



Silver Economy Symposium, Ljubljana 8<sup>th</sup> June 2016

Dušana Findeisen

## Silver Economy, Silver Market, Silver Knowledge?

Upon the initiative of Prof. Jože Gričar, a retired professor of economics, currently a student of Slovenian U3A, was held at this university a symposium on silvereconomy. Devoted to network thinking about a topic which is seemingly new, the symposium was attended by participants from diverse backgrounds.

Silver economy is both a new and old topic in the focus of Slovenian Third Age University. Why? Due to ageing society, silver market is predicted to amount up to 5% of the GDP by 2060, so one should better understand what silver economy is all about.

Towards a definition of silver economy

Taking into account their purchasing power and their number (in 2050, in OECD countries their share is expected to be 25 % of the population), older people constitute a potentially important market. Moreover, there is a chance that in the future, silver market becomes one of the most important markets. There will be many investment possibilities for innovating companies and many other companies active in various areas. Far from being a separated sector, silver economy encompasses a number of activities transversally reaching out to the whole production and consumption sector. It is oriented towards both production and distribution of goods and services, meeting the needs of older people. In addition to this, it is about preparing younger generations and their future well being<sup>1</sup>

To get aware of the orientation of the emerging silver economy one does not need to go further than the French *Contract on Silver Economy agreed on December the 12<sup>th</sup> 2013* It says: "Silver economy is about commodities and services that can be conceived in sectors like: accommodation, communication, transport, e-autonomy, safety, health, individual services, distribution (adaptation of packaging etc.), leisure time, work (teleworking), tourism. What about other sectors?"

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<sup>1</sup> Enste et al, 2008.

French government defined silver economy as commercial and manufacturing activities of benefit to older people, ameliorating their social participation, improving the quality of their life and well-being, slowing down the loss of autonomy and increasing life expectancy.

### **The participants in the symposium, older and middle aged experts and U3A's students contributed their statements**

When one observes how silver economy is getting shaped, not surprisingly, one gets aware of persisting stereotypes about older people and their abilities. These are the same stereotypes that can be encountered in the majority of local, national and international policies. Older people need to be protected and pampered. Their needs are determined by other generations. To illustrate this point, the National cultural strategy of RS defines older people exclusively as consumers of culture, while older people are typically its interpreters and producers<sup>2</sup>.

In any economy, be it silver or not, anyone is both a consumer and a producer. Thus, older people should be producers of silver economy not exclusively its end users.

Moreover, being an innovative economy, silver economy requires a more even distribution of talents at the core of its innovative processes. If in the future older people are not among innovators, silver economy will have a serious problem in the ageing society.

Older people are said to be left behind as concerns technological development though rapid technological change creates obsolescence of knowledge and skills among all age groups. Today, the need for retraining is shared by people in their twenties, thirties, forties, fifties, sixties, seventies, and beyond if they choose to go on working at the workplace" (Sterns 1986 - quoted in Sterns & Doverspike, 1988, 98)

### **Urgently needed legal, cultural and symbolic fairness**

In their own way anyone can participate in economic and social development.

Silver economy in the first place means that when not encouraged to go on working after retirement, older people at least should not be legally discouraged to work. In Slovenia, retired craftsmen for instance loose 25% of their pension if they continue working after retirement, a penalty which does not affect intellectuals with specific knowledge. From the legal point of view the situation is not equal and should be altered.

Next, the discrimination by age affects young and older people. The young are »overschooled« docile, ready to follow instructions but not ready to think independently and take decisions on their own. They are discarded from the labour market due to their lack of experience, whereas older workers do have experience, but are discarded as well (Krajnc, 2016 Symposium on Silver Economy).

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<sup>2</sup> Jung, C. G. (1984) O smislu i besmislu, Zagreb: Oko tri ujutro.

In Slovenia 49% of respondents in a European study think positively about older people at work, the average of other countries being 61%. On the other hand it has been proven that small and medium sized companies employing a greater number of older people are more flexible than those with less older workers. This suggests that the workplace experience gained throughout the whole of one's working life can play a key role in the development of adaptability and flexibility in late career. The adaptive competences of older workers are impacted greatly by experiential learning through various roles. This also suggests that older people can be important producers in silver economy.

Young and older people have always worked together, which is a historical fact. Now this type of working community is not natural anymore. The retirement of older people can only exceptionally provide jobs for younger generations, since employment is not a function of the labour market, on the contrary, it is a function of economy. Growing economy provides jobs.

"Life-long learning and education are necessary, so that one can continue building on previous knowledge and experience." and can be involved in life-long work.

## Conclusion

It is not surprising that older people, are like other adults; they are consumers, preferably active consumers, and they are producers! They bring into economy their academic knowledge, their know-how and knowledge about relationships, their experiential knowledge gained by playing an array of roles at workplace.

They are related to their family members and provide for *their* needs. Through organisations they belong to, they maintain and enlarge their social network (which impacts their production and consumption).

Active older people, older people that are employed or work as volunteers, surrounded older people develop new interests and have new needs mostly in the field of culture, knowledge, transport, ICT technology, health, socializing etc. They have abilities and primary and higher psycho-social needs that have to be met and thought of in silver economy! Older people, like the rest of us, have to adapt to major social changes and they have abilities and needs associated with them.

Silver economy should be conceived for and with older people having diversified needs and abilities. It should take into account contemporary older people's social roles but also their future social roles.

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