

## **Chapter-II**

### **Review of Literature**

Population ageing refers to a situation when number of elderly people increase much more rapidly than the rest of the population, leading to the increase in proportion of older persons in total population. The mortality and fertility decline that move population through their demographic transitions inevitably result in increases over time in the proportion of a population who are old (Coale, 1964; Grigsby, 1991). Due to ongoing global fertility transition and of mortality decline at order age, population ageing is expected to be among the most prominent global demographic trends of the 21<sup>st</sup> century. While population ageing is not a new phenomenon, the rapid pace at which the number and proportion of the aged people are growing particularly in developing countries, has led to widespread global concern. Ageing of population is basically the result of a two dimensional demographic transformation rising life expectancy as a result of decline in overall mortality and declining fertility

An increase in longevity raises the average age of the population by raising the numbers of years that each person is old relative to number of years in which he is young. A decline in fertility increases the average age of the population of these two forces, it is declining fertility that is the dominant contributor to population ageing in the world today (Weil, 2006). Besides fertility and mortality, migration is also an important factor of population growth. But in the demographic ageing process, migration has a secondary role since its effects are

generally spread over all ages (Pollard et al. 1981). Population ageing is characterized not only by an increasing proportion of old people and their growing numbers, but also by ageing within the elderly population, but also by ageing within the elderly population and ageing of the labour force (Dhar & Chakraborty, 2004).

Population ageing has many important socio-economic and health consequences. It increases the old age dependency ratio. People of some ages produce less than they consume, and are dependent on the rest of the society for their support. The higher a country's economic dependency, the lower a country's per capita income for any given level of output growth, and the smaller the real gains conferred on the population (Gaminiratne, N, 2004). Growing elderly population lead to important implications for public policy related to health care, social support systems, retirement and pensions and economic growth. The social and economic impacts of such population dynamics provide interesting scope of research to gather knowledge, so as to cope up with problems resulting from the advancement of science and technology, by designing appropriate and effective social and economic policies (Pathe, 1990).

## **2.1 The Global Perspective:**

The first world Assembly on Ageing that took place at Vienna in 1982 under the aegis of United Nations (United Nations, 1982), posed ageing of population as a global problem and drew attention to the fact that the phenomenon is not exclusive in developed countries and in large part of the developing world population is ageing fast (Cohen, 2002). After the Vienna Assembly a lot of

studies were taken up in various developing countries by the agencies of United Nations. The official document presented by the Government of India in Vienna projected the view that the elderly persons in India are well integrated with the society and there is no problem of the aged (Status paper, 1982, Kohli, 1987). The welfare of the elderly was linked with the general pace of social and economic development of the country. In the second world Assembly on Ageing that took place in Madrid in 2002, the traditional welfare approach of the Vienna Assembly in 1982 has changed to a development oriented approach to the ageing issues. The Madrid Plan of Action on Ageing (2002) emphasized on the mainstreaming of ageing and older persons into policies and planning. The plan talks about changing demographics, economic and social circumstances requiring adjustment to macro level policies in the pension, social security, health and long term care systems to sustain economic growth and development.

## **2.2 Theories of Ageing:**

There have been various attempts to analyse the responses of an elderly person to the changed socio-economic context, which he/she faces in the later stages of life.

The conventional approach, in developing countries has been to explain the problems related to ageing in terms of modernization theory following the western model. Modernization theorists argue that industrialization and the consequent urbanization undermines the status of the aged greater the mobility of young people as a result of industrialization and urbanization allows them to be free from the authority of the elders in the family. This erodes the status of

the elderly in the family. However, in traditional society problems of poverty and inequality exist and so called ideal life style of 'golden age' may have existed for only a few. Moreover the problem of poverty and inequality are observed in spite of modernization. Thus existence of structural inequalities rather than modernization are likely to influence the life of the elderly person.

A common rhetoric in ageing in India has been the break down of 'Joint family' which is perceived as a superior Indian Institution capable of managing problems related to old age in efficient manner. However the increase in the proportion of nuclear families is usually taken as an indication of disintegration of joint families. It is important to examine the relationship of the nuclear family with the stem families.

