

THE AMERICAS SOCIAL SECURITY REPORT 2006 THE CHALLENGES OF AGING AND DISABILITY: EMPLOYMENT AND INSURANCE, AND INTERNATIONAL SOCIAL SECURITY AGREEMENTS (*Book Review*)^{1/}

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The 2006 Issue of the Report on Social Security in the Americas is divided in four chapters. The first two chapters address older-adult issues, the third chapter deals with disability-related problems, and the fourth chapter discusses Social Security agreements in the Americas. In the Presentation, it was pointed out that the objective of the Report on Social Security in the Americas is to become “a tool to get better acquainted with the situation faced by social security programs in the American Continent based on specific topics”.

The first chapter is titled “Labor markets and social security in an aging society”. The first section examines the labor market for older-adults and presents figures on labor force participation rates for the population aged 65 and over, according to sex, for 19 countries in the American Continent, from 1960 to 2000, where we observe a decreasing tendency in male participation. Male older-adult participation in Mexico, for example, declines from 80 to 50% between 1960 and 2000, while in Brazil, it decreases from 60 to 30%. Are these changes due to the influence of Social Security in the Americas, or are they due to increased inflexibilities in labor markets? According to Brugiavini (1997), in a study of the case of Italy, the first reason prevails.

By analyzing different household surveys in each country, occupational categories are reviewed by age and it is found that in countries such as Bolivia, Costa Rica, Honduras, Mexico, Nicaragua and Peru the proportion of “Self-Employed” to “Salaried” workers not only increases but also reaches levels that exceed 50% for the population aged 65 and over, indicating possible labor market inflexibilities for this group. However, the Report fails to establish a clear relationship between these facts and Social Security. When average hours worked are examined for this same age group, we find that in Argentina, Bolivia, Chile, Honduras, Mexico and Nicaragua more than half of these individuals work over 40 hours a week just like most of the population in these

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countries. These results are similar to those of industrialized countries such as Germany, Canada, the USA and Sweden, where most working adults over 50 work between 30 and 40 hours, the same number of hours worked by the general population, as can be observed in OECD (2005, Table 2.1). They also find that as the population grows older, a higher percentage works in agriculture, with the exception of Argentina, Chile, the Dominican Republic and Uruguay, evidencing the migration of the younger population to urban zones but no clear relationship to Social Security is established.

The next section examines social security and older-adult coverage. Labor force participation rates of individuals over 65 years of age and coverage rates, either through pensions or social programs, are compared. Older-adult income sources are also analyzed: work income, income from pensions and retirement, from family and non-family transfers and other income. However, with respect to income from pensions and retirement, information different from the one previously presented for Mexico and Peru is presented, without offering any explanation of the reasons for these differences. The chapter ends with a review of social security in the United States and Canada, but unfortunately, this information is not comparable to information on Latin America.

This chapter is rich in information provided by figures based on household surveys; however, it would seem that it does not quite accomplish its objective: to determine the impact of social security incentives on the labor market and on the establishment of general principles.

The second chapter deals with long-term care required by older-adults; for example, someone has to cook for them and help them bathe. This permanent care is known as Long-Term Care (LTC). According to the World Health Organization (WHO), when defining this type of care, one must distinguish between assistance in performing daily activities such as eating, getting dressed, bathing, etc., and instrumental daily activities such as preparing food, domestic chores, taking medication, etc. The study focuses on informal and publicly financed LTC and does not discuss care provided through private insurance.

A forecast is made of the population over 60 years of age who will require LTC services between 2000 and 2050 and it finds an expected growth that exceeds actual growth in industrialized countries. Projections on family size are also presented and we are able to observe that with very few exceptions, family size is decreasing in the Latin American countries considered in this study. This decrease can be corroborated in different information sources such as UN-HABITAT (2006), which considers even more dramatic family size reductions. This decrease is significant because it implies that a smaller number of family members will take care of older-adults whose LTC needs will grow through time. When analyzing who cares for older-adults who require LTC, they find that it is mainly their children, and then their spouse. Thus, by finding increased LTC needs and a smaller family size, the two pillars of the analysis to discover the impact on social security have been established.

