

**ERA-AGE 2 - The European Research Area in Ageing presents the  
FUTURE LEADERS OF AGEING RESEARCH IN EUROPE (FLARE)  
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**Challenges Facing the Eastern European  
Researchers and the NMS and Bulgarian  
Future Ageing Research Priorities**

**Prof. Elka Todorova**

**University of national and world economy, Bulgaria**

# Eastern European Countries' Ageing Phenomenon

Incites:

- Challenges to the states
- Challenges to research
- Priorities to state policy
- Research priorities

# Challenges to the state

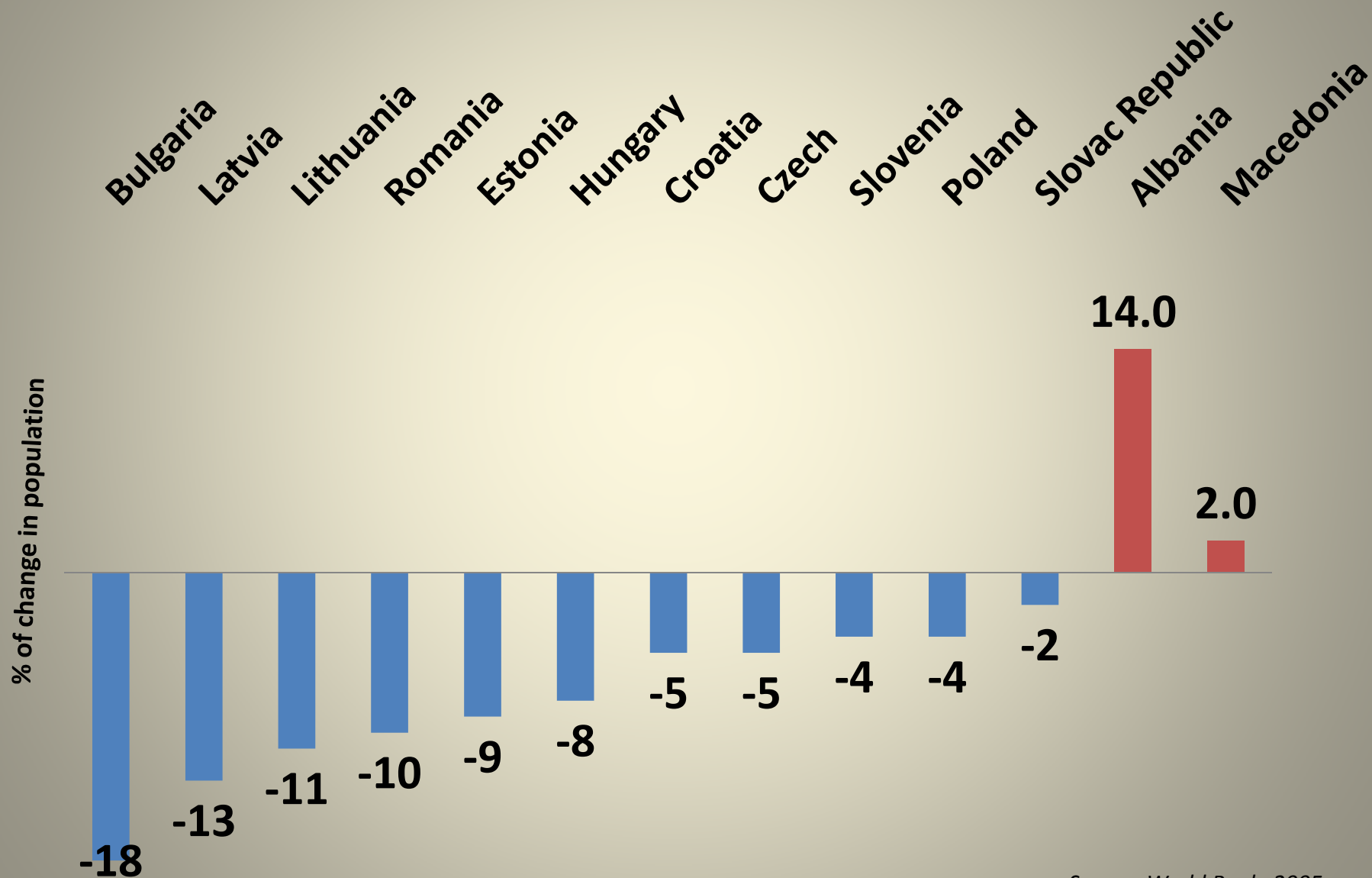
- Demographic transition in time of political transition.
- Demographic transition amidst economic transition not yet finished (low income, low institutional development).
- Only EE countries have population decline of more than 5000 people between 2000-2005.
- Transition leading to ageing society.
- Challenging directly the pension system and indirectly the health care system.

