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**AGING ELECTORATES, INTERGENERATIONAL FAIRNESS AND PRO-ELDERLY POLICY BIAS: A SURVEY OF RESEARCH IN COMPARATIVE POLITICS**

**ELEITORADOS ENVELHECIDOS, JUSTIÇA INTERGERACIONAL E POLÍTICA ORIENTADA PARA OS IDOSOS – UM ESTUDO DE POLÍTICA COMPARADA**

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**Abstract:** This article reviews the state of the art in comparative politics and political sociology on the interplay between population aging and public policies in OECD democracies. It discusses findings from the Intergenerational Justice Index (IJI) - a simple four-dimensional indicator developed with the Bertelsmann Stiftung in order to compare intergenerational justice in practice across 29 societies (Vanhuyssse 2013). Three of the IJI dimensions measure policy outcomes that leave legacy burdens towards younger and future generations (ecological footprint, child poverty, and public debt levels per child) whereas the fourth dimension measures policy inputs in the form of welfare states' overall pro-elderly spending bias. I argue that demography is not destiny: good policy design strongly mediates the direct influence of population aging on pro-elderly policy bias and intergenerational equity. Demographic change provides urgent arguments for (re)activating the fiscal and human capital basis of aging welfare states and for investing in early human capital. But the institutional complexities and context-dependencies of generational politics do not justify blanket generational blame games.

**Key Words:** Generational politics, intergenerational equity, empirical social justice, gerontocracy, comparative welfare, political sociology, pension reform

**Palavras-chave:** política geracional, a equidade intergeracional, justiça social empírica, gerontocracia, assistência social comparada, sociologia política, reforma das pensões

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## Introduction

Wide across the Western world, people are living longer lives and having fewer children. This has led to larger shares of elderly voters during elections. Many now fear that elderly voters are becoming an immensely powerful political pressure group. After all, aging populations do not just entail more elderly people who are eligible to vote. These elderly electors also tend to actually go voting more often than younger voters (e.g. Goerres 2009). Even some serious researchers now claim that we live in a gerontocracy, where the elderly monopolize all power (e.g. Sinn<sup>2</sup>; Sinn and Uebelmesser<sup>3</sup>). But empirical evidence shows such strong gerontocracy to be either empirically weak still (Tepe and Vanhuyse<sup>4</sup>) or altogether wrong as they merely derive from the asymmetric visibility of the transfers going to the old versus to the young (Gal et al.<sup>5</sup>, Gal et al.<sup>6</sup>). What is clear, however, is that population aging has very significantly changed electoral and policy dynamics across all aging democracies (Vanhuyse and Goerres<sup>7</sup>, Petersen and Petersen<sup>8</sup>). This article reviews the state of the art of recent research in comparative political science, comparative social policy and political sociology.

## Does Population Aging Equate Pensioner Power?

Notwithstanding important early clarion calls by, for instance, Cutler<sup>9</sup> and Heclo<sup>10</sup>, political science and political sociology as modern disciplines have lagged behind somewhat in developing an integrated body of knowledge on population aging. Yet explicitly comparative and political explanations delving into long-run electoral and institutional processes and policy cultures stand a better chance at explaining the political processes of aging populations than mere demographic

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2. SINN, H.-W., *A Plea for a Child Pension System*, in *De Economist*, 2005, number 153, vol. 1, pp. 1–45.

3. SINN, H.-W. and UEBELMESSER, S., *Pensions and the Path to Gerontocracy in Germany*, *European Journal of Political Economy*, number 19, 2003, pp. 153–158.

4. TEPE, M. and VANHUYSE, P., *Are Aging OECD Welfare States on the Path to Gerontocracy? Evidence from 18 Democracies, 1980-2002*, in *Journal of Public Policy*, 29, (1), 2009, pp. 1–28. Available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1225672](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1225672).

5. GAL, R., VANHUYSE, P., VARGHA, L., *Why Pro-Elderly Bias Is an Artifact: From the Welfare State to the Intergenerational Society*, paper presented at the 2015 ESPAnet conference, Odense, 2015.

6. GAL, R., SZABO, E. and VARGHA, L. *The Age-Profile of Invisible Transfers: The True Size of Asymmetry in Inter-Age Reallocations*, in *Journal of the Economics of Aging*, 2014.

