

## ECONOMIC AND HEALTH IMPLICATIONS OF AGED POPULATION

### Abstract

In the world countries people aged 60 years and above, constitute less than 20 percent of the population in 2000 which will become 32 percent by 2050. The health status of the aged person depends on socio economic conditions and availability of health services in the community. Aged people are mostly facing the loneliness, health and economic problems. Owing to the growing problems of the old, this paper tries to study the Economic and Health Implications of Aged Population. Household income is maximum for old persons of age above 70 years irrespective of the type of family. In this study personal expenditure is greater in joint family as compared to nuclear family. It is interesting to observe that in nuclear family as age increases expenditure decreases whereas the reverse situation exists in joint family. There is close association with the age factor, health expenditure and personal health problems.

---

Older people are a resource for their families and for the society at large. Elderly are not a burden but an asset and they are to be assisted. Population ageing is a universal phenomenon which varies from one country to another depending on fertility, mortality rates and migration trends. In the world countries people aged 60 years and above, constitute less than 20 percent of the population in 2000 which will become 32 percent by 2050.

At present, the elderly population in many countries is facing several problems; of which health is a serious aspect. Old age is always associated with poor health, illness and disability. The poor health status of the aged will also cause sickness. In addition, industrialization and urbanization have been changing the socio-economic and cultural life of the people, which in turn causes economic problems also to the aged.

Ageing process and aged population deserve special attention because every eighth person in the population of India is under the graying process. The health status of the aged person depends on socio economic conditions and availability of health services in the community. The ageing process also relate to family system, literacy and income of the aged. Due to reduction in fertility rate and adoption of small family norms, there is increase in the percentage of old dependents. Aged people are mostly facing the loneliness, health and economic problems. Owing to the growing problems of the old, the researchers deemed it necessary to study the Economic and Health Implications of Aged Population.

## **Statement of the Problem**

Ageing of the population, has now become an important issue for developing countries, including India. Aged population in India has been steady increasing from 5.6 to 7.9 per cent during 1960-2005 and the annual growth rate among different cohorts of elderly such as 60 plus, 70 plus and 80 plus was much higher of 3 percent and greater than the general population growth rate of 2 percent (Rajan 2006). This has serious implications particularly in terms of how the future elderly poor will survive and, therefore, is a subject of serious concern with economic and health implications. There will be two elderly persons for every child in the world by 2050 (United Nations, 2000). Due to reduction in fertility rate and adoption of small family norms, there is increase in the percentage of old dependents who are mostly facing the health and economic problems.

The major sources of income of elderly are wages and salaries, including self employment, investment and rent, retirement pension and other social security benefits. Distinguishing features of the incomes of the elderly people compared with those of the younger adults are the low proportion derived from wages and salaries and low labour force participation. These are the primary sources of inequality between the elderly and young. Technological change has been reported to have undesirable outcomes- increased stress due to faster pace of work, the increased obsolescence of older workers and reduction of face to face interaction and weakening of family and other social ties.

In recent past, studies were carried out on different dimensions on the aged. Michael D. Hurd et.al (2006) studied gender wise socio-economic aspects. Angus Deaton (2007) and David M. Cutler et.al. (2006) examined income and health aspects. Whereas Bettina Meinow (2008) and Balasubramanian A. (2007) studied complex health problems. Hence an attempt is made in the paper to study the “Economic and Health Implications of Aged Population”.

## **Objectives**

1. To assess the economic dependency of elderly population.
2. To compare the health problems of elderly population by gender.

## **Methodology**

Nagapattinam District is one of the backward districts in the state of Tamil Nadu. Its development is mainly depending on the development of Agriculture and Fishing. Prawn farming constitutes another major economy activity. Kollidam village is a hamlet of Kollidam Panchayat Union in Nagapattinam District and it is located near Sirkali. It has 737.28 hectares with 1854 occupied houses. It has a population of 7496 with 3833 male and 3663 female and elderly population was 1650 with 864 male and 786 female as per 2001 census. It has 5 schools, one Primary Health Centre. In that centre 2 doctors and 1 ANM is there, 24 hours they are available in that centre and one private clinic and there is no old age home.

