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Conference Services

Please find attached the presentation by Mr. Wolfgang Lutz, Director, Vienna Institute for Demography, Leader, World Population Program, International Institute for Applied Systems Analysis, delivered to the Session I (*Population developments*) of the 13th OSCE Economic Forum, Prague, 23-27 May 2005.



Strengthening of Research on Demographic Developments,
Economic Migration and Economic/Social Integration for Information Sharing and
Policy Making

Wolfgang Lutz
International Institute for Applied Systems Analysis (IIASA),
Laxenburg, Austria





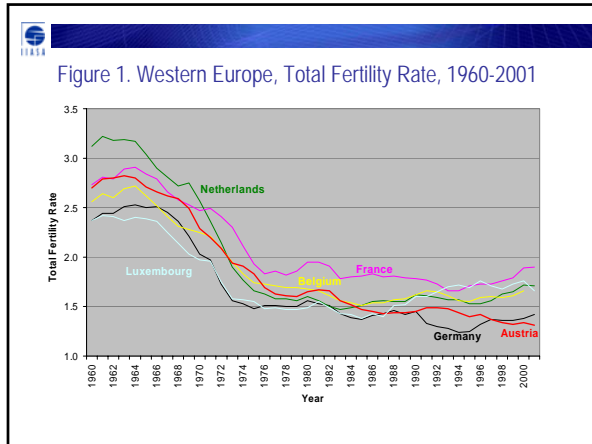
The big picture: Demographic Transition

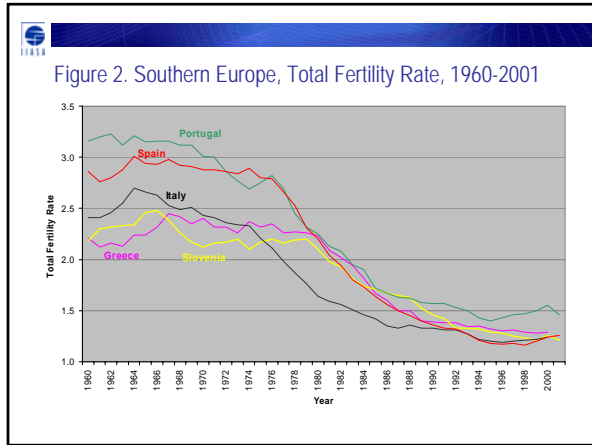
- Demographic Transition: After initial mortality decline fertility falls with some time lag.
- This paradigm explains much of the demographic trends over the 20th century.
- Original assumption: fertility decline will stop at replacement level.
- But reality has been different.
- Today half of world population is below replacement level

