



# Oxford Institute of Ageing

## Population Ageing in Central and Eastern Europe

FLaG Lunch Seminar Series  
School of Sociology and Social Policy  
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## *Outline*

1. Introduction: Central and Eastern Europe's transition from socialist to ageing societies
2. The relationship between socio-economic crisis and demographic change
3. The drivers of population ageing in Central and Eastern Europe
4. Resulting effects on the population structure in Central and Eastern Europe
5. Conclusions: Implications of population ageing for the CEE societies

*Source: Hoff, A. (2008): Population Ageing in Central and Eastern Europe as an Outcome of the Socio-economic Transition to Capitalism. **Socialinis darbas** [Lithuanian Journal of Social Work], 8(2): 14-25.*





1.

## **Central and Eastern Europe's transition from socialist to ageing societies**





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OVERVIEW

## FROM RED TO GRAY

*The "Third Transition"  
of Aging Populations  
in Eastern Europe and  
the Former Soviet Union*



THE WORLD BANK



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## Eastern Europe





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## 1. Intro: From ,Socialist' to ,Ageing' Societies

- 2009 = 20<sup>th</sup> Anniversary of the “Velvet Revolution” / “Peaceful Revolution” in Central and Eastern Europe (CEE) in 1989
- Since 1989, CEE has been undergoing transformation from ‘state-socialist’ societies / planned economies → ‘free’ societies / market economies
- Rapid process of re-organisation of social institutions (Worldbank / IMF ‘shock therapy’)
- Their people were unprepared for these changes
- Dramatic changes of people’s lives, including:
  - ⇒ devaluation of degrees / qualifications
  - ⇒ mass unemployment (unemployment previously unknown)
  - ⇒ poverty / social exclusion
  - ⇒ deteriorating health care provision (former Soviet Union)

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→ **widening gulf between rich and poor**





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## 1. Intro: From 'Socialist' to 'Ageing' Societies (2)

### → Uncertainty, insecurity

- ⇒ Did people change their behaviour / take different decisions?
- ⇒ Mass emigration of young Eastern Europeans to Western Europe, North America, Australia, etc.
- ⇒ Young people in CEE stopped having children (postponement)!

Until today, little attention paid to causes of this extraordinary fertility decline (Caldwell & Schindlmayr 2003)

1. Is there population ageing in CEE?
2. Is there a link between post-communist transformation and population ageing?

This paper argues that population ageing in Central and Eastern Europe is an (unintended) outcome of the socio-economic insecurity in the wake of the transformation of the CEE planned economies to market economies.





