

# LAEDC Future Forum: The Business of Aging

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1 BILLION PEOPLE  
WORLDWIDE AGE 60  
TODAY; MORE THAN  
2 BILLION BY 2050

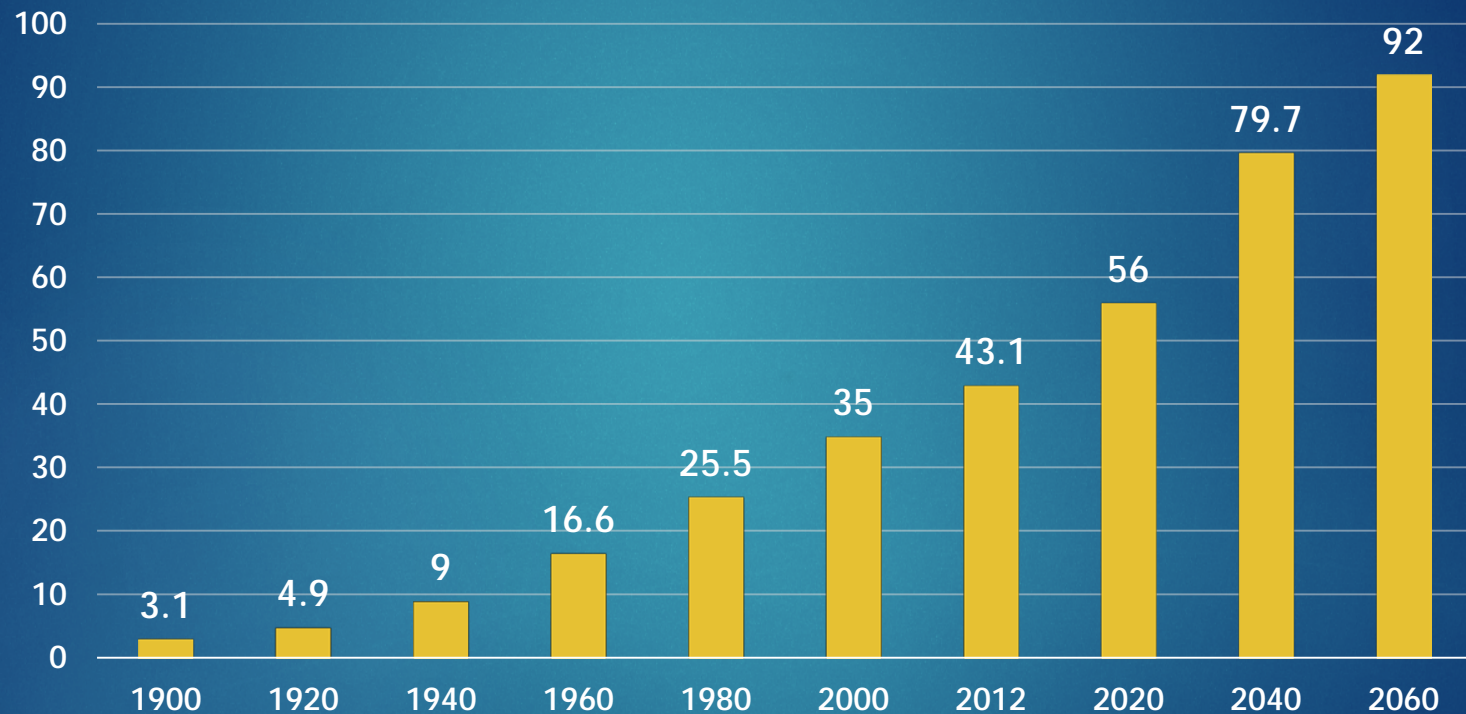


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Source: The United Nations.



# U.S. Population 65+ (in Millions)







Before the end of  
2019, adults over age  
65 will outnumber  
children under 5  
around the world.



Nearly one in four California residents will be age 65+ by 2036.





