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Futur Radar 2030

Demographic Changes, Challenges and Opportunities for the Rhineland-Palatinate

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Responding to Demographic Change

The population structure of the German federal state of Rhineland-Pfalz (The Rhineland-Palatinate) in South-West Germany will change considerably in the coming decades. This will have impact on every sphere of private and public life. Taking account of projections for population growth in the region Futur Radar 2030 (Zukunftsradar 2030) took a closer look at these developments and the impact they could have on citizens in the region. The goal was to sensitize the public and decision-makers to this and emerging related issue and to make proposals for various actors as to how they might handle the expected change.

Long-Term Issues on Agenda

Discussion on the impact of demographic change has become very popular recently. Until 2002 however the issue was rarely been covered in the press or in public debates. Although the facts have been known for decades, political actors had not yet put the impact of demographic change on the agenda. ZIRP considered the subject of demographic change to be one of the most important issues determining the economic, social, and political development of the region. ZIRP therefore initiated *Futur Radar 2030*. From the very start, use of the relatively new 'foresight' approach was encouraged by the federal government and by the citizens of Rheinland-Pfalz.

The 'driver' of the project was the demographic change. The State Office of Statistics forecasts an overall population drop and a distinct shift in age structure for Rheinland-Pfalz. Due to prevailing low birth-rates and rising life-expectancy the number of elderly people is expected to grow while the younger generation decreases in size.

The project was divided into four main themes identified in expert workshops as being decisive and influential for the future of the region. *Futur Radar 2030* therefore focused on the challenge of demographic change and its effect on:

- Communal Affairs,
- Industry and Labour,
- Cooperation of the Generations,
- Market Opportunities.

A Participatory Approach

Futur Radar 2030 adopted a dynamic and open process with several consecutive goals:

- It should initiate a far-reaching discussion of the problem in order to sensitize the public.
- The participants should spread their knowledge on the issue throughout the region and act as multipliers. A participative foresight approach based on workshops and an



orientation towards the broader public was selected as the appropriate *modus operandi*.

- Stimulate positive thinking by the public about demographic change. It was considered vital to identify ways in which changes in population structure could imply favourable effects on the development of the country.
- The results were to be communicated extensively throughout the country.

Foresight Fitting the Needs of the Region

In many respects *Futur Radar 2030* is different from other foresight projects in Europe. In co-operation with Dr. Kerstin Cuhls of Fraunhofer Institute for Systems and Innovation Research (ISI) in Karlsruhe, the method was customised to meet the needs of ZIRP. *Futur Radar 2030* is clarified by a clear definition of the object of investigation, and a regional concentration on the federal state of Rheinland-Pfalz. The detailed themes that future teams would work on were fixed by a panel of experts. In this way the long process of detecting the important issues was accelerated and simplified. Each of the four main themes (s. page 1) was handled in a similar way:

- Key topics were selected by experts.
- *Future Teams* of about twelve members each, all with different regional and professional backgrounds were established for each issue.
- In their first two meetings the groups brainstormed, clustered their ideas and topics, and worked on mini scenarios.
- The scenarios were written up and provided the basis for a written questionnaire which was sent to more than 300 experts. These experts were asked to estimate the likelihood of the scenarios happening.
- The scenarios were adapted accordingly.
- The outcome of *Futur Radar 2030* was a list of more than four hundred recommended actions for different spheres of action.
- These were summarised into a series of guiding principles or *Leitthesen*. They do not follow the thematic structure of the group sessions. Instead they combine the many ideas in visionary yet realistic statements.
- Eventually these principles and a PowerPoint presentation about the whole process provided the basis for public presentation of the project outcomes.

Involving the Public

Publicity is an important factor for a successful project. The involvement of as many institutions and individuals as possible is of great importance for the development of a broad dialogue involving the whole society of Rheinland-Pfalz. Public relations activities and the presentation of results rested upon four main pillars:

- **Panel discussions** at regional and national level served as a means to sensitise and motivate local authorities and decision makers.

- **Regular participation** in congresses and symposia helped to find new experts and representatives of target groups for the project.
- Publications and **press releases** about the results were used to reach a broad public.
- A **website** (www.zukunftsradar2030.de) provided a platform for discussion and exchange between the participants. It also provided a substantial source of information concerning every field of demographic change. The site now includes one of the largest collections of commented web-links as well as a list of experts.

