

# Population Policy Dilemmas in Europe at the Dawn of the Twenty-First Century

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IN HIS 1922 BOOK, *The Decline of the West*, the German historian Oswald Spengler ventured a long-range demographic prediction. In the unfolding final cycle of their civilization, he wrote, Europeans, as individuals, still set high store on life. But the collective continuity of populations was no longer valued. An appalling depopulation was beginning that would continue for centuries.

The book in its time was highly influential; today it is largely forgotten. But current demographic changes in many countries, while still at the periphery of public consciousness, are bound to lend the issue of impending population decline a new urgency in the years to come. In Europe, which has been experiencing unprecedentedly low levels of fertility, these changes demand special attention. In what follows, I discuss political and social problems inherent in Europe's demographic predicament.

## Demography

Twentieth-century demographic developments in Europe at first blush seem to contradict the Spenglerian demographic prognosis. Despite the huge losses of life caused by the two world wars, and despite the massive demographic bloodlettings engineered by the two totalitarian state systems that darkened the history of the continent in the first half of the century, Europe's population grew from an estimated 422 million in 1900 to 548 million in 1950, or by some 30 percent. In the next 50 years—which, apart from few exceptions, most notably the Balkan wars of the 1990s, was a rare period of peace and much material progress—population size grew by another one-third, from 548 million in 1950 to 727 million in 2000. These figures are for an expanded version of the continent's de Gaullean definition: for a Europe not just from the Atlantic to the Urals, but one including the entire north Asian Russia—a Europe that stretches from Lisbon to Vladivostok.

But on a closer look at macrodemographic indexes for the continent, the picture of seemingly steady population growth quickly becomes more nuanced. In describing that picture, I draw on the population estimates and projections (“medium variant”) of the United Nations Population Division, issued in 2001. Two features of Europe’s demographic situation deserve special notice.

One is the recent rapid drop in the rate of population growth. Between 1950 and 1975, the average annual rate of growth was 8.4 per 1000 population. During the most recent quarter-century this index fell to 2.9 per 1000. By the turn of the century negative natural population growth rates—growth rates that do not take into account migration—made a pervasive appearance. According to statistics issued by the Council of Europe, in 2000 17 European countries registered a decrease—the number of deaths exceeded the number of births. It is evocative to list these 17 countries. In alphabetic order they are: Belarus, Bulgaria, Croatia, the Czech Republic, Estonia, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Moldova, Romania, Russia, Slovenia, Sweden, and Ukraine. In another four countries, Austria, Poland, Slovakia, and Spain, the difference between the numbers of births and deaths was still positive, but less than 1 per 1000—that is, their numbers were practically equal.

But simply comparing these two statistical data—those for births and deaths—conceals the true magnitude of the tendency toward diminishing population increase. In the countries of Europe the age distribution reflects the influence of the higher fertility of earlier decades. The proportions of the population of reproductive age around the turn of the twenty-first century are higher than those that could be maintained at the current levels of fertility. Thus, for example, Europe’s female population under age 20 in 2000 was 87 million while the number of women between age 20 and 40—that is, a population also consisting of 20 annual birth cohorts—was 105 million. Even if all those under 20 in 2000 survive during the following two decades, the simple maintenance of the number of births in 2000 would require a 20 percent rise in fertility. Taking mortality into account would of course further increase that percentage.

A more precise index of population dynamics in any given period assumes the stabilization of the then current levels of fertility and mortality. It also assumes a closed population, that is, no in- or outmigration. Around 2000, the total fertility rate (TFR)—the average number of children a woman would have by age 50 based on the then current age-specific fertility rates—in Europe as a whole (calculated as the population-weighted average of the individual country TFRs) was 1.37. At the same time, the most concise index of mortality, the expectation of life at birth, was, in round numbers, 69 years among males and 78 years among females. These statistics permit calculation of the net reproduction rate—an index of the corresponding stable population. In this instance that rate is 0.645, indicating the relative size of succeeding generations once the population is stabilized. In other words,

assuming constancy of Europe's 2000 fertility and mortality rates, a generation of 1000 persons would be replaced by a second generation of 645, followed by a third generation of 416, a fourth of 268, and so on. If we take the generational distance as 30 years—a reasonably close approximation in Europe—the implied annual rate of growth in the stable population, the so-called intrinsic rate of growth, is  $-0.0146$  or minus 1.46 percent per year. Such a rate of decline would bring a population to half of its original size in 47 years. After a century—a short period in the life of a country—the starting population size of 1000 would have fallen to 232.

The main moving force in the calculation just presented is the total fertility rate, in this instance, as noted, 1.37. Mortality, assuming that under age 50 it is very low (which is a good approximation everywhere in contemporary Europe), has no significant influence on the calculation of the intrinsic growth rate. In the long run, the rate of population growth is largely independent of the improvement in the survival chances at ages above 50. The calculation is more sensitive to the assumed generational length, but the variation in that index is fairly narrowly constrained. In the short and medium term, transition toward a lower mean generational length would be growth-promoting. But if fertility remains below replacement, the negative intrinsic growth rate would deplete the population more speedily, since the succeeding smaller and smaller generations would replace one another more quickly. A higher generational length would, in the long run, stretch out the decline somewhat, moderating its annual tempo.

The above figures show that in speaking about “depopulation that will last for centuries,” Spengler in fact exhibited a fair degree of optimism. Should Europe's reproductive performance persist at the year-2000 level, that is, at a TFR of 1.37—just one-third above the level of fertility in a generalized one-child-per-woman population—population decline would occur at a much faster clip than was assumed by the gloomy historian.

But is population size in fact very important? Before continuing with sheer demographic description, one should pose this question so as to provide reassurance that the exercise is justified. If for a moment one pays no heed to the changes in the age structure that population decline inevitably generates—and, of course, if population decline is rapid, such changes can hardly be ignored—perhaps the process of moving toward a smaller population size may be contemplated with equanimity. At the turn of the sixteenth century, the total population of Europe was barely one-tenth of its present size, roughly 80 million. Yet Renaissance Europe was not short, for example, on artistic and literary creativity. In the next few centuries a flowering of scientific and technological creativity also followed, despite relatively modest population growth. And as population growth accelerated after 1800 as a result of the decline of mortality, the resulting increased population size and its economic and environmental consequences were welcomed with less than undivided enthusiasm. Europe of the industrial

revolution was regarded by many as overpopulated. The masses of European emigrants, voting with their feet, or rather by buying steamship tickets, seemed to certify that judgment as valid. By the same token, perhaps, a slow twenty-first-century European demographic decompression—if that process is the aggregate consequence of voluntary individual decisions—could be welcomed as a healthy spontaneous self-correction.

But here the second salient aspect of Europe's demographic situation imposes a major cautionary note. Even apart from structural changes and attendant economic adjustment problems—population aging, above all—there is a geopolitical dimension to population size that can hardly be ignored. Europe is not an island, surrounded by uninhabited deserts or endless oceans. It has neighbors that follow their own peculiar demographic logic. On the global level, in the eighteenth and nineteenth century, Europe's steadily increasing economic, technological, scientific, and cultural weight and influence, and of course its military and political power, went hand-in-hand with, and in no small measure resulted from, the continent's growing demographic ascendancy. Europe's population in 1800 (owing to deficient population statistics, estimates of that share for earlier times are highly unreliable) amounted to 20 percent of the global population. Fifty years later that proportion rose to 22 percent and by 1900 to 24 percent.

One might note that that share would be significantly higher if it included the population of Europe's overseas offshoots, joint results of the continent's demographic dynamism and its economic and technological edge over the rest of the world. If one affixes that label only to the United States, Canada, Australia, and New Zealand—somewhat unreasonably excluding the Latin American countries that culturally and in part ethnically are also of European ancestry—Europe's demographic weight by 1900 well exceeded 30 percent of the global total. But excluding those offshoots is defensible: they are all independent now, and demographically their behavior deviates from that of the old country.

Remaining with the more narrowly defined concept of Europe, its share of the world's population peaked in the second decade of the twentieth century, at 25 percent. By midcentury the share fell back to 22 percent; by 1975 it was 17 percent, and by 2000 it was 12 percent—only half of the share just 80 years earlier. The continent thus exhibited rapid demographic marginalization during the twentieth century. And that marginalization is likely to continue in the twenty-first century at an accelerating speed. According to the UN's medium projection, Europe's share of the global total will be about 7 percent in 2050.

