

The World's Aging Population from 1950 to 2100

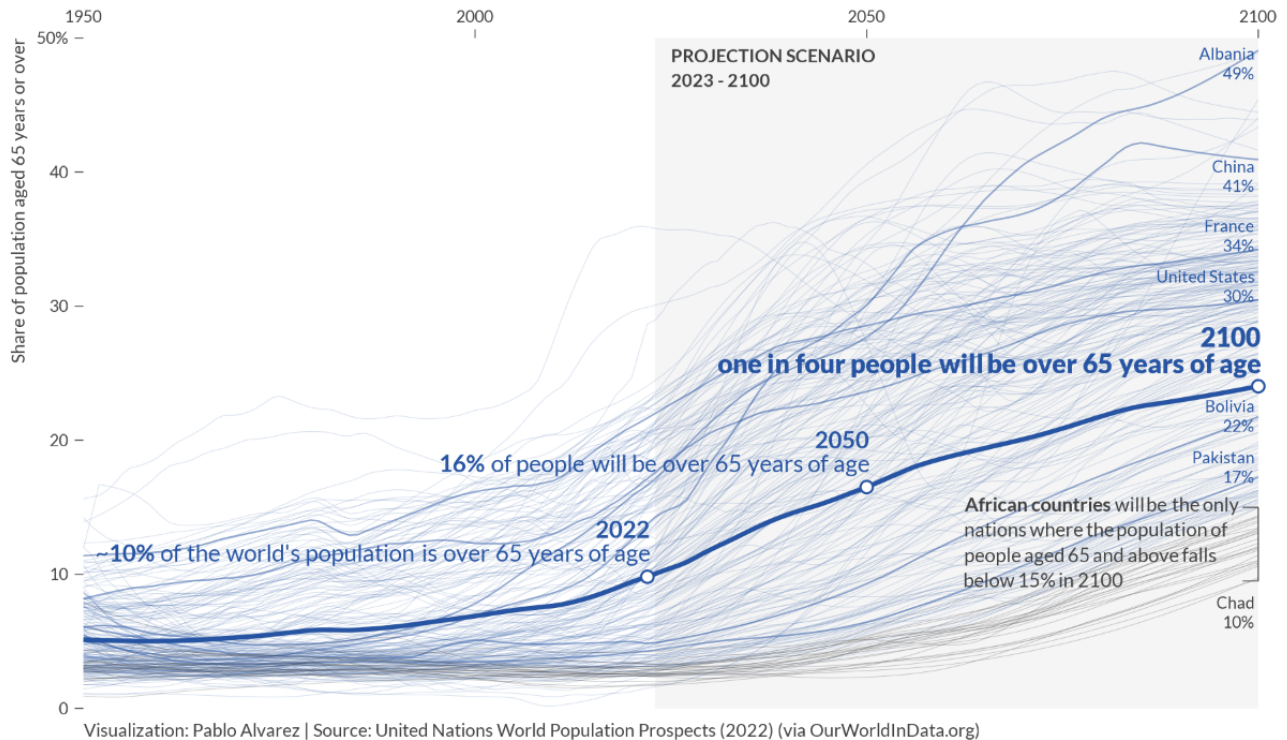


Published 1 year ago on May 29, 2023

By **Pablo Alvarez** ✔ **Featured Creator**

The world's population is aging

The population of people aged 65 and above is rising in every country, and will continue to do so in the future



Charted: The World's Aging Population from 1950 to 2100

As demographics continue to shift in the 21st century, the world's aging population will continue to be a focal point for many global decision makers.

Most countries around the world have experienced **population explosions**, or are about to. Combine this with declining birth rates and falling **mortality rates**, and it's clear that the global senior population will continue to reach new heights.

These graphics by **Pablo Alvarez** use data from the **2022 UN World Population Prospects** to visualize this increasing aging population across countries. In 2022, there were 771 million people aged 65+ years globally, accounting for almost 10% of the world's population.

This segment has been growing at an increasing rate, and it's expected to hit 16% in 2050, and eventually 24% by 2100. Some of the places with high elderly shares today include high-income countries like **Japan** (30%), **Italy** (24%), and **Finland** (23%).

The lowest shares are concentrated in the Middle East and Africa. Many countries have just 2% of their population aged 65 years and older, such as **Qatar**, **Uganda**, and **Afghanistan**.