Since May 2005, the project work of the experts and Future Teams had been completed. By midyear 2006, the public relation activities are planned to be finished. The project has reached its goal when a broad and continuous discussion on the issue of demographic change is implemented in the public of Rheinland-Pfalz.

The Consequence of Change

The main issue - demographic change - can be seen as a basic challenge for any area of political, social and economic life. Its effects are manifold and only to a certain extent foreseeable. Demographic change implies several major challenges:

- Constant low birth rates lead to a decreasing number of young people in society. This leads not only to a declining population but in the long-run to a **shortage of young specialists** mainly in technical professions. Generally this has implications for the educational system as well as on family policy.
- The lack of junior employees will lead to a rise in the average age of the work force. Companies have to deal with **senior personnel**. This causes a fear of a declining capacity for innovation in enterprise.
- As the estimated life expectancy rises the number of elderly people in society increases. This has consequences for the welfare system. In particular it has consequences for the **pension system**. More and more senior citizens rely on the contributions of fewer employees and previous 'inter-generational contracts' lose their validity.
- The changing proportion of old and young people in society harbours potential for **social conflict**. It is possible that younger generations will not feel adequately represented in the political realm, whereas a growing number of senior citizens may feel rejected by a youth-centred consumer strategy in advertisement and production.
- Demographic change will differ from region to region. While the urban centres and their greater surroundings will keep on growing in the upcoming decades, **rural areas with a poor infrastructure** will face serious loss of population. This could lead to challenges in ensuring adequate supplies of goods and services in these regions.
- **Fewer taxpayers** in regions with declining working populations will put pressure on communal budgets and the maintenance of cultural, recreational infrastructure and other services will challenge local authorities.

- **Migration** is an important demographic factor. Although it cannot reverse changes in population structure, it may help to slow down such trends. When migration is used as an instrument for managing population change, strategies for integration would need to be improved.

Chances and Opportunities

Demographic changes present not only challenges but opportunities too. Some of these opportunities are:

- New markets for **specialised products and services** aimed at seniors are opened up by the increasing number of elderly people in society.
- The quality of **educational systems** could benefit from the lower number of schoolchildren.
- **Communal administrations** could benefit from technological progress and increase their efficiency.
- Due to the shortage of a young work force, personnel-managers will have to develop new strategies to conserve the operating experience of their **senior employees**.

Rhineland-Pfalz - Fit for the Future

The expert groups in *Futur Radar 2030* proposed strategies intended to prepare Rhineland-Pfalz for these expected developments, and for mastering the challenges of demographic change. The participants generated a package of recommended actions for various professional groups and provided an instrument to make the region 'fit for the future'. Not all of these measures however should be seen as universally applicable principles they still require adaptation to local conditions.

Communal Affairs - a modern service provider

Futur Radar 2030 advocates the continuous inclusion of model calculations on the population development into any kind of municipal planning. This is one of the most important tasks for communal administrations. Local authorities should also increase the efficiency of their structures. In order to save costs, several promising instruments were identified:

- The administration as a whole should be transformed into a modern service provider and bureaucratic regulations should be reduced.
- Incentives should be used to entice companies into playing a more active role in the community. This will increase the companies' attachment to the region and could be a key for corporate success.
- The voluntary actions of citizens should become a central means for the inexpensive maintenance of communal services.

In order to raise birth rates effectively and thereby lower the effects of demographic change, the legislator and likewise the communal authorities should take measures to improve family-friendly structures.

Maintaining a workforce of senior employees

An important task for the future is to keep up the productivity of the economy with fewer and older employees. The conservation and use of the accumulated know-how of the workforce, especially of elder workers is one of the major challenges for companies. Trainee and mentoring programs could

be initiated so as to pass on hard-earned knowledge to the next generation of employees.

Family-friendliness will be one of the key issues for the future. The number of female specialists and executives in higher positions must be increased. Work-life-balance must therefore be improved. Politics and the economy must find appropriate actions leading to better compatibility between family-life and work. They need to provide a framework in which women will find the same working conditions as men, in which flexible employment is encouraged, and in which the productivity of elder employees will be preserved by means of workplace design and improved personnel planning.

