**Demography, Expectations and Public Policy**

1. **Introduction**

In his **Demographics Unravelled**, Amlan Roy quotes the management consultant Peter Drucker as having written: ‘Demographics is the single most important factor that nobody pays attention to, and when they do pay attention, they miss the point’.[[1]](#endnote-1) I will do my best, here, not to miss the point – although one has to go carefully, just because not only, as Roy suggests, are many different factors involved, but as Dorling and Gietel-Bastan stress in their **Why Demography Matters**,[[2]](#endnote-2) demography is not destiny. By this they mean – against people stressing ‘population bombs’ and so on – not only that the empirical information underlying demographic projections is often uncertain, but that the problems are complex and we face many – and difficult – choices as to how we should respond to them.

Nonetheless, there are fairly clearly some serious issues facing us, which I will discuss.[[3]](#endnote-3) Further, I will suggest, the problems of public policy in this area are particularly difficult. For not only is this a field in which there may be significant clashes between our expectations, our ‘values’ and the realities of our situation. But we are also living in a period in which there is a widespread distrust of anyone who claims to offer expert knowledge, and in which people’s preferences, and especially their claims that they are suffering injustices, are magnified through social media. The general problem, here, is that while all knowledge – including that of experts – is fallible, it can, nonetheless inform us of constraints upon what can be achieved, of which we may not be aware, which we may find it difficult to understand, and which cannot be summed up in simple slogans.

An obvious example, as I write, are the ructions in France in the face of President Macron’s with to raise the level at which people can receive state pensions. The underlying issue is that – in common with other richer countries – France faces the problem that older people are living for much longer than they did in the past. Further, reduced birth rates, and growing percentages of younger people in further education, mean that there are likely to be fewer people in the workforce than there used to be, to support people who are retired and whose pensions are paid on an ongoing basis from current taxation of working people.

It is doubtless the case that there are problems with Macron’s ideas – not least relating to the situation of women, and difficulties about a uniform retirement age when, say, those who have had a long lifetime engaged in heavy manual work, may be in a much worse situation in respect of later retirement, than are, say, those engaged in professional duties in an office. The problems here, however, are that what is involved may be complex, that anything that is satisfactory as policy may be at odds with some people’s interests, and also not fit other people’s feelings about what is fair. While in addition it is important to bear in mind that, in the real world, policy is not determined by impartial Platonic guardians, but in important ways by the bargaining positions of particular groups (e.g. the ability of people in certain sectors of the economy to realistically threaten problems for everyone else by going on strike). While another significant factor is the way in which social arrangements, at any one point, exhibit a historical path-dependency, so that the wages that people are receiving, and what they expect to receive, relates in important ways to how their position in the economy has developed over time.

In addition, it is worth bearing in mind that some of the problems, here – e.g. as affecting women – relate to issues about the common patterns of women’s participation in the workforce. This, however, means that attempts to reach a satisfactory pensions system, are likely to be inter-connected with other issues which are themselves complex and difficult to reform.

A further problem, to which I can only allude here, is the issue of the possibility – and to the degree to which it is effective, the legitimacy – of government addressing issues like these by way of its ‘nudging’ us into behaviour which it is argued would lead to better policy outcomes.[[4]](#endnote-4) I hope to address this issue in a subsequent piece in this journal.

1. **What are the Problems?**

The most pressing demographic problems are fairly obvious, just in the sense that they are already with us in more affluent countries. The issues of decreasing fertility (in the sense of the number of children that people have) mobility from rural to urban areas, and greater educational and career opportunities for women, are obvious enough. There are also growing numbers of younger people in further education – and thus out of the job market. In addition, more of us are living longer. But longevity is typically accompanied by long periods in which people are dependent on retirement pensions, and – in different ways for different people - of chronic ill-health and dependence.

These things, if put together, immediately signal some problems. Decreasing fertility means that the ratio between those who are working and those who are retired is changing. There are two kinds of issues here. On the one side, if pensions are funded on a ‘pay as you go’ basis (i.e. in which people’s pensions are simply a charge on the current workforce), this will take an increasing proportion of earnings in taxation.[[5]](#endnote-5) (There are, of course, possibilities of addressing this by also taxing wealth. But this is likely to be resented by people who have already paid tax on the income that they have used to purchase the assets in question, and to pose complex problems if people’s houses or retirement savings are to be included.) The same is true in respect of health care (and more generally social care) for elderly people. On the other, there is the problem of looking after increasing numbers of people who are now typically not only living longer, but are often in poor physical shape, or with various kinds of dementia - a severe problem with which medical research still shows no real sign of coming to grips.

