

Demography: a chance or a threat for the CEECs?

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Demography: a chance or a threat for the CEECs?

Outline

- Introduction
- Description of major demographic mechanism
- Demographic changes in CEECs compared to the world and Europe in general
- Specificity of CEECs: prevalence of the lowest-low fertility often coinciding with net emigration
- Some important demographic outcomes in future
- Conclusion

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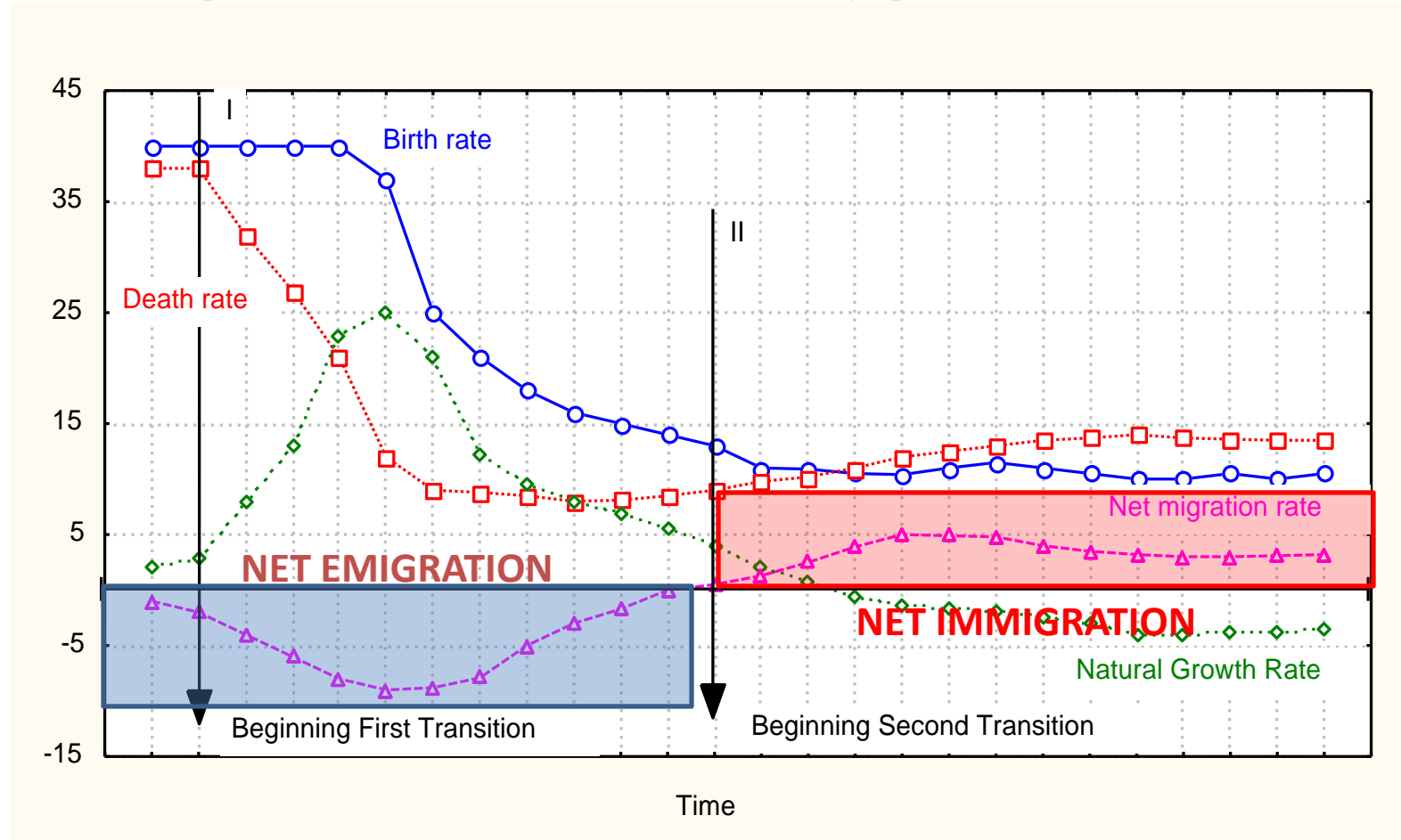
Introduction

- a chance or a threat?
- demography is always a chance – people as the ultimate resource (Julian Simon) → a long tradition in social thinking
- but it could also be a threat; so far most commonly identified in the post-colonial Third World → „population explosion”
- time dimension matters very much → under the pre-Borlaug agriculture, India was „over-populated” and condemned to starvation and backwardness; at present, after 50 years or so, India belongs to net exporters of grain and economically fastest growing countries despite enormous increase in the population
- demographic transitions bring about temporary „shocks” followed by adaptations, e.g. adaptation of procreative behaviours to improved survival of progeny during the demographic transition of modern times
- most recently the „trap of the lowest-low fertility” experienced by some MDCs directly leads to a deep depopulation and excessive ageing

