

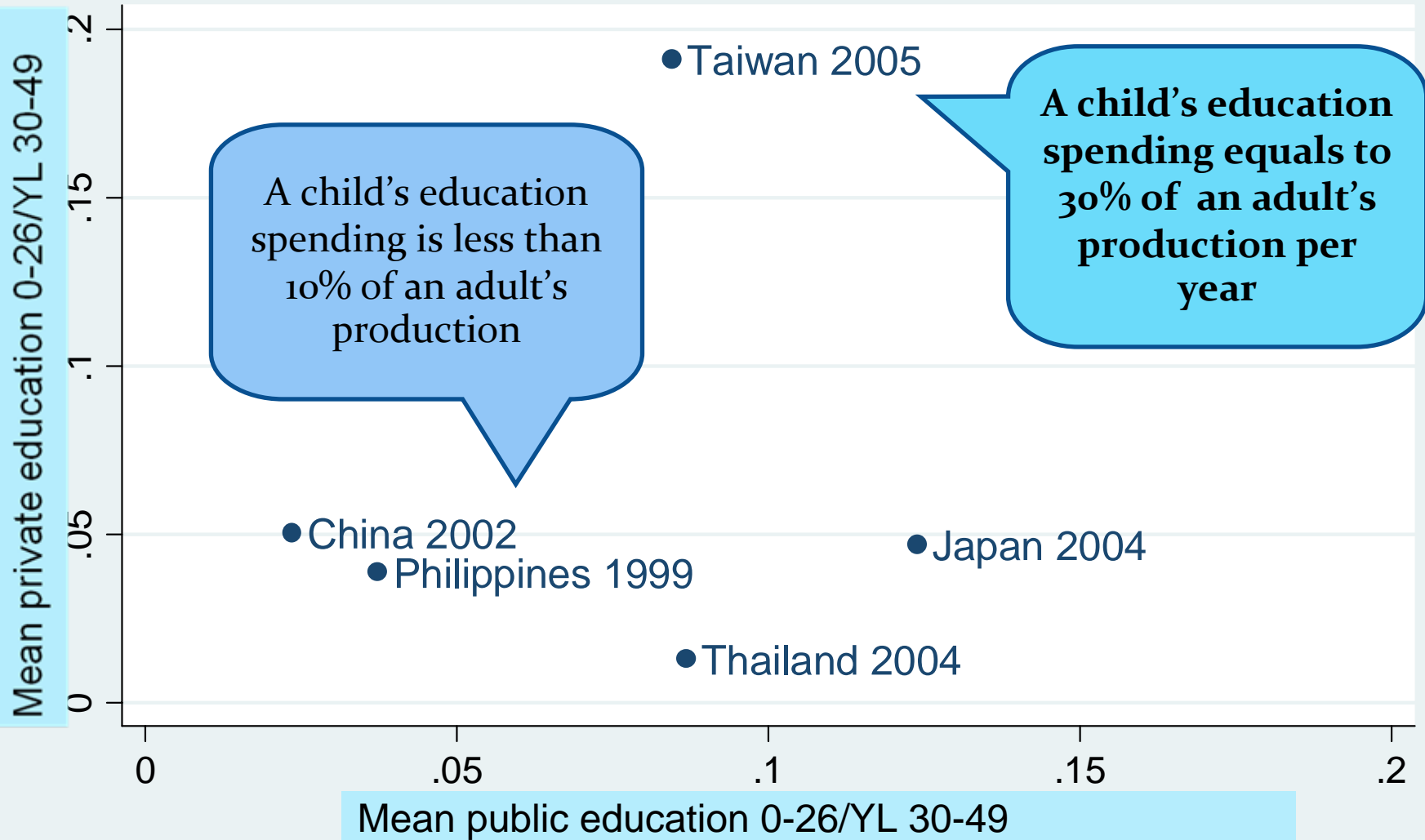
# Children & Elderly in Asia

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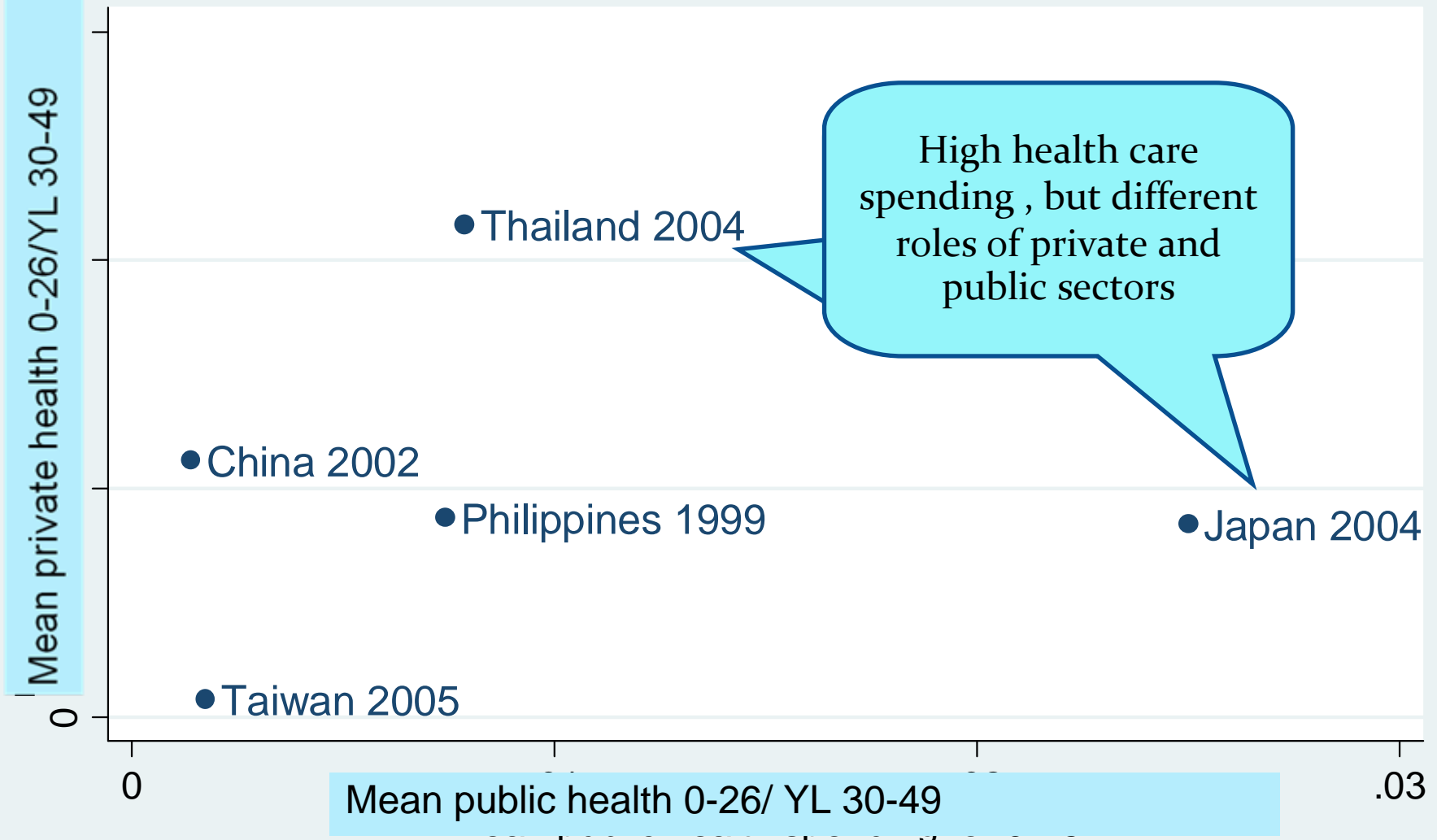


# **Comparing Human Capital Investment**

# Scatterplot of ratio of mean private and public education spending for 0-26 to mean labor income for 30-49



# Scatterplot of ratio of mean private and public health spending for 0-26 to mean labor income for 30-49



# Striking differences

- **Private education** plays a larger role in Taiwan and China, while **public education** dominates in Japan and Thailand.
- **Taiwan** has extraordinary high spending on education. However, health spending is the lowest.
- Both private and public sectors play almost equally roles in **Philippines** education and health care sectors.

