

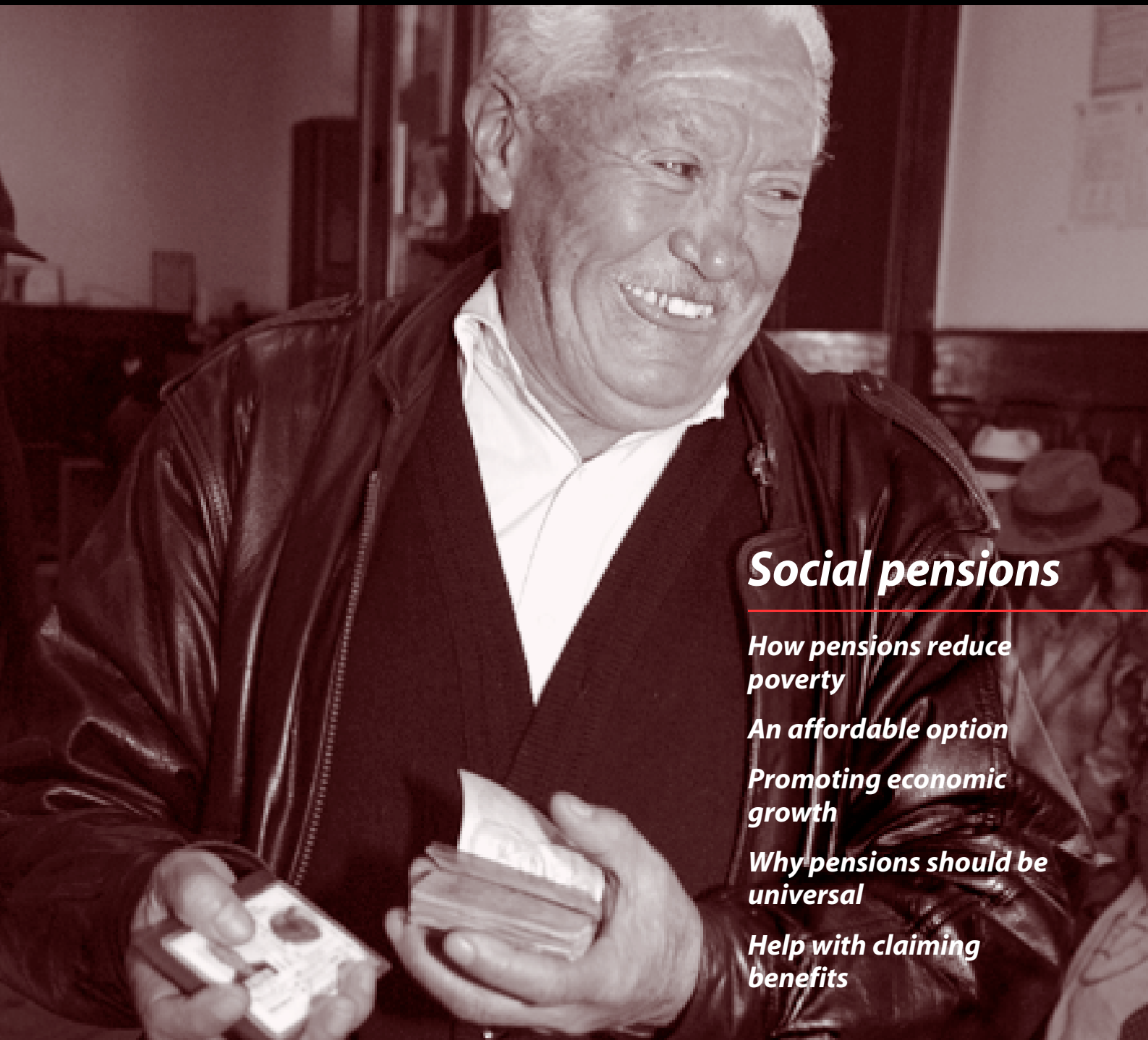
Ageways

ISSUE

70

Practical issues in ageing and development

FEBRUARY 2008



Social pensions

How pensions reduce poverty

An affordable option

Promoting economic growth

Why pensions should be universal

Help with claiming benefits

HelpAge
International

Leading global action on ageing

www.helpage.org

Comment

Dignity not destitution

Welcome to *Ageways* 70. Increasing numbers of people are entering old age with little or no means of support. Many have people depending on them, especially in areas affected by HIV and AIDS.

Social pensions play a vital role in reducing older people's poverty and that of their families, especially children. They bring predictability to poor older people's lives and help restore their dignity and place in society.

This issue of *Ageways* presents the case for social pensions as a cost-effective poverty-reduction measure. It argues for a universal, rather than a means-tested approach. It also highlights problems that older people have in claiming state benefits, and suggests ways to tackle these.

**Celia Till and Sanna Stockstrom
Editors**

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Future issues

Ageways is published twice a year. Issue 71, due in April 2008, will be on HIV and AIDS.

Letters

Old age is a silent problem

Old age is a silent problem in Bangladesh. Our government does not focus on the problems of older people.

Older people who are fit physically or mentally want to contribute to our society. Sometimes they want to work on a voluntary basis or for a small payment, but they have no opportunity. There are also problems facing older people who are sick or unable to work.

We need a system for sharing older people's vast experience and knowledge. If we practice this system it will be helpful for everyone.

Mr Ashok Kumar, Executive Director, SOUL – Save Our Urban Life, 16 Nayapalata (3rd Floor), Dhaka-1000, Bangladesh. Email: ashokmsw@yahoo.co.in

Healthcare for older people

Technological advances in medicine have given special prominence to the needs of older people.

