



Plight of the Baby Boomer

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The issues of euthanasia will be resolved in many liberal democratic countries in the next 12-15 years. As the baby boomer generation reaches the end stage of their great human adventure, baby boomers will demand and get euthanasia. Boomers are moving into the retirement phase of their lives. In fact the last one turns 50 on Dec 31st of 2014.

This is for two reasons. The first being younger generations, Gen X and Gen Y will abandon the boomers in a kind of backlash to the heritage left them by this privileged generation – namely debt, failed social schemes, failed democracy and failed economies. The second reason is that they face the high risk of dying depressed, sick or impoverished. Instead they will choose euthanasia with all the voting power and wealth they can muster. For many will see (in fact already are experiencing) their wealth and security evaporated by greedy governments in survival mode. Governments are seeking ways to balance impossible budgets and false promises from self-seeking politicians, together with bankrupt social and economic policies. Frankly, liberal democratic governments will be happy to let this happen as it relieves them of the burden of paying for, and maintaining this large and growing proportion of the population. In fact many governments will renege on their commitments to baby boomers in the coming decades. It will also be a negation of all the principles espoused by liberal democratic tradition.

Having amassed great wealth and expressed themselves through a time of great innovation this generation has also squandered their legacy. Politically mandated healthcare and social security together with the hubris of a generation of politicians believing they could buy electoral success with false promises they would never be held accountable. Many will die depressed and broke. Euthanasia offers not only a way of escaping the pain of their circumstances but an expression of who they were as a generation. Strongly individual, their self-belief reinforced by the amazing successes of science, many will choose to take their own life, facing death with dignity rather than facing the ignominy of impoverishment and the pain and indignity of the illnesses of the aged.

Consider these facts:

- There are 75 million baby boomers in the United States. Every day, since 2012 and for the next 18 years, 10,000 of these boomers will reach age 65, the traditional age for retirement in America.
- Many of these boomers are part of the first pension-less generation. Unlike previous generations, their retirement savings are not guaranteed in the form of a pension that pays out every month for the rest of their life. They are responsible for making that money last and need to determine a strategy to ensure it does just that.
- Between 1946 and 1964, 79 million babies were born – the largest, best-educated and most successful generation in our history. Bill Clinton and George W. Bush, both born in 1946, were in that first class of baby boomers.
- If 75 million of these 79 million boomers survive to age 66, then from this year through 2030, an average of nearly 4 million boomers will be retiring every year. This translates into some 11,000 boomers becoming eligible for Medicare and Social Security every single day for the next 18 years. Add in immigrants in that same age category and the fact that baby boomers live longer

than the Greatest Generation or their Silent Generation seniors, and you have an immense and unavoidable increase coming in expenditures for our largest entitlement programs.

- To meet the baby boomers needs, benefits will have to be curbed or cut and payroll taxes will have to rise, especially for Medicare, to make good our promises to seniors.
- The US federal deficit runs at nearly \$17 trillion. The estimate for unfunded liabilities in the US stands at around \$225 trillion. These are all the future needs that are still to be funded somehow. To bring that budget to balance, freezes would have to be imposed and cuts made in spending for defence and other social programs.
- Many governments are unable to pay pensions, healthcare entitlements promised. Many pension schemes are underfunded and sooner or later this will have to be accounted for. From California to Wisconsin to New York, we see the process at work at the state level. Government salaries are frozen, government payrolls are cut, government pensions and programs are scaled back. California and Illinois are on the precipice of default. Cities like Detroit, Birmingham, Stockton and San Bernardino are already there. The truth is the changes needed are too great to make anything but a dent in the shortfall that already exists.
- Bill Gross of Pimco, CEO of the world's largest bond investment fund points out, that demographics are becoming a silent growth killer. "Almost all developed economies, including the U.S., are gradually aging and witnessing a larger and larger percentage of their adult population move past the critical 55-year-old mark," Gross says. "This means several things for economic growth: First of all from the supply side, it means productivity and employment growth rates will slow. From the demand side, it suggests a greater emphasis on savings and reduced consumption. Those approaching their seventh decade need fewer cars and new homes."
- Technology will help to boost productivity but can it make enough of a difference?
- In the US middle-class taxes will have to go up sooner or later. Not this year, or even next year, but eventually. There aren't enough rich folks to finance the promises the U.S. has made to the elderly. Both parties have chosen to maintain this fiction a while longer.
- Every opportunity to tax pension savings, death taxes and medications will be made. The baby boomers will be made to pay.
- Many baby boomers will be forced to work into their 80's in order to simply survive.
- The high level of indebtedness of liberal democratic countries increases risks of slow or stagnant economic growth – the main vehicle by which an economy can meet its obligations – debts, pensions, etc. This also compounds the risk for wealth destruction via inflation or equity loss. A great financial markets overhang stops that economic growth from boosting stock market investments and contributes to low yield for fixed income investments. Governments have to resort to more and more control of natural economic processes with tricks like quantitative easing and more regulation in attempts to stimulate economic growth and asset values.
- Illnesses such as Alzheimer's disease bring heavy social and economic costs of care:
 - ✓ 5.4 million Americans are living with Alzheimer's disease. It's estimated that up to 16 million will have the disease by 2050.
 - ✓ One in eight Americans age 65 and over has Alzheimer's. Every 68 seconds, another American develops Alzheimer's disease.
 - ✓ Alzheimer's disease is the 6th leading cause of death in the U.S. and the 5th leading cause of death for those aged 65 and older.
 - ✓ Alzheimer's deaths increased by 66 percent between 2000 and 2008.
 - ✓ One in seven of the estimated 800,000 people with Alzheimer's lives alone, left to fend for themselves.



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One consequence is that many abuses of old people will occur. Another suggests younger generations, frustrated and angry with the economic situation brought on, in part, by the impact of demographics on economic potential, will turn, as suggested, on the baby boomers.

Yet there are paradoxes. As the world faces off on how to cater for the baby boomers, many new innovations and opportunities are and will present themselves with new medicines and cures emerging for the elderly, new improved ways of increasing productivity and economic growth in ways yet unseen.

Depressing as this scenario may seem it also reflects the greater social mood and economic times besetting the world. In fact the world is coming to the end of an era. Whilst there may still be a little time left before the final gasp of this passing era, know that the plight of the baby boomers reflect human progress and regress in cyclic waves of spirit and endeavour. History repeats, socially, politically and economically. Yet for the first time in the history of humanity, people will choose the time and place of their death just as they choose to arrange the affairs of their lives. An infinitely complex issue, charged with moral, religious and ethical considerations is reduced to the freedom of choice about quality of life. Just as economic history has proven again and again that free trade and liberty offer the greatest opportunity of advancement for humanity. The rights of person and property and who determines what you do with your body and possessions will once again be tested. People will demand and win freedom of choice over their own life. Once again societies demonstrating the role of freedom and in the expression of humanity, the human spirit, waxing and waning, forever evolving.

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