

Is 75 the new 65? Wealthy countries need to rethink what it means to be old

April 12 2019, by Warren Sanderson And Sergei Scherbov



Credit: AI-generated image ([disclaimer](#))

In 1950, men and women at age 65 could expect to live about 11 years more on average.

Today, that number has gone up to 17, and [the United Nations forecasts](#) that it will increase by about five more years by the end of the century.

One consequence of the increase in life expectancy is that the proportion of the [population](#) above age 65 has increased, too. In [policy analyses](#) and in the [media](#), increases in these proportions are frequently taken to mean that the population will keep getting older. This is often interpreted as warning of a [forthcoming crisis](#).

As [researchers who study aging](#), we believe that it's better to think about [older people](#) not in terms of their chronological ages, but [in terms of their remaining life expectancy](#).

[In our study](#), published on Feb. 26, we explored the implications of this alternative view for assessing the likely future of population aging. We found that, using this new perspective, population aging in [high-income countries](#) will likely come to an end shortly after the middle of the century.

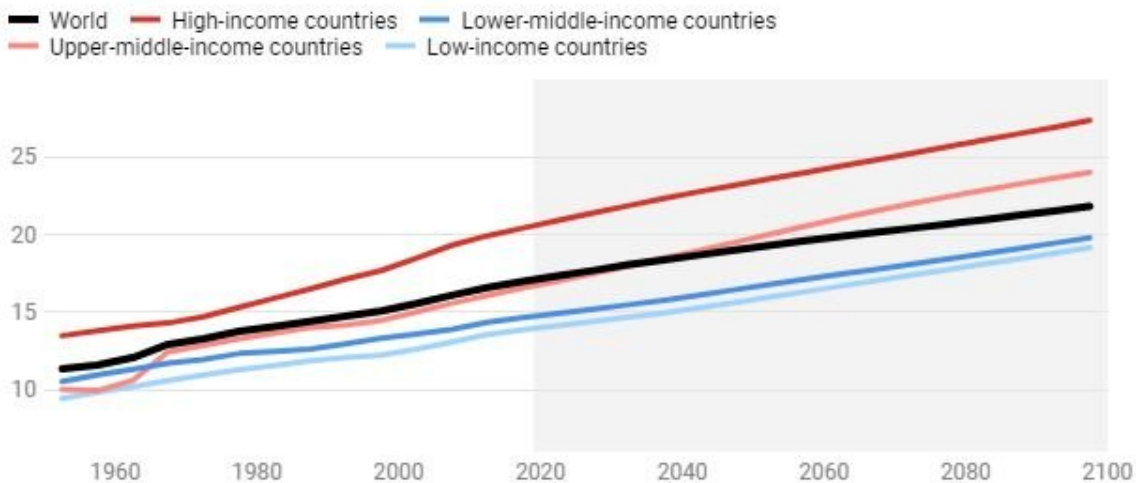
Age inflation

Sixty-five-year-olds today are not like 65-year-olds in 1900. Today's older people [on average live longer](#), are [healthier](#) and [score higher on cognitive tests](#).

There are two different ways that demographers can think about older people. They can define older people by the number of years they've already lived, or they can define older people based on how many more years they are expected to live. In our research, we subscribe to the second view.

Years left to live at age 65

Today, the average 65-year-old can expect to live about 17 more years. The UN projects that this number will continue to increase throughout the century.



Credit: The Conversation

We think about aging the way economists think about price inflation. Say US\$75 today would buy the same amount as \$65 in the past. In essence, \$75 is the new \$65, because \$75 today and \$65 in the past had the same purchasing power.

When we say that 75 is the new 65, we mean something similar – that 75-year-olds now have the same remaining life expectancy as 65-year-olds in the past. Adjusting age for changes in remaining life expectancy is called adjustment for "age inflation." It's just like adjusting the value of the dollar for changes in purchasing power.

Measuring future aging

[In our study](#), we explored the future of population aging, measured with

and without age inflation.

We wanted to understand whether population aging will come to an end in the foreseeable future, particularly in wealthier countries, where public concern about population aging is most acute. We looked at countries with [a gross national income per capita at or above \\$4,000](#), including Barbados, Croatia, the U.S., China, Russia and South Africa.