In developing countries, geriatric services should be planned in advance of actual requirements, taking into account such changes as rapid urbanisation. A judicious mix of curative services, legal protective measures and health education can become a basis for tackling the health and medical care problems of older people.

More than that, community members have to be sensitised about the problems of older people, so that community leaders are more committed to including care of older people within the purview of primary health care, rather than making it a responsibility of secondary and tertiary hospital-based care.

Dr Y Ashok Kumar, Department of Sociology, Social Work, Acharya Nagarjuna University, Nagarjuna Nagar – 522 510 (AP), India. Email: ashokmsw@yahoo.co.in

News

MBE for Mark Gorman

HelpAge International's director of strategic development, Mark Gorman, has been awarded an MBE in the UK New Year Honours for his services to older people.

Mark Gorman joined HelpAge International in 1988 as development officer, helping to expand the fledgling network. As director of policy development from 1992 to 2007, he led HelpAge International's advocacy work, generating wider interest in ageing issues and making sure that the voices of older people from developing countries were heard in international policy forums.

Looking ahead, he says: 'The next challenge will be to develop a truly global network of equal partners, and to establish ageing as a development issue in its own right.'

The MBE came as a complete surprise. 'I had no idea I had been recommended for it. I was very pleased to receive this recognition by my colleagues.'

Reducing the risk of falls

One-third of people aged 65 and over fall at least once a year, according to the World Health Organization. Falls destroy confidence, increase isolation and reduce independence. But they are not an inevitable part of ageing.

Each June, Help the Aged runs a National Falls Awareness Day in the UK, in which more than 500 local organisations hold events and provide advice on preventing falls.

Interest from outside the UK has led Help the Aged to expand the day internationally. For an information pack, available from March, please visit: www.helptheaged.org.uk/fallsday

New publications

Establishing and working with older people's associations in Cambodia

Provides guidelines on establishing and working with older people's associations, based on HelpAge International's experience in Cambodia. Includes sections on forming an older people's association, encouraging participation, activities, record-keeping, and networking.

Can be downloaded from:
www.helpage.org/resources/manuals

Where there is no doctor (revised edition)

Provides practical information on how to diagnose, treat and prevent

common diseases. Includes a chapter on the health and sickness of older people, summarising common age-related health problems and covering specific conditions including deafness, loss of sleep, heart trouble and stroke.

Can be downloaded free of charge in many languages from:
www.hesperian.org/publications

Primary healthcare for older people: a participatory study in five Asian countries

Summarises how older people, carers and service providers perceive primary healthcare services in five Asian countries, and highlights the need for governments and civil society to

support the delivery of comprehensive primary healthcare.

Can be downloaded from:
www.helpage.org/resources/researchreports

Life, love and death

Contains conversations with six elders in the Ghanaian town of Kwahu-Tafo on growing old, respect and reciprocity, money and poverty, love and friendship, death and funerals.

Available (9 euros including postage) from Prof. Sjaak van der Geest, Amsterdam School for Social Science Research, University of Amsterdam, Kloveniersburgwal 48, 1012 CX Amsterdam, The Netherlands.
Email: s.vandergeest@uva.nl

Penpal grannies' pleasure



Two older women, one living in a small township in Zululand, South Africa, and the other living in a middle-class area in Manchester, UK, have been writing to each other for some years.

Their history and environments are very different. Constance, who is nearly 90, has spent much of her life under apartheid, without the basic human rights of suffrage and

equality with her fellow white South Africans. Betty, who is 83, has been a political activist most of her adult life. She was secretary of the Manchester Anti-apartheid Campaign for over 15 years.

However, the two women have some aspects of their lives in common. They were both primary school teachers, have a need to be involved with their communities, and have active minds and strong opinions.

Constance has been a strong supporter of the PIN Project, which helps South African children orphaned by AIDS. She runs a knitting circle, making small red jerseys for teddy bears that are sold in the UK to raise funds. She knows that her efforts help the children with their schoolbooks and with bursaries for further education.

Betty organises a regular discussion group with her contemporaries. A talk about the PIN Project at this

discussion group led her to hear about Constance and start writing to her. She now supports the PIN Project by buying teddy bears and jewellery for her grandchildren.

Betty would like to hear of Constance's life under apartheid, but Constance is very guarded about talking of 'the struggle'. Her letters are about family, grandchildren and her church activities. Betty is sensitive enough not to pry into this unjust and cruel part of Constance's history.

In spite of this, both women gain pleasure from exchanging letters across the world. Their link is one of common values and human needs, which transcend any differences of colour, race or culture.

With thanks to Alice Searle, PIN Project, 32 Nevile Road, Upper Kersal, Manchester M7 3PT, UK.
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Web: www.pinproject.org

How pensions reduce poverty

Sanna Stockstrom explains why growing numbers of people lack security in old age, and why social pensions are a realistic way of reducing poverty.



Leila Amanpour/HelpAge International

A pensioner in South Africa buys vegetables for her family.

Most poor older people in developing countries expect to work well into old age. The majority do not receive an employer's pension, having worked all their lives in the informal economy. This applies particularly to women, who have less opportunity for formal employment because of gender discrimination and lower education levels.

Older women and men contribute to the household as long as they can, for example, by caring for children, doing domestic work, or taking care of livestock. They may also bring in an income from a small business.

Younger generations support their parents as far as their means allow. However, for many their income is insufficient, with the result that older people who become too weak to

work, or who require treatment for chronic diseases, are often considered an economic burden by their families.

In other cases, younger generations have migrated to find work, and cannot provide much-needed psychological or physical support to their parents. In the worst cases, the middle generation is absent because of imprisonment, conflict and forced displacement, or death from HIV-related diseases or other causes.

Families affected by HIV and AIDS may sell their assets to pay for treatment. Many older people whose children have died of HIV-related illnesses are left with no means of support, and often take on care of orphaned children.

