DRAFT BRIEF

The care transition

– a shift as profound as the green and digital transitions

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For more than a decade, the global discourse on health and care has been increasingly dominated by talk of crisis. From the United States to Japan, from Europe to developing nations, healthcare systems are grappling with resource shortages, accessibility issues, and quality concerns. The World Health Organization reports that at least half of the world's population still lacks access to essential health services, while many developed nations face new unmet, unsustainable healthcare costs and labour shortages.

We argue that what's truly in crisis is not the healthcare system, but the underlying "industrial model of care" itself. This model, which emerged in the mid-20th century, treats care as a standardised, transactional "good-like" service. The model was designed for a world with a young, generally healthy population, where illness and disability were seen as temporary deviations from the norm. This approach is increasingly ill-suited to our current reality.

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The limitations of this industrial model are near-universal, transcending national boundaries. From Finland to the United States, from Japan to Brazil, similar patterns arise: **healthcare systems struggling to cope with ageing populations, long-term diseases, and complex social needs**. Moreover, this model often relies on exploitative practices in care work, particularly affecting women and migrant workers, including from the Global South.

Looking further into the future, **we are witnessing the end of an exceptional era** — a period when a large, young, and productive population allowed us to treat care needs as an exception. The 21st century presents a fundamentally different landscape of vulnerability. **Today's care needs are often long-term, complex, and deeply intertwined with social and economic situations and histories**. They cannot be adequately addressed through brief, standardised service transactions.

The crisis is real; however, it signals what we term a "**care transition**" – a fundamental societal shift as significant as the digital transformation or green

transition. Perhaps even more foundational, this transition changes how society organises and values care. Increasingly, it seems evident that **care is no longer confined to a singular sector** but is instead **becoming (re?)integrated into most aspects of society, transforming our economy, family structures, work, and other core institutions** of life. How this transformation will unfold is one of the major political, social and economic questions of our time.

Addressing the care transition requires more than service improvements or technological innovations. It demands institutional innovation – reimagining the fundamental structures of society to place care at its centre. This is a global challenge, requiring us to rethink care on a societal level, fostering long-term, personalised support relationships that recognise the full humanity and rights of every individual.

This primer is part of the New Logic of Care vision project, which Demos Helsinki initiated and led in 2023-2024, in collaboration with a cross-sectoral group of experts and stakeholders.

What is care? All that sustains, nurtures and helps us grow as humans.

Care is an activity that sustains, renews, and strengthens us as human beings – it is an active and long-term commitment to the health and wellbeing of others. This is a normative definition, meaning it is not based on our observations of current care practices. Instead, it reflects an understanding of the evolving – and growing – significance of care in relation to the world around us.

Understood in this way, care encompasses all activities related to maintaining health and wellbeing – from medical care, nursing, healthcare, psychosocial support, and peer support, to care in close relationships and even non-human factors that are designed to give us permanent protection in our vulnerability. From the individual's and wellbeing's perspectives, such divisions are nonsensical.

The industrial model of care is dominant, and operates on a global scale

The health and social care sector is one of the largest employers globally, and its economic significance is set to grow dramatically. According to the World Health Organization, the health and social sector currently accounts for about 10% of global GDP[1]. However, projections suggest this figure could rise significantly. A report by Deloitte predicts that healthcare spending will reach 19.7% of GDP in the United States by 2028[2]. In some advanced economies, healthcare and social care combined could approach 20-25% of GDP by 2050, according to OECD forecasts[3]. In rapidly ageing societies like Japan, some economists project that healthcare and long-term care expenditures could reach as high as 30-35% of GDP by the 2050s if current trends continue[4].

The organisation of care into such a vast industry has followed similar paths in most countries: from diverse networks and communities of care to a carefully defined and standardised system of professionalised care services. Increasingly, in this millennium, these systems have been managed according to the principles of industrial production and organisational thinking. This shift was driven by the post-World War II sentiment and economy, the competition between societal models during the Cold War, and the need to respond to the needs of the large baby boomer generation.

