FIRST THEMATIC SESSION: POPULATION DYNAMICS AND SUSTAINABLE DEVELOPMENT

KEYNOTE ADDRESS

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Toward a 21st Century Population Policy Paradigm: Fostering the Human Resource Base for Sustainable Development

As we enter into a novel demographic post-transition period characterized by ageing and potentially shrinking populations, there is clearly a need for a new population and development paradigm as the old paradigms have not dealt with these historically recent population changes. We are thus in search of a new population policy approach for ageing and shrinking populations as well as for sustainable development in general.

During the past 40 years, the prevalent paradigms have emphasized both the macro level, as during the 1974 World Population Conference in Bucharest, and the micro level, as per the 1994 International Conference on Population and Development (ICPD). We would like to revisit the macro level, however, and reassess where we stand, with a specific focus on the human resource base for sustainable development.

The human resource base refers to an aggregate of people. Human resources refer to the ability of people to first help themselves and also help others. The level of the human resource base is contingent on many societal factors including a population's age, health, education, motivation, social networks etc. Education is a crucial aspect of the human resource base, and while formal education is easy to measure, all learning from childbirth to old age vitally contributes to this base.

The countries of the UNECE region constitute a globally relevant laboratory in which much has been learned since the ICPD in 1994. The present moment presents further opportunities, as the UNECE region is now undergoing a fundamental transition from population growth to population ageing and is placing a greater emphasis on population quality and health. The analytical focus now prevalent within the UNECE region stresses not only population numbers but also the quality, education and health of the population. In this respect, human capital in the form of education and health is what governments can more easily influence and presents a window of opportunity for governments to act.

Since our region is at the avant-garde of this global demographic transformation and the first to go through this process of ageing and shrinking, we have the opportunity to set an example for other regions that will soon be facing these very issues. We thus are presented with the task of formulating new 21st century population policies to deal with the new challenges of this generation.

There are four 'hot questions' regarding the transition from a region with a growing population to one with an ageing population:

1) Is population ageing a threat for UNECE countries? Is it bad for productivity?

2) Is migration a threat or an opportunity for development?

3) Is fertility in the region too low? What does 'too low' mean?

4) Are UNECE countries becoming less equal societies?

Population policies centred on proficient utilization of human resources can effectively contribute to an answer of 'no' to all four questions. This is illustrated here with an emphasis on the first question.

Taking up population ageing, we must first clarify that using the individual terminology of ageing for a society is highly problematic. While individuals die and mean ages increase, societies do not die. We must also discuss the level of firms, because productivity is largely determined here.

At the individual level the story is rather bleak. Physical strength starts to decline around age 25 with little variation, and the speed of mental perception declines after age 30. However, experience increases with age — up to high ages — and with experience skills can compensate and even overcompensate for a decline in other areas. Cognitive thinking does not decline, but the capacity for immediate reaction does.

At the firm level a superficial analysis does indeed show that a younger workforce is more productive. This is due to the influence of the ICT industries which are the most productive and also tend to have the youngest workforce. However, a clear picture emerges when controlling for industry, one in which a good age mix is most productive, allowing for a division of labour and learning.

At the national level, econometric studies show that societies with a high proportion of 50–60-year-olds are most productive. This is not surprising, because men in their 50s and 60s are the biggest salary earners in our societies, and productivity is measured by earnings. Up to now we have not seen any empirical evidence of the effect of population ageing on economic growth, partially because we have yet to observe the effect of retirement of the baby boom generations. Germany is the oldest country in the world as measured by the median age — yet Germany appears to be rather economically robust even when compared to demographically younger countries. This leads us to believe that it is not just the age structure that makes a difference. The relationship here is very complex and inconclusive regarding population ageing. Furthermore, most of the negative implications cited in the past are based on models, not empirical studies.

Are we close to the maximum life expectancy? This is one of the big debates among demographers. The dominant trend in life expectancy is a nearly linear increase during the last few decades without any sign of a levelling off. These trends are expected to continue during the next decades; therefore, its effect on ageing continues.

However, what do age and ageing mean? We must rethink population ageing, for age is not what it used to be, and science tells us that the meaning of age is changing. There is the saying that '50 is the new 40' or '70 is the new 60', which implies that a 70-year-old person today is in as good a condition today as a 60-year-old was 30 or 40 years ago. People all over the world do not only live longer, they are also longer in good health. Moreover, cognitive decline with age is shifting to higher ages, in particular for better-educated people that stay mentally and physically active.

This results in a willingness to work longer. There are studies that show that in countries without mandatory retirement ages (e.g. the USA) better-educated people voluntarily tend to work longer and longer. When we derive identity from meaningful work, we actually like to continue working, even at higher ages. This change in ageing or what ageing means can be reflected in new indicators.

The conventional old-age dependency ratio (OADR) is essentially taking the number of people above the age of 65 and dividing it by the number between 20 and 64:

$$\text{OADR} = \frac{\text{Number of people aged 65 years or older}}{\text{Number of people aged 20 to 64}}$$

However, as life expectancy increases and old age is not what it used to be, we can adopt a different and dynamic age threshold such as the age in which the remaining life expectancy is less than 15 years. As life expectancy increases, so does this threshold. This provides us with the Prospective Old-Age Dependency Ratio (POADR):

$$\text{POADR} = \frac{\text{Number of people older than the old-age threshold}}{\text{Number of people aged 20 to the old-age threshold}}$$

The world looks quite different depending on which dependency ratio is used. Where Germany and Finland appear old according to the conventional ratio, Eastern Europe looks much older according to the POADR because of the prevalence of shorter lifespans (see Figures 1a and 1b).

We would like to also explicitly address the addition of a third dimension (educational attainment) to age and sex within the population projections. As we see with the example of Croatia (Figure 2), successive better-educated cohorts gradually replace less-educated older cohorts, resulting in what we call a demographic metabolism or the renewal from the bottom of generations with new characteristics. Croatia will eventually reach the same point as many other European nations where the question is whether better-educated people can economically compensate for their lesser number.

