



Population Ageing, Immigration and the Welfare State: The Political Demography in Western Europe

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1 INTRODUCTION

From a global perspective, similar demographic forces are changing Western European societies.¹ Increasing life expectancy and low fertility rates are the main endogenous drivers of population ageing. Moreover, some countries might even enter a phase in which their populations shrink since in-migration is too low to outweigh the effects of low fertility rates.

¹ We define Western European countries from a political-institutionalist perspective, which sometimes does not conform to the geographical description (see, for example, Crouch, 2000). This includes the EU-15 plus Norway and Switzerland: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxemburg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom of Great Britain (UK).

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Yet migration to Western European countries itself has far-reaching social and political consequences. In this chapter, we explore how these two demographic trends—population ageing and migration—shape social and political life in Western European societies and focus in particular on political responses to these challenges. The main contribution of our chapter lies in the combination of several strands in the literature—demographers, political scientists, welfare state researchers and migration researchers—all of whom focus on these demographic changes, but whose work has to date remained rather separate (but see Vanhuysse & Goerres, 2012).

We start with the numbers and describe the demographic transition of population ageing caused by declining fertility rates and increasing life expectancy. We argue that, from a global perspective, all Western European countries face similar challenges despite slight differences in respective degrees of population ageing. Moreover, all Western European countries turned into net migrant-receiving countries during the period from 1990 until 2015. Hence, our case selection of three countries, Italy, Germany and Sweden, is motivated by institutional differences in the various welfare states and not by differences in their population trends. We will focus on two dimensions of the theoretical framework which are of relevance to many Western European states: first, how population ageing affects the welfare state and the labour market (economic clout and policy dimension), and second, how migration affects solidarity and political conflict (the order dimension). Our analysis shows that demographic change shapes political dynamics in Western Europe. Yet despite institutional differences between the welfare states, we find more similarities than context-specific policy responses. In the conclusion, we discuss to what extent these strategies of dealing with an ageing population are sustainable or whether the welfare state needs to be further adapted in future.

2 POPULATION AGEING IN WESTERN EUROPE

Population trends in Western European countries are very similar in global comparison. In 2020, they have old populations and continue to age but in comparison, in particular to Asian countries like Japan or China, this occurs at a moderate pace. The main reason for population ageing in Western Europe is low fertility rates that have been declining since the mid-1970s. Whereas most Western European countries still had total fertility rates above 2.1 in 1970, fertility rates had dropped to numbers below 2.1 by 1990. In particular, Southern European countries

have very low fertility rates (e.g. Italy with 1.35) and only some countries like Sweden, Ireland or France come close to 2.0 children per woman in 2015. Since 1990, fertility rates have remained stable (or even recovered slightly) but at a very low level (Table 1). These trends seem not to be related to changing attitudes towards children as the intended and ideal

Table 1 Key population indicators of Sweden, Germany and Italy

		1990	2015	2040
Migration				
International in-migration as % of population	Sweden	0.62	1.17	
	Germany	1.07	2.5	
	Italy	0.17	0.42	
International out-migration as % of population	Sweden	0.19	0.32	
	Germany	0.60	1.06	
	Italy		0.07	
Net migration (in millions) (UN indicator) 5-year indicator	Sweden	0.13	0.40	0.15
	Germany	1.7	1.8	1.0
	Italy	-0.01	0.26	0.5
Stock of foreign born (as % of the total population)	Sweden	9.2	16.8	
	Germany	7.5	14.9	
	Italy	2.5	9.7	
Size of age groups (as % of population)				
0-17	Sweden	21.8	20.2	20.1
	Germany	19.14	16.07	15.9
	Italy	20.9	16.5	15.2
65+	Sweden	17.8	19.6	23.9
	Germany	14.9	21.1	30.0
	Italy	14.9	22.4	33.6
80+	Sweden	4.3	5.1	8.2
	Germany	3.7	5.7	9.9
	Italy	3.3	6.7	11.4
65+/18-64 ratio	Sweden	30.8	34.6	44.8
	Germany	23.4	34.9	60.1
	Italy	24.2	37.9	68.6
Absolute size of the population				
	Sweden	8.6	9.8	11.3
	Germany	78.96	80.69	77.3
	Italy	57.0	59.8	58.1
Population density relative to CROP land area				
(not general land area)	Sweden	0.33	0.26	
	Germany	0.15	0.14	
Arable Land (hectares per person)	Italy	0.16	0.11	