7. VANHUYSE, P. and GOERRES, A. (eds.), *Ageing Populations in Postindustrial Democracies: Comparative Studies of Policies and Politics*. Abingdon, Routledge: ECPR Studies in European Political Science, 2012. Available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1799348](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1799348).

8. PETERSEN, J.H. and PETERSEN, K. (eds.), *The Politics of Age: Pension Systems in a Comparative and Historical Perspective*. Frankfurt am Main: Peter Lang, 2009.

9. CUTLER, N.E., *Demographic, Social-Psychological, and Political Factors in the Politics of Aging: A Foundation for Research in 'Political Gerontology*, in *American Political Science Review*, 1977, 71, pp. 1011–25.

10. HECLO, H. *Generational Politics*, in Palmer, J., SMEEDING, T., and TORREY, B. (eds.), *The Vulnerable*, Washington: Urban Institute, 1988, pp. 381–442.

or descriptive social policy or gerontology approaches. Adopting such a political lens provides insights that are more theoretically refined and institutionally complex than the increasingly shrill and alarmist assertions being voiced recently about allegedly ‘gerontocratic’ welfare states dominated by unholy baby boomer alliances of ‘greedy grey’ voters and ‘myopic’ or populist politicians.<sup>11</sup>

The rise of elderly citizen numbers among the electorate may have manifold implications for policy; not all of them straightforward or intuitive. Tepe and Vanhuyse’s<sup>12</sup> **theory of the politics of pension pain argues that** aging populations may simultaneously lead to *delays* in the implementation of large pension benefit generosity cuts and to the *acceleration* of medium-size cuts. They present a theory that modifies prospect theory’s notorious insight that most actors are at the same time very loss averse *and* prone to take large risks when they think they are losing (see Kahneman and Tversky<sup>13</sup>; Vis<sup>14</sup>). Thus, Tepe and Vanhuyse<sup>15</sup> use event history analysis to argue that aging populations today may function as powerful ‘alarm bell signals.’ They put policymakers in a ‘loss frame,’ urging them to muddle through by implementing incremental cuts sooner rather than later – but perhaps only to better be able to delay electorally truly risky larger cuts. Politicians may thus jump to bite relatively small cutback bullets early, mainly in order to postpone biting larger bullets. Counterintuitively, Tepe and Vanhuyse<sup>16</sup> further find that neither the pressure of upcoming elections nor the amount of veto points in the political system have any effect on the timing of pension cuts. But partisan power does matter: more rightwing governments generally implement pension pain significantly *earlier* than leftwing governments (on retrenchment politics see e.g. Starke<sup>17</sup>; Tepe and Vanhuyse<sup>18</sup>; on pension politics see also Petersen and Petersen<sup>19</sup>).

11. This is what we argue in VANHUYSE, P. and GOERRES, A. (eds.), *Ageing Populations in Postindustrial Democracies: Comparative Studies of Policies and Politics*. Abingdon, Routledge: ECPR Studies in European Political Science, 2012. Available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1799348](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1799348).

12. TEPE, M. and VANHUYSE, P., *Accelerating Smaller Cutbacks to Delay Larger Ones? The Politics of Timing and Alarm Bells in OECD Pension Generosity Retrenchment*, in Vanhuyse, Pieter & Goerres, Achim (eds.), *Ageing Populations in Postindustrial Democracies*. Abingdon: Routledge/ECPR Studies in European Political Science, 2012. Available at: <http://ssrn.com/abstract=1673366>.

13. KAHNEMAN, D. and TVERSKY, A. (eds.), *Choices, Values and Frames*, Cambridge University Press, Cambridge, 2000.

14. VIS, B., *The Politics of Risk-Taking*, Amsterdam University Press, Amsterdam, 2012.

15. TEPE, M. and VANHUYSE, P., *Accelerating Smaller Cutbacks to Delay Larger Ones? The Politics of Timing and Alarm Bells in OECD Pension Generosity Retrenchment*, in Vanhuyse, Pieter & Goerres, Achim (eds.), *Ageing Populations in Postindustrial Democracies*. Abingdon: Routledge/ECPR Studies in European Political Science, 2012. Available at: <http://ssrn.com/abstract=1673366>.

