

DEMOGRAPHIC AND ECONOMIC IMPLICATIONS OF THE AGEING POPULATION IN THE URBAN ENVIRONMENT OF THE REPUBLIC OF MOLDOVA.

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Abstract : Le vieillissement de la population, qui est le principal facteur de risque lié à la structure de la population, est l'une des nombreuses menaces mondiales à l'humanité. Par conséquent, la menace mondiale de la civilisation est en danger en raison de la population vieillissante ne peut pas évoluer. En fait, la littérature que certaine augmentation de la part et le nombre de personnes âgées, sont des problèmes sociaux qui ont des solutions sociales plutôt que les problèmes démographiques qui peuvent être résolus par des mesures de politique démographique. Les pressions démographiques secouent le système de retraite actuel, en particulier dans des conditions de crise économique. C'est pourquoi les autorités devraient accélérer la réforme du système de retraite.

Keywords: *life span, old population, mortality, fertility, retirement age*

1. Introduction:

Ageing is an ineluctable event in people's life course. Demographic ageing remains one of the most profound demographic problems for the future of Moldova.

The ageing process is faster in the Republic of Moldova in comparison to the developed countries. For example, the increase of the demographic ageing index from 8% to 12% lasted 80 years in France, 70 years in Belgium and 50 years in Sweden. In Moldova the share of the number of old people rose from 7.7% in 1959 to 12.6% in 1989, which means a period of less than 30 years.

For the entire population, the most favourable situation would be that in which the share of the elderly population (aged over 60 years) is of less than 9%, such a population being regarded as a young one according to the scale of Beaujeu Garnier (she considers that a population is ageing when this percentage ranges from 9% to 11%, aged when it is comprised between 12% and 16% and deeply aged when it is over 16%). In 2012, in the urban areas of the Republic of Moldova the coefficient of population ageing was of 14.4%, which allows us to state that we have an old urban population.

Moldova ranks 14th in the world in respect of the ageing degree. Specialists forecast that, by the year 2050, every third person in Moldova will be over 60 years old. This trend is virtually impossible to get changed. Ageing cannot be fought against but only tempered by means of demographic policies aimed at stabilizing reproduction. The authorities need to learn how to manage this phenomenon, its denial being not a solution.

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2. Determinant factors of the increasing share of the elderly population in the urban areas of Moldova.

Low birth rate - one of the factors with the greatest impact on the ageing process. In order to analyse this phenomenon, it is necessary to highlight the observation period: from 1980 to 2010.

During the reference years (Figures 1 and 2) we notice that the form of the pyramid changes, younger age groups getting smaller. For example, the population aged 0-4 in 1980 comprises 111,725 people, while in 2010 the number of people falling in this age group is halved: 55, 046. One can also notice that, for the year 2010, the 40-44 years old group experiences a decline (in the case of both genders), this situation revealing a significant drop in the birth rates recorded in the 60s of XX century. The human losses during the Second World War, during the famine of 1946 - 1947, as well as the waves of mass deportations influenced the decrease in the birth rate of the years from 1960 to 1970 because in the second half of the '60s the people born in the years 1940 to 1950 reached their fertility age, having a direct effect on birth stagnation. This triggered further problems in the subsequent periods, the declining birth rate in the years 1989-1996 being due to the narrow generations born in the years 1965-1970 (Figures 1 and 2).

