

TÁRKI Social Report Reprint Series No 5.

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Hungarian Population Characteristics in the EU Context

Abstract

The paper reviews the impact of the 2004 enlargement on the population size of the European Union and population growth in the EU of 25 countries. It contains a brief description of fertility, nuptiality, mortality and migration trends, as well as of population ageing. Hungarian trends are presented compared to the EU-25, showing that Hungarian fertility and nuptiality is in the medium range of EU countries, whereas mortality is among the worst. International migration is moderate. Population ageing is also in the medium range, but will accelerate in the near future. Population decline is exceptional, Hungary is the only country in Europe with a 25-year history of continuous population decline. A few thoughts about population policy considerations follows.

Keywords: Demographic Trends and Forecasts

JEL Classification: J11

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TÁRKI
Budapest, 2005

**Reprint from Tamás Kolosi, György Vukovich, István György
Tóth eds.: Social Report 2004, Budapest: TÁRKI, 2004
pp. 117–131.**

Please use the book reference for citation.

English translation:
Gabriella Vukovich

Published by:
TÁRKI Social Research Centre Inc.
P.O. Box 71, H-1518 Budapest, Hungary
Tel: +361 309-7676, <http://www.tarki.hu>

Coordinator: Ildikó Nagy
Language Editor: Clive Liddiard-Maár

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The Social Report 2004 was published with the support of
the Hungarian Ministry of Health
and
the Hungarian Ministry of Youth, Family, Social Affairs and Equal
Opportunities.

The impact of enlargement on the population size of the European Union

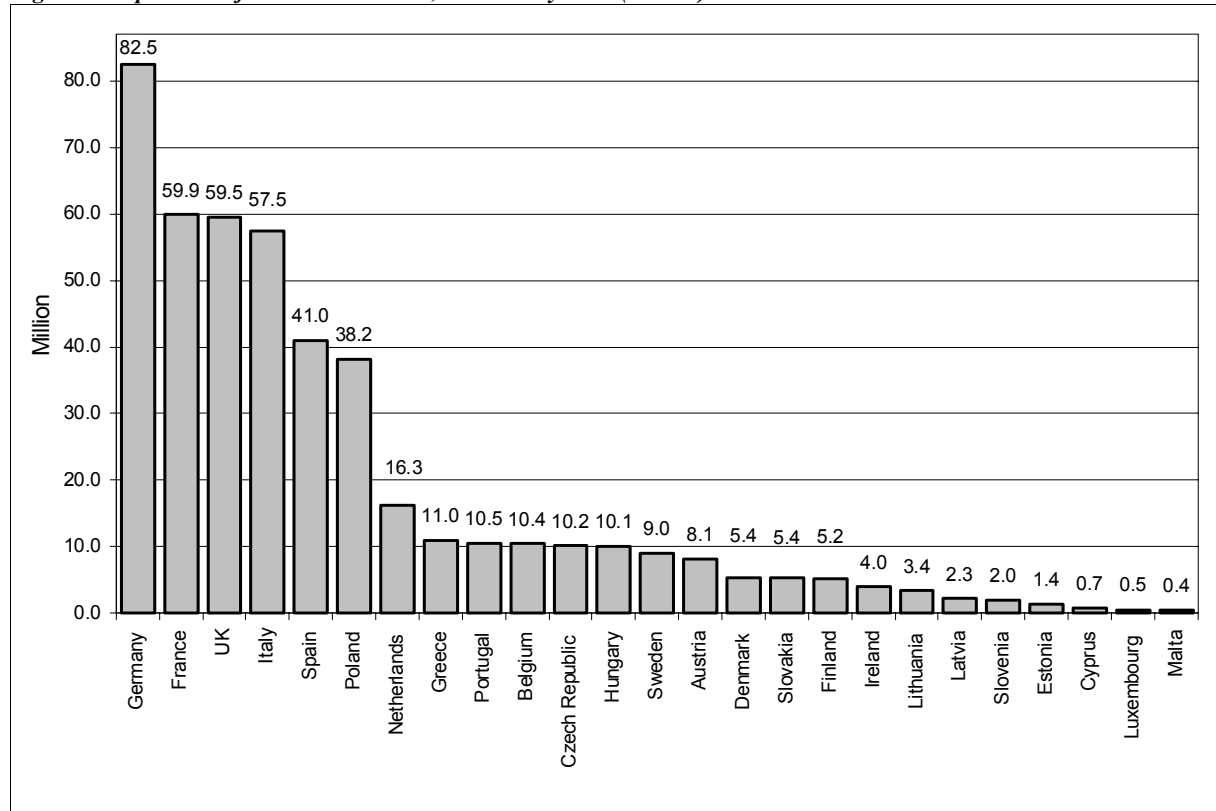
The enlargement on 1st May 2004 increased the population of the European Union to 455 million. The EU has thus become the third largest political entity, though the first and second largest (China: 1.3 billion and India: 1.1 billion) are almost three and two and a half times larger in terms of population size. The United States, Russia and Japan, however, are considerably smaller (295, 142 and 128 million, respectively).

