

The Croatian Type Post-Accession Emigration Already Hits the Western Balkans – Demographic Implications of the Region’s Expected Accession to the EU

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After Croatia joined the EU in 2013, the Western Balkans is usually referred to the region that comprises populations of Serbia excluding Kosovo, Bosnia & Herzegovina, Montenegro, Kosovo, North Macedonia and Albania. The countries of the Western Balkans are still differentiated from one another in terms of the change in population size and demographic aging despite the convergence in fertility patterns that has been observed during this century. Indeed, the whole region is characterized by the subreplacement fertility, with the longest duration in Serbia excluding Kosovo and Croatia, and the shortest in Kosovo. The northern part of the Western Balkans was among the first regions in Europe to experience population decline and very high median age of population mainly due to the long period of below-replacement fertility that has been recently supported by emigration. The southern part of the region is still experiencing population increase and low median age in European context owing that to its demographic momentum.

International migration in the region has undergone more complex changes than fertility since 1990. Since the intensive displacements of autochthonous population within and out of the territory of former Yugoslavia induced by the 1990s wars, and the fall of Iron curtain in case of Albania, the Western Balkans is recognized as an emigrational region, whereas both populations in Albania and Kosovo are particularly affected by out-migration. Furthermore, the whole area lacks an attraction for long-term immigration from third countries.

The European Union strategy on the future enlargement towards Western Balkans assumes that all the populations from the region will join the Union sooner or later. However, recent post-accession out-migration from Croatia, which was considered as the member of the region until 2013, suggests that already high levels of emigration in potential member countries might become even higher after the accession to the EU, or at least last longer than was the case in the post-communist countries during previous enlargements. In order to assess demographic implications of the EU accession scenario, we made population projections for all the countries in the region by 2055 in the probabilistic manner. We employed the global projection model used by the Population Division of the UN in the latest release of the World Population Prospects (hereafter the UN model) to account for the regional correlations regarding the natural components of population change. The UN model, in accordance with the new evidences of recovery of post-transitional fertility, predicts a convergence of total fertility rates in the region towards the level of 1.8 by the end of the century. This implies that the total fertility rate (TFR) across the region will only experience a mild increase by 2055, ranging between 1.55 (Bosnia & Herzegovina) and 1.79 (Albania). For the sake of an insight in “theoretical” limits of future demographic change, we, also, calculated the UN traditional high and low variants, which differ from the medium variant (forecast) in total fertility rate by +/-0.5 child per woman, respectively. For example, the implementation of the UN model in the case of Kosovo suggests that there are even 10% chances that TFR in this population could fall by 0.5 (low variant) until 2100. It means reaching the “lowest-low” fertility that the post-communist countries in Europe experienced in the beginning of this century.

The jump-off populations of Bosnia & Herzegovina and Serbia had to be adjusted in our model due to known weaknesses of the UN dataset in that regard. In case of the former, we made an adjustment of the 2013 census results due to their failures in terms of overrepresentation of the working-age population (Josipović, 2016; Nikitović, 2016). As for the latter, apart from the fact that the UN dataset does not recognize the population of Kosovo, adjustments of the UN dataset had to be made for population who boycotted both censuses in 2011 – Albanians in Serbia excluding Kosovo and Serbs in Northern Kosovo,

and for significant overestimation of the total population by the census conducted in Serbia excluding Kosovo.

We assumed a specific international migration pattern grounded in the migration cycle concept and tailored by the Croatian out-migration experience after 2013. The migration cycle concept could be considered as a revisited labor migration “push and pull” model. It assumes that a country adapts to a new demographic and economic conditions by developing a mechanism to handle new or evolving migratory circumstances, which is referred to as a migration cycle (Fassmann and Reeger, 2012). According to this heuristic concept, the Western Balkans region could be considered as stuck in the initial, pre-transition stage, although some of its territories might be candidates for entering the intermediate stage sooner than others. Consequently, the stages of the migration transition are interpreted in relation to the symbolic turnaround of the transition process in the Western Balkans, which is set to the middle of the horizon (2035) implying that the whole region will certainly join the EU by the time. In addition to available studies on impact of migration on demographic change in the countries of the region, the benchmarks for the forecast of net migration rates were both the population projections by Eurostat (EUROPOP 2018), which assume transformation of all emigrational states into immigrational ones after 2030, and projections by national statistical agencies. Yet, unlike the Eurostat projections, we took into account the strong post-accession emigration in the region due to increased labor mobility associated with slow economic growth in new EU member states and growing demand for labor in ageing societies of the Western Europe. This was supported by the general empiric evidence resulting from the previous enlargement of the EU to the East, and more specifically by the very recent experience of Croatia upon its accession to the EU in 2013 (Draženović et al., 2018).

