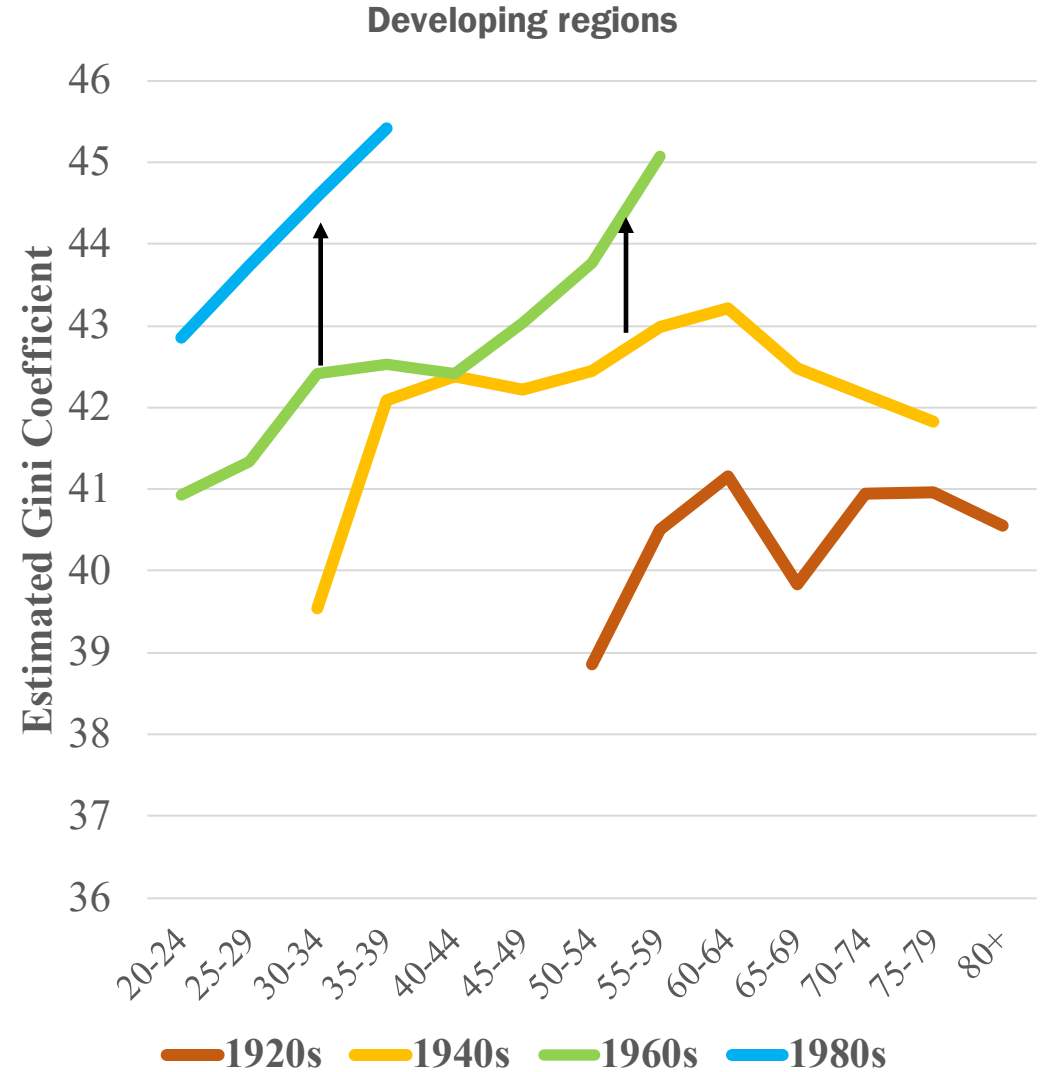
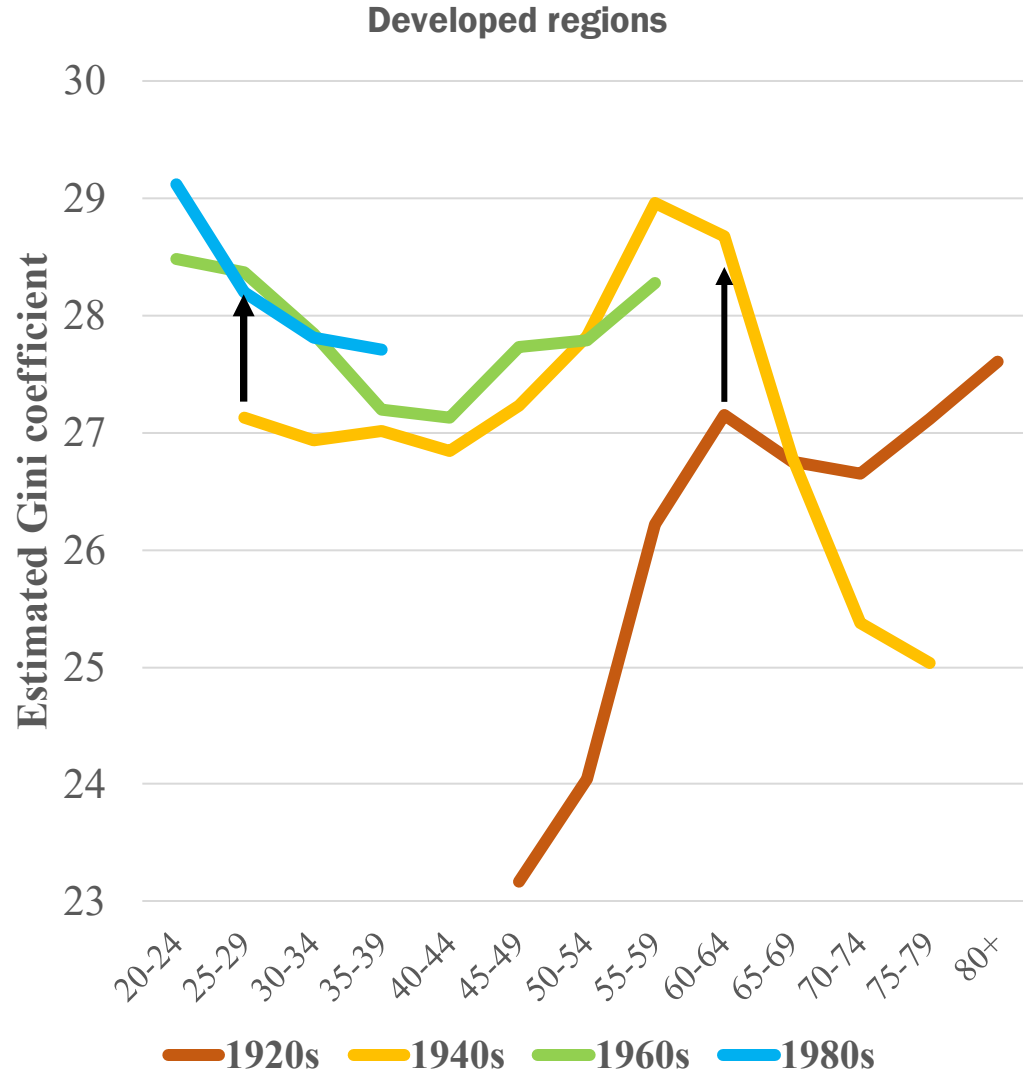
Developing: Low educ = less than primary; middle = primary; high = secondary or more.

