



Opening conference for the European Year for Active Ageing and Solidarity between Generations 2012

Copenhagen, 18-19 January 2012

Active ageing across sectors and policy areas

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Active ageing: wishful thinking?

Perception of an ageing "Old Europe"

Real threats to pension and health care
sustainability

Real threats to living standards

Reforms fail due to popular resistance

Much of that due to myths:

Demystify the implications of population ageing!



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Myth #1: unhealthy, thus **cannot** age actively

Myth #2: less productive, thus **should not** stay active

Myth #3: retirement is bliss, thus **do not want** to age actively

Myth #4: active ageing harms the young, thus **must not** stay active

Myth #5: ageing is a tsunami and active ageing just an EU public relation's gimmick

Use scientific evidence to prove myths wrong!

Survey of Health, Ageing and Retirement in Europe



USA

Collect data
to follow ageing:
2004-06-08-10→
plus life histories

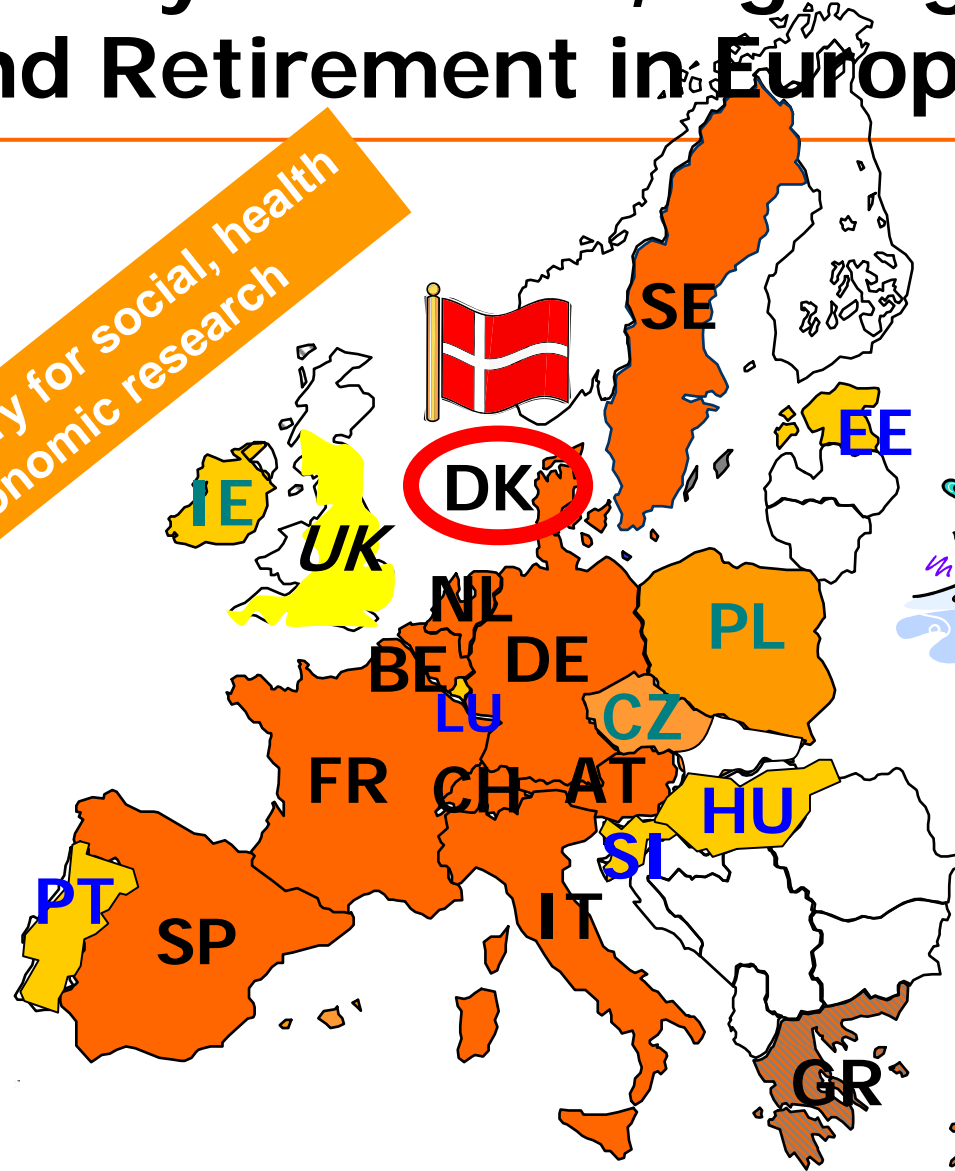
Interdisciplinary
breadth & depth:

- Economics
- Health
- Health care
- Social networks

International:

~ 80.000
respondents 50+
in 20 European
countries plus
global associates

Laboratory for social, health
and economic research



**Korea
Japan
China**



India

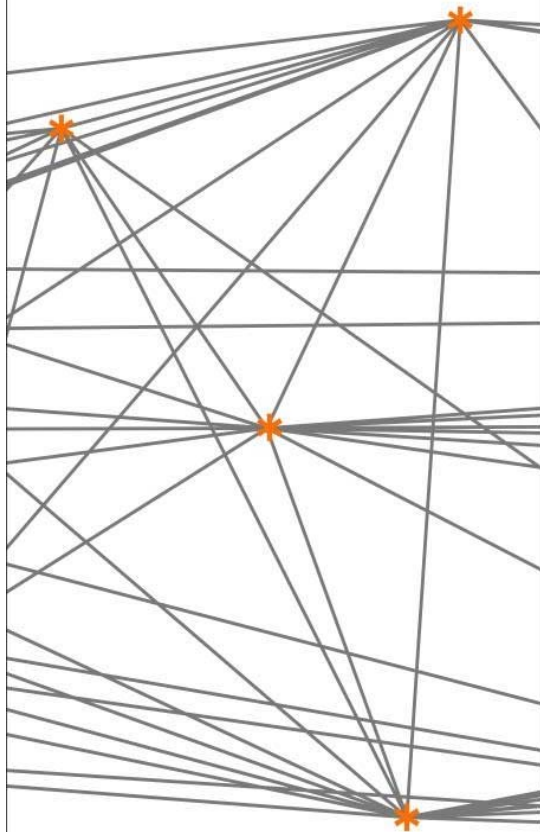


**Mexico, Brazil,
Argentina**





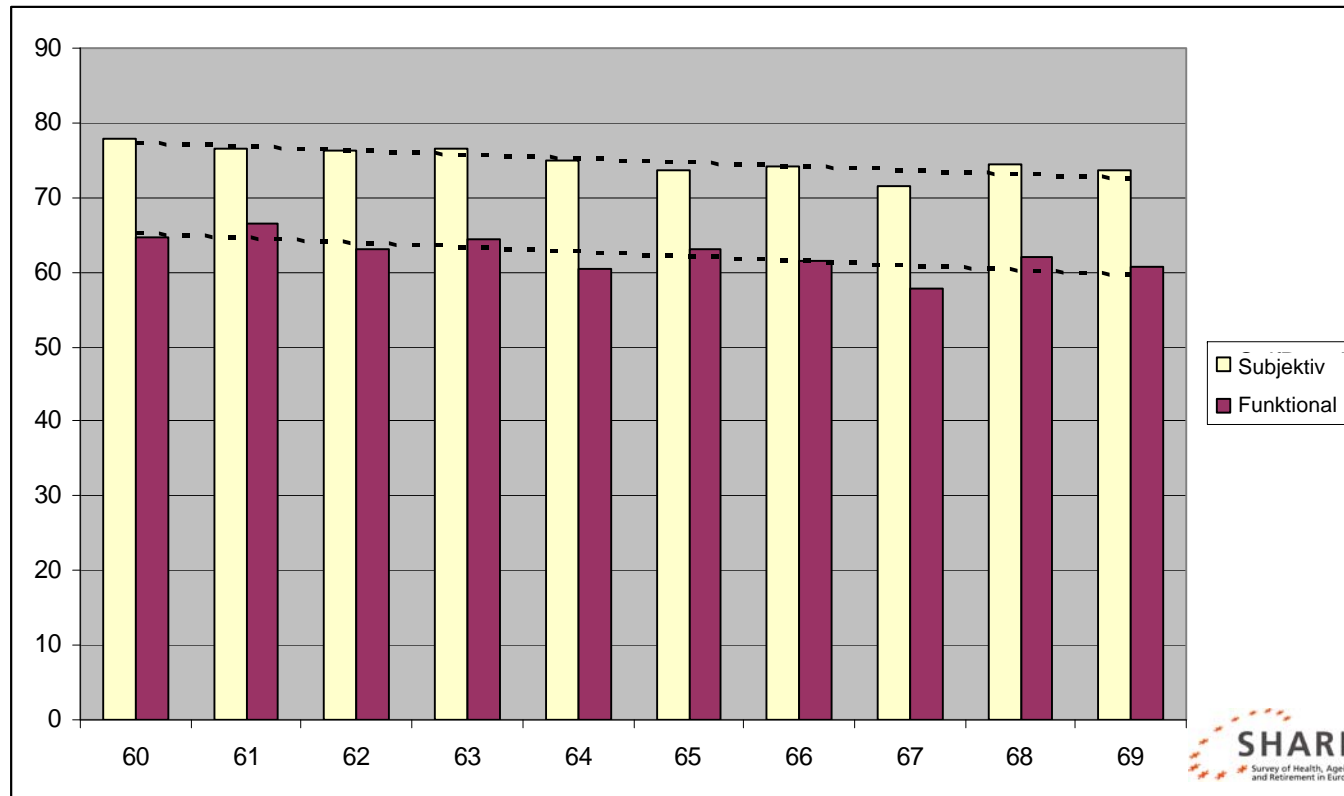
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Myth #1: older individuals are unhealthy,
thus **cannot** age actively

Health is good!

The foundation for active ageing



10 "Activities of Daily Living":

1. Walking 100 Meters
2. Sitting two hours
3. Getting up from chair
4. Climbing up one flight of stairs without break
5. Kneeling
6. Bending down
7. Extending arms above shoulder
8. Carrying a chair
9. Carrying weight of 5 kilo
10. Picking up a coin with fingers from table

Subjective: Health good, very good, or excellent

Functional Limitations: „Activities of daily living“ (ADL)

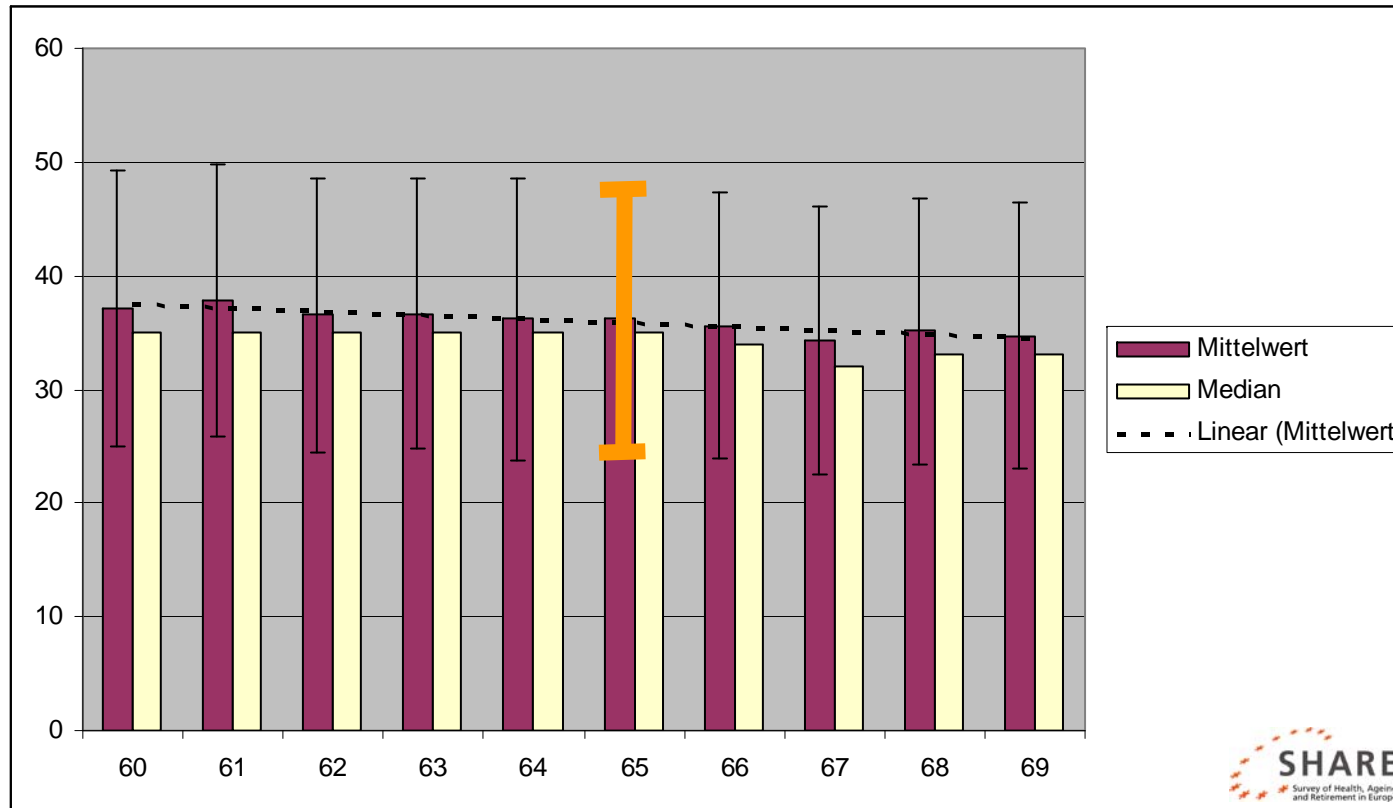
Challenges of measuring health cross-nationally comparably