Health is another important topic of the Cairo agenda, and it also very strongly differentiates with the level of education. Individuals with less education are more likely to suffer from an Activities of Daily Living (ADL) disability. When greater educational levels are factored in, the prevalence of disabilities in a society is nearly stable despite population ageing. Furthermore, better-educated individuals are less likely to drop out of the labour

Figure 1a: Conventional old-age dependency ratio as projected for 2030

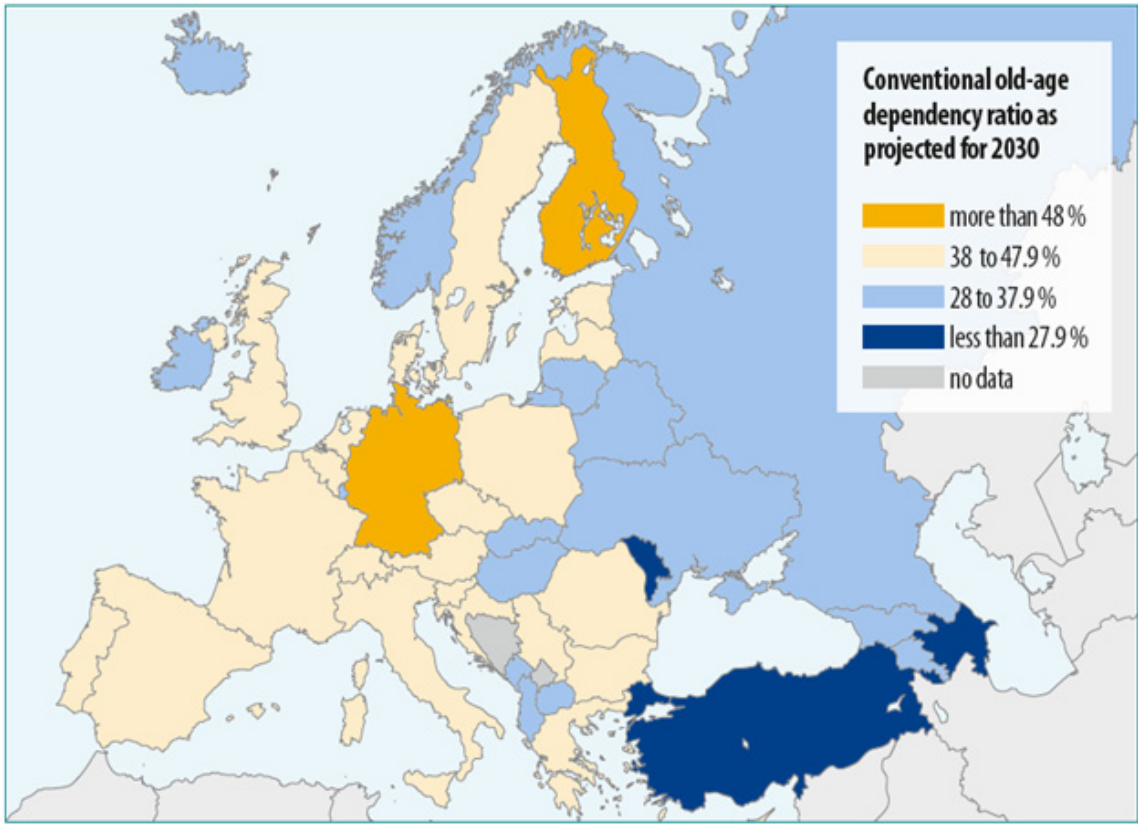
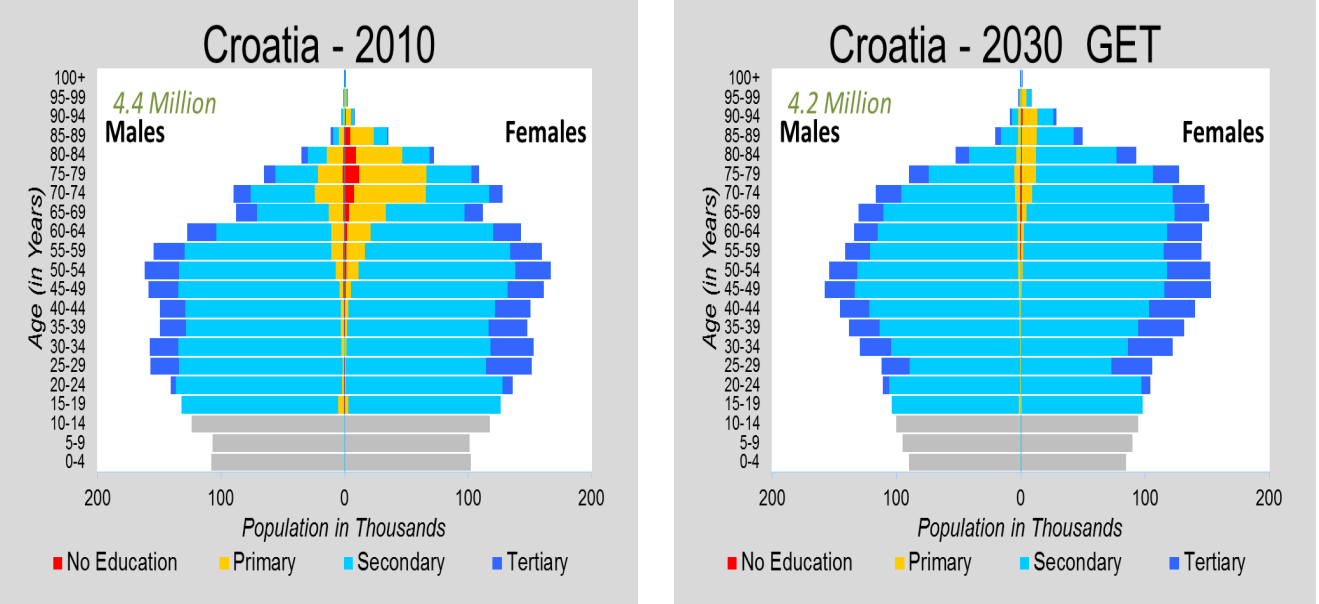


Figure 1b: Prospective old-age dependency ratio as projected for 2030

Figure 1.2: Population pyramid for Croatia by four levels of education, 2010 and 2030



force, resulting in a later retirement date. Therefore, to increase national-level productivity, there are two key requirements:

- higher education levels are important for maintaining economic growth in ageing societies — taking account of the delay between investments and benefits; and
- higher labour force participation of women and men of all ages (possibly combined with fewer hours of work per week).