Another theory known as 'Dependency Theory' related the deteriorating conditions of the elderly to the existing social and economic structures (Townsend, 1981, Phillip con, 1982). The argument is the economy is structured in such a way that make elder people dependent and so they are adversely affected It is observed that development initiatives by international agencies often result in mechanization in primary sector, decline of handicrafts and an unfavorable terms of trade for agricultural goods. All these tend to place urban and rural elderly in a disadvantageous position. Moreover the social security programmes designed for the elderly may not be appropriate to the local needs and conditions. Thus these theories draw our attention to the need for research to generate information regarding specificities of local conditions, so that appropriate policy action may be taken.

### **2.3 Research Issues in Population Ageing:**

Research on population ageing has generally been guided by the concern to design the policies and programmes of the government for elderly welfare and attempts to bring out the social and economic consequences of population ageing. The literature on population ageing may be identified as follows.

#### **a) Demographic aspects of Population Ageing :**

Most of the studies on population ageing are related to the demographic aspects concerned with the identification of factors affecting population aging and predicting the number and proportion of the elderly population at a future date. The aging of population is a process whereby the proportions of children in the population decrease and the proportions of old persons increase. The sources of population aging lie in two demographic phenomena; rising life expectancy and declining fertility. An increase in longevity raises the average age of the population by raising the number of years that each person is old. A decline in fertility increases the average age of population by changing the balance of people who are young to people who are old. Of these two forces, it is the declining fertility that is the dominant contributor to population aging in the world today (Weil, 1997, I. Rajan, 2006; Swain Pushpanjali and Sherin Raj T.P. 2005).

The number of elderly in the developing countries has been growing at a phenomenal rate; in 1990 the population of 60 years and above exceeded that in the developed countries. Demographers predict that, by 2030, the world elderly population is expected to be around 1.4 billion which would be almost triple the

1990 figure. Most of this growth will take place in the developing countries and over the half of it in Asia (World Bank, 1994). The two major population giants of Asia, namely China and India will contribute significantly to the growth of this figure (*Rajan, Mishra and Sarma 1999*) and China contributing a significant proportion of this growing elderly (*Rajan Irudaya, Sarma and Mishra 2003*). According to the *United Nations (1956)*, a population is called an aging population if more than 7% of the total population belongs to the aged category.

In India, according to a projection of a study by the Centre for Development Studies, Thiruvanthapuram, the proportion of elderly expected to rise to 7.1% in 2001 (*Rajan, Mishra, Sarma, 2000*). But the actual figure was 7.4% in 2001 which was slightly higher than estimated proportion due to large population base of the country.

The study by *Rajan, Irudaya (2006)* reveals that the sex ratio among the elderly in India has favoured males as against the trend prevalent in other parts of the world. This phenomenon of elderly is interesting because female life expectancy at ages 60 and 70 is slightly higher than that of males. However, there are more widows than widowers and reasons for this unusual phenomenon need to be identified. The reasons for more males in old age may consists of under reporting of females, especially widows, age exaggeration, low females life expectancy at birth, the excess female mortality among infants, children and adults (*Sudha and Rajan Irudaya 2003; Bhat Mari 2002*). In a population projection made by *Rajan I. 2006*, the size of India's elderly population i.e. 60 and above is expected to increase from 7.5 per cent in 2001 to 12 per cent in

2031 and to 17 per cent in 2051. Again the report shows that the number of elderly persons above 70 years age (old-age) and above the age of 80 years (oldest old) are likely to increase by five-fold and four-fold respectively in between 2001 to 2051. Thus rapid aging trends present new challenges to government, families and the elderly themselves (Ramachandran and Radhika, 2006).

**b) Socio-economic issues related to Aging population :**

The social and economic changes taking place in the society are important from the point of view of the elderly as they have serious implications in their life.

*Sarma, Chandana* (2008) in a study on the socio-economic conditions of the Assamese elderly in Guwahati city points out that the breakdown of joint family structure, lesser number of children per couple, greater longevity, physical separation of parents from children due to age selective migration, changing attitude of younger generation against the older ones, elderly migration to urban areas at a later stage in life to stay with children etc. are some of the factors that influence the life of the elderly. The study reveals that the most important thing that needs consideration in dealing with the elderly is that the emotional needs of the elderly change with age. The family members need to understand the special needs of the elderly. The solution to the problems lies in their remaining integrated in the family.