One of the consequences of the successive enlargements has been that the relative weight of the larger founding states of the Union—Germany, France and Italy—has decreased, from 90 per cent to 44 per cent.

The relative position of large and small countries is also changing. After the 2004 enlargement, there are still three countries of around 60 million population size: the United Kingdom, France and Italy; and one country much larger than that: Germany (82 million). By comparison, the largest new member state, Poland, has a population size of 40 million. The 2004 enlargement increases the number of small countries. There are now six countries with populations of less than 2.5 million. Currently, 75 per cent of the EU population resides in the six largest countries, while the remaining 25 per cent are dispersed around 19 countries.

On 1st January 2004, Hungary was the 12th largest country in the EU, in terms of population size, and the third largest among the new member states (*Figure 1*)¹

¹ Source of all the *Figures* in this paper is the *Observatoire Démographique Européen* database, INED Paris.

Figure 1: Population of EU member states, 1st January 2004 (million)

Of the successive enlargements, the most recent was the most significant in terms of the absolute number of additional population: 75 million. However, in terms of relative growth it is not the most significant. The 75 million increment is a 20 per cent increase, whereas the 1973 enlargement (Denmark, the United Kingdom and Ireland) brought about a 33 per cent increase in the population, although the increase in absolute numbers was only 64 million.

Changes in population size in the European Union of 25

International migration has played a significant role in population increase in the European Union, with a large proportion of the increase due to immigration, at least during the last decade. A slowdown in population increase is to be expected with the accession of the 10 new member states, and there will be a shift in the relative role of growth factors.

The population of the 10 new members decreased by 1.1 per thousand in 2002, whereas the population of the 15 old members increased by 0.8 per thousand. The population increase in 2002 in the 25 countries overall was 0.5 per thousand. Of the 15 old members, the populations of Greece, Germany and Italy decreased in 2002 by 0.2, 1.5, and 0.3 per thousand, respectively, while France, the Netherlands and Luxembourg experienced a 3.6–3.7 per thousand population increase (*Figure 2*).

Of the 10 new members, seven experienced population decline in 2002: the Czech Republic, Estonia, Hungary, Poland, Latvia, Lithuania and Slovenia. Population increase was only 0.1 per thousand in Slovakia, but 3.8 per thousand in Cyprus and 2.0 per thousand in Malta.

Considering the changes in population size in the EU countries, it is not so much the fact of population decline or the magnitude of the decline in specific calendar years that is special about Hungary. The population of Hungary decreased by 3.5 per thousand, whereas the population of Estonia decreased by 3.9 per thousand and that of Lithuania even more, by 5.3 per thousand. Much more alarming in Hungarian population development is the 20-year history of population decline, which is closely associated with the inevitability of future decline and progressive ageing.

Characteristics of population processes

The most salient characteristics of population processes in the ‘old’ EU are low fertility, low or negative population growth, increasing immigration, and progressive ageing, due partly to long-term fertility decline and partly to significant gains in life expectancy.

