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McGraw Hill Financial Global Institute Report Outlines Path for Cities to Address Intersection of Urbanization and Aging Trends

New survey data finds a majority of city residents believe current conditions contribute to generational divide

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NEW YORK, Jan. 19, 2016 /PRNewswire/ -- McGraw Hill Financial Global Institute today announced the international launch of *Aging and Urbanization: Principles for Creating Sustainable, Growth-Oriented and Age-Friendly Cities*, a solutions-oriented report created in partnership with the Global Coalition on Aging. The report examines the intersection between two defining demographic trends of the 21st century – rapid urbanization and aging populations – and outlines a set of principles to advance the creation of self-sustaining cities that support residents of all ages.

"We know enough about aging to know that it waits for no government to act," said Paul Sheard, Chief Global Economist and Head of Global Economics and Research, McGraw Hill Financial. "These demographic megatrends will continue to change the world as we know it, and addressing them now will not only improve quality of life where more people live – but will improve economic development and global competitiveness."

The report also includes the findings of a new survey, commissioned by McGraw Hill Financial Global Institute, to determine global attitudes on these changing demographics and how cities are addressing them. Among a number of other findings, respondents around the world believe their governments are largely underinvesting in the infrastructure – both social and physical – that cities need to successfully adapt to their future population demographics.

Other key survey findings include:

- Despite an overwhelming concern that their government pensions would not adequately support them as they age, respondents were not confident in their ability to save enough money to supplement their pensions;
- Over ninety percent of respondents in the United States, United Kingdom, Germany, China, and Brazil believe that governments should invest more resources to ensure the health, security and well-being of their aging populations
- Survey respondents in Japan, Germany, China and Brazil all identify the development of infrastructure and transportation as their top concern;
- Respondents in Germany, the United States and the United Kingdom identify promotion and accessibility for people to "age in place" as their top priority;
- There is a strong concern that governments do not allocate sufficient resources to public pension and health programs despite a global population that is aging rapidly;

By 2030, more than 1 billion people worldwide will be aged 65 or over; and by 2050, nearly two-thirds of the world's population will live in urban areas, an increase from just over half today. Across Latin America, age-related expenditures are growing faster than GDP. In the United States, health care costs currently absorb 18 percent of GDP, and are expected to climb further. Without concerted global action, according to *Aging and Urbanization*, cities around the globe will need to deal with a dearth of initiatives and infrastructure that address broader economic, health and transportation concerns.

In 2015, the World Economic Forum established its "Age-Friendly Business Principles" to demonstrate how this demographic shift can drive economic growth. Building on foundational work from WEF, the World Health Organization and others, *Aging and Urbanization* identifies four principles to guide how cities can channel their infrastructure investments to ensure the economic vibrancy of their urban communities:

- Build out of infrastructure and transportation that will address the needs of citizens of all generations;
- Housing to enable aging in place that promotes independence, choice and freedom;
- Access to community health programs with innovative technology and excellent medical interventions; and
- Opportunities for continuing work, education, arts and recreation across that life cycle.

In the short and medium term, the report identifies three immediate actions that the public and private sector can take in order to build age-friendly cities with the capability to accommodate future generations:

- Develop an economic case for aging in place
- Provide opportunities for innovation
- Create incentives for intergenerational policies and investment

To demonstrate the positive impact of age-friendly cities, *Aging and Urbanization* highlights several standard-setting initiatives from cities around the world. From Seoul's adoption of age-friendly transportation network reforms to New York City's online database connecting older adults with free educational opportunities at local schools, the report emphasizes replicable examples of innovation.

The full report is available online here, and integrates key findings from a global survey of 6,077 people aged 18-65 living in medium, large or very large cities in the United States, the United Kingdom, Germany, China, Japan or Brazil. (Survey conducted by Edelman Berland, with data collection between November 30 and December 14, 2015, with a margin of error of +/- 3.07 percent.)

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The McGraw Hill Financial Global Institute enriches public policy debates through market-driven insights.

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