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“Opportunities presented for the Basque Country by the demographic challenge in social and business spheres”

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The demographic challenge is one of the greatest that we are facing as a society, and in view of the recent data, there are significant concerns and much debate centred around the capacities of societies to address the challenges that this demographic shift will bring in the near future.

Although when we talk about demographic challenge, in the majority of case we associate it with an ageing population, there are other factors that are also affecting this challenge, such as fewer numbers of young people and a lower birth rate.

For the time being, demographic growth appears to depend, to a large extent, on the migratory movements taking place and on those that are glimpsed via the different studies and publications being undertaken. The social and economic implications of this phenomenon are profound, extending far beyond the individual older person and the immediate family. We are therefore going to need a great deal of innovation and the involvement of society as a whole in order to design innovative initiatives that enable us to define new ways of living and co-existing as a result of this demographic restructuring.

As indicated by the United Nations, “it is how we choose to address the challenges and maximize the opportunities of a growing older population that will determine whether society will reap the benefits of the “longevity dividend”.

The Basque Innovation Agency, Innobasque, in its 2010 publication “What’s an innovation society like?” (*Cómo es una sociedad innovadora*), suggested that all advanced societies are faced, to a greater or lesser degree, with the challenge of reinventing themselves. This reinvention is going to mean mobilising society as a whole, overcoming the technical or simply corporate focus of innovation. A series of non-technological challenges exist which are crucial to our future, such as the fostering of education, social cohesion, the construction of a multi-ethnic, multicultural and trilingual society, true gender equality and an ageing population. These are all essential factors for achieving the success of a transformation necessarily social in nature if our economic aspirations are to come to anything.

However, in order to transform our reality we need to understand it and identify the



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keys to its innovation. Past changes and those which will continue to take place raise interesting questions in our society as regards our attitude, answers and silences. This is a time when we are experiencing the paradox of a society that boasts knowledge (pinning the label of knowledge society upon ourselves) while living in constant, profound uncertainty, impotent in the face of the speed at which change is occurring.

Innovation is a social phenomenon implying people, organisations and society as a whole, for which we must consider innovation from a much wider perspective, asserting its social, structural and evolutionary aspect. In recent decades the focus and development of the term innovation has been characterised by techno-economic reductionism. However, in the face of the challenges before us, such as the demographic challenge, we need to break down the dual and fragmented idea that technological and economic innovation has only tangible, productive and quantifiable implications; and those others proclaiming that social innovations only affect the intangible or spiritual. Society and innovation are inseparable from human evolution. In the words of Daniel Innerarity, *“There is no innovation without society, nor society without innovation.”* One important cause of the problems suffered by our society is a lack of balance between the different speeds of economic, political technological and social innovation. A slowing down of the social aspect with respect to the economy causes temporal and spatial desynchronization with respect to innovation (inequalities, disputes, etc.) which political circles have endeavoured to solve with little success.

Innovation doesn't occur as a simple result of drawing up and implementing public policies, but requires an appropriate economic and sociocultural breeding ground to succeed. Politics are able to create the necessary conditions for innovation to take place and for side-stepping routines or restrictions hindering or making innovation completely impossible. However, politics are only very slightly adapting to change, in that they are progressing more slowly than other innovations (economic, technological, etc.), offering reactive, local responses to complex, global problems. They are incapable of conceiving the future, and react to and observe with a limited ability to understand social change, the anticipation of future scenarios and the formulation of a project on the basis of which to achieve an intelligent, intelligible social order. The solution to this stagnant situation lies in promoting and developing politics as a cooperative power in a heterogeneous network via the creation of environments revaluing social dynamism, reflection on the new rhythms destined to bring social innovation into line with its technical-economic counterparts, and the promotion of new forms of governance and social innovation.



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The demographic challenge and the unprecedented demographic restructuring that we are experiencing is a social challenge for all of us and as such, the social response in the face of this challenge can and should be to plan for it, because “the best way to determine our future is to create it ourselves”. It is a process and it must be managed. However, it also has a multidimensional character as it affects many spheres, from the “traditional” (health and social care, pensions etc.) to other “newer” fields (employment, training, culture, values, ways of participating, etc.)

Furthermore, it is a source of economic and social opportunities for the Basque Country. Taking into account the region’s demographic projections, it is a perfect living lab for testing out new products and services from Basque industry, which may be exported to other advanced countries that are also facing this phenomena. The new structure of society, its social relationships, intergenerational coexistence, and the workforce are also aspects that we must address, among others, so as to be able to take advantage of this longevity dividend and ensure a shared and equitable wellbeing in this ageing world.



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