⇒ objective measures of health (e.g. **grip strength**) help distinguishing actual differences in health from different response styles ...

Health is good!

The foundation for active ageing



Objektive: Grip strength

Myth: Old workers retire earlier due to ill health





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Lessons:

1. Health is *generally* good
2. Decline 60-69 much smaller than variation within each birth cohort
3. Older workers do not *primarily* retire because of old health



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Myth #2: older workers are less
productive, thus **should not** stay active

Age-mixed
work teams

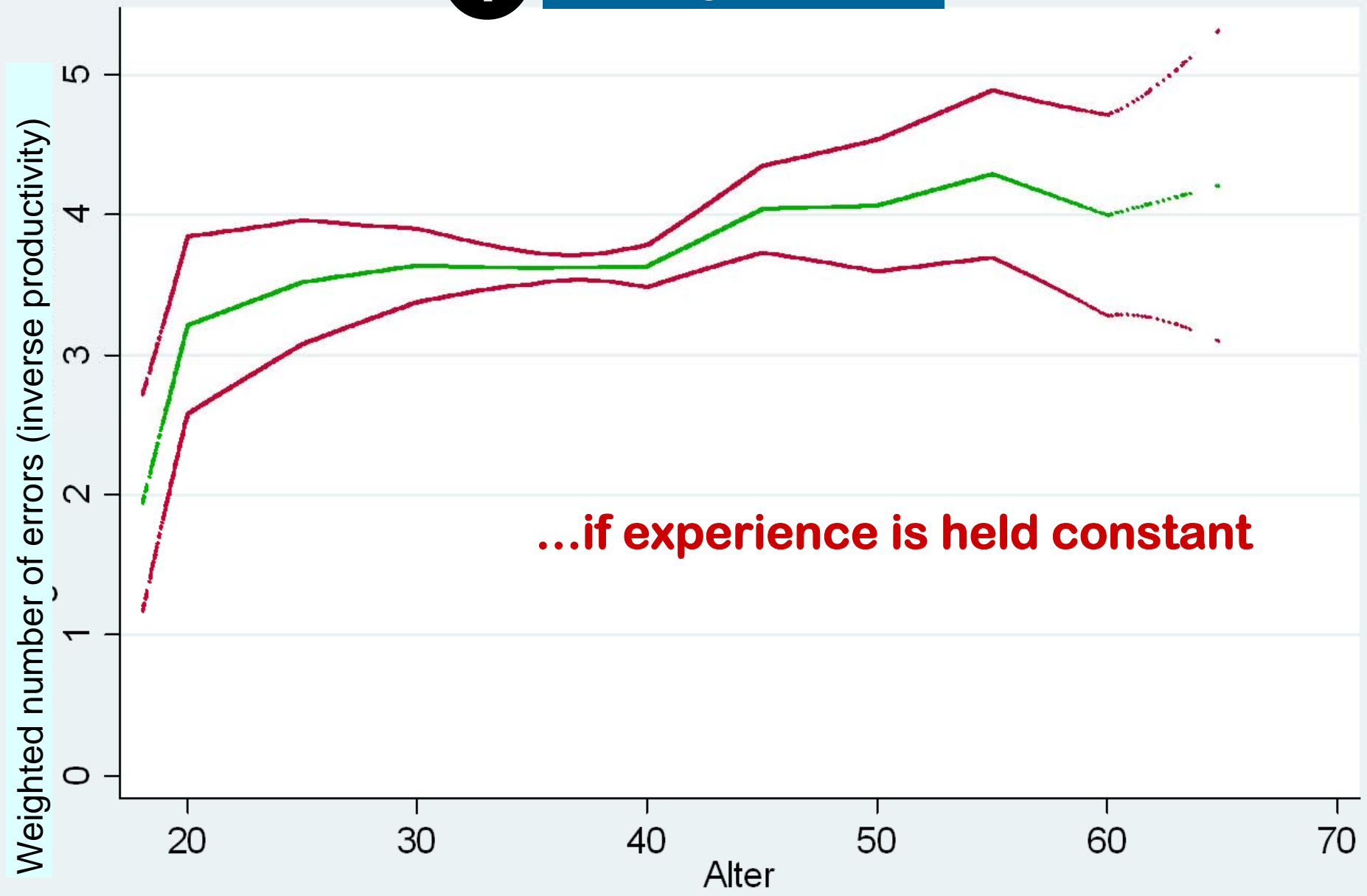
Product and time
standardized

Productivity:
No errors

Some 100.000
observations



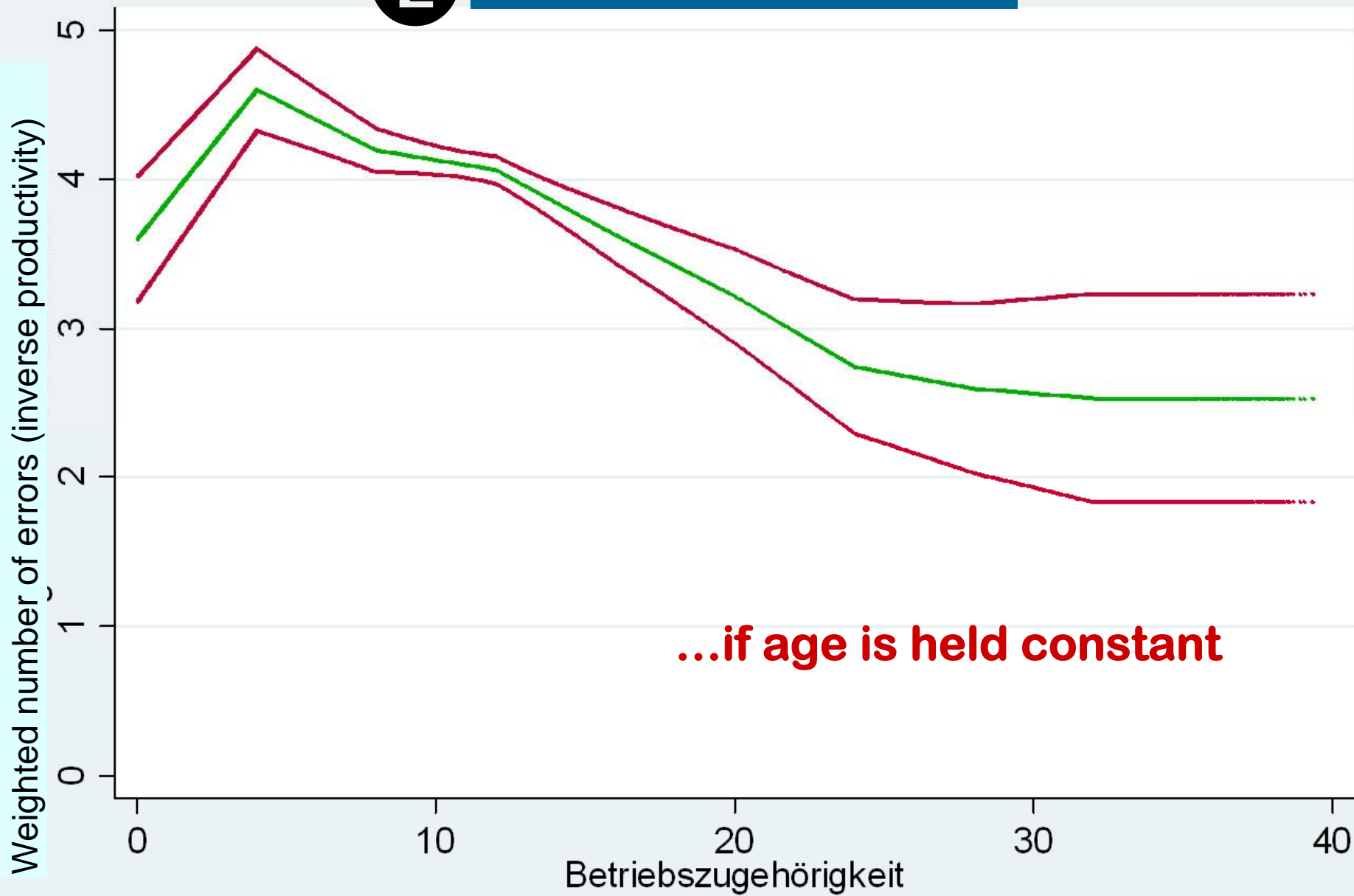
1 Pure age effect



...if experience is held constant

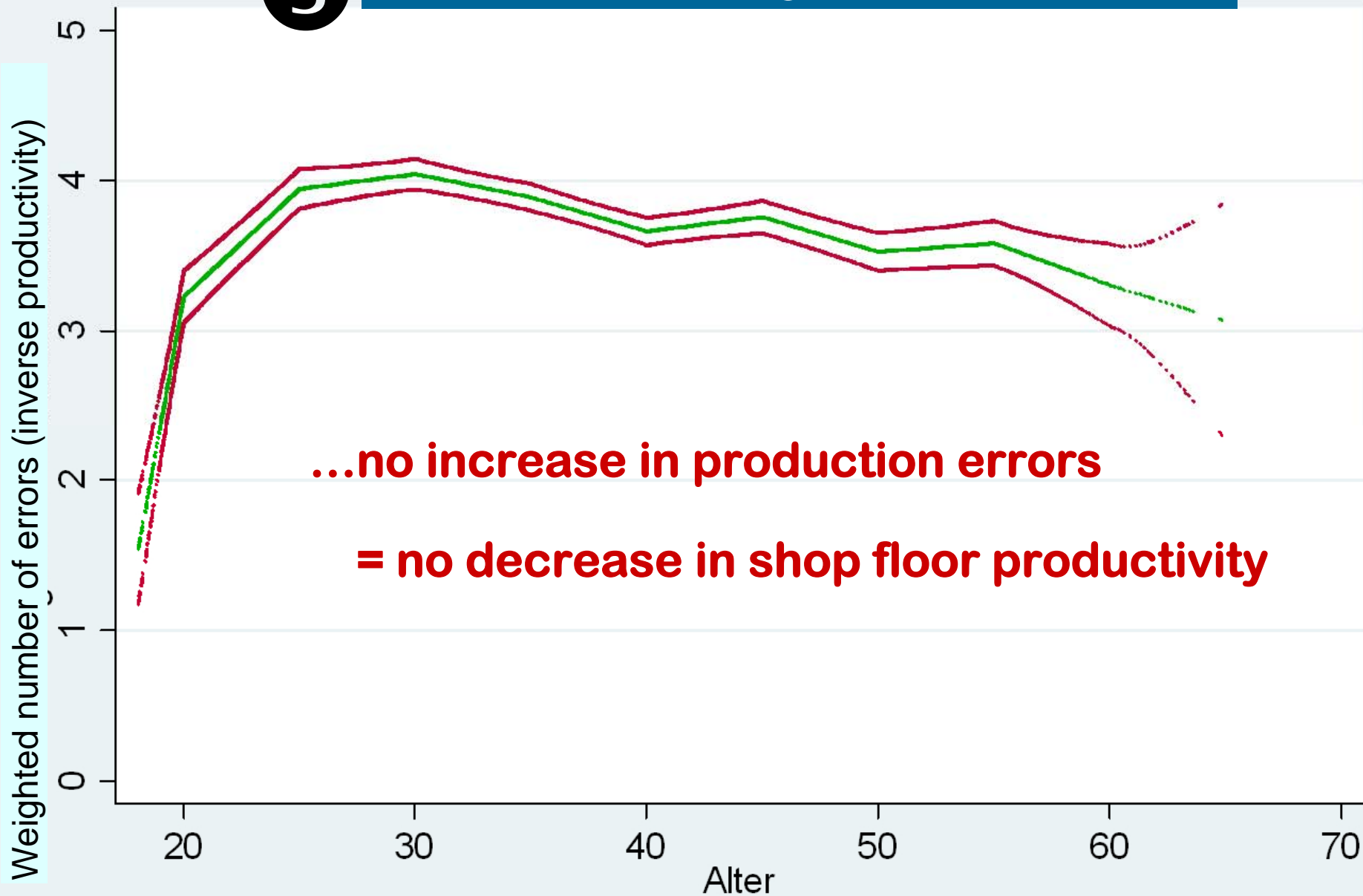
2

Pure experience effect



3

Combined effect: age plus experience





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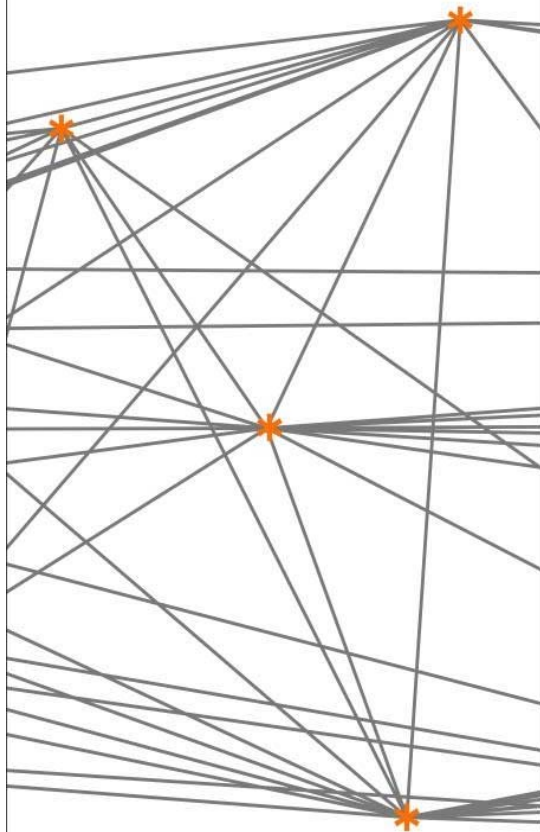
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Lessons:

1. Older workers are *not* per se less productive in routine jobs
2. Productivity *in a given job* remains high: Do not fire older workers
3. Productivity *in a new job* is harder for the older: Need education efforts



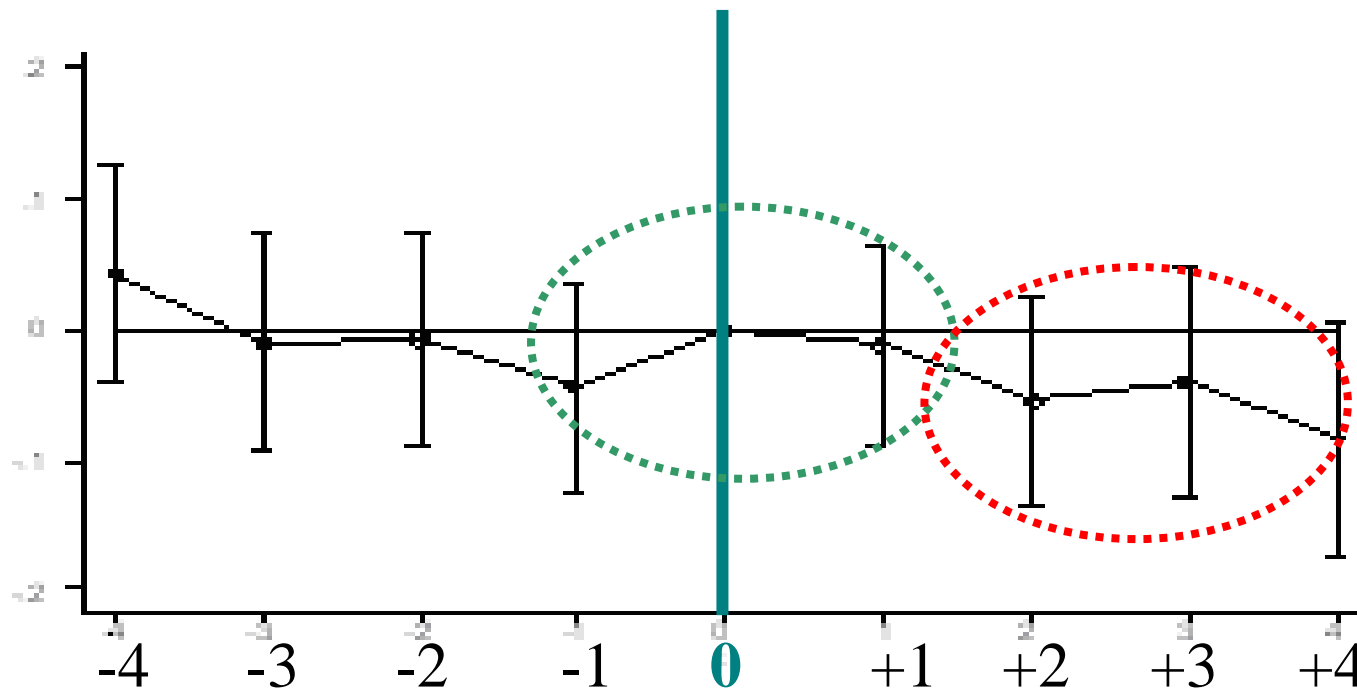
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Myth #3: retirement is bliss, thus older
individuals **do not want** to age actively

Myth: Retirement is bliss

Life satisfaction after early retirement



Controlling for selection effects,
thanks to measurement of earlier health!

