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# Global demographic transition: the new age of demographic power

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# Executive Summary

The world's population continues to grow, but this growth masks a much larger transformation: the demographic trajectories of different regions of the world now diverge profoundly. According to the United Nations' central projections, the world's population, estimated at 8.2 billion in 2024, is expected to reach around 10.3 billion in the mid-2080s before declining slightly to around 10.2 billion in 2100. This global movement could give the image of a relatively homogeneous demographic transition. In reality, it covers radically different situations. By 2024, 63 countries and territories, including China, Germany, Japan and Russia, had already reached their demographic maximum. Their aggregate populations are expected to decline by 14% over the next thirty years. Forty-eight others, including Brazil, Iran, Türkiye and Vietnam, are expected to peak between 2025 and 2054. Conversely, 126 countries and territories are expected to continue to grow until at least 2054, some for several more decades[1].

This divergence is the result of a historic transformation in fertility, mortality and longevity. The average number of children per woman worldwide has risen from 3.31 in 1990 to about 2.25 in 2024. More than half of the countries and territories are now below the conventional replacement level of 2.1 children per woman, and nearly one-fifth have a fertility rate of less than 1.4. But declining fertility does not immediately lead to a decrease in population. The age of the existing generations, longer life expectancy and migration are creating considerable demographic inertia. In two-thirds of the countries that have crossed the threshold of 2.1 children per woman, the population has continued or is expected to continue to increase for at least thirty years after the crossing of the threshold[2].

The world is therefore not simultaneously entering a period of depopulation. It is entering a period of **demographic desynchronization**. Parts of Europe and East Asia are already dealing with ageing, a shrinking working-age population and, in some cases, a decline in the total population. Several emerging economies still have a window during which the share of the working-age population remains high before ageing accelerates. Sub-Saharan Africa is experiencing the opposite dynamic: its population is expected to grow by 79% between 2024 and 2054 to around 2.2 billion, while its working-age population is expected to increase by more than 620 million people between 2025 and 2050. The latter increase would account for more than three-quarters of the net growth in the working-age population of all emerging and developing economies[3][4].

These transformations will affect growth, public finances, social systems, labor markets, migration, urbanization, and the geographic distribution of global demand. They will also have consequences for the conditions under which power is produced. A large population can provide a large domestic market, a labor force, a fiscal base, and a mobilization potential. But none of these capacities automatically derive from the number of inhabitants. A young population without sufficient access to education and employment does not automatically produce a demographic dividend. Nor does an aging population condemn a state to decline if productivity, labor market participation, immigration, automation, and capital accumulation can offset some of the shrinking labor force.

The strategic variable is therefore not the population taken in isolation. It lies in the relationship between **age structure, human capital, employment, productivity and institutional capacity**. Demography determines some of the constraints that a state will face; it does not determine how it will respond to them.

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[1] United Nations, *World Population Prospects 2024*: https://population.un.org/wpp/
[2] United Nations, *World Fertility 2024*: https://www.un.org/development/desa/pd/sites/www.un.org.development.desa.pd/files/undesa_pd_2025_wfr_2024_final.pdf
[3] United Nations, *World Population Prospects 2024* : https://population.un.org/wpp/
[4] World Bank, *Africa's Pulse*: https://www.worldbank.org/en/publication/africa-pulse

This distinction becomes particularly important when demographic transformations are compared to political temporalities. Governments often think on the scale of a few years, while demographic structures evolve over several decades. A large proportion of the workers of 2040 have already been born. The generations that will retire in the next thirty years are known. Family policies can change behaviour, but a child born as a result of an increase in fertility will not immediately enter the labour market. Conversely, a policy of education, female employment, extension of working lives or migration can change the ratio between the total population and the actually productive population much more quickly.

This paper thus defends a central thesis: **the global demographic transition does not mechanically redistribute power between states; it redistributes the constraints and opportunities from which this power will have to be produced**. Ageing societies will have to learn to maintain their economic, fiscal and strategic capacity with a relatively lower proportion of assets. Young societies will have to transform large cohorts into human capital and productive jobs. Societies in between will have a temporary window during which the demographic structure can support growth before becoming, in turn, a factor of ageing.

Demographics are slow, but their consequences are long-lasting. It is precisely this combination that makes it a strategic variable.

# Problem

The demographic transition refers to the shift from a regime of high mortality and fertility to a regime of low mortality and fertility. The decline in mortality usually occurs before the decline in fertility. A population then experiences a phase of accelerated growth: more children survive while families remain large. When fertility in turn declines, growth gradually slows. The age structure changes, the relative share of children decreases and the share of working-age adults increases. At a later stage, persistently low fertility and longer life expectancy lead to population ageing and can, in the absence of sufficient immigration, lead to a contraction of the population.

This general pattern has spread to the whole world without producing an immediate convergence of national situations. Countries began their transition at different dates, at different speeds and from different social structures. Some are now faced with fertility that is durably lower than replacement and a contraction of their new generations. Others are still experiencing relatively high but declining fertility. Others, finally, combine low fertility with immigration high enough to continue to increase their population.

