

ARE IMMIGRANTS THE SOLUTION OF GLOOMY ECONOMIC FUTURE OF EUROPE?

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Abstract

Population in Europe is getting old and the number of people in productive age is decreasing. Fertility rate in most countries is very low. This process results in decreasing share of Europe in the world population and world gross domestic product. Could immigrants be seen the solution? Average age of immigrants is lower and the share of labor force in total number of immigrants is higher in comparison to native Europeans. Factors of immigration are either „push“ or „pull“ ones. Incentives for emigration and consequences of immigration are economic, political and social. Immigrants may be for the country both, opportunity or threat. For Europe, immigration is not the way of solution of the problem of slowing down economic power. The core point in the economic development of Europe is not ageing population but slow increase in total output in comparison to other regions in the world economy resulting from government macroeconomic policy based on high public expenses, bureaucracy and regulation of both, producers and consumers, and high taxation.

Keywords

Migration, Economic Growth, Population Ageing, Push and Pull factors, Macroeconomic Policy of EU, Population Policy

I. Introduction

The European population is ageing. Birth rate decreases and the percentage of people of working age is sharply diminishing. This is reflected in Europe's declining share in world population and economic performance measured by gross domestic product. Immigrants from non-European countries appear to be the solution. Migration is a global phenomenon, it is not limited to Europe alone, and the mainstream of immigrants does not go to Europe. Migrating people are motivated by "negative" factors in their countries ("push" factors) or positive factors in the target country ("pull" factors). These are economic and other factors. Migration is manifested in different areas, both in countries people leave and in countries where they move. There are significant changes in demography, whether it is the total population, its age structure, qualification, social status, etc. Immigration is reflected in the structure of production, expenditures on gross domestic product according to the main four forms, the labor market and public finances. It also has significant social impacts not only on immigrants themselves but on the society as a whole. The flow of immigrants can be promoted or restricted by the governments of the target countries. For Europe, the influx of immigrants still appears to be a positive factor that will mitigate its economic lagging behind as a result of the decline in the labor force of productive age. Recently, however, the problems caused by migration have increased, especially in terms of security, civic coexistence and fears of extremists.

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II. Population in Europe² (basic demographic indicators)

Economically Europe is lagging behind the leading economic power of the world, the United States. The unfavorable demographic trend is usually mentioned as one of the causes. Decreasing birth rates lead to population decline. At the same time, the human age is prolonging, which in practice means raising the number of seniors, thereby increasing the share of people dependent on public finances. The number of people filling the revenue side of the government budget is decreasing, and the number of people who receive different benefits from public budgets is increasing. Economists turn their attention to demographic indicators.

We consider two basic demographic indicators:

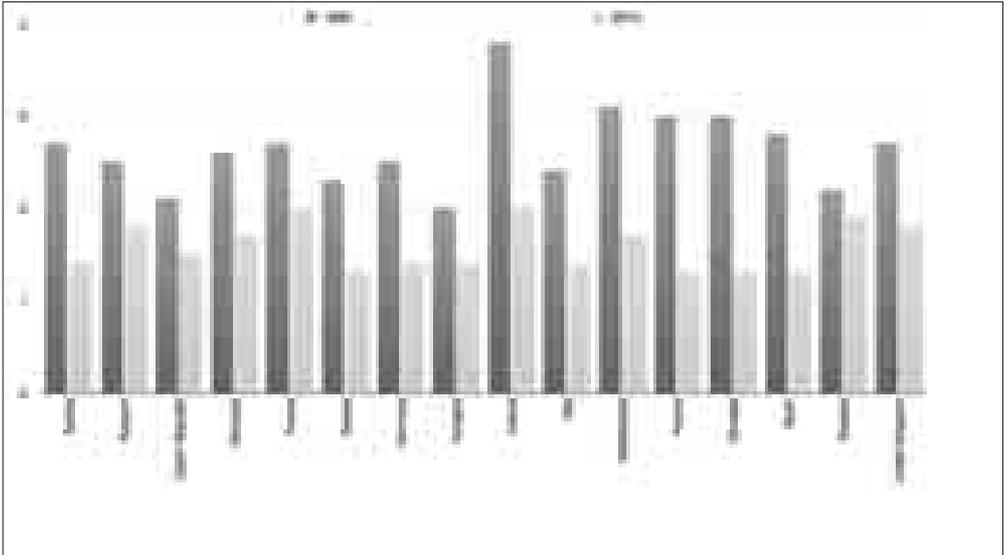
- Total population.
- The age structure of the population.

