

# TheACTUARY

## Editorial advisory panel

Peter Tompkins (chairman), John Bating, Barry Botelho, Matthew Edwards, Nigel Hayes, Julian Leigh, Martin Lunnon, Andrew Smith, Chris Sutton, Paul Sweeting, Matthew Wheatley

## Editor

Timothy Bramham  
Watson Wyatt Ltd, Watson House,  
London Road, Reigate RH2 9PQ  
T 01737-274229  
F 01737-241496  
e timothy.bramham  
@watsonwyatt.com

## Managing editor

John Harris  
28 Burghley Road,  
Bristol BS6 5BN  
T 0117-924 5060  
F 0117-924 0888  
e johnharris@the-actuary.org.uk

## Features editor

Wendy Crockford  
112B Carshalton Road, Sutton,  
Surrey SM1 4RL  
T 020-8643 5205  
e wendycrockford  
@the-actuary.org.uk

## Deputy features editor

Paula Jackson  
PricewaterhouseCoopers LLP  
101 Barbirolli Square, Lower Mosley  
Street, Manchester M2 3PW  
T 0161-247 4422  
F 0161-247 4113  
e paula.k.jackson@uk.pwc.com

## News editor

Seamus Creedon  
KPMG, 1 Canada Square,  
London E14 5AG  
T 020-7311 5075  
F 020-7694 2340  
e seamus.creedon@kpmg.co.uk

## Company news

Laurence Kleerekoper  
Hearts of Oak Friendly Society,  
9 Princess Road West,  
Leicester LE1 6TH  
T 020-8905 5044  
e kleerekoper@lineone.net

## Puzzles editor

Rakhee Raja  
55a Moss Road, Pinner HA5 3AZ  
T 020-8429 9415  
e rakhee\_raja@hotmail.com

## Student page editor

Tristan Walker-Buckton  
Watson Wyatt Ltd, Watson House,  
London Road, Reigate RH2 9PQ  
T 01737-274556  
F 01737-241496  
e tristan.walker-buckton  
@watsonwyatt.com

## Production manager

Joanne Morley  
Durwyn House, Long Marton,  
Appleby-in-Westmorland, Cumbria  
CA16 6BN  
T 01768-362361  
F 01768-362262  
e jomorley@the-actuary.org.uk

## Editorial illustration

Satoshi Kambayashi

## The Actuary online:

www.the-actuary.org.uk  
Site administrator  
e webmaster@the-actuary.org.uk

# Longevity, actuaries, and social policy

SINCE BECOMING AN HONORARY FELLOW OF THE INSTITUTE IN 2000 – the date the Social Policy Board was established – I have enjoyed the growing partnership between the International Longevity Centre-UK (of which I am chief executive) (ILC) and the actuarial profession. The ILC is an independent think-tank, part of an international network, empowering decision-makers from government, business, the professions, academia, and the media to address issues of longevity, our ageing population, and life-course planning.

One of the principal areas of collaboration has been the joint talks held at Staple Inn, now numbering 17. Professor Jay Olshansky of the University of Illinois at Chicago gave the first talk on 'The limits to growth' in 2002, challenging the widely held view that there are no limits to increasing longevity. Other talks have covered a wide range of ageing population issues on inheritance, assert accumulation, health inequalities, immigration, the adequacy of retirement resources, and the ethics of increasing longevity. It is probably the only forum where such a breadth of issues about living in an ageing society are discussed.

The ageing of the population presents one of the major issues facing the 21st century. This global revolution is redefining the whole nature of developed and developing societies alike, affecting economic and social resources, political choices, and cultural values. Increased longevity represents both a challenge and an opportunity for the development of modern societies.

The new longevity is about how, in conditions of much increased life expectancy, we plan with vision for the healthcare and health cultures we now require; how we prepare ourselves mentally, physically, and financially to lead and enjoy much less programmed, less predictable lives; how we re-adjust national perceptions of those people now living through their 50s, 60s, 70s, 80s, 90s, and beyond – in relation to their full inventory of ambitions and expectations, their productive capacity and talent, their wealth and buying power, their role within family formation and development, their influence as voters, consumers, and citizens.

The ILC seeks to promote fresh thinking, new analysis, and imaginative planning in co-operation with the public and private sectors. It locates the new longevity within the dynamic of other forces of social change; a globalised marketplace, lifelong learning, the end of conventional retirement, the explosion of genetic knowledge and information, the communications revolution, and the spread of IT skills. We take a life-course approach to longevity, and hopeful signs are starting to emerge that some of the physical conditions associated with ageing, for instance, can be prevented



if a life-course approach is taken early in the planning stage.

Without doubt actuarial methods play a key part in understanding the dynamics of an ageing population and the resources needed to support different age groups through the long process of social and economic change.

The Social Policy Board is developing new actuarial projects on the ageing population. Six years since its formation, the board has held two ageing population conferences and many talks addressing the demographic and financial implications of longevity, and produced research based on these.

A year ago the board commissioned a series of articles for *The Actuary* on the implications of the ageing population. It began with an overview of the board's work by Pat O'Keefe; in March Deborah Cooper, the board chair, assessed the second Pensions Commission report; in April Debbie Harrison et al summarised new thinking on financial planning for retirement; in May Richard Verrall et al summarised Cass Business School research on EU pension mortality assumptions; and in this issue Jo Hemmings (Parliamentary Office of Science and Technology) summarises the state of knowledge on healthy life expectancy. Further articles are forthcoming.

Looking to the future, the ILC and the actuarial profession are planning to collaborate on research. So I very much look forward to an ongoing partnership with the profession that will build so strongly on what we have already achieved.

 SALLY GREENGROSS