It is fair to say that the negative effects of ageing have been exaggerated and can be largely ameliorated by two policies: upgrading skill levels and increasing labour force participation.

Turning to fertility levels, there is a myth that replacement-level fertility is optimal. For actual populations, the optimal may lie below replacement. This is due to a number of reasons:

- Current period fertility rates are downward distorted through tempo effects. Fertility is higher than the total fertility rate (TFR) shows us, with 0.3 to 0.4 of the TFR due to the tempo effect which will disappear when the childbearing age no longer increases. For example, while the conventional TFR for Central and Eastern Europe in 2004 was 1.25, the TFR adjusted for the tempo effect was around 1.65.
- In many countries immigration adds to the size of the young labour force.
- When education is factored in (the cost of education and higher productivity of better-educated people), then a TFR of 1.6–1.8 results in the highest education-weighted support ratio.

Assuming identical education-specific fertility trends, different education scenarios make a difference of more than 1 billion people by 2050. Therefore, the single most important driver of population and economic growth is the level of educational attainment, particularly the educational attainment of women. It is also the single most important driver of economic growth and poverty eradication. This holds for both low-fertility and high-fertility countries.

In conclusion, we would tentatively call the 21st century population policy paradigm 'Fostering the Human Resource Base for Sustainable Development', and it would feature policies that strengthen education and health, leading to:

- empowerment of women and men of all ages, in all settings;
- better ability to cope with the consequences of population ageing;
- better integration of migrants and lower inequality;
- lower child mortality, better reproductive health and lower fertility in today's high-fertility countries; and
- sustainable development through higher mitigative and adaptive capacity to environmental change.

DISCUSSANT INTERVENTIONS

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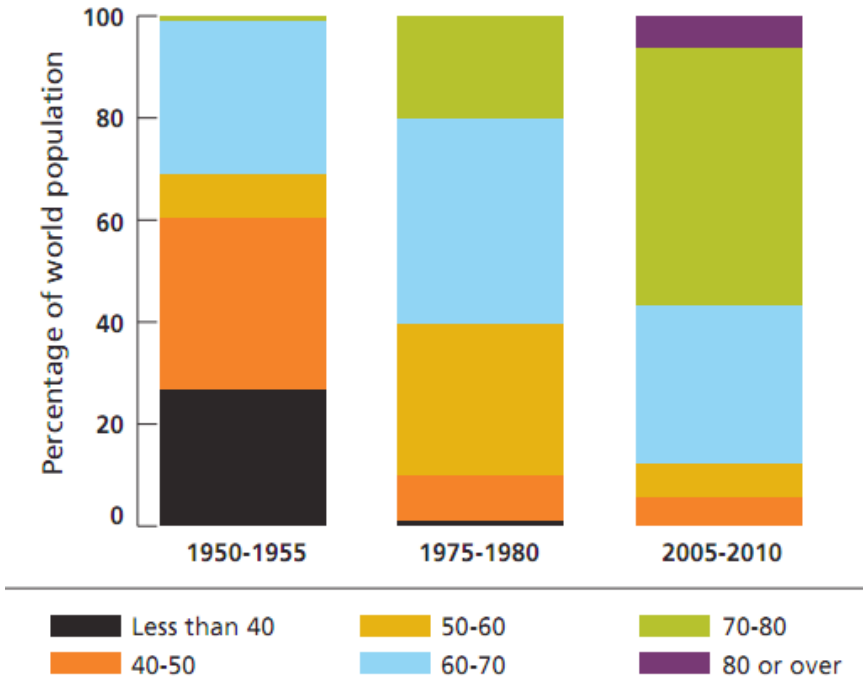
Population Dynamics and Sustainable Development – a voice in a discussion

> "It was not by gold or by silver, but by labor, that all the wealth of the world was originally purchased; and its value, to those who possess it, and who want to exchange it for some new productions."
>
> Adam Smith, The Wealth of Nations

The wealth of nations is built by labour, as stated by Adam Smith. Today we would say that the stock of human capital is the driving force of economic development across the world. The way human capital develops depends first and foremost on the size and structure of populations.

In the past decades, the world population has changed significantly. One of the most striking changes is an increase in life expectancies. As shown in Figure 1, half a century ago a quarter of the population had a life expectancy below 40 years, and only a very small percentage could expect to live for 70–80 years, while today around half of world population expects to live for 70–80 years, and almost 10 percent for 80 years or more.

