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Forum: SF1 - Social and Human Sciences

Issue: Implementing measures to sustain the ageing population of MEDCs

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Introduction

More Economically Developed Countries (MEDCs) are countries that are more economically and technologically advanced than Less Economically Developed Countries (LEDCs). MEDCs include the United States of America, United Kingdom, Germany, Norway and Switzerland, while LEDCs include countries such as the Democratic Republic of Congo, Angola and Yemen. A country's economic level is determined by their gross national product (GNP), gross domestic product (GDP), per capita income, industry status, infrastructure and standard of living.

MEDCs have better standards of living, as a result of their economic standing, which means that the average citizens have accessible health care, education, food and water supply, stable and adequate income and longer life expectancy. To put this into perspective, currently the median age for Morocco, the number 1 ranking country, is 51.8 while the median age for Mali, one of the Least Developed Countries (LDC) is 15.8. While MEDCs have better standards of life, there are multiple problems that arise along with development and one of the most prominent problems is the ageing population of MEDCs. Ageing population is when the median population age increases over a period of time, indicating a longer life expectancy as a result of better life quality. Problems that emerge with this include; a larger percentage of money spent on social services and health care of elderly people, increased internal immigration, inflation on taxes, extended dependency and overall reduction on the country's economy due to large amounts of people retiring.

Definition of Key Terms

LEDC: Less Economically Developed Countries

MEDC: More Economically Developed Countries

Gross National Product: Sum of the gross domestic product and the net income from foreign investments.

Gross Domestic Product: The total value of goods (products) produced and services provided by a nation each year.

Per capita income: Average income earned by a person in a specific area for a given period of time.

Infrastructure: The physical and organizational structures and facilities necessary for a society to function.

Life expectancy: The length of time the average human is expected to live.

Standard of living: The level of wealth, comfort, and necessities available to the average citizen of a country.

Working population: The group of people willing and able to work.



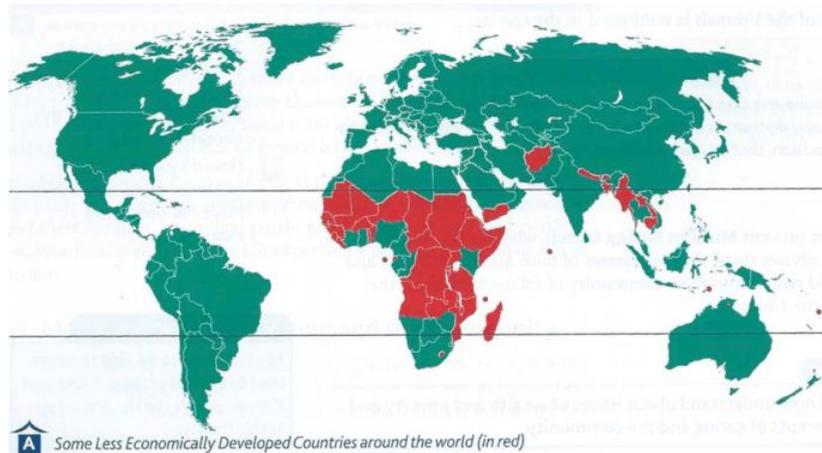
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Pension: An amount of money, or paycheck, regularly given to retired citizens by the government from the citizens fund in which money is put into during the citizen's employment.

Background Information

MEDCs and LEDCs:

MEDCs and LEDCs differ in almost every aspect. They have more advanced technology, developed economies, higher levels of education, better health care, higher levels of income, better quality and standard of living, and longer life expectancies. LEDCs generally have the primary sector of industry, and sometimes the secondary sector (definitions and examples can be found in Table 1.1). MEDCs usually have the tertiary and quaternary sectors, in addition to the primary and secondary sectors. MEDCs also have higher gross national product, gross domestic product and per capita income. The infrastructure of MEDCs are substantially more advanced than that of LEDCs. Due to these advancements and superior qualities of MEDCs, in terms of their economy and services, the standard and quality of life are predominantly more prevalent.



Picture 1.1 showing LEDCs (red) and MEDCs (green)