Other indicators that are reflected in the total population are birth rates, mortality and migration. The positive difference between natality and mortality is the natural increase in the population (the negative difference leads to a natural decline). The population increases with positive migration balance (the negative migration balance reduces it).

The basic trends in population growth in Europe in recent decades can be summarized as follows:

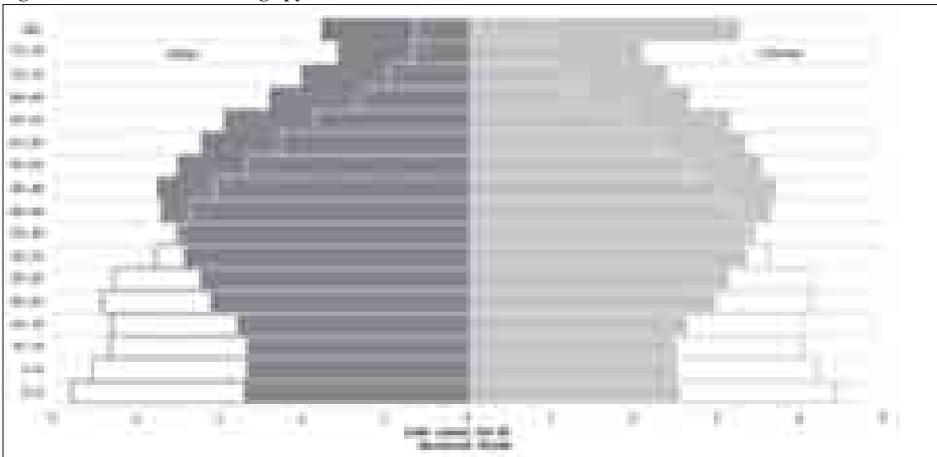
- Length of life is extended
The median in 2014 was 42.2 years. In 2000 it was 39.2 years. The lowest value of the indicator has Ireland (36 years) and the highest value has Germany (45.6 years).
- Marriages are closed later, children are also born later and therefore less children are born. Most marriages are closed after the 30th year of partners (for example in Sweden after the 36th year).
- Although marriage remains the main form of people's coexistence (75% of couples close it), the number of households of unmarried partners increases.
- The number of children born is decreasing. The fertility rate for Europe as a whole is 1.5 (for a simple reproduction of the population, 2.1 is required). It can be seen in the Figure 1.

² At present, it is often the case that Europe identifies itself with the European Union. With regard to the EU's decisive share of most indicators, there is no distortion of the results; moreover, statistical data for non-EU countries sometimes come up with some difficulty. In our case, it is necessary to mention Switzerland as a country where immigrants play a significant role. The whole issue of immigration, however, has many other aspects in Switzerland than in the European Union, especially in the last decade. If we talk about Europe, it is usually about the European Union. Even here, however, the problems in all countries are not the same.

Figure 1 Fertility rates in EU countries in 1960 and 2015

Source: Eurostat (2016)

Conclusion: The total population in Europe is declining due to low fertility rates. The comparison of the indicator for the EU and the world is shown in Figure 2³.

Figure 2 The EU and world age pyramid in 2014

Source: Eurostat (2016)

From the economic point of view, it is important to divide the population by age into three groups:

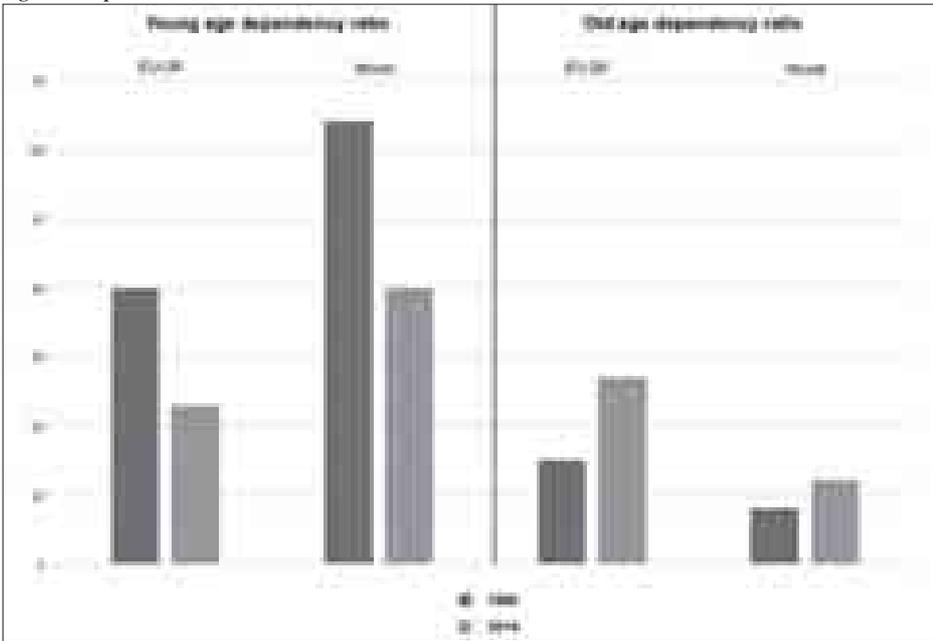
- Pre-productive age – less than 15 (or 18) years.
- Productive age 15 – (usually) 65 years.
- Postproductive age – over 65 years.

³ Data extracted in March 2016. Most recent data. Planned article update: June 2018.

Depending on the groups proportions, **the indicator of economic dependence** is calculated. It is based on a comparison of income from employment and income from other sources (parents in the case of children, government budget in the case of retirees).

Economic dependence is different for the population according to the groups. With regard to age prolongation, economic dependence is changing significantly. As shown in Figure 3, it is declining in the group of people in pre-productive age (young age in Figure 3) and growing in the group of people in postproductive age (old age in Figure 3). It is also clear from the picture that the indicator of economic dependence shows a significant difference between European countries and the world average.

Figure 3 Dependence rate in the EU and the world in 1960 and 2015



Source: World Bank (2016)

III. Migration

"There is no agreement among experts and international organizations on a uniform definition of population migration. ... especially in the second half of the 20th century, the spectrum of causes (motivation) for the movement of the population has expanded considerably, its territorial scope has been significantly expanded and its projection has led to the economic development of the growing number of countries of almost all regions of the world economy." (Kubišta, 2016) When using the word migration, it is necessary to distinguish migration as a term from migration understood as a process.

"The term migrant has undergone changes in its definition, especially in recent decades. Typically, UN definitions are used; in the second half of the 1990s, a person who "changed the country of his habitual residence" was considered a migrant. Habitual residence is considered the place where one lives and where he spends his / her leisure daily."⁴ Currently, an international migrant is considered

⁴ Recommendations on Statistics of International Migration. Statistical Papers Series M, No. 58. Rev. 1. (1998), OSN, New York,

to be a foreign-born or foreign national⁵ (in both cases, however, statistical data are not available for all countries surveyed or for one of the items listed, so in many cases only estimates are used). Here it is worth mentioning the necessity to distinguish a migrant – a person who seeks a new nationality – from a resident who lives for a different period of time in a country other than the country of his birth but retains his original nationality despite the permanent residence permit." (Kubišta, 2016)

Migration is a global phenomenon, not limited to Europe and Europe is not the main destination for migrants. The situation speeded up in 2016 as a result of a wave of refugees from the Middle East in a state of war. For accuracy, we define the basic terms used in this area:

Migration (mechanical movement of the population) is a form of spatial mobility of people between two territorial units and usually involves a change of residence. The migration balance, or net migration, is the difference between the number of immigrants and emigrants in the area. It takes the form of either migration gain or migration loss. Migration can take place within a single state (national migration) or between countries, then the term international migration is used. In our paper we pay attention only to international migration.

The factors that motivate the population to migration can be distinguished according to different points of view. Traditionally, we distinguish two groups of factors by motivation, namely

- "push" factors such as wars, persecution, political instability, imminent disasters, etc.
- "pull" factors, such as better economic conditions, educational opportunities, scientific work, political freedom, and so on.

