

Aging Population Posing Serious Problems for Japan

By Hamano Takayoshi

Japan's population is aging faster than that of any other advanced country and care for senior citizens is becoming a top policy priority for the government. But the Health and Welfare Ministry, which is directly responsible for care policy, now finds itself hard pressed to push for measures after senior officials were involved in welfare-related scandals. Japan's snowballing financial deficits, which make the country one of the most debt-ridden in the world, add to the problems. There is a growing anxiety over the nation's capability to offer care for the elderly.

Former Vice Health and Welfare Minister Okamitsu Nobuharu has been arrested for receiving millions of yen in bribes from operators of private institutions taking care of elderly people. Okamitsu played a key role in the drafting of a 10-year plan for promoting welfare measures for elderly people,

known as the New Gold Plan, and was supposed to personally supervise the creation of an insurance scheme for the care of elderly people. He was also to have led reform of the medical insurance system. The Diet is expected to begin deliberations on both plans soon.

Okamitsu's involvement in the scandal has led to public distrust of the ministry, which in turn could adversely affect the implementation of reform of the medical care system and other welfare measures.

The public was stunned at the disclosure that Okamitsu, touted as the most talented official at the Health and Welfare Ministry, received a huge amount of money and wondered why such an elite bureaucrat had lost his sense of ethics.

Reflecting growing public resentment over the scandal, the leading daily *Asahi Shimbun* called on its readers in

its December 8, 1996 editorial to "watch out for talented bureaucrats."

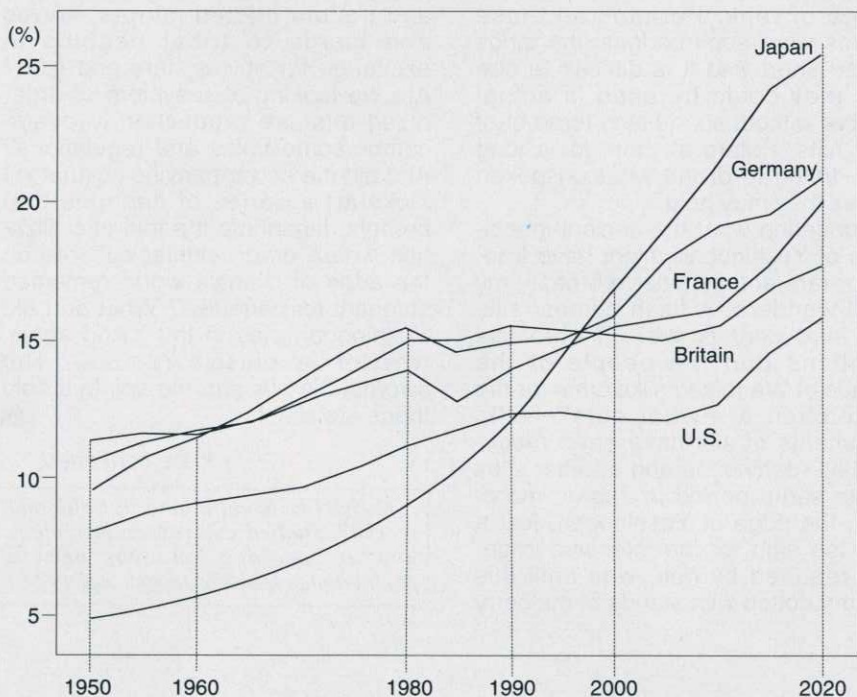
The scandal is partly blamed on the strong authority the Health and Welfare Ministry has not only in medical, but also in welfare, matters. But given the fact that elite bureaucrats of the Ministry of Finance and the Ministry of International Trade and Industry have also been found tainted by corruption recently, it may be correct to assume that demoralization in the upper echelon of the bureaucracy (known as "Kasumigaseki" since government ministries are located in Tokyo's Kasumigaseki district), is quite widespread, a situation which shows the fatigue of the administration system.

Behind the deteriorating discipline among elite bureaucrats lies the weak position of politicians who rely on Kasumigaseki for policy expertise and budget allotment. The officials may have lost their sense of ethics after having watched close at hand, over many years, the shady dealings between politicians and businesses. Or the all-for-money malaise that developed in Japan during the bubble economy may have caught up with the bureaucrats. It can be said that the bubble economy left in its wake not only the failures of financial institutions and other businesses, but also the moral collapse of bureaucracy.