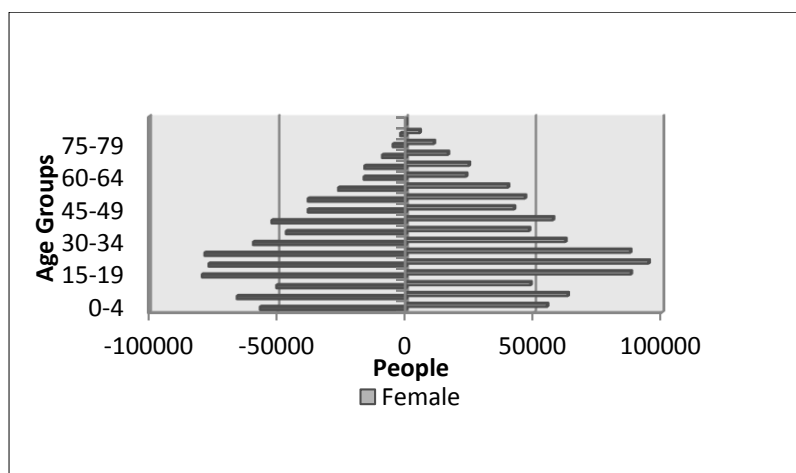


Figure 1 Urban population pyramid (1980)

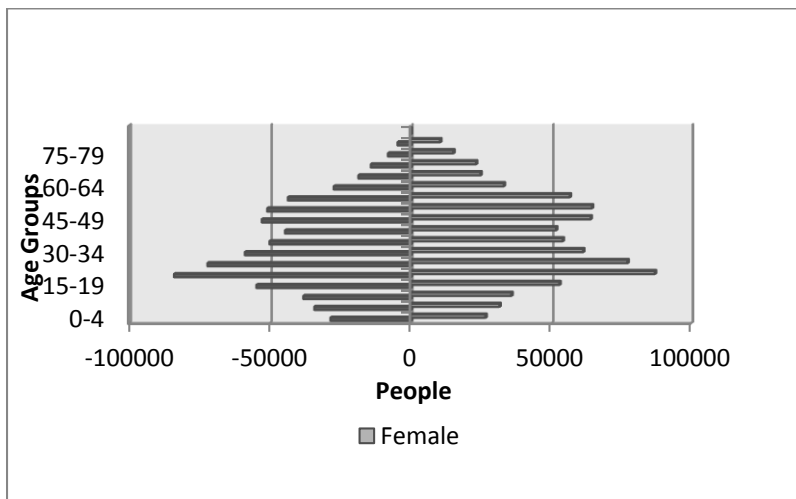


Figure 2. Urban population pyramid (2010)

The birth phenomenon is also influenced by the family's reproductive education, which has experienced more changes during the last two decades, especially in respect of choosing the number of children. This means that an irreversible decrease of the fertility level may be the result of the impact of a large number of economic, social, cultural, medical and other factors typical of the modernization of the society, or the result of the tendency of postponing the moment of giving birth to a child (starting with the first and then automatically sent to higher ranks). This delay leads to a general increase of the average age of the mother at childbirth or it may even determine her to give up having children (the first or the one to follow). The last one reveals another component of the fertility decline. The way in which the decrease of the fertility rate took place in the Republic of Moldova during the last two decades makes us take into consideration the phenomenon of postponing births when it comes to assessing the current level of fertility and the future evolution of the phenomenon.

External migration also have an impact upon the ageing process as a consequence of the decrease of the percentage of the young (working and fertile) age groups, in favour of the age group of 60 and over 60 years old, which works on reducing the birth rate in urban areas.

3. The demographic impact of urban population ageing

In urban areas the average age of the population has increased, exceeding 37 years old in 2012, while in 1989 the average age was of 31.85 years old, which disadvantages younger age groups. The increase of the average age of the population is due to the relative rise in the population's standard of living, to the evolution and permanent innovation of the medical care system, as well as to its increased quality.

The longevity of life or life expectancy at birth has also increased, slightly exceeding 72 years old, which causes increased expenditures in the social and health care system. In the case of the population aged over 60, the cost of medical treatments is double, these people being incapable of affording these spending. The death rate also becomes higher beyond this age limit.

The death rate is rather high especially among men aged up to 60, which means that a quarter of them do not reach the retirement age or receive a pension only for 1 to 4 years.

After 1988, in the Republic of Moldova the coefficient of population ageing exceeded the level of 12%. In the case of the urban population, this value was recorded only in 2008, which means that the urban ageing phenomenon is slower in comparison to the national population, and much slower than in the case of the rural population (Figure 3).

