



Counter-Aging in the Post-Industrial Society

Several articles in *Cadmus* Journal have explored the meaning of “Wealth of Nations” at a time when the Industrial Revolution has given way to the Service Economy. In parallel, the *European Papers on the New Welfare* has been examining the lengthening of human life cycle as a decisive social and economic issue.

The lengthening of life cycle is a unique revolutionary phenomenon that will have a profound impact on contemporary and future societies. It will affect social, political and economic institutions to a far greater and deeper measure than is commonly perceived. Older people, those over 60, have always existed in history. But previously they represented a small minority. Today the lengthening of life cycle is a worldwide phenomenon with impact on the majority of the population.

From the “older” industrialized countries, it is extending its reach to the large majority of communities everywhere.

The lengthening of life cycle is often presented (wrongly) as the problem of “aging of population,” and as such, is regarded as an indication of the decay of the industrialized world. In fact, the “older” industrialized countries have the dual advantage of offering a longer (and better) life to their citizens while also evolving the social, economic and political adaptations required by the new demographic reality.

The definition of aging is based on the notion of older age. Considering the ability of each individual to be autonomous (in physical and/or mental terms), many studies and surveys indicate that on average a 60 or even an 80-year-old person of today corresponds in terms of the capacity for self-reliance to a younger person aged 15/20 living a century ago. Statistics based not on age but on the *capacity to perform* indicate, in fact, that in many countries, the population is not “aging” but “rejuvenating.”

In reality, we live in a “counter-aging society”. The lengthening of life cycle is clearly the result of economic and social advances that are strictly linked to scientific and technological advances. Biology, medicine, health control, nanotechnologies, nuclear applications, communication, instrumentations, etc. are producing significant advances for human health, welfare and well-being almost every year.

The lengthening of life cycle requires a redefinition of the period of ACTIVE life. I propose replacing the current conception of a single career of paid work with two different categories of activity: remunerated work on one side and unpaid or benevolent activities on

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the other. In fact, the two are complementary much more so in the post-industrial service economy than in earlier times.

This also implies an open possibility (and in many instances, the necessity) for extending the retirement age. When originally conceived, retirement age was based on the average age of death. Today, at the time of retirement in many countries, life expectancy is 15 to 20 years more.

Satisfactory employment is for most people an important element of a healthy life. It needs to be based on an adequate foundation of education and the capacity to change the type of work as one advances in age.

It is also very important to promote part-time employment as a basic element for a well-balanced social security system. It is especially important for those working over 60. As it is now in some northern European countries, part-time pensions should be coupled to encourage part-time work.

Gradual retirement plans are also important.

These elements form part of the “four pillars system,” which is based on the three pillars of the Swiss system plus part-time employment, which is referred to as the fourth pillar.¹

Health improvement has been achieved at a great increase in costs. One could die almost for free in a not-so-distant past; now one has to pay for the possibility to control, eliminate or reduce the effects of all sorts of illnesses or accidents. We already spend a lot of money buying and using automobiles, which allow us to move (sometimes) faster. One day we will probably spend even more individually for our health maintenance, which might make our lives better and help us move faster. Spending on health is therefore producing added value for our lives. It increases the “Wealth of Nations.” From an economic point of view, retirement and health costs imply building financial capabilities by redistributive policies and personal savings.

This compels us to formulate a new definition of “capital” appropriate to the post-industrial Service economy. We need a perspective that recognizes the value of Human Capital across all age groups and seeks to optimize the development and utilization of this precious resource for human welfare and well-being. Indeed, all essential elements of economic theory need to be recast to reflect the realities of a human-centered perspective of economy and welfare.

For example, in the modern service economy, not all “value-added” measures reflect a real increase in the level of wealth. For instance, the cost of coping with pollution is registered as a positive contribution to GDP, whereas it has really resulted from a deterioration in the quality of life. At the same time, many developments in service functions and performance, e.g. enhancements in communication capabilities, add to real wealth and welfare much more than is reflected in the usual value-added measures, where lower costs of communication are recorded negative.

So also, the notion of productivity in a service economy needs to be based on performance over time (in a probabilistic system) rather than on production factor costs (in an equilibrium-based system) as in an industrial economy. A human-centered economics needs to also fully

integrate ecological factors and reflect the impact of human activity on natural capital. All these elements need to be reflected in a new conception of the “Wealth of Nations.”

These issues raise fundamental questions such as: How and how far should we integrate health and pension costs and performances? How and how far should they be integrated with the fiscal systems? How can we stimulate and improve the complementarity of the private and public sectors, the best solutions being determined by proper synergies between the two?

Two final considerations at the general political and socio-economic level: the first, as is always the case in human history, is a question of vision. How do we ensure that the lengthening of life cycle does not lead to social and financial disasters? Can we approach this prospect of increasing longevity as a fantastic positive opportunity to be exploited by adequate imagination, understanding and goodwill? This will entail a lot of work for those who dare.

The second consideration concerns the policies on which adequate and appropriate institutions, for instance, the European Union, will have to inevitably confront themselves. The European Union, in particular, needs to foster new initiatives towards integration. Social policies are clearly a major key for demonstrating concern about the daily problems of European citizens. There is large room for consensus to be reached and built on the issue of a new European Welfare. A more courageous initiative in this field is clearly necessary. Building European Welfare implies a productive comparison between the present differences among national systems, in order to promote the best solutions for all.

In this context, European countries, and in particular, the new countries from Eastern Europe, where in many cases the situation is more “open” than in the older members, could represent an important promotional reference group. There are great opportunities for research projects and proposals in this field.

The *European Papers on the New Welfare* contributes a number of important studies to pave the road to a complex, but challenging exploration of ‘New Welfare in the counter-aging society’. The World Academy of Art and Science wishes that politicians, students, and professionals and finally, every citizen whose life is directly concerned, may be inspired by the issue of welfare.

Trieste and its region could become a center of reference and excellence on all these issues. The age structure of Trieste’s population anticipates where the world is heading for in this area. Trieste has unique science and technological research patrimony (from the Science Area to the International Center for Theoretical Physics, and various others). It has an experienced infrastructure in the health (physical and mental) and education sectors. It has a large potential locally and at the level of the Friuli–Venezia Giulia region to promote industrial, service-based, social and cultural initiatives related to the development of the “counter-aging society.”

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Notes

1. Four Pillars Newsletter, http://www.genevaassociation.org/Research_Programme/Four_Pillars_Pensions.aspx#anchor1