As Dorling and Gietel-Basten have stressed, all of these issues face us with choices rather than, simply ‘demography as destiny’. But the choices may be difficult ones. As public policy problems they are often complex, involving inter-relationships between many different factors. While they also inter-relate to personal decisions, and political choices which we make, often on the basis of gut feelings and typically without an understanding of the wider consequences which will follow from them.[[6]](#endnote-6)

Let us start from the beginning, with fertility. There are distinctive trends which have been noted, as countries move towards urbanization, as women receive more education and opportunities for employment more on a par with men, as infant mortality falls, and as contraception becomes readily available. Understandably enough, this typically leads to fewer births. But in some countries, it has led to births not reaching the ‘replacement rate’, and thus to concerns about the balance of population between young and old. Two points here, however, are worth noting. On the one side, where there is more generous support for people to have children, the number of children tends to increase. On the other, there is no automatic mechanism which balances private decisions to have children, and the wider outcomes of all this – in terms of the balance between those of working age, and those who are retired. This poses the question of whether this issue is one which should be addressed by government policy – and, if so, by what means.

Two other issues are also relevant here.

The first concerns women’s expectations. To the degree to which women have expectations of careers similar to those that have characterised the careers of men, there is the problem of how this relates to the care of children. To raise this point is not to suggest that this is a duty that has to fall on women, and certainly not just on their resources – and at the expense of a career. But once this issue is raised, one must ask: just who is going to undertake these duties, and who is to pay for their provision (i.e., just parents, or members of society more generally)? Historically, caring duties for the young, the sick and the elderly have tended to fall on women. But these are expectations that they cannot fulfil if they are pursuing careers on a par with those which men have pursued when they did not have such duties. It is also important to bear in mind the degree to which life in ‘developed’ countries tends, now, to be conducted under the assumption that there will be two incomes in a household. But this, in turn, means that under existing working conditions, no-one is readily available to take on such duties.[[7]](#endnote-7) However it is also not clear that, as matters of policy, countries have fully faced what this means either in terms of people’s work commitments (to say nothing of how these issues are to be faced, say, by those who are self-employed), or in terms of making this something requiring professional services to be paid for out of taxation.

Historically, there were strong social pressures on women to marry if they were pregnant, and in some countries unmarried women faced immense pressure to give their babies up for adoption. This is an area in which people seem to cherish freedom not to marry (although it is interesting that in both the U.S. and the U.K., while this freedom has been emphasised strongly from the 1960s onwards, it seems that wealthier people still tend to marry).[[8]](#endnote-8) One cannot but have compassion for women in this situation. But the difficulties of bringing up a child without financial and practical support from a partner are formidable, and there may also be problems for children if they grow up in a setting in which there is only one parent.[[9]](#endnote-9)

The second general issue concerns the costs of education. Education, and especially extended education, is costly. There are both the direct costs (and the question of who should carry these), but also the problem that those who are being educated are themselves out of the workforce. (Or, as seems to be becoming increasingly common, are taking part-time jobs, often to the detriment of their education, but which are also typically much lower in productivity than jobs that they could undertake if they were in full-time work.[[10]](#endnote-10)) If the ratio between those in the workforce and those in education falls as a consequence of a fall in the birth rate, demographers have pointed out that this, in fact, produces a bonus – in that less has to be spent by the government on paying for education.

There is, however, a problem. There are both private (in the sense of individual) and social returns to education (in the sense of benefits to society generally from its members getting a suitable education). But it seems difficult to work out what the balance between these is. In addition, there are obvious problems about what education actually provides useful returns to anyone.

