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Old Age Incomes, Wealth, and Poverty across the Globe

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Old age incomes, wealth, and poverty across the Globe^{*}

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Abstract: This paper examines global trends in old-age income, wealth, and poverty, highlighting disparities between high-income countries and the Global South. Using data from the Luxembourg Income Study and other sources, we show that robust pension systems in affluent countries seem to protect large fractions of older people from poverty, while limited coverage in less prosperous countries leaves many vulnerable. Wealth distribution and multidimensional factors, such as health and living conditions, are essential in understanding economic security in later life, particularly for low-income households in the Global South. Policy must consider the varied challenges faced by ageing populations across socio-economic contexts.

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Introduction

At the turn of the previous century, Rowntree (1901) characterised childhood, adulthood, and old age as stages when economic pressures on families and individuals peaked, creating a classical cycle of poverty in human lives. Increased household expenditures associated with childhood and parenthood constituted the first and second of these peaks, with the absence of income in old age forming the third. Although these stages have evolved to some extent, they continue to represent important landmarks in citizens' lives (Kangas and Palme, 2000).

In this chapter, the focus is on old-age incomes and poverty in later life—thus the third and final stage of Rowntree's poverty cycles. Improving incomes among older individuals requires a different approach from that applied to other age groups, particularly as policies to strengthen employability are often not a viable option. The main tool, therefore, is to provide direct financial transfers to older people. Securing adequate incomes in later life was a primary goal during the post-war expansion of old-age pensions in affluent Western countries, which nearly eradicated old-age poverty in some nations and substantially reduced it in others (Kangas and Palme, 2000). Instead, new social risk categories emerged with notably high poverty rates, such as single parents and certain migrant groups (Fritzell et al., 2012).

After decades of declining old-age poverty in Western countries and a smoothing of incomes across the life cycle, the adequacy of old-age incomes has returned to the political agenda in many affluent nations (European Commission, 2021). In the late 20th century, Western countries began reforming their old-age pension systems to address the growing financial pressures from an ageing population. Although the 2007/2008 global financial crisis shifted political focus from securing adequate pensions to addressing joblessness and protecting the incomes of the working-age population, concerns about old-age poverty are once again surfacing in both political and academic discussions. These concerns are especially pronounced regarding the lower tiers of pension systems, which are intended to secure adequate incomes for those older individuals who do not fully qualify for contributory earnings-related benefits (Kuitto et al., 2021).

It often takes decades for old-age pension systems to fully mature, and we must wait before making a comprehensive assessment of recent reforms. Current income distribution statistics suggest that ageing pressures and pension reforms have not yet significantly impacted the adequacy of old-age incomes, with a few exceptions in some Western countries where the

relative income position of older people has worsened since the mid-1980s (Ebbinghaus et al., 2021).

Old-age poverty appears very different when shifting focus from affluent Western countries to low- and middle-income countries. Old-age pensions in the global South often have low coverage, and many older individuals must rely on more traditional means of financial support, such as the family, to sustain their livelihoods (Evans and Palacios, 2015). Although there is extensive literature on poverty in the global South, research on old-age poverty in less economically prosperous countries is limited (Kwan et al., 2018). Following nearly 25 years of improvements in low-end incomes, the share of people experiencing economic vulnerability in the global South has recently risen due to the combined effects of armed conflict, climate change, and the COVID-19 pandemic. However, trends among older people are less clear. Some evidence suggests that economic well-being among older populations in the global South has diverged from trends in the working-age population and has continued to improve (World Bank, 2020).

Research on income, wealth, and poverty in later life seldom adopts a global perspective, where living conditions are compared across countries with widely varying levels of economic prosperity. Although the literature on poverty in the global South and global North is separately extensive, we know little about broader global trends. In this chapter, we review income developments among older segments of populations worldwide, focusing on changes in the lower parts of the income distribution. We will also analyse vulnerabilities from a more multidimensional perspective. Several questions are addressed, including how old-age poverty manifests in different regions, which sub-groups are most vulnerable, and whether economic well-being and living conditions have improved in recent years.

We next discuss approaches to conceptualising and measuring poverty across the globe, followed by an examination of income developments and living conditions from a cross-national perspective. We conclude the chapter with a discussion of the findings.

Conceptualizing and measuring poverty

We probably all agree that poverty describes a situation in which people lack the necessary means to enjoy a decent standard of living. However, opinions may differ on what those means are and the extent required to escape poverty. Among policymakers and researchers, there is no

single definition of poverty or universally accepted method for measuring it. Despite this ambiguity in policy discourse and research, we can make some general observations that will guide the empirical analyses in this chapter.

The ways in which governments, international organisations, and researchers conceptualise and measure poverty rarely differ across age groups. Thus, no radically different approach exists to measure old-age poverty compared to poverty among younger or working-age populations. International analyses on poverty and economic well-being often use income as the primary indicator of well-being, although monetary resources alone certainly do not capture all relevant aspects of quality of life (Walker, 2005). According to Sen's (1999) "capability approach" to human welfare, income is only relevant for well-being insofar as it affects people's activities or the kinds of individuals they are able to become. The capability approach has influenced research into human development for decades and inspired the Human Development Index adopted by the United Nations, as well as other multidimensional approaches to studying quality of life.