(continued)

Table 1 (continued)

		1990	2015	2040
City density (Urban Population % of total)	Sweden	83.1	85.8	
	Germany	73.1	75.3	
	Italy	66.7	69.0	
Fertility Rates Total fertility: live births per woman (UN indicator)	Sweden	1.91	1.90	1.92
	Germany	1.43	1.43	1.59
	Italy	1.35	1.43	1.65

Source Goerres et al. (2020)

family size in Western Europe has remained quite stable at an average of around 2.3 (Sobotka & Beaujouan, 2014). There are two factors that contribute to this gap between intended and actual fertility rates: first, the availability and more extensive use of contraceptives since the 1960s and second, the postponement of motherhood mainly due to women's education and labour market participation, partnership changes and economic uncertainties (Mills et al., 2011). Such a postponement first has a tempo effect leading to temporarily lower fertility rates. But the postponement of motherhood also has the effect that women have fewer children than they would have liked or remain unintentionally childless. These trends show up in the population pyramids of all three countries (Fig. 1), which indicate that the 1950s and 1960s birth cohorts, i.e. those between 25 and 35 years old in 1990, are the largest and that the subsequently born cohorts steadily decline. This so-called baby-boom generation will enter retirement age between 2020 and 2030.

The second demographic trend contributing to population ageing is increasing life expectancy. All three population pyramids grow taller between 1990 and 2040 and life expectancy at age 65 increased from 82.1 years in 1990 to 85.3 years in 2010.

These trends have considerable consequences for the relative size of age groups within a society (Table 1). First, the share of older people is increasing. The old-age dependency ratio, i.e. the share of people 65 and older compared to the working-age population who are between 18 and 64, is increasing in all Western European countries. For example, in Italy in 1990, there were 24 individuals aged 65 and over for every 100 persons aged 18 to 64. Germany had a similar old-age dependency ratio in 1990 while in Sweden there were already 30 persons aged 65 and

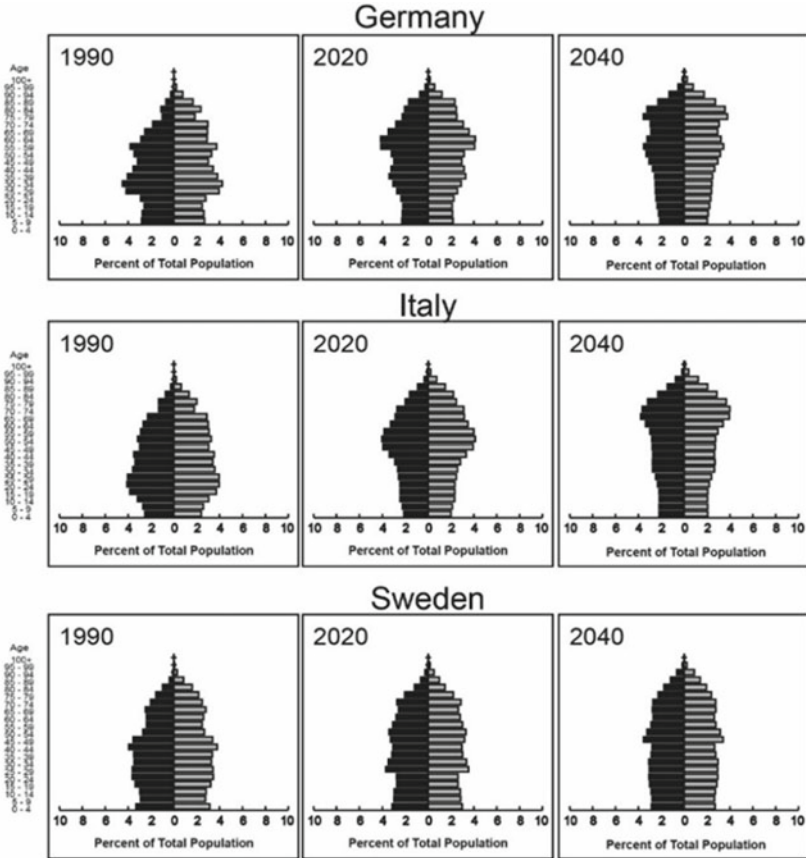


Fig. 1 Demography in Germany, Italy and Sweden 1990, 2020 and 2040 (*Note* Males are to the left [black], females to the right [grey]. *Source* Computations by Richard Cincotta)

over for every 100 persons aged 18 to 64. The old-age dependency ratios increased to around 35 in all three countries by 2015 and are projected to further increase to 68 and 60 in Italy and Germany, respectively, by 2040, whereas Sweden's population is ageing at a slower pace, with an estimated old-age dependency ratio of 44.8 by 2040. In other words, the relationship between people of working age compared to the population in retirement age decreased from around 4:1 in 1990 in Italy and