## 2.

# The relationship between socio-economic crisis and demographic change

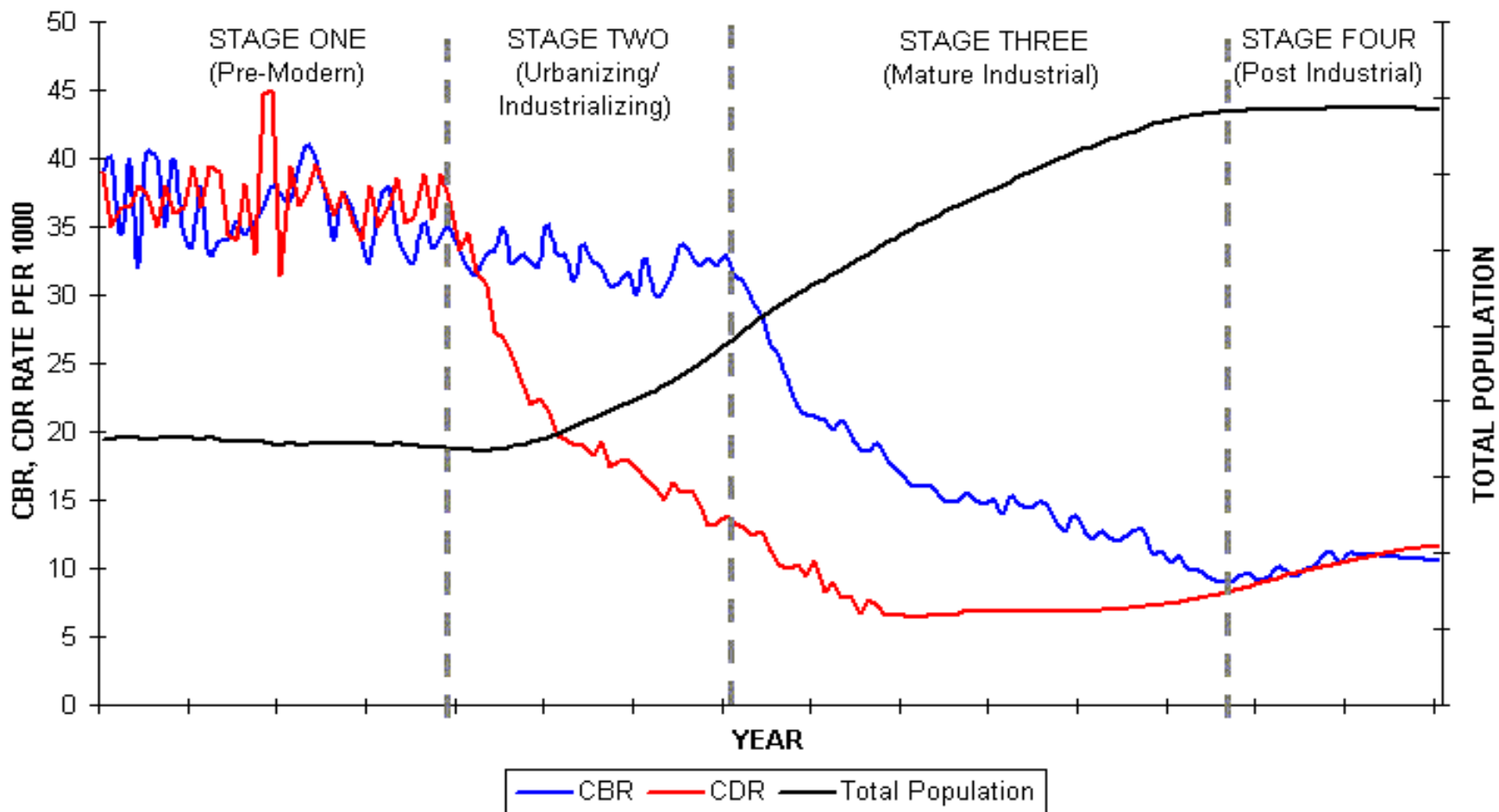






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## THE DEMOGRAPHIC TRANSITION MODEL





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## 2. Socio-economic crisis and demographic change

- Most previous research focused on economic growth as dependent variable, with demography being the independent variable (Bloom, Canning & Sevilla 2003)
- Some research evidence in developmental studies: economic hardship results in fewer children + lower investments in them (Lesthaeghe 1989; Eloundou-Enyegue, Stokes & Cornwell 2000)
- Some argued that economic crisis of 1970s encouraged low-fertility attitudes in the US (Teitelbaum & Winter 1985) and the UK (Hobcraft 1996)
- Previous studies on declining life expectancy in CEE blamed transformation process (e.g. Witte & Wagner 1995; Standing 1996; Holzer & Kowalska 1997; Philipov 2001; Rychterova & Kraus 2001)





## 2. Socio-economic crisis and demographic change

- Others challenged the assumption that there WAS a prolonged economic crisis in CEE in the first place – Maddison (2001) claims lack of ‘hard economic facts’ proving prolonged economic crisis in the region
- Eurostat evidence is mixed: Czech Republic had lower unemployment rate than EU15 in mid/late 1990s – but clear evidence of rising unemployment in most CEE countries and massive drop in GDP
- Standing (1996) pointed out that CEE lost their 3 main pillars of economic security during transformation years:
  - (1) Guaranteed employment from leaving education till retirement
  - (2) Social protection by means of stable low prices through subsidies
  - (3) Various enterprise-based in-kind benefits (housing, childcare, health care; holiday packages)

- **What matters for individual decisions, however, is perceived economic insecurity, not ‘hard facts’**





## 3.

# The Drivers of Population Ageing in CEE





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## Drivers of population ageing

### 1. Mortality

- (rising) life expectancy → larger share of older people

### 2. Fertility

- (declining) birth rates → smaller share of younger people

### 3. Migration patterns

- number and age of immigrants/emigrants





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(I)

