

The Aging Readiness & Competitiveness Report

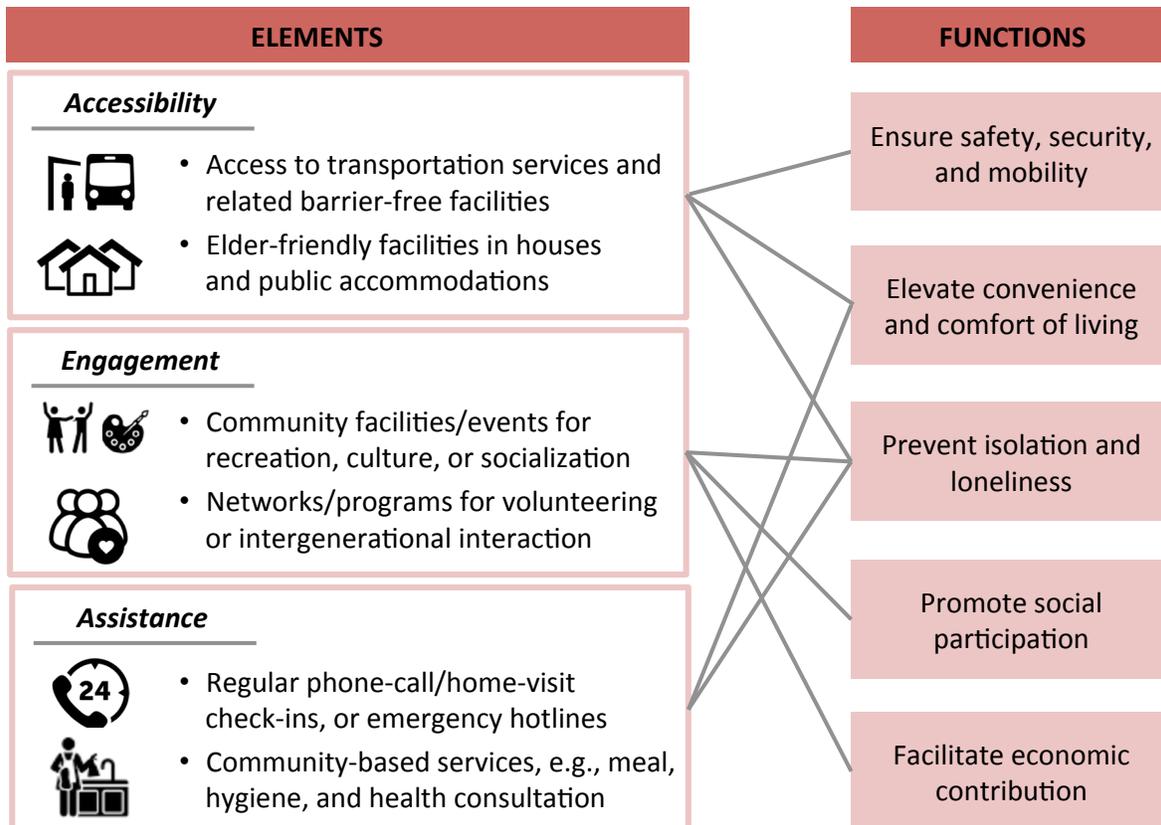
COMMUNITY SOCIAL INFRASTRUCTURE

Introduction

Community social infrastructure is the most fundamental and also the most complex component of a society’s support system for the older population, enabling access to necessary resources and providing opportunities for healthy, active aging in place. It can be understood as the connective tissue of a society, broken into three key elements: accessibility, engagement, and assistance. (Fig. 1)

- Accessibility determines older adults’ access to transportation, housing, and other physical infrastructure, which are essential to their mobility, security, and safety, as well as access to healthcare;
- Engagement, which is predicated on social networks that facilitate intra- and inter-generational interaction for older adults, is critical to enhancing their self-worth and enabling their contribution to the society;

Fig. 1. Elements of Community Social Infrastructure



- Assistance through home- or community-based support and service networks ensures that older adults' basic needs are met while preventing isolation.

Perhaps unsurprisingly, given the scope and complexity of the challenge, there is tremendous variation in countries' progress – including within regions and across income levels – in the development of a robust community social infrastructure, with no country leading across the board. However, all are facing fiscal pressures that make government leadership, long-term strategic planning, innovative approaches, and stakeholder partnerships imperative. This is especially true for middle-income countries, which are facing a particularly daunting challenge as they experience the convergence of three fast-moving trends: aging, urbanization, and family structure shifts.

Aging in Place

Around the world, older people overwhelmingly prefer aging at home and in their communities, and there is growing movement among governments to promote and facilitate aging in place as older adults live longer and for more years in poor health. Living at home and in communities helps older people maintain feelings of connection, security, and familiarity as well as a sense of identity; it also fosters their independence and sense of autonomy.¹ Aging in place is also considerably less

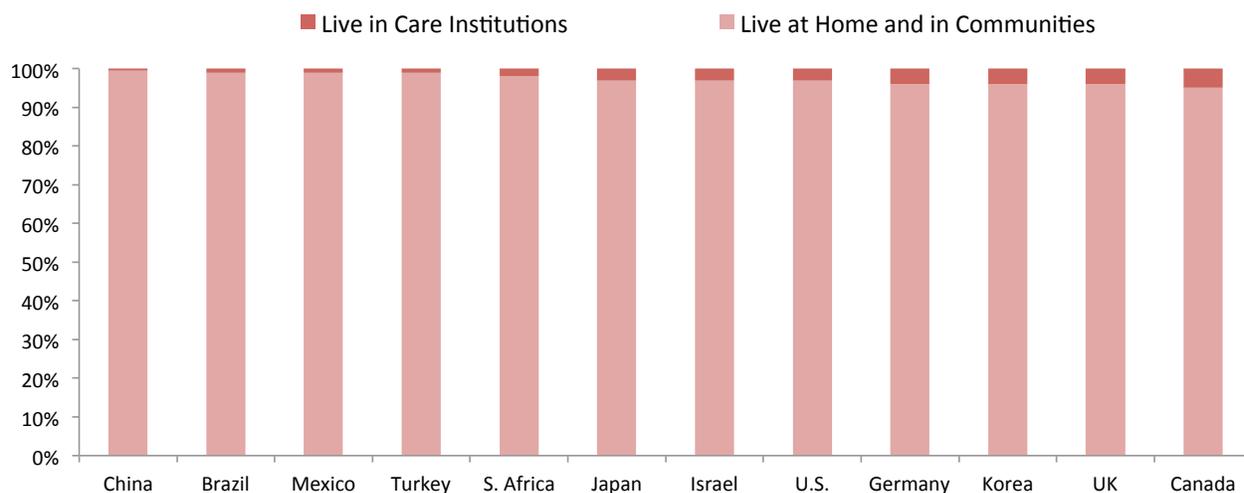
expensive than living in care institutions, making it a more affordable option for individuals and families as well as generating cost-savings for governments from reduced healthcare expenditures.

