

Addressing Depopulation

by Tado Jurić

Summary

The decline in the native population in the EU is being caused by several factors, and these are not equally present in all member states. Certain member states, especially those on the periphery of the EU, are more affected than others. As peripheral regions become increasingly depopulated, the ‘ring of desert’ effect that appears in these areas also starts to impact developed regions. To address these issues, all EU member states and institutions should work together. As well as a decline in the birth rate and the rapid ageing in numerous EU peripheral regions, the spatial distribution of the population in the EU plays important role. All these challenges are accompanied by a lack of accurate statistics on migration. Encouraging immigration from third countries cannot be the only answer to this challenge, if for no other reason than because of the polarisation that this produces in EU societies. Instead, it is necessary to focus on structural measures such as remote work (spatial distribution), combating corruption and clientelism, developing a new approach to monitoring migration, recompensation (provide financial support to centres of excellence on the EU periphery as a form of compensation for the emigration of skilled workers, in whose education large sums are invested), improving infrastructure and establishing an EU-level office tasked with exchanging best practices in dealing with the various demographic challenges.

Keywords Depopulation – Periphery – Remote work – Brain drain – Corruption – Demographic measures

Introduction

Europe is the only inhabited continent that has experienced the demographic decline of its native population over the past decade;¹ all the others have undergone rapid population growth. In the 1970s Europeans constituted 14% of the global population, but today their share has fallen to 6%, and they are likely to make up only 4% of the population in less than half a century.² Additionally, Europe is the continent with the oldest population.

The native population decline in the EU is influenced by several factors: low fertility rates, emigration, an ageing population, economic factors and urbanisation.³ It is only due to immigration from third countries that the EU has not experienced depopulation overall.⁴ The aforementioned factors are not equally present in all member states, meaning that certain countries (the periphery of the EU,⁵ Eastern and South-Eastern Europe) are more affected than others.⁶ Internal EU migration, predominantly involving young, educated and skilled workers and their families, is characterised by movement from peripheral areas to the central regions.⁷ This trend is creating a ‘geography of discontent’ (a social phenomenon in which a significant portion of the population living in

¹ Eurostat, *Demography of Europe – 2023 Edition*.

² European Commission, *The Impact of Demographic Change – In a Changing Environment*, Staff Working Document, SWD (2023) 21 final (17 January 2023), 9.

³ Z. Brzozowska et al. ‘Depopulation Trends in Europe: What Do We Know About It?’, *Population Europe* (2021).

⁴ Eurostat, ‘Population and Population Change Statistics’ (2024).

⁵ The ‘core’ countries are typically the more economically developed and politically influential members of the EU. These countries often have stronger economies, higher GDP per capita and more stable political systems. Examples of core countries include Germany, France, the Netherlands and Belgium. These nations are often seen as the driving forces behind EU policies and decisions. The ‘peripheral’ countries are generally less economically developed and have less political influence within the EU.

⁶ In 2023 the population increased in 20 EU countries, while it decreased in 7 (all on the periphery).

⁷ T. Jurić, ‘The “Structural Pessimism” of the EU Periphery: Measures to Establish a New Revitalisation Paradigm’, *European View* 23/2 (2024)

certain territories feels aggrieved or dissatisfied) in the sending countries, further encouraging emigration. The population decline is severe in the Baltic states, and even more so in Croatia, Bulgaria and Romania. During the past 35 years, nearly 10 million people (mainly the young and primarily from the peripheral parts) are estimated to have left South-Eastern Europe (SEE)—about 22% of the population of the early 1990s.⁸ Notably, depopulation in SEE is driven mainly by massive emigration rather than natural decline, with 65% attributed to this factor.⁹ Policies that attract young workers to the EU's centre, combined with corruption and weak institutions in the countries of origin, are significant drivers of contemporary migration from the EU periphery.

Additionally, countries such as Spain and France are witnessing an outflow of people from rural areas due to inadequate infrastructure and services, poor job quality and declining incomes. There is no doubt that depopulation will seriously affect the social capital of Eastern Europe (EE) and SEE in the future—in the last eight years, the number of students and pupils has fallen by 10% in SEE.¹⁰ Furthermore, depopulated regions often suffer from reduced economic activity, labour shortages and a shrinking tax base. This economic decline can lead to a vicious circle of further outmigration and reduced investment, but also to various social challenges, such as the closure of schools, healthcare facilities and other essential services.

