

Brygida Cupiał, Ewa Sobolewska-Poniedziałek

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Managerial Economics 15/1, 19-28

2014

Artykuł został opracowany do udostępnienia w internecie przez Muzeum Historii Polski w ramach prac podejmowanych na rzecz zapewnienia otwartego, powszechnego i trwałego dostępu do polskiego dorobku naukowego i kulturalnego. Artykuł jest umieszczony w kolekcji cyfrowej bazhum.muzhp.pl, gromadzącej zawartość polskich czasopism humanistycznych i społecznych.

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Brygida Cupiał*, Ewa Sobolewska-Poniedziałek**

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1. Introduction

Delivery of goods and services dedicated to the elderly is a necessity nowadays, arising from demographic factors. For several years, demographers have clearly warned us about the continuous aging of the population and predicted that the problem would continue to get worse. Aside from the obvious problems arising from an aging population, this issue should also be considered in the context of changes needed in the orientation of institutions, organizations, and companies that produce goods and provide services for seniors. The needs of the elderly have so far been considered marginal, mainly because they are viewed as an unattractive target group – overly demanding, yet not yielding substantial potential profits for companies. The functioning of the silver economy, a problem raised in the following study, is an urgent issue. The decisions by the European Parliament to establish the year 2010 as the European Year for Combating Poverty and Social Exclusion as well as the year 2012 as the European Year for Active Ageing and Solidarity between Generations clearly evidence the fact that the matter is important¹. This aspect of the economy has also become a subject of interest for organizations at the supranational level. The modern role of the elderly, both in social and economic terms, will also be unavoidably transformed

* University of Zielona Góra, Faculty of Economics and Management, Department of Environmental and Public Sector Economy Management.

** University of Zielona Góra, Faculty of Economics and Management, Department of Macroeconomics and Finance.

¹ Decision of the European Parliament and of the European Council 940/2011/UE 14 Sept. 2011 on the European Year for Active Ageing and Solidarity between Generations (2012), OJ EU L246, 23.09.2011.

in a significant way. Seniors who are much more active in both professional and recreational areas, who exhibit a greater interest in education, and who are more receptive to new technologies – these trends are currently observable. The result is an increase of the importance of this social group which, in turn, encourages providers of goods and services for seniors to be more sensitive to their needs. The undertakings that meet the needs of older people best and, consequently, the needs of other age groups is one of the models of our economic system called the silver economy. This article attempts to identify the existing potential as well as the main barriers of the introduction of the silver-economy concept in the region. Investigations will be carried out by a case study of the Lubusz province of Poland.

2. Concept and objectives of the silver economy

The model of economic system oriented primarily to seniors and, consequently, to all age groups, is described as the silver economy. It is the type of economic system designed to utilize the potential of older people, including the most effective ways to satisfy their needs.

Despite the fact that the silver economy concept is relatively new, it is a subject of constant evolution; for reference, R.G. Heinze and G. Naegele (2009) argue that the silver economy should not only be regarded as a separate sector of the economy, but rather as a cross-section of the market which involves operations of many different industry sectors.

Effective implementation of silver economy principles is more likely to be successful at the regional level than at the national level, as regional views focus on the needs of consumers with detailed, well-defined characteristics. In terms of theory, this approach is very close to the concept of social capital, a concept which is a metaphor that allows us to “transfer the attention, from the behavior of individuals to relationship between individuals and groups and social institutions, bringing together analysis at the micro-, meso- and macrosocial, multi- and interdisciplinary, re-introduction to the issues of scientific discourse” (Kwiatkowski, Theiss 2004). As the analysis of the literature on social capital shows, the vital role in the social capital creation process is attributed to civic associations and their activities in public and social life. In addition, the family is also considered to be an important component of social capital, expressed with the significance of interpersonal bonds, minimizing the risk of fraud yet creating trust. The above-mentioned components constitute social capital, but there is always some regional specificity of social capital that depends on the endogenous