Today, the majority of older adults are aging in place. As shown in Figure 2, more than 95 percent of seniors in all ARC economies are living at home and in communities, with this rate reaching close to 100 percent in middle-income countries.

With the launch of its Age-Friendly Cities framework guidelines in 2006, the World Health Organization (WHO) took an impor-

¹ Wiles, J., Leibing, A., Guberman, N., Reeve, J., & Allen, R. The Meaning of “Aging in Place” to Older People, *The Gerontologist*, Volume 52, Issue 3, 1 June 2012, pp. 357–66, <https://doi.org/10.1093/geront/gnr098>.

Fig. 2. *The Overwhelming Share of Older Adults Aging in Place*



(Sources: Local sources; OECD Long-Term Care Resources and Utilization database; and FP Analytics estimates)

tant step in establishing a holistic approach to thinking about and planning for a community social infrastructure that is supportive of aging in place. Loosely defined, an age-friendly community is one in which older people are valued, engaged, and supported by physical and social environments that accommodate their interests and needs.

Today, more than 530 cities and communities from 37 countries are participating in the WHO's Global Network of Age-Friendly Cities and Communities, with the number having more than doubled in just the past two years.² As members exchange experiences, widely applicable lessons and best practices are emerging. Experts following the issue note that while governments are often the necessary lead actor, to be successful and sustainable, programs need to be designed to explicitly accommodate governments' inherent limitations.

Unlike economic, social, or health issues, age-friendly initiatives are often outside the existing framework of government policies, programs, and funding. To be successful, a lead organization is essential to make the initiative a priority, provide incentives, and coordinate stakeholders' activities. Governments are ideally placed to take on a key leadership role, and there is an emerging trend that the best and most effective programs are scaling from municipalities up to regional or national levels, establishing greater capacity and reach.³

² World Health Organization. Available at: <https://extranet.who.int/agefriendlyworld/2017-ifa-who-webinar-series/> Accessed December 2017.

³ Interview with Alexandre Kalache, Co-president of ILC-Brazil. November 2017.

Nevertheless, government structures tend to be siloed and lack the flexibility to develop and implement effective age-friendly initiatives that cover multiple disciplines.⁴ Partnering with local NGOs, citizens' groups, service providers, and other private-sector entities allows local governments to align the vision of age-friendly initiatives with older adults' interests, coordinate priorities of stakeholders, and leverage existing resources.

Weathering shifting political winds has also been a consistent challenge. While gaining political support is important, cementing a society's ownership of age-friendly initiatives and raising awareness of associated benefits can create the necessary public pressure to sustain the commitment of resources.⁵ Established policies or funding structures can reduce over-reliance on individual leadership and exposure to associated uncertainty.⁶

Unprecedented Challenges Faced by Middle-Income Countries

Middle-income countries are undergoing an unprecedented convergence of rapid urbanization, population aging, and changing family structures. These trends are together reshaping the social fabric

⁴ Interview with Andrew Scharlach, Professor of Aging at the School of Social Welfare, UC Berkeley, and Amanda Lehning, Assistant Professor at the School of Social Work, University of Maryland. November 2017.

⁵ Interview with Alexandre Kalache, Co-president of ILC-Brazil. November 2017.

⁶ Interview with Andrew Scharlach, Professor of Aging at the School of Social Welfare, UC Berkeley. November 2017.

of these countries and exposing them to unique challenges that have been experienced nowhere else. In industrialized or high-income countries, urbanization happened well before aging, while in low-income countries it is happening prior to significant aging within the population. (Fig. 3)

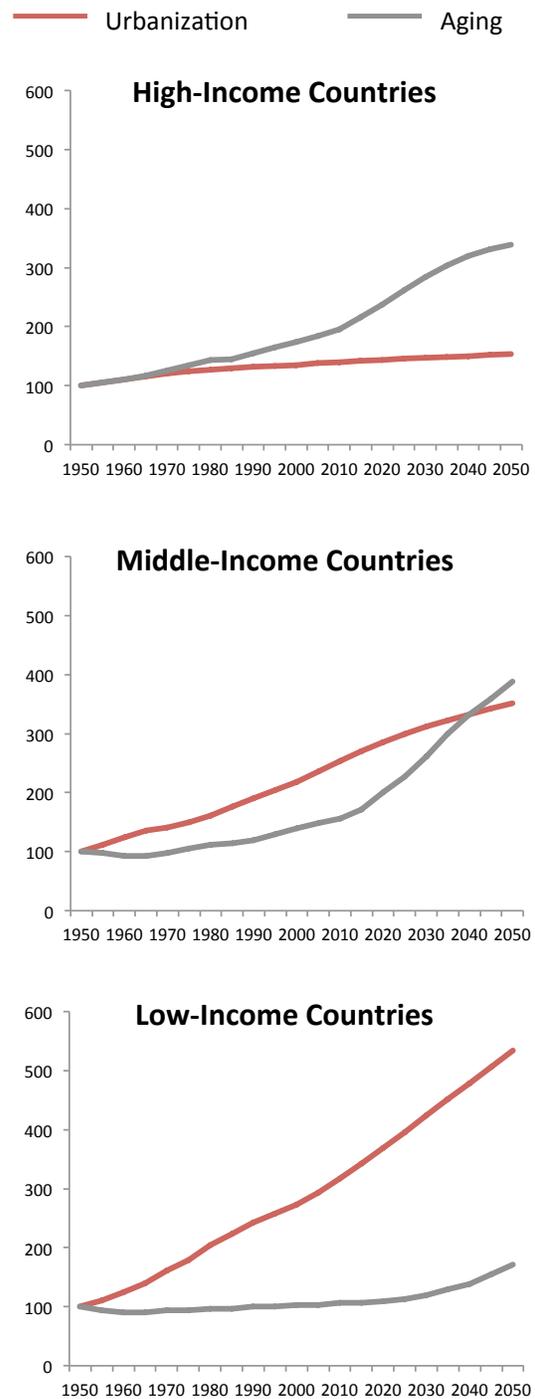
Middle-income countries started the urbanization process before they were hit by the wave of aging, but the two trends will continue to evolve rapidly over the next few decades, with a dramatic uptick in the pace of aging having started in 2010. The pace of aging in middle-income countries nearly doubled in the following five years and is set to nearly double again by 2020.