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Description of major demographic mechanism

Schematic representation of the First and Second Demographic Transitions



Source: Van de Kaa (1999)

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Demographic changes in CEECs compared to
the world and Europe in general

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Future demographic changes in CEECs compared to the world and Europe in general

- World: population might **increase** from 6,9 mld (2010) to 10,1 mld (2100)
- Europe (without the East): **stagnation** between 440 mln and 450 mln
- Eastern Europe: **decrease** from 295 mln to 220 mln

In effect:

Share of Europe in world population (%):

1950	1980	2010	2040	2070	2100
8,7	6,6	4,3	3,0	2,4	2,2

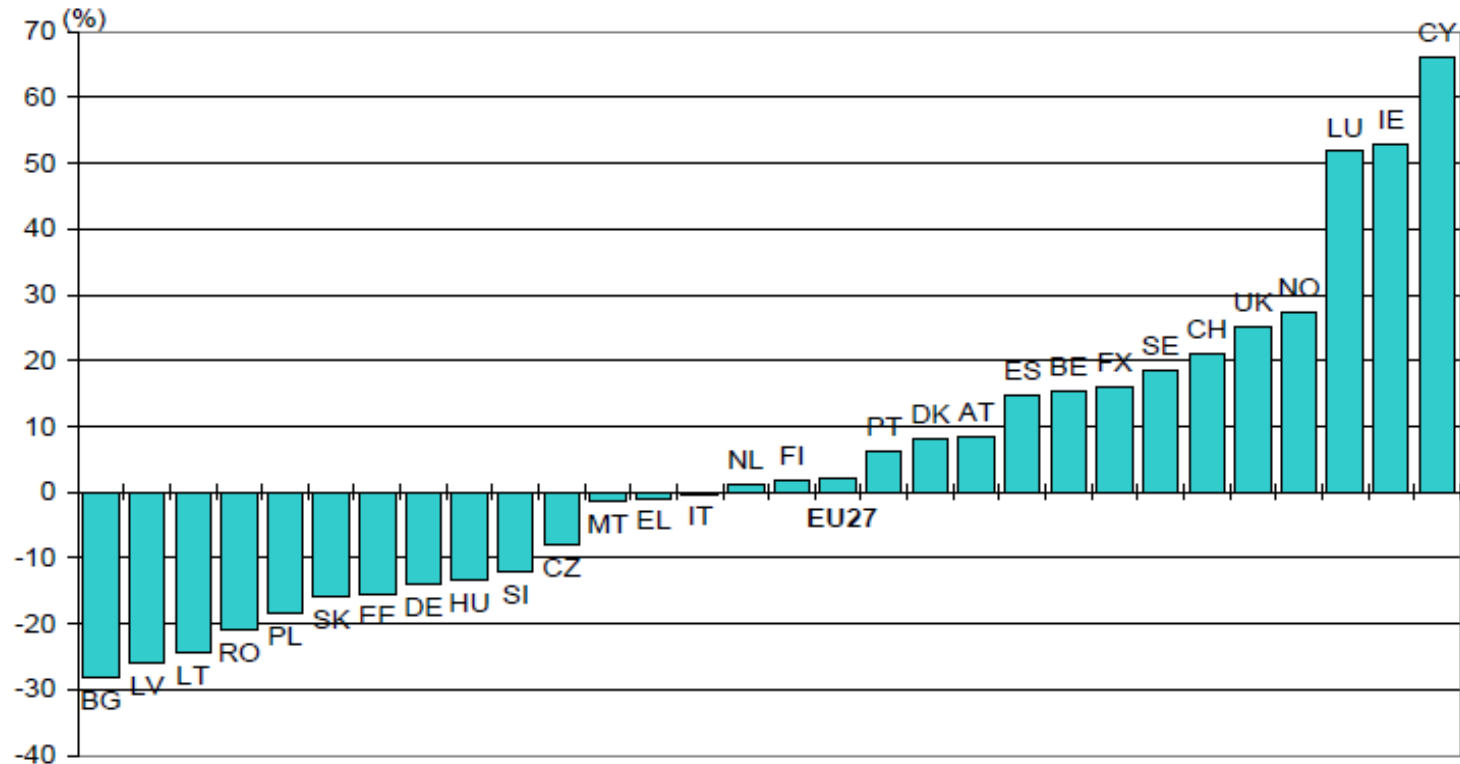
Share of Eastern Europe in European population (%):