conditions of the region. Other important components of social capital include religious structures that implant civic competence and government activities that affect the protection of citizens' rights and enforce freedom of the press. The governmental components are key exogenous determinants of social capital in the region. Moreover, some researchers argue, that social capital is the key determinant of the effectiveness of the regional authorities (Kwiatkowski and Theiss 2004). When analyzing scientific theories which introduce the category of human capital to economic analysis, Kozuń-Cieslak (2013) concludes that this leads the scientific discussion to focus on issues related to the role of the state in investing in capital to increase the wealth of the country, accelerate civilization enhancement, and increase competitiveness regarding international trade. This approach underlines the need of research in the fields of development, implementation, and effectiveness of public policies in this area. Nowadays, however, public policies are fields of the activities of not only the main actor – the state – but also of other actors – regional, local, and others (Zdybała 2012; Pietrzyk 2007). The processes of decentralization and subsidiarity have now become dominant in the creation of regional and local development policies. At the same time, some of the important determinants of regional economies are still being developed at the national level, and recently even higher – at the European level. Influences of global trends and processes are also more clearly noticeable in the average citizen's life.

Aging in developed societies is one of the global challenges of the Twenty-First Century, and this is also true regarding the Polish economy. Changes in Poland after 1999, whose aim was to move away from centralized social policy and move towards the development of local communities and governments, have included decentralization of the social function of the state as well as the commercialization and privatization of services and social security institutions. Therefore, local government is also accountable in the creation of local policy concerning the elderly (Hryniewicz 2012). At the same time, it should be emphasized that: "In light of the assumptions of modern gerontology, local environment, inhabitation environment is the best to organize effective relief, because the idea of support is based on the rule of non-interference with fixed way of life and acceptance of all components of a friendly elderly living space" (Halicka, Kramkowska 2012). As emphasized by one of the problem researchers: "One of today's most popular forms of support in Europe is the integration of older people with the living environment by their activation and skillful involvement in the daily operation of their closest neighborhood. At the local level this is expressed by the development of various types of services, mainly care services. This area was poorly maintained, but the European experience shows that the optimal use of human resources at the local level is not only possible, but beneficial,

both from an economic and social points of view” (Halicka, Kramkowska 2012). However, analysis of Polish regions indicates differences in their demographics, and the fact that some regions have greater resources to introduce a so-called silver economy approach than others.

3. Socio-demographic conditions of Lubusz Province

Lubusz is currently the smallest province in Poland population-wise, consisting of 1.02 million inhabitants as of the end of 2012. The currently binding strategy of Lubusz Province (*Strategia rozwoju...* 2012) indicates the need to take into account trends related to a silver economy, because as predicted for Lubusz: in 2020, a dramatic increase of elderly aged over 65 years old will occur – it is estimated that this group will increase by approximately 50% over 2010 levels.

The fact that nowadays Lubusz Province is one of the regions with the smallest population of people over 65 years of age is a very positive factor, according to a concept proposed by the experts responsible for forming the silver-economy-development strategy for Malopolska Province (Golinowska 2012). This will allow for faster development of strategies and implementation of solutions at the right time, more easily and efficiently. Nevertheless, demographic projections through 2035 for Lubusz show that the number of people aged 65+ will grow, so it is important to analyze the resources of the local economy, its character, and local conditions as well as taking measures to gain interest and acceptance of local decision-makers and citizens for stipulations of a silver economy.

Analyzing the situation of Lubusz as compared to other provinces in terms of population aged 65 and above, it should be noted that the region belongs to a group of provinces featuring the smallest shares of this age group in regards to the total population. An analysis of the population of Lubusz in the context of its economic age (*Stan i struktura...* 2013) shows that in 2012, the retirees constituted 16% of the population, which surpassed by 4% the number of those biologically aged 65 and over. This confirms that both the biological population aged 65+ as well as those of retirement age will increase.

