

Green paper "Confronting demographic change: a new solidarity between the generations"

**THE QUESTIONNAIRE: Answers to family-related questions by the
GROUP OF INDEPENDENT EXPERTS ON FAMILY TRENDS AND POLICY
DEVELOPMENTS**

(DG Employment and Social Affairs)

*1st family network
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Introduction

The dramatic reduction of birth rates in the last two decades has become a public issues in many member states and at EU level. Discussion of demographic trends in the EU and managing their impact does need to be a mainstream activity of the Commission in which it facilitates debates among member states and where appropriate the construction of policies.

However, it is crucial that the issue of demographic change is not considered in isolation. It needs to be examined in relation to wider socio-economic change and changes in family life and processes. We also need to recognise that discussion of fertility and demographic change brings centre stage issues about policies towards families and family life in Europe which have never been central to the EU agenda before.

Demographic outcomes are a product of the interplay of aspirations and constraints. A keen appreciation of the nature of the constraints¹ is essential to understand why significant "gaps" occur between achieved fertility and people's aspirations about their family size or to understand why couple formation is increasingly delayed.

¹ Constraints such as long periods of education, insecure jobs and expensive housing.

1.1 The challenge of a low birth rate

While concern about falling and low birth rates has been growing across the Union it is clear that not all countries view this as a serious problem and that the root causes vary in their particulars across member states. However, historically, all member states, to varying degrees, have been supportive of family formation and the increased costs of rearing children. What is new for many member states is that they are facing population decline and so are beginning to actively consider the barriers to family formation and how to develop an active intention to promote parenthood. Therefore it is important for the Commission to encourage and facilitate initiatives in this area and to recognise and encourage national strategies that will need to be both multi-factorial and diverse.

The experience of several member states where fertility has not dropped so markedly (such as Sweden, Denmark and France) suggests that one measure is ineffective alone. Among the measures conducive to higher fertility levels and high levels of female employment are: accessible affordable quality childcare; appropriate and properly financed maternity/paternity and parental leaves set against a background of socio-economic policies which enable young people to form stable couple relationships and have access to secure and adequately paid jobs as well as affordable housing. Where higher education is either protracted or increasingly financed by loans, it is also necessary to have policies which support student parents and minimize financial debts.

Policy intervention in the family division of labour is problematic in some member states and acceptance of the public need to encourage the equal sharing of care and household tasks is uneven. Yet there is a role for the EU and national governments to encourage internal discourse on the value of men's participation in family care work and the medium and longer term dangers to women of foregoing earned income through taking a greater share of domestic labour and reducing their labour market participation to compensate.

The case of paternity leave and parental leave is key here. It demonstrates to wider society that men are not only economic providers but also essential caregivers. So moves to increase men's share of maternity/paternity and parental leaves at sensible benefit levels, with use or lose it criteria, are essential requisites here. However, it is unlikely that any attempt to link leave with direct evidence of equal work within the home would work in the near future.

At national level cultural and attitudinal change can be fostered by a variety of means including the automatic participation of both sexes in activities² more traditionally associated with one gender. This can be also done through other means, as the media campaigns which been successfully carried out in Scandinavian countries to challenge sex stereotypes show.

In order to improve the availability of quality childcare and elder care infrastructure considerable public resources are necessary for capital investment and running costs. Rarely can the market provide for more than a small quantity of well-off citizens without considerable public subsidy. This is therefore an area where the use of the Union's financial instruments, especially the structural funds, will contribute considerably. There is very great danger that the imposition of VAT at any level on these services will render them beyond the purse of most families.

The incentives for young parents to work in a career they want and have the numbers of children they want are several. None work on their own. Firstly, there needs to be greater public acceptance of the value of children and parenthood and the recognition that children are a social benefit. As such parents should be actively and properly helped by appropriate leaves, easy access to comparable level jobs on return to the labour market, flexibility in work time in a way which enables parents to manage work and care such as the reduction of one or two hours in the working day (a solution which is different from regular part-time work and attracts no comparable penalties) and no bar to training and promotion while child rearing. There is a danger in both too short/badly paid leaves as well as in leave schemes which effectively result in women taking very long absences from the labour market.

