Aging Workforces and future of working longer: a global agenda

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WORKING LONGER and the SUCCESSFUL AGING OF SOCIETIES

1. Policy helps effective societal level functioning for all ages

2. Address issues of transition to cohesive, productive, secure, equitable aging society

3. Requires adaptation of core societal institutions

4. Identifies and builds on positive contributions of an aging society

5. Life course perspective as well as intergenerational- across age.
POPULATION PYRAMID: China

Reference: PopulationPyramid.net
POPULATION PYRAMID: India

Reference: Population Pyramid.net
POPULATION PYRAMID: South Africa

South Africa ▼
2025

Male

Female

South Africa ▼
2050

Male

Female

Reference: Population Pyramid.net
POPULATION PYRAMID: Brazil

Reference: Population Pyramid.net
POPULATION PYRAMID: Mexico

Reference: PopulationPyramid.net
Overtime

America’s Aging Workforce and the Future of Working Longer

EDITED BY Lisa F. Berkman AND Beth C. Truesdale

projects.iq.harvard.edu/overtime
The working-longer proposition assumes that most Americans can indeed work longer.

Positive average trends:

• Better health than 50 years ago
• More education
• Less physically demanding work
But averages obscure as much as they reveal

Major inequalities in:
- Health and longevity
- Family caregiving responsibilities
- Job quality and stability
- Local labor markets
- Age discrimination and worker voice
- Effects of unexpected shocks

In the context of:
- Rising economic inequality
- Inadequate retirement savings systems
- Lack of effective government response
Who’s left out of the working-longer policy conversation?

- People who are out of the labor force by their late 50s are invisible in the working longer discussion

- **Working longer starts younger** than we think!
  - About 20% of men and 30% of women are not employed by age 55
  - Disproportionately people with lower levels of education

- But employment rates fall sharply **between ages 50 and 60** for all educational groups
  - Suggests working longer is an issue across the board
Less-educated groups start from a lower base, but employment rates fall rapidly among all groups – by about 20 percentage points – between ages 50 and 60.

Note: Data from the Current Population Survey (CPS), pooled 1930-1959 birth cohorts. Loess smoother applied.
Only about half of older U.S. adults were steadily employed during their 50s.

### Employment stability between ages 51 and 61

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never employed in their 50s</td>
<td>15%</td>
</tr>
<tr>
<td>Intermittent employment</td>
<td>34%</td>
</tr>
<tr>
<td>Steadily employed in their 50s</td>
<td>52%</td>
</tr>
</tbody>
</table>

Data: Health and Retirement Study (HRS)

Truesdale, Berkman, & Mitukiewicz, *Overtime*
Lack of steady employment in one’s 50s -> less likely to be working in one’s 60s

Percent of U.S. adults who work between ages 62 and 66

- Never employed in their 50s: 4%
- Intermittent employment: 35%
- Steadily employed in their 50s: 80%
HAALSI: Relative Cognitive Impairment incidence by social, economic, and health-related factors that apply to older age groups

Weighted incidence rate ratios (IRRs) and 95% confidence intervals, adjusted for age, sex, and country of birth

Creating “good jobs”: A private and public sector responsibility

• Fair pay, benefits, and safe working environments are basic

• AND three social elements:

  ➢ **Control at work:** Autonomy, task variety, schedule control, employee influence, and paid leave. Reduce volatile and unpredictable work schedules

  ➢ **Tame excessive work demands:** Reduce time pressure from just-in-time scheduling, rapid pace of work, long working hours, and 24/7 expectations

  ➢ **Improve social relationships at work:** Foster supervisory and coworker supportive relationships, create sense of belonging for marginalized and underrepresented employees, and create conditions for effective teamwork
Retirement and disability policy proposals

• Put **Social Security** on a sustainable financial footing by increasing revenues through taxation rather than cutting benefits

• Create a universal, automatic, and portable *retirement savings plan* as a complement to Social Security

• Implement *early interventions* to help newly injured or ill workers remain attached to the labor force

• Improve the speed and reliability of the **Social Security Disability Insurance (SSDI) application process** to minimize the insecurity and loss of work capacity that accompany long delays

• **Update Supplemental Security Income (SSI)** to raise federal disability benefits above the federal poverty level and ease restrictions on recipients
Retirement policy and labor force policy are flip sides of the same coin

1. Working longer is an **important but incomplete** response to population aging

2. The **Social and economic inequalities** put working longer in jeopardy for many

3. Robust **retirement and disability policies** are essential complements to working-longer policies

4. Working-longer policies must be supported by **“good jobs” policies** to succeed
The stage for studying aging in LMIC

An aging societies perspective is essential
Identifying the demographic and health transition

Focus on major institutions that push change: educational, economic, political, environmental, health systems

Attention to population (mean changes) and heterogeneity (distributional differences)