Germany to a ratio of 3:1 in 2015 and might eventually drop below 2:1 in Italy and Germany by 2040. Moreover, the composition of the age group 65 years and older will also change and the share of those 80 years and older, the old-old, will increase. In 1990, only around 4% of the population in all three countries were 80 years or older. By 2040, this share is expected to double in Sweden (to 8.2%) and almost triple in Germany (9.9%) and Italy (11.4%) (see Table 1).

In addition to fertility and mortality rates, migration is the third factor shaping the demographic situation of a country. Concerning migration, we need to distinguish between countries that experienced strong economic growth after the Second World War (WWII), such as the UK, France, Germany, the Benelux and Scandinavian countries, and Southern European countries such as Portugal, Spain and Italy. From 1950 until the 1973 oil crisis, many migrants moved from the poorer Southern European countries to the economically more successful countries in Western and Northern Europe. Migration was further encouraged by a number of West European countries, like Belgium, Germany or France, who actively started recruiting guest workers to address the labour shortage in the course of the economic recovery after the Second World War. Migrants also came from Turkey (mainly to Germany) and from former colonies to the respective colonial ‘motherlands’ (like the UK, France or the Netherlands). This is also reflected in a liberalization of migration policies (de Haas et al., 2016). With the end of the Cold War, a second wave of migration from Eastern to Western and also to Southern Europe began in the 1990s (see Vanhuysse and Perek-Bialas, this volume). Political instability and armed conflicts, for example in Syria and many African countries, became the main drivers of migration flows in the 2000s and increasingly in the 2010s (Bacci, 2018). These trends are also apparent in the migration flows and the stock of foreign born in the three countries. Sweden and Germany already had an above average share of foreign born in 1990 (9.2 and 7.5%) and in-migration has always been higher than out-migration (Table 1). Consequently, the share of foreign born increased to 16.8% in Sweden and to 14.9% in Germany by 2015. In contrast, only 2.5% of the population was foreign born in Italy in 1990 and net migration was negative; that is, out-migration was higher than in-migration. This pattern changed in the late 2000s and the share of foreign born in Italy almost tripled from 3.7% in 2000 to 9.7% in 2015 (UN Population Division, 2017).

With fertility rates below 2.1 and without external migration flows, populations would shrink. While migration has the potential to balance this effect and to ensure that population size is not declining (Bacci, 2018), population simulations show that the in-migration necessary to halt population ageing exceeds actual migration flows by far (Bijak et al., 2008). It is therefore unlikely that replacement migration will reach levels which would substantially change the support ratios described above. Nevertheless, migration has always been and still is one important aspect that has the potential to both affect the composition of the working population in the short or medium term and affect the composition and heterogeneity of a population more generally.

3 THE CHALLENGES OF POPULATION AGEING FOR THE WELFARE STATE

As described above, all Western European countries follow a very similar demographic transition. After a period in the 1970s and 1980s with comparatively few children to care for and a low old-age dependency ratio, these countries now entered a transition phase in which support ratios increased. Hence, population ageing as a result of decreasing fertility rates and increasing life expectancy has become an unavoidable prospect for all Western European countries (Coleman, 2006) as migration and eventually increasing fertility rates will continue to affect the pace of ageing. Pensions, health care and long-term care are particularly affected by population ageing. Moreover, pensions and healthcare spending are already the most expensive areas of the welfare state and the average total expenditure in Western Europe amounts to around 13% of the Gross Domestic Product (GDP) on pensions (around 2 trillion \$) and 10% of the GDP on health care (around 1.6 trillion \$). Increases in the costs of health care and pension expenditures therefore have the potential to strongly affect state budgets and the economy as a whole. The increasing costs of the pension system arise from the expected increase in the number of pensioners. At the same time, current contributions to the pension system will decline if the labour force is shrinking and this trend is of course accelerated by generous early retirement pathways which existed in most European countries in the 1990s (Ebbinghaus, 2006).

