

# THE JOURNAL

2013



## Age-Friendly Communities



### HEALTH

mHealth  
Korea's Age Boom  
Ventanillas de Salud



### MONEY

Age UK  
Pensions without Borders  
Age-Friendly Workplace



### HOME+FAMILY

City of Elderly Love  
Kotoen  
Family Care Leave  
MEDCottage



### PERSONAL TIME

Find Yours  
Peace Corps  
Volunteer Nation  
Smart Traveler App

## **Laura Bocalandro & Rafael Villa**

Inter-American Development Bank

Laura Bocalandro is currently the Lead Principal Specialist and Coordinator responsible for the implementation, monitoring and development effectiveness of the Regional Public Goods Program at the Inter-American Development Bank (IDB).

Rafael Villa is an entrepreneur with over 11 years of experience specializing in innovation and public value, entrepreneurship in government, and public policy, both nationally in his home country of Colombia, and at the regional level in Latin America and the Caribbean.

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## **Bernardo Alejandro Guerra Hoyos**

President of Medellín City Council  
Colombia

Bernardo Alejandro Guerra Hoyos is currently the president of the Medellín City Council. He has headed debates and projects that have been instrumental to the development and transformation of the second largest city in Colombia.

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## **Dieter Hackler**

Director General for Seniors, Social Welfare and Engagement, Federal Ministry of Family Affairs, Senior Citizens, Women and Youth  
Germany

Since October 2006, Dieter Hackler has headed the department for Seniors, Social Welfare and Engagement of the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth. Previously he worked for 15 years as Federal Commissioner for Civilian Service.

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## **Carrie Hessler-Radelet**

Acting Director, Peace Corps  
United States

Carrie Hessler-Radelet was sworn in as acting director of the Peace Corps on June 23, 2010. Hessler-Radelet and her husband, Steve Radelet, served together as Peace Corps Volunteers in Western Samoa (1981-1983).

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## **Dara Khosrowshahi**

CEO, Expedia, Inc.  
United States

Dara Khosrowshahi is president and CEO of Expedia, Inc., which operates more than 100 travel booking sites in more than 60 countries worldwide. Under his leadership, Expedia, Inc., has grown into the largest online travel company in the world.

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## **Michelle Mitchell**

Charity Director-General, AGE UK  
United Kingdom

Michelle Mitchell is Charity Director General for Age UK, with overall responsibility for Age UK's domestic charitable work, including external affairs, research and Age UK's charitable service delivery and development.

---

## **Michael A. Nutter**

Mayor, City of Philadelphia  
United States

Re-elected in 2011 to his second term as Mayor of Philadelphia, the fifth largest city in America and his home town, Mayor Michael A. Nutter is a life-long public servant. Since taking office in January 2008, Michael Nutter has vigorously managed city government by maintaining core services and reducing the city's spending—most notably closing a \$2.4 billion gap in Philadelphia's five-year plan.

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## **Chemin Rim**

Minister of Health and Welfare  
Republic of Korea

Chemin Rim was appointed Korea's Minister of Health and Welfare in 2011. Prior to this, Dr. Rim served as Vice Minister of the Ministry of Knowledge Economy; Standing Commissioner, Presidential Commission on Small and Medium Enterprises; and Commercial Counselor at the Korean Embassy in Washington, DC.

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## **Lester M. Salamon**

Director, Johns Hopkins Center for  
Civil Society Studies  
United States

Lester M. Salamon is director of the Johns Hopkins Center for Civil Society Studies. He led the team that produced the ILO Manual on the Measurement of Volunteer Work and is the author of numerous books and articles on the nonprofit sector and volunteering.

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## **Chris Wasden**

Managing Director, Global Healthcare  
Innovation Leader, PwC  
United States

Chris Wasden is the global health care innovation leader at PwC, where he helps biopharmaceutical, life science, and medical device companies and providers and payers develop and execute growth and innovation strategies.

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# MEDELLÍN

**Bernardo Alejandro Guerra Hoyos**

President of Medellín City Council, Colombia

Despite the many challenges facing the second largest city in Colombia, Medellín has emerged as a shining global example of an inclusion-oriented, accessible, and environmentally-friendly place to live. As part of its overarching plan, the city places its older citizens at the heart of each of its groundbreaking transformations.

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**Chemin Rim**

Minister of Health and Welfare, Republic of Korea

South Korea, like many countries in the world, is poised to take on the title of “super-aged society”—and the serious economic and social consequences that go along with that status. The government is using a multifaceted approach to tackle the looming challenge, by proactively addressing low fertility rates and the needs of an aging population.

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# CITY OF ELDERLY LOVE

**Michael A. Nutter**

Mayor, City of Philadelphia, United States

Of the ten largest cities in the US, the City of Brotherly Love has the largest percentage of people age 60 and older. Mayor Michael Nutter, himself a member of the Baby Boomer generation, has embraced a series of initiatives that are vastly improving the quality of life for this rapidly growing segment of Philadelphians.

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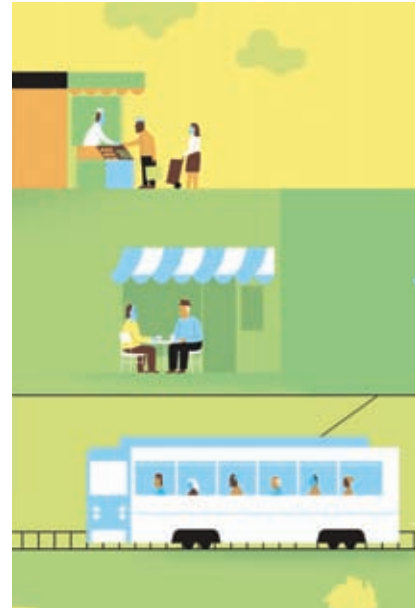
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## **When all assets of the 50+ are recognized, both the public and private sectors can gain from tapping new markets and harnessing new energies.**

**Josh Collett**  
VICE PRESIDENT FOR INTERNATIONAL AFFAIRS, AARP

As we move into 2013, the issue of aging has momentum. Positive steps at the national, regional and global levels have featured aging as a transformative factor for the 21st century. Challenges are highlighted, and rightly so, but there is also focus on the opportunities of longevity and of reshaping society for current and future generations. At AARP, we are connecting with individuals to help them reimagine life after 50 and are working with legislatures, workplaces, markets and communities to help society adapt to meet the needs of the 50+ population.

This issue of *The Journal* illustrates how different segments of society are approaching demographic change. We feature examples of communities and governments addressing population aging and highlight emerging opportunities for

living secure and fulfilled lives. An exciting takeaway is how innovation originates from unsuspecting places. One resonant theme is that it is essential for segments of society to address aging issues together and this collaboration is seen among governments and across sectors.

2013 marks the 50th anniversary of AARP's formal international engagement and in his column, AARP CEO A. Barry Rand covers this history and recent activity. In April 2012, AARP, in affiliation with the World Health Organization (WHO), launched the AARP Network of Age-Friendly Communities. In the few years since the WHO started to organize this global movement, evidence has shown that the cities and towns most successful at planning for and becoming more age-friendly are ones where a coalition

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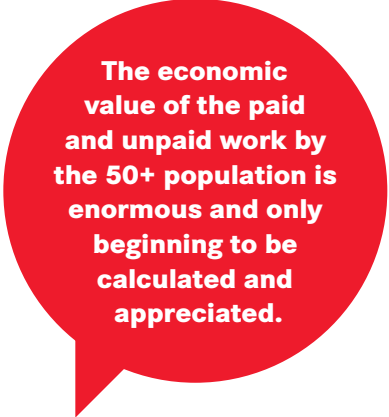
of public and private interests have joined forces. This is true in cities as different as Philadelphia and Medellín, Colombia. Philadelphia's Mayor Michael Nutter describes how "Get Healthy Philly," a public-private partnership in America's demographically oldest city, works with farmers markets, food cart vendors, the grocery industry, and corner stores to make healthy and affordable foods accessible to all, especially older persons on low incomes. In Medellín, successful public-private partnership is evident in Empresas Públicas de Medellín, Colombia's second largest publicly traded company, whose profits help fund much of the city's innovative, age-friendly transportation network. This transit system, including cable cars, extensive outdoor escalators, and new bus routes, in turn has spurred retail development in areas of the city once considered "unprofitable" by the business community.

Successful age-friendly development counters the notion that our aging populations are a "drain on society" and the source for mounting fiscal pressures. As noted by Age UK's Michelle Mitchell, this common prejudice ignores both the tremendous financial resources of a large proportion of older people and the labor, skills, talent, and experience they give to society through

paid and unpaid work. This theme is echoed by Kathy Greenlee, US Assistant Secretary for Aging, in our 'spotlight' where we feature personal reflections from this dynamic leader in global aging. When all the assets of the 50+ are recognized, both the public and private sectors can gain from tapping new markets and harnessing new energies.

Both employers and governments are realizing the need to retain the skills of older workers. South Korea is now working to overcome deep-rooted negative stereotypes of aging and an outmoded early retirement age—as low as 50 in some occupations or firms! Given that the country has one of the lowest birth rates in the world, extending working lives is essential to sustain the dynamic industrial and technological growth that fuels Korea's prosperity. In this issue, Korean Minister of Health and Welfare Chemin Rim details how various policies are being introduced to create a senior-friendly work environment. He describes how the government is working with companies to voluntarily extend retirement ages and create new jobs that utilize skilled baby boomers' expertise and know-how.

Like Korea, the supply of skilled workers in many countries, including the United States, will start to



**The economic value of the paid and unpaid work by the 50+ population is enormous and only beginning to be calculated and appreciated.**

decline just as the need for caregivers, informal and formal, will be rapidly increasing. As Dieter Hackler of Germany's Ministry of Family Affairs, Senior Citizens, Women, and Youth explains, informal caregivers in his country often quit jobs to fulfill their care-giving role, with tremendous effects on their careers and their pensions. The new German model is a great example of the private and public sectors working together and provides a win-win situation for all. Employees can reduce weekly working hours while still generating an income and continuing to contribute to their pension, health and long-term care insurance. Germany has met an opportunity for people to effectively manage their care-giving responsibilities while being meaningfully employed.

The economic value of the paid and unpaid work by the 50+ population is enormous and only beginning to be calculated and appreciated. According to Lester Salamon of Johns Hopkins University, the contribution of volunteer work to GDP has been assumed to be zero, but a model created by Johns Hopkins in collaboration with the International Labour Organization (ILO) measures the value of unpaid work in monetary terms. It is hoped the ILO system will be implemented and adopted widely by governments to track the value and importance to our societies and economies of unpaid work, which ranges from care-giving in the home to volunteering in another country.

The Mercado Común Sudamericano (MERCOSUR) pension is a promising model that addresses the needs of an increasingly mobile international labor force, whether poor migrant laborers or well-educated global “knowledge” workers, explains Laura Bocalandro of the Inter-American Development Bank. The system, organized by several South American governments with the cooperation of employers in each country, gives credit cumulatively for years worked in all participating countries towards one unified public pension. Perhaps one day this flexibility and portability could be applied to medical insurance and benefits, such as Medicare, allowing older consumers more freedom of choice in where they work or retire and allowing both consumers and insurance providers to save money by sourcing care in more affordable environments.

The concept of “mHealth,” or mobile health, is already providing better and faster health care at lower costs, benefitting consumers,

providers, and governments. As described by Christopher Wasden, who directs Health Care Strategy and Innovation Practice for PwC, mobile health has been pioneered in the developing world out of necessity and is now spreading to richer countries. It leverages the now near universal use of mobile and wireless devices to improve the access, quality, and cost-effectiveness of health care. Devices and services that wirelessly monitor health status, real-time drug delivery, and patient compliance make it possible to provide basic care and diagnostics in a way that is less costly, more convenient, and allows older consumers to remain independent and age in place. In fact, mHealth should be considered an essential element in creating an age-friendly community, but attitudes and regulations have to catch up with its innovations to maximize their positive impact.

A good example of governments adapting programs to the needs of both individuals and the private and nonprofit sectors is “Peace Corps Response.” As outlined by acting Peace Corps director Carrie Hessler-Radelet, the new program differs from the traditional 27-month Peace Corps program in that assignments are highly technical, shorter-term placements of three months to one year in a specific country and rely heavily on older volunteers. The Global Health Service Partnership, another Peace Corps initiative with a large proportion of 50+ participants, is an innovative public-private partnership that will place nurses, physicians, and other health professionals as adjunct faculty in medical and nursing schools overseas.

Whether it involves the skills and dedication of a Peace Corps

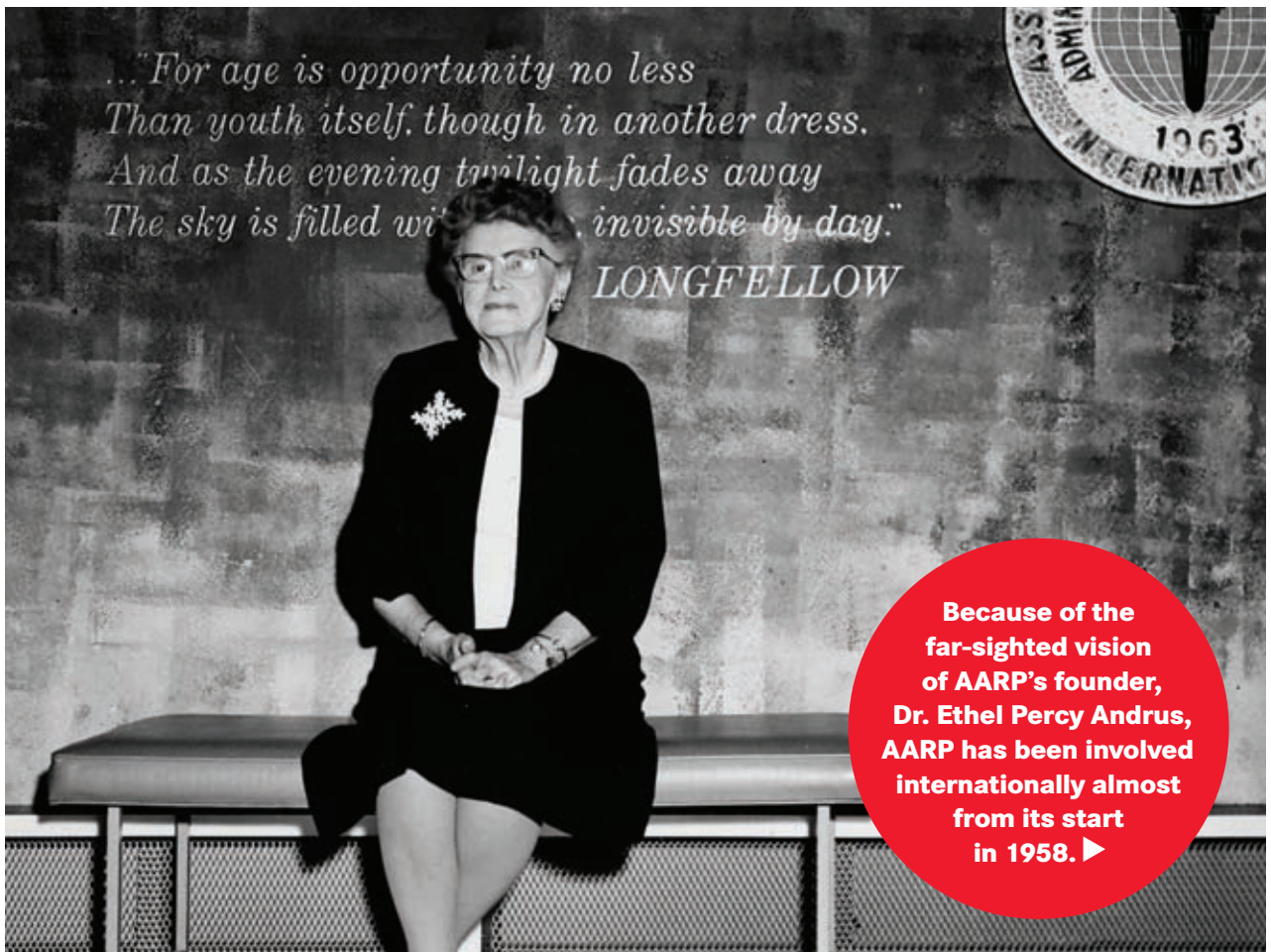
assignment or the whim or romance of a quick get-away, travel remains the top aspiration of both AARP members and the 50+ population as a whole. While only 22 percent of Americans hold a valid passport, among AARP members that number triples to about 60 percent. Most of us would agree with Expedia’s CEO Dara Khosrowshahi that travel is both eye-opening and transformative. Recognizing that older people travel more—Americans in their early 70s take four full trips each year, averaging nearly nine nights away on each trip—his company has adapted its website and related services to be more age-friendly. Through the power of technology and social networking, Expedia and companies like it, must be responsive to the needs of older consumers. As he notes, the Internet and social reviews are “word of mouth” on steroids—great businesses will grow, and bad service will be penalized. This is just one more example of the power the consumer now holds in shaping the landscape in which we all age.

Working together, the public and private sectors, often in collaboration with nonprofits and charities, can combine their energies to create environments good for people and good for business. This issue of *The Journal* provides many compelling examples of successful cross-sectoral collaboration. AARP will remain a catalyst and looks forward to working with you and others to turn the current momentum into real social change. ●



# AARP'S INTERNATIONAL LEGACY

A. Barry Rand | CEO, AARP



Dr. Ethel Percy Andrus at AARP's Dynamic Maturity Pavilion, New York World's Fair 1964

**AARP is committed to using our experience, knowledge and resources to work with other countries to address the global concerns of older people and their families.**

Almost 700 million people throughout the world are now age 60 and older. By 2050, this is expected to grow to more than 2 billion—over 20 percent of the world's population. While developed nations have relatively high proportions of people aged 65 and older, the most rapid increases in the older population are in the developing world. By 2040, today's developing countries are likely to be home to more than one billion people aged 65 and over—76 percent of the projected world total. The oldest old, those aged 80 and older, are the fastest growing portion of the total population in many countries.

The aging of the world's population is the transformational issue of our time. As people get older, they share many of the same wants and needs, regardless of where they live. They want health and financial security. And they want options for living their lives. They want to be included in and contribute to their societies and to be able to enjoy the opportunities that life has to offer.

AARP, as the world's largest organization dedicated to the interests of older people, is committed to using our experience, knowledge and resources to work with other countries to address the global concerns of older people and their families.

In fact, AARP has always had an international view. Because of the far-sighted vision of AARP's founder, Dr. Ethel Percy Andrus, AARP has been involved internationally almost from its start in 1958. With the founding of AARP's Travel Tours in the late 1950s and the publication of its main member publication, *Modern Maturity*, AARP started out by catering to members' desire to travel abroad and learn more about foreign cultures. Ultimately, Dr. Ethel Percy Andrus wanted members to see that the 50+ population around the world had the same concerns as their counterparts in the United States.

By 1963, Dr. Andrus thought the world was ready for an international organization and AARP launched the *Association for Retired Persons International (ARPI)*, an international

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**AARP is founded and begins offering international travel opportunities to members.**

**1958**

membership organization, complete with its own magazine. She represented it and AARP at the Congress of the International Association of Gerontology in Copenhagen later that year. ARPI, however, proved to be an idea ahead of its time. It did not attract the international membership expected, and was allowed to die quietly later in the decade.

Looking for an alternative productive role AARP could play internationally, Bernard Nash, the executive director of AARP in the early 1970s, sent representatives abroad to meet with heads of non-governmental aging organizations (NGOs) in other countries in order to identify leadership opportunities. It soon became apparent that NGOs wanted some international representation so they could be heard in international forums, such as the United Nations (UN) and the Council of Europe, which were becoming interested in global population aging. They also wanted to learn more about each other's programs and policies. These goals were fully consistent with Dr. Ethel Percy Andrus's original vision.

**AARP launches the Association of Retired Persons International (ARPI)—the first global membership organization for older people.**

**1963**

As a result, the *International Federation on Ageing* (IFA) was born in late 1973. The IFA today is a federation of some 150 member organizations (mainly national NGOs) representing or serving older persons. AARP was one of about a dozen organizations that formed the IFA. AARP agreed to fund the organization and host its secretariat at its headquarters in Washington, DC, for several years in order to give the new organization a strong start. Bernard Nash became IFA's first president.

While AARP continued to maintain its own international activities, its main energies in the 1970s and most of the 1980s were directed to strengthening and working through the IFA. In 1982, IFA was instrumental in convening the first UN World Assembly on Ageing (WAA), which produced the world's first International Plan of Action on Ageing. IFA had started advocating for such a conference within months of its launch in 1973. William Kerrigan, IFA's General Secretary at the time and the head of AARP's International Department became Secretary-General

**AARP and other aging organizations form the International Federation on Ageing.**

**1973**

of the World Assembly—the first time in UN history that a representative of an NGO had become the director of a single-focus world conference. Cy Brickfield, AARP's executive director in the early 1980s, served on the US delegation to the World Assembly.

Slowly, AARP began to launch international projects of its own. It provided background information to the 1981 White House Conference on Aging on what the US could learn from other countries with regard to policies for older persons. In 1986, AARP organized the US-Canadian conference on *Income security and Long-Term Care for Women in the Midlife and Beyond*. In 1987, AARP's Public Policy Institute started conducting research on other countries' aging policies and their implications for the United States, a practice that continues today.

