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# Perspectives for the public sector in Europe

**Hans Martens**  
**Chief Executive**  
**European Policy Centre**

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## Three crises

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Financial crises

Economic crises

Social crises

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## **From crises to crises**

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**Stimulus packages created of course large public deficits**

**But financial markets impatience pushes for too quick action**

**Large cuts seems to be the only political option**

**Public services will suffer dramatically**

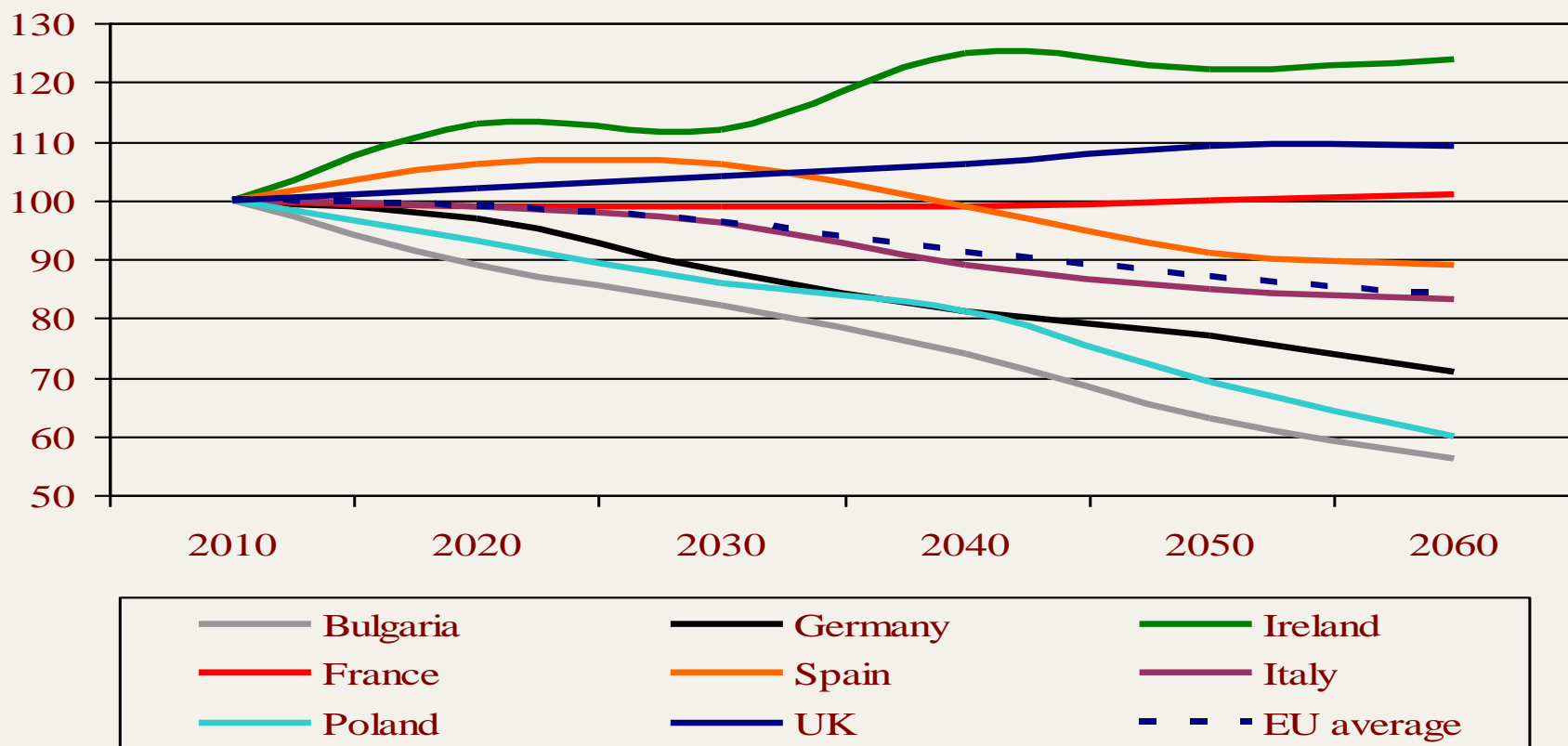