### **Russia and Yemen: A comparison**

In the European context, the dramatically swift potential population decline (swift, if viewed in a time perspective appropriate for a nation, if not

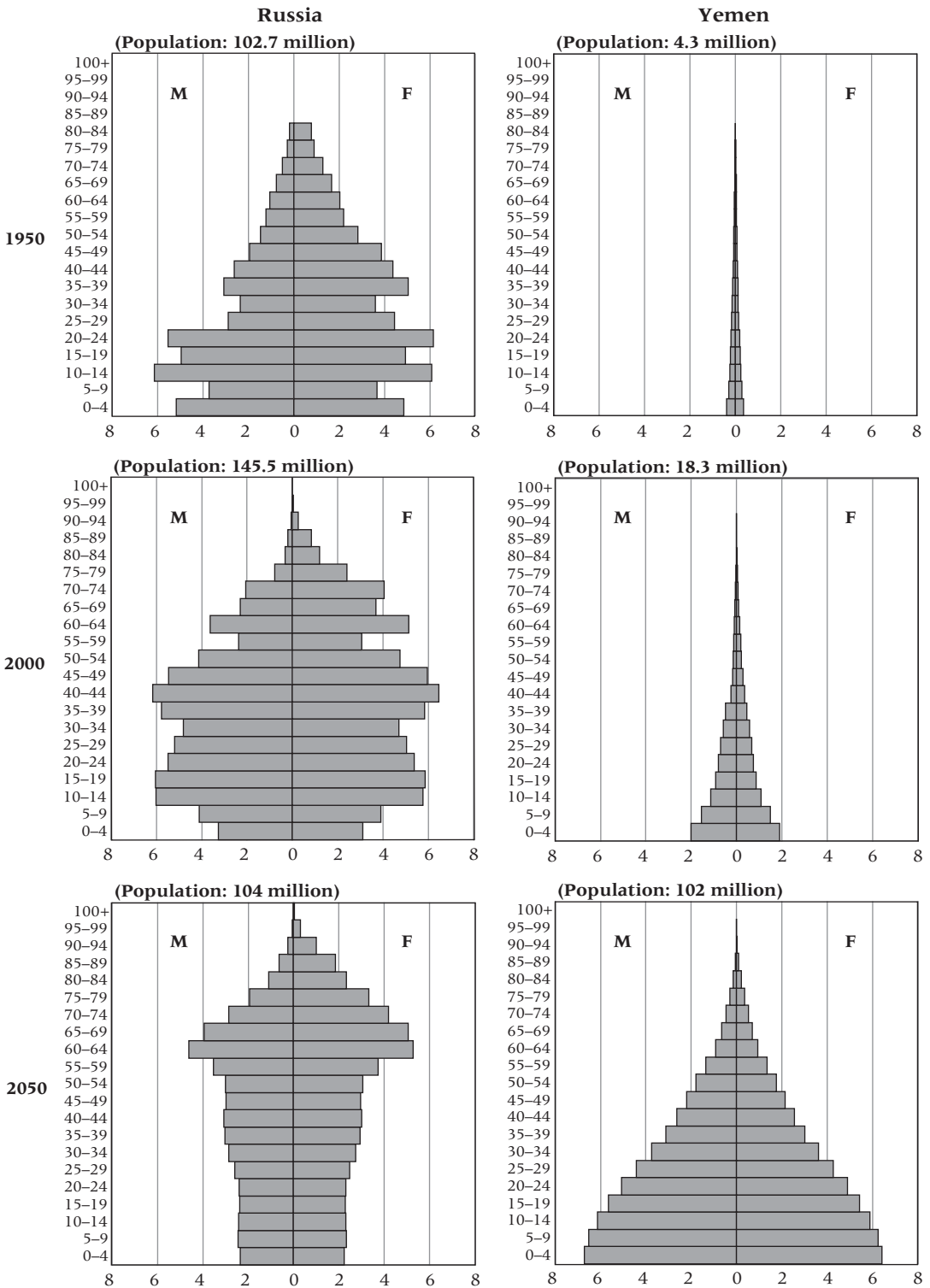
for the individuals who compose it), the attendant radical transformation of the age structure, and the possibly drastic loss in relative population size compared to other regions may be best illustrated by the example of the continent's sickest country in demographic terms. For perhaps as much as the last quarter-century, that uncomplimentary epithet fits Russia most aptly. Russia happens to be the most populous country in Europe—most populous, that is, until that title passes to Turkey, an event likely to occur about midway in the present century. That switch of course assumes that, implausible as this may sound today, Turkey's tentatively promised admission into the European Union will take place, certifying that country as a bona fide European one.

To gain a broader perspective on the contemporary demographic dynamics of Russia, it is appropriate to start at the middle of the twentieth century. Figure 1 is helpful for this purpose. The left-side panel shows the age distributions of Russia's population, by sex, in 1950 and 2000 and as projected to 2050. The 1950 sex ratio—the number of males in relation to the number of females—is extraordinarily low; it reflects, *inter alia*, the massive losses during World War II. For example, in that year the number of women between age 25 and 55 exceeded the number of men in the same age group by more than two-thirds: in those ages there were 1676 women for every 1000 men. The 1950 total population of Russia was 103 million.

For purposes of illustration, let us compare Russia's population size, age distribution, and population dynamics with a population outside Europe. Selecting another extreme case for this purpose is appropriate in the present context. The right-side panel in Figure 1 shows the age-sex distribution in Yemen—a somewhat idiosyncratic yet telling juxtaposition of two populations of very different make-ups. Yemen's population in 1950 was 4.3 million, a small fraction of Russia's population size. (In the figure, the data for the two countries are plotted on the same numerical scale.)

The second part of the last century witnessed a substantial growth in Russia's population and also the attenuation of the war's impact on the balance of the sexes. By 2000 the population had grown from the 1950 figure of 103 million to 145 million. But the most conspicuous features of the age distribution in 2000 are the drastic relative decrease in the size of the youngest age groups—the base of the "population pyramid"—and the pronounced increase in the number of women relative to the number of men in the elderly population. The former reflects the steep decline of fertility, the latter is the result of the increasingly disadvantageous pattern of male mortality. Around 2000, the expectation of life at birth for women in Russia was respectably high by international standards: its value of slightly above 72 years was roughly the same as found, for example, in Thailand. The same indicator for men was, however, only 60 years—lower than, for example, in India or Indonesia. The magnitude of the difference between male and female life expectancy—some 12 years—set a dubious international record.

**FIGURE 1 Population size and age distribution, Russia and Yemen: Estimates and projections 1950, 2000, and 2050**



NOTE: Horizontal scale in million persons separately by sex.  
SOURCE: United Nations 2001.

As to population increase, while Russia's population grew by 42 percent in 50 years, in Yemen during the same period the population increased from 4.3 million to 18.3 million, or more than fourfold.

What can be expected in the next 50 years? Russia's period total fertility rate around the turn of the century was 1.14—barely above a one-child-per-woman average. This, with Russian mortality, implies a net reproduction rate of 0.54 and an intrinsic growth rate of slightly less than minus 2 percent per year. Such a dynamic would shrink a population to one-third of its original size within 50 years. There is hardly any historical precedent for such precipitous demographic collapse.

