

**RETIRED PEOPLE: ECOMOMIC MULTIPLIERS**

**ARUN RASTE**

**Abstract:** Population ageing is most often associated with European countries (especially Italy) and Japan. Less well-known are the ageing populations of Eastern Europe and the Russian Federation. Even more removed from common discussion is the fact that India, the People's Republic of China, and many other developing countries are also undergoing rapid population ageing. The transformation of India's age structure is coming soon, and it will be dramatic.

India's elderly potentially face significant economic insecurity. And in part because of the uncertainty imposed by the risk of major health expenditures, India's population as a whole also has reason to worry about their economic fortunes. This paper discusses the need of the hour issue of re-employing retired people to make them gainfully contributing in the betterment of the society, both socially and economically.

**Keywords:** Retired population, Indian economy, socio-cultural issues of getting retired, re-employment of retired work force.

**Introduction:** With improvement in life expectancy at birth, and advancement in medical support systems, people live much longer than their retirement age. The United Nations Population Fund Report on the Status of Elderly in Select States of India, found the number of over-60s will increase from around 100 million today to more than 300 million by 2050 and warned the government to prepare for the additional strain this will put on families and health and welfare services. The report predicted the number of over-80s will increase sevenfold. While the government has focused its policies on high economic growth to meet the employment and training needs of the country's rapidly growing youth population inflationary pressures will mean that elderly will have to work longer and retire later. The current Gerontology (study of aged people) is a very comprehensive area that includes not only the socio-physical or psycho-emotional issues but also practical questions and issues like "How to engage them in a socially beneficial and financially self fulfilling way".

For most people their retirement is an event they look forward to, throughout their working phase.

Retirement from a job is not an end but a transition; it is a transition from one phase of life to a new one. However, not many are prepared for it, and when it comes, it often transforms itself into a dragon ready to devour the happiness out of those who yearned for it. And people today are living longer, they are spending a relatively lower proportion of their lives earning due to longer periods in education and 'retirement' at earlier ages. While for some people the security of daily employment brought not only regular financial reward but also routine, regularity and patterns, it is not uncommon to see some of these people develop a sense of redundancy and many feel that their expertise/skills which helped them lifelong are being rendered useless. Consequences arise both for the economy and for the ability of individuals to make adequate provision for later life. These demographic trends cause concern about economic well being during old age and loss of skills to the economy. Extending working life might therefore become a key policy concern in a few years as a consequence of drop in pension provision, escalating costs of social benefits like healthcare and an increasing number of older people in poverty.

Projected Changes in Indian Demography (in millions)[1]							
Age Group	2000	2015	2025	2030	2035	2040	2050
0-14 years	347	345	337	327	313	300	285
15-59 years	593	782	865	895	919	937	938
60 and above	77	119	167	195	223	248	308
Total	1017	1246	1369	1417	1455	1485	1531

problematic or vulnerable group are those who do

**Problem:**

- Old people lack avenues from where they get assured and sufficient income to support themselves and their dependants. The most
- not own productive assets or have no or little savings for the fag end
- Lack of social security. The unitary families mean

that the old system of family support to elders is increasingly missing.

- Longevity (75 years and above) need more intensive and long term care, which may increase financial stress in the family. Absence of social security for majority of those who do not get regular pensions and medical benefits from government puts stress on them
- Loss of social recognition and specific role adversely affect their mental make-up
- Non-availability of opportunities for creative use of free time and skill set, especially for those who are able bodied means that they can not use skills/ talent.
- It is all too easy to feel a sort of vacuum immediately after retirement, and to fall into a state of low self-esteem.
- Elderly in a majority of Indian middle and lower class mass poverty is a reality. The Ministry of Social Justice and Empowerment, Government of India (1999) in its document on the

**Current Scenario:** National Policy for Older Persons, has relied on the figure of 33 percent of the general population below poverty line and has concluded that one-third of the population in 60 plus age group is also below that level.

- India's elderly population is set to increase dramatically over the next four decades. According to the United Nations Population Division, by 2050 India's over-60 population will reach a staggering 323 million — a number greater than the total U.S. population in 2012. Today, people aged 50 and above are at 16 per cent of the Indian population, which is relatively small. But the number is set to increase steeply to 34 per cent by the middle of the century. ( Helpage India's recent survey)
- In fact, most retirees consider the 60s as their most productive years. They have the skill, talent, stability and maturity and, now that their children are settled and they have fulfilled all financial commitments, most have ample time. Another factor is that as longevity increases, most retirees believe their savings may not sustain them for the next 25-30 years. Working for a few more years helps them beef up their corpus.
- Sporadic deployment- Five-and-a-half million civil employees including school teachers and state and central government employees were employed as part of the electoral process during the vote in election 2014. If we can enroll retired people in the age group of 60-65 for this work, it will not put additional burden on employees and productively utilize the skills of senior citizens.(million)

**Utilizing Skill Iset:** In a country where the older

population is growing increasingly large, greater acceptance of retirees taking on renewed roles is not only necessary, but can add to productive workforce. While in large families and joint family businesses, the senior citizens could make meaningful contributions, the scenarios is different in urban unitary families and retirees from jobs. The experience and skills of senior citizens can be especially valuable for small and medium sized enterprises, non-governmental organizations and young researchers and entrepreneurs with little business experience. Hiring seniors to work as part of your business workforce can be an advantageous strategy. Senior citizens with a strong work history bring an established work ethic to the table as well as an ability to work flexible schedules in many cases. Retired people have a wide source of knowledge gained from education and professional experience. If we can prepare meaningful way in which to pass on this knowledge to those who need it; there are always plenty of inexperienced people seeking to learn more from those who have great skills and knowledge, it will add to our skill pool. The retired people can guide the younger generation through mentoring, teaching, and sharing skills whether it's through own business, night classes, workshops, or online channels. This will not only give satisfaction to retired people, but will ensure that the young generation does not waste time and energy in the reinventing the wheel.