It is common to divide factors into economic and non-economic (Kubišta, 2016):

- economic factors: higher economic level of the country, better opportunities to apply education and qualifications, raising the standard of living of the family,
- non-economic factors: natural, especially climatic (fear of famines or natural disasters), political, including historical, religious and cultural aspects (civil war, ethnic armed conflicts), demographic – uneven distribution of population in the world economy (permanent high population density in developing countries in relation to advanced market economies).

The share of migrants in the total number of population in the whole world economy is growing very slowly after 2000. As we can see in Table 1, the growth of the share is significantly higher in Europe and North America in comparison to other continents. In Europe the share of migrants increased from 7.7% in 2000 to 10.3% in 2015. In North America it was 12.9% in 2000 and 15.4% in 2015.

Table 1 Total population, number of migrants and share of migrants in the total population in 2000, 2010 and 2015 (in thousands and in %)

World and groups of countries	Total population (000)	Number of migrants (000)	Share of migrants in the total population (%)
	2000	2000	2000
World	6 126 622	172 703	2,8
Europe	726 407	56 271	7,7
North America	313 724	40 351	12,9
	2010	2010	2010
World	6 929 725	221 714	3,2
Europe	735 395	72 374	9,8
North America	344 129	51 220	14,9
	2015	2015	2015
World	7 349 472	243 700	3,3
Europe	738 442	76 145	10,3
North America	357 838	54 488	15,2

Source: UN database (2017)

Migrant population, especially migrant labor, have been an important economic factor for centuries. Migration waves have evolved in the development of both the participating countries and the entire world economy. They have an impact not only on the life and economic situation of migrants themselves, their way of life and behavior, but on the countries and their populations that are affected, as well. There is no obvious problem in the total number of migrants. International population movement includes only a little over three percent of the world's population. One million of asylum seekers in the European Union correspond to only two tenths of a percentage of the total population, which is more than half a billion. It would, however, be a mistake to regard the number as little or only marginal. In the context of migration, it should be mentioned that the motive or consequence of migration as a movement of the population is, on the other hand, the transfer of part of the migrant earnings across the border from the target country to the country of origin, which is often the motive for the emigration of the labor force. In any case, however, it is the result of labor migration on an international scale and has a major impact on the economic status of families and the public finances in the countries of origin of emigrants. It concerns more emigrants from developing countries, and this form of international capital flow is referred to as remittance. It either has a form of money or a product that workers buy for their earnings in the country where they work. The movement of persons from the country of origin is thus usually accompanied by the opposite movement of money and goods to that country from the target country. It is estimated that about half of the funds transferred are legally issued (via financial entities), the other half is carried out illegally (informally).

"According to World Bank data, remittances are the most stable source of external financing for developing countries after FDI and ODA⁶ funds. They are also the most stable source. They are flowing from countries with high concentration of foreign migrants from developing countries or from oil producing countries. Data on the amount of country remittances can be found in the balance of payments, whether in the issuing and receiving countries or in the statistics of international organizations". (Kubišta 2016, p. 434) We will focus on the consequences of

⁶ ODA (Official Development Assistance) is one of the forms of international capital movement that is provided to developing countries in several ways and through bilateral flows (through individual states) or multilateral flows (financial resources of international organizations). One of the most important international institutions dealing with this issue is the organizational component of the Organization for Economic Cooperation and Development (OECD), resp. Development Assistance Committee (DAC). For more detailed information, see <http://www.oecd.org/dac/>.

population migration for both participating countries. More details can be found in (Kubišta 2016). We will distinguish demographic changes and economic impact of migration on both, countries of emigration and countries of immigration.

- Demographic changes

In the emigrant countries, especially a decrease in the number of people in working age (it is the strongest component of the active labor force) and also in the number of child population is expected, on the contrary only a small decrease can be seen in the number of people in postproductive age. As the migration from developing countries dominates, whether in the direction of developed economies or between developing countries, more men than women will be migrating. Then we will also find whole families migrating. There are no gender differences in the migration among advanced economies. People of all ages migrate, pregnant women and newborns are no exceptions.

