



Silver Economy: Challenges & Opportunities

Context:

- India's elderly population is on the rise, and as per surveys, the **share of elders, as a percentage of the total population in the country, is expected to increase from around 8.6% in 2011 to almost 12.5% by 2026, and surpass 19.5% by 2050.**
- Given this sharp rise there is an urgent **need to create a more robust eldercare ecosystem in India**, especially in the post-COVID phase.
- Based on the recommendations of the Expert Group on silver economy, a scheme has been launched to promote private enterprises that bring out innovation in products and processes for the benefit of the elders. This project is known as **Senior Aging Growth Engine or SAGE** and it will identify, evaluate, verify and aggregate the needs of elder persons to deliver products, solutions and services.
- Another portal **SACRED- Senior Able Citizens for Re-Employment in Dignity**, recently launched by Vice President will connect the senior citizens with job providers in the private sector.
- An initial sum of **100 crore rupees has been allocated for evaluating and promoting the Silver Economy in India** out of which nearly Rs. 25 crore has been assigned for use in FY2021-22.
- Initial estimations suggest that at present the **Silver Economy is worth approximately 73,082 crore rupees.**
- **Ministry of Health and Family Welfare launched Decade of Healthy Ageing (2020-2030) on International Day for Older Persons (1st October).**

About:

- Silver economy is the **system of production, distribution and consumption of goods and services aimed at using the purchasing potential of older and ageing people and satisfying their consumption, living and health needs.**
- The silver economy is analyzed in the field of social gerontology not as an existing economic system but as an instrument of ageing policy and the political idea of forming a potential, needs-oriented economic system for the aging population
- Its main element is gerontechnology as a new scientific, research and implementation paradigm.

History:

- The wording "**silver market**" was created in the **1970s in Japan** in the context of increasing of the availability of facilities for seniors.
- **Silver market includes, among others, good, values and services for affluent older people; special solutions in trade between operators, allowing adjustments to aging workforce; ideas of universal design and transgenerational design that aim is to adapt goods and services to people of different ages ("age-friendly"), physical condition and cognitive abilities, which may result in improved social integration.**
- The silver economy is not a single sector, but rather a collection of products and services from many existing economic sectors.
- World Health Organisation (WHO) defines **healthy ageing as "the process of developing and maintaining the functional ability that enables wellbeing in older age."**
- In 1982, the **Report of the World Assembly on Ageing (also known as "the International Plan on Ageing")** was published, which represented the first international debate on the rights of older persons and presented a plan for their implementation.



- The UNPF were tasked with implementing the **Plan of the Second World Assembly** which adopted **“Madrid International Plan”** on ageing in 2002.

Ageing:

- Ageing is a continuous, irreversible, universal process, which starts from conception till the death of an individual.
- **National Elderly Policy defines person of 60+ age group as elderly.**
- **Age division of Indian population (0-14) is 30.8%, (15-59) is 60.3%, (60+) is 8.6%.**
- According to Population Census 2011, there are nearly **104 million elderly persons in India.**
- **It has increased from 5.5% in 1951 to 8.6% in 2011.**
- As regards rural and urban areas, **more than 73 million persons i.e. 71% of elderly population resides in rural areas while 31 million or 29% of elderly population are in urban area.**

Challenges associated with old age

- **Social**
 - The traditional values and institutions are in the process of erosion and adaptation, resulting in the weakening of intergenerational ties that were the hallmark of the traditional family.
 - Negligence by kids towards their old parents.
 - Disillusionment due to retirement.
 - Feeling of powerlessness, loneliness, uselessness and isolation in elderly.
- **Financial**
 - Retirement and dependence of elderly on their child for basic necessity.
 - Migration of young working-age persons from rural area have negative impacts on the elderly, living alone or with only the spouse usually poverty and distress.
 - 78% of elderly are neither receiving pension not expected to receive one.
- **Health**
 - Multiple disabilities among the elders in old age.
 - About one in two elderly suffers from some chronic disease. 27% elderly have multi-morbidities, around 40% have a disability and 20% have issues related to mental health.
 - People above 45 years in India have an average per capita income of ₹44,901, a third of them suffer from hypertension and cardiovascular diseases.
 - Mental health issues are rarely discussed

Initiatives by government

- **Maintenance and Welfare of Parents and Senior Citizens Act, 2007:** Act ensures need-based maintenance for parents and senior citizens and their welfare. Maintenance And Welfare Of Parents And Senior Citizens (Amendment) Bill, 2019 was also introduced in Lok Sabha which seeks to amend 2007 Act.
- **National Programme for the Health Care for the Elderly (NPHCE):** It is an articulation of the International and national commitments of the Government as envisaged under the UN Convention on the Rights of Persons with Disabilities (UNCRPD), National Policy on Older Persons (NPOP) adopted in 1999 Section 20 of “The Maintenance and Welfare of Parents and Senior Citizens Act, 2007” dealing with provisions for medical care of Senior Citizen.