# Why has Global Longevity Increased?

- Vastly improved sanitation
- Development of antibiotics
- Implementation of vaccines
- Progress against heart disease
- Investment in bioscience research



# The Frontiers of Longevity



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Older people in an aging society are a dividend. It will require great imagination to envision roles and responsibilities that capitalize on the capabilities of mature minds and match their aspirations to give back and leave the future better than the present.

***LINDA FRIED***

Dean and DeLamar Professor of Public Health,  
Mailman School of Public Health, Columbia University



# THE GREAT CHALLENGES OF AGING

Financial Security

Health

Purpose

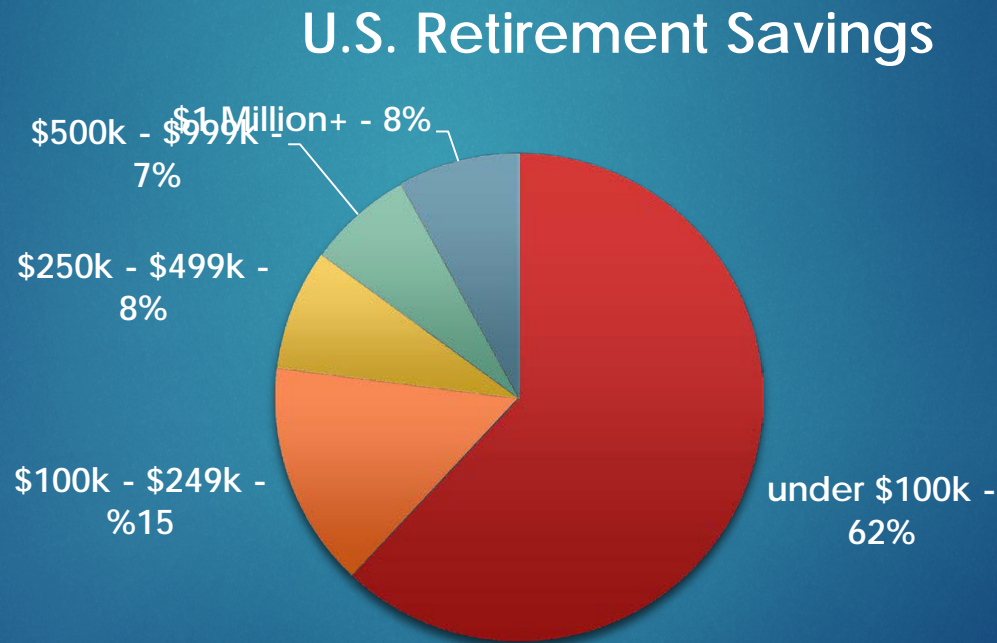


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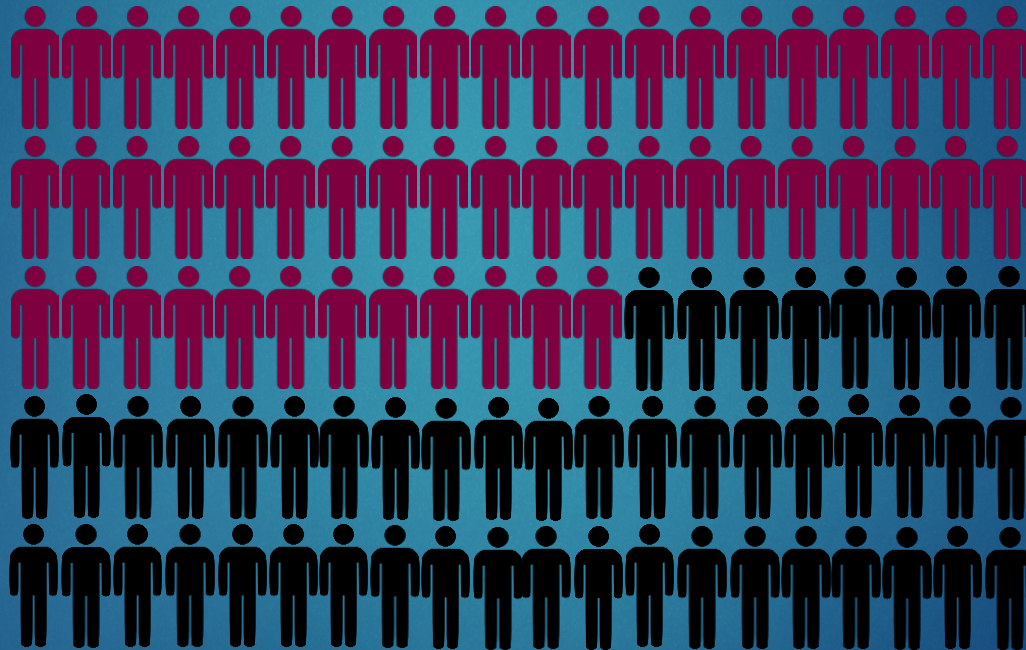
# Majority of pre-retirees have less than \$100k