1950	1980	2010	2040	2070	2100
40,2	42,6	40,0	36,6	34,2	32,9

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Demographic dimension of European future

Changes in population size (%), 2010-2060



In earlier period of same duration (1950-2000) population in the 'East' increased by 38% (despite negative migration balance) while in the 'West' by 29% (largely due to immigration)

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Specificity of CEECs

→ coincidence of

- strong net emigration (in some CEECs)

and

- below-replacement fertility

→ and, in addition

- prevalence of the lowest-low fertility

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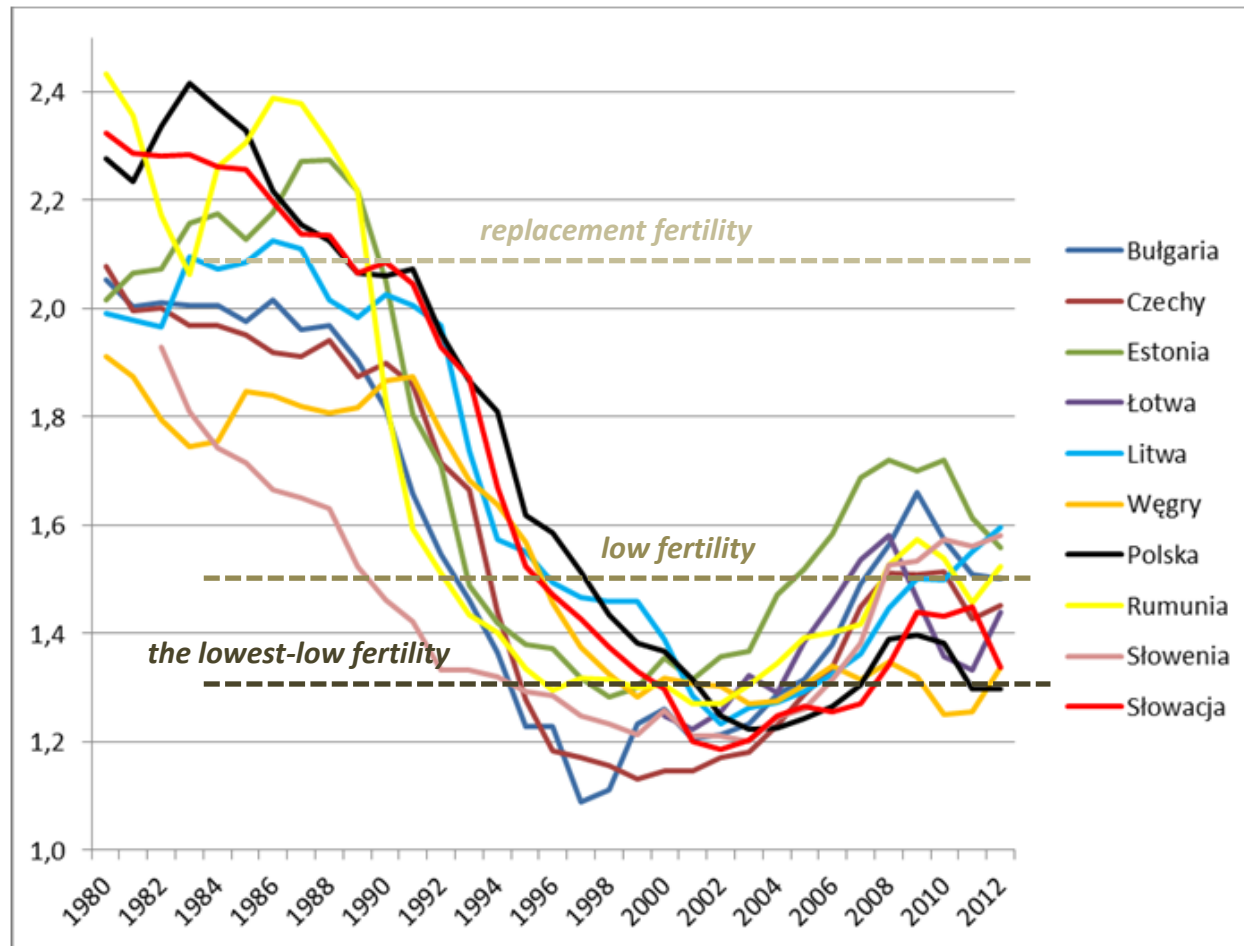
Principal reason of the demographic contraction: a deep decline in fertility

- Three critical thresholds: 2,1; 1,5 and 1,3
- 2,1 = replacement level
- 1,5 = the low fertility
- 1,3 = the lowest low fertility → → *trap of the lowest-low fertility*

