



Reimagine our Society for Current and Future Aging

If we solve for 8-year olds and 80-year olds,
we also solve for our society as a whole.



*Authored by Dominic Endicott and presented at the
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REIMAGINE OUR SOCIETY FOR CURRENT AND FUTURE AGING

If we solve for 8-year olds and 80-year olds, we also solve for all of us

A society that takes care of its youngest and oldest is, by definition, a better place. Similarly, when our society does not work, it is the most vulnerable populations which suffer the most. Our challenge today is to reimagine a society that works well for our most vulnerable populations. Our current economic model and social model is focused on productivity and takes for granted that this should translate into welfare, but we now understand that this is not the case. This was already apparent before we got hit by Covid-19 and has become even more so as we come together today, for the Business of Ageing event in October 2020. The good news is that we have a mastery of our environment through the power of machines, fuels, computing, and cloud technology such that our possibilities are truly endless – even to travel to Mars. The bad news is that we have yet to harness all this potential to lead better lives for the broadest group of society. We need a strategy that brings fast, large, and enduring benefits to our vulnerable populations, including those who are ageing today with insufficient resources. If we do this right, we will create a ‘flywheel’ effect that will gain further momentum and improvement with every turn. Some effects can be felt immediately, such as the impact of ‘tactical urbanism’ to create safe streets where cars once ruled, as 100 cities in the US have already done. This will help everyone but especially the old, who as pedestrians are at much higher risk of being killed by cars. Some effects may take decades to develop, for example a wave of multi-generation housing solutions whose full impact will be felt by those who today are in their prime. To build this ‘flywheel’ we must critically step away from our silos and consider the system. We must understand how to integrate some of the latest advantages in computing and materials to build better homes and streets, and infuse the latest thinking on biology, health, and wellness into the mix. We must blend it all with a framework to ensure that the maximum number of our ageing society achieve their full purpose in life, for as long as they can, as healthily and productively as possible.

The Covid-19 Crisis: Challenge and Opportunity

Covid-19 is a Black-Swan event that changes our context. In addition to over [230,000](#) Covid-related deaths in 2020, perhaps as many as 11 Million Americans will have been infected by end of yearⁱ, with 10-15% of them suffering long-term [health effects](#)ⁱⁱ. The US could also lose in the region of \$2 Trillion in GDP due to Covid-19, in 2020 aloneⁱⁱⁱ, and many could face long periods of unemployment and fiscal stress as a result.

High unemployment, empty subways, an implosion in malls and other retail, and a still unpredictable virus threaten to hollow out our cities, towns, villages, and neighbourhoods. But this same crisis is accelerating an inevitable shift to a new economic and institutional model that could drive decades of economic growth, improvements in social outcomes, and better use of our natural resources. Whether we are overwhelmed by this crisis or can come back stronger is up to us.

The longevity economy, defined by AARP as the spending generated directly or indirectly by the over-50s, represents over [\\$9 Trillion](#)^{iv} of GDP, or over 40% of the US economy. Over-50s

represent around 75% of US real estate and financial assets. Therefore the 'Business of Aging' will be both a major lever in the 'new normal' and very much affected by the future path of our economy and society.

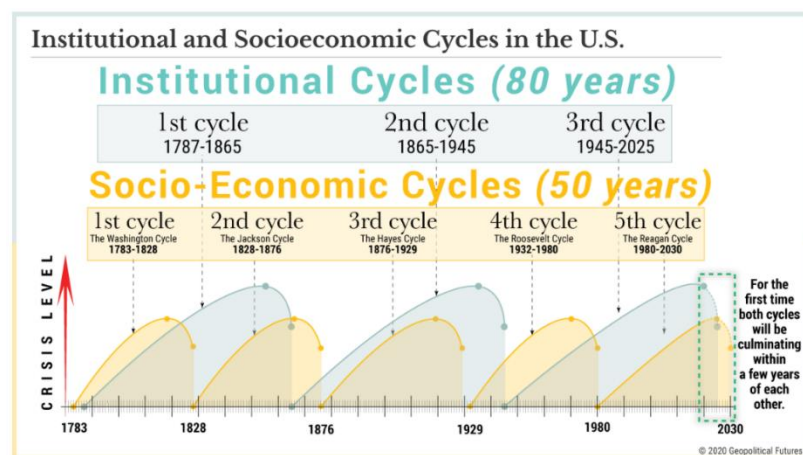
I will make the case for a strategy in which we harness the assets and capabilities of the over-50s, to help make our society more equitable, purposeful, healthy, and wealthy. This will benefit the 'current old', but equally importantly, extend the productive and healthy lives of the 'future old' in our society.

First, we need to understand the overall context of our time.

The End of an Era.