It is estimated that in 2020 the number of people in immobile age (45 – 59 for women, 45 – 64 for men) will rise to 22% of the population, while the number of people in retirement age will reach 21.8%. Forecasts for 2035 indicate that the number of people both immobile and at the age of retirement will further rise (respectively, to 27.5% and 26.5%). According to forecasts, the share of the productive-age population will gradually decline. In 2010, there were 65.7% of

people of productive age in Lubusz Province, while in 2020, the percentage is expected to reach 59.3% while dropping slightly in 2035 (to 57.6%). Both the number of productive-age people and the number of people of pre-productive age (as well as production itself) will fall in the years to follow. The most dynamic changes in the social structure of Lubusz Province is the rapidly increasing number of elders over the age of 65. As mentioned above, the size of this group in the region will increase by over 50% by 2020 (as compared to 2010). This population will increase from 119,000 to 180,000 people during this time. According to forecasts, this trend will be reinforced further through 2035 – people aged 65+ (mostly retired) will be an increasingly important group of consumers in the region. Thus, a silver economy will have a huge impact on the conditions and development of the regional economy.

4. Socio-economic conditions of Lubusz Province. The potential and barriers of the silver economy concept implementation

The process of creating a development strategy aimed at introducing the silver economy concept should take existing differences into account in regards to the continental, national, and regional models of implementation. These reflect the diversity of social and cultural societies in varying degrees, including the category of old people and the form of cooperation of public institutions, environment businesses, and non-profit organizations (Eitner *et. al.* 2008).

According to S. Golinowska, the core characteristics of the region that supports the development of this concept can be specified based on existing examples of regional development management to the silver-economy type, that is: an existence of free labor, a developed education capable of training the work force needed within a silver economy in the region, adequate transportation and communication infrastructure, the resources needed to run the health tourism, and a friendly elderly population (Golinowska 2012).

Due to the socio-economic conditions, Lubusz Province [which already has a relatively high proportion of social transfers as compared to other regions (*Strategia rozwoju...* 2012)] ought to develop a strategy that will motivate seniors to extend the period of their activity rate. Special attention should be paid to regional conditioning, which shows that the proportion of work force and passives will change to the benefit of the latter economic activity group, particularly in rural areas and in small towns. This will lead to the need

to rebuild local budgets in order to find enough funds to cover growing public transfers in order to meet increasing needs of the elderly. On the other hand, bigger towns are experiencing positive net migration rates of young people, and this trend will apparently be maintained over the next several years – better-urbanized areas are more attractive labor markets and places of residence for people entering adulthood. Such circumstances may pose a further threat to the implementation of regional cohesion and sustainable development in less-urbanized areas. This also allows us to make the assumption that many regional investments made today could prove to be socially and economically less efficient over the next 20 years, if any at all. The above-mentioned risks can turn into opportunities for a region's development, when the regional strategy of a silver economy, will be formulated, implemented, and monitored consistent with other strategic documents of the region. It is particularly important for the strategy to be associated with the regional strategy of the social economy.

One of the significant strengths of Lubusz Province is the location on an important transportation route – the Pan-European East-West corridor – and at the proximity of Poland's western border. The fact that such a location is conducive to the construction of transport infrastructure is important in the process of silver-economy implementation. Another important feature in the analysis of this region is a large number of businesses compared to its number of inhabitants. About 90% of all enterprises registered in Lubusz Province are companies in the small- and medium-sized enterprise segment; among these, approximately 95% are micro-enterprises which employ up to 10 people. From the point of view of the needs of a silver economy, this can be regarded as opportunity which enforces future development, as it makes it possible to flexibly adapt the offer to the heavily individuated needs of the elderly. There is also a relatively high level of free-labor resources in the region that could be directed to support a silver economy – for example, the 2012 unemployment rate amounted to 15.9% (*Rocznik statystyczny...* 2013). One very important issue to be considered is, of course, the education and qualification levels of the labor market; nonetheless, if regional authorities will take measures to focus on the implementation of the silver-economy concept, it will be an impulse for the unemployed activation programs to be directed towards the needs of such an economy. Furthermore, there are eight higher schools in Lubusz Province, providing education in specializations including: nursing, teaching, social work, social welfare, and socio-therapy, which can be considered a guarantee for sufficient know-how in the beginning phase.

