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# The Role of Science for the European Welfare

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In his speech at the 2007 Annual Club of Rome conference R. Rato, director general of IMF, listed three main problems facing us today: 1) financial instability, 2) climate change and 3) demographic transition. Actually, contemporary world is a mixture of successes (e.g. improvements in health and considerable increase in life expectancy, Montreal treaty on ozone layer, increasing democracy) and failures (e.g. increased ecological footprint, no progress on nonproliferation, increasing inequalities and political instabilities). The “tools” we currently employ in approaching our problems, dangers and threats facing us are those developed when the society was distinctly different from today: slowly changing and very weakly interconnected. On the contrary, our contemporary world is characterized by globalization and rapid changes. Tomorrow is always too late and we hardly have time to wait until we fully understand all circumstances. Therefore, it is necessary to act now. However, we have to be aware, as F. von Hayek warned, of our limitations as not to become involved in an attempt to control the society that has been formed by free efforts of millions throughout ages. The task we face is by no means simple and it is useful to realize that our main resources are human beings as quoted in the State of Human Development, 2004: “People are the real wealth of nations. The basic aim of development is to enlarge human freedom and choices that people have to live full and creative lifes. This must benefit everybody equitably.”

Therefore, the primary resource and the primary aim are human beings: healthy, educated, active and happy, living in a society of social justice and social cohesion in a healthy environment assuring sustainable development. It seems that globalisation reduced inequalities among countries, but increased within countries resulting in overall increased inequalities and destruction of this main resource - people.

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Demographic transition resulted in a large percentage of persons older than 65. In most developed countries this percentage is about 20% and within less than few decades will reach over 30%. This is an enormous resource that cannot be and should not be neglected. Also, it cannot be and should not be treated mainly as a burden that causes large retirement load on government budget and on corporations and individuals, and extra expenses due to increased health expenses. Certainly, demographic transition is causing labour shortages and declines in GDP/capita, but aren't both of these concepts "old tools"? Can generation of those over 65 be an asset rather than a burden and how?

Total employment rate is age dependent and education dependent and many older persons are inadequately educated or at least have no necessary skills for the present market implying that most of persons above 50 have much lower employment. On the other hand the distribution of necessary jobs has dramatically changed during the last century: the percentage of persons working in agriculture and even in manufacture has drastically decreased, while the need for ideas, creativity and wisdom has increased.

What are values of older persons?

- 1) Creativity does not decrease with age. G. Verdi composed *Otello*, *Falstaff* and *Ave Maria* in his late 70ties and early 80ties, J.W. Goethe was writing *Faust* until his death in 83. B. Franklin invented bifocals when he was 78. Michelangelo was also creative through his entire life and the *Florentin Pieta* and many other works were done also just before he died, and he died when he was 89. F. Lloyd Wright designed the Guggenheim museum when he was 90. And the list could go on and on.  
The argument that old persons are ill and that illness reduces creativity also is not valid as demonstrated by one of the greatest living cosmologist S. Hawking.
- 2) Experience and wisdom increase with age. Retirees are good workers, they do not need health and retirement benefits and therefore should be cheaper to employ and their employment can solve labour shortage. The US Bureau of labour statistics estimates that the growth of employment of persons older than 55 will be four times larger than the growth of the overall employment apparently confirming this conjecture.
- 3) Older persons should be able to take risks easier since they have experience and credentials. Galileo Galilei was 68 when he wrote "*Il dialogo sopra i due massimi sistemi del mondo*", I. Newton was in his 60ties when, as a head of a mint, he initiated a major monetary reform and Einstein was in his late years when he persisted in continuing to work on unified theory.
- 4) Older persons have experienced failures and defeat and often have recovered and enjoyed success thereby increasing their confidence.
- 5) Globalisation requires longterm perspective and older persons have a potential to grasp the longterm picture.

On the other hand, older persons have always been an essential part of the society and they even today contribute through various non-monetized and non-monetizable works. Works and employment do assure social connectiveness and that together with mental and physical activities yields long, healthy and happy life.

Here I expressed some thoughts and suggestions. Much more has to be done and the World Academy of Art and Science and The Club of Rome are two associations that can, should and will contribute new ideas and will attempt to design new "tools" for making one of the specific issues of today - *svecchiamento* an asset in development.