

SENIOR CITIZEN AS A PART OF SUSTAINABILITY AND GROWTH DEVELOPMENT IN SAUDI ARABIA

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ABSTRACT: *Aging trends that address improved health conditions and standard of living; increasing the quality of education, the sudden decline of the fertility rate and migration have become a topic of particular concern. Saudi Arabia, is far from the challenges of the aging population, with a predominately young and dynamic workforce. However, the impact of the growth of the aging workforce, particularly in developed countries is beginning to be felt globally in economy, businesses, and communities. The main challenge is to promote healthy and productive aging and to adjust societal practices and structures to include senior citizens. Next 20 years shall witness significant changes to aspects of Saudi Arabia's labor market, the healthcare system and the aged care industry, accompanied by a wide range of personal, social and economic benefits. This paper addresses on how senior citizens are a vital part of the sustainability and growth of Saudi Arabia.*

KEYWORDS: aging population; workforce; senior citizens; economic; healthcare; Saudi Arabia.

INTRODUCTION

Objective

This study reveals the changing demography of the world population with a focus upon aging trends, particularly in Saudi Arabia. It will also highlight the factors influencing the changes in age groups and certain challenges faced by the senior citizens. The main emphasis shall be on the role of aged people in the social and economic growth of Saudi Arabia.

The Aging Global Population

Substantial demographic fluctuations such as global population changes create a variety of social and economic challenges including the accommodation of a continuously aging population. Between 1950 and 2000, those older than 60 years of age grew from 8% to 10%, as a percentage of the world population. By 2050, this age group's share will leap to 21% (Taggart, 2011). The growth of the world population is directly affected by fertility rates, the availability of healthcare and medicine, and advancements in technology. Poor nutrition and environmental issues consistently contributed to historical mortality rates (MMRW, 1999). In the 1950s, advancements in medicine and public health practices began to spread in developed countries (Haub, 2011).

In the past 30 years, population growth has increased dramatically in the developing countries of the world, leaving economists with the challenge of the aging population (Haub, 2011). The population of many developing countries is now aging fast, and the developed world countries are statistically only a few decades behind. According to an International Social Security Association (ISSA) report, the

proportion of the population aged 65 and over is expected to triple in less developed countries over the next 40 years, rising from 5.8 to 15 per cent of the total population; while in the more developed countries this figure is expected to rise from 16 to 26 per cent (Scardino, 2009).

The Aging Saudi Arabian Population

Great distinctions exist between the state of the world's population and that of Saudi Arabia's, which represents 0.41 percent of the global count. Saudi Arabia's population growth rate is increasing rapidly due to several factors. However, the ratio of young people to the old is quite the inverse. The total population in Saudi Arabia was last reported at 26 million people in 2010 from 4.1 million in 1960, changing by a substantial 631 percent during the last 50 years (Trading Economics, 2014a). Current Saudi population trends reveal an aging population growing at a much slower pace both in numbers and proportion in comparison to the rest of the world (Index, 2013).

Social aging affects social responsibility in two principal respects. First, the older a society is, the greater the number of retirees and senior citizens for which a particular government is responsible. Second, the elderly, on average, require significantly more resources than working-age adults. In most of the industrialized world, the governments commit to pay for substantial portions of the retirement and healthcare costs of their elderly citizens. Given the increases in life expectancy and the decline in fertility rates, the issues surrounding care-giving are not likely to disappear in the future (Georgetown University's Center on an Aging Society 2003).

Some of the aging population are entrepreneurs and have never been depended upon the labor force for income. Others may be retirees or unemployed due to health reasons. For the percentage of the aging population, those who have no surviving family and no money, the responsibility rests solely upon the Saudi Arabian government. As the young reach adulthood, the social responsibility must be applied to a group of people with different levels of ethical perspective. Informal caregivers play a significant role in helping elderly persons in Saudi, particularly those with chronic health conditions. Many of the values of prior generations will be lost as societal beliefs change, as can be seen with the increase in childless marriages and individuals who never marry, opting for lifestyles based upon virtual applications.

The elderly only represent less than 5% of the total Saudi population; however, the size and life expectancy of this group is increasing (see Table 1). By 2050, ratio of the aging and the youth is estimated to be reduced at least by 9%. Although the ageing population is marginal, Saudi's population has expanded to average 13.3600 million, reaching a record 25.99 million in December of 2010 (Index, 2013). Foreign nationals represent about 1 third of the population, which is otherwise 90% Arab. The emerging trend shows a strong distinction among geographic regions with a sharp decline as the age of the population increases.