Impact on years of cognitive aging:

	Memory	Fluency	Global assessment
• Professional activity	-1.61	-1.92	-1.91
<u>Other activity:</u>			
• One activity performed less than weekly	-0.78	-2.65	-1.40
• One activity performed almost weekly	-0.96	-3.34	-1.68
• One activity performed almost daily	-1.13	-4.01	-1.96
• Two activities performed less than weekly	-1.38	-4.49	-2.48
• Two activities performed almost weekly	-1.55	-5.15	-2.76
• Two activities performed almost daily	-1.72	-5.80	-3.03
• Moderate physical activity	-0.31	-1.66	-0.68
• Vigorous physical activity	-0.34	-1.00	-0.65
• Mobility limitation	0.40	-0.23	0.46
• Depression	1.16	0.83	1.28
• Single-person household	0.60	0.25	0.66
<u>Wealth:</u>			
• 1st quartile	-	-	-
• 2nd quartile	-0.14	-1.19	-0.45
• 3rd quartile	-0.54	-1.60	-0.75
• 4th quartile	-0.40	-1.73	-0.84

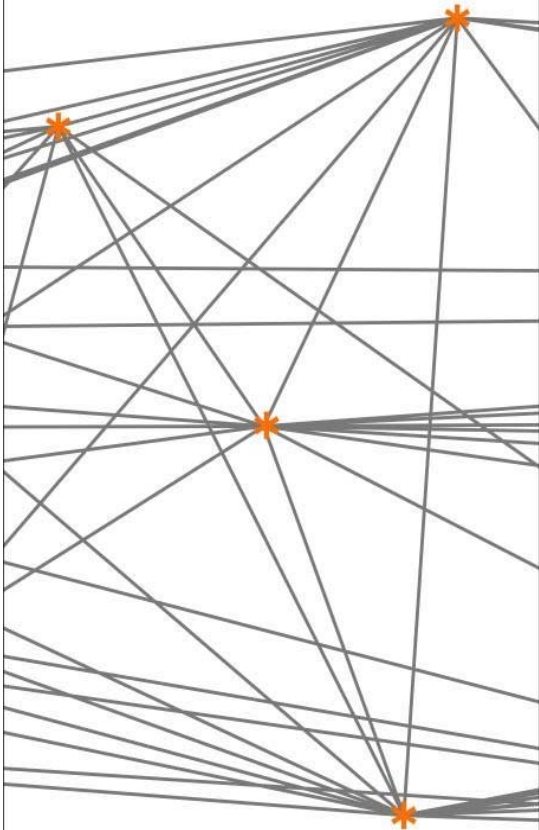
Adam, S., É. Bonsang, S. Germain and S. Perelman. (2007).

Retraite, activités non professionnelles et vieillissement cognitif.

Une exploration à partir des données de SHARE. Économie et Statistique



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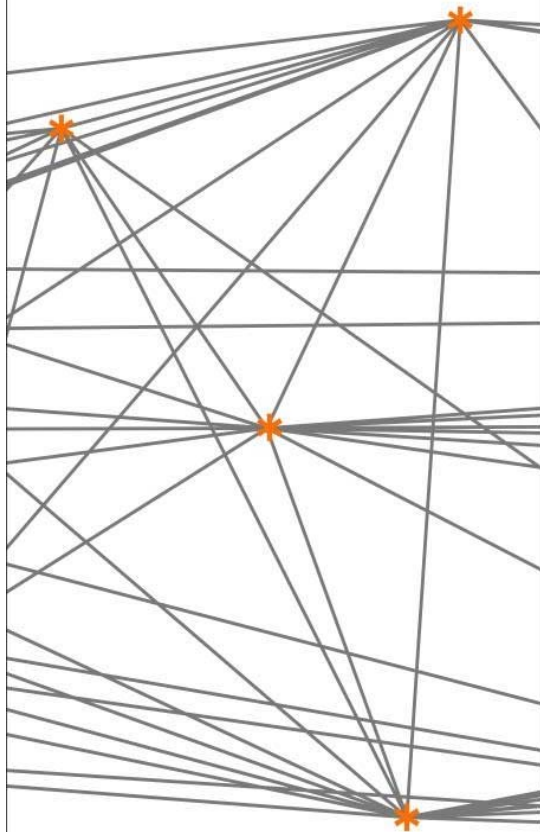


Lessons:

1. Retirement provides less social contacts
2. Retirement provides less cognitive stimulus
3. Actively ageing helps staying longer alert!
4. Implications for retirement age?