## Pre-retiree (age 55-70) households by financial asset levels



52%

OF PEOPLE AGE 65+ WILL NEED LONG-TERM CARE





# Social Isolation And Loneliness

- Between 2015 and 2035, the number of people over the age of 75 living alone will nearly double from 6.9 million to 13.4 million, the majority of whom will be women.
- The health risks of prolonged isolation are equivalent to smoking 15 cigarettes a day, according to the AARP Foundation.





Stef W. Kight Nov 29

**AXIOS**

## Life expectancy drops in the U.S. for third year in a row

Suicide Rates have continued to climb, increasing 33% from 1999 to 2017, according to the CDC.

Drug overdose deaths also increased over the past year from 63,632 to 70,237.

Heart disease and cancer remain the leading causes of death in the U.S.



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Source: Axios



# Longevity Inequality – Place Matters

There is a growing longevity gap – increasingly where you live determines how long you live.



A resident of Los Angeles' Bel Air or Brentwood communities lives on average about 12 years longer than his or her counterpart in South L.A. or Boyle Heights.





# People Want to Age in Place

- Nearly **9 in 10** of those **over 65** plan to stay in their current homes and communities.
- More than **three quarters** of those **80** and older live in their own homes.







Retirement Guide

*Sun City*



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# Retirement expectations are changing for Baby Boomers (born 1946-1964)

**66%** expect to be or are already working past age 65 or do not plan to retire

**52%** believe that there is no age when a person is too old to work





Today, it is socially  
unacceptable to ignore,  
ridicule, or stereotype someone  
based on their gender, race, or  
sexual orientation. So why is it still  
acceptable to do this to people  
based on their age?

*JO ANN JENKINS*

CEO, AARP





"I'd rather be dead than singing 'Satisfaction' When I'm 45"