- Long duration of the fertility slump

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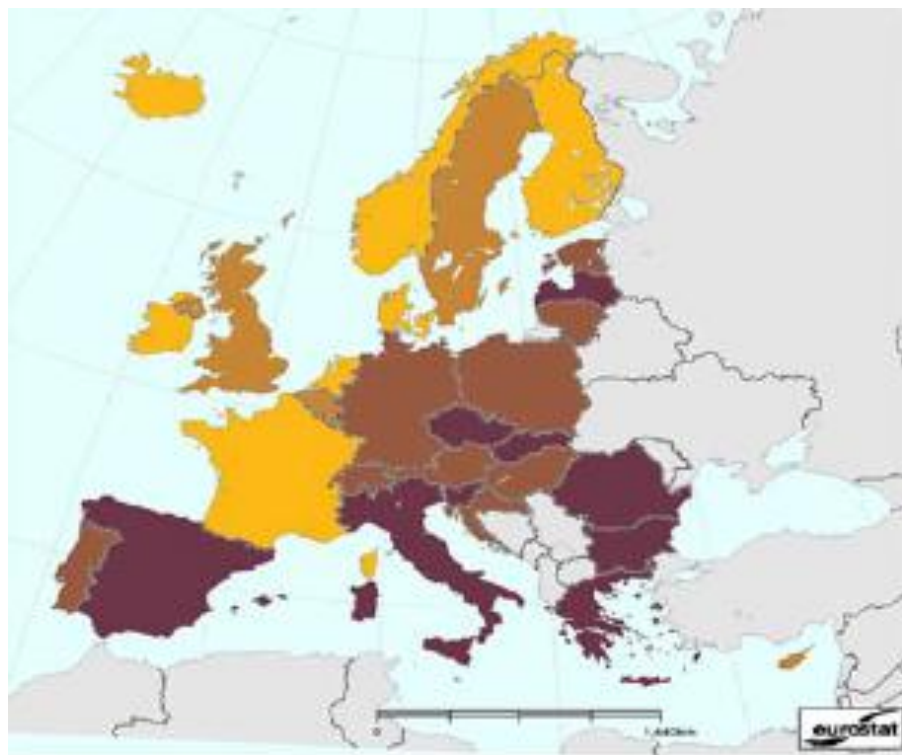
TFR in CEECs, 1980-2012



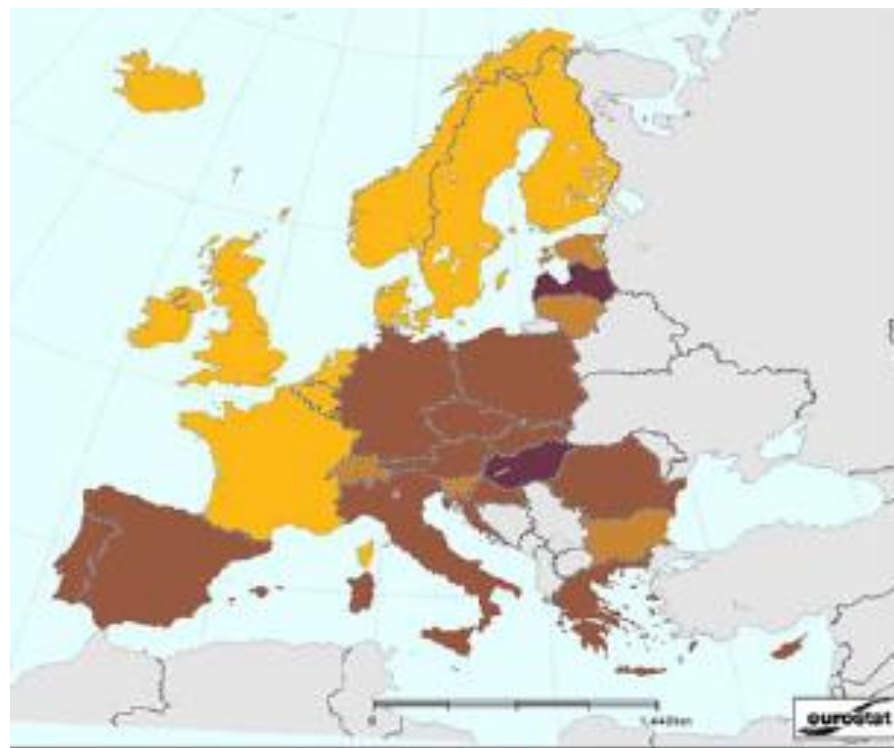
Source: Mig/Ageing; CMR (2014)

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recently a slight improvement in CEECs