This diversity makes any policy analysis based on population size insufficient. A country of 100 million people with a significant proportion of working age is not in the same position as a country of the same size in which the proportion of older people is growing rapidly. Similarly, two countries with the same potential labour force can achieve radically different economic outcomes depending on the level of education, labour force participation, female employment, health, available capital and productivity.

The distinction between population and demographic power is therefore essential. The first is a quantitative factor. The second here refers to the ability to transform a demographic structure into economic, fiscal, technological, social or strategic resources. A large population increases certain possibilities, but their conversion depends on institutions.

This relationship can be formulated through a simple chain: **population → human capital → participation → employment → productivity → tax resources → capacity for action**.

Each transition is a condition and not an automatic consequence of the previous one. A large cohort becomes a productive workforce only if it enjoys sufficient health, acquires skills and has access to employment. A productive population increases public capacity only if part of the value produced can be transformed into fiscal resources. Finally, a large tax base increases power only if the state is able to convert its resources into infrastructure, security, innovation or public services.

The central question then becomes: **how does the divergence of demographic trajectories transform the economic, budgetary, social and strategic capacities of States in the twenty-first century?**

# I. The demographic transition has become global, but it is not complete

The most important transformation of the last two centuries is not the increase in population in isolation, but the simultaneous change in mortality, life expectancy and fertility. The world's population has more than tripled since 1950, but this growth has been accompanied by a considerable decline in the average number of children per woman. According to the United Nations, the global total fertility rate stood at around 2.25 in 2024 compared to 3.31 in 1990. More than half of the countries and territories now have fertility below the conventional replacement level of 2.1 children per woman[5].

However, this global figure should not be interpreted as a mechanical boundary between growth and decline. The replacement level approximates the level of fertility that allows one generation to be replaced by another in the absence of migration and under given mortality conditions. It does not determine the immediate evolution of the total population. A society can remain below this threshold for several decades and continue to grow if there are enough generations reaching reproductive age or if life expectancy increases.

This inertia is one of the most important characteristics of demography. The United Nations' *World Fertility 2024* report indicates that, among the territories that have crossed or are expected to cross the replacement threshold between 1994 and 2100, about two-thirds continue or would continue to grow for at least thirty years after this crossing. In only seven cases, the demographic maximum occurs in the same year as the transition below 2.1 children per woman[6].

The example shows why predictions of an imminent global population collapse are as misleading as the idea of indefinite growth. The world's population is expected to increase for several more decades. The UN's central scenario has it rising from 8.2 billion in 2024 to about 10.3 billion in the mid-2080s, before decreasing slightly. Uncertainty naturally increases with the horizon: the United Nations estimates that there is about an 80% chance that the global maximum will be reached in the twenty-first century, but the exact date and level will depend in particular on future fertility trends[7].

However, this overall evolution is the result of opposite paths. By 2024, 63 countries and territories had already reached their demographic maximum. They accounted for about 28% of the world's population. Their aggregate population is expected to decline by 14% over the next thirty years. Forty-eight more are expected to peak between 2025 and 2054. The remaining 126 are expected to continue to grow until at least 2054, some until the second half of the century or beyond[8].

Ageing is the other dimension of this transition. As fertility decreases and life expectancy increases, the proportion of older people gradually increases. This is a global development, although it is much more advanced in some regions. The United Nations projects that by the end of the 2070s, there could be around 2.2 billion people aged 65 or over, outnumbering those under 18. By the mid-2030s, the number of people aged 80 and over could exceed the number of infants[9].

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[5] United Nations, *World Population Prospects 2024*: https://population.un.org/wpp/

[6] United Nations, *World Fertility 2024*: https://www.un.org/development/desa/pd/sites/www.un.org.development.desa.pd/files/undesa_pd_2025_wfr_2024_final.pdf

[7] United Nations, *World Population Prospects 2024*: https://desapublications.un.org/publications/world-population-prospects-2024-summary-results

[8] United Nations, *World Population Prospects 2024*: https://www.un.org/sustainabledevelopment/blog/2024/07/press-release-wpp2024/

[9] United Nations, *Ageing*: https://www.un.org/en/node/117537

Ageing is therefore not a European or Japanese singularity. The regions that are young today will also age. The difference lies in the timing and the level of wealth at which ageing will take place. States that have undergone their demographic transition after reaching high levels of income generally have large social systems, health infrastructure and capital stock. Some countries currently in transition may age at much lower income levels, which will profoundly change their margins of adaptation.

The global demographic transition is thus both common and profoundly unequal. The fundamental mechanisms converge towards longer lives and smaller families, but states do not experience them at the same time, at the same pace, or with the same resources. This desynchronization is the starting point for strategic transformation.

# II. The demographic world is divided into several temporalities

The traditional distinction between "young" and "ageing" countries is too static. It describes a situation at a given moment but does not make it possible to identify the trajectory in which a society finds itself. A strategic approach, on the other hand, requires distinguishing between several temporalities.