In Britain, it seems to me that traditional tertiary education has been looked at as analogous to a cargo cult.[[11]](#endnote-11) Cargo cults were a phenomenon in some Pacific islands, in which local people – in response to seeing all kinds of stuff being unloaded from planes during the Second World War for the benefit of members of other countries’ armed forces who happened to be there – conjectured that they should also be entitled to these goods, and would receive them if they performed appropriate rituals.[[12]](#endnote-12) Something similar, it seems to me, happened with respect to British universities in the middle years of the Twentieth Century. The proportion of the population attending these was originally small, and entry was highly competitive. Those completing such education successfully typically had good prospects of well-paid employment. Study of subjects such as the classics, and my own subject of philosophy, performed a useful role – just in the sense that those undertaking such academic work typically then went on to the more demanding positions in the civil service, and professions such as law, which called for just the kind of intellectual skills which these subjects cultivated. It seems to me that there was later the expectation that if larger numbers of students undertook the same educational activities, they, also, would gain the material benefits which had accrued to a smaller, more elite, group in the past!

There was a significant expansion of British universities – which has continued ever since (and which has come to include what were teachers’ training colleges, and various other colleges of higher education, being turned into universities). This has led to a large expansion of tertiary-level teaching in arts and social science subjects.[[13]](#endnote-13) It is certainly the case that there was increased demand for higher-level skills, and social returns to their production. But what those returns are, and just what was needed by way of training in what fields, was never clear.[[14]](#endnote-14) How it related to individual choice of what courses to study, was also – typically – not clear to those making the relevant choices. And in Britain, at least, there are regular reports of industry not being able to make good use of the skills that people have, while there are chronic shortages of people in certain skilled technical occupations the training for which has been relatively neglected.[[15]](#endnote-15)

A third problem relates to increasing life expectancy, in terms of more people living to a greater age. These are two aspects to this.

The first concerns provision for retirement. An important issue, here, is that many countries have inherited ‘pay-as-you-go’ systems, in which the costs of pension provision for the elderly fall onto the current workforce. This has often been coupled with arbitrary[[16]](#endnote-16) ideas about the age at which people should be able to retire and be entitled to such a pension – which are typically then seen as ‘rights’. The obvious enough problems are that, if there is a change of the relative numbers of people in the workforce in relation to those who are retired, the situation can become difficult to sustain, economically. But it is also difficult to change. The elderly tend to be assiduous voters, and there are lots of them. If a pension has been given to people on the basis that they have reached a certain age, it will be difficult to change to a situation in which there is differentiation on the basis of health or the kind of work that they have been undertaking, however rational this might seem. It is also is difficult to shift from a pay-as-you-go to a self-financed contributory system, as there would be problems about a period in which one group would seem to end up paying both for the current generation of retirees, and also for their own pensions.

This is not to say that these problems could not be overcome, and there are certainly some good systems in existence – such as the Australian superannuation system, in which pensions as such are non-contributory but means tested, but in which people save privately for their own superannuation, for which there are tax concessions.

The other problem concerning the elderly concerns medical care and social care – in the sense of provision for people who can no longer look after themselves. The problem here is, on the one side, that advances in medicine, knowledge about nutrition, and wealth, have led to older people living much longer than they used to, and in many cases to people living to an advanced old age while still very capable. However, not only are the benefits of this very uneven across the population (notably in terms of social classes and wealth), but in the end, dependency is likely to come to everyone (unless they enjoy the benefits of a sudden death). To this, one can add that, these days, many more people are able to live much longer with severe disabilities of all kinds. The problems, here, are who is going to pay for this, and who is going to undertake the work involved in looking after them?

Not only are the costs considerable, but they are also in some ways difficult to anticipate.[[17]](#endnote-17) Increases in life expectancy are, indeed, something that people have come to expect (although a falling off of life expectancy from Covid, and, say, from issues relating to obesity in some affluent countries were not anticipated). But what the effects on not just life expectancy but on people’s abilities to live productive lives will be from medical advances, are much less easy to predict. In particular, while death rates from heart disease, strokes and some kinds of cancer have fallen, no significant advances have yet been made in relation to dementia. While the broad effect of the progress that has been made, is to postpone rather than abolish, the problem of dependence.