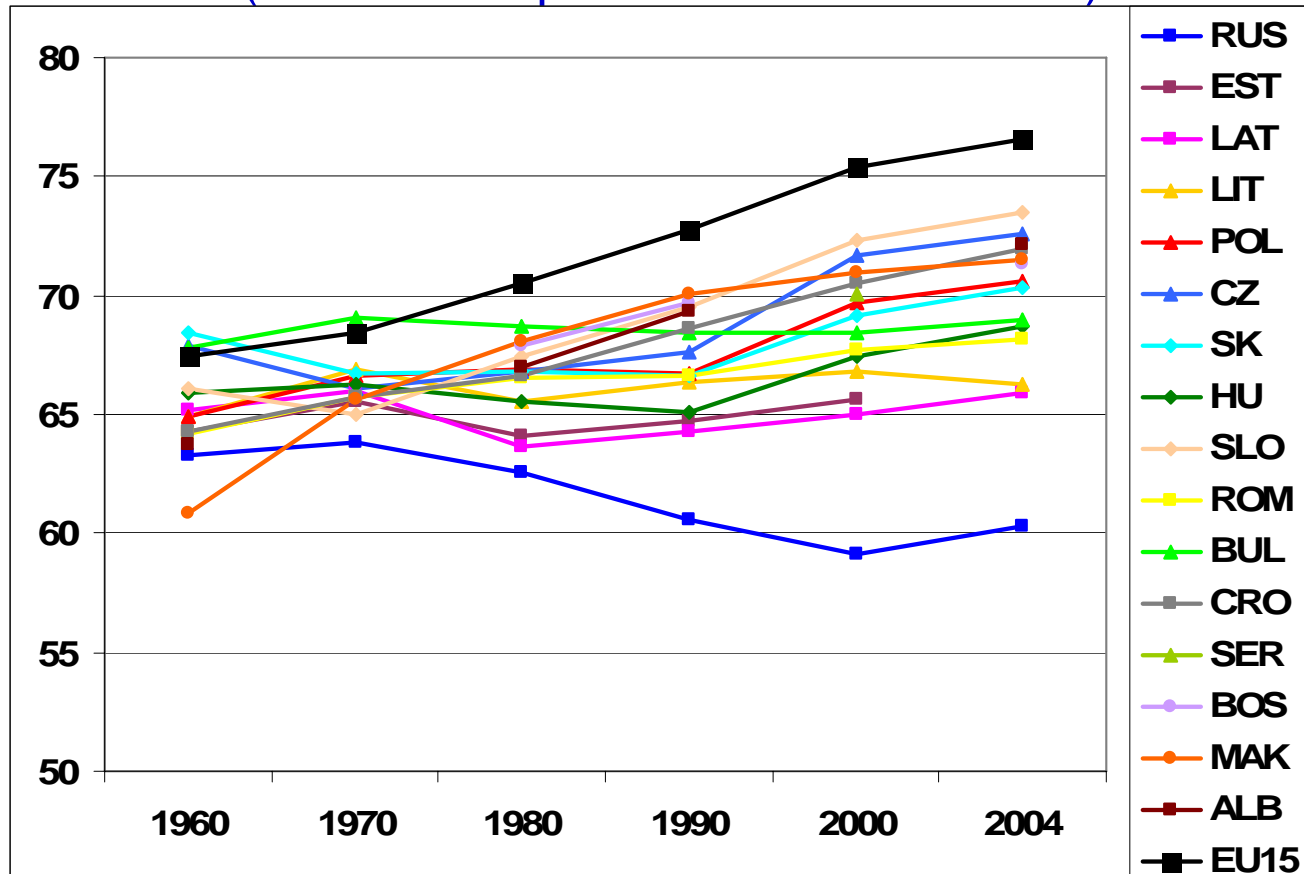
## Mortality (life expectancy)





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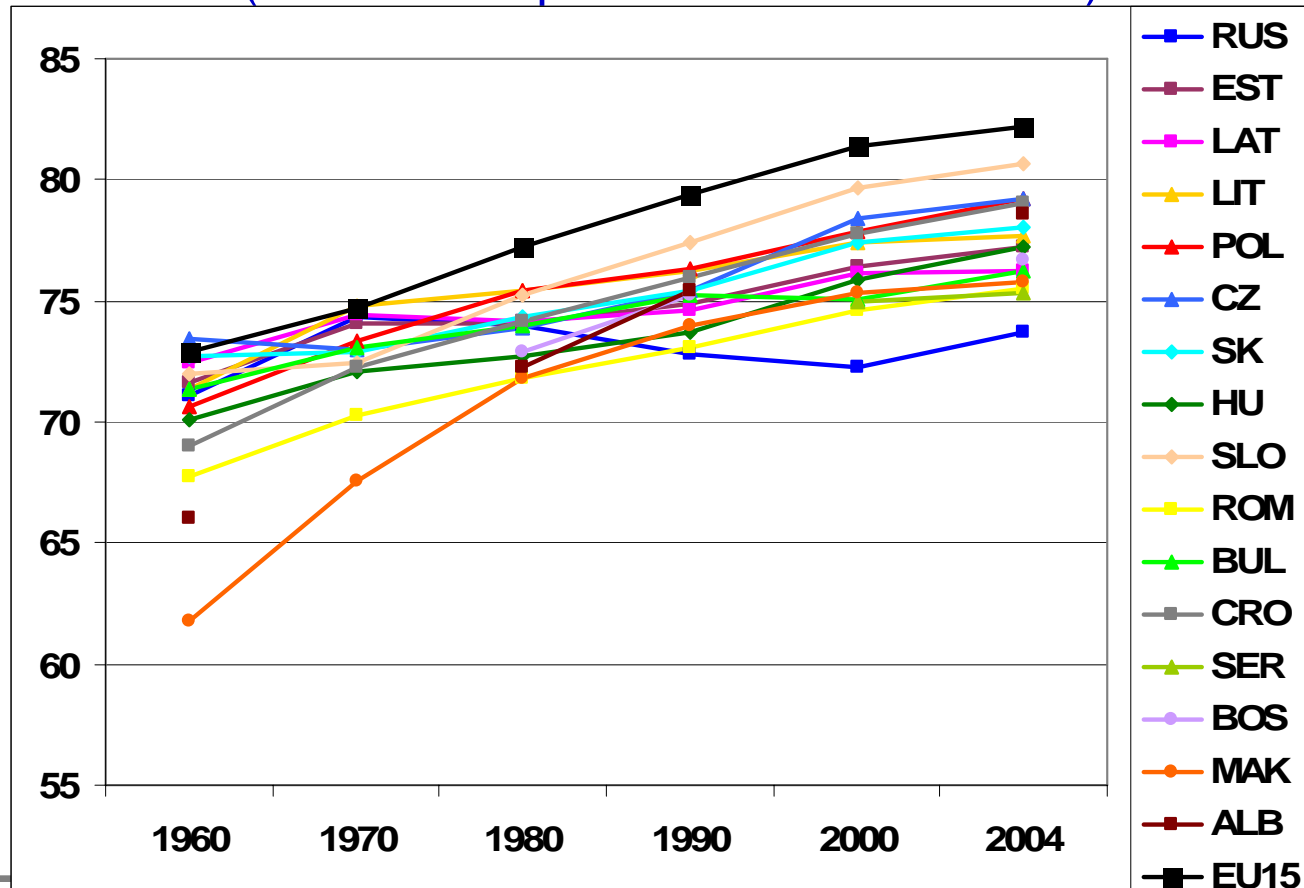
## Male life expectancy at birth (Eurostat Population Statistics 2006)





