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Identifying vulnerable older people: insights from Thailand

PETER LLOYD-SHERLOCK*

ABSTRACT
This paper explores the usefulness of the 'asset vulnerability framework', as devised by Moser (1998), for assessing the economic wellbeing of older people living in poor rural and urban communities in Thailand. Gaining an accurate view of older people's material situation is essential for the development of policies that target the needs of older people in contexts of resource scarcity. The paper shows the limitations and potential biases of assessments based purely on reported income levels. It then sets out the key principles of the asset vulnerability framework, which seeks to combine information about exposure to different economic risks with the relative capacity to deal with them. Drawing on survey data, the paper maps resilience to economic risk, finding that the very old and those living in rural communities are in the most precarious position, whereas gender differences are less apparent. The asset vulnerability framework is then applied to specific forms of risk: catastrophic health expenditure and the death of a child caused by HIV/AIDS. Patterns of vulnerability revealed by the framework roughly accord with those revealed by reported income, but there are important differences, such as the size of the vulnerability gap between rural and urban populations. The framework provides a much fuller picture of *why* some groups of older people are in a more precarious economic situation than others. The paper recommends that future surveys draw on Moser's framework, and place emphasis on identifying the risks that older people consider most important.

KEY WORDS – Thailand, vulnerability, poverty, AIDS.

Introduction

Over the past decade, research and policy debate about older people in developing countries has moved away from generalisations of later-life experiences, to recognising their heterogeneity and complexity (Lloyd-Sherlock 2004). This diversity reflects the different geographical, cultural and historical contexts in which personal ageing is experienced, the variability of later-life trajectories, and the effects of status factors that

* School of Development Studies, University of East Anglia, Norwich, UK.

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are not directly associated with age (such as ethnicity and socio-economic status). With regard to the material wellbeing of older people, research has drawn attention to the complexity of their livelihood strategies and the various threats they face (Malhotra and Kabeer 2002). This new-found sophistication is welcome, but it also creates challenges for policy-makers in developing countries. Public policy for older people in the South remains closely modelled on the experiences of developed countries, with a heavy emphasis on contributory pension provision for privileged sections of the labour force. The emergence of significant populations of economically vulnerable older people who are excluded from state pension provision calls for a new approach to public social protection. Given the limited resources of most developing countries, the key challenges include identifying effective interventions and the groups of older people who are most in need of them.

This paper examines two different approaches to identifying those older people who are most in need of material assistance: the standard 'poverty line' delimiter, and the 'asset vulnerability framework' developed by Caroline Moser (1998). The former is widely applied in developing countries, reflecting the prominence of poverty alleviation in current development discourse and global priorities. The 'asset vulnerability framework' requires, in contrast, a wide range of data, including individuals' exposure to different forms of risk and their relative capacities to deal with them. The paper draws attention to several problems and challenges of applying and interpreting income poverty data for older people in low income settings. It then elaborates the asset vulnerability framework and applies it to the same population, assessing whether it offers a more effective approach to gauging and understanding their material situation.

Both approaches are applied to groups of older people living in Thailand, drawing primarily on a questionnaire survey administered to 503 people aged 60 or more years (in 434 households) in purposively selected locations in Bangkok, the largest urban centre, and in the northern region of Chiang Rai, one of the country's poorest provinces. Partly as a consequence of high age-selective out-migration, Chiang Rai has a high proportion of older people; in 1997, 10 per cent were aged 60 or more years, compared to seven per cent nationally. In each setting, data from the *Ministry of the Interior* and from public health personnel were used to identify three study areas (neighbourhoods in Bangkok and villages in Chiang Rai) with high levels of poverty (for further details see Lloyd-Sherlock and Khumya 2004). Information from the survey has been supplemented by other data on older people in Thailand, including a national survey of older people in 1995 (see Chayovan and Knodel 1997), and

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several studies on AIDS by John Knodel and his colleagues (Knodel *et al.* 2000; Knodel and Im-Em 2003).

Older people, poverty and vulnerability

Research and policy in development studies has customarily focused on material aspects of wellbeing, and this has increasingly narrowed to 'poverty reduction'. While development studies do not overlook the complex and nuanced forms that poverty can take, policy goals are often set in terms of income and basic needs. This is reflected in the first of the United Nations Development Programme (2004) *Millennium Development Goals* (MDGs), which seek to halve by 2015 both the number of people living on less than one United States dollar a day and the number of people suffering from hunger. It is also seen in the emphasis placed on extending poverty reduction into all areas of national development policy by means of *Poverty Reduction Strategy Papers* (through which poor countries may qualify for debt relief). These policy priorities raise a number of issues: whether such simple approaches to poverty are able to capture the experiences of older people in the developing world, and whether older people (in aggregate or certain groups) are particularly likely to be poor.