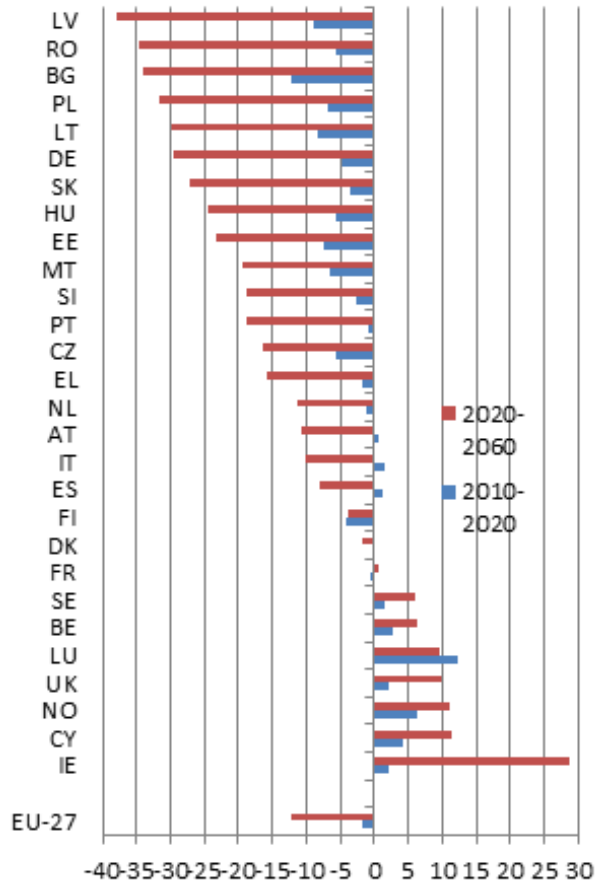
Figure 1.3: Share of world population by level of life expectancy 1950–2010



Source: United Nations, Department of Economic and Social Affairs, Population Division (2009). World Mortality 2009. Wallchart (United Nations publication, Sales No. E.09.XIII.4).

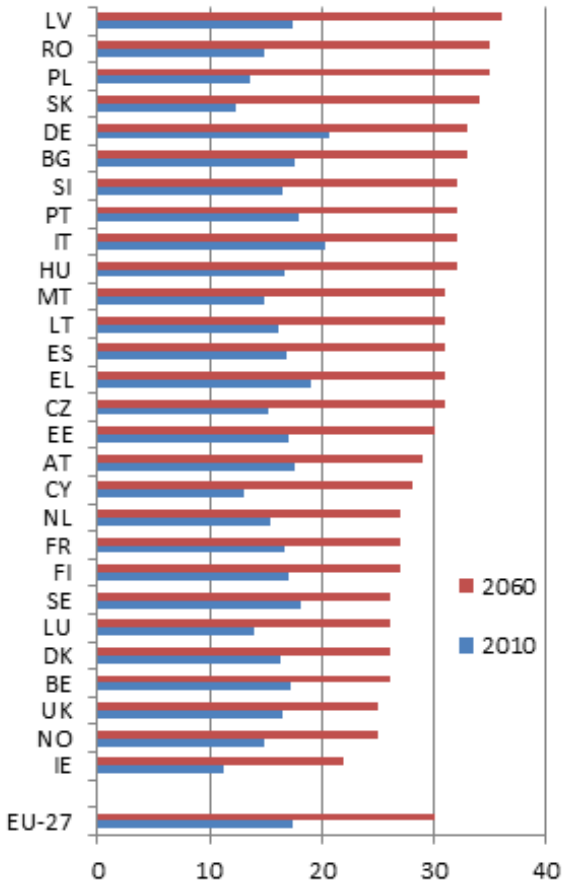
Many of the countries in Europe, particularly in the Central and Eastern Europe (CEE) region also struggle with low fertility levels and a resulting decline in numbers of children and youth. The rapid changes observed in the CEE were triggered after the transition shock and in the next decades will contribute to a decline in the size of the potential workforce, particularly after 2020 (Figure 2). Additionally, ageing of the post-war baby boom generation will result in quickly increasing shares of the older cohorts in the total population (Figure 3). These processes, combined with longevity patterns, will lead to the 'new demographic divide' in Europe, with CEE countries becoming old before they become economically rich.

Figure 1.4: Change of population in age 15-64 years in EU countries by 2020 and 2060



Source: Eurostat EUROPOP 2010

Figure 1.5: Share of population 60+ in total population, 2010 and 2060 , in the EU countries



Given both the current and projected changes, there are two points for consideration that I would like to raise. First, whether countries pursue policies that aim to replace the potential loss of quantity of the workforce with quality of human capital; and, second, what are the potential implications of demographic change on consumption patterns?

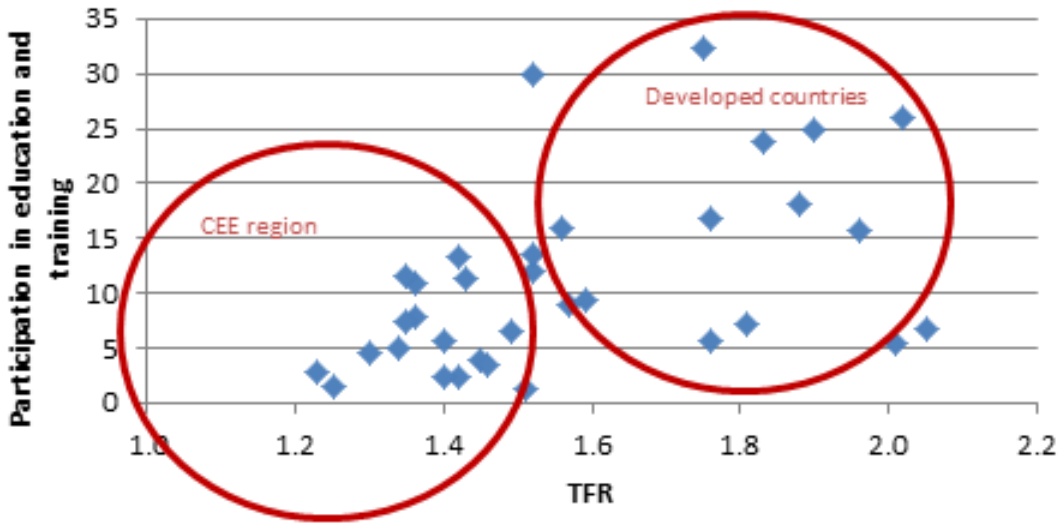
Quantity–quality trade-off in human capital

With regards to the first issue, as already mentioned, demographic changes will affect the age structure of populations. There will be fewer young people in the workforce who can contribute with their high qualifications to the growth of the stock of human capital. There is a need to invest in the human capital of people in all age groups, through lifelong learning.

