Aging and the Elderly: East Asia Forewarns a Demographic Tsunami

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The current debate—or lack of debate—about health care has underscored key social issues related to the elderly. For many of us, care for aging parents is also a daily concern, as we wrestle with issues related to the health, housing, and quality of life of our parents. Perhaps understandably, our view of problems of the elderly tends to be narrowly focused on our own backyard. Save for the stray claim about the wonders or the limitations of health and related systems in Canada, we don’t look to other countries for comparisons, lessons or even context. But we might do well to broaden our perspective—in particular, by looking to the problems of aging in East Asia, where the challenges of caring for the elderly dwarf those we confront in the United States.

The problems in East Asia are related in part to heritage. Confucian belief has dictated that care for the elderly has been seen more as a personal rather than a governmental responsibility. This has meant that social security systems in even prosperous countries like Japan and Korea are less developed than in the U.S. As a result, people in those countries save more—they have to. But with little or no government safety net and personal savings gouged by the global recession, many Asians face financial crises that threaten their ability to provide for dependent parents.

Perhaps more important, stark demographic trends have made care for the elderly a social issue—one that has reached near-crisis proportions in several countries. Simply put, several Asian countries have too few young people to provide for a massive and growing population of elderly. In China, the dilemma of how to support a large population of aged has led to serious debate about ending the three-
decades-old One Child Policy. In Korea, the younger population has dwindled to the extent Seoul is scrambling to staff the army. Despite Japan’s high standard of living, the outlook for many of Japan’s older citizens remain poor. Newly elected Japanese Prime Minister Yukio Hatoyama has pledged to abandon a stimulus plan focused on public works in favor of one that will distribute more funds to struggling households and build a stronger safety net.

But the financial squeeze created by Japan’s large elderly population seems to dictate the need for systemic change. And Japan is not the exception. In virtually all the countries of East Asia, Confucian influences and the combination of a shortage of high-earning young people and a large population of aged have strained the ability to finance viable pension systems, to provide adequate health care for the elderly, and to enable the elderly to—age in place—in their homes, while ensuring a reasonable quality of life.

And it’s only going to get harder: By the year 2050, the population of those 65 years old and older in Asia will have quadrupled in the post-World War II period, totaling almost a billion people.

Why should we care about all this? Well, in part because these demographic trends may affect some key strategic and bilateral relationships. For example, an aging China may be less competitive, or conversely, face financial pressures that exacerbate its need to buy up global resources and battle the U.S. economically and strategically. An aging Japan will be more inward looking and less inclined to play an international role, potentially weakening the effectiveness of a key U.S. ally. We should also care because the Asian experience may provide valuable lessons for us as we begin to age in place. Japan, for example has created exemplary pilot programs in elder housing as well end-of-life employment.
Finally, we should care because we have no choice, because many experts think that Asia represents just the edge of a demographic tsunami. According to many estimates, by the year 2050 the elderly will represent 62% of the earth’s total population. In an age of globalization, we will not escape the impact of that demographic reality.

Many of us have been frustrated by the fact the struggle over health care reform in the U.S. has veered from the key issues of competition, cost and the quality of care to less rational and productive sideshows. The problem of the aging in Asia suggests another imperative: the need to broaden our view to one that includes global trends and consequences.

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The issues of aging in the U.S. and Asia will be addressed in the 25th annual Mansfield Conference at UM, September 23- September 25th. For details please go to www.umt.mansfield or call the Mansfield center at 243-2988.