

SOME SOCIAL AND ECONOMIC IMPACTS OF THE AGEING PROCESS IN LATIN AMERICAN COUNTRIES*

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I. INTRODUCTION

One of the most striking phenomena of the current phase of demographic transition in Latin America and the Caribbean is the rapid ageing process being experienced by most of the countries. In the region as a whole, the elderly, here defined as those aged 60 or over, currently make up 8% of the population, a figure which will increase to 22.7% by the year 2050 (United Nations, 1999; Table 1)¹. Although there are significant differences between countries, the proportion and numbers of people aged of 60 years of age or over will increase steadily in the next decades in all countries of the region. Even though originally ageing is a demographic phenomenon, it has many implications. Among these, one may emphasize the economic impacts at an aggregate level, social changes, effects of segmentation of the consumer markets, emergence of new cultural patterns, changes in public policies in order to address increasing demands of elderly, the readaptation of the health services and infrastructure and, finally, changes in family living arrangements.

Population ageing is clearly irreversible and increasing in importance. Most countries which will be affected by it in coming decades have not resolved many of the problems related to the younger age groups. Moreover, they have not established efficient and inclusive social security systems which would allow the elderly population to count with their own resources, without directly depending on family networks or the State.² In the words of McNicoll (1997: 50): *“To the extent that low fertility and consequent population ageing are occurring in contemporary societies at lower economic levels than experienced historically, problems of old age support and old age poverty are the greater”*. Thus, in the near future Latin America will have to face the demands of a growing elderly population in a scenario of poverty and inequality. In fact, efforts to alleviate poverty in the region are far from successful. Although a decrease in the incidence of poverty may be seen during the 90s in the majority of the countries, the current level is higher than that of 1980 (Klein & Tokman, 2000) and there is evidence that the economic crises lived in several countries over the last three years could revert this positive tendency and that the incidence of poverty could increase (ECLAC, 2000 b). This is aggravated by the fact that Latin America has the most unequal distribution of income in the world. Even worse, this situation has not abated significantly in the majority of countries and there are no clear indications of a substantial improvement in the short term (Morley, 2000).

* The authors thanks Dirk Jaspers and Sebastián Carrasco from the Population Division of ECLAC (CELADE) for providing us with special tables from Latin American censuses

There is a consensus that the capacity to face a situation with an ever increasing number of elderly people depends both on the State's capacity to generate and apply public policies of extensive coverage, particularly in the areas of social security and health, as well as on the patterns of family organisation. It is believed that the new generation of public policies being developed and implemented in many countries over the last years (i.e. the reform undergone in pension and health systems, with an increased role of the private sector) will affect the way in which the countries will absorb the demographic consequences of ageing in the future.

The objective of this paper is to examine some of the main social and economic consequences of the ageing process, including the challenges that social policies and institutions, such as the family, will have to face in the near future as a result of the rapidly increasing elderly population. In this context, it analyses, using data from censuses and surveys, how the patterns of living arrangements for the elderly have evolved. The implicit question is whether social and demographic changes will reinforce or weaken intergenerational ties which are key mechanisms for enabling elderly to be integrated in the society in which they live.

II. THE AGEING PROCESS IN LATIN AMERICAN COUNTRIES

There are at least three important facts that characterise the current ageing situation and expected trends in Latin America. First, demographic ageing is a generalised process that will vary with the speed of the demographic changes in each country. In fact, the current situation is directly related to the particular stage of each country in the demographic transition. The ageing process is most pronounced in countries at a more advanced stage, such as Argentina, Uruguay (which initiated their demographic transition at the beginning of the last century), Cuba, Uruguay, and in some Caribbean countries such as Trinidad and Tobago and Barbados. However, in the near future it will also have a major impact on countries such as Brazil, Mexico, Colombia, Costa Rica, and Panama³.

As can be seen in Table 1, the proportion of population aged 60 and over is less than 5 % in countries at the initial or intermediate stage of the demographic transition, versus 9.1 % in countries at an advanced stage. Other indicators, such as the ratio between the population aged 60 and over divided by the population under 15, show the same results. In countries less advanced in their demographic transition there are 15 elderly for every 100 children (under 15) while in countries at a more advanced stage this figure is close to 50.

Another important aspect of this process is the rhythm of ageing, occurring in the region at greater speed than historically in the developed countries. In the USA, the percentage of individuals 65 years of age or over increased from 5.4% in 1930 to 12.8% in the year 2000; in the Netherlands, the proportion was 6.0% in 1900

and slowly increased, to 13.8% by the year 2000, while in Finland it increased from 5.3% to 12.9% in the same period. In Brazil however, where currently the proportion is 5.1%, it is expected to reach 14.5% by 2040, that is, an increase 2.1 times faster than in the USA and 3.1 times faster than that of Holland. In Latin America and the Caribbean as a whole, the proportion should change from 5.4% to 14.0% by 2040.

Table 1: Some selected indicators of ageing in different demographic transition stages.
Latin American and Caribbean countries, 2000-2050

Demographic Transition Stage*	% of population		% 75+ among 60+	Growth rate**		Ratio 60+ / < 15)*100	% in labour force***	
	60+	75+		60-74	75+		60-74	75+
2000								
Initial	4.8	1.1	19.4	3.0	3.9	14.8	59.2	30.8
Intermediate	4.3	1.2	21.9	3.6	3.9	13.5	50.3	21.1
Full transition	5.7	1.7	23.0	3.7	4.0	23.6	42.6	13.2
Advanced	9.1	3.8	28.3	2.1	2.6	48.8	40.2	6.5
Total region	8.0	1.9	24.0	3.4	3.6	25.3	43.0	12.2
2025								
Initial	6.6	2.0	23.0	3.4	4.2	28.8	-	-
Intermediate	6.4	1.9	23.3	3.8	4.5	27.9	-	-
Full transition	10.8	3.4	24.0	2.0	3.9	62.0	-	-
Advanced	12.8	5.6	30.5	1.2	2.5	87.3	-	-
Total region	10.8	3.5	25.1	2.0	3.7	59.8	-	-
2050								
Initial	11.9	4.3	26.7	-	-	74.2	-	-
Intermediate	11.7	4.5	27.7	-	-	73.9	-	-
Full transition	15.5	8.0	34.0	-	-	118.8	-	-
Advanced	15.6	9.4	37.6	-	-	130.3	-	-
Total region	15.0	7.5	33.8	-	-	113.5	-	-

Source: Extracted from Villa & Rivadeneira, 2000.

* Demographic Transition Stage: Initial: Haiti and Bolivia; Intermediate: Belize, El Salvador, Guatemala, Honduras, Nicaragua and Paraguay; Full transition: Brazil, Colombia, Costa Rica, Ecuador, Guyana, Mexico, Panama, Peru, Dominican Republic, Suriname and Venezuela; Advanced: Argentina, Chile, Cuba, Uruguay, Netherlands Antilles, Bahamas, Barbados, Guadeloupe, Jamaica, Martinique, Puerto Rico and Trinidad & Tobago.

** Rates for 2000-2025 and 2025-2050.

*** Excluded the English and French speaking Caribbean countries, with the exception of Haiti.

In this regard, a surprising fact is that even if countries at the initial and intermediate stage of their demographic transition have a lower proportion of elderly, the rate of increase of aged population in these countries will become increasingly higher than the rate observed in more advanced countries (Table 1). In countries now less advanced in their demographic transition, the population over age 60 years will increase, between 2025 and 2050, at a rate close to 4%.