The second question, here, relates to who is to do the caring? One obvious issue, is that the shift, on the part of women, towards greater involvement in the general job market, and the growth of feminist ideas, have meant that fewer women will be willing, or available, to undertake the paid caring roles that they have taken in the past (to say nothing of their willingness or availability to do this on an unpaid basis). One might look to a shift on the part of men into these roles.[[18]](#endnote-18) This would typically involve a shift in the conception of the roles that they are willing to undertake which might pose some difficulties. In addition, it would typically mean that the low rates of pay which have prevailed in this area would need to be addressed. But this, in turn, poses the problem: who would pay for this?

Important issues are whether it should be a call on general taxation, or be the responsibility of the individuals concerned (and their families). A major issue, here, is that some elderly people may be quite wealthy (either in terms of pension savings, or because of the appreciation of property prices – both typically enhanced as a consequence of ‘quantitative easing’). But who is affected in the sense of needing extensive care over a long period, is a matter of chance. While in Britain there has been strong resistance to the idea that people should sell their houses to finance such expenditure, not least because of their wish to leave savings to their children. In principle, a just way to go might seem to be a limited inheritance tax on everyone of a certain proportion of their assets – which, however, would need to be policed so that people could not dispose of their assets prior to their death, in ways that avoid it. But the politics of this would likely to be difficult.

The final issue, here, is immigration. While – as Dorling and Gietel-Basten have stressed – one needs to be very careful in making any such judgements, in respect to both the figures and the basis on which they are made – some more wealthy countries have seen significant changes in their age profiles. Shortages of carers, and also of people with important skills, have emerged. This, in turn, has led to what one might call structural needs for immigrants – who could also be welcomed because they add to the number of people who are earning and paying tax.

However, there are several problems about this.

The first, to which I will turn in the next section, is that it is one thing for there to be a structural need for immigration in terms of the current state of the economy, quite another for people to welcome immigrants. Indeed, it has been widely argued that one of the main reasons why there was support for ‘Brexit’ was because of people’s dislike of immigration into Britain from other parts of the EU.[[19]](#endnote-19)

The second, is that there is the problem that, over time, immigrants tend to become increasingly like the population into which they have moved – e.g. in terms of fertility, and aspirations.[[20]](#endnote-20) This means that, to the degree to which the problems are structural, immigration will be only a short-term fix, and will need to be repeated on a continuing basis in successive generations.

The third, is that it is not clear that immigrants will be readily available to take up such positions. In broad terms, the rate at which world population has been increasing, is falling off considerably.[[21]](#endnote-21) It is also the case that people who may wish to move will necessarily have the kinds of skills of which developed economies have needs. (Although it is interesting that the Philippines have developed commercial medical schools, specifically with an eye to training people who will work overseas.[[22]](#endnote-22))

The other side of this, however, is what the impact is on countries from whom people migrate to take up opportunities in other countries. This is not an issue on which I – writing in Scotland – can sensibly write addressing people in Croatia. But it is worth mentioning what have been argued to have been the adverse effects of the slave trade on development in Africa.[[23]](#endnote-23) There are obvious differences between voluntary emigration and the slave trade, and there is also the complex story of the economic effect of remittances home from those who have moved abroad. But the issues, here are clearly complex, and their analysis requires concern not just with voluntary individual decisions, but also the study of the sometimes complicated products of these decisions and the way in which they then structure the settings in which we act. It is, indeed, this that leads me to the final section of this piece.

1. **Some Hazards of Populism**

The times in which we are living have been characterised by the rise of forms of populism. This is, obviously, not something that has been unknown in the past. Think only of the demagogic aspects of democracy in the Classical world, and also some of the phenomena of the inter-war years in the Twentieth Century. But what has taken place, politically, in Hungary, Poland, Italy and France, to say nothing of the Trump phenomenon in the United States, and Brexit in Britain, should give liberal democrats pause – not least because one was dealing, here, with people in relatively wealthy countries, in which citizens have ready access to good sources of information.

Much could be said about this situation. But it is here perhaps useful to compare what is said in a recent book by a British academic with the issues that I have raised so far in this piece. In his **Values, Voice and Virtue**, which was published very recently, Matthew Goodwin discusses the way in which Brexit – and, he seems to think, a possible future re-orientation of Conservatism in Britain along more populist lines[[24]](#endnote-24) - can be understood as a product of the neglect of the ‘values’ of people who had not benefitted significantly from changes that have taken place recently in Britain. He draws attention to the impact of the loss of traditional forms of manufacturing employment, to large-scale immigration, and also to the dominant role that is currently being played by a liberal-minded ‘woke’ elite, and also by growing numbers of young like-minded graduates from the expanded university system.