Geopolitical analyst George Friedman predicted prior to Covid-19 that the mid 2020s would see the first ever simultaneous end of both a 50-year American socio-economic cycle and an 80-year institutional cycle.

In his book '[The Storm Before the Calm](#)', published in early 2020, he predicted considerable turmoil before the US settles into a new cycle. This theory is illustrated in the attached chart. He projects the time of cyclical transition at around 2025.



The Covid Pandemic has likely accelerated the end of cycle and the shift to a new cycle by 5 or more years, so effectively the change he predicts is now upon us. Increasing inequality, deaths of despair, the growing radicalization of politics, the street battles, the redefinition of both political parties and the remaking of our economic model are all symptoms of this changing of the guard.

Key Pressure Points in the Business of Ageing

Ageing is not working as well as it could, for many of the current old and even less for the coming waves of 'future' old:

- *In Health and Care.* The institutional care model, which was fraying at the edges before Covid, has been found wanting. According to [McKnight's](#), 81% of Covid deaths are associated with nursing homes. Even prior to Covid, the most expensive healthcare system in the world, at \$3.6 Trillion equal in size to the GDP of Germany and the highest in the globe per capita, delivers 4 fewer years of expected life than comparable economies. We should be getting much better value relative to the vast resources that go into this business.
- *In Housing.* Our housing model is inadequate to the needs of increasingly smaller families. We are living with the legacy of the vast housing boom in the 1929-1980

economic cycle, when we were building for large families, and launched the suburban experiment. During the 1980-2020 cycle we focused on building ever larger homes, while simultaneously producing too little housing. According to Arthur Nelson, in a chapter in the landmark 2020 book [Missing Middle Housing](#), 27 Million Households – or 20% of all US - are in a home whose size and neighbourhood are inadequate. With a projected 20 Million new households by 2040 (with 80% of household growth coming from the over-50s) the gap between housing supply and demand is likely to get worse. Moreover, a 2019 article by [Curbed](#) suggested that over 50% of renters found housing unaffordable, and over 60% could not afford to buy a home. Those who reach their later years without housing equity are especially vulnerable.

- *In our streets.* Our society has been largely organized around cars, rather than people, and this becomes increasingly burdensome with age. The US has the most cars per capita, we drive the most miles, emit the most pollutants. There is strong evidence that our car-centric model is very closely tied to our declining longevity. Whereas new technologies such as electric bicycles could extend active ageing for many years, our polluted and unsafe streets consign many to lives indoors or in their cars.
- *In unequal ageing.* As we age, these inadequacies become increasingly pressing. Some older Americans have been able to earn good incomes, build equity, stay healthy, and acquire skills that can be delivered remotely. The 'Older Haves' have benefitted from asset appreciation, and many can be expected to benefit further from the [\\$68 Trillion](#) inter-generational wealth transfer^v, with 50 and 60 year olds inheriting from their 80 and 90 year old parents. Meanwhile the 'Older Havenots' face the prospect of difficult, impoverished, unhealthier, older lives. To boot, they are less likely to be the recipients of inheritance. This division is likely to persist and even worsen for the 'future old'. Those on a current trajectory to end up in an unhealthy and poor old age have been on the brunt end of de-industrialization, the opioid epidemic, asset decline, and automation.
- *In Covid-19 Impact.* Covid-19 has only exacerbated the divide. It has been especially harmful on our oldest, the poorest, and the least protected across our society. The pandemic has also accelerated automation of many roles, while knocking out the economic foundations of many towns and cities. The 'Haves', many with work that can easily be transferred to the Cloud, have done well, even if facing new medical and family stresses. The 'Havenots' – many in manual or service roles, have suffered the most in this Crisis.
- *The limitations of our 'Silos'.* It is increasingly clear that we are the victim of 'silos'. Whether by separating demographically (old from young, rich from poor, by race), or by function (housing separated from medical services, commerce, or technology) or by investment area (housing vs. private equity vs. venture capital), we miss out on opportunities to tap into the synergies and interdependencies. Our future society model must be more integrated and holistic.