Based on the information presented on the percentage of adults who require and receive LTC and the number of healthy adults per household estimated, it concludes that there will be no potential caretaker shortage in the family. This seems odd since the article by Lakdawalla and Philipson (1999) mentioned in the Report finds that as a couple ages, one of them could demand LTC services and the other could become the LTC provider. This article also mentions that there has been enormous pressure on LTC market products, partly due to a reduction in birth rates, a smaller number of children to look after them, and an increase in female participation in the work market, factors which are also considered in the Report.

Perhaps more studies such as the one by Ravallion and Deardon (1987), which appeal to “moral economy” in intrafamily transfers, might help solve the issue of how far families will keep providing LTC for older-adults without exercising more pressure on social security systems.

The Report indicates that the challenge of LTC is that LTC markets are not big enough on account of asymmetrical information, so “authorities in the Continent should start thinking about taking public actions”. Should the authorities intervene, it must be decided whether social security should be universal or not, the kind of assistance to be offered and how the system should be designed. The final section discusses the case of the industrialized countries reviewed, which have benefits in kind for people with LTC needs. This outcome could indicate growing pressures for Latin American social security systems to provide benefits in kind, so further studies, such as the Report under review, are critical in order to anticipate the financial impact.

The third chapter discusses disability in the American Continent. This topic is very significant because, in addition to being excluded, to work limitations and to their reduced participation in the work market, people with disabilities face unexplained salary differentials of up to 40%, as discussed by Maldonado (2005) for Peru. The report first discusses the World Health Organization (WHO) definition of disability and how this definition has changed through time. Sources where information on disability by country can be found, such as census information and surveys, are examined, pointing out the difficulty in using this information in comparisons among countries because each country uses different concepts. The different disability types are identified, making it clear that the most significant are visual, hearing, language and physical disabilities. However, when WHO (2004) information is used to measure the number of years living with a disability, we become involved with a different kind of information, one where neuro-psychiatric disorders, such as alcoholism and depression among the young, for example, play a more significant role. And the question of how disability related issues change when a different information source is used is left unanalyzed.

Further on, the Report compares the legislation of different countries and indicates that in Latin America there is a considerable gap between the law and effective protection for the disabled because the law is not enforced and there are no penalties for individuals or companies that do not comply with these laws. It also makes a superficial analysis of programs designed to promote employment for people with disabilities but it comments very little on the success of these programs in countries in Latin America and the Caribbean.

The fourth section of the chapter makes ample use of comparative country figures from 1990 to 2003. It compares the number of contributors to total population, disability pensions to insured individuals, working risk insurance beneficiaries to total insured individuals, the percentage of the population receiving social security pensions and information on disability pension amounts received by individuals, the cost of insurance and monthly pension amounts. The information is well organized and it enhances the content of this chapter.

Chapter 4 addresses International Social Security Agreements aiming to add up retirement or disability benefits for those who have contributed to two social security systems in two different countries. The objective of this chapter is to determine the way social security agencies in the Continent have responded to migration. Section 3 discusses migration tendencies in the American Continent. It first discusses migration to the United States and Canada. Although information on the United States includes information on the total number of immigrants admitted, the reader should understand that it pertains to residents or individuals who have already received their

“green card”. This is relevant because, according to the Department of Homeland Security (DHS, 2001) were estimated 2.7 million illegal immigrants already in October 1996 just in the case of Mexico. On the other hand, information provided on migratory movements among the countries in America is excellent. This information relates to existing agreements between countries to be able to infer those agreements that should be in existence, providing decision criteria for policymakers.

The report ends with a chapter on Conclusions and Recommendations, presenting a summary of the four chapters.