- **Longitudinal Ageing Study of India (LASI) Wave-1, India Report:** LASI is a full-scale national survey of scientific investigation of the health, economic, and social determinants and consequences of population ageing in India.
- **Integrated Programme for Older Persons (IPOP):** The main objective of the scheme is to improve the quality of life of older persons by providing basic amenities like shelter, food, medical care and entertainment opportunities, etc.
- **Rashtriya Vayoshri Yojana (RVY):** aids and assistive living devices are provided to senior citizens belonging to BPL category who suffer from age-related disabilities such as low vision, hearing impairment, loss of teeth and locomotor disabilities.
- **Indira Gandhi National Old Age Pension Scheme (IGNOAPS):** financial assistance is provided to person of 60 years and above and belonging to family living below poverty line as per the criteria prescribed by Government of India.
- **Varishtha Pension Bima Yojana (VPBY):** intended to give an assured minimum pension on a guaranteed minimum return on the subscription amount.
- **The Pradhan Mantri Vaya Vandana Yojana:** provide social security during old age. This is a simplified version of the VPBY and will be implemented by the Life Insurance Corporation (LIC) of India.
- **Vayoshreshtha Samman:** Conferred as a National award, and given to eminent senior citizens & institutions under various categories for their contributions on International day of older persons on 1st october.
- **Article 41 and Article 46 are the constitutional provisions** for elderly persons. Although directive principles are not enforceable under the law, but it creates a positive obligation towards the state while making any law.
- **Section 20 of Hindu marriage and adoption act, 1956** makes it obligatory provisions to maintain an aged parents.
- Under **Section 125 of Criminal Procedure Code**, the elder parents can claim maintenance from their children.

Contributions to society

- Elderly peoples carries **immense experience of their personal and professional life**, society at large need to channelise those experience for better tomorrow.
- They can provide a **vital generational link for upcoming generations**. It provides support and stability to families and society at large.
- Grandparents in joint families provide a **crucial link for transferring values and morals to the younger generation in their initial years**, thereby contributing towards upbringing of better human beings and responsible citizens.
- Acknowledging seniors' contributions would help to **make ours a more age-inclusive society that does not pit one generation against the other**.
- Their deep cultural impressions and social experiences provide the **necessary buffer against intolerance, violence and hate crimes** which provides stability in society especially in the era of hate and crime.
- They can play a **significant role in easing out societal tensions, both within and outside families through their insight and understanding**.



Way Forward

- Silver economy shall be more about **integrating these people into the economy as active participants rather than just as passive recipients.**
- The demographic changes in the country call for **appropriate economic and social innovation** underpinned by adequate policy reform and profound cultural transformation.
- The country needs **innovative models of finance** to drive the silver market and provide tailor-made services to seniors.
- It is important to **promote social entrepreneurship** to accelerate the growth of the silver economy.
- Countries like in Europe have small communities where care for the elderly and related facilities are available in the community; the volunteers of the community are the helpers of the elderly. **India needs to build such a type of youth army to help elderly in the far away areas.**
- The generation that is getting **older needs to be reskilled** as what is learned in early ages needs to be recalled again in order to make them contribute up to their maximum potential in the silver era.
- In India, the age of 58 is considered old and appropriate for retiring and not working. However, in western countries like the US, there is no maximum age for retirement. **Behavioural change needs to occur to ensure that the elderly are contributing towards the country as active participants.**
- **Increasing the monthly pension of elderly.**
- Under Pradhan Mantri Awas Yojana, **Housing for the aged, particularly the aged poor, must be a priority.**
- **Assisted living facilities for indigent elderly**, particularly those with age-related issues like dementia, needs policy focus.
- **More tax benefits**, or at least removing tax on deposit interest for seniors.
- **Enhancing the geriatric care health infrastructure especially in rural area.**
- **Allocation of special budget for elderly population** at both levels.
- Providing **entertainment facilities like libraries and clubs at panchayat level.**
- **Appreciations for the contributions of elderlies** at village level.

<https://youtu.be/wugogQvQOJw>

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