From the point of view of silver-economy introduction, an important factor is the presence of resources for health tourism and elderly-friendliness in

the region. The 2006–2013 Lubusz tourism development strategy was adopted as the direction of balanced-development tourism (ecotourism), but unfortunately there is no record that would suggest that the state attempts to focus on any activities directed especially towards seniors. However, there are a range of possibilities for cultural and balanced tourism that, with the right approach, would increase the chance to meet the challenges associated with “silver tourism”. So, it is not limited only to the sights of the cities (known as the old urban fabric), but also historical and brownfield sites most importantly support a proactive stance in contact with nature. In turn, when it comes to health tourism as a result of this strategy, this region is a region with vast opportunities for this type of tourism. In addition, it should be noted that this region is tops in the country in terms of the length of its hiking routes. In addition, the natural beauty and diversity of attractions (including religious) are characteristic to the region, and this constitutes a good base to satisfy the needs of the elderly. The factors particularly advantageous in this process are: the availability of communication, an extensive database of all-year-round hotel facilities, a large number of ecological and historical sights, and good tourist infrastructure such as cycling paths, horse riding paths, etc. (Cupiał, Zarębska 2011). The last but not least, the factor of great importance is also a well-developed, consistent and active strategy, focused on stimulating the continuous improvement of the public offer by new initiatives contributing to the regional tourism.

On the nature of public space suited to the needs of the elderly, it should be pointed out that a lot of changes have taken place in recent years. However, efforts to adapt public space for elderly or disabled to fully participate in public life, is a long-term and very expensive process. When it comes to resources and possibilities of adapting cultural services aimed at older people, it seems that this area does not require a specific transformation, and a greater burden of responsibility is traditionally taken by NGOs, clustering members around certain activities, including activities in culture.

There are many NGOs in Lubusz Province which focus on the people in their retirement age. According to the NGO service (www.lubuskie.ngo.pl) at the end of 2012, there were 69 non-government organizations that declared seniors to be their main focus; among them, 12 Universities of the Third Age. One of the strengths of this region is the largest Polish network of active “farmers’ wives’ associations” active in rural areas.

Lubusz Province is of attractive geographical location and many natural environment assets. On the other hand, it does not belong to the group of highly industrialized regions in Poland. Hence, its economic attractiveness strongly depends on service sector development. This set of factors constitutes

the perfect environment for the silver economy introduction and development. Furthermore, some forms and institutions characteristic to a silver economy have been present for a long time – e.g., Universities of the Third Age (U3A) and other institutional forms of public sector services. However, the lack of conscious and strong involvement of local governments in new forms of services of a silver economy is an obstacle not supporting the development of the entire region well enough.

A good practice in strategic approach to managing the economy of the region in this context can be derived from the silver-economy strategy in the Malopolska region, which can serve as a base model for the Lubusz region.

5. Conclusions

In light of changing circumstances within the economy, including local economies – both regional governments and the market, continually seek to optimize its current and future operations to adapt to socio-economic conditioning. The issue of demographic change taking place in developed countries, including the aging population, is a fact not subject to debate. Therefore, it becomes necessary to make the transformation and modification of existing business models towards the changing conditions and needs of the citizens. The answer to the increasing number of people in retirement age and forecasts that claim that this phenomenon will accelerate over the next several years is definitely the silver-economy concept. Guidelines of the approach are based on attempts to effectively meet the needs of seniors by providing them with goods and services they really need, while not neglecting the needs of other age groups' representatives. The assumption made in this concept also is the apparent desire to establish an intergenerational dialogue in order to reap the maximum benefit from the experience, knowledge, and wisdom of the elderly.

The implementation of silver-economy principles is more purposeful at the regional level, due to the best economic and cultural match to the needs of the region. The effective implementation of the concept is much more likely to occur in those regions which are in a unique but predictable situation, both demographically and socio-economically.

The analysis of Lubusz Province in the context of existing and potential barriers to the introduction of the silver-economy concept leads to the conclusion that the potential needed to implement the principles of a silver economy in the considered region is present. The strengths of the region embrace a convenient location on main national-transport routes, a well-developed network

of existing companies in the small- and medium-sized enterprise sector, natural wealth and diversity of tourist attractions, and finally numerous non-profit organizations. The weaknesses include a relatively small number of existing care institutions for the elderly and poor adaptation of public space to the needs of the elderly. However, a careful assessment of existing potential for as well as barriers to the introduction of a silver economy require in-depth qualitative study to be carried out, which will be an attempt of this article's authors in the near future.

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