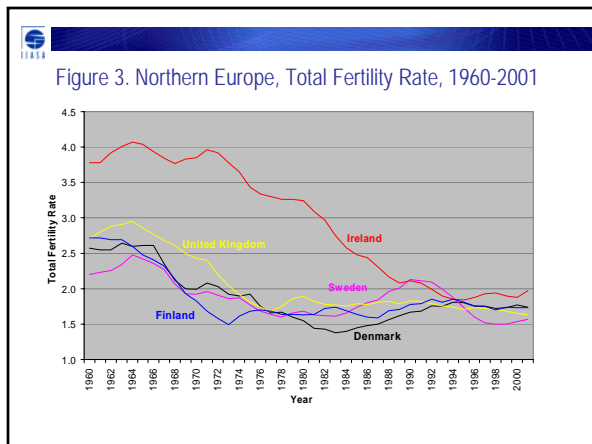


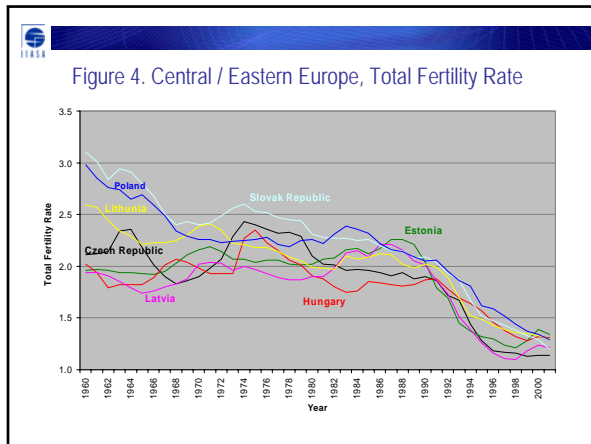
Empirical Fertility Trends in Europe

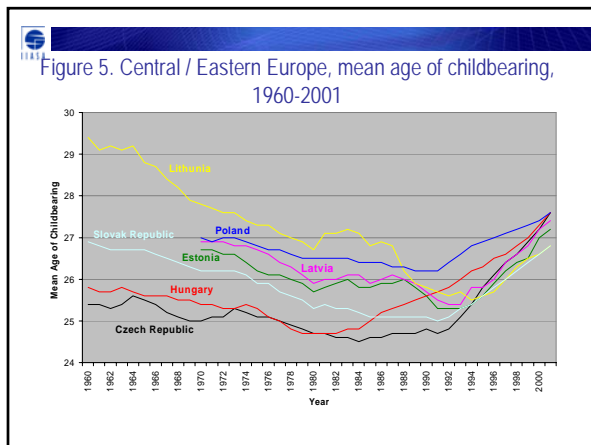
- In most countries of Europe there was a “baby boom” in the 1960s.
- This “boom” was particularly strong in Western Europe.
- It was followed by a steep fertility decline during the 1970s.
- Europe was the first continent to fall below replacement level.





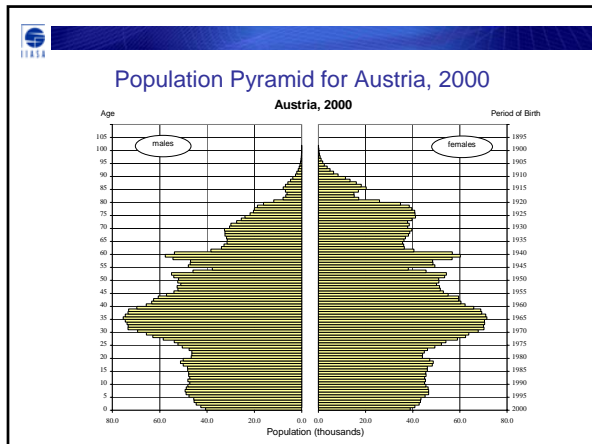


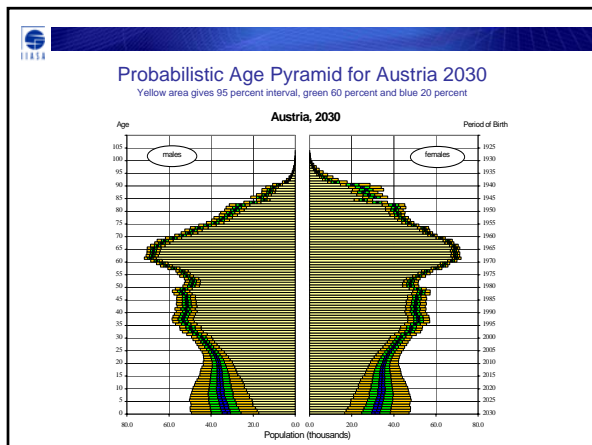




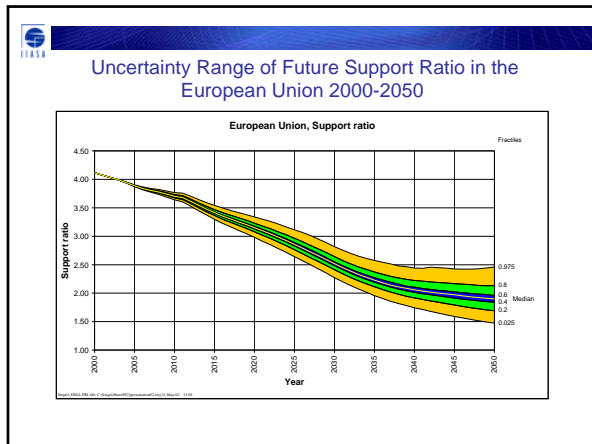
What we know about demographic trends:

