BOOM OR BUST?
- Why Demography matters

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NORDREGIO

CHALLENGED BY DEMOGRAPHY
A NORA Conference on the Demographic Challenges
of the North Atlantic Region
Alta, Norway, October 20-21, 2009

Challenges (1)

- The island structure of the settlements
- Infrastructure development
- High birth rate outweighed by a high outmigration rate
- Increased urbanization
- Centralization of activities
- Intentions of leaving temporary – staying permanently
Challenges (2)

- Polarization in living conditions
- Differences in gender responses to the challenges
- Changes in dependency rates
- Regional differences in dependency characteristics
- Traditional resource extraction are challenged
- Temporary work force has become an issue

Challenges (3)

- Downward trend in exchange of persons within the Westnorden region
- The question of temporary versus permanent relations to the region
- Policies in relation to demographics are closely linked to regional policies.
- Regional development goals often determining the regional demographic consequences
NORA and the regions
The Demographic Transition

The Classic Stages of Demographic Transition

- Birth rate
- Death rate
- Natural increase

Stage 1
Stage 2
Stage 3
Stage 4
### The Demographic Transition Model

<table>
<thead>
<tr>
<th>Stage</th>
<th>Birth rate</th>
<th>Death rate</th>
<th>Total population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1900</td>
<td>21.0</td>
<td>23.0</td>
<td>5.0</td>
</tr>
<tr>
<td>1950</td>
<td>11.0</td>
<td>13.0</td>
<td>9.0</td>
</tr>
<tr>
<td>2000</td>
<td>5.0</td>
<td>7.0</td>
<td>11.0</td>
</tr>
<tr>
<td>2050</td>
<td>3.0</td>
<td>5.0</td>
<td>9.0</td>
</tr>
</tbody>
</table>

The transition from Stage 1 to Stage 4 is characterized by a decrease in birth rate and an increase in death rate, leading to a stable or declining total population.

### The Demographic Transition

The graph illustrates the birth and death rates over time for various countries.

- **Greenland**
  - Birth rate
  - Death rate

- **Norway**
  - Birth rate
  - Death rate

- **Faroe Islands**
  - Birth rate
  - Death rate

- **Iceland**
  - Birth rate
  - Death rate
The Demographic Transition

Birth rates, death rates, and net reproduction rate

Iceland

The parameters
Structural characteristics
### Life expectancy

<table>
<thead>
<tr>
<th>Country</th>
<th>Male life expectancy</th>
<th>Female life expectancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iceland</td>
<td>78,4</td>
<td>82,8</td>
</tr>
<tr>
<td>Faroe Islands</td>
<td>76,8</td>
<td>82,3</td>
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<tr>
<td>Norway</td>
<td>78,3</td>
<td>82,9</td>
</tr>
<tr>
<td>Greenland</td>
<td>66,3</td>
<td>71,3</td>
</tr>
</tbody>
</table>
Gender structure

The Nordic trend
Stay or leave?

- **Boys**
  - 11% would stay in village in municipality
  - 38% would stay in town in municipality
  - 22% would move to another town
  - 19% would move to Nuuk
  - 12% would look for global opportunities

- **Girls**
  - <1% would stay in village in municipality
  - 16% would stay in town in municipality
  - 18% would move to another town
  - 37% would move to Nuuk
  - 29% would look for global opportunities

(Mobility)
Mobility in a Nordic setting
Mobility and Migration Drivers

Theories of national and international migration

- Neoclassical economics
  - differentials between wages and employment opportunities
- New economics of migration
  - risk diversification; overcoming barriers to credit and capital
- Dual labor market theory
  - built-in differences in demand for high-skilled and low-skilled workers
Push and Pull Factors

**Push**
- bad or oppressive laws
- heavy taxation
- unattractive climate
- uncongenial social surrounding and the strength of social ties
- compulsion
- job loss
- political strife

**Pull**
- Labor markets
- Educational opportunities
- Relative freedom from family obligations
- Marriage opportunities
- Health advantages
- Social networks, including family reunification

Theories of national and international migration

- World system theory (dual labor markets are generated by globalization of national economies)
- Social networks: once started, migration is sustained by social networks
Intervening obstacles

These differ according to social context and level of development but include:
- distance to destination
- cost of getting there
- poor health
- Status within family (including but not limited to gender)
- Imperfect information

Who Migrates?

- Life-cycle determinants such as:
  - career advancement,
  - marriage, divorce,
  - larger home for growing family,
  - children for school (<5 is a very mobile group)
- Age more generally:
  - moving out of parental home,
  - finding home after college,
  - Retirement
  - Early 20s is peak time for migration
Who Migrates?