In Kollidam village 60 percent of populations were working as agricultural labourers, 30 percent of the people are land owners and remaining 10 per cent are involved in other occupations. The major crops cultivated are paddy, sugarcane and black gram. Total cultivated land is 440 acres and 80 percent of lands were irrigated land. In this village around 50 percent Muslims are owning and working in mat industry.

The present study was based on primary data collected from a random sample of 8% of aged population in Kollidam village constituting 135 comprising 75 male and 60 female. Primary data were collected by direct personal investigation using a pretested Questionnaire containing information with respect to Cross classification tables with average and percentage were formed to analyse the economic status and health problems of the elderly population.

## Findings of the Study

The data for analysis were collected from 135 elderly people in Kollidam village and compared between three categories of elderly respondents namely 58 to 65 years, 66 to 70 years and above 70 years each with 45 persons.

**Table - 1**  
**Sources of Average Household Income (Rs. per month)**

Category	58 - 65 years		66 - 70 years		Above 70 years		Total no. of Respondents
	N	Mean	N	Mean	N	Mean	
<b>Nuclear Family</b>							
Pension income	24	4850 (60.2)	12	5120 (64.0)	15	6050 (59.0)	51
Income of other sources	12	3200 (39.8)	3	2875 (36.0)	9	4200 (41.0)	24
<b>Total</b>	<b>24</b>	<b>8050 (100)</b>	<b>12</b>	<b>7995 (100)</b>	<b>15</b>	<b>10250 (100)</b>	<b>51</b>
<b>Joint Family</b>							
Pension income	18	4500 (24.0)	33	4800 (32.1)	30	5900 (27.8)	81
Income from Subsidiary Occupation	3	1500 (8.0)	-	-	-	-	3
Income of other sources	15	3250 (17.3)	9	3150 (21.1)	21	4800 (22.6)	45
Income of others	21	9500 (50.7)	18	7000 (46.8)	24	10500 (49.6)	63
<b>Total</b>	<b>21</b>	<b>18750 (100)</b>	<b>33</b>	<b>14950 (100)</b>	<b>30</b>	<b>21200 (100)</b>	<b>84</b>

Source: Computed

Note: Figures in Parentheses are percentage to column total

Table 1 explains the sources of average monthly household income of aged persons living in nuclear and joint family with the pension income ranging from Rs. 4500 to Rs. 6000. Due to inclusion of income of others, monthly household income of aged persons in joint family is twice that in nuclear family. As illustrated in the Table, the monthly household income values for persons of age 58 – 65 years are Rs. 18750 and Rs. 8050, for persons of age 66 – 70 years are Rs. 14950 and Rs. 7995 and for persons of age above 70 years are Rs. 21200 and Rs. 10250 respectively for joint and nuclear family. There is also significant share of income from

other sources ranging from 17 percent to 22 percent in joint family, whereas these values are 39 percent and 41 percent in nuclear family.

However the share of income of aged persons ranges from 24 percent to 32 percent in joint family, whereas it ranges from 59 percent to 64 percent in nuclear family. It is also interesting to note that household income is maximum for old persons of age above 70 years irrespective of the type of family. These factors assure the fact that the respondents in Kollidam village have greater economic security in joint family as compared to nuclear family.