The appropriateness of the MDGs for a middle-income country such as Thailand is debateable. Nevertheless, they have had a considerable influence on public policy, and the Thai government is committed to achieving an enhanced set of targets by 2015. Despite the recent economic crisis, Thailand has made considerable progress in reducing its overall poverty rate since 1990, but a comprehensive evaluation by the *United Nations Development Programme* (UNDP) of the performance of the country's MDGs identified three groups with high rates of extreme poverty: orphans, people with disabilities, and older people. People aged 60 or more years represented 9.5 per cent of the population, but 11 per cent of those living below the official poverty line (13,000 *Baht*, or just over US $1 a day). According to a national survey, around one-third of older people did not have enough income 'to make ends meet' (UNDP 2004: 14).

The UNDP report highlights the need to understand better the situations of the groups disproportionately affected by poverty and to develop effective targeting strategies. One way this may be done is by providing more detailed income-poverty data for specific groups of older people. The Bangkok and Chiang Rai survey sought to establish variations in the severity of poverty among older people in these poor communities; it found much lower incomes in rural Chiang Rai than in Bangkok (Table 1). There was a marked age effect, with those aged 80 or more years reporting

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TABLE 1. *Comparisons of annual reported income in selected districts of Bangkok and in selected villages of Chiang Rai, Thailand 2000*

	Individual personal incomes		Household incomes	
Attribute	Mean *Baht*	Low[1] %	Mean *Baht*	Low[1] %
Bangkok	46,850	30.2	84,884	8.4
Chiang Rai	7,130	79.2	20,560	46.7
Male	27,825	54.8	55,585	31.0
Female	26,550	54.3	49,653	24.9
60–79 years-old	29,079	53.0	53,310	27.7
80 or more years-old	7,990	69.6	42,655	26.1
Total	27,111	54.6	52,260	27.6

Notes: In 2000, US $1 was equivalent to 37 *Baht*. 1. Percentage with low incomes, defined as less than 10,000 *Baht* a year.
Source: Elaborated from Lloyd-Sherlock and Khumya (2004).

especially low incomes, but less expectedly, gender effects were negligible, with women reporting only slightly lower incomes than men, and less likely to be living in very poor households. If these data represent poor communities across Thailand, pursuing the first of the MDGs would mean targeting assistance to the very old in rural areas.

Such income data appear to offer clear and objective evidence on which policy-makers can base decisions, but it should not be assumed that they give a complete or accurate view of older people's economic situations. First, capturing 'real income' with structured survey instruments is notoriously difficult, and many household surveys admit to significant discrepancies between the levels of reported income and consumption (Deaton 1997). These problems are likely to be especially severe in rural settings where monetary values are attributed to non-monetary earnings, and when the informants are older people who are no longer working and whose knowledge of the earnings of other household members is imperfect. While the survey took great care to gather valid income data, the author does not claim that it was perfectly captured. Second, there are problems of interpretation. The need for income is likely to be greater in urban than rural areas, where more food and other goods can be obtained outside market transactions. The survey found that the average *per capita* food spending by urban households was more than three times that of their rural counterparts, although that it accounted for a slightly lower share of total expenditure. While, therefore, older people in the rural communities were much more likely to be below the poverty line than those in urban areas, they did not necessarily find it easier to 'make ends meet' (to use the UNDP term).

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A more complex problem is to distinguish individual and household incomes. Table 1 shows that those aged 80 or more years were less likely to live in extremely poor households, but that the percentage with low personal incomes was higher than in any other age group. Whether personal or household income provides the best indication of a very old person's material situation depends on the extent to which household income is pooled, and whether the older person receives an equal or adequate share, but such information is very difficult to obtain in large sample surveys. Qualitative research from several developing countries has shown that co-residence is not necessarily accompanied by (equitable) income pooling, and that the economic relations between older people and other household members vary considerably (Palloni 2001; Schröder-Butterfill 2002). There are also indications that household members with independent personal income have high standing and enhanced access to resources (Bhatty 1981: 41; cited in Sen 1990). This finding suggests that a very old person's low personal income may translate into a small share of household consumption. It is clear that a reliable interpretation of personal income data is impossible without a thorough understanding of intra-household relations.

The poverty data such as those used to assess the performance of Thailand's MDGs may therefore give a misleading view of older people's actual economic situation, and for this reason more sophisticated approaches, such as vulnerability frameworks, are required. The concept of 'vulnerability' has gained considerable prominence in development studies over the past decade. The term had customarily been applied rather loosely to identify the groups that required special attention from policy-makers, *e.g.* refugees, landless peasants and urban squatters. Over the past decade, 'older people' have received increased attention in development policy, and they have come to be seen as a key category of 'vulnerable people'. Such labelling has been criticised for over-generalising later-life experiences and for fostering a 'negative stereotype' of old age (Lloyd-Sherlock 2004). At the same time, more sophisticated and specific applications of vulnerability that draw on concepts from risk management have emerged. The major contribution has been Moser's 'asset vulnerability framework'. This defines economic vulnerability as, 'insecurity and sensitivity in the wellbeing of individuals, households and communities in the face of a changing environment, and implicit in this, their responsiveness and resilience to risks that they face during such changes' (Moser 1998: 3). This approach to vulnerability combines exposure to risks and resilience with their effects. According to Moser, processes of environmental change create risks that are then managed with varying success. The 'environment' may be interpreted broadly to

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The asset portfolio
Access to labour markets
Human capital, including health, skills and education
Productive assets, such as land, housing and machinery
Household relations, including income pooling and shared consumption
Social capital, such as reciprocity within communities and between households based on social ties and drawing on social resources

Source: Adapted from Moser 1998: 8, Table 3.