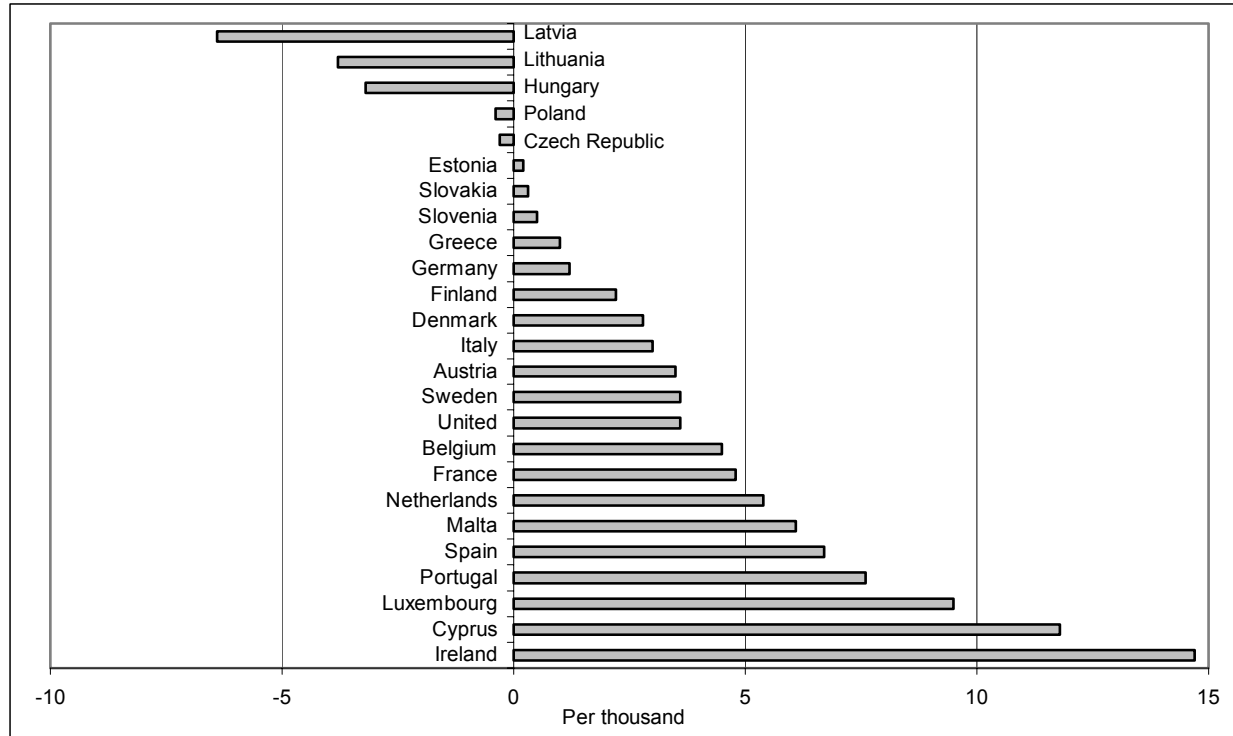
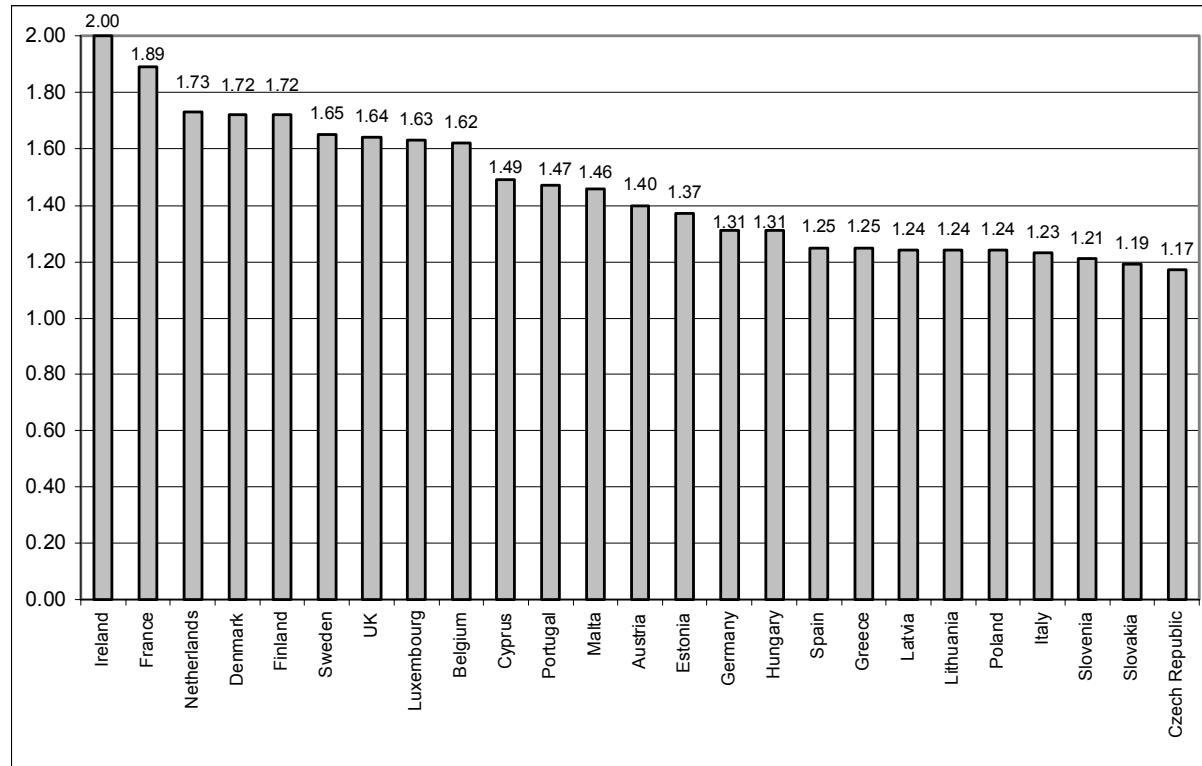
Figure 2: Population growth, 2002 (per thousand)

Figure 3: Total fertility rate, 2002 (per woman)



Population processes in the 10 'new' countries resemble the above in many respects, but there are interesting differences, too.