In a case study by *Raghaviah, Radhika* (2005) on socio-economic dimensions of aging shows that there are three factors that affect the well being of the elderly; physical security emotional satisfaction and financial security. It has been

observed that the emotional security is neither influenced by physical well being nor economic factors but is completely independent in determining the well being of the aged. It also reveals that the level of education influence the financial status of the elderly.

The relatively faster increase in the elderly population will contribute to a higher dependency ratio of the population in the non-productive age group. Therefore, responsibility for caring for the elderly will fall either on young wage earners or on the govt. (Channa, H.B. and Talwar, P.P. 1986)

A study by Datta, Anupama (2005) regarding impact of globalization on elderly population shows a steady rise in the dependency ratio which touched a new high of 75 per cent in 2001. This means that the non-working section of people increased steadily compared to the working section, resulting in a situation, a smaller group of young people will bear the burden of a large number of people comprising children and elderly. The study reveals that both for elderly men and women, old age dependency ratio is higher in rural areas than urban areas. It also highlights on the economic burden on the youths who are expected to bear for the elderly. This rising old-age dependency ratio will result in a sharp rising cost rate for pay as you go retirement programs and pose a heavy burden on the budget, on the economy and on working age adults in any country.

Rathi Ramachandran and Radhika R (2006) in a study highlighted the problems faced by elderly women in India and Japan. The study findings shows that elderly in Japan tend to live separately and independently of their children. Most of the Japanese elderly are in a better financial status today as a result of various



forms of public pensions, other savings, employment opportunities and social security packages (Japan NGO Report Preparatory Committee, 1999). In India due to socio-technological changes, loss of joint families etc., the position of elderly women has become deplorable (Ramamurthy, 2003). The study reveals that the incidence of various health problems are less among Japanese elderly compared to India because of their awareness on health care, improved life style, high literacy level, food habits, better medical facilities, better living conditions etc.

Rajan, Irudaya, Mishra and Sarma (1995) explain living arrangements in terms of the type of family in which the elderly live, the headship they enjoy, the place they stay in and the people they stay with, the kind of relationship they maintain with their kith and kin, and the extent to which they adjust to the changing environment. While dealing with the welfare of elderly persons, it is important to study their pattern of living arrangement.

Legare and Martel (2003) have attempted to highlight to differences and similarities regarding the living arrangements of the elderly in Canada, Switzerland, United Kingdom and Finland and to investigate the effects of these differences and similarities in demographic trends. The countries studied show great similarities in living arrangements. A good proportion of elderly women live alone while their male counterparts live with the spouses. In Asian countries, support and care of the elderly come mostly from the family. Martel and Carriere (2003) found that prevalence of widowhood and divorce rates have different impacts on the living arrangements of the elderly.

Another study on Vietnam has identified that married sons constitute the most important source of social security in addition to the findings that family constitutes the most important source of social support and security (Anh et. al, 1997). A study by Rajan and Kumar (2003) based on NFHS-1 presents detailed characteristics of living arrangements among the elderly in India in terms of hardship, average household size and marital status.

A study by Radkar, Anjali and Kaulagekar, Arti (2006) on living conditions of elderly in India highlighted that 90 per cent of urban elderly enjoy the comforts in day-to-days living. Majority of the elderly have their own house and also the bigger house in terms of number of rooms meaning having their own space with basic amenities. However 35 per cent of rural and 10 per cent of urban elderly are deprived of such comforts. It indicates their social status and living conditions during old age.

Arivukarasec, A.G. (2011) studied on the living arrangement among the elderly Muslims in Cuddalore district which reveals that the living condition of the Muslims elderly varies differently. From the results it is clear that with higher degree of the urbanization and industrialization, there is a decline in the quality of life of the elderly Muslim in Cuddalore district.

Choudhury, Sujata and Das, Soma (2012) tried to highlight on the issues of aging population. It shows an increase in the old age dependency ratio for which large proportion of the resources from developmental activities needed to be diverted to take care of the needs of the elderly population groups, bankruptcy of social security system, aging labour force etc.