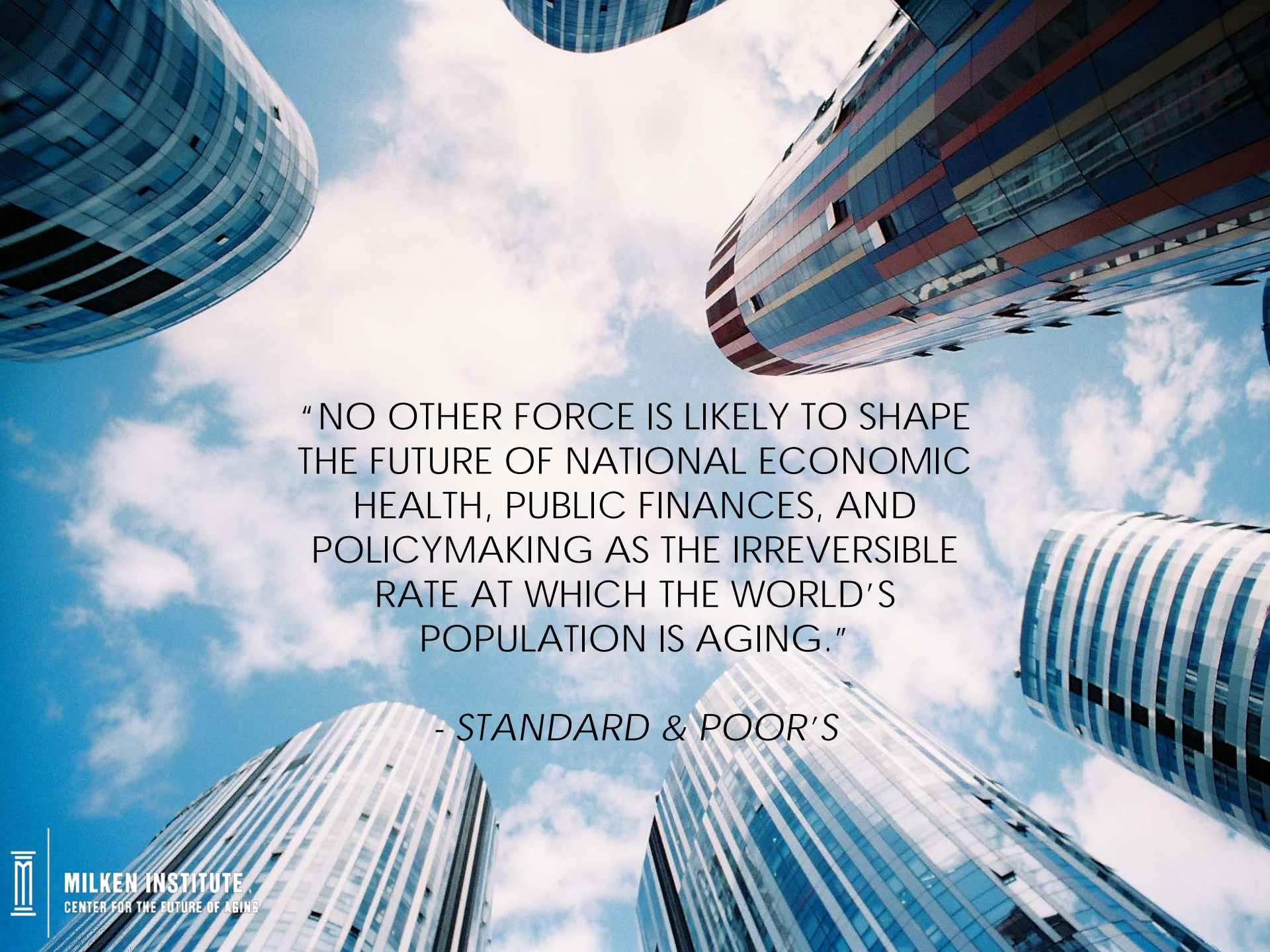
Mick Jagger  
22



Mick Jagger  
75







"NO OTHER FORCE IS LIKELY TO SHAPE  
THE FUTURE OF NATIONAL ECONOMIC  
HEALTH, PUBLIC FINANCES, AND  
POLICYMAKING AS THE IRREVERSIBLE  
RATE AT WHICH THE WORLD'S  
POPULATION IS AGING."

- STANDARD & POOR'S



# IF THE U.S. LONGEVITY ECONOMY WAS A COUNTRY...

## GLOBAL COMPARISON IN 2015 GDP \$ TRILLIONS







Spending power of **60+** global  
consumers will be US **\$15 trillion+**  
by **2020**

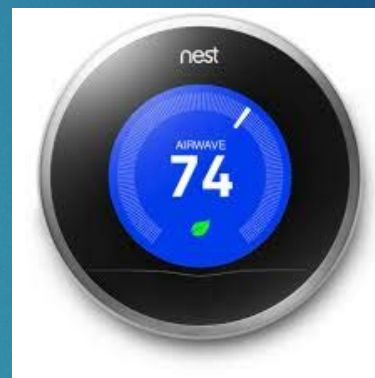


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Source: Bank of America Merrill Lynch