Finally, the rapid ageing process of the population coincides in Latin America with a phase of its development which is characterised by some structural factors which do not favour a sustained improvement in the quality of life of the elderly. A first factor is the high level of poverty in the region which was mentioned earlier. For 1997, the proportion of population considered as poor was estimated at 44 %, being higher than 70 % in some countries (ECLAC, 2000 b). Secondly, income inequality, as mentioned before, is a structural factor which will impose severe restrictions to any policy directed to the elderly. The third factor is related to the high and increasing proportion of the working population in the informal sector. In the region as a whole, informal employment, which was of 44% in 1990, increased to 48% in 1998 (Klein & Tokman, 2000). This labour force is almost completely marginal to the social security schemes.

As has been pointed out by Palloni (2000), the Latin American countries have been unable to create conditions to propitiate a transfer of wealth which may ensure and consolidate the wellbeing of the elderly due to insufficient development of capital markets, limited personal savings resulting from excessive risks and uncertainties, insecure land tenure, high inflation and lack of social security schemes, added to the absence of private pension plans and insufficient medical insurance.

III. AGEING IN THE CONTEXT OF HEALTH AND SOCIAL SECURITY REFORMS

According to World Bank projections (Palacios, 1994), the expenditure on pensions as a percentage of the GDP in the Latin America region will increase from a present 2.5% to slightly over 6% by 2025, and to about 12% by 2050. A second component is the equally sharp increase in the cost of health care, due to the greater incidence of “expensive” diseases and disabling conditions that typically occur among the elderly population. The combined cost of pensions and health care in the region is expected to rise from 4.5% of the GDP at present to 10% by 2025 and 20% by 2050.

The capacity of the economies in the Latin American and the Caribbean region to deal with the challenges of expected demographic change is affected by a number of institutional weaknesses in their social security systems. If population ageing is already a challenge in the more developed countries, where their coverage is nearly complete, the problems are much greater in countries like Colombia, Jamaica, Mexico, Panama, and Venezuela, where thus far only between 25-40% of the labour force contribute to social security. Due to the distortions of these systems, even today the ratio of beneficiaries to contributors in countries like Argentina or Brazil is more unfavourable than in Sweden, Japan, or the United States, even though the latter have larger proportions of retired persons. As for recipients of social security benefits, in the majority of the countries they exclude a significant portion, particularly the poorest. Only in a few countries (Argentina, Brazil, Cuba,

Chile and Uruguay) does their coverage extend beyond 50% of the population over 60 years, and in many (Colombia, Ecuador, El Salvador, Haiti, Honduras, Mexico, Nicaragua, Paraguay, Dominican Republic and Venezuela) it doesn't even reach 25% (ECLAC, 2000 b). Benítez Zenteno (2000) points out how in Mexico the indigenous and rural population is generally excluded.

This situation results in many of the elderly having to continue economically active (see Table 1), even those who are formally retired, as in several countries (Honduras, Mexico, Nicaragua, Venezuela) the average pension is close to the poverty line (ECLAC, 2000 b). The proportion of the population in the labour force is higher than 30% in most of Latin America compared to 15% in most European countries (United Nations, 1999). Therefore, the high level of participation of elderly in the labour force is not a voluntary option; it is more related to the low coverage of social security schemes and the low value of pensions (Villa & Rivadeneira, 2000).

Social security reforms

During the last 15 years, Latin America has experienced structural reforms in various areas. Such is the case of the reforms in social security, first in pension systems and then in health systems which commenced in the late 80s with Chile. During the 90s, seven other countries of Latin America reformed their pension systems. Chile, following the reform of 1981, established a private pension administration system totally based on individual capitalisation. Subsequently, Peru (1993), Colombia (1994), Argentina (1994), Uruguay (1996), Mexico (1997), Bolivia (1997) and El Salvador (1998) have adopted new systems. These processes originated with the economic crisis of the 80s, but the structural adjustment contributed to its increase, aggravating the situation of these systems (Mesa Lago, 2000). This same author estimates that at the end of the 80s the social security deficit would fluctuate between 5-17 % of the GDP in Argentina, Cuba, Chile, and Uruguay, as the fiscal subsidies for the system, as a percentage of the total expenditure, varied between 35% and 63%.

The new models introduced in the eight countries which had carried out these reforms up to the year 2000 are not the same (ECLAC, 2000a). The first model, referred to as *substitutive*, introduced in Chile (1981), followed by Bolivia (1997), Mexico (1997) and El Salvador (1998), eliminates the old system of distribution and replaces it with one of total and individual capitalisation (CPI). There is a second model, referred to as *parallel*, introduced in Peru (1993) and Colombia (1994), in which the system of distribution is not eliminated but rather competes with that of individual capitalisation. Finally, the *mixed* model, in which the public system is reformed in such a way as to be integrated with that of individual capitalisation, was adopted

by Argentina (1994) and Uruguay (1996). The choice of a type of reform model to be implemented has been more related to the particularities of each country than the momentum of the ageing process. In fact, as has been stated by Bravo (2000), there does not exist a norm to justify the need for a particular type of reform, taking into consideration only ageing trends.

There are some doubts on the capacity of the different social security systems to create optimum conditions for individuals when they arrive at their old age. Despite the limited experience of reform, there are some facts of concern which have been mentioned (ECLAC, 2000a): (1) coverage has not increased, (2) the subsidising role of the State continues (3), high fiscal costs of transition, (4) administration costs are onerous and (5) the gap between the amount of the expected pension and what is actually received, has increased. To this, one may add the fact that social assistance is limited in the majority of the countries. In fact, five of the eight countries which have undergone social security reforms (Bolivia, El Salvador, Peru, Colombia and Mexico) have no traditional programmes of social assistance (Mesa Lago, 2000). According to this author, only three countries which have undergone reforms provide old age or disability pensions, so that widows and orphans may receive a pension.

Although it is not generally true that the elderly population in the region is poorer than other age groups, old age security plans do discriminate strongly against the poor. In Brazil, about 75% of the richest population quintile have access to these plans, against 15% of the poorest quintile. Even in the relatively egalitarian country of Costa Rica, there is a differential of 98% versus 50%, respectively (Psacharopoulos, 1993). The pension reform systems that have been implemented in some Latin American countries over the past 15 are not likely to diminish the current inequalities. Evaluations of the performance of the Chilean system suggest to some authors that the new systems have not necessarily improved coverage, benefits, or efficiency (Nitsch & Schwarzer, 1998; Saad, 2000). The poor still depend disproportionately on informal economic support in old age, through family networks.

On the positive side, Souza (1998) observes that the reforms of formal pension systems, such as the integration of the rural population and the increase of the minimum pension benefit, as mandated by the 1988 Brazilian Constitution, can make a positive contribution toward the alleviation of poverty, not only among the elderly, but also among their families of residence. However, as has been stated by Goldani, *“When the new Brazilian Constitution argues about the need for elderly assistance programs to be developed at home, this makes sense in so far as the family is better able to react to the specific needs of its elderly members. In fact, the family can ensure the relative well-being of the elderly with the minimum possible disruption of their dependence and autonomy. However, the costs and burden to other family members are understated. The*

passing on of responsibilities to families for elderly care by the state is still permeated by a traditional view of functions of the family and is based on traditional male/female domestic roles” (Goldani, 1989: 19).