Although there is strong theoretical justification for analysing poverty from a multidimensional perspective, limited data often restricts empirical analyses in both time and geographic scope. Income is often the only indicator for which data are readily available on a global scale and across time. Despite its unidimensional nature, the centrality of material resources in capitalist societies makes income a crucial factor in poverty analyses. Income can also be easily transformed into other goods and services relevant to poverty analyses. Income also strongly correlates with other aspects of quality of life (Korpi et al., 2007). Given the challenges of collecting reliable information on household incomes in societies with large informal economies and high levels of self-employment, household expenditures are sometimes used instead of income to analyse economic hardship in the poorest regions of the world (Haughton and Khandker, 2009).

Another important issue is whether poverty is relative or absolute. Most research on poverty in affluent countries adopts a relative perspective on economic hardship. In the most famous definition of relative poverty, Townsend (1979: 915) described it as "...the absence or inadequacy of those diets, amenities, standards, services and activities which are common or customary in society." Following this relative definition, the crucial factor is an individual's or household's position in relation to an ordinary standard of living that should, in principle, allow

full participation in society. While this definition points towards a multidimensional approach to poverty research, it has generally been applied in comparative research by measuring poverty in relation to average income, adjusted for household size and composition. Since relative poverty measurements can be sensitive to the precise threshold used, multiple poverty thresholds are often applied, typically set at 40, 50, or 60 per cent of average income. Households with incomes below these thresholds are thus considered relatively poor. The 60 per cent threshold of median income is used by the European Commission to monitor social inclusion in member states (known as the "at-risk-of-poverty" or AROP threshold). Outside the EU, a 50 per cent poverty threshold is more common, while the 40 per cent threshold is sometimes used to analyse more severe forms of economic hardship.

The relative perspective on economic well-being is less common in poverty research focused on low- and middle-income countries, where an absolute perspective is typically applied, such as the widely known \$1 per day international poverty threshold adopted by the World Bank in the early 1990s. The World Bank's approach to poverty measurement aligns with Amartya Sen's (1981: 17) assertion that "There is an irreducible core of absolute deprivation in our idea of poverty, which translates reports of starvation, malnutrition, and visible hardship into a diagnosis of poverty without having to ascertain first the relative picture." In reality, however, it is challenging to find a purely absolute measure of poverty, as most indicators incorporate some value judgments about the set of basic or minimum needs that define the poverty line (Veit-Wilson, 1998). Consequently, as global wealth has increased, the \$1 per day poverty line has been revised and is currently set by the World Bank at \$1.90 per day for low-income countries, \$3.20 per day for lower-middle-income countries, and \$5.50 per day for upper-middle-income countries. The World Bank has not established a poverty line for high-income countries.

Poverty in old age across the world

International analyses of income, wealth, and poverty are challenging to conduct due to a lack of comprehensive data. Although data availability has improved significantly over the past few decades, it remains nearly impossible to cover all countries worldwide in a single analysis. Tracking trends is especially difficult, as long time-series data are primarily available for high-income countries, with a few exceptions.

In this chapter, we will primarily rely on data from the Luxembourg Income Study (LIS), a researcher-driven infrastructure providing access to harmonised micro-level income data for many countries across the globe, spanning up to five decades of income developments in a smaller set of countries (LIS, 2023). LIS also offers access to micro-level data on wealth accumulation in certain countries. Additionally, we will use data on multidimensional poverty from the Oxford Poverty and Human Development Initiative (OPHI) and data on material and social deprivation from Eurostat. These measures go beyond traditional one-dimensional approaches to poverty by incorporating aspects such as health, education, living standards, quality of work, and other innovative indicators.

Relative income poverty

The risk of relative income poverty varies significantly across countries. *Figure 1* presents relative income poverty rates among older persons aged 65 and above, as well as in the total population, across 48 countries for which LIS provides data. The data is from approximately 2015 or 2020. We have followed the World Bank's classification of countries into high-income and middle-income economies, with an exception: although Mali is classified as a low-income economy, it has been included in the middle-income group for this specific analysis. The poverty rate in the total population serves as the reference.

The relative poverty line is set at 50 percent of the median equivalent disposable household income within each country. Poverty counts are at the individual level, while income is measured at the household level. To adjust incomes for economies of scale within households, household incomes have been divided by the square root of household size throughout this chapter. Although alternative scales for household size and composition adjustment exist (Buhmann et al., 1988), we use the square root equivalence scale for simplicity, a scale also employed by LIS for its key poverty and income inequality metrics. The analysis uses sampling weights, but it should be noted that older institutionalised individuals and those who are frail are often excluded or significantly underreported in the socio-economic surveys, such as the ones harmonised by LIS.

[Figure 1 about here]

With this definition, around one in five older persons in middle-income countries tend to be relatively income poor, compared to one in ten older persons in high-income countries. Old age

is undoubtedly a risk factor for relative income poverty in many countries. In slightly more than half of the countries, poverty rates are higher among those aged 65 and over than in the total population. This pattern is especially prominent in middle-income countries, where old age pensions tend to be less generous. Relative income poverty among older persons is particularly high in a few countries, including Australia, Estonia, Korea, and Peru. Numerous factors may explain these elevated poverty rates, such as maturing pension systems (where current retirees receive low benefits), insufficient minimum pension provisions, or inadequate pension indexation.