Demographic change in the UNECE region is also being accompanied by rapid technological changes and globalization processes, which also lead to dynamically changing demand for competencies in the labour market. Thus, there is a need to develop competencies to meet the changing demand for labour. Additionally, if not developed through lifelong learning, competencies acquired during formal education tend to depreciate over time. As a result, there is a risk of a growing skills gap between generations. Persistent differences in participation in lifelong learning by age can also lead to increasing inequality in the distribution of human capital across age groups, which already exists due to the generally lower educational attainment of older population groups. In this context, lifelong learning for adults can potentially contribute to reducing the skills gap resulting from formal education.

But what is the reality? Countries with a low fertility rate do not invest in adult learning, which leads to further divergence in the development of human capital between countries (both in quantitative and qualitative terms) and reduces the chances for countries to catch up in economic and development terms (Figure 4).

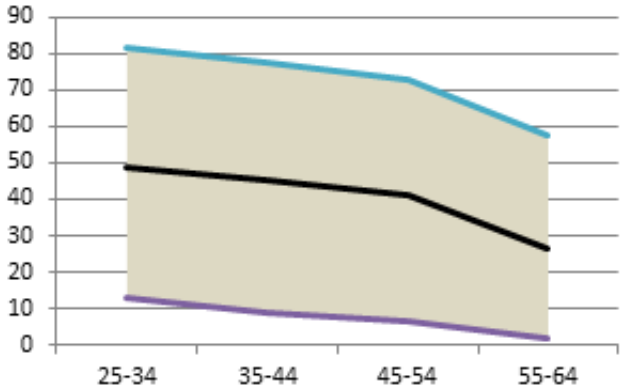
Figure 1.6: TFR and participation in education and training in EU countries, 2011



Source: Own calculations based in Eurostat LFS data 2011

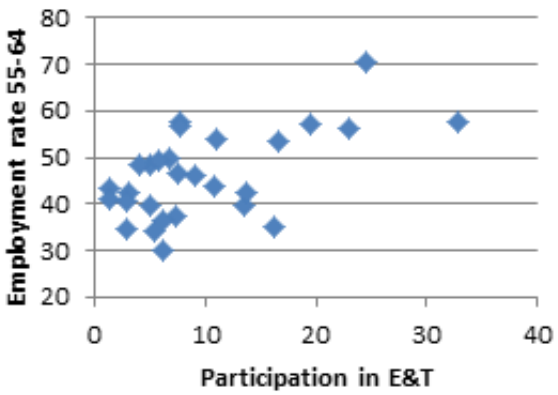
With falling rates of participation in lifelong learning with age, we can also expect a divergence of human capital between generations (Figure 5) within countries. Country differences in participation in lifelong learning are also related to differences in participation in the labour market, as illustrated in Figure 6, which indicates that there is a relation between learning and employment. However, it is difficult to judge whether countries that focus on employing older workers also invest in their training, or whether development of their human capital helps to maintain high employment levels (most probably, it works both ways). Given that most of the EU countries pursue policies to raise retirement ages and stimulate employment of older workers, an important component of such a policy should be to increase the participation of adults, particularly those aged 45 and older, in education and training.

Figure 1.7: Participation in formal and non-formal learning by age (2011)



Note: Lines: high: Sweden, middle: EU average, low: Romania
Source: Adult Education Survey EUROSTAT

Figure 1.8: Participation in education of people 55-64 and training and employment rate of workers' aged 55-64



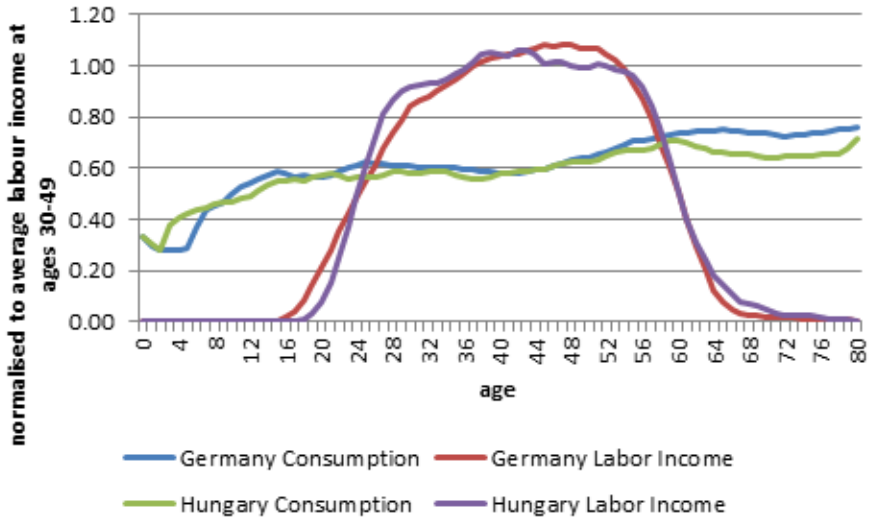
Source: Own calculations based in Eurostat LFS data 2011

To summarize, current developments in participation in lifelong learning show that countries with the most significant changes in their age composition would not compensate for them by improving the quality of education. Additionally, education inequalities between generations or groups with different educational attainment would hardly be reduced. Thus, lifelong learning policies should focus on older age groups as well as those with lower formal qualifications.

