

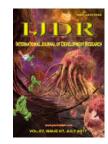
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INFLUENCE OF DEMOGRAPHIC AGING ON ECONOMIC DEVELOPMENT OF THE REPUBLIC OF SRPSKA (BOSNIA AND HERZEGOVINA)

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ABSTRACT

The subject of this research are demographic changes that were notably determined by changes in economic, social, cultural, health, technical and technological development of the Republic of Srpska. The aim of this research is to define necessary concepts for comprehension of demographic aging process and to explore the trend of demographic movements in the Republic of Srpska. The contribution of research is consisted of ascertaining the economic and social consequences of demographic processes. Demographic movements in the Republic of Srpska have been extremely negative for a long time. Dominant processes that stand out are insufficient birth rate and demographic aging process. Long-term consecuences of these processes are already visible but in the future they might be more expressed. Like most post-transition countries, the Republic of Srpska is confronting with low fertility rates so it needs an active population politics that will help to increase the fertility rate and demographic and economic recovery.

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INTRODUCTION

The age structure of the population is one of the most important structure since it has a direct impact on the economic situation and the possibility of development of a particular country. The population of every country represents a carrier of economic development due to the production role that has within every economy. In addition to economic development, the age structure enables the observation of population development over a long period of time. Modern society tend to moderate an unfavorable demographic trends by various measures and policies. The process of demographic aging, that the Republic of Srpska has been facing with for a long time, represents a problem and according to the projections of an aging population in the future, it may be more pronounced. The aging trend was already visible in the 1991 census and in 2013, the proportion of young people aged 0-14 years dropped significantly.

Comparing the number of young and old people, it is evident that the population of 100 young people up to 15 years old is equally to 121 people older than 65 years, which surely, directly or indirectly adversely affect the economic development. According to that, the process of demographic aging and the correlation of this process with economic implications are the main problem of this study. In today's globalized world, there are changes every day that by the demographic side reflect in extending the life of the population and with an emphasis on developed countries. Observing the structure of developed countries, it is evident the trend of later marriage, the birth of a small number of children, lower birth rates, and on the other side more and more aging population, reducing the contingent workforce and associated with increasing the number of dependent population. Demographic changes are essentially determined by the changes that occur in the economic, social, cultural, health and technical and

technological development. Thanks to advances in the fields of medicine and technology, population becomes older, and it is expected that this aging population structure of the Republic of Srpska, and other countries adversely affect some economic trends, labor supply, etc.. Due to perceived issues, it is necessary to answer the question what are the causes of the demographic aging process, and how they affect the national income and public revenues and expenditures in the Republic of Srpska, which is the subject of analysis in this paper. The aim of this paper is to define the terms necessary for understanding the process of demographic aging, to research the trends of demographic movement in the Republic of Srpska, to compare those trends with selected countries in Europe and the world, to find interdependence between demographic aging and the implications of this process in the labor market, public revenues and expenditures of the Republic Srpska.

Beside the summary of current demographic trends or demographic aging, the contribution of the research is consisted in determining the economic and social consequences of this process. Aging leads to an increased influence of elderly people who are not in active working age. On the other hand, there is the problem of youth unemployment. All this has a negative impact on the economy and social situation of the population within the borders of the Republic of Srpska. Through the analysis of the aging population in the Republic of Srpska, in this paper, the causes and consequences of this process will be represented, or the impact on public spending on pensions and health care. The research process of demographic aging of population is necessary in order to overcome the future negative effects on public expenditure and economic growth in general.

MATERIALS AND METHODS

In the study of demographic change in the decades-long period in BiH there are several methodological difficulties. It is hard to answer the question about the number of displaced people in such a long period. In many countries, researchers have difficulties with statistic material on migrations. In Bosnia and Herzegovina it is particularly prevalent. The main reason is the absence of any data. External migrations are mainly the weakest followed part of demographic statistics around the world, although this form of spatial mobility is a great interest of the profession and politics. It is obvious that there is a discrepancy between the interests and opportunities. In the absence of accurate data necessary for determining the balance of migration flows, the migration balance is being calculated. This was done in this paper. It is about comparative or vitalstatistics method of migration research based on the total number of inhabitants and natural change between the two censuses. Migration balance (B) form is obtained from:

B = P2 - (P1 + Pp),

P2 is population of a given area at the end of the period, P1 is population at the beginning of the period, and Pp is natural change (the difference between the number of live births and deaths) in this period. So, the data of the census and demographic (vital) statistics is used. The difference is gained between the actual enumerated population (P2) and (expected) population that would be listed if the population between the two censuses was numerically growing (or shrinking) only on the basis of natural changes (P1 + Pp).