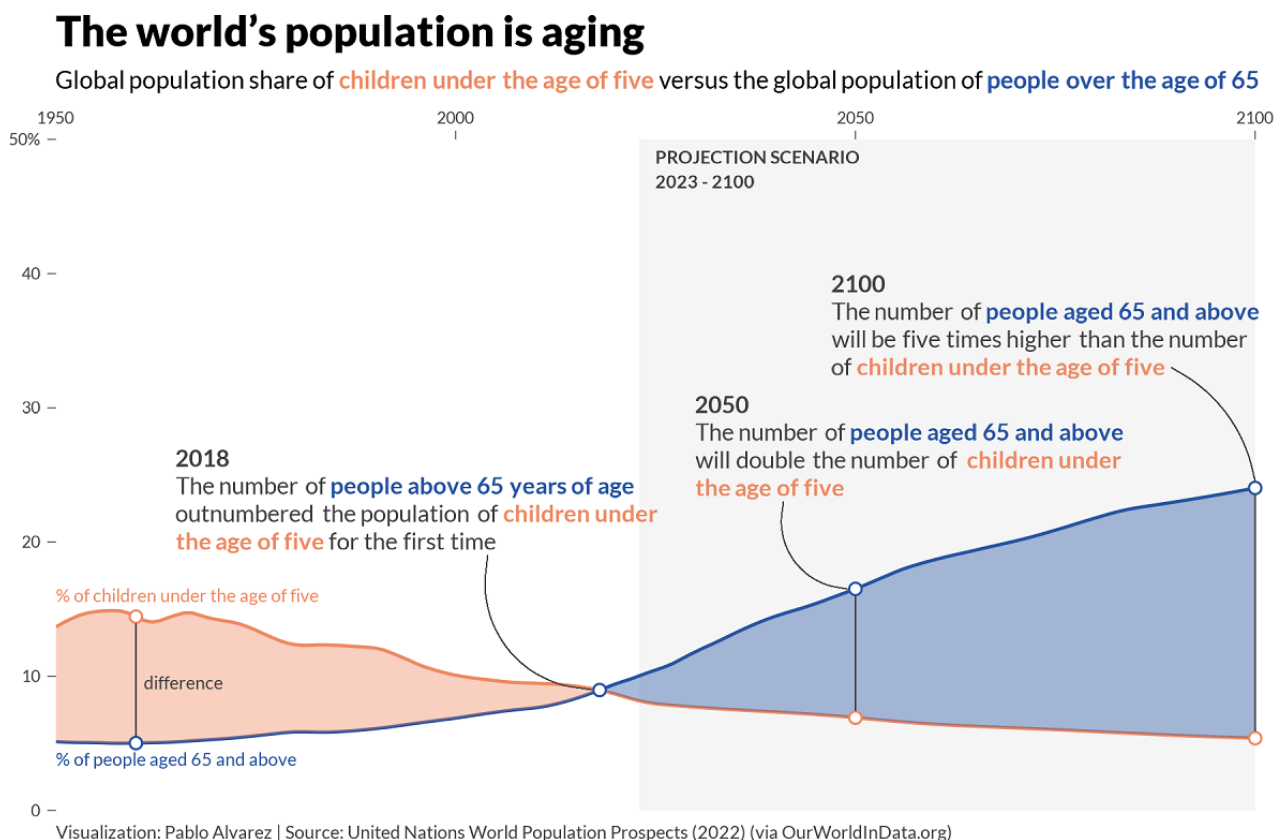
But over time, almost all countries are expected to see their older population segments grow. In just three decades, it is estimated that **one-in-four** European, North American, and Asian residents will be over 65 years of age.

By 2100, a variety of Asian countries and island nations facing low population growth are expected to see more than one-third of their populations aged 65 years or older, including **South Korea** and **Jamaica** at 44%. However, it's actually **Albania** that's the biggest outlier overall, with a projected 49% of its population to be aged 65 and older by 2100.

Passing the Generational Torch

The challenge of an **aging population** is set to impact all sectors of society, including labor and financial markets, demand for housing and transportation, and especially family structures and intergenerational ties.

One way to help grasp the nature of transition is to note the changing ratio between seniors and young children in the world population, as seen in the below crossover diagram:



Dropping **fertility rates**, in addition to improved child and infant mortality rates, are known to have played a major role in the plateauing population of children.

However, not all countries have witnessed this crossover yet, as it usually coincides with higher levels of **economic development**.

As countries such as India, Brazil, and South Africa reach higher levels of per capita income, they will be likely to follow down the paths of more advanced economies, eventually experiencing similar demographic fates and challenges.