2.2 A global approach to the “working life cycle”

It is imperative to modernise the organisation of work in order to take into consideration the needs of different age groups and stages of the life cycle. Employers and managers need to be encouraged to create the working conditions and trust which allows units/teams/centres and groups within organisations to have more effective control over their work schedules so that both planned and unexpected changes in individual's lives can be accommodated by the group without damaging production and services.

² For example: cooking classes for both boys and girls, as in some Scandinavian countries.

At the same time there needs to be greater recognition that people at specific stages of the life course may need to partly reduce their working hours. While this may help young people, allowing older people to work reduced hours may well encourage their longer participation in the work force. Even if retirement has to be set at a certain age, it should not be at an arbitrary age or represent an abrupt end if people wish otherwise.

2.4 Solidarity with the very elderly

A proper response to demographic change and increased numbers of frail elderly requires a range of services and benefits and a recognition that elder care leaves need to be introduced and paid at appropriate levels. Workers with caring responsibilities for elderly frail people need a mixture of supportive full or part-time work.

It is essential that any additional financial support for dependency services is kept distinct from the legitimate retirement pension which accrues to all. Some allowances will need to be paid to care users but other allowances will also be necessary for care givers and family members should not necessarily be excluded from receipt of this.

Over Europe as a whole the care workforce tends to be under trained and under paid. The need to improve basic and higher training in a holistic fashion is urgent and structural funds should be used to help countries develop appropriate training programmes approaching the quality of Danish provision where “pedagogues” receive a three year post high school training across a range of care giving skills and competences (related to both child care and elder care).

Support of families, who are still primary caregivers of the frail elderly in most member countries and want to remain so, is essential. The volume of care likely to be needed in the future however cannot easily be met both through the projected shortage of labour and the high economic costs of providing it. To help families regular domiciliary services are necessary as are additional support for people with particular debilitating illnesses such as post-stroke, senile dementia, etc. Additionally, the high costs of institutional care which will remain necessary for highly dependent frail elderly people cannot be met in their entirety by most families and benefit policies to deal with this are necessary.

The changing labour force participation rates of women over recent years has reduced the availability of voluntary support for local care networks and may have led to an increase in isolation for both the dependent elderly and their care giving family members. It might be strategic to encourage the “young old” who have retired to create networks which may help maintain this vital community support for families.

3. Conclusion : what should the EU’s role be

The EU’s role is several:

- It is the only agency which can and should take an European wide perspective on a phenomenon which is affecting all Member States.
- Accordingly the key role is to monitor, analyse and evaluate the causes, contexts and consequences of demographic change and its interplay with family life.
- The EU thus has a crucial task in monitoring how different member states are responding to demographic change, managing the sustainability of different solutions (such as the interplay between the market, the third sector and families in providing care for the elderly), and publicising best practices as well as the varying tensions, gaps and needs. No one else does this.
- Consequently supporting/funding major socio-demographic research and demographic/family policy research across the member states is a key priority. Two dimensions of this can be identified: stimulating impact analyses which assess the effects of policies at national and EU level and encouraging the interchange of research based information between researchers, intervening organisations and policymakers.
- Monitoring changes and solutions and exchanging quality information is also an essential prerequisite to the development of EU policies to support member states with appropriate directives and recommendations.
- Another important role will be to help enterprises and employers be more aware of the need to encourage the reconciliation of family and work through supportive policies and practices.
- A crucial task will also be to ensure that European inclusion strategies effectively tackle child poverty issues so that having children is not associated with poverty.

- The EU also has an important role in encouraging the expansion of appropriate infrastructure and the training and professionalisation of caregivers. Structural funds and the sensible use of VAT are crucial in promoting infrastructure and in reducing costs (see 1.1 and 2.4).
- Finally, the EU has an important responsibility in promoting an approach to the issue of demographic change which does not omit a focus on gender and family inequalities. This may imply direct or indirect initiatives, such as discourse and recommendations on paternity leave, on the value of male care giving and on the medium and longer term dangers to women of foregoing earned income through taking a greater share in domestic labour and reducing their labour market participation to compensate.

ANNEX

Comments on the Green Paper

**“Confronting demographic changes: a new solidarity between the generations”
by members of the Group of Experts on Family Trends and Policy Developments**

Brussels, Meeting 23-24 June 2005

Comments on the Green Paper

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Entering or Avoiding a “Low Fertility Trap”?