High-income countries urbanized well before they aged. They saw urbanization start to slow down in the 1970s, stabilizing at an annual rate of 1 to 2 percent since the 1990s. In contrast, the aging trend has steadily picked up, and the pace is projected to accelerate over the next decade, with more than one-fifth of their populations expected to be age 65 or older by 2025.

In **low-income countries**, urbanization has been, and will continue to be, the dominant force over the next few decades, with the urban population projected to exceed half of the total population around 2050. In the meantime, their populations will remain very young – the percentage of people age 65 or older was only 3 percent as of 2015 and is projected to grow to only 5 percent by 2050.

Fig. 3. Distinct Paradigms of Aging and Urbanization, by Income Level

Share of Urban Population vs. Share of Population Age 65 or Older (Baseline = Year 1950)



(Sources: United Nations, Department of Economic and Social Affairs, Population Division; FP Analytics)

Rapidly rising population density and expanded older populations in urban areas require immediate responses to develop elder-friendly physical infrastructure and support for seniors living in cities. However, the challenge is not limited to booming cities. Older people are more likely to be left behind in rural areas due to lack of job skills, or to opt to live there because of lower living expenses. The top five middle-income countries with the largest older populations – China, India, Russia, Brazil, and Indonesia – all have larger shares of their older population living in rural areas (Fig. 4). This rural older population, left behind as younger family members migrate to cities, is even more

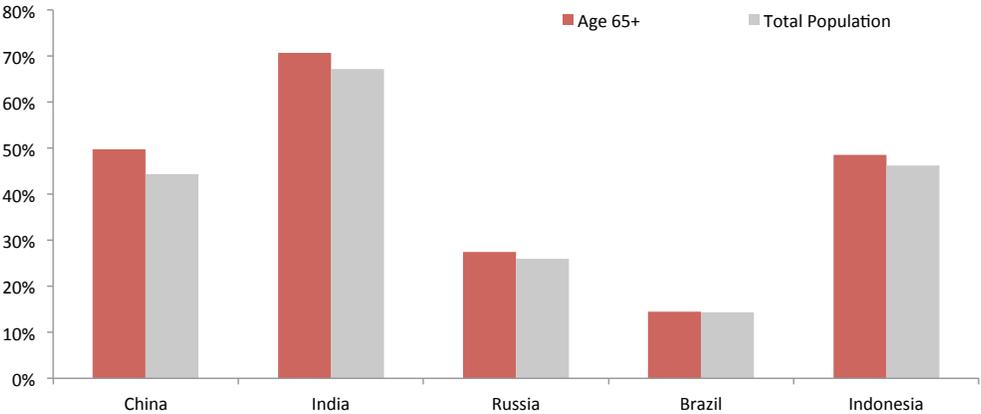
vulnerable to social isolation and a lack of support services.

What further complicates the challenge faced by middle-income countries is a transformation in family structure, evident in shrinking sizes and a shift away from multi-generational households. Three forces have led to this transformation:

- **Fertility rates** have been declining sharply. The fertility rate has decreased by more than half since the 1950s in middle-income countries. Today, an average woman in upper-middle-income countries gives birth to 1.85 children, already fairly close to the level of 1.69

Fig. 4. Older Adults Tend to Be Left Behind in Rural Areas.

Share of Population Living in Rural Areas: Age 65+ vs. Total Population, in Top 5 Middle-Income Countries by the Size of Older Population (2015)



China, India, Russia, Brazil, and Indonesia together accounted for 42 percent of the world’s older population in 2015. While the degree of urbanization varies, they all have a higher proportion of the older population living in rural areas than the total population. Particularly in China, which is home to 22 percent of the world’s older population, half of seniors still live in rural areas; and in India, an overwhelming 71 percent of seniors live away from cities.

(Sources: United Nations, Department of Economic and Social Affairs, Population Division; FP Analytics)

in industrialized countries.⁷ As a result, there are fewer adult children available to care for older parents.

- **Migration** of adult children from rural to urban areas, from smaller cities to large cities, or from home country to overseas – as a result of urbanization and globalization – is driving up the incidence of older parents not living in the same area as their children.
- **Rising housing costs** in cities, another consequence of rapid urbanization in many countries, have also caused extended family structures to be more expensive.

Unlike industrialized, aged countries where the family structure shift preceded the population aging, many middle-income countries are experiencing these two trends simultaneously. As a consequence, they are suddenly facing a gap in care for older adults. This unprecedented challenge, resulting from the convergence of aging, urbanization, and shifting family structure trends, also represents a tremendous opportunity for middle-income countries. Compared with industrialized countries, they are well positioned to integrate older adults' needs into their ongoing, fast-moving urbanization and development efforts.