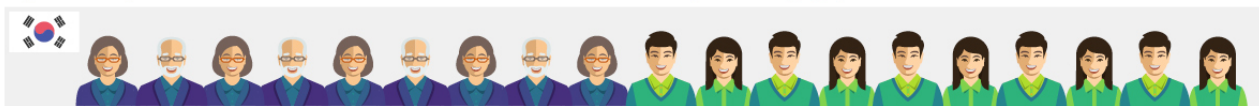
This article was published as a part of Visual Capitalist's **Creator Program**, which features data-driven visuals from some of our favorite Creators around the world.

The Rising Ratio

In many countries, the old-age to working-age ratio will almost double in the next 40 years

High Ratio Example

In 2060, there will be 9 seniors for every 10 working-age persons in South Korea



Low Ratio Example

In 2060, there will be 2 seniors for every 10 working-age persons in South Africa



Oldest Populations



Japan, Finland and Italy are the countries with the oldest populations

Fastest Aging (OECD)



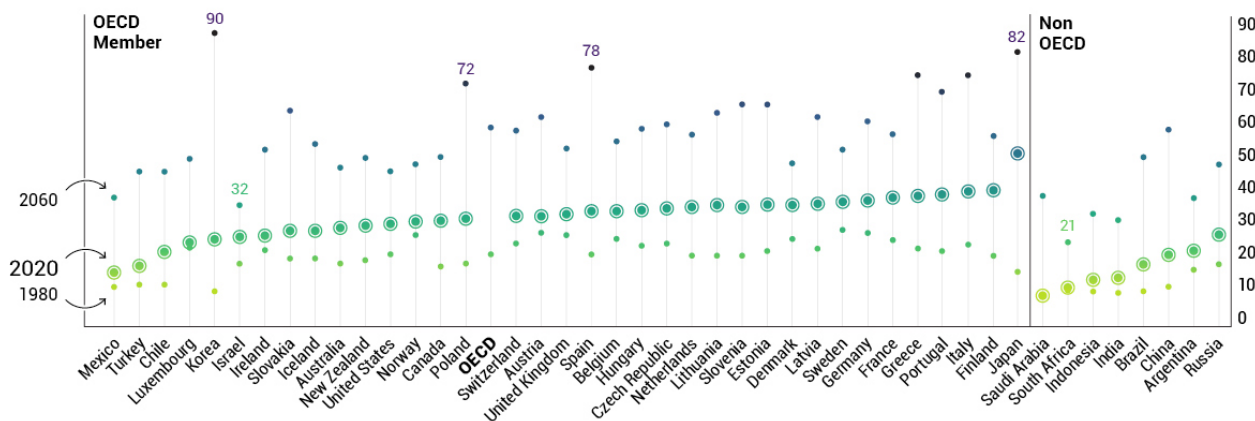
Greece, Korea, Poland, Portugal, Slovakia, Slovenia, and Spain will age the fastest

Fastest Aging (Non OECD)



Despite having younger populations, Brazil, China and Saudi Arabia are aging faster than the OECD average

Older People (65+) per 100 Working Age People (20-64)



Source: OECD



The Implications of an Aging Population

The world is experiencing a seismic demographic shift—and no country is immune to the consequences.

While increasing life expectancy and declining birth rates are considered major achievements in modern science and healthcare, they will have a significant impact on future generations.

Today's graphic relies on **OECD** data to demonstrate how the old-age to working-age ratio will change by 2060, highlighting some of the world's fastest aging countries.

The Demographic Debacle

By 2050, there will be **10 billion people** on earth, compared to 7.7 billion today—and many of them will be living longer. As a result, the number of elderly people per 100 working-age people will nearly triple—from 20 in 1980, to 58 in 2060.

Populations are getting older in all OECD countries, yet there are clear differences in the pace of aging. For instance, Japan holds the title for having the **oldest population**, with $\frac{1}{3}$ of its citizens already over the age of 65. By 2030, the country's workforce is expected to fall by 8 million—leading to a major potential labor shortage.

