

# Healthy Aging for the 21<sup>st</sup> Century Demographic Transformation



Global Coalition on Aging

American Skin Association  
Board Meeting  
June 1, 2011

# The Strategic Argument...and Political Rationale

**Move Population Aging From Dependency and Disability to Healthy and Active**

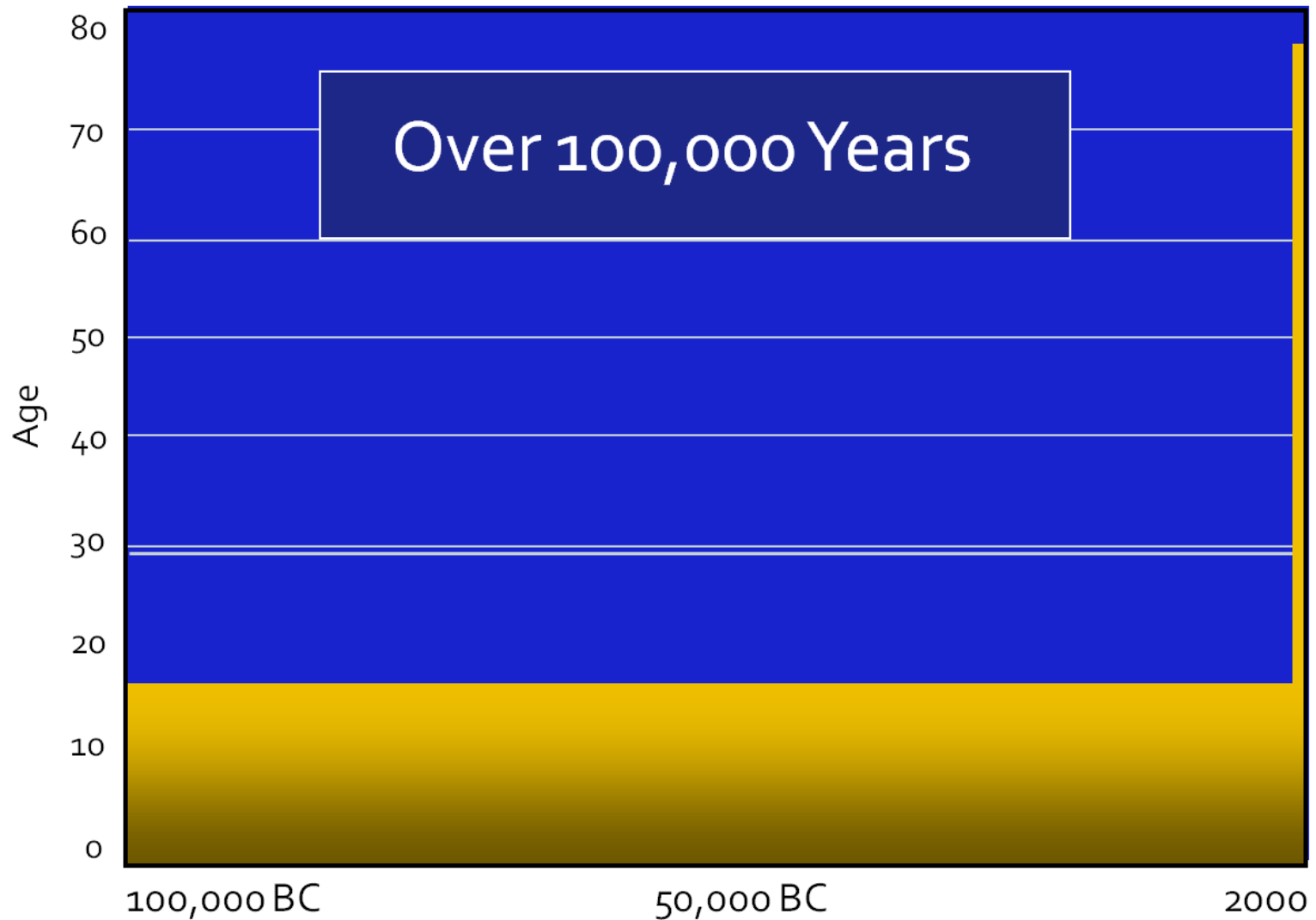
That will lead to:



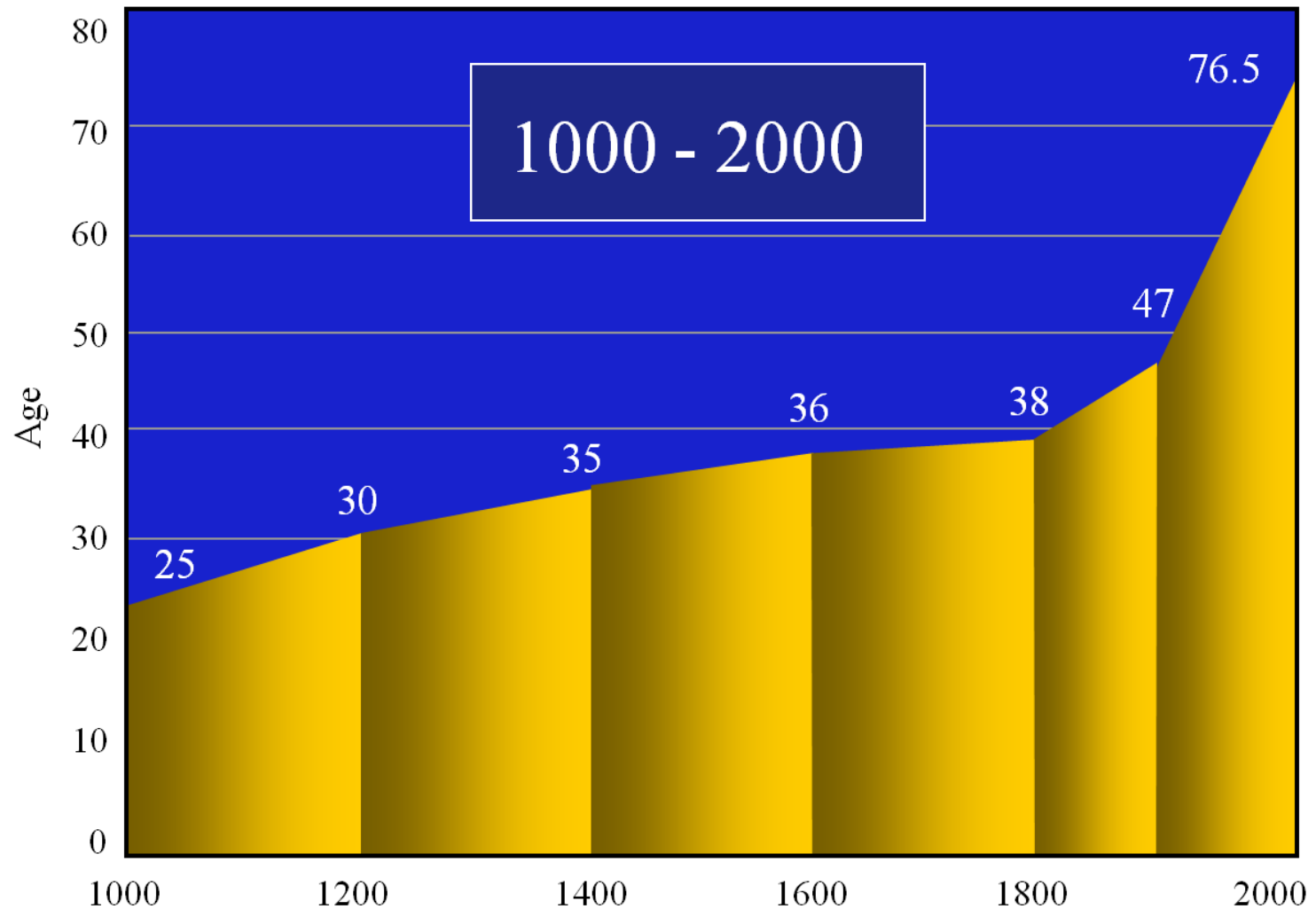
- Fiscal Sustainability
- Win 21<sup>st</sup> Century Competitiveness Race
- Market Opportunities



# Life Expectancy at Birth



# Supported by the Data: Longevity Revolution



# The Longevity Revolution: A Social Transformation Changing Demographic Realities of the 21st Century

"No other force is likely to shape the future of national economic health, public finances, and national policies as the irreversible rate at which the world's population is growing older."