16. TEPE, M. and VANHUYSE, P., *op. cit.*

17. STARKE, P. *THE POLITICS OF WELFARE STATE RETRENCHMENT: A LITERATURE REVIEW*, Social Policy and Administration. 40, (1), 2006, pp. 104-120

18. TEPE, M. and VANHUYSE, P., *Who Cuts Back and When? The Politics of Delays in Social Expenditure Cutbacks, 1980- 2005*, West European Politics, 33, (6), 2010, pp. 1214-1240. Available at [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1530509](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1530509).

19. PETERSEN, J.H. and PETERSEN, K. (eds.), *The Politics of Age: Pension Systems in a Comparative and Historical Perspective*. Frankfurt am Main: Peter Lang, 2009.

Other evidence in comparative politics also contradicts frequent claims about the alleged policy sclerosis and reform-*inability* of aging democracies. For instance, Sciubba<sup>20</sup> shows that all three of the demographically oldest OECD societies, Italy, Germany, and Japan, have actually managed to implement policy reforms that directly hurt the interests of older voters in the past decade. Investigating two of the most liberal OECD welfare states, Great Britain and the USA, Edlund and Svallfors<sup>21</sup> find very different temporal dynamics in popular welfare state support that are explained by these countries' recent social policy histories. Moreover, there is simply no evidence that age differences are superseding class differences in explaining social policy attitudes. If anything, cohort differences are becoming less rather than more pronounced over time. This finding drives yet another nail in the coffin of the simplistic 'gerontocracy' or 'generational wars' arguments (see also Gal et al.<sup>22</sup>).

### Grey parties and young families

Specific pensioners' parties single-mindedly promoting narrow pensioner interests are another boogeyman that is often assumed to arise wherever population age. Yet, Hanley<sup>23</sup> shows such parties to have been successful only in those democracies that combine adequate levels of self-organization of older people with *already existing* high levels of pro-elderly spending. In a first-ever analysis of grey parties in altogether 31 democracies, Hanley finds in addition that the main obstacle to the emergence of grey-interest parties in Western Europe is the stability of established parties and party systems and their continued success in attracting older voters. But in Eastern Europe, the main obstacle is a weak civic infrastructure for older people and a changing but steady supply of catch-all populist protest parties. Hanley argues that West European pensioners' parties are thus likely to succeed by pursuing strategies that link anti-establishment protest

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20. SCIUBBA, J., *Rhetoric and Action on Ageing in the World's 'Oldest' Democracies: Party Platforms and Labor Policies in Germany, Italy and Japan*, in VANHUYSE, PIETER & GOERRES, ACHIM (eds.), *Ageing Populations in Postindustrial Democracies*, Abingdon, Routledge/ECPR Studies in European Political Science, 2012.

21. EDLUND, J, and SVALLFORS, S., *Cohort, Class, and Attitudes to Redistribution in Two Liberal Welfare States: Britain and the United States, 1996-2006*, in VANHUYSE, PIETER & GOERRES, ACHIM (eds.) *Ageing Populations in Postindustrial Democracies*, Abingdon, Routledge/ECPR Studies in European Political Science, 2012.

22. GAL, R., VANHUYSE, P., VARGHA, L., *Why Pro-Elderly Bias Is an Artifact: From the Welfare State to the Intergenerational Society*, paper presented at the 2015 ESPAnet conference, Odense, 2015.

23. HANLEY, S., *Explaining the Success of Pensioners' Parties: A Qualitative-Comparative Analysis of 31 Politics*, in VANHUYSE, PIETER & GOERRES, ACHIM (eds.) *Ageing Populations in Postindustrial Democracies*, Abingdon, Routledge/ECPR Studies in European Political Science, 2012.

with the specific sectional demands for elderly voters. But in Eastern Europe successful pensioner parties emerge in the niche provided by less stable party systems (on the strategic policy factors that have inflated the size of pensioner constituencies in Eastern Europe on a historically unprecedented scale, see Vanhuyse<sup>24</sup>, Vanhuyse<sup>25</sup>)

At the other side of the generational spectrum, there exist high but varying levels of intergenerational solidarity inside the family in caring for children and grandchildren (Saraceno<sup>26</sup>, Gal et al.<sup>27</sup>). But this may also increase the demand of young families for the state to provide childcare – at least in those welfare states that are *already* highly active in providing public childcare. Goerres and Tepe<sup>28</sup> argue that young families are cognitively constrained in their expectations for policies that benefit their own age group. In welfare states that do little to support families, individual involvement with the family does not impact on what these young citizens expect – perhaps because they have learned to expect little from the state. Goerres and Tepe conclude that generational policy models developed in the past can powerfully shape the generational policy expectations of voters in different age cohorts today.