But such a situation should not be allowed to hinder welfare measures for elderly people.

It took Western countries 50 to 100 years to see their elderly population (those above 65) increase to 14% from 7% of the entire population. In Japan the increase was reached in only 25 years. The Institute of Population Problems of the Ministry of Health and Welfare estimates that the rapid aging of the population in Japan will maintain its pace and the ratio of elderly persons to the entire population will further rise to 17% in 2000, 21.3% in 2010 and 25.5% in 2020, outpacing the "graying"

Comparison of percent of population that is 65+



of Western countries.

The increase in the elderly population means an increase in the number of people who need nursing care. In 1993, 2 million bed-ridden, senile or disabled elderly people required care. And, the number of elderly persons requiring care is expected to total 5.2 million, including 2.3 million bed-ridden people. Media is replete with stories of families struggling to take care of senile relatives. Care for bed-ridden elderly people is another serious problem. A new government program aimed at "reducing to nil" the number of bed-ridden elderly people through the enhancement of rehabilitation measures and the prevention of strokes, and other old age-related physical troubles, cannot catch up with the aging of society.

A care insurance bill presented to the Diet in late November last year is aimed at creating a scheme under which elderly people will have the benefit of receiving low-cost state nursing care if they are found eligible by the municipality in which they reside.

The scheme will be financed by taxes and insurance premiums collected from all people above age 40 and businesses.

The scheme is set to start in fiscal 2000 with monthly insurance premiums set at an average of ¥1,250 and beneficiaries required to pay 10% of costs. The insurance will cover costs for home care by helpers and accommodation at care institutions of those who cannot be cared for at home due to the seriousness of their physical or mental disorders. The anticipated increase in the number of elderly people threatens to result in heavier insurance premiums and in a shortage of helping hands and care facilities, which could deny elderly people opportunities to receive adequate care.

Building a bright elderly society

At a time when care for the elderly is becoming an urgent national issue, the involvement of elite bureaucrats in scandals over care services is nothing but outrageous. As mentioned before, the enactment of legislation governing



An 81-year-old mother and her 60-year-old daughter take part in a senior citizen's fashion show held as part of the ninth "Nenrinpikku" (elderly olympics) in January 1996.

the discipline of government officials will be the best way to prevent corruption. Introduction of the market mechanism in the construction of private care facilities for elderly people, including transparency in tenders, may be another measure for preventing bribery. The current system does not oblige operators of care facilities to disclose the names of contractors or bidding prices, which hardly shows whether tenders are impartial.

Efficiency is also important in nursing care. The 1996 economic white paper referred to the nursing care policy in Denmark, where the elderly live comfortable lives thanks to high-quality welfare services. Unlike Japan, Denmark concentrates the construction of residential quarters with nursing care for the elderly in specific areas, which helps cut down on costs required for the transfer of helpers from one area to another. Welfare for the elderly involves the injection of a huge amount of money, and so efficiency is of primary importance to cut costs.

Issues related to the elderly tend to project negative images like heavier burdens on the working generation and the loss of economic vitality of the country due to lower savings rates. But more attention should be paid to the positive aspect of the aging society.

While the number of elderly requiring nursing care is increasing, most today are physically fit. In the 21st century, further advances in medical science could reduce cases of adult diseases such as cancer, stroke and cardiac failure. Progress in preventive medicine could extend life expectancy to more than 100 years. Extended life expectancy in a way raises concerns about aggravating the problems of an aging population. But on the other hand, there will be an increasing number of elderly people fit enough to offer care to weaker elderly people, which could even alleviate shortages of nursing care helpers.

Bearing a clear testimony to the increase in physically fit elderly people, a four-day sports/culture festival for senior citizens held in Miyazaki in mid-November 1996 brought together active elderly people from across the country. It was encouraging to watch an 81-year-old mother and her 60-year-old daughter participate in a fashion show as models, displaying their youthful shapes. There was hardly a trace of the gloominess associated with an aging society.

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