# Population lost by 2025 (millions)

<b>Romania</b>	<b>2,3</b>
<b>Poland</b>	<b>1,6</b>
<b>Bulgaria</b>	<b>1,5</b>
<b>Hungary</b>	<b>0,8</b>
<b>Czech Republic</b>	<b>0,5</b>
<b>Lithuania</b>	<b>0,4</b>
<b>Latvia</b>	<b>0,3</b>
<b>Croatia</b>	<b>0,2</b>
<b>Estonia</b>	<b>0,1</b>
<b>Slovak Republic</b>	<b>0,1</b>
<b>Bosnia and Herzegovina</b>	<b>0,1</b>

Source: World Bank based on UN 2005

# Population decrease



# Demographic transition has direct impact on:

## Economy:

- Labour force
- Public spending
  - Pensions
  - Health care
- Savings

## Social psychology:

- Stereotypes and prejudices
- Cognitive training
- Research on well-being

## Sociology:

- Social fragmentation and social exclusion, age inequalities and conflicts
- Life-long learning
- Research on disengagement; active living and participation; importance of self-consciousness

## Social work:

- Poverty prevention
- Social support
- Long-term care



# Labour force

- High speed in the increase of ageing population: doubles the number of 65+ in Bosnia; grows more than 60% in Cz,P,Slovakia,Slovenia
- Projected median age for Bg, Cz.,Slovenia closest to world's oldest population (Japan, Italy).
- Migration loosened after political changes - from poorer to ageing and richer countries.

# Priorities to state policy

## According to WB:

LP (labour productivity) increase is the major factor to offset decrease of LFP (labour force participation)

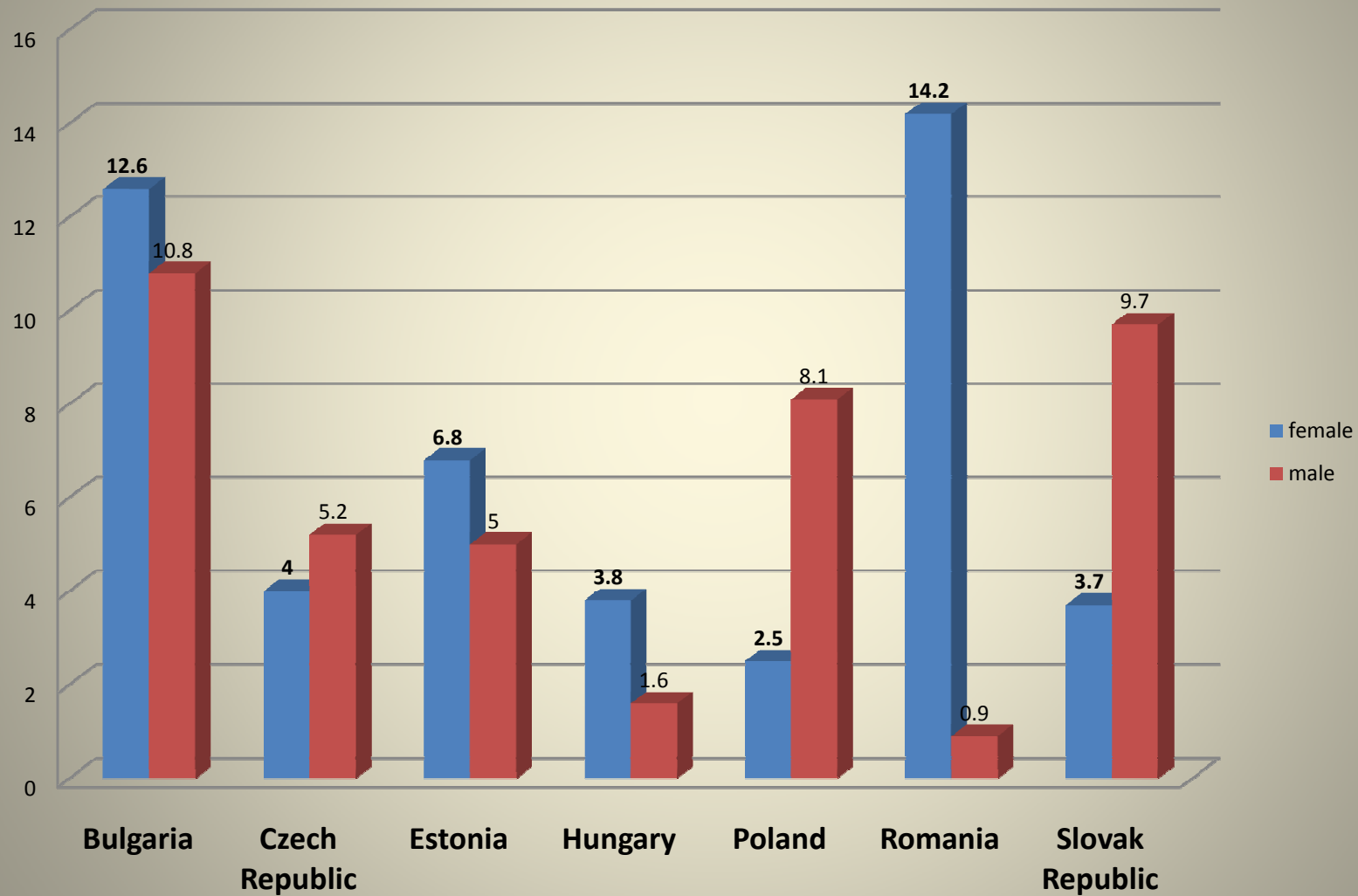
- LP contributes to growth.
- LFP (across ages) increase has greater influence than participation of older workers increase (through retirement age and equalization of age/sex).