Table 1: Saudi Arabia Aging Population (Thousands)

Year	Age 65+	Age 65+ % of Total	Age 80+	Age 80+ % of Total
1950	107	3.3	7	2
1970	182	3.2	14	3
1990	372	2.3	41	3
2010	778	2.9	112	4
2030	2458	6.6	282	8
2050	5858	13.0	1180	2.6

Source: (U.N. 2006)

Saudi Arabia currently has a high number of expatriates, to include illegal immigrants, from several countries living in amongst its natives, which further subtracts from the focus on demands of the aging population. The expatriates cause a demographic imbalance which further complicates the economic system. Because much of the Saudi population is under 20 years of age, the remaining legal expatriate workforce is considered a vital component of the country's economic sustainability and growth (Bedu, 2009).

It is critical that the Saudi government, employers, and communities acknowledge the significance of the aging population and become more aware of the effects of this group on society in general. In particular, the aging indirectly affect the anticipated labor shortages, greater healthcare needs for the elderly, decreased private and public investments with fewer people contributing as the last generation retires (Nancy, 2003). As worldwide demographic trends continue to yield declining fertility rates and a steady increase in life expectancy, the issues of older workers and eldercare will come to the forefront.

The Aging Population in the Workforce

The demographic changes that impact the Saudi Arabian workforces consist of the components of labor force entry and labor force exit. Older workers may be classified from 45 to 65 years old, in their 70s, or older. Profile data for older workers presented by Georgetown University's Center on an Aging Society (2003) defines the starting age of the older worker as 51. The number of 50-64 year-olds that are active in the labor market has increased because of a growing participation of women (OECD, 2011).

The aging workforce creates several components to be considered. "Older workers can be part of the solution by mentoring effectively, or they can aggravate the problem, refusing to retire or share their knowledge. Employers must pay special attention to retaining and utilizing older workers effectively. Initiatives designed to improve mentoring skills and other knowledge transfer practices should be put in place to accelerate development and retention of younger staff" (DeLong, 2014). Many older workers remain in the workforce or seek full- and part-time positions after retirement.

As a result of ageism, older people tend to have a greater fear of discrimination than fear of change

(Poole, n.d.). Long life expectancy is also often decreased by multiple chronic health conditions. However, “Despite a seriously aging population in the much of the industrialized world, a survey found only 4% perceived the aging workforce as an immediate threat to performance in the workforce. Most expect the effects of aging Boomers to come 3-5 years (37%) or in 5-10 years (37%) out; about 20% don’t see the aging workforce as a concern at all” (Delong, 2014).

Older workers continue to work and retirees return to work for financial reasons, socialization, and wanting to contribute/feel valued. However, with personal savings significantly lower than in the past, the most compelling reason to work for older is economic. Moreover, there is a positive attitude towards the older workers, where it is believed that the knowledge and skills of older workers are highly valuable and are less expensive than the younger generation. Working late also motivates them to maintain their income level or top-up pensions and also help them to maintain social connection.

To encourage older workers to remain in the workforce, organizations must be willing to make investments in training and offer appropriate benefit options. “Saudi hospitals need 100,000 nurses, but there are currently only 1,000 Saudi nurses and around 53,000 expatriate nurses recruited from abroad. Complete Saudiization of this profession will not be accomplished for many years due to the specialized training it requires. One limitation in indigenizing this field is the necessity for English-speaking candidates, which is now being addressed in targeted training programs for Saudi nurses” (Paakiasamy, 2004).

Pensions that are calculated at the end of service by considering the worker’s salary and years of service are one method for paying out retirement benefits. However, another method requires monthly contributions to a savings plan account, which can be drawn upon before retirement. The public pensions of this type can mean that current workers are taxed to support current retirees, depending upon the system. This type of system does not place a significant strain on a state’s economy as long as relatively high numbers of workers contribute to the system in relation to retirees. It is predicted that by 2050, only America, among the great world powers, will have more than three working-age adults per elderly person.

Whilst for many people in Saudi Arabia, retirement is viewed as a new age of opportunity, the issue that needs to be addressed is how families envisage funding and supporting their retirement years (HSBC, 2009). Respondents in Saudi Arabia see the compulsory approach as the most popular way to help people fund their retirement; over 30% of those surveyed favored compulsory savings such as opting people into workplace savings schemes – this was much higher than many other countries. This preference may reflect the fact that people in Saudi Arabia realize the need to save but prefer not to make the choices themselves. Less than a quarter – 23% - supported more encouragement through voluntary savings with tax relief. However, even fewer – only 10% of respondents in Saudi Arabia – remain devoted to state provision. A decomposition of governments’ long-term projections of the finance of the pension system shows that these are highly dependent on further increases in participation rates at older ages and effective retirement ages (OECD, 2011).