The 1980s and 1990s saw a great increase in awareness around the world that populations everywhere were aging. Because of its rich experience and international outreach, AARP saw an opportunity to make a larger international contribution in



Dr. Ethel Percy Andrus, Founder of NRTA-AARP, along with Ruth Lana, Director of National Services and Dorothy Crippin, Director, Membership Services and Publications, examine exhibit at the Dynamic Maturity Pavilion, 1965 N.Y. World's Fair.

**AARP formalizes its relationship with the United Nations and joins the NGO Committee on Ageing.**

**1985**

its own right. Thus, with the break-up of the Soviet Union, AARP sought to harness its expertise in organizing and utilizing older volunteers to offer representatives of Central European countries a series of workshops in Europe on stimulating the voluntary sector in these nations. AARP also utilized its knowledge of older women's issues to collaborate with the Pan American Health Organization to conduct research on this topic in the Americas and produce one of the first international publications on the situation of midlife and older women in the region.

In 1985, AARP joined the United Nations NGO Committee on Aging in New York to promote consideration of aging issues in the UN and appointed its first representative at UN headquarters in New York. Two years later, AARP obtained Consultative Status with the Economic and Social Council of the UN, permitting it to participate more actively in UN affairs related to aging. In 1996, AARP helped found the Geneva International Network on Aging (GINA), a group that represented aging interests with all the

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**AARP expands its outreach to Asia and signs a memorandum of understanding with the Chinese National Committee on Aging.**

**1988**

international organizations headquartered in Geneva.

AARP has participated in the major world conferences sponsored by the UN which have relevance for aging—i.e., the first *World Assembly on Ageing*, Vienna (1982); *World Conference on the Advancement of Women*, Nairobi (1985); the *World Summit for Social Development*, Copenhagen (1995); the *World Conference on Population & Development*, Cairo (1995); the *World Conference on Women*, Beijing (1995); the *Conference on Human Settlements*, Istanbul (1996); the *Millennium Conference* (2000); and the second *World Assembly on Ageing*, Madrid (2002).

On the eve of the Madrid World Assembly on Ageing in 2002, AARP co-sponsored a meeting in Malta on *Population Aging and Development* to guide policy recommendations for the World Assembly and, at the Assembly itself, organized a number of workshops on key policy issues it thought should be covered by the delegates.

In 2007, AARP started an annual series of briefings on global aging at the UN focusing on trends and new

**AARP takes a lead role in developing policy recommendations for the Second World Assembly on Ageing, which produced the Madrid International Plan of Action on Ageing.**

**2002**

developments in income security, health, and an enabling environment for aging populations. The Briefing Series on Global Aging takes place at the time that delegates from around the world attend the UN Social Development Commission meetings. AARP also participated in the 5-year review of the Madrid International Plan of Action on Ageing. Today, AARP continues to play a leadership role on the NGO Committee on Aging at the UN. And in 2000, AARP began to aggressively expand its international advocacy role on behalf of older persons, as well as the international exchange of policy-relevant information about aging issues.

#### **Examples of AARP's International Advocacy Role:**

##### **“Reinventing Retirement” Series**

AARP has hosted five conferences in our “Reinventing Retirement” series—in London, UK (2004), Washington, DC (2005), Tokyo, Japan (2007) Dürnstein, Austria (2008), and Singapore (2009). These major international events bring

**AARP begins campaign to change global perceptions towards aging through *Reinventing Retirement*, by engaging opinion leaders in government, media, and business.**

**2004**

together the world's top thought leaders to focus on changing labor markets, retirement systems, and the role of older people as workers and investors.

##### **US and UK Pension Issues**

In 2005, during the national debate on partial privatization of Social Security, AARP convened leading stakeholders and voices on pension issues from the United States and United Kingdom to demonstrate the full range of implications brought about by privatization of public pension systems.

##### **European Better Practices**

In 2006, members of the Board of Directors traveled to four European capitals as part of a Leadership Study to examine European models of health and long-term care provision. Many of the better practices observed were subsequently promoted in our domestic policy outreach.

##### **“Community 50+ Asia”**

In January 2008, at “Community 50+ Asia,” we brought together more

**AARP increases its thought leadership presence at the United Nations by hosting the annual *UN Briefing Series on Global Aging*.**

**2007**

**AARP convenes global health leaders in Washington to examine the state of health care and offer recommendations for US reforms.**

**2008**

**AARP formalizes its relationship with the World Health Organization and launches the *AARP Network of Age-Friendly Communities* in the US**

**2012**

than 120 leaders of NGOs from the Pacific Rim countries in Hawaii to conduct workshops on how to build better and stronger organizations to serve the interests of older persons. We plan to build on this technical assistance and capacity building in the next few years, particularly in Latin America.

**Health Care**

In April 2008, we organized “Health Care ‘08: Global Trends and Best Practices,” in Washington. More than 200 international experts explored the challenges and opportunities driving the health care policy agenda, highlighting the imperative of fundamental reforms in the US to expand access and increase quality of care.

**European Union**

AARP Foundation played an instrumental role in helping the European Union and its member states draft and implement anti-age discrimination laws in employment across the continent.

**International Surveys and Polls**

We regularly commission groundbreaking international opinion leader surveys and public opinion polls on important issues impacting older people. Recently these included a G7 and select Asian opinion leaders survey on attitudes towards retirement.

**International Activities**

We work closely with AARP’s Public Policy Institute, National Policy Council, the AARP Foundation, and our state and regional offices to maximize the positive impact of our international activities throughout the association.

AARP continues to have an active program of international conferences that has focused on such topics as aging workforce issues, long-term care, health care and health information technology, income security, retirement, livable communities, pharmaceuticals, and community-building. Continuing with a long tradition, AARP officers and board

members represent AARP at both international conferences and with various governmental and intergovernmental agencies on aging issues.

All of our international efforts are based on the premise that we can learn a lot from the experiences of other countries, and they can learn from our experiences as well. As such, AARP continues to develop and maintain strategic partnerships, collaborating with others on international conferences, events and policy discussions to highlight and promote best practices. Partners include the United Nations, European Commission, OECD, national governments, and US Department of State. And AARP promotes community building among civil society organizations serving 50+ populations around the world.

Looking ahead, our international activities will continue to focus on key issues pertaining to health and financial security, livable communities and helping people 50+ live their best lives. We

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## All of our international efforts are based on the premise that we can learn a lot from the experiences of other countries, and they can learn from our experiences as well.

recently launched (in affiliation with the World Health Organization) the *AARP Network of Age-Friendly Communities*. The purpose of this network is to educate, encourage, promote and recognize improvements that make cities, towns, and counties more age-friendly for their residents. In 2012, we piloted this program in seven states—Georgia, Iowa, Kansas, Michigan, New York, Oregon, and Pennsylvania—and the District of Columbia and are expanding into other states in 2013.

Another important initiative is our *AARP Best Employers for People Over 50 Award – International*. This award recognizes non-US based employers whose innovative workforce and/or human resource practices address issues relevant to 50+ workers and create roadmaps for the workplace of tomorrow. Moving forward, we will recognize innovative and progressive employers every two years, alternating award years with the biannual AARP domestic best employers program.

Our mission at AARP is to improve life for people as they get


older so they can live long, healthy, secure and more productive lives. There is no question that longevity is shaping the future of the world. By 2050, older people will outnumber children for the first time in history. If we are to reach our vision of building a society for all ages, where everyone has an opportunity and a right to age with independence, dignity and purpose, we need to reach beyond our borders to engage leaders in other countries—in government, business, and the nonprofit sectors—to address policy challenges and to help find solutions. AARP has been doing this for over 50 years, and we will continue to do so in the years to come. ●



**A. Barry Rand**  
CEO, AARP

# AGE-FRIENDLY COMMUNITIES

Debra B. Whitman | EXECUTIVE VICE PRESIDENT FOR POLICY, STRATEGY, AND INTERNATIONAL AFFAIRS, AARP



The booming older population has much to offer the cultural and economic life of urban areas and all communities. ▶



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**Communities that adapt age-friendly features...become more desirable places to live, to visit and to spend time. They also reap economic benefits, injecting new vitality into local business, as consumers of all ages feel welcome and secure.**

The year 2012 marked the first time in history that the majority of the world population lived in urban areas. Yet cities and towns face a challenge that goes far beyond population growth alone: Not only are urban and suburban areas getting bigger, they are getting older—and at an accelerating rate.

Globally, the population age 60 and over is doubling from 11 percent in 2006 to 22 percent in 2050, when almost 2 billion people will be in their seventh decade of life. The percentage rise among those over 85—an age that is increasingly vulnerable to chronic illness and limits on mobility—is even more dramatic. The pattern in the United States is roughly the same.

This booming older population has much to offer the cultural and economic life of urban areas and all communities. At the same time, it poses a range of challenges that require innovative policies

and strategies to optimize quality of life, issues that we should be considering now.

To help communities meet these challenges, AARP in 2012 launched the AARP Network of Age-Friendly Communities (AFC), in affiliation with the World Health Organization (WHO). The effort, which includes the participation of local governments, AARP volunteers and staff, the business community, and other stakeholders, is highlighting innovative ideas and best practices to help US municipalities adapt to changing demography.

Originally piloted in seven states and the District of Columbia, the AARP network will be expanding to a diverse range of towns, counties, and cities across the United States in 2013. The current membership of 10 communities, including Macon-Bibb, GA, Washington, DC, and Des Moines, IA, will grow to include communities in Kansas, Michigan, Texas, Colorado, Hawaii, and other states.

Each community will have different needs and priorities and thus success will come only when the community, down to the neighborhood level, “owns” the program. Philadelphia may focus on healthy food accessibility in poorer neighborhoods, while Macon may focus on providing innovative transportation links to a dispersed rural population.

By making themselves more “age-friendly,” cities and towns will provide critical support for residents of all ages. Well-maintained sidewalks and clear signage benefit not only older pedestrians with walkers, but young parents pushing strollers. Safe parks and recreational facilities benefit children *and* their grandparents. Complete streets benefit the increasing number of young adults who choose not to own and drive automobiles, but rely on bicycles and other means of getting around.

Communities that adapt age-friendly features in these, and many other areas, become more desirable places to live, to visit and to spend time. They also reap economic benefits, injecting new vitality into local business, as consumers of all ages feel welcome and secure.

But these benefits are not automatic. While each place has distinct qualities and needs, we believe certain principles can help all places become more age-friendly, whether they are sprawling cities or small towns.

Experience shows that age-friendly change has the most impact when communities:

- **Listen to what residents have to say.** In New York City, officials assumed they should always place benches near playgrounds—until they heard from a resident who

## What the many domains of age friendliness share is that they are generally determined at the local level and must reflect local priorities. Towns, cities and counties are where the real work is done.

said she found it peaceful to sit in a more quiet location. Her input added real insight.

- **Take a holistic approach.** The WHO identified “eight domains of city living” that contribute to a community’s age friendliness. These include access to outdoor spaces and buildings and safe recreational facilities; choices for transportation, housing and health care services; opportunities for social participation, such as cultural, civic and public service activities; and information technologies that help people stay connected, including individuals with impaired mobility.

As one example, Dan Burden’s Active Living Workshops, conducted in cities around the United States, provide community members a tool to plan holistically to make neighborhoods more secure and enjoyable for all their residents.

- **Consider the social, as well as the built, environment.** This means not only a region’s buildings and outdoor areas, but its social and civic inclusiveness. To stay connected and avoid isolation, older residents need a social environment that promotes engagement, security and tolerance of people of all ages.

AARP Foundation has learned a lot about combating isolation by studying the Older People’s Association/Active Living Association models developed by HelpAge International in Asian countries.

- **Focus on safety and security.** Focus on safety and security for older populations, including crime prevention, mitigating environmental hazards in air and water, etc.

What the many domains of age friendliness share is that they are generally determined at the local level and must reflect local priorities.

In the United States, towns, cities and counties are where the real work is done. Yet we know that many localities are only now beginning to grapple with the issues raised by changing demography.

That means local officials and planners have a growing need for good information in an array of areas that contribute to age-friendliness. As one source of information, we recommend <http://www.aarp.org/livable>.

More broadly, through its growing, age-friendly network and connections to the WHO global network and many national age-friendly programs around the world, AARP will serve as a “go-to” resource for communities across America that recognize the significance of population aging and seek strategies to thrive as their demographics change.

Our age-friendly network is designed to encourage a serious commitment on the part of its members. Within two years of joining, a community is expected to establish a citizens’ advisory committee; secure a resolution of support from a local municipal council; complete a plan of action and commit to measuring activities, reviewing outcomes and reporting this information to the public.

Communities that sign up are also admitted to the WHO’s international, age-friendly network, gaining access to a wealth of information and contacts from overseas. The WHO encourages partnerships, including mentor-mentee relationships, and enables member communities to submit their plans to peer review.

Already, AARP’s initiative has met a favorable response from local government officials, planners, and advocates of older Americans. But we believe the goal of making communities age-friendly requires the broadest possible buy-in, and we seek greater engagement with

various industries, including tourism and retirement living.

A hotel, restaurant, retail shop, pharmacy—practically any business—can leverage its age friendliness in marketing and even highlight it with a kind of age-friendly seal of approval that attracts new customers—and revenue.

Increasingly, communities shape their long-term economic planning around becoming a “destination,” for vacation travel, retirement living or other consumer spending. In this growing competition, cities and towns that incorporate age-friendly planning and policies will have a competitive advantage. Older consumers will be drawn to those places that are truly welcoming, accessible, safe and attractive.

AARP is now in the process of finalizing a robust and comprehensive system to monitor, evaluate, encourage, and certify progress towards these goals in our member communities, through the engagement of national experts in the WHO’s eight domains, AARP’s own expert staff and volunteers, and local and regional thought leaders, such as universities, hospitals, and public health institutions.

As with all of our work in livable communities over the past decade and longer, AARP seeks to leverage the lessons learned, so more people can live in comfort and security, in environments that help them remain vital and productive throughout their lives.

We hope that by promoting age-friendly planning and growth, both through our AFC Network and by providing access for communities to other tools and resources developed by top experts in and outside of AARP, we will take meaningful steps toward that goal. ●



**Debra Whitman**

Debra Whitman is AARP’s Executive Vice President for Policy, Strategy and International Affairs. She is an authority on aging issues with extensive experience in national policymaking, domestic and international research, and the political process.

She oversees AARP’s Public Policy Institute, Office of Policy Integration, Office of International Affairs and Office of Academic Affairs. She works closely with the Board of Directors and National Policy Council on a broad agenda to develop AARP policy priorities and make life better for older Americans. An economist, she is a strategic thinker whose career has been dedicated to solving problems affecting economic and health security, and other issues related to population aging.

Medellín: An Innovative and Inclusion-Oriented City

**Bernardo Alejandro Guerra Hoyos** | PRESIDENT, MEDELLÍN CITY COUNCIL

# MEDELL

A nighttime photograph of Medellín, Colombia, showing the city's lights and the illuminated hills in the background. The word "MEDELL" is overlaid in large, white, bold letters across the center of the image.



# LÍN

Despite the many challenges facing this Colombian city, it has emerged as a shining global example of age-friendly innovation. ▶



Effective and direct participation of people in aspects that affect them is essential for building democratic and inclusion-oriented societies. Medellín has understood this challenge and met it through several mechanisms that are a model throughout Colombia. Thanks in part to those actions, today, Medellín has become one of the most innovative cities of the world, despite the difficulties it has had to overcome.

I will briefly describe the highlights of Medellín's current development process, from its important infrastructure breakthroughs for social inclusion to the start-up of significant social programs targeted to improve the lives of the most vulnerable groups of people, including older adults.

Our massive transportation system has been consolidated into a transport axis, with clean energy, a great outlook for growth and coordination with other means of transport, and above all, with several means of accessibility for people with reduced mobility. This important city icon, which has been in place for 17 years and has been linked to three transport lines by aerial cable and to



PHOTOS COURTESY OF THE COOPERATION AND INVESTMENT AGENCY OF MEDELLIN, COLOMBIA



- 1 Medellín's "Metro" speeds through downtown by the "Palacio Uribe" cultural center.
- 2 The León de Greiff Library Park, along with 23 other libraries, is part of the Network of Libraries of Medellín and the Metropolitan Area.
- 3 La Casa de la Música was created as a space for the artistic development of major orchestras, bands and choirs of the city.

one medium-capacity bus line, is just about to include the new city electric trolley, and it is considering another bus system driven by electric power.

Medellín aims to remain a leader in effective accessibility possibilities for mobility in its environmentally-friendly public transport system. This is one of the reasons the Urban Land Institute named Medellín, along with Tel Aviv and New York, as the world's most innovative city.

Medellín's quality of life stands out nationwide, especially for its exceptional rates of utility coverage and quality. Empresas Públicas de Medellín is Colombia's second largest public company, and it is in charge of providing high-quality domestic utility services to more than 97 percent of city homes.

The city development aims for social inclusion, and at the same time, connects our companies by means of the cluster strategy, which consists of putting together efforts through collective alliances and interaction with the state. This strategy, formally expressed by a Municipal Agreement of Medellín City Council, consists of six clusters: Electric Power; Textile/Garment Manufacturing, Design, and Fashion; Building; Business Tourism, Fairs and Conventions; Medical and Dental Services; and Information Technologies and Communication. The city is also characterized by its effort to increase the number of places for education and knowledge. Thus, public schools have been built and refurbished, higher education has

been strengthened through our three public universities, and library parks have been built for social integration around knowledge and culture.

### Inclusion-Oriented City

An inclusion-oriented, accessible, and environmentally-friendly city has been built, supported by significant infrastructure works that are still being consolidated. However, beyond the creation of areas for improvement in the quality of life of all the people of Medellín, we aim to make citizens the center of each of these transformations.

Most of the municipal budget is assigned to social investment, and we have drawn up several programs targeted at including and taking care of the most vulnerable people based on social equity criteria. We are committed to medium-term and long-term transformations to allow all citizens to have the same opportunities for a decent life.

Medellín is characterized by growing participation levels both in traditional mechanisms and public policies and programs that directly affect several population and interest groups. Several forms of organized participation, in which community action groups, youth, and older adults are highlighted, have been consolidated in programs of local planning and community assignment of a percentage of the city budget.

Older adults can belong to two types of organizations: Clubes de Vida and Cabildos Mayores. Clubes de Vida are associations at which older adults share common interests, especially those related to spending their free time. Cabildos Mayores are organizations established through the direct election







- 4 The city is also characterized by its effort to increase the number of educational institutions.
- 5 The Plaza Mayor (Convention and Exhibition Center) promotes, organizes, and manages national and international events contributing to the positioning of Medellín as a tourist and business destination.
- 6 Metro Cable Station. The soaring cable car public transit system makes the city accessible to all.
- 7 A cable car whisks riders to the top of surrounding hills of the city.
- 8 The iconic plaza of the Medellín Botanic Gardens is designed to display the full range of orchids from the region.

**Beyond the creation of areas for improvement in the quality of life of all the people of Medellín, we aim to make citizens the center of each of these transformations.**



9 Medellín cable car system

of members by older adults, which advocate for their interests before government entities and budget planning and allocation processes for each city community.

### Recognizing Older Adults

The importance of these participation schemes is based on the fact that the city transformation processes count on their contributions. From an institutional perspective, Medellín values and recognizes its older citizens as special targets for equity-oriented policies. Even though city hall has social programs focused on taking care of vulnerable older people and care programs to ensure food security, the commitment goes further. Social equity has become a cornerstone of our public policies. We have been focusing on building a city whose infrastructure, utilities, and state policies are devoted to providing equal opportunities for development, specially social development, for all citizens. That is why we have made efforts to ensure that every government office has a cross-sectional approach that allows it to meet the needs of each population group.

The aging population has its own public policy, Política Pública de Envejecimiento y Vejez (Aging and Elderly Public Policy), adopted by the Medellín City Council in 2012. It is a public administration mandate with a view to ensuring a decent aging process and conditions

for older adults by coordinating the government offices' work for inclusion, assistance, and engagement.

Likewise, the Medellín City Council adopted the Tiquete del Adulto Mayor (Elderly Ticket), which offers economic support for travel in urban transport service buses in order to provide older people more opportunities for social inclusion.

We believe in the importance of seeking the development of our city by fostering the active and permanent participation of older people, while working toward making it more accessible and friendly for them. We have many challenges, and perhaps the most important one still is to close our worrying socio-economic gap. However, we are convinced that this will be much more feasible if we can consolidate many more social inclusion areas. ●



### Bernardo Alejandro Guerra Hoyos

Currently the president of the Medellín City Council, he is a physician, with a postgraduate degree in Public Health Management and Senior Management, Master in Political Sciences.

Dr. Guerra began his political career as a representative in the Asamblea de Antioquia (Antioquia Assembly) (1994–2001). He served as senator of the Republic in 2002–06. He was a member of the Comisión Séptima de Asuntos Sociales (Seventh Commission of Social Affairs), Comisión de Ordenamiento Territorial (Land Use Planning Commission), and Comisión de Ética (Ethics Commission).

As president of the Medellín City Council, he has headed debates and projects that have contributed to the development and transformation of Medellín, the capital city of Antioquia.

