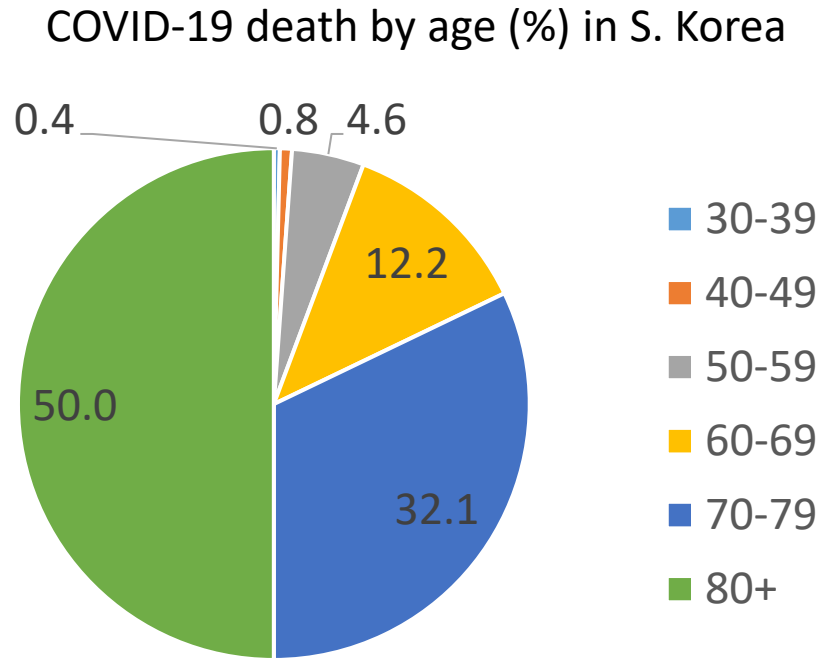


# The impact of COVID-19 on the welfare of older persons

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East-West Center and  
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14 December 2020