Progressive technology also sets the older workers at a disadvantage as they must adjust to learning new computer skills and how to use new mobile technologies. In line with many emerging economies, Saudi Arabia's society is still relatively young and will benefit from the demographic dividend – the window

of opportunity afforded to societies which will first see a major population shift from youth dependency into working adulthood (HSBC, 2009).

The Aging Population in Saudi Arabian Society

A demographic disconnect also exists in the standard of living of Saudi Arabian society. The contrast between the rich and the poor of any age is intensifying as the cost of living continues to rise (BI-ME, 2012). The aging population receives no exemptions from this aspect of the economic imbalance in Saudi society; nor do they receive exemption from the burden of obtaining quality healthcare. The healthcare system, albeit free to all, is overloaded and many resort to private healthcare providers rather than wait for government subsidized care option (Almadani, 2010).

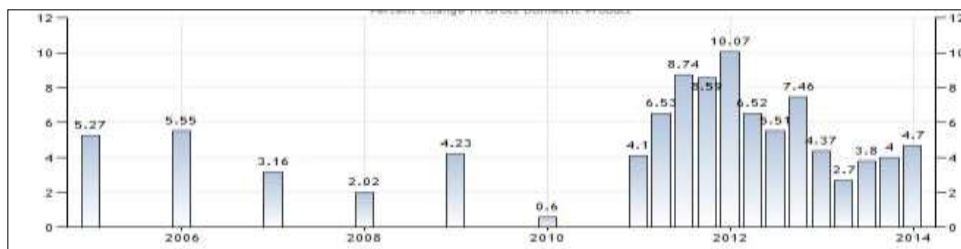
One important result of the increasing pressures of modernization and urbanization is changing social attitudes and behaviors toward older people. An increasing number of Saudi women have obtained higher levels of education and are taking office jobs. As a part of the aging population, these women will undoubtedly stay in the workforce for much longer. The decline in extended family structures may also result in increasing pressures for older people to become institutionalized more often than in the past. Currently, only a small percentage of Saudi Arabian families do not recognize the aging as a family duty rather than the responsibility of the government.

It is important that older people remain as independent, autonomous and active as possible so that they are able to contribute productively to society (WHO, 2006). There are now businesses for elder-care planning, elder-care services, long-term care insurance, elder-care attorneys and specialists, Web-based networks, and referral services. Employee assistance programs increasingly cover elder-care, expanding the budgets for human resource programs. The provision of affordable and quality healthcare to older people is an also major concern for health systems in most countries.

The Saudi Arabian Economy

The increase in the population places stress directly upon the Saudi economy, which is reflected in the country's GDP over time as more people use resources to live as well as to produce. Saudi Arabia has an oil-based economy with strong government controls over major economic activities but very little over its population growth rate. The country nationalized its oil sector and began economic planning initiatives in 1970. The petroleum sector accounts for roughly 80% of budget revenues, 45% of GDP, and 90% of export earnings (see figure 1).

Figure 1. Saudi Arabia GDP Growth Rate: Percentage Change in Gross Domestic Product



Source: (Trading Economics, 2014b)

Saudi Arabia possesses more than 20% of the world's proven petroleum reserves, ranks as the largest exporter of petroleum, and plays a leading role in OPEC. However, the future of Saudi's oil reserves has been forecasted as fast approaching depletion. The Gross Domestic Product (GDP) growth rate provides an aggregated measure of changes in value of the goods and services produced by an economy (see fig. 1). Historically, from 1969 to 2011, Saudi Arabia's GDP Growth Rate averaged 5.1 percent reaching an all-time high of 27.5 percent in December of 1974 and a record low of -11.1 percent in December of 1982 (Trading Economics, 2014b). “A reason for the current enforcement of Saudiization is the substantial financial losses incurred by remittance outflows. Between 1993 and 2002 expatriates remitted 585.4 billion Saudi riyals (\$156.1 billion), averaging roughly 60 billion riyals (\$15 billion) a year.