Fiscal Constraints

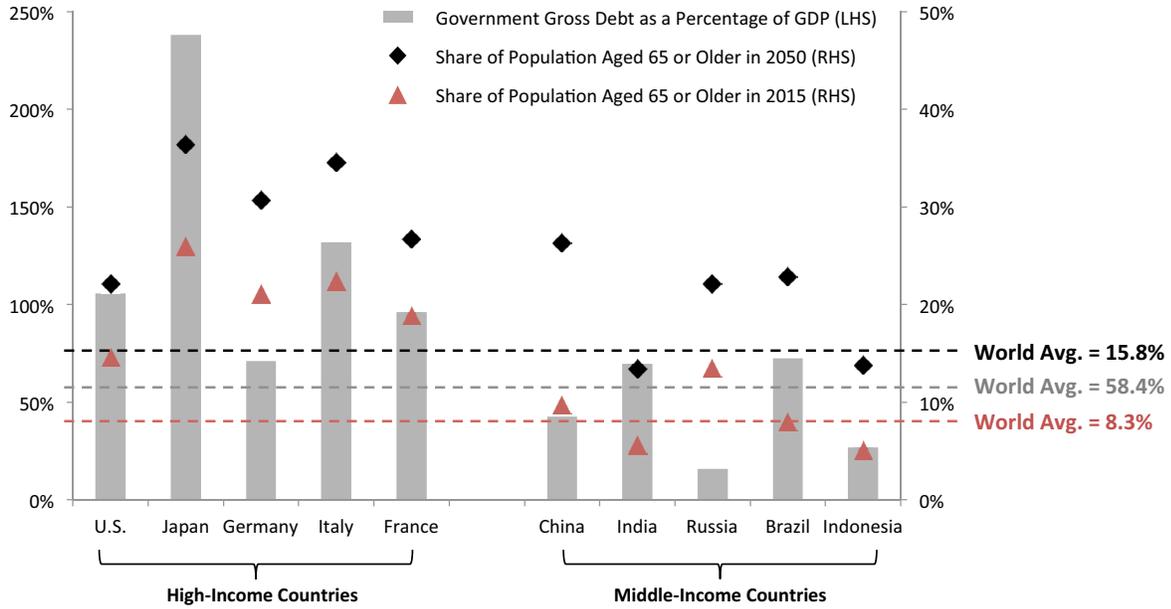
Governments, particularly local governments, possess unmatched ability to improve community social infrastructure, whether it is through accessibility regulations, public infrastructure planning and investments, or support for community facilities to engage and assist older adults. However, fiscal considerations and decision-making that prioritizes short-term savings over long-term benefits are constraining much needed investments. Whereas high-income countries are highly leveraged, their middle-income counterparts are headed in this direction with above-average deficits. (Fig. 5)

In many middle-income countries, governments are inclined to focus their limited fiscal capacity on development priorities. In industrialized economies, the prolonged, slow economic recovery since the Great Recession and the increasing fiscal austerity are threatening public funding allocated to benefit older adults. Within the context of rising inequality, there are also intensifying debates over whether the allocation of public resources should shift in focus from the older population as a whole to only those at risk or physically and economically vulnerable.

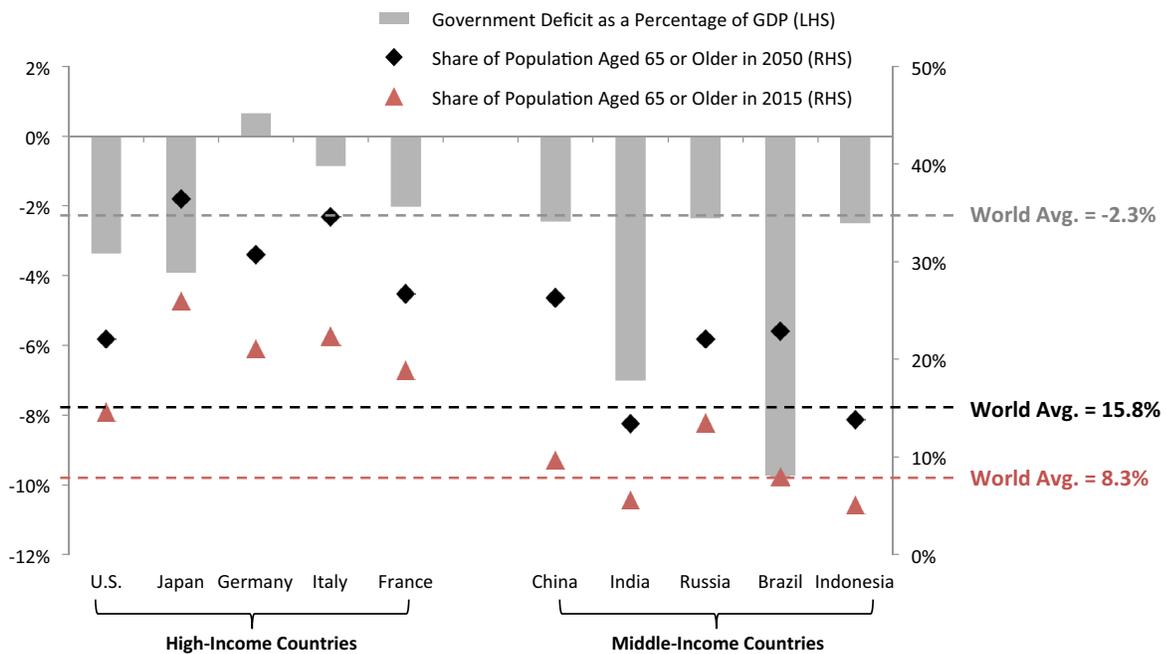
⁷ United Nations, Department of Economic and Social Affairs, Population Division. (2017). *World population prospects: the 2017 revision*. Custom data acquired via website. Accessed December 2017.

Fig. 5. Top high-income and middle-income economies with the largest older populations are coping with aging amid fiscal constraints.

Government Debt vs. Share of Older Population



Fiscal Deficit vs. Share of Older Population



(Sources: IMF's World Economic Outlook Database April 2017; United Nations, Department of Economic and Social Affairs, Population Division; FP Analytics)



Accessibility

Accessibility is fundamental to older adults' ability to be actively engaged in their communities and to live independently. Limited access to transportation, buildings, and housing has been a stumbling block across countries, independent of level of economic development.

Transportation

Transportation is the circulatory system of community social infrastructure, enabling older adults' physical access to workplaces, healthcare, and leisure. However, it is insufficient in every country across the board. While transportation systems tend to improve as income rises, gaps are persistent across countries. According to Gallup surveys of people age 50 or older in 154 countries, an average of just 36 percent of respondents among low-income countries expressed satisfaction with the accessibility and quality of local public transportation systems, and the percentage rose to only 56 percent and 61 percent among middle-income and high-income countries, respectively.⁸

Barriers in transportation services can be thought of as the three "A"s: availability, accessibility, and affordability:

⁸ HelpAge International. (2015). *Global AgeWatch Index 2015*. Gallup Analytics. FP Analytics calculation.

1. Lack of availability of transportation services

While a more pervasive issue in emerging economies, this barrier also exists in industrialized countries, particularly in suburban and rural areas. In addition, older adults with disabilities face challenges transiting from homes to transportation stations. Limited availability of transportation not only constrains older adults' mobility but also could push them toward unsafe options. In high-income countries, older adults tend to resort to driving, which exposes them and others to the risk of vehicle crashes. In middle-income and less-developed countries, seniors more often opt to walk in the absence of public transportation, and poor conditions or the absence of sidewalks could make them vulnerable to injuries and traffic accidents.