What can we expect based on the economic characteristics of today's youth and adults?

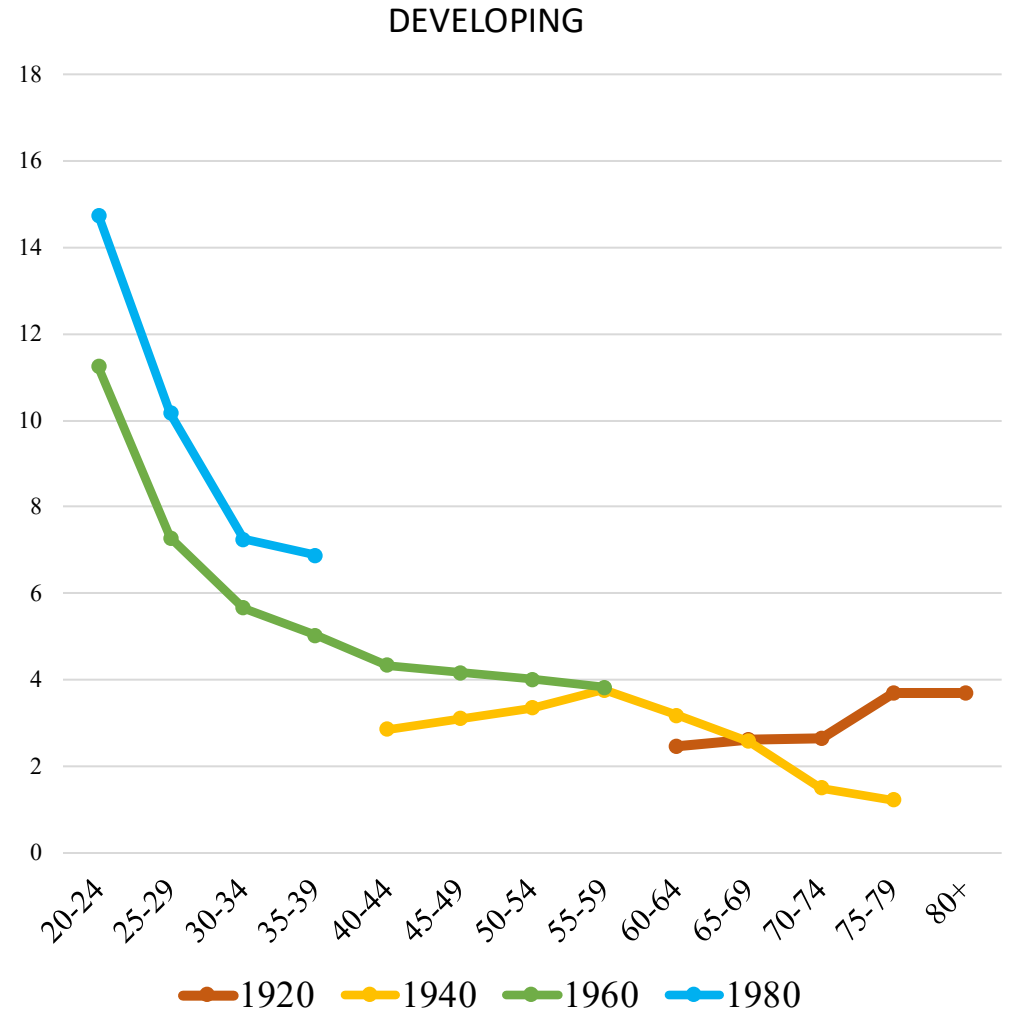
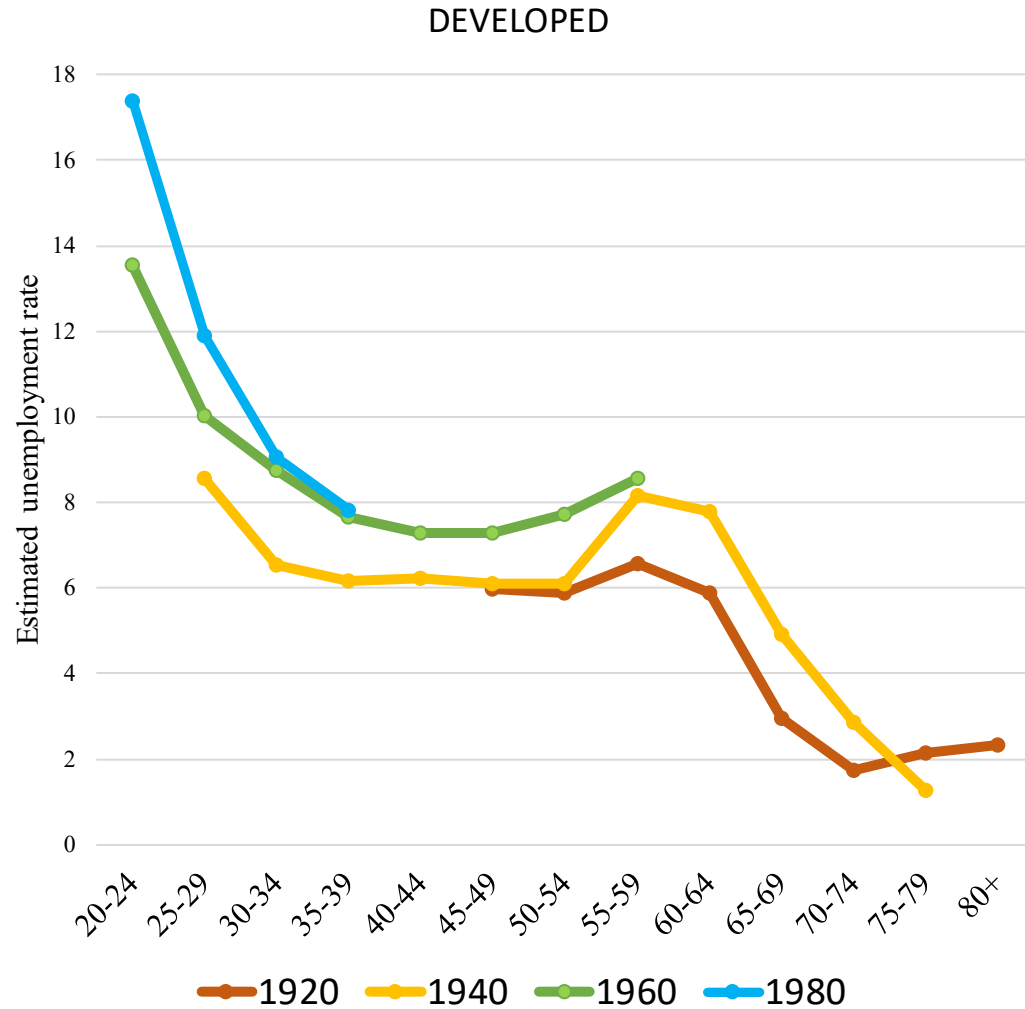
- Increasingly healthier
- More educated (i.e. can be more productive until later in life)
- But also economically more insecure and more unequal