Lack of family support to vulnerable older people makes government social protection programmes all the more important.

Social protection

'Social protection' is usually defined in one of two ways. In its broadest sense, it describes a set of public actions that provide direct support to people to help address risk, vulnerability and poverty.

More usefully, it can be employed in a narrower way as an alternative term to social security. In this sense it refers to the system of cash transfers – usually provided by the state – that offer income security in the event of, for example, poverty, unemployment, sickness, disability, old age and loss of the breadwinner.

Typical social protection programmes include pensions, child benefits, disability benefits, unemployment benefits, housing benefits and employment guarantee schemes. Social protection transfers can be funded through either contributory social insurance schemes or general taxation (in other words, a form of social assistance).

The right to social security and security in old age were both recognised as human rights by the Universal Declaration of Human Rights. In 'developed' countries, these rights were taken forward by putting in place regular and predictable cash grants, such as pensions and child benefits.

These benefits have played a significant role in reducing poverty, alongside jobs. For instance, in the UK, poverty levels would be two and a half times higher in the absence of the social security system. The story is the same in other developed countries. And the high proportion of national wealth that these countries invest in social security – around 14 per cent of GDP on average – is a recognition of its importance to both government and citizens.

However, the same countries have shown themselves strangely averse to promoting social security in their

international development programmes. Instead, international donors have promoted work as the only means by which poor people can escape poverty – for example, by supporting livelihoods programmes and micro-credit. Yet they have known from experience in their own countries that work needs to be complemented by an effective social security system. The extremely high levels of poverty in developing countries make the need for social security even greater.

In recent years, some developing countries have begun to put in place their own social security systems, with similar impacts to those found in rich countries. South Africa and Brazil are particular success stories, but there are a number of others, one of which is described in this issue (see page 12).

The success of these schemes has begun to shift development thinking. Social protection has risen up the development agenda, as development experts and governments have come to recognise that the Millennium Development Goals are not being met in Africa, and that long-term, predictable cash transfers to the poorest people are a cost-effective way to alleviate chronic poverty. The UK Government in its 2006 development white paper committed to significantly increase its spending on social protection in Africa and Asia.

Germany has recently made social protection one of its ten international development priorities.

Social pensions

HelpAge International and agencies concerned with children and disabled people are calling for a 'minimum package' of child benefits, social pensions and disability benefits to reduce the poverty of the most vulnerable people, and give them the means to make better use of other services – education, health, safe water and sanitation. Such a package would need to be complemented by other measures

directed at the poorest people, such as agricultural extension programmes, but is a pre-requisite for reducing poverty and achieving the Millennium Development Goals.

More than 70 countries across the world provide a social pension, including at least 50 low and middle income countries. Their experience shows that social pensions are affordable and feasible (see page 6), and that they contribute to economic growth (see page 7).

Call to action

HelpAge International is calling for a universal social pension for all people over 60 years of age. HelpAge International argues that a universal pension (paid to everyone over a certain age) is more effective at reaching the poorest people than a means-tested pension (paid only to older people living below a defined poverty level) (see page 8).

A universal social pension would help to:

- realise older people's rights
- reduce poverty
- tackle HIV and AIDS
- prepare for global ageing.

Older people are entitled to benefit from international commitments to end poverty. Social pensions help older people realise their human right to social security and security in old age. They also further older people's right to development, as stated in the 2002 Madrid International Plan of Action on Ageing.

Older people are often disproportionately affected by poverty. An estimated 100 million older people are living on less than one dollar a day. Studies of the social pension in low and middle income countries show that the pension reduces the poverty of both older people and others in their household.

In African countries affected by HIV and AIDS, social pensions not only

support older carers, but also help to obtain treatment for people living with HIV, and to improve the educational and nutritional status of vulnerable children.

In Brazil, social pensions have doubled the incomes of the poorest 5 per cent of the population and, in South Africa, they have increased it by 50 per cent. In South Africa, girls living in a household with an older woman in receipt of a pension are 3-4 centimetres taller than girls in households with older women who do not receive a pension.

In Mauritius, poverty rates in households with older people are 20-26 per cent lower than they would be without a pension. In Namibia, more than half of those who benefit from pension income, after pensioners themselves, are pensioners' grandchildren.

Populations are ageing rapidly. By 2050, the proportion of older people in developing countries will have risen from 9 per cent to 18 per cent. Increasing numbers of older people will be living in severe poverty, unless governments act now.

Key points

- Social pensions bring a series of benefits to households that may make further social spending unnecessary.
- Where social pensions and other entitlements exist, many vulnerable older people will need help to claim them.
- Older people's groups should be encouraged to monitor the implementation of social pension schemes to flag up obstacles to accessing them and lobby for removal of these obstacles.

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An affordable option

Can poorer countries afford to pay their senior citizens a social pension? A survey of schemes shows that they can.



Tom Weller/HelpAge International

At least fifty low or middle income countries provide a social pension.

Of more than 70 countries with a social (non-contributory) pension, at least 50 are low or middle income countries. In some of these countries, the minimum age requirement is high, the pension is paid only to a small proportion of the older population because it is means-tested, or the level of pension is very low. But even a small pension is useful for the recipient.

The fact that some of the poorest countries in the world can afford a social pension shows that it is mainly a question of political will.

In most cases, the social pension is means-tested – paid (in theory at least) only to people living below a defined poverty level. However, at least 11 low or middle income countries provide a universal pension – paid to everyone over a certain age. These are Antigua, Belize (for women), Bolivia, Botswana, Kosovo, Lesotho, Mauritius, Nepal, Russia, Samoa and Vietnam.