Figure 1. Key assets for mitigating vulnerability.

include economic and epidemiological change. Resilience to risk depends on various characteristics of the individuals, households and communities facing them. Implicit in Moser's understanding of risk is that, if poorly managed, it will lead to an undesirable outcome.

Clearly, the concepts of economic vulnerability and poverty are intricately linked. Indeed, participatory research with poorer people has identified insecurity and exposure to risk as defining aspects of poverty (World Bank 2001), but while most poor people are especially vulnerable to certain risks, these may also be experienced by others not usually identified as 'poor' by *per capita* income or other standard indicators. The non-poor may face the risk of *future* impoverishment, or may face risks less directly related to poverty, such as ill health or decreased crop production through soil erosion. An advantage of the vulnerability framework is its flexibility and ability to capture change, dynamism and instability (as reflected in Moser's repeated references to 'change').

To put Moser's framework into practice, three sets of indicators are required: the main risks and undesirable outcomes that particular groups of people perceive, the nature and severity of the associated risk factors experienced by different groups, and their capacity to cope with them. Moser's own research focuses on the last; central to her framework for understanding risk is that individuals or groups have variable capacities to ward off undesirable effects. Drawing on empirical research in poor urban communities around the developing world and in the transitional-economy countries, Moser argued that resilience to risk is determined by access to a range of more or less tangible goods, their 'asset portfolio' (Figure 1). It follows that older people's resilience to risks will depend

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on their access to the various assets. By drawing on the survey of Bangkok and Chiang Rai, the paper proceeds to explore the comparative usefulness of the evaluative information generated by Moser's framework and from income data.

Older people, resilience to risk and asset portfolios

The starting point for any study of vulnerability and risk is an assessment of the risks that the research subjects regard as important. Acquiring such subjective information requires ethnographic or participatory research, which was not undertaken by the Bangkok and Chiang Rai survey. Indeed, none of the various quantitative and qualitative surveys of older people in Thailand have captured systematic data on subjective perceptions of risk. Evidence from several other developing countries has revealed, however, recurrent sources of concern, most particularly dependency, poor relationships with children and other relatives, and a 'bad death' (Kato 1998; HelpAge International 2000). While these threats to quality of life mirror the concerns most often addressed by policymakers, such as freedom from poverty and good general health, they are rarely specifically assessed. The vulnerability concept and framework can address this wider range of undesired outcomes and the related risks, but development policy's fixation on poverty has precluded the extension. Several of the contributions to this special issue of *Ageing & Society* challenge the narrow approach by examining different types of vulnerability and by drawing on older people's perspectives about the risks they face. The various components of resilience represented in Moser's asset portfolio are readily measurable in quantitative surveys, and they are now considered in turn.

Access to labour markets

A household's access to labour markets reflects the current level of economic activity and the members' ability to secure jobs. Moser (1998) observed that when a poorer household experiences a fall in income or has increased consumption needs, a key risk-mitigation strategy is to increase the number of breadwinners. Where this involves mothers of young children, older people may be required to take on more grandparenting duties. Thus, the contributions of older people to households' access to labour markets may be indirect as well as direct. Not surprisingly, the survey found that reported levels of economic activity fell sharply through later life (Table 2), but that older people made important indirect contributions to a household's participation in paid and productive

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TABLE 2. *Rates of economic participation in selected districts of Bangkok and selected villages in Chiang Rai, Thailand 2000*

Location	Age group (years)	Men		Women	
		Paid work	Paid and unpaid work[1]	Paid work	Paid and unpaid work[1]
		Percentages			
Chiang Rai	60–74	42.9	48.1	51.2	55.1
	75+	19.0	33.3	21.4	25.0
Bangkok	60–74	71.6	87.5	57.0	91.5
	75+	34.6	65.4	26.5	52.9

Notes: Including small-scale cultivation and raising animals in the environs of the home.
Source: Lloyd-Sherlock and Khumya (2004).

employment, as when a mother of a young child takes paid work and an older person takes on parenting tasks. The overall rate of participation in productive activity was higher in Bangkok than in Chiang Rai, where less than one-half of the respondents were active, even when the definition was extended to include small-scale cultivation and raising animals in the immediate surroundings of the home.[1] Most of the older people who were not working cited deteriorated health as the main reason, which suggests that older people's capacity to return to work in response to an economic risk was limited.

The survey also included information about the types of activities pursued by older people. In Chiang Rai, 87 per cent of the respondents worked in agriculture or handicrafts, many as hired labourers (who are likely to be laid off as their physical strength declines). The Bangkok respondents reported higher activity rates and more diverse occupations, reflecting the metropolitan job market and its greater opportunities for less physically-rigorous jobs, as in trading. The pattern of relative disadvantage in occupations was similar to that for income poverty; the very old were disadvantaged by a low level of participation, and rural dwellers disadvantaged by the restricted range of employment opportunities. Gender variations were more complex and less apparent. Table 2 shows that women in Chiang Rai were more likely to work than men, although the difference was slight when petty activities were included. In Bangkok, the opposite held: women were less likely to work (when defined narrowly), but much more likely to be engaged in petty activities, such as informal trading.