Income inequality is growing across cohorts (on average)

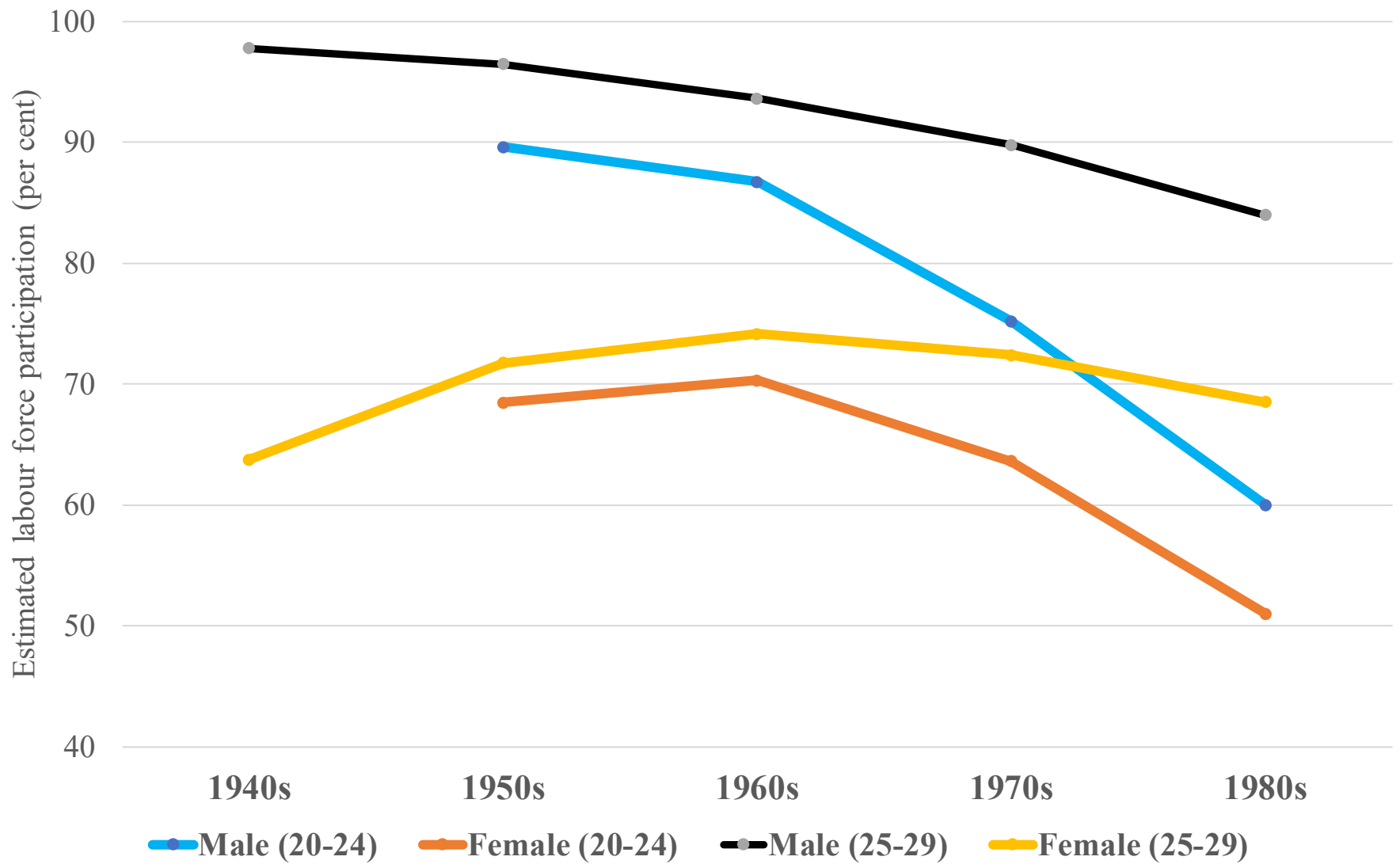
(Different Y-axis scale for each graph. Goal is to compare cohorts within each region)