In the target countries, of course, there will be an increase in population. This will increase requirements for housing, revenues of stores, transport infrastructure, social infrastructure and other household services. It may not be clear from population statistics. Population censuses are carried out using censuses in regular periods (usually 10 years in developed countries). However, migrants receive citizenship in the different beneficiary countries for different periods of time on the basis of different requirements. Immigrants tend to concentrate in certain areas (especially those already populated by immigrants from the same country). This concentration raises some of the aforementioned social problems. If the country of immigration is one of the developed countries, there will almost certainly be an increase in birth rates. In the European countries, the birth rate of immigrants is so high that it significantly increases the low value of the indicator when immigrants are not included in it (particularly in the UK and France).⁷

- Economic impacts

In the emigrant countries, the outflow of the population and in particular the labor force shows relatively little in total economic output (as well as per capita value), in the structure of manufactured goods and services, household consumption, investment expenditures of companies or foreign trade of the country. Emigration is much more visible in the labor market and in public finances. As a painful loss for the country's overall economic performance, however, economists point out the departure of highly qualified workers, the "brain drain". They are often graduates of higher education institutions abroad who remain in foreign countries and do not return home but they participate in the flow of remittances. However, leaving people to work in advanced countries may not even reduce the unemployment rate. In Europe, the movement of qualified labor as a flow of skilled workers from the eastern part of Europe to its western part, or from Central and Western Europe further overseas, particularly to the USA and Canada, is evident. There is a growing interest among Europeans in job positions even in more developed developing countries and in high income countries (GDP per capita). For decades, top engineers and experts of many specializations from all over the world have been finding jobs in the USA. Scientists and researchers from all disciplines will get the opportunity, material resources for research, and will get better conditions for their work and eventually higher incomes. That is one reason, why Europe's technological backwardness is mentioned. For government budget, emigration of highly qualified workers represents a noticeable loss of income, where they are going to lose the amounts paid on taxes. At the same time, the growth of employees' income in state-owned companies and institutions causes the increase of budget expenditures. For leaving non-qualified workers the same conclusions as those for developing countries can be applied. These people are often not registered in the labor market at

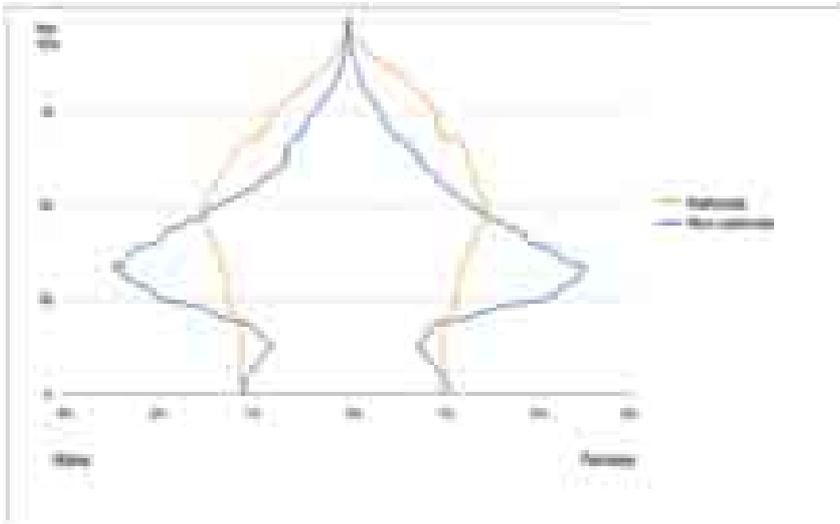
⁷ Just France shows, compared to other European countries in the western part of the continent, fertility 2.3 against the European average of 1.5. It is undoubtedly influenced by the large number of children in the immigrants families.

all. Because they do not work and are not looking for work, they in fact do not meet the definition of unemployed workers. The term "discouraged workers" is used for them.