The result means the difference between the number of immigrants and emigrants. The positive balance shows how many people immigrated more than those who emigrated, and negative balance shows how many more emigrated than immigrated. One of the difficulties in the demographic analysis is the comparison / incomparability of the total population. From 1971, since the officially recognition of numerous labor and temporary emigration abroad, with a enumerated population in the country (in the place of residence) everyone is included into total population who could be enumerated abroad, or for who relatives could confirm that they are residing abroad. The methodology of the census in 2013 differs from the previous census methodology. In that census, the concept of 'habitual residence' '(place of usual residence) with a time limit of absence to twelve months (according to recommendations of EEC / EUROSTAT and UNSTAT-a) has been accepted. Some determinants of conception *deiure* have remained in the final, eg. a contingent of citizens abroad who maintain closer ties with their homeland (ie. They return in the place of permanent residence seasonally and monthly). The part of BiH citizens who are working or staying abroad for more than twelve months were included in census. That means that recommendations were not consistently implemented, and the coverage of this contingent was the subject of subjective evaluations (criteria were not clearly defined). The differences in methodology "administrative" affect particularly the comparability of census data of 1991 and 2013.

Migration is understood in its spatial dimension, regularly causing disturbances in the age and gender structure of the population because of the special characteristics of migrants by age and gender. The age structure can be expressed using the variables age (d) at a given time (t). Migration, in fact, depends on the age structure of the population in a certain time (t), which can be expressed by the relation:

Mi = f 1 (d, t, s)

Most migrants are young (Rogers, 1976). Migration consists primarily of young people, the core business and the fertile contingent, the age cohort of 20 to 40 years. Linear demometric model is a common model which express relations between phenomena. Such models are important, a constant characteristic: the presence of the stochastic component. In practice models can be used with two variables or more. The most common is a demographic variable included in the model that depends on the weather, or a demographic variable that depends on other demographic and non-demographic variables. In this case, the connection between such demographic variables may show different forms of analytical models.

RESULTS AND DISCUSSION

Research and knowledge of the demographic factors of a population is important because of their relevance in determining the direction of socio - economic development. One of the characteristics of demographic processes is the process of demographic aging. Throughout the history, this process was more visible in economically developed countries. However, due to world globalization, with free flow of goods and capital, the process of demographic aging becomes a feature of developing countries. Also, due to the demographic transition, most developed countries are characterized by low birth rates and fertility.

Wertheimer Baletic (2004) defines demographic transition as a process which involves a transition from a high rate of fertility and mortality to low fertility and mortality which is caused by mainly social factors. Puljiz (2005) explores the current demographic trends and observes the process of population aging. According to the same author, in recent decades the basic demographic characteristic is numerical ratio disorder of younger and older population. The countries on the one hand have faced with falling fertility rates, while on the other hand the contingent of an elderly population has increased, which is a direct consequence of the increase in the index of dependency of pensioners in relation to the employed population. The process of demographic aging increases the imbalance between pensioners and economically active population, which has resulted in an increase in expenditure on pensions, health services, social welfare and other transfer payments to individuals older, and thus very likely to continue to increase public spending. It further states that the aging population is primarily a result of two factors, one of them is precisely the decline in fertility rates. During the fifties of the 20th century in most Western European countries, women gave birth to an average of about three children, compared with only 1.5 in the last twenty years. Second, the average human life expectancy is increasing, so the projections for the future say that the generation born in the present averagely live for about 90 years, and generations that will come after them will live even longer. In such circumstances, an important fact is that today the average life expectancy is after age of 65, which is still the retirement age for men in most countries, 15.5 years for men and 19.5 years for women, at least in developed European countries.

Basic features of demographic development of the Republic of Srpska

Insofar as to follow the development of the country's population, it is necessary to simultaneously follow its qualitative characteristics too, such as level of education, health care and composition of the population. Factors that affect the status, distribution and composition of any population are numerous. Wertheimer-Baletić (1999) states that these factors can be divided into four major groups:

- Demographic
- Economic
- Political
- Other factors (socio-psychological, traditional, religious)

The population of every country represents the most important factor of socio-economic development of these countries since it is a source of labor. Workforce has a very important role in determining the direction and pace of country development. The population from year to year changes under the influence of various factors. Changes can be numeric if the population increases or decreases, and it can also come to changes in the structure of the population. Economic progress depends precisely on the population number of a country, ie. the number of working age population. A country that has larger population with the same other conditions will be more developed than those with smaller population. A larger population means a larger market. In the Republic of Srpska, the so-called negative population momentum is increasingly obvious and demographic problem becomes a socio-economic problem.