Unemployment has increased from one birth cohort to the next



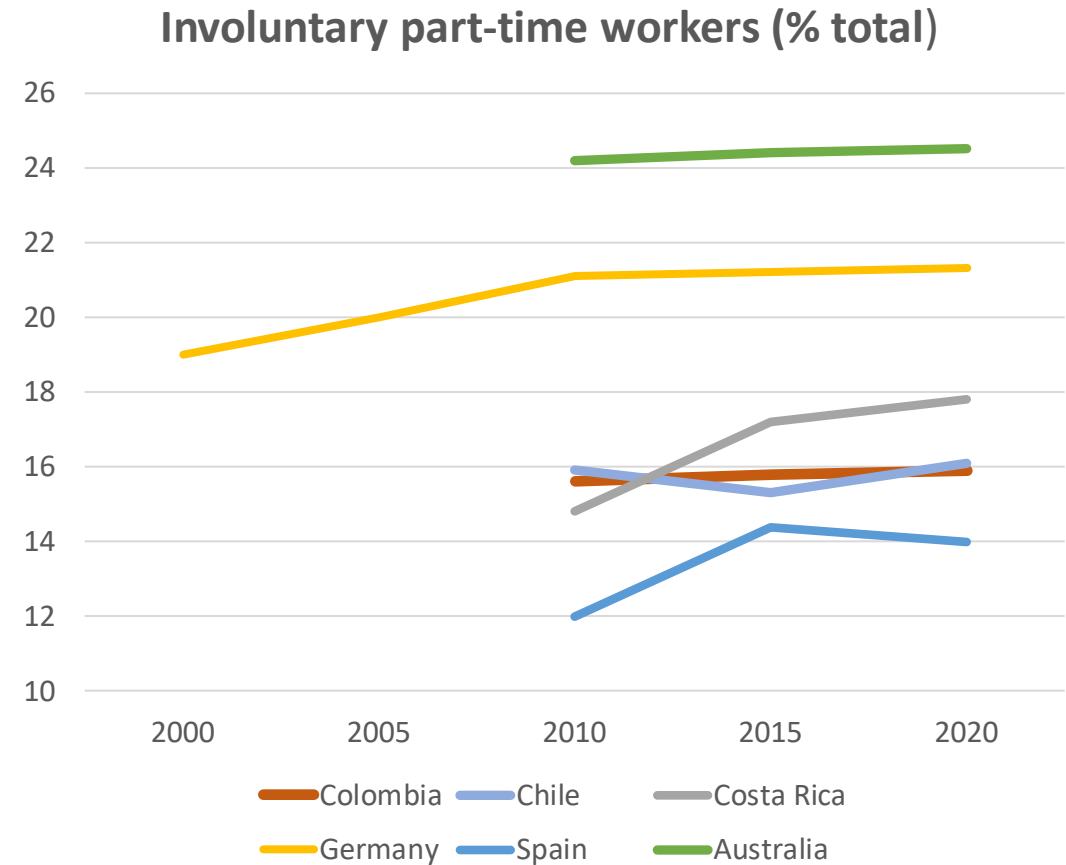
Youth labour force participation is declining across birth cohorts, including among women