The first group includes societies that have already reached or exceeded their demographic maximum. China, Japan, Germany, Italy, Russia and several Central and Eastern European countries belong to this group, with different situations. Their main problem is no longer the absorption of rapid population growth, but the management of a structure in which the number of generations entering working life becomes smaller than those leaving it. The total population may decline slowly while the number of elderly people continues to increase.

China is the most important case in terms of its scale. According to the central United Nations scenario, its population would increase from about 1.419 billion in 2024 to 1.215 billion in 2054, and then to about 633 million in 2100. These very long-term projections naturally have a considerable margin of uncertainty, in particular because a relatively small change in cumulative fertility over several decades produces significant differences. Their strategic interest lies less in the 2100 figure than in the direction of the trajectory: China has entered a period in which the ageing and shrinking of the new generations will permanently change the structure of its population[10].

The second temporality concerns countries whose fertility is already low but whose populations continue to increase under the effect of demographic inertia. Brazil, Iran, Türkiye and Vietnam are among the countries whose maximum is expected between 2025 and 2054. They still have a large labour force, but their demographic window is gradually closing. Their challenge is to take advantage of this period to increase human capital, productivity, savings and institutional capacity before the increase in the number of elderly people changes their budgetary balances.

This temporality is particularly important because it serves as a reminder that the demographic dividend is not permanent. A decline in fertility first reduces the proportion of dependent children, while the large generations born before that enter the labour market. During this period, the potential number of producers increases relative to the number of dependent people. Several decades later, these same generations age and the ratio gradually reverses. A window of opportunity can therefore become a constraint if the resources produced during this period have not been transformed into adequate capital, infrastructure, skills or protection systems.

[10] United Nations, *World Population Prospects 2024*: https://population.un.org/wpp/assets/Files/WPP2024_Summary-of-Results.pdf

The third temporality includes countries where population growth will remain strong for several decades. Sub-Saharan Africa accounts for a growing share of population growth, but the group also includes large Asian states. India, Indonesia, Pakistan and Nigeria belong to the 126 countries and territories whose populations are expected to increase further in 2054. In nine countries, including Angola, the Central African Republic, the Democratic Republic of the Congo, Niger and Somalia, the population could at least double between 2024 and 2054[11].

This configuration creates very different pressures. A rapidly growing population requires more schools, housing, jobs, energy capacity, transport, access to water and sanitation every year. Even when public expenditure per capita remains constant, the total volume of infrastructure and services must increase rapidly to simply maintain the existing level.

These three temporalities are not definitive categories. Countries are gradually moving from one to the other. This is precisely what makes demographic planning necessary: future problems can often be anticipated several decades before they are fully manifested.

Demographics have a rare strategic characteristic in this respect. A significant part of the future is already here. People who will be 40 years old in 2050 were born in 2010. People who will turn 65 in 2050 were born in 1985. Governments do not know their future productivity, their jobs or where they live, but they know with relatively high precision the approximate size of the cohorts involved. Few power variables offer such a degree of anticipation.

The difficulty comes from the discrepancy between this predictability and the temporality of the decision. An educational reform produces part of its economic effects fifteen or twenty years later. A change in fertility has its effect on the working population even later. A pension reform can take several decades to completely change the structure of expenditure. Demography therefore requires planning that goes far beyond ordinary political cycles.

[11] United Nations, *World Population Prospects 2024*: https://www.un.org/sustainabledevelopment/blog/2024/07/press-release-wpp2024/

# III. Ageing is transforming the political economy of advanced societies

Ageing is often summed up by the increase in the number of older people. However, its strategic effect depends less on their absolute number than on the relationship between the different components of the population and their participation in economic activity.

In the OECD, there were about 33 people aged 65 or older per 100 people aged 20 to 64 in 2025, up from 22 in 2000. This ratio is expected to reach about 52 in 2050 and 55 around the mid-2050s. In some countries, the trend will be much larger: OECD projections for 2054 exceed 70 people aged 65 or older per 100 people aged 20 to 64 in Greece, Italy, Japan, South Korea and Spain[12].

The first effect concerns the amount of work potentially available. The OECD projects a decrease of about 8% in the population aged 20 to 64 between 2023 and 2060 for its entire area. In more than a quarter of the member countries, the contraction would exceed 30%. In South Korea, it could reach around 46%.[13]

However, a contraction in the working-age population does not automatically lead to an equivalent decrease in employment. The activity rate may increase. Women may be more integrated into the labour market. The effective age of exit from employment may increase. People who were previously far from the labour market may enter it. Immigration may increase the working population. But when these reserves are gradually mobilised, the demographic constraint becomes more difficult to compensate.

The effect on growth then depends on productivity. An economy can produce more with fewer workers if each person employed produces more. This is why ageing and automation are increasingly linked. Robotisation, artificial intelligence, productive capital and skills improvement can compensate for part of the decline in the labour factor. Japan has been providing a laboratory for this adaptation for several decades, while South Korea and China will have increasing incentives to accelerate automation.

However, the OECD estimates that by keeping labour market entry and exit behaviour and the pace of productivity growth constant, changing the demographic structure would reduce annual GDP per capita growth in the OECD area by about 40%, from around 1% in the pre-pandemic period to 0.6% on average between 2024 and 2060. This would represent about 14% less GDP per capita in 2060 compared to a path without this deterioration in the employment-to-population ratio[14].