# AARP ON THE SCENE

**“Aging of society can be a time of new possibilities and a better quality of life if we act thoughtfully and proactively, and act together.”**

**Jo Ann Jenkins**  
PRESIDENT  
AARP FOUNDATION



- 1 From Left to Right: Mr. Kevin Gilroy, Director of the Peace Division at the UN Volunteers Programme headquarters in Bonn Germany; Josh Collett, VP IA; Mr. Peter Launsky-Tieffenthal, Under-Secretary-General for Communications and Public Information, delivering the welcoming remarks and the statement for 2012 International Volunteer Day by United Nations Secretary General; Mr. Jordi Llopert, Chief UN Volunteers, NY.
- 2 Jo Ann Jenkins, President, AARP Foundation shares the US perspective at Age UK's Agenda for Later Life 2012 event in London, England, March 2012.
- 3 Ribbon cutting at the first international seniors expo in Seoul, October 2012.

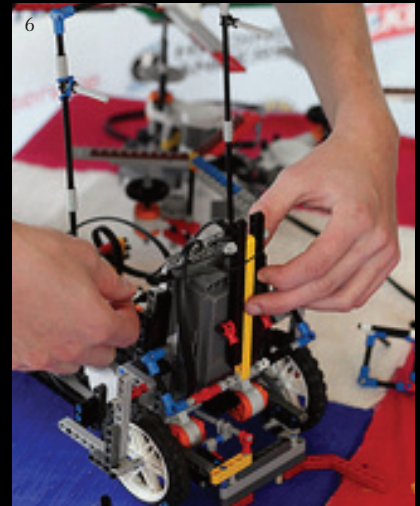
4



**“AARP appreciates that an aging populace poses challenges, but we choose to focus far more heavily on opportunities. An active, engaged, employed older population has the potential to be more an economic boon than a social burden.”**

**Robert Romasco**  
PRESIDENT  
AARP

5



4 AARP President Robert Romasco and Dr. Tania Singer of the Max Planck Institute for Human Cognitive and Brain Sciences, Leipzig discuss Expanding Job Opportunities for Senior Citizens. Event info: Global Economic Symposium 2012, Rio de Janeiro, Brazil, October 17, 2012. Photo: Vermelho & Locatel, Luz e Sombra.

5 Jody Holtzman, Senior Vice President for Thought Leadership at AARP, delivers remarks at the Innovation Ambassadors seminar where FIRST LEGO League teams, in grades 4-8, presented their technology solutions that will benefit older people.

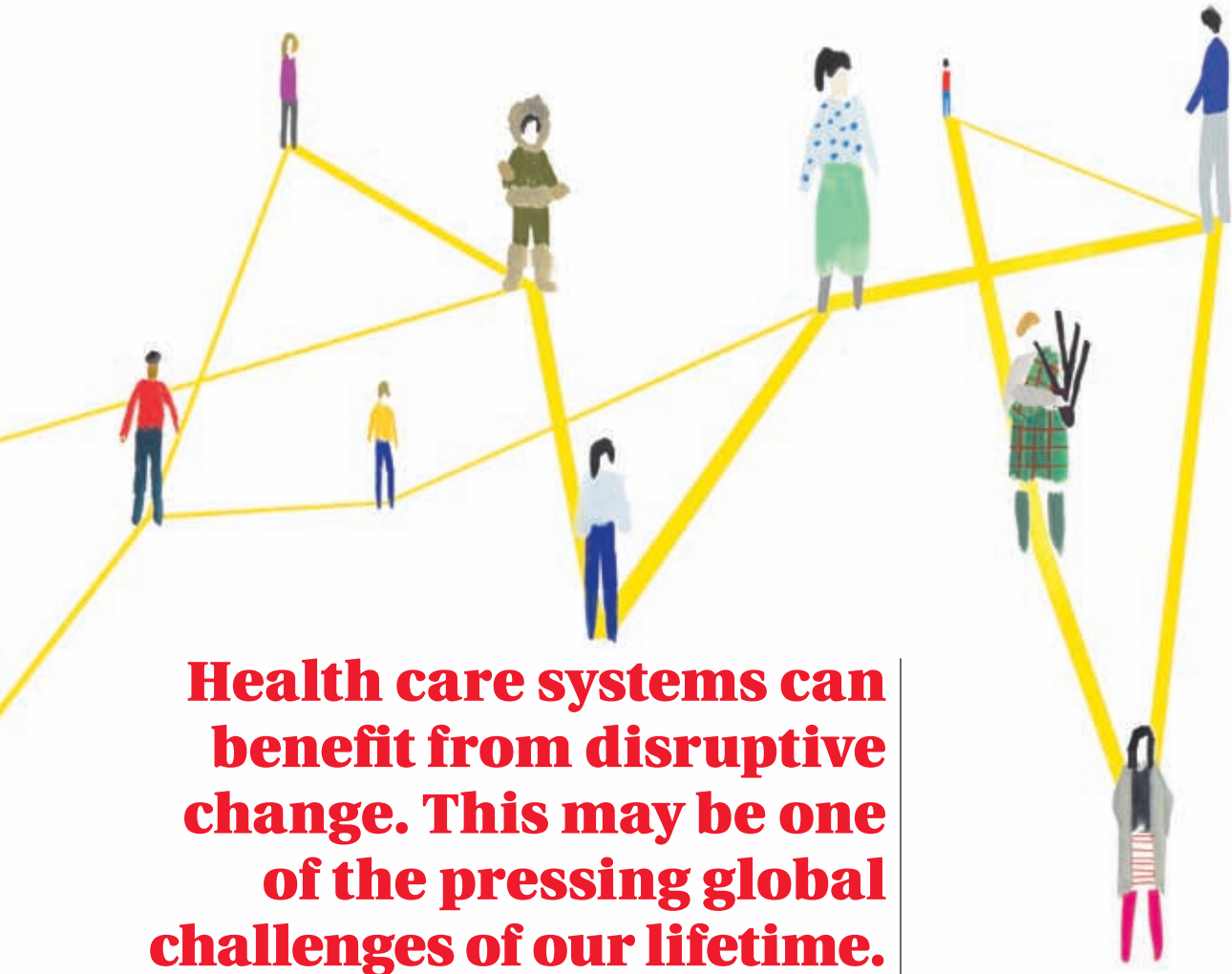
6 One of the LEGO projects by a team of middle schoolers asked to design collaborative solutions for improving the lives of older people.

# mHEALTH

Learning From Emerging Markets: How Developed Nations  
Can Speed Adoption of Mobile Health Technologies

**Chris Wasden** | GLOBAL HEALTHCARE INNOVATION LEADER, PwC





## **Health care systems can benefit from disruptive change. This may be one of the pressing global challenges of our lifetime.**



Add health care to the growing list of areas in which emerging markets are gaining influence proportionate to the size of their populations and the growth rates of their economies.

Emerging market leaders embody the leading edge of a rising public health crisis: the economic challenges of treating chronic health problems for a population greater than resources can accommodate.

The health care delivery models used in developed countries are not generally considered to be economically viable in these emerging nations. By the numbers alone, it is unrealistic to provide broad and inexpensive health care to meet demand through existing channels. Yet the same challenges now also confront developed nations, where it has become evident that the economics of health care are being reconsidered.

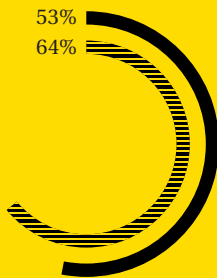
Health care systems can benefit from disruptive change. This may be one of the pressing global challenges of our lifetime. And the emerging market nations are taking the lead in adopting effective solutions.

One of the most promising of these solutions is the intersection of mobile technology and health care—or mHealth—which leverages the ubiquitous use of mobile and wireless devices to improve the access, quality, and cost-effectiveness of health care.

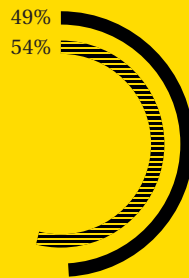
Widespread global adoption of mHealth may be in the future, but its potential is being realized quickly in emerging markets. A recent study conducted by the Economist Intelligence Unit and commissioned by PwC found that nearly three in five patients in emerging markets already use at least one mHealth

## PATIENT EXPECTATIONS FOR mHEALTH

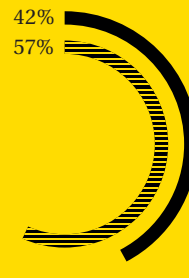
I seek information on health issues



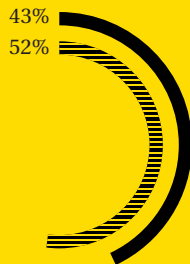
Providers send me general information



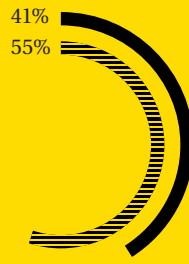
I manage overall health



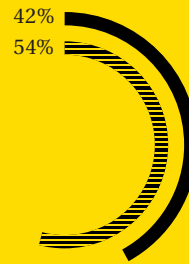
I measure and share my vital health data



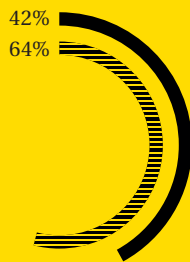
I manage my medication



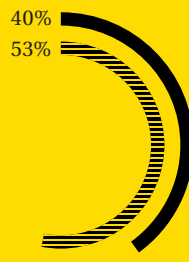
I manage any chronic conditions



I communicate with my provider



Providers monitor my condition and compliance



■ Developed markets  
▨ Emerging markets

Source: PwC analysis based on EIU research, 2012



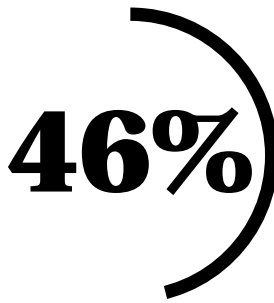
**EXCITING  
POSSIBILITIES BUT  
NOT PROVEN**

64% of physicians and payers say mHealth has exciting possibilities but too few proven business models.



**PATIENTS  
WITH HIGHER  
EXPECTATIONS**

46% of surveyed patients expect more convenient access to health care providers through mHealth.



**AWARENESS OF  
MOBILE HEALTH**

61% of surveyed patients in emerging markets are aware of term “mobile health” compared to 37% in developed markets.



Source: PwC analysis based on EIU research, 2012

application or service, compared with just one in three patients in developed countries.<sup>1</sup>

Mobile technology can revolutionize health care by providing consumers with tools, information, choice, and control that empower them to take a larger role in managing their own health. Devices and services that wirelessly monitor health status, real-time drug delivery, and patient compliance make it possible to provide basic care and diagnostics in a way that is less costly, more convenient, and accessible in far-flung villages and towns.

Many of the health systems in emerging markets are still evolving and lack the infrastructure, sunk investments, and entrenched interests found in more mature systems.

Unencumbered by the status quo, these nations, with their young, de novo health systems, can more readily adopt pioneering models of care and product innovation.

The slower rate of adoption in developed nations, despite the plethora of new applications and investments pouring into this field, results from structural, cultural, and regulatory hurdles that make revolutionary change a more complex undertaking. For example, the research found that only one in four doctors in developed nations encourage their patients to use mHealth—and a significant number of doctors actively discourage it.

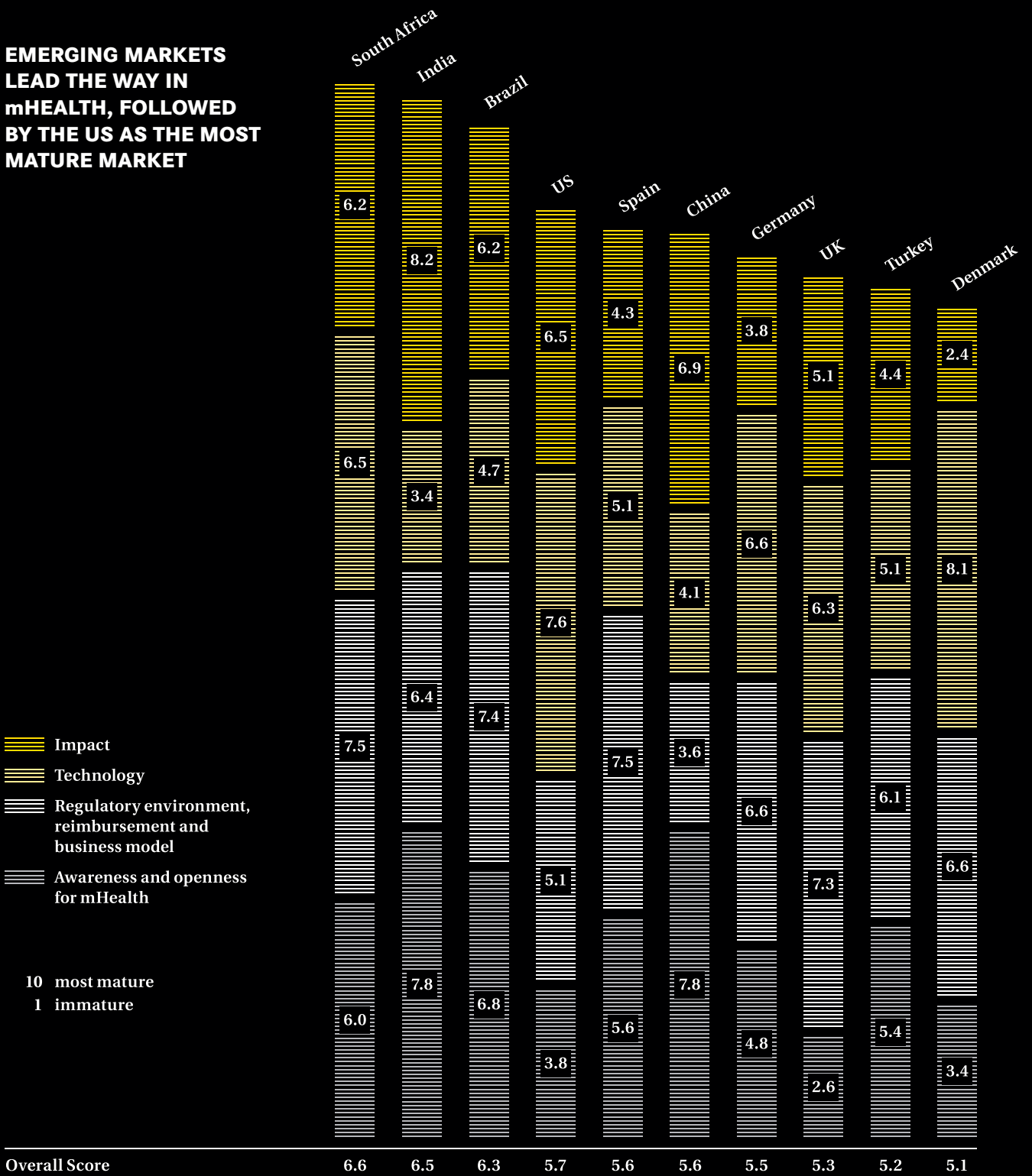
Resistance from the health care establishment may be less about obstinacy than about the need for

greater confidence in embryonic business models that have yet to be proven in health care.

mHealth could be the most disruptive force in medicine in our lifetime. Empowering consumers with data, information, knowledge, and wisdom helps them to manage their health and wellness in ways never before imagined. This is a version of consumer-centric health care that has long been discussed but rarely delivered. Yet, it is disruptive. Conventional approaches to health care, which typically have placed consumers at the periphery, may soon no longer apply.

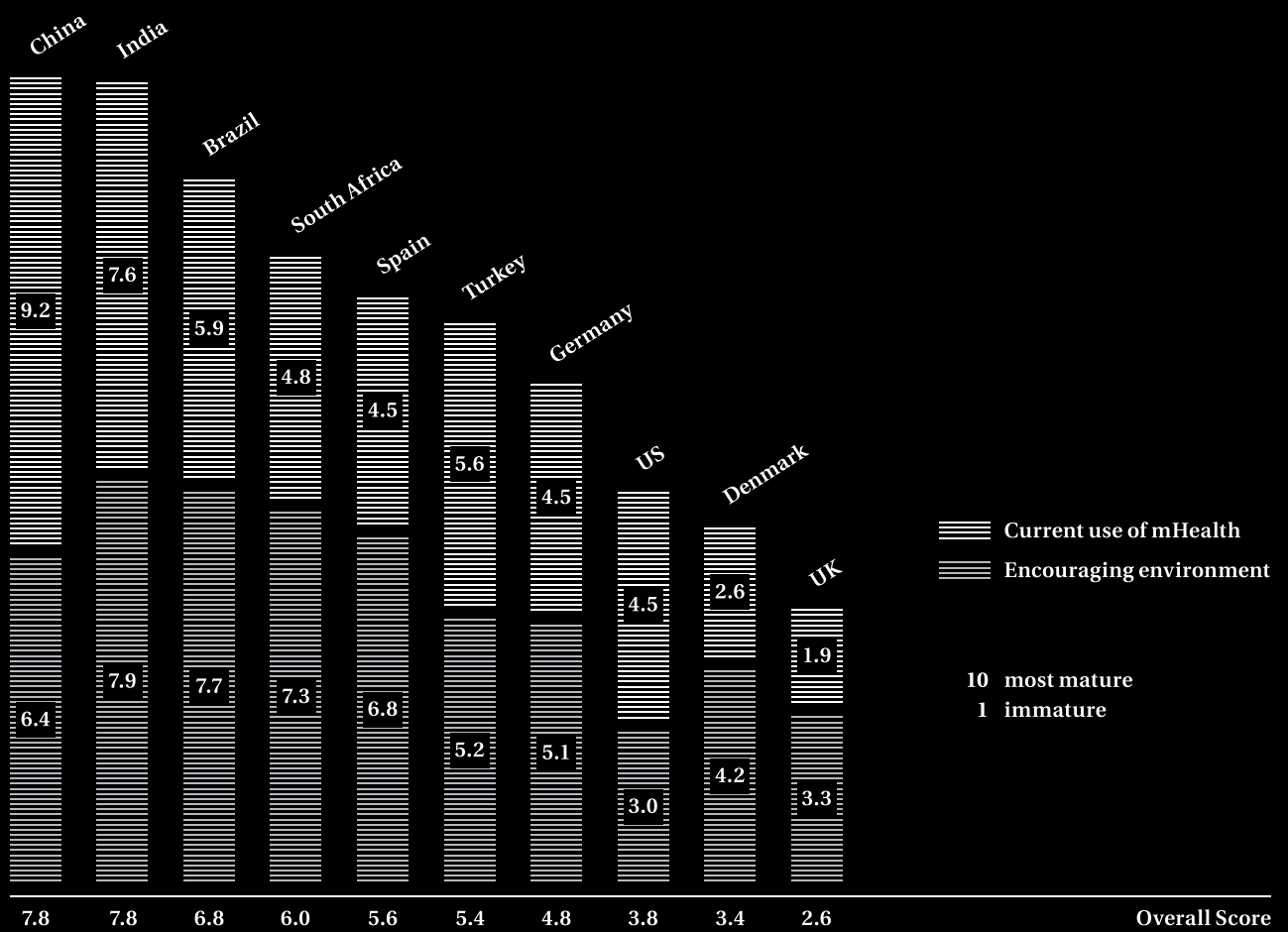
For guidance, health care industry participants should look to the consumer transformation in other industries that have been

**EMERGING MARKETS LEAD THE WAY IN mHEALTH, FOLLOWED BY THE US AS THE MOST MATURE MARKET**



Source: PwC analysis based on EIU research, 2012

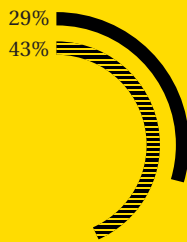
**FIRST PILLAR:  
AWARENESS AND  
OPENNESS FOR  
mHEALTH**



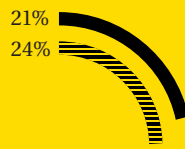
Source: PwC analysis based on EIU research, 2012

**SERVICES PAYERS HAVE ALREADY BEGUN TO PAY FOR**

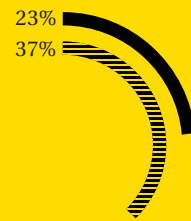
Telephone consultations



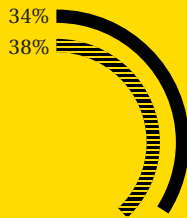
Video Consultations



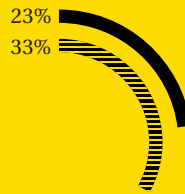
Text based consultations



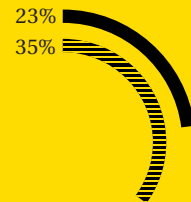
Administrative communication



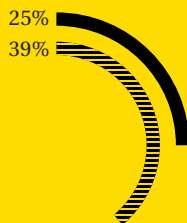
Remote patient monitoring



General health data



Access EMR remotely



■ Developed markets  
▨ Emerging markets

Source: PwC analysis based on EIU research, 2012

# Empowering consumers with data, information, knowledge, and wisdom helps them to manage their health and wellness in ways never before imagined.

highly disrupted by the business model and technical innovation that mobility enables. While these other industries, such as media, retail, entertainment, and information technology, have different fundamental drivers of change than health care, they share the common innovation challenges associated with empowered consumers.