Support ratios are a good means of illustrating this trend. Whereas in 2015 about 3–3.5 persons of working age were responsible for one person of pensionable age, this support ratio is estimated to go down to

2:1 or even lower by 2040. As for the costs of health care and long-term care, it is mainly the share of the old-old, i.e. those who are 80 years and older, which seem to matter most. This period of life is characterized by increased risks of physical dysfunctionality and psychological pressures testing the limits of resilience (Higgs & Gillear, 2015). It is estimated that per capita healthcare spending on the old-old will triple compared to healthcare spending for the old, aged between 65 and 74 (Jackson, 2006). As we have outlined above, increasing life expectancy will lead to a doubling of the share of the old-old between 2015 and 2040.

Hence, under the current circumstances, population ageing would indeed threaten the financial sustainability of the welfare state and many see reforms as inevitable (e.g. World Bank, 2004). Yet comparative political studies suggest that it is very difficult to reform and retrench pensions and healthcare systems (Tepe & Vanhuyse, 2009, 2010). The main reason is that such a pro-elderly bias in spending is expected to find political legitimacy as health care and pensions are the most popular areas of the welfare state (Brooks & Manza, 2006; Ebbinghaus & Naumann, 2018). Moreover, preferences of older voters and their interests are expected to gain more political weight in the reform process as they grow in number and are also politically more involved reflected in a higher turnout among the elderly (Goerres, 2010). Party competition for these voters (Immergut et al., 2007) and also trade unions defending acquired pension rights (Häusermann, 2009) create further barriers to reform. According to the new politics argument, pension policies are path dependent (Pierson, 1996) as the introduction of a pay-as-you-go pension system has created large groups of current beneficiaries and people of working age who also expect to benefit from pensions. Backed by such a generational contract, it is very unlikely that radical, path-departing reform is feasible. Of course, there is some institutional variation in the degree of these challenges and the financial sustainability of social insurance countries is more sensitive to the demographic change. While at the same time it seems also more difficult to reform these pension systems whose budgets are mainly controlled by the government (Bonoli & Shinkawa, 2006).

Yet there are some doubts about such an inevitable, demographically determined pension crisis. Whereas old-age dependency ratios are mostly predictable for the next decades and population ageing is inevitable, the mere numerical ratios between old and young do not determine the extent of the financial burden on the welfare state. It is instead economic

dependency ratios that matter, i.e. the *ratio* of employed persons to the inactive population (Ebbinghaus, 2016). These ratios can be improved if labour force participation of the elderly increases, for example by closing early retirement pathways or by encouraging working beyond retirement age. Also, an earlier entry into the workforce after education and increasing female participation rates have the potential to increase the share of the active population. Empirical evidence also shows that such (incremental) reforms have been possible even in pension policy (Ebbinghaus, 2011; Häusermann, 2009). Finally, it is even possible to change the economic dependency ratios by increasing immigration rates. Although potentially unpopular, it could shift the old-age dependency ratios towards the younger generation. However, such policy will have an effect not only on the country to which people at a younger age will migrate, but also on the countries they are leaving. Their absence as part of the labour force and as carers of children and older relatives will be felt (Lutz & Palenga-Möllnbech, 2012).

More generally, economic theory suggests that there are other means to address labour shortages and a decreasing workforce. Investing in physical capital, attracting skilled migration or shifting production abroad promises productivity gains and economic growth which have the potential to outweigh the unfavourable economic dependency ratios (Schulz, 2002). Most of the more pessimistic commentaries might also be focused too narrowly on monetary aspects alone. With increasing life expectancy, there is usually an increase in healthy life expectancy (Salomon et al., 2012) and thus older people have the potential to remain active and productive beyond paid work if policies allow flexible pathways to retirement (Schulz, 2002). Related to this, Gál et al. (2018) show that the often-claimed pro-elderly bias of European welfare states does not capture the actual transfers between generations. Focusing not only on public budgets but also on transfers of time and money within families, children receive more than twice as many per capita resources than older persons.