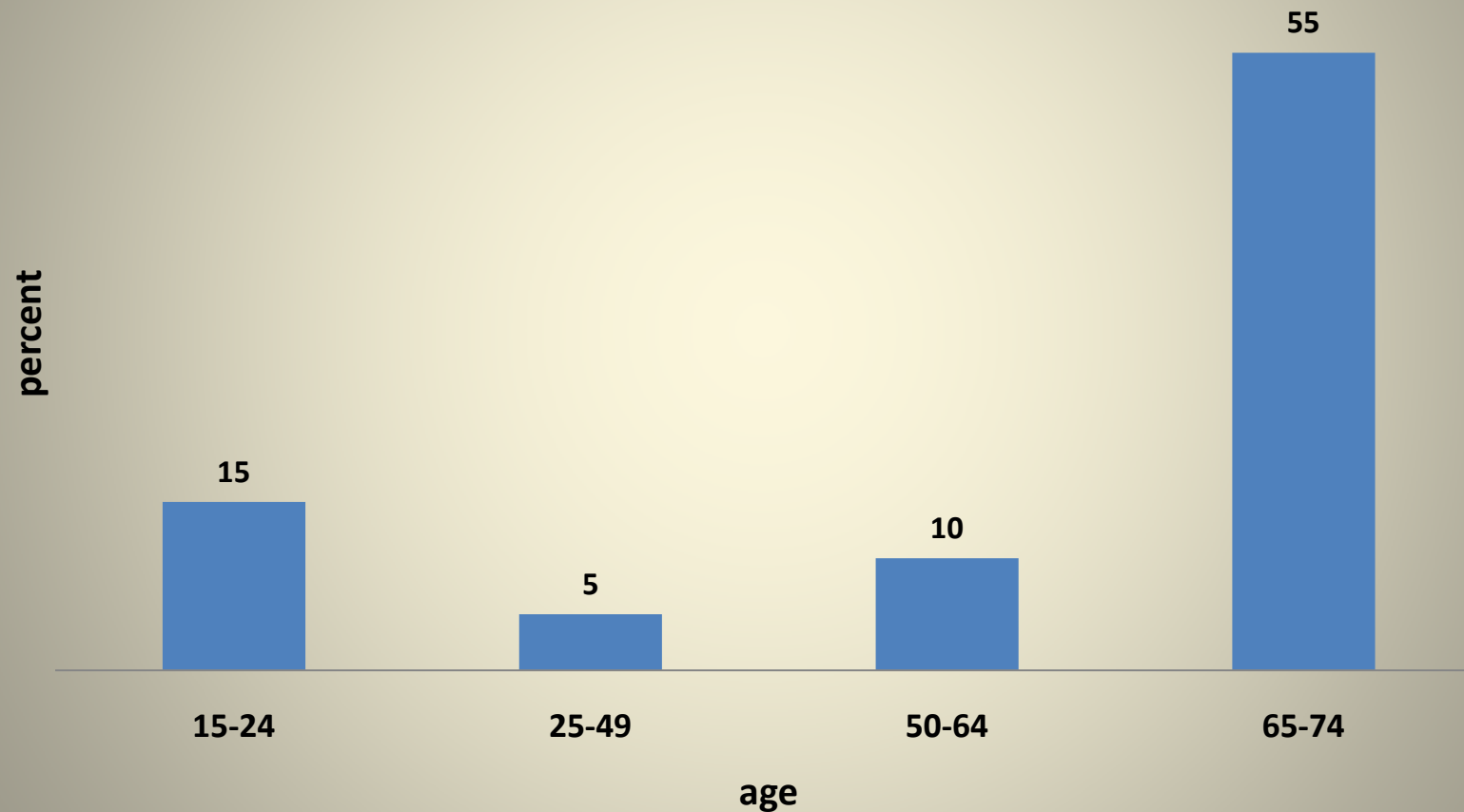
# Labor force participation rates by age groups (2005)