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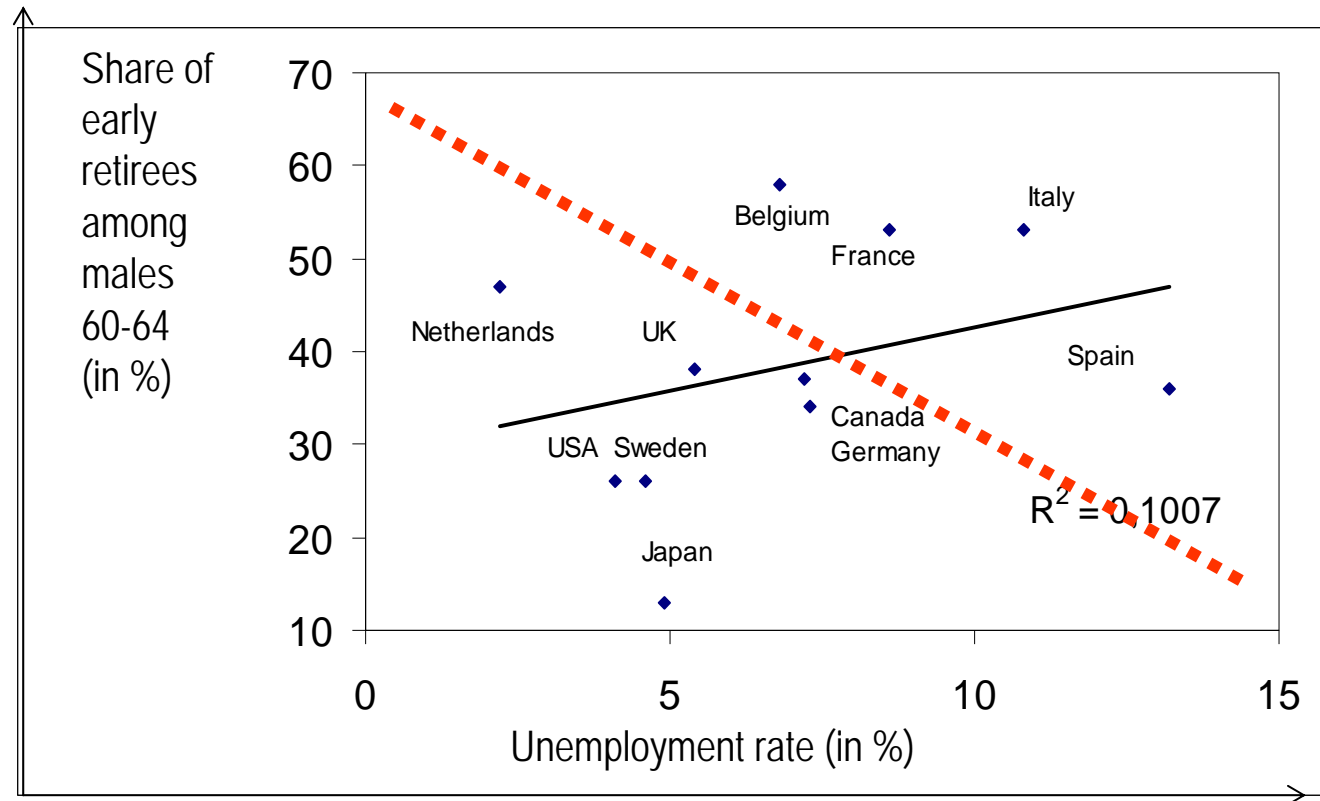


Myth #4: active ageing harms the young,
thus older individuals **must not** stay active

Myth: Old workers take jobs away from the young

Biggest obstacle to increasing 55+ employment!

The old should make place...

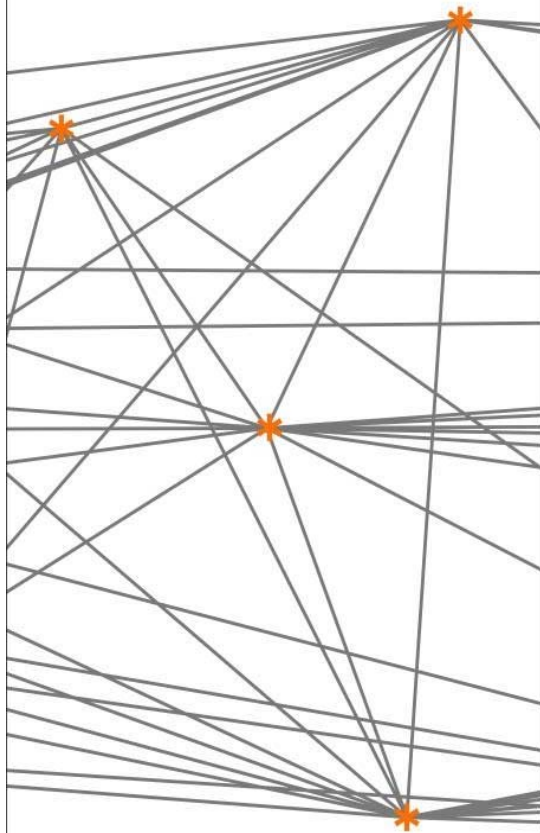


...for the young!



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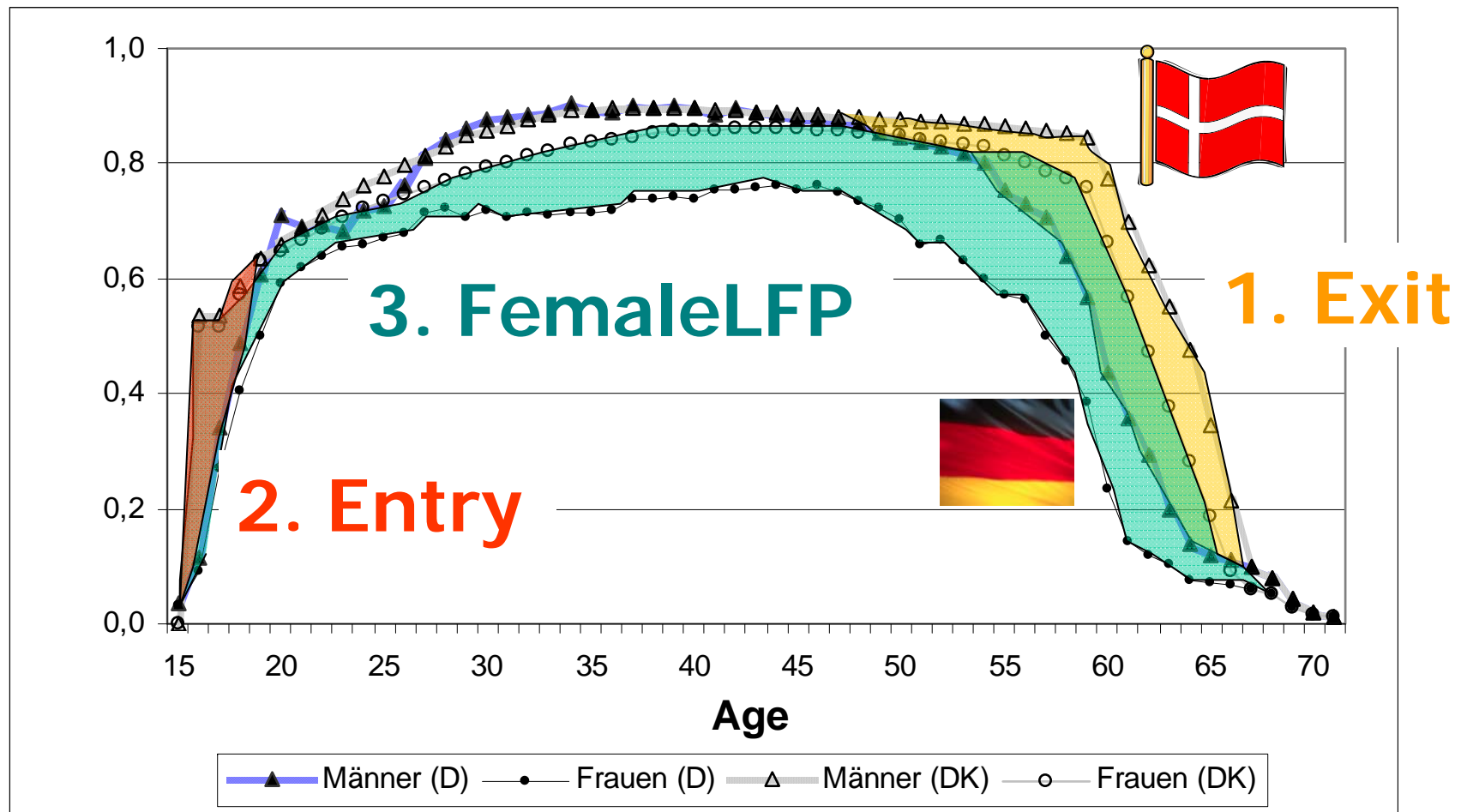