With an estimated population of 26 million residents with an annual growth rate of 2.2%, the Saudi Arabian healthcare sector caters to a rapidly growing population and the concurrent increasing demand on the healthcare sector. Overall the supply of healthcare facilities struggles to keep pace with the growing population, a situation recognized by the government who has recently introduced initiatives to encourage the private sector to match the shortfall and benefit from this potentially lucrative sector. In addition, private sector operators are also playing a key role in providing quality healthcare services in the Kingdom (Collier, 2012). The government of Saudi Arabia has given high priority to the development of healthcare services at all levels: primary, secondary and tertiary.

The critical challenges for developed countries are twofold: a fiscal imbalance in national pension systems due to fewer workers providing benefits for a greater number of retirees and the potential economic strain from a skilled worker shortage (Nancy, 2003). “To lessen the most serious effects of skills shortages, economists need to accurately diagnose their causes and risks which requires an accurate account of who is near retirement and which essential strategic skills and capabilities they will be taking with them when they leave” (Delong, 2014).

Contributions of the Aging Population

The current success of any country must be traced back to the contributions of previous generations towards the development of the nation's economy and the availability of social security.

No longer can the aging be considered a source of resource consumption without productivity. The economic and socio-economic stability of Saudi Arabia can partially be accredited to historical contributions to the foundations of current accomplishments by the Saudi aging population.

It has also been observed that the aging population may significantly affect productivity, as elderly people are likely more conservative with investments than younger people. Once this ratio favors the old-age people, the investments shall go down and lead to low funded entrepreneurship, which shall in return lower the productivity. The overwhelming presence of migrants has imposed an economic hardship on Saudi Arabia, as most migrants send much of their earnings out of the country to their families abroad. “Over the last decade, the Saudi Arabian government has prioritized "Saudiization," an initiative aiming to increase employment of Saudi nationals across all sectors of the domestic economy, to reduce dependence on migrant workers, and recapture and reinvest income that would have otherwise flowed overseas as remittances” (Pakkiasamy, 2004). The Saudiization effort would make job opportunities more abundant for the nation's aging population.

The combination of the ageing and the baby boomers create the greatest future challenges for the Saudi economy. It is predicted that the retirement of baby boomers and the increase in the share of elderly in the population will create economic and fiscal stresses beginning in the second decade of the 21st century (Rogers, 2000). These demographic developments, if not offset by changes in household behavior and government fiscal policy, will reduce the number of workers in relation to the population needing support and lower the national saving rate. The result will be slower growth in national income and consumption. A decline in the share of workers in the population means that, if all else remains the same, output per capita and living standards will be lower than they otherwise would have been if the share of workers had remained stable.

At a time when the contribution of volunteers is increasingly important given the rising demand for such services, many health and welfare agencies are seeking to recruit from the growing numbers of retirees. The aging population represents the foundation of Saudi Arabia's success and global competitiveness. According to the numbers, the longevity of this demographic group is taking a turn for the positive. In preparation, the presence of the elderly should be promoted in priority and perspective; the only way Saudi Arabia will fully benefit from the knowledge and institutional memory of its aging. Today, political problems and uprisings are drawing attention away from the ageing population and towards the needs of the youth, who press for their causes with a louder, more aggressive voice than the older workers and the elderly.

METHOD

The research for this study is based upon the demographic, economic, and social aspects of Saudi Arabia. The Pragmatic approach is used to collect and analyze data regarding the aging population in Saudi Arabia with regard to gender, economic and social demographics and developments. "Pragmatic researchers have the freedom to use any research methods, techniques and procedures typically associated with quantitative or qualitative research" (Alzheimer, 2014). By integrating population data, statistical theory, and investigative triangulation, the research tends to produce supportive findings of a higher degree of accuracy and consistency.

The research work depends primarily on the data collection from the Saudi Arabia population census of the past decade and current scenario. Supplemental data shall be from the UN and US Census Bureau's, the World Bank, and Trading Economics World Demographics database. Further a collective study of the aged people in Saudi Arabia, and their effect. The economy and Saudi Arabian society is considered by quantitative and qualitative approaches. This paper intends to highlight the role and implications of Saudi Arabian national growth with aging population being a part of the workforce.

Hypothesis

The changing demography divide of the Saudi Arabian population has a direct impact on aging trends, to include the changes in groups of age and gender, economic, and social challenges faced by the senior citizens based upon the role of aged people in the social and economic growth of Saudi Arabia.