Total fertility rate
Average 2000 - 2002



Total fertility rate
Average 2009 - 2011

...but far from enough

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TFR 2012

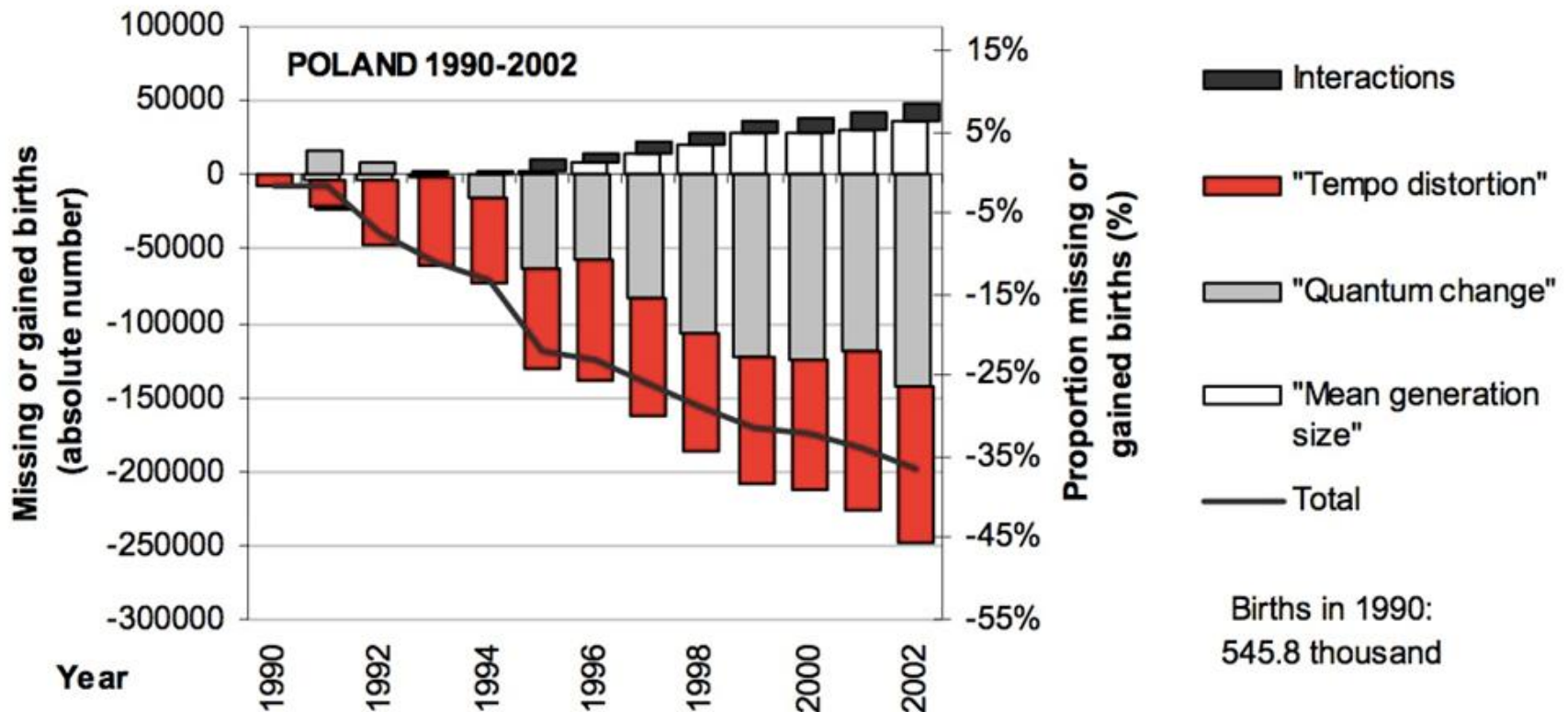
UE-28 average = 1.57

TFR	country
below 1.35	Greece, Hungary, Poland (1.30), Portugal (1,28), Slovakia, Spain
1.35-1.49	Austria, Cyprus, Czech R., Germany, Italy, Latvia, Malta
1.50-1.59	Bulgaria, Croatia, Estonia, Lithuania, Luxembourg, Romania, Slovenia
1.60-1.69	
1.70-1.89	Belgium, Denmark, Finland, Netherlands
1.90 & above	France (2.01), Ireland (2.01), Sweden, United Kingdom

Source: Eurostat

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Factors of fertility decline: the case of Poland (1990-2002)
Decrease in the no. of births attributed do its principal factors