Health care has much to learn from these industries. At the same time, it must be understood that there is an implied social contract in the provision of health care that differentiates it from other commercial goods and services. Telecommunications, technology, and related companies need to understand the health care perspective and focus their energy on the evolution of mHealth—not as an ancillary technology, but as a solution to the greatest global challenge of our lifetime.

With ongoing pressure to bend the health care cost curve and improve health outcomes in both emerging and developed markets, and as health care converges around consumer expectations, mHealth will be in the future of health care, not as an appendage as some

believe, but deeply embedded into care delivery.

Systemic challenges need to be overcome before the potential of these technologies can be fully realized in developed economies. If that is going to happen, it will require the efforts of all stakeholders—regulators, patient advocates, traditional health care organizations, and new market participants—pursuing growth in the mHealth space.

Now is the time to close the gap between the availability of mHealth technologies and the willingness of traditional health care systems to embrace them as quickly as consumers want—and as economics demand. Health care industry participants in developed nations need to take a page from their counterparts in emerging markets, embrace a leadership role, and promote the adoption of technologies that can add genuine value. ●

<sup>1</sup> PwC commissioned the EIU to conduct two surveys, one of more than 1,000 consumers and another of 433 doctors and 345 payers from the public and private sectors in 10 countries: Brazil, China, Denmark, Germany, India, South Africa, Spain, Turkey, the UK and the US. The results were published in the June 2012 report, “Emerging mHealth: Paths for growth,” accessible at: [www.pwc.com/mhealth](http://www.pwc.com/mhealth)



**CHRIS WASDEN**

Chris Wasden is the global health care innovation leader at PwC, where he focuses on helping biopharmaceutical, life science, and medical device companies and providers and payers develop and execute growth and innovation strategies. He has led nine start-ups, is a named inventor on 20 patents and has authored more than 20 reports on innovation. He has a doctorate in human and organizational learning from George Washington University in Washington, DC.

# KOREA'S AGE BOOM

How South Korea is Addressing the Reality of  
Low Fertility and a Rapidly Aging Society

**Chemin Rim** | MINISTER OF HEALTH AND WELFARE, REPUBLIC OF KOREA



PHOTO: MARTIN BUREAU/AFP/GETTYIMAGES

# **Korea is entering into an aged society in five years and a super-aged society in just 14.**

## **Summary**

The world is struggling to find solutions to the problems of low fertility and aging. Korea is no exception. Aging is not simply a demographic transformation. It is closely linked with economic growth. It is an intergenerational solidarity issue as well. Our ultimate goal is three-fold: good management of aging, fiscal sustainability, and continuous economic growth. However, it seems impossible to achieve the three goals at the same time. But there is a way ahead if we look at things from a different perspective.

Korea has an ambitious plan to tackle the issue. We are trying to reverse the trend of low fertility with various incentives. We are also developing new engines of growth while making better use of untapped talents in our labor force. And we are working to help baby boomers prepare for their retirement and retirees to be more active. Korea is not the first country to attempt such action plans. And success is not guaranteed unless we change our attitude and way of doing business. Key to success seems to lie in the social consensus.

Economic sustainability is important. But intergenerational solidarity is even more important for a society to prosper.

Aging has some negative nicknames. “Demographic time bomb” is one, and “Age-quake” is another. They all capture the enormity of the challenge. Thus the world is preoccupied with finding solutions for the daunting challenges of low fertility and aging. Korea is on the edge of a precipice because its aging is the fastest in the world. With a fertility rate as low as 1.24, Korea is entering into an aged society in five years and a super-aged society in just 14.

This is not simply a demographic transformation. A society with many old people is not such a big problem in itself. We can provide them with necessary means of living in retirement and sufficient medical services. But things are not that simple. An aged or super-aged society is a potential catastrophe because it is necessarily linked with low birth so that there are fewer workers to support the elderly and sustain and grow the economy. Governments have to spend enormous amount of additional budget to finance the aged. Discontents emerge between generations. Younger generations complain about their growing burden for supporting over-the-hill generations.

## **The Korean Case**

Let me elaborate on the acute situation in Korea. When our government implemented birth control policies in the 1970s and 1980s, it would have been hard to imagine that Korea’s fertility rate would fall to 1.24. Maybe the past policy was too successful. Now, Korea’s fertility rate is only slightly over the half the replacement rate of 2.1. If this trend continues, our population will peak in 2030 before starting a rapid decline. For the working-age population, the peak year is 2016—only three years away.

**We can surely escape from the aging trilemma. We can do it by changing the status quo, by changing the modus operandi of our economy, and by changing the attitude of people.**

Everything in Korea seems to move fast. The proportion of elderly population tripled in a single generation; from 3.5 percent in 1975 to 11 percent in 2010. We are reaching a super-aged society with over 20 percent of old people in only 14 years from now. By 2050 the elderly population is projected to make up 37.4 percent, with more than half aged over 75. The old-age dependency ratio will more than quadruple from 15.2 in 2010 to 71.0 in 2050. While it takes eight young people to support every old man now, the same burden should be borne by only two in 2050.

It is also a potential “demographic time bomb” on our economy. Expenditures in pension should rapidly increase from 0.9 percent of GDP in 2010 to 5.5 percent in 2050. The favorable demographic structure for the economy is coming to an end. The potential economic growth rate of current 4.6 percent is expected to be reduced to a mere 1.4 percent in 2050.

#### **Direction for the Solution**

We have to do something, something big, and urgently. Maintaining the status quo is not an option. We have three goals to achieve at the same time: good management of aging, fiscal sustainability, and economic growth. We need to keep the economy rolling and provide social services for the elderly while maintaining fiscal balance. However, the current economic and social structure does not enable us to do so. We can currently achieve only two, not all three.

To borrow a term from international economics, we are in a situation of “trilemma” or “impossible trinity”. In economics, it is impossible to achieve a fixed exchange rate, free capital movement, and independent monetary policy at the same time. We can only pick two, not all three. Likewise in aging, unless things change, it seems to be impossible to achieve all three goals. We can manage aging and get economic growth,

but not without detriment to budget balance. We can manage aging and sustain the fiscal health, but only without economic growth. And we can get economic growth and fiscal sustainability, but only with little or no service to the old people.

Then is there no way out? Fortunately, there is. Unlike the impossible trinity in international economics, we can surely escape from the aging trilemma. We can do it by changing the status quo, by changing the modus operandi of our economy, and by changing the attitude of people. But it is by no means easy. We will have to make some tough choices.

#### **Korea's Plan to Tackle the Low Fertility and Aging**

We do have a plan. We made a law in 2005 (Framework Act on Low Birthrate in an Aging Society) and established a presidential committee in the same year. Governmental action plans have been implemented since 2006. And we are now in the second phase of the “Basic Plan on Low Fertility and Aging Society 2011-2015.” Naturally our goal is to increase the fertility rate and to successfully cope with the aging society. In order to achieve it, we have set three main tasks.

The first pillar is to create a favorable environment to raise the fertility rate. We are strengthening the system of child care leave and flexible working hours to help parents balance work and family. At the same time, we are ensuring that the burden will not be left only to families but shared by government, businesses and society by increasing public and private child care centers and awarding certification to family-friendly companies.

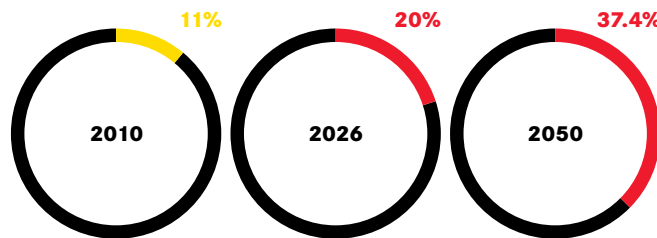




# FERTILITY AND AGING



## PERCENTAGE OF POPULATION 65 AND OLDER



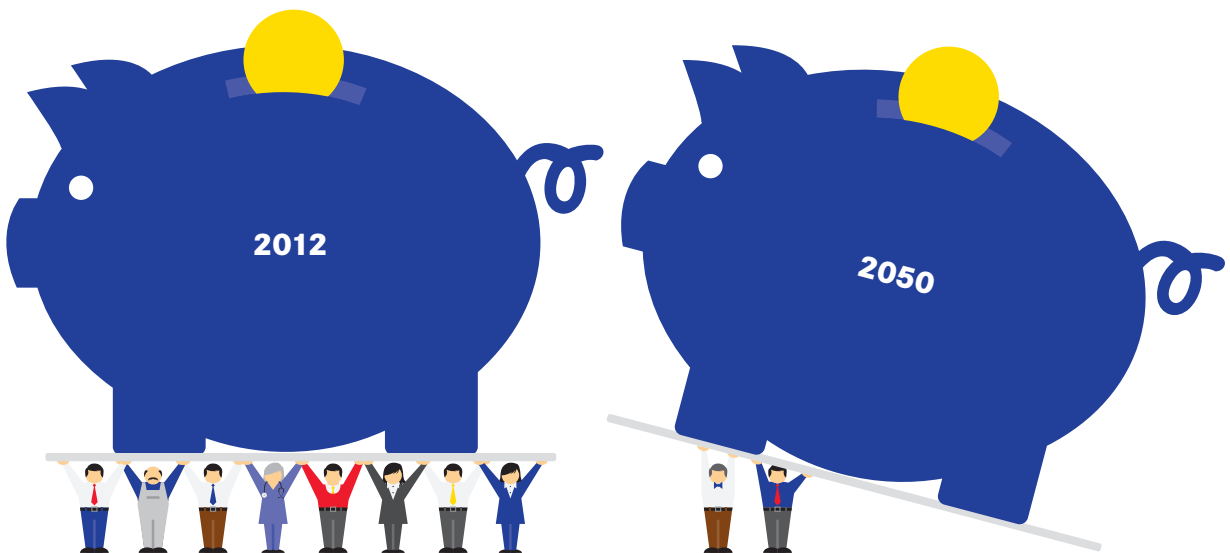
■ Aged Society    ■ Super-Aged Society

Korea's total fertility rate is 1.24—only slightly above half the replacement rate of 2.1



## ECONOMIC SUPPORT PER RETIREE

Currently, economic support for one retiree is distributed among eight working-age people; by 2050, this burden will have to be shared by only 2 people.



# Sustainable economic growth under low fertility and aging is not possible if we continue to count only people between age 15 and 65 as the labor force population.

Second, we are trying to develop a new engine that will drive the economic growth against low fertility and aging through institutional adjustments to cope with demographic changes. We will make better use of untapped human resources including women and foreign workers. Socioeconomic systems of education, housing, finance and so on should be changed accordingly.

Third, we are working to help baby boomers prepare for their retirement. The government is making efforts to provide diverse employment opportunities, old-age income security, and preventive health management for them. Meanwhile, for the current elderly population, our efforts concentrate on the Basic Old-Age Pension, job creation, and the expansion of long-term care.

## **Korea's Initiative to Embrace Baby Boomers**

I will elaborate on the third pillar. Last July, the Korean government announced the action plans to create new opportunities for retiring baby boomers. "Active aging" or "productive aging" is the key word. They should be given opportunities to actively pursue meaningful lives.

AARP's motto "to serve, not to be served" hits the mark.

First, we will delay retirement for as many working people as possible. The age ceiling in public institutions will be raised, and exclusive jobs for retirees are to be expanded and new ones created. Their initiative to business start-ups will be encouraged and relevant retraining will be provided. Second, we will support those who want to resettle in rural areas for agricultural activities with necessary information, customized training, and financial assistance. A large number of Koreans are thinking of "home-coming" to cultivate farms after retirement. Third, we will work to expand the programs where retiring baby boomers can volunteer to share their talent and expertise. They would find themselves valuable to the society.

The blueprint for baby boomers is an important, but only a partial, section of the whole picture. The supplementary measures to the "Basic Plan on Low Fertility and Aging Society 2011-2015", announced last October, encompass 62 core projects in five areas. They are designed to accomplish five essential values for aging and aged citizens: income security, continued health, social

participation, comfortable housing and transportation, and smooth transfer to post-retirement.

The basic principle of the whole scheme may be summarized as "to serve, and to be served." Those who are able and willing to serve will be encouraged and supported to do so. Those who need to be served will be served. And those who like to serve but need to be helped to serve will be enabled and assisted accordingly.

## **Intergenerational Solidarity Revisited**

The OECD conducted an attitudinal survey for 21 members in 2009. It asked a provocative question; "Are older people a burden on society?" The results were interesting. Overall, only 14 percent of people answered yes. An absolute majority of 85 percent disagreed. More interestingly, people aged 40-50 who expect to retire soon strongly disagreed. But already retired old people tend to think of themselves as a burden. What about young people? They tend to think likewise.

Cross-country comparison shows that people are more likely to agree in countries where old people receive a high portion of incomes from the state. And interestingly again,

intergenerational relations seem to be stronger where other sources play a more important role in old age incomes. And intergenerational solidarity seems to be strongest when older people are seen to be helping themselves, either by continuing to work or by preparing private savings.

We do not have such surveys yet in Korea. But I presume that the OECD's findings may also apply to Korea as well. If we live longer, it may be inevitable for us to work longer. And if we work longer, there may be less tensions between the generations in the future. Are we really ready to work longer and postpone a work-free, always-holiday life? Are we really ready to get a reduced amount of pension? Even though we do want to work longer, is it acceptable to young people? Don't they think it is shrinking their job opportunities? Can it appeal as a popular choice for politicians and voters?

### **Paradigm for Sustainability under Low Fertility and Aging**

The answers are likely to be negative if we look at things from the current socio-economic framework. Paying more tax for both babies-to-be-born and people soon-to-be-retired is by no means appealing to the working age generation. The zero-sum game perception of jobs taken by elders as lost jobs for young people does not lead to any feasible solution for the entire society. If retirees insist on a high pension without being asked to work longer, the aging "trilemma" cannot be avoided. Sustainable economic growth under low fertility and aging is not possible if we continue to count only people between age 15 and 65 as the labor force population.

We have to make hard choices as well. Seniors should contribute

to the economy as long as they can. They should be given chances to work if they want to. And they need to be more proactive and responsible to prepare for their own retirement. More importantly, a favorable environment must be created to reverse the trend of low fertility. Better child-care services, more flexible working hours, and greater investment in education are likely to lead to higher short term fiscal burden and higher taxes. But in the long run, all of these actions will pay off. And it seems to be the only option we have to escape the trap of an aging trilemma.

The Korean government's initiative to tackle the "age boom" covers all these aspects. Needless to say, ours is not the first attempt. We draw on experience and expertise from other forerunners in Scandinavian and other European countries. But socio-economic institutions are difficult to transplant from one country to another. We may need to undergo a certain period of trial and error. What matters is how we can wisely shorten the transition. What matters again is how we can sensibly persuade and mobilize the public for social consensus. Sustainable economic growth is important. But intergenerational solidarity is even more important for a society to keep existing and prospering while it ages. ●



### **Chemin Rim**

Chemin Rim was appointed Minister of Health and Welfare in 2011. Prior to this, Dr. Rim served as Vice Minister of the Ministry of Knowledge Economy; Standing Commissioner, Presidential Commission on Small and Medium Enterprises; and Commercial Counselor at the Korean Embassy in Washington, DC. Minister Rim received his M.A. in International Studies at Johns Hopkins University and a Ph.D. in Economics at Kyunghee University.

## Ventanillas de Salud: Windows of Opportunity for Health

In 2001, the Mexican Ministry of Foreign Affairs launched an innovative program in San Diego, California, to address the health needs of the Mexican community in the United States. Ventanillas de Salud, or “health windows,” were established at the consulate to provide on-site education, basic health services, and low-cost referrals, taking advantage of the culturally sensitive environment and the number of people visiting daily. Studies and evaluations of the program found it to be such a success that Ventanillas de Salud can now be found in more than 50 Mexican consulates across the United States.

Ventanillas de Salud serve an important health care need for a particularly vulnerable group. According to United States Census statistics, Mexicans and Mexican Americans living in the United States are the group least likely to be uninsured, with almost 35 percent lacking coverage, compared to 30 percent of Hispanics overall and 15 percent of the total US population. Even if they arrive in the United States in good health, low rates of health insurance and limited access to primary care increase

the risk of such preventable diseases as diabetes, obesity, and HIV/AIDS.

Ventanillas seek a holistic approach to foster a culture of health focused on preventive care. At the consulates, they provide screenings for blood pressure, glucose, cholesterol, and HIV, as well as mental health services. They rely on partnerships with local hospitals and health services to provide low-cost referrals for services not offered at the consulates. Together with more than 500 partner organizations, they have provided health services to 1.7 million people in the past two years alone.

In the past 10 years, the program has had to adapt to satisfy the increasing demand for services while maintaining the quality of its work. It has also established Ventanillas Móviles, or “mobile windows,” to reach populations such as agricultural workers who have difficulty accessing the consulates. This has enabled the program not only to better serve populations most in need, but also to broaden its network of community partnerships.

[www.ventanillas.org](http://www.ventanillas.org)



Nurse Janet Martinez proves free cholesterol testing as part of the free health services at the Ventanilla de Salud in Austin, Texas

# ONLINE RESOURCES

## Impact of Rising Health Care Costs

This report documents the impact of rising health care costs for middle-class workers and retirees. It shows that rising costs for health care services and health insurance premiums represent a growing burden for middle-class families across all age groups. If these trends continue, many people who had been middle-class throughout their working years risk not having sufficient financial resources to maintain a middle-class lifestyle during their retirement years.

<http://goo.gl/wljqa>

## Options for Reforming Medicare

Experts and policy makers in Washington are considering a broad range of proposals for reforming Medicare. This series of papers provides often opposing perspectives from leading experts on some of the more frequently mentioned policy options. Experts include: Henry Aaron, Senior Fellow in Economic Studies at The Brookings Institution, and Stuart Butler, Director of the Heritage Foundation's Center for Policy Innovation.

<http://goo.gl/99IAJ>

## Removing Barriers to APRN Care

The landmark 2011 Institute of Medicine report, *The Future of Nursing, Leading Change, Advancing Health*, recommends that advanced practice registered nurses (APRNs) be allowed to certify patients for Medicare payment of home health and hospice services. However, Medicare laws and regulations prohibit APRNs from conducting certification for these services. This report shows how removing this barrier would benefit consumers, physicians, and the health care system.

<http://goo.gl/k7lxF>

## Medicare Beneficiaries' Out-of-Pocket Spending on Health Care

This paper examines Medicare beneficiaries' out-of-pocket spending for health care, including spending on premiums, Medicare-covered services, and non-covered services. Medicare beneficiaries spent a median of \$3,138 a year of their own money on health care in 2007, the latest year for which comprehensive data are available. Ten percent of beneficiaries—more than 4 million people—spent more than \$7,861 a year. The oldest and poorest beneficiaries spent about one-quarter of their incomes on health care.

<http://goo.gl/349i8>

\* URLs are case sensitive



PHOTO: PAIGE MENKING, VENTANILLA DE SALUD, CONSULATE GENERAL OF MEXICO

# UK LIFE REIMAGINED

Michelle Mitchell | CHARITY DIRECTOR-GENERAL, AGE UK



PHOTO: SAM WELLS

# **Media commentary suggesting that today's older people belong to "the lucky generation" help perpetuate the belief that every older person enjoys an affluent lifestyle, but unfortunately this is a long way from the mark.**

A worldwide demographic revolution is under way, with more of us living longer than ever before. Fifty years ago there were nearly 20 million people in the world age 80 or over; now that figure stands at about 105 million, and it's rising fast as a result of the dramatic medical and social advances of the twentieth century.

With so much more life to enjoy, our aspirations for later life are dramatically different from those of previous generations. We have the luxury, as AARP CEO Barry Rand put it at AARP's 2012 National Event, of a life reimagined.

In the United Kingdom and the United States, we are lucky that many of our growing older population are in good health; many—although not enough—will retire with a decent income and a strong social network, and many have much to offer society. Properly captured, this potential is enormous.

It has taken a while for many public policy decision makers to realize the scale of these demographic changes, but finally the issue is coming to the fore. Sadly, at the moment in the UK, much

of the language around the aging population is rather negative—talking of the “burden” of increasing costs of paying state pensions and benefits to older people. It is interesting how a phenomenon welcomed on a personal or familial level—few would wish an earlier death on themselves or their loved ones—becomes threatening at a societal level.

Of course, such rhetoric overlooks the huge contributions that older people make to their communities and the wider economy through employment, volunteering, caring for partners and grandchildren, paying taxes, and their role as major consumers. These contributions are often hidden and difficult to calculate but are undeniably very substantial. Data from the latest UK census in 2001 showed that more than 1.5 million people over age 60 were providing unpaid care. Research published in 2007 estimated that caregivers over age 60 in the UK are providing up to £50 billion in unpaid family care. How many working families would find life impossible if they couldn't rely on grandparents for childcare support?

## **Economic Belt-Tightening**

The timing of the debate around the aging population in the UK is perhaps unfortunate, held as it is against a backdrop of a beleaguered economy and the associated belt-tightening. Since the coalition government came into being in 2010 on a promise of eliminating the UK's structural deficit by 2015, it has had to give the public a lot of bad news, such as cuts to government services and working-age benefits. The treasury recently announced plans to cut an additional £10 billion from the country's welfare budget.