In 1996, Botswana introduced a universal social pension for those aged 65 and over in recognition of the problems that HIV and AIDS were

creating for older people and their dependants. In 2004, Lesotho, one of the poorest countries in the world, introduced a universal social pension for everyone aged 70 and over, for the same reason (see page 12). Nepal, another very poor country, provides a universal social pension for everyone aged 75 and over.

Universal social pensions are affordable and feasible, even in the least-developed countries, according to estimates by the International Labour Organization, World Bank and United Nations Department of Economic and Social Affairs (UNDESA). UNDESA estimates that in most of 100 countries surveyed, a social pension equivalent to US\$1 per day for everyone over 60 would cost less than 2 per cent of GDP – not only in 2005, but also in 2050, taking into account rising numbers of older people due to population ageing.

The amount spent on pensions relates less to countries' income than to the value they attach to providing a pension. The southern African countries of Botswana, Lesotho, Namibia and South Africa spend 0.4-1.43 per cent of GDP on social pensions (universal in Botswana and Lesotho, means-tested in Namibia and South Africa).

In contrast, India and Bangladesh spend just 0.01 per cent and 0.1 per cent of GDP respectively on their social pension programmes, both of which are means-tested.

Calculations by the World Bank indicate that the higher value attached to pensions by southern African governments has a correspondingly greater impact on poverty than the very small investment by Asian countries.

With thanks to Bridget Sleaf, Policy Officer, HelpAge International for information for this article.

For more on HelpAge International's social pensions survey, visit Pension Watch at: www.helpage.org/Researchandpolicy/Socialprotection/PensionWatch

'Stability [comes from] people knowing that at least they will be able to buy some kerosene. Social stability is a pre-requisite for development.'

Hon. Timothy Thahane, Minister of Finance and Development Planning, Government of Lesotho, on the social pension

Promoting economic growth

Michael Samson explains how social pensions not only tackle poverty but also promote economic growth.

A growing body of evidence in low and middle income countries is demonstrating that social (non-contributory) pensions not only effectively tackle poverty, but also contribute to economic growth.

They do this by:

- mobilising older people's skills in allocating resources in an economically productive manner, particularly by investing in children
- providing capital for economic activities
- helping households manage social risk, encouraging productive behaviour, including job-seeking
- contributing to changes in spending patterns that promote economic growth
- contributing to social cohesion and political stability, which encourages investment.

While the prime purpose of social pensions is to reduce older people's poverty, social pensions also support children's development – helping them grow into more productive adults. In South Africa, children in households that receive a social pension are more likely to attend school and succeed academically than children in similar households that do not receive a social pension.

Children, particularly girls, in households receiving the pension in South Africa are also more likely to have better health and nutritional status. Similar findings are reported from Brazil.

Social pensions provide the income security that households need to manage social risk. Knowing that

a minimum income is guaranteed each month gives older people – and their families – more confidence to invest in the riskier but higher-return activities that enable people to break free from poverty.

In addition, the pension provides cash to support investment, whether by older people themselves or by other family members. Some older people in Namibia use their social pension to invest in livestock and other agricultural activities. In South Africa, the social pension supports access to credit, funds the renting of capital equipment and finances inputs for agricultural activities.

Job-seeking

One of the most important ways in which social pensions contribute to greater productivity is by providing capital for job-seeking. The regular income enables workers to look for decent work (for example, spending money on bus fares to find better-paid work further from home), rather than accept the worst jobs out of desperation.

In South Africa, people in households that receive the social pension put more effort into finding work than people in comparable households that do not receive a pension – and they are more successful in finding employment.

Recent studies show that social pensions help finance women to find work abroad, and their parents to care for their children, leading to significantly higher levels of employment among female migrant workers.

Social pensions stimulate demand for local goods and services. In South Africa, social pensions are shifting the balance of national expenditure from imports to local goods, increasing savings and promoting economic growth. In Namibia, social pensions support the development of local markets. As one Namibian observed: 'The wheels of the local economy begin to turn on pension day.'

Social pensions help to build social cohesion and create an environment that encourages people to work and invest. In the middle of the last century, Mauritius had a vulnerable mono-crop economy and high poverty rates. Today, Mauritius has the lowest poverty rate in Africa. The International Monetary Fund's 2001 report *Who can explain the Mauritian miracle?* recognises an inter-related set of factors – including the social pension, established in 1950 – that contributed to the social cohesion necessary to restructure the economy onto a high-growth path.

Likewise, Botswana's social pension, introduced in 1996, provides the government's most effective mechanism for tackling poverty and supporting social stability. Social stability in Botswana has encouraged the high investment rates required to drive Africa's fastest-growing economy.

References are available request.

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Why pensions should be *universal*

Stephen Kidd explains why universal social pensions are more effective at reducing poverty than those that are means-tested.



Leila Amanpour/HelpAge International

Universal pensions have greater success in reaching the poorest people.

Social pensions aim to reach poor and vulnerable older people. How these people can be reached most effectively is a key question.

Social pensions are divided into two categories: those that are universal – paid to everyone over a certain age – and those that are means-tested – targeted at people living under an agreed poverty line. HelpAge International's call for universal social pensions is based on evidence and experience that shows that these are much more effective in reaching poor people than means-tested pensions. There are many reasons for this:

Fewer errors Even in high-income countries, where governments hold a vast amount of information on their populations, and where most people are in formal employment, means-testing is still extremely problematic (see page 11 for a discussion of UK pensions). There are always significant inclusion errors (people receiving the benefit who should not) and exclusion errors (people not receiving the benefit, who should).

These errors are much greater in poor countries where mechanisms for effectively identifying the poorest people have not yet been developed. Evidence from means-tested social

pensions in Bangladesh and India (discussed on pages 11 and 13) demonstrates how large numbers of poor people miss out when, paradoxically, social pensions are targeted at them.