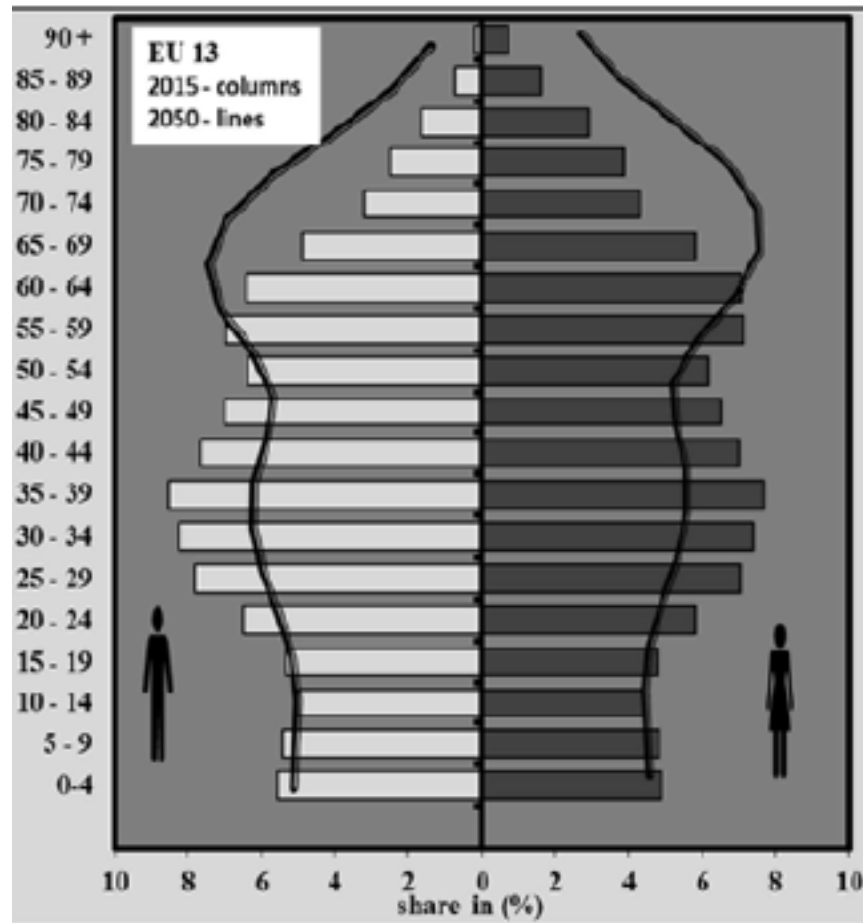


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Some important demographic outcomes in
future

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Fundamental change in age composition