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## Female life expectancy at birth (Eurostat Population Statistics 2006)







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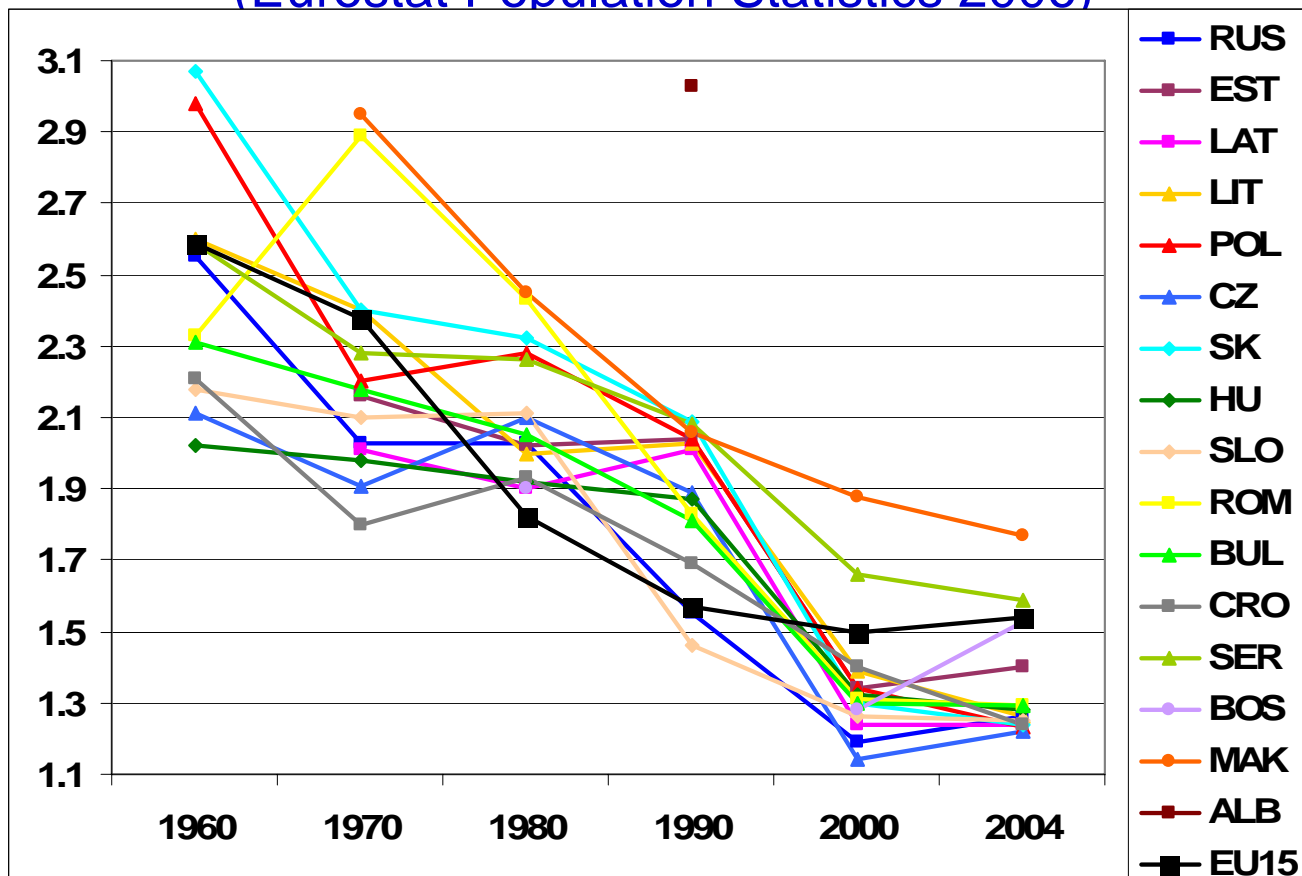
## (II) Fertility





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## Total fertility rates (Eurostat Population Statistics 2006)





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**(III)**

## **Migration**





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## Nature and age structure of migration