Quantitative Approach

- 1) Exponential Growth Model
- 2) Demographic Population Statistics
- 3) Saudi Arabia Economic Growth Trends

Qualitative Approach

- 1) Saudi Arabia Social Perceptions
- 2) Government and Workforce Analysis

Collection of Data

The main sources for data used to conduct the research were the Mundi Index for Saudi Arabian population statistics, the Population Reference Bureau (PRB) for world population statistics, the World Bank, and the Trading Economics Website for Saudi Arabian economic and demographic information. The research data focuses upon general census data, social, and economic and political statistics from 1950 to forecasted data for 2050. A collective evaluation of the data supports a direct relationship between the changing demography divide and the construct of the workforce, healthcare, and future increase of the aging population in Saudi Arabia by the year 2050.

Exponential Growth Population Model

The Exponential Growth Model is used based upon data from the Saudi ageing population from the years 1950 to 2050 (see Table 1).

Equation: $P(t) = P_0 e^{rt}$

Variables:

Age: 65, %65, Over 80, % Over 80

Periods: 1950, 1970, 1990, 2010, 2030, 2050 (20 year increments)

Population Measure: Thousands; Generic Finite Rate 5%

Over 65: 1950

Initial amount (P ₀)	107000
Growth rate (r)	.05 = 5.0%
Time (t)	20
Final amount (P(t))	290856.155645

Over 65: 1970

Initial amount (P ₀)	182000
Growth rate (r)	.05 = 5.0%
Time (t)	20
Final amount (P(t))	494727.292

Over 65: 1990

Initial amount (P ₀)	372000
Growth rate (r)	.05 = 5.0%
Time (t)	20

Final amount (P(t))	1011200.84019
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Over 65: 2010

Initial amount (P0)	778000
Growth rate (r)	.05 = 5.0%
Time (t)	20
Final amount (P(t))	2114823.26254

Over 65: 2030

Initial amount (P0)	2458000
Growth rate (r)	.05 = 5.0%
Time (t)	20
Final amount (P(t))	6681536.73435

Over 65: 2050

Initial amount (P0)	585858000
Growth rate (r)	.05 = 5.0%
Time (t)	20
Final amount (P(t))	1592527155.46

Over Age 80: 1950

Initial amount (P0)	7000
Growth rate (r)	.05 = 5.0%
Time (t)	20
Final amount (P(t))	19027.9727992

Over Age 80: 1970

Initial amount (P0)	14000
Growth rate (r)	.05 = 5.0%
Time (t)	20
Final amount (P(t))	38055.9455984

Over Age 80: 1990

Initial amount (P0)	372000
Growth rate (r)	.05 = 5.0%

Time (t)	20
Final amount (P(t))	1011200.84019

Over Age 80: 2010

Initial amount (P0)	112000
Growth rate (r)	.05 = 5.0%
Time (t)	20
Final amount (P(t))	304447.564787

Over Age 80: 2030

Initial amount (P0)	282000
Growth rate (r)	.05 = 5.0%
Time (t)	20
Final amount (P(t))	766555.475625

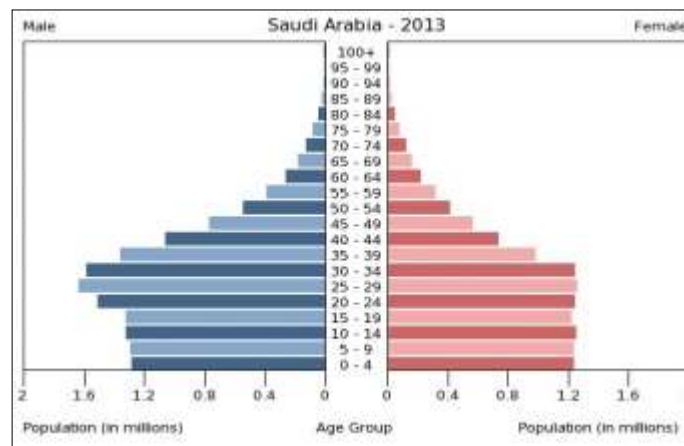
Over Age 80: 2050

Initial amount (P0)	1180000
Growth rate (r)	.05 = 5.0%
Time (t)	20
Final amount (P(t))	3207572.55758

Demographic Population Statistics

The demographics for the aging population by sex are almost identical by gender in Saudi Arabia. Figure 2, shows that most of the population is under the age of 35 and the ageing population begins to sharply decline approaching 50 years of age, reaching less than 0.1 per cent by age 84 (Index, 2013).

