


Globalization and Population Aging in Developing Countries—Focus on Latin America

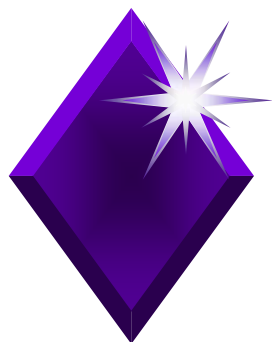


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Aging in the Americas: Challenges to Health

Miami, FL

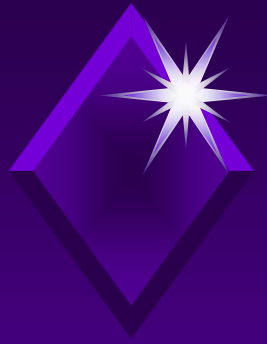
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PERCENTAGE INCREASE IN THE OLDER POPULATION: 1990-2025

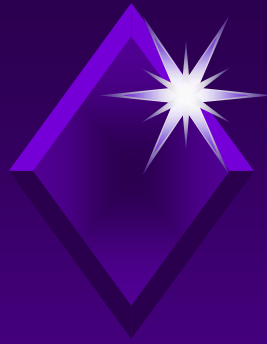
Region	Year	65+	75+	80+
Europe (excludes former USSR)	1990	13.7	6.1	3.2
	2010	17.5	8.4	4.9
	2025	22.4	10.8	6.4
North America	1990	12.6	5.3	2.8
	2010	14.0	6.5	4.0
	2025	20.1	8.5	4.6
Oceania	1990	9.3	3.6	1.8
	2010	11.0	4.8	2.8
	2025	15.0	6.6	3.6
Asia (excludes former USSR)	1990	4.8	1.5	0.6
	2010	6.8	2.5	1.2
	2025	10.0	3.6	1.8
Latin America/Caribbean	1990	4.6	1.6	0.8
	2010	6.4	2.4	1.2
	2025	9.4	3.6	1.8
Near East/North Africa	1990	3.8	1.2	0.5
	2010	4.6	1.6	0.8
	2025	6.4	2.2	1.1
Sub-Saharan African	1990	2.7	0.7	0.3
	2010	2.9	0.8	0.3
	2025	3.4	1.0	0.4

Source: U.S. Bureau of the Census



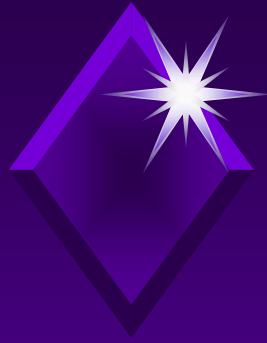
Background and Context for Proposed Research

Most of the growth in the numbers of elderly is taking place in developing countries. In Latin America, the percentage of the population 65+ will grow from about 5.5% in 2000 to 9.5% by 2025. The absolute numbers of persons 60+ worldwide are projected to jump from 376 million in 1980 to 1,121 million in 2023, with more than 70% living in less developed regions.



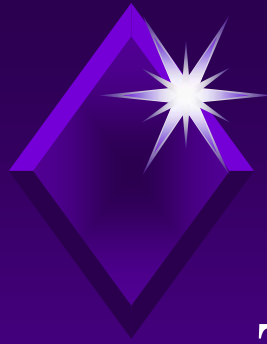
Background (cont'd)

Rates of chronic and disabling illness among elderly in less developed countries are much higher than in developed countries. The availability and utilization of health services, however, is considerably lower.



Background (cont'd)

The gap between the growing need for chronic and long-term care for the frail elderly and the availability of care is made increasingly greater by the movement of younger adults to urban areas, global cities, and growing separation from their parents and grandparents in rural communities.



Impact of Globalization

The full economic impact of globalization on developing countries is not yet clear.

According to some critics of globalization, however, the structural adjustment policies imposed on many less developed countries by the IMF and other international financial organizations have forced cuts in public sector expenditures for healthcare, thus further reducing the availability of services for the elderly even as their numbers rapidly grow.