Human capital

Moser (1998) emphasised two distinct aspects of human capital: health, which she argued determines the capacity to work; and skills and

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TABLE 3. *Indicators of literacy in selected districts of Bangkok and selected villages in Chiang Rai, Thailand 2000*

Literacy level	Men	Women	Chiang Rai	Bangkok
			Percentages	
Read easily	56	33	20	66
Read with difficulty	15	12	11	16
Unable to read	30	55	69	19

Source: Elaborated from Lloyd-Sherlock and Chayovan (2001).

education, which influence the remuneration of labour. The data on basic literacy in Chiang Rai and Bangkok revealed that older people in the urban area were much more likely to be able to read (Table 3). Nearly three-quarters of the respondents in Chiang Rai had never attended school. The higher level of literacy in Bangkok may partly account for the wider range of its older people's productive occupations, although the majority of urban respondents in work were engaged in low-skilled, manual work. Unlike income and economic activity, literacy showed a large gender disparity, with women at a strong disadvantage, although there was no evidence that their limited literacy restricted their access to employment or remuneration. The relationships between health, work and economic vulnerability may be best captured by the respondents' perceptions of their ability to work. The survey assessed the respondents' willingness and ability to work. Overall, 22 per cent reported that they wanted to work but were unable to do so because of ill health or frailty. Unsurprisingly, the figure rose sharply with age, but no significant variation was reported by gender or rural–urban residence.

Productive assets

According to Moser, the two most significant productive assets for poor people in developing countries are land and housing. Among older people, two important factors influence the relationship between asset ownership and vulnerability: first, whether they are able to sell the assets at a time of economic difficulty; and second, whether they can use the promise of a future inheritance to ensure support from one or more relatives. Note also that home ownership is an important advantage, especially in urban areas, because it reduces the need for cash to pay rent.

The Bangkok and Chiang Rai survey found high levels of home and land ownership, especially among older men in rural areas, and identified gold and jewellery as key assets (Table 4). The average reported value of homes in Bangkok was roughly 2.5 times greater than in Chiang Rai,

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TABLE 4. *Asset ownership, asset sales and income support from non-resident children and relatives during the past year in selected districts of Bangkok and selected villages in Chiang Rai, Thailand 2000*

Attribute	Location		Gender		Age group (years)		Total
	Bangkok	Chiang Rai	Male	Female	60–79	80+	
			Percentages				
Asset ownership							
House	66.8	84.4	84.1	68.9	78.0	53.1	75.5
Land	29.6	82.4	62.3	50.9	56.2	53.1	55.9
Savings	26.9	13.7	21.0	19.8	21.4	10.2	20.3
Gold and jewellery	42.3	35.3	35.6	41.3	40.4	24.5	38.8
Other	54.2	44.4	54.5	45.2	52.2	22.4	49.3
Asset sale during last 3 years							
House	2.8	3.2	3.2	2.8	3.3	3.0	3.0
Land	0.8	1.6	0.9	1.4	1.3	1.2	1.2
Gold and jewellery	20.9	2.0	6.8	15.2	12.3	4.1	11.5
Other	3.2	1.2	3.2	1.4	2.4	0.0	2.2
Income support from non-resident children and relatives							
None	15.0	34.4	30.0	20.5	23.6	34.7	24.7
1–999 *Baht*	22.1	26.4	21.8	26.1	24.4	22.4	24.3
1000 or more *Baht*	62.8	39.2	48.2	53.4	52.0	42.9	51.1

Source: Elaborated from Lloyd-Sherlock and Khumya (2004).

although the Bangkok residents were less likely to be satisfied with the quality of their home. Not surprisingly perhaps, the likelihood that older people would sell their own home at a time of economic difficulty was slight. Only one case was encountered, in Chiang Rai, where an elderly couple had sold the land on which their house stood but had preserved the right to live there until they died. Most respondents recognised the importance of their homes as a potential 'inheritance good'. While 80 per cent stated that they wished to make a will, only 20 per cent had done so; this does not necessarily mean that inheritance goods were *not* used strategically through informal contracts. Gold and jewellery were more important as potential sources of cash, especially among women in urban areas. While the likelihood of owning gold and jewellery was similar in Chiang Rai and Bangkok, many more of the urban respondents had sold items, which might indicate higher cash needs or might have been because they possessed more gold and jewellery in the first place. Overall, patterns of asset ownership and the propensity to realise the value of these assets followed the established pattern of vulnerability, *i.e.* the variations by age and by rural or urban residence were greater than by gender.