Our current way of organising care – relying on public and private services as well as personal relationships often found within the nuclear family – **is based on an exceptionally unusual period in human history: a large, young population with improving health and productivity**. During this exceptional time, the fundamental vulnerability that defines the entirety of human life could be limited and classified as various "deviations". For each deviation, a corresponding form of care was created. A resource system emerged where efficient delivery of services and the diagnosis and definition of the most common “deviations” (and the associated rights to receive care for these) played a central role. We refer to this as the **industrial model of care**.

The **industrial model of care has functioned very well** but increasingly leaves us feeling utterly alone, **without a true experience of caring or being cared for**.

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[1] World Health Organization. (2022). Health workforce. https://www.who.int/health-topics/health-workforce

[2] Deloitte. (2019). 2020 Global health care outlook: Laying a foundation for the future. https://www2.deloitte.com/global/en/pages/life-sciences-and-healthcare/articles/global-health-care-sector-outlook.html

[3] OECD. (2019). Health at a Glance 2019: OECD Indicators. OECD Publishing. https://doi.org/10.1787/4dd50c09-en

[4] Suzuki, W., Oguro, K., & Ishida, R. (2021). Long-term care expenditure projections for Japan's rapidly ageing society. Asia & the Pacific Policy Studies, 8(2), 208-222. https://doi.org/10.1002/app5.332

In this model, the need for care is treated as an exception, which can be addressed or alleviated through a prescribed service performance.

The industrialisation of care has a long and complex history, with both public and private institutions adopting industrial practices. Modern hospitals, for instance, have roots in 18th- and 19th-century reforms that introduced standardised procedures, professional hierarchies, and systematic record-keeping. By the early 20th century, these principles were widely adopted. For example, in the United States, the number of hospitals grew from 149 in 1873 to over 4,000 by 1910, with most adopting similar organisational structures (Rosenberg, 1987)[5]. In the UK, the National Health Service, established in 1948, centralised and standardised healthcare delivery nationwide, impacting over 3,000 hospitals (Klein, 2013)[6]. Today, this industrial model is global: the World Health Organization reports that as of 2021, there are approximately 59 million health workers worldwide, operating within highly structured systems that often mirror industrial organisational principles (WHO, 2021)[7].

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At the same time, the question of care has always been, and remains, a matter related to society as a whole. In the industrial model, responsibilities are shared between the service system and the close relationships of individuals. According to most studies, the majority of care work is carried out in non-professional settings.

The limits of the industrial model

The industrial model does not protect against the new forms of vulnerability of our time, which are caused by factors such as chronic illnesses, mental health issues, crises, and cultural and social isolation. Our vulnerabilities now manifest in radically different, even opposite ways to those the industrial model is designed to address. **Whereas the need for support was once a temporary deviation, vulnerability has now become a more widely shared and deeply defining**

[5] Rosenberg, C. E. (1987). The care of strangers: The rise of America's hospital system. Johns Hopkins University Press

[6] Klein, R. (2013). The Twenty-Year War Over England's National Health Service: A Report from the Battlefield. J Health Polit Policy Law (2013) 38 (4): 849–869. doi: 10.1215/03616878-2210503.

[7] Joseph B, Joseph M. The health of the healthcare workers. Indian J Occup Environ Med. 2016 May-Aug;20(2):71-72. doi: 10.4103/0019-5278.197518. PMID: 28194078; PMCID: PMC5299814.

experience in human life. This is already reflected in the many qualitative shortcomings of the service system and the pressures it faces.