Vulnerable employment persists and non-standard forms of employment* are on the rise

*(temporary, part-time, on-call work; multi-employer relationships..... “gig” economy)

Informal employment as % of total employment (%)		
Latin America and the Caribbean		54
Middle East and North Africa		68
East and Southeast Asia (excl. China)		77
Southern Asia		88
Sub-Saharan Africa		89
<i>Colombia</i>	2019	62.1
<i>Brazil</i>	2012	37.0
	2019	39.4
<i>Mexico</i>	2013	59.8
	2019	57.3



Leaving no one behind in an ageing world? (I)

1. “Ex-ante” policies

- Equal access to opportunities from birth (health, education, rights)*
- Labour market policies for a good working life (decent work)*
- Redistribution ...*

2. Policies in old age: a fiscally-sustainable focus on equity and economic security

- In countries advanced in population ageing process: focus is on fiscal sustainability. Many policies or reforms to adapt to population ageing are so far **regressive***
- E.g. Raising age at retirement ; Moving from defined benefit to defined contribution schemes (through private savings accounts especially); ...*

- In countries that are far from comprehensive social protection (SDG target 1.3!): focus must be on extending pension coverage, providing adequate benefits and creating fiscal space to finance public pension systems in order to meet the SDG target (worldwide, only 47% population have access to social protection)*

Leaving no one behind in an ageing world? (II)

3. Women. All of the above plus:

-Investing in care services

-Promoting formalization of care economy

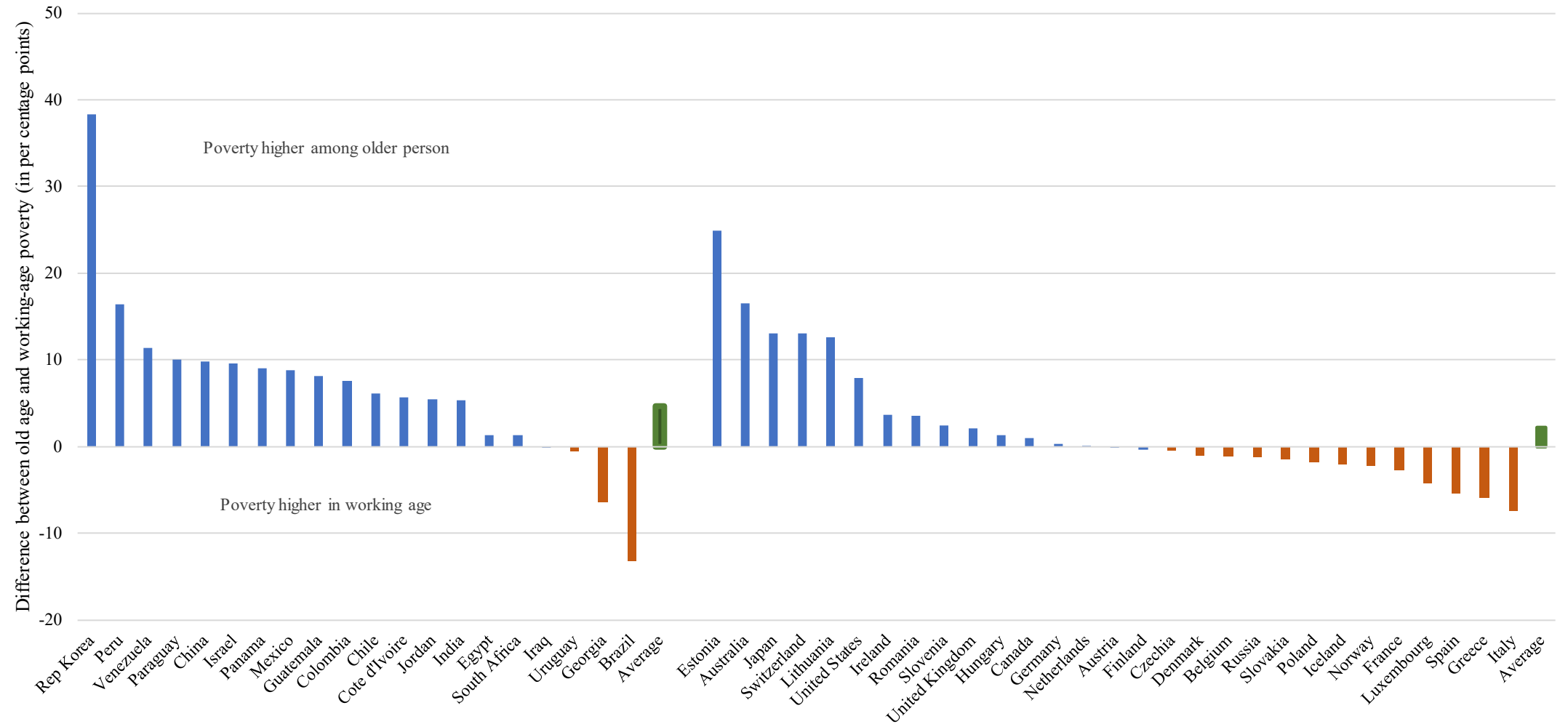
-Rights (including inheritance, property rights..)

