

CONSEIL DE L'ATLANTIQUE NORD NORTH ATLANTIC COUNCIL

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DEMOGRAPHIC AND MANPOWER POLICIES AND TRENDS IN THE USSR AND EASTERN EUROPE

Note by the Chairman of the Economic Committee

During the first quarter of the year the Economic Committee on several occasions considered the possibility of declassifying some of its reports to the Council(1). It agreed, inter alia, subject to confirmation by one delegation, that a declassified version of the document on demographic trends in the USSR and Eastern Europe (C-M(76)62) should be issued.

2. Now that the delegation concerned has confirmed its approval, the Economic Directorate has prepared the attached text in accordance with the wishes of the Economic Committee.

(Signed) J. BILLY

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(1) Attention is drawn more particularly to Item III of AC/127-R/532.

N A T O U N C L A S S I F I E D

DEMOGRAPHIC AND MANPOWER POLICIES AND TRENDS
IN THE USSR AND IN EASTERN EUROPE

Report by the Economic Committee

The following report, which deals in turn with the demographic situation in the Soviet Union and in the East European countries, incorporates the main findings of the Economic Committee and of a number of national experts who met on 13th and 14th May, 1976 to examine this question.

I. DEMOGRAPHIC TRENDS IN THE USSR

A. General situation

2. In 1975, the Soviet Union had a total population of 254.5 million. This population was relatively young but its structure reflected the ravages of the Second World War: small proportion of men born before 1920 (in 1970, 15% of the male population was over 50 years old whereas the proportion of women in this age group was 25%), small size of the 25 to 35 age group, the result of the low birth rate in the 1940s.

3. Since the early 1960s, the growth rate has been declining as a consequence of fewer births. This phenomenon stems from the fact that it is the depleted wartime generation which has now reached the age of parenthood but also reflects a drop in the fertility rate. A number of socio-economic factors, in particular urbanisation, the desire for a higher standard of living, the greater part played by women in the economic life of the nation, easier access to contraceptives, all prompt Soviet couples to adopt a more malthusian attitude than in the past. This slow-down in the demographic rate of growth is likely to continue. In the long-term, it should lead to a marked ageing of the population particularly that of Russian origin.

4. The Soviet demographic pattern is a checkered one: while the general trend is towards a falling birth rate, the figures recorded for the Central and Southern Asian regions are well above the national average. Because of this, the numerical supremacy of the Russians over other ethnic groups will gradually be eroded(1). Political and social stress could well ensue. Be that as it may, the rest of the country will have to contribute to the improvement of the economic and social standards of the population in the Asiatic republics and to the development of those regions.

(1) In 1970, Russians accounted for 53% of the Union's population; in 1990, they will only account for 47%.

AC/127-D/548

-3-

5. To stem the current trend, the authorities have recently taken certain measures to help young mothers; however the success of those measures may be thwarted by shortages such as in housing and in day nurseries. Furthermore the government cannot go very far in this direction since to do so would be to run the risk of taking out of production women who are needed by the economy.

B. Working population

6. The rates of growth of the Soviet economy are already somewhat hampered by the insufficiency both of inputs of fresh labour into the work force and of productivity gains. This state of affairs will worsen as a result of the smaller increase in the population of working age, the consequence of the demographic decline which has been apparent since the mid-1960s: the annual increase is not expected to exceed 0.4% between 1981 and 1985 as compared with 1.5% between 1976 and 1980. The effects will be felt particularly in industry and in the services sector owing to the fact that the possibility of transferring manpower from the agricultural sector is limited by the requirements of that sector and by the fact that the average age of the rural population is rising. The potential shortfall in manpower cannot be met by foreign labour since it is unlikely that there will be any change in the restrictive Soviet immigration policy inspired mainly by ideological considerations.

7. In addition, current demographic projections show that as from 1980-1985 and up to the year 2000, most of the increase in the population of working age will be in the Central and Southern Asian regions. Given the difficulty and high cost of transferring centres of activity eastwards, the Soviet Authorities will probably encourage the move to the Western areas of the new work force which will have become available. However, there will then be the problem of assimilating this population and of helping it to adjust to a modern industrialised society. A high level of productivity cannot therefore be expected from it and this will act as a brake on the big productivity increases hoped for by the authorities.