Health Reforms

The pension reforms have led to reforms in health systems, which also involve insurance companies and private service companies. Three models have been implemented, representing distinct forms of combining solidary public insurance with private insurance schemes (ECLAC, 2000 a). The first, so-called “dual” model is the one applied by Chile in 1981 (also applied in Peru), in which market mechanisms determine rules of protection similar to those of the insurance market. There is no solidarity between the participants in the private component, as opposed to the public one. Therefore, the medical insurance becomes highly selective and, as it has no collective resources, it leads to high costs for the population with the largest health risks, such as the elderly, who end up being covered by the public sector. A second model, called “multiple”, is the one applied in Colombia (and Argentina), in which a single risk structure is established at the national level, differentiated by age, sex, and area of residence. One can choose between different health insurance administrators and join a basic plan which covers the participant and his or her family. In this way, the system, through its subsidised modality, is in the process of incorporating informal sector workers and poor population groups. Finally, a third model is the one applied in Costa Rica (1996), which has instituted a universal insurance and a single, non-competitive resource base through the Costa Rican Social Security Fund, which provides services to virtually the entire population. The funding of the insurance comes from mandatory tripartite contributions (ECLAC, 2000 a).

In evaluating the evolution of these reforms (ECLAC, 2000 a), it has been found that, although they are promising in terms of improving the provision of services, the participation of the private sector, especially in the reforms under the first model, has not freed the public sector of its role in maintaining infra-structure and providing health services, and has stimulated a market selection in which the highest income and/or lowest risk groups remain in the system, whereas the public sector has to assume the risks when these are more costly. In this context, the elderly constitute a particularly sensitive group, due to the high costs of its health care.

Gender equity and Social Security Reforms

There is an ongoing debate within the Latin American region about the way in which gender equity should be considered in the development of social security systems, in view of the impact of ageing and particularly the predominance of women among the elderly in most countries of the region (Bravo, 2000). Some of the

possible impacts have been studied for the case of Chile by Arenas de Mesa (1999). This author maintains that the absence of a gender dimension in the development of the private pension systems is dramatic in the Latin American region⁴, despite its relevance in the present context of the development of new pension systems (many of which are based on the Chilean model) and the demographic transformations noted earlier. Its absence does not imply, in this author's appreciation, that the effects of these policies are gender neutral. In fact, what happens is that the lack of consideration of differential patterns of participation of women, limited by their reproductive and domestic roles, the segmentation of the labour market, and the fact that work in the informal sector is not considered, all conspire to create unfavourable conditions for women, which become aggravated when the systems are differentiated by sex.

For the Chilean case, Arenas de Mesa mentions a number of additional factors which cause the private pension system to have a negative impact on female pensions⁵, such as: a) different actuarial rates for each sex (different life expectancies); b) different retirement ages; c) the consideration of 100% of the active life in the computation of pensions; d) the effects of the fixed commission (which tend to be substantial if the time of contribution to the system is relatively short). This discussion has impacts that go beyond the gender equity theme. The change from a public to a private system has effects on public finance that, for a more or less extended period, has to compensate those persons whose pension entitlement falls below the established minimum. In Chile, it is observed that two thirds of the public resources earmarked for this purpose will go to women, a proportion which will increase to 80% by 2037 (Arenas de Mesa, 1999).

IV. FAMILY SUPPORT IN AGEING

In the majority of the countries of the region, similar to what occurs in the less developed societies in Asia, institutional arrangements are not common for the elderly with special requirements. In Bolivia (1992), for example, the percentage of institutionalised elderly is less than 1.5%. Even in Cuba, the number of elderly people living in institutions does not surpass 15,000, among a population of a million and a half people over the age of 60. Only Argentina and Uruguay approach the patterns of the industrialised countries⁶. In the latter, a significant proportion of the elderly live in institutions, be these retirement homes, sanatoriums or hospitals, among others⁷. However, even in industrialised countries, such as Canada and Denmark, there has been a marked decrease in the percentage of the elderly living in institutions, due to the high cost of providing these facilities for a growing number of users. In the USA, there is significant debate on who should be responsible for covering the costs of chronic diseases of the elderly. As pointed out in a recent study, there is currently the tendency to transfer this financial responsibility from the federal and state governments to the individuals and their families (Quinn, 2001).

In view of the these and other insufficiencies of the macro-social support systems for the elderly, that were noted in the previous sections, it is likely that the family will continue to be a major provider of assistance to the elderly, even as their share of the population will increase rapidly during the next few decades. Under the present social, economic, and institutional circumstances, in which the State transfers some of its traditional welfare responsibilities to the private sector, co-residence of the elderly with other family members could become one of the few alternatives available for this population group which ensures a certain quality of life. Palloni (2000) argues that the an increasing elderly population, combined with fiscal restrictions and limited development of social transfer mechanisms, implies a risk that the situation of the elderly might deteriorate, which would be aggravated should the prevalence of handicaps and chronic illnesses increase among them. All of this will cause considerable strain on families' capability to provide support. Prolonged financial or logistic dependence of the elderly on their families could imply, in some cases, an enormous burden on young couples as they themselves don't always have the economic possibilities to support their descendants. The situation is not entirely comparable to the historical experience of the industrialised countries. Not only was the number of elderly that resided with or depended on family support much smaller in those times than the proportions now facing the Latin American region, but the social structure that then prevailed also favoured solutions within the family context, as families were larger and more stable, migration was lower, and the social roles of women more limited to the domestic setting.

The quality of life of the elderly is related to their income, goods and services. Aside from the direct income received as payment for their work or from other sources, income arrives in the form of social transfers (pensions, health insurance and others) or from the family (transfers, family arrangements) (Palloni, 2000). The family transfers may be in different forms, ranging from direct monetary support to personal care of a sick or partially handicapped relative. However, one of the most common forms of intergenerational solidarity is cohabitation, which reduces the costs of living per person, reduces costs in the purchase and preparation of food, and facilitates direct support to relatives with special needs. Co-residence does not always imply socialisation of resources and the elderly may receive transfers from family members living outside the household. In the case of Mexico, for example, Montes de Oca (2001) shows that 38.6% of the elderly over 60 receive some support from individuals living outside the household, while 28.5% of residents of extended conjugal households do not receive support from their co-residents. Nevertheless, authors like De Vos and Holden (1988) consider that sharing a physical space is very closely related to sharing other resources.

The presence of the elderly in the households

The majority of historic literature, following Laslett (1972), has analysed the distribution of households according to their composition. Some authors (Ruggles, 1987, among others), however, prefer analysing the insertion of individuals from the point of view of the individuals themselves. In this session we will do the former; the next section will take the second perspective.