4 CHANGING PENSION AND FAMILY POLICIES IN ITALY, GERMANY AND SWEDEN

As we have outlined above, the main focus of this chapter is on the political consequences of demographic change for the welfare state. We aim to explore whether political reactions to comparable demographic trends differ depending on the existing welfare institutions. Hence, we have

chosen three country cases, Germany, Sweden and Italy, representing different types of welfare states. Germany represents the continental-conservative, Sweden the social-democratic-Scandinavian and Italy the familiaristic-southern. In terms of political reactions, we mainly focus on policies in two areas of the welfare state, pensions and family policy, which are most relevant to political demography. The first is under long-term financial pressures from demographic ageing as the pay-as-you-go pension systems rely on a balanced ratio of contributors and beneficiaries. The latter is a policy that allows for alteration in fertility rates—in the case of the three countries to increase them.

Germany has a prototypical Bismarckian pension system with statutory old-age income security, which is financed on a pay-as-you-go principle and covers about 80% of the employed population (Schulze, 2009). From the late 1980s on, concerns were raised that this pension system was financially not sustainable due to population ageing, as described in the previous section. This resulted in several reforms aimed at delaying retirement and extending working lives (Goerres & Vanhuyse, 2012). Several early retirement options were abolished, made financially less attractive or the eligibility criteria tightened (Buchholz et al., 2013). The official retirement age is to be increased from 65 to 67. Furthermore, there are efforts towards privatization and marketization in old-age security by means of public subsidies for occupational and private pension schemes (Ebbinghaus & Hofäcker, 2013). Finally, training programmes and measures for life-long learning have been implemented aimed at increasing older workers' workability. These pensions and labour market reforms seem to have been effective, as older workers' employment rates and the effective retirement age in Germany are increasing (Buchholz et al., 2013). However, it should be acknowledged that there might be other reasons for the increase in older workers' employment rates as well. The German labour market has been comparably robust across all age groups. In addition, cohort effects are resulting in older workers that are healthier and more qualified than their predecessors. Thirdly, female labour market participation has increased overall and in particular among older workers (Hess, 2016).

This steep increase in the women's employment rate in Germany can be partly explained by a shift in family policies. The male breadwinner model—in which the husband is in paid employment, while the wife specializes in domestic work—was one main principle of the (West) German welfare state until the early 1990s. This has been changing slowly

but steadily. Germany has experienced a substantial expansion in childcare, in particular for children younger than three years (Morgan, 2013). The aim is to make the reconciliation of childcare and work easier and, thus, increase the fertility rate. In addition, parental-leave periods with a wage replacement of about 67% have been extended in the last decade to 12 months and even 14 months when both parents take leave (Bünning, 2015).

Pension policies in Italy have shifted in a similar way to those in Germany, however less fundamentally. Like in Germany, Italian pension and labour market policies were characterized by several early retirement schemes, which allowed older workers to retire well before the official retirement age with only small pension reductions. In particular, the disability pension was used as a 'bridge' to retirement (Contini & Rapiti, 1999). Mirroring the development in Germany, several reforms were implemented from the mid-1990s on, to counteract the financial pressures that this policy of early retirement in combination with population ageing was putting on public pensions. The official retirement age was increased to 67 and the minimum period of contribution requirements was raised from 35 to 40 years (Bertolini et al., 2016). In addition, the official retirement age will be linked to life expectancy from 2021 on. This means that if life expectancy increases, the official retirement age will automatically increase also (Lallo & Raitano, 2018). These efforts have been complemented by marketization and privatization measures to strengthen the occupational and private pensions, which are supported by public subsidies (Bertolini et al., 2016).

In both Italy and Germany, family policies were characterized by a male breadwinner model, which made it difficult for women to reconcile work and care work (Lewis et al., 2008). Parental leave payments and family allowances are comparable to those of other Central and Southern European countries (Bünning & Pollmann-Schult, 2016). This leads to low employment rates among married women and mothers in particular, especially in Southern Italy (Oliver & Mätzke, 2014). One reason for this is the different provision of childcare in Northern and in Southern Italy; while it is comparatively high in the North, it is low in the South.