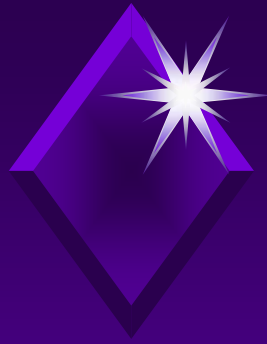
Impact (cont'd)

A shift in cultural values, at least partially inspired by the globalization of Western values such as individualism and consumerism, may be undermining traditional relationships between the generations and the sense of moral obligation to care for the frail elderly within the family and/or through adequately funded public sector programs.



Focus of project is Latin America— Guatemala (8.7%), Mexico (12%), Chile (16%), Argentina (17.4)%, Brazil (10.9%), Cuba (25%), Costa Rica (14%), Uruguay (16.7%)

- ◆ First goal was to access information on the population's relevant demographic characteristics as well as information on the health and functional status of older adults living in each country.
- ◆ With this information, we created a preliminary profile of the aging population by country.
http://www.cas.usf.edu/global_research/



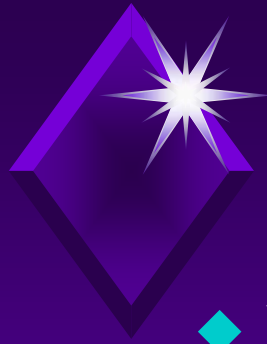
Focus of project (cont'd)

- ◆ We also included information about national and international policy responses to the needs of older adults for chronic- and long-term care and to the needs of caregivers in the family and local communities. Summarized on our website: http://www.cas.usf.edu/global_research/



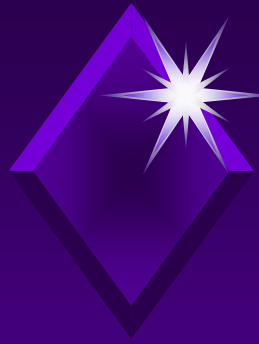
Focus of project (cont'd)

- ◆ The second goal was to acquire information on how globalization trends might influence the current and future aging patterns and public policy responses in these countries.
- ◆ We hope to use the information generated to assist PAHO (M. Pelaez) governments and NGOs in the formulation of cost-effective chronic- and long-term care policies and program practices, especially those designed to link with and support informal caregiving arrangements.



Research Questions

- ◆ How are Latin American and Caribbean governments responding to the growth of their older populations and the concomitant increase in health care needs?
- ◆ What adjustments have been made in public policies related to chronic and long-term care? How are families and local communities responding to the growing need for informal caregiving and to what extent are public sector supports available for informal caregiving?
- ◆ What socioeconomic, political (form of government), cultural, demographic and other variables are most important in accounting for public policy and informal sector differences among countries in responding to the needs for chronic- and long-term care services?



Methodology (First Phase)

- ◆ Compile data on the demographic and socioeconomic characteristics of older adult populations in Latin America and the Caribbean through available sources.
- ◆ Compile data on the prevalence of disability and need for long-term care services for selected countries in Latin America & the Caribbean through available sources.
- ◆ Compile data on the availability of long-term care services and programs for individuals with chronic disease and disability for selected countries in Latin America and the Caribbean through available sources.



Methodology (Second Phase)

- ◆ Investigate, through a comprehensive literature review and key informant interviews, the affects of cultural factors on long-term care for impaired older adults and others with chronic disability, with particular emphasis on the influence of globalization.
- ◆ Conduct a comparative analysis of public long-term care policies between the United States and selected countries in both Latin America and the Caribbean, which will include a critique of globalization's impact on the capacity of these countries to provide care for a growing population of older adults.
- ◆ Public funding for future research, policy analysis and consultation in identified areas.



Focus of Project: Current trends

- ◆ All Latin American and Caribbean countries will encounter great difficulty in efforts to meet health and long-term care needs of rapidly growing population of older adults over the next 25 years.
- ◆ Due to globalization and modernization trends, families are experiencing unprecedented changes (e.g., migration to urban settings, women entering labor force) that make it difficult for families to assist their frail elders
- ◆ Currently, there are relatively few public or private mechanisms in place to help these families (more in Chile, Argentina, Cuba, Costa Rica; less in Brazil, Mexico; least in Guatemala).