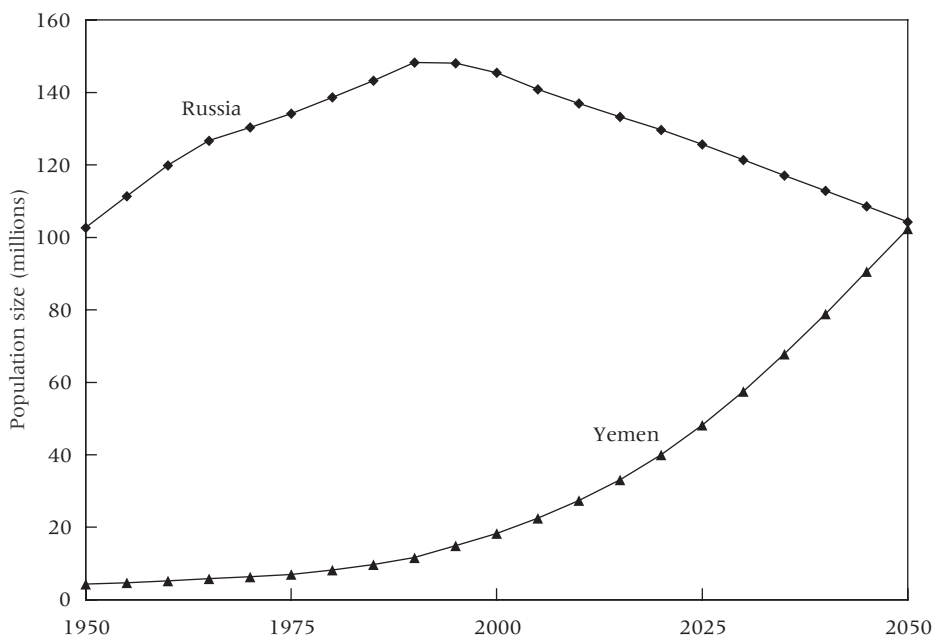
The medium UN population projection for Russia to 2050 anticipates a rather grim but less catastrophic demographic future. For one thing, in the coming decades the tempo of population decline is slowed by the age distribution, which, as inheritance from past demographic behavior, still shows a relatively high proportion of women in the childbearing ages. But, more to the point, the UN projections stipulate, as a *deus ex machina*, a more than 50 percent rise in the level of fertility during the first half of the twenty-first century. Also, they assume that the expectation of life at birth will rise during that period to above 73 years for men and above 80 years for women. These optimistic assumptions, however, can only moderate the tempo of the anticipated population decline. By 2050 the projected population size would be 104 million, almost exactly back to the 1950 level. The 41 million population loss implied by that figure affects mostly the younger age groups, hence it is accompanied by very rapid population aging. More than half of the projected 2050 population would be above age 50; 28 percent would be above 65. A tendency toward prolonged further rapid population decrease is inherent in such an age structure, even if fertility somehow were to rise well above replacement level.

During the same 50 years, Yemen's population would grow, according to the UN, from 18.3 million to 102 million, that is to say, to 24 times its 1950 size. The 2050 age distribution, furthermore, imparts a tendency for continuing rapid population growth beyond 2050. Even if fertility dropped well below replacement level, the growth momentum would keep population size during the second part of the century much above its 2050 mark.

The sharp contrast between the two projections outlined above is shown in Figure 2 in terms of total population size. The figure can be seen as emblematic of the potentially radical transformation of the global demographic picture likely to occur during the twenty-first century.

What are the proximate demographic factors explaining the extraordinarily rapid growth of Yemen's population since 1950? Outmigration has been very modest, leaving only mortality and fertility as the relevant variables. Around 1950, expectation of life at birth in Yemen was 32 years for the sexes combined—worse than it was in Europe some 200 years earlier. By 2000 it had almost doubled, reaching an estimated 62 years. Among

**FIGURE 2 Population size of Russia and Yemen: Estimates and projections 1950–2050**



SOURCE: United Nations 2001.

males expectation of life exceeded that in Russia by 2 years. Yet fertility stubbornly stayed at a very high level, estimated by the UN (admittedly on a rather weak statistical base) as an average of 7.6 children per woman. A similarly high level in the contemporary world can be observed only among the Palestinian population of the Gaza Strip and in Niger. The youthful age distribution generated by so high a fertility level guarantees continuing rapid population growth; further improvement of mortality beyond its 2000 level is now only a weak growth-promoting factor. But what should be assumed about the future course of fertility? If it remained at 7.6, the rate of population growth would creep up from an annual rate of 4 percent to 4.5 percent by 2050. This would bring Yemen's population to 159 million, 37 times the size it was a century earlier. This would seem, *prima facie*, a wholly infeasible outcome.

How did the demographers at the United Nations solve this apparent problem? Bravely, if not fully convincingly. Yemen's economic and social conditions—including, notably, the subordinate status of the country's female population and its low levels of literacy—provide a weak foundation for anticipating early and substantial fertility decline. The UN projection nevertheless assumes that by 2050 the Yemeni total fertility rate will fall to 3.35, that is to less than half of its 2000 level. As to mortality, the assumption



envisages a further increase of the expectation of life by some 14 years between 2000 and 2050. The resulting population size (102 million) and its age distribution (50 percent of the population still younger than 21 years of age) are shown in the age pyramid in the lowest right-side panel of Figure 1.

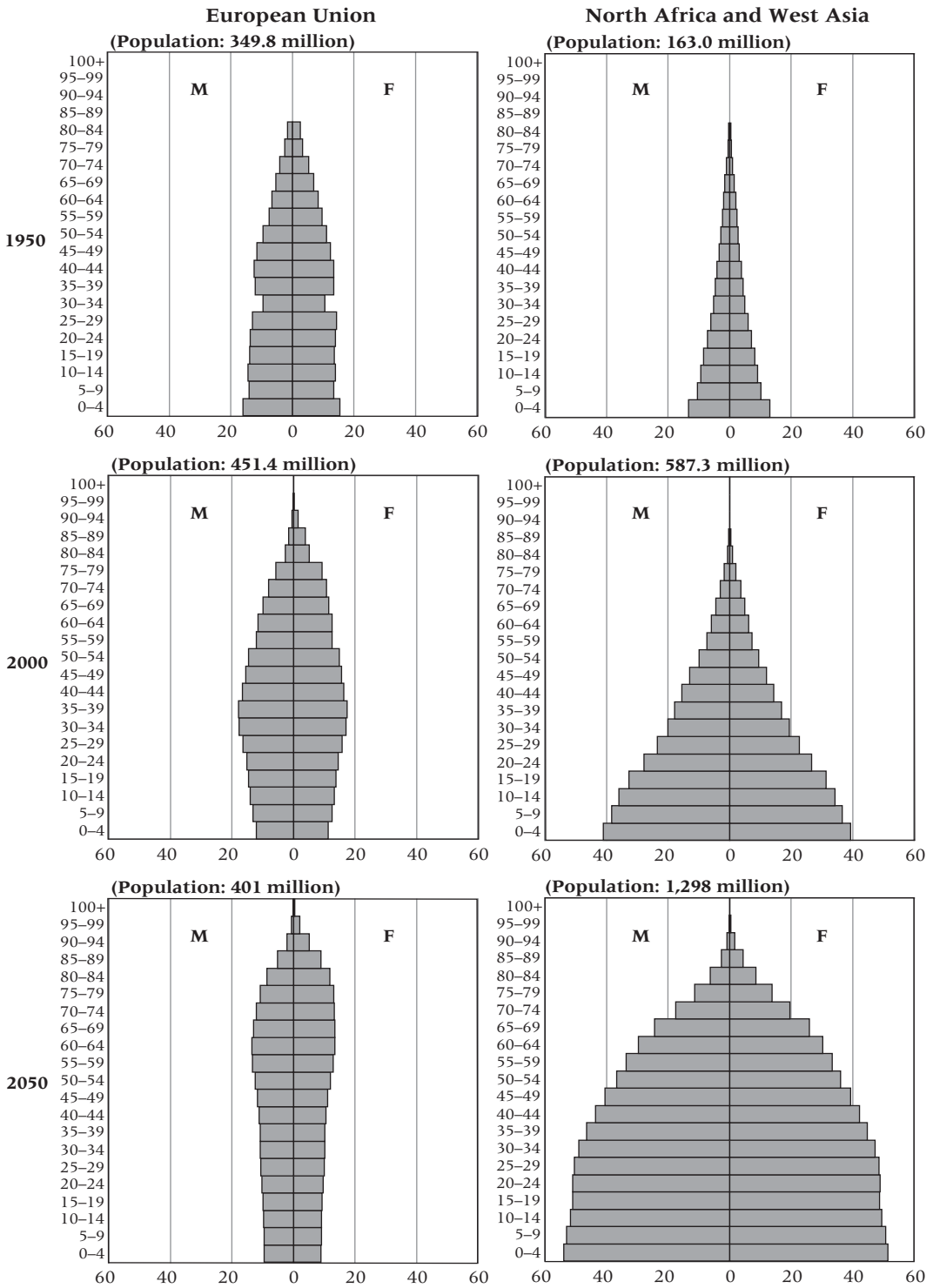
The validity of such a “demographic” projection, that is, a projection that does not explicitly introduce consideration of possible economic-ecological constraints on population expansion, may be viewed with legitimate skepticism. Even a Yemen of 102 million inhabitants in 2050—or 57 million less than would be produced under the constant-fertility assumption—is highly implausible. For example, only 3 percent of the country’s territory is rated as arable land, and fresh water resources are severely limited. Yemen’s oil production and reserves are a major prop for its economy, yet these resources are modest in comparison to those of the oil-rich Arab countries and to those of Russia or even of Norway—the latter a country with a population of fewer than 5 million. The likelihood of a Malthusian crisis in the twenty-first century is increased by the high growth potential the 2050 age distribution will still represent. Barring a major rise in mortality, the Gordian knot could be cut by introducing the assumption of an early and even more rapid fertility decline. But the forces that would generate such a behavioral change would have to be made explicit. They are anything but obvious.