In contrast, universal schemes have greater success in reaching the poorest people. It is far easier to identify and register these people when the only criteria for joining the scheme is proof of age. Even when people do not have birth certificates, it is relatively easy to find other ways of recognising the age of potential beneficiaries.

Less administration and more cost-effective to manage

Identifying those living below a poverty line is administratively complicated, particularly in poor countries that hold little information on their populations. Consequently, means-tested pension systems are considerably more expensive to administer than universal schemes which beneficiaries are able to opt into.

Means-testing also requires continual re-targeting as people move in and out of poverty, thereby making it even more expensive. In contrast, universal pensions do not require re-targeting, as people are only removed on notification of their death.

Greater contribution to economic growth Means-tested social pensions bring less predictability to poor older people's lives. Consequently, they have a negative impact on people's productive potential. People who cannot be guaranteed to receive a cash benefit in the future are less likely to take economic risks and invest in productive activities. Universal pensions provide this

'A benefit for the poor is a poor benefit.'

Amartya Sen, Lamont University Professor at Harvard University, and winner of the Nobel Prize for Economics

guarantee. As a result, they are much more likely to encourage people to invest in productive activities (see also page 7).

More incentive to save and invest

With a means-tested system, people are less likely to save for old age or to invest in private or social insurance pension schemes, as these would disqualify them from receiving the social pension. Similarly, pension recipients and their families are less likely to invest in productive activities or look for jobs, since the resulting income could cause them to have their benefits withdrawn.

In contrast, universal pensions are likely to encourage people to save and invest in other forms of pension, as well as encouraging pension recipients and their families to invest in businesses.

Political support Since universal pensions benefit everyone, they are far more likely to gain broad political support than means-tested programmes. It is particularly important to get support from those who pay the highest taxes and have most political influence. This can be achieved if these people feel that they are getting something back. In Lesotho, the universal social pension played a major role in the re-election of the government in 2007.

Weak political support for means-tested social pensions can result in lower payments to pensioners and

much lower allocations in national budgets. This can significantly reduce the impact of the pension on poverty. The comparison on page 6 between south Asia and southern Africa illustrates this.

In reality, many well-off people who are eligible for pensions under a universal system choose not to receive them. The amount is often too small for them to make the effort, although for poor people the same amount could be life-saving. For example, in Nepal, which provides a universal pension to those over 75, only 55 per cent of this age group in Kathmandu claim the pension, as its value is too little for better-off urban dwellers to bother about.

Less controversial The inclusion errors associated with all means-tested pension systems mean that people above the poverty line receive the pension, often in large numbers. As a result, means-tested programmes are frequently subject to public criticism, and governments and officials are more likely to find themselves accused of corruption. With a universal scheme, clear eligibility criteria make corruption less likely, and there is consequently much less chance of controversy in the media.

Social cohesion Some forms of targeting used in developing countries can exacerbate tensions in communities. Often, one poor person is chosen to receive the

pension, while another in similar conditions is excluded. Jealousies can build up, especially if selection is perceived to be unfair. Universal social pensions have indisputable selection criteria based on age. This system is regarded as fair – everyone knows that they will receive the pension when they reach a certain age.

At a national level, universal pensions are effective in strengthening the social contract. Everyone receives the pension as a right from the state in return for obeying laws and paying taxes, and this can build trust in government. In contrast, the relatively arbitrary nature of means-testing and frequent denunciations of corruption can create a less positive view of the state.

No stigma By identifying the poorest people, means-tested pensions often cause stigma. In contrast, qualification by age for a benefit that is received by everyone carries no stigma at all.

Why means-test?

So, why the enthusiasm among many governments for means-testing? The only reason is the perception that the overall burden on government spending will be reduced by means-testing (although even this may be offset by, for example, a need to spend more on health). But, as explained above, this is at the cost of putting in place a pension scheme that is much less effective than a universal approach in reducing poverty and promoting economic growth.

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Help with claiming benefits

Social protection benefits often fail to reach the people they are intended for. A range of interventions can help poor older people claim their entitlements.



Leila Amanpour/HelpAge International

In South Africa, the Muthande Society for the Aged uses adult literacy classes to help older people learn how to fill in application forms for social protection entitlements.

Social protection entitlements for older people may include an old-age pension, disability grant, widow's allowance, child support grant or foster care grant.

Older people who are eligible for benefits may fail to claim them because:

- Inadequate publicity means that they are not aware of their entitlements.
- Systems for drawing up lists of who is eligible are unfair.
- Older people lack documents, such as birth certificates, to prove eligibility.
- They cannot complete application forms because they are not literate.

- They are put off by eligibility requirements or do not understand them.
- They have to travel long distances to collect benefits.
- Corrupt officials and agents use the system to benefit their friends or families, or to keep the money themselves.

How to help

Raise awareness Use channels of communication used by older people, including those from different ethnic groups and educational backgrounds, such as home visits, religious meetings, community meetings, older people's associations, television and radio. Educate older people's

leaders about their rights and how to claim them, so that they can inform their peers.

Help with registration and applications Provide advice and information, for example, through socio-legal advice centres. Provide socio-legal advice centres with an emergency fund to cover registration fees of the most vulnerable older people.

Help individual older people with applications or appeals. Run a campaign to encourage older people to obtain and care for key documents such as identity papers.

Use adult literacy classes to educate older people about eligibility requirements and how to fill in application forms.

Help with reaching services Provide transport for older people to pension pay points and socio-legal advice centres. Protect vulnerable older people at pension pay points. Provide mobile socio-legal advice centres to reach vulnerable older people in remote rural areas.