The global economy: Structural adjustment policies

- ◆ Reductions in public spending (mainly health, education and welfare programs and taxes).
- ◆ Remove restrictions on foreign investments and imports—financialization of global economy. Pressure to privatize services and open domestic markets to foreign (transnational) firms (Aetna & Cigna in Mexico).
- ◆ Privatize state enterprises and dramatically deregulate economic activities (especially finance capital).
- ◆ Devalue the currency to make exports competitive, and generate money to pay foreign debts.
- ◆ Constrain wages, deregulate labor market.

Global economy (cont'd)

- ◆ Africa has had virtually no growth over last 10-15 years— varies from 20/25% in Chile to over 50% in other countries).
- ◆ Latin America's economy has grown 7% since 1980, poverty increased from 35% to almost 50% from 1980 to 2000.
- ◆ Latin America grew by 75% from 1960-1980 when import substitution and other domestically oriented, state-led policies were in place.
- ◆ East Asian countries benefited from U.S. aid (\$6.5 billion to Korea alone and \$14 billion to all African countries since 1950), favorable trade agreements with the U.S. that Africa and Latin America did not receive and tolerance of state-led economic development policies and spending for education, health and social services.

Impact of Neoliberal Globalization

- ◆ This study has used standard measures of progress in the categories of economic growth, health outcomes, and education to evaluate the record of the last 20 years. The results are overwhelmingly in one direction: in every category, the comparisons show diminished progress overall in the period of globalization compared with the prior two decades (from *The Scorecard on Globalization*, Mark Weisbrot et al. (2002). *International Journal of Health Services*, 32(2), pp. 229-53).
- ◆ Health (longevity, infant mortality, low-weight birth); education (literacy, grade completion); income (poverty, average annual income).

Impact of Neoliberal Globalization *(cont'd)*

- ◆ There are almost no instances in which groupings of countries that were performing poorly at the start of the period saw more progress during the era of globalization than in the previous two decades (from *The Scorecard on Globalization*, Mark Weisbrot et al. (2002). *International Journal of Health Services*, 32(2), pp. 229-53).
- ◆ The United Nations Human Development Report (half of the global population lives on less than \$2.00 a day—1.3 billion on \$1.00 or less).



Impact of Neoliberal Globalization

(cont'd)

- ◆ China is the big exception and India to a lesser extent—both, especially China, have effectively resisted neoliberal policies and protected currency, managed (controlled) the flow of foreign investments and privatization, and maintained extensive state control of economy and public spending.

Sources of instability that continuing deregulation, liberalization and privatization will worsen (Joseph Stiglitz)

- ◆ A series of financial crises in Asia, South America, and Russia;
- ◆ Unemployment, fragile employment and jobless growth—U.S. too;
- ◆ Inequality, poverty and exclusion leading to conflict, security risks, withdrawal of investors;
- ◆ Global environmental and technological risks;
- ◆ Downward trend of corporate taxes and taxes on wealth; inability to finance common goods (education and healthcare), nationally and globally.
- ◆ Global overcapacity (lots of finance capital (under consumption (low pay and public spending)

Sources of instability (cont'd)

- ◆ Neoliberal policies alone cannot create an efficient and just regulatory framework for the international economy:
 - a framework that supports balanced trade, foreign investments consistent with domestic development and an effective public sector that provides human capital investments and protects vulnerable populations (like the swelling population of elderly).
 - This reality is increasingly recognized by IMF, World Bank (post-Stiglitz), even WTO (recent trade negotiations in Cancun)—but new policies are only now emerging and may falter.

The ethics of globalization/the AmFiTan Project (cont'd)

- ◆ Need for an ethical and political framework to help guide the development of a just, democratic framework for relations among nations.
- ◆ In the absence of a more democratic framework, the world could become very similar to Castells' description of where globalization is currently headed with up to two-thirds of the world's population locked in an endless cycle of misery, most of the rest living in fear of joining them and with a minute elite walled off in fortresses of virtual reality and moral squalor.