- **Mental health** issues are rising globally. The WHO reports that depression affects 264 million people worldwide, and anxiety disorders affect 284 million.[8]
- According to the World Health Organization, **non-communicable diseases** (NCDs) are responsible for 71% of all deaths globally. This shift from infectious diseases to chronic conditions is a global trend impacting care needs.[9]
- The global prevalence of **disability** is estimated at 15% of the population, or about 1 billion people, according to the World Bank. This figure is increasing due to ageing populations and the rise in chronic health conditions.[10]
- A 2021 study published in The Lancet found that globally, the **number of adults aged 65 years and older** increased by 148% between 1990 and 2019, far outpacing the 46% growth in the total population.[11]

The industrial model is facing challenges in sustaining itself as care resources are categorised into labour and financial assets. The impacts of slow economic growth and an ageing population on these resources are dramatic. The limits to growth are becoming evident from multiple directions.

- The OECD reports that **health spending** is outpacing GDP growth in most OECD countries. On average, these countries are projected to spend 10.2% of their GDP on health by 2030, up from 8.8% in 2018.[12]
- A 2021 report by the World Economic Forum predicts that by 2030, the world will face a **shortage** of 15 million health workers.[13]
- The **global home healthcare market**, which often provides more personalised care, is expected to grow from $281.8 billion in 2019 to $515.6 billion by 2027, according to Allied Market Research, indicating a shift away from traditional institutional care models.[14]

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[8] World Health Organization. (2022). Mental health: strengthening our response. https://www.who.int/news-room/fact-sheets/detail/mental-health-strengthening-our-response

[9] World Health Organization. (2021). Noncommunicable diseases. https://www.who.int/news-room/fact-sheets/detail/noncommunicable-diseases

[10] World Bank. (2021). Disability Inclusion. https://www.worldbank.org/en/topic/disability

[11] GBD 2019 Diseases and Injuries Collaborators. (2020). Global burden of 369 diseases and injuries in 204 countries and territories, 1990–2019: a systematic analysis for the Global Burden of Disease Study 2019. The Lancet, 396(10258), 1204-1222. https://doi.org/10.1016/S0140-6736(20)30925-9

[12] OECD. (2019). Health at a Glance 2019: OECD Indicators. OECD Publishing, Paris. https://doi.org/10.1787/4dd50c09-en

[13] World Economic Forum. (2021). Global Health and Healthcare Strategic Outlook. https://www3.weforum.org/docs/WEF_Global_Health_and_Healthcare_Strategic_Outlook_2022.pdf

[14] Allied Market Research. (2020). Home Healthcare Market by Product Type. https://www.alliedmarketresearch.com/home-healthcare-market

- The International Labour Organization estimates that achieving universal health coverage will require an additional 18.3 million **health workers** by 2030, primarily in low- and lower-middle-income countries.[15]

The industrial model is incompatible with the fundamental nature of care: care, as a form of work and more broadly as a human activity, is of a distinct quality. The research on care emphasises the idea of its holistic nature, interpersonal connections, and commitment, which are difficult to produce as transactional outputs. This distinguishes it from, for example, industrial work or knowledge work.

- In the United States, a 2020 report by the National Academies of Sciences, Engineering, and Medicine highlighted the inadequacy of the current healthcare system in addressing social determinants of health, which often fall outside traditional medical classifications.[16]
- The UK's National Health Service (NHS) has been implementing "social prescribing" programmes, recognising that many health issues stem from social and economic factors that are not easily addressed by traditional medical interventions.
- In Australia, the Royal Commission into Aged Care Quality and Safety (2021) found that the current aged care system is not fit for purpose and fails to meet the needs of older people, especially those with complex care needs.[17]

In public discourse, the situation is often described as a care crisis or, more broadly, a social and healthcare crisis. This interpretation of the crisis is not unfounded. Awareness of the crisis is beneficial in a situation where the need for care and society's capacity to respond to it has changed significantly in recent years.