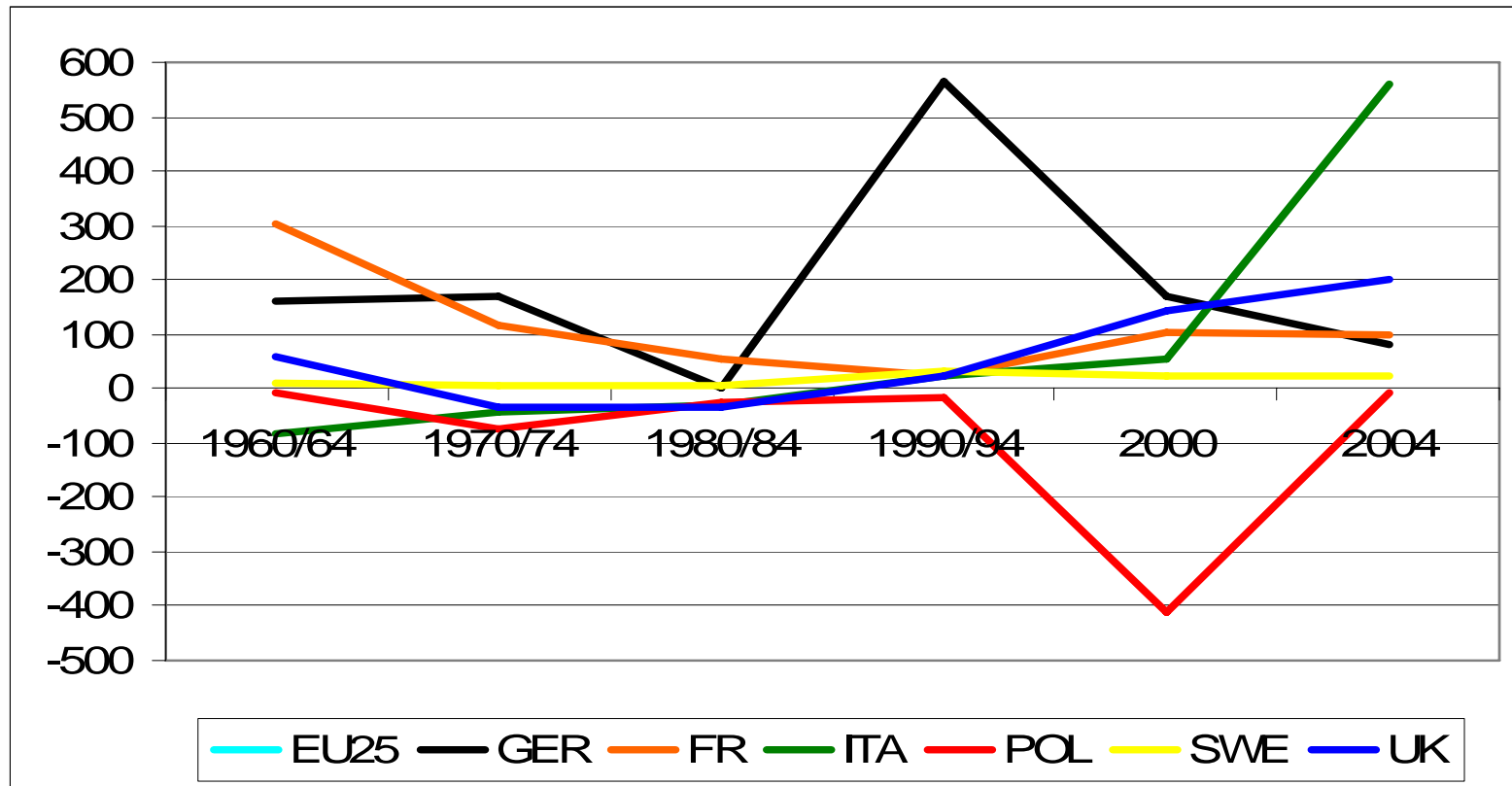
	<b>Emigration</b>	<b>Immigration</b>
<b>Young migrants</b>	<b>A</b>	<b>B</b>
<b>Old migrants</b>	<b>C</b>	<b>D</b>