State of play

The right to freedom of movement is one of the most positive achievements of European integration. It has created several benefits for the EU (allowing redistribution from areas with high unemployment to areas with a demand for workers, contributing to stronger European integration and promoting intercultural dialogue), but it has also had many negative effects on less-developed regions (i.e. the periphery). Namely, freedom of movement disrupts these regions' production and tax bases and increases the disparities between the more- and the less-developed regions of the EU, a result which is in complete opposition to the aims of EU cohesion policy.¹¹ The European Committee of the Regions warns that the phenomenon of brain drain poses a risk to the long-term sustainability of the European project if the social and economic imbalances between the sending and receiving regions remain unaddressed.¹²

Apart from economic factors, which most often stand out as a key push factor for emigration, the next element that explains the migration from the periphery to the EU's centre is related to the quality of institutions and the political climate.¹³ Emigrants move from countries with weak institutions to those with stronger institutions.¹⁴

The main motives for emigration among people from SEE and EE are thus not only economic. There is an apparent link between a lack of political ethics, weak institutions and emigration. The immorality of political elites, legal insecurity, and presence of nepotism and corruption are at the top of the list of reasons to emigrate. A particularly worrying finding is that not only are citizens emigrating because of corruption, but due to their

⁸ T. Jurić, *'Gastarbeiter Millennials': Exploring the Past, Present and Future of Migration From Southeast Europe to Germany and Austria With Approaches to Classical, Historical and Digital Demography* (Hamburg: Verlag Dr Kovač, 2021), 150.

⁹ Ibid.

¹⁰ T. Jurić and F. Hadžić, 'Posljedice recentnog iseljavanja na obrazovni sustav i dostupnost radne snage u Hrvatskoj i zemljama Zapadnog Balkana' [Consequences of Recent Emigration for the Education System and Labour Availability in Croatia and the Western Balkans], in M. Perić Kaselj (ed.), *Migracije i identitet: kultura, ekonomija, država* (Zagreb: IMIN, 2022).

¹¹ I. Goldner Lang and M. Lang, 'Mračna strana slobode kretanja: kada su u koliziji interesi pojedinca i društva' [The Dark Side of Freedom of Movement: When the Interests of the Individual and Society Collide], *Migracijske i etničke teme* 35/1 (2019).

¹² S. Cavallini et al., *Addressing Brain Drain: The Local and Regional Dimension*, European Committee of the Regions (2018), 1.

¹³ T. Jurić, 'Suvremeno iseljavanje Hrvata u Njemačku: karakteristike i motivi' [Contemporary Emigration of Croats to Germany: Characteristics and Motives], *Migracijske i etničke teme* 33/3 (2017).

¹⁴ R. Atoyan et al., *Emigration and Its Economic Impact on Eastern Europe*, IMF Staff Discussion Notes 16/7 (Washington, DC, July 2016).

emigration, corruption is increasing.¹⁵ A study from 2023 demonstrated this in the case of Croatia. Namely, by emigrating, some critics leave the country, allowing the established corrupt networks to operate unhindered. Conversely, those who have strengthened their status due to clientelism and corruption do not emigrate.¹⁶

In addition to corruption, an important push factor for emigration is the idea of ‘escaping from the province’.¹⁷ As a result of emigration, large parts of the SEE region are becoming even more peripheral in the cultural and economic sense (and similar is happening in other parts of the EU too, especially in EE). As much as three-quarters of the territory of SEE forms a periphery that is dying out biologically, economically and culturally. For example, in Croatia 90% of all administrative regions are recording a higher number of deaths than live births, so there is virtually no natural increase in their populations.¹⁸

Throughout Europe’s history, developed regions have consistently drawn young people, with the phenomenon of escaping from the province being a significant driver of youth migration. As peripheral regions become increasingly depopulated, the ‘ring of desert’ effect that appears in these areas also starts to impact developed regions (because depopulated areas are more vulnerable to illegal migration, the loss of social capital in the periphery results in the reduced competitiveness of the entire EU, social and political tensions increase, etc.). However, instead of increasing solidarity, the opposite is happening. For example, Croatia has subsidised Germany by investing €18 billion in the education of its emigrated citizens.¹⁹

Furthermore, it is crucial to devise models for connecting the young and the old. Due to the decreasing number of children in families, the traditional circle of care for older people is also diminishing, particularly in the more traditional environments in SEE and EE. State care institutions in these regions cannot, even in the medium term, provide enough places in retirement homes or an adequate number of nurses to care for the elderly (due to emigration from the EU periphery).

With this whole challenge, it is extremely important to be able to accurately assess the dimensions of the demographic challenges in the individual EU regions and to support demographic research and data collection, the results of which often have a lag of one to three years. For this purpose, we propose the new concept of Big (Crisis) Data, which is based on tracking the digital traces of migration²⁰ (see Recommendations).