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Household relations

Moser (1998) noted that while economists rarely consider household and kin relations as an asset, they play a key role in mediating many people's vulnerability to external economic risks. She paid particular attention to the capacity of households to pool income and consumption at a time of crisis, as by taking in vulnerable relatives. Research with older people in developed and developing countries has demonstrated that a major determinant of general wellbeing is good relations with children and other family members, and that the converse – loneliness and abandonment – are key concerns (HelpAge International 2000; Aboderin 2004). As discussed above, however, co-residence does not necessarily mean mutual economic support as portrayed by Moser, and capturing intra-household economic relations in a large survey is problematic. Moreover, it has been shown that older people's relations with children *outside* their immediate households may be an equally important source of support (see Kreager 2006). The relationships between household composition, intra-household relations, wider kinship networks and economic vulnerability are therefore complex as well as difficult to represent and interpret.

A starting point is to examine the number of surviving children. Research findings from other developing countries have shown that actual and *de facto* childlessness is a useful predictor of vulnerability in later life (Schröder-Butterfill and Kreager 2005). The Chiang Rai and Bangkok survey found that only seven per cent of the respondents reported no surviving children of their own, and that when *de facto* (adopted) children were taken into account, only three per cent. Surveys in some developing countries have indicated that living alone is not always a reliable predictor of old age vulnerability, and that some older people prefer the arrangement (Ramos 1995; Sagner and Mtati 1999). The instances are mainly in countries with well-developed pension programmes, where informal economic support is likely to be relatively unimportant. Nine per cent of the respondents to the author's survey reported that they lived alone, and the probability of living alone followed the established pattern of economic vulnerability. The percentage who lived alone rose with age, and older people in Chiang Rai were twice as likely to live alone as those in Bangkok, in part because of the high level of out-migration of young adults (out-migration may also mean that actual or current childlessness in Chiang Rai is higher than the respondents' reports suggested). Gender differences were again insignificant, with men marginally more likely to live alone than women.[2] While women were more likely to be widowed than men, a higher proportion of unmarried men lived alone. More

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generally, average household sizes in Bangkok (5.5) were significantly larger than in Chiang Rai (3.3). In Chiang Rai, however, older people were more likely to have children and close relatives living nearby. Indeed, the large households of the poor communities of Bangkok may have more to do with the high cost of housing than an ethic of inter-generational solidarity, and the urban respondents' relatively low level of satisfaction with their accommodation may be partly explained by overcrowding. This again demonstrates the danger of inferring older peoples' material and non-material wellbeing directly from their living arrangements.

The Bangkok and Chiang Rai survey included information on economic transfers to older people from relatives living outside the household (Table 4). The pattern of transfers was once again consistent with the differentials in individual and household incomes, with low rates of transfer to the very old and to those living in Chiang Rai. The rural–urban differences in money transfers probably reflected the relatively good economic situation of the respondents' children and other relatives in the city. The data on the very old are more difficult to explain, given that the needs of this group for family support were likely to be high. Older men were slightly less likely to receive transfers than women, which is consistent with other findings, that children are more disposed to support older mothers than fathers, perhaps reflecting emotional ties and past treatment (Aboderin 2004).

Social capital

Moser and McIlwaine (1997: 11) defined social capital as 'the norms, trust and reciprocity networks that facilitate mutually beneficial co-operation in a community'. They argued that variations in the stock of social capital partly explained variations in resilience at the community level, and claimed that impoverishment led to a depletion of communal and individual social capital. The concerns specific to older people include whether the forms that social capital take in a given community address their particular vulnerabilities, and whether older people enjoy as much access to these assets as other community members.

The Bangkok and Chiang Rai survey found two manifestations of social capital that influenced the economic vulnerability of older people: funeral funds and informal savings co-operatives. Only a minority were members of savings co-operatives, with slightly higher rates of participation in Chiang Rai (8 %) than Bangkok (2 %). Participation was strongly associated with household income, since 'not credit-worthy' older people were denied access to loans. The effects of these co-operatives and other forms of informal credit provision are seen in the prevalence and causes

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TABLE 5. *Patterns of debt in rural and urban areas in selected districts of Bangkok and selected villages in Chiang Rai, Thailand 2000*

Reasons for and sources of debt	Bangkok	Chiang Rai
	Percentages	
Reasons for debt (% of debtors)		
Daily food needs	58	27
Investment	11	45
Purchase of house or land	7	7
Child's education	7	10
Other	17	11
Sources of debt (% of debts)		
Loan-agent	47	3
Bank or financial institution	9	63
Food store	6	11
Relative	13	5
Friend or neighbour	17	8
Other	8	10
Percentage that reported debt	18	25
Average value of debts (*Baht*)	(35,522)	(40,683)

Source: Elaborated from Lloyd-Sherlock and Khumya (2004).

of debt (Table 5). Older people in Chiang Rai were more likely to be in debt and to owe large amounts. At first sight, this would appear to be another contributory factor in their relatively deprived economic status, but Table 5 also reveals important rural–urban differences; rural debtors were much less likely to borrow in order to pay for food than to make an investment, but in Bangkok the opposite was true. Urban respondents were more likely to owe money to a loan-agent, and less likely to owe it to a bank. The loan-agents typically charged very high interest rates and required daily repayments. By contrast, several of the poorest older people in Chiang Rai complained about their lack of access to loans from banks or village credit-unions. It appears, therefore, that rural debt was usually an indicator of economic privilege, while urban debt was more often a sign of vulnerability.