-Expand tax-funded pension schemes

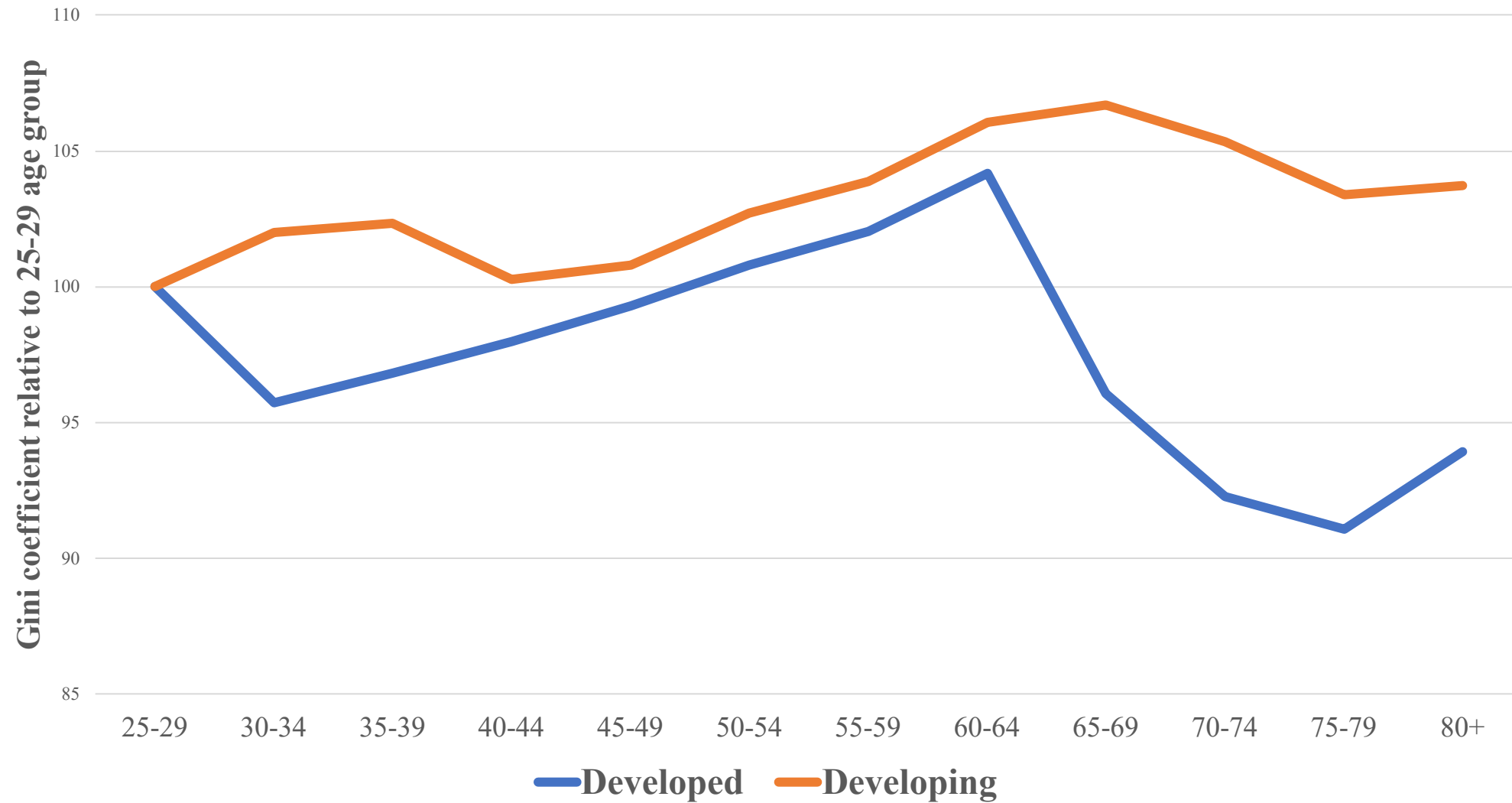
Thank you! Gracias!