It has recently been observed by Peter McDonald that there tend to be two distinct groups of low fertility countries, those where the TFR has stayed above 1.5 and those where it has fallen below this critical level and stayed below (McDonald 2005). There are currently 28 countries below 1.5 and a recent UN compendium on national population policies indicates that the governments of each of these countries consider this level of fertility too low (UN 2003). McDonald hypothesizes that it is more difficult for a country to bring fertility up to say 1.6 once it has already fallen to levels of 1.3 or 1.4 than to keep fertility around 1.6. From this assumption he derives the policy recommendation that countries should make efforts to keep fertility above this critical level of 1.5 and not let it fall below.

The assumption of a non-linear dose-response relationship in the field of possible policy impacts on fertility levels is a welcome addition to the rather uninspired literature on what level of fertility is considered “too low” and how governments may in turn try to influence fertility levels. One can further elaborate on this hypothesis and try to identify non-linear feedback mechanisms that result in a bifurcation process that makes a level of period TFR around 1.5 some kind of a watershed between different demographic regimes. Once this Rubicon is transgressed it will be difficult to reverse this regime change. Recent work by Rindfuss et al. (2004) on social transitions in Japan supports this assumption of non-linear, self-reinforcing processes in social change with thresholds and tipping points.

Is it justified to call this possible mechanism of irreversible (or hardly reversible) regime change a “trap”, a notion that neither McDonald nor Rindfuss use? If a trap is defined as an unpleasant situation (governments would rather see higher fertility) into which one enters unintentionally and of which is very difficult to get out, then indeed the described demographic regime change may be called a trap. But in addition to postulating the possibility of such a tipping point in fertility, it would be

good to be able to identify and describe the possible mechanisms that would constitute such a self-reinforcing process toward lower and lower birth rates and consequently accelerating ageing and shrinking that is difficult to escape. In the following we will describe three such mechanisms, a demographic, an economic, and one related to social norms.

The demographic process refers to the well studied but in the public discussion still not fully appreciated phenomenon of negative momentum. This simple consequence of the dynamics of age structured populations implies that as a result of low fertility over the past years, fewer and fewer women (potential mothers) will be entering the reproductive age in the future and exert a significant downward pressure on the absolute number of births and the crude birth rate. It has been estimated that several countries and the EU as a whole have recently entered a period of negative population momentum, which technically is defined as an age structure implying future population shrinking even in the case that fertility instantly increases to replacement level (keeping mortality constant and assuming no migration) (Lutz et al. 2003). With historically given age structures, this negative momentum is an independent force toward fewer and fewer births in the future. The lower the fertility rates in the near term future, the stronger the force of negative momentum in the longer term future. While this demographic component of the “low fertility trap” is purely an accounting effect at the aggregate level, the following two mechanisms relate to behavioral aspects.

The economic mechanisms that could lead to a downward spiral in fertility from one generation to the next can be derived from the first part of Easterlin’s relative income hypothesis which postulates that family size results from the combination of aspirations for consumption (which are largely formed in the family of origin) and expected income (Easterlin 1980). According to Easterlin the baby boom in the 1960s resulted from the combination of low aspirations (parents of the baby boomers were relatively poor) and high economic growth during the 1960s leading to high expected income and general optimism. This rationale can also explain the subsequent fertility decline as a combination of significantly increased aspirations in the next generation together with a less optimistic outlook. Disregarding the second part of Easterlin’s hypothesis in which he assumes that expected income is a function of cohort size which results in the unsubstantiated expectation of a second baby boom, one can directly apply this (first part of the) relative income argument to current and future fertility. Aspirations of young people seem to have been continuously rising over the past

decades as a consequence of increasing parental wealth, high consumption standards communicated by the media, and possibly even smaller family size (youngsters have to share with fewer siblings) while at the same time the longer term economic outlook has been darkening due in part to the prospect of demographic ageing. As documented in youth surveys around Europe, the expectations of people entering the labor market today are not rosy. Youth unemployment still tends to be high in many countries (despite smaller cohorts entering the labor market); there are fewer secure jobs; and recent steps towards reducing all kinds of social security (even if they have been rather minor so far) have given rise to a rather pessimistic view that things can only get worse for the younger generation. In contradiction to the second part of Easterlin's hypothesis which postulates positive effects of small cohort sizes, recent findings from global surveys suggest that fewer younger people means fewer start-ups of new enterprises and fewer jobs, as peak entrepreneurial activity takes place in ages 25-44 (Global Entrepreneurship Monitor 2004). Moreover, firms may move away from areas with smaller young cohorts, as there will be fewer potential workers available (Shimer 2001). Hence the economic story of the "fertility trap" argument would go as follows: Lower fertility leads to faster population ageing and thus to stronger cuts in the welfare state, less job creation, and an expectation of lower economic growth in the future; at the same time, aspirations for personal consumptions are still on the rise due to parental wealth and fewer siblings; and the match of high aspirations and low optimism will result in even lower fertility. This assumed mechanism has the potential of a downward spiral with only zero fertility being the bottom.