In the last 150 years the development population of the Republic of Srpska has been affected by several factors, and the most important ones are continuous, sometimes an intense emigration to European and overseas countries and the World Wars and the Civil War too (1992-1995). In the 1990's, BIH went through another war, resulting in a decrease in population in the 21st century. Demographic image of Srpska in the 21st century is reflected with few characteristic processes: continuous natural depopulation or a larger number of dead than newborns, aging of the population and the imbalance in the age structure, a continuous increase in life expectancy at birth and negative balance of net migration with foreign countries. Census 2013 was done in accordance with an international statistical standards and in order to define the total population it applies the concept of usual residence. That did not happen in the final processing of data in BiH, so the Republic of Srpska did not recognize the results of the list. Census 2013 data are not directly comparable with data of previous censuses because of different statistical definition of population. According to the Census 2013, in the Republic of Srpska, there are about 1,170,342 inhabitants . Of these, 571,812 are men and 598,530 are women (according to 2013 Census data processed in the Republic of Srpska). Dynamic coefficient and other demographic indicators of the population in the Republic of Srpska are:

Indicators	Io	Pf(20-	P ' 13/'91	Iv	ID	TIP
		29)				
Republic of	2,65	11,54	0,75	4,19	44,59	Ε
Srpska						

Source: Author's calculation based on	Census 2013 data in the	Republic of
Srpska		

Thus, the population has decreased in 2013 comparing to 1991 of 25%, the education index is low, so as the vitality index. Synthetic indicator of all demographic indicators is that the index is very low, which classifies the Republic of Srpska into the group of critically endangered demographic areas.

Natural movement of population

The movement of the population represents a change in the total population in some area within a specified time. Wertheimer-Baletić (2003), in one of his papers said that the natural movement of population is a dominant determinant of the overall population movement in most countries in the world and the essential characteristics of the total population movements determines specific, existing type of population reproduction. The type of reproduction implies the movement affected only by natural components, such as the birth rate and mortality. The trend of natural decline of population in the Republic of Srpska was recorded first in 2002. During this period (2001-2015) of 33,709 inhabitants more have died than were born. If we look at the period from the Second World War until 1991, the natural movement of the population was essential determinant of population growth (72% in BiH), while the negative net migration have reduced the increase of the population. However, after 1991, associated with the war in BiH, and the economic recession, emigration is generated, so the negative net migration has become the dominant determinant of the total population reduction in BiH and the Republic of Srpska. The birth rate is defined as a number of newborns per 1000 inhabitants. According to Institute of Statistics, in 2015 there was a decline in the number of live births compared to 2011 by 2.1%, ie. There were 204 children born less than in 2011.

Table 1. Natural population movement in
the Republic of Srpska

Born	Dead	Natural in.
9 561	13 658	-4 097
9 978	13 796	-3 818
9 510	13 978	-4 468
9 335	14 409	-5 074
9 357	15 059	-5 702
	9 561 9 978 9 510 9 335	9 561 13 658 9 978 13 796 9 510 13 978 9 335 14 409

Source: Institute of Statistics, Banja Luka, 2016

The total number of births in 2015 was 9 374 children, of which 9 357 live births and 17 stillbirths. According to Puljiz (2002), the baseline study of the natural movement of the population has a total fertility rate (TFR). This rate indicates the average number of newborns that would be born to a woman of a certain generation of childbearing age (15-49 years) under the condition of maintaining specific fertility rates and the observed year. Analyzing the total fertility rate in BiH in 1991 ...it was 1.70 and 1.23 in 2015 . For simple reproduction, a total fertility rate of 2.14 is necessary which means that the natural depopulation is visible in BiH and the Republic of Srpska.