Fertility

Low fertility is also observed in the 10 new accession countries, and is, in general, even lower than in the old member states (*Figure 3*).

The overall total fertility rate (TFR) in the EU-15 in 2002 was 1.49. By comparison, the highest TFR among the 10 new members was in Cyprus, at exactly 1.49, i.e. equal to the EU-15 average, whereas the average of the 10 new members was 1.24. It is by way of becoming a stereotypical observation that the traditionally high-fertility Southern European countries currently produce the lowest fertility indicators (TFRs of 1.2–1.3), while fertility rates in the previously low-fertility Northern countries are among the highest of the developed countries (1.7–2.0). This observation, however, is not true of the 10 new members of the EU: the two Southern countries, Cyprus and Malta have the highest fertility of the new members, although their total fertility rates are only 1.49 and 1.46, respectively.

According to the total fertility rate of 1.3 places Hungary in the middle third of the 25 countries in 2002.

Nuptiality

Generally speaking, there is a close association between fertility trends and nuptiality. Family structures have changed markedly, the number of marriages and marriage rates have decreased considerably, divorce rates are high, and unmarried cohabitation is spreading. Among those who do enter matrimony, mean age at marriage is increasing (*Table 1*).

The data naturally reflect the traditional differences in nuptiality between countries. The characteristics of nuptiality, and thus age at marriage, differ on the two sides of the St. Petersburg–Trieste line. (Hajnal 1965) However, the time series clearly shows that age at marriage has increased in all countries, irrespective of whether people traditionally got married at older or younger ages. Decreasing number of marriages may at least partly be due to the tempo effect, and marriage rates of birth cohorts may eventually come closer to earlier levels if higher ages at marriage are the result of postponement. This optimistic scenario is supported by slight increases in marriage rates at higher ages in some countries. However, there is no reason for too much optimism in this respect. Several research results indicate that it is more likely that traditional marriages are increasingly being replaced by

unmarried cohabitation. This is underlined by the increasing proportion of births to unmarried mothers.

Table 1: Average age at first marriage of women

Country*	1990	1995	2000	2001	2002
Austria	24.9	26.1	27.2	27.2	27.4
Belgium	24.2	25.4	26.3	26.5	26.7
Cyprus	24.1	25.5	26.5	26.6	27.1
Czech Republic	21.6	22.7	24.5	24.8	25.2
Denmark	27.6	29.0	29.5	29.5	29.6
Estonia	22.5	23.5	24.8	25.2	25.5
Finland	26.0	27.0	28.0	28.1	28.5
France	25.6	26.9	28.0	28.1	–
Germany	25.2	26.4	27.0	27.2	–
Greece	24.6	25.6	–	–	–
<i>Hungary</i>	<i>21.9</i>	<i>22.9</i>	<i>24.6</i>	<i>25.1</i>	<i>25.5</i>
Ireland	26.6	27.9	–	–	–
Italy	25.5	26.6	27.4	–	–
Latvia	22.3	22.9	24.5	24.7	24.8
Lithuania	22.4	22.3	23.6	23.9	24.1
Luxembourg	25.3	26.6	27.1	27.5	27.7
Netherlands	25.9	27.1	27.8	27.9	28.2
Poland	22.6	23.1	23.9	24.1	24.4
Portugal	23.9	24.7	25.3	25.6	25.9
Slovakia	21.9	22.6	24.0	24.2	24.6
Slovenia	23.7	25.1	26.7	27.0	27.4
Spain	25.3	26.8	27.8	–	–
Sweden	27.5	28.7	30.2	29.9	30.1
United Kingdom	25.0	26.3	27.2	–	–

Note: *Data for Malta were not available.

Source: CE (2003).

Mortality

As concerns mortality, the two Southern countries of the 10 new EU members, Cyprus and Malta, fit well with the mortality levels of the 15 old members. All the Central and East European countries have considerably lower life expectancies than any of the old members. However, there are significant differences among the eight Central and East European EU members, too. Life expectancies in Slovenia, the Czech Republic, Poland and Slovakia are closer to the more developed old EU members, whereas the mortality in Latvia, Estonia, Lithuania and Hungary is extremely high (Figures 4 and 5).

