

## Editorial

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# Of pensions, carers and homes for the aged

South Africa and Namibia are the only African countries to have a universal, non-contributory old-age pension system. (Namibia inherited the system when the country gained independence from South Africa in 1990.) Although the value of the South African social pension is low in terms of real income (an amount of R470 payable monthly, to be increased to R490 on 1 July 1998 – approximately US\$100), the pension is generous by standards in other developing countries. Males and females may become eligible for a pension, according to a means test, from the age of 65 and 60 years, respectively. The take-up rate of the pension is virtually 90 % in the case of black Africans and coloureds, lower in the case of Indians (62 %), and far lower in the case of whites (20 %), who historically were the most advantaged racial group under the apartheid system. (Cf. Van der Berg in this number of *SAJG*.)

As generous as the social pension provided by the South African government may be, and as valued as the pension income is by its beneficiaries, the country's social-security system is however not without problems. Central and provincial governments are aware of duplicity and even multiplicity in pension pay outs – where "ghost" pensioners, for instance, collect a pension at more than one pension pay point. Irregular pension claims and payments consume scarce pension resources. Maladministration of pension budgets by some provincial governments has led, for example, to the non-payment, or delayed payment of pensions – as occurred recently in the Eastern Cape (see Møller in this number).

Nevertheless, it is popularly contended, although thusfar unsubstantiated, that between five and nine members of a household in which a pensioner resides benefit from the monthly pension. The pension is used to buy food for the household and to pay school expenses of grandchildren. In the vast majority of cases, pensions do not appear to be consumed solely by pensioners themselves. Several studies have mooted that increased respect is shown to an older relative who receives a pension. However, it is also mooted that pensioners may be at risk of abuse by family members who want to access the pension money.

Given a lack of knowledge on the effects of the pension on pensioner households, a multi-institutional, collaborative study of the South African pension system is currently being undertaken and is being co-ordinated at the Centre for Gerontology at the University of Cape Town. Professor David Bloom at the Harvard Institute for International Development in the USA is the Principal Investigator. US co-investigators include economists and researchers at Princeton University and the US National Bureau of Economic Research, while South African co-investigators are based at the University of Cape Town, the University of the Western Cape, the University of the Witwatersrand, Rhodes University and the Medical Research Council. The study is in the

pilot stage and a national household survey (n=500) is scheduled to take place in 1998. The main survey, which will investigate several thousand households in 1999, will yield the most comprehensive data set on the older South African population (55 years and above) to date. The data set will be made available at a later stage in the public domain and for decision support.

### Social-welfare policy

South Africa's social-security system, which has been expanded over the years in both coverage and pension levels, is arguably one of a few salutary legacies of the colonial and apartheid governments. However, social-welfare policy in the country on the other hand has undergone radical change in recent years and social-assistance schemes which benefitted older citizens have been drastically curtailed. The White Paper on Social Welfare (1997), for example, has shifted the responsibility for residential care for indigent and socially-needy older individuals away from the state to the individual, the family and the community. It has done so while invoking the much bandied-about concept of ubuntu – purportedly an African ethos of caring and sharing (see Oakley in this number). Only in the case of frail and needy (and in a few cases socially-indigent) older persons who require 24-hour nursing care will the state provide care for them in subsidized nursing homes. Individuals who are assessed as not being eligible for such care must make their own accommodation and care arrangements and pay for these themselves.

Now, it appears that the state's erstwhile intended involvement in the provision of community-based services to assist older individuals (and families who care for these individuals) to live independently in the community will also be minimal from here on. Once again, families and communities are being urged to take responsibility for the care and social integration of their elderly members in the community and not to look to the state for assistance. Neither does the White Paper on Housing (n.d.) offer solutions to address the lack of suitable (and affordable) housing for older citizens.

The author is not a protagonist of expanded welfare assistance; it is recognized that government welfare departments the world over presently find themselves in a predicament regarding sustainable funding. However, it does appear that the government has largely abrogated its welfare responsibilities to older South Africans who for historical reasons are unable to care for themselves – except in the case of the provision of the social pension. The pension is therefore pivotal in the lives of the majority of older South Africans and apparently a lifeline for entire families. However, understanding is needed of the real effects of the pension, in terms of alleviating poverty generally and putting bread in the mouths of several household members on the one hand and contributing to self-sufficiency, self-esteem and a sense of dignity in pen-

sioners on the other hand. The major pensions study will give us knowledge for this understanding.

### **This issue**

Each of the papers in this number of *SAJG* deals with dilemmas and issues in the matter of public and private care for older persons in southern Africa. Three papers deal explicitly with South Africa's social-security system – specifically the old-age pension. Two papers deal with residential care models. And a sixth paper examines informal caregiving.

In an expansive overview of public finance and ageing in South Africa, **Van der Berg** examines budgetary expenditure on the older population and places the magnitude and function of the social-pension system in perspective. The author briefly traces the historical evolution of the system. In a paper based on extensive archival research, **Sagner** details the history of the pension from 1920 to 1960 and shows that numerous contemporary pension-related issues are no different to issues of past decades.

In her paper, **Oakley** examines the effects of recent changes in social-welfare policy on the residents and administrators of a home for marginalized older people in a remote South African town. She contends that new policy erroneously assumes that marginalized and historically disadvantaged older individuals are able to live self-sufficiently within the bosom of family – in a spirit of ubuntu. **Ackermann** and **Matebesi** report on a study of the experiences of carers of older family members in an African township and consider how these carers, who have few resources, could be assisted and supported in their caregiving tasks.

**Mupedziswa** describes the nature and functioning of an alternative residential care model in Zimbabwe – a co-operative living scheme specifically established to enable destitute and socially-impoorished older people to co-reside in a safe and mutually-supportive environment.

**Møller** gives readers an insightful update and analysis of the January 1998 pension payment debacle in the Eastern Cape Province, when the payment of more than 600 000 pensioners was delayed because of provincial-government management errors.

Finally, *SAJG* welcomes **Wilson's** announcement in a letter to the editor of the establishment of AFRITA, whose aims are to promote and to co-ordinate linkages between training and research initiatives on ageing and policy structures in African countries.

### **Editorial Advisory Panel**

With this number, we also welcome the members of the new Editorial Advisory Panel. The panel will serve for the third triennium of the publication of the Journal, i.e. 1998-2000. Additional members may still be appointed to the panel, and readers who would like to nominate individuals or themselves for consideration for appointment are invited to write to the Editor of *SAJG*. Prospective panel members should have published extensively on research on ageing in an African country or countries.

### **References**

- South Africa (Republic). Ministry of Welfare and Population Development. 1997. *White Paper on Social Welfare*. Pretoria: Government Printer.
- South Africa (Republic). Ministry of Housing. n.d. *White Paper: A New Housing Policy and Strategy for South Africa*. Pretoria: Government Printer.