

# THE SENIORS' PROM

AGE BEFORE BEAUTY—AND APPARENTLY EVERYTHING ELSE TOO



but that's price discrimination—see your notes from Economics 101—not a sign of deferential respect or political pull.)

Sure, they're more likely to fall, forget who or where they are, and die. But that's life!

If we want to tip our hats to those in their advanced years, fine; but let's at least make assistance programs means-tested, and thus dependent on current income—which may or may not be low—and wealth—which may be quite high (they own homes on which they have finished making mortgage payments, and as a group have substantial financial assets). "The elderly" and "the needy" are two labels with little overlap, and neither is a one-size-fits-all homogeneous category.

Bestowing benefits *carte blanche* is inequitable in general, and it is going to get much worse down the road because of the aging of our population. Life expectancy in

this country has doubled—from 40 to 80—since 1850. There are currently about 27 million people in the U.S. over the age of 70; 25 years from now that number will be more than twice that. Not only do Americans live longer, we are in much better physical health when we retire. What to do in one's declining years wasn't an issue 150 years ago—there weren't any to worry about!

This is also a major concern abroad. The Japanese population will

continue to get grayer and smaller because birth and immigration rates are both effectively zero. Major Western Europe economies are laboring under the "hat trick" of low birth rates, early retirement ages, and generous public pension benefits. The age distribution of a population is as much of an

issue as its absolute size. (Because of high mortality rates, many African nations suffer from the opposite problem—very young median ages, and thus dependency, as well as less incentive to invest in human capital or other programs with out-year benefits because of such low life expectancies.)

Paying out-of-pocket for golf balls and polyester leisure suits does not, at least yet, constitute a public policy issue. But when it comes to other intergenerational transfers, such as current budget deficits and our exploding national debt that will burden future generations, that is a different matter. (In this regard, lucrative public pension programs are one of the main factors driving Illinois' current fiscal woes.)

In earlier times, families, churches, and private charities were more likely to take up the slack. Now we foist our grandparents and neighbors on the public purse, which is simply a euphemism for other taxpayers. With their educations, experience, and good health, the current—and future—elderly could be an amazing, valuable resource if we can just figure out how to make their lives more rewarding—and more affordable for the rest of us. □

**I**n the early 1960s when we first began tabulating and analyzing poverty statistics in this country, about 30 percent of our elderly population—defined as being at least 65 years of age—was classified as poor. But owing to government programs such as Medicare in 1965 (and the ill-advised 2003 prescription drug plan), larger and inflation-indexed Social Security benefits, economic

growth and other gains, the percent of seniors now in poverty has plummeted to less than 10 percent. This is a proportion substantially lower than for groups we generally regard as disproportionately poor:

female-headed households, the young, and members of racial and ethnic minorities.

And yet the elderly continue to rack up benefits, aided and abetted by pandering politicians who fear their ballot-box clout. (Constituting a larger share of the population, and with a lot of discretionary free time, grandpa and grandma are far more likely to vote.) In addition, they are egged on by arguably our most powerful special-interest group: the AARP, officially the American Association of Retired People, but informally the American Association of Rich People over the age of 54.

So irrespective of income, wealth, general health, education, and other considerations, someone 65 or older can ride a bus in Chicago for free, is eligible for a discount on a city parking sticker, and gets a state-issued ID gratis. Nationally, that person gets an extra personal exemption when filing federal income taxes, and only has to be 62 to qualify for free lifetime admission to any of our National Parks. (We also offer handicap parking privileges, early boarding on airplanes, and other courtesies, but personal situation—not age—is the primary criterion. Movie theaters and restaurants provide discounts to seniors,

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