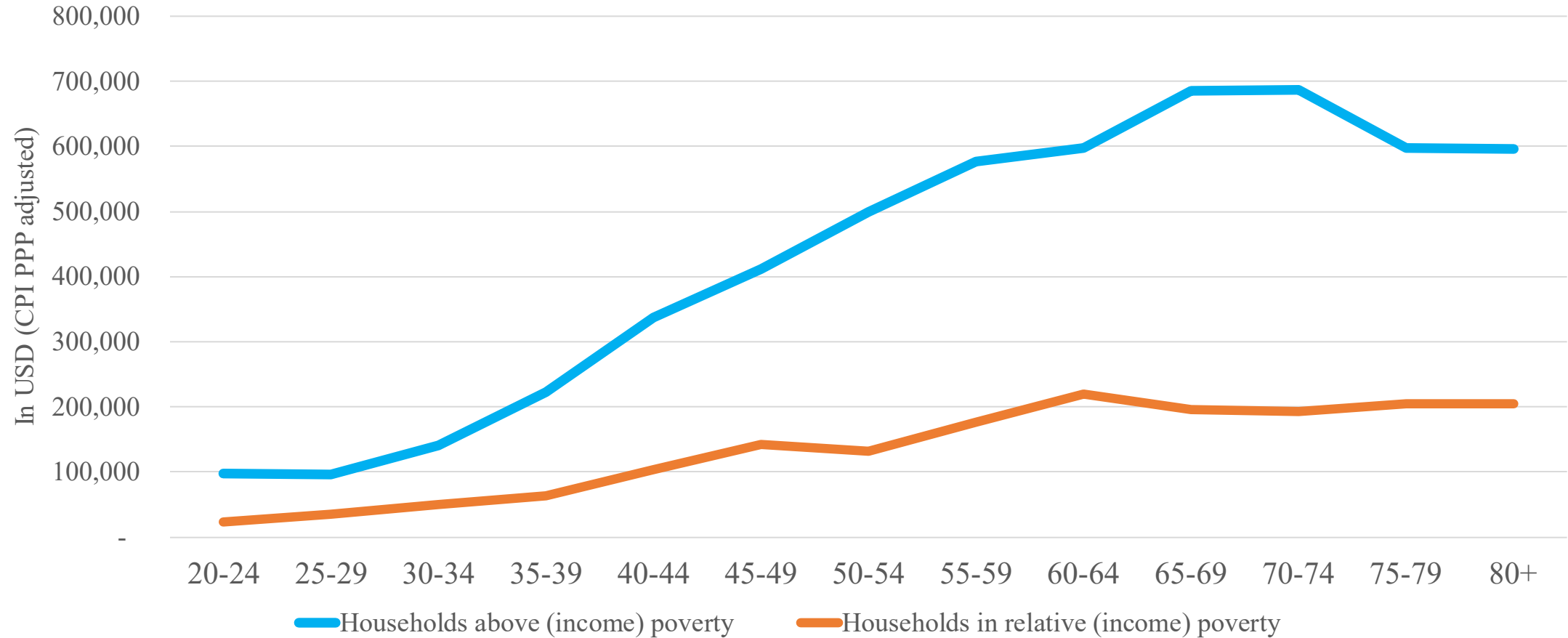
Difference between old-age and working age poverty by country



Income inequality by age (2019 or latest year with data)



Household wealth by age, 8 developed countries (2019 or latest year with data)



SDG 1.3.1: Effective social protection coverage, 2020