The second effect concerns public finances. Pay-as-you-go pension systems are directly based on the relationship between contributors and beneficiaries, while funded systems are more dependent on the accumulation of assets but remain affected by the structure of the economy. Health and long-term care are also sensitive to the increase in the number of very old people.

In the 32 OECD countries for which comparable projections are available, public pension spending would increase on average from 8.8% of GDP in 2023-2024 to 10% in 2050. In the

[12] OECD, *Pensions at a Glance 2025*: https://www.oecd.org/en/publications/pensions-at-a-glance-2025_e40274c1-en/full-report/demographic-old-age-to-working-age-ratio_25476b96.html
[13] OECD, *Employment Outlook 2025*: https://www.oecd.org/en/publications/oecd-employment-outlook-2025_194a947b-en/full-report/setting-the-scene-demographic-change-economic-growth-and-intergenerational-inequalities_9d481169.html
[14] OECD, *Employment Outlook 2025*: https://www.oecd.org/en/publications/oecd-employment-outlook-2025_194a947b-en/full-report/component-6.html

European Union, it would fall from 9.9% to 10.9% over the same period, despite the reforms already included in the projections[15].

This evolution takes on a strategic dimension when it is placed in the competition for public resources. Ageing societies will have to simultaneously finance more pensions, health and long-term care while investing in the energy transition, technologies, infrastructure and, for many states, defence. Ageing does not automatically impose a choice between these expenditures, but it does make the trade-offs more restrictive.

The effect can also reach the political structure. An older voting population can change collective priorities, but no homogeneous political behavior can be inferred from age alone. Preferences depend on income, generation, wealth, education, and many other factors. The more certain institutional issue concerns the distribution of resources between generations: decisions made today on pensions, debt, investment, or climate distribute costs and benefits among cohorts whose relative weight changes.

Ageing must therefore be analysed less as an automatic decrease in power than as a change in its cost. Maintaining the same economic and strategic capacity with a relatively smaller labour force will require more productivity, capital, participation in the labour market or recourse to immigration. Countries that are able to organise this adaptation will be able to limit much of the constraint. The others risk seeing an increasing share of their resources devoted to maintaining existing structures rather than to building new capacities.

[15] OECD, *Pensions at a Glance 2025*: https://www.oecd.org/en/publications/pensions-at-a-glance-2025_e40274c1-en/full-report/long-term-projections-of-public-pension-expenditure_af4ed734.html

# IV. Sub-Saharan Africa is becoming the main area for the growth of the world's working population

The trajectory of sub-Saharan Africa is almost the opposite. According to the United Nations, the region's population is expected to increase by about 79% between 2024 and 2054 to reach 2.2 billion, and then increase by a further 51% to 3.3 billion in 2100 in the central scenario. These end-of-century projections are sensitive to fertility assumptions and should therefore be interpreted as trajectories rather than certainties, but the movement in the coming decades is much less uncertain: a large proportion of the people who will enter the labour market by 2050 have already been born[16].

The World Bank estimates that between 2025 and 2050, the working-age population in sub-Saharan Africa will increase by more than 620 million people. This increase would account for more than three-quarters of the net growth in the working-age population of all emerging and developing economies[17].

Few of the global economic transformations of the coming decades will be comparable in scale. While Europe and East Asia will have to manage a relative or absolute decline in their labour force, several hundred million more people will seek to enter African labour markets. This divergence will transform the geography of global labour supply, but it does not mean that this labour force will automatically be integrated into international value chains.

The concept of the demographic dividend helps to understand the necessary condition. When fertility declines, the share of children in the population gradually declines while large cohorts enter the labour force. The number of potentially productive people then increases relative to the number of dependent people. If these workers are sufficiently educated, healthy and employed in productive activities, this structure can support an acceleration of growth and savings.

But the demographic dividend is not produced by demographics alone. The World Bank specifically points out that increasing Africa's labour force is an opportunity provided that economies are able to create enough productive jobs. Current growth has not yet translated into an equivalent increase in wage employment: according to *Africa's Pulse*, an additional point of GDP growth is associated on average with an increase of only 0.04 percentage points in wage employment in the region[18].

The first condition is therefore education. A large cohort that enters the labour market without sufficient skills increases the supply of labour but not necessarily productivity. Educational investments must themselves keep pace with cohort growth: if the number of children is growing faster than infrastructure, simply maintaining the number of teachers, classes or university places per capita requires a permanent expansion of systems.

The second condition is employment. Education only produces a dividend if the skills acquired can be used. Economies must simultaneously create enterprises, infrastructure, markets and capital that can absorb the increase in the labour force. The challenge is not only to avoid unemployment: it is about the quality and productivity of jobs. A person can be statistically employed while working in an activity that is low productive, irregular and generates little tax revenue.