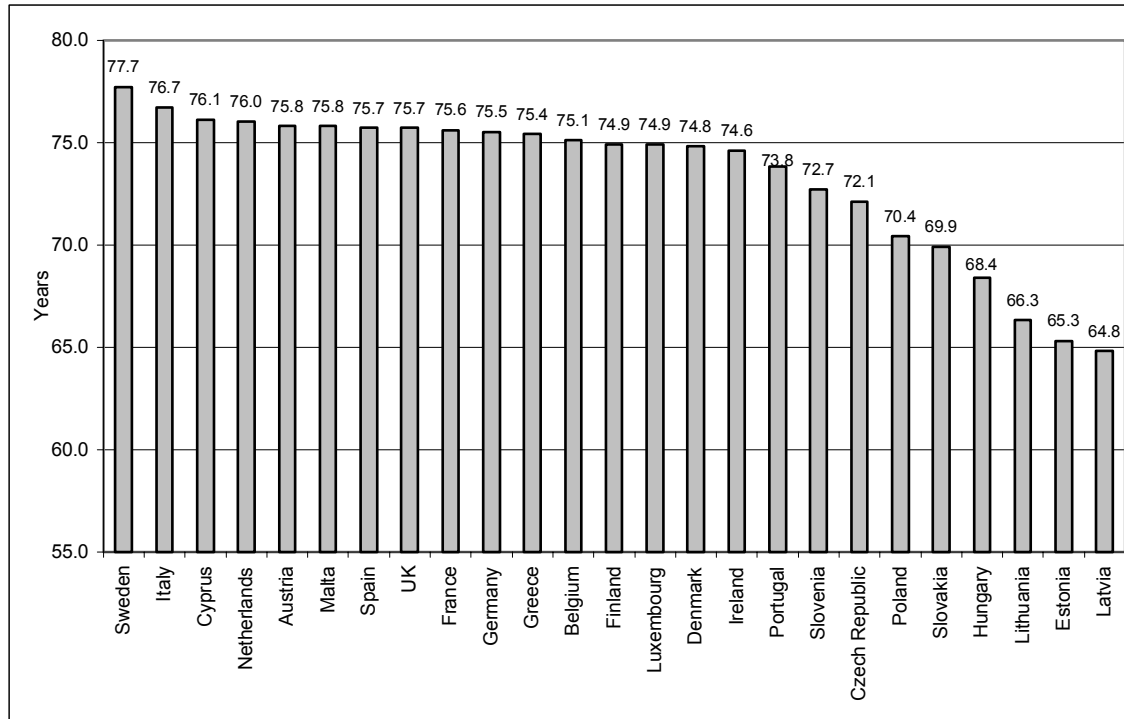
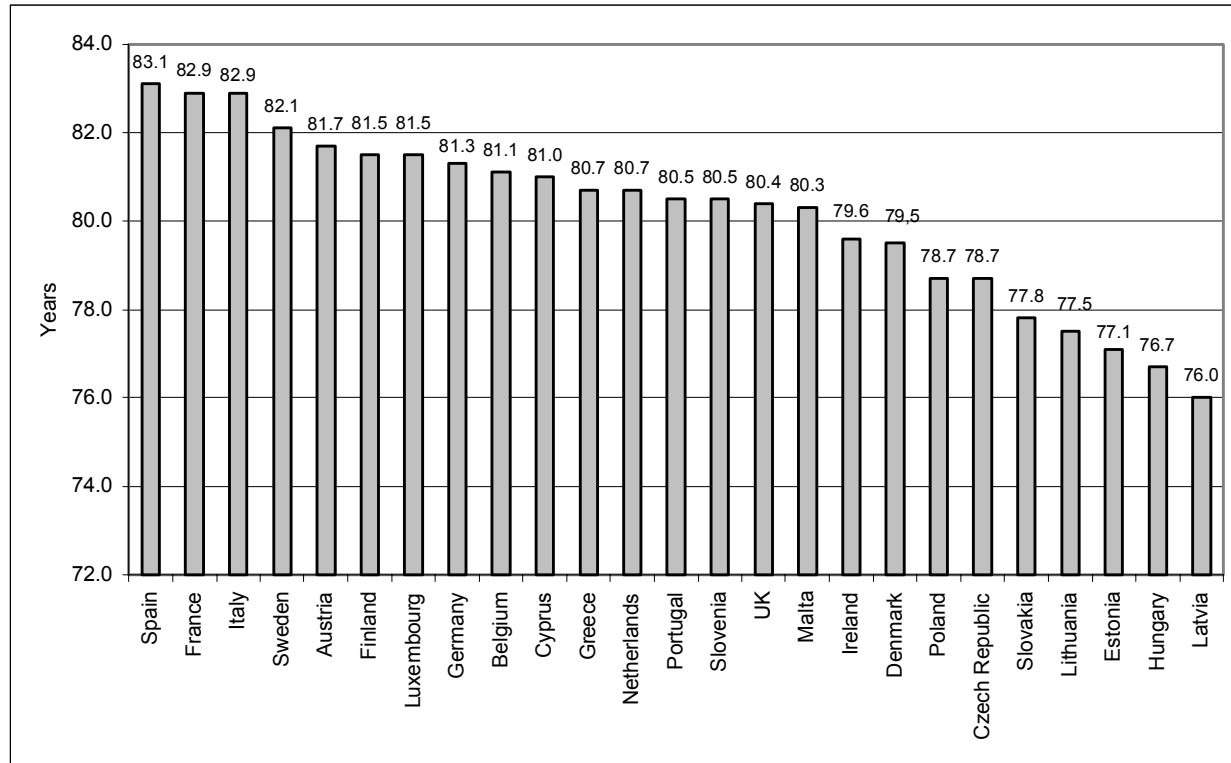
Figure 4: Male life expectancy at birth, 2002 (years)