Poverty risks are unevenly distributed among older individuals (OECD, 2017). In high-income countries, research indicates that relative income poverty tends to increase with age, even after retirement, being higher for those aged 75 and over than for those aged 65-74. This may partly reflect the economic environments experienced by older birth cohorts during less mature pension system periods, or that these older individuals may have exhausted portions of their pension benefits. The oldest old (75+) represent the fastest-growing demographic in many countries. Evidence also indicates that poverty within this group is highly gendered (European Commission, 2021). Not only is there a greater number of widows than widowers due to gender-based survival differences, which drives poverty among older women upwards, but many women in these older cohorts also have weaker employment histories than men. This trend has drawn attention to the ways in which old age pensions favour the employment patterns typically experienced by men (Daly, 2011).

There is also an educational gradient in the economic hardships faced in old age. Those that only hold primary education are more likely to be relatively income poor than those with secondary or tertiary education. These differences likely stem from variations in earnings and pension contributions during working years. Older migrants constitute another vulnerable group, likely due to shorter periods of pension contributions among first-generation migrants and precarious employment histories (Ebbinghaus et al., 2019).

Figure 2 shows relative income poverty (50 percent threshold) among persons aged 65 and over across 30 countries from approximately 2000 to around 2020. In comparison to the previous analysis, some countries had to be excluded due to missing data for substantial portions of the period. A few countries lack data for 2020, and these values were estimated to maintain continuity in the time series. Trends with estimated 2020 values are indicated by dotted lines.

Separate trends are shown for high- and middle-income countries. Despite the global financial crisis in 2007/2008 and the onset of the COVID-19 pandemic in early 2020, relative income poverty among older persons remained remarkably stable, fluctuating by only a few percentage points over the period in both country groups. While relative income poverty among older persons increased in high-income countries towards the end of the period, it declined in middle-income countries.

[Figure 2 about here]

Averages for country groups naturally obscure developments within individual countries. Some countries exhibit extraordinary changes in relative old-age income poverty rates. For instance, in Estonia, rates rose by around 28 percentage points between 2010 and 2016, likely a delayed effect of the 2007/2008 financial crisis which severely impacted some Baltic states, coupled with the voluntary nature of the Estonian second pillar pension for those born before 1983. Ireland, Greece, and Spain show significant decreases in poverty, with reductions exceeding 10 percentage points (*Table 1*). In Ireland, much of the poverty reduction occurred alongside a rise in the state pension from €167 in 2004 to €223 in 2008. In Greece and Spain, declines in relative income poverty among older persons were more gradual, correlating with rapid nominal pension growth driven by high wage and price increases. Both countries implemented comprehensive pension reforms in 2010/2011 and subsequent years to address the long-term financial sustainability of their systems. It is too early to assess the impact of these reforms on income growth for new cohorts entering retirement.

[Table 1 about here]

Relative income poverty indicates the position of low-end incomes relative to the median. Even with stable relative poverty rates, the goods and services that low-income households can afford may have significantly improved or deteriorated. To explore this, it is common to anchor the poverty threshold to a specific year. In analyses of anchored poverty, households are compared to the median income of the base year, with poverty thresholds for subsequent years only adjusted for inflation, thereby keeping living standards effectively constant (Atkinson et al., 2002). The U.S. poverty line is essentially an anchored poverty measure.

Figure 3 shows relative income poverty (50 percent threshold) among older persons in 28 countries, with median incomes anchored to the base year, around 2020. A few countries were excluded due to missing data. Evidently, anchored poverty has declined substantially among older people, with only the Netherlands and Switzerland showing slight increases (not displayed). Overall, old-age incomes have thus risen in real terms (adjusted for inflation), despite largely stable or even increasing relative income poverty in some countries. This apparent contradiction is explained by the fact that incomes of those under 65 have also risen, sometimes at a faster rate than those of persons aged 65 and over.

[Figure 3 about here]

Absolute poverty

Absolute poverty is nearly absent in high-income countries and is concentrated in less economically prosperous regions of the world. *Figure 4* shows absolute poverty at \$1.90, \$3.20, and \$5.50 a day among older persons in 43 countries, around 2015 or 2020. For illustrative purposes, the rates of absolute poverty are truncated to 15 per cent. It should be noted that the rates of absolute poverty reported here are somewhat lower than those calculated by the World Bank. The main reason for this difference is the method used to equalise household incomes. The World Bank simply divides household income by the number of household members, which produces higher poverty rates than the square root scale used in this chapter.

[Figure 4 about here]

Absolute poverty among older adults, irrespective of the \$ per day threshold, is below 2 percentage points in all high-income countries, except Poland. In many high-income countries, it is even below 1 percentage point. The pattern is more varied among middle-income countries, where absolute poverty among the older segments of the population ranges from less than 2 percentage points in Brazil to as high as 26 and 36 percentage points in Peru and Mali, respectively. Again, it is important to note that Mali is categorised as a low-income country by the World Bank but is included among the middle-income countries in this analysis.