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The industrial model of care has been an exceptionally effective response to some of our most common forms of vulnerability. It has even partially addressed the resource shortages predicted by an ageing population. Nevertheless, it seems that the limits of care industrialisation are very close – if they haven't already

[15] International Labour Organization. (2022). Care at work: Investing in care leave and services for a more gender equal world of work. https://www.ilo.org/global/publications/books/WCMS_838653/lang--en/index.htm

[16] National Academies of Sciences, Engineering, and Medicine. (2020). Social Isolation and Loneliness in Older Adults: Opportunities for the Health Care System. Washington, DC: The National Academies Press. https://doi.org/10.17226/25663

[17] Royal Commission into Aged Care Quality and Safety. (2021). Final Report: Care, Dignity and Respect. https://agedcare.royalcommission.gov.au/publications/final-report

been reached. Our doubts are rooted in three reasons, which we will revisit. Before that, let us consider how understanding the situation as a transition opens up access to entirely new resources.

From crisis to transition

The long-standing pressures on global health and care systems have been interpreted as a crisis that is expected to subside once the baby boomer generation has passed. However, our research suggests that it is more reasonable to view the situation as a care transition.

Other significant societal transitions of our time include digitalisation and decarbonisation. Both illustrate the spread of a limited phenomenon across the

	Crisis	Transition
Meaning	A temporary and harmful loss of control that requires exceptional measures.	A prolonged and difficult-to-manage unstable development trajectory that requires efforts spanning years or decades.
Relation to other sectors	Indirect: Threatens to divert resources from other sectors.	Requires new types of alliances between sectors and areas of society.
Scale	Efforts are made to prevent the damage from spreading to other sectors.	Affects most areas of society, the economy, and the environment.
Aim	A desire to exit the situation.	Efforts are made to manage and steer towards specific goals or ideals.
Resources	Scarce and limited.	Scarce and diverse.
Strategies	Clear responsibilities and hierarchies, exceptional arrangements, restriction of rights.	Imagination, experimentation, new political forums, sharing of duties.
Policy	Informative and directive, one-way, justified by necessity.	Requires new policy measures and governance structures (even at the international level), and participation from stakeholders who previously had no decision-making power.
Role of technology	The role of technological innovations is small.	The role of technological innovations is often surprising and significant.
Structural implications	Requires the protection of societal systems.	Requires the rethinking and reconstruction of societal systems.

entire society, creating new institutions and reshaping old ones. Such transitions transform, disrupt, and renew nearly all human activities. **The digital transition serves as a good point of comparison: few consider it merely a technological phenomenon confined to IT department workers.** We have all observed how it changes professional roles, lifestyles, social interactions, and business models and increasingly affects national security and competitiveness. Similarly, the fight against climate change involves one industry after another, altering everyone's habits, jobs, housing, mobility, and diet.

Transitions are lengthy, multi-dimensional, and cross-sectoral societal changes. The essential aspect is the reconfiguration of key societal institutions. This entails a transformative and non-linear metamorphosis occurring over decades, characterised by uncertainty and instability as old institutions are reconfigured and new ones are founded.

In profound transitions, such as the anticipated care transition, it is not only the technical or formal ways of organising society that change. **In transitions, the perception of what people are like and how they relate to one another shifts**. Whereas a crisis is a temporary and damaging state of losing control, a transition is a prolonged and challenging developmental trajectory. It directs our gaze toward the future.

Care crises can be identified more as symptoms of the instability caused by a new distribution of responsibilities rather than temporary shocks after which the system will return to its previous stability. It remains unclear how responsibilities will be allocated. The redistribution of responsibilities may emphasise different professional groups and sectors. Alternatively, it may enhance the role of communities, families, and kinships. It may also involve a duty of care similar to obligations for education and national defence, along with their respective institutions.

Towards a new logic of care

The care transition requires a more fundamental understanding of care resources and their significance to individuals and society as a whole. All people are entitled to reciprocal care, both as caregivers and as those receiving care. In this critical moment, we have a choice: to continue viewing care through a crisis lens or to embrace the possibilities of a care transition. By choosing the latter, we open the door to a future where care is not an exception but a fundamental part of how we live together.

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Reimagining care, our deeply interpersonal asset, is a privilege and responsibility to us all. No matter the sector you work in, if you have a vision for how this transformation should unfold, please reach out—and steer the course together.

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