Table 2. TFR in the Republic of Srpska, 2015

Age contingent	Birth number	Female number	$\mathbf{f}_{\mathbf{x}}$
15 – 19	309	36 659	8,43
20 - 24	1 762	34 966	50,39
25 - 29	3 124	40 165	77,78
30 - 34	2 774	41 907	66,19
35 - 39	1 147	41 364	27,73
40 - 44	227	38 816	5,84
45 - 49	14	43 189	0,32
Σ	9 357	277 066	236,68

Source: Author's calculation (Ph.d. S. Pasalic)

TFR in the Republic of Srpska is: 236.68 x 5 = 1 183.4 1 183.4 1 000 = 1.18 (Average births per woman are 1.18 children, and for simple reproduction 2.1 is necessary). Another important determinant of natural population movement is a mortality. The mortality rate is defined as a number of deaths per 1,000 inhabitants. In 2015, in the Republic of Srpska ,an increase in the number of deaths in relation to 2011 was recorded, ie.1,401 people have died or 10.2% more than in 2011. The mortality rate in 2015 was $12.8^{0} / \text{is}_{00}$.

Population migration

Migration is a spatial mobility of the population in a broader sense and permanent change of residence of individuals or groups in the narrow sense. Emigration (migration) is the process of population emigration from some area caused by its specific, for population reflective (push) factors, or more frequently, a stronger attractive (pull) factors of some other area in which the population is moving. Immigration is the process of population moving into some area due to its specific, attractive factors for population. Migrating with the natural movement of the population (birth rate and mortality) is the main determinant of population in some area, and thus the potential amount of work. Spatial movement of population with globalization is becoming an increasingly important factor in shaping the global economy. Migration occurs when there is a possibility to increase the living wage, but it will happen when the present value of expected increased earnings becomes greater than the present value of the investment cost.

Costs related to the migration are the expenses for transportation, lost income during relocation, psychological problems because of leaving behind the family and friends, loss of internship privileges and loss of pension benefits. If a person that decides to migrate concludes that the costs are higher, the one will not migrate although the earnings at the new location could be higher than in the current location. The decision to migrate is influenced by other factors such as age, family situation, education, distance and unemployment. As the one gets older, they are less likely to migrate because they have less time to recover the investment cost, the level of human capital is greater at the current employer for job training, due to the loss of benefits in the pension system, the social cost is higher due to stronger roots in community where they live.

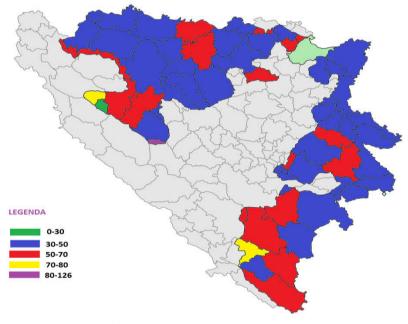
The consequences of immigration are reflected in the economic indicators in the country of immigration and thanks to a mechanism of adjustment there is no large influence of employment. Penava (2011) states that an increase in the number of immigrants to 10% lowers the subsistence by 0.2%. For decades, the Republic of Srpska has been perceived as an extremely emigration (migratory) country. Since 1990's, it has not had the strong immigration flows, except mainly ethnic Serbian population from Croatia. At the same time, emigration from BiH and the Republic of Srpska was much stronger, largely caused by the war. This change is mostly evident if we analyze the structures of the population who emigrate. This is applied mostly to the emigration of highly educated labor force, mostly young people with newly acquired diplomas in the most reproductive age. The problem with the emigration of educated labor force can be seen in the social cost because of the funds invested in education so that those people could later increase a domestic product in the country they emigrate. Global migration movements, partly caused by developments in the global labor market, more than ever reflect the state at the national level. Thus, unlike in the sixties and seventies of the last century, when the immigrants from BiH were mostly unskilled workforce, nowadays they are largely better qualified and more educated. Considering the decline in birth rates, without immigration policy the population reduction of BiH and the Republic of Srpska is very possible, and it is obvious from the Census of Population 2013, which states that in the period from 1991 to 2013, the population was reduced for about 1 041 000 people . Cipin and associates (2014) refer that immigrants would represent a so-called replacement migration that could compensate and mitigate depopulation and aging and to replace the lost labor.

 Table 3. Net migration balance in BiH 1948-2016

Period	Total net migration balance	Per annum
1948-1952.	- 29.779	- 5.956
1953-1960.	- 161.610	- 20.201
1961-1970.	-216.072	- 21.607
1971-1980.	- 133.780	- 13.378
1981-1990.	- 171.207	- 17.121
2013-2016.	-90 000	-30 000

Source: Calculated by vital-statistical method

The economic impact on the huge migration balance has come from the fact that BiH was less developed than the immigration areas of the former Yugoslavia, it had slower progress than them. On the other side, the demographic processes in BiH were more dynamic than in the former Yugoslavia as a whole, so that it had put constant pressure to move to the regions where that demographic dynamism was weaker.