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[16] United Nations, *World Population Prospects 2024*: https://desapublications.un.org/policy-briefs/un-desa-policy-brief-no-167-leveraging-population-trends-more-sustainable-and
[17] World Bank, *Africa's Pulse*: https://www.worldbank.org/en/publication/africa-pulse
[18] World Bank, *Africa's Pulse*: https://www.worldbank.org/en/publication/africa-pulse

The third condition concerns health and the fertility transition itself. Improving child health, access to reproductive health, girls' education and the reduction of teenage pregnancies influence family size and women's economic participation. The relationship also works the other way around: improved economic and educational prospects change family choices. The demographic transition is thus intertwined with development rather than outside it.

The fourth condition is urbanization. Several hundred million more people will transform the size of African cities. Urbanization can increase productivity by bringing workers, businesses, infrastructure, and markets closer together. But when housing, transport, energy, water, and sanitation do not grow at the same pace, urban concentration can also produce considerable costs.

The strategic issue is therefore not to know whether African population growth constitutes an opportunity or a threat. It is first and foremost a transformation whose effects will depend on the ability of states and economies to convert new cohorts into human capital and production.

The chain is particularly clear here: **youth → health and education → skills → employment → productivity → income → tax revenues → public capacity**.

Each break in this chain reduces the potential dividend. This dynamic will also have external effects. An Africa with larger domestic markets, a larger workforce and large metropolises will change the investment strategies of international companies. Demand for energy, infrastructure, food, housing, digital services and training will increase sharply. Africa's demographic transition is therefore also a transformation of the future geography of global demand.

But the demographic mass does not prejudge the resulting power relationship. It provides a potential basis. Conversion remains the decisive variable.

# V. The demographic center of the world shifts without determining the center of power

The rankings of the most populous countries give a particularly visible representation of the change taking place. In 2024, India had about 1.451 billion people, China 1.419 billion, the United States 345 million, Indonesia 283 million, and Pakistan 251 million. According to the United Nations' central scenario, in 2054 India would reach about 1.692 billion people, China 1.215 billion, Pakistan 389 million, the United States 384 million, and Nigeria 376 million. In 2100, Nigeria and the Democratic Republic of Congo would be among the five most populous states in the world[19].

These projections illustrate an undeniable shift in the relative demographic weight towards South Asia and especially, in the longer term, towards Africa. However, they do not constitute a projection of the future ranking of powers.

International history offers many examples of how a large population is not enough to produce proportional power. Rather, population acts as a potential multiplier. It can increase the size of the domestic market, the number of workers, the tax base, and the human reservoir that can be mobilized. But the effect of each of these depends on intermediate variables.

A large market is only economically powerful if the inhabitants have sufficient purchasing power. A large workforce produces a large amount of value only if it has capital, infrastructure and skills. A large population only creates a broad tax base if a sufficient share of the activity can be taxed. A human military potential is only transformed into military power if the state can train, equip, finance and support the corresponding forces.

Demography must therefore be combined with productivity. A country with a shrinking labour force can maintain or increase its GDP if output per worker grows sufficiently. Conversely, a country with a rapidly growing labour force may see its per capita income grow slowly if capital stock and productivity do not keep pace.

China is a particularly good example of this shift from one demographic model to another. Part of its economic development coincided with a period during which large cohorts entered the labour market, fertility had fallen and the ratio between the active and dependent was favourable. This configuration is now changing. The working-age population is shrinking and ageing is accelerating. China's strategic response therefore involves productivity, automation, robotisation, industrial upgrading and investment in technology.

This change does not automatically mean a Chinese decline. Rather, it changes the nature of the resources needed to maintain the economic trajectory. The quantity of labor becomes relatively scarcer; capital and productivity must compensate.

India is in a different phase. Its population is younger and its labour force will continue to grow. This structure can support growth, but at the same time it increases the imperative for job creation and training. The same demographic factor that can become an advantage when workers are productively employed can be a social and economic pressure when they are not.

[19] United Nations, *World Population Prospects 2024*: https://population.un.org/wpp/assets/Files/WPP2024_Summary-of-Results.pdf

The difference between these trajectories allows us to define demographic power more precisely. This should not be measured by the number of inhabitants, but by the amount of capacity that a society manages to produce from its population.

This approach also changes the analysis of European power. Europe will represent a decreasing share of the world's population over the course of the century. This does not mean that its economic, technological or diplomatic weight will decrease in the same proportions. Productivity, accumulated capital, infrastructure, institutions, skills and economic integration can maintain a level of capacity far above its demographic weight. But a shrinking labour force increases the relative cost of maintaining it.

The demographic geography and the geography of power are therefore not superimposed. They interact. The displacement of the former gradually modifies the conditions of the latter.

# VI. Migration is becoming a central mechanism for adjusting between demographic trajectories

The divergence between ageing regions and regions with a growing labour force makes migration particularly important. In 2024, the United Nations estimated the number of international migrants at around 304 million, compared to 154 million in 1990. Their number has therefore almost doubled, but their proportion in the world population has only increased from 2.9% to 3.7%. The vast majority of the world's population continues to live in their country of birth[20].