Demography, economic growth and consumption patterns

One of the most important drivers of economic growth is consumption. Levels and patterns of consumption are driven mainly by consumers, both in relation to private consumption and to consumption of public goods (such as education or health care). Consumption and labour income change over the life course, both in levels and in structure. One of the methods applied to investigate the age distribution of consumption and labour income is National Transfer Accounts (NTA).[4] As depicted in Figure 7, we see a typical age profile of consumption and labour income, with children and elderly people consuming more than they produce (generating deficit), while the population between ages 16 and around 60 have income exceeding consumption (generating surpluses). We can also see that consumption by elderly people in Germany (relatively richer) is generally higher than in Hungary (relatively poorer). Consumption by older cohorts, if financed in a stable manner (for example, from savings and capital reallocations) creates a potential for growth called a 'second demographic dividend', which can be expected in richer countries. If we combine per capita profiles with the age structure of populations, we see that changes in age structure and household structures affect consumption models. In an ageing population with a high share of cohorts aged 60 and over, the bulk of consumption will be stemming from this population group. On a macro level, unchanged consumption and income patterns will lead to rising generational deficits, mainly due to the deficit caused by differences in the consumption and labour income of older generations.

Figure 1.9: Per capita consumption and labour income by age in Germany and Hungary



Data extracted from www.ntaccouns.org
Source: Ronald Lee and Andrew Mason (lead authors and editors), 'Population Aging and the Generational Economy: A Global Perspective', Edward Elgar, Cheltenham, UK, 2011.

These developments lead to several policy implications. There is a risk that the divergence in demographic and economic development globally, within countries and regions will deepen. Due to differences in levels of wealth, Europe's demographic divide will also follow economic lines, as CEE countries are less likely to benefit from a second demographic dividend.

Demographic change will require a re-definition of economic and social policies, which can already be seen in such initiatives as the recently proposed Social Investment Package in the EU. The scale of the necessary adjustments — like the scale of population ageing — is unprecedented, and the margins for policy inefficiencies are narrowing.

[4] A system to measure economic flows across age groups in a manner consistent with National Income and Product Accounts. The accounts measure how each age group produces, consumes, shares and saves resources. Two forms of economic flow are distinguished: transfers between age groups, and the use of assets accumulated earlier in life. These flows arise mainly because children and elderly people consume more than they produce through their labour. NTA provides estimates of the components of the economic life cycle and the interage flows that occur through government programmes and through families and other private institutions. For more information, see www.ntaccounts.org.

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Ageing and migration as challenges of sustainable development in the south-eastern Europe countries

Challenges presented by population ageing and migration in the countries of the South-Eastern European subregion

The UNECE subregion of South-Eastern Europe includes Albania, Bosnia and Herzegovina, Montenegro, The former Yugoslav Republic of Macedonia, Serbia and Turkey. Population data in the subregion are collected periodically through a population census. When analysing the demographic dynamics of the countries in the past decade, certain difficulties have appeared regarding the available data. For example, a population census has not been carried out during the last 10 years in all the countries belonging to the subregion. Difficulties have appeared also because some national and/or ethnic groups reject the population census. In addition, other data sources that provide more detailed data on current demographic changes, such as migration, are often neither updated nor complete. These difficulties affect the quality of the collected data and thus limit the possibilities for rigorous research.

Despite these data limitations, research has confirmed that population ageing cannot be avoided. Demographic trends referring to ageing exist in all the countries of the subregion, although on a different level and with different dynamics.

Regarding migration in South-Eastern Europe, it is important to identify two key trends. Concerning internal migration, in all the countries the populations of cities and towns are growing, and rural areas are being abandoned; and concerning international migration (both temporary and permanent), in these countries the dominant outmigration flow is of leaving migrant workers and students. Research shows that this is a massive emigration that, due to its size, significantly affects the demographic situation in each country. At the same time, the older population, especially in rural areas, does not receive the support and services it needs. In 1990, humanitarian crisis and request for asylum were the main reasons for international migration, but more recently the main reason is to look for work. [5]

Median age as an indicator of population ageing

According to the official statistical data and estimates, the population of South-Eastern Europe is less than 100 million people (or 92,260,000 according to the UN Research Report).[6] Around three quarters of this is the population of Turkey, the largest country in the subregion, with the largest population: 80,694,485 inhabitants according to the statistical estimate of July 2013.

In 2010 the median ages for the populations in the countries of the South-Eastern European subregion and for the whole territory of the UNECE differ significantly (table 1) : the former is much younger (7.7 years). In this statistical average the characteristics of the population of Turkey are dominant.

Projections for 2030 and 2050 shown in table 1 are expert projections based on age, gender and the level of the population's education. They were developed in the framework of three possible scenarios, of which we are using the medium scenario.[7] As indicated by the increase in the median age, ageing will continue in the subregion of South-Eastern Europe and in the UNECE region. And, according to the selected scenario, the difference in median age will reduce by half towards 2050.

We can add another comparison to these data — a comparison of our subregion with seven other UNECE subregions: Eastern Europe and Caucasus (Armenia, Azerbaijan, Belarus, Georgia, Moldova, the Russian Federation, Ukraine), Central Asia (Kazakhstan, the Republic of Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan), new EU Member States (Bulgaria, Cyprus, the Czech Republic, Estonia, Croatian, Hungary, Lithuania, Latvia, Malta, Poland, Romania, Slovakia, Slovenia), EU15 Member States (Austria, Belgium, Germany, Denmark, Spain, Finland, France, the United Kingdom, Greece, Ireland, Italy, Luxemburg, the Netherlands, Portugal, Sweden), Western European non-EU Member States (Switzerland, Iceland, Norway), and North America and Israel (Canada, Israel, the United States of America).

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[5] Jana Vobecká, William P. Butz and Gerald Cirilo Reyes, 'Population trends and Policy responses in the UNECE Region: Outcomes, Policies and Possibilities', UNFPA, IIASA, Vienna, July 2013, p.10.

[6] See fn. 1, p.102.

[7] See fn. 1.