In my view, he raises important issues – not least a neglect, in the development of public policy, of the interests of young working-class men, and more generally a concern with symbolic virtue-signalling rather than with people’s real-world circumstances.[[25]](#endnote-25) However, I think that he also goes badly wrong. For his particular concern is, as I have indicated, with the neglect of these people’s ‘values’. By this, he means not just their traditionalism and the way in which they have been patronised by people who take themselves to be their betters, but also their substantive reactions to problems in public policy.

However, these policy issues – as I hope that the first part of this piece has suggested – may often be complex, and matters of which our intuitive reactions may not make much sense. It is important that people can express their concerns. But at times, there may not be much that can be done about them, or what they are worried about may represent the other side of things of which they are enthusiastically in favour. Further, as demography suggests to us, some of the things that disconcert us may be the products of decisions that we and other people were free to take, but the longer-term consequences of which we were not in a good position to understand.

All this – and while I have illustrated this from demography, I could equally well have done so from economics and other areas of specialised study – carries, I believe, an important lesson. It is that while we must note its fallibility, expert knowledge has a key role to play in sensible decision-taking, and that we dismiss the ideas of experts – as is currently all too common – at our peril. We face a real risk that the process of policy formation, and our politics, becomes too responsive to expressions of our ‘values’ – where these may include ideas which, while attractive, are in fact simple-minded and would not withstand any serious critical scrutiny from people who know what they are talking about. This, however, does not mean that many, many, people may not ‘like’ them on social media.

If I am right about this, it suggests to me that a really important task is how to address the re-creation of a public sphere in which citizens can be informed about why policy decisions are being taken on the basis that they are, but in which they can also get sensible, and respectful, responses to their questions and doubts about what is being done. I hope to address this in a future piece, taking as my example the problems that were posed by Covid.