2. Lack of barrier-free access

The prevalence of disability rises with age. As such, mobility aids and their designs, which range from low-floor wheelchair-accessible buses to ramps and elevators at train stations and to audio-visual announcements of schedule information, are important to help older adults move around with ease. However, access to barrier-free modes of transportation and related facilities is the most pervasive issue in both high-income and lower-income countries,

and great variation exists not only across regions within a country but also across different types of vehicles.

3. Affordability

Fare subsidies for older adults are available in all twelve of the countries covered in the 2017 ARC study, on either national or regional levels, but there is variability in eligibility-age thresholds and discount rates. Moreover, fare subsidies are susceptible to fiscal constraints, as observed in Canada and the UK, where in recent years some local governments have ceased to offer free or discounted rides on public transportation for seniors, citing rising costs and fiscal pressure.

No country is excelling in all of the three areas. In Germany, a country known for its advanced transportation infrastructure, nearly 90 percent of people live within one kilometer of a public transit stop. People with severe disabilities, including those of older ages, are eligible for free use of the public transportation; at local levels, municipalities also provide discounted fare for older adults. However, the country lacks age-friendly features to aid accessibility. Trains are still being used in Germany that cannot accommodate wheelchairs, and only half of train stations are barrier-free. While accessibility is required by law, transportation-accessibility regulations focus only on public transportation and do not include private companies. Slow enforcement at the local level also remains a challenge – even though the amended 2013 Passenger Transportation

Act requires the public transportation to be completely barrier-free by 2022, state governments are allowed to derogate from the deadline or determine exemptions if they are necessary due to technical or economic reasons.

The greatest advancements reducing barriers to availability, accessibility, and affordability are found in countries and communities that have comprehensive regulation and active enforcement, consider the needs of older adults in broader planning processes, and employ innovative solutions to leapfrog the expansion of traditional infrastructure.

The U.S. demonstrated the value of comprehensive legislation when it passed the landmark Americans with Disabilities Act (ADA) in 1990. The ADA prohibits discrimination based on disability and provides an array of mandates for transportation, as well as public and private facilities, to provide greater access for the disabled. The ADA has led to significant improvements in accessibility. While only 36 percent of fixed-route buses were accessible to wheelchair users before the law's passage, over 98 percent were wheelchair-accessible by 2011.⁹

Beyond transportation, a more holistic and cost-effective approach to advance older adults' mobility is to integrate their

⁹ The U.S. Senate Committee on Health, Education, Labor and Pensions (2011). *The Americans with Disabilities Act and accessible transportation: challenges and opportunities*. Retrieved from: <https://www.help.senate.gov/imo/media/doc/Capozzi1.pdf>.

needs into city planning. Coordinating the deployment of public and commercial facilities with transport network routes can maximize transportation efficiency while improving mobility. Greater direct engagement with older adults in urban planning is needed to better understand and accommodate their needs. Japan is a global leader in urban-planning practices that enable independent aging, with one particularly successful model emerging out of Toyama City in Toyama Prefecture. The city expects to see 40 percent of its population be age 65 or older by 2045. To prepare for this, it has invested in urban development that facilitates convenient and comfortable access to goods and services necessary for older adults' daily living. Facilities, such as cultural centers, supermarkets, and hospitals, are consolidated within walking distance and along public transit network routes. The effort has led to increased mobility of seniors; their ridership on the light-rail transit increased by 23 percent on weekdays and weekends, and 51 percent on holidays from 2010 to 2014.

Countries are also successfully leapfrogging traditional, costly infrastructure development with more innovative service models and deploying new technologies. For example, one effective model is demand-based transit services, which are provided to circumvent public transport and expand older adults' transit options. Demand-based transit services, such as paratransit, have been widely adopted in North America and Europe. Functioning as a supplement to

fixed-route transportation services, this service provides door-to-door transfer for mobility-challenged individuals, with operators varying by region, ranging from public-transportation agencies to private entities. More recently, ride-hailing technology has further advanced transit flexibility, although the degree to which older adults can benefit is a function of their digital literacy. Innovative practices have risen to overcome this barrier – in the U.S., Uber and Lyft have partnered with service providers to allow older customers to book rides through a phone operator, bypassing smartphone apps entirely.

Accessibility in Buildings and Houses

Barrier-free access to and within buildings and houses is vital to older adults' ability to live independently and remain actively engaged in their communities, but as with transportation, major gaps exist in all countries. In a survey by the European Commission that was conducted in 2015 and 2016 across 26 EU countries of varying income levels and including 1,162 individuals (more than one-third age 50 or older), the “lack of access to the built environment” ranked as the third most significant challenge for persons with disabilities, following lack of equal opportunity in the labor market and lack of access to transportation.¹⁰ The challenge is even greater in lower-income countries.

¹⁰ European Commission. (2017). *Progress report on the implementation of the European Disability Strategy (2010-2020)*. Retrieved from: https://www.ifglobal.org/images/SWDPProgressReportEDS_EN.pdf.

Accessibility barriers range from physical barriers that prevent older adults from safely moving around with ease, to the absence of designs that enable the use of facilities by people with disabilities. As with transportation, policy mandates are a precondition for elevating accessibility in buildings. While the 12 countries included in the 2017 ARC study all have mandates of some kind related to building accessibility, there is a great deal of variation in the scope, intensity, and level of enforcement.

While the U.S. – the early mover in accessibility legislation – offers a relatively successful model, Korea provides a more recent example. Since 2015, the Korean government has required all newly constructed public facilities, such as town halls and public hospitals, to obtain a government-issued barrier-free certification

(BFC). This policy is built on the successful practice by the city of Seoul, which started to promote the BFC system in 2010. Since then, the installation rate of barrier-free designs in public facilities has nearly doubled, reaching 85 percent.

To some extent, industrialized countries face a greater challenge than middle-income countries, given their large stock of legacy infrastructure. Building owners and operators lack incentives to undertake retrofits due to high costs. Even in countries where mandates are in place, existing buildings are subject to less strict requirements than new buildings. In the U.S., the ADA requires facilities operated by businesses and nonprofit organizations to remove accessibility barriers only when the removal can be carried out without considerable difficulty or expense. While state and local governments have a greater

Box 1. German Government Subsidizes Housing Renovation for Older Adults

Today, one in five Germans is 65 years or older – of these, only 5 percent live in barrier-free apartments, and 83 percent live in older buildings that are generally less accessible than more recent construction. Structural inefficiencies in private homes account for about one-quarter of falls experienced by older Germans on a daily basis. In response, the government has allocated funds to facilitate the conversion of buildings and apartments into barrier-free living spaces through programs like the Age-Appropriate Rebuilding Program.