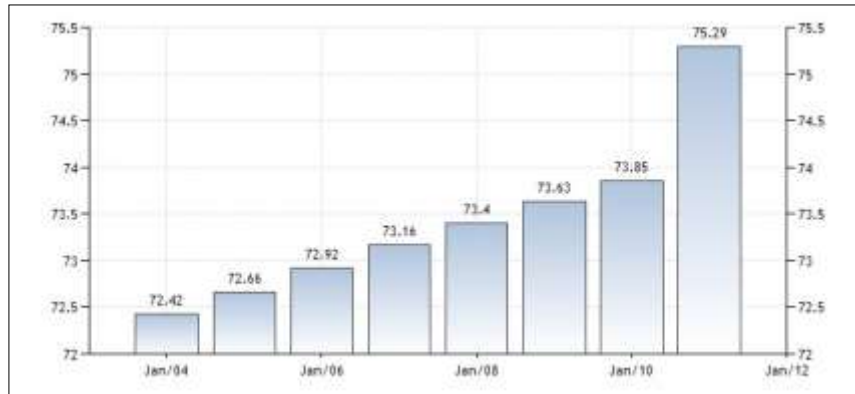
Figure 2. Population Age & Sex Structure: Saudi Arabia – 2013



Source: (Index, 2013)

Figure 3 shows the Saudi Arabian life expectancy according to the World Bank. The life expectancy of the general population is 75.29 for 2011, up only slightly from 72.42 in 2004 (World Bank, 2014). This information provides a forecast of the longevity of aged workers in the workforce.

Figure 3. Saudi Life Expectancy 1975 to 2025

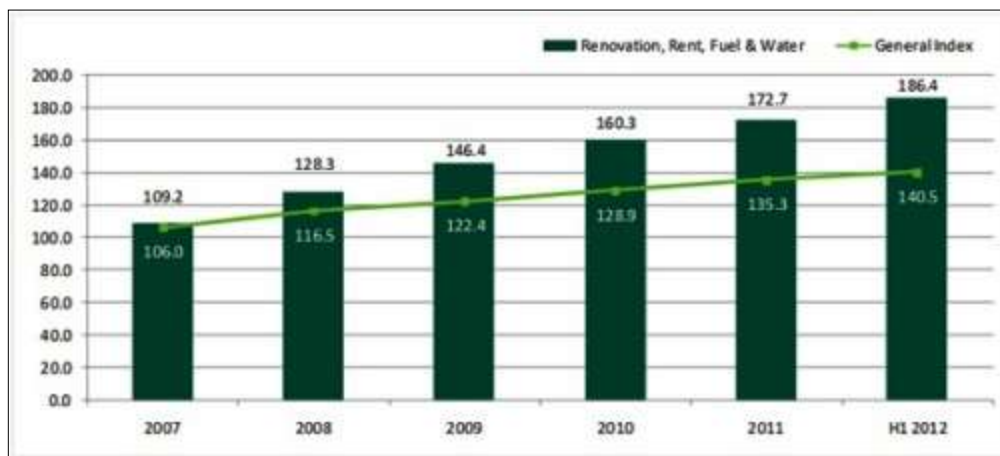


Source: (World Bank, 2014)

Saudi Arabia Economic Growth Trends

Figure 4 shows that the cost of living is on the rise in Saudi Arabia, which poses significant problems for the elderly and the families that must support them when they can no longer care for themselves. As many of the elderly must leave the workforce and much of the aged are unemployed, the rise in cost will eventually have destructive affects upon those with no family or caregiver.

Figure 4. Saudi Arabia Cost of Living Index 2007-2012



Source: (BI-ME, 2012)

Saudi Arabia Social Perceptions

Table 2 shows that Saudi Arabia ranked last in a survey of citizens that solicited opinions on the efficiency of national healthcare services (Ott, 2012). This suggests a deficit in the availability of ample healthcare

and related social services for the ageing population.

Table 2: Middle East Quality of Health Care Survey

	Satisfied %	Dissatisfied %	Don't know / Refused %
Qatar	90	8	1
United Arab Emirates	79	19	2
Oman	78	21	1
Bahrain	70	22	8
Kuwait	62	36	1
Saudi Arabia	60	38	2

Source: (Ott, 2012)