The whole world of employment will face major challenges due to demographic change, globalisation and technological progress. It is thereby inevitable that the whole economy of Rhineland-Pfalz should embark on a strategy of technical advance and productivity improvement in order to turn the country into a high-tech centre. This will require reasonable steps in many fields of action:

- The education system must be adapted to the new requirements. The promotion of specific skills and talents of the individual should drive the educational agenda.
- Local business development and regional policy should put their focus on creating high tech jobs. At the same time professional training should be organised to provide appropriate qualifications.
- The working people of the region must realise that they are to a great extent self-dependent in their career planning. Individual initiative is needed for success. On the other hand employers will need to offer employees further training programs on a regular basis.
- Payment should be based at least to some extent on individual skills and personal performance. As criteria for remuneration, age and seniority should play a subordinate role.

Cooperation among the Generations

Mutual respect for the needs of each generation is the key for a harmonious and healthy community. Above all the family as an institution needs to be encouraged and supported. The position of the family in society needs to be strengthened through

political and social measures. The place and reputation of children in our community must be improved through measures taken by decision-makers in politics, economy, society, and culture. This includes improvement in child care facilities and the promotion of better work-life-balance. The general framework must be constructed by the federal state and the economy, but local decision-makers have to design it according to the needs of the region.

Senior citizens on the other hand have to be enabled to choose their individual life-style according to their abilities and interests. The preservation of mental and physical ability should be supported through access to dedicated services. The elderly will become more active and the availability of special age-based spare-time activities should be extended and improved.

Local authorities have to consider the needs of all generations into their planning. The citizens on their part contribute to communal life by volunteerism. Well directed projects might contribute to a better balance between the generations.

New public and private buildings should facilitate and create opportunities for inter-generational contact. The main intention is to improve relations between the generations. Therefore, modular, flexible and obstacle free methods of construction are required.

Market Opportunities

The change in population structure opens a remarkable job potential for specialists as well as in the low wage sector. An innovation friendly climate, ongoing deregulation and an open-minded estimation of consequences of the technological progress are important preconditions for seizing these opportunities. The greatest possibilities for the regional markets can be found in three areas:

Technology and Innovative Services: The rising demand for appropriate products and services for senior citizens opens up new markets for the future. Communication between the producer and the consumer is very important to meet the needs of the target groups. The construction industry in particular could profit from demographic change. Modular and flexible buildings with intelligent, variable, IT-based in-house communication and technology systems could increase the quality of life of older people. Private and public educational institutions should establish comprehensive programmes for all age groups. Information and knowledge are important resources for the future and they need to be expanded regularly.

Health, Prevention of Illness and Health-Care: Health-preservation will play a key role in our future health-care systems. It will be an inherent part of the educational system as well. Private wellness and prevention services will find new markets. Home care will become more important. Innovative technologies and services make a system of health care within the social environment possible. The rising importance of health and prevention opens up new markets for the pharmaceutical industry, for providers of medical equipment, and for alternative medicine. The economy of Rheinland-Pfalz must realise this trend rapidly and benefit from it.

Tourism, Leisure and Culture: Rheinland-Pfalz should better promote its highlights to an international audience clientele - its wine culture, attractive landscape and cultural monuments. Tourism offers should be better targeted for groups such as young families and senior travellers. An extended network of actors in tourism, culture and recreation could allow comprehensive and transparent offers for travellers to Rheinland-Pfalz. In co-operation all such organisations could more easily create new market opportunities.

Implementation in Progress

The measures proposed as a result of this foresight exercise provide the basis for an ongoing in-depth discussion with decision-makers and relevant actors involved in politics, society and the economy. In numerous workshops, guiding principles

and recommended actions are connected to concrete needs of well defined regions and special economic sectors.

This foresight exercise provided an effective and favourable tool for dealing with the issue of demographic change in Rheinland-Pfalz.

Sources and References

All guiding principles and the complete set of scenarios and recommended actions can be found on the following site:
www.zukunftsradar2030.de.

About the EFMN: Policy Professionals dealing with RTD, Innovation and Economic Development increasingly recognize a need to base decisions on broadly based participative processes of deliberation and consultation with stakeholders. One of the most important tools they apply is FORESIGHT. The EFMN or European Foresight Monitoring Network supports policy professionals by monitoring and analyzing Foresight activities in the European Union, its neighbours and the world. The EFMN helps those involved in policy development to stay up to date on current practice in Foresight. It helps them to tap into a network of know-how and experience on issues related to the day to day design, management and execution of Foresight and Foresight related processes.