This program provides low-cost loans and grants for the renovation and reconstruction of residential housing. Depending on home-ownership status, those interested in converting a property to be more age-friendly can apply for a loan of up to EUR 50,000 per residential unit at an annual interest rate of 0.75 percent, and for a grant of up to 12.5 percent of all eligible costs with a maximum of EUR 6,250. The program has been met with so much enthusiasm that the 2016 budget of over EUR 49 million was exhausted only halfway through the year.

obligation, they are allowed to not take any action should it cause undue financial and administrative burdens.

Lack of accessibility in houses represents another serious challenge, with older houses again representing the biggest issue. Age-friendly designs – such as fall-preventive grab bars in bathrooms, hand-rails by stairways, and slip-resistant floors – are important to support older adults' independent living. The cost of these retrofits is borne by the individual or family, although changes to the building code and subsidies for retrofits have proven to be effective tools.

Government mandates are seemingly the low-hanging fruit relative to other options, but mandates – if passed – are only as valuable as effective implementation. Such an approach could be effective for middle-income countries in particular, as they are undergoing rapid urbanization and modifying building codes to incorporate needs of the aged and disabled. Although laws in the five middle-income countries covered in the ARC study all mandate some level of access to buildings for persons with disabilities, lack of enforcement has resulted in persistent barriers across countries. Rather than mandates, governments have begun to create incentives to retrofit existing homes. While subsidies have been effective in creating necessary financial incentives for older adults and families to retrofit older houses, fiscal constraints limit the scale and sustainability of these policies, as observed in Germany. (Box 1)



Engagement

Social engagement is vital to older adults' health and happiness, and governments and communities around the world are developing new approaches to meeting this need in the fiscally constrained era. Some of the most innovative practices focus on older community members as a resource to address broader societal challenges. Taking a holistic approach, they can promote older adults' social engagement while minimizing pressure on fiscal resources and maximizing benefits for the society as a whole.

State of Play

Older adults are prone to loneliness, which negatively affects their health.¹¹ Social disengagement after retirement and the deaths of one's spouse and friends are among the ubiquitous life-changing events that contribute to the loneliness later in life.¹² Moreover, family structure changes that result in older adults living away from their children could further increase the risk, as seen in Korea. The Korean society has experienced rapid nuclearization of the family structure over the past decades. Over this period, the share of older adults

who live alone or with only a spouse rose by two-thirds, reaching 68 percent in 2014. The rapid family-structure change has contributed to relatively low social connectedness among older adults and high suicide rates. Only 60 percent of Koreans age 50 and over feel that they have a friend or relative to count on when in need of help – the lowest among all OECD countries – and the suicide rate of older Koreans is the highest among OECD countries, more than double the average.

Being socially active prevents loneliness and isolation, benefiting older adults' health and reducing healthcare spending. According to a meta-analysis of 148 studies of social relationships and mortality,¹³ people with strong social connections have a 50 percent increased likelihood of survival after an average follow-up period of 7.5 years, regardless of initial health status. Moreover, as revealed in research on 27-year longitudinal data about older Germans, living a socially active life and prioritizing social goals in later life help

¹¹ Heikkinen R, Berg S, Avland K. Depressive symptoms in late life. *Journal of Cross Cultural Gerontology*. 1995;10:315–330.

¹² Singh, A., & Misra, N. (2009). Loneliness, depression and sociability in old age. *Industrial Psychiatry Journal*, 18(1), 51–55. <http://doi.org/10.4103/0972-6748.57861>.

¹³ Bolton, M. (2012). *Loneliness – the state we're in: a report of evidence compiled for the campaign to end loneliness*. Age UK Oxfordshire. Retrieved from: <https://www.ageuk.org.uk/brandpartnerglobal/oxfordshirevpp/documents/loneliness%20the%20state%20we%20are%20in%20-%20report%202013.pdf>.

to improve older adults' well-being.¹⁴ As social engagement prevents older adults from isolation, it helps to lower healthcare expenditure. According to a new study by AARP and Stanford University in 2017, a lack of social contacts among older adults is associated with an estimated USD 6.7 billion in additional federal healthcare spending each year in the U.S.¹⁵

There are two primary approaches to promote older adults' engagement. One is focused on providing facilities or creating opportunities for intra- and inter-generational interaction. Community centers, senior centers, or other similar facilities are the most widely used, which also often serve as venues to provide assistance for older adults. The other approach is to encourage and facilitate volunteerism. Volunteering is positively correlated with older adults' life satisfaction, and they are also likely to receive greater benefits from volunteering than are other population groups.¹⁶

¹⁴ Gerstorf, D., Hoppmann, C., Löckenhoff, C., Infurna, F., Schupp, J., Wagner, G., & Ram, N. *Terminal decline in well-being: the role of social orientation*. *Psychology and Aging*, Vol. 31(2), Mar. 2016, 149–65
<http://dx.doi.org/10.1037/pag0000072>.

¹⁵ Flowers, L., Houser, A., Noel-Miller, C., Shaw, J., Bhattacharya, J., Schoemaker, L., & Farid, M. (2017). Medicare spends more on socially isolated older adults. *Insight on the Issues* 125. Retrieved from: <https://www.aarp.org/content/dam/aarp/ppi/2017/10/medicare-spends-more-on-socially-isolated-older-adults.pdf>

¹⁶ Corporation for National & Community Service. (2007). *The health benefits of volunteering: a review of recent research*. Retrieved from: https://www.nationalservice.gov/pdf/07_0506_hbr.pdf.

However, traditional models are typically constrained by limited financial resources, affecting efforts to promote social engagement in middle-income and industrialized countries. Middle-income countries are lagging behind, largely due to limited resources. In Mexico, opportunities for older adults to become more involved in their respective neighborhood environment are limited to family and church communities. Mexico has the largest public debt and fiscal deficit but the lowest general government spending as a percentage of GDP among the middle-income countries covered in the ARC study.