However, the strategic importance of migration does not depend solely on its global proportion. Its effects are concentrated in certain states, territories and age groups. In an ageing society, the arrival of working-age adults can increase the labour force more rapidly than a pro-natalist policy, since it is not necessary to wait twenty years before entering the labour market.

The United Nations projects that immigration will be the main driver of population growth in 52 countries and territories until 2054 and 62 until 2100. Australia, Canada and the United States belong to this category. In about fifty countries, it should also mitigate a decline that would have been faster in its absence[21].

Migration can therefore profoundly modify a national trajectory. However, it cannot be equated with a total demographic solution.
First, migrants are also aging. Regular immigration can permanently change the age structure, but a one-off arrival does not eliminate aging: it shifts it or reduces its intensity.

Second, the economic effect depends on integration into the labour market. Age, skills, recognition of qualifications, language proficiency, employment rate and productivity determine the economic contribution much more directly than the gross number of arrivals.

Third, migration has effects in countries of origin. Financial transfers can support households and provide foreign exchange. Diasporas can facilitate investment, trade networks, and the flow of knowledge. Conversely, the emigration of skilled workers can create shortages in key sectors, such as health or engineering. The effect therefore depends on the structure of flows and the ability to organize flows rather than a simple permanent departure of skills.

[20] United Nations, *International Migration*: https://www.un.org/fr/node/118914
[21] United Nations, *World Population Prospects 2024*: https://www.un.org/development/desa/pd/node/4355

Fourth, the absorption of large levels of immigration depends on housing, infrastructure, education and administrative capacity. A country may need additional workers while encountering immediate constraints in the territories where these workers settle. Macroeconomic benefits and local costs may arise at different horizons and be distributed among different actors.

Finally, migration is a political variable. Governments do not only choose a number of workers: they must organise rules for entry, residence, integration and access to rights. The preferences of host societies, legal obligations, economic needs and humanitarian situations are not confused. A demographic analysis alone cannot therefore determine an optimal migration policy.

Migration should therefore be understood as one of the adjustment mechanisms available to societies facing a shrinking labour force. It can slow down ageing, respond to sectoral shortages and increase the productive base. But it does not replace productivity policy, improving employment rates or adapting social systems.

On a global scale, however, it can become one of the main meeting points between two demographic temporalities: regions with large cohorts entering the labour market and regions in which the number of potential workers is decreasing.

# VII. Fertility policies have real but limited policy space

The decline in fertility has led several governments to develop policies aimed at facilitating or encouraging births. Family benefits, parental leave, childcare services, tax benefits, housing subsidies or support for medically assisted reproduction are among the instruments mobilized in different combinations.

The existence of these policies does not mean that governments can directly choose a fertility rate. Reproductive decisions are the result of a set of individual, economic, social and cultural factors over which public action has only a partial influence.

The United Nations' projections show above all the difficulty of quickly reversing a situation of very low fertility. For the 24 countries and territories that combined fertility of less than 1.4 children per woman in 2024 with a population that had already reached its peak, the estimated probability of returning to 2.1 children or more over the next thirty years was only 0.1%.[22]

Even a significant recovery in fertility would also have only a delayed effect on the labour force. A child born in 2027 does not meet the labour shortages of 2028. He or she will eventually start to enter the labour market in the 2040s. Family policies can therefore influence the very long-term structure but are not an instrument for a rapid correction of ageing.

This does not make them useless. However, the question must be framed differently. UNFPA's *State of World Population 2025* report emphasizes the gap between reproductive intentions and their achievement. In a survey conducted in fourteen countries, nearly 20 per cent of adults of reproductive age felt that they would not be able to have the number of children they wanted. Of those who had or wanted to have children, 39 per cent indicated that financial constraints had affected or could affect their ability to reach the desired family size; job insecurity was also among the main obstacles[23].

This distinction is important. Low aggregate fertility can result in part from a decrease in the number of children desired, but also from a gap between preferences and opportunities. Housing costs, job insecurity, access to childcare, the distribution of domestic work, reproductive health, or the age at which individuals achieve sufficient stability to start a family can influence this gap.

A population policy based solely on a one-off financial bonus therefore risks treating a multidimensional phenomenon as a simple question of price. If the main obstacle is the incompatibility between career and parenthood, the lack of suitable housing or the inadequacy of childcare solutions, an isolated benefit may have a limited effect.

It is also necessary to distinguish between the demographic objective and the individual objective. A policy may be considered relevant even if it does not reduce fertility to 2.1 when it allows individuals to achieve their family project. Conversely, the search for a quantitative population objective does not justify restricting reproductive autonomy. In this respect, UNFPA defends a "demographic resilience" approach focused on the ability of societies to adapt to population changes while respecting reproductive choices[24].

[22] United Nations, *World Population Prospects 2024*: https://population.un.org/wpp/assets/Files/WPP2024_Summary-of-Results.pdf
[23] UNFPA, *State of World Population 2025*: https://www.unfpa.org/swp2025
[24] UNFPA, *State of World Population 2025*: https://www.unfpa.org/swp2025

Fertility policy therefore has a role, but its effects must be placed in their temporality. For societies that are already very ageing, the levers capable of changing the working population in the next ten or twenty years are mainly employment, the age at which they leave the labour market, productivity and migration. Fertility has a greater impact on the next horizon.