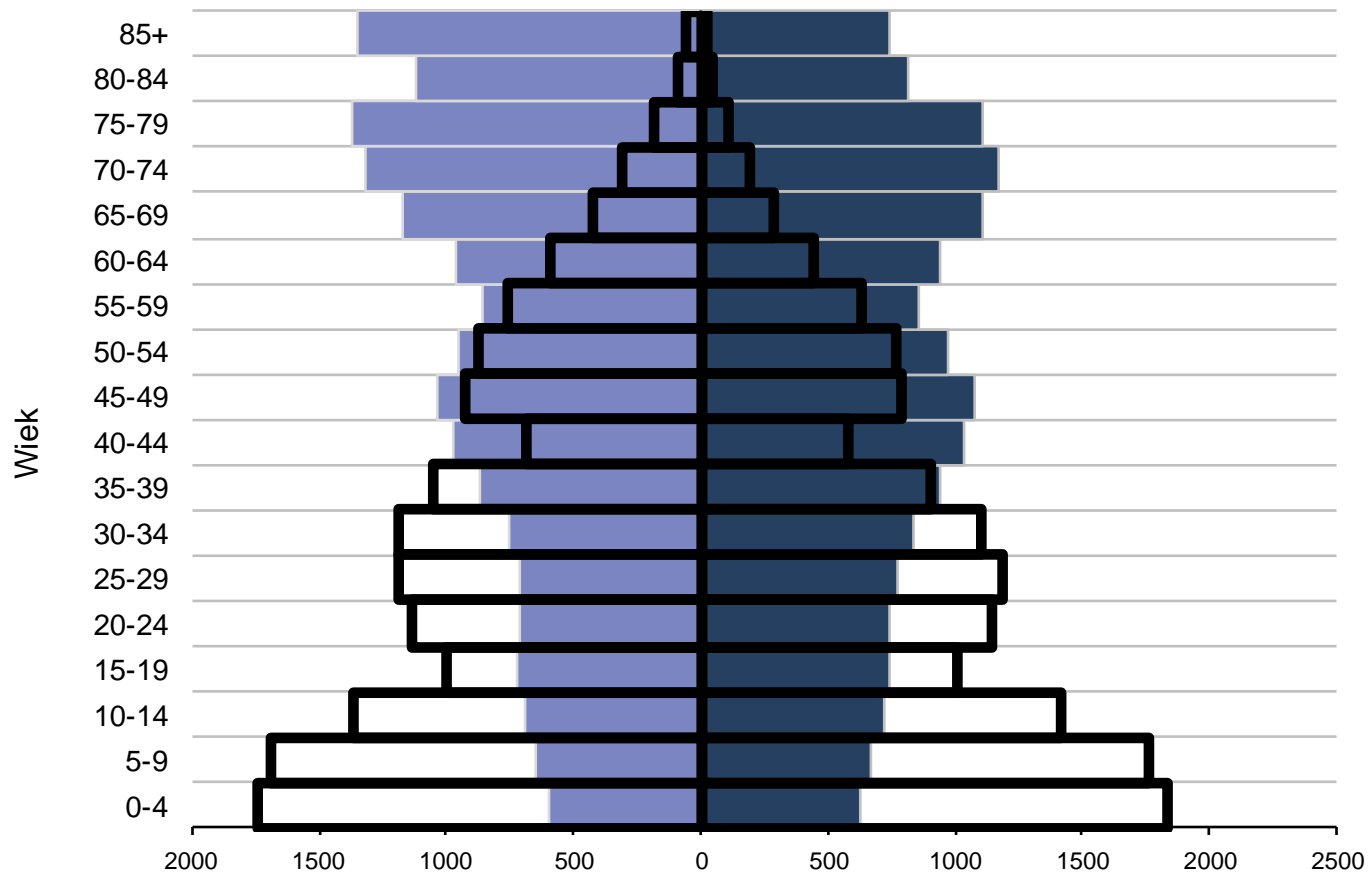


Projection of age structure pyramids in new member states of the EU (2015 and 2050)

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A country-specific illustration: Poland, 1960 vs. 2060

Population of about the same size (appr. 32 mln); entirely different age composition



■ Mężczyźni, 1960 ■ Kobiety, 1960 ■ Mężczyźni, 2060 ■ Kobiety, 2060 (w tys.)

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A loss in potential labour supply

European regional differences in the change in working-age population (15-64 years), in the future (million persons)

Region	2010	2060	change		2100
Europe	505.3	392.0	-133.3		355.8
Eastern	211.0	137.0	-74.0		118.5
Southern	103.6	78.1	-25.5		68.0
Northern	65.2	68.6	+3.4		68.4
Western	125.4	108.4	-17.0		100.8

Source: based on UN projection

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A loss in working-age population (WAP), 2010-2060

Country	Change in WAP (million)	Change in WAP (%)		Change in total population (%)
Bulgaria	-2.3	-44.2		-27.6
Czech Republic	-2.1	-28.8		-7.8
Hungary	-2.1	-30.4		-13.0
Poland	-10.9	-40.1		-19.4
Romania	-5.8	-38.9		-21.0
Slovakia	-1.5	-38.5		-16.7
European Union	-50.7	-15.4		+2.1
United Kingdom	+4.9	+9.5		+25.1

Source: based on Eurostat projection

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Median age: now and in 45 years

2010			2060		
Rank	Country	Median age	Rank	Country	Median age
6-7	Bulgaria	41.4	1	Romania	52.4
6-7	Slovenia	41.4	2	Latvia	51.9
13	Latvia	40.0	3	Poland	51.2
15-16	Hungary	39.8	6	Slovakia	50.7
17-18	Estonia	39.5	7	Hungary	50.5
19	Czech R.	39.4	10	Bulgaria	49.6
20-21	Lithuania	39.2	13	Slovenia	48.7
23	Romania	38.3	14-15	Czech R.	48.1
24	Poland	37.7	14-15	Lithuania	48.1
25	Slovakia	36.9	17	Estonia	47.3
average	EU-27	39.8	average	EU-27	47.2