Wealth and assets

International analyses of economic well-being and poverty seldom include assets that households may possess. Returns on investment from these assets, such as dividends and

interest income, are usually included (also in the income distribution analyses above), but the assets themselves are often excluded from analysis. One reason for this is that available micro-level income distribution data seldom include information on the amount of capital owned by the household.

Nonetheless, the distribution of wealth is particularly relevant in analyses of economic well-being among older people, as one motive for wealth accumulation is to finance consumption later in life. It is therefore worth asking whether assets owned by households reduce economic vulnerabilities in old age. The answer to this question is not self-evident, as the distribution of net worth tends to be highly skewed and concentrated among the wealthy. Net worth is commonly defined as the monetary value of a household's assets minus its financial liabilities (Cowell et al., 2017).

Although assets and wealth tend to be concentrated at the top of the income distribution, most households possess some form of capital. Yamada and Casey (2002) analysed the wealth distribution among older persons in nine affluent countries (Canada, Finland, Germany, Italy, Japan, the Netherlands, Sweden, the United Kingdom, and the United States) in the mid-1990s. Around 86 per cent of those above retirement age in the first income quintile had at least some financial wealth (money in bank accounts or in the form of equities or bonds). Among older persons above retirement age in the second income quintile, the share was around 91 per cent. For housing wealth, the proportion of persons above retirement age in the first two income quintiles was somewhat lower, at around 70 per cent for both income groups. Hence, the great majority of persons above retirement age have some wealth.

In a more recent study, Marcinkiewicz and Chybalski (2022) examined the intersection of incomes and assets among persons aged 65 and above in 12 European countries (Austria, Germany, Estonia, Spain, Finland, Greece, Italy, Luxembourg, Norway, Slovakia, Slovenia, and the United Kingdom). The data were from the mid-2010s. Households of older persons with an equivalised disposable household income below 50 per cent of the median income in each country were defined as income-poor, while households of older persons with a net worth below 50 per cent of the median net worth in each country were defined as asset-poor. Net worth was measured as the sum of financial assets (deposit accounts and investments, excluding pension assets) and non-financial assets (principal residence and other real estate), minus total debt. According to the results of this study, around 9 per cent of older persons were both

income- and asset-poor. Approximately 7 per cent were income-poor but had assets close to the median net worth in each country. Around 4 per cent were income-poor but wealth-rich (i.e. assets 1.5 times the median net worth in each country).

Multidimensional poverty

In this section, we go beyond purely income-based poverty measures and focus on acute deprivation in health, education, and non-monetary living conditions that a person faces simultaneously. The global Multidimensional Poverty Index (MPI) that we use for this purpose includes indicators on nutrition (if there is any person under 70 years of age in the household who is undernourished), child mortality (if a child under 18 years of age died in the household within the five-year period preceding the survey), years of schooling (if the household lacks members with more than six years of completed schooling), school attendance (if the household includes a school-aged child not attending school up to the age of completing the eighth grade), cooking fuel (if the household uses solid fuels such as dung, agricultural crop residue, shrubs, wood, charcoal, or coal to cook meals), sanitation (if the household has an unimproved or no sanitation facility, or shares it with other households), drinking water (if water is not safe to drink, or if access to drinking water requires at least a 30-minute walk from home), electricity (if the household lacks access to electricity), housing (if materials in floors, roofs, or walls are inadequate), and assets (if the household does not own a car and owns no more than one of the following assets: radio, TV, telephone, computer, animal cart, bicycle, motorbike, or refrigerator). A person is defined as multidimensionally poor if deprivation is observed in a third of these indicators.

Figure 5 shows boxplots of multidimensional poverty among older persons in 106 low-, lower-middle-, and upper-middle-income countries for which data is available. The age cut-off in this data is 60 years and above. For most countries, data is from 2015 or more recent; the oldest data is from 2009. For each group of countries, multidimensional poverty is ranked from the highest to the lowest score along the vertical axis. The horizontal line in the box is the median. The lower edge of the box shows the 1st quartile, and the top the 3rd quartile. Thus, the box represents the middle half (50%) of the countries in each group. The upper vertical line shows the range of scores that is within 2.5 times the width from the median to the top of the box (the inter-quartile range), while the lower vertical line shows the opposite. The circular dots outside the box represent countries that do not fit the general pattern observed in our data.

[Figure 5 about here]

Multidimensional poverty among older persons is evidently concentrated in low-income and lower-middle-income countries, where on average every third and tenth older person, respectively, is multidimensionally poor. Among low-income countries, Syria is an exception with a much lower share of multidimensionally poor older people than other countries in this group. Syria used to be classified as a lower-middle-income country by the World Bank. Due to the devastating economic consequences of the civil war that followed the 2011 Arab Spring protests in parts of North Africa and Southwest Asia, Syria was reclassified in 2016 as a low-income country. It is, of course, not surprising that multidimensional poverty is concentrated in low-income countries, given that the same fixed yardstick is used for all countries. The multidimensional poverty indicator used here is not relative to the society in which people live.