Figure 2 presents the detailed time series of the estimated and projected total populations of Russia and Yemen for the 100-year period from 1950 to 2050. Heuristically, the series can readily be extrapolated beyond 2050. The picture is little short of remarkable. Yemen’s population, which in 1950 was one-twenty-fourth of the then population of Russia, after a century catches up with—and, beyond midcentury, is expected to exceed—the size of Europe’s most populous country.

### The European Union and its southern hinterland

But, it may be objected, Russia and Yemen are extreme cases, exaggerating the magnitude of the shifts in the relative population sizes of European and extra-European countries that have been occurring in recent decades and are foreseeable for the future. Comparing the population dynamics of the more representatively “European” population of the European Union with the population of neighboring lands to the south and southeast of the continent might present a picture both more balanced and of greater contemporary interest. Such a comparison—again in terms of total population size and age-sex distribution for the years 1950, 2000, and 2050—is shown in Figure 3. The European Union presented there is not the current association of 15 member states but, anticipating an imminent development (formally to take place on 1 May 2004), the enlarged EU, comprising 25 coun-

**FIGURE 3 Population size and age distribution, European Union (25 countries) and North Africa and West Asia (25 countries): Estimates and projections 1950, 2000, and 2050**



NOTE: Horizontal scale in million persons separately by sex.  
SOURCE: United Nations 2001.

tries. As the EU(25)'s contrasting southern and southeastern neighborhood, let us somewhat arbitrarily select the countries between India's western border and the Atlantic Ocean. If we exclude from this assemblage the countries of central Asia that were part of the former Soviet Union, those of Muslim Black Africa, and Israel, we are again left with 25 countries.\* To these, as a 26th unit, the Arab population of the Israel-occupied territories of Palestine is a logical addition. A conspicuous unifying characteristic of this group of countries is that they are all exclusively or predominantly Muslim. But demographic patterns that go with that cultural marker are diverse—the differences, say, between fertility or mortality in Tunisia and Afghanistan are wide—hence a more neutral descriptive label may be preferable. Let us call this group of countries in North Africa and West Asia the European Union's southern hinterland—a kind of near-abroad to the continent's western half. The obviously Eurocentric label is justified by the chosen topic of the present discussion. Seen from a different vantage point, the European Union could be described with equal accuracy as the hinterland of North Africa and West Asia.

In 2000 the EU(25) comprised some 451 million persons. The graph of the age structure of this population yields a less jagged age pyramid than that of Russia, but its character is unmistakably similar. The numerically largest 5-year age group is ages 35–39; below them the successive cohorts are smaller and smaller. The number of those under age 5 amounts to less than two-thirds of the number aged 35–39. In the older age groups the number of women well exceeds the number of men, but the numerical imbalance is less extreme than in Russia. In the EU(25), still referring to 2000, the number of women above age 65 was 49 percent higher than the number of men. Above age 80, this percentage was 125.

The UN medium projection assumes that the total fertility rate will rise from its level of 1.4 in 2000 to 1.82 by 2050. It also assumes a net average annual number of 500,000 immigrants from outside the EU(25), or roughly 25 million persons during the first half of the century. Expectation of life at birth for the two sexes combined is also assumed to rise, to an approximate average of 83 years. Despite these stipulations—each of them population-enhancing—by 2050 the size of the population would fall by 50 million, that is, to 401 million. The tempo of population decline would also accelerate: by midcentury it would be 0.5 percent, or a net loss of 2 million, annually. In 2050 the largest 5-year age group would be those aged 60–64 among males and 65–69 among females. This is an age structure with no precedent among sizable populations. By 2050, half of the population would be older than 50 years, and the share of the population aged 65 years and older would be more than twice as large as the share under age 15 years: 30 percent versus 14 percent.

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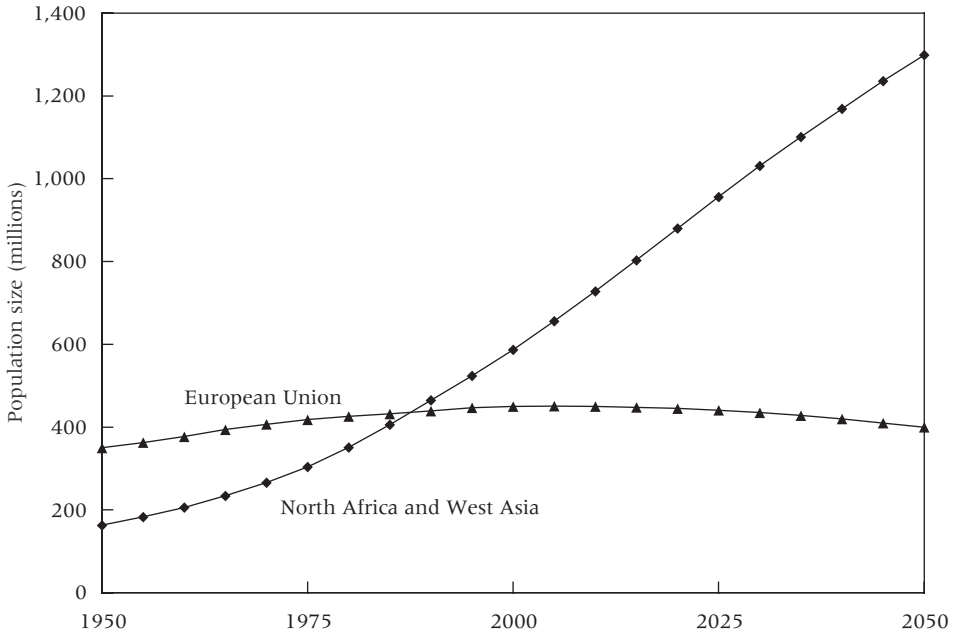
\*The countries included in the 25 are: Afghanistan, Algeria, Bahrain, Djibouti, Egypt, Eritrea, Iran, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Pakistan, Qatar, Saudi Arabia, Somalia, Sudan, Syria, Tunisia, Turkey, United Arab Emirates, and Yemen.

The most commonly used index for describing the potential demographic impact on the relationship between the economically active and the economically dependent segments of a population is the “support ratio,” the ratio of those aged 15–64 to those aged 65 and older. It is a far from ideal index; in economically advanced countries the labor force participation rate of those under age 25 is fairly low, and, with the increasing demand for higher skill levels it tends to diminish further. Similarly, in the age groups approaching the arbitrary cutoff point of age 65, the proportions economically inactive are fairly high and in the most recent decades have shown a tendency to increase. With these caveats, the fall of the EU support ratio from its year-2000 level of 4.25 to 1.86 by 2050, even though drastic, is likely to understate the magnitude of the economic adjustment population aging would impose on society.

The demographic dynamics of the EU(25)’s southern hinterland show a strikingly different pattern during the 100-year span from 1950 to 2050, and indeed beyond. The total population of that 25-country group was 163 million in 1950, less than half (46 percent) of the EU(25)’s population calculated for that year. During the next 50 years the hinterland’s population nearly quadrupled, reaching 587 million by 2000, thus surpassing the EU(25) population by 30 percent. For the first half of the twenty-first century the UN population projections assume a further improvement of mortality (a rise in the expectation of life at birth from 63 to 73 years), average outmigration somewhat over a quarter-million per year, and, most importantly, a decline in the total fertility rate from 3.9 to 2.3. The 2050 population size resulting from these assumptions is 1.3 billion, more than triple the then expected population of the European Union. These benchmark figures reflect the logic of the underlying demographic dynamics. Between 1950 and 1975 the population of the EU(25) grew by an annual average of 2.7 million. Between 1975 and 2000 the annual increase dropped to 1.3 million, and, as noted earlier, between 2000 and 2050 an annual average *decrease* of 1 million is expected. The corresponding absolute growth figures in the hinterland are, respectively, 5.7 million, 11.3 million, and 14.2 million. Figure 4 depicts this radical shift in the comparative population size of the two areas during the 100-year span.