Participation in funeral funds was more widespread, as reported by 91 per cent of the Chiang Rai respondents, but only 19 per cent in Bangkok. The funds are organised by informal committees at the community level, and participating households pay a fixed sum whenever a member of the fund dies. For a household that loses a member through death and is a member of the scheme, the funeral grant reduces the members' economic vulnerability. The funds had paid out to 22 respondents during the preceding year, with an average value of 2,200 *Baht*. The grants helped to offset the high level of vulnerability in Chiang Rai, but on the other hand, participation in the fund demanded occasional expenditure, which was

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particularly onerous for the poorest members. The rise in AIDS-related mortality has increased the burden of the contributions for the rural households (among whom cash was particularly scarce). The mean annual contributions to funeral funds in Chiang Rai (US $30) were roughly double those of Bangkok (US $15), and they were *the main* cash expense for around one-quarter of the rural respondents. Several cited their funeral fund obligations as the main reason for falling into debt. The high level of participation in Chiang Rai suggests that refusing to contribute would have been stigmatised.

Older people and social entitlements: a missing link in the asset portfolio?

Taken together, the various components of the asset portfolio provide a detailed picture of the economic situation of older people and their capacity to manage risk. A surprising omission, however, is older people's access to resources from beyond their kinship networks or the community, *i.e.* state pensions and other forms of public support. Whilst access to such resources may be limited in developing countries, the receipt of even small payments may distinguish the relatively vulnerable from the relatively secure. The exclusion of such support from Moser's asset portfolio implies that they operate in isolation from the other risk and resilience factors. Yet the fundamental ethos of social security and social insurance is to confront the material risks associated with particular contingencies, and hence to promote resilience (International Labour Organisation 1984). By incorporating them into the asset portfolio, it is possible to explore how public policies interact with vulnerability and wellbeing, which would generate additional useful information for policy-makers.

Thailand has a number of formal social protection programmes for older people (Lloyd-Sherlock 2002). All have the potential to avert vicious cycles of risk and vulnerability, but only if they reach those older people with the thinnest asset portfolios. The key interventions include the 'health-card', which guarantees those aged 60 or more years free access to some forms of health care and limited 'emergency grants'. The Bangkok and Chiang Rai survey found that health problems and the use of health services did not have a large economic impact on poor older people. Only 11 per cent reported that health-care costs were their main expenditure item over the past year, and only four per cent reported that health problems had led to the sale of assets during the previous three years. In the absence of comparative longitudinal data, the extent to which this reflects the health card's success in reducing older people's economic vulnerability is unclear. Since 2001, the entitlement to health cards has been extended to the entire population, considerably over-stretching

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TABLE 6. *Distribution of allowances, pensions and lump sums in selected districts of Bangkok and selected villages in Chiang Rai, Thailand 2000*

Attribute	Type of income support		
	Emergency allowance	Annuity pension	Lump sum pension
	Percentage of respondents		
Bangkok	6.6	2.8	9.1
Chiang Rai	4.9	0.4	0.8
Male	6.6	3.2	10.5
Female	4.9	0.4	0.7
Total	5.7	1.6	5.0

Source: Lloyd-Sherlock and Khumya (2004).

the existing publicly-funded, primary health-care system, and diluting the benefits of the scheme for older people.

The scheme of targeted 'emergency grants' for poor older people provided small monthly payments (roughly US $8 a month). Table 6 shows that only a few respondents in the studied communities received these emergency payments, even though access to cash was very limited, especially in the villages. In all cases, the beneficiaries lacked other sources of income or material support from family members, but many of those who did not receive grants were equally or more vulnerable. Some respondents reported that the village heads had a role in recommending which older people should be beneficiaries; the nominees were then means-tested by a local government official. Rather than upgrade or reform the emergency allowance system, Thailand's government currently has ambitious proposals to extend the coverage of the national contributory scheme, which until now has been limited to formal-sector workers. As can be seen in Table 6, the access of poorer groups to such benefits is very limited, and given current labour market trends is likely to remain so. Thus, while social security entitlements have the potential to be a key additional component of older peoples' asset portfolio, they were not doing so in the studied communities.

Putting the portfolio together: identifying vulnerable groups of older people

Applying Moser's asset portfolio to the older people who were studied in the Bangkok and Chiang Rai survey has provided many helpful insights into their economic situation. A clear pattern of economic vulnerability

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emerged; those with the least resilience to economic shocks were by and large those with the lowest reported incomes, and the very old were a highly vulnerable group in all aspects of the asset portfolio. They were much less likely to be engaged in or capable of paid employment; they were more likely to be illiterate, although this played only a minor role in their economic vulnerability; and they were less likely to own or to have sold realisable assets such as gold and jewellery (although sales may indicate less or more vulnerability). As over one-third of those aged 80 or more years reported no economic support from non-resident relatives, this group was highly dependent upon support from other household members, and were clearly vulnerable to its reduction or termination.