Even though currently only 8% of the population of Latin America and the Caribbean is over 60 years of age, the percentage of urban households with at least one elderly inhabitant varies between 21% in Mexico and 49% in Uruguay. In rural areas, percentages are generally higher, varying from 24% in Costa Rica to 37% in Chile.⁸ The percentage of households with an elderly head varies between 18% in Mexico, 24% in Haiti, and 31% in Uruguay. These last figures do not differ markedly from those found in developed countries: 29% in the USA, 25% in Japan, 33% in Denmark and 36% in Sweden. However the corresponding family structures are very different. In the USA and Europe, the overwhelming majority of households headed by elderly persons are unipersonal or couples living by themselves: 88% in the USA, 89% in Denmark and 91% in Sweden. On the other hand, in Japan only 53% of the elderly heads of households are in this situation and in Latin America the proportion is still lower, varying from 14% in Nicaragua to 39% in Bolivia.⁹

Using data of DHS surveys¹⁰, it can be seen that the situation is differential by age and sex. For men, headship remains almost constant at between 80-95%, depending on the country, until 75 years of age, when there is a certain decrease. For women, rates increase gradually peaking around 75. In Chile (1992), 23% of households were headed by an elderly person, but the percentage was much higher for households with female heads (34%) than for households with male heads (19%). In Mexico (1970), 15% of all households and 18% of non-nuclear households were headed by a person over age 60; in 1990, these figures were 16% and 27%, respectively. Among household heads over age 65, 55% headed a nuclear household, 26% an extended household, 3% a composite household, 1% a co-resident household and 15% a one person household.

As shown in Table 2, the proportion of households consisting of only elderly people varies from 14% in Nicaragua to 37% in Bolivia. Between 60 and 75 % of households with elderly dependents have only one dependent elderly women. Which are the demographic factors that determine whether the elderly co-reside with their children and other younger family members ? In order to explore this question, various situations must be considered. Firstly, there may be an elderly person who is the primary provider of income. Secondly, the elderly member may earn an income, but making only a secondary contribution to the household.

Thirdly, the elderly member may be an economic dependent, but his/her presence in the household may enable other members to generate income; and finally, there is the case of a dependent elderly member with some kind of handicap which, due to the attention he/she requires, keeps another household member from working (Rubalcava, 1999).

The situation in which dependent parents live with their children is the one which normally comes to mind when talking about intergenerational solidarity; this situation is more common in urban areas. But the other situation, where the children are the dependents of the parents is also fairly common in Latin America, particularly in the case of rural smallholders, whose children normally depend on their parents' death or retirement to have access to land. According to Ruggles (2000), this situation, and not solidarity on the part of the children towards their parents, was to a great extent responsible for the co-residence among generations in the rural areas of Europe and the USA until the beginning of the 20th century.

Even though there is no exact coincidence in these situations, it is supposed that the first situation corresponds to a son/daughter or younger family member as head of household, while the second situation is characterised by an elderly member as head of household. With the aim of analysing which are the factors which influence each of these variables, attention was focused on households (including those with no elderly members) who have at least one individual between the age of 15-59 years, not being married to a co-resident elderly family member. These individuals constitute the basic family unit to which one or more elderly members and their spouses may be added, be it as dependents or as heads of households. Table 3 analyses some characteristics of the basic group which may contribute for this to occur, for two countries (Colombia and Nicaragua) and two different situations (dependent or head of household).

As may be seen in Table 3, neither belonging to the poorest quintile nor urban residence appear to be significant determining factors in relation to the incorporation of the elderly into young nuclear family, but belonging to the richest quintile does increase the probability of incorporating an elderly member. In Colombia, the incorporation of an elderly member as head of household is also more common in rural areas. In Nicaragua, though not so in Colombia, there is also greater prevalence of multigenerational households among the social strata with a higher level of education.

Table 2: Percentage distribution of households according to number, sex, and headship condition of elderly

Country, Year	Total	Households without elderly members	Households with dependent elderly members			Households with elderly members as head of household.			
			One elderly male member	One elderly female member	Two or more elderly members	One male elderly member with other members	One female elderly member with other members	Two or more elderly members with other members	Households with only elderly members
Bolivia, 1998	100.0	74.6	0.8	3.6	0.4	4.9	3.9	4.2	7.6
Brazil, 1996	100.0	74.4	0.9	3.7	0.4	6.2	4.3	4.9	5.3
Colombia, 1995	100.0	72.8	1.4	4.6	0.5	6.5	5.0	5.7	3.6
Guatemala, 1995	100.0	74.0	1.5	5.0	0.7	6.3	3.5	4.7	4.2
Haiti, 1994/95	100.0	68.4	2.6	4.5	0.5	6.9	7.6	5.3	4.2
Nicaragua, 1998	100.0	73.5	1.8	4.2	0.7	6.5	5.6	5.0	2.7
Paraguay, 1990	100.0	70.6	1.4	4.1	0.5	6.8	5.1	7.3	4.1
Peru, 1996	100.0	72.6	1.6	4.7	0.6	6.7	3.6	6.1	4.1
Dom. Rep., 1996	100.0	72.7	1.5	2.9	0.4	7.3	5.9	5.6	3.7

Source: Own calculations based on the DHS III Survey

Table 3: Logistic analysis of the probability of incorporation of an elderly member as dependent or as head of household into a young family unit in Colombia and Nicaragua

Characteristics of the basic nuclear family (of young adults)	Colombia, 1995		Nicaragua, 1998	
	Incorporation as a dependent	Incorporation as head of household	Incorporation as dependent	Incorporation as head of household
Number of male adults	0.2721 **	0.1069 *	0.1643 **	0.1831 **
Number of female adults	0.1069 *	- 0.1767 **	0.0956 *	- 0.0656
Number of those married or in union	- 0.2001 **	- 1.3364 **	- 0.1889 **	- 0.9105 **
Number of those working	0.0105	0.1349 **	0.0157	0.1178 **
Number of children between 0-4	0.0839	0.0815 *	- 0.0384	0.1504 **
Number of children between 5-14	- 0.0081	0.0007	0.0632 *	- 0.0073
Average age of adults 15-24 years	- 1.0753 **	1.2340 **	- 0.4820 **	0.9946 **
Average age of adults 25-34 year	- 0.5554 **	0.2576 *	- 0.3484 *	- 0.2531 **
Average age of adults 35-45 years	- 0.1446	- 0.0779	0.0025	- 0.3479 **
Average years of schooling	- 0.0039	0.0072 *	0.0153 **	0.0134 **
Belonging to poorest 20%	0.1640	- 0.0096	0.2683 *	- 0.1216
Belonging to richest 20%	0.3588 **	0.5996 **	0.3326 **	0.3507 **
Residence in urban areas	0.0764	- 0.6463 **	0.1502	- 0.1271
Cases	9517	9517	10716	10716

Source: Own calculations based on DHS III Survey: * Significant to 5 %; ** Significant to 1%.

The other determining factors which consistently seem to be significant are those associated with the life cycle of the nuclear family. The number of young married adults or young adults living in union is negatively associated with the absorption of the elderly. The number of young adult women is also negatively associated with the presence of the elderly as heads of households. The presence of children younger than 15 years of age does not display a consistent relationship with the co-residence of the elderly. On the other hand, as is to be expected, the presence of the elderly as heads of household occurs more often among young families, while their absorption as dependants is more common among family groups of a higher average age. The positive association of the presence of the elderly as heads of households with the number of young workers is surprising; this association is not confirmed in the case of multigenerational households with dependent elderly members.

With whom do the elderly live ?