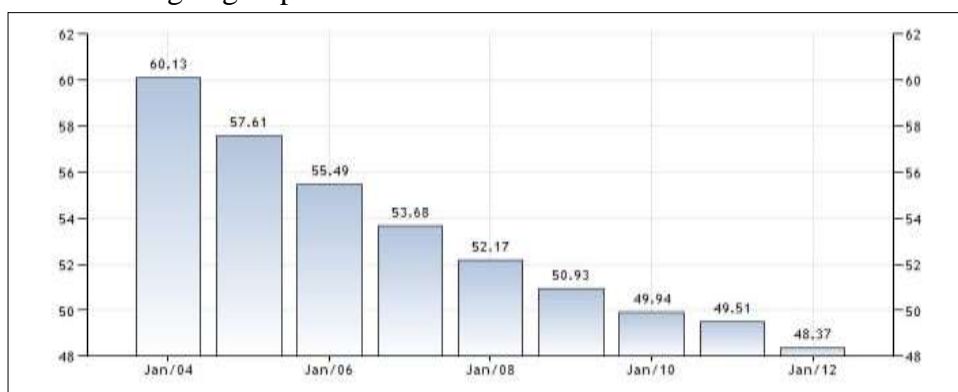
FINDINGS

The Exponential Growth Model was used to evaluate the growth patterns of the aging population in Saudi Arabia from the years of 1950 to 2050, based upon a generic growth rate of 5 per cent. The population growth was explosive in the 1970s. The demographics for Saudi were compared to the demographics of the MENA and other parts of the world to determine similarities and differences. Qualitative research was performed by examining the economic and social impact of the aging population on Saudi through the use of surveys and secondary research findings from pertinent, previous studies.

Saudi Arabia will experience its highest instance of the ageing population in the year 2030, from which the percentage will begin to decline significantly toward 2050. The elderly workforce population will also increase. The impact of the increase on Saudi's GDP will depend upon other factors such as the immigration and unemployment rates and the efficiency of the healthcare system.

Further evidence of the positive impact of the ageing upon society can be found in the fact that Current Account cycle increases as the young population increases and decreases as the ageing population increases, due to the rate of savings and other economic factors. Figure 7 shows a drastic decrease in the Young Adult Phase of the cycle, which increases steadily to a surplus toward the Aging Phase (Maudlin, 2009).

Figure 5. Effect of Ageing Population on the Current Account



Source: (Maudlin, 2009)

The conditions of the Saudi Arabian healthcare system and economic conditions for the working class have the highest impact on the current state of the nation's aging population. The availability of employment and quality healthcare are the deciding factor in the progression of an increasing ageing population. Society's perception of the aged has influenced initiatives or the lack of them to sustain the growth and development of the ageing sector both in the workplace and in society.

DISCUSSION AND CONCLUSION

The aging workforce brings together two significant and interconnected issues: older workers and elder-care. In the years to come, employers will grapple with how to attract and retain older workers as the baby boom generation retires. Training and professional development will be key point for older workers to maintain their place in the workforce. The government will have to ensure that the aged and the elderly can obtain quality healthcare services and medicine in a timely fashion to expand the current life expectancy.

A social security program is available in Saudi Arabia, which was implemented in 2001. "Old-age benefits made be claimed by women and men who work in unhealthy conditions at 55 and otherwise, by men at age 60 if the applicant has at least 120 months of contribution into the system" (PD, 2010). For old aged people who do not qualify with enough contribution to the system, an old age settlement is substituted, which is only approximately 10 percent of the older worker's average monthly earnings (PD, 2010) This is not enough to sustain an elderly person that lives alone with no additional financial support.

Older workers need help to preserve and augment their human capital and to make them more employable. Seniority-based wage structures, which make it expensive to employ older workers, need to be restructured to make employment of older workers more attractive. There is a clear need to ensure increasing access to retirement products as well as to financial advice and education so that families are better placed to understand their longer term finances and plan accordingly.

The aging population is undeniably a necessary, valuable proportion of Saudi Arabia's society. The elderly population in the Kingdom would continue to grow and as such a national cost-effective health program for their care is necessary. Such a program would give priority to the needs of the aging and would consider, among other things, the service, education, research, and socio-cultural aspects of the people. The presence of the elderly in society as well as older workers in the workforce enhances the country's sustainability and contributes a culture that is irreplaceable. The significance and the positive contributions of the aging population upon Saudi's society can also be connected to statistics that show how the Current Account cycle increases as the young population increases, and how it decreases as the aging population increases due to financial savings and other economic factors as well as a large decrease in the young population ratings in the cycle, which grows to surplus toward the Ageing phase (Maudlin, 2009).

Research has shown that the Saudi aging population makes significant contributions to the country's productivity, as it has been shown that the aging are more likely to save and to make conservative, financial investments than the younger population. All of Saudi's aging population is not entirely

dependent upon the government for sustenance as a portion of the ageing are entrepreneurs and have thus, have contributed to the labor force and the economy as employers that provided jobs.