It may be objected that the area of the “hinterland” is defined in an overly expansive fashion. Does Pakistan really belong to it, for example? An impressionistic if fairly persuasive affirmative answer to the question might be obtained by a visit to many large cities in Britain. Indeed, such visits there and also to urban areas of the European mainland might suggest that the hinterland is far wider than defined above. Potentially, and in part already *de facto*, it could be construed as also comprising the entire African continent, not only its northern fringe. The population of such a comprehensively defined hinterland in 1950 was still smaller (by 11 mil-

**FIGURE 4 Population size, European Union (25 countries) and North Africa and West Asia (25 countries) : Estimates and projections 1950–2050**



SOURCE: United Nations 2001.

lion) than the EU(25)'s. By 2000 the expansively defined hinterland had a population 800 million greater than did the EU(25). By 2050 it is projected to exceed the EU(25) population by 2.7 billion.

### Policy response

What might be the European reaction to this tectonic change in relative demographic weights? One possible variant is the politics of closed eyes and ears. That which is ignored causes no headache. It would be difficult to claim that European attitudes toward demographic matters are exempt from this comfortable stance. It would be easy to demonstrate that during the last quarter-century the European press, the continent's informed opinion, and its proverbial man in the street were agitated far more deeply by the perceived problems of the ozone hole, the state of the Amazonian rain forest, or the menace of global warming than engaged with problems, real or supposed, inherent in ongoing demographic processes, whether at home or in the neighborhood. A reasonable explanation of this disproportion may be simple: the former problems, large as they may be, are potentially solvable—either through adjustment or by prevention. And the technological means

for solution, at least in principle, can be made accessible, economically feasible, and politically acceptable in a modern, affluent, and democratic society. In comparison, deliberately modifying the factors, especially fertility and international migration, that underlie demographic change—either within or outside the relevant national borders—appears to be far more difficult. Indeed, given existing value systems and conflicting group interests, the political system may even decide that solutions are impossible. In the latter case, the issue is rightfully kept off the political agenda. That which has no solution can be held to be not a problem.

Indeed, some dimensions of comparative demography must be taken as given—hence beyond effective human control. The above-cited statistics and projections make it obvious, for example, that Europe's demographic marginalization within the global population (as compared to Europe's relative status in earlier times) is a *fait accompli*, one that is bound to be further accentuated during the present century. Apart from catastrophic events of incalculable magnitude, there is no demographic scenario that could substantially modify the ongoing shifts in relative population sizes of the sort illustrated above.

The European demographic predicament of course is not unique. In varying degrees it also characterizes the status of all economically advanced areas in comparison to the regions that the UN labels as less developed. Japan's demographic configuration, for example, very much resembles that of the European Union. Compared to these regions of very low fertility, North America—the United States and Canada—shows more demographic dynamism: higher fertility and more openness to immigration. As a result the North American population, whose size today is well below that of the EU(25), by 2050 is likely to exceed the EU(25)'s 400 million population projected for that year. But, as is evident from some of the population figures mentioned above, 400 million is a modest share of the growing global total, and modest even in comparison to other regional populations. Thus North America's population size in 1950 was still slightly larger than Latin America and the Caribbean's. But by the turn of the century the latter region had a population some 200 million greater than North America, and by 2050 the difference is projected to reach some 370 million.

### Lowering population growth

If the evolution of the north–south demographic contrast in the Western Hemisphere is much less dramatic than the one characterizing Europe and its southern hinterland, that is in part the consequence of North America's comparatively faster population growth. But an even more important factor attenuating the shift in relative population size between north and south in the Americas was the earlier onset and speedier progress of Latin America's

demographic transition as compared to the transition observable in Europe's southern hinterland. This difference clearly suggests that the most effective means that would have moderated the drastic shift that occurred in the last 50 years of the twentieth century in relative population size between the global north and the global south would have been the speedy reduction of southern birth rates, and a timing of the onset of the decline that would have closely followed the rapid post–World War II reduction of death rates. The implied policy agenda still applies, albeit with far less potential, in the first decades of the present century.

This, of course, is no new discovery. Shortly after World War II, it became obvious to demographers and to other informed observers that, absent an early and rapid decline of fertility, the inexpensive and easily transmitted new methods of controlling the lethality of infectious diseases and the establishment of an international economic order favorable for development would result in an unprecedented acceleration of the rate of population growth in the less developed world. The biblical injunction of “Be fruitful and multiply” was readily obeyed in the past by all existing populations; if that were not the case these populations would have long exited from the stage of history. But by the middle of the twentieth century, with a global population of 2.5 billion, the second part of the biblical order should have also conveyed a message: “Replenish the earth.” How a replenished earth is to be defined is, of course, a matter for human judgment. That the right definition is unlikely to demand the diligent cultivation of every square meter of willing land, the squeezing of the economic machine to the limit of its technological potential, and the accommodation of the greatest possible human numbers, overruling every qualitative and aesthetic consideration to the contrary, is more or less agreed everywhere by all. But differences in this regard between “more” and “less” can be very great among individuals, and the concept of the replenished earth can also change over time. As is evident in documented modern history, how and with what relative weights and with what success individual judgments are summed up, shaped, and reconciled through the institutional structures of a polity can and do yield very different results.

On this score the Bible, to quote it again, expresses classic Malthusian pessimism: “When goods increase, they are increased that eat them.” If so, economic improvements—whether originating from man's technological prowess or from gifts like manna from heaven—do not lead to a higher standard of living but are absorbed in full by increased population numbers. More commonly, there are compromises between the two polar solutions—greater population versus higher quality of life. But precisely where the compromise is struck can vary greatly from society to society. This is borne out by the different development records of countries during the last 50 years. Compared to any past era, the second half of the twentieth cen-

tury was a period of unprecedented worldwide economic progress. The claim applies with special force to the years between 1950 and 1973. During that period the annual growth rate of gross domestic product was higher than 4 percent in all world regions. In Japan that rate exceeded 9 percent, in Asia outside Japan and in Latin America it exceeded 5 percent, in Western Europe it was 4.8 percent, and in Africa 4.4 percent. But while in Japan and Europe the bulk of this rapid growth translated into rising per capita incomes, in the countries of high fertility and thus rapid population growth a disproportionately high share of economic growth was absorbed in accommodating the rapid increase in population size. Goods increased but they that eat them increased too.

These two factors—*increase in population and increase in GDP*—are of course not completely independent: population increase tends to stimulate economic growth. Nevertheless, the range of possible tradeoffs between them is fairly wide. Demographic growth has to be paid for in economic terms, and when that growth is rapid the price may be high and especially exacting when average income levels are low.

To contemplate a counterfactual: how would people's conditions have changed in the European Union in terms of nutrition, lodging, transportation, environmental standards, adequacy of educational and health services, and many other indicators of the quality of life if the EU(25)'s population had grown at the same tempo as experienced in its southern hinterland—rising from 350 million in 1950 to 1.26 billion in 2000? And how would the economic prospects of the EU(25) change in the coming decades if, in conformity with the same assumption, its population in 2050 were to amount not to 400 million but to 2.8 billion? The questions are so bizarre as not to deserve answers. Yet in 1950 in the less developed countries of the world, similar questions could have been raised in the confident expectation that unless fertility were to fall in tandem with the fall of mortality, a tripling or even quadrupling of the population by the end of the twentieth century was a distinct possibility. And it would follow that per capita gains would be much smaller than could have been obtained with slower population growth. After 1973 the tempo of population growth did slow, but so did economic growth. And the demographic growth still remained sufficiently high that, as a matter of sheer arithmetic, growth of income per capita was very slow, nonexistent, or even negative, as was the case during the last decade of the century in a number of countries of Africa.