Myth #5:

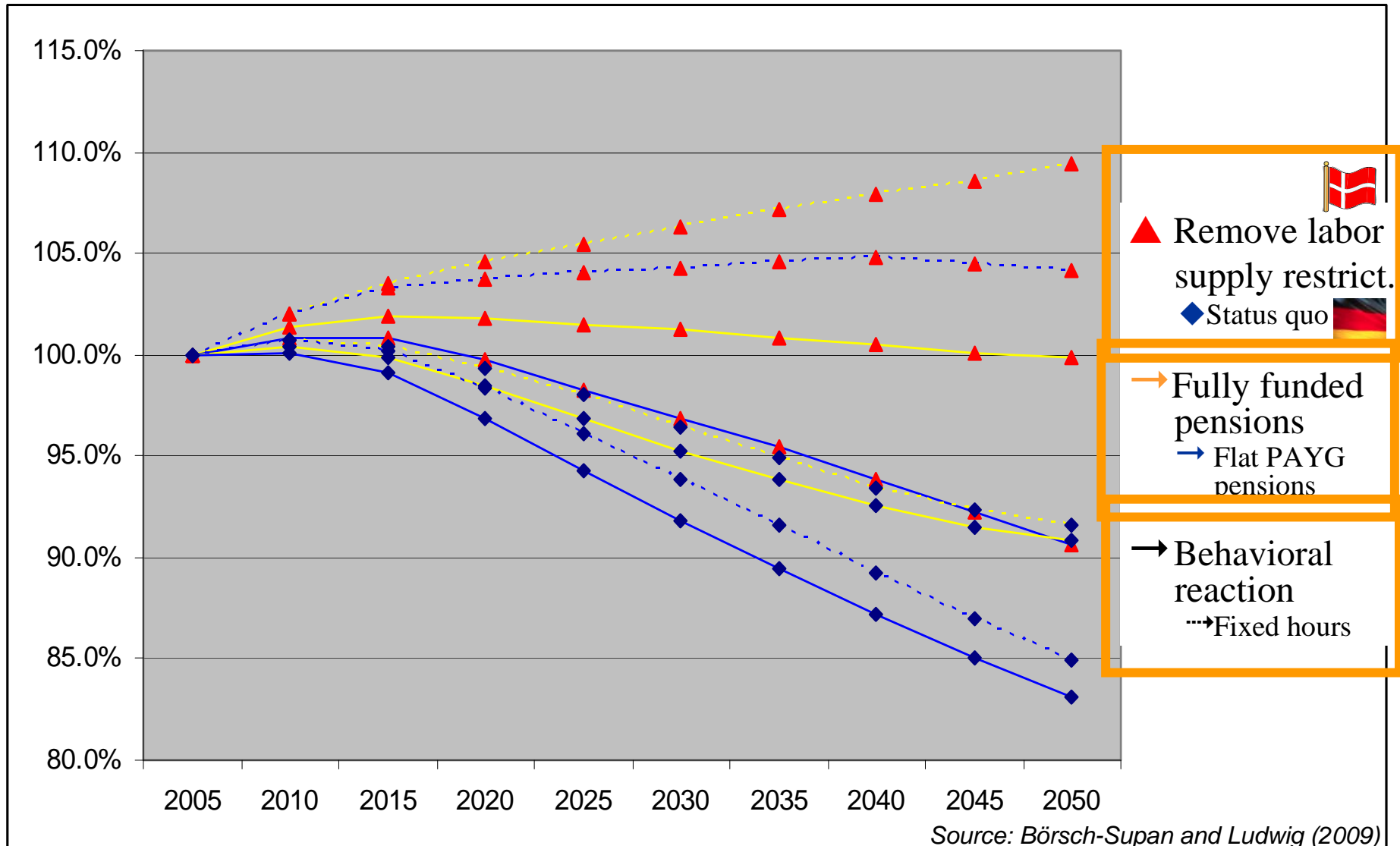
Population ageing is a tsunami-like destiny:
one cannot do anything against it

*(and this active ageing conference is just another
EU public relation's gimmick)*

German and Danish labor force participation rates



Simulation exercise: Alternative paths of living standards in "Old Europe" (=DE+FR+IT)





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Summary and final lessons:

Population ageing is not our destiny,
but the policy steps we will implement

and the most important step is to induce
-- via health, education and labor market policies –
more individuals to stay active