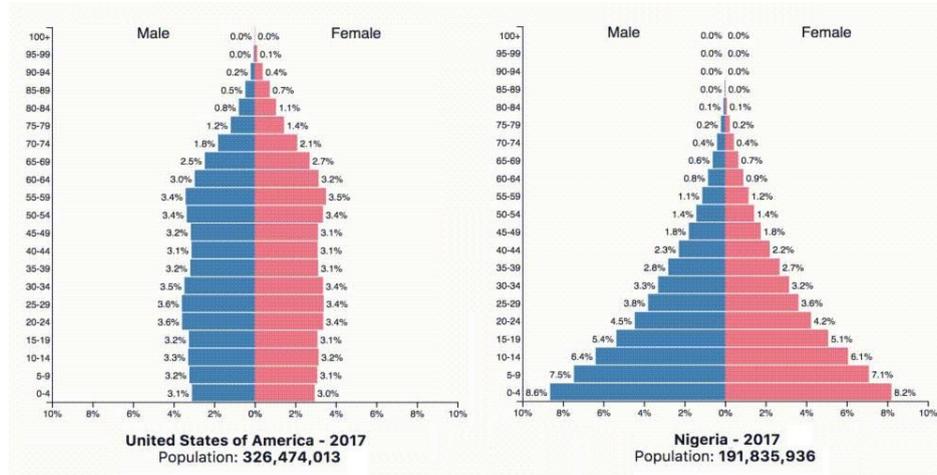
Sector	Description	Example markets
Primary	Extraction of natural resources	Mining, farming, energy extraction
Secondary	Production of finished goods and components	Manufacturing, food processing, component assembly, raw material processing
Tertiary	Providing services to consumers and businesses	Personal services (e.g. beauticians), retailing, household franchises
Quaternary	Providing information & ICT	Software development, financial services, data processing

Table 1.1 on the Sectors of Industry



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As a result of the better standards of living of MEDCs, an older class of citizens can be found in their population, when compared to LEDCs. With revelations in technology and medical treatments, life expectancy is predicted to increase even more due to the abundance of treatments for terminal diseases. Along with longer life



life expectancies, soon the “baby boomers” will be a part of this elderly population, which will greatly increase the median age. While this might appear as a positive occurrence, the increase in median age, as well as the general population, has many consequences.

Picture 1.2 of the population pyramids of an MEDC (U.S.A.) and LEDC (Nigeria) in 2017

The problem of ageing population:

The main problem that comes from an ageing population is that it results with a shrinking working population. The working population, which is the portion of the population that contributes the most to the economy by production, providing services to the community and increasing consumption trends, is vital for a nation to prosper and have its economy function properly. As the ageing population becomes unsuitable or unwilling to work, production slows down and services start to not fully satisfy the necessities of the entire population. The dynamics of the capitalist economy model especially needs a young, active generation to balance the supply and demand relationship, and propel growth.

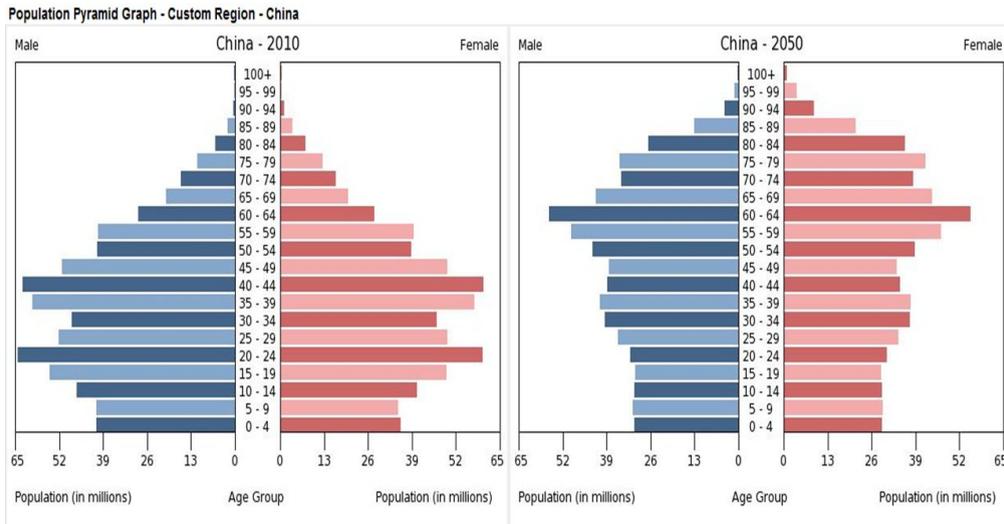
As people grow older, they face many medical obstacles that threaten their health. In countries where healthcare is free, the government will have to spend a larger percentage of their general revenue on medical services supplied for the elderly. This is likely to cause the government to impose certain taxes, which will reduce firms’ profit and labourers’ gain.

Ageing population will also result in less labour, as a large group of workers will retire at around the same time. This might result in younger and more inexperienced people to be offered jobs and the overall quality of services and goods can decrease. Retirement will also lead to the government having to use a greater percentage of their money to pay pensions, which also might lead to higher imposed taxes.

Another problem is that there will be an increase in unmoderated internal immigration, due to the fact that retired people are likely to move away from cities to more peaceful countrysides. This might lead to allocative inefficiency of residence. Others that are in need of medical help and guidance, will not be able to take care of themselves. This will lead to dependency on their younger family members, disabling them from using their time and income on other things.