Table 1.10. Median age and projections 2010– 2050

Area	2010	2030	2050
South-Eastern Europe	30.0	36.8	42.2
Eastern Europe and Caucasus	37.7	43.3	45.8
Central Asia	25.0	31.8	37.5
New EU countries	38.9	46.0	51.1
EU15	41.5	46.4	49.0
Western European non-EU member countries	40.2	44.8	47.8
North America and Israel	37.0	40.4	43.0
UNECE	37.7	42.5	45.5

Source: Population trends and Policy responses in the UNECE Region: Outcomes, Policies and Possibilities (UNFPA, IIASA, 2013).

In the countries of the UNECE region, only the Central Asian population is younger (25.0 years) than the population of the South-East Europe subregion (30.0). Countries of these two subregions have the youngest average population of the UNECE region.

The data show that the proportion of elderly people in the total population increases significantly faster in countries situated in the eastern part of the UNECE region. The increase from 2010 to 2050 is by around 12 years in South-Eastern Europe, Eastern Europe and the Caucasus, Central Asia and new EU Member States. In 2010 the median age was the highest in the EU15 subregion (41.5) and in the subregion of Western European non-EU Member States (40.2). But in 2050 it is expected that the highest median age — significantly higher than the average for the whole region — will be in the subregion of the new EU Member States (51.1).

Life expectancy at birth as an indicator of population ageing

The increasing life expectancy of women and men is one of the basic factors for population ageing. This indicator is calculated separately by gender; the life expectancy of women is higher than that of men.

Table 1.11. Life expectancy at birth, by gender (years)

Area and gender	2000	2010	2030	2050
Area and gender	68	72	75	79
South-Eastern Europe – MEN	71	74	78	83
UNECE region – MEN	73	76	80	84
South-Eastern Europe – WOMEN	78	80	84	88

Source: UNDP (2011) and Population trends and Policy responses in the UNECE Region: Outcomes, Policies and Possibilities(UNFPA, IIASA, 2013).

In 2000 and 2010 the average life expectancy was lower in the South-Eastern Europe subregion than in the UNECE region as a whole for both men (by 3–4 years) and women (by 4–5 years). Projected values to 2050 show an increase in both regions of around 10–12 years (table 2). Differences in male life expectancy between the two regions are projected to increase from 3 to 4 years between 2010 and 2050, while for women this difference remains fairly constant (4 years). It is noteworthy that these gender differences persist at considerably higher levels of life expectancy, close to 90 for females in 2050.

The difference in gender-specific life expectancy sees a slight increase from 2010 to 2050 in the South-Eastern Europe subregion (from 4 to 5 years), while in the UNECE region it drops from 6 years in 2010 to 5 years in 2050.

More detailed analyses have shown that life expectancy is higher in the population groups with higher education levels, and vice versa. The increase in life expectancy results in an increase in the proportion of the population above 65 in the overall population. Projections by education level show that the proportion of elderly people in the population in general will increase more rapidly in the future than it is now.

Differences between the countries of the South-Eastern Europe subregion by ageing indicators

According to the officially published data of the national statistical institutions, the median age in 2011 varied significantly in the countries of the South-Eastern European subregion (table 3).

Table 1.12. Median age in the countries of South-Eastern Europe, 2011

Country	Median age
Albania	30.4 years
Montenegro	38.3 years
Serbia	42.7 years
The former Yugoslav Republic of Macedonia	36.2 years
Turkey	28.8 years

Source: National statistics.

The difference between the median age in Turkey and indicators for most of Serbia (without Kosovo and Metohija) is 13.9 years. This difference shows that the Turkish population is younger: while half of the population of this country is younger than 28.8, half of the population of Vojvodina and Central Serbia with Belgrade is older than 42.7 years of age.

Table 1.13. Life expectancy at birth, by gender

Country	Men	Women
Albania (2012)	74.9	80.4
Montenegro	73.4	78.9
Serbia	71.6	76.8
The former Yugoslav Republic of Macedonia	73.1	77.2
Turkey (2012)	70.8	74.7

Source: Eurostat, 2011

Significant differences exist in the life expectancy of men and women among different countries in the South-Eastern European subregion (table 4). Life expectancy of both men and women is highest in Albania, and lowest in Turkey. The differences between the two countries are 5.7 years for women and 4.1 for men, and both the populations of Albania and Turkey are relatively young — i.e. there are significant differences between the two countries.

The populations of Turkey and Albania are younger, and at the same time it has been identified that the ageing dynamic is slower. On the other hand, in most of Serbia, Montenegro and The former Yugoslav Republic of Macedonia, the population is older, and ageing is faster.

Challenges presented by population migration in the countries of South-Eastern Europe

It is important to differentiate between internal and international migration. Internal migration flows are much larger than international migration in all countries. This is because internal migration is simpler: less legally regulated than international migration; less costly due to smaller distances; and lower economic, social and cultural stresses for an individual.[8] Thus, in 2002, migrants represented almost one half of the total population in Serbia, due mostly to internal migration.[9]

International migration involved 3 percent of the population of the subregion in 2000 and 2.6 percent in 2010. According to the data, the main direction of emigration is towards the countries of the EU15 subregion. The UN report 'Population Trends and Policies in the UN European Region' confirms that in all the countries of the South-Eastern Europe subregion there are significant levels of migration. Data show that the reasons for migrating in the observed period were mostly of an economic nature — i.e. the result of migrants wishing to provide a better living for themselves and their families.

In the UNECE region, international migration is negative only in the countries of two subregions: South-Eastern Europe and Central Asia. Between 1996 and 2000, the negative net migration was 130,147 persons annually, and between 2000 and 2010 it fell to 46,429 persons. In addition, in 2000, the rate of emigration of persons with an educational level above secondary was 8 percent of the total number of the working population with the same educational level.

Relative to the size of their populations, Serbia, The former Yugoslav Republic of Macedonia and Albania have experienced an extremely large population loss due to migration. Research in Serbia, for example, has shown that emigration has negative effects on the population of the country: on population ageing, since it accelerates it; on family support, since it significantly reduces it; on productivity, since it reduces it, together with the level of education of the workforce; but also on the sustainability of social development, since the losses identified cannot be retrieved.