Financial pressure is being felt everywhere. In the U.S., the Older Americans Act (OAA) funds services that keep older adults healthy and independent, including senior centers, but funds have not kept pace with the needs. While funded services are widespread across the country, and approximately 3 million older Americans benefited from these services in 2014, the allocation rose less than 5 percent from 2004 to 2014, while the population ages 65 and older grew by nearly 30 percent over the same period. This financing challenge is shared widely by older, industrialized countries.

In light of fiscal constraints, efforts to promote engagement are evolving to maximize cost-efficiency; successful models are notable for taking holistic approaches and incorporating older adults into comprehensive societal solutions, such as through house sharing and volunteerism.

House Sharing

House sharing is a proven model that enables older adults to be socially engaged while helping to address a common, societal challenge. It matches older adults who have spare rooms with young professionals and students who struggle with high rent or tuition. Participating younger people agree to provide company and/or assistance with household tasks in exchange for low or no rent. The model also yields an additional benefit of enhancing inter-generational ties and social cohesion.

While countries with older populations are at the forefront of promoting house sharing, the model is also being adopted in younger societies that have a strong culture of valuing older people. The concept of house sharing has its roots in the U.S., where Maggie Kuhn, founder of the Gray Panthers, launched the first program in 1972.¹⁷ The model has then been taken up and spread in countries including the UK, Germany, Australia, and Spain since the 1990s. However, a more recent innovative program emerged in Israel, which although among the youngest OECD countries, has deep respect for older adults due to cultural and historical factors.

The Israeli initiative, known as “Here We Live,” was launched in 2014 in an attempt to make higher education more financially accessible while enhancing social con-

nection of older citizens. Israel has higher university tuition than all European countries except Britain, with limited access to student loans.¹⁸ Students who participate in the project enjoy subsidized housing and tuition in exchange for spending time each week with their older landlords. The program also promotes the spirit of “give and take” in the society, which places intergenerational solidarity at the center of its value system. The program is now being replicated in the United Kingdom and studied by other countries.

Volunteerism

Older adults are among the most active force of volunteers, representing a tremendous productive resource for all societies. According to a 2011–2012 Active Aging study conducted in Europe, which covered twenty-seven high-income and middle-income countries, 27 percent of people ages 55 and older participated in volunteer work, compared to an average of 26 percent. People ages 55 and older also spent the most time dedicated to volunteer work – 14 hours per month, 17 percent more than the average level.

Programs that are specifically designed to make the most of this enthusiasm for volunteerism and their resources – in terms of both expertise and time – have been hugely successful. China stands out among the 2017 ARC countries, with its innovative program known as the Silver

¹⁷ Homeshare International. *The history of homesharing*. Retrieved from: <http://homeshare.org/what-is-homeshare/the-history-of-homeshare/>.

¹⁸ Skop, Y. (October 22, 2013). University tuition higher in Israel than almost all of Europe, study finds. *Haaretz.com*. Retrieved from: <https://www.haaretz.com/israel-news/.premium-1.553821>.

Age Action Initiative. Launched by the government in 2003, the program organizes retired professionals to volunteer in western and less-developed regions of the country, aiming to utilize their knowledge and experience to help local economic and social development. The initiative has covered 31 provinces, and volunteer activities have expanded from the initial focus on public health and medical care to a broader scope including culture, education, and agriculture. Over USD 1.2 billion in economic value has been contributed by around 5 million older professionals who have participated in this program.



Assistance

Whereas social engagement enhances older adults' well-being, assistance ensures their adequate standard of living. Although engagement and assistance often leverage the same resources, assistance – focused on providing services to support aging in place – is at much greater risk from fiscal pressures. Best practices are emerging from programs aimed at leveraging existing resources and empowering local stakeholders. The most significant progress has been observed in middle-income countries that are endeavoring to develop a social infrastructure for a rapidly growing older population.

State of Play

Older adults' ability to meet their own basic needs declines with age – both a cause and an effect of reduced physical capacity.¹⁹ Those who live alone or with disabilities are particularly prone to the risk of being marginalized,²⁰ lacking access to support for their basic living. Japan – home to the world's oldest population – presents an example of this challenge. One in four

¹⁹ World Health Organization. (2015). *World report on ageing and health*. Geneva, Switzerland.

²⁰ McMaster Optimal Aging Portal. *Loneliness and social isolation are important health risks in the elderly*.

Retrieved from: <https://www.mcmasteroptimalaging.org/blog/detail/professionals-blog/2016/04/08/loneliness-and-social-isolation-are-important-health-risks-in-the-elderly>.

Japanese is age 65 or older, and nearly one-fifth of them lived alone as of 2015. *Kodokushi* (“solitary death”) has become a serious societal issue – in 2013, more than 2,800 older people died alone in Tokyo. A 2014 survey by the government showed that 45 percent of older Japanese who lived by themselves were seriously concerned about dying alone, and this proportion is especially high – 63 percent – for those who only have a conversation with others once or twice per month. Assistance is critical to help eliminate the risk of isolation and to ensure that basic needs of older community members are met.

Assistance for older adults across ARC countries is provided through community-based support and service networks in two primary forms:

- Household and daily care services that are provided at home or community facilities, ranging from hygiene and meal services to health consultation and medical care;
- Regular check-ins through home visits or phone calls to identify “at-risk” individuals and their needs for support, and emergency hotlines that respond to urgent needs of older adults.

In practice, successful programs enabling older adults to live comfortably in communities integrate assistance and

engagement, and Israel's long-standing Supportive Community program is an effective model. Initiated in 1989 by a leading Israeli NGO, the program provides a comprehensive package of services to older adults based on a monthly membership fee. Services include household repairs, an emergency call system, home-visit medical services, and weekly social activities. The program has achieved high levels of satisfaction – only 4 percent of respondents in a 2010 survey expressed dissatisfaction. By integrating assistance and engagement in communities, such programs create a low-cost alternative to an institutional setting and facilitate aging in place.

Nevertheless, around the world, assistance by its very nature requires more resources and is thus under fiscal pressure. Aged, industrialized countries are seeking afford-

able solutions to provide assistance in an era of fiscal constraints, with best practices arising to empower local stakeholders and leverage existing infrastructure networks. While middle-income countries are largely lagging behind, efforts are evolving to provide support services to older adults, and some countries are embarking on ambitious efforts to develop fundamental social support systems to accommodate rapidly growing older populations.