Another study done by Das, Barindra (2012) related to size and composition of Aging population of the state as well as its dependency pattern. In a study on problems of aging retirees and prospects of knowledge economy in the context of urban areas of Assam, the researchers are of the opinion that old age engagement of different levels is utmost important. Knowledge economy is one of the way through which this urban aging population can provide their knowledge for different developmental activities of the society (Bora, D., Bordoloi, M., Saikia, S. 2012)

Saha, Paramita (2006) in her study on population aging in Tripura found trend of gradual aging in Tripura. The study reveals that feminization of elderly population in Tripura started after 1981. Lower economic status of elderly women require appropriate policies to address their needs. The study findings show that increase in work participation of elderly women as main worker indicate increasing vulnerability of the elderly women due to lack of economic support structure. It is evident from the findings that most of the elderly persons in the study area remained outside the purview of the security network even as the entire quota of NOAP was not distributed every year. Most of the elderly persons were not aware of old-age home and other social security system for older persons.

### **c) Health and Medical Aspect of Population Aging :**

Health problems are supposed the major concern of a society as older people are more prone to suffer from ill health than younger age groups. Besides physical health, the aged are more likely to be victims of poor mental health which arises

from senility, neurosis and extent of life satisfaction. In most of the primary surveys, the Indian elderly and rural aged in particular are assumed to have some health problems.

The Khatri, Nandal and Kadian (1987) study found a majority of the elderly suffering from diseases like cough, asthma, poor eyesight, anaemia and dental problems.

Shah (1993) in his study of urban elderly in Gujarat found deteriorating physical conditions of poor vision, hearing impairment, arthritis and loss of memory.

Sarmah, Chandana (2004) in her study found that health problem along with financial problem is the second most prominent problem among elderly of the Assamese society. Health problem which lead to social disability may give rise to problem of utilizing their time and subsequently to loneliness.

#### **d) Social Security for the Elderly :**

India will have another problem as despite of rapid and consistent eco-growth, it will have a huge aging population who may be far poorer than their counterpart in the best. In India, most of those who have worked in organized sector get pension and other retirement benefits after attaining the age of super annuation varying between 60 – 65 years. But for other Govt. of India and state governments, at present, have very nominal old age pension coverage. It varies from 751 to 150 in a month. In addition some other benefits for the elderly are also being provided by the central and state governments. But much is to be done as at old age their medical expenses go up and dependency on children/

relative goes up for physical, mental and economic support. The situation of aged females is more critical compared to that of men due to low literacy rate, customary ownership of property by men and majority of women being not in labour force during their prime age with only very few in the organized sector. Therefore the policy for elderly may keep a realistic achievable gender component. To develop requisite policy programmes for the elderly population, there is a need for a study of elderly persons on various aspects and initiate social, economic and health policy debate about aging in India. But there is a serious dearth of datasets and analyses to identify the emerging areas of key concern and immediate intervention (Situation analysis, 2011).

Gore (1992) estimated that about 6 per cent of the poor persons, that is, about 16.3 million persons were above the age of 60 years and poor. He also adds that a vast majority of the poor elderly persons were not receiving old-age pensions.

Barua, Prafulla Ch. (2013) in his article “Healthy Aging” share his views on the present social security measures of both central govt. and state govt. for senior citizens. The article published in the only Assamese monthly “Uddipan” for elderly reveals that only 20 per cent of elderly may think for healthy aging. He emphasized on the proper functioning of NPOP, 1999 and Maintenance of Parents Dependents Act, 2007 so that the senior citizens may get sufficient financial support for health care, shelter and protection.

The first includes research related to the demographic aspects concerned with identification of factors affecting population ageing and predicting the number and proportion of the elderly population at a future date. In this context, most of

the researches forecast the number of ageing population in the world. Will account for 32% of population 2050. The developing nations are experiencing four fold increase in the number of elderly population by 2050.

The second relates to the socio-economic aspect of ageing and analyses the impact of population ageing on the economy and on the households. This includes research for identification of various factors attribute to sociological and economic difficulties faced by the elderly the study revealed that the gradual family disintegration contributed to the problems of elderly people. Social changes which emerged to these dynamic societal changes gave many problems to elders. As old age leads to diminishing productive power, people do not properly prepare for ageing and cannot enjoy a good living conditions. The study recommended that public awareness can be an immediate solution to the problems facing the aged.

Closely related to this, a distinct area of research on formal social security policies and measures have also generated voluminous literature. Design of appropriate pension schemes for different categories of elderly, funding of pension with limited resources are he principle concern here. Here the question of 'intergenerational equity' is an important issue.