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Picture 1.3 on the population pyramid of China (MEDC) in 2010 vs predicted in 2050

Even though many problems arise with the ageing of population, it still is a beneficial situation. Increase in the older population indicates that a nation is improving the standard and quality of living, creating a society in which their citizens live longer, healthier and happier. This is why most countries are trying find solutions to the problems stated above, in order to sustain the ageing population.

Timeline of Major Events

Date	Description
1760's-1820's	The Industrial Revolution, which led to a rapid increase in population.
1804	Population of the World reached 1 billion.
July 28, 1914 - Nov 11, 1918	World War 1, killed around 40 million people
1918-1919	The Great Flu Epidemic killed 40+ million people (more than WW1).
1927	Shortly after the World War 1, the population reached 2 billion.



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Sep 1, 1939 - Sep 2, 1945	World War 2, with a death toll of 70-85 million people.
1855-1958	The Third Plague Pandemic killed at least 22 million people.
1946-1964	The Baby Boom Era, 73.8 Americans were born alone.
1960	Population reached 3 billion.
1974	Population reached 4 billion
1987	Population reached 5 billion.
1999	Population reached 6 billion
2011	Population reached 7 billion.
2019 (Present)	As of now, the population is above 7.7 billion.
2015-2030	Population of those over 60 is predicted to increase by 65%.
2030	The older population is predicted to outnumber the children population (0-9)
2015-2050	The population aged 80+ is expected to increase from 125 to 434 million



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Major Countries and Organizations Involved

Japan

Japan, one of the oldest civilisations, the third biggest global economy in the modern day and among the most populous countries on Earth, is facing a growing aging problem. The country is especially known for its very high life expectancy rate, and a low birth rate, contrary to that. While Japan's population is overwhelmingly spread in urban areas, the fertility trends have for long fallen back. The incumbent Japanese Prime Minister has referred to the aging issue of Japan as "a national crisis" and Tokyo has set a target to increase the birth rate to 1.8 by 2025. For the last seven to eight years, Japan has even had a declining population, in which death rates surpassed birth rates several times; drawing the attention to a larger demographic issue within Japanese borders.

Germany

The economic powerhouse of Europe, Germany has been severely influenced by the fact that its population is swiftly converting to a super-aged community. The German population has been declining for longer than a decade and its birth rate ranks very low compared to the global average. Even though Germany is a preferred location for immigrants and the government has taken a significant number of refugees, this demographic trend has not been fully overcome. It has been speculated that Germany's dependency on the elderly population will become greater than fifty per cent by the year of 2050.

Italy

Having the highest median age in Europe after Germany, Italy has become one of the aging societies in the world. The birth rate has plummeted for many years, to combat that the Italian government increased child benefits and put further incentives to oversee a younger Italy.

South Korea

South Korea is also alarmed by the demographic shift towards an aging population. The birth rate is the lowest in recent history and life expectancy is only increasing. Even though the South Korean government has adopted progressive moves such as losing the enforced retirement policy, reforming the maternity leave and childcare systems, Seoul is struggling to convince its citizens to win over the issue of aging.

United Nations Population Fund (UNFPA)

United Nations Population Fund is a remarkable body in the international community, which is working upon matters related with reproduction and population. UNFPA has put effort in raising awareness on the issue of aging populations, conducted global researches and prescribed policy measures for member states to adjust their demographic and socioeconomic systems capable to handle the matter of aging.



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The Organisation for Economic Co-operation and Development (OECD)

OECD has been active in setting standards and policy recommendations for its member nations over a wide span of issues including the problem of aging within populations.

Previous Attempts to Solve the Issue

- A/RES/73/143, Follow-up to the Second World Assembly on Ageing, 2018
- A/RES/72/144, Follow-up to the Second World Assembly on Ageing, 2017
- A/RES/69/146, Follow-up to the Second World Assembly on Ageing, 2014
- A/RES/68/134, Follow-up to the Second World Assembly on Ageing, 2013
- Madrid International Plan of Action on Ageing, 2002
- A/RES/47/5, Proclamation on Ageing, 1992
- Vienna International Plan of Action on Ageing,
- A/RES/36/30, World Assembly on Ageing, 1981

Possible Solutions

- Eliminating pregnancy discrimination at workplace
- Applying a reasonable maternity leave system and adopting maternity leave benefits
- Improving the childcare system through increasing the network of government-funded services and subsidising private sector service providers
- Providing preschool services
- Strengthening healthcare opportunities and increasing the accessibility of birthing centers
- Reforming the retirement age policy to increase the working age group

Useful Links For Further Research

- <http://www.markedbyteachers.com/as-and-a-level/geography/consequences-of-an-ageing-population-in-medc-s.html>
- <http://www.coolgeography.co.uk/GCSE/AQA/Population/Ageing/Ageing.htm>
- <https://geographyfieldwork.com/PopulationStructure.htm>
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