

How Do Older Adults in Latin America and the Caribbean Live?

The increase in the condition of dependency implies a greater demand for long-term care services.

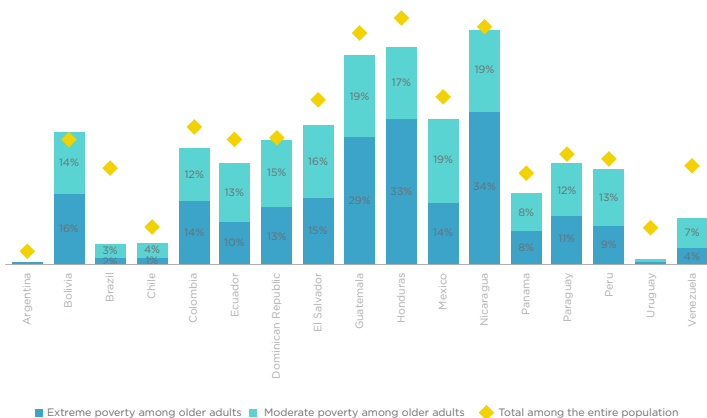
In the absence of state support programs in the context of social inclusion policies, these services are provided by families or acquired in the market. The possibilities of resorting to one or another resource depend, to a large extent, on the socioeconomic characteristics of the older adult population.

Pensions

In Latin America and the Caribbean (LAC), only 56 percent of people who have reached retirement age have some type of pension, either contributory or non-contributory. The data that emerge from the IDB's Harmonized Household Surveys in the region show that the regional average conceals very different scenarios: among people older than 80, the coverage of contributory and non-contributory pensions can range from as low as 7 percent in Honduras or 14 percent in Guatemala to levels close to 100 percent in Argentina, Brazil, Bolivia, Chile, and Uruguay.

Moreover, IDB estimates show that, due to high rates of labor informality, by 2050 a high percentage of older adults in the region (between 47 and 60 percent) will not have enough savings to finance a formal pension and will have to depend on the help of relatives or the state to survive if they cannot continue working.

Incidence of Extreme and Moderate Poverty among the Population over 60 Years Old (percent)



Note: The bars represent extreme and moderate poverty for the population over 60 years old and the diamonds represent total poverty among the general population of the country.

Source: Prepared by the authors based on microdata from the Harmonized Household Surveys of Latin America and the Caribbean (IDB 2017).

Poverty in Old Age

LAC has high levels of poverty and social exclusion. The graph above shows how, although there is a significant degree of heterogeneity between countries, poverty levels among older adult populations are still high in most cases, even in countries like Mexico that

The labor participation rate of women over 15 years of age in LAC increased from 20 percent in 1960 to 30 percent in 1980 and reached almost 50 percent in 2015 (ILO 2016).

have experienced considerable economic growth in recent decades ([Campos-Vázquez y Monroy-Gómez-Franco 2016](#)). In countries such as [Guatemala, Honduras and Nicaragua](#), about half of the elderly live in conditions of poverty or indigence. Even so, in all countries except Bolivia, older adults are in a better relative position when compared to the total population.

Low coverage rates of social security and high levels of poverty not only limit the possibilities for families to contract services for dependency in the market, but also [force many people to continue working until old age](#), particularly men. In several countries in the region, more than 20 percent of men over 80 years of age continue to work.

Family Arrangements

The ability of families to directly care for people in dependency status is limited due to the transformations of the family structure that have taken place in recent decades.