There is also a plausible mechanism operating in the realms of normative change and ideal family size. If one assumes that the norms and expectations of the younger generation are being formed by what they see around themselves during the process of socialization, then this constitutes a direct feedback mechanism from the family size of the previous generation to the ideal family size of the next generation. Goldstein et al. (2003) have proposed this hypothesis in the context of the appearance of below replacement fertility ideals among the younger generation in the German-speaking countries. Those countries were among the first to experience the decline to very low fertility levels in the late 1970s and early 1980s which now with a generational lag could influence the norms of today's young potential parents. This hypothesis has found empirical support in a multi-level analysis by Testa and Grilli (2004), who showed with regional European data that – after controlling for a large number of social and

economic factors – fertility ideals among the young are significantly lower in areas where the fertility of the parents' generation has already been lower. Assuming that the controls adequately cover regional peculiarities other than level of fertility a generation ago, this finding gives support to the possibility of a downward spiral. This follows the same logic as described by Rindfuss et al. (2004, p. 855): "Changes in attitudes likely create a feedback mechanism, influencing behavior; and changes in behavior likely create a feedback mechanism influencing attitudes." Here the argument would go as follows: Once the number of children (siblings, friends, children seen in other families, media) experienced during the process of socialization falls below a certain level, the own ideal family size would become lower which in course may result in further declining actual family size and still lower ideals in the subsequent generation.

If true, these described possible mechanisms of a self-reinforcing process toward lower and lower fertility do indeed have all the characteristics of what is usually called a trap. Since these kinds of low fertility conditions have never existed in human history before, it is impossible to test empirically whether such "low fertility trap" mechanisms are indeed relevant forces. One can only refer to informed reasoning with an element of speculation. But if the existence of a "low fertility trap" is considered a real danger (and we currently see no reason to rule it out), then the best and safest strategy is clearly to avoid stepping into it and make efforts not to let fertility fall below a certain critical level for an extended period.

We stated above that McDonald's recommendation for governments is not to let the TFR fall below 1.5. But what is the recommendation for governments in countries where the TFR has already fallen below this level? The logic of the argument would suggest that in those cases, fertility should be urgently brought up to above 1.5 before the regime change is complete and irreversible. But is there a magic trick to bring up the TFR by some 0.3 overnight, a new policy that has not yet been tried? This magic bullet may well exist in the form of tempo policies that manage to give period fertility a short term upward kick. Policies that address the tempo of fertility and stop the further increase in the mean ages at childbearing without necessarily affecting completed cohort fertility could be just the right policy tool to escape a possible "low fertility trap" before it closes.

Notes and Comments on the Green Paper
“Confronting demographic change: a new solidarity between the generations”

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Nothing new from a demographic angle in this communication by the Commission but that data and interpretations are unusually emphasised in an unique and synthetic crudity of words and data, and that it comes to light just few months before the national referenda on the European constitutional Treaty. The core message of the Green Paper is that the EU Member States are sliding into a historical phase of scarcity of human resources; a phenomenon that happens for the first time in the modern age and prospects a quite new experience. European population is declining and ageing. In the next 25 years – the span of a generation – the EU25 population is expected to decline of more than 10 million, but this decline is the result of the algebraic sum of a reduction of the younger age groups and a sharp increase of the older cohorts. The significance of the change is fully explained by its effects on the age composition of the EU population. According to the Eurostat 2004 baseline scenario, in a century the proportion of the younger age cohort (0-14) will pass from 40.7% in 1950 to 23% in 2050 (minus 17.7 percentage points), whilst that of the older cohorts will increase from 9.1% to 30.3% at the end of the period (plus 21.1 percentage points). It is worth noting, however, that the ageing challenge will not invest all the Member States at the same time and to the same degree. The populations of the Southern countries (Italy, Greece, Portugal and Spain), plus Germany, are expected to stop growing and start declining much earlier. As to the Eastern new Member States (Latvia, Bulgaria, Romania, Estonia, Lithuania, Czech Republic, Slovakia, Poland and Hungary) they have already declined.