Source: Personal interpretation

Map 1. Coefficient of total age population dependency of the Republic of Srpska

Demographic aging

Demographic factors directly and indirectly affect the economic potential of a country. Wertheimer-Baletić (1999) shows that population is an important determinant of economic development not only through the changes that occur in the total population, but also through the changes that occur in certain parts of the population. While in one part of the world the total population increases at very high rates, in most developed countries and many countries in transition, it decreases in the absolute number, thereby damaging its age and sex structure. Reducing the natural population growth rate over a longer period of time and simultaneously the expected longer duration of life in many developing countries undermines the age structure of the population, while reducing the share of young people and a significant proportion of an elderly population grows. In the Republic of Srpska, the number of young people has been decreased for several years, partly because of the weakening of the overall business and educational potential of society so it implies violation of competitive economy capability on an international scale.

Aging of the population Wertheimer Baletic (1999) defines an increase in the proportion of the population age group of 60 or more and 65 or more in the total population, and then, as an indicator of population aging it takes changes of the aging index, ie. change (increase) of an old share in the total population. If we analyze the change in the share of the population under 14 years compared to the population older than 65 and over, then the aging index is used. It shows the ratio of old and young population. Finally, demographic aging can be defined as a process of rapid increase in the number and proportion of older people (65 and over) to the working-age population, ie. workforce (aged 15 to 64 years). Then the reliable indicator of aging population is a coefficient of the age dependancy of old people. Demographic population aging has many adverse effects on the ratio of active and inactive population, the active insurants and the number of pensioners, the structure of consumption and public expenditure.

If the proportion of an older population in the total number is more than 7%, it is considered that the country has an aging population (Wertheimer-Baletić 1999). Highly developed countries have faced for decades with an aging population and negative population growth rates. Although the quality of life in these countries is unquestionable, if this current trend of demographic movements keeps up, a negative implications for their future development will be more than obvious. Matkovic (2009) defines three basic causes of population aging, such as migration, the decline in fertility and mortality rates that occurs due to the development of technology and medicine, and, not less important, wars that had affected this region in the past. Of these causes, the fertility decline in the Republic of Srpska is the most important determinant of demographic aging. The decline in the birth rate reduces the volume of the young contingent of the population, thereby reducing the population inflow into working and most vital reproductive cohort with numerous negative consequences on the dynamics and structure of economic development.

Process and features of demographic aging

The process of demographic aging is associated with the process of demographic transition. Demographic aging is observed primarily in developed countries, which are in posttransition stage of development in which the population has very low levels of fertility, and the increase in aged population in them is determined largely by reducing mortality. It is a post-transition stage of demographic transition conditioned by modernization of society and social and economic development. Explaining the process of demographic aging, demographers are dedicated to an increase of elderly population influence, the later family formation, and lower rates of natality and mortality. Economic and social policies must adapt to these trends under the strong influence of aging due to increased number of dependent population. Studies show that less and less active population of working age supports a growing number of elderly and children outside the working age group.

Looking from the perspective of an aging population, the Republic of Srpska shares the destiny of most developed countries and that these trends will continue in the future. By definition, demographic aging starts when the proportion of the population aged sixty years old is increasing (or 65 years) in the total population, and that if the percentage of elderly population reaches 7%, the population of particular country is considered old. The causes and determinants of demographic aging in the Republic of Srpska are identical to the developed countries of Europe and the world. The fundamental characteristic of demographic aging of the Republic of Srpska is a birth rate decrease, according to Wertheimer-Baletic (2004) the main factors of birth rate reducing are: secular emigration of young people in the most productive age, great losses in wars that led to an uneven structures of population with an excess of women in fertile period, industrialization that accelerated the processes of agrarian reform and urbanization, inadequate agricultural policy that encouraged the departure from the country and the lack of population policy. This is why the aging of population of the Republic of Srpska should be seen in terms of longtime continuous reduction in the birth rate, the corresponding increase in mortality and the occurrence of natural population decline that occurred in the early 90's.

Post-war and transitional difficulties are also a significant destabilizing factor in demographic development. According to demographic indicators, the population of the Republic of Srpska is characterized by advanced age, the most unfavorable type of age composition according to the classification (Nejasmic, Toskic, 2013). In the Republic of Srpska, the mature post-transition phase in the age composition change has emerged; it is marked by contraction of youth cohort group and the expansion of an old ones, while reducing the number and proportion of population in the working age category. Demographic development of the Republic of Srpska has intensely polarization characteristics, with the growth of a small number of large settlements and cities, which leaves behind an old rural area in the process of extinction. Serbian population is characterized by a high degree of aging and the population has characteristics of an old and very old age. Such imbalance between the large age cohorts has many unfavorable consequences, which are especially expressed under the circumstances of poor development and economic crisis.