### Does Population Aging Lead To Intergenerational Inequities?

Population aging has also led many people to question whether aging democracies treat young citizens as fairly as elderly voters. For instance, in a study of more than two thousand young adults (undergraduate university students) from eight democracies across four worlds of welfare, Sabbagh and Vanhuyse<sup>29</sup> find

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24. VANHUYSE, P., *The Pensioner Booms in Post-Communist Hungary and Poland: Political Sociology Perspectives*, International Journal of Sociology and Social Policy, 24, (1/2), 2004, pp. 86-102.

25. VANHUYSE, P., *Review Article: The Political Economy of Pensions: Western Theories, Eastern Facts*, Journal of European Public Policy 8, (5), 2001, pp. 853-861.

26. SARACENO, C. *Families, Ageing and Social Policy: Intergenerational Solidarity in European Welfare States*, Cheltenham, Edgar Elgar, 2008.

27. GAL, R., VANHUYSE, P., VARGHA, L., *Why Pro-Elderly Bias Is an Artifact: From the Welfare State to the Intergenerational Society*, paper presented at the 2015 ESPAnet conference, Odense, 2015.

28. GOERRES, A. and TEPE, M., *The Family and the Welfare State: The Impact of Public Provision for Families on Young People's Demand for Public Childcare across 21 Nations*, in VANHUYSE, PIETER & GOERRES, ACHIM (eds.) *Ageing Populations in Postindustrial Democracies*, Abingdon, Routledge/ECPR Studies in European Political Science, 2012.

29. SABBAGH, C., VANHUYSE, P., *Intergenerational Justice Perceptions and the Role of Welfare Regimes: A Comparative Analysis of University Students*, *Administration & Society*, 42, 6, 2007, pp. 638-667. Available at: <http://ssrn.com/abstract=1019296>.

that younger working-age adults (aged 18-35) are systematically perceived to be treated worse than either older working-age adults or the elderly (on perceived *pension* injustice specifically, see Sabbagh and Vanhuyse<sup>30</sup>)<sup>31</sup>. Derek Parfit, Norman Daniels, Brian Barry, Ronald Dworkin, Axel Gosseries and many others working in political theory and moral philosophy have provided excellent analytical contributions on the notion of intergenerational justice (for recent contributions see e.g. Barry<sup>32</sup>; Gosseries and Meyer<sup>33</sup>; Bidadanure<sup>34</sup>). But there is much less evidence on how this notion has been applied in public policies. How can we answer questions about intergenerational justice in practice when we do not know about the intergenerational equity of real-life public policies?

At the request of the Bertelsmann Stiftung in Germany, in Vanhuyse<sup>35</sup> I have therefore developed a simple four-dimensional snapshot indicator for 29 rich Western democracies: the *Intergenerational Justice Index*, henceforth *IJI* (see also Vanhuyse<sup>36</sup>, Vanhuyse<sup>37</sup>) *Sustainability* is the moral starting point. 'Enough and as good' should be left by each generation for the next (Barry<sup>38</sup>). It is not a priori morally problematic when at one point in time, different *age groups* receive an unequal treatment from the state. Today's elderly, quite naturally, need more pension and health care resources than today's young. But the young will one day need such resources themselves. When such inequalities are likely to be perpetuated across different *birth cohorts* over their life cycle, then we do end up with lucky and unlucky generations within the same country

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30. SABBAGH, C., VANHUYSE, P. *Perceived Pension Injustice: A Multidimensional Model of Attitudes in Two Most-Different Cases*, *International Journal of Social Welfare*, 23, (2), 2014, pp. 174-184.