# Health outcome (death, physical and mental health) is the most notable effect on older people

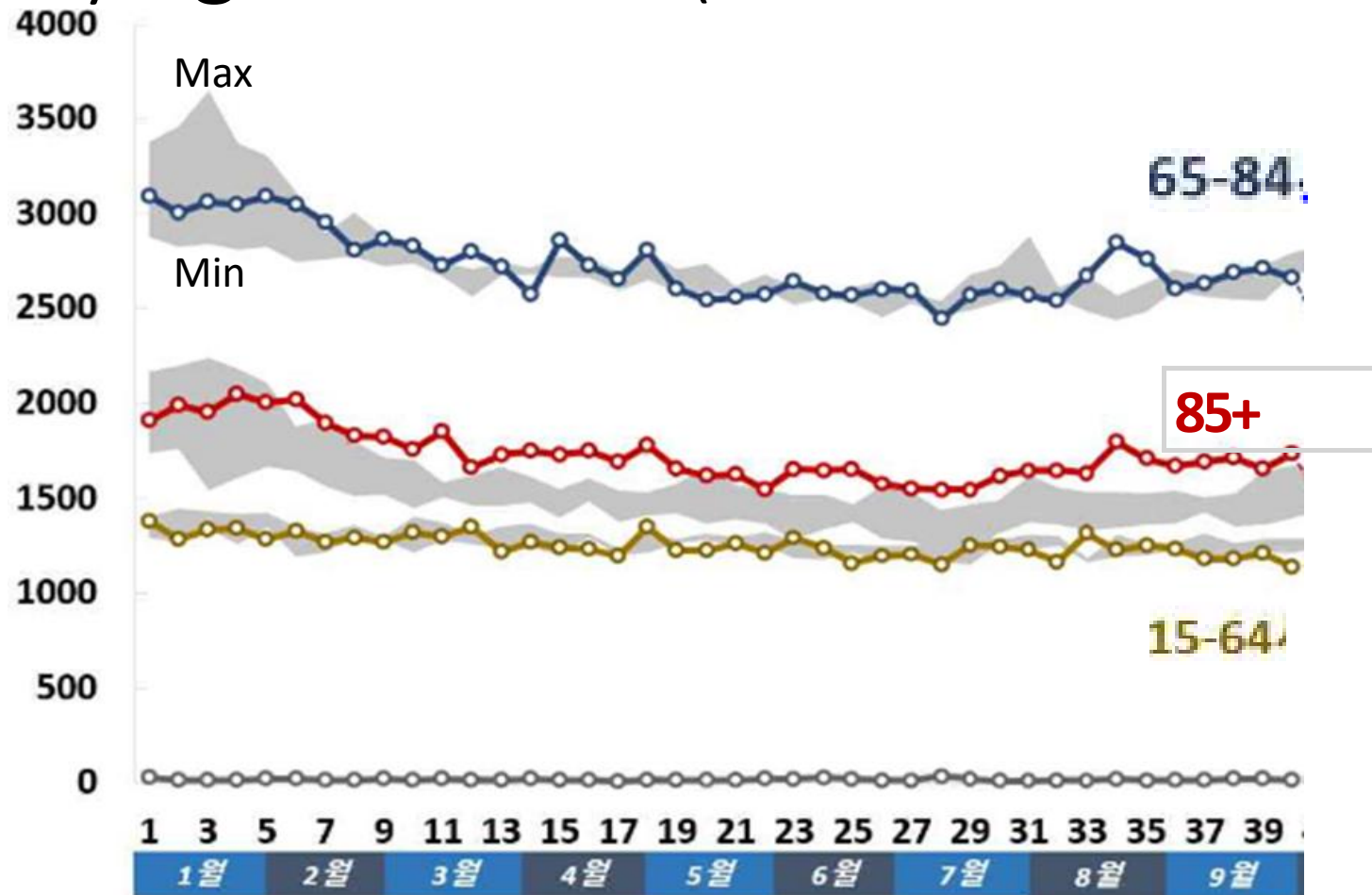


Source: Statistics Bureau, KOSIS data base, accessed 1 Dec, 2020

## Issues

- 1) Assigning a cause of death is never straight forward and could be different across countries in Asia
- 2) Died of vs. died with problem. Limitation of facility/autopsy. Lack of transparency (could underestimate or overestimate)
- 3) Population age structure are very different across countries.

# Excess “all cause” mortality during the pandemic by age: S. Korea (40 weeks since Jan 1, 2020)



- Shaded area is ranges of weekly deaths between 2017-2019.
- Solid line is 2020.
- The difference between two is excess mortality in 2020.
- Oldest old are really affected.