The Future Domain

This study was conducted to analyze the dynamics of changing demographics with regard to the divisions of the population by age, with a special focus upon aging trends that are occurring in Saudi Arabia. The research specifically considered factors that impact these age groups as well as the role the aged now play in the social and economic growth of Saudi Arabia. A report by the ISSA asserted that the percentage of the population aged 65 and over is expected increase to three times the current count in less developed countries over the next 40 years, and will rise from 5.8 to 15 per cent of the total population. In comparison to the more developed countries this projection is expected to increase from 16 to 26 per cent, reflecting a substantial increase of more than 60 per cent (Scardino, 2009). The impact of the increase in senior citizens in Saudi Arabia has been pondered from several perspectives. The results that were obtained from this study are significant in that they may be used to make a contribution to the 'local' issues of Saudi, from a conceptual, comparative, and a futures perspective as conclusions were drawn based upon comparisons of the MENA countries as well as projections of the future of the Saudi ageing population based upon demographic data with consideration to the economy, social health and even the impact on global resources.

Demographic Factors

Several demographic factors were considered that present challenges for the Saudi government, in addition to age profiles, to include unemployment rates, social security programs and the national health standards. These challenges are caused by demographic fluctuations such as the accommodation of a continuously ageing population, which grew from 8% to 10% in Saudi Arabia, between 1950 and 2000, and is predicted to increase by 21% to 2050 (Taggart, 2011).

The Middle Eastern and North African countries have demographics that contain both similarities and differences to Saudi Arabia. Alternative scenarios are possible for the duration of this decade in Saudi Arabia with respect to the aging population and its inter-generational relationships through government sponsored programs. In contrast to Saudi Arabia, the MENA countries are preparing to adjust their fiscal policies to accommodate the economic implications of the dynamic of their population demographic that, if unaddressed, will cause financial hardship on the nations' economies. However, these factors produce different indicators for Saudi Arabia. The results of the study have also shown that changes regarding the Saudi pension plan structure and the social security program are implemented to ensure that the ageing population will not be financially penalized upon retirement.

The Saudi Health Care System

The greatest concerns regarding the management of the aging population in future years are the conditions of the Saudi Arabian healthcare system and the ability of the economy to sustain the nation's aging population after they leave the workforce. The unemployment rate and the availability of quality healthcare are the focus of most government programs that are geared toward the progression of an increasing aging population. Although Saudi Arabia currently has a social security program, the benefits available to the aged may only be "claimed by women and men who work in unhealthy conditions at 55 and otherwise, by men at age 60 if the applicant has at least 120 months of contribution into the system"

(PD, 2010). Senior citizens who do not meet the contribution qualifications receive a settlement in place of the benefits that represents only 10% of the mean monthly salary (PD, 2010).

Other related projections assert that the increase in the percentage of the Saudi ageing population will burden the economic and fiscal conditions of the country, which will generate consumption, employment, living standards, and income rates that will decline during the same period (Rogers, 2000). The Saudi demographic shift will decrease the number of employees relative to the percentage of the population needing support and will negatively impact the national saving rate with the assumption that the demographic shift will not be countered by changes in household profiles and subsequent Saudi government fiscal policies.

The economic imbalance poses in more problems for the future of the aging population in Saudi society; which will compound the burden of obtaining quality healthcare and the need for government sponsored social programs. Currently, the Saudi healthcare system offers free services; however, because it is fully subsidized by the government, the health system is extremely understaffed in comparison to the demand for health services. Forcing many who can afford it to seek private health physicians, particularly in instances where the need for medical attention is beyond general practices (Almadani, 2010).

Another factor is the large and increasing percentage of migrants that has contributed to the economic hardship in Saudi Arabia, as migrant incomes flow out of the country. For this reason, the Saudiization effort by the Saudi government has created more abundant employment opportunities for the nation's aging population. Saudi Arabia is the largest state in the GCC and also has the largest expatriate population, which presents the need for Saudi Arabia to indigenize its workforce (Pakkiasamy, 2004). Such an initiative gives native citizens, including the elderly, a greater opportunity to participate in the workforce, and thus has the most significant positive effect on both the region's economy and its demographics.

The informative content and the results presented in this study can be used to inform and therefore, to promote awareness of the demographic trends that have created significant issues for the future of Saudi Arabia's aging population as well as the implications of these trends on the Saudi economy and the progression of its society.

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