**This crises will lead into the next**

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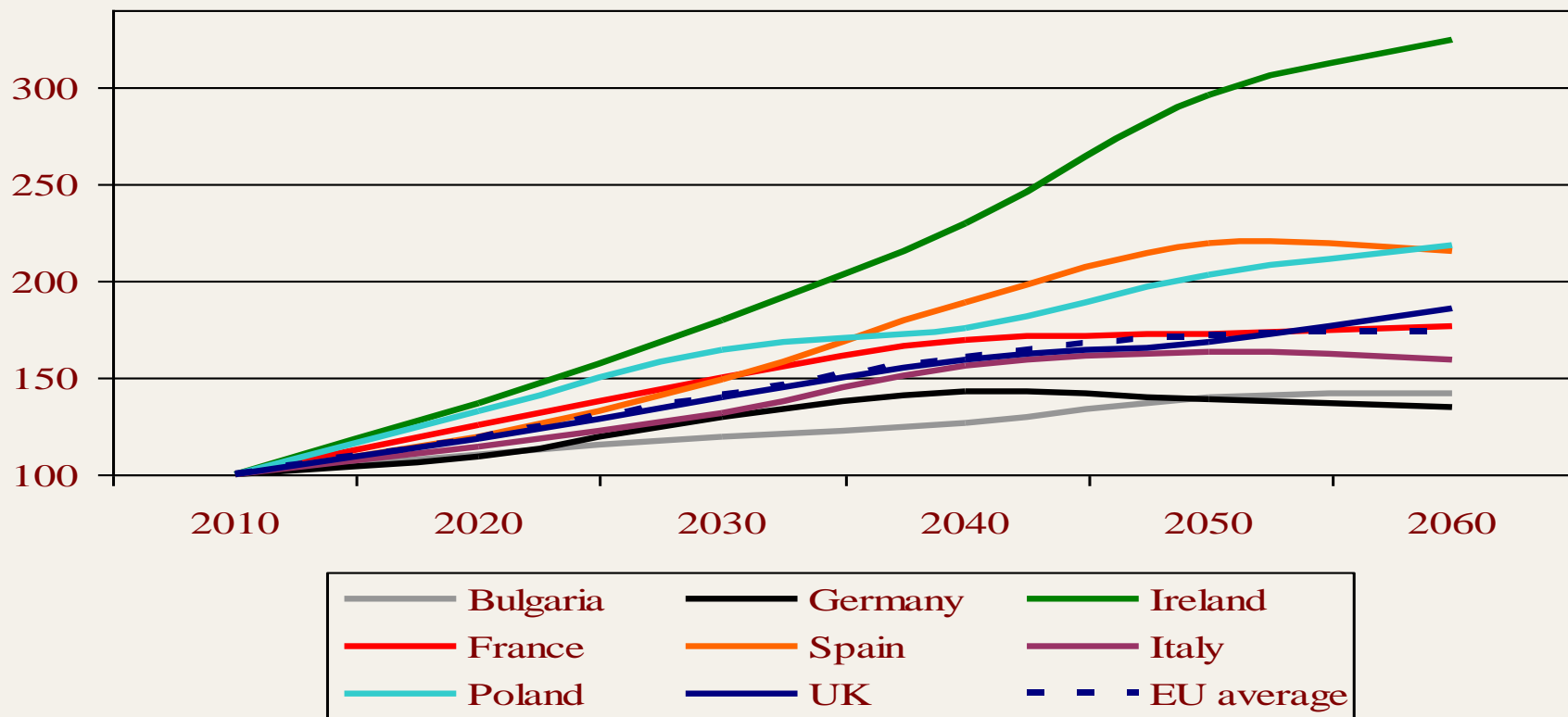
## Some Examples

Country	Pop. 2008	Births	Deaths	Net migration	Change	Pop. 2060
Belgium	10.656	6.454	6.472	1.639	+1.639	12.295
Bulgaria	7.642	2.739	4.941	43.9	-2.158	5.485
Germany	82.179	32.251	51.693	8.067.4	-11.420	70.759
Spain	45.283	23.164	28.060	11.525	+6.629	51.912
France	61.876	40.885	35.273	4.312	+9.924	71.800
Poland	38.116	14.910	22.418	530	-6.977	31.139
Ireland	4.414	3.785	2.308	860	+2.337	6.752
Italy	58.529	25.453	37.412	11.820	-139	59.390
UK	61.270	42.359	34.660	7.708	+15.406	76.676

