

## MATURE CONSIDERATION

Society is ageing, and we're likely to have to work for longer. That means reshaping our careers and preparing for multistage lives, says **Andrew Scott**

As well as technology and climate change, there is another force that is set to profoundly change our future. Across the world, people are living longer, and in the next decade, both individuals and society will need to adjust to these longer lives.

Since 1950, UK life expectancy has increased from 69 to 81, while in Japan it has risen from 61 to 84. The UK statistics

office suggests a child born today has a one in three chance of living to 100. At the same time, birth rates have been declining. The result is a striking increase in the average age of society. For the first time in human history, there are more people alive aged 65 or more than children under five.

Between 2015 and 2050, the proportion of the world's population over 60 years is expected to nearly double, from 12 per cent to 22 per cent. In the UK, over-50s will rise to 40 per cent of the total population by 2030.

This dramatic ageing of society raises fears of stagnating economies burdened by rising pension and health costs. But if on average we are living healthier for longer, shouldn't that be good news for the economy?

It is, if we realise that how we are ageing is also changing. Just as the 20th century created 'teenagers' and 'retirement', so the

2020s will see shifts in behaviour in all ages. Part of this shift will be a need to work for longer – which is already happening in many countries. In the US, 19 out of 22 million jobs created over the last 20 years have come from those aged over 50, as people stay in

the workforce for longer.

But if all we do in response to longer lives is simply stretch out our current careers, that seems a pretty miserable outcome.

If you are currently in your mid-40s, financing a pension could mean working into your early 70s. How do you feel

about 30 more years of what you are currently doing? If you are 20, how do you plan for a 60-year career?

Longer lives require reshaping our careers and moving away from a three-stage life of education, work and retirement. Instead, we need to plan for a multistage life, where some stages will be focused on work and money, others around family responsibilities or education, starting your own company, working part time or performing charitable work.

Making these changes will require overcoming deep-seated ageist prejudices. However, as an ageing workforce leads to labour shortages, expect more firms to take steps to support a multistage life. Technology, particularly robotics and AI, will also play a role in supporting productivity amongst older workers – who will also have the advantage of being more attuned to the needs of an ageing customer base.

As befits one of the greatest human achievements, there is an enormous market opportunity for firms to seize in response to longevity, especially in areas such as education, life sciences, real estate and leisure. Firms who best understand this longevity economy will find themselves at the heart of the world's largest emerging market. ■

**Andrew Scott is Professor of Economics at London Business School and co-author of the best-selling *The 100 Year Life – Living and Working in an Age of Longevity*. @ProfAndrewScott**

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MINS



2020s DATA



1 in 5

Proportion of people in the UK aged 65 or over by 2030



6m

Number of people aged 80+ in the UK by 2030



21,000

Projected number of centenarians in the UK by 2030

SOURCE: ONS

JAMIE CULLEN