Pension policies in Sweden differ substantially from those in Germany and Italy. Employment rates of older workers have always been rather high and have never fallen as low as in Germany and Italy, despite the use of disability pensions as a measure of early retirement policies, particularly during the economic crisis of the early 1990s (Wadensjö,

2002). Swedish policymakers still acknowledged the financial pressure stemming from population ageing and in addition wanted to cut the national budget and retrench the cost of social insurance (Fleckenstein & Lee, 2014). They aimed at extending working lives with stricter eligibility rules for the disability pension and requalification programmes for older unemployed persons (König & Lindquist, 2016). Furthermore, a flexible statutory retirement was introduced. Older workers can draw their pensions between 61 and 67, but with actuarial pension reduction for early retirement and a higher pension for late retirement. The returns to replacement rate are comparably high for the ages 61 to 67 given older workers' strong incentives to delay their labour force exit (*ibid.*). The closing of early retirement options and the flexibilization of the statutory retirement age were complemented with a strong tradition of life-long learning and qualification also at a higher age which sustains and even improves workability as well as the employability of older workers (König et al., 2016).

Sweden also has high female employment rates in older age groups. The main reason is the generally high level of gender equality in Sweden. In comparison with other European countries, the male breadwinner model is not as important in Sweden and in more families both partners have been in employment, while childcare and also long-term care were provided by the state (Sundström, 2003). This is also reflected in Swedish family policies. Parents have an unconditional right to daycare services for children in pre-school age resulting in one of the highest enrolment rates in Europe with over 90% of children between 3 and 6 years and over 50% of children from between 0 and 3 years in day care (Gehring & Klasen, 2017). In addition, parental leave pay is also comparably generous (Sundström, 2003).

In summary, from a global, broad perspective, we observe similar trends in the pension and family policies in all three countries, policies that are mainly aimed at increasing employment rates among women and among the elderly. Pension policies have undergone a shift from policies of early retirement to policies of extending working lives. Family policies have shifted from a principle of a male breadwinner model to a family in which both parents work. A high coverage for childcare and more generous parental leave policies have been introduced to facilitate the reconciliation of work and childcare—and to increase fertility rates. Yet there are also differences in how countries have reacted to population pressures and these are linked to the institutional differences between

the respective countries. The most generous family and parental leave policies are found in Sweden, whereas Italy lags behind in this respect. These differences are possibly largely a result of the existing differences in gender norms which are more favourable in Sweden. As for pension policies, Sweden has also implemented the most progressive measures to encourage longer working lives, e.g. flexible arrangements for the transition from work into retirement and policies to allow life-long learning. In contrast, Germany introduced more liberal measures to enforce higher participation rates among older workers, e.g. by increasing the retirement age and closing early retirement options. One reason for this difference might be that German policymakers lagged behind in finding responses to the demographic pressures and hence chose measures that promised to have more immediate effects on participation rates.

While we mainly focused on policy reactions here, the demographic trends might also affect the politics of the welfare state. It is often argued that an age-bias in policies, i.e. policies benefiting young families and at the same time encouraging older workers to work longer, might enforce a conflict between generations (Lynch, 2006). Empirically, however, the potential for such an inter-generational conflict over welfare-state resource seems unlikely in Europe (Hess et al., 2017) as the inter-generational solidarity is rather strong.

5 MIGRATION, PUBLIC ATTITUDES AND THE WELFARE STATE

Migration has always been one important factor affecting the demographic composition of Western European societies—and as many countries have become net migration-receiving countries, immigration is also one factor which is likely to be of high relevance in addressing anticipated labour shortages in particular and the challenges of population ageing for the welfare state more generally. As a result, the ethnic heterogeneity of European countries is increasing, and this would occur even if in-migration did not increase further. In the following, we summarize research on how migration and increasing heterogeneity affect European societies. We will first focus on attitudes towards migration and then explore how migration and support for the welfare state are linked.

Migration policy is at the top of the European political agenda especially since the so-called refugee crisis in 2015, when high numbers of migrants and asylum seekers travelled by sea and land to Europe