The Report is extensive and its capacity to compile information on older-adults, the disabled and pensioners is excellent; the information compiled can not be found elsewhere. In addition, it uses census information and household surveys in several chapters, avoiding Atkinson and Brandolini’s (2001) criticism of the wide utilization of “secondary” sources. However, two comments can be made. The first one refers to the fact that information is not analyzed to be able to get acquainted with the situation faced by social security systems. The Report always provides the fundamental elements for analysis but on occasions it does not go any further. In the first chapter, for example, in the study on older-adults, it provides information on labor force participation rates, number of hours worked, income sources and social coverage, but the information is not interrelated.

In Chapter 2, all the elements are also there: the disabilities of older-adults requiring LTC, how their proportion to the entire population is expected to increase, how family size is decreasing, etc. Chapter 3 fails to discuss the changes that arise when using different information sources, information provided by the WHO and information obtained from census and household surveys, and which is more relevant to the problems that will be faced by social security institutions.

The second comment refers to information presented in the tables and figures, since they are the essence of the Report. On occasions, footnotes are required to expand on the information that is being provided. Fortunately, the bibliography includes the Internet sites where the information was obtained.

In conclusion, one could say that the Report generates and compiles information that is not available in any other sources and it is therefore very useful for researchers, scholars and public policy decision-makers involved in social security topics and problems faced by older-adults and people with disabilities.

Additionally, since compiling the information has been an arduous job, especially when dealing with census and household surveys from so many countries, it is desirable that this information continues to be exploited in future articles complementing the Report.

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The Safety and Security of Persons with Disabilities. Persons with Disabilities as a minority population in America experience an increased risk of becoming victims of violent crime. Women with disabilities specifically experience a high rate of sexual assault and domestic violence. Social Service organizations in America are many times unprepared to address the needs of persons with disabilities. For example; shelters for battered women commonly lack staff members who have the training needed to work with the unique needs of women with disabilities. The year 2006 found persons with disabilities in America experiencing an employment rate that was at least 40 percentage points lower than the rate of working age persons without disabilities. Social Security Law 5510 - Free ebook download as PDF File (.pdf), Text File (.txt) or read book online for free. Social insurance and universal health. Insurance law. Law Number: 5510 Date of Enactment: 31/5/2006 Published on Official Journal: Date: 16/6/2006 No.: 26200 Published on Code: Group: 5 Vol.: 45 Page International social security agreements: shall mean the social security agreements to which our Country is a party. (Appended paragraph: 17/4/2008 - 5754/1st Art.) Social Security Administration Research, Statistics, and Policy Analysis. Trends in Social Security Disability Insurance. Population Profiles. Child Beneficiaries & Poverty. The 2019 regional volume for The Americas was the last edition of Social Security Programs Throughout the World published by SSA. Our publication partner the International Social Security Association will continue to provide country profiles on its website. A biannual publication highlighting the principal features of social security programs in more than 170 countries. Published in collaboration with the International Social Security Association, one of four regional volumes was issued every six months. Social Security Disability Insurance (SSD or SSDI) is a payroll tax-funded federal insurance program of the United States government. It is managed by the Social Security Administration and designed to provide income supplements to people who are physically restricted in their ability to be employed because of a notable disability (usually physical). SSD can be supplied on either a temporary or permanent basis, usually directly correlated to whether the person's disability is temporary or permanent. Start studying Social Security Program. Learn vocabulary, terms and more with flashcards, games and other study tools. It is also advisable to have the elder or family member check consumer reports of the particular insurance company and its reliability before applying for a policy. What is Medicare? An insurance plan for persons who are 65, blind or totally disabled, including those with end stage renal disease. How does it work? Under Social Security disability requirements, a worker is fully insured on a permanent basis after having worked in a covered occupation for: 10 quarters 20 quarters 30 quarters 40 quarters. 40 quarters (To obtain fully insured status, a covered worker must accrue a total of 40 quarters of credit, which is about 10 years of work.)