Carry out advocacy Develop relationships with people in government departments, religious centres and local communities. Develop relationships with the national and local ombudsman's office.

Support older people to monitor who receives benefits and present their issues to government representatives. Facilitate dialogue between governments, donors, development partners and civil society on social pensions, particularly their cost, administration and impact. Encourage the media to denounce corrupt officials.

Research and report on the impact of existing social pension schemes.

Work through coalitions of non-governmental organisations and research institutions to raise the profile of social pensions and promote universal social transfers for older people and other vulnerable groups.

Educate social workers about ageing and older people's rights so that they can recommend appropriate support, such as socio-legal advice centres.

Some examples

Bangladesh In Bangladesh, an NGO, the Resource Integration Centre, worked with older people in 80 villages to form associations. Each association elected members to form groups to monitor older people's access to the old-age allowance, widow's allowance and health services. They found that significantly fewer people were receiving entitlements than were eligible – fewer than 1 in 10 in one area.

The older people's associations held regular meetings with local government officials. As a result, pension take-up increased fivefold, and banks improved their procedures for serving older people.

Bolivia HelpAge International is working with partners in Bolivia and Peru to run socio-legal advice centres for older people. The centres provide free information about benefits and support older people to claim them. They produce and distribute leaflets about entitlements and help older people obtain identity documents to prove eligibility. The centre in La Paz, Bolivia, employs one mobile team to serve three nearby rural districts.

The centres are publicised by word of mouth and through institutions such as the police, churches, and identification documentation departments. They are also advertised on local radio stations

in indigenous languages as well as the national language, Spanish.

'I got in touch with the centre for help with my proof of address. This was requested by the municipal office in order to entitle me to the health scheme and *Bonosol* (annual social pension),' says Braulia, a 66-year-old woman from rural Santa Cruz in the lowlands of Bolivia. 'I received my *Bonosol* backdated for two years. I came from far away for this. The centre is good because it helps people, even when they don't have the means to pay.'

Mozambique HelpAge International's collaboration with the National Institute for Social Welfare on provision of documents resulted in 58 older people claiming the government's social cash transfer. Collaboration with education authorities and legal services led to more than 2,000 orphans being integrated into school and nearly 800 children having their births registered. Awareness of rights to services was raised by trained volunteer counsellors.

HelpAge International promoted debate on social protection through radio and television discussions, publications, meetings with NGOs, donors and government.

India HelpAge India is supporting poor older people in three northern states to challenge local officials, so that they can claim state benefits (see page 13).

UK The UK has a complicated system of social protection. The state pension does not always take older people out of poverty, so the current government has introduced additional means-tested benefits. Although 2.5 million pensioners have claimed these benefits, more than 2 million of those who are eligible have not. This demonstrates the challenge of getting means-tested benefits to older people. The UK government ran a massive information and

awareness-raising campaign about the benefits. This included not only TV, radio and newspaper advertisements, but also letters sent direct to pensioners' homes. More recently, this has been supplemented by a more local service employing teams of people to visit older people in their homes, and to work with other organisations, such as charities and healthcare providers.

All these efforts have still left 2 million people missing out. This is in contrast to universal systems, such as winter fuel payments for UK pensioners, which achieve nearly 100 per cent coverage.

There seem to be many reasons why older people do not claim extra help. Some people are simply unaware that the benefits exist, or assume that they will not be eligible to receive them. The system for claiming is also quite complicated and can put people off.

The charity, Help the Aged, found that for many older people who had migrated to the UK, poor English language skills and low literacy levels meant they could not understand government information on benefits. Proving identity was another major barrier. For instance, many older Somalis now living in the UK had fled civil war, and lacked identity documents proving their age. Some could not remember their date of birth. Help the Aged and other charities have worked to enable community leaders to vouch for the age of people without birth documents.

Help the Aged continues to lobby the UK government to ensure that benefits actually reach the people they are intended for. The next step is to see whether the government will back the use of computer technologies to pay benefits automatically into people's bank accounts.

With thanks to Anna Pearson, Policy Manager, Help the Aged

Lessons from Lesotho

Lesotho is one of the poorest countries in the world, but it can afford to pay all its oldest citizens a non-contributory pension.



Pensioners in Lesotho use the income to buy food for themselves and their families.

Lesotho is a small, mountainous country surrounded by South Africa. It is one of the poorest countries in the world and has one of the highest HIV prevalence rates.

The government, under prime minister Pakalitha Mosisili, was aware that the needs of some of its oldest citizens were not being met. It also knew that most grandparents in rural areas cared for children who had been orphaned by HIV and AIDS, or whose parents had left to look for work, and that their income would be shared with these children.

In November 2004, against the advice of the World Bank and IMF, the government introduced a non-contributory pension of M150 (US\$21)

a month for everyone aged 70 years and over who was not already receiving a state pension (veterans and civil servants). The pension is administered by the Ministry of Finance and Development Planning. It is financed out of the state budget through general taxation at a cost of 1.43 per cent of GDP.

The Ministry of Finance identified the Lesotho Postal Services as the main delivery agent. Other public buildings, including health centres, local courts, chiefs' offices and schools, are also used as pay points. Pensions are paid monthly in cash through nearly 300 pay points.

Inevitably there were some initial problems with registration and delivery. Many older people could not produce documents proving

their age, and some people who were not eligible joined registration queues. Poor roads and bad weather made it extremely difficult to reach some people, particularly in remote, mountainous areas.

Most of these problems have been overcome. It is estimated that 72,000 people, 96 per cent of those eligible, are receiving the pension – three-quarters of them women. A military helicopter is used to reach some areas. Payments are made in the presence of military and police officers to protect pay-point staff and pensioners.