In the immigration countries, the total volume of output measured by GDP will increase in proportion to labor inflows and, in particular, according to their qualification.⁸ Apart from all existing industries, the service sector is being developed specifically for immigrants. Output of consumer products is expanding for an increased number of people, and along with the business network, businesses can benefit from economies of scale. If we pay attention to the four kinds of expenditures on GDP, there is no doubt that the household consumption is growing. It is the consumption of goods of long-time use, goods of short-time use and especially services. Investments can grow due to increased revenues and profits of businesses. The expansion of output seems desirable and possible. Companies also benefit from having a skilled workforce without having to spend money on their education or training. Purchase of goods and public services, and in particular public investment, are supported by higher government revenues from foreign workers' taxes. The impact on external trade is not unambiguous. There is a growing export potential for businesses that employ more and often cheaper labor but at the same time there is an increasing interest in imported goods from immigrants.

The positive impact of labor immigration on the government budget was mentioned. On the contrary, it can be negatively affected or even exceeded by immigrants' demands for benefits, health care and support, which is common in developed countries. Large families of immigrants use them together with the domestic population. Remittances of immigrants to the countries of origin are also contributing to the outflow of money. Figure 4 shows that the percentage of persons in productive age is significantly higher in the group of non-nationals than the percentage in the group of nationals in the European Union.

Figure 4 Age structure of nationals and non-nationals in the EU, 1 January 2015



Source: Eurostat (2016)

In the labor market, the influx of foreign labor is of dual nature. These are, on the one hand, skilled and highly skilled workers who contribute to the growth of business profits and, on the other hand, unskilled workers willing to do various ancillary work. In any case, foreign workers increase the

⁸ Germany estimates that the migration wave in 2015 has increased total GDP growth by several tenths of a percentage point.

supply of labor in the labor market and thus counter domestic workers' pressure to raise wages. It is known that foreign workers often do work below their qualification level and accept lower benefits compared to domestic workers. In addition to wage pressure, the increased number of foreign adults may also result in higher unemployment rates in some sectors. In some Western European countries, there has been a special situation where some sectors have become dependent on foreign labor. These are, in general, services of restaurants and travel industry, work in agriculture and transportation.⁹ It is clearly advantageous to employ foreign workers in seasonal works. This applies in particular to agriculture and travel industry. It is also easier for seasonal workers to get a work permit. It is a question, if seasonal work (usually less than three months is considered to be short-term, but the assessment depends on the visa rules between countries).

A special situation occurs in household services. Women from immigrant families work as housewives, nannies and cleaners. This allows a number of women in the country concerned to enter the labor market and apply their skills. At the same time, their employment will contribute to the tax revenues.

In immigration countries, there is another aspect to be found in the country's economy, and that is the pressure on price level. It is manifested in two ways. The increase in demand for domestic goods and services has an inflationary effect and can support the rise in the price level. On the other hand, the increased supply of labor and the pressure against wage growth in the labor market are deflationary.

- Social factors

The social impact of emigration on the population that remains in the country of origin is incomparably lower than that in the target country (immigration). If only one member of the family leaves (usually it is the breadwinner), or a part of the family, the breadwinner and the child or children, the rest of the family suffers from isolation. Often, the isolation is only temporary.

In immigration countries, however, the social impact on both these immigrants and the whole society is large and, in addition to positive effects, we can talk about strong and growing negative consequences of immigration. In countries where immigrant groups have been flowing for decades, they have gradually assimilated them, gradually being incorporated into society and, in the vast majority of cases, adopting their habits and way of life. The rest of the population have more or less respected their peculiarities and customs.

A major turnaround occurred in the second decade of the 21st century, when the flow of migrants grew several fold, concentrated mainly on the relocation of the population from some Middle East countries. The influx of immigrants, whether economic or refugees, has been linked with the terrorist attacks the victims of which have become civilians in Western and Northern Europe and the United States. Terrorist attacks have triggered racist moods and tensions first in the affected countries, and then in many other countries in all regions.

- Other factors

Other factors represent a wide range of political, military, ethnic, religious, racial, family influences along with natural disasters, wars and climate change or the environment in different countries. Emigration due to these influences differs and it would be very difficult to find general rules for its assessment.

From the previous section of the chapter on migration factors, we know that, in addition to the economic motivation for emigration, in recent years the inequalities of emigration have become

⁹ A high percentage of foreign workers have been in Switzerland for several decades. Domestic residents often supposed the involvement of foreign workers in the production too high and for the ethnic unity of the country dangerous, so they voted in referendums to limit it. It turned out, however, that, for example, the textile industry or restaurants could not do without foreign workers.

stronger. For example, refugees are a specific group of migrants. The reason for their emigration is not leaving the country of origin for better economic conditions, but escaping to save their lives and lives of their children, that is, survival. Refugees usually sacrifice all their property and often risk the lives of all members of the family for a simple rescue of life.