This difference in temporality is central to preventing the demographic debate from being reduced to a pro-natalist policy. States must simultaneously act on the future structure and adapt their institutions to a present structure that can no longer be rapidly modified.

# VIII. The strategic response depends more on adaptation than on numbers

As a large part of the populations of 2040 and 2050 have already been born, the population policy of the coming decades will necessarily be as much a policy of adaptation as a policy aimed at influencing demographic behaviour.

For aging economies, the first lever is productivity. If the number of workers decreases by 10% but output per worker increases by more than 10%, total output can continue to grow. This relationship explains the strategic importance of investment, automation, and artificial intelligence in economies facing a shrinking workforce.

However, technology is not a one-size-fits-all trade-off. Jobs are differently automatable, productivity gains are uncertain, and their diffusion requires capital, skills, and reorganization. An aging economy with productive firms, significant financial capacity, and a well-educated population is better placed to use automation than an economy that ages before it has accumulated these resources.

The second lever is participation. The distinction between the working-age population and the actually employed population is fundamental. The OECD points out that employment rates fall sharply with age: in 2024, they stood at an average of 75.7% for 55-59 year-olds, 56.5% for 60-64 year-olds and 26.4% for 65-69 year-olds[25].

Improving the employment of older workers can therefore compensate for part of the demographic contraction. However, it requires appropriate health, training and work organisation conditions. Legally raising the retirement age does not automatically lead to an equivalent increase in employment if the workers concerned leave the labour market for other reasons.

The third lever lies in female employment and in the reduction of other inactivity reserves. In countries where the participation gap between men and women remains large, its reduction can increase the active population without changing the total population. Childcare policies, work organization and taxation can have effects both on participation and on the ability to carry out family projects.

The fourth lever is migration. Its effect can be much faster than that of an increase in the birth rate, but it depends on integration and the political choices analysed above.
Young economies are faced with the opposite equation. Their priority is not to compensate for a lack of workers but to increase the capacity produced by each new cohort. Education, health, infrastructure and job creation are becoming the main demographic multipliers.

[25] OECD, *Pensions at a Glance 2025*: https://www.oecd.org/en/publications/pensions-at-a-glance-2025_e40274c1-en/full-report/employment-rates-of-older-workers-and-gender-gaps_cb8a2f7b.html

This difference creates an interesting relationship with artificial intelligence. In an aging economy, labor-saving technology can address a shortage. In an economy where millions more young people enter the workforce each year, the same technology can increase the difficulty of creating enough jobs in some sectors while opening up new opportunities in others. The strategic effect of a technology therefore depends on the demographic structure into which it is introduced.

Finally, intermediate transition states have a specific priority: to exploit their window before it closes. A relatively large labour force can increase savings, investment and government revenues. These resources can finance the infrastructure and protection systems that society will need as it ages. Otherwise, the country risks ageing before it has accumulated enough capital.

This possibility is particularly important for several Asian and Latin American economies. The problem is not just "getting rich before you get old," a phrase frequently used in the economic debate, but building enough productivity and institutional capacity during the phase when the age structure is favorable.

Strategic demographic policy can therefore be summarised as a policy of conversion. For young companies, convert cohorts into human capital and employment. For ageing companies, convert capital and technology into productivity and mobilise more of the available population. For intermediate companies, convert the temporary dividend into sustainable capacity. The common variable is not the number. It is the capacity produced from this number.

# IX. Strategic implications: demography is gradually redefining the conditions of power

The first implication concerns planning. Demographics are one of the few strategic variables for which a significant part of the medium-term evolution can be anticipated. Governments do not know precisely the economic growth of 2045, the state of technology or the geopolitical environment, but they already know approximately the size of the generations that will be 30, 50 or 70 years old. Not integrating this information into the planning of pensions, infrastructure, defence, education or health is therefore tantamount to ignoring an already observable constraint.

This temporality must also modify the evaluation of policies. An educational reform produces its effects over several decades; a fertility policy even more so. Effectiveness cannot be measured exclusively over a budgetary or electoral cycle.

The second implication concerns public finances. Ageing increases competition between expenditures. In several advanced economies, pensions, health and dependency will absorb a larger share of public resources at a time when governments are simultaneously seeking to finance defence, energy transition, climate adaptation and technology. Demographics are directly linked to the issue of sovereign debt: a slower growth in the productive base and higher age-related spending are changing debt capacity and intertemporal trade-offs.

The third implication concerns economic geography. Sub-Saharan Africa will concentrate a growing share of the youth, the growth of the labour force and the increase in global demand. This does not mean that the centre of the world economy will automatically move in the same proportions. But companies, investors and governments will have to integrate markets whose relative size will increase sharply. Infrastructure, energy, telecommunications, education, financial services and African cities will become investment spaces of increasing importance.