Source: Statistics Bureau, KOSIS data base, accessed 1 Dec, 2020

# Pandemic-induced social isolation can bring severe consequences (S. Korea)

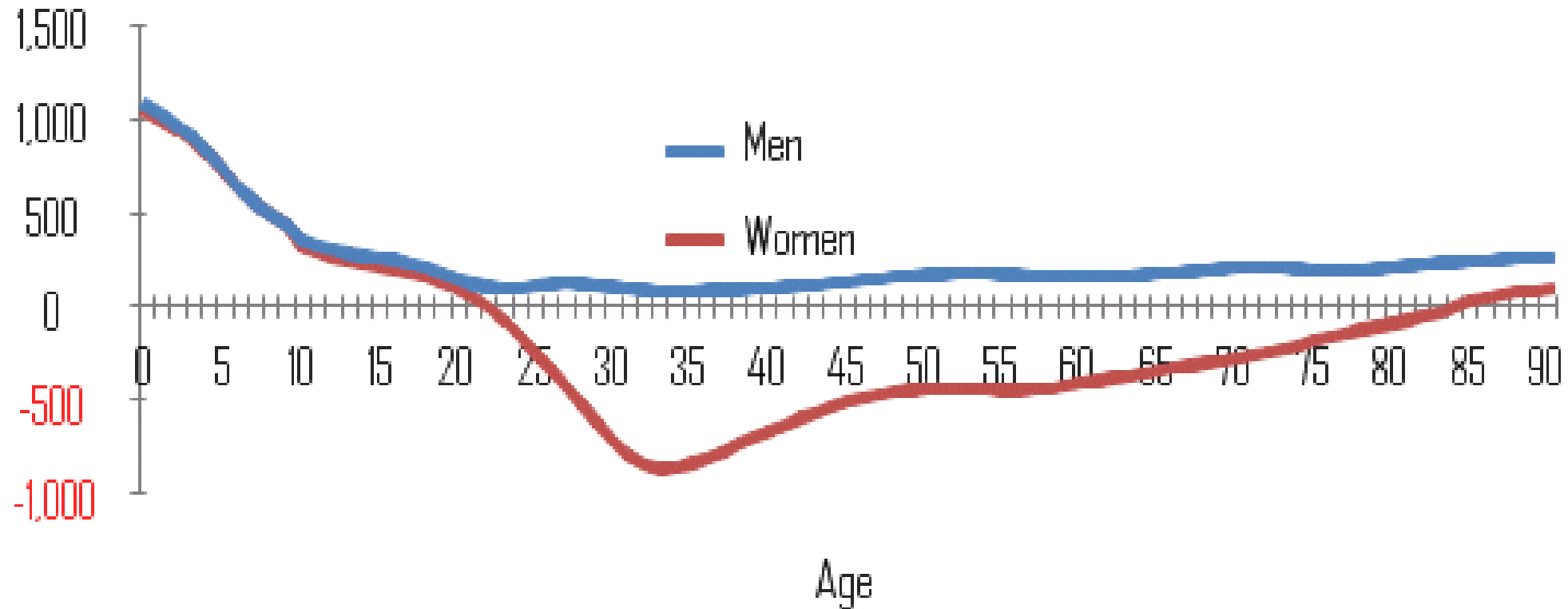
Senior welfare center			Senior center		
Total	Closed	Active	Total	Closed	Active
394	384	10	67,192	51,404	15,788
(100%)	(97.5%)	(2.5%)	(100%)	(76.5%)	(23.5%)

Source: Ministry of Health and Social Welfare (09/18/2020).  
Republic of Korea

Social welfare centers  
and senior centers  
are major sources of  
social gathering in  
Korea

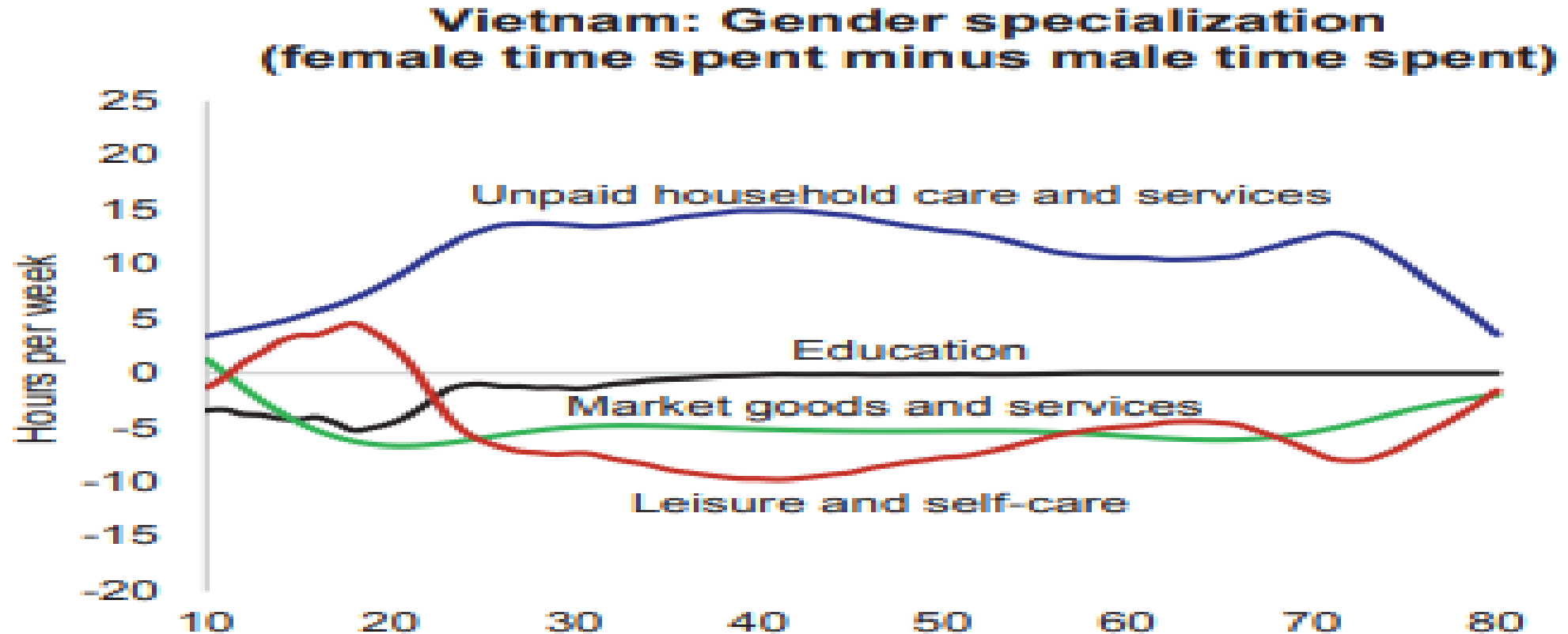
Shutting down of  
them increases  
depression—Corona  
blue test (CESD)  
shows highest score  
for 60s men and 70s  
women