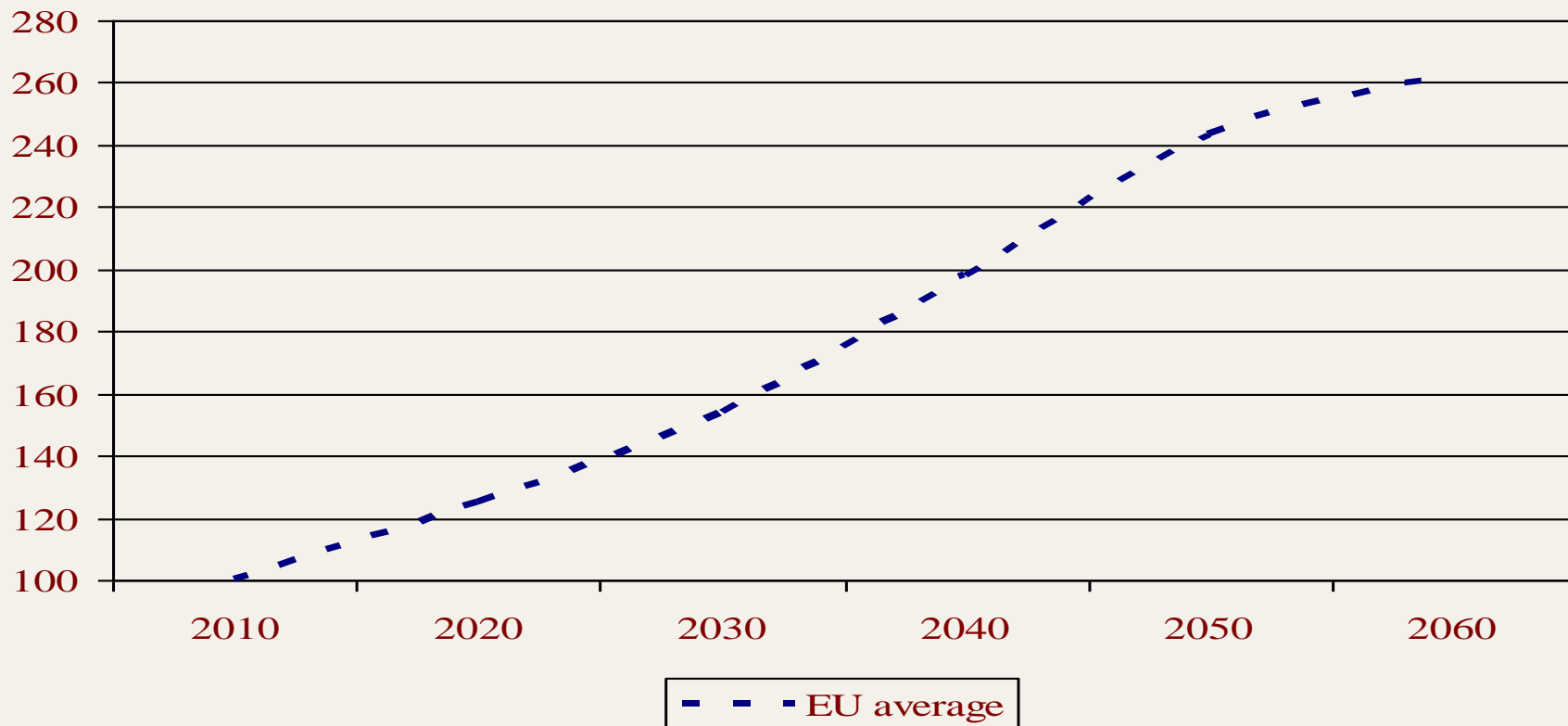
## Working population (15-64) 2010 = 100