Significantly, emigration can affect the various administrative measures of local or national governments in the legislative framework, which may, for example, make the emigration of skilled workers more difficult to meet the costs of education that the emigrant has only partially or totally contributed to. The situation of those who are interested in evictions is also financially hampered by proliferating corruption, which is increasingly dependent on the amount and complexity of administrative and other requests for submission of various applications, confirmations and documents.

However, in the case of immigration, the inflow of persons or workforce from abroad can be significantly influenced by immigration or pension policies. By its regulations and requirements, the government can regulate both, the total number of immigrants and the choice of territories they come from, as well as their professional, age or ethnic structure. On the one hand, the government can support the influx of certain groups of immigrants with differentiated tax rates, social contributions, financial bonuses or benefits; on the other hand, it can make it difficult for many people to hinder legal obstacles (the need to obtain a work permit, an entry visa or a residence permit) Recognition of qualifications on the basis of certificates or licenses, or requirements for knowledge of the home language, country history, etc.

IV. Demographic and economic future of Europe

Europe's economic performance, measured by gross domestic product, has been growing more slowly for several decades than the economic power of the United States. Other countries with lower economic levels, but significant growth in the group of developing countries, are also important. In the first place, we have to mention China. India also has a faster economic growth.

Table 2 The EU and US Gross Domestic Product – Value and Growth

	Share in the World GDP (%)		GDP growth (%)		GDP in \$ per capita (PPS)
	1990	2014	1990-2000	1990-2014	2014
EU	33,6	23,7	16	143	22565
USA	26,5	22,4	72	191	36450
World	100	100	48	245	7864

Source: World Bank (2015)

Europe's lagging in the world total output share (measured by gross domestic product value) has become a long-term phenomenon. We can speak of more than two decades of slower growth in total gross domestic product in the group of industrialized countries. As we can see in Table 2, the share of Europe in the total gross domestic product of the whole world decreased in last 25 years significantly. The share of the USA went down only slightly.

Nevertheless, it is not a long run phenomenon. In the period after World War II, the European economy grew faster than the US economy. Let us add that unemployment in Europe was lower than in the United States (with the exception of the United Kingdom).

The low birth rates and the ageing population, which we paid attention to in the second chapter of this paper, are considered to be a significant cause of Europe's declining share in world output. We will therefore answer the question of whether the simple solution would be to increase the population and, in particular, the workforce, due to the influx of immigrants.

The European labor market itself deserves our attention. Indicators of the share of skilled labor and the share of university graduates are not worse in Europe than in the USA. Our interest must turn to a significant indicator, which is labor productivity. And here we come across a different approach to explaining the so-called "lagging Europe" by comparing the development of labor productivity.

Statisticians measure work productivity as a performance usually expressed as a gross value added per unit of labor. And just using different units of labor we get diametrically different results.

Economic growth is usually characterized by the value of gross domestic product per capita. This is already distorted, as GDP is created only by employed workers and their share in the population varies considerably between countries. Only 68% of the total number of people of working age are employed in the European Union, while in the United States, this rate is 77.

Labor productivity can be measured either as an output per worker or per hour worked. The measurement itself is done in absolute terms (the value of the output in the national currency) or by means of indices as a change to a particular base period or a year-to-year change.

However, the measured productivity of labor is only one side of the coin. The total power effect is given by the total number of hours worked. Labor market conditions are fundamentally different in Europe from those in other countries, particularly in the USA. And just the length of the working day, the week, and especially the number of weeks in the year that people work, is incomparably longer in the US than in Europe, even though these numbers are different in individual countries in Europe. Even high hourly labor productivity in the country means significantly lower total per capita performance compared to a country with longer working hours and shorter holidays. While in Europe employees are protected by legislation, there are no such legal restrictions in the US.