In many respects, older people in the Chiang Rai communities were more economically vulnerable than those in Bangkok. They were less likely to be in work, had access to a narrower range of occupations, reported lower levels of literacy, and were less likely to have sold realisable assets. A higher proportion lived alone, and they received less substantial economic support from non-resident relatives. The prevalence and average value of debt was somewhat higher in Chiang Rai, although rural debtors were a relatively privileged group. Overall, therefore, the vulnerability data appear to confirm the existence of a large rural–urban gap in income, but given that the cash needs in the urban setting are higher than in the rural setting, there are grounds for questioning whether the reported gap accurately represents the difference in material vulnerability. In some respects, older people in Chiang Rai were in a relatively good position; they were more likely to own land and their home, and they were more satisfied with their accommodation. They also participated more in community organisations, such as funeral funds, although these could create as well as alleviate economic vulnerability. It is clear that comparisons of economic vulnerability between urban and rural populations are not straightforward, and that various local factors must be taken into account.

This appraisal has suggested that the differentials in economic vulnerability between older men and older women were relatively insignificant. The finding contrasts with those of Moser and her colleagues from several countries, that vulnerability is highly gendered, and that women of all ages, most especially widows, experience several disadvantages (Moser 1997; Moser and Holland 1997; Moser and McIlwaine 1997). The Bangkok and Chiang Rai survey found comparatively minor gender differences in the propensity and ability to work, the ownership of productive assets, and living arrangements. In some attributes, such as literacy and home ownership, women were disadvantaged, but in others, such as support from non-resident relatives, men were more so. The survey indicated

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that, while later life was a gendered experience, this did not always translate into obvious forms of greater disadvantage for older women. It is possible that more sophisticated qualitative research that examines intra-household power dynamics would reveal other forms of gendered vulnerability.[3]

Variations in exposure to risk

The asset portfolio framework triangulates and qualifies the income data, and provides useful insights into the capacity of different groups of older people to deal with a given risk. It does not, however, indicate the relative exposure of different groups of older people to the various risks associated with undesired economic outcomes. It is likely that patterns of resilience vary by the specific risk. For example, the risks associated with natural disasters are more likely to affect whole communities than the risk of a chronic health problem, which may imply that the capacity of social capital to deal with the latter is relatively low. The very old are especially exposed to certain risks, not least those related to their own and their spouse's health. Whether older people in rural areas such as Chiang Rai are more exposed to economic risks than those living in poor neighbourhoods in Bangkok is more difficult to assess. To capture the full picture of economic vulnerability of groups of older people, it is necessary to analyse local factors, such as the stability of the local labour market, and the relative exposure to environmental risks such as crop failure.

The distinction that Moser draws between exposure to risk and the resultant bad outcomes is deceptively simple. Rather than a straightforward pattern of cause and effect, these processes often involve complex pathways and cycles of deprivation or coping, as with the relationship between ill health and economic hardship. Moser considered the impact of ill health purely in terms of the depletion of human capital and hence a reduced capacity to work, but for various reasons older people are more exposed than other groups to the risk of ill health. Such risks may lead to several undesirable outcomes, including pain, discomfort, reduced functioning, increased dependence, a 'bad death' and debt (through the treatment costs and other economic consequences of the illness).

Policy-makers in the developing world have mainly considered the economic dimension of the impact on people of ill health, and have developed the concept of 'catastrophic health expenditure' (defined by the *World Health Organisation* as over 40 per cent of household income minus expenditure on food). Studies of several developing countries have demonstrated that poorer households are especially vulnerable to such spending

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(Ranson 2002; Kawabata *et al.* 2002; World Bank 2004). A study of Thai households with older people found large rural–urban disparities in the prevalence of catastrophic health-care spending over one year (12 % and 6 % respectively: see Srithamrongsawat 2005).[4] Catastrophic spending and debt may then deplete asset portfolios and increase the exposure of older people to ill health and other risks in numerous ways, including inadequate funds for home repairs or long-term medication, and the need for erstwhile carers to work outside the household. In such ways, the health problem may lead to a complex pathway of further risks and undesirable effects, which go well beyond those that Moser described. If the non-economic impacts of the illness episode, such as stress and depression, are taken into account, the cascading effects are even more complex.

The complexity of pathways and cycles of vulnerability can be exemplified by the impacts of the illness and death of a child due to HIV/AIDS. These manifestly bad immediate outcomes also have the potential to bring about long-term material disadvantage. The effects have been well described by John Knodel and his colleagues in their assiduous identification of the different groups of older people whose vulnerability to these effects might vary. Their first conclusion was that the economic impact of losing an adult child to AIDS was not generally 'devastating' (Knodel *et al.* 2000: 41), but in a subsequent report, Knodel and Im-Em (2003) examined the results of a child's illness and death using a similar analytical framework to Moser's. This identified several potential adverse economic impacts and examined variations by rural and urban residence, living arrangements, gender and various parental and family characteristics. They found that the factor most strongly associated with vulnerability to adverse economic impacts was the socio-economic status of the parent before the child fell ill. Nearly one-third (31 %) of the households that were poor before the illness reported a noticeable deterioration in their economic circumstances, compared to only seven per cent of the relatively prosperous households. Although poorer parents spent less on AIDS treatment, this cost was more likely to be a serious burden. The probability that the child with AIDS had previously been the parents' main source of economic support was much higher for the poorer parents, and while poor and prosperous parents had a similar probability (20 %) of selling property or possessions, the average value of the cash generated by poor parents was only 15 per cent of that raised by non-poor parents. Knodel and Im-Em concluded that, 'these [AIDS] programs must take into account the considerable range of vulnerability that exists and target those who are most susceptible to the resulting economic hardship' (2003: 24). The new findings demonstrated the superior

