Economic Inclusion in an Aging world

Framing presentation
Amidst rapid global aging, policy discussions highlight the fiscal challenges but ignore the economic/social contributions, needs, and aspirations of older adults

- The world has more older adults, and their share will continue to grow
  - Globally, more people over 65 than those under 5
  - Global Fertility rates are reaching replacement rates this decade

- Many of them are vulnerable, and more are likely to need support
  - More than 2/3rd of people 65 and over are living in LMICs
  - Changing societal structures mean more elderly are likely to be alone.
  - Limited social security coverage means that aging can exacerbate inequality, particularly for women

- Significant shares of older adults continue to work, particularly in lower-income countries.
  - Reason to continue working in old age is necessary for many and a choice for others.

- Non-market economic contributions of older people are not captured in standard economic measures (estimated at 7.3% of GDP in the US and EU)

How can policies support healthy and productive longevity? How do we make this an inclusive conversation for all age groups?
Policies designed to improve human capital outcomes across the lifecycle (including at later stages of life) can benefit from four guiding principles (C-D-E-F)

**Empathy** aimed at promoting autonomy, dignity, equal access for older people, and valuing their social and economic contributions.

**Choice** through policies and practices that maximize individual agency.

**Flexibility** in policies, programs, and markets so they can adapt smoothly over time and accommodate diversity among older people and across the life course.

**Defaults** that protect those who fail to exercise choice and encourage socially desirable outcomes.
Moving the needle on this agenda by expanding the focus of EI programs to include older people: Key questions

In a world where people live longer, what economic inclusion approaches can promote inclusive growth outcomes for all, particularly older adults? Key questions include:

- **Program design**: What does a package of ‘cash-plus’ interventions for older adults include, and how to prioritize them?
  - What are some **scalable** design options (OPA, Cash-plus programs) to deliver these interventions?
  - How can these programs be made **inclusive** (gender, age, rural/urban) at the design stage?
  - How can government institutions and the community work together to improve **sustainability**?

- **Program targeting**: Should these programs target old people as beneficiaries, or can they cover services for older people (direct beneficiaries being younger generations)? Who are the old?

- **Low-hanging fruits**: How can existing programs and delivery systems be reimagined to include support for older adults (65 plus) and the young-old (50-64)?

- **Impact**: How can research strengthen these programs' economic and social arguments?
Expanding the focus of Economic Inclusion approaches in an Aging World: Unlocking new opportunities

Targeting old people as beneficiaries

• In **social pension programs**, can opportunities be explored in **cash-plus** to leverage older people’s productivity, better health outcomes, and social engagement?
• Under **digital and financial inclusion**, do we assume older people are in the “too-hard basket" to realize the benefits of such inclusion?
• Can lessons from **community-based approaches** for specific categories (like youth and women) benefit program design for older people?
• We focus on **human-centered design** in delivery systems and adaptive social protection but do the “humans” include older people as users?

Services for older people (direct beneficiaries could be youth/young-old/women)

• In **public works programs**, can aged/home-based care be included in the expanded public works menu (e.g., in South Africa)?
• Are there **intergenerational linkages** across different age groups (young-old helping old, old mentoring youth, old helping with childcare responsibilities)?