To complement this global outlook, *Figure 6* shows a measure of severe material and social deprivation adopted by the European Commission. The data is from Eurostat and includes 27 EU Member States in 2020. Data for older persons (65+) are in this case contrasted with those of children under 18 years. The severe material and social deprivation rate shows the proportion of the population experiencing an enforced lack of at least 7 out of 13 deprivation items. These include, at the household level, the capacity to face unexpected expenses, afford a one-week annual holiday away from home, manage without being in arrears on payments, afford a meal with meat, chicken, fish, or a vegetarian equivalent every second day, keep the home adequately warm, have access to a car for personal use, and replace worn-out furniture. At the individual level, items include having an internet connection, being able to replace worn-out clothes, having two pairs of properly fitting shoes, affording to spend a small amount of money each week, having regular leisure activities, and getting together with friends and family for a drink or meal at least once a month.

[Figure 6 about here]

A few results are worth noting. The share suffering from severe deprivation is generally higher among children than among older persons. However, older persons have higher rates of severe material and social deprivation in a few countries, such as the Baltic states. It should also be noted that the numbers presented are likely to be underestimated, as the most disadvantaged persons are often missing from socio-economic surveys from which this data is derived.

Concluding discussion

A primary objective of this chapter was to provide a broad yet nuanced and up-to-date overview of poverty among older persons. We have not only described developments in high-income countries but also provided insights into old-age poverty and well-being in the Global South. Much of this chapter is based on new analyses using publicly available micro-level income data from LIS, as well as data from other publicly available sources. Data on income developments and poverty in the Global South is somewhat less reliable than corresponding estimates for affluent countries, but it remains immensely important. The majority of the world's poor population lives in middle- and low-income countries, and poverty in old age is no exception to this global pattern.

Poverty estimates vary depending on the thresholds used in measurement and the specific vulnerabilities being examined. Available evidence also indicates that poverty estimates change when the distribution of wealth is included in the empirical analysis. Although more research is needed, wealth is particularly significant in analyses of well-being among older persons. Compared to younger cohorts, older persons have had more time to accumulate wealth, and some of those with relatively low annual incomes may still maintain a good standard of living.

Our findings can be summarised as follows. Old age is a risk factor for relative income poverty in many middle-income countries. In affluent countries, relative income poverty is often lower among persons aged 65+ than in the total population. Trends in relative income poverty among older persons differ widely across countries. Around half of the countries have seen a declining share of poverty headcounts since the turn of the new millennium, though often only by a few percentage points. In the other half of the countries, relative income poverty among older persons has been on the rise, sometimes only by a few percentage points but in some cases at a more rapid pace.

Despite increases in relative income poverty in some countries, most older persons today have greater purchasing capacity than previous cohorts. Absolute poverty (as defined by the World Bank) and multidimensional poverty (as defined by the Oxford Poverty and Human Development Initiative) are mostly concentrated in countries in the Global South, although five per cent or more of persons aged 65 and above are materially and socially deprived in several

European countries. In affluent countries, evidence from the mid-2010s suggests that only a fraction of relatively income-poor older persons are also asset-poor.

While we have highlighted examples of how poverty risks vary within the older population—emphasising in passing the roles of gender, migration status, educational attainment, and family types—we did not analyse poverty risks among the oldest old in any greater detail. This fast-growing population segment is likely to become more important in future poverty research, as older persons are living longer and healthier lives. It is therefore important that poverty and economic well-being are continuously measured and monitored, using a multifaceted set of indicators and categories of older persons as discussed in this chapter.

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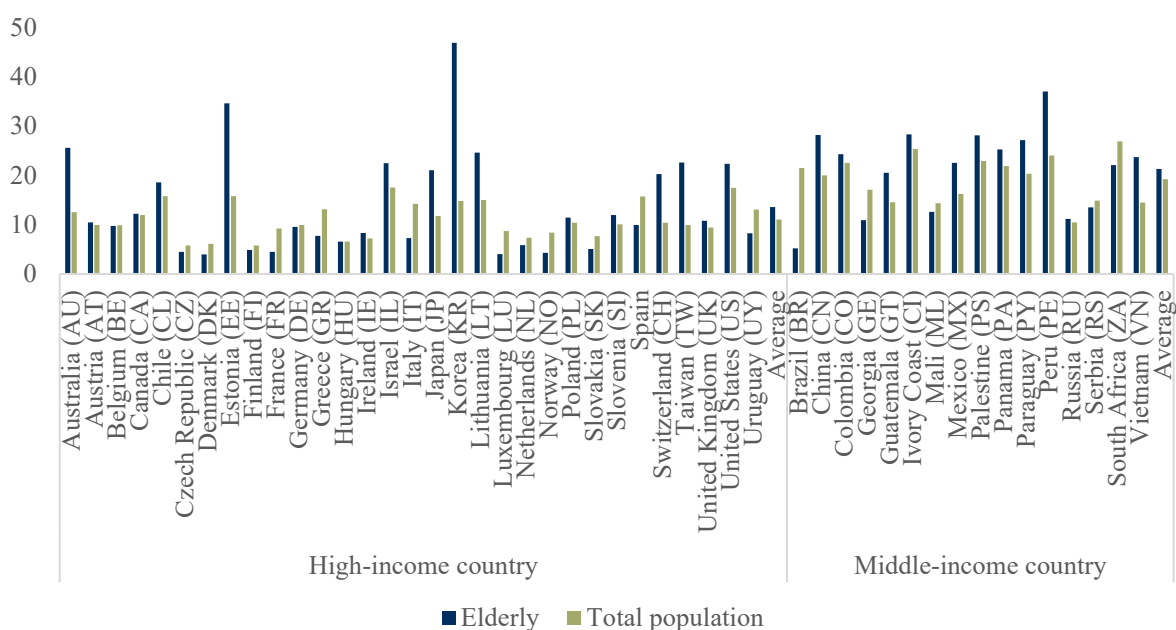
Table 1. Changes in relative income poverty (50% threshold) among older persons (65 years and over) from around 2000 up to around 2020 in 29 countries.