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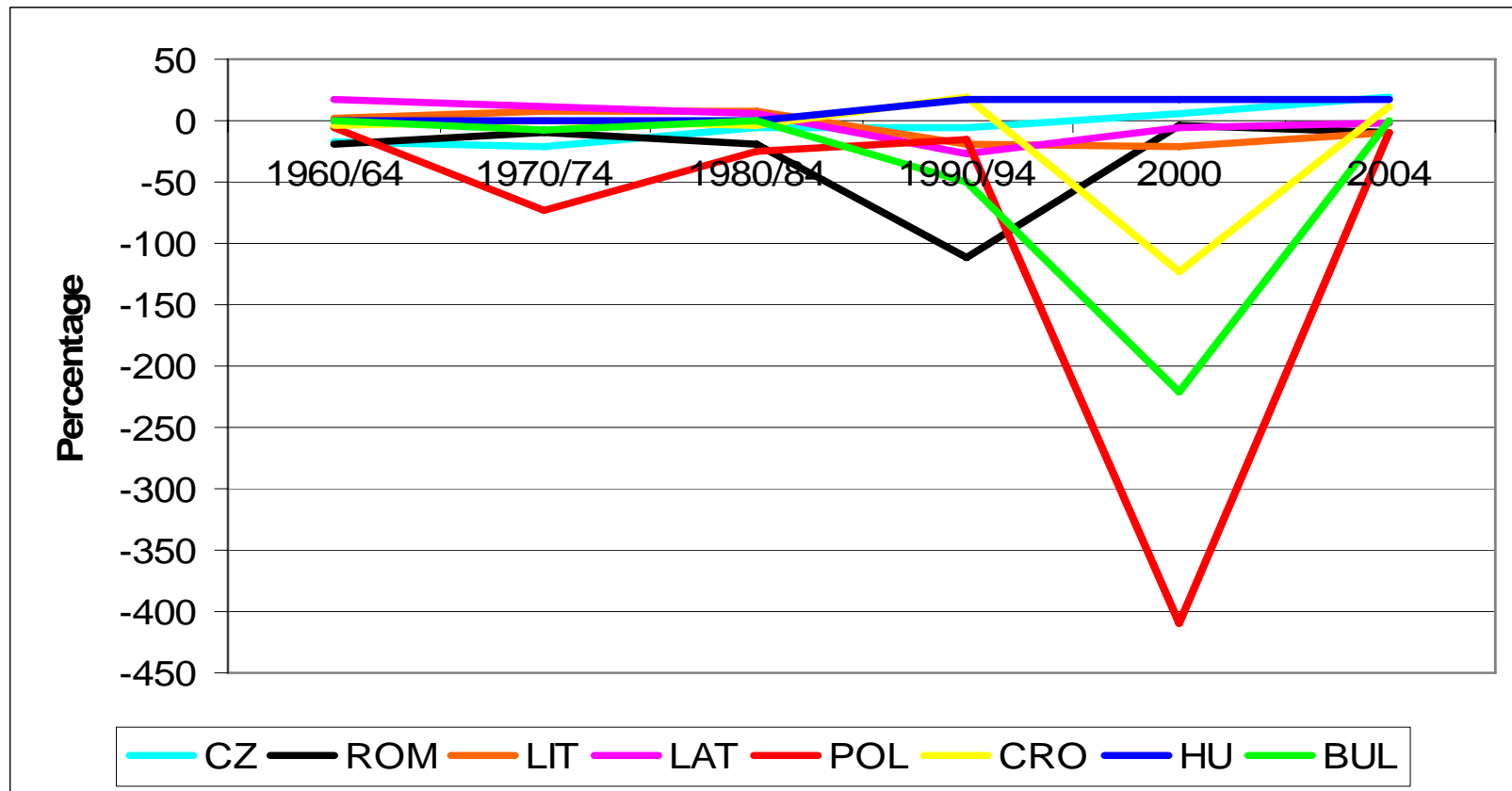
## Net migration (+ immigration, - emigration) (Eurostat Population Statistics 2006)





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## Net migration (+ immigration, - emigration) (Eurostat Population Statistics 2006)