An issue that must be addressed is the inability of the EU institutions to effectively tackle the demographic crisis and the revitalisation of the EU periphery. However, this is difficult because the treaties firmly place policy responsibility at the national level. The appointment of a commissioner for demography and democracy in the years 2019–24 was an attempt to begin to address this problem.

So far, accepting immigration from third countries seems to have been the main approach to solving demographic challenges in the EU. However, this solution has also led to the emergence of numerous new problems. Immigration leads to social and political polarisation within EU societies. This polarisation effect is an important reason why immigration cannot be the only solution to the demographic challenge. In connection with this issue, a lively political and academic debate has developed in Europe. On the one hand, proponents emphasise the necessity and usefulness of immigration and claim that migration is a permanent phenomenon of human

¹⁵ Jurić, ‘Gastarbeiter Millennials’.

¹⁶ T. Jurić, ‘Corruption as a Push Factor for Emigration From Croatia: Correlation Between Corruption, “State Capture” and Emigration’, *Kroatologija* 14/1 (2023).

¹⁷ Jurić, ‘The “Structural Pessimism” of the EU Periphery’.

¹⁸ Eurostat, ‘Population Change – Demographic Balance and Crude Rates at Regional Level (NUTS 3) (2019–2021)’.

¹⁹ Jurić, ‘Gastarbeiter Millennials’.

²⁰ T. Jurić, *Big (Crisis) Data in Social Sciences and Humanities: Predicting Crises*, (Hamburg: Verlag Dr Kovač, 2023).

nature. Opponents, on the other hand, emphasise that immigration (1) suppresses the price of labour, (2) brings greater fiscal costs than benefits, (3) changes the national and religious structure, and (4) reduces trust in the community and weakens the state.²¹ Alternatives to embracing immigration from third countries include activating the inactive population and encouraging women to return/participate more in the labour market.

Recommendations

The following recommendations have withstood scholarly scrutiny. The measures are arranged into three clusters: (1) developing demographic measures and coordinating policy, (2) enhancing labour markets and utilising demographic data, and (3) revitalising the periphery.

Developing demographic measures and coordinating policy

- Inheritance should be treated as a demographic tool. Two-thirds of countries in Europe have introduced some form of demographic measure, primarily focused on increasing birth rates, ranging from financial bonuses and tax incentives for each newborn, to paid maternity leave. However, the success of these measures has generally been lacking.²² Our proposed measure involves making legal changes to inheritance, partly skipping one generation in the inheritance order as a demographic measure. Specifically, grandchildren do not currently directly qualify to inherit from their grandparents as children have priority. This legal provision should be amended to stimulate natality. This would result in competition among sons and daughters: those without offspring or with fewer offspring would lose a part of the inheritance. The basic goal of this measure would be to provide the younger generation with access to property and to stimulate natality.²³ This provision could be put into legislation in a way that ensures that the obligatory part of the inheritance, amounting to half of the estate, must always be left to grandchildren, while the other half could be divided between the spouse and children.²⁴
- To address the depopulation issues, all EU member states and institutions should work to mitigate the adverse effects of freedom of movement and unfavourable demographic trends. Cooperation between sending and receiving countries and regions is essential.²⁵ However, all demographic measures are in vain without a body to oversee them. It is necessary to establish an office at the EU level to coordinate the work of all state bodies working on the demographic policies of EU member states.
- Solidarity among generations is indispensable for creating more resilient EU societies. Therefore, we propose the introduction of financial vouchers tied to each older person, which they could allocate to individuals who help them occasionally with basic tasks, such as shopping, transportation and so on (this acknowledges the fact that older people may not always need retirement homes; they often want to stay in their own home).²⁶

²¹ T. Jurić, 'Argumenti za i protiv imigracije (u Hrvatsku): Krićka analiza uvriježenih stavova' [Arguments for and Against Immigration (to Croatia): Critical Analysis of Established Attitudes], *Obnovljeni Život* 79/3 (2024).

²² T. Jurić, 'Prostorni aspekt demografske revitalizacije: rad na daljinu kao demografska mjera' [The Spatial Aspect of Demographic Revitalization: Telecommuting as a Demographic Measure] *Političke analize* 11/41 (2022). The 'classic demographic measures' include delimitation of allowances during parental leave, universal child allowance, facilitation of the position of parents in the labour market, tax relief for parents with multiple children and young employees, a housing strategy and so on. Some of these measures are present in certain EU member states, while in others (such as Croatia) not a single one is present. Therefore, it is necessary to harmonise standards across the EU.