International action programs after World War II that were aimed at lowering mortality and that played a key role in triggering what, with a degree of poetic license, used to be called the population explosion, were welcomed in the developing world. The same cannot be said about proposals for reducing fertility. True, there were no precedents for international action in that domain. The initiatives to launch family planning programs in



less developed countries, taken first by private organizations in the United States and later also by the US government, received some support and cooperation in Scandinavian countries and in Britain. Continental Western Europe, not to speak of the countries of the Soviet Bloc, however, long remained skeptical and passive or explicitly critical. The first intergovernmental world population conference, convened at Bucharest in 1974 primarily on American initiative, was meant to invigorate action toward disseminating the newly available birth control technologies in what was then called the Third World. Prominent European critics considered the proposed plans either childish American games or, viewed in a more sinister fashion, prime examples of attempts at crude interference with the exclusive rights of sovereign states. But to justify the claim for the exclusive exercise of sovereignty with respect to demographic growth would require that the deleterious consequences of such growth—increased economic inequality, political turmoil, and pressures for outmigration, to mention only a few—also remain within the borders of the countries experiencing rapid expansion of their populations. Much historical evidence indicates that the prospects for such containment are not good. Thus, potentially the issue of population growth had, and has, a legitimate place on the international political agenda.

The 1974 population conference, adopting a formulation crafted at the First World Conference on Human Rights held in Tehran in 1968, declared that “all couples and individuals have the basic right to decide freely and responsibly the number and spacing of their children.” This laudable principle has been endlessly repeated since, although with the qualifier “responsibly” often omitted. The advantage of brevity gained by the truncation is more than counterbalanced by the lopsided “right” that appears to be enunciated by the shortened version. Exercise of such a right obviously assumes that the result of the aggregated free choice of individuals is in harmony with the interest of the particular society, and indeed with the interest of the global society, to which the individuals making the choice belong, or at least that it yields an outcome that can be accepted as tolerable. This stipulation has practical implications with universal validity. For example, should a family in Germany or in America decide to have six children, most of the neighbors would be likely to regard this with admiration provided that the parents satisfied the material needs of the children to the extent considered socially appropriate—something that in these countries most parents would be able to do. Other neighbors would perhaps express disapproval, but this would in no way affect the sovereign right of the parents to choose a large family. It may be noted that the fertility level reflected in the choice of six children need not be considered especially high. It represents less than half of what, on average, would be biologically feasible. Maintenance of such a fertility level among couples living together from a young age presupposes a fairly extensive practice of birth control. And neighbors could not claim

that a large family necessarily imparts a qualitative disadvantage upon children. From recorded Western history it would be easy to assemble lists of eminent artists, scientists, saints, and poets who were sixth or higher-order offspring of their parents.

It is evident, however, that, under conditions of low mortality, generalization of such fertility behavior would soon prove inconsistent with the public interest. A Germany or a United States that increased its population sixfold in 50 years—as would happen under the stipulated demographic regime—would no longer resemble its earlier self, and the lack of resemblance would not be for the better. Well-functioning societies spontaneously generate informal signals that prompt more socially responsible behavior, reducing average fertility to an acceptable level. If such a reaction were not forthcoming in a timely fashion, states with sound political and legal institutions would soon find the means by which individual fertility choices would be made to conform to the collective interest. Individuals live in a social matrix that can, in the name of the public good, constrain rights even if they are said to be sovereign.

The most drastic application of this logic took place in China. The collectivization of agriculture was a major factor leading to the 1959–61 famine, which caused some 30 million deaths. In the following years the views of the Chinese leadership concerning the consequences of population growth for that country's development changed radically, eventually resulting in the introduction of the obligatory one-child-per-family system. In the rest of the less developed world, fertility transition followed largely classical patterns, exempt, apart from occasional episodes, from heavy-handed government intervention. In countries with intensive economic, political, and cultural ties with the more developed world, fertility decline followed the drop of mortality with relatively short time lags. Family planning programs, typically organized with substantial outside assistance, were helpful in this regard, but the process was fundamentally driven by the joint forces of the changing economic calculus of families concerning the costs and benefits of children and Western cultural penetration affecting aspirations and life plans. In countries where these influences were weak, as was the case in many countries in Europe's southern hinterland, the onset of the fall of fertility was retarded and in a number of cases it is yet to occur.

### Geopolitics of population

Tardy fertility decline, as was shown above, has reshaped the relative demographic weights of countries and regions. This continuing process could have far-reaching negative consequences for the stability of the international system. Rapid demographic growth may produce symptoms of overpopulation—inability of a country's economy to satisfy the basic material needs of an

increasing share of its population or, by a more exacting formulation, inability to improve average levels of welfare in a population of increasing size in the context of increasing material affluence abroad. Overpopulation can undermine domestic political stability in an affected country, with potential spillover effects beyond the country's borders. It can generate, for example, large numbers of emigrants whom the intended destination countries are unwilling to accept. While rolling back the demographic shifts outlined above is hardly feasible, Europe and the West at large can still play a role in slowing the tendency toward increasing demographic imbalances. Future fertility trends are not rigidly foreordained. The UN's medium assumptions are fairly sanguine in assuming rapid fertility decline, but the process conceivably could be speeded up.

It would be erroneous to assume that starting and accelerating the fertility transition in a country is possible in the absence of significant structural changes in the economy and accompanying cultural transformation—effectively a demographic regime change. The historical record suggests the key ingredients that can trigger or promote such changes in the twenty-first century: greater integration in the world economy through openness to trade and capital flows, major upgrading of the educational system, and female emancipation. Cultural influences can be especially important in generating social change, including fertility change. Much of this is likely to be a spontaneous process, with limited opportunities for planned programmatic schemes. External encouragement, however, for adoption of institutions and political arrangements that prevail in modern affluent societies—respect for human rights and civil liberties, free mass media, secure property rights, democracy—could greatly facilitate the effectiveness of cultural influences that promote lower fertility in countries where population growth is still rapid. Exporting Goethe and Proust would seem, unfortunately, less potent in this regard than exporting Hollywood movies and television soap operas. If the European Union has a better recipe for socioeconomic and demographic modernization than the often berated American version, vigorous application of the remedy could greatly lessen the potentially harmful consequences of the demographic pressures now accumulating in its southern hinterland. Thus far, however, Europe has shown limited taste for such action.

Large population size in a less developed country need not necessarily lead to impoverishment and political instability. It may become linked, instead, with economic and military power. The requirements for successful development in the age of globalization are well known; competent and well-governed countries should be able to grasp the opportunity for success. Forty years ago South Korea's per capita income was smaller than Ghana's; today South Korea's per capita income, in purchasing power parity terms, is more than nine times higher. Contrary to misconceptions widespread in the West, and perhaps especially in Europe, no insurmountable

obstacles prevent demographic giants such as China, India, and Brazil from transforming themselves into great economic and military powers, possibly even in the early decades of the present century. The eventual geopolitical consequences of such changes cannot be fully discerned, but as population size and power become more tightly correlated than they are at present the consequences will hardly be negligible. Today, for example, in the UN General Assembly, India with its population of more than one billion has the same single vote as does UN member-state Tuvalu with a population one-hundred-thousandth the size. Not surprisingly, General Assembly resolutions have modest weight. But in the more influential 15-member UN Security Council India holds a seat only intermittently, and then only as one of the ten council members without veto power. Among the five permanent members of the council that hold veto power, and have done so for over 50 years, three are from Europe. The combined population of the three in 2000 was barely one-quarter of India's population; by 2050 it is likely to be only about one-seventh. Can the current arrangements in allocating influence within international organizations to member countries be expected to be maintained in the coming decades? On demographic grounds alone, it would be difficult to give a confident affirmative answer to the question. Similar issues arise within the still unsettled constitution of the European Union. If the EU, for example, eventually inherited the British and French seats in the UN Security Council, would the EU's formally equal member states each be given power to exercise a veto over a vote in the United Nations, despite their very different demographic weights? What of Malta, for instance, one of the states about to be admitted to membership, even though with its 400,000 inhabitants it represents less than one-thousandth of the EU's total population? Such impolite questions have limited relevance in a peaceful world. But the world has not been such for a long time; it is unlikely that in the twenty-first century international conflicts will disappear. Demography's role in creating and resolving conflicts is likely to become increasingly pressing.

### Raising fertility

If it turns out that Europe—or, more realistically, within it that core association of countries called the European Union—can have little or no influence on demographic trends outside its borders, or in any case has no inclination to exercise such influence, it can still devote itself to the Voltairian task of cultivating its own garden. If it is found that domestic fertility has sunk to unacceptably low levels, raising fertility through deliberate policy is a potential partial corrective for loss of structural balance and geopolitical weight. More problematically, an enlightened immigration policy could also be helpful. It might have been expected that the demographic slump of the

last few decades would have elicited vigorous action toward finding remedies for Europe's demographic predicament. But the record contradicts that expectation.