8. The slow-down in the birth rate and the geographical changes arising out of natural population movements could also have military repercussions. As from 1980 the number of 18-year olds will be smaller and the intake of conscripts could accordingly drop. This development will force the Soviet Authorities to consider measures such as more stringent exemption criteria, increases in the number of regular personnel, lengthening of the period of national service or

even cuts in the number of serving personnel. Indeed, there is no reason to suppose, that such a reduction would not be possible: the current situation(1) could reflect a certain inertia in manning policy; in addition the sophistication of weaponry could allow for a reduction in the number of men without a corresponding reduction in efficiency. In the long-term, moreover, the growing number of conscripts of non-Russian origin (which may account for 35% of the total by the year 2000 if there is no change in present trends) could affect the efficiency of the military machine given the thinner spread of industrial techniques in those regions and the more limited knowledge of the Russian language among this category of recruits.

9. General conclusion

Demographic trends in the Soviet Union will play an increasingly important rôle in national life, particularly when viewed against economic development. The authorities hope to offset the negative impact on growth of the present trend by gains in productivity. These will depend to a large extent on the success of the efforts being made to achieve a more rational use of labour and increase the rôle of technical capital in the production process. The acquisition of Western technology should also lead to higher output in certain sectors. In the medium-long-term and if there is not a substantial increase in the productivity of the Soviet economy, the authorities will have to bring themselves to choose between the sharply conflicting requirements of a powerful and massive military machine and an economy in search of new labour.

II. DEMOGRAPHIC TRENDS IN THE EAST EUROPEAN COUNTRIES

A. General situation

10. Population trends in the East European countries are, with the exception of Albania and East Germany, and apart from certain regional variations, broadly the same as in the Soviet Union, the only difference being that the decline in the birth rate began earlier, in the mid-1950s. This decline is due, as in the Soviet Union, to a drop in fertility, the consequence of a number of converging socio-economic factors, the effect of which was heightened by the ready availability of contraceptives. It would seem in particular, that the exodus from the countryside of what had hitherto been a largely agricultural population and the housing difficulties aggravated by rapid urban development are often responsible for keeping down the birth rate.

(1) The Soviet armed forces are believed to consist of 4.8 million men.

AC/127-D/548

-5-

11. The authorities of a number of East European countries have recently taken steps to stop the downward trend in the birth rate, and in some cases they have been successful. In this connection, it is worth mentioning the spectacular rise in the fertility rate in Romania at the end of the last decade, after the measures taken to reduce the number of abortions. In the long-term, however, there is unlikely to be any change in the downward trend of population growth in all the countries concerned, with the exception of Albania where the natural rate of growth has remained very high.

12. In the case of East Germany, the large-scale migrations of the 1950s and 1960s led to a reduction in the population despite the fact that there were more births than deaths. Between 1960 and 1970 the rate of births and deaths ran on parallel lines but in the 1970s the tendency has been towards a higher number of deaths than births. In the longer term, the population can be expected to remain stagnant.

B. Working population

13. The outlook for trends in the East European working population vary from one country to another. Poland is in a relatively favourable position. The young structure of its population will provide it with a relatively large work force in the medium-term. Bulgaria and Romania should be able to meet most of the manpower requirements of their expanding economies owing to the possibility of transferring workers from agriculture to other sectors. In Romania, the number of women actively employed can also be increased.

14. On the other hand, the shortage of manpower in Hungary and Czechoslovakia is expected to continue. The authorities of those two countries are striving to increase labour productivity as far as possible to prevent this shortage from holding back economic growth. In East Germany, the gradual decrease in the abnormally high number of workers in the older age groups(1) and the arrival on the labour market of young people born after the large-scale emigration of the 1950s will lead, during the next fifteen years to an increase in the relative size of the working population. The consequence of this development will be two-fold: the labour shortage will dwindle and the burden of aid for older people will shrink thereby permitting a reallocation of resources. However, should the birth rate continue to fall, the country will once again be short of labour as from 1990 as well as being faced with an increase in the cost of welfare payments because of the rise in the numbers reaching retirement age.

(1) In 1974, 20% of the population of the GDR had reached retirement age. This percentage was one of the highest in the world.