The Silver Lining in the Covid-19 Cloud

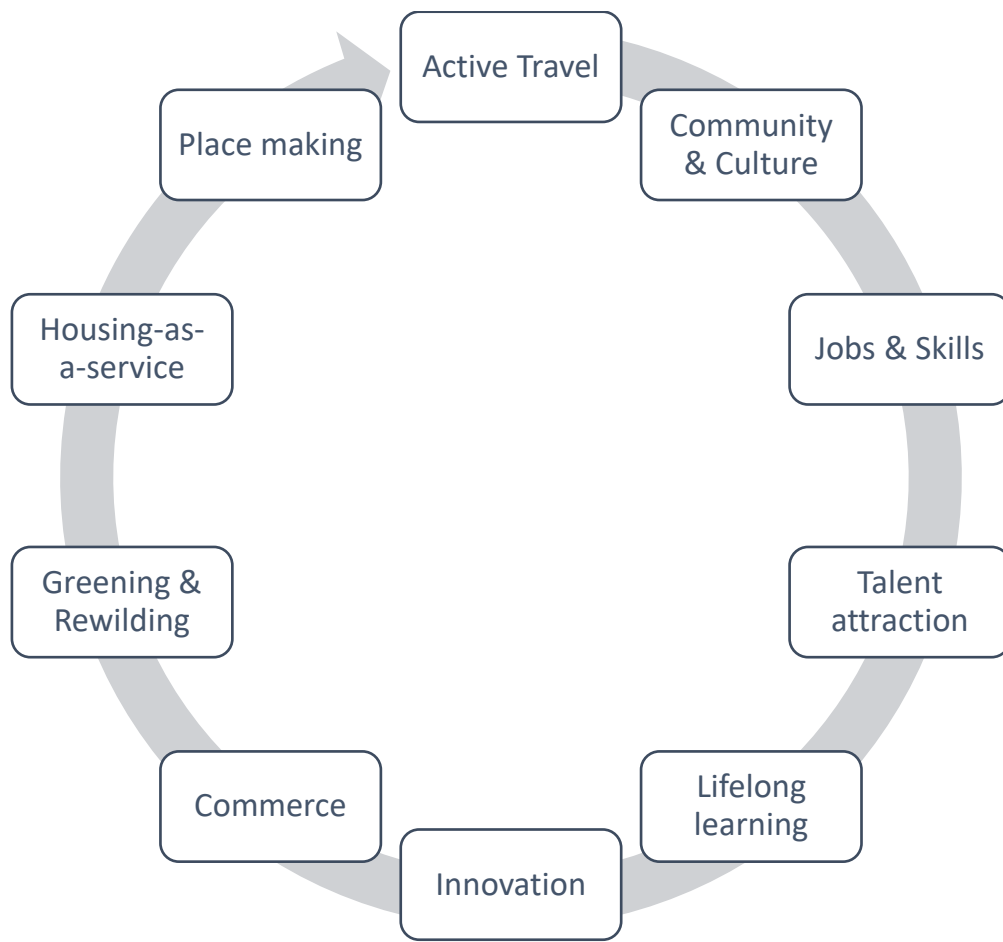
As with any crisis, there is also opportunity. A few examples:

- *Cloud Work.* Covid-19 has unleashed a \$4 Trillion global shift towards Cloud-based, remote work. The shift of work from the Office to the Cloud relaxes commuting and living requirements for up to 60 Million American white-collar workers, allowing many to relocate. [KPMG](#) estimates that post-Covid, up to 25 Million US workers will remain primarily working from home^{vi}, but even those who return to ‘offices’ will likely enjoy much more flexible models. For older workers, remote work could be an opportunity to extend their working lives by reducing the need for commuting, and by enabling more flexible work models.
- *Telehealth.* Covid has eliminated many of the psychological, economic, and regulatory barriers to remote delivery of health. McKinsey projects massive growth in tele-health, in its article titled “[A quarter-trillion dollar post Covid-19 reality](#)”. Distributed health can combine with distributed work to reinforce the new geography of where people live and consume services in the US. As a higher percentage of diagnostics, treatment and post-care management can be delivered at home, this reduces the need for driving to receive health services, a major benefit for older Americans.
- *Online Commerce.* According to Goldman Sachs e-commerce has spiked from 16% of retail in Q1 2020 to 40% of retail as of May 2020. As lockdown has receded, this percentage has likely dropped back, but e-commerce adoption has likely advanced in months what was expected to take 3-5 years. The convenience of e-commerce is highly beneficial to older consumers, even as the corresponding loss of brick and mortar retail can reduce local commerce options.
- *Open Streets.* One of the silver linings of Covid has been to allow places to experiment with refocusing streets around walking, biking, and socializing. The [Open Streets Initiative](#) captures a wave of such activity across the country, with over 100 US cities expanding their walkable and bikeable spaces, and opening up to allow outdoor eating. Walkable neighbourhoods provide the best environment for healthy ageing.

Opportunity to Reimagine Places

As our nation seeks to regain its footing, there is a large opportunity for local-based growth through what I am calling ‘Talent Magnet’ strategies across more than 3,000 American towns and cities. These are integrated, multi-year strategies that aim to create a positive, flywheel effect, to become increasingly more desirable for people to move to, while remaining affordable by ensuring that increased demand is met by sufficient supply of housing.

I would propose that there are at least 10 key components of a Talent Magnet, as illustrated in the attached graphic.