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sensitivity of Moser's asset portfolio to the sources and forms of vulnerability and disadvantage.

The analysis by Knodel and his colleagues avoided simplistic interpretations of cause and effect and their approach chimed well with Moser's framework. They demonstrated that when a child contracts AIDS, a vicious cycle ensues of risk, asset depletion and increased exposure to further risks, particularly for the poor. They reported that in only a very few cases did an additional household member take paid-work to meet the treatment costs of the sick child, but conversely that in around one-third of the cases, an adult member of the household reduced their working hours or stopped altogether to care for the sick child (Knodel *et al.* 2000). Knodel and Saengtienchai (2004) also showed both the positive and negative potential effects of 'social capital' in these generative sequences of risk and vulnerability. In their survey of older people who had lost one or more children to AIDS, the vast majority of informants described a sympathetic response from other community members and reported various forms of support and assistance, but in a small minority of cases, the responses were less positive, with the informants referring to gossip and various social snubs. While these negative experiences may appear trivial, their potential to undermine the status of vulnerable households in tightly-knit communities should not be under-estimated.

Conclusions

Given the limited availability of sophisticated data, many assessments of the economic well-being of older people in developing countries concentrate on two sources of information: income and living arrangements. Yet it is widely accepted that both these attributes are potentially misleading as indicators of economic status. This paper has identified several problems with income-based poverty assessments of the material circumstances of older people, and has explored whether a different approach, based on Moser's asset portfolio framework, provides more informative analyses. The findings from the survey of older people living in poor urban and rural communities in Thailand, and from Knodel and colleagues' analyses of the impacts of HIV/AIDS, have been that, overall, older people report low incomes, have weak asset portfolios, and are exposed to high degrees of economic vulnerability.

Given that governmental and academic researchers have limited resources for identifying vulnerable groups, it might be argued that collecting 'simple' income is a more effective strategy for developing

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the 'evidence base' than the more intricate data required for Moser's vulnerability framework. Careful analysis reveals, however, subtle but important distinctions between the findings produced from the two sets of data, especially on rural and urban differentials. A key advantage of Moser's framework is that it sheds light on *why* certain groups of older people are prone to poverty, and so provides relevant information for policy and practice interventions. The framework therefore has the potential to provide more insight into the specific risks facing various groups of older people, particularly if pensions and other forms of state support are explicitly included.

More generally, the vulnerability approach has several advantages over standard income poverty indicators. First, it goes beyond the usual focus of development practitioners and is more flexible in its identification of bad outcomes and the associated risk factors. The asset portfolio can incorporate bad outcomes that are relatively independent of economic wellbeing, such as psychological distress. Second, vulnerability is conceived as a process that links risk with outcomes, and variations in the process partly explain variations in the forms and levels of experienced hardship. This dynamic approach offers insights into how to prevent undesirable outcomes, not only how to respond to their occurrence. Moreover, the vulnerability framework recognises that older people and others have agency in dealing with their problems. To use the vulnerability framework may therefore be a sensible and cost-effective compromise between collecting simple income data and a full ethnographic approach (which policy-makers say is unable to generate the quantitative data that they require). As such, Moser's vulnerability framework deserves further attention from gerontologists concerned with the wellbeing of older people, especially those living in poorer countries. Future surveys as their starting points should assess the local understanding of undesired outcomes before identifying the nature and prevalence of the risk factors for deprivation and a low quality of life. Set alongside information about people's potential resilience to specific risks, this would provide a systematic overview of vulnerability patterns among older people. Such information would greatly enhance the flimsy evidence base from which policy has often been derived.

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NOTES

1 Similar patterns of economic activity in later life were found in the 1995 national survey (Chayovan and Knodel 1997).
2 Other research reported in this special issue has shown that men who live alone are a highly vulnerable group, partly because of a lack of support from kin (van Eeuwijk 2006; Schröder-Butterfill and Marianti 2006).
3 These findings accord with a separate analysis based on Knodel and colleagues' national survey of older people in 1995 (Knodel and Ofstedal 2003; Ofstedal *et al.* 1999).
4 In fact, data on catastrophic spending may understate the vulnerability of poorer groups, since they may opt out of treatment altogether.

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Address for correspondence:
Peter Lloyd-Sherlock, School of Development Studies, University of East Anglia, Norwich NR2 7TJ, UK.

E-mail: p.lloyd-sherlock@uae.ac.uk

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