- Those with more money migrate more often
- Those with more education migrate more often
- Two-earner households migrate less
- WOMEN MIGRATE MORE OFTEN THAN MEN
  - The perception of what is a good life differs
Top 10 (Rval hard: top 7) of foreign citizens with residential status in the North Atlantic region January 1, 2009

<table>
<thead>
<tr>
<th>Country</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
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<td>35.5</td>
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<td>Poland</td>
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<td>35.3</td>
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<tr>
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<td>35.5</td>
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<tr>
<td>Lithuania</td>
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<td>35.3</td>
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<tr>
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<td>35.5</td>
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</tr>
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<td>35.5</td>
<td>35.3</td>
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<tr>
<td>Norway</td>
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<td>35.7</td>
<td>35.5</td>
<td>35.3</td>
</tr>
<tr>
<td>Iceland</td>
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<td>35.7</td>
<td>35.5</td>
<td>35.3</td>
</tr>
<tr>
<td>Germany</td>
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<td>35.7</td>
<td>35.5</td>
<td>35.3</td>
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<tr>
<td>Austria</td>
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<td>35.7</td>
<td>35.5</td>
<td>35.3</td>
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<tr>
<td>Switzerland</td>
<td>35.9</td>
<td>35.7</td>
<td>35.5</td>
<td>35.3</td>
</tr>
<tr>
<td>Netherlands</td>
<td>35.9</td>
<td>35.7</td>
<td>35.5</td>
<td>35.3</td>
</tr>
<tr>
<td>Belgium</td>
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<td>35.7</td>
<td>35.5</td>
<td>35.3</td>
</tr>
<tr>
<td>Luxembourg</td>
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<td>35.7</td>
<td>35.5</td>
<td>35.3</td>
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<tr>
<td>France</td>
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<td>35.5</td>
<td>35.3</td>
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<td>Spain</td>
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<td>35.7</td>
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<td>35.3</td>
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<tr>
<td>Portugal</td>
<td>35.9</td>
<td>35.7</td>
<td>35.5</td>
<td>35.3</td>
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<tr>
<td>Italy</td>
<td>35.9</td>
<td>35.7</td>
<td>35.5</td>
<td>35.3</td>
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</tbody>
</table>
### Foreign citizens

#### % Women of Thai citizens in the North Atlantic region

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>Svalbard</td>
<td>20,000</td>
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<tr>
<td>Norway</td>
<td>40,000</td>
</tr>
<tr>
<td>Iceland</td>
<td>60,000</td>
</tr>
<tr>
<td>Faroe Islands</td>
<td>80,000</td>
</tr>
<tr>
<td>Greenland</td>
<td>100,000</td>
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</tbody>
</table>

#### Different approaches to mobility
**Education**

Women's share of persons with semi-long (bachelor level) and long (master and doctoral) education.

**The Nordic setting**
Crisis management

Faroe Islands response to resource crises

Gender differences

Mobility - Males, South Greenland

Mobility - Females, South Greenland
Insecurity

Forced?
Consequences for the Settlements

<table>
<thead>
<tr>
<th></th>
<th>Greenland</th>
<th>Faroe Islands</th>
<th>Iceland</th>
</tr>
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<tbody>
<tr>
<td>Population</td>
<td>100.000 and over</td>
<td>10.000 - 99.999</td>
<td>500 - 999</td>
</tr>
<tr>
<td></td>
<td>5.000 - 9.999</td>
<td>200 - 299</td>
<td>100 - 199</td>
</tr>
<tr>
<td></td>
<td>2.000 - 4.999</td>
<td>100 - 199</td>
<td>50 - 99</td>
</tr>
<tr>
<td></td>
<td>1.000 - 1.999</td>
<td>100 - 199</td>
<td>Rural areas /less than 50</td>
</tr>
</tbody>
</table>

Population categories:
- Population 100.000 and over
- Population 10.000 - 99.999
- Population 5.000 - 9.999
- Population 2.000 - 4.999
- Population 1.000 - 1.999
- Population 500 - 999
- Population 300 - 499
- Population 200 - 299
- Population 100 - 199
- Population 50 - 99
- Rural areas /less than 50
### Settlement Structure in Norway

<table>
<thead>
<tr>
<th></th>
<th>1998</th>
<th>2009</th>
<th>Changes</th>
<th>Change in total population</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Dispersed 1998</td>
<td>Dispersed 2009</td>
<td></td>
<td></td>
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<tr>
<td>10 Vest-Agder</td>
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<td>20.4</td>
<td>-3.13816</td>
<td>10.4</td>
</tr>
<tr>
<td>11 Rogaland</td>
<td>19.2</td>
<td>14.7</td>
<td>-4.49622</td>
<td>15.7</td>
</tr>
<tr>
<td>12 Hordaland</td>
<td>25.8</td>
<td>21.2</td>
<td>-4.52886</td>
<td>9.6</td>
</tr>
<tr>
<td>14 Sogn og Fjordane</td>
<td>51.4</td>
<td>43.7</td>
<td>-7.70218</td>
<td>-1.3</td>
</tr>
<tr>
<td>15 Møre og Romsdal</td>
<td>39.3</td>
<td>31.2</td>
<td>-8.01397</td>
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<tr>
<td>16 Sør-Trøndelag</td>
<td>25.9</td>
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<td>17 Nord-Trøndelag</td>
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<td>18 Nordland</td>
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<td>31.3</td>
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<td>-1.9</td>
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<tr>
<td>19 Troms Romsa</td>
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<tr>
<td>20 Finnmark Finnmárku</td>
<td>25.8</td>
<td>26.2</td>
<td>0.380684</td>
<td>-2.7</td>
</tr>
</tbody>
</table>
Decay?

Decay?
Decay?

Or revival?
Or revival?

Or revival?
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- The island structure of the settlements
- Infrastructure development
- High birth rate to compensate for a high outmigration rate
- Increased urbanization
- Centralization of activities
- Intensions of leaving temporary – staying permanently

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Thank you for your attention