Change in relative income poverty 2000-2020 (around)	
Increase	
0-5	Australia, Chile, Ivory Coast, Czech Republic, Germany, Hungary, Israel, Luxembourg, Netherlands, Paraguay
5-10	Canada, Poland, Switzerland
10-15	
15-20	
20+	Estonia
Decline	
0-5	Austria, Belgium, Colombia, Finland, France, Russia, Slovenia, Taiwan, United States
5-10	Mexico, Norway, United Kingdom
10-15	Spain
15-20	Greece
20+	Ireland

Note: Countries and years (within parenthesis): AU18, AU01, AT19, AT00, *BE20*, BE00, CA18, CA00, *CL20*, CL00, CO20, CO01, *CI15*, CI02, *CZ20*, CZ02, *EE20*, EE00, *FI20*, FI00, FR18, FR00, DE18, DE00, GR20, GR00, *HU20*, HU99, IE18, IE00, IL18, IL01, IT20, IT00, LU20, LU00, MX18, MX00, NL18, NL99, NO19, NO00, PY20, PY00, PL20, PL99, RU19, RU00, *SI20*, SI99, *ES20*, ES00, CH18, CH00, *TW20*, TW00, UK18, UK00, US19, US00. Country/years in italics are estimated.

Source: Luxembourg Income Study.

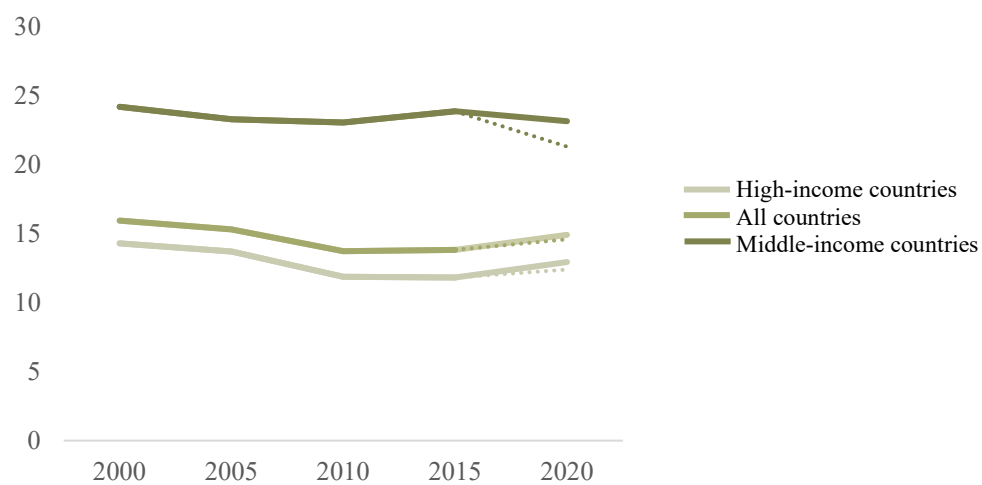
Figure 1. Relative income poverty (50% threshold) among persons aged 65+ and in total population in 47 high-, upper-middle-, and lower-middle-income countries, around 2015 or 2020.



Note: Countries and years (in parenthesis). AU18, AT19, BE15, BR16, CA18, CL15, CN13, CO20, CI15, CZ16, DK16, EE16, FI16, FR18, GE19, DE18, GR16, GT14, HU15, IE18, IL18, IT16, JP13, LT18, LU13, ML19, MX18, NL18, NO19, PS17, PA16, PY20, PE16, PL20, RU19, RS16, SK18, SI15, ZA15, KR16, ES16, CH18, TW16, UK18, US19, UY19, VN13

Source: Luxembourg Income Study.

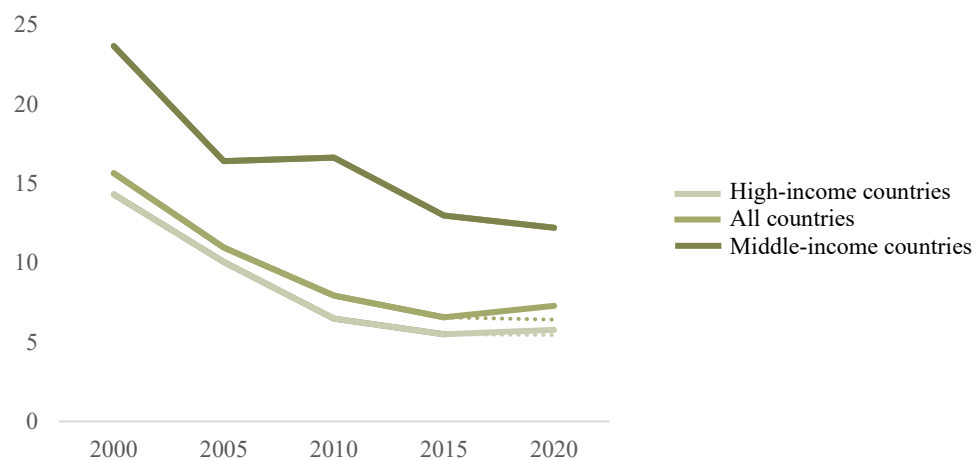
Figure 2. Relative income poverty (50% threshold) among persons aged 65+ in 30 high- and middle-income countries, around 2000, 2005,..., 2020.