No-one reaches retirement without having gained experience and knowledge. The retired job-seeker can be doing things connected to their personal preferences, interests and expertise. There are many good opportunities for part-time employment of enthusiastic, motivated and interesting -retired people. The best opportunities available can be found with local employers, such as small businesses, and any job which requires good communication skills. These are the types of job which are often done better by a mature person than someone straight out of school. Some of the roles that the experienced and fit senior citizens can undertake include.

- **Business Mentors** – A senior executive can serve as a trusted friend and guide for a budding entrepreneur
- **Visiting Lecturers:** B Schools can get support of retired business managers to share live cases with the students, and such experience is not easily available in books and would be welcomed by students and budding managers.
- **Conservationists:** A retired biologist or vet doctor can work with organizations like WWF and help in conservation efforts.
- **Communication experts:** Retired sales executive can talk with a child who needs to practice

speaking English and so on. Similarly retired journalists can teach the art of writing editing etc.

- **Strengthening legal system:** Government can utilize the expertise of retired judges and lawyers to clear the backlog of cases in the courts.
- **Society Management:** With increasing urbanization the number of housing complexes/societies are increasing day by day. These societies have regular requirements of manpower to manage day to day affairs, keep accounts and oversee maintenance. Senior Citizens can gainfully handle these activities.
- **Tour Guides:** Tour guide jobs offer flexible schedules and hours and relatively stress-free work environments. All training is on-the-job, and tour guides are needed in nearly every city in the country to give garden walks, historical tours, museum tours and factory outings etc.
- **Another area for part-time work** include estate agency work such as showing people around properties for sale specially in growing suburbs of towns
- Freelance journalism might be another area to investigate for those with the aptitude. Local TV channels, business publications and websites - not traditional book publishers - can provide part-time work.

**Opportunities in Organised Sector:** While organized sector has returnship programmes for working women who had taken a break for family reasons, there are no programmes for retirees. In the US Your Encore seeks to match retired engineers and scientists with companies that need to meet a capacity surge or fill a short-term need, with clients that include Fortune 500 firms such as Boeing, Eli Lilly and Procter & Gamble. The retirees sometimes are brought in as temporary mentors for new hires. Such retiree programme can be brought in by most big Indian companies, including Tata, Reliance, HCL, Infosys, Mahindra etc as this will provide career resources and a service support system to help mid-career professionals with mentorship and expert advice at low cost.

This could also be used to deploy people with highly specialized skill sets in PSUs like ONGC or NTPC, who could be gainfully used by private sector operators like Reliance and Cairn. Similarly hospitals that are being operated by Trusts or new hospitals in private sector can benefit from experience of recently retired doctors, nurses, technicians etc which will combine social contribution, to health care and human services and provide financial contributions to senior citizens at lower cost.

**Developing Meaningful Approach:** The best way would be cross-generational cooperation by involving people of different age groups, i.e. Senior Citizens, young entrepreneurs, students and pupils in project activities and facilitating the use of Senior Citizens as tutors and personal advisors for young people. The activity can help share good practices, increase accessibility and increase awareness of existing knowledge, experience and skills. However, the existing infrastructure for engaging senior citizens is somewhat limited and at best aim of motivating individuals and helping them find an appropriate activity to engage in. A holistic approach that is an ensemble of policies and measures with an effect on all levels is needed. A Retired & Senior Citizens Program (RSCP) would have the following components

**Eligibility** - People above 58 can enroll.

**Flexibility:** Retired people would need flexibility in terms of timing and location. Lesser hours and flexibility to operate from home etc need to be weaved in the programme design.

Any such programme would require some funding support for remunerating the retired people, and an innovation would be required. The new CSR bill might serve the purpose. Any corporate who wishes to take up activities related to education, health or environment protection can underwrite that part of the programme.

**Result:** Delivery of experience to the youth is not the only expected achievement. The programme can help fulfill the feeling of being in demand, which is very important to the senior citizens. Both factors stimulate innovative development of societies and economies.

Economic inclusion of retired people will influence the likelihood of strong local economic linkages and may have implications as retired people are more likely to spend locally, both in hinterlands and towns thus giving boost to local economy.

The more the retired people work, more they will use private resources to take care of their health, transport etc. and as a result there will be lesser pressure on the stretched social security system like municipal and government hospitals etc.

If we are in a position to pull this off, we would be better off than current day Japan or Europe where aging population is becoming bane for the country. It's all about engagement and empowerment, and allowing retired people to use their expertise with the freedom they deserve, will help the country to maximize their performance, and productivity, and their potential. And as the result everybody benefits.

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Arun Raste/arun.raste@idfc.com