Classical liberal theory assigns a strictly constrained role to the state in human affairs. State action is legitimate only if it performs functions that serve the interests of the citizenry but that do not emerge from the voluntary interaction among individual members of society. By this criterion, adopting measures aimed at assuring demographic stability if such stability is not spontaneously achieved could rightly be regarded as a proper function of even the minimalist "night-watchman" state. Like national defense, pronatalist policies would aim at preserving national viability and survival when the aggregate result of individual decisions concerning childbearing endangers these valued objectives.

Contemporary welfare states of the affluent world, and especially those of Europe, perform a vastly wider range of functions than the limited government of classical theory. But dirigist intervention typically stops short of any intent to influence personal fertility choices. On that score, the official stance is strictly *laissez faire*. The United Nations regularly canvasses government attitudes toward demographic phenomena. The most recent inquiry finds that 14 of the 15 current member states of the European Union consider the level of fertility "satisfactory." (Earlier inquiries found complete unanimity about the matter; the current, probably temporary outlier is Austria—possibly exhibiting a Haider-effect.) Not surprisingly, government attitudes in the eastern EU candidate countries are different. There, with the exception of Slovenia, governments declare the level of fertility "too low," and presumably remediable. This may reflect lingering confidence in social engineering through central planning, something that might dissipate in fairly short order. Certainly, the principle of subsidiarity notwithstanding, formal entry into the EU will likely make social policies in general, and fertility policy in particular, euroconform sooner rather than later.

The significance of governmental assertions denying or affirming a problem of low fertility should not, however, be regarded as necessarily consequential and informative as far as actual policies are concerned. For example, official Russian statements find that country's low birth rate alarming. But what does the Russian government do in order to try to remedy the situation? My recent discussions with prominent Russian population experts brought a unanimous reply: nothing that would deserve mention. Swedish social policy, in contrast, sustains a dense web of allocations and targeted benefits that in an earlier terminology would have been labeled pronatalist. But no such aim is officially admitted today. The reasons for this may be primarily ideological. But political correctness apart, the denial of a pronatalist aim may also reflect the melancholy fact that

even the most sympathetic assessments found the effect of such policies on fertility at best marginal.

The declared aim of the most closely fertility-relevant social policies in Sweden, and in varying degrees also elsewhere in Western Europe, is to make participation of women in the formal labor force compatible with raising children. Few social policies enjoy greater unqualified support from demographers and sociologists than those seeking to achieve that objective. Indeed, fertility differences between Western European countries are routinely explained by differential success of government policies supporting compatibility. Economists also tend to concur in supporting the policy, if for somewhat different, macroeconomic reasons: greater mobilization of the female labor force provides a degree of correction for the increasingly disadvantageous ratio between those in the labor force and those retired. On the micro-level there are also good reasons for the policy. Once the proportion of families with two wage earners—such as husband and wife—becomes fairly large in an economy, the relative economic status of families with only one earner becomes more and more disadvantageous or even untenable, especially when dependent children are also present. Gradual collectivization of the costs of child raising (for example, through publicly financed family allocations and through provision of benefits in kind, such as free child care for preschool children through crèches, kindergartens, and the like) represents a major approach to easing the conflict between working outside the home and having children. Financing such services, however, requires imposition of heavier tax burdens, which, in turn, put further pressure on families to seek participation of more than one adult member of the household in the formal labor force. Thus the system is self-reinforcing and the option that one of the parents stays at home with children until the children are grown (in practical terms for 20 to 25 years) can be plausibly exercised only by the exceptionally well-to-do, or those willing to deny to themselves and to their children material comforts that are customary in their social reference group.

Many other social changes tend to reinforce the tendency toward higher labor force participation of women. Marriages nowadays more frequently end in divorce, and a divorced spouse without independent income is placed at high financial risk, as are the children affected. But even in stable marriages, the allure of independent income and of work-related personal claims for a pension or for accumulated wealth increases the inclination to participate in the formal labor force. Higher earnings potential, furthermore, is closely related to higher levels of formal education, acquisition of which tends to delay marriage and the birth of a first child. Thus social policies that could encourage the combination of work with childbearing and childrearing are well motivated. Yet the results of such policies in terms of raising fertility are uncertain and likely to be constrained. When the tradi-

tional roles of parents beginning with the age of entry of their children to formal schooling, or even beginning with their children's infancy, are by and large taken over by specialized nonfamily institutions, parental roles tend to be devalued. Eventually, having a cat or a canary as a surrogate for children may be found not only to involve fewer risks and lesser costs, but also to be competitive with having children (who must be cared for mostly by substitutes for their parents) in terms of providing emotional satisfaction. It is not surprising, therefore, that despite policies that seek to make two-earner families compatible with childrearing—that is, despite flexible work hours, generous paid vacation, fathers' temporary home leave to care for an infant or a sick child, and other similar benefits—the actually chosen number of children in two-working-parent families gravitates toward a system consisting of families that are either childless or have only one or two children. Although in practice these proportions are weighted in the reverse order, the arithmetic of such a system produces total fertility rates below, and possibly well below, the replacement level. In other words, helped by child-friendly policies, having two children *can* be compatible with both parents working, if perhaps at a certain sacrifice in terms of life style and material comforts. Having three children while both parents engage in work outside the household borders on the heroic, and having four or more children, unless the working parents are sufficiently well-off to be able to hire outside help, borders on the irresponsible.

But do not fertility surveys confirm a preference expressed by a large majority of women, men, and families for having at least two children? Would it not follow, then, that regardless of whether a family policy is meant to be pronatalist or simply family- and people-friendly, its task is plain: to provide moral and material support so that families (or just women) can have the children that they wish to have? The answer to this question is also simple: expressed preferences concerning the number of children desired may well be genuine, but they are also in competition with other preferences the satisfaction of which is, at least in principle, attainable in modern societies. The outcome of such competition is not necessarily in favor of children. The children actually born may turn out to be what in the title of one of his novels Günter Grass called *Kopfgewurten*, births that occur in the minds of their would-be parents. As in the case of the novel's young teacher-couple, sometimes a preference for a trip to Bali, or delays caused by waiting for something like the outcome of the federal elections ("we cannot possibly have a child if Franz Joseph Strauss wins!") defeat the abstract desire to have a baby. Anatomically speaking, *Kopfgewurten* are not a promising method of having children, as they do not assure population replacement. Grass of course was not daunted by German shortages in children; he discerned a certain providential benefit. What would happen to this world, after all, if Germans were as numerous as the Chinese? Yet today, and as

far as eyes can see, this ominous eventuality is not in prospect either in Germany or in the European Union at large. What *can* be taken as highly probable is the failure of the now prevailing orthodoxy governing European social policies. These policies will fail to increase fertility up to replacement level and thus will fail to prevent the long-term numerical decline of the European population.

Perhaps, it may be countered, what prevents realization of latent fertility desires is simply the high costs of raising children in modern societies. As postindustrial economies reach higher per capita levels of real income, an automatic upward correction of average fertility levels can be reasonably expected. But very few data could be adduced in support of this proposition. Data that disprove it seem, in contrast, plentiful. As a simple illustration, consider the case of two proverbially child-loving societies: those of Italy and Austria. Average incomes in the 75-year period beginning in 1870 followed a fitful but slowly upward-creeping trend within a band from roughly \$1500 to \$3000 calculated in 1990 dollars. These income levels, while historically fairly high, were well below those found in the economically most advanced countries of Europe. By the years immediately before World War II, fertility in Austria was appreciably short of replacement level while the average TFR in Italy in the 1930s was still above it. The post-World War II economic boom raised income levels steeply, bringing them to about \$17,000 per capita in the early 1990s in Austria and to \$16,000 in Italy. These figures match or are very close to the best European country levels. Despite the unprecedented prosperity reflected in these data, fertility in Austria sank further below replacement level (to a TFR of 1.3), while in Italy it fell to a level barely more than one-half of what is needed for the simple reproduction of the population. The goods increased but they that eat them not only failed to follow suit but seem set to diminish.