Note: Countries included in the analysis: AU, AT, *BE*, CA, *CL*, CO, *CI*, *CZ*, *EE*, *FI*, FR, DE, GR, *HU*, IE, IL, IT, LU, MX, NL, NO, PY, PL, R, *SI*, *ES*, CH, *TW*, UK, US. Values for 2020 are estimated for countries in italics, and included in the series marked with dotted lines

Source: Luxembourg Income Study.

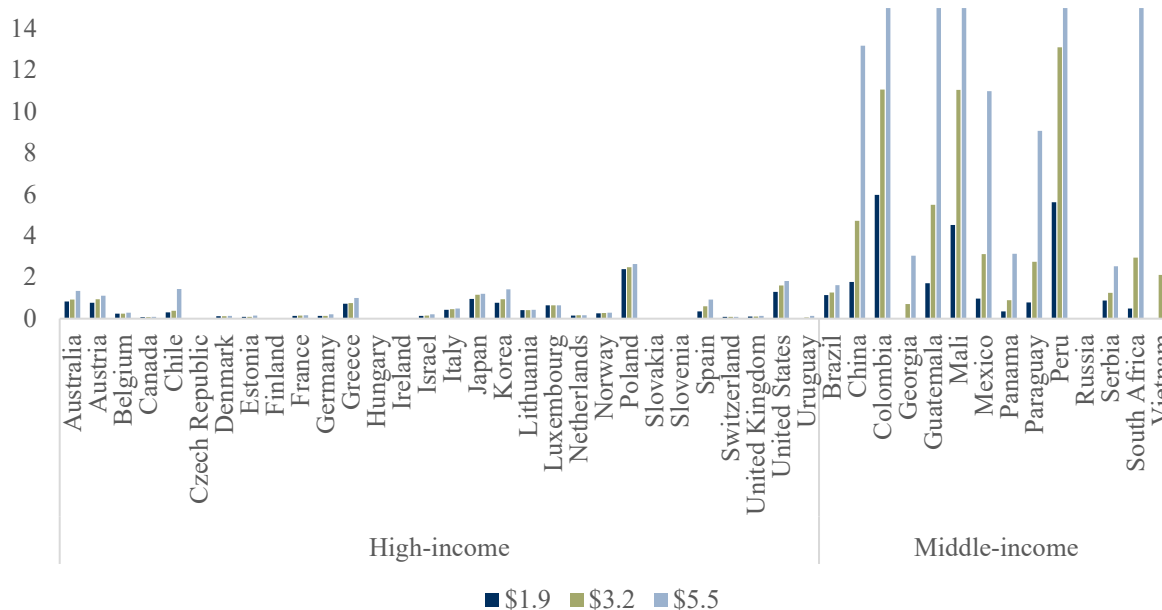
Figure 3. Anchored poverty (50 percent threshold) among persons aged 65+ in 28 high- and middle-income countries, around 2000-2020.



Note: Countries included in the analysis: AU, AT, *BE*, CA, *CL*, CO, *DK*, *EE*, *FI*, FR, DE, *GR*, *HU*, IE, IL, IT, *LU*, MX, NL, NO, PY, PL, *SI*, *ES*, CH, UK, US. Values for 2020 are estimated for countries in italics, and included in the series marked with dotted lines.

Source: Luxembourg Income Study.

Figure 4. Extreme poverty at \$1.9, \$3.2, and \$5.5 a day among persons aged 65+ in 44 countries, around 2015 or 2020.