Figure 5: Female life expectancy at birth, 2002 (years)



The figures clearly illustrate the well-known sex differential in mortality—the excess mortality of men; but they also demonstrate that the sex differentials are more significant in countries where mortality is high, as in Hungary. This also indicates that male mortality in high-mortality populations is even more unfavourable than female mortality.

Population ageing

Ageing, the increase in the number and proportion of old people, is a common feature of European populations. The general characteristic of ageing is that larger and larger proportions of people survive to higher ages. Consequently, the size and proportion of the oldest old population increases faster than the proportion of the younger old population. At the base of the age pyramid, because of continued declining fertility, the number of children is too low to adequately replenish the age pyramid, and eventually the size of the population entering active age also decreases.

The ageing process is more pronounced in Europe than in other developed regions. Fertility decline has a longer history and the magnitude of fertility decline is also more marked than in other developed regions. Also, the historically high immigration to the US, Canada, Australia, etc. rejuvenates the populations of those countries.

There is a serious contradiction between acquired welfare rights and the financing of provisions under the new demographic regime. The active generations are shrinking, and the pensioner generations are expanding, while the provisions were built on the previous demographic regime, under which the active generations were large and expanding, and the old generations were considerably smaller. The dependency burden is already large (Table 2), and is increasing at a speed that jeopardizes the sustainability of the current systems of provisions. This, together with other problems associated with demographic ageing and population decline, will be among the most important social and economic challenges to face European societies in the coming century. Aged people may, according to various population projections, constitute half or even more of the total population in the foreseeable future.

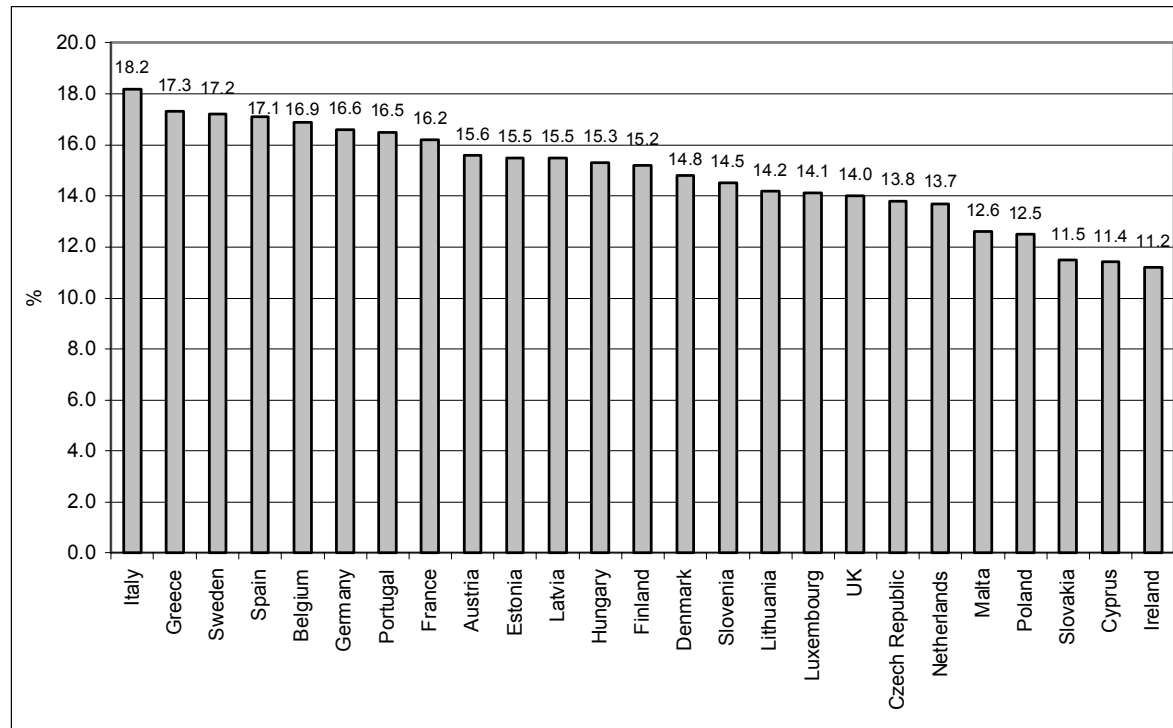
Table 2: Age dependency ratios, 1st January 2003