1. Amlan Roy, **Demographics Unravelled**, Chichester: Wiley, 2022. [↑](#endnote-ref-1)
2. Danny Dorling and Stuart Gietel-Basten, **Why Demography Matters**, Cambridge: Polity, 2017. [↑](#endnote-ref-2)
3. See, for example, the leader in **The Economist**, the title of which speaks for itself: https://www.economist.com/leaders/2023/06/01/global-fertility-has-collapsed-with-profound-economic-consequences [↑](#endnote-ref-3)
4. See, for a quick overview and references to some of the major literature, the Wikipedia entry on ‘Nudge Theory’: https://en.wikipedia.org/wiki/Nudge\_theory [↑](#endnote-ref-4)
5. It is worth noting that problems of increased life expectancy have, historically, posed problems for some private pension schemes. For if such rises were not anticipated, and matched with forms of saving and investment that took this into account, the schemes could not meet their commitments. [↑](#endnote-ref-5)
6. I was also struck, when reading **Why Democracy Matters**, that the authors, while offering a nuanced understanding of the complexities of the field with which they are dealing, seemed to me to fall victim, when dealing with economic, social and environmental issues, just the kind of un-nuanced sloganizing of which they are justly critical in their own field. [↑](#endnote-ref-6)
7. China, say, faces a difficult problem of provision for the elderly, in situations where it is now quite common for them to be living in the countryside, while their children have moved to cities. While in a system in which children are expected to care for ageing parents, there are particular problems from the consequences of a one-child policy, not least if the child should predecease its parents. [↑](#endnote-ref-7)
8. See, on this, Charles Murray, **Coming Apart: The State of White America, 1960–2010**, New York: Crown Forum, 2012 or Robert D. Putnam **Our Kids: The American Dream in Crisis**, New York: Simon & Schuster, 2015. and Matthew Goodwin, **Values, Voice and Virtue**, Harmondsworth: Penguin, 2023 on the UK. [↑](#endnote-ref-8)
9. I have in mind, here, both the fact that if there is only one person responsible for a child, things must be difficult when they are tired or simply fed up with one another. While on the face of it, there would be an advantage to growing up in a setting in which there are good patterns of interaction between two adults in a close relationship with one other. [↑](#endnote-ref-9)
10. I was struck, when teaching at the Australian National University in Canberra, Australia, that many able students were working part-time waiting in restaurants and cafes, or working as night-time security guards in public buildings. [↑](#endnote-ref-10)
11. For a recent view of all this which is more optimistic than mine, see **The Economist**, April 3rd, 2023: ‘Was your degree really worth it? Crunching the puny financial benefits of many university courses’, <https://www.economist.com/international/2023/04/03/was-your-degree-really-worth-it> [↑](#endnote-ref-11)
12. See on this Ian Jarvie’s excellent **The Revolution in Anthropology**, London: Routledge, 1964. [↑](#endnote-ref-12)
13. And to what looks like considerable under-spending on technical education. However, it is striking that in many poorer countries, there was a mass production of engineers, who appear to have been no more employable using the skills in which they were trained, than were British arts students. [↑](#endnote-ref-13)
14. Another issue, which I will mention only briefly here, is the degree to which further education became a positional good – i.e. something that advantaged you only relative to other people. (I.e. like standing on a wooden box to see better at some parade: if everyone gets such boxes, one ends up where one was before.) See, for the idea itself, Fred Hirsch, **Social Limits to Growth**, London: Routledge, 1977. In higher education, this led – after Batchelor’s degrees were held by more people – to increasing numbers of people also taking taught Masters’ degrees. There are increasing complaints that all this is being done only to obtain employment which did not, in fact, require anything more than a high-school education. [↑](#endnote-ref-14)
15. Notably, of electricians, plumbers and people skilled at woodwork, bricklaying and more generally in building trades. [↑](#endnote-ref-15)
16. On which see **Why Demography Matters**. [↑](#endnote-ref-16)
17. Which, in turn, is likely to pose problems about purely private provision for retirement, unless investments – the returns to which will always be uncertain – can be combined with commercial insurance provision against changes in life expectancy. [↑](#endnote-ref-17)
18. Cf. Will Shepherd, ‘Gender imbalance in the social care sector’, <https://www.hrzone.com/talent/acquisition/gender-imbalance-in-the-social-care-sector-time-to-plug-the-gap#:~:text=In%20fact%2C%20there%20is%20a,have%20barely%20changed%20since%202012>, which reported that in 2018, 84% of carers in England were women. [↑](#endnote-ref-18)
19. See, for a recent work which argues this empirically, Matthew Goodwin’s **Values, Voice and Virtue.** [↑](#endnote-ref-19)
20. One might say: but why not rely on ‘guest workers’ who are denied the possibility of permanent settlement. But historically, many immigrants have intended to move to a country only on a temporary basis, but typically then come to adopt the ways of life in the country to which they have moved, while their children grow up there, attend schools there, and in effect become citizens of the new country. There are models which stick strictly to a guest worker pattern; e.g. Singapore, in which women working as maids are deported if they become pregnant (see **Why Demography Matters**). But it is not clear that many countries would wish to adopt such ways of treating people. [↑](#endnote-ref-20)
21. See for example the reference cited in note 3. Clearly, what the consequences will be of migration in the face of climate change is another matter, but not one which I can address in the present piece. [↑](#endnote-ref-21)
22. Cf. <https://en.wikipedia.org/wiki/Medical_education_in_the_Philippines> [↑](#endnote-ref-22)
23. See, for example, <https://scholar.harvard.edu/files/nunn/files/empirical_slavery.pdf> [↑](#endnote-ref-23)
24. It is here worth bearing in mind the argument made by Cas Mudde in his **The Far Right Today**, Cambridge: Polity, 2019, that populist parties in both Hungary and Poland had started off as more traditional conservative parties. [↑](#endnote-ref-24)
25. See, on this, and its links to certain distinctive ideas in recent philosophy, my ‘Postmodernism and Politics’ (Postmoderna politika, Ideja 31. ožujka 2021); <https://ideje.hr/postmoderna-politika-kad-netko-spomene-ljudsko-pravo-zeli-prekinuti-razgovor-vrline-nemaju-uvijek-dobre-socijalne-posljedice/> [↑](#endnote-ref-25)