31. On the drivers of young people's welfare attitudes see furthermore: SABBAGH, C., VANHUYSE, P., *Between the Market and the State: Israeli Students' Welfare Attitudes in Comparative Perspective*, *International Journal of Social Welfare* 16 (3), 2007, pp. 220-230

32. BARRY, B., *Sustainability and Intergenerational Justice*, *Theoria*, 45, 89, 1998, pp. 43-65.

33. GOSSERIES, A. and MEYER, L. (eds.), *Intergenerational Justice*, Oxford University Press, Oxford, 2009.

34. BIDADANURE, J., *Treating Young People As Equals: Intergenerational Justice in Theory and Practice*, University of York: doctoral dissertation, 2014.

35. VANHUYSE, P., *Intergenerational Justice in Aging Societies: A Cross-National Comparison of 29 OECD Countries*, Gütersloh, Bertelsmann Stiftung, 2013. Available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2416916](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2416916).

36. VANHUYSE, P., *Intergenerational Justice and Public Policy in Europe*, European Social Observatory (OSE) Paper Series, Opinion Paper No.16, March, 2014. Available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2416916](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2416916). The Portuguese version available at: VANHUYSE, P., *Justiça Intergeracional e Políticas Públicas: Perspectivas Europeias*, Inter-American Conference on Social Security (CISS) Working Paper Series, 2014. [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2501255](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2501255).

37. VANHUYSE, P., *Progressive Social Policies for Intergenerational Justice in Aging Societies: Demography Is Not Destiny*, in Patrick Diamond and Claudia Chwalisz (eds.), *The Pre-distribution Agenda: Tackling Inequality and Supporting Sustainable Growth*, London, I.B. Tauris, 2015.

38. BARRY, B., *op. Cit.*

(Chauvel and Schroeder<sup>39</sup>; Lee and Mason<sup>40</sup>; Vanhuyse<sup>41</sup>). And this *does* imply intergenerational injustice.

So the equity question is really whether current policy patterns towards different age groups appear sustainable<sup>42</sup> *III* measure legacy burdens towards younger and future generations. (1) The first *III* dimension, *ecological footprint*, is a measure of the total pressure put on the environment by all generations alive today and left for the next generations to tackle. Austria ranks tenth-worst in the 29-country sample on this measure. Hungary, Poland and Portugal are among the best performers best on this measure; Denmark, the USA, Belgium, Australia and Canada among the worst ones. (2) The second *III* dimension captures the total central government *debt weighing on the shoulders of each child* aged 0-14; a fiscal burden left for this next generation to cope with. Here, Estonia and South Korea perform best, and Italy Greece and Belgium very badly, while Japan is literally off the scale with by far the highest levels of debt per child.

(3) A third *III* dimension measures early-life starting conditions as measured by *child poverty levels*. Child poverty matters morally. Not just because children cannot be blamed for being born into poor families, but also because such poverty has powerful scarring effects all through their later adolescent and adult lives (Heckman<sup>43</sup>, Vanhuyse<sup>44</sup>, Vanhuyse<sup>45</sup>). The best countries in the sample on this dimension are the Nordic countries, but also Slovenia and Austria. Austria, along with Nordic countries, also has one of Europe's lowest rates of severe material deprivation among very young children (just 7.5 percent among 0-6 year olds in recent years). And nowhere else in Europe are there fewer NEETs - young adults who are *not* in employment, education and training (just 7 percent among 15-24 year olds) (Vanhuyse<sup>46</sup>).

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39. CHAUVEL, L. and SCHRÖDER, M., *Generational Inequalities and Welfare Regimes*, *Social Forces*, 92,4, 2014, pp. 1259-83.

40. LEE, R. and MASON, A (eds.), *Population Aging and the Generational Economy: A Global Perspective*, Cheltenham, Edward Elgar, 2011.

41. VANHUYSE, P., *Intergenerational Justice and Public Policy in Europe*, European Social Observatory (OSE) Paper Series, Opinion Paper No.16, March, 2014. Available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2416916](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2416916). The Portuguese version of this article is available at: VANHUYSE, P., *Justiça Intergeracional e Políticas Públicas: Perspectivas Europeias*, Inter-American Conference on Social Security (CISS) Working Paper Series, 2014. [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2501255](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2501255).