**Table – 2**  
**Pattern of Average Personal Expenditure (Rs. per month)**

Category	58 - 65 years		66 - 70 years		Above 70 years		Total no. of Respondents
	N	Mean	N	Mean	N	Mean	
<b>Nuclear Family</b>							
Grand children	15	150 (11.3)	6	120 (8.4)	-	-	21
Son/daughters	3	550 (41.4)	3	500 (35.2)	3	620 (39.5)	9
Health Care	16	400 (30.1)	11	700 (49.3)	19	950 (60.5)	46
Betal leaves	3	50 (3.7)	6	100 (7.1)	-	-	9
Smoking	3	180 (13.5)	-	-	-	-	3
<b>Total</b>	<b>24</b>	<b>1330</b> (100)	<b>12</b>	<b>1420</b> (100)	<b>15</b>	<b>1570</b> (100)	<b>51</b>
<b>Joint Family</b>							
Grand children	18	75 (3.3)	18	100 (4.8)	15	150 (8.0)	51
Son/daughters	9	1500 (65.5)	12	1100 (52.3)	12	900 (48.0)	33
Health Care	13	355 (15.5)	4	480 (22.8)	18	675 (36.0)	35
Betal leaves	21	60 (2.6)	27	150 (7.1)	30	150 (8.0)	78
Smoking	3	300 (13.1)	6	275 (13.0)	-	-	9
<b>Total</b>	<b>21</b>	<b>2290</b> (100)	<b>33</b>	<b>2105</b> (100)	<b>30</b>	<b>1875</b> (100)	<b>84</b>

Source: Computed  
(Figures in Parentheses are percentage to column total)

Table 2 explains the pattern of average monthly personal expenditure of aged persons living in nuclear and joint family with their personal health care expenditure ranging from

Rs. 355 to Rs. 950 and occupying second place next to the expenditure for son or daughters. As illustrated in the Table, the monthly personal expenditure values for persons of age 58 – 65 years are Rs. 2290 and Rs. 1330, for persons of age 66 – 70 years are Rs. 2105 and Rs. 1420 and for persons of age above 70 years are Rs.1875 and Rs. 1520 respectively for joint and nuclear family. It clearly shows that personal expenditure is greater in joint family as compared to nuclear family. It is interesting to observe that in nuclear family as age increases expenditure decreases whereas the reverse situation exists in joint family. Out of 135 respondents 60 percent of the respondents using betal leaves, it is also create some health problems to the respondents.

**Table - 3**  
**Pattern of Average Personal Savings (Rs. per month)**

Type of Savings	58 - 65 years		66 - 70 years		Above 70 years		Total no. of Respondents
	N	Mean	N	Mean	N	Mean	
<b>Nuclear Family</b>							
Nil	-	-	3	-	6	-	9
LIC	9	175 (14.0)	3	225 (60.0)	-	235 (29.2)	12
Chit Fund	3	600 (48.0)	-	-	-	-	3
Post Office	15	125 (10.0)	6	150 (40.0)	3	170 (21.1)	24
Bank Deposits	9	350 (28.0)	-	-	3	400 (49.7)	12
<b>Total</b>	<b>24</b>	<b>1250 (100)</b>	<b>12</b>	<b>375 (100)</b>	<b>15</b>	<b>805 (100)</b>	<b>51</b>
<b>Joint Family</b>							
Nil	-	-	24	-	-	-	24
LIC	6	110 (30.5)	3	150 (60.0)	6	200 (34.8)	15
Post Office	12	50 (13.9)	6	100 (40.0)	18	125 (21.7)	46
Bank Deposits	15	200 (55.6)	-	-	15	250 (43.5)	30
<b>Total</b>	<b>21</b>	<b>360 (100)</b>	<b>33</b>	<b>250 (100)</b>	<b>30</b>	<b>575 (100)</b>	<b>84</b>

Source: Computed  
(Figures in Parentheses are percentage to column total)

Table 3 reveals the pattern of monthly household savings of aged persons living in nuclear and joint family. Out of the total respondents, nearly one fourth of them do not have any savings. More than three fourth of them were having their savings in the post office followed by bank deposits, LIC and Chit funds, which shows that aged people prefer the deposit in the government sector which are more secured than the private sector (Chit fund). As illustrated the table savings and age of the respondents are positively related which indicates the aged persons also give importance to savings which help to maintain their health needs.