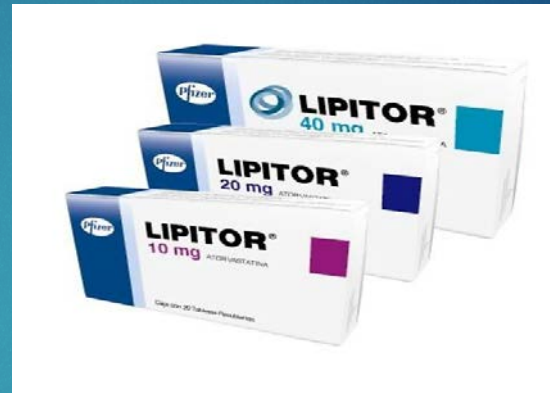


# Changing Products and Services





# Changing Products and Services





# Changing Products and Services





# CHANGING WORK

A photograph of two men in a workshop setting. On the left, an older man with glasses and a light-colored shirt is focused on a task. On the right, a younger man wearing safety glasses and a light-colored shirt is looking intently at the same work. They are both working on a mechanical assembly, possibly a car engine part. The background is slightly blurred, showing a workshop environment.

"A promising workforce resource lies in intergenerational collaboration, combining young workers' energy and speed with the wisdom and experience of age...."



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Sources: Carstensen, Irving "Boomers to Employers-Age Has Nothing to do With a Job Well Done".



# Pilot Programs

- ▶ *Bank of America Merrill Lynch*: Longevity Training Program for financial advisors
- ▶ *BMW*: Redesigned workplace to optimize older worker productivity
- ▶ *CVS*: Older workers can move between climates throughout year
- ▶ *Home Depot*: Targeted hiring of retired construction workers for expertise
- ▶ *Kobe Steel*: Retirement-age workers can be rehired at other locations to collaborate with younger steelworkers





If we are going to get anywhere building lifelong communities that work for everyone, we must be able to show that older people, far from being the economic drain they are sometimes painted to be, are an economic boon.

*John Feather*  
CEO, Grantmakers in Aging





# City Level Research



**Phoenix:** In 2012 alone, the older adult workforce contributed more than \$4.8 billion to the economy

**Kansas City (MO-KS):** Retaining older adult residents results in a gain of 2,600 jobs, raising regional annual income by nearly \$500 million

**Atlanta:** If the age 65+ population grows by 1,000 each year, they will add 10 times more in personal income than any other age group growing at the same rate

**New York City:** from 2005 to 2016, the percentage of entrepreneurs over age 50 grew 19%, and over age 60 grew 44%





# City-Level Strategies from Around the World



**Calgary, Canada:** retired city employees are registered to the “Retired Employee Employment Pool” as assets for limited-term projects that require particular skills or expertise.

**Republic of Singapore:** a new tripartite workgroup within the Manpower Ministry will understand the value of older workers, reevaluate the current retirement age, and assess current contribution rates of older workers to retirement funds.





# BEST CITIES FOR SUCCESSFUL AGING

- ▶ First-of-its-kind, data-driven index on successful aging
- ▶ Measures and ranks 381 U.S. metros
- ▶ 9 categories with a total of 83 indicators
- ▶ Beyond the rankings: Programs with Purpose and Initiatives for Innovation
- ▶ Mayor's Pledge: a tool to engage municipal leaders, raise public awareness and translate research into action











Los Angeles Mayor Eric Garcetti signs the Mayor's Pledge.



*By changing attitudes, enhancing services and supports and enabling lifelong involvement, Purposeful Aging Los Angeles will improve the lives of older adults and of young people as well.*





# LAEDC Industries

- ▶ Advanced Transportation
- ▶ Aerospace & Defense
- ▶ Biosciences
- ▶ Creative Design Industries
- ▶ Entertainment & Digital Media
- ▶ Trade & Logistics





# Developing a Longevity Strategy

- ▶ Integrate consideration of the unprecedented age shift into all strategic planning.
- ▶ Respond to the growing market opportunity with innovative, age-friendly products and services.
- ▶ Develop policies to accommodate a changing workforce; capitalize on the experience of older workers and the benefits of intergenerational teams.
- ▶ Recognize that, if demography is destiny, there's unprecedented opportunity on the horizon.





**We are continually faced with a  
series of great opportunities  
brilliantly disguised as insoluble  
problems.**

***John W. Gardner***

Founder, Common Cause, Experience Corps, PBS, former  
Secretary of Health, Education and Welfare (HHS)







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