The post-World War II economic fate of Eastern European countries was far less happy than that of Italy and Austria. The combination of relatively low income levels (as understood in the broader European context) and material aspirations attuned to Western European consumption standards provides an often-voiced explanation for the very low fertility in these countries. By the same token, the hoped-for economic improvement in the early twenty-first century, even if it should prove far less spectacular than that experienced in recent decades in Western Europe, is often considered a potentially powerful future stimulus toward higher birth rates. The record of Austrian and Italian fertility does not support that expectation.

However, with respect to fertility behavior the relevant factor may not be the average level of income but its distribution. The modalities of income distribution and how they may be changed are indeed the central concerns of contemporary social policy. The original goal of the early European welfare state was to help a segment of the population, thought or defined to be



a relatively small fraction of the total, that for reasons not of its own doing—sheer bad luck, personal misfortune (for example, orphanhood), or as an inadvertent side effect of economic friction inevitably generated by a dynamic market economy—had fallen on bad times. But it was soon discovered that such relatively narrow constraints on government-organized income transfers can be loosened through the give-and-take of the political marketplace. Today, in the welfare states said to be most advanced, up to 60 percent of the national income is allocated through the central national budget. The bulk of that income represents transfers not from the rich to the poor or at least from the better-off to the less well-off, but between variously constituted segments of the society depending on the relative strength and skill of the political interest groups representing them. The so-constituted and ever-changing pattern of income redistribution and the resulting configuration of the net gainers and net losers tend to be immensely complex and thoroughly opaque. Similarly elusive are the estimates of the cost of the bureaucratic apparatus needed to effect the allocation and of the losses consequent upon the distortions in economic and social behavioral patterns that such redistribution necessarily induces. In the absence of an effective constitutional limit, the logical final outcome of the dynamics of this process would be a state that satisfies all truly important needs of the citizenry—from cradle to grave, as the saying goes. Unfortunately the material ingredients of such benevolence are not obtainable as manna from heaven but need to be collected in the form of taxes on productive economic activity. The incomes left with the producers would then tend to resemble pocket money—sufficient to cover expenses on socially unimportant or outrightly frivolous things, like ice cream and movie tickets.

Such a socialist paradise is of course a caricature, but one that nevertheless illustrates the central *problématique* of the European welfare state. In the present context it is also a reminder that any programmatic ambition that seeks, openly or covertly, to encourage fertility through newly designed schemes of income reallocation must be fitted into the ongoing partisan battles among a multitude of interest groups, and must do so with the familiar disadvantages of a relative latecomer. Among the leading champions in that battle are the well-organized lobbies of a demographic interest group, those of the elderly population. Low fertility, by strengthening the relative electoral base of the elderly, is a progressively important basis of the very weakness of those trying to encourage fertility increase through preferentially distributing income to couples who might want to have more children but, supposedly for reasons of material want, do not have them.

But success in buying children through skillfully targeted redistributive largess is not a promising approach. Because exhortation and propaganda emanating from governments are certifiably ineffective in a modern secular society, governments naturally conclude that the only potentially

effective instrument at their disposal for changing behavior—any kind of behavior—other than through coercion is allocation of rewards, either in the form of direct money payments or as services in kind. Incentive schemes that presumably should have stimulated fertility have not worked well in the past. Analyzing the reasons for this and outlining modifications that could improve the record of such schemes are beyond the scope of the present discussion. I limit myself to some brief remarks.

The increasingly narrow variation of family sizes voluntarily chosen in low-fertility countries underlines the necessarily low efficiency of material rewards given to parents. If every family were to prefer having a single child only, that child would be born in all probability without any government incentive. An arrangement in which, in effect, A pays for B to have a child and B pays A for the same reason has little to recommend it, even if the exchange conducted by intermediation through the public purse were costless. If the possible choices vary between 0, 1, or 2 children, the intended stimulus is likely to be not much more effective and could easily be counterproductive. The tax-burdened childless might find that burden a good reason not to marry and to remain childless. Those with a single child might think in the same way about having a second. Noninterference by the state—apart from the long-standing practice of collectively financing a large share of children's formal education and making allowances for dependents in income taxation—would, instead, confront parents and would-be parents with the fact, confirmed by much history, that children *are* costly and assuming such costs is a matter of personal choice that creates long-term legal obligations and special emotional bonds. Having children is a risky adventure that imposes responsibilities but also offers unique rewards. The austerity of such a public policy stance may not only result in higher birth rates but also might increase fertility disproportionately among those best equipped for and best disposed toward parenthood. A pronatalist policy should aim not only for more children but also for children who are brought up with the greatest chance to become productive and responsible members of their society.

It is a strong tenet of the dominant strand of European family policy that the extensive socialization of the costs of rearing children—transferring the costs to society at large and thus alleviating the burdens borne by parents—even if it does not increase fertility demonstrates social solidarity in a crucial area of human activity. But the arrangements that translate this principle into action may generate not only good will but also controversy, dissatisfaction, and passivity. Questions on the appropriate scope of income reallocation have no agreed answers. Even if taken after careful political deliberations and with the best of intentions, decisions on issues of why, to whom, when, where, how much, how long, how many times, and under what supervision will strike many beneficiaries as arbitrary, inadequate, and

unjust. Those who do not benefit from a particular scheme, perhaps for no fault of their own, might feel shortchanged and exploited. It is then not surprising that the allocation schemes adopted by political markets seldom remain the same for long: the cards are frequently reshuffled and new methods of churning centralized resources among beneficiaries are continually introduced. This in turn generates mistrust and uncertain expectations as to what benefits will survive the current government's term, hence what can be counted on along the prolonged course parents must resolutely stay in bringing up children to adulthood. This is not a social atmosphere favorable to elevating fertility. If low fertility is recognized as a European social problem, European policies affecting parental willingness to have children need radical rethinking.

### Admitting immigrants

Arguably the same holds for that other big issue of European population policy: immigration. In the decades following the end of World War II, Western Europe became what it had not been for a thousand years: a region of immigration. This was in part the result of the collapse of the colonial system, generating massive influx from the former overseas possessions. Partly it happened, as was famously suggested in another context, in a fit of inattention: a classic failure of governments to properly perform their core night-watchman role. The prime example for such inattention is the massive importation of so-called guestworkers back in the 1950s and 1960s. The guests decided to stay and even invited in their relatives from the home country. Democratic states could not nullify these unilateral decisions by the guests, decisions which, for good measure, also served the economic interests of their employers. That is how, for example, Germany became the not always friendly home to millions of Muslim immigrants, with the promise of more to come.

Today, the economic attraction of the European Union for would-be immigrants is greater than ever. This reflects not the EU's rather sclerotic economic performance, manifest, among other symptoms, in large-scale unemployment, but the enormous difference in levels of economic welfare and political security in the potential sending countries on the one hand and the corresponding situation in the EU on the other. The demographic pool from which immigrants may be forthcoming, as was shown above, is enormous and rapidly growing. At the same time, public sentiment and resistance in the countries of the EU against admission of large numbers of additional immigrants, particularly from Europe's southern hinterland broadly defined, are greater than ever. Despite this fact, the annual volume of immigration into the EU remains high, similar in volume to that entering into the United States: it consists of about one million legal and roughly

half a million illegal immigrants. The distinction is somewhat pedantic: in time the great majority of illegals become permanent residents. Pressures of an aging population notwithstanding, official immigration policy is exclusionary: it aims at reducing the annual flow, save for special categories of skilled workers. Fences are erected and gates are meant to be controlled. But success is limited: the fences are full of holes and the gates are poorly guarded. The costs that would be entailed in good fences and effective guards are very high, not only in material terms but also in undermining prized legal provisions in democratic states and in interfering with rights and comforts of the domestic population. That is how it could happen that, for example, in Greece, one of the EU(15)'s member states, the most recent census discovered that the country's population grew by some one million, or 10 percent, in a decade, even though natural increase—the difference between births and deaths during this period—was only 20,000 persons.

Immigration is unlikely to halt the decline of population in Europe, but immigration will probably remain high, hence will moderate the decline considerably. Thus Oswald Spengler's prophecy may turn out to be correct after all: depopulation may be slow, rather than precipitous; it could indeed last for centuries. The process, however, would entail a fundamental transformation in the ethnic composition of the population and also in its cultural patrimony. If Europe would prefer a different future for its descendants, corrective action cannot be long delayed.

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## Note

This article is a slightly abbreviated and edited translation of the inaugural lecture by the author as external member of the Hungarian Academy of Sciences, delivered on 20 November 2002 at the Academy's headquarters in Budapest.

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