Net value of time transfer at home (care-receiving minus care-giving) by age and gender: women are net givers until mid-80s.



Source: National Time Transfer Accounts (NTTA). South Korea

# Older women provide more care time than older men (Vietnamese time use by age)



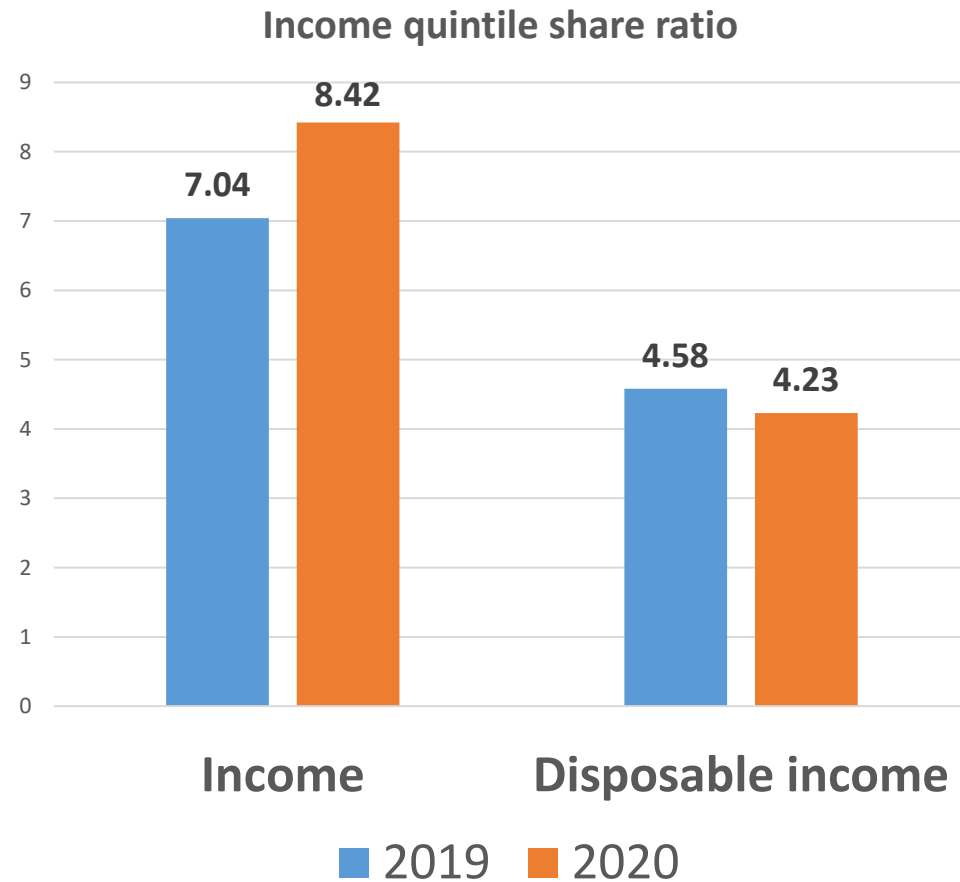
Source: National Time Transfer Accounts (NTTA) project.