Source: based on Eurostat

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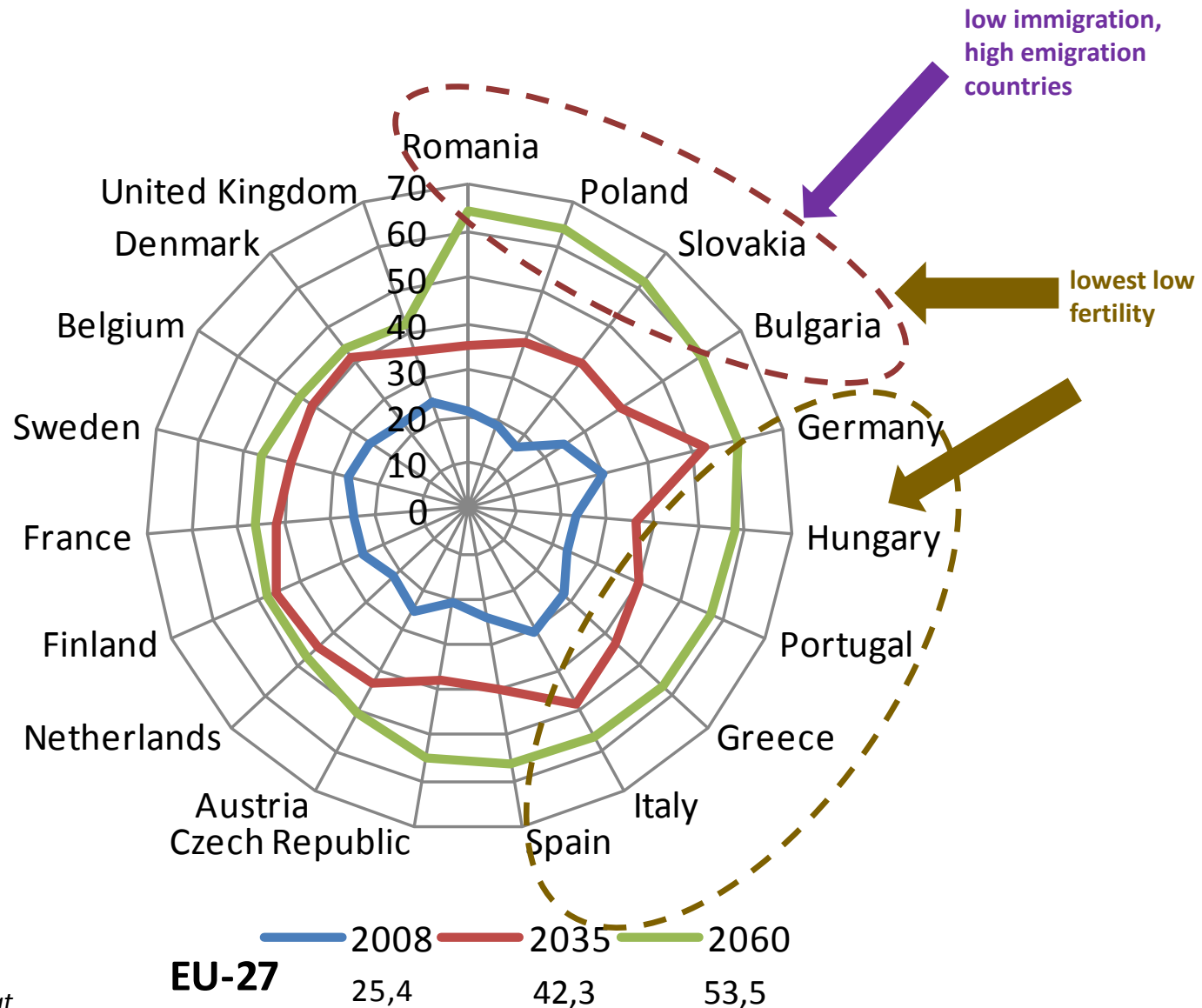
Old-age dependency ratio (x100): now and in 45 years

2010			2060		
Rank	Country	OADR	Rank	Country	OADR
10	Bulgaria	25.4	1	Latvia	68.0
11-12	Estonia	25.2	2	Romania	64.8
11-12	Latvia	25.2	3	Poland	64.6
16	Hungary	24.2	4	Slovakia	61.8
17	Slovenia	23.8	5	Bulgaria	60.3
18	Lithuania	23.3	7	Hungary	57.8
20	Czech R.	21.6	8	Slovenia	57.6
21	Romania	21.4	12	Lithuania	56.6
24	Poland	19.0	15	Estonia	55.5
26	Slovakia	16.9	16	Czech R.	55.0
average	EU-27	23.6	average	EU-27	52.4

Source: based on Eurostat

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Old-age dependency ratio, 2008, 2035 & 2060



Source: based on Eurostat

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Conclusion

- shrinking human resources (a deep decline in population size, especially in its working-age segment) and an advanced ageing pose serious political problems that call for resolution
- is demography a chance or a threat? → rather a challenge
- in CEECs it seems more demanding than elsewhere in the UE
- in order to cope with that challenge the societies of CEECs will need to adapt (and in fact, to pioneer in adapting) to the demography-related changes, needs and requirements in such areas as: public health, care for the elderly, family and intergenerational relations and social cohesion, structure of household demand and consumption, public finance, work and economic activity, and, finally, various public policies.

Thank you!