– *Standard & Poor's "Global Aging 2010: An Irreversible Truth"*

"Today more than 35 million people worldwide have dementia. Those numbers will double every 20 years to 65.7 million in 2030 and 115.4 million in 2050....Total costs for people with dementia amount to more than 1% of global gross domestic product (GDP), or US\$604 billion, in 2010 and exploding...."

– *Alzheimer's Disease International*

"Aging will make it hard for governments to deal with mounting financial pressures. It may be time to rethink our policies towards work."

– *Jean-Philippe Cotis, Chief Economist, OECD*

"Twenty-first-century international security will depend less on how many people inhabit the world than on how the global population is composed and distributed....The strategic and economic policies of the twentieth century are obsolete, and it is time to find new ones."

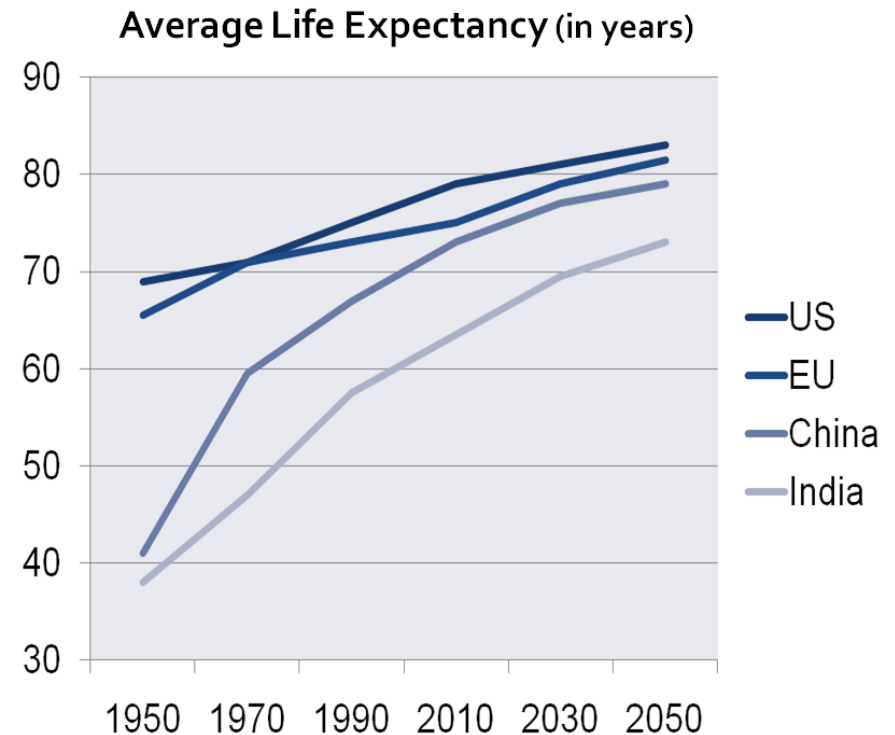
– *Jack A. Goldstone, George Mason School of Public Policy, "The New Population Bomb"*

"The challenge before us now is to...place global aging firmly on the development agenda for this century. There is no time to lose."

– *Kofi Annan, former UN Secretary-General*

# It's About Living Longer – Globally...

- **Global: 65+**
  - 1950 – 203M,
  - 2000 – 606M,
  - 2050 – 2B
- **Mexico, Brazil: 55+ doubles by 2020**
- **US: 20% 65+ by 2030**
- **Europe: 33% 60+ by 2050**
- **China: 25% elderly by 2050**