42. VANHUYSE, P., *op. Cit.*

43. HECKMAN, J., *Policies to Foster Human Capital*, *Research in Economics*, 54, 2000, pp. 3-56. Also: HECKMAN, J., *Lessons from the Technology of Skill Formation*, *Annals of the New York Academy of Sciences*, 1038, 1, 2004, pp. 179-200. Also: HECKMAN, J., *Giving Kids a Fair Chance: A Strategy That Works*, Boston Books, 2013.

44. VANHUYSE, P., *The New Political Economy of Skill Formation*, *Public Administration Review*, 68, 5, 2008, pp. 955-959. Available at: <http://ssrn.com/abstract=1019062>

45. VANHUYSE, P., *Skills, Stakes and Clout: Early Human Capital Foundations for European Welfare Futures*, in *The Future of Welfare in a Global Europe*, Aldershot, Ashgate, 2015. Available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2574845](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2574845).

46. VANHUYSE, P., *Skills, Stakes and Clout: Early Human Capital Foundations for European Welfare Futures*, in *The Future of Welfare in a Global Europe*, Aldershot, Ashgate, 2015. Available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2574845](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2574845).

(4) The fourth *IJI* dimension is an overall measure of the *welfare state's pro-elderly spending ratio*. This is calculated by comparing spending on a whole range of elderly-oriented welfare programs such as old age and disability pensions and elderly care, to spending on a whole range of nonelderly-oriented programs such as family benefits, active labor market spending, and unemployment benefits (on elderly biases in social spending, see also Lynch<sup>47</sup>; Gamliel-Yehoshua and Vanhuyse<sup>48</sup>; Tepe and Vanhuyse<sup>49</sup>; for a radical extension, see Gal et al.<sup>50</sup>). The least pro-elderly biased rich welfare states are New Zealand, Canada, and Ireland, but also demographically older countries such as South Korea and Denmark. These countries all spend less than two and a half times more per each elderly as per each nonelderly person.

On the other side of the spectrum, the (still) demographically rather young Poland has the highest pro-elderly social spending ratio in the OECD: it spent more than eight and a half times as much on each elderly Pole as on each nonelderly Pole. Other pro-elderly tilting welfare states include demographically old countries such as Greece, Italy (pro-elderly ratio above 6.5) and Japan (around 5.5), but also, more surprisingly, young societies such as Slovakia (above 6.5), the Czech Republic and Slovenia (around 5.5).

In other words, when it comes to age group spending patterns, demography quite simply is *not* destiny (see also Vanhuyse<sup>51</sup>; Tepe and Vanhuyse<sup>52</sup>). Two of the demographically oldest societies in the world, Italy and Japan, have high pro-elderly spending ratios, but another old society, Sweden, shows much more age group spending balance (Vanhuyse<sup>53</sup>). This is because Sweden, like other Nordic countries, also invests massively in young programs such as early childhood, education, and family and active labor market programs. And Nordic countries have the tax resources to do so, because labor market participation

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47. LYNCH, J., *Age and the Welfare State*, Cambridge, Cambridge University Press, 2006.

48. GAMLIEL-YEHOSHUA, H. and VANHUYSE, P. *The Pro-Elderly Bias of Social Policies in Israel: A Historical-Institutional Account*, *Social Policy and Administration*, 44, 6, 2010, pp. 708-26.

49. TEPE, M. and VANHUYSE, P., *Elderly Bias, New Social Risks, and Social Spending: Investigating Change and Timing in Eight Programs Across Four Worlds of Welfare, 1980-2003*, *Journal of European Social Policy*, 20, 3, 2010, pp. 218-234. Available at: <http://ssrn.com/abstract=1370004>.

50. GAL, R., VANHUYSE, P., VARGHA, L., *Why Pro-Elderly Bias Is an Artifact: From the Welfare State to the Intergenerational Society*, paper presented at the 2015 ESPAnet conference, Odense, 2015.

51. VANHUYSE, P., *Progressive Social Policies for Intergenerational Justice in Aging Societies: Demography Is Not Destiny*, in Patrick Diamond and Claudia Chwalisz (eds.), *The Pre-distribution Agenda: Tackling Inequality and Supporting Sustainable Growth*, London, I.B. Tauris, 2015.