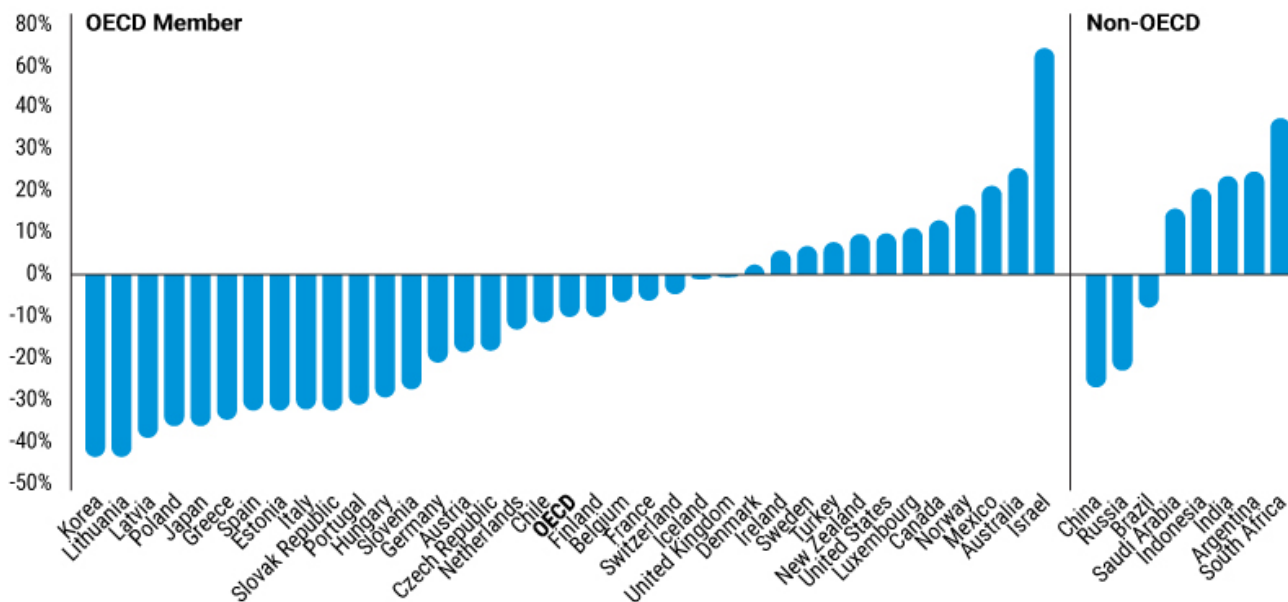
In another example, while South Korea currently boasts a younger than average population, it will age rapidly and end up with the highest old-to-young ratio among developed countries.

A Declining Workforce

Globally, the working-age population will see a **10%** decrease by 2060. It will fall the most drastically by 35% or more in Greece, Japan, Korea, Latvia, Lithuania, and Poland. On the other end of the scale, it will increase by more than 20% in Australia, Mexico, and Israel.

The working-age population will decline in a large number of OECD countries

Change in the working age population (20-64), 2020-2060



Israel's notably higher increase of **67%** is due to the country's high fertility rate, which is comparable to "baby boom" numbers seen in the U.S. following the second World War.

As countries prepare for the coming decades, workforce shortages are just one of the impacts of aging populations already being felt.

Managing the Risks

There are many other social and **economic risks** that we can come to expect as the global population continues to age:

- **The Squeezed Middle:** With more people claiming pension benefits but less people paying income taxes, the shrinking workforce may be forced to pay higher taxes.
- **Rising Healthcare Costs:** Longer lives do not necessarily mean healthier lives, with those over 65 more likely to have at least **one chronic disease** and require expensive, long-term care.
- **Economic Slowdown:** Changing workforces may lead capital to flow away from rapidly aging countries to younger countries, shifting the global distribution of economic power.

The strain on pension systems is perhaps the most evident sign of a drastically aging population. Although the average retirement age is gradually increasing in many countries, people are saving insufficiently for their increased life span—resulting in an estimated **\$400 trillion** deficit by 2050.

Pensions Under Pressure

A pension is promised, but not necessarily guaranteed. Any changes made to existing government programs can alter the lives of future retirees entirely—but effective pension reforms that lessen the growing deficit are required urgently.

Towards a Better System

Certain countries are making great strides towards more sustainable pension systems, and the **Global Pension Index** suggests initiatives that governments can take into consideration, such as:

1. Continuing to increase the age of retirement
2. Increasing the level of savings—both inside and outside pension funds
3. Increasing the coverage of private pensions across the labor force, including self-employed and contract employees, to provide improved integration between various pillars
4. Preserving retirement funds by limiting the access to benefits before the retirement age
5. Increasing the trust and confidence of all stakeholders by improving transparency of pension plans

Although **59%** of employees are expecting to continue earning well into their retirement years, providing people with better incentives and options to make working at an older age easier could be crucial for ensuring continued economic growth.

Live Long and Prosper

As 2020 marks the beginning of the **Decade of Healthy Ageing**, the world is undoubtedly entering a pivotal period.

Countries all over the world face tremendous pressure to effectively manage their aging populations, but preparing for this demographic shift early will contribute to the economic advancement of countries, and allow populations—both young and old—to live long and prosper.

Net Migration: Which Regions are Gaining or Losing People?