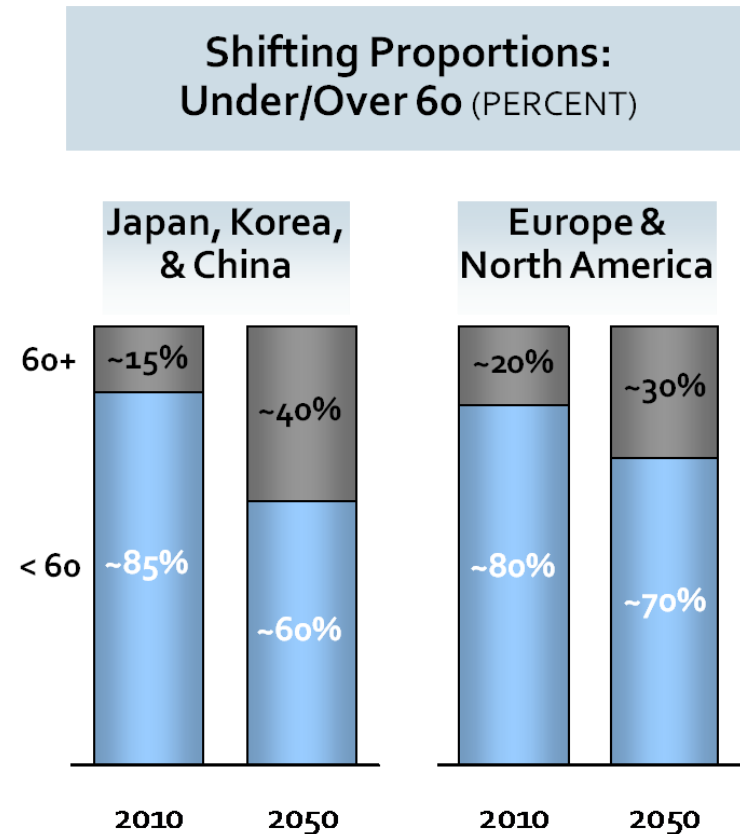
# ...And a Steep Decline in Fertility Rates

- Close to half of the world's population now lives in countries with **fertility rates below the replacement level**.
- Almost all of the world's developed countries have sub-replacement fertility, with overall **birthrates more than 20 percent below** the level required for long-term population stability.
- The number of births per woman **dropped by almost half**, from 4.9 in the early 1960s to an estimated 2.5 today.
- Japan is an extreme case – with current birth rates, **only 16 Japanese will be left in 500 years**.



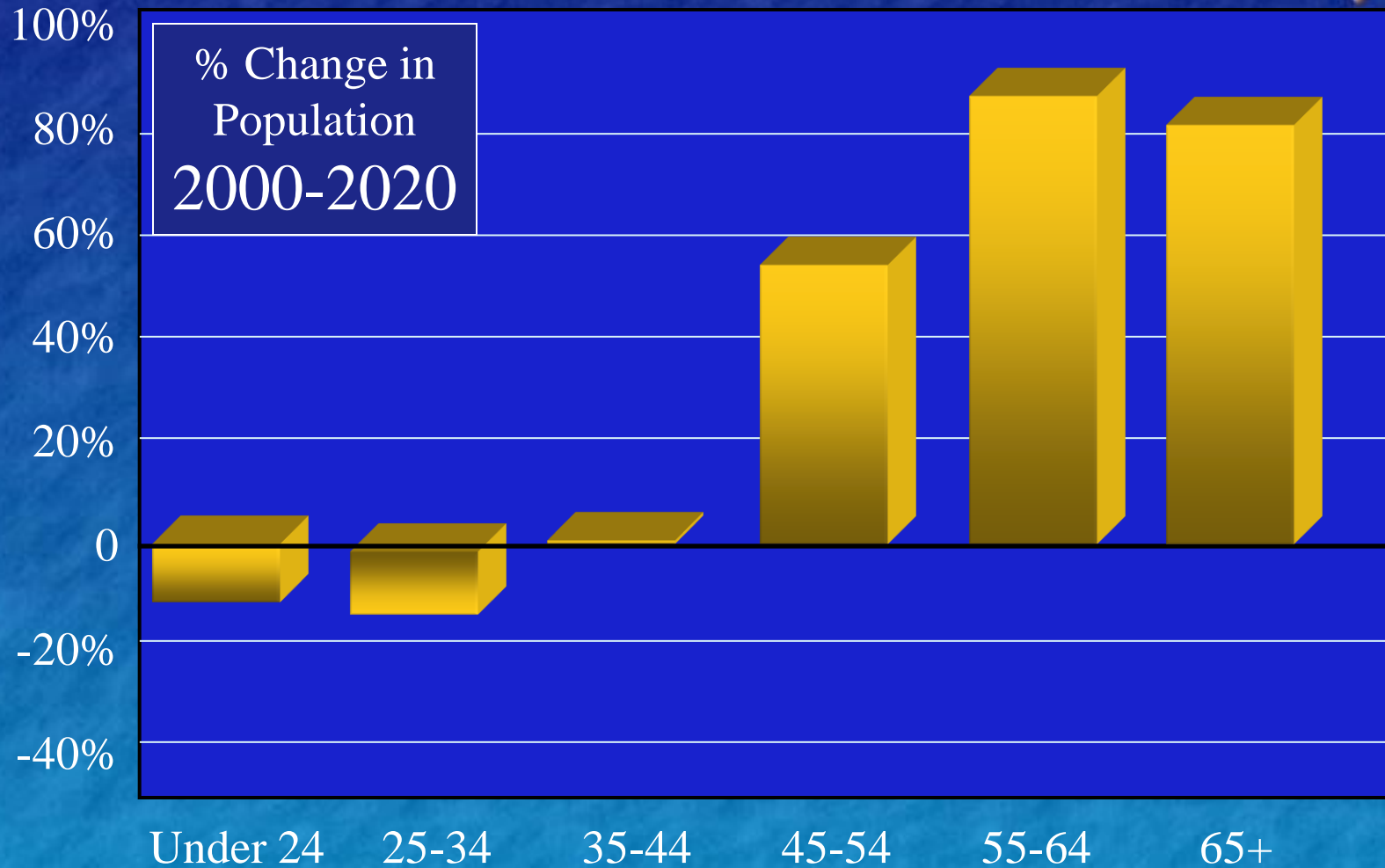
# Leads to a Sharp Shift in the Working Population