Aged Societies Seeking Affordable Models

Empowering and mobilizing local stakeholders has proven to be an effective approach to maximize cost-efficiency of assistance programs. Local stakeholders range from municipalities to nonprofit organizations and from community-based

Box 2. Japan Tackles Social Isolation through Innovative Practices

Since becoming home to the world's oldest population in 2006, Japan has undergone prolonged, low economic growth, coupled with a high fiscal deficit and government debt. Faced with these challenges, Japan has creatively leveraged existing infrastructure and networks to provide assistance to older adults. One notable program is the "watchover service," which is built on the national network of Japan Post Group, a government-owned holding company.

Japan Post first introduced the support services for older people in 2013 on a trial basis in six prefectures and expanded it nationwide in 2015. Postal workers monitor the health and well-being of older people and report back to their family members. One can subscribe to receive one 60-minute home visit or daily phone call check-in for a modest fee. Japan Post Group operates 24,000 post offices around the country and has a workforce of 400,000, equipping it to deliver this service to virtually every older citizen in the country. The "watchover service" is not only effective in providing support for older adults but also creates an additional revenue source for post offices – which are facing challenges from emerging competitors around the world – hence representing an integrated approach to address broader societal challenges.

organizations to individuals and households. As demographic features and unmet needs of older populations – as well as available resources – vary across communities, local stakeholders are in the best position to develop programs suitable for local situations and to extend the reach of assistance to a greater number of older residents.

Central government funding allocated to local stakeholders has been effective in financing local efforts, initiating pilot projects, and testing potentially replicable models. Canada’s New Horizons for Seniors Program (NHSP) is an example of an effective approach. NHSP funds projects run by various stakeholders focused on promoting social participation among older people and providing assistance. It typically grants CAD 25,000 per year to a community-based project and CAD 150,000 to pan-Canadian projects for up to three years. Since its launch in 2004, the federal government has funded close to 17,800 projects in hundreds of communities nationwide.

Capacity-building offers a lower-cost means of supporting community-based programs. In the U.S., the Business Acumen Learning Collaborative program has been operating since 2013. Technical assistance is provided to networks of community-based organizations nationwide to assist them in marketing, contracting, and pricing the services they provide to older adults and individuals with disabilities. Building business acumen among local organizations enables them to expand and seek supplemental financial resources to sustain the program’s survival and even scale up.

Another low-cost approach focuses on mobilizing community members, including residents and front-line service providers. Successful programs often involve a mechanism that allows community members to report risks of isolation and request assistance. One notable program is Canada’s Niagara Gatekeepers, which first started in the city of Port Colborne, Ontario in 1997 and was soon replicated in other regions. The program provides a 24-hour referral phone line, and anyone can call to report signs of potential isolation of older adults. Referrals are then forwarded to partner agencies, who in turn contact the older adult and help to get services or assistance in place. As such, mobilizing community members is particularly helpful to identify marginalized and “at-risk” older adults.

Going beyond typical networks of assistance providers, the most innovative practices are emerging to leverage existing networks that are traditionally assigned to other social or business functions. Successful models, like Japan’s “watchover service” built on the national postal network (Box 2), demonstrate the potential for a comprehensive solution to help address broader societal challenges.

Aging Middle-Income Countries Coping with Limited Infrastructure

Middle-income countries are grappling with ways to support aging in place with limited infrastructure and resources and competing development priorities, but programs are being developed that mirror best practices from aged societies. In South Africa, rather than develop a nationwide,

Box 3. Chinese Government Develops Community Support for Aging in Place

China is home to nearly a quarter of the world's population age 60 or older. The society and family structures have experienced dramatic change over the past several decades as a result of the one-child policy adopted in late 1970s, industrialization, and urbanization. As of 2013, more than 100 million (or 51 percent) of Chinese people age 60 or older lived alone or with a spouse, and the number is projected to more than double by 2030.

With more than 99 percent of older people living at home, the government has recognized the imperative to develop community infrastructure to support aging in place. Aiming to establish an integrated care system for older adults nationwide by 2020, the State Council released *Several Opinions on Accelerating the Development of Old-Age Care Sector* in late 2013, providing guidelines on specific objectives and measures.

Today, all newly developed urban areas and residential complexes are required to be equipped with care or service facilities for seniors. Many local governments have also launched projects to provide care systems in existing communities. In the Shijingshan District of Beijing, older adults can access the nearest Senior Care Station within a 15-minute walk and obtain hygiene, recreation, and meal services by paying a small membership fee. The stations also provide on-call or regular home-visit care service for older adults, and some also provide access to online medical and health consultation. The municipality provides the facility and subsidizes civil organizations and private companies that operate the stations.

The government has also endeavored to establish infrastructure to support the nearly half of older adults residing in rural areas. Former schools and other public properties have been renovated and turned into senior residences or centers. Senior residences accommodate older adults who are capable of living independently and taking care of each other. From 2010 through 2015, the government allocated approximately USD 440 million to support 100,000 senior residences and centers, and it is working to expand this model.

government-led program, the government is focused on empowering more than sixty local NGOs dedicated to serving older adults. Subsidies are awarded to these NGOs to support their efforts. For example, TAFTA, a large NGO, attributed 12 percent of its total revenue in 2016 to government grants. Operating in a region with one of the oldest populations in the country, TAFTA provides its services to an average of 5,500 older adults each month. As seen in industrialized economies, such funding-dependent programs are particularly

vulnerable to budget constraints, making it necessary to diversify empowerment tools, such as capacity-building.

As efforts to provide assistance for older adults are still evolving in middle-income societies, the greatest progress is emerging from countries where a comprehensive strategy is in place. China is at the forefront of such efforts, as the rapidly aging population and shifting family structure are driving the government to strengthen community support systems for older adults (Box 3).



Key Takeaways

Developing a robust community social infrastructure is an immediate and imperative task that must be faced head-on by both industrialized and middle-income countries to enable healthy and active aging. Its broad scope and complexity require both the leadership of governments and multi-disciplinary collaboration across the public and private sectors. In spite of fiscal constraints, proactive, holistic approaches and innovations can maximize cost-efficiency, as observed in best practices emerging out of the ARC study:

- Implementing *and enforcing* comprehensive accessibility mandates across public and private buildings, transportation, and housing
- Focusing on older adults as a resource and integrating their capabilities and interests in solutions to address broader societal challenges
- Empowering and mobilizing local stakeholders, including municipalities, community organizations, businesses, and older adults themselves, to develop programs that leverage existing resources and best suit local situations
- Engaging older adults to ensure their interests and needs are reflected in urban planning and infrastructure development.