However, both research and practice confirm that earnings sent home by migrants have positive effects provided they are used directly for development purposes, which is rare. In practice, what is lost through migration by the better-educated and younger people cannot be recovered through earnings which are mostly invested in physical capital and infrastructure.

Example: International migration in Serbia

The Government of the Republic of Serbia adopted a Migration Profile in 2010, which initiated the establishment and adoption of mechanisms and systems for systematic data collection on migrants. The Migration Profile for 2010 is the result of the work of the technical Working Group formed by the Refugee Commissariat, and the members were the representatives of the ministries and organizations belonging to the Coordination Body for Migrations Monitoring and Managing.[10]

The conclusions of the study 'Migration Profile of Serbia' in 2011 identify several important characteristics and provide data on migration from Serbia.

The Republic of Serbia is not an attractive destination country, especially for migrants looking for employment. Thanks to the National Employment Service (NEC), the Office for Cooperation with the Diaspora and Serbs in the Region and Eurostat statistics, for the first time a picture of the current situation in the country has been formed. The census has identified that the trend of a declining population in the Republic of Serbia, started in 1992, continued in 2011. The size of the population declined by 4.15 percent since the previous census in 2002. The factors behind this situation are a combination of emigration from the Republic of Serbia and natural factors such as high mortality and a low birth rate. The consequence of such a situation is 'emphasized population ageing'.

[8] Fn. 1: Hot question 2: Is migration a threat or an opportunity for development? pp.13–17.

[9] Government of the Republic of Serbia, 'Migrant population in Serbia', Review 4/2004: http://www.pregled-rs.com/article.php?pid=154&id=15102.

[10] Government of the Republic of Serbia, 'Migration profile of the Republic of Serbia in 2011: Conclusions', 2011, p.62

In the population census of 2011, 4.1 percent of the population — or 338,000 people — are registered as living abroad. However, up-to-date and precise records, as a basis for planning, have not been established. The data obtained through the census regard only the migrants whose family members stayed in the home country and provide the data. Estimations are, therefore, larger, as there are cases where the whole family has left the country. Although problems of refugees and internally displaced persons have not been resolved yet, the Republic of Serbia is increasingly becoming a destination country for migrants from Asia and Africa.

On average, the migrants leaving Serbia are younger than the total population (by 10 years), and more frequently they have a higher educational level than the working population. The remittances sent by emigrants, which make up approximately one third of the total flow of foreign currency, are mostly used for expenditures, and in a small part for production and investments.

Messages and recommendations for developing an adequate social or population policy

The research on population trends and social policies in the UNECE region, presented at the conference,[11] asked four 'hot questions'. For our topic, two of them are important. The first one, regarding ageing, was: 'Does population ageing constitute a threat to sustainable social development?'

Results of research and analysis of good practice in social (population) policies have shown that population ageing constitutes no threat to the sustainable development of society when appropriate social policy is practised at the national level. A common characteristic of all successful practices in which elderly people become a strong development resource is to have permanent investments in developing education and health care. The data show that in certain UNECE subregions, the current generations of elderly people are already better educated, in better health and more active and live longer than their ancestors or the previous generations of elderly people.

A well-organized social or population policy along with continuous support and help to the most vulnerable members of the population were identified as, and surely are, of crucial importance for sustainable social development. In this type of social policy the main instruments are education and health care, and it also includes the development of a wide range of choices and continuous action from prevention to 'curative' and 'palliative'.

Raising the level of formal education of the population and wide implementation of different types of informal education — i.e. training — are included in the domain of prevention, but also provide support in times of crisis. They are also an efficient way to prevent any type of discrimination. Good-quality education raises awareness among citizens of intergenerational solidarity and that each age (or generation) has its own advantages.

Actions need to be targeted towards the following:

- elimination (starting with the reduction) of poverty of individuals and families;
- provision of appropriate accessibility (from physical to financial) to different types of support and services for all citizens (children, adults, elderly people) who, due to illness or disability, are excluded from social life, especially those living in rural areas;
- systematic and continuous engagement of public, non-government and other sectors to keep reducing the number of people who suffer abuse or discrimination; and
- endeavours to increase the quantity and quality of data and indicators that are continuously and periodically collected, and which would serve not only for a strictly individualized approach in professional social work but also for monitoring and evaluation of the actions undertaken — i.e. for social (or population) policies.

Several urgent issues in the countries of the South-Eastern Europe subregion need to be resolved:

- providing a secure minimum income for elderly people, especially for older women;
- an urgent increase of accessibility to social and health care in rural areas; and
- providing long-term care services in local communities, as close as possible to the beneficiary's residence, and elimination of the risk of institutionalization.

Another relevant 'hot question' is: 'Is migration a threat or an opportunity for development?'

The answer to the previous question was optimistic, but in the case of migration for the countries of the South-East Europe and Central Asia subregions it is rather pessimistic. It has been shown that

[11] See fn.1.

both internal and international migration lead to depopulation of large areas, and the elderly population is left without family support. The volume of international migration has significantly affected the demographic situation at the national level, and had several negative effects on productivity, ageing, family support systems and development sustainability.

In resolving these issues, experience of good practice suggests using the resources of 'cooperative international policies'. The issue of migration is complex, since it involves action on a range of factors and is specific for each country. That is why migrants' reasons for leaving and all the factors that have affected the volume of international migration need to be examined in detail at the national level so that policies can be based on facts and have a better chance of being successful.

In resolving and alleviating the consequences of migration by the young and better-educated population, good practice examples show that effective cooperation is needed among sending and destination countries. This cooperation is effective also with respect to providing support to the most vulnerable groups of migrants. These are the projects that resolve the individual questions and the concrete problems appearing in all three phases: when the migrants are leaving, when they are establishing and maintaining links with the population of the host country, and when the migrants are staying or returning to their home country.