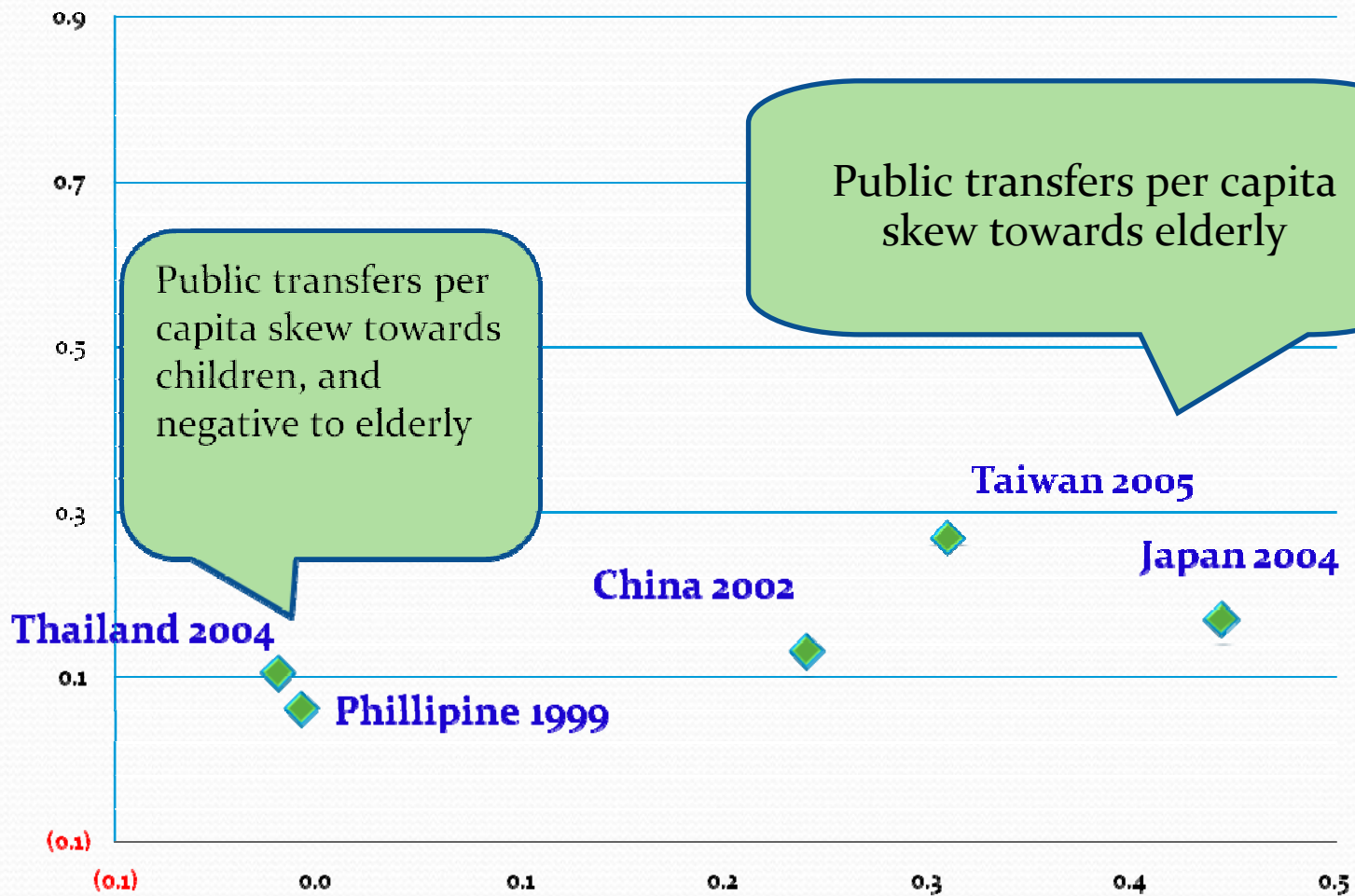
# Some explanations for the differences of health and education consumption

1. Income inequality
2. The quantity and quality of public education provision
3. Demand of skilled labor in the market
4. Correlation between income and health
5. Quality of public health care