Country	Ratio of the population aged 0–14 to the population aged 15–64 (%)	Ratio of the population aged 65+ to the population aged 15–64 (%)	Ratio of the population aged 0–14 and 65+ to the population aged 15–64 (%)
Austria	24.4	22.8	47.2
Belgium	26.5	26.0	52.5
Cyprus	31.0	17.5	48.5
Czech Republic	22.1	19.7	41.8
Denmark	28.4	22.3	50.7
Estonia	24.5	23.5	48.1
Finland	26.6	22.9	49.6
France	28.7	25.1	53.7
Germany	22.3	25.9	48.2
Greece (2000)	22.4	25.6	48.0
<i>Hungary</i>	23.5	22.4	45.9
Ireland (2002)	31.3	16.5	47.8
Italy (2001)	21.3	27.1	48.4
Latvia	23.4	23.3	46.7
Lithuania	27.3	22.0	49.3
Luxembourg	28.1	20.9	49.0
Malta	27.3	18.7	46.1
Netherlands	27.5	20.3	47.7
Poland	25.7	18.4	44.1
Portugal	23.4	24.7	48.1
Slovakia	25.6	16.5	42.0
Slovenia	21.3	21.0	42.4
Spain (2002)	21.3	25.0	46.3
Sweden	27.8	26.5	54.3
United Kingdom (2001)	28.8	23.8	52.6

Source: CE (2003).

The main issues related to population ageing are economic activity and pensions, savings for and material well-being in old age, family structures and intergenerational relations, health and disability. As demographic ageing continues at higher speed, these issues are discussed with more and more emphasis and in increasingly large scientific and civic forums. On the European social policy agenda, 'active ageing' and 'active old age' are the issues most frequently mentioned in the context of programmes related to the ageing of populations.

Among the factors of demographic ageing, declining fertility is the most important, but in countries where mortality is low, improved mortality among older people also contributes to a significant extent to the increase in the aged and old population.

Figure 6: Proportion of population aged 65 years and over, 2002 (%)

As concerns the proportion of the aged population, Hungary is in the middle of the 25-country range (*Figure 6*). In Hungary, the primary determinant of ageing is the historical decline of fertility. Although mortality, including old-age mortality, has declined in recent years, the extent of the improvement has not been large enough to accelerate the ageing process to any significant degree.