The coefficient of total age dependency ratio (population aged 0-14 and 65 and over) in the Republic of Srpska is 45.40. According to attached map of the coefficient of total age dependence, disparity between municipalities / cities is noticeably expressed. If we try to analyze the consequences with which the future generation of the Republic of Srpska are about to confront, based on population projections that have been made in recent years, although there is no full consensus on the size of the problem, we can say with certainty that observing in the long term, the low fertility regions are about to face with very pronounced depopulation and the aging of the population. From the development aspect, the fundamental question is put in that context, not as much as for the population decline, as much as for the demographic aging as an inevitable consequence of depopulation that occurs in the term of birth reduction. And from the standpoint of sustainable development, the question of whether future generations will be able to withstand the burden imposed by the aging population in a domain of health care, funds for pensions, as well as in the field of social security as a whole. While in the background, and with less certainty regarding the negative connotations, the consequences can be considered in a domain of labor, that will also age in non-agricultural activities, which in the context of modern technological developments may cause certain problems related to productivity, adaptability, mobility and hence structurally observed, the shortage of labor.

Table 4. Age index

Territory	Cmona n	Cmonam	Index	i _s
BiH	8,2	10,5	0,92	
Republic of Srpska	8,0	12,8	1.21	
Federation of BiH	8,7	9,8	0,80	
Breko District	11,3	13,3	0,93	

Source: Author's calculation based on vital statistics data, Agency for Statistics of BiH Sarajevo, RZS, Banja Luka, 2016

On the other hand, however, if depopulation is at the level that means the loss of one-third of current population in the Republic of Srpska, the dilemma of intervention does not get a new dimension, which cannot possibly include only economic consequences. And from the standpoint of economics, the question is open whether the depopulation of this scale can remain without negative consequences, regardless of the openness of a country and involvement in the international economy, the growing importance of qualitative factors of development, particularly of knowledge and technology, institutional adjustment, better organization of work, etc. Thereby, it should be emphasized that the hypotheses used in these projections are moderated, especially if we consider the very large decline in fertility in countries in transition countries and the expected acceleration of economic transition in the Republic of Srpska and surroundings. Demographic facts and consequences of demographic movements, both those that are already observed today, and those with whom the company will face in the future, do not allow the indifference of society and the state. Indifference is especially intolerable when it comes to low fertility regions. The following questions are put : how to act, with what means and what effects can be expected. If these questions cannot get satisfactory answers, an intervention can be put in question.

Conclusion

The process of demographic aging along with the total depopulation is demographic problem that has an impact on almost all spheres of socio-economic life. Negative implications of demographic aging is visible in all the pores of society, starting with the pension system, the health system and the education system up to the labor market. Numerical reduction and aging of the labor force, compromises the faster economic development of the country. A shift and enhancement measures of population policy that could stop these negative trends are necessary. Young educated people are moving out from homeland to abroad, they form a family and leave the country. It is necessary to be focused on enabling people to work and that they have the opportunity to live properly of that work.

The education system needs to adapt and align with the labor market to help people to find an employment. It is stated several times in this paper that the population is development base of every country because of their production force. The family is the renewal foundation of every population and therefore the Republic of Srpska must implement an adequate population policy in a way to turn present disadvantages into a force that will ensure progress in the future. Letting the demographic processes to spontaneous flow will undoubtedly lead to further deepening of economic and social crisis which poses a threat to the overall development. In order to slow down the process of population aging in the Republic of Srpska and to mitigate its consequences, it is necessary to increase the birth rate, which would encourage the gradual rejuvenation of the age composition.

If it comes to the realization of those conditions necessary for recovery, families will not have the need for emigration, and families would be formed in the territory of the Republic of Srpska which would encourage an increase in birth rates as a baseline to mitigate the consequences of demographic aging. In addition to demographics, there are numerous socioeconomic and other consequences of such trends, and because of the deep profusion of demographic structure with economic development, there might be a multiplication of negative consequences. Because of this, it is necessary to implement a long-term active policy of population and thus manage the demographic processes and to try to reverse the negative trends that have prevailed for several decades.

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