Higher performance of the US economy, measured by statistical indicators, has one clear cause, namely the higher number of hours worked per week and the higher number of working weeks per year. To this, we must add a lower unemployment rate. But there is also the another side of the problem. Shorter working hours mean a greater opportunity to use leisure time and may mean a higher quality of life. It is hard to talk about a higher living standard because we do not have indicators to measure this phenomenon.¹⁰

This chapter necessarily involves the issue of spending on research and development of new technologies. Europe lags behind the number of researchers per worker in the economy, the introduction of new technologies, the use of the Internet and other areas that shift the economic and technical levels of the country above.

The causes of the lagging European economy, particularly in comparison with the American economy, and consequently the declining share of Europe in world economic performance, are above all the concept of government economic policy, governance of the market and approach to the whole society.

We can see three factors leading to Europe's problems in slowing economic growth and the shrinking share of the European economy in the world economy:

1. Excessive regulation in countries both in production (regulation of businesses) and consumption (regulation of households). In the countries of the European Union, there is a bureaucratic approach of the Union's institutions and a growing agenda for the state administrations.
2. High taxation of producers and consumers.
3. Generous social policy and high economic transfers.

¹⁰ In the US, night work, work on holidays or overtime is not limited at all, there is no statutory holiday. Employees usually get paid for two weeks, entrepreneurs often do not take leave at all.

By economic transfers, we mean subsidies to producers of inefficient industries or businesses. High taxes on producers and consumers bring considerable revenues in government budget and are largely passed on to social and other benefits recipients and non-profitable firms. This generous social policy is also the main motivation for the interest of a large number of immigrants in the European countries, as well as those whose reasons for emigration were not economic.

The economic policy of the German government after the Second World War led to the emergence of the concept of a "social market economy" that some economists consider to be an inappropriate combination of words and expressions denying the principle of the market economy.

The economic policy of the governments of the European countries, especially the European Union Member States, means support for poor citizens and economically inefficient firms and, from a macroeconomic point of view, is seen as a long-term support for consumption to the detriment of investment. This, in the long run, means a slowdown in the economic growth. However, the analysis of the economic policies of countries is a much wider problem than the one that deals with this contribution. We mention it as the main cause of Europe's slowing down the economic growth without undertaking any further analysis.

However, the topic of this paper concerns one part of the government's macroeconomic policy, namely population policy. The question arises as to whether it is possible and appropriate to address the problem of low birth rates and the ageing of the population in most European countries by supporting families and births in the country itself. These are usually cash benefits. It is a complex issue that affects the fiscal policy of the government, and it means increasing the state budget expenditures. It may also result in a reduction in the budget revenue if, for example, there is an extension of maternity leave.

The government population policy does not concern only money transfers. Any government policy measures also entail unwanted consequences, which may be the case for population policies for example the increase of the birth rate of only certain groups of the population. Catastrophic consequences may have a population policy implemented as an impact package that may heavily distort the age pyramid for more than one generation.¹¹ Impacts on population growth and structure are always considered to be harmful, whether caused by external influences (wars, disasters) or governments.

V. Conclusion

The paper presents a basic analysis of demographic and labor market indicators and indicators characterizing migration in numbers together with a description of its impact on the participating countries in various economic areas. The authors set the objective to answer the question set in the title of the paper, whether immigration can be a factor that will solve the gloomy outlook of Europe's economic growth. Their answer is that not. Immigration may partially mitigate the negative impact of Europe's demographic development on its economic growth, the problem of slowing Europe's economic growth and the shrinking share of the European economy in the world economy, however, is not primarily the result of demographic development, but is based on three facts: first, high regulation in European countries in the sphere of production (regulation of businesses) and in the sphere of consumption as well (regulation of households), together with the bureaucratic approach of the European Union and the growing agenda of the state administration, secondly, the high taxation of producers and consumers and, thirdly, a generous social policy towards citizens and high economic transfers to non-profitable sectors. The population policy of the

¹¹ We may recall the disturbances in the economy that occurred in the Czech economy in the mid-1970s as a result of population policy by the birth of an extraordinary number of children named "Husák's Children". The lack of nurseries and schools and the higher unemployment of school graduates have been marked by two more generations of citizens.

governments of European countries aimed at supporting the birthrate of their own population itself does not represent a sufficient solution either.

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