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Pensioners on the move: social security and trans-border retirement migration in Asia and Europe

Established migration theories have long asserted international migration to be a venture of the young and healthy. The workshop 'Pensioners on the Move', however, focused on another group exhibiting quite different migratory behaviour: they do not move from low-income to high-income countries but vice-versa; they don't move to work, but to not work. This mobility is neither tourism nor migration, but shares elements of both.



courtesy of National
Geographic

never materialised because of opposition in Australia), while the Japanese Long Stay Foundation was set up in 1992 to facilitate 'long-stay' tourism abroad. On the receiving side, many Asian countries see the coming of foreign pensioners as an opportunity to restore local economies after the Asian economic crisis, and have launched programmes to promote it. In Malaysia, under the 'Malaysia My Second Home' programme, foreign retirees receive five-year multiple entry visas once they deposit a minimum of RM 100,000 (about €22,000) in a Malaysian bank account, or if their monthly income exceeds RM 7,000 (€1,550). The Philippines, Thailand and Indonesia have also launched similar schemes by creating special visa categories for retirees.

The commodification of care is likewise crucial in facilitating pensioners' migration in both Asia and Europe. In Europe, private insurance companies have been encouraging pensioners to move, while viewing pensioners as customers of care services has become a principle underlying the unification of EU social security policies. In Asia, the lack of a common legal framework and the larger disparity in income levels between countries makes commodification of care an even more potent driving force behind mobility. The 'Malaysia My Second Home' programme was driven largely by the over-capacity of private hospitals resulting from the privatisation of medical care and the middle class's sudden loss of buying power after the financial crisis. The Thai government, aiming to position Thailand as Southeast Asia's health tourism capital, has reached out to work with the private health care sector. The differences and similarities between Asia and Europe in the institutional contexts of pensioner movement clearly show social security to be a key issue, a major policy concern worldwide.

Manipulators or victims?

It is clear that pensioners migrate because of differences in income levels and purchasing power between their own and other countries. But how exactly do the elderly make the decision to migrate (sometimes to a place where they have never lived)? What does it mean to them to migrate to a new country where they cannot, at such a late stage of life, communicate in their own language? The picture becomes complex when we look at individual stories; seeing migrant pensioners as either manipulators of state policies or victims of insufficient social security in the home country can be simplistic. For some, migration is an escape from hardship, for others the fulfillment of a lifelong dream; some suffer from isolation in the new country, others paradoxically improve their family relations as a result of moving away; some prefer short stays, others are ready to die in the new place. The movement of pensioners is also a gendered phenomenon, though the gender bias seems to be more salient in Asia than in Europe. For example, a high percentage of single males is found among Thailand's Japanese elderly.

A number of papers also pointed to the importance of class divisions. In both Europe and Asia, pensioners' migration was initially an option for high income groups, though this has changed recently. Different groups appear to have different incentives and behaviour. Among the Japanese retirees, for example, the affluent chose the best place to live after traveling to various countries, while low-income earners moved directly to Southeast Asia out of economic need. In Europe, affluent British or German pensioners move to places such as Tuscany, while the less well-off go to Spain and, increasingly, to countries outside the EU. Different income groups also relate differently to the destination community. Affluent migrants seem to be better integrated, both because they are more likely to speak foreign languages and because they tend

to live in individual houses dispersed across communities, rather than living in congregated residences (for example, gated compounds) that are more popular with middle-income groups.

One thing countries and continents appear to have in common is the pendulum pattern of pensioner mobility. To enjoy the best weather, to stretch their pensions or to keep in touch with their families, many pensioners move back and forth between their native and adopted countries. This was just one way the workshop showcased the elderly to be anything but passive. The elderly are active agents: navigating existing institutions, pushing for policy changes, generating new life styles and creating new transnational communities.

Social implications

What does the increasing mobility of pensioners mean to the receiving communities? The coming of pensioners certainly brings in new income, which may improve national health services and in turn spread services to the larger population. Unlike tourists, migrant pensioners remain in a community and fuel the local economy instead of spending on foreign-owned hotels and tour operators. But there is also evidence that the migration of pensioners siphons off medical resources in the receiving community and has negative impacts on health equity, particularly for lower classes and rural populations. The loss of skilled health professionals from the public medical sector can be significant. In Europe, too, as pensioners tend to migrate to certain regions, they may strain already limited resources. Other social implications include the globalisation of the health care work force and the emergence of a transnational care industry. At the local level, some migrant pensioners work as volunteers in the host society, which not only keeps them healthy but helps integrate their ethnic communities (including non-pensioners) into mainstream society. Some workshop participants were critical of the congregated residential pattern common to migrant pensioners in Europe and Asia, believing it reflects and reinforces unequal international relations.

The three-day workshop concluded with a field trip to Penang, Malaysia, where participants observed retirement communities first-hand. Throughout the workshop, lively comparative discussions revealed that the subject has still greater theoretical potential. Though we all enjoyed the meeting, we departed quite humbled by the holes in our knowledge. Our pendulum was swinging: we were migrating back home to more work. ◀

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Odd as it may seem, the movement of pensioners across international borders is on the rise in both Asia and Europe. While there is a growing literature on this topic in Europe, particularly on intra-EU movement, the trend in Asia has only just begun to receive academic attention. The workshop brought together scholars from East and Southeast Asia and Europe, to review experiences in Europe, explore developments in Asia, and deepen our general understanding of the new migration trend through comparison. Seventeen papers were presented, covering pensioners who migrated as a result of reunification policies (Russian Jews to Germany); retired labour migrants who moved back to their home countries (Turkish and Moroccan elderly from Europe); and most significantly, pensioners from wealthy countries seeking a better retirement life (Japanese to Southeast Asia, Singaporeans to Australia, Europeans to southern Europe).

It's not just about ageing

The workshop opened with presentations by demographers who identified the root cause of pensioners' mobility. In countries like Japan, South Korea and Taiwan, the pace of ageing is even faster than it has been in most European countries. In Japan, for example, the proportion of the population aged 65 and over is projected to rise from 19% in 2005 to 28% in 2025. While more people are getting older, fewer elderly live with their children. This trend began in Europe, but wealthier Asian countries are quickly catching up: in Japan, the percentage of persons aged 65 and over living with children fell from 77% to 52% between 1970 and 1997; in South Korea, from over 80% in 1980 to 49% in 2000. There are many reasons for this: pensioners today have fewer children, fewer daughters-in-law see it as an obligation to look after the elderly, and national pension schemes – though far from generous – make it possible for the elderly to live independently, all of which created more potentially mobile pensioners. With the baby boomer generation approaching retirement age, the number of migrant pensioners is likely to increase in the coming years.

Researchers from other disciplines provided more nuanced analysis. One of the workshop's insights was that pensioners' mobility in both Asia and Europe must be understood in relation to state policies and the commodification of elderly care. Legal experts from Europe reviewed how the mobility of pensioners and EU social security regulations have interacted over recent decades: increasingly unified EU laws facilitated mobility, which resulted in new cases demanding further changes in regulations. This process is not over: though pensioners can move freely between member states, considerable legal and policy gaps still remain. By comparison, national borders in Asia are much less permeable, though both sending and receiving countries have been active in promoting the movement of pensioners. In 1986, the Japanese government proposed the Silver Columbia Plan to build towns and villages for Japanese pensioners in Australia (though the programme