The exhaustion of the European “demographic motor” opens a completely new scenario, a scenario that is clearly presented in the Green Paper in its main impact, mostly in terms of economic and social integration of young people, gender equality and solidarity with the elderly population. There is still room of course for sociological and demographic speculations on the possible contribution of immigration to mitigate the effects of the falling population over the next decades; or on the interplay between the increase in life expectancy and the loss of self-sufficiency in the last part of the life. But in general they are very well documented and likewise correctly interpreted in the Green Paper. Which does not exclude changes of course, slowdowns or accelerations, even though we do not know neither when, nor how and why. Too many factors are at stake.

Thus, the problems raised by this challenging Green Paper are not as much demographic as political; they regard the political agenda both of the Member States and the European Union, now and in the future. From this point of view, the impression is that it indicates - although surreptitiously - i) that to unblock a plastered Europe we need more politics, a more responsible politics in the individual Member States; ii) that

the Union is living an evident economic and social imbalance: iii) and, perhaps, that there is a certain incoherence between the European rhetoric and the concrete achievements. Especially after the “noes” to the Constitutional Treaty by the French and Dutch constituents.

Let us start with the role of the family. In the first lines of the Green Paper it is written that “the family will continue to play an important role in solidarity between the generations”. And it goes on: the Union “needs to find out more about families in the various Member States, in particular with regard to employment and income in single parent families, access to housing, social benefits and care for the elderly”. How is this statement to be interpreted? As an auspice or as a fact? If it is a mere omen, we have to reckon with the lesson by Durkheim. Who, in one of his early works, wrote that a decline of the population results from a regression of “domestic sentiments”: when men lose “the taste and habit of domestic solidarity” and when “families move” and “individual are less close”. According to his thesis, therefore, when population declines the family solidarity has already declined. In other words, the falling birth rate would be a consequence rather than the cause of the regression of domestic solidarity (É. Durkheim, “Suicide et natalité: étude de statistique moral”, in: *Revue philosophique*, XXVI, pp. 446-463).

The alternative interpretation of this statement - that is, that the family is bound to play an important role in solidarity between the generation *because* the public and social support to its functions is expected to remain more or less the same or will even decline in the next future - stands in open contradiction with many of the questions raised in the grey boxes and calls therefore into question the coherence of the whole document. Effectively, the impression is that this Green Paper inaugurates a new style in the communications by the Commission. A style that betrays the difficulty of the Commission to meet the challenge of population decline and its problematic consequences in terms of demographic sustainability and social cohesion. The persistent reference made in the Paper to the agenda of many of the EU strategies, reports and “rhetoric” as well as the call to their resolute implementation, in order to take into account the impact of demographic change in all the relevant policies at the European and national level, is an unequivocal sign of this difficulty.

From this point of view, the family is simply a *pars pro toto*, i. e. an aspect, though complex, of a more general problem that invests the huge differences between the Member States; differences that extend on the whole spectrum of the living standards and quality of life of the European populations: level of income and inequality in income distribution; social cohesion; social division of welfare responsibility; social protection expenditures and social benefits; employment and unemployment rates; gender equality; human capital investments through education; civil society and civic participation, etc.; not to mention, last not least, relevant discrepancies in terms of fertility rates, family structures, calendar, length and opportunities of the life-cycle phases.

How to reduce these disparities? Which way shall the Union follow? To march toward a true political subject endowed with effective decisional powers or to reinforce the powers of national States reducing the Union to a mere free trade area? *Tertium non datur*, since it is highly unlikely, especially after the enlargement, that there will be -in due time, before it is too late - a spontaneous and tangible upward process of

convergence. The demographic decline is round the corner: and so are its consequences. warns the Green Paper: "Demographic changes are creating a new society": "Europeans have a fertility rate that is insufficient to replace population... [which is] the result of obstacles to private choices: late access to employment, job instability, expensive housing and lack of incentives (family benefits, parental leave, child care, equal pay)"; "Our societies will have to invent new ways of liberating the potential of young people and older citizens".