Against this context there is a perception that older people have generally fared better than most other groups—that the government has acted to protect them from the worst impact of falling living standards and reduced affluence.



PHOTO COURTESY OF AGE UK

It is true that the government has made some welcome commitments to make life better for older people in the UK. Soon after coming to power, it introduced the triple-lock guarantee, meaning that state pensions will rise by a minimum of 2.5 percent a year from now on—more if inflation or average wage increases are above that level. It has also gotten rid of the Default Retirement Age, meaning that employers can no longer fire people purely because of their age, and implemented legislation introduced by the previous government banning age discrimination in the provision of most goods and services.

Media commentary suggesting that today's older people belong to "the lucky generation" help perpetuate the belief that every older person enjoys an affluent lifestyle, but unfortunately this is a long way from the mark. Generalizations about our aging population obscure the enormous variations among

older people. This is particularly stark in terms of poverty and wealth: In the 55–64 cohort, for example, the top decile holds household wealth of £1.3 million while the poorest decile has less than £28,000. More generally, fewer than half of all retirees have an income big enough to pay income tax—meaning that they live on less than £11,000 a year. Older people's median income levels remain lower than those of the population as a whole.

### **Ensuring a Long Life is a Good Life**

While the government's scorecard is relatively good, there are other areas in which we are awaiting development. For example, at the time of writing we are awaiting its proposals for introducing a flat-rate pension, which promises to be much fairer and simpler. Currently few people know how much they are likely to receive from the state when they retire and so lack the clarity needed

to plan effectively. The proposed system would also be fairer for those who take time from work to look after small children or care for older loved ones.

Age UK is also anxiously waiting for spending commitment from the government on the country's spiraling social care crisis. Currently England's social care system is based on the Tudor poor laws—more than 600 years old—upon which has been built an increasingly rickety pile of legislation and regulations that, combined with funding that has been static or falling for more than five years, have resulted in a system in deep crisis. Last summer the government published proposals for radical reforms that would transform this unfair and unsustainable system for the twenty-first century, but as yet little has been done to find the money to make the reforms work. In the meantime, Age UK estimates that more than 800,000 older people who



# **We need to help decision makers and individuals to stand tall, look the future in the eye, and make the decisions now that will allow us all to enjoy the many benefits that longer life expectancy can bring.**

need care are struggling by without any formal help. Many others will end up spending nearly every penny they have ever earned to pay for care.

On both pensions and social care, the devil will be in the details. In both areas the government has an opportunity to transform later life, lifting much of the current worry and uncertainty inflicted on older people and their families. But vision and courage are needed, especially during these difficult times.

Going forward, some key areas must be a priority for Age UK. Investing in an aging population, taking a life course approach, designing health services to meet needs more effectively, encouraging employers to make the most of the skills of an aging workforce, and helping people to plan and save for retirement would together help to ensure that a long life is a good life. It is important that we support people as they get older to live reasonably well, not merely to get by.

The potential cost of an aging society is not the only reason why we need public sector reform. Many services were designed for a wholly different world and need reconfiguring to reflect the aging population we have today and will have tomorrow.

For example, the most significant challenges for health (and especially public health) strategies are the need to tackle the issue of managing chronic conditions and to support the growing numbers of people living longer with multiple physical and mental long-term conditions, including dementia, which limit their lives. If we can improve the National Health Service's (NHS) performance on these conditions, the impact on older people's health outcomes will be truly transformational and scarce public funds will be much better spent.

Age discrimination remains too prevalent. Older age is often mocked, and there is still explicit

age discrimination in both the public and the private sectors. Age UK has ensured that hard-won legislation is now on the statute book (Equality Act 2010 and the Public Sector Equality Duty). But we all have a job to do to shift public attitudes and perceptions about aging and old age—a job that will go beyond changing the law to changing people's mind-sets.

There are still choppy waters ahead. At a time of austerity, you would expect a lively public debate about where the government invests its resources. A debate is emerging in the UK around universal versus means-tested benefits. Universal, age-based benefits in the UK, such as the Winter Fuel Payments, the free bus pass, and free television licenses, have attracted criticism from some who suggest they are unaffordable in today's climate. We believe that such assertions understate the very real needs that these benefits meet and the problems associated with more targeted approaches. For example, for a number of reasons, universal benefits undoubtedly reach the very poorest older people much more effectively than means-tested measures. They also smooth the cliff edge of means testing, reaching people whose modest savings exclude them from those benefits.

Energy bills have sky-rocketed over recent years, forcing many older people to choose between "heating or eating." As there are an estimated 26,000 excess winter deaths every year, help with heating bills can be lifesaving; yet one in three older people on very low incomes who are eligible for extra financial help via a benefit for which they must apply do not claim it.

The tactic of blaming our aging population for future fiscal pressure is becoming all too common and enabling some in the media and public life to argue that our older population is a “drain on society.” This is largely the result of a desire to find a simple explanation for the very complex issue of fiscal sustainability. Recent projections from the UK Office for Budgetary Responsibility that appear to support this view are inappropriately based on a simple multiplication of demographic change and existing expenditure in three key areas—pensions, the NHS, and social care. They do not ignore the possibility of significant changes, such as improvements and efficiencies in medical care that reduce costs.

The growth of the state pension budget is a fairly robust calculation. Promises made and rights accrued are guarantees that cannot be lightly overturned. In health and social care, however, there is no such rigidity. Focusing our health and care systems away from crisis management and toward detection and prevention could offer cost-effective measures that promote independence and active aging. Increasing years of life expectancy must not translate into increased years of ill health; we believe that it is essential that we work to prevent this and that there is a good prospect of success if we do.

For Age UK there are challenging times ahead. Massive spending cuts across UK public spending means our advocacy work has never been more important. But they also have huge implications for how we shape

our own charitable services as a major provider of both national and local-level services.

The voluntary sector in the UK is having to think hard about how we design, promote, fund, and implement our services as we face the rising needs of a growing older population against the backdrop of big cuts in statutory funding.

We also have a part to play in helping to shift public perceptions of aging. The stigma around getting older does little to persuade working-age people to plan ahead for a comfortable retirement. Over the next few years, all but the lowest-paid workers will be automatically enrolled in a workplace pension scheme, which will help ensure that people are putting aside enough. But the challenge is not merely about saving, it is about encouraging people to see that the decisions they make today could affect how they grow older—whether by embracing a healthy lifestyle or keeping their workplace skills up-to-date for a longer career.

The global population will continue to age—and that is a tremendous cause for celebration. We need to help decision makers and individuals to stand tall, look the future in the eye, and make the decisions now that will allow us all to enjoy the many benefits that longer life expectancy can bring. ●



**Michelle Mitchell**

Michelle Mitchell is Charity Director General for Age UK. Michelle has overall responsibility for Age UK’s domestic charitable work, including external affairs, research and Age UK’s charitable service delivery and development. Michelle was previously Communications Director for Age Concern England and Chair of the Fawcett Society (2005-2008). Michelle has a BA in Economics, MA in Politics and Administration, an International Executive Diploma from INSEAD and has completed the Innovations in Government Programme at Harvard University JFK School.

# PENSIONS WITHOUT BORDERS

South American Program Supports Cross-Border Aging Population

Laura Bocalandro + Rafael Villa | INTER-AMERICAN DEVELOPMENT BANK



Sebastian Leite, 68, was the first citizen to receive a Mercado Común Sudamericano (MERCOSUR) pension.

Sebastian Leite, a 68-year-old retired unskilled laborer, was the first citizen to receive a Mercado Común Sudamericano (MERCOSUR) pension. When the Paraguayan pension agency officer knocked at the door of Leite's modest house in the outskirts of Asunción in 2006, it came as a surprise, as he had given up on receiving benefits from the three countries where he had spent his long work life. He had worked 11 years in Argentina, 5 years in Brazil, and 22 years in Paraguay. Yet in no single country did he have the required 30 years of service to receive a pension. He is part of the cross-border

aging population in the MERCOSUR common market block.

The national social security agencies of Argentina, Brazil, Paraguay, and Uruguay, with the support of the Regional Public Goods Program of the Inter-American Development Bank,<sup>1</sup> got together to design and implement an innovative solution to address the challenges of providing social security benefits to an aging population that had earned its retirement benefits by working in more than one MERCOSUR country. By 2009, between 60 and 90 percent of migration to these four MERCOSUR

# The solution was the result of three decisive strategic innovations: an institutional transformation, a technological back-office revolution, and a counterintuitive bottom-up line of attack.



members came from within the region.<sup>2</sup> Migration has increased significantly in the past two decades, and MERCOSUR cross-border migration may be well over four million.

Within the framework of the 1990 MERCOSUR regional block, the member countries adopted the 1997 Multilateral Social Security Agreement, which recognizes social security rights and obligations of workers and their families in any of the MERCOSUR countries, replacing previous bilateral social security agreements. Despite the formal

political will, there was no agreement on how to go about implementing and making these benefits effective.

Years passed before the social security agencies in the four countries came up with a solution that worked. This was the result of three decisive strategic innovations: an institutional transformation, a technological back-office revolution, and a counterintuitive bottom-up line of attack. Starting with the first pensioner in 2006—less than two years after the regional public goods initiative began—more than 6,000 requests shortly followed.

## **Institutional Transformation**

The first strategic innovation completely turned around the challenge faced by the social security agencies. There was a small but potent shift in approach that triggered an institutional transformation: a shift from a jurisdiction-defined approach (or authorizing environment, in Moore's terminology<sup>3</sup>) to one based on what the countries had in common. The agencies realized that their missions of providing benefits to pensioners and making these benefits effective were the same for all. Their authorizing environments or jurisdictions



## **The regionalization of the workforce caused by migration demanded portability (real or virtual) of contributions and benefits. It was necessary to look beyond a single country's borders.**

were comparable but not identical. The regionalization of the workforce caused by migration demanded portability (real or virtual) of contributions and benefits. It was necessary to look beyond a single country's borders. The agencies' ability to look within, to start with what they had in common and to expand their service to cover this new population of cross-border workers, was an institutional transformation that made the BUSS (the Spanish acronym for social security single database) initiative an unprecedented achievement. To this end, the agencies embraced a change

of culture, built mutual trust, and collaborated in the creation of public value when they expanded their task to include providing benefits for cross-border beneficiaries using a common system. The agencies shared the costs of this transformation, including the asymmetries between national agencies. The costs were assumed by the institutions, not the beneficiaries.

Many workers learned about the initiative from a press interview sponsored by Administración Nacional de la Seguridad Social (ANSES), the Argentine social security agency, with a beloved Paraguayan soccer player,

José Luis Félix Chilavert, a three-time International Federation of Football History & Statistics World's Best Goalkeeper who had worked in several MERCOSUR countries. Paraguayans in Argentina flocked to the phones, inundating ANSES lines for weeks, to ask how they could benefit from the initiative. It is estimated that more than 1.5 million Paraguayans are working in Argentina. Many of them work in the informal sector. This early dissemination strategy fulfilled the double purpose of reaching out to the regular cross-border worker using a soccer idol as a role model, and adding public value by promoting registration of informal workers in the social security system.

### **The Technological Revolution**

Initially the agencies thought of adopting a single social security database, following the European Union model. As the project advanced, they realized that by using interoperability systems and advanced data security standards, they could create a mechanism that would allow the transfer and validation of social security data among the four countries without requiring the consolidation of all data in a single database. In this way, the BUSS model differs from the one



adopted by the EU by preserving each country’s authorizing environment and each agency’s local strengths while achieving the goal of serving the cross-border population.

The new system (BUSS, later renamed SIACI\*) provides for the transfer of capitalized contributions when workers contribute to a fully funded plan, or the transfer of a pro-rated share of the pension benefits in the case of government-financed or pay-as-you-go regimes. It required a joint definition of its technical characteristics (hardware and software) to ensure compatibility with existing national systems, and called for agreement on, among other things, the frequency of data updates, the mode of data delivery from the national systems to the new regional system, and how to manage queries from national systems to the new regional system. Reaching consensus and using available technology, the agencies achieved a second innovation with a back-office technology revolution, without transferring its costs (financial, technical, or other) to the retirees. The generation gap between the technology-savvy and the aging population, some of whom find using cell phones or apps confusing or burdensome, required that

the technological solutions remain at the institutional level, behind the scenes from the consumers of services.

The new system reduced the processing time for cross-border pensions by 75 percent, and it further provides a payment mechanism ready to go, that will allow for payments to be made in the beneficiary’s country of residence at a much discounted rate negotiated with commercial banks. Before the BUSS, applications for international benefits were filed with a single national social security entity—the “grantor”—but necessarily involved other national agencies in order to certify years of service accrued by the applicant in other countries. A benefit was paid only once the grantor received formal and authoritative evidence of all the years of service recognized in the other country or countries where the worker had worked. And the files and documents were mailed between the different countries’ social security agencies, resulting in very lengthy processing delays.

### **The Bottom-Up Approach**

When seeking agreement between countries, the first tools that come to mind are treaties, common

legislation, or another top-down mechanism. In this case, more than 15 years passed as the MERCOSUR countries attempted to use some of these instruments, with no implementable results. The social security agencies were willing to try a different strategic approach: a counterintuitive bottom-up line of attack. This approach started with a simple common form that registered the worker’s information. It built on that form and from there progressed into validation of authority and data, legitimacy, path-building and cross-referencing the applicable pension-related legislation without requiring legislative changes except for the acceptance of electronic signatures by one country. This was a “small bets” approach in which small changes and revisions were tested and accepted or not, until the desired result was adopted by all. The rules of the game were designed and constructed bottom up, from the purely technical solutions to the strategic and political realm. This approach created institutionality among countries, a unique solution to a concrete problem.

The social security agencies of the four countries realized the potential for scaling up the model and

invited the Organization of Ibero-American Social Security Agencies to participate in the project and to serve as headquarters for the BUSS system. Some European countries, including Germany, Italy, and Spain, have expressed interest in connecting with the BUSS mechanism, given the migrant population in those countries, and Chile is already benefiting from access to the system through a bilateral agreement with Argentina. As a tangible example of South–South cooperation in Latin America, the BUSS initiative was recognized at high-level international events and declared by the Ibero-American Conference of Social Security Agencies as the model for replication.

The BUSS model brings many benefits to cross-border pensioners, including efficiencies and attention to this particular sector of the aging population. It also provides the MERCOSUR countries and their social security agencies with important incentives to reduce informal labor, protect migrant workers' rights, and further labor integration within the common block. The solution to this longstanding problem was made possible by an institutional transformation.

The potential use of the BUSS model is huge. The United States is in the top 10 migration corridors in the world, both as source and destination, with 22.8 million migrants.<sup>5</sup> Half of that number is attributed to migration flows with Mexico. Innovation calls: Take on the challenge and adopt good ideas from where they work. ●

The opinions expressed in this article are exclusively the author's and should not be interpreted as the views of the Inter-American Development Bank, its executive directors, or member countries. We are grateful for the contributions of Juan Carlos Mendez and Alberto Mariuzzo.

<sup>1</sup> Antoni Esteveordal, Brian Frantz, and Tam Robert Nguyen, eds., *Regional Public Goods—from Theory to Practice* (Inter-American Development Bank-Asian Development Bank, 2002); *Regional Public Goods: Promoting Innovative Solutions for Latin America and the Caribbean* (Inter-American Development Bank, 2009); Laura Bocalandro and Rafael Villa, *South-South Cooperation and Capacity Development in Action: Regional Public Entrepreneurship in Latin America and the Caribbean* (Inter-American Development Bank, 2010).

<sup>2</sup> *Migración Internacional en las Américas: Primer Informe del Sistema Continuo de Reportes sobre Migración Internacional en las Américas*, OEA, OCDE, CEPAL, Documentos Oficiales OEA (2011), [http://www.migracionoea.org/sicremi/documentos/SICREMI\\_2011.pdf](http://www.migracionoea.org/sicremi/documentos/SICREMI_2011.pdf)

<sup>3</sup> Mark H. Moore, *Creating Public Value*, (Cambridge, MA: Harvard University Press, 1995).

<sup>4</sup> SIACI is the Spanish acronym for Sistema de Acuerdos Internacionales de Seguridad Social, the international social security agreements system. For more information, please contact Alberto Mariuzzo, BUSS project coordinator, at [amariuzzo@anses.gov.ar](mailto:amariuzzo@anses.gov.ar)

<sup>5</sup> *Migration and Remittances Fact Book* (Washington, DC: World Bank, 2011).



### Laura Bocalandro

Laura Bocalandro has been engaged in international development for more than 20 years, with core skills and direct experience in strategic corporate governance, operational leadership and supervision, and innovation and entrepreneurship in government, South-South cooperation, collective action and public policies in Latin America and the Caribbean. She is currently the Lead Principal Specialist and Coordinator responsible for the implementation, monitoring and development effectiveness of the Regional Public Goods Program at the Inter-American Development Bank (IDB).



### Rafael Villa

Rafael Villa is an entrepreneur specialized in innovation and public value, and entrepreneurship in government and public policy. He has worked for over 11 years in the areas of public policy and political economy both nationally in his home country, Colombia, and at the regional level in Latin America and the Caribbean.

# BMW: Driving Toward an Age-Friendly Workplace

According to a recent Urban Institute survey, workers over 60 are seen as more experienced, knowledgeable, reliable, and loyal than younger employees. Smart employers are realizing that keeping mature workers on board is a winning strategy—and action to harness and enhance the contributions of older workers will be seen as a key competitive advantage.

In Germany, BMW, recipient of the 2009 and 2011 *AARP Best Employers for Workers Over 50 Award—International*, has led the charge among manufacturers to keep their precious skilled workers as long as possible. In 2007, BMW began an experimental production line at the Dingolfing plant in Bavaria, southern Germany. Nicknamed ‘Altstadt’ (German for Old Town) the Dingolfing was specially adapted to meet the needs of older workers. Some of the adaptations for older factory workers include:

- Special shoes and wooden floors which are softer on the knees
- Stools with ergonomic back supports for monkey wrench turners

- Enhanced lighting for workers with visual impairments
- Slower production line to accommodate older adults’ decreased agility
- Mobile tool trolleys that prevent workers from straining themselves while reaching for tools
- Relaxation room where older workers can take breaks

Staffed with some of their oldest workers, the Dingolfing plant produced as many parts but with fewer faults as the younger workers. Productivity increased seven percent, and the absenteeism rate dropped below company average. The Dingolfing plant has since been awarded Factory of the Year (2011), and BMW has set up special production lines for older workers at many of its other factories.

[www.bmw-plant-dingolfing.com](http://www.bmw-plant-dingolfing.com)





# ONLINE RESOURCES

## Building Middle-Class Security

This report shows that if current economic trends continue, living standards in retirement will decline; that rising health care costs will pose a significant threat to middle class security; and that Social Security will be the main source of income for all but the wealthiest retirees in the future. The report calls for increasing access to affordable health care coverage and slowing the growth of health care costs. It also recommends ensuring Social Security continues to provide the foundation for a secure middle-class retirement and is improved for those most vulnerable.

<http://goo.gl/O6oQM>

## Reforming Social Security

Experts and policy makers in Washington are considering a broad range of proposals for reforming Social Security. This series of papers provides often opposing perspectives from two leading experts on some of the more frequently mentioned policy options. David John is a Senior Research Fellow at The Heritage Foundation. Virginia Reno is Vice president of Income Security Policy at the National Academy of Social Insurance.

<http://goo.gl/hb6yM>

## Boomers and the Great Recession: Struggling to Recover

This report examines how boomers fared during and after the recent recession. The report confirms that they have had a rough ride over the past several years. The recession and its aftermath have left many without jobs, having exhausted their savings, and with homes they can neither afford nor sell. The report also indicates that boomers are uncertain about what the future holds for them as they edge toward retirement.

<http://goo.gl/agtHM>

## Promoting Retirement Saving

Many American households do not save for retirement. This report proposes retirement saving reforms designed to help boost saving among low- and middle-income households. These proposals are grouped under five themes: (1) making saving easier, (2) making saving more rewarding, (3) strengthening the market infrastructure for saving, (4) providing private information to savers, and (5) improving public education for saving.