The pension has been widely welcomed by Lesotho's older citizens. There are concerns about its low level, but for some it makes a big difference. Research shows that pensioners use the income to buy food for themselves and others in their household, and for healthcare and travel to health facilities. About 28 per cent of pensioners are carers of orphans or vulnerable children.

In the Roma Valley, Mrs Mawetsi, aged 77, cares for five grandchildren. She uses her pension to buy school uniforms, borrowing to pay the full cost. The pension also pays for food and transport. Helena, aged 80, lives with three grandchildren. Two are adults who work in the house and on the farm. The youngest is still at school. Helena sells chickens to pay school fees and uses the pension to buy food. 'It helps so much,' she says.

In February 2007, the ruling Lesotho Congress for Democracy won a third term in office after campaigning on promises to review the pension and expand free education. It took 61 of the country's 80 constituencies. Most supporters were from poor, rural areas, suggesting that the social protection agenda influenced their vote.

In April 2007 the government kept its promise by announcing an increase in the pension to M200 (US\$28) a month, and extending it to war veterans.

Challenging officials in India

Poor older people in northern India are challenging local officials so that they can claim their entitlements.



HelpAge India

Older people join forces to press for better access to their entitlements.

The Government of India offers a range of means-tested benefits to poor older people, including a pension, food ration and shelter allowance. But take-up rates are very low because of poor publicity, corruption and inefficiency.

HelpAge India has been working in Uttar Pradesh, Madhya Pradesh and Jharkhand states to improve older people's access to these benefits. When the project began, a survey by HelpAge India revealed that 90 per cent of those entitled to the benefits were missing out. In some areas, only one in four knew about the pension, and far fewer were receiving it.

The project, funded by the UK Department for International Development, aims to help more than 22,500 older people in 900 villages to claim their entitlements.

Working with local partners, HelpAge India encouraged older people to form *vridh sanghs* (older people's groups). Each group is supported by a *vridh mitra* ('friend of the elderly'). These are typically young men in their twenties with at least basic-level education. They are employed full-time on a small salary to help the groups to organise and attend meetings with local government officials and others. Each 'friend of the elderly' works with five older people's groups.

At first, some older people were reluctant to join the groups, because they knew they would have to confront local officials. However, more joined as the groups started to achieve results.

HelpAge India and partners raised awareness among older people, community leaders and local officials of older people's rights. Discussions with older people highlighted many reasons why they were failing to receive their entitlements.

In some districts, many deserving older people did not have a 'below poverty line' card to prove their eligibility for government benefits.

In a largely non-literate population, many older people could not understand the application forms. Some had to pay agents to apply on their behalf. Sometimes, agents applied successfully but kept the benefits for themselves. Some local government officials demanded bribes for registration. Payments were often delayed or the full amount was not released.

Once older people became aware of their rights, they started taking up cases with local officials. Gradually their confidence grew. One group, on being sent away by their local government representative, asked the representative to put it in writing that he was sending them away. He changed his mind and agreed to talk to them.

The project has so far enabled more than 14,000 poor older people to receive benefits under one or more of the three schemes. While the support of the 'friends of the elderly' has been vital, it is older people themselves who have been the main driving force for the project – showing once more that older people are their own best advocates.

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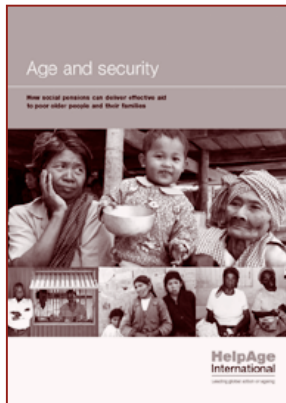
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'My seven sons disowned me long ago. The older people's group is looking after me like my son.'

Sumatri Bai, widow, Madhya Pradesh, India.

Resources



Age and security

Sets out the economic and political issues surrounding social pensions, provides case study evidence – including the views of older people already receiving pensions – and puts forward an agenda for action based on sound research and experience.

Mark Gorman, *HelpAge International*, 2004.

Why social pensions are needed now

Outlines HelpAge International's call for a universal pension for all people over 60 years of age, in order to realise older people's rights, reduce poverty, tackle HIV and AIDS, and effectively support the most vulnerable.

HelpAge International, 2006.

Social cash transfers for Africa: a transformative agenda for the 21st century

Report of an intergovernmental conference on social protection held in Livingstone, Zambia in 2006, which resulted in the Livingstone Call for Action, calling on African governments to put together costed national cash transfer plans within the next three years.

HelpAge International, 2006.

Aid for Africa and the case for cash transfers

Summarises points raised by participants at an intergovernmental conference on social protection in Livingstone, Zambia in 2006.

HelpAge International, 2006.

Social cash transfers for Asia: ensuring social protection/social pensions in old age in the context of rapid ageing

Report of a three-day inter-governmental seminar on social protection held in Bangkok, Thailand in 2007, which resulted in a call on governments, UN bodies, donors and civil society to strengthen their support to social pension programmes.

HelpAge International, 2007.

Making cash count: lessons from cash transfer schemes in east and southern Africa for supporting the most vulnerable children and households

Reviews unconditional cash transfers in 15 countries of east and southern Africa, examines four programmes in more depth (in Ethiopia, Lesotho, Mozambique and Zambia), and draws lessons for policy from this comparative review.

Save the Children UK, HelpAge International and Institute of Development Studies, 2005.

Case study briefs

Set of 20 case studies on social transfer schemes in six southern African countries, including one on the old-age pension in Lesotho.

Regional Hunger and Vulnerability Programme (RHVP), 2007.

Can be downloaded from: www.wahenga.net

Social transfers: a series of advocacy briefs for national stakeholders

Series of 10 policy briefs on the role of social transfers as a means of reducing chronic hunger and poverty in southern Africa.