One of the indicators most used in this context is the proportion of the elderly who live alone or only with their spouse. According to data from the censuses of the 70s, 80s and 90s, indicators as shown in Table 4 have been established both for the total population and those not currently married or in union. Firstly, the percentages of co-residence of the elderly are relatively low if compared with those observed in developed countries. For the 90s, this percentage varies from a minimum of 4.9% in Colombia to a maximum of 16% in Uruguay. Secondly, although this indicator varies by country, its levels do not appear to be clearly related to the stage of demographic transition in which these countries find themselves. In this sense, confirming the results obtained by Palloni (2000) for the 60's, 70's and 80's, one does not perceive a clear or generalised trend for the elderly to live alone, as the demographic transition progresses. It is true however, that there is no data available from the 2000 census which could show a more definite tendency.

When people living in unions are excluded from the denominator, the tendency to live alone increases and the figures surpass 20% in six of the 16 countries analysed. This increase is seen to a greater extent in the case of men; in some cases the figures are over 30%. Within this subgroup of people not living in union, the tendency to live alone is systematically greater in men than in women. This behaviour is due to various factors which are analysed below.

Contrary to what is expected, the census data of the 90s (see Table 5) show that the proportion of people aged 60 or over living on their own is higher in rural areas as compared to urban areas, especially in the case of men. These differences remain even after controlling for the differences in education and marital status in both areas. It is not clear up to what point these differences may be explained by increased mortality (and consequently a greater number of widows) and higher emigration to rural areas.

Table 4: Proportion of the total population and of those not living in unions of 60 years and over who live alone in countries of Latin America, censuses of the 70s, 80s and 90s.

Country	Census Year	Total			Non in union		
		Total	Men	Women	Total	Men	Women
Argentina	1970	10.0	10.0	11.0	21.0	31.0	17.0
	1980	11.0	9.0	12.0	22.0	29.0	20.0
Bolivia, 1998	1976	12.0	10.0	13.0	23.0	28.0	21.0
	1992	13.1	12.5	13.6	26.7	35.5	23.2
Brazil	1970	7.0	5.0	9.0	17.0	24.0	14.0
	1980	8.0	7.0	10.0	21.0	31.0	17.0
	1991	9.8	6.8	12.4	23.6	32.9	20.8
Chile	1970	6.0	7.0	6.0	12.0	18.0	9.0
	1982	8.0	7.0	8.0	15.0	22.0	13.0
	1992	7.7	7.4	8.0	15.3	21.5	13.0
Colombia	1973	6.0	6.0	6.0	10.0	15.0	8.0
	1985	6.0	6.0	6.0	12.0	19.0	9.0
	1993	4.9	5.0	4.8	9.6	15.3	7.3
Costa Rica	1973	6.0	5.0	6.0	12.0	18.0	9.0
	1984	8.0	8.0	8.0	17.0	25.0	13.0
Dominican Rep.	1970	7.0	8.0	6.0	12.0	21.0	8.0
	1981	7.0	9.0	6.0	15.0	26.0	9.0
Ecuador	1974	8.0	8.0	7.0	15.0	23.0	12.0
	1982	9.0	9.0	8.0	19.0	27.0	14.0
	1990	9.0	8.7	9.2	20.5	29.6	16.5
El Salvador	1992	7.2	8.4	6.2	13.9	24.8	9.4
Guatemala	1981	5.0	5.0	6.0	12.0	20.0	9.0
Honduras	1988	5.6	5.9	5.3	13.0	22.8	9.1
Mexico	1970	8.0	6.0	10.0	17.0	23.0	15.0
	1990	9.0	6.6	10.0	-	-	-
Nicaragua	1971	8.0	9.0	7.0	14.0	27.0	10.0
	1995	5.0	6.0	4.1	9.4	17.1	6.2
Panama	1970	12.0	15.0	9.0	21.0	35.0	13.0
	1980	12.0	15.0	9.0	24.0	38.0	15.0
	1990	11.5	14.5	8.5	22.4	37.3	13.6
Paraguay	1972	7.0	7.0	8.0	14.0	23.0	11.0
	1982	7.0	5.0	8.0	14.0	20.0	12.0
Uruguay	1985	14.3	12.1	16.1	-	-	-
	1996	15.6	12.4	17.9	32.0	40.0	29.2
Venezuela	1981	8.0	9.0	7.0	14.0	23.0	9.0
	1990	6.4	7.6	5.4	11.7	20.2	8.0

Source: Censuses of the 70s and 80s: Palloni, 2000 b; Censuses of the 90s: Special tabulations based on census baseline information on REDATAM provided by CELADE/Population Division CEPAL; Mexico 1990: López & Izazola, 1995; Uruguay 1985: Demographic Year Book of the United Nations, 1995.

Table 5: Proportion of the total population and of the population neither married or living together of 60 years and over who live alone, by area of residence, censuses of the 90s in selected countries of Latin America

Country, Year of Census	Area of residence	Total			Not in Union		
		Total	Men	Women	Total	Men	Women
Bolivia, 1992	Urban	9.7	9.4	10.0	18.1	26.5	15.3
	Rural	16.0	15.0	17.0	35.8	42.5	32.5
Brazil, 1991	Urban	10.2	6.4	13.2	23.3	31.8	21.2
	Rural	8.5	7.9	9.2	24.7	35.6	19.1
Chile, 1992	Urban	7.5	6.4	8.4	14.9	19.7	13.3
	Rural	8.5	11.1	5.6	17.5	26.2	10.5
Colombia, 1993	Urban	4.0	3.8	4.1	7.4	11.8	6.0
	Rural	7.3	7.6	7.0	16.1	22.0	12.3
Ecuador, 1990	Urban	7.3	7.2	7.3	15.4	24.4	12.2
	Rural	10.7	10.1	11.4	26.8	34.4	22.6
El Salvador, 1992	Urban	7.6	9.1	6.5	13.6	25.8	9.3
	Rural	6.7	7.6	5.8	14.5	23.6	9.6
Honduras, 1988	Urban	5.2	5.8	4.7	10.3	20.9	7.1
	Rural	5.9	5.9	5.8	15.3	23.9	11.1
Nicaragua, 1995	Urban	4.9	5.9	4.2	8.5	16.3	5.9
	Rural	5.1	6.0	3.9	11.1	18.0	6.8
Panama, 1990	Urban	10.6	12.6	8.9	19.4	33.5	13.4
	Rural	12.6	16.3	7.8	26.5	40.8	13.9
Uruguay, 1996	Urban	15.7	11.6	18.5	32.1	39.8	29.8
	Rural	14.9	18.9	9.1	31.0	41.1	18.6
Venezuela, 1990	Urban	5.6	6.2	5.1	10.1	17.2	7.5
	Rural	10.3	13.0	6.9	19.7	29.5	11.6

Source: Census of the 80s and 90s: Special tabulation based on census bases of REDATAM provided by CELADE/Population Division CEPAL.

Analysing the condition of living alone by age, the same patterns are observed in all countries studied. The proportion of people aged 60 or over who live alone increases progressively with age until age 80 when the proportion starts to decrease, until it reaches similar or lower proportions as those observed for the 60-64 age group. The initial increase mainly originates from the growing incidence of widowhood with age, while the decrease experienced later may result from the age of disability and chronic illnesses which do not enable the elderly to fend for themselves.