Another important issue relates to health and medical aspect of population ageing. Healthy ageing is regarded as a crucial policies objective in an ageing society and led to research on geriatric medicine, geriatric care and determinants of geriatric health. Information on type and prevalence of ailments, the actual costs of treatment incurred and health facilities availed by the elderly persons

belonging to various socio-economic groups are very limited and require further research.

#### **2.4 Measurement of population Ageing:**

Comparative analyses of the nature and trend of population ageing in different places and among different population groups is essential in order to get insights into the differences of needs and variations in the situations. This necessitates developing a meaningful index or measure of population ageing, on this a large volume of literature exists (Guha Roy, 1985 | Basu and Basu 1987; Chakravarty and Chakravarty, 1993. Traditionally, proportion of those above the age of 60 or 65 years in total population i.e. the old age ration is most commonly used as an index of ageing. An indication of population ageing is ageing index, which is defined as the number of people aged 65 and over per 100 youth under age 15 (Gavrilov L.A. & Heuveline P. 2003). Generally in developed countries 65 years is taken as cut of age while in Asian countries 60 years is considered as the cut-off age. The United Nations Conference on Ageing population in the context of Urbanization, 1998 recommended 60 years as the cut-off point (Dhar & Chakraborty, 2004). Another index is the aged child ratio, calculated as number of elder persons per hundred population in the 0 to 14 years age group. This brings the possibility of replacing the present by future older generation by pinpointing the comparative sizes of the two dependent demographic parts of a total population. Different dependency ratios are constructed in order to highlight the socio-economic impact of population ageing. Old age dependency ration is used to bring out the potential of the working population supporting the

dependent elderly population. In a pay as you go type of social security system, the old age dependency ratio can be regarded as consumption – production ration impact of population ageing. Another measure is total dependency ration that represents the total potential burden on the working age population in the age group of 0-14 years with 60 years and above. The intensity of ageing is captured in the P-index of ageing developed in the line of Sen's P-index of poverty (Sen, 1981). However, the useful index would be one which takes into account the economic contribution of elderly population and reflects the actual extent of their economic dependence.

## **2.5 Economics of population ageing:**

The economic response to population ageing centers around (a) increase in the relative number of older persons and (b) the impact of ageing on individuals. The former is the product of decline in the rate of population growth leading to change in the characteristics of the economy, later is in the form of economic behavior over the life cycle.

Considering population ageing as a macro-economic phenomenon, Keynes and others argue that population ageing, a consequence of low fertility, would result in lower growth as both aggregate demand and investment would be reduced. In a declining population lower aggregate demand would mean lower capital formation and investment and consequently lower growth (Keynes, 1937).

As a micro economic aspect of population ageing, life cycle Hypothesis (LCH) provides important insights into how individuals savings depend not only on their current income but also their anticipated future circumstances in the old age



when their incomes fall sharply. The implication is that people save when they are young to use these in their old age. Thus LCH focuses on the ability of individuals to transfer resources to their old age via savings (weil, 1997).

A study on the US economy (cutler et al, 1990), argues that the adverse effect of ageing on savings and over burdening of the working population must be analysed within the broader perspective of capital accumulation, long-term investment, and consumption requirements needed to cope with a changing demographic structure.

Most existing literature concentrate on transfer of financial resources from adult children to elderly parents and highlights the importance of financial dependence on children among elderly parents. Older adults receive the social, financial and health support they require from their younger generation, little attention is paid to non financial assistance, assistance in personal care and daily activities and assistance for health care. These studies tend to overlook the importance of reverse flow of services from elderly parents to their adult children well into their old age (saha, 2006). It has been well argued that the elderly population is not a homogenous category and their situations vary widely to formulate appropriate policies, the implication of population ageing need to be studied both at the macro and micro level.

In the light of the existing knowledge gathered from some of the literature survey, the present study tries to analyses the ageing experience of Assam with its social, economic and health implications. The study which will be primarily based on micro level primary data, attempts to assess the importance of

economic variables like income, education and work in the elderly life situations, which have received little attention in the existing literature. Community wise analysis are not found in the earlier studies. Therefore, the study also attempts to examine the population ageing process in different communities so as to substantiate the existing knowledge. Appropriate policy suggestions will be made in the light of the findings thereof.