**Table – 4**  
**Personal Health Problems of Aged Persons**

<b>Category</b>	<b>58 - 65 years</b>	<b>66 - 70 years</b>	<b>Above 70 years</b>	<b>Total</b>
Nil	21	18	15	54
High / low B.P	6	9	21	36
Heart Disease	--	2	4	6
Diabetes	10	12	14	33
Poor memory	4	6	7	17
Visual disabilities	18	27	42	87
<b>Total</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>135</b>

Source: Computed

Table 4 illustrates personal health problems of aged persons. Out of 135 respondents, more than one third of them do not have any problem. Nearly two third of them have the problem of high/low BP and diabetes followed by poor memory and heart diseases. One quarter of the respondents do not have any disability which importance given to health maintenance by the respondent. Visual disability seems to be higher mainly due to ageing. It was interesting to observe from the respondents that there is close association with the age factor, health expenditure and personal health problems.

## **Summary**

In this study area, majority of the respondents were married, except three respondents in the age group of 58 to 65 years. All of the respondents were Hindus and more than 42 percent of the total respondents belonged to most backward class. Around two third of the respondents completed Higher secondary education. In this category, majority of the respondents are above 66 years living in the joint family.

## **Economic Aspects**

- On an average household income of aged persons in joint family (Rs.6100 to Rs.31700) is twice in nuclear family (Rs.4250 to Rs.16350). It is also interesting to note that household income is maximum for old persons of age above 70 years irrespective of the type of family.
- Income from other sources (crop income, house rent, interest from loan) ranges from 17 percent to 22 percent in joint family whereas it is from 39 percent to 41 percent in nuclear family.
- The share of income of aged persons ranges from 24 percent to 32 percent in joint family whereas it ranges from 59 percent to 64 percent in nuclear family. It confirms the result that 132 out of 135 respondents are economically independent.

## **Health Aspects:**

- The common habits found among the respondents (97 out of 135) were betel leaves and tobacco chewing. Only 9 percent of the respondents have the habit of smoking cigarette.
- Nearly one third of the respondents have no physical disability. Around 64 percentage of the respondent have the visual disability.
- Due to economic security, they are able to take care of their health with adequate health care expenditure.



## Suggestions

The welfare schemes for the aged should be implemented properly so as to make them feel worthwhile. They would also help to lower the burden of taking care of them by the younger generation. Aged persons should develop the habit of watching television, reading books and newspapers and the habit of yoga, gardening, music and social service. A balanced diet will go a long way in ensuring healthy life for old age. A state of good physical health is essential during ageing. So the elderly should reduce the habit of tobacco, betel leaves and smoking. Thus intake of good quality diet will help a person to live a happy and healthy life and periodical health check-up is also essential even in the absence of any complaint. Meditation is as good a tonic for the mind and exercise is for the body

## Bibliography

- Angus Deaton (2007), "Income, Aging, Health and Wellbeing around the World: Evidence from the Gallup World Poll", National Bureau of Economic Research Working Paper No: 13317.
- Balasubramanian A. (2007) "Health Status of the Elderly in India" in Raut & Panda (ed) Health Economics in India, New century publications, New Delhi, pp. 80-83.
- Bettina Meinow (2008), "Capturing Health in the Elderly Population Complex Health problems, Mortality, and the Allocation of Home-Help Services" Doctorial thesis, Department of Social Work, Stockholm University
- David M. Cutler and Adriana Lleras-Muney (2006), "Education and Health: Evaluating Theories and Evidence", NBER Working Paper No: 12352.
- Michael D. Hurd and Susann Rohwedder (2006), "Economic Well-Being at Older Ages: Income and Consumption based Poverty measures in the HRS", NBER Working Paper No: 12680.
- Rajan, S. I (2006), "Population Ageing and Health in India", *Centre for Enquiry into Health and Allied Themes*, Survey No. 2804 and 2805, Mumbai.
- Reddy P.S and Chandrasekarayya T. (2008), "Health Problems of Aged in India-An analysis" in UGC Sponsored National Seminar on Ageing in India, Chidambaram; Annamalai University, Feb 22-23.
- United Nations, 2000, World Population Prospects, The 2000 Revision, Volume1, Wall Chart 2006, New York.