<http://goo.gl/ULjfm>

\* URLs are case sensitive



PHOTOS COURTESY OF BMW

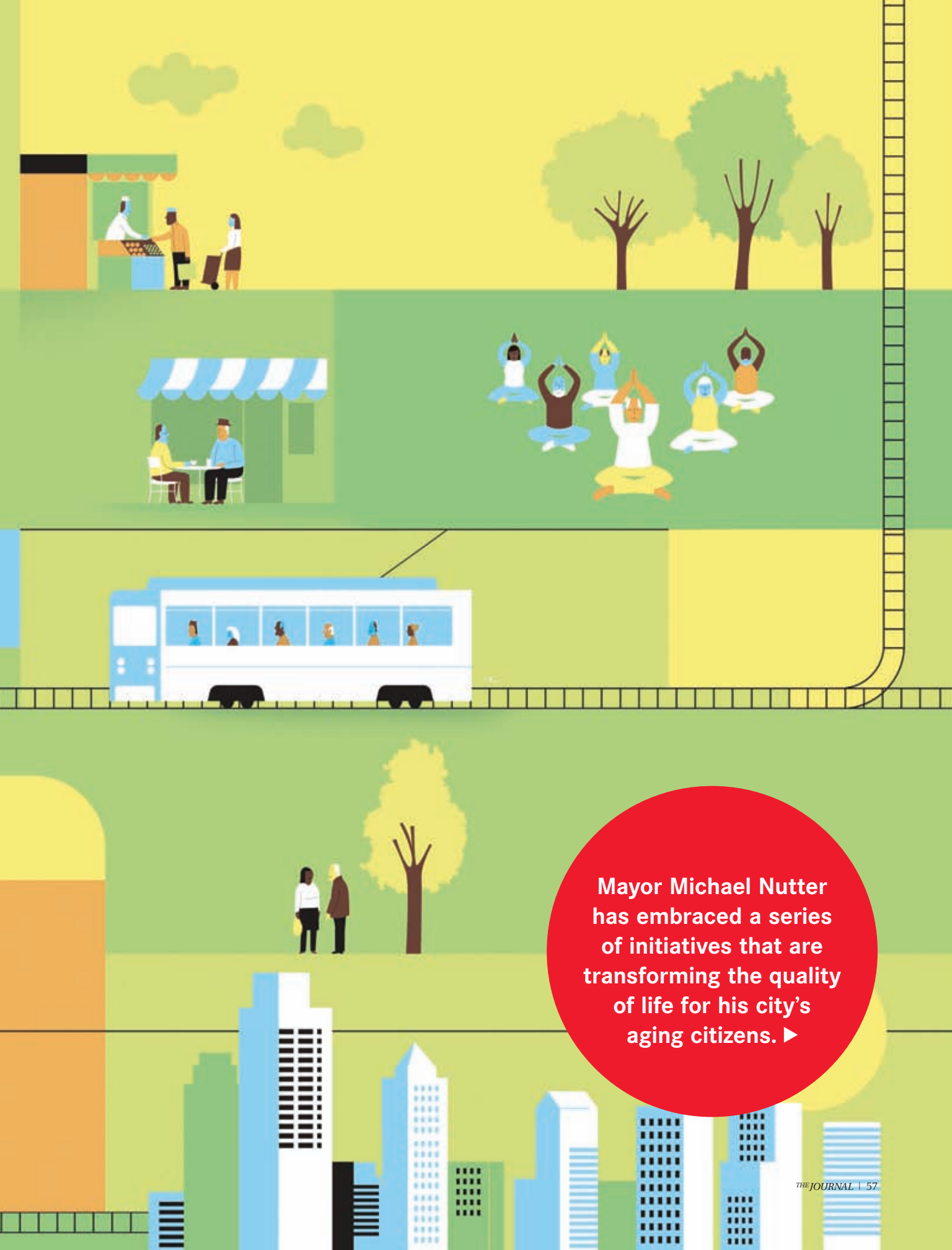


# CITY OF ELDERLY LOVE

Philadelphia, an Age-Friendly and Accessible City

Michael A. Nutter | MAYOR, CITY OF PHILADELPHIA





**Mayor Michael Nutter has embraced a series of initiatives that are transforming the quality of life for his city's aging citizens. ▶**

**Our administration believes the lynchpin for success as an age-friendly city is accessibility; access to anything and everything in which older people want to participate.**

Cities are like living organisms, constantly evolving and changing. Philadelphia is a prime example, starting as a port and growing to be the capital of our nation and a manufacturing powerhouse, all before 1800. It continued as a major industrial city well into the twentieth century.

But by the 1970s, Philadelphia began to suffer from disinvestment, as did many other “Rust Belt” cities. Industrial firms packed up and manufacturing plants shuttered their doors. Many middle-class jobs disappeared and with them, the people who depended on that income.

The Philadelphia of today is much different from the Philadelphia of the 1970s. Slowly and steadily, we have adjusted to the new climate we face. Philadelphia climbed from a city struggling to survive to a comeback city, now positioned to be a front-runner. We have a booming education sector; a flourishing medical technology, hospital, and pharmaceutical industry; and a thriving hospitality

and tourism market, which generated \$9.34 billion in economic impact during 2011.

Philadelphia’s economic rebound has fed into our population growth. According to the 2010 census, our population grew for the first time in more than 60 years. The growth isn’t solely from births, young people remaining after college to find work, or young families deciding Philadelphia has more to offer than the suburbs. Some of the growth consists of people who left Philadelphia years ago but have returned as empty nesters.

As the City of Brotherly Love and Sisterly Affection, we are committed to being a great place to live, work, and visit. It is our goal to improve the quality of life for all residents. But different populations have different needs. Of the 10 largest cities in America, Philadelphia has the largest proportion of people 60 years and older, approximately 276,000 people. That number is expected to double by 2035 as the last of the baby boomers, myself included, enter their golden years.

In demonstration of our commitment to supporting, serving, and connecting with our seniors, we have joined the World Health Organization’s Global Network of Age-Friendly Cities and Communities. Our move toward age-friendliness began with the reinvention of the Mayor’s Commission on Aging and the drafting of a strategic plan to outline the city’s vision on aging and livability. From connecting older people to city services to helping them age in place, the commission works with external partners, like the Philadelphia Corporation for Aging, and other city agencies to meet the needs of older Philadelphians.

Our administration believes the lynchpin for success as an age-friendly city is accessibility; access to anything and everything in which older people want to participate.

Transportation is a critical component of an age-friendly, accessible city. For older people, it must be affordable and reliable. Affordability is a particular concern for older



- 1 Community gardens improve healthy food access and socialization for older Philadelphians.
- 2 PhilaRec Senior-art-camp: City seniors participate in organized arts activities in a local park.

adults because transportation costs are the second largest cost after housing.

The City of Philadelphia is reliably serviced by the Southeastern Pennsylvania Transportation Authority (SEPTA). It is the nation's fifth largest transportation system, with the most seamless intermodal system of buses, subways, commuter rails, and trolleys in the United States.

Philadelphians 65 and older are eligible for the free-ride system. About 200,000 Philadelphia-area residents are enrolled in the program. Though regional rail trips are not free to older residents, they pay a reduced fare of only \$1. All SEPTA buses, trolleys, and trains are wheelchair accessible and have lower platforms to make boarding easier for older patrons. And priority seating is available on all public transportation across the city.

At the 280 transit stations, there are 89 elevators at regional rail, subway, and multimodal transportation centers. Across Philadelphia, there are 304 bus shelters, which can play a role in whether or not an older person decides to use public transportation.

In 2009, I signed the Complete Streets Executive Order, which outlined how all 2,600 miles of streets in Philadelphia are designed, built, and maintained, making accommodations for all who use the roads, not just drivers. Philadelphia is the first city in the Commonwealth of Pennsylvania to have a Complete Streets policy.

Since then, we have created 200 miles of bike lanes and also focused on accessible and safe streets. Through clearly marked intersections and crosswalks, updated curb cuts, and traffic signals in proper

working order, the Complete Streets policy helps make Philadelphia a safer and more walkable city. Complete Streets also sets the goal of creating more outdoor seating at bus shelters and along streets.

Increasing accessibility and efficiency also means a greener, healthier environment by reducing our carbon footprint; transit-oriented development incorporates both accessibility and efficiency into new building projects. The theory of transit-oriented development is very simple: place new, high-density residential and mixed use developments near transit hubs for the benefit of pedestrians, bicyclists, and public transportation users.

One example is the Farmers Market at Frankford Transportation Center, which has just concluded its second season. Conveniently located

CITY OF ELDERLY LOVE

at a heavily used transit station, this market makes fresh produce available to bus and SEPTA commuters and community members in a neighborhood where grocery stores are few and far between.

Getting around is getting easier in Philadelphia, but where to go and what to do is another part of being an age-friendly city. Part of our approach to being an accessible city is to bring local food and parks and recreation resources closer to citizens. Under our GreenWorks Philadelphia plan, we have outlined 15 measurable goals to make Philadelphia a more sustainable city.

To create equitable access to healthy neighborhoods, we have set the goal of bringing recreation resources and local fresh food within 10 minutes of 75 percent of residents. Philadelphia already has Fairmount Park, the largest municipally owned park system in the country, with 9,200 acres of parkland, but we want to create even more public green space.

To enhance Philadelphians' access to locally grown, healthy food, I appointed the Philadelphia Food Policy Advisory Council, which works with local partners more broadly on how Philadelphia



3 Interac: Organized recreational activities, like tennis, help keep seniors engaged and active.

4 Transportation: The Southeastern Pennsylvania Transportation Authority assists seniors to get to their destinations in a safe and secure manner.



**Food access is at the heart of accessibility concerns for older people in Philadelphia. Food insecurity affects not just those who live in poverty; it also affects those who live isolated from others or experience mobility or health issues.**

can be a productive partner in the regional food system. The largest push to bring local food closer to residents has been Get Healthy Philly, a federally funded Philadelphia Department of Public Health program. Get Healthy Philly works with farmers markets, food cart vendors, the grocery industry, and corner stores to bring healthy and affordable foods to low-income communities.

Food access is at the heart of accessibility concerns for older people in Philadelphia. Food insecurity affects not just those who live in poverty; it also affects those who live isolated from others or experience mobility or health issues. The Mayor's Commission on Aging assembled the Senior Hunger Task Force to address this issue and to streamline the resources of home-delivered meals services. The result was the production of a *Senior Hunger Resource Guide*, published in October and distributed to senior centers, community centers, and other city venues, as well as accessible online.

Participation and social inclusion is an age-friendly city requirement. We have tried to foster an environment in which people do not feel limited by their age. Across the city, 23 senior community centers and 11 satellite centers host weekly events for older people, such as book clubs, art classes, and karaoke, at little to no cost. Our KEYSPTS program offers computer and Internet training classes at participating library branches and KEYSPT centers, which helps keep older people engaged in the broader community. More than 11 percent of all KEYSPT participants are older people.

For decades, Philadelphia has embraced its diversity and worked to build an inclusive community for everyone. Older Philadelphians, older Pennsylvanians, and older Americans have helped build the America we all live in and deserve to live fulfilled and productive lives. That requires cities to get involved to meet their needs and expectations for specialized programs and services. ●



**Michael A. Nutter**

Re-elected in 2011 to his second term as Mayor of Philadelphia, the fifth largest city in America and his home town, Mayor Michael A. Nutter is a life-long public servant. Since taking office in January 2008, Michael Nutter has vigorously managed city government by maintaining core services and reducing the city's spending—most notably closing a \$2.4 billion gap in Philadelphia's five-year plan.

# KOTOEN

For 50 years, a Model of Intergenerational Care & Solidarity in Japan

Edward Johns | SENIOR ADVISOR, AARP



PHOTOS COURTESY OF KOTOEN



## **This multigenerational model combines the care needs for the very young and very old, enriching the lives of both generations in the process.**

Japanese culture places great value on reverence for the elderly and multigenerational living. An innovative institution in a Tokyo suburb has lived those values for the past 50 years. Founded in 1962 originally as a conventional nursing home for the elderly, Kotoen is a combined nursing home, assisted care facility, kindergarten, and day-care center for young children in Edogawa City (a suburban neighborhood far from Tokyo's center, but still in the city's administrative boundaries). The neighborhood had one of the highest percentages of older people living there with a corresponding low number of people of working age. To encourage people of working age to move to the area, free child care was introduced by the city government. As a result, the composition of the population has changed, with a substantial increase in the numbers of people of working age residing there.

The facility, housed in a sprawling four-story building with courtyards and gardens, has twin mottoes of 'fureai' (being in touch) and 'daikazoku' (large extended family), which can be seen in all aspects of its work, according to Keiko Sugi, Kotoen's CEO. Kotoen was founded



and is managed by several generations of the Sugi family. Besides the CEO and Euchi Sugi, Chairman of the Board of Directors, two of the Sugi sons work as a gerontologist and a school teacher within the facility.

The multigenerational evolution of Kotoen happened partly by accident. In 1976 a nursery school was built on the same site as the original residential care home. Over time, these two began to plan joint events, and in 1987 the two became truly integrated into one organization. Keiko Sugi believes the merger came about by lots of grassroots work. Staff at the nursery and the residential home wanted to encourage respect for older people and to counteract negative images of the elderly as feeble and dependent. Although there were initial fears that illnesses would spread from the older people to the young (and vice versa) and proposals to separate the facilities physically, the Japanese Ministry of Health, Labour and Welfare, as well as the Tokyo city government, eventually agreed to the Kotoen model, which has been replicated in other parts of Japan.

The facility aims to keep its older residents as mentally and physically active as possible. There are combined daily exercises for the young and old, which include disabled



children and adults. After morning exercises the children and residents shake hands and then pursue different activities with each other such as tag and board games, or go for walks. Every weekday there is a session in which the older residents tell stories to the children. This multigenerational model is well-known, and increasingly prevalent in Japan, but is rare in other countries. It can serve as a good model for combining the care needs for the very young and very old, enriching the lives of both generations in the process. By

recently expanding its services into care for the mentally and physically disabled, Kotoen now embraces a philosophy of community care over three or four generations.

Interaction with about 60 children, aged one to six, gives extra meaning to the lives of the 120 or so older persons, aged 65 to 102, who receive full-time or part-time care at Kotoen. By helping to care for the children on-site and serving as mentors and grandparent figures, it also increases their spirit of self-help and independence. At the same time,

the children gain from the patient and gentle presence of the older residents and benefit from their care and lifetime stories and experiences. This is increasingly important in a Japan of dwindling family sizes where actual grandparents may be absent or live far away.

While a pioneer in intergenerational caregiving, Kotoen was also one of the first facilities in Japan to offer care specifically tailored to those with dementia, starting in 1991. The dementia patients live in the same building as the other



residents, but with special security and safety features built in to allow them freedom of movement while minimizing risks they could physically harm themselves or others.

Kotoen is active beyond its physical walls by providing day care and in-home services to the disabled and elderly in the surrounding neighborhood of modest single-family homes and small apartment buildings. Besides a paid staff of about 160 full- and part-time employees, Kotoen taps the energy and expertise of more than 200

volunteers to work within the facility and the surrounding community. Several of the volunteers are more than 65 years of age.

In the world's demographically "oldest society," Kotoen serves as a pioneering model that may be replicated in other countries seeking to instill multigenerational values and provide compassionate and comprehensive care-giving to rapidly aging populations. ●

- 1 Previous page: The multigenerational theme runs throughout Kotoen's activities and programs.
- 2 Previous page: The very young to very old share meals together.
- 3 Older residents pose for a photo at the main entrance to celebrate the 50th anniversary.
- 4 A banquet honoring the 50th anniversary was held in Tokyo in November 2012.
- 5 A long-time resident shares a smile with one of the 60 children who spend most of their day at the center.
- 6 The children compete in a morning run in October 2012.



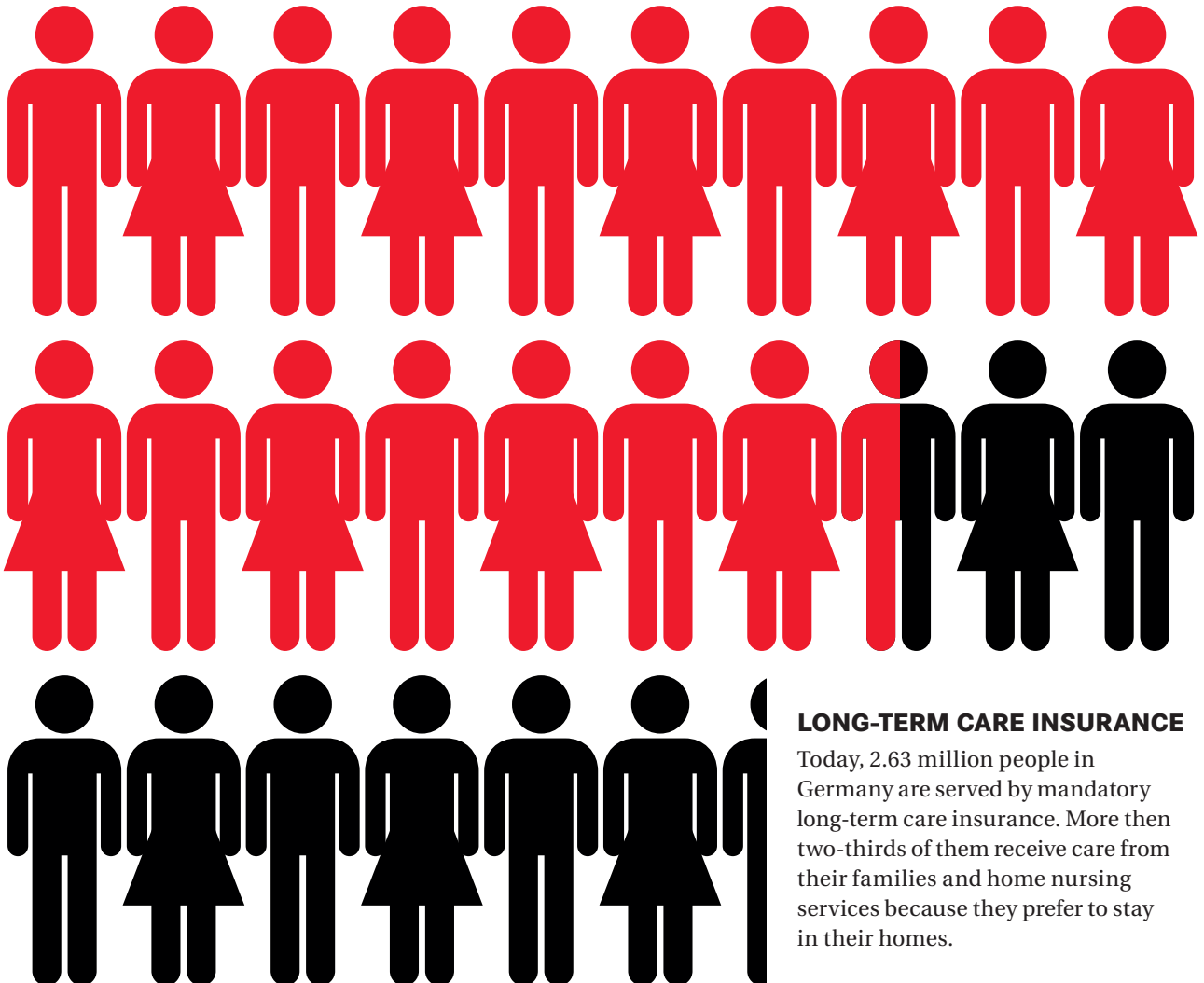
### Edward Johns

Edward Johns serves as Senior Advisor in the Office of International Affairs at AARP. Mr. Johns's portfolio includes overseeing AARP's international programs in Asia, Latin America, Financial Security, and Livable Communities. He led efforts to create the AARP Network of Age-Friendly Communities, in affiliation with the World Health Organization's Global Network of Age-Friendly Cities. Prior to joining AARP, Mr. Johns worked as an economic officer in the US Foreign Service. He holds Bachelor and Master's degrees in Foreign Affairs from the University of Virginia and a Master's in International Public Policy from The Johns Hopkins University School of Advanced International Studies.

# FAMILY CARE LEAVE

A Better Balance of Caregiving and Work in Germany

**Dieter Hackler** | DG FOR SENIORS, SOCIAL WELFARE AND ENGAGEMENT  
GERMAN FEDERAL MINISTRY OF FAMILY AFFAIRS, SENIOR CITIZENS, WOMEN AND YOUTH



# Employees are able to balance work and caregiving, keep their skills, and stay in touch with their employer—all backed by binding legal conditions.

Our life span is extending, but with old age the risk of needing care rises. We expect that by 2050 the number of people in need of care will be double today's figure.

Today, 2.63 million people in Germany are served by mandatory long-term care insurance. More than two-thirds of them receive care from their families and home nursing services because they prefer to stay in their homes.

Seventy-nine percent of informal caregivers say that work and informal caregiving don't reconcile well. It is hard for them to balance the demands of their relatives and their employers. Many of these informal caregivers resign their jobs to fulfil their caregiving role, with tremendous effects on their careers and their pensions.

Informal caregivers are facing a special challenge. Those who quit their jobs take a high risk aside from income loss and lower pension benefits. After fulfilling their responsibility, they will face obstacles when trying to reenter the labor market due to their absence and related loss of skills and relevant knowledge. Informal caregivers often face poverty in old age due to their career breaks.