A Talent Magnet attracts people of all ages and incomes via high-quality and low-cost housing, active streets, vibrancy, rewilding, learning, innovation, and commerce. Remote workers can be maximally productive via high-speed broadband and co-working facilities, but also through flexibility, and from the knowledge that their families are safe and thriving. Talent Magnets can be optimal locations for us to age in – enabling us to stay active, engaged, productive, and healthy for as long as possible. They are also great locations for ‘future agers’ ensuring that at every age and stage we are living our best lives and positioning our bodies and minds for our future later years.

An example of a focused Talent Magnet Strategy is in Tulsa, OK, as captured best by its program [Tulsa Remote](#). This program, backed by the Kaiser Family Foundation, offers accepted applicants \$10,000 to move and live for a year in Tulsa. Tulsa Remote has been heavily oversubscribed, and it is becoming a key component of putting Tulsa on the map.

60 Million Americans live in expensive locations such as New York, LA, San Francisco, or Boston. If a material number of these people were able to move, they would bring energy, innovation, and spending to their destinations, and relieve pressure on housing costs in the places of origin.

The case for relocation has been strong for a long time, and yet mobility has been low. Many potential destinations have failed to make themselves attractive. Pollution levels are high, bicycling and walking is unsafe, and commerce is restricted. Housing is often old, unsafe, and poorly adapted to the needs of talented people and their families. Underlying

these deficiencies are fragmented planning processes, poor zoning and land acquisition, weak narratives, and incomplete economic models. Different parts of the system are at cross purpose. Places get caught in vicious downward spirals. Talent drifts away.

To reverse the spiral and become attractive, towns and cities must create and enact credible plans to become walkable and bikeable. They must deliver housing that is low-cost, healthy, and beautiful. They should eliminate rules that stifle innovation and commerce, recruit ‘high multiplier’ talent, and promote skill acquisition and new businesses. They must ensure a diverse and vibrant community. All the pieces need to fit together to create a ‘flywheel’ that gains strength with every turn.

In the 1970s Copenhagen was overwhelmed by cars, as are many American cities today. Through successive waves of investment in protected bike lanes, Copenhagen is close to its goal that 75% of all trips will be human powered (biking, walking, or using transit) in 2025. Paris is seeking to achieve a similar transformation in a fraction of the time, and in April 2020 accelerated an active travel plan originally intended for 2024. The US can achieve the same.

For impact at scale, a US-wide Talent Magnet Strategy needs substantial public and private investment. Land owned by towns and city government or local institutions could be a critical foundation, supported by Talent Magnet masterplans that reduce the risk, elapsed time, and complexity for investors. Large government investment that will likely follow the 2020 elections, regardless of outcome, could provide the best environment in decades for places to make decisive and smart changes. Anchoring the strategy around attracting top US and even global talent can vastly improve the economic returns for private investment. With trillions in global capital earning negative returns, Talent Magnet strategies that demonstrate strong return on investment can access almost unlimited investment.

If we return to the ‘flywheel’ picture above, it begins with relatively cheap, fast moves. These are critical to create goodwill, and get the wheel turning, much as Tulsa Remote has done. Just like Jeff Bezos began building a trillion-dollar company by selling books online. But if we set our ambition as high as we can, we can start to imagine what places can be if we create our own Amsterdam or Copenhagen or Paris. Could we imagine 80% of our children biking every day to school, or that our 80-year olds could safely do 20-mile rides on biking superhighways, even uphill, aided by ever more powerful batteries. Or homes that can be adapted to our shifting needs and budgets, while incorporating the latest in technology. All of this is possible and will moreover drive the next wave of economic productivity and reduce our burden on the environment, if designed correctly.

This is the future I would like us to conceive of and build next.

ⁱ Based on latest count of 5.7M as of Aug 23 and applying the latest daily rate of new cases (32K/day) times 130 days yields 4.3M additional cases for a total of 11M

ⁱⁱ <https://www.sciencemag.org/news/2020/07/brain-fog-heart-damage-covid-19-s-lingering-problems-alarm-scientists>

ⁱⁱⁱ Based on projected decline of 5.9% per BEA vs. 4.1% growth in 2018-2019, assumed to continue in 2020 for a 10% swing on GDP of \$21 Trillion in 2019 = \$2.1 Trillion gap <https://www.bea.gov/news/2020/gross-domestic-product-fourth-quarter-and-year-2019-advance-estimate>

^{iv} <https://www.aarp.org/research/topics/economics/info-2019/longevity-economy-outlook>

^v <https://www.cnbc.com/2019/10/21/what-the-68-trillion-great-wealth-transfer-means-for-advisors>

^{vi} <https://www.weforum.org/agenda/2020/08/remote-working-online-shopping-millions-cars-off-us-roads/>