# **Transfers to Children Vs Elderly**

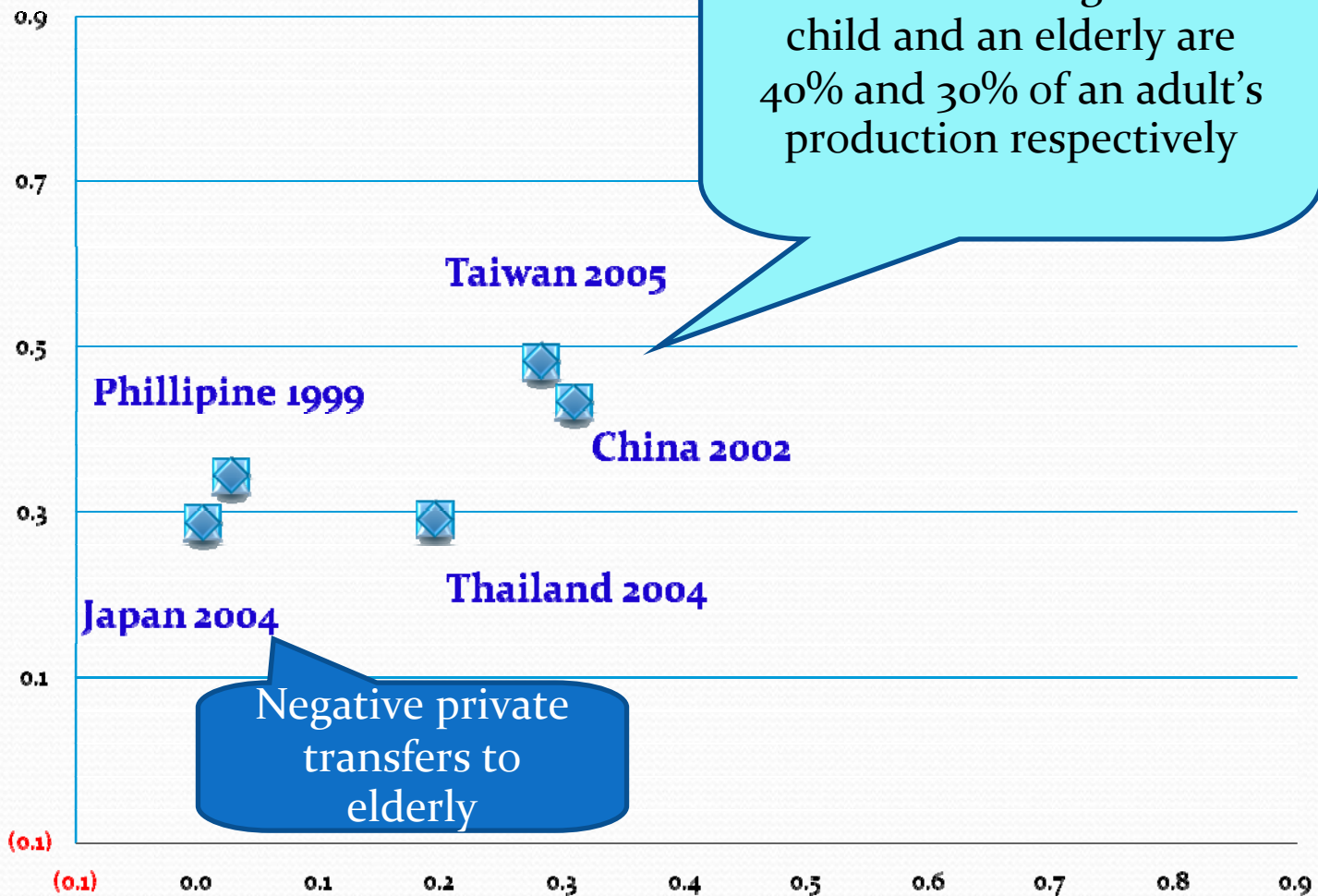
mean public transfer to **CHILDREN** / mean YL30-49



mean public transfers to **ELDERLY** / mean YL 30-49



mean private transfer to **CHILDREN** / mean YL30-49



mean private transfers to **ELDERLY** / mean YL 30-49

# Striking differences

- Per capita transfers are higher for elderly than children in Japan, Taiwan and China
- However, public transfers are higher for children in Thailand and the Philippines.
- Private transfers are important support for elderly in Asia, but not in Japan and Philippines

# Some explanations for the differences of transfer patterns

- Generational competition of familial and public flows between children and the elderly
- Large informal sector leads to low taxes or poor fiscal programs to the elderly
- Rich elderly and elderly in agricultural settings give downward transfers