52. TEPE, M. and VANHUYSE, P., *Elderly Bias, New Social Risks, and Social Spending: Investigating Change and Timing in Eight Programs Across Four Worlds of Welfare, 1980-2003*, *Journal of European Social Policy*, 20, 3, 2010, pp. 218-234. Available at: <http://ssrn.com/abstract=1370004>.

53. VANHUYSE, P., *Intergenerational Justice in Aging Societies: A Cross-National Comparison of 29 OECD Countries*, Gütersloh, Bertelsmann Stiftung, 2013. Available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2416916](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2416916).

rates, including those of women and of elderly workers, are much higher than in continental or Southern Europe. The greater (and historically earlier) labor market participation of women in turn derive from deeper cultural and political causes such as the earlier adoption of gender equality norms and the concomitant need for work-family policies such as subsidized early childhood programs and generous maternity allowances and parental leaves in Nordic Europe (e.g. Tepe and Vanhuysse<sup>54</sup>; on Nordic pensions in historical perspective see Petersen and Petersen<sup>55</sup>).

### **Alarm Bells For Activating Reforms – Not Alarmist Diagnoses Of Gerontocracy**

When put together, the four *IJI* dimensions combine into an overall *IJI* value. Here Vanhuysse<sup>56</sup> shows that among the most intergenerationally equitable OECD countries were Estonia, South Korea, New Zealand and all of Nordic Europe. Among the least intergenerationally just countries were the USA, Japan, Italy, Greece and Canada. In a complementary study specifically on the material circumstances of young adults and very young children and educational outcomes (such as PISA results in mathematics, reading, writing and problem solving), Vanhuysse<sup>57</sup> furthermore finds that the years since the 2008-2009 crisis have seen the emergence of a new ‘North-East to core’ good gradient in Europe from Finland over Poland, Germany, the Czech Republic, and Slovenia to France. Outside of this gradient, the new periphery regarding young Europeans’ opportunities now includes the UK and Ireland, again all of Southern Europe, and Eastern but no longer Central Europe.

So, what to conclude? Clearly, an aging society need not be morally blamed for lower fertility; still less so for longer life expectancy. Living longer lives (of quality) is actually a yardstick of social progress. And moderately low levels of fertility may even be desirable (Lee<sup>58</sup>) -- not least from an environmental point of view.

But crucially, the way in which a society’s public policies react to population aging *is* morally important. This is where the *IJI* results matter. *Unless* low- *IJI*

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54. TEPE, M. and VANHUYSE, P., *Elderly Bias, New Social Risks, and Social Spending: Investigating Change and Timing in Eight Programs Across Four Worlds of Welfare, 1980-2003*, Journal of European Social Policy, 20, 3, 2010, pp. 218-234. Available at: <http://ssrn.com/abstract=1370004>.

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countries such as the USA, Japan, Italy, Greece, and Canada can somehow (miraculously yet credibly) guarantee fast and sustainable productivity growth and rapid technological (including environmental technology) progress in the near future, not reforming current policy patterns would simply perpetuate a bad current deal for young and future generations (Vanhuyse<sup>59</sup> Gosseries and Ricoy<sup>60</sup>).

In sum, we need more refined comparative-political science and political sociology research into the political processes and the policy feedback effects arising from population aging (Goerres and Vanhuyse<sup>61</sup>). The demographic alarm bells currently tolling in many OECD countries indicate the need for urgent policy rethinks. And they appear to be imprisoning politicians in many countries in ever-tighter electoral and fiscal straitjackets. But they need not provide grounds for alarmism.

Population aging certainly provides urgent arguments for (re)activating the fiscal and human capital basis of aging welfare states and for providing better ‘rates of return’ from the intergenerational social compact for today’s and tomorrow’s young generations. No doubt some political actors, and some advanced democracies, are more resistant to such reforms than others. But the institutional and sociological complexities and context-dependencies of the politics of population aging just do not justify one-size-fits-all prescriptions or blanket generational blame games.

Good policies make all the difference in the nexus between aging populations and generational politics. Investing in early human capital is probably a key ingredient in safeguarding the fiscal foundations of welfare states in aging societies (Heckman<sup>62</sup>; Vanhuyse<sup>63</sup>). In addition, it is an efficient and effective way of boosting the opportunities and capabilities of young citizens, while simultaneously leveling the playing field especially for children born in disadvantaged circumstances.

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