	EU 25	Poland	Bulgaria	Czech Republic
15-19	25	9	7	9
20-24	61	57	51	63
25-29	81	84	74	80
30-34	84	87	79	86
35-39	86	89	84	92
40-44	86	87	84	92
45-49	84	82	80	93
50-54	77	65	73	88
55-59	58	41	49	60
60-64	26	20	17	22

# Unemployment rates 2006 by age (55 years +)



## Bulgaria: Informal share of wage employment by age (multitopic Household survey, 2003)



# Savings

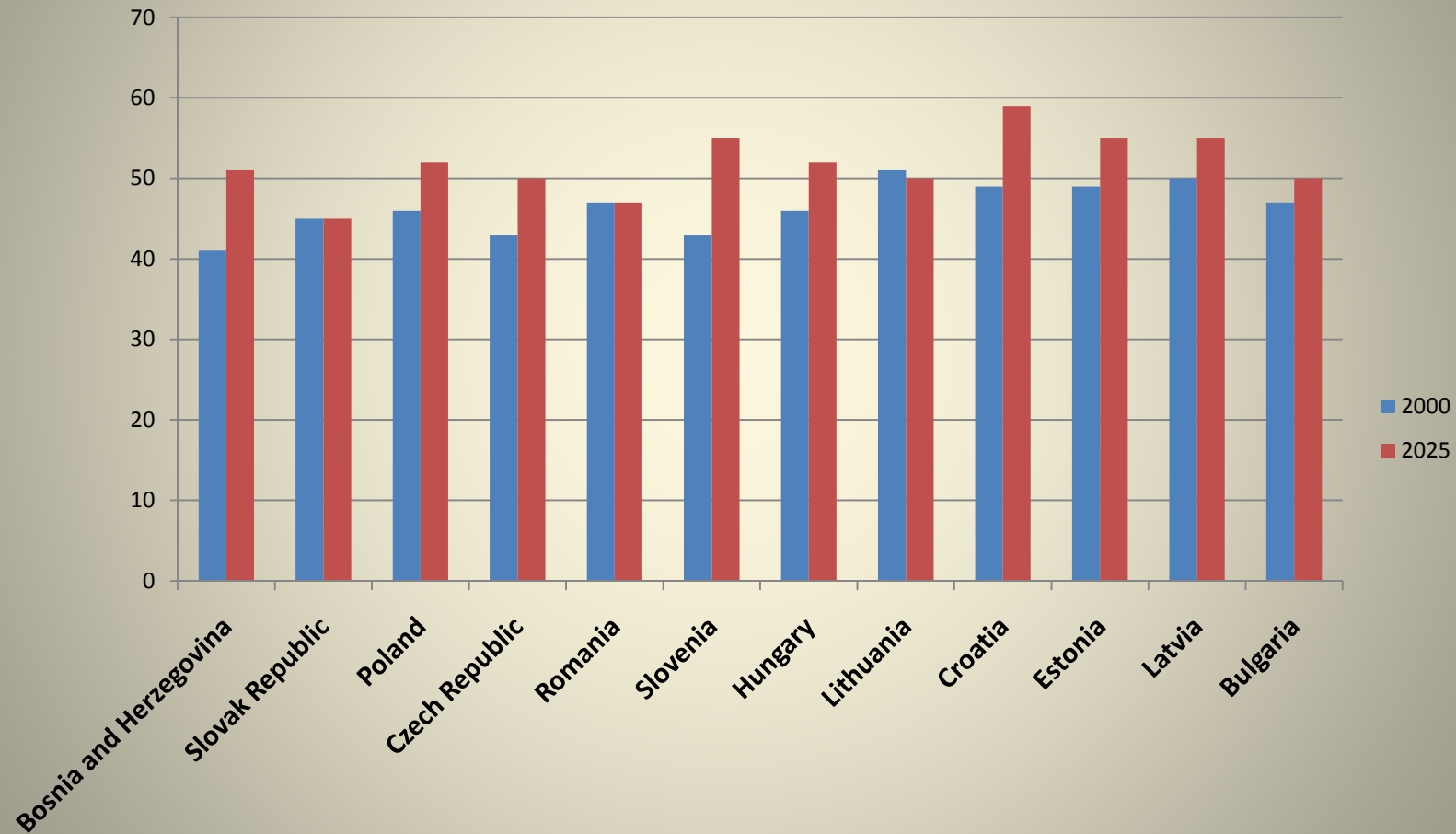
- Average rate - low.
- Low share of household and corporate savings.
- Negative household savings in Bulgaria, due to real wage drop 1990 and hyperinflation 1997.
- Real estate not an asset for low population mobility, no real estate market, few financial instruments.

