

**Demographic change in Brandenburg -  
renewal from within**

**Causes and consequences – strategies and spheres of  
action, projects and measures**

2<sup>nd</sup> report of the *Land* government on  
demographic change

## Demographic change in Brandenburg - renewal from within

### Causes and consequences – strategies and spheres of action, projects and measures

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## **Demographic change – an obligation to act**

Demographic change has recently been making the headlines. The newspapers report on it almost daily, highlighting the consequences. Congresses and publications focus on the subject, mostly simply describing it, more and more often analysing it, rarely suggesting action. But what we need is action – we need to change direction.

The key demographic figures are known. Population forecasts describe trends which have been long in the making and whose consequences also can only be influenced over the long term. Historical influences, such as the world wars, the global economic crisis, the slump in the birth rate caused first by the pill and most recently following the collapse of communism, have had a lasting impact on age and social structures. When the generation born in Brandenburg in the 90s start to have families of their own, they will be less than half as numerous as their parents' generation. If ten Germans have six children today, they will have only four grandchildren in 20 to 30 years' time. Thus the demographic impact echoes down the generations: if present trends continue, Germany's population will shrink by more than a third with every generation. We can do very little to influence this trend as we cannot change the demographic past: children who were not born in the 90s cannot grow up to become parents later.

Besides the falling number of children, the demographic change in Brandenburg is characterised by large-scale migration. This massive and hence highly visible haemorrhaging of population is only one part of the story. Because young adults, women especially, make up a disproportionate share of those leaving, the next generation of parents is getting even smaller over and above the aforementioned trend.

But what is so bad about a smaller population? Purely in terms of numbers, nothing at first sight. After all, in 1950 there were 14 million fewer people living in the territory of the present Federal Republic than in 2000. But what about caring for the elderly? Today it takes five people in work to provide for two pensioners; by 2050 the ratio could be 2:1 unless we make substantial changes to our social security system, to both pay-as-you-go and funded schemes. And what about those regions where ever fewer people live? They will have more space. An apparently benign trend then, were it not for the impact on public utilities and waste disposal systems and the demands – including the entitlement mentality - on medical care, education, transport, etc.

The challenges of demographic change are the reality of the 21<sup>st</sup> century. It is vital that problems that we can already discern today are tackled today. When a problem comes to light we must draw up complex solutions together with the people who are both causing the demographic change and affected by it. The possibility that it could turn out differently – which is very unlikely anyway – should not be used as an excuse for doing nothing. Anyone suggesting this is acting in a politically irresponsible fashion.

## 1. Factors in demographic change

### 1.1 Population trend and forecast<sup>1</sup>

The *Land* government's February 2004 report on demographic and structural economic changes in Brandenburg presented a comprehensive stock-take. This second report lays out the causes and consequences of demographic change, puts forward strategies and blueprints for tackling the causes of declining birth rates and of migration, and presents the logical conclusions which must be drawn from these demographic changes.

From 1990 to 1994 Brandenburg's population of just under 2.59 million fell by 50,000. Subsequently migration from Berlin into the surrounding areas ensured a continuing population growth up until 2000. In 2000 Brandenburg reached its highest population level with 2,602,000 inhabitants. Since then the number of incomers from Berlin has been insufficient to offset the numbers leaving. By the end of 2003 the population had declined to 2,574,500.

According to the current population forecasts for the *Land*, the population will continue to fall to about 2,411,000 by 2020. This decline of about 170,000 compared with 2002 is made up of a growing population in the area around Berlin (+54,000 inhabitants) and a simultaneous decline of 224,000 in the outer development area.

Basically, demographic change in Brandenburg is determined by four trends:

#### **Births' deficit**