and many died making the dangerous journey. Albeit there are some moderated tones that praise the potential positive externalities of migration in times of demographic change (United Nations, 2000), the debate was largely dominated by populist outcries warning that migration increases competition for jobs and increases the tax burden. The rise of right-wing parties in most Western European countries suggests that anti-immigration messages tap into widespread anxieties among the public (e.g. Ivarsflaten, 2008; Mudde, 2013). Theoretically, two motives underlie attitudes towards migration: culture and identity concerns, but also natives' economic self-interests, for example tax concerns or perceived competition with migrants for jobs (Ivarsflaten, 2008; Naumann et al., 2018). Empirical research has consistently shown cultural aspects to shape immigration attitudes (see, e.g., Ivarsflaten, 2008; Sides & Citrin, 2007). For example, valuing cultural homogeneity proves an especially strong predictor (Ivarsflaten, 2008). Yet objective indicators of individual-level economic self-interest show little explanatory power (Naumann et al., 2018). Most importantly though, country-level characteristics such as immigration levels or economic conditions did not foster anti-immigration attitudes (Dunn & Singh, 2011; Mudde, 2013, but see also Semyonov et al., 2006). Mudde (2013: 1) concludes that the political impact of populist right-wing parties "is largely limited to the broader immigration issue, and even here populist right wing parties should be seen as a catalyst rather than initiators, who are neither a necessary nor a sufficient condition for the introduction of stricter immigration policies".

A second much debated concern about migration is that ethnic diversity might reduce social cohesion and solidarity and would lead to a decline in support for redistributive welfare state measures (Alesina & Glaeser, 2004). Moreover, migrants usually have a lower level of education than the native population face a higher risk of being unemployed (Boeri et al., 2002) and are often perceived as a net fiscal burden (Gilens, 1995), which would lead to a decline in support for redistributive welfare state measures. Empirical evidence though does not support these claims about the general negative impact of ethnic diversity on social cohesion and solidarity (van der Meer & Tolsma, 2014). Studies on solidarity and welfare state support show that the experience of migration at the local or occupational level matters for welfare state support (Burgoon et al., 2012; Eger, 2009; Schmidt-Catran & Spies, 2016)—but there are considerable doubts whether migration per se leads to an erosion of welfare state support in European countries (Naumann & Stoetzer, 2018).

One reason why migration might not lead to a decline of welfare state support in general is the increasing prevalence of chauvinistic welfare attitudes. Natives who want to prevent redistribution to the outgroup of immigrants might favour the introduction of exclusionary measures so that migrants do not get access to welfare benefits. A more implicit version of welfare chauvinism is the preference for welfare programmes to which migrants do not have access over programmes from which they already benefit. Yet the empirical evidence provides little support that migration and ethnic heterogeneity are related to support for welfare chauvinism (Mewes & Mau, 2012; Reeskens & van Oorschot, 2012). Römer (2017) also demonstrates that generous welfare states are more likely to grant immigrants access to welfare benefits whereas less generous welfare states are more likely to exclude immigrants from access.

In summary, there is limited evidence that migration indeed leads to stronger opposition to migration and also little evidence that migration results in an erosion of solidarity and public support for the welfare state. Yet in times of increasing migration, populist right-wing parties have the opportunity to increase the salience of migration. Tapping into already existing concerns about the perceived consequences of increased ethnic heterogeneity might lead to the emergence of new conflict lines sometimes cross-cutting the old primarily political cleavage over economic conflicts.

6 CONCLUSION

We set out to explore the political and social consequences of the two dominant population trends in Western Europe: migration and population ageing. We have shown that Western European countries face similar pressures in this respect, at least from a global perspective. Increasing age dependency ratios will increase costs for the welfare state, in particular for pensions and care, and might also lead to (skilled) labour shortages. In-migration is too low to balance these demographic trends. Yet migration has itself become a politicized topic with unclear consequences for the politics of the welfare state. Hence, public perceptions of migration but also public perceptions of population ageing shape the political opportunities to further adapt the welfare state in future. Our analysis of three countries shows that policy reactions in the most affected areas of the welfare state—pensions and family policies—are comparable

across Western European countries. This suggests that existing institutional differences have less effect on how countries react to demographic pressures. Yet all three countries only gradually re-calibrate their welfare systems. Moreover, changes in family policies only very slowly have an effect on fertility rates (if at all). Hence, low fertility rates, shrinking populations and increasing dependency ratios will continue to shape the demography of Western European countries in the coming decades. We therefore expect a continuous need to adapt the welfare state to these changing circumstances in future. Policy measures in this vein include adaptations of the legal retirement age and active ageing policies to enhance older workers' abilities to remain in the workforce. This also includes family and labour market policies which help to reconcile work and family, in particular for women. In this respect, the continuing high popularity of the welfare state shows that the public perceives it as a powerful tool to address the demographic challenges facing our societies. But such a high level of popularity also makes far-reaching reforms difficult, and it remains to be seen whether gradual adjustments of the welfare state will be sufficient to address the challenges posed by demographic changes.

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