



Population Dynamics Everywhere: How do we Preserve Wealth and Health?

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We live in a world of unprecedented demographic dynamics. Approximately 800 million people aged 60 or older lived on planet Earth in 2012, and it could be 2 billion by 2050¹. For the first time in history, senior citizens will outnumber children. This will change our ways of life, economies, environment, resource consumption and the governance of business and society.

However, population and generation dynamics are not uniform across the 196 nations². While 32% of Japan's population has already surpassed the age of 60, this will increase at less than 1% a year between now and 2050.

This flat growth indicates that Japan will encounter soon a new equilibrium between generations.

A recent *Economist* article suggests that demographic shifts in the USA play a major role in their current slow economic recovery³. Furthermore, demographic ageing will impact the long term economic growth there.

A list of selected nations and their expected increase of the 60+ cohorts by 2050 gives an insight into the magnitude of future ageing for families, societies and social security systems.

Developed Nations		Emerging Nations		Developing Nations	
 Finland	+19%	 Russia	+63%	 Nigeria	+40%
 Sweden	+24%	 South Africa	+88%	 Uganda	+50%
 France	+28%	 Thailand	+129%	 Angola	+100%
 UK	+30%	 South Korea	+129%	 Kenya	+125%
 Germany	+37%	 India	+138%	 Yemen	+125%
 Netherlands	+39%	 Philippines	+150%	 Pakistan	+129%
 Italy	+41%	 Mexico	+160%	 Ethiopia	+140%
 USA	+42%	 Turkey	+160%	 Egypt	+150%
 Australia	+45%	 China	+162%	 Jordan	+200%
 Switzerland	+61%	 Brazil	+164%	 Bangladesh	+214%
 Spain	+65%	 Indonesia	+178%	 Mongolia	+233%
 Poland	+75%	 Vietnam	+244%	 Iran	+313%

¹ <http://unstats.un.org/unsd/demographic/>

² <http://www.worldatlas.com/nations.htm>

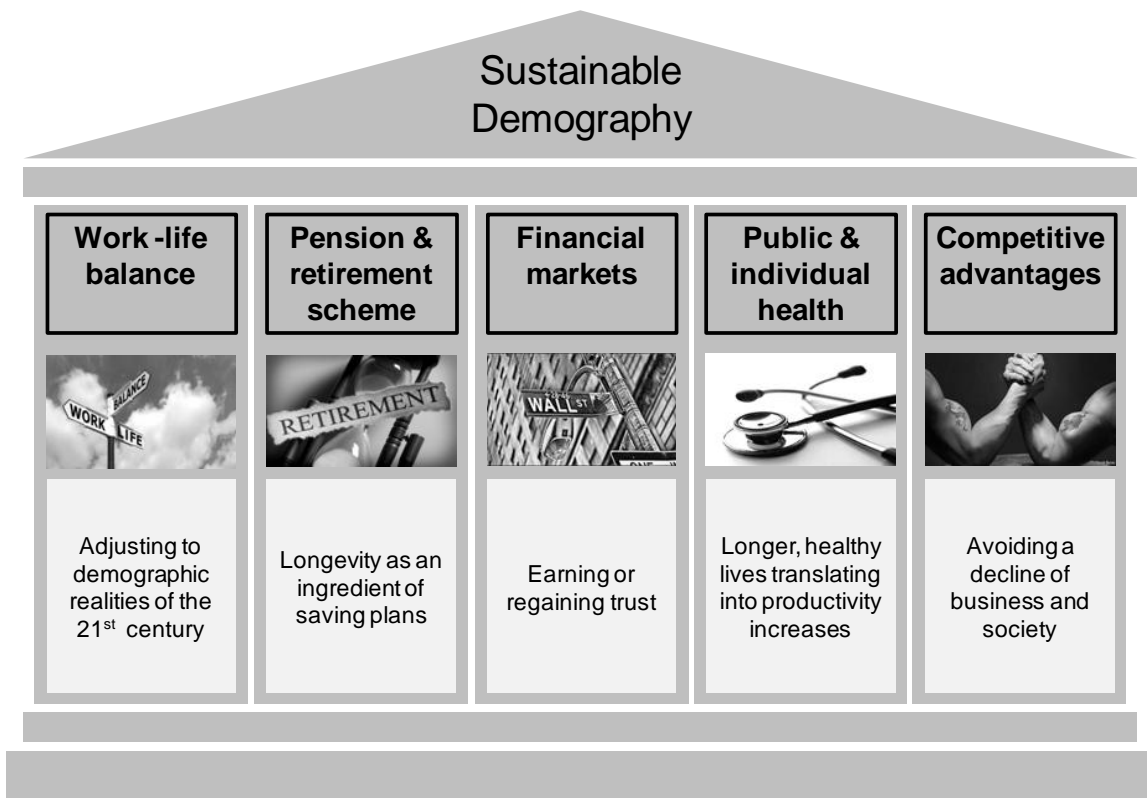
³ <http://www.economist.com/news/finance-and-economics/21573969-demography-may-explain-weakness-americas-recovery-where-did-everyone-go?frsc=dg%7Ca>

All these nations have this in common: They are striving for sustainable strategies to make sure people can live peacefully with decent wealth and in good health. But how can these goals be achieved? How do we start to act? Who are the key stakeholders? Experts, academics and members of global society increasingly spread awareness of demography's challenges. But how can they become more effective?

The WDA Forum – a leading platform to address demographic and ageing issues in an interdisciplinary way – proposes five pillars to be managed by each country according to their population dynamics. These five “St. Gallen Pillars” are:

- Work-life balances – adjusting to demographic realities of the 21st century
- Pension & retirement schemes – longevity as an ingredient of saving plans
- Financial markets – earning or regaining trust
- Public & individual health – longer, healthy lives translating into productivity increases
- Competitive advantages – avoiding a decline of business and society

These pillars cannot be sustained if considered in isolation. We must tackle them altogether, but in line with the unique demographics of different countries.



To conclude: Longevity is the great achievement of the 20th century. The task of the 21st century is to translate the "power of demography" into a new social, economic and governance order. This new order can only be built if the inhabitants on this planet make an unprecedented leap in the way they live and work.