

THE RISE OF A SILVER ECONOMY: STIMULATING ECONOMY OF SRI LANKA

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Abstract: *It is quite important to understand that Sri Lanka is not getting any younger, instead the country is becoming older and thus living longer, working longer, and most importantly transforming the consumer landscape. The Silver Economy is usually seen as a part of the general economy that are relevant to the needs and demands of elderly people. The challenges and opportunities for growing the Silver Economy in Sri Lanka can be interrelated. When challenges are examined, it is quite clear that Sri Lanka has to tackle the societal challenge of an ageing population. In one hand, we need to focus on maintaining public spending on health and care and pensions sustainable in the short and long term. On the other hand, Sri Lanka needs to extend this focus simultaneously to accommodate its ageing population more comprehensively as an opportunity, involving technologies and social innovations, and identifying cross-cutting solutions to improve the general health and wellbeing of the elderly. This paper attempts to show how ageing can be made an opportunity, by exploring its concrete economic potential and lays out steps how to capture it fully. The policy planners in Sri Lanka need to pay more attention to the Silver Economy which promises more economic growth and jobs. Besides that, silver economy can improve business environment, the Silver Economy also needs to be linked to a positive and socially inclusive identity for older adults in Sri Lanka. In this context, a supportive policy environment, with the right incentives and support measures will be key to facilitate this transition.*

Keywords: Silver economy, Population ageing, Business demographics, Sri Lanka

Introduction

Sri Lanka is now experiencing the emergence of an inverted population pyramid and thus it will create serious problems unless, the country is able to place appropriate policies in place. According to the standard population projection, the elderly population will increase in the future at an exponential rate (Dissanayake, 2016). In 2012, the number of older persons was 2,520,573 and it is expected to increase to 5,118,094 in 2037, which is a 103 percent increase within a 25-year time period. The population ageing taking place in Sri Lanka is a common feature of many developed and developing countries in the world today. This phenomenon is occurring mainly due to the decline in fertility and mortality and the resultant increase in life expectancy, which is accompanied by the socio-economic developments of the country. It is seen that the proportion of children outnumber the proportion of older person until 2032 and then a reverse is observed. The two proportions equilibrate at

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