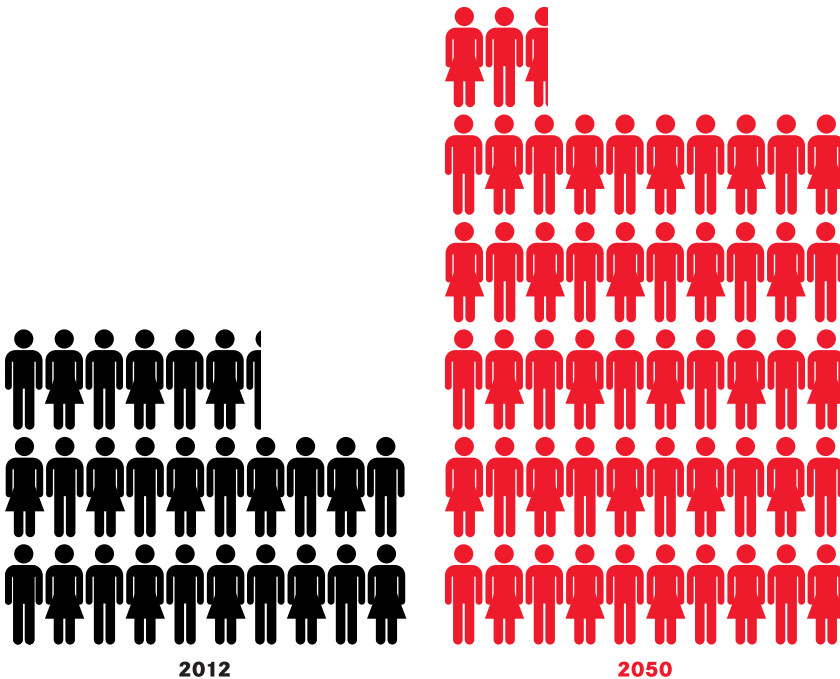
Employers are affected too. The loss of skilled labor due to caregiving causes multiple tasks for human relations management and related departments.

The new Family Care Leave Act offers support to both sides. Reacting to the changing age structure and the increasing number of people in need of care, the German government introduced the Family Care Leave Act on January 1, 2012.

Employees are able to balance work and caregiving, keep their skills, and stay in touch with their employer—all backed by binding legal conditions. Employers can keep their skilled workers and ensure that they have the relevant knowledge in-house.

The concept allows the reduction of weekly working hours down to a minimum of 15 and at the same time an income cut of 50 percent of the reduced hours. The reduction is limited to a maximum of two years.

For instance, a full-time employee who reduces his or her working hours due to caregiving by 50 percent will receive a paycheck for 75 percent of his or her full-time income. After returning to work full time, he or she will be



**WITH OLD AGE, THE RISK OF NEEDING CARE RISES**

We expect that in 2050 the number of people in need of care will be double today's figure.

paid 75 percent of his or her salary for the amount of time he or she was half time. This period is called the “after care period.” At the end of this period, the working hours account is balanced.

The Family Care Leave Act takes care of the special needs of informal caregivers. The concept ensures that informal caregivers do not encounter age-related poverty due to a cut in their statutory pension insurance. In fact, people who are able to combine work and caregiving with family care leave receive special pension entitlements.

During the family care leave period and the after care period, the employer is paying into the mandatory pension insurance based on the reduced salary. The long-term care insurance will pay an extra premium to honor the employee's caregiving work. The combination of these two payments will be the equivalent of full-time participation

in the statutory pension insurance system in most cases. For some in low-income jobs, the total might even surpass their regular contribution.

Family care leave supports employees to stay on the job, offers protection against dismissal, and limits cuts in income. At the same time, it ensures that employers will not be overburdened by bureaucracy, reduced liquidity, or losing on advance wage payment.

**Security for the Employer**

There is already a shortage of skilled workers in Germany, and the problems of recruiting and keeping skilled workers will become worse. At the same time, the number of people in need of care will rise, forcing more and more employees to balance caregiving and work, a situation to which employers must respond.

Employers who are providing flexible solutions for caregiving will reduce the number of reassignments

and off times caused by the burden of reconciling a full-time job and caregiving. In addition, they will increase motivation and job satisfaction. Productivity will increase, and the knowledge of the skilled workforce will stay with the company.

Family care leave will also support employer branding, which will become an asset in the future war of talents.

Family care leave costs employers nothing, because they can enroll for an interest-free loan to back the advance wage payment. Loans are provided by a federal agency called Bundesamt für Familie und zivilgesellschaftliche Aufgaben. The risk of unemployment or death of an employee taking family care leave will be covered by mandatory insurance.

Family care leave is based on an individual agreement between employer and employee; it is non-compulsory and there is no legal right to take family care leave. We expect

# Employers who are providing flexible solutions for caregiving will reduce the number of reassignments and off times caused by the burden of reconciling a full-time job and caregiving. In addition, they will increase motivation and job satisfaction.

that family care leave will follow the successful path of semiretirement, which also was noncompulsory.

Employees who would like to take family care leave need the approval of their employer and a written agreement that contains—

- The working hours before and during the family care leave
- The beginning and end of the partial employment
- The commitment to return to the original hours
- The amount of advance wage payment

The commitment to return to the original hours also applies when caregiving ends earlier than planned.

When family care leave is offered to contingent workers or trainees, the maximum length of family care leave is 50 percent of the remaining time to ensure that the

individual leaves with a balanced working hours account.

As of May 2012, the following companies had agreed to implement family care leave: Deutschland GmbH, BNP Paribas Cardif, Deutsche Post AG, Deutsche Telekom AG, Genworth Versicherung, Georgsmarienhütte GmbH, Globus Handelshaus, KfW Bankengruppe, Landeshauptstadt Wiesbaden, Lanxess AG, Roche Diagnostics GmbH, and Sozialholding der Stadt Mönchengladbach.

The number of companies introducing family care time is still rising, and we look forward to seeing family care time become a common tool in human relations management. ●



**Dieter Hackler**

Since October 2006, Dieter Hackler has headed the department for Seniors, Social Welfare and Engagement of the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth. Previously he worked for 15 years as Federal Commissioner for Civilian Service. Minister Hackler began his career as a priest and vicar in Cologne, Bonn and Bergisch Gladbach, and in 1991 he became chairman of the Evangelical Church Association in Bonn.

# MEDCottage: State-of-the-art Medical Home

Accessory dwelling units (ADUs) that permit homeowners to add a small, temporary cottage to their properties to house a parent or in-law have been around for several decades in a number of countries. The advantage of ADUs is that they permit both caregivers and their loved ones to enjoy privacy while being available for each other. ADUs usually run their water, electric, and waste disposal systems off the caregiver's home systems. Besides grab bars and soft floors to reduce injury from falls, many units feature modular construction, green building products, and other energy-saving, sustainable options. Purchase costs can range from \$17,000 to \$100,000; some are available for lease. ADUs can easily be removed when they are no longer needed (in fact, zoning laws may require this).

One of the newest ADUs, in the United States, MEDCottage, incorporates many layers of state-of-the-art technology to create a medical home that assists with caregiving for people who might otherwise need assisted living or nursing home care. The MEDCottage, developed by N2Care, combines sleeping, bathing, cooking, and living areas in a 12" by 24" space. Rubber floors cushion the impact of any falls. Sensors alert caregivers to problems, such as falls. A cottage resident who falls will be visible on a camera system hooked up to the caregiver's computer in the main house. In order to protect privacy, the cameras only sweep an area 12 inches above the floor, so normally all they transmit are images of feet and ankles.

To make nighttime trips to the bathroom safer, a mat stretching from the bed to the toilet lights up automatically when the resident steps on it. It turns itself off after 10 minutes. Tracks along the ceiling accommodate a lift or a trapeze hook. Residents who have balance issues can grab onto a hook for stability as they move around the cottage. The lift helps those with more serious mobility challenges.

For residents requiring medical monitoring, the MEDCottage is equipped with a system that tracks blood pressure, glucose, heart rate, and blood content, sharing that information with family and physicians via high-tech video and cell phone technology. If the resident fails to take medication on time, the system reminds the resident through voice messages and sends a text to the caregiver.

MEDCottages' smart robotics can also filter the air for contaminants and provide entertainment options including music, literature, and movies.

The first MEDCottage went up in Virginia in the spring of 2012 for about \$85,000. Its distributor has agreed to buy it back for about \$38,000 after 24 months of use if it is no longer needed.

Compared to the cost of a nursing home stay, the MEDCottage makes good sense where caregivers are present and the relationships between the resident and caregivers are strong.

[www.medcottage.com](http://www.medcottage.com)





# ONLINE RESOURCES

## Mortgage Crisis Hit Older Americans Hard

This is the first study to measure the progression of the mortgage crisis and its effect on people age 50 and older. Despite the perception that older Americans are more housing secure than younger people, millions of older Americans are carrying more mortgage debt than ever before, and more than three million are at risk of losing their homes. From 2007 to 2011, more than 1.5 million older Americans lost their homes as a result of the mortgage crisis.

<http://goo.gl/zBSih>

## Home Alone: Family Caregivers Providing Complex Chronic Care

This study challenges the common perception of family caregiving as a set of personal care and household chores that most adults already do or can easily master. Family caregivers have traditionally provided assistance with bathing, dressing, eating, and household tasks such as shopping and managing finances. While these remain critically important, the role of family caregivers has dramatically expanded to include performing medical/nursing tasks of the kind and complexity once only provided in hospitals.

<http://goo.gl/N6fT0>

## Loss of Housing Affordability

Homeowners and renters, including older adult households are paying more of their incomes on housing which is jeopardizing their ability to maintain their lifestyles and save for their futures as they age. This paper finds that the percentage of middle-income families who spent 30 percent or more of their income on housing has grown from 20 percent in 2000 to 29 percent in 2009.

<http://goo.gl/DLSE5>

\* URLs are case sensitive



PHOTOS: DAVID WHITE



# FIND YOURS

Older Americans Embrace the Transformative Power of Travel

Dara Khosrowshahi | CEO, EXPEDIA, INC.



Mark Twain wrote that travel is “fatal to prejudice, bigotry, and narrow-mindedness.” He was right. There is no activity more transformative than travel. Travel delivers a vital sense of perspective. For example, the Pew Global Attitudes Survey, which examines public opinion in dozens of countries each year, has consistently found that individuals who travel to the United States have a more favorable view of the country than those who

haven't. This is intuitive, and the reverse is also true—when Americans explore, they come away with a deeper appreciation of the world and their role in it.

There is no demographic sector more active in travel than those over 50. Older Americans place travel at the very top of their list of postcareer aspirations. If you ask empty nesters what they look forward to most, it tends to be the time and freedom to travel. If anything, the love



**“Twenty years from now you will be more disappointed by the things you didn’t do than by the ones you did do. So throw off the bowlines, sail away from the safe harbor. Catch the trade winds in your sails. Explore. Dream. Discover.”  
–Mark Twain**

of travel grows deeper with each passing year. Average working Americans take only 12 days of their vacation time. By contrast, Americans in their mid- to late 40s take approximately 3.6 trips each year, averaging just under five nights on each trip. Those figures climb steadily with age; Americans in their early 70s take four full trips each year, averaging nearly nine nights away on each trip.

As the last of the baby boomers turn 50, they are driving a fundamental shift in the way we think about the concept of how “older Americans” travel. Phil Goodman, coauthor of the *Boomer Marketing Revolution*, described boomers as “adult teenagers.” With 76 million boomers about to pass age 50, the days of prepackaged, slow-moving group tours is gone. Boomers are reimagining travel, and travel is continuing to shape them as they mature.

## FIND YOURS

There are some key differences in how today's "adult teenagers" approach travel versus how the previous generations did so. Among them:



### **Boomers demand control over travel.**

Unlike their parents, even the oldest boomers were very much in the workforce when the Internet became part of everyday life. They were there when Expedia was created a little more than 15 years ago. When boomers were starting their families, travel decisions were difficult to make with any level of independence—the details were held by others. Expedia gave travelers the power to construct their own vacation. We collected the many different components of global travel—more than 300 airlines, 160,000 hotels, 7,500 in-destination activities, and dozens of rental car providers—giving consumers information, availability, and pricing that was previously available only to travel agents, so that they could mix and match to create their own perfect trip, on their budget and on their time. Boomers are now empowered with a wealth of opportunity at the moment they desire it most. This is perhaps most visible in the evolution of the cruise industry, which now offers unparalleled flexibility, choice, and control.

### **Boomers want travel to be social.**

Throughout their adulthood, boomers didn't stay in their hometowns the way their parents may have. They left for college, they moved for jobs, and many, now retired, are living nearer to family or to their favored recreation. The net result is that travel is inherently a more social experience for them than for the previous generation. They are more likely to take trips to visit a more diverse set of friends. They are more likely to take multigenerational trips to resort destinations like Hawaii, or cruise together with their extended families. And they can now share their feedback with the wider world, via online reviews. Expedia receives hundreds of thousands of qualified reviews every year, many from older travelers. The collective insights are enormously helpful to prospective travelers, and vitally important to hotels, destinations, and others. The Internet and social reviews are "word of mouth" on steroids—great businesses will grow, and bad service will be penalized, as it should be.



### **Boomers travel with technology at hand.**

Many boomers are more time-compressed than their parents were, and are working longer than they had planned. The result: travel happens when they can “plan spontaneously.” That means technology is critical. With nearly a third of travelers in their late 50s and early 60s carrying smartphones, the last-minute getaway is more popular than ever. The travel industry has developed smart, intuitive travel apps that are packed with activities to enjoy while traveling and allow boomers to easily book that last-minute trip. We are literally bringing the world to your fingertips.

**With 76 million boomers about to pass age 50, the days of prepackaged, slow-moving group tours is gone. Boomers are reimagining travel, and travel is continuing to shape them as they mature.**

Aside from the tactical changes in how they travel, boomers have been shaped by travel at their very core. They have a different approach to the philosophy of travel. While their parents may have taken their first trip to Europe to celebrate retirement, many boomers first visited Europe, South America, or Asia as students. Boomers are explorers. In fact, AARP members are one of the largest segments of the US population with passports. While only 22 percent of the overall US population has a valid passport, that number rises to 60 percent among AARP members.

People in their 20s and 30s tend to draw a distinction between everyday travel—New Yorkers driving to Boston to visit their children in college, for example—and aspirational travel: that dream trip to Paris, or hiking with the family across the Galapagos Islands. At Expedia, we know that there's often little difference between those types of travel. They typically involve the same steps: researching a hotel, booking a flight or a car, scheduling activities, packing. The backdrops differ but the process doesn't.

**Boomers don't draw as sharp a line between aspirational travel and more everyday types of travel. They come to appreciate that the joy of a trip well taken is the same whether that trip is to Dublin or Dubuque.**

Boomers understand this better than most. They don't draw as sharp a line between aspirational travel and more everyday types of travel. They come to appreciate that the joy of a trip well taken is the same whether that trip is to Dublin or Dubuque. For mature Americans, travel is travel, full stop. Quick getaways, family gatherings, romping with the grandchildren, wine tours, cruises, and more robust foreign excursions are all part of the same category and have the power to transform them today, in the same way travel has transformed them since their 20s.

We couldn't agree more. At the core of Expedia, we believe that every trip is unique and personal and has the power to transform. We've built an entire brand around the notion that travel changes individuals for the better. Recently we have rolled out a new branding campaign, dubbed "Find Yours," that illustrates the countless ways travel transforms in both subtle and significant ways. We've created a series of celebratory videos. One woman traveled to Mexico during

high school, inspiring her to raise funds, build houses, and drive medical supplies to poor and underserved regions. One couple, unhappy in their marriage, returned to Thailand and fell in love again. Their relationship thrives to this day. One father comes to understand his daughter's decision to marry another woman when he travels to their wedding and sees just how in love they are.

The videos do not feature actors; these journeys are real. Travel brings us together, transforms us, every day, all over the world. We brought these stories to light not necessarily to advocate for one belief over another, but rather to show how we can change and grow and learn at any age.

So my advice to you, boomers, retired Americans, mature travelers, is to find yours. Explore. Dream. Discover. You have the freedom and the savvy to make this next stage of your life the most vivid and memorable yet. The world is waiting for you, and we are honored to help you find it. ●



**Dara Khosrowshahi**

Dara Khosrowshahi is president and CEO of Expedia, Inc., which operates more than 100 travel booking sites in more than 60 countries worldwide across its portfolio of online travel brands, including Expedia, Hotels.com, Hotwire, Egencia, Venere, and eLong in China. Under his leadership, Expedia, Inc., has grown to become the largest online travel company in the world. Additionally, Mr. Khosrowshahi has served as a director on the board of TripAdvisor, Inc., since December 2011.

# NEVER TOO LATE

Americans with a Lifetime of Experience  
Enlist in the Experience of a Lifetime

**Carrie Hessler-Radelet** | ACTING DIRECTOR, PEACE CORPS



## Today's volunteers range in age from 19 to 82 years old, bringing fresh energy and robust expertise to the world's most challenging problems.

Many Americans over age 50 remember the idealism, energy, and optimism that characterized the birth of the Peace Corps in 1961. That dynamic “can-do” spirit still defines the agency founded by President John F. Kennedy to promote world peace and friendship, even as the world has changed. While Peace Corps volunteers still address issues of poverty, famine, and disease in developing countries around the world, the work of our volunteers at the “last mile” is propelled today by innovation, collaboration, and technology—using approaches that were unavailable to the first Peace Corps volunteers. Today’s volunteers range in age from 19 to 82 years old, bringing fresh energy and robust expertise to the world’s most challenging problems.

This is an exciting time for the Peace Corps. In terms of global development, our country is at a crossroads: we can either choose to

be overwhelmed by the challenges we face in our modern world—economic recession, climate change, and global conflict, to name a few—or we can meet these challenges head-on with new technologies, evolving approaches to cross-cultural collaboration, and America’s most precious resource: our dedicated, creative, and experienced people. The Peace Corps has chosen the latter—and so have many older Americans.

In the Peace Corps, it’s never too late to make a difference in feeding families, preventing malaria and HIV, or educating a new generation. One of the most common laments I hear from Americans who came of age in the 1960s is that they “always wanted to join the Peace Corps”—implying that it’s too late now. But it’s not. These dreamers still can make a difference, and there are a number of avenues to get there.

After 18 years in advertising, Joy Young followed her lifelong passion

for service to become a community economic development volunteer in Ghana, West Africa, at age 51. Among many other projects, Joy helped start a nongovernmental organization that provided micro-loans, sales support, and marketing assistance to a group of talented women weavers in rural Ghana. An exemplary model of the Peace Corps value of capacity building, it’s clear that Joy’s work has had a lasting impact in her community: the organization, run by the local women who co-founded it, is still going strong today.

Many people are aware of the most common volunteer opportunity with the Peace Corps—the traditional 27-month term of service. But to better respond to the needs of our host countries and offer a greater range of volunteer experiences for qualified applicants, the Peace Corps has recently developed two shorter-term programs specifically designed for more seasoned professionals: Peace Corps Response and the Global Health Service Partnership (GHSP).

Peace Corps Response provides an opportunity for qualified professionals to serve in rewarding, short-term assignments in various programs around the world. Peace Corps Response differs from the traditional 27-month Peace Corps program in that assignments are highly technical, shorter-term placements—three months to one year—in specific countries.

The GHSP is an innovative public-private partnership that will place nurses, physicians, and other health professionals as adjunct faculty in medical and nursing





- 1 Joy Young, a Peace Corps volunteer
- 2 Kenya Education Volunteer Mel Strieb (2011–2013) shares his talent for the drums with a village resident.
- 3 Health Volunteer, Diane Bootland assists children with an educational puzzle in Belize.



schools overseas. The volunteers will help build health systems capacity in developing countries by improving medical and nursing education. Applications for the GHSP are now being accepted, and the first group of volunteers is scheduled to begin their exciting work in September 2013.

At the same time we are redefining Peace Corps service, an entire generation of Americans is expanding its notions of work and career. As the excitement around Peace Corps Response and the GHSP demonstrates, more Americans are

embarking on second careers. And they want that work to have a social impact.

Second careers represent an opportunity for older Americans to align their skills and expertise with their values. Today, eight percent of all Peace Corps volunteers are 50+, and they serve in all six program sectors: education, health, community economic development, youth development, agriculture, and environment. Peace Corps service is a defining leadership experience at any stage in life and is a great option for an encore career.

#### **Four Generations of Service**

When it comes to encore careers, my grandmother was a trendsetter. In 1972, after a successful career in education, she “retired,” joined the Peace Corps, and served as a university professor in Malaysia. Even before setting off for the Peace Corps, my grandmother had long been committed to making a difference: she was a civil rights activist, volunteered at homeless shelters, and hosted scores of international students in her home.

My grandmother applied her decades of experience to service

5



- 4 Peace Corps Response Volunteer, Janett Forte works as a Drug Planning Officer in the Philippines. Here she gives instruction to staff at the Malinao Treatment Rehabilitation Center.
- 5 Health Volunteer Diane Bootland with children in Belize.



**Carrie Hessler-Radelet**

Carrie Hessler-Radelet was sworn in as acting director of the Peace Corps on June 23, 2010.

Hessler-Radelet and her husband, Steve Radelet, served together as Peace Corps Volunteers in Western Samoa (1981-1983). She taught high school and helped design a national public awareness campaign on disaster preparedness. Upon completing service abroad, she served as public affairs specialist in the Peace Corps/New England Recruiting Office (1984-1986).

abroad because she was inspired by my Aunt Ginny, who served as a volunteer in the early 1960s in Turkey. From 1981 to 1983, my husband and I served in Western Samoa as Peace Corps volunteers. Rounding out my family's four-generation legacy 20 years later, my nephew just completed his service as an HIV/AIDS education volunteer in Mozambique.

With more than 210,000 returned Peace Corps volunteers who have served in 139 countries in the last five decades, it is clear that passionate Americans of all ages can make an enduring difference in communities

worldwide. Today, more than ever, we need the talent and experience of older Americans to serve the cause of peace. ●



# VOLUNTEER NATION

Measuring the Value of Volunteer Work on a Global Scale

Lester M. Salamon | DIRECTOR, JOHNS HOPKINS CENTER FOR CIVIL SOCIETY STUDIES

**Volunteering is a huge “renewable resource” for social and environmental problem-solving.**

More than a hundred years ago, psychologist Edmund Sanders observed that “the real secret of a happy old age is being once more in service for others on to the end of life.”