- Between 2000 and 2020, the share of populations under 55 in the U.S. will grow less than 10%, while **populations over 55 will grow around 65%**
- Europe is expected to **lose 24%** and South Korea **36%** of their **prime working-age populations** by 2050
- The worldwide old-age dependency ratio is estimated to surge from **19% in 2005 to 45% in 2050**

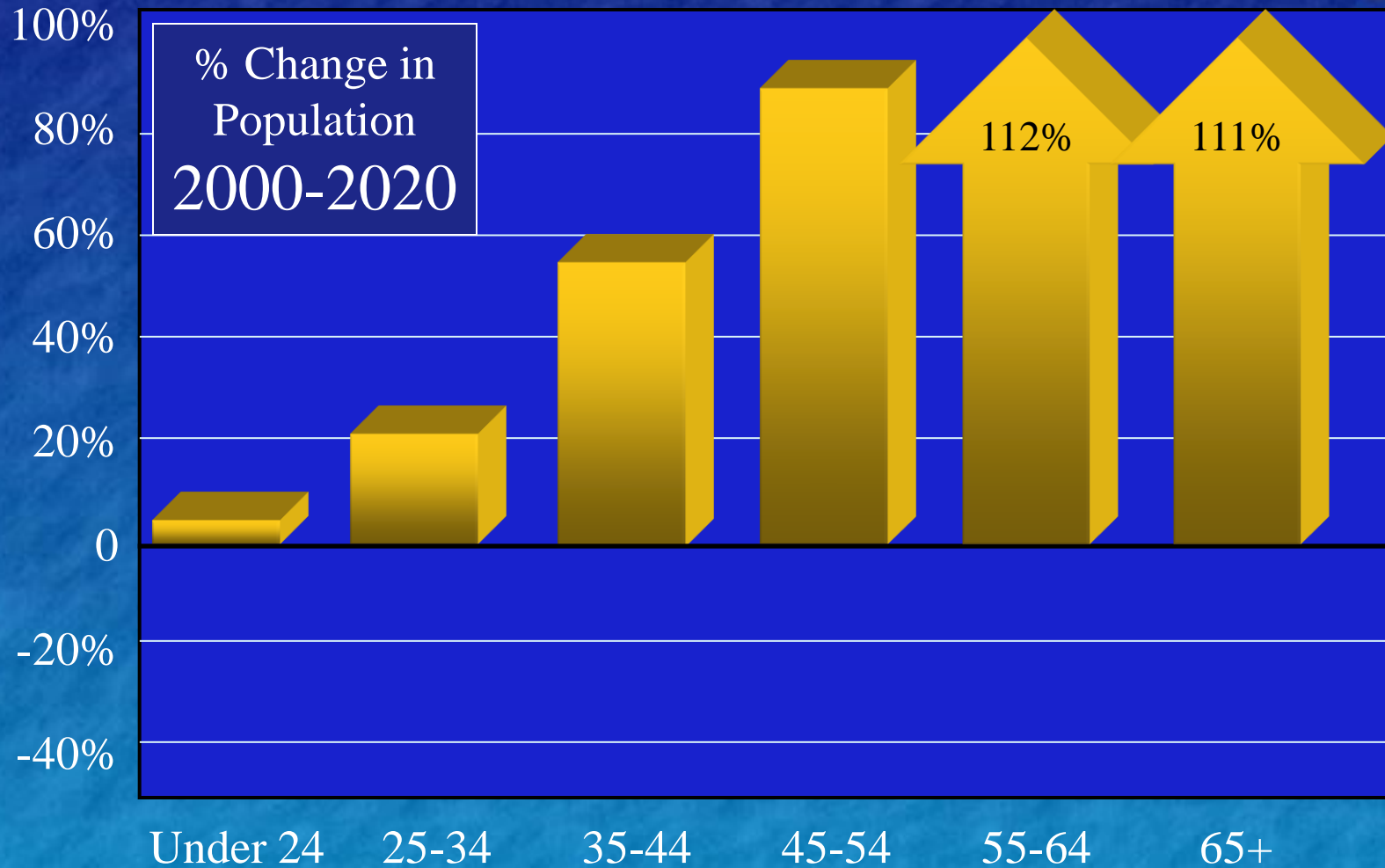




# Dramatic Shifts: China



# Dramatic Shifts: Mexico



# 450 Million Baby Boomers Worldwide

- **77M Baby Boomers in the U.S.**
  - Beginning Jan. 2011, one Baby Boomer turns 65 every 8 seconds until Dec. 2029
  - That's 10,000 Boomers turning 65 every day
- **Baby Boomers in Japan (born 1947-1949) make up 5.4% of the total population**
  - People aged at least 65 make up 22.2% of the population
- **Record-breaking 800,000+ people will turn 65 in the UK in 2011**



# We Must Transform Our Public Institutions



Otto von Bismarck  
creates paternalistic  
welfare state

**1880s**

**1935**

FDR signs Social  
Security Act



National Health  
Service created in  
England

**1948**

**1965**

LBJ signs Medicare  
into law



Programs  
created in the  
19<sup>th</sup> and 20<sup>th</sup>  
centuries are  
not fit for the  
21<sup>st</sup> century  
realities of  
population  
aging

**New policy leadership is imperative.**



# Health Impacts of Aging Dramatic



# Move From “Disability and Dependence” to “Healthy and Active”: Global Action



EU Year for Active Ageing and Solidarity between Generations – 2012