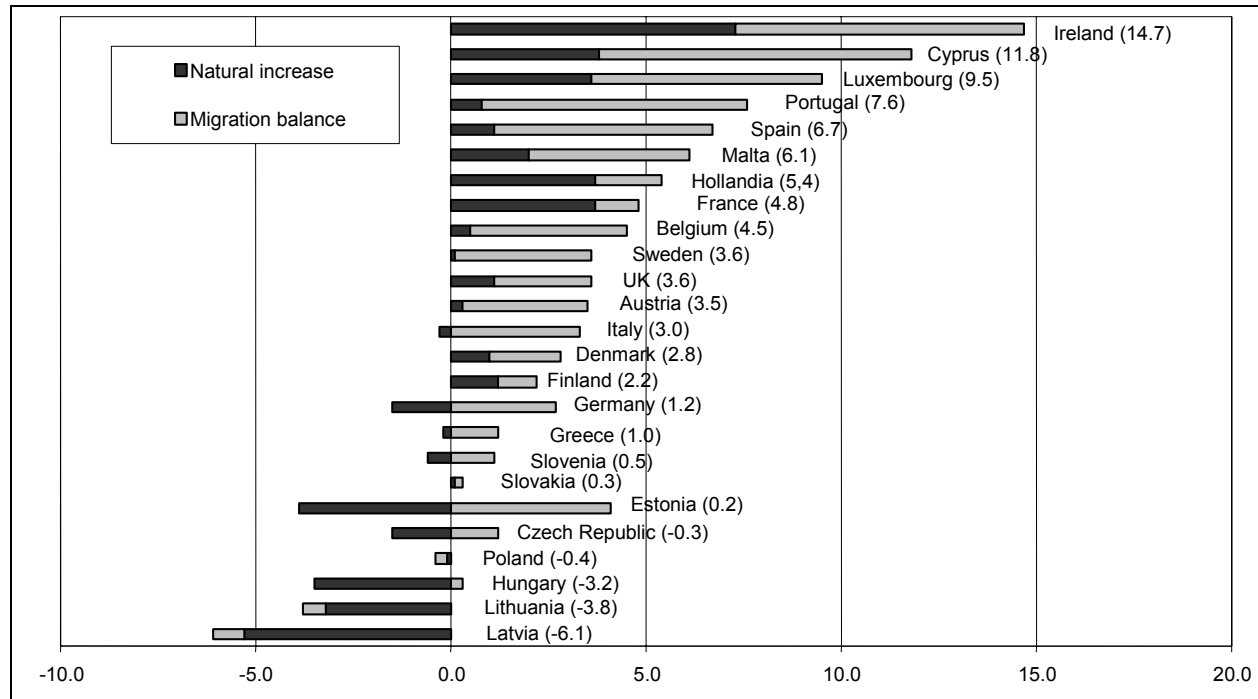
International migration

In the majority of the member states of the European Union the primary source of population growth, or the factor that helps to avoid population decline, is immigration (*Figure 7*). A negative migration balance is registered in three of the 10 new member states: Poland, Lithuania and Latvia, i.e. emigration exceeds immigration in these countries. All other new member states register positive migration balances, although the migration gain in Slovakia and Hungary is extremely small. In Hungary the positive migration balance is negligible and is not able to counteract population decline.

The assessment of the positive or negative role of international migration is contradictory in the European Union. Political, economic, social, cultural, demographic and ideological arguments are mixed in the public debate, as well as in the scientific or expert-level discussions. Politically correct declarations normally advocate the positive role of migratory movements; the practice, however, often contradicts the political declarations, as could be seen in the case of the new member states. Although free movement is one of the fundamental freedoms of the European Union, severe restrictions on the movement of citizens of the new member states were imposed.

One of the discussions at the Warsaw World Economic Forum in April 2004 dealt with the issue, and concluded that within the EU, rather than speaking about international migration, we should speak about labour mobility, which should be encouraged in order to increase the competitiveness of the Union.

Figure 7: Contribution of natural growth and of international migration to population growth, 2002 (per thousand)



Population policy considerations

Demographic trends in the European countries raise the question of whether population policy measures could be implemented to improve the current demographic situation. An increasing number of experts at national and international forums argue in favour of policy measures to that end. The reasoning is that the adverse outcomes of demographic trends in the near future, mainly of the accelerated population ageing process, can only be diminished if the number of births increases. Population projections, however, warn that the ageing process is already so advanced that the realistically attainable increase in the number of births cannot yield results in the near future. On the other hand, if the number of births does not increase in the near future, the ageing process and the population decline will not slow down for several decades.

An increase in the number of births can only be achieved if gender relations and intergenerational relations, including new forms of cooperation, contribute to a family-friendly, childbearing- and child rearing-friendly climate (see for instance in the Nordic countries). Public financial contributions to children's institutions and to the provisions related to child rearing also need to be increased. Considering the macro-economic and social implications of population ageing, policy-makers should realize that the increase in fertility is of public interest, and therefore should be supported in a targeted way from public funds. Population policy initiatives are supported by many public figures and institutions; however, a consistent population policy that is targeted specifically toward increasing the number of births has so far not been adopted.

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Social Report 2004, Budapest: TÁRKI, 2004
Tamás Kolosi, György Vukovich, István György Tóth eds.

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Cataloging in Publication Data

*Social Report 2004 /ed. by Tamás Kolosi, István György Tóth,
György Vukovich—Budapest: TÁRKI, 2004 487 p.*

*Society—Hungary—Social structure—Social indicators—Welfare systems
Labour market—Information society—Migration—Election.*

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