According to the most likely path (median of distribution) of the forecast simulation, the total population of the Western Balkans will drop from 17.79 to 14.68 million between 2018 and 2055, a decrease of -17.5 percent over the next forty years. The main driver of the decrease will be the negative natural change, which will be 3.5 times larger in absolute terms than the negative net migration. However, the population decrease, as to the median of the prediction interval, will not be of high magnitude in Macedonia (-7.8%) and Montenegro (-8.2%). On the other hand, a strong decline is expected in Serbia excluding Kosovo (-28.5%) and Bosnia & Herzegovina (-22.0%). Furthermore, significant chances for maintaining actual population size by the mid-century refer only to Albania and Kosovo. Yet, the decline of these two populations is expected as of 2035 due to continuing lowering of TFR. In other word, effects of the demographic momentum (population increase purely on account of young age structure) reduced by negative impact of emigration could expire up to 2035-40. For other populations, we can firmly say that the decline in their size cannot be stopped in the following decades.

Most interestingly, the traditional high and low variant in regular UN world population prospects, representing bounds of +/- 0.5 in relation to the TFR of the UN medium variant, are much wider than the 80% prediction interval of the forecast even in the case of Kosovo. It indicates that the role of migration balance could be of greater importance for the region on a long run if compared to the previous periods. From the policy point of view, a population decrease, especially of the magnitude forecasted for Serbia excluding Kosovo and Bosnia & Herzegovina should not go unnoticed. Although the times when the significance of states was defined mainly by their population size may long since be gone, large population decreases could result in regional and sub-regional depopulation, both of which have been observed throughout the region for a fairly considerable length of time. A severe population decrease may lead to deficits in labor supply, which could be a strong limitation factor for already weak economies of the region. To date, except for periods of war, the populations in modern economies have been growing, so we have little empirical evidence of the economic consequences of population decline. Nevertheless, it would be prudent to curb large population decreases by means of policy measures.

Significant structural changes should be expected, as the share of population aged 65 and above will increase by 84% (from 14.93% to 27.41%) and the old-age dependency ratio will double by 2055 in the Western Balkans region. It is particularly worrying to notice negligible uncertainty around the forecasts

of structural indicators. Moreover, currently young populations of the region are expected to experience much stronger effects of population ageing in the following decades than those already old populations. The most striking structural changes in terms of rapid population ageing by the mid-century refer to the currently youngest European population that resides in Kosovo. The share of persons aged 65 years and above in total population will more than triple in Kosovo between 2018 and 2055, with the abrupt increase experienced already by 2035. The same stands for the old age dependency ratio (number of persons older than 65 in relation to those aged 20-64 years) as one of crucial indicators in the context of the modern conception of sustainable demographic development. Concurrently, both the current share of young persons (below 15 years of age) and the share of those in education age (5-24 years) is expected to be almost halved by 2055 in Kosovo – from 26.44% to 14.27% and from 37.47% to 20.42%, respectively.

The simulations of future population dynamics in the Western Balkans suggest that transformation of its current international migration pattern is of crucial importance in achieving the sustainable development goals related to demographic change in the region. If we accept that Europe is in the process of transformation into an immigration continent, as well as the process generally spreads from the northwest to the southeast, similarly to the widely accepted demographic transition, it was assumed that the Western Balkans region will be soon heading to the same direction despite its currently unfavorable demographic and migration indicators. Given that the transition to net immigration directly depends on economic progress, enlargement of the EU towards the Western Balkans is taken as a prerequisite for the model and empirical considerations in the paper. In accordance with the principles of the ‘migration cycle’ concept, which is used as the theoretical framework for the migration assumptions, and the experiences of new immigration areas in Europe, we assumed a longer period would be needed for societies in the region to adapt to the new reality. Not only the ‘migration cycle’ model, but also a longer historical perspective of empirical evidence from this region (not explicitly stated in the paper), indicate that the region will probably experience new immigration on the long run as it already was the case throughout the history.

Despite the decisive role of natural change, particularly that induced by fertility, on the decrease and ageing of population in the Western Balkans by the mid-century, the simulations of future population dynamics based on the theoretical considerations of the post-transitional mild increase of fertility and long-term transition to net immigration suggest that migration component could have important impact on demographic change, especially in terms of moderating the effects of below-replacement fertility on the age structure. The transition to stable net immigration will increasingly gain in importance over the next decades given the negative population momentum in the region, which will affect even Kosovo – the youngest European population. Furthermore, achieving the long-term post-transformation stage of stable net immigration should be the ultimate policy goal for the whole region. However, the Western Balkans is currently being far from both the significant increase of fertility and the attractiveness to immigrants. Thus, the reduction of net emigration should be one of the primary tasks of population and economic policies in the next decades.

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