Regional Hunger and Vulnerability Programme (RHVP), 2007.

Can be downloaded from: www.wahenga.net

Social transfers and chronic poverty: emerging evidence and the challenge ahead

Argues for continuing engagement by the international community in developing social transfer systems in very poor countries, and suggests what these could include.

UK Department for International Development, 2005.

Can be downloaded from: www.dfid.gov.uk/pubs/files/social-transfers.pdf

Designing and implementing social transfer programmes

A guide to management arrangements for social transfers in the form of cash.

Michael Samson et al., Economic Policy Research Institute, 2006.

Can be downloaded from: www.epri.org.za/rp38.pdf

Targeting and universalism in poverty reduction

Discusses the shift from universalism towards selectivity in social policies to combat poverty in the developing countries, and reviews lessons from such policies.

Thandika Mkandawire, United Nations Research Institute for Social Development, 2005.

Can be downloaded from: www.un.org/docs/ecosoc/meetings/2005/docs/Mkandawire.pdf

Old-age pensions in Lesotho

Fifteen-minute film produced by Dutch NGO, WorldGranny, on why the Lesotho government introduced a universal social pension, how it works, and what impact it has on older people and their families.

Can be viewed on YouTube at: www.youtube.com/user/helpage

Universal Declaration of Human Rights (1948)

Article 22: Everyone... has the right to social security. Article 25: Everyone has the right to a standard of living adequate for the health and well-being of himself and his family... and the right to security in the event of... old age.

www.un.org/overview/rights.html

HelpAge International publications can be downloaded or ordered free of charge from: www.helpage.org/Resources

If you do not have web access, you can order them from the London office (address on page 16).

HelpAge International Affiliates

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Action Ageing Jamaica
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HelpAge Barbados/Barbados
National Council on Aging
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HelpAge Belize
National Council of and for Older
Persons/HelpAge St Lucia
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CEM Outreach, Sierra Leone
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HelpAge Ghana (HAG)
HelpAge Kenya
HelpAge Zimbabwe

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(KESPA)
Maseru Women Senior Citizen
Association, Lesotho
Mauritius Family Planning Association
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Sudanese Society in Care of Older
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Uganda Reach the Aged Association

Asia/Pacific

Bangladesh Women's Health
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China National Committee on Aging
(CNCA)
Coalition of Services of the Elderly
(COSE), Philippines
COTA National Seniors Partnership,
Australia
Foundation for Older Persons'
Development (FOPDEV), Thailand
HelpAge India

HelpAge Korea
HelpAge Sri Lanka
Helping Hand Hong Kong
Instituto de Acção Social de Macau
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Senior Citizens Association
of Thailand
Senior Citizens Council of Thailand
Singapore Action Group of Elders
Tsao Foundation, Singapore
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Europe

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Caritas Malta HelpAge, Malta
Centre for Policy on Ageing, UK
Cordaid, Netherlands
DaneAge Association, Denmark
Elderly Woman's Activities Centre,
Lithuania
HelpAge Deutschland
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Mission Armenia
NGO Lastavica, Serbia
Second Breath (Gerontological
Association of Moldova)
Slovene Philanthropy
UMUT (Resource Centre for Elderly
People), Kyrgyzstan
Zivot 90, Czech Republic

Latin America

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CESTRA, Colombia
ISALUD, Argentina
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Demanding government *action*

The Age Demands Action campaign showed that older people have clear aspirations and can present their issues effectively to governments.



Bernd Schubert/HelpAge International

Pension coverage is to expand in Zambia.

Small delegations of older people in 26 countries won commitments to increased pensions, improved healthcare and better access to basic needs after meeting government ministers on and around 1 October 2007, International Day of Older Persons.

The meetings formed part of the Age Demands Action campaign, coordinated by HelpAge International and partners. The campaign aimed to raise awareness of the unique problems faced by older people and press governments to meet the goals of the 2002 Madrid International Plan of Action on Ageing.

In **Bangladesh, India, Sri Lanka, Thailand** and **Zambia**, governments agreed to expand coverage of existing social pension schemes, while in

the Philippines, older people won government support for the Elderly Poor Pension Act for social pensions.

In **India**, where access to benefits and free healthcare requires an identity card, the government agreed to give identity cards to an additional one million older people.

Many poor older people lack access to food and water. In **Ethiopia**, the government agreed to include older people in programmes to provide water to the most vulnerable in rural and urban areas. In **Zambia**, the government will expand a food ration scheme for older people and include older people in a wider food security programme supporting agricultural activities. In **Bangladesh**, the government offered credit to older people's associations.

A number of countries including **Vietnam, Kyrgyzstan** and **Uganda** agreed to progress national policies on ageing.

The meetings helped bring a change in attitudes to older people's issues, and created a sense of empowerment. 'The campaign encouraged older people and reminded them of their right to be heard with dignity and to influence policy,' reported HelpAge International's Bangladeshi partner, RIC.

Age Demands Action will run again in 2008, with more action in more countries.

Reports from some of the countries and more information about Age Demands Action are available at:

www.helpage.org/researchandpolicy/agedemandsaction

HelpAge International has a vision of a world in which all older people fulfil their potential to lead dignified, healthy and secure lives. HelpAge International is a global network striving for the rights of disadvantaged older people to economic and physical security; healthcare and social services; and support in their caregiving role across the generations.

Ageways exchanges practical information on ageing and development, particularly good practice developed in the HelpAge International network. It is published twice a year by HelpAge International, with funding from Help the Aged (UK).

Ageways is also available on the web at: <http://www.helpage.org>

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Front cover: An older Bolivian man collects his social pension. Photo: Tom Weller/HelpAge International



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