The impression is that the Green Paper chooses demography as a neutral terrain, but in the reality it does face a much more ticklish problem; a problem that may be put as follows: how to balance the common interest of the Union as such ("the way to stay together"), on the one hand, and the respect of the various powers of different level of governance, on the other. Here and there, surfaces the hesitation and uneasiness of the Paper in front of this dilemma. For instance: "Many issues associated with demographic change come within the exclusive competence of the Member States or their regional authority, or social partners. *But* these are also urgent issues of common interest to which all the Member States need to respond". In fact, what is at stake here is the autonomous capacity of the national social protection policies *vs.* the contribution that the Union has been giving and will be able to give from now on to the solution of these problems. Here I agree with what has been expressed recently in Paris by the President of my country, Mr. Ciampi, who said that "all too often the lacks of national policies have been off-loaded on the European Union".

As things stand at the moment, the Commission has no power at all or a very limited power in almost the totality of the matters that invest the possibility to remedy effectively to the main consequences of the demographic decline. A large part of the processes that contribute to the postponement of family formation and slowdown the fertility are actually out of the reach of the political agenda of the Union. A great deal of the possible instruments of intervention remain firmly in the hands of the national Member States. The tangible evidence is the existence of noteworthy differences, both in terms of causes and effects, in the demographic, economic and social situation of the individual countries; and so is the (cor-)relation between many of the worries that are dealt with in the Green Paper and the history and peculiarities of the different national welfare regimes. The sociological thesis of *path dependency* explains fairly well the point.

The Green Paper shows a clear awareness of the problem, but is still very timid as far as the solutions are concerned. A certain number of queries located in the grey boxes seem to go in the right direction: For instance "... should discussion of demographic trend and managing their impact take place at European level?"; How could Community instruments contribute to combating discrimination? "How can Community policies contribute more to combating child poverty and poverty among single-parent families and to reducing the risk of poverty and exclusion among young people?"; and so on. In the last analysis, however, the Green Paper seems to avoid the main obstacle (i. e., the strengthening of the powers of the Union), and the instrument chosen reduces themselves to a sort of competition of ideas and suggestion of best practices.

I wish to close this note, however, with a practical and modest proposal, a proposal that regards two of the questions that the Green Paper raises in the grey boxes. The first one tries to respond to the question "what should be the objectives of a discussion of

demographic trends at European level, and which policy areas are concerned" (page 4). The second regards the question of the availability of child care structures and how can they be improved by the public sector.

The answer to the first question would imply a very long premise. To cut a long story short, I say simply that this proposal regards the possibility to respond to the demographic crisis extending the political representation of the child and the young population. In other words, the content of this proposal is to attribute the right to vote at birth, delegating this right to one of the parents – normally, the mother - up to the coming of age of the children, and leaving to the political competition among the parties the task to win this vote. This proposal has long been under discussion in Germany and in other countries of the Union. Scholars like van Parijs , Schmitter, Isensee and Campiglio have speculated on the implementation of this idea as well as on the possible benefits in terms of a more equitable distributive justice between generations and a better representation of the societal 's future interests. Some of their reasoning are based on the evidence that the countries in which larger is the quota of women in a prominent political positions are also those in which higher is the quota of public expenditure destined to children and the family. Consequently, to attribute the mothers a right to vote by proxy might foster this process.

As to the other question, studies and research have demonstrated that the fertility level is besides family transfers positively influenced by the availability of child care structures. In this case too, it is evident that in the countries in which both these interventions are sufficiently adequate the fertility level too is higher. How can the Union contribute to the improvement of the level of child care structures (crèches, nursery, etc.) in the individual Member States? I avoid any short cut. Provided that the demographic decline is perceived as a real problem for the Union, now and in the near future, and that the policy challenges for the coming decades is to ensure that the returns to social expenditures are maximised in the form of social cohesion and active participation in society and the labour market, a brutal answer to this problem would be to introduce a certain level of child care structures as compulsory at the same level at which the economic and financial parameters have been introduced in the main Union Treaty.