The fourth implication concerns migration. The differences between regions with a relative surplus of labour and regions facing shortages create a potential economic complementarity. This does not remove political constraints or integration difficulties. It simply means that the demographic structure is likely to increase the economic interest of some migrations at the very time when they remain the subject of major political debate.

The fifth implication is defense and security. The relationship between demographics and military power has become less direct than in the days of mass armies. Contemporary military capabilities rely heavily on technology, industry, capital, and specialized skills. But a shrinking labor force can increase recruitment difficulties, especially when the armed forces compete with the private sector for the same technical skills. Conversely, a young population produces a military advantage only if the state has the financial and industrial means to train and equip the personnel involved.

The sixth implication is innovation. Ageing societies will need to devote more resources to technologies that compensate for the relative scarcity of work: robotics, automation, medicine, assisted living, and artificial intelligence. Young societies will have a greater need for technologies that can train quickly, create productive activities, build infrastructure, and absorb rapid urbanization. The same technological revolution can therefore respond to opposing demographic imperatives.

The seventh implication concerns the relationship between demography and sovereignty. An over-reliance on immigration for certain skills, an inability to finance pensions, or the inability

to create enough jobs for a young population can all reduce a state's room for action, but through different mechanisms. Demographic sovereignty cannot therefore mean the self-sufficiency of the population. Rather, it refers to the ability to adapt institutions to the actual demographic trajectory.

The final implication is time. Demographics rarely reward late responses. When a labour shortage appears, missing cohorts cannot be created retrospectively. When an education system is saturated with a very large cohort, infrastructure that was not built ten years ago cannot be deployed instantaneously. When a large generation retires, its rights and needs are largely determined by decisions accumulated over several decades.

Demography is therefore not only a slow variable. It is a variable whose slowness makes errors persistent.

**Conclusion**

The global demographic transition does not lead to an indefinite population explosion or a uniform collapse. It produces a more complex transformation: the sustainable coexistence of societies at different points in their demographic trajectory.

The world's population is expected to increase for several more decades and reach around 10.3 billion in the mid-2080s according to the central scenario of the United Nations. But this aggregate figure masks a profound redistribution. Part of Europe and East Asia has already reached its demographic peak. Several major emerging economies will reach it in the coming decades. Sub-Saharan Africa, on the other hand, will concentrate a considerable share of the growth of the world population and especially of the future increase in the working-age population.

This desynchronization will gradually change the global economy. Ageing societies will have relatively fewer workers and will have to finance more age-related expenditures. They will have an interest in increasing productivity, prolonging labour market participation, mobilising available labour reserves and, depending on their policy choices, using immigration as a complementary adjustment mechanism. Young societies will have to face the opposite problem: creating enough schools, infrastructure, capital and jobs to transform large cohorts into productive workers.

None of these trajectories mechanically determines power. A large population is potential. It can create a market, a workforce, a tax base, and a pool of skills. But it produces these effects only when institutions allow it to be converted. A young population without human capital or jobs can remain low-productive. An aging population can maintain a high level of economic capacity if productivity and capital compensate for the contraction in labor.

Demography must thus be understood as a slow infrastructure of power. It defines a part of the available human resources, the relationship between generations, social needs and the temporality in which the state must act. But, like any infrastructure, its value depends on what is built on it.

The shift of the world's demographic centre to Africa and South Asia therefore does not allow us to deduce the ranking of the powers of the second half of the century. On the other hand, it indicates where a growing share of workers, consumers, infrastructure needs and urban dynamics will be located. Conversely, European or East Asian ageing does not automatically herald a decline, but it increases the level of productivity, capital and adaptation necessary to maintain a given capacity.

Migration will increasingly link these different temporalities without making them disappear. Family policies may influence certain trajectories, but their effects will be slow and the recovery of persistently very low fertility remains uncertain. Automation will be able to compensate for some labour shortages, but its effect will be different in economies that simultaneously seek to absorb millions of new entrants into their labour markets.

The main strategic lesson, therefore, lies in the need to distinguish between **population and capacity**. Counting the inhabitants is not enough. It is necessary to determine how many are of working age, how many are actually working, what skills they have, how much capital they produce with, how much productivity they achieve, and how much of this production can be transformed into collective resources.

This distinction also makes it possible to overcome the opposition between demographic decline and demographic dividend. Neither is a destiny. An ageing structure is a constraint that productivity, employment and adaptation policies can partially compensate. A young structure is an opportunity that can be lost when education, employment and institutions do not follow.

The global demographic transition must ultimately be understood as a **redistribution of constraints and opportunities for power**. Some societies will have to learn to produce more with relatively fewer workers. Others will have to learn to turn a massive increase in their labor force into development. Still others have a few decades to convert a favorable structure into capital before their own aging accelerates.

In this respect, demography has a strategic singularity: it changes slowly, but this slowness does not make it secondary. On the contrary, it makes its transformations more difficult to correct when they have been insufficiently anticipated. A large part of the human structures of 2050 already exist in 2026. The uncertainty is less about their existence than about the capacities that will have been built around them.

The decisive question of the twenty-first century will therefore be not only how **many inhabitants each state will have**, but what each will be able to do with the population it has.