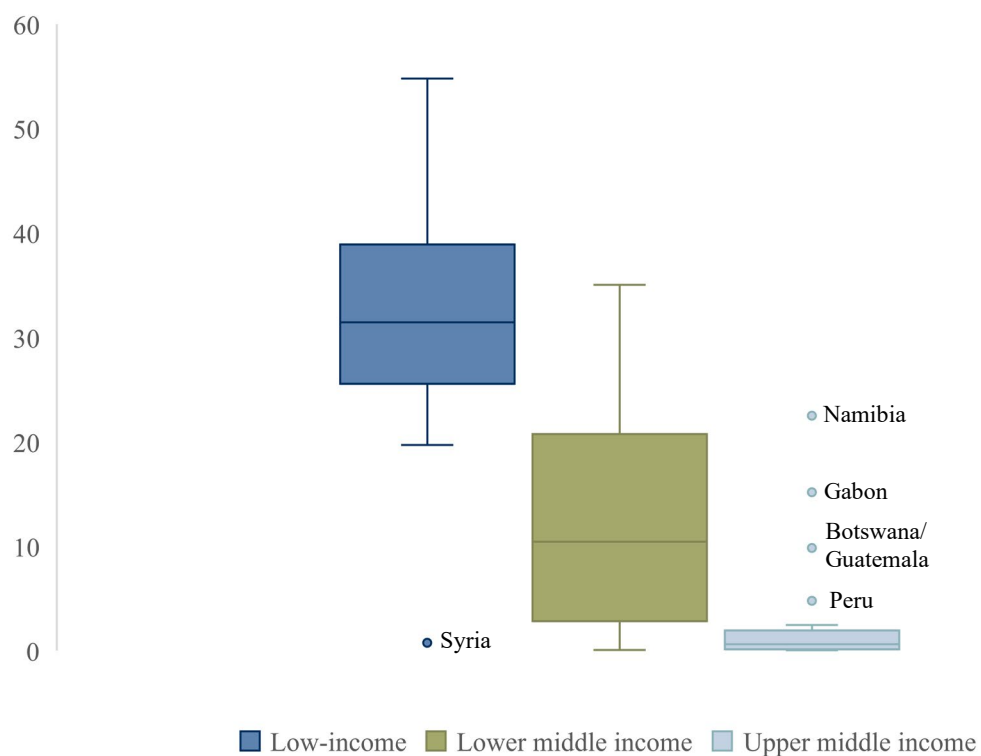


Note: Countries and years (within parenthesis): AU18, AT19, BE15, BR16, CA18, CL15, CN13, CO20, CZ16, DK16, EE16, FI16, FR18, GE19, DE18, GR16, GT14, HU15, IE18, IL18, IT16, JP13, LT18, LU13, ML19, MX18, NL18, NO19, PA16, PY20, PE16, PL20, RS16, SK18, SI15, ZA15, KR16, ES16, CH18, UK18, US19, UY19, VN13.

The extreme poverty rate at \$5.5 a day are truncated to 15 percent in Colombia (20.2), Guatemala (20.3), Mali (36.0), Peru (26.0), and South Africa (16.4). The actual rates of extreme poverty at \$5.5 a day are in parenthesis.

Source: Luxembourg Income Study.

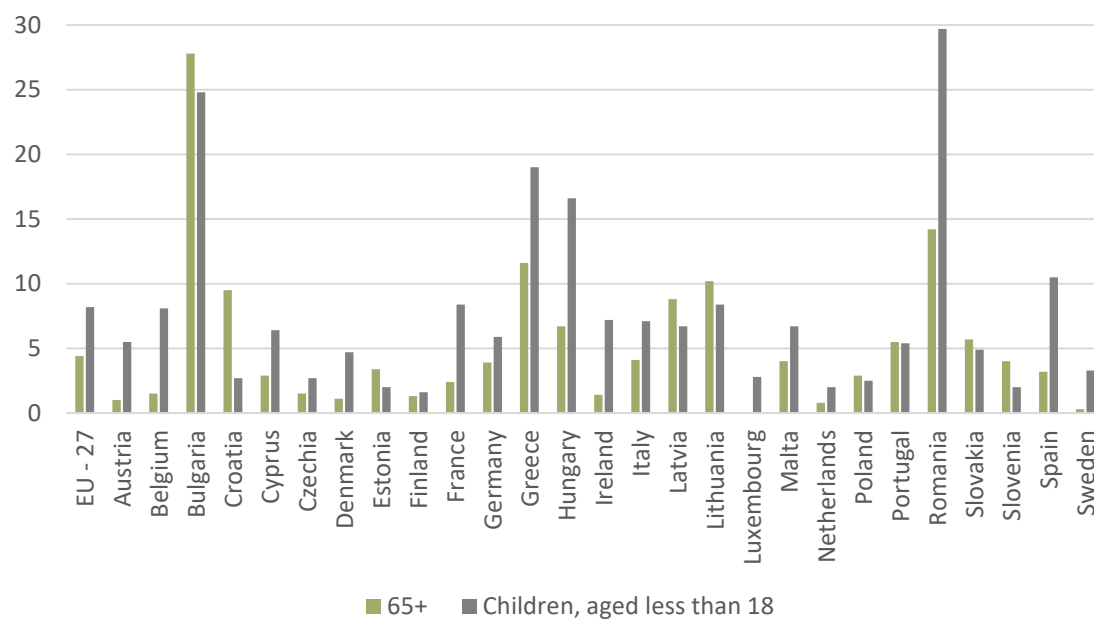
Figure 5. Boxplot of multidimensional poverty among persons aged 65+ in 106 low- and middle-income countries.



Note: For most countries, data is from 2015, or more recent. The oldest data is from 2009.

Source: Alkire, S., Kanagaratnam, U. and Suppa, N. (2021). 'The Global Multidimensional Poverty Index (MPI) 2021', OPHI MPI Methodological Notes 51, Oxford Poverty and Human Development Initiative, University of Oxford.

Figure 6. Share of persons aged 65+ and share of children less than 18 years living in severe material and social deprivation in 27 European countries, 2020.



Source: Eurostat.