- We know the past trends in fertility, mortality and migration
- We know the current structure by age and sex (plus other characteristics)
- We know much about the future age structure of the population, because everybody above age 25 in 2030 has already been born (we know cohort size)





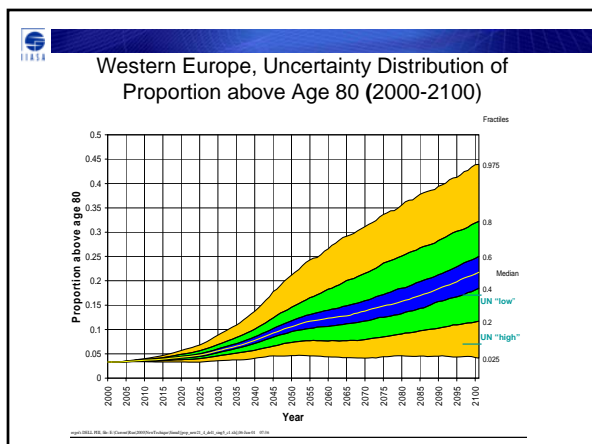
- What we do not know:**
- We do not know whether **fertility** will recover or continue to decline
 - We do not know whether we are already close to **maximum life expectancy** or still far away (if there is a limit at all)
 - We do not know the future political conditions that will determine **migration**
 - We do not know well how acceptable and affordable **policies can enhance level of fertility**
 - **But we know that the plausible range of these factors is such that it cannot significantly alter the ageing trend**

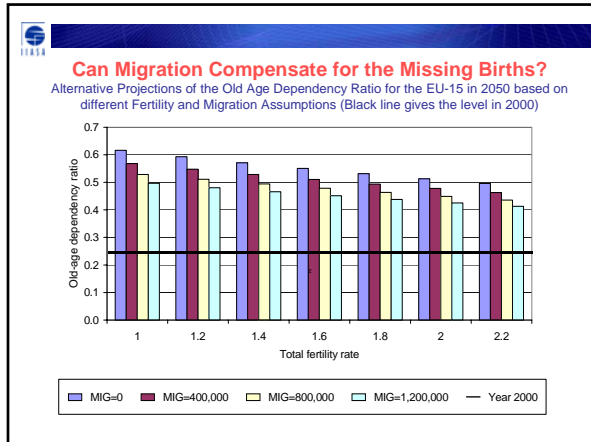


How low can fertility fall?

The possible "low fertility trap" hypothesis

- Observation that countries that fell below fertility level of **1.5 children** have hardly recovered.
- **Negative demographic momentum:** Because of past low fertility there will be fewer potential mothers in the future.
- **Economics:** Gap between aspirations for consumption and expected income widens for young people due to negative consequences of ageing (cuts in social security systems, possible economic stagnation)
- **Ideational change:** Young people are socialized in an environment with few children – may result in lower ideal family size in next generation.





- Research Priorities and Institutional Needs**
- Analysis of **variation** across Europe is **most important source** for understanding the nature and determinants of processes.
 - Yet demographic studies in Europe have traditionally been conducted by national institutes with primarily national focus.
 - There is an **urgent need for comparative European demographic analysis** that goes beyond the networking that already exists among national institutes.
 - International efforts (ECE, Council of Europe, Eurostat, DG Empl, etc.) are well below critical mass.

- Conclusions**
- What is needed is a European Population Research Center with strong in-house analytic capacity to conduct European level analysis to the highest standards and with direct communication to policy making.
 - Public and political concern about demographic trends is only starting and will in all likelihood get stronger over time as the “demographic crisis” unfolds.
 - The earlier this issue is addressed through the strongest possible and directly policy relevant research, the more options will still exist for European governments.