# Public spending

Pressure on pension systems caused by:

- Number of elderly increased (absolute and relative to working population)
- Need for long-term care for the very old (rise of costs for medical and health care and family load)
- Rise of pension system dependency rate (ratio beneficiaries/contributors) in OECD is **twice** the population total dependency rate (number of people younger than 15 and number of people 65+ per 100% 15-64years), while in EE it is more than **3 time**.

# Total dependency rates 2000-2025





# Education and life-long learning

## **Main Goal** **Increase of Productivity**

- Need to restore and improve enrollment rates.
- Need to invest in lifelong practices to better meet needs of dynamic and flexible economies.
- Need to transform education financing.

# Research on support, cognitive training and well-being

- **Well being** – especially significant – amount of support received from spouse, siblings (excl.children) and amount of support given to friends and family (incl. children).
- **Training** – successful long-term effect after limited (10-12) sessions 60-90 minutes.
- **Emotional well-being** aged people – less stressed than 22-25; low levels of anger compared to 18; lower levels of sadness within 55-70; higher levels of happiness after 70, comparable to 20; more effective of regulating emotions and recall fewer negative memories.

# Bulgaria's Future Ageing Research Priorities

Start of interest in Ageing as a :

- Research topic
- Policy field
- Social psychological attitude
- Social work issue.

For the time being:

- Only interest in demographic data, but no policy implications
- No multidisciplinary interest
- Low sensitivity to ageism
- Arrogant economic and monetary approach to human capital, especially to pensioners and old aged.

# Optimistic expectations:

- Coherent analyses and research of the stratification tendencies within society, where the aged are the poorest income group.
- Overcoming the counterproductive approach of confronting generations based on today's economic share.
- Changing attitudes to emigration and immigration in Bulgarian society.
- Developing realistic social policies to Roma population problems not ethnic experimental ones.
- Convincing public administration that social science serves first of all society not only abstract science.

# Pessimistic scenario

Keep the situation without change:

- No interest in research from government;
- No financing for academic research (in BG's budget for 2011, Bulgarian Academy of Sciences is getting finances equal to the building of 5 km. highway)
- No stimuli for multidisciplinary design settings
- Low media interest in discussing ageing
- Low sensitivity to ageism, incl. incorrect political discourse