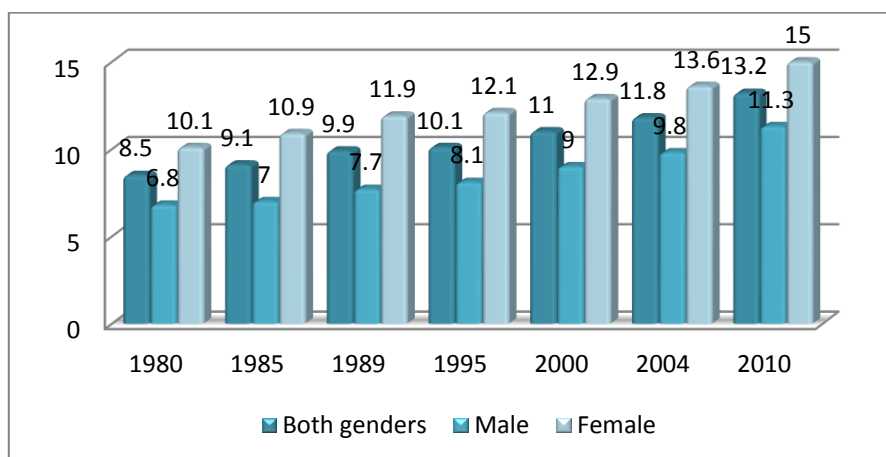


Figure 3. The coefficient of urban population ageing in the Republic of Moldova. (% , 1980 - 2010)

In 2010 this index was of 13.2% in the case of the urban population and of 14.4% at the national level.

The increase of the population longevity with one year means an annual surplus of 300 million lei for the pension system. Therefore we wonder: "If at present two people of working age provide the pension for one single old man, what is going to happen when the large generations of the 50s and 70s retire after 2012-2013, respectively in the next 20 years?"

4. The economic impact of urban population ageing in Moldova

From the economic point of view, ageing brings about gains, low income for the population, longer employment periods and reduced productivity. But consumption needs depend on the current product of economy. The stereotype of the aged population is less productive at work, expensive to pay, less adaptable and a little rigid. However many studies certify increased intellectual performance at the same time. Ageing reduces the tax base, diminishes the size of the pension system, and reduces wages and financial assets. From the economic point of view there also occurs a job competition between young and old.

The probability of employing large demographic aged layers on the labour market is minimum. To all these, we also add customs and traditions (at older ages, the female population is predominantly concerned with housework), which, in the modern age, are often against women due to the low qualification of the labour force.

In the next 30-40 years retirees may become the largest social class. And the change of the trend is virtually impossible. In addition, their regulatory practices may not be entirely useful for poor and ageing countries because of certain social, economic, and equally demographic features.

At the national demographic level, ageing exercises a purely economic pressure which will spread a negative energy on economically active population layers. The national economy is not able to withstand the pressure of the pension system under conditions of economic crisis.

Population ageing creates conditions of lonely life for elderly people, increasing the number of incomplete couples.

In respect of the pressure laid by retired people on economically productive people, in 1980 the number of taxpayers who supported a pensioner was of four, while in 2012 it was of about 2.1. The number of people of retirement age has increased, while the share of working-age groups is in a slow decline, this being also due to the intense external migration during the recent decades (most migrants being able to work). And, in the future, the increased rhythm of population ageing - which is imminent – is going to slow down the rise of the standard of living of the population.

5. Conclusions:

The following **conclusions** can be drawn:

- » The consequences of the change in the age of the population are often treated superficially, being reduced only to issues related to population ageing. In fact, the problem is much deeper and touches all age groups.
- » The decrease of the external migrations through various programs meant to create well paid jobs in the urban areas of the country would balance both the birth rate and the issues related to labour force, retirement system etc.
- » There is obviously a need for demographic policies that would increase the birth rate.
- » Creating groups and committees of experts which would thoroughly study the demographic problems and develop national strategies of demographic security

- » Drawing on regional and international practices regarding the implementation of these strategies, attracting activities of international organizations in the field.
- » Large media coverage of demographic ageing issues.

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