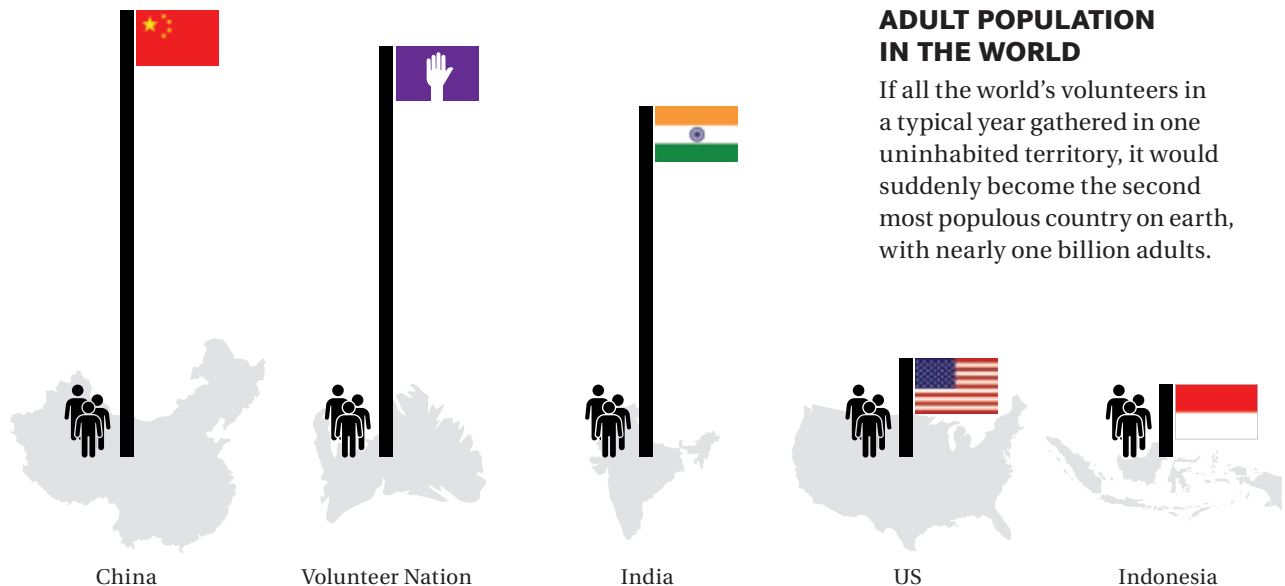
Recent research has now confirmed Sanders’ observation, with one summary of that research calling attention to “the overwhelmingly positive impact of volunteering on health” (Casiday 2008). Volunteers turn out to live longer and to be happier, physically healthier, and less depressed than nonvolunteers. What is more, these generally positive effects of volunteering seem to be stronger for seniors than for younger people. This is because volunteering replaces lost roles as wage-earners and parents, providing a new sense of purpose, a feeling of belonging, social networks, and improved self-esteem (Casiday 2008; Corporation for National and Community Service 2012; Nazroo and Matthews 2012).

## Missing in Action

It would seem that a form of social action with such significant positive effects would be well covered in official statistics. But in practice very little is known about even the most basic dimensions of volunteering around the world. Only a few industrialized countries have carried out official surveys of volunteering, and these are relatively recent and each has used its own definition and approach, making meaningful cross-national comparisons almost impossible.<sup>1</sup> Volunteer work has also been missing from official international statistical systems, such as the one that generates cross-national estimates of gross domestic product (GDP). The result? The contribution of volunteer work to GDP is assumed to be zero.

Some private surveys of volunteer work have been carried out, but they are scattered, use small samples, and are not comparable either from place to place or from one time period to another (Howlett 2011; Lyons, Wijkstrom, and Clary 1998; Rochester, Colin, Paine, and Howlett 2009). As a consequence, answers to even such basic questions as the number of volunteers, the share of the population engaged in volunteering, or the demographic profile of volunteers are unknown in most places, or worse, are reported by various studies to be wildly different even in the same country due to differences in definitions or methodologies.

This lack of systematic comparative data on volunteering has numerous practical consequences: it limits the visibility, and therefore the credence, of volunteering; denies volunteers a full appreciation of their contributions; discourages volunteering by



undervaluing its scale and contributions; and makes it more difficult to improve volunteer management and promote policies supportive of it.

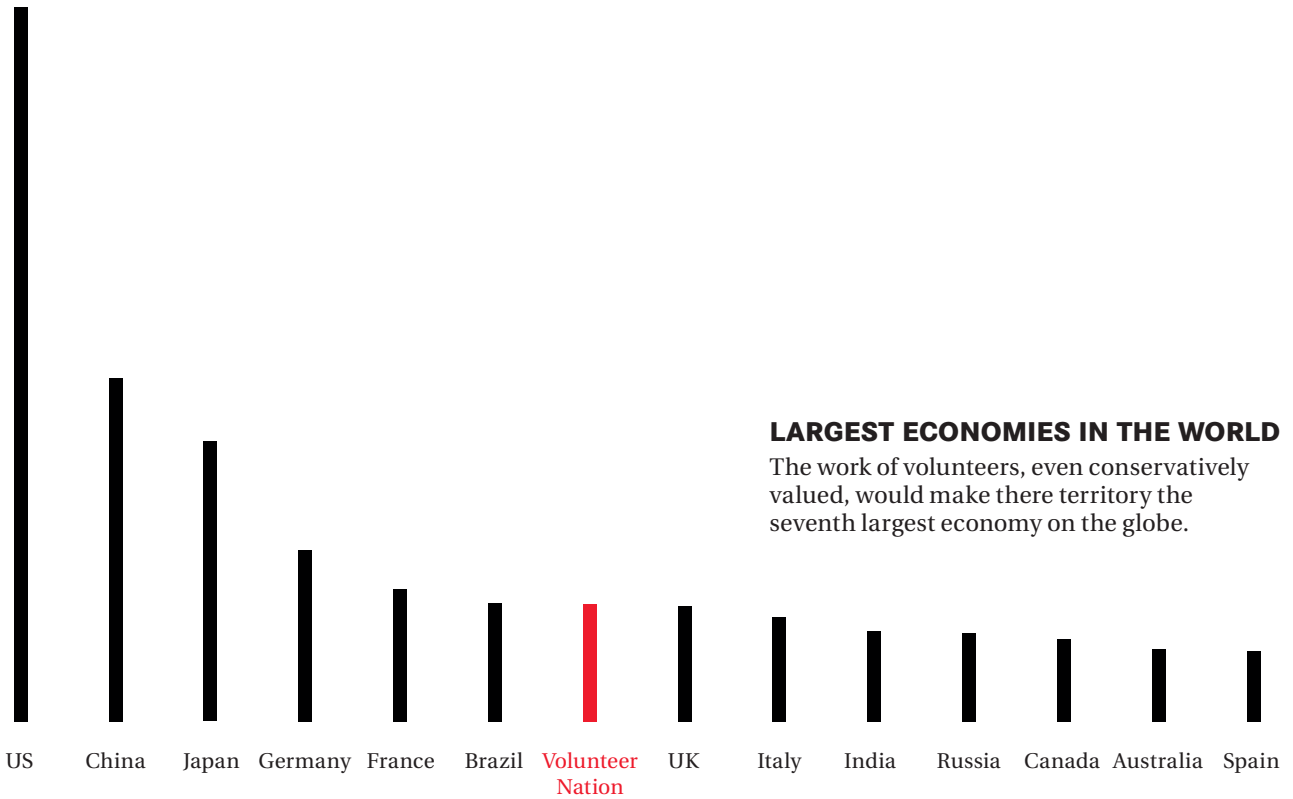
This is all the more frustrating, moreover, in view of the growing realization that volunteering is a huge “renewable resource” for social and environmental problem-solving. This is clear from an estimate of the global scale and value of volunteering recently developed by our team at the Johns Hopkins Center for Civil Society Studies based on data we generated on some 36 countries nearly a decade ago. Based on these data, we estimated that if all the world’s volunteers in a typical year gathered in one uninhabited territory, it would suddenly become the second most populous country on earth, with nearly one billion adults, second only to China’s adult population. And the work of these volunteers, even conservatively valued, would make this territory the seventh largest economy on the globe (Salamon, Sokolowski, and Haddock, 2011)

### A Breakthrough: ILO Manual on the Measurement of Volunteer Work

Fortunately, however, an important breakthrough has now been achieved that promises to improve the measurement of volunteer work the world over. In early 2011, the International Labour Organisation (ILO) issued the first-ever *Manual on the Measurement of Volunteer Work* (ILO *Manual*). Prepared by our Center at Johns Hopkins in cooperation with an International Technical Experts Group and ILO statisticians, this manual establishes an internationally sanctioned definition of volunteering and a cost-effective, uniform method for generating regular reliable data on the amount, character, and composition of volunteer work. It calls on national statistical agencies to integrate the measurement of volunteer work into their existing labor force surveys on a regular basis and provides a recommended survey module through which to do so in a systematically comparable way.

Implementation of this manual by national governments will result in the generation of new information about—

- The number of volunteers, the volunteer rate, and the full-time equivalent labor force represented by volunteers;
- The demographic profile of volunteers (by age, income level, education, urban or rural residence, paid occupation if any, and gender);
- The nature of the volunteer work being performed;
- The economic value of this activity;
- The distribution of volunteer activity among different fields (e.g., health, education, social services, religion); and
- The share that volunteers comprise of the full-time equivalent labor force in particular fields.



**Answers to even such basic questions as the number of volunteers, the share of the population engaged in volunteering, or the demographic profile of volunteers are unknown in most places.**

The procedures and methodologies recommended in this manual can be applied not only at the national level. They can also be used by individual organizations, networks of organizations, or companies to assess the scale and economic value of the volunteers they mobilize or utilize.

The topics covered in the survey recommended in the ILO *Manual* are not, of course, the only facets of volunteering that are of interest to volunteer leaders, scholars, and policy makers. However, gathering reliable, comparable data on these topics will provide a foundation on which subsequent research can be built, and will make it possible to gauge which recruitment and retention strategies work best in different settings or for different populations.

## Next Steps

In order to capture these benefits, however, additional work will be needed. The ILO does not have the power to compel national statistical offices to adopt and implement the ILO *Manual*. Whether they do so or not will therefore depend in important part on whether they hear from constituencies interested in having these data. Given the importance of volunteering to the older population, it would seem that AARP and its members would have a particular interest in making sure the ILO *Manual* is adopted in the broadest range of countries so that progress in promoting an activity so important to healthy aging can be accurately gauged. We welcome the support of AARP, its members, and its global partners in making sure the ILO *Manual* is implemented.

Thanks to the ILO *Manual on the Measurement of Volunteer Work*, we may be at the dawn of a new era in recognizing and valuing of volunteer work. But important tasks still remain to bring this new era fully to life. We look to AARP and its partners around the world to help us take advantage of the opportunity this manual opens up to the volunteering community.

For more information about the Johns Hopkins Center for Civil Society Studies, the ILO *Manual on the Measurement of Volunteer Work*, and efforts to encourage the implementation of this manual around the world, please visit [ccss.jhu.edu](http://ccss.jhu.edu). To discuss how you can help promote implementation of the ILO *Manual* in your country, or your agency or network, contact us at [ccss@jhu.edu](mailto:ccss@jhu.edu). ●

<sup>1</sup> Regular surveys of volunteering have recently been conducted by the statistical offices of Australia, Canada, Germany, Switzerland, the Netherlands, Norway, and the United States.

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**Lester M. Salamon**

Lester M. Salamon is director of the Johns Hopkins University Center for Civil Society Studies. He led the team that produced the ILO *Manual on the Measurement of Volunteer Work* and is the author of numerous books and articles on the nonprofit sector and volunteering in the United States and around the world.

## Smart Traveler: State Department Releases New App for Travelers

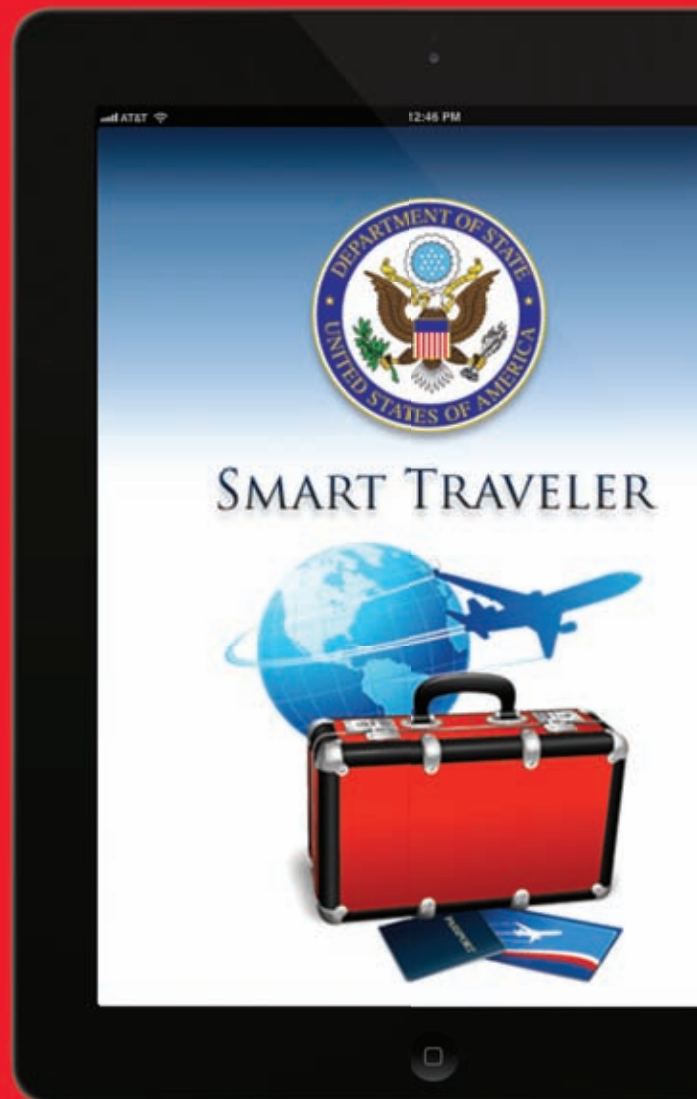
Every year, more and more older Americans are traveling and retiring overseas. According to Jim Pettit, deputy assistant secretary for overseas citizens services in the State Department's Bureau of Consular Affairs, "US citizens realize it is important to educate themselves before they travel about the conditions in their destination country, but doing the research—scouring websites, reading travel guides, talking to other globe-trotters, or calling embassies—can be challenging."

The US Department of State provides many resources to help ensure your safe and secure travels including their recently release Smart Traveler app. Smart Traveler allows you to research country-specific information quickly and easily and access the Smart Traveler Enrollment Program from anywhere in the world, as well as receive immediate updates and travel warnings straight to your smart phone. This free app allows you to select your travel destination and choose "Know Before You Go" to get travel warnings on that specific country or region, a map, and safety & security information. It also provides a complete list of all US embassies & Consulates overseas.

As Pettit explains, "Our first goal is to make useful travel information available to them so that they can make informed decisions about where to travel and to live, because we believe that a well-informed traveler is a safe traveler."

The app is currently compatible with iPhone, iPod touch, iPad (requires iOS 4.0 or later), and Android devices and it will be available on other platforms shortly.

[www.state.gov/r/pa/ei/rls/dos/165020.htm](http://www.state.gov/r/pa/ei/rls/dos/165020.htm)





# ONLINE RESOURCES

## Impact of Baby Boomers on US Travel, 1969 to 2009

The Baby Boom Generation has fueled much of the growth in travel over the past 40 years—both in the number of travelers and in the amount of travel per person. This paper describes economic, residential, and cultural changes at the center of this historic growth in travel, through analysis of four decades of travel data.

<http://goo.gl/b8V6n>

## AARP Bulletin Survey on Volunteering

Volunteers age 50 and older are more likely than their younger counterparts to give their time both through an organization and on their own. The purpose of this poll was to examine similarities and differences in volunteering among adults age 18 to 49 and 50+.

<http://goo.gl/5Tej3>

## Retiring Overseas

In this series of AARP Blogs, Suzan Haskins, writer/editor for InternationalLiving.com, discusses how retiring abroad could save you money; how to pick where to live; how to convince your spouse it's a good idea; and more.

<http://goo.gl/bg68B>



\* URLs are case sensitive

# Life Reimagined

At age 57, Dr. Doug Tomlinson and his wife, Bonnie, decided to live the traditional retirement dream. They sold the family dental practice in Illinois and moved to Arizona—a dream destination for anyone who loves warm weather and golf.

That dream changed soon after, when Doug realized that he was “too young to do nothing” and decided it was time give back to his country by enlisting in the US Navy Reserve as a lieutenant.

The majority of Doug’s service consisted of commuting to Tucson to provide dental care to the Navy Operational Support Center. But that changed during a two-week Reserve training operation in San Diego.

In the harbor, Doug noticed the US Navy Hospital Ship *Mercy* and learned of her primary mission to provide rapid, flexible, and mobile acute medical and surgical services to support US Armed Services. He also learned that she provides mobile surgical hospital service for use by appropriate US government agencies in disaster or humanitarian relief and limited humanitarian care incident to these missions or peacetime military operations. This

caught his attention, and he signed up for service.

The 1,000-person population on the *Mercy* included 400 Navy medical personnel, 70 civilian mariners, and nearly 500 aid workers from nongovernmental organizations. Doug’s tour included stops in Indonesia, the Philippines, Cambodia, and Vietnam from early May to early September 2012.

According to Doug, “We saw 6,000 people in total, none of whom ever had a filling before.” He continued, “None of them had ever been to a dentist. Some waited 11 hours to be seen.”

Although parts of the trip were rough, he said the tour was a “once-in-a-lifetime experience.” He credits his wife, Bonnie, for her patience and fortitude in letting him take the trip. Now, 10,000 extracted teeth later, Doug, the retired dentist from southern Illinois, is back in Arizona, waiting to see what adventures retirement and the Navy have in store for him next. ●

By Bradley Schurman, Senior Advisor,  
AARP Office of International Affairs





SPOTLIGHT

# KATHY GREENLEE



PHOTO COURTESY OF UNECE

**NAME:** Kathy Greenlee

**PROFESSION:** Assistant Secretary for Aging, Administrator of the Administration for Community Living, US Department of Health and Human Services

**MOTTO:** This quote from Eleanor Roosevelt has frequently given me courage. “You gain strength, courage and confidence by every experience in which you really stop to look fear in the face. You are able to say to yourself ‘I have lived through this horror. I can take the next thing that comes along.’ **You must do the thing you think you cannot do.**”

**CURRENTLY READING:** *Behind the Beautiful Forevers: Life, Death and Hope in a Mumbai Undercity* by Katherine Boo

**LISTENING TO:** National Public Radio and XM radio

**HOBBY:** I like to make handmade cards. I have a stockpile of rubber stamps, ink, paper, ribbon and bling. Everyone likes to get a handmade card. It’s a creative outlet and is especially fun for holidays.

**FAVORITE CITY TO VISIT:** Paris. It’s a city of art, music, food, culture and history. Walking the streets of Paris is special.

**RECENT TRAVELS:** I traveled to Vienna, Austria last September to lead the United States Delegation to the United Nations Economic Commission for Europe 2012 Ministerial Conference on Ageing. It was a great opportunity to highlight the United States’ commitment to older adults.

**FAVORITE MUSEUM:** The Vincent Van Gogh Museum in Amsterdam. I’m drawn to the bright colors in Van Gogh’s work.

**TECH MUST-HAVE:** My iPhone. I love having the internet and music in my pocket. The ESPN Score Center app keeps me up-to-date on my beloved Kansas Jayhawks.

**RECENT ACCOMPLISHMENT:** Helping to create the Administration for Community Living. I believe people with disabilities, older adults, and their advocates and families have much to gain by working together to help people live at home.

**OVERLOOKED ASPECT OF AGING:** I believe we do not discuss death and dying enough in the field of aging.

**POSITIVE ASPECT OF AGING:** The dynamic power of age. I believe older people are a tremendous resource to society, and they are often overlooked in public policy conversations and underutilized in local communities. They are social capital waiting to be unleashed.

**MY LIFE (VS. MY LIFE 20 YEARS AGO):** Twenty years ago I was a young Assistant Attorney General working in Kansas. My area of interest was junk mail and telemarketing fraud aimed primarily at seniors. I had no inkling the field of aging would become the cornerstone of my career and that combating elder abuse would be a particular passion of mine forever.



AARP aims to help people live longer, healthier, more financially secure and productive lives by identifying the best ideas and practices on key policy issues. We convene international opinion leaders and policy makers to share their expertise and develop research on health and long-term care, older workers and retirement income, and livable communities. Through our international program, AARP fosters this global collaboration and, in the end, acts as a collaborator and catalyst to governments and decision makers in all sectors to help address and favorably shape the social and economic implications of aging worldwide.