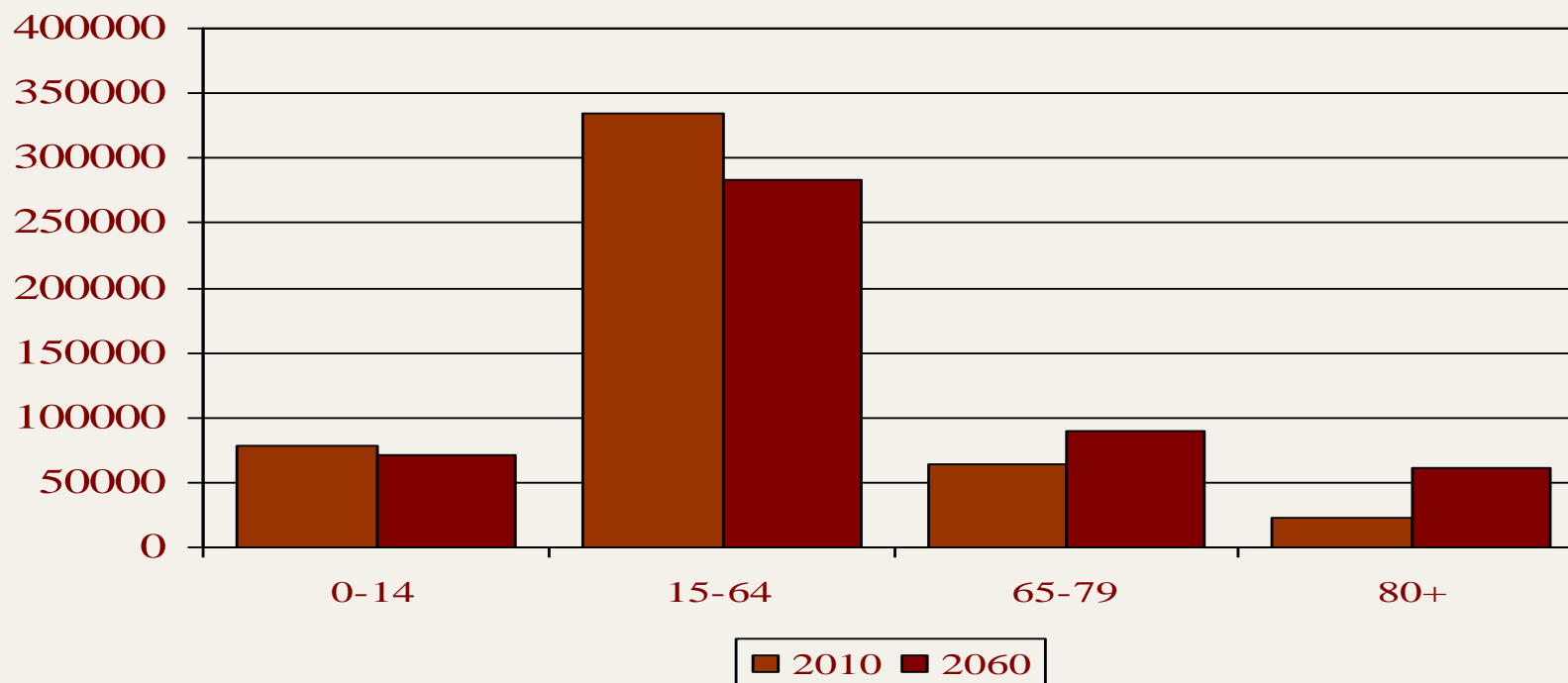
# Population over 65 years 2010 = 100



## Population over 80 years 2010 = 100

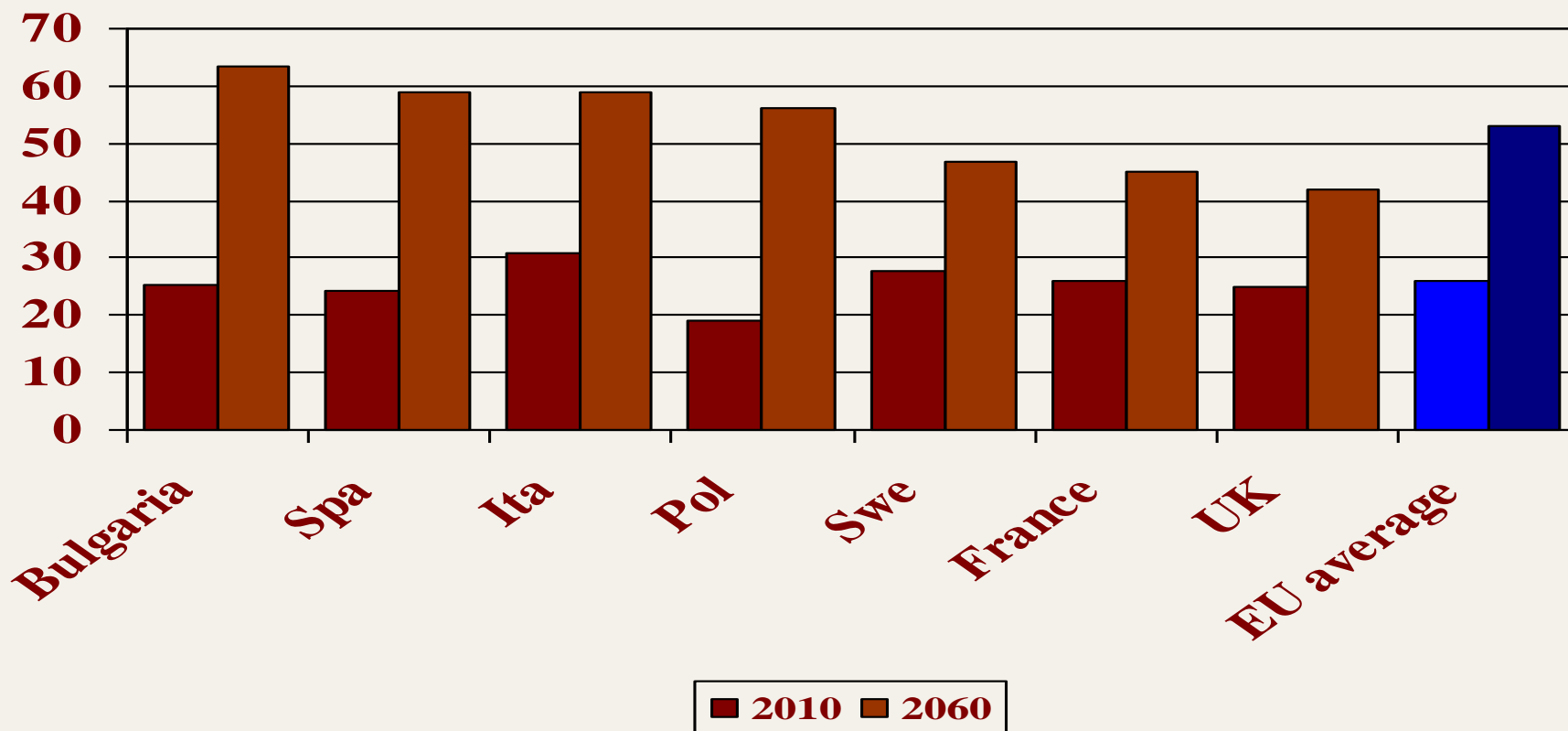


# EU Population Groups 2010-2060

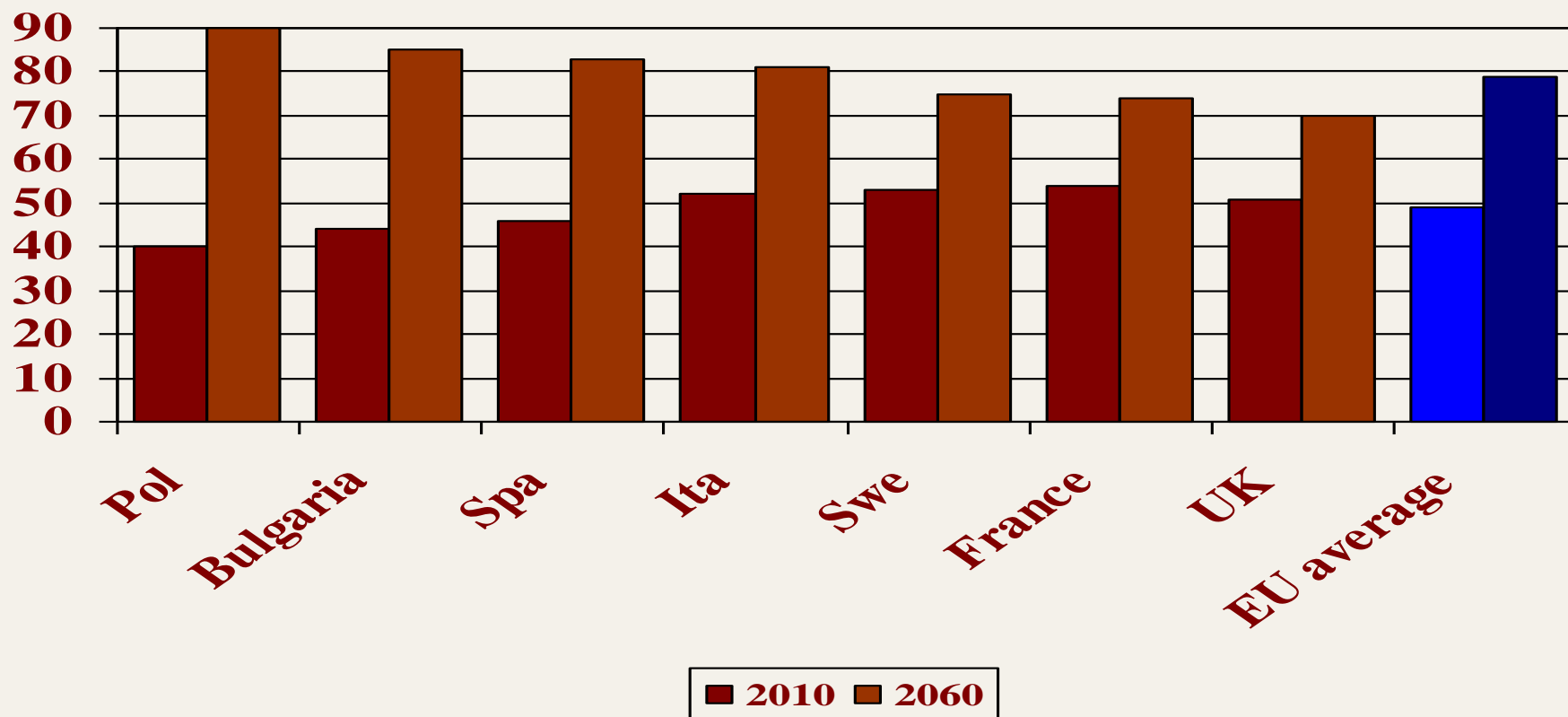


65 is a normal pension age in Europe, and in addition widespread pre-retirement schemes

## EU Old Age Dependency Rates – 2010 and 2050



## EU Total Age Dependency Rates – 2010 and 2050



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## **What can we do?**

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**Pension reform**

**Productivity increase (public and private sector)**

**Immigration/Integration**

*Not exactly the spin doctor's dream agenda*

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## What can we do?