Two trends deserve to be analyzed:

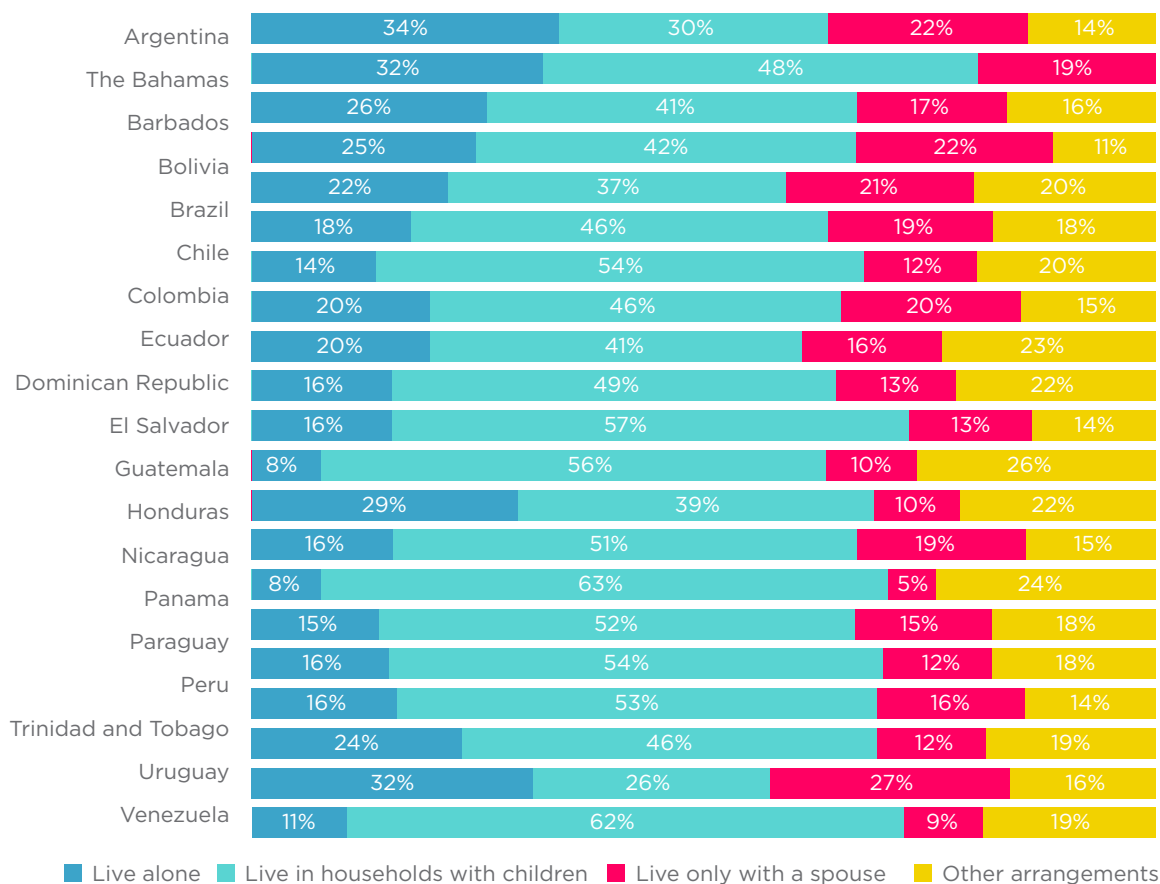
1. the reduction in the size of the family
2. the increasing participation of women in the labor market

The decline in fertility rates and increases in divorces and migration, among other factors, have as a result that many older adults do not have a close family network that supports them in carry out their activities of daily life. In fact, as the graph below shows, [a large proportion of people over 80 live alone](#), especially in certain countries such as Argentina, Uruguay, and the Caribbean countries.

The labor participation rate of women over 15 years of age in LAC increased from 20 percent in 1960 to 30 percent in 1980 and reached almost 50 percent in 2015 ([ILO 2016](#)). As women have traditionally been responsible for solving care issues within families, this trend poses problems when reconciling paid and unpaid work, generating pressures in terms of time and resources that are difficult to resolve in the family environment.

In fact, as the graph below shows, a large proportion of people over 80 live alone, especially in certain countries such as Argentina, Uruguay, and the Caribbean countries.

Residential Arrangements among the Population over 80 years old (percent)



Source: Prepared by the authors based on microdata from the Harmonized Household Surveys of Latin America and the Caribbean (IDB 2017).

Learning material prepared by **Natalia Aranco**.



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