²³ The first generation is typically around 48 years old when inheriting. By then, most individuals have already acquired a property, while the second generation is around 18 years old, precisely the age at which individuals need encouragement. (Of course, such a measure must be carefully considered, and models must be devised to prevent discrimination against individuals who cannot have children, while also addressing numerous other related issues). This measure would likely promote a rapid increase in natality.

²⁴ For example, a son with two descendants compared to a son with one descendant would receive 66% of the inherited half of the property.

²⁵ T. Jurić, 'Addressing Depopulation', in P. Hefe, K. Welle et al. (eds.), *The 7Ds for Sustainability: In Depth*, Wilfried Martens Centre for European Studies (Brussels, June 2024), 100–1.

²⁶ Such forms of assistance could be valued by the younger generation, serving as a replacement for civilian military service, or as additional credits in high school or college.

Enhancing labour markets and utilising demographic data

- Financial support should be provided to centres of excellence based in the EU periphery for the education of those in deficit occupations (such as nursing in Croatia, Bulgaria and Romania), on the condition that, after their education, the beneficiaries stay and work in their home country for five years.
- Each EU member, especially in SEE where corruption is more pronounced, should launch a website that transparently lists the results of all public tenders, including who applied and who won the tender. Transparency has proven to be the best weapon against corruption and clientelism.
- A new approach to monitoring migration (emigration and immigration) should be developed, one which uses Big (Crisis) Data to track the digital traces of migration. This method has been tested by both the UN and the EU, providing unquestionably valuable insights and valid modelling of future trends. The main advantage of this approach is the timely recognition of migration trends a year before official data and their corrections are published, as figures in the various official migration databases can vary by as much as 80%. The aim is to enhance the collection of demographic data and accurately assess the scale of the demographic challenges in individual EU regions. This approach could also be useful in security studies as it provides insights into the movement and geolocations of irregular migrants. Above all, the approach allows for an assessment of the degree of integration and the ‘willingness to integrate’ of immigrants.

Revitalising the periphery

- Opportunities for remote work should be provided: this could repopulate and revitalise rural areas, reduce brain drain and encourage people (the diaspora) to return.²⁷
- The infrastructure in the European periphery (provinces) should be improved.
- A classification system for areas with serious and persistent demographic challenges should be introduced to enable the increased allocation of funds from cohesion policies.

²⁷ This measure implies the introduction of broadband Internet throughout the EU. However, the transportation network also plays a crucial role in halting depopulation. Therefore, it is important to invest in public transportation (often impossible to establish on the periphery without subsidies). Additionally, it is necessary to introduce mobile healthcare teams, as many provinces lack adequate healthcare. The same applies to the provision of culture.

	Programme 1	Programme 2	Programme 3
	Developing demographic measures and coordinating policy	Enhancing labour markets and utilising demographic data	Revitalising the periphery
Project 1	Use inheritance as a demographic tool: amending inheritance laws to allow direct inheritance from grandparents to grandchildren would result in competition between sons and daughters to have more children (the first generation is typically around 48 years old when inheriting, while grandchildren are around 18, precisely when they need encouragement).	Provide financial support to centres of excellence for the education of those in deficit occupations (such as nursing) in Croatia, Bulgaria and Romania, on the condition that, after their education, the beneficiaries stay and work in their home country for five years.	Allow workers to relocate to the periphery and work remotely (with the obligation to come into the office once every two weeks). Remote work could repopulate and revitalise rural areas, reduce brain drain and encourage people (the diaspora) to return.
Project 2	Establish an EU-level office tasked with exchanging best practices among the relevant national demographic policy bodies.	Combat corruption and clientelism in Croatia, Bulgaria and Romania as these are two of the factors underlying emigration. Set up a website where the results of all public tenders (local and national), including stakeholders and amounts, are transparently listed.	Improve infrastructure by installing broadband Internet throughout the EU, investing in public transportation, introducing mobile healthcare teams and providing distance education options.
Project 3	Connect the young and the old through financial vouchers tied to each elderly person, which he or she can allocate to those providing assistance with basic tasks, such as shopping and transport.	Develop a new approach to monitoring migration, one that uses Big (Crisis) Data to track the digital traces of migration. The aim is to enhance the collection of demographic data and accurately assess the scale of the demographic challenges in individual EU regions.	Determine which areas have serious and persistent demographic challenges and allocate them funds from cohesion policies. Special support should be provided to areas with a population density of less than 12.5 inhabitants per km ² or with an average annual population decrease of greater than 1%.

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