## 4.

# Resulting Effects on the Population Structure in CEE





**(I)**

## **Population share of older people**

- **Percentage of total population aged 60+**

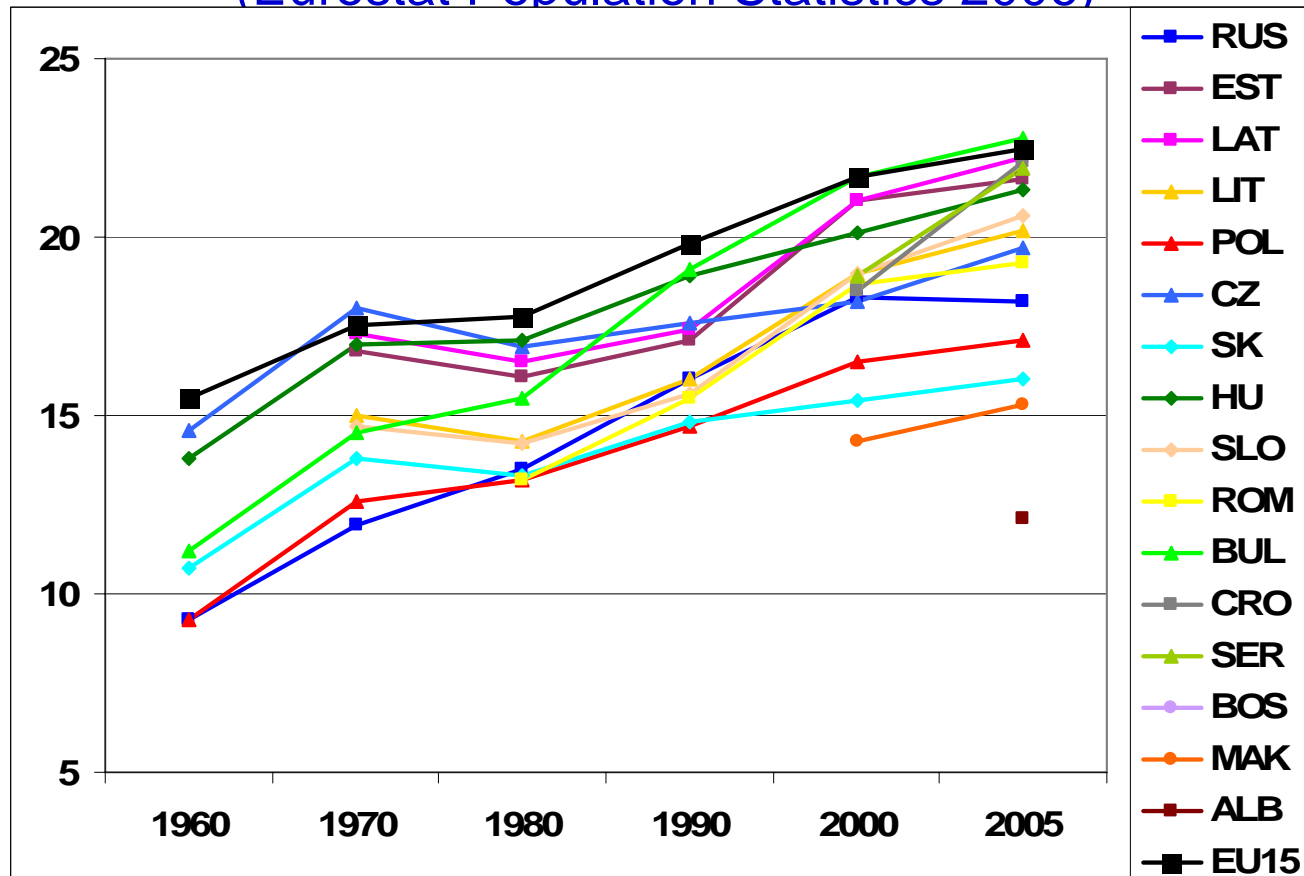






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## Proportion of 60+ (Eurostat Population Statistics 2006)





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(II)

## Old-age dependency ratio

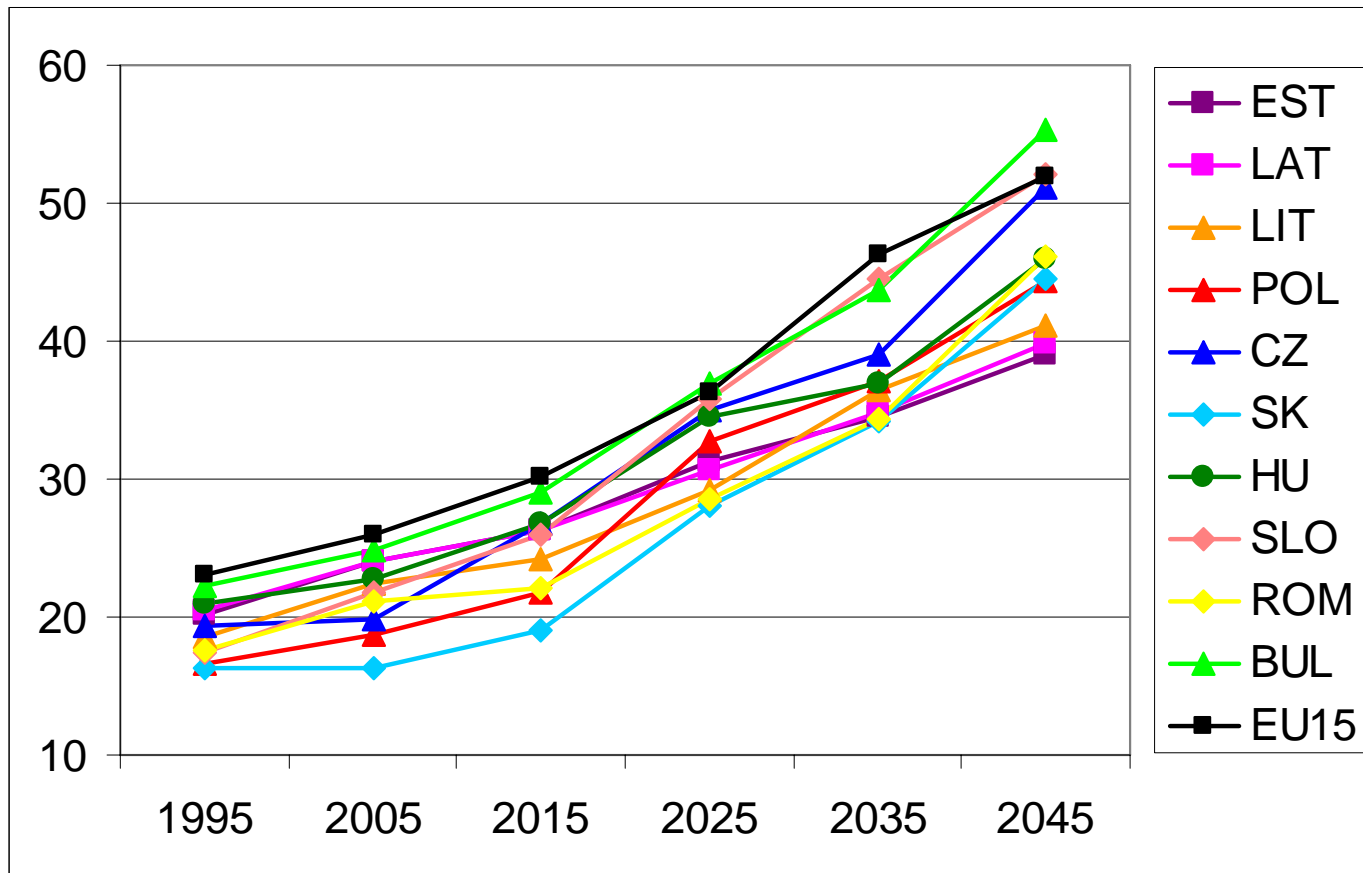
= number of 65+ per 100 aged 15-64





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## Old-age dependency ratio (Eurostat 2005)