Comments and notes on the Green Paper "Confronting demographic change: a new solidarity between the generations"

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Introduction

This document is an important document that both informs and warns the EU Member States about the seriousness of the new developmental stage, when extremely low fertility causes population decline and fast ageing of population, as well as progressively growing lack of human resources, and determines a change in proportion between the creating and consuming parts of society, which demands an introduction of a new model of resource distribution. This document initiates a discussion on demographic changes and their outcomes, and search for solution means to the above mentioned problems. By promoting the significance of demographic changes at the EU level, this document urges national governments to draw their attention to these problems and to realize the seriousness of the situation at the national level. However, the document, in addition to revealing urgent demographic changes, must also emphasize the fact that there are considerable differences between countries and that in many cases uniform outcomes of demographic changes also have national specifics, which must be comprehended in order to lead to adequate solutions.

Speaking about the new EU Member States of Eastern and Central Europe (especially Lithuania, Latvia, and Poland to some extent), the specific features of population decrease and population ageing are due not only to the rapid decline in fertility but also to intensive emigration flows and relatively high mortality (among men, in particular). At the moment, the large scale of youth emigration is determining population ageing "from the middle"; by affecting fertility decline, emigration has also become an additional accelerator in the population ageing "from the bottom". Furthermore, much higher mortality of men than women (the difference between female and male life expectancy in Latvia, Estonia and Lithuania is more than 11 years) leads to significant feminization of the elderly people in these countries.

Most EU Member States of Central and Eastern Europe are already suffering from significant population decrease (due to emigration as well as rapid fertility decline to a very low level – total fertility rate is less than 1.3). Obviously, in the near future these countries are also going to experience a leap of population ageing and considerable lack of human resources. These changes will be more significant than in the old EU Member States. Nevertheless, the new EU Member States have not adequately realised these dangers yet.

Therefore, this document is a means to point out the scale of demographic problems and to encourage the national governments to pay proper attention to these problems and to take corresponding actions.

The discussion on the issues at the European level has a significant educative value: all the EU Member States face similar problems and the need to solve them. Therefore, a common search for solution means may be more effective.

Should demographic development be influenced by politics. what should be the objectives. and which areas should be concerned?

Among the goals of stabilization of demographic development, the most important ones are reduce depopulation, increase fertility, slow down population ageing, reduce emigration in sending countries (the new EU Member States), rationalize immigration in receiving countries, and reduce mortality in the new EU Member States.

1.1. The challenge of low birth rate

If in the old EU Member States fertility is very low, so in new Member States of CEE countries it is particularly low. In most of them the total fertility rate is lower than 1.3. Besides common factors, which affect fertility in all countries, in the new EU Member States birth rates are also influenced by specific factors, namely: economic factors (low income, unemployment, poverty, etc.); transformative factors (anomie phenomenon related to value and norm transformation; deprivation phenomenon related to the loss of guarantee to work, minimum pay, etc.); inherited factors (great lack of dwellings, orientation towards paternalistic state policy, conflict between patriarchal attitudes and emancipation, specifics of female employments, etc.); and demographic factors (youth emigration, family transformation, etc.). Many of these factors will remain significant for a while; therefore, national governments trying to increase fertility must have this in mind - when developing family policy they must plan adequate means for diminishing the influence of these factors.

In general, the document should contain a very clear position stating that there are a lot of factors which determine low fertility; thus, in order to improve the situation, a complex of actions is necessary combining allowance and leave systems, flexible forms of employment, well developed child care and education services, measures to improve possibilities of dwelling supplies, etc. Aiming at a better family policy effect, it is important to understand the role of the constituent parts of family politics: not to overestimate the possible effect of the allowance system on fertility increase (which rather frequently happens in the new EU Member States), as well as to realize that in the modern society creating favourable conditions for family and work reconciliation based on sex equality both in the private and in the public sectors is a significant element of effective family policy. However, countries should prioritize actions based on the specifics of their conditions, and take special measures in order to ensure corresponding validity of these actions.

In the development of family policy, an important element is adaptedness of effective family policy examples; however its success depends on the situation analysis level and introduction of proper measures. Even a better life/ work balance and a more balanced distribution of family duties between men and women in different countries can be achieved differently. In countries where patriarchal attitudes predominate, educational media is very important. Obviously, family policy objectives may be similar in all countries, but they are characterised by different realization measures.

2.3. A new space for elderly people. 2.4. Solidarity with the very elderly.

With such a high level of population ageing, the modernization of social policy in this field is especially urgent. Firstly, social policy of support for the elderly must become active (this particularly concerns the new EU Member States) and adequate to the present situation, which varies in different countries. When solving the problems of