# Older people are less likely to telework (US)

Characteristic	Percent distribution (%)		
	Share of employed	Which is bigger?	Persons who teleworked because of the coronavirus pandemic
Total, 16 years and over	100.0		100.0
25 to 34 years	22.5	<	25.2
35 to 44 years	21.5	<	25.3
45 to 54 years	20.2	<	22.0
55 to 64 years	17.0	>	16.1
65+	6.8	>	6.0
Total, 25 years and over	100.0		100.0
High school graduates, no college	24.7	>	7.7
Some college or associate degree	25.5	>	17.4
Bachelor's degree only	26.7	<	40.0
Advanced degree	16.6	<	34.1

Source: BLS, Current Population Survey (special module), 2020

# Poor people are disproportionately affected



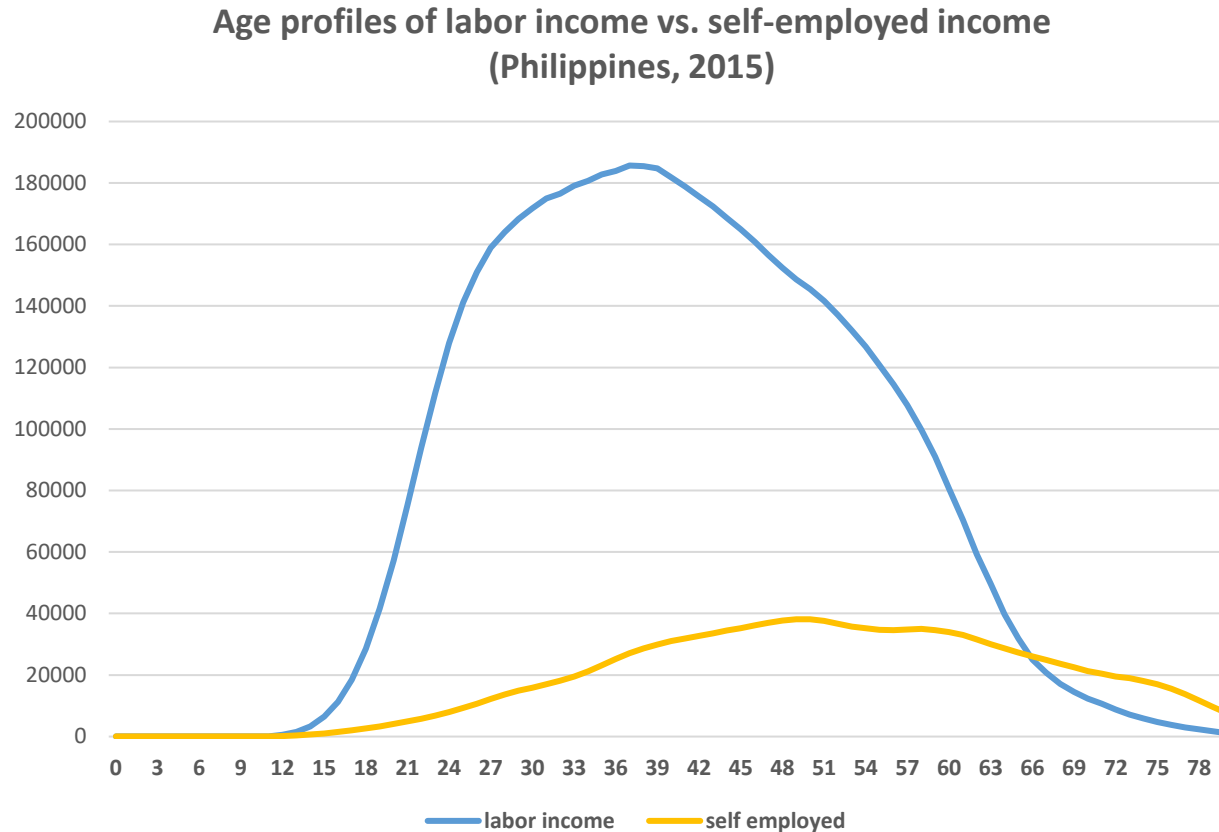
--Income quintile share ratio (share of top 20%) / (share of bottom 20%) has increased after pandemic