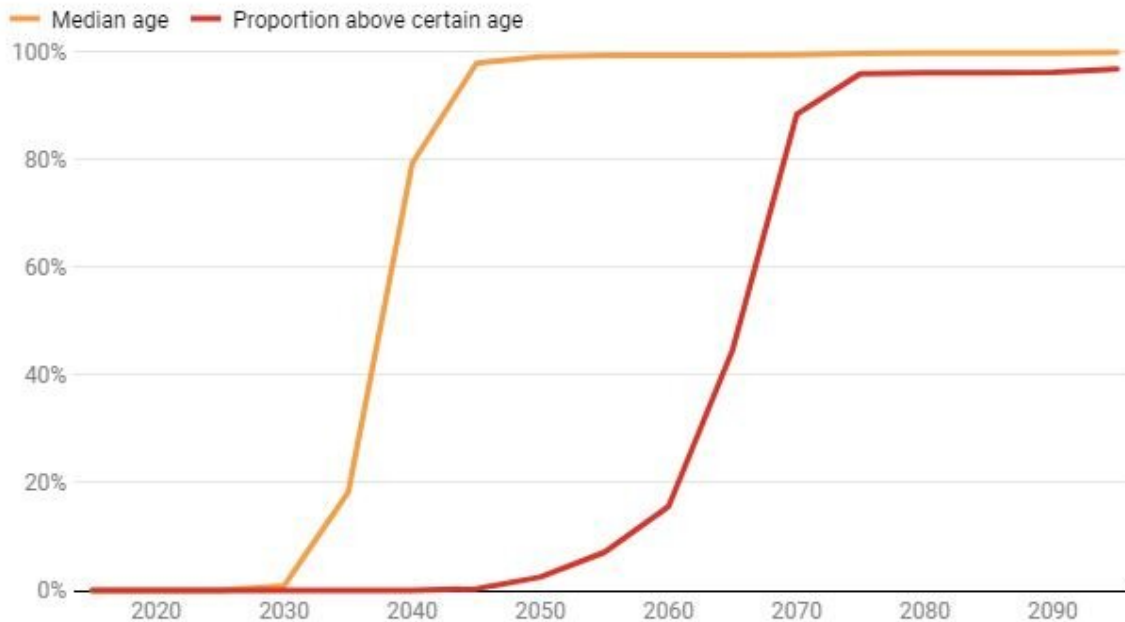
Using the [U.N.'s forecasts of population sizes and age structures](#), a computer program generated 1,000 random possible future populations for these countries.

We computed the likelihood that population aging would come to an end this century using two measures. First, we looked at the proportion of the the population above a certain age. The unadjusted measure uses a cutoff of 65. The adjusted measure uses an age that changes from year to year based on a remaining life expectancy of 15 years.

Second, we looked at the median age of the population: the age that divides the population into two equally sized groups.

The end of population aging

When measures were adjusted for age inflation, the majority of the team's simulations reached their maximum median age by 2045. Most simulations reached their maximum proportion above a certain cut-off age by 2070.



Credit: The Conversation

We found that, when unadjusted measures are used, population aging generally continues through the end of the century. But, when adjusted measures are used, population aging generally comes to an end well before the end of the century.

When exactly will population aging end? It depends on whether you're looking at the adjusted proportion of people who are counted as old is used or the adjusted median age. By the second measure, in over 95% of our 1,000 simulated futures, populations stopped growing older by 2050.

Two views of aging and public policy

In 1950, the average monthly [U.S. Social Security benefit was \\$29](#).

The people of 1950 could have envisioned two scenarios for future Social Security payments. In one future, the average monthly Social Security benefit would have stayed unadjusted for expected wage and price increases. In that scenario, the average monthly benefit would still be \$29. In the second, Social Security benefits would be adjusted for expected wage increases and inflation.

Of course, although it is possible, no one would ever forecast future Social Security payments assuming a fixed dollar monthly payment. It's too unrealistic. Forecasts are always made using adjusted benefit levels.

In demography, however, forecasts of population aging are still often made on the basis of ages unadjusted for life expectancy change. We believe these are equally unrealistic.

For example, today in the U.S., people are not allowed to contribute to [certain retirement savings plans](#) after age 70 and a half. As [life expectancy](#) increases, an increasing proportion of the population may wish to continue contributing to their saving plans after age 70 and a half but be unable to do so.

As people continue to live longer, governments will need to rethink similar policies around health care, employment and more. Eventually, as conditions change, we worry that policies based on fixed chronological ages will become as dysfunctional as a \$29 monthly Social Security benefit would be today.

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Citation: Is 75 the new 65? Wealthy countries need to rethink what it means to be old (2019, April 12) retrieved 10 May 2024 from <https://medicalxpress.com/news/2019-04-wealthy-countries-rethink.html>

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