"An Age-friendly City is an inclusive and accessible urban environment that promotes active ageing."



Policy Dialogue on Aging, Health and Innovation: *Preparing APEC Economies for the Fiscal and Economic Opportunities of Aging Populations* – March 8, 2011



OECD 50th Anniversary – Conference on *Health Reform: Meeting the challenge of ageing and multiple morbidities* – June 22, 2011



Growing private sector and NGO activity: Age-friendly Cities, think tanks, media pick-up, HelpAge, Global Coalition on Aging

# Global Coalition on Aging: Vision

**Global in scope**

With a **diverse, cross-sector** membership

Animated by an **optimistic view of the longevity miracle**

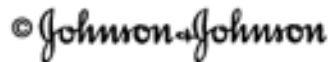
With a **clear intellectual framework, strategy, and narrative**

Focused on **political advocacy** to decision makers in institutions of influence in society

And powered by **private-sector will, commitment and innovative solutions**

# Global Coalition on Aging: Members

## Founding Members



## Advisory Member





# Society Must View Population Aging as an Opportunity

A Shift from the Traditional Paradigm Characterized by Dependency and Disability



A New Active and Wealth-Producing Middle Age



A Path to Manage Fiscal Sustainability



A Competitive Advantage for Companies that Adapt Appropriately and Quickly