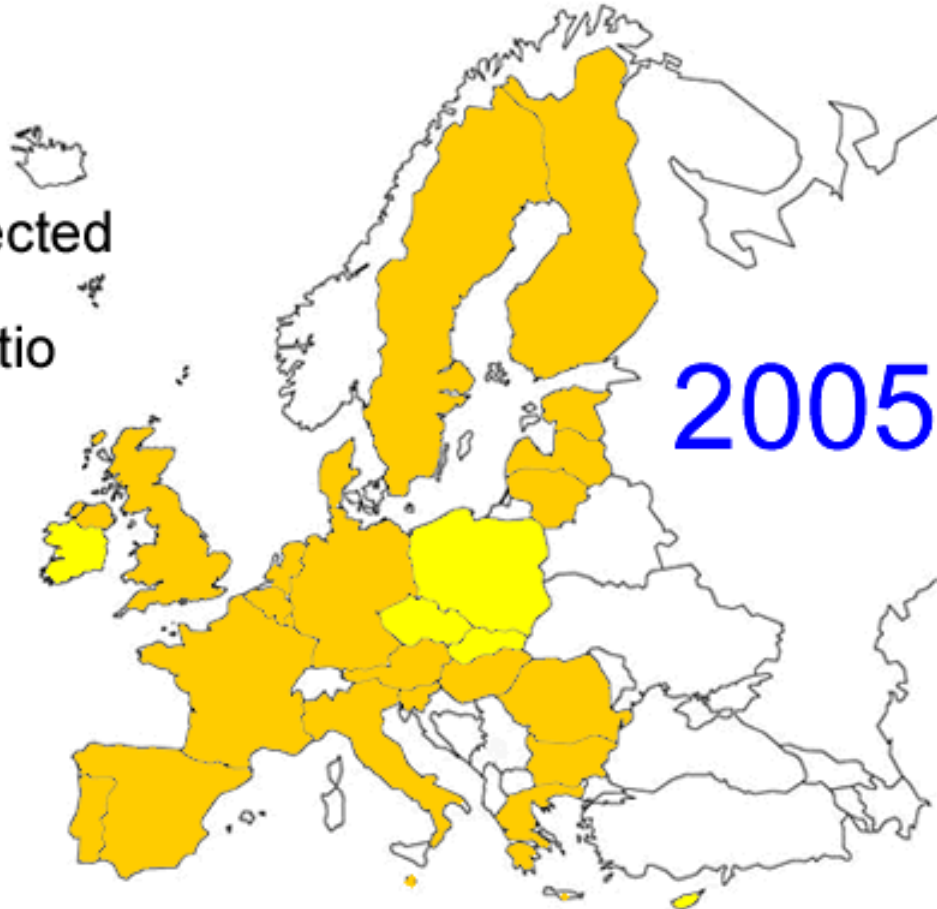
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Current and projected  
old age  
dependency ratio

2005

- - 10 - 19.9
- - 20 - 29.9
- - 30 - 39.9
- - 40 - 49.9
- - 50 - 59.9
- - 60 - 69.9

Source: Eurostat 2005





## 5.

# Implications of population ageing for the CEE societies





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## Conclusions

**This paper argued that population ageing in Central and Eastern Europe is an outcome of the socio-economic insecurity following the economic crisis accompanying the transformation of the CEE planned economies to market economies.**

- It was provided evidence that CEE populations are ageing too
- It was made the case that population ageing is likely to be the aggregate outcome of individual decisions to postpone child birth + to move abroad in response to the socio-economic transformation process of the early/mid 1990s
- This was helped by improvements in life expectancy in most CEE
- Comparison with Western Europe illuminating: Western Europe is ageing too, but have (more or less) comprehensive health care, social care, long-term care, public + private pension schemes in place





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***Western Europe got rich before it became old.***

***The Central and Eastern European countries are getting old before they become rich.***





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## Implications for the CEE societies

- Persistence of very negative stereotypes about older workers, in particularly in societies with high unemployment (e.g. Ruzik & Perek-Bialas 2005)

### ***What can be done?***

- Raise public awareness of older people's situation!
- Utilise the EU frameworks! (NAPs 'Social Exclusion'; NGO networks)
- Support families in providing care/support!
- Support the voluntary sector in providing information, care/support!
- Create jobs for the younger generation in CEE!
- Revive intergenerational solidarity (childcare, financial transfers instrumental support!







## Implications for future research / next steps

- Data shown today = macro data; used macro data to prove causal relationship between two macro phenomena
- Link between socio-economic context & individual decisions/behaviour plausible, but not proven beyond doubt
- ➔ Micro data needed to really establish link between socio-economic causes, individual behaviour and demographic change!

socio-economic  
transformation



demographic change

to have children in 20s

to have children in 30s

- ➔ Checking micro data available in CEE (GGS, for example)
- ➔ Multivariate data analysis to establish that link!





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**Thank you all very much for  
your attention!**





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