In this study, households are classified into 7 different categories: one person household, couple living on their own, simple nuclear, multigenerational, extended, composite, and non-family. The DHS data shows that the majority of the elderly live in households accompanied by some family member. Between a third and half

of the people in this age bracket live in multigenerational households. Percentages are higher in Nicaragua, followed by the Dominican Republic, Guatemala and Peru. Approximately 15% maintains the family structure of a simple nuclear household and a similar figure, although more variable for each country, is seen in extended households. Non-family households have a very low incidence. In order to analyse in more detail the effects of the different socio-economic factors on the tendency to live alone, logistic regressions were applied to the proportion of the elderly population over 60 years of age living alone (Table 6). Again Nicaragua and Colombia were selected as they are the countries which include marital status in the household surveys of the DHS.

Table 6: Logistic regression of the proportion of individuals living alone

Variable	Colombia 1995	Nicaragua 1998
Age	- 0.0012	- 0.0069
Sex-Male	0.2859	0.8957*
Years of schooling	0.1055**	0.0681**
Urban residence	0.2946	- 0.4706*
Working	0.8604**	- 1.8844**
Poor: 20% poorer	0.9280**	- 0.5179
Rich: 20% richer	- 1.0616**	- 0.4160
Single	3.9454**	1.9981**
Widow or widower	3.3292**	1.4388**
Separated/divorced	3.9353**	0.9062
Single Man	- 0.2381	- 3.7825
Widower	0.3117	- 0.0325
Separated/divorced man	0.3912	1.0233
Cases	3413	3810

Source: Own calculations based on the DHS III Surveys

* Significant to 5 %; ** Significant to 1%.

According to these results, education and working status have a significant impact on the tendency to live alone. In the case of education, both countries show that the better the education the greater the probability to live alone. With working status results do not go in the same direction. While in Colombia the fact of working increases the tendency, in the case of Nicaragua it lowers it. With regard to the variables relating to poverty, the coefficients in Colombia are significant: the poor have a greater probability to live alone. With respect to marital status, singles are the ones with the greater probability of living alone. Widows and widowers, especially in the case of Nicaragua, are less prone than single individuals to live alone, which is reasonable if one considers that it is more likely that the former will have children or other family members to live with. There appear not to be any interactions between variations in marital status and sex. Age does not seem significant in either of the two countries. In relation to sex, men in Nicaragua are more prone to live

alone than women, while in Colombia the tendency is similar, but not significant. This tendency could well be both because men normally have greater economic resources than women and because women are more easily "absorbed" into the households of their children, where they frequently carry out important social functions such as caring for their grandchildren, or even to the greater accumulation of social capital on the part of women which enables them to rely on wider support networks during their old age.

Logistic regressions have also been carried out for a greater set of countries that have had recent DHS surveys, even though most of the surveys do not include marital status as a variable. The dependent variable selected is the proportion of individuals over 60 years old who live alone or only with their partner. From the result of this analysis (see Table 7) one cannot draw general conclusions; however, some common trends may be discerned. Firstly, in all countries education is positively related to the fact of living alone or only with one's partner and shows significant effects. The same occurs with working status, in three of the four countries for which data are available, it shows a positive association with the probability of living alone or only with one's partner, even though the cause is not as clear.

Table 7: Logistic regression of the proportion of individuals living alone or only with their partner

Variable	Colombia 1995	Nicaragua 1998	Bolivia 1998	Brazil 1996	Guatemala 1995	Peru 1996	Dom. Rep. 1996
Age	- 0.0046	0.0060	0.0182**	0.0146**	0.0126*	0.0189**	0.0096
Sex-Male	0.1843	0.1137**	0.0622	0.0953	0.2699**	- 0.1126	0.2139*
Years of schooling	0.0717**	0.0170**	0.0155	0.0518**	0.0633**	0.0259**	0.0561**
Urban residence	0.0838	0.1259**	- 0.6349**	0.1698	0.1617	- 0.5616**	- 0.0794
Working	0.1272	0.1155**	0.2682**	nd	nd	0.4519**	nd
Poorest 20%	0.6383**	0.1827**	0.2026*	0.0573	- 0.3007*	0.0936	0.9113**
Richest 20%	- 0.6034**	0.1522**	- 0.4965**	- 0.3504**	- 0.6882**	- 0.7759**	- 0.0874
Cases	3143	3810	4124	4454	3812	9849	3058

Source: Own calculations based on the DHS III survey * Significant to 5 %; ** Significant to 1%.

With respect to poverty, the results are in general fairly conclusive: the group of the so called rich (highest quintile) show less probability of living alone in comparison to the intermediate quintiles. The poor, on their part, seem to be more prone to live alone or with their partner. The exception in this case is Nicaragua where both the rich (highest quintile) and the poor (lowest quintile) seem to be more prone to living on their own than the reference group defined by the intermediate quintiles. Contrary to what is observed in Nicaragua and Colombia (in both regressions), age is significant for the tendency of living alone or only with the partner, at least in seven of the countries analysed: the greater the age, the greater the possibility of living alone.

However, it is possible that this effect would disappear if marital status were included. The area of residence is significant in three countries, but the interactions point in different directions. In Bolivia and Peru, the tendency to live alone in urban areas is less, while in Nicaragua it is greater.

Finally, with respect to sex, significant results are observed for three countries only (Nicaragua, Guatemala and the Dominican Republic): men seem to be more prone to live alone or only with their partner than women. The greater tendency of unmarried men to live alone in comparison to women in the same circumstances has already been mentioned: women live more frequently with their children or other individuals. Aside from the factors already mentioned (better economic situation of men, greater demand for women's contributions to the domestic economy, greater support networks), the difference could also be associated to the differential incidence of disabilities between men and women.

There is little systematic information in Latin America on disability and its influence on living arrangements. Census statistics on disability are not very comparable between countries due, among other factors, to the different format of the question. Additionally, the question was not specifically designed for the elderly, so it does not properly capture problems such as the difficulty in locomotion, distraction, Parkinson's disease, etc. Based on the experience of other countries it could be expected that approximately one fourth of the population aged 65-74 years, some 40% of those 75-84 years and more or less half of those 85 years or older suffer some form of serious disability. The Continuous Survey on Households in Uruguay (1986) estimated that one of every three elderly people living in urban areas were not in conditions to cope with living in normal households. This condition generally increases the tendency of the elderly to live with other people. In the case of Brazil, Saad (1998) found positive relationships in all cases although more significantly in the case of individuals not living in unions in the Northeast. There is a slight but consistent tendency of greater incidence of "general" disabilities (dumbness, blindness, deafness, etc.) in elderly men than in elderly women, but the National Survey on Socio-demographic Ageing in Mexico, of 1994, shows that the difficulties in locomotion affect women more: 41% of women and 29% of men 60 years or over. This could be another element to explain the tendency observed for greater co-residence of women.

The previous analysis is limited for two reasons. Firstly, it refers to only part of the variables which could be significant. It is necessary for example to include information on the income and economic transfers received by the elderly. The household questionnaire of the DHS also lacks information on the number of children. Another limitation which characterises almost all data sources is the lack of information on family arrangements which do not imply co-residence. It has been pointed out that the closeness to other family

members especially the proximity to the children and the real possibility to maintain direct and frequent contact with them is sometimes more important than living under the same roof (Palloni, 2000).