-- Disposable income quintile share ratio is much less increased (role of public transfers)

-- But older people were disadvantaged due to its allocation method



# Older people in developing countries are more affected than those in developed countries.



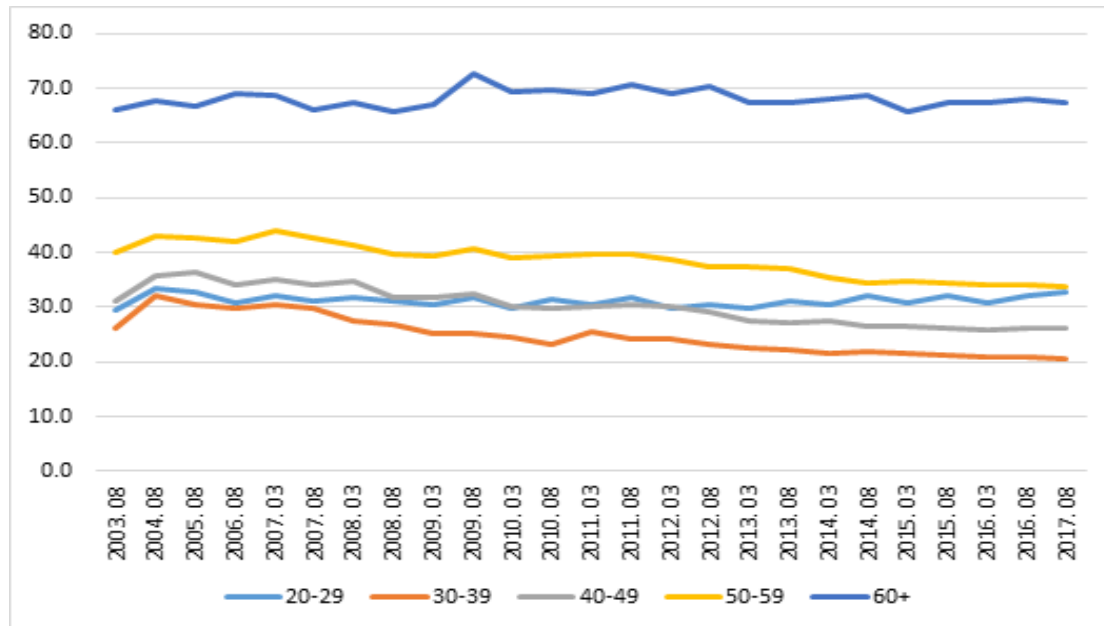
Elderly in developing economies rely more on labor income to support their consumption

Elderly are more likely to be self-employed.

Government transfers are much less in developing economies

Elderly labor market is different from other age groups. COVID-19 effects will be also different within and between age group.

Share of temporary and irregular workers by age (Korea)



Source: Statistics Bureau, KOSIS data base, accessed 1 Dec, 2020

--Elderly have higher % of temporary workers.

--Much higher inequality than younger people (very heterogeneous)

--Pandemic leads to low interest rate, high liquidity and stock market booming: implication on elderly's inequality.