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### Immigration/Integration

*Migration assumptions in forecasts may be too optimistic (political resistance)*

*Migration measures does not distinguish between different types of immigrants*

*No targets for immigration of different types of migration in EU and Member States*

*Can we integrate immigrations sufficiently in the European way?*

*Can we attract the skilled labour we need?*

*Is Europe attractive for skilled immigrants?*

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## **It will get worse**

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**Pressure on the European model (health, education, social services, etc.)**

**Need for structural reforms (including public sector), but no political appetite**

**Lot's of need for foundations in areas that the public sector no longer can afford to deal with**

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# The answer to our needs?

EUROPE, NORTH AFRICA AND WEST ASIA: REGIONS



Map by Tom Elliott for the Ancient World Mapping center, University of North Carolina at Chapel Hill, www.unc.edu/awmc

© 2004, Ancient World Mapping Center

Lambert Azimuthal Equal Area Projection  
Scale: 1:27 million (1 inch = 426 miles; 1 centimeter = 270 kilometers)

Elevation from the SRTM30 dataset, via GLEF (glcf.umiacs.umd.edu); historic coastlines and rivers after the Barrington Atlas of the Greek and Roman World (Princeton, 2000); addl. linework from 'ESRI Maps and Data' 2003. Symbology is original work of the Ancient World Mapping Center

**2010**

Age Group	EU	Turkey
0-14	15%	26%
15-64	67%	67%
65+	17%	7%