Preferences and economic needs

Many of the studies and social policies approach the subject of the elderly from the point of view that the elderly conform a vulnerable social group. With relation to elderly women in particular, the studies emphasise their frailty in terms of health and in the labour market. Some authors (Gibson, 1996; Montes de Oca, 1997) have questioned this one sided view. Even though surveys such as the ENSE of Mexico of 1994 indicate that the problem of utmost concern to the population aged 60 years or over is the economic problem (39.8%), followed by health (32.6%) and family problems (8.3%), the elderly in Latin America do not constitute the poorest sector of the population. In the Survey on Standards of Living in Nicaragua (1998), 59.9% of men and 64.2% of elderly women appear as non poor, compared to figures of 51.1% and 53.9%, respectively, for the total population. Poverty is slightly lower only for the group aged 45-59 years. In the Survey on Standards of Living in Panama of 1997 (Panama, 1999), the group of 60 years and over appears, in fact, as the most prosperous: 72.6% are considered non-poor, compared to a figure of 62.7% for the total population (Panama, 1999: 45). In Chile, the incidence of poverty among the population over 60s according to the CASEN survey of 1998 was 11%, against 22% for the population in general (MIDEPLAN, 1999).

It is not immediately clear how to interpret these data. The lower incidence of poverty among the elderly could be the result of an accumulation of resources throughout their productive lives. In Chile, for example, 78.5% of the heads of households aged 60 or over are owners of their homes, with little variation in levels of income, against 43.4% for heads of households younger than 60 years (MIDEPLAN, 1999). On the other hand, there could be an effect of selectivity, as the poorest individuals are subject to higher mortality rates prior to old age. Finally, it could be that the most needy of the elderly may be attended to by the family or the son or daughter who enjoys the most privileged economic conditions. As poverty is measured at the household level, these people, even though they have scarce resources of their own, would appear with the characteristics of the household where they reside.

Another relation between the level of poverty and co-residence among generations is the result of the tendency of the elderly with greater resources to prefer an independent residence. This has been widely recorded in the case of the more developed countries (Hareven, 1994, 1996). In the case of Latin America, the relation is less clear. One notices, for example, in Table 7 that belonging to the richest sector of the population lowers the probability of living alone, but as this is a household characteristic, it is possible, as pointed out before, that these households count with better conditions to absorb an elderly relative. With

respect to individual characteristics, in Colombia economic activity (which could indicate greater financial independence) of the elderly increases the possibility of living alone or only with their partner, while in Nicaragua the opposite occurs. In his comparative study of social security benefits, Shinkai (2000) found a similar difference: while greater income in Uruguay was associated with a tendency to live alone, in the rural areas of Mexico the opposite was seen. Saad (1998) notices the same in relation to co-residence in Southeast Brazil, where greater income tends to divide families, and in the Northeast, where the opposite occurs. In Chile, of the 6.9% of the elderly population living in one person households, 30.8% belong to the highest income quintile and only 19% to the two poorest quintiles, suggesting that there is a greater tendency to live alone as income increases (MIDEPLAN, 1999). Of those who live in households with 5 members or more, 51% belong to the two poorest quintiles.

A possible explanation to the increased tendency of co-residence among the elderly with greater resources, as observed in some countries of the region, is that greater income of the elderly in a context of scarce resources may increase the dependence of children and other family members in relation to him or her. As was mentioned earlier, this thesis has been defended by Ruggles (1987, 1996, 2000), in the case of the United States in the XIXth century. The reasoning is that in a rural economy where the children's independence hinges on access to land, the parents who have economic resources, mainly land or any other means of production, end up being responsible for supporting their children, even when these are already grown up and economically active.

As was seen in the Introduction, the economic activities of the elderly in Latin America are very significant. In Mexico, for example, the 2000 census shows that 66.6% of men 60 years old or over and 42.6% of those 65 or over continue being economically active, compared to an activity of 71.4% for the group of men aged 12 and over. However, these figures have decreased in relation to those for 1970, when 75.8% of men aged 60 or over were economically active. In the case of women, economic activity decreases more rapidly, only 10.3% of women 65 years or over continue active as compared to 31.3% of the total of women 12 years or older. In Peru (1993), the activities of men aged 60 or over reaches 59% and 16% for women. In Chile (1998), the rates of activity for the population of 60 years and over are lower: 43% for men and 12% for women (MIDEPLAN, 1999). In comparison, in the United States, in 1999 only 17% of men and 9% of women aged 65 or over continue economically active. It is not always correct to believe that economic activities are low income. In Chile, for example, 32% of active elderly men and 36% of active elderly women perceive income which places them in the highest earning quintile. Twelve percent of men and 8% of women are business owners or employers, against approximately 4% of the population aged 15-59.

According to ECLAC (2000), approximately a third of the urban households of the region where the elderly live together with people of other ages other than their spouses, depend for over half on the income provided by the former. This proportion varies from 17% in Venezuela and 19% in Mexico to 39% in Chile and 46% in Bolivia. In the rural areas the figures are even higher, varying between 28% in Panama and 68% in Argentina. Similarly, Souza (1998) notes that the extension of social security benefits in Brazil has benefited not only the elderly, but also has significantly contributed to the yields of their families of residence. The percentage of urban elderly people who do not work or perceive pensions or retirement payments and hence depend on intergenerational transfers, independently of residing with other people or not, varies from 9% in Uruguay, 22% in Argentina, 24% in Chile and 28% in Brazil to 58% in Venezuela, 59% in Colombia and 60% in the Dominican Republic. In the rural areas these figures are generally slightly lower, varying between 14% in Brazil and 55% in Costa Rica.

One of the limitations of the ECLAC study is the lack of disaggregation of these figures by sex. This disaggregation is important as the situation of the elderly is characterized by strong gender disparities. In the case of Uruguay, it has been shown that 90% of those without an income of their own were women. As Montes de Oca (2001) demonstrates for the case of Mexico, access of men to institutional support is slightly greater and more directly linked to them, while the right of women to services such as public medical services in the majority of the cases derives from their spouses or children. On the other hand, 84.4% of the women over 60 years of age, compared to 75.5% of men, receive some sort of family support, be it as co-residents or non co-residents.

The previous paragraphs emphasize the economic factors which could influence the tendency of greater co-residency of the elderly with their more extended families. Although the pattern of complex family situations described by various authors (ECLAC, 2000 b; De Vos, 1995) is due, at least partly, to an economic need of both the elderly and of their families, it also seems to be associated to cultural patterns that may vary even between regions of the same country (De Vos, 1998). In the United States, Angel and Tienda found a greater tendency for extended households (not necessarily with elderly members) among the Cuban, Central American, South American and black population, but not among the Mexicans or Puerto Ricans. In Malaysia, Chan and DaVanzo (1996) found very significant variations in the patterns of co-residence of the elderly of different ethnic groups. Some other authors (Angel & Tienda, 1982; Burr & Mutchler, 1992; De Vos, 1998; Mutchler, 1990) emphasise that, even controlling these economic factors, the tendency for the formation of complex households varies among ethnic groups. On the other hand, Chattopadhyay and Marsh (1999) found, in the case of Taiwan, that the cultural values also undergo transformations as a result of changes in the economic and demographic context. Solidarity among generations continues being a very

important cultural value in that country. However, the co-residence of the elderly with their children strongly decreased between 1963 and 1991, while monetary support increased towards the elderly non co-resident relatives. Ethnographic studies on the situation of the elderly in rural areas of Latin America show a very inconsistent panorama, relating to integration in some places (Sokolovsky, 2000) and marginalisation in others (Kagan, 1980).

Although in Latin America, family ties still seem strong, there is also doubt on the strength of the family institution and its capacity to absorb an elderly population much greater than in the past. The weakening of the family structure is associated with a series of objective processes. As Cowgill (1974) argues, the majority of the factors associated with development – industrialisation, urbanisation, more advanced medical technology, better education – would tend to isolate the elderly, separate them from their families and reduce their social status in the face of the young. Mason (1992) also emphasises the fact that many factors associated with modernisation conspire against the traditional patterns of co-residence in the Asian countries. The data on Latin America do not entirely confirm this pattern. Actually, as was seen earlier, there is no definite tendency toward a decline in the co-residence of the elderly. In the case of Mexico, Solís (1998) shows that the pattern apparently has not changed over the last three decades, despite the enormous transformations that have occurred in the country. According to the author, this casts serious doubts on the explanatory potential of modernization theory for the study of the living arrangements of the elderly.

Whatever the case may be, the Constitutions and social legislation of most countries in the region, even though they increasingly incorporate the care of the elderly as a significant social issue, still attribute a major role to the family in this respect. More than just considering the family as a kind of social safety net, in the face of the inadequacy of the macro-social systems of intergenerational solidarity, the legislation on the subject in the region reflects an ideological bias, in the sense of pointing to family support for the elderly, including coresidence, as the most human and desirable solution. It should be asked whether this co-residence with adult children is necessarily the arrangement that best addresses the needs of both generations. In this context some historians have demystified the idyllic image of cohabitation between generations in western Europe prior to the Industrial Revolution, which was supposedly destroyed by the processes of modernisation: "*There is something like a consensus that the treatment of the old was harsh and decidedly pragmatic: dislike and suspicion, it is said, characterised the attitudes of both sides*" (Plakans, quoted by Sokolovsky, 2000).

V. Discussion

This paper has focused on the interface between one of the most important demographic processes facing Latin America in the coming decades, namely ageing, and different social support mechanisms, in the context of the structure of the family. As was pointed out, it is unlikely that the current reforms of the social security systems in Latin America will eliminate their deficiencies and prepare them for the challenges of the XXIst century. In the majority of the countries of the region the reform systems will not reach the totality of the population. In the best of cases, there will be an important part that will not be integrated into social security and that will probably have a limited access to health care.

Given the precarious nature of macro-social support mechanisms in the foreseeable future, the family will continue to be necessary and it will probably be a factor that will serve as a break on the tendency observed in the more developed countries, for the elderly to live independently. The context of poverty and structural constraints make this difficult to happen. The Constitutions and social legislation in the region implicitly count on the family as the appropriate institution to take on these responsibilities. The question, however, is if it is realistic to do so in the context of dramatic increases in the number of elderly in the region, coupled with social transformations which may affect the future ability of families to care for elderly parents.

Legal and programmatic changes are supposed to deal with the growing demands of the elderly population. According to the report presented at the Eighth Conferences of Wives of Heads of State and the Government held in Santiago, Chile in 1998¹¹, some of the changes in favour of the elderly are: national policies for the elderly (Costa Rica, Venezuela, Chile, Brazil, Ecuador, El Salvador), national laws (Guatemala), programmes and massive activities in health for the elderly, such as vaccination (Brazil, Panama), Commissions for the elderly (Chile), social security networks with special subsidies for the elderly (Colombia), National Councils (Costa Rica), policies at the municipal level (Colombia), and promotion of recreational activities and training (Costa Rica, Cuba, Mexico). However, the impact of these laws and programmes is limited and their sustainability is dubious.

Although the reform of the formal pension systems in the region is a process underway, it is evident that interventions in this area only touch part of the problem and that significant challenges remain to be met in the areas of living arrangements and informal old age support. Policy oriented research is needed directed at the improvement of the living conditions of the elderly population through studies which quantify the different degrees of vulnerability of these populations, within different demographic scenarios, to changes in the social security systems and modifications in the family support structures.

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Notes

¹ In some countries, this last figure will be substantially greater, for example 24.6% in Uruguay, 31.4% in Trinidad & Tobago and 33.3% in Cuba. The percentage will also be higher in the case of women than men, particularly in urban areas. By the year 2025, 15.4% of the women of the region will be 60 years of age or over, against 12.6% of the men; according to CELADE (1999) the difference for the urban areas (15.8% against 12.5%) will be greater than in rural areas (13.6% against 12.9%).

² From the viewpoint of poverty alleviation, one should add that "... the number of dependent elderly persons may imply demands on the household which are similar to those implied by the presence of many children" (Rodríguez, 2000: 28).

³ What we call in this paper *ageing process* can not be considered a linear process. For example, in Argentina, Recchini de Lattes (2000) has demonstrated that this country experimented three stages of ageing: The first one, of "no ageing" between 1870 and 1925, the second of "rapid ageing" between 1925 and 1970 and the last of "decreasing trend" between 1970 and 2005. From 2005 and 2050, the author predicts a new "accelerating" ageing trend.

⁴ In the recent Eighth Regional Conference on the Women of Latin America and the Caribbean, regional preparatory meeting for the follow-up to the Beijing Conference (Beijing+5), the so-called Lima Consensus was reached. This includes as a recommendation to "...promote the recognition of the social and economic contribution of the non-remunerated work of women, predominantly within the household, and suggests to governments to include women who perform this kind of work in the social security systems". However, no mention is made on the impact on gender equity of the Reform on social security systems.

⁵ It has been computed in the case of Chile that under the public system, assuming equal returns and equal numbers of years contributed, pensions would be equal for men and women. Under the same assumptions, the pensions of women in the private system would vary between 52-76% of the male pensions, depending on the age at which contributions started (Arenas de Mesa, 1999).

⁶ In Argentina (1991), almost 3% of the elderly over the age of 65 live in institutions. In Uruguay (1985), the percentage of men between 60-74 years who live in institutions is relatively high (3.6%); even then, however, the percentage among the group over 75 years (4.9% of men and 5.2% of the women) is still less than typically found in the countries previously mentioned.

⁷ In Canada (1991), for example, the elderly living in institutions make up approximately 2.0-2.5% of the age group 60-74, but the percentage reaches 11.2% for men and 19.1% for women over 75 years of age. In Denmark (1991), it is slightly above 1.0% for the group between 60-74 years, but rises to 7.0% for men and to 11.6% for women over 75 years. Even in Japan (1990), where intergenerational family relationships are of strong cultural value, the percentages are as high as 1.6-1.8%, 5.4% and 8.9% respectively. In Hong Kong (1991), yet another society of deep reverence towards ageing parents, the percentages are 2.0-2.5%,

7.0% and 12.9%, respectively. The similarity between the four countries suggests that these are more related to economic factors than cultural origins.

⁸ The figures quoted are based on CEPAL (2000) derived from the household surveys of the region. In some countries such as Argentina and Uruguay, they only exist for the urban areas, so that rural figures may not reflect the extent of the existing differences. In addition, there is no information available for the case of Cuba.

⁹ Only countries with recent DHS surveys are considered. It is probable that percentages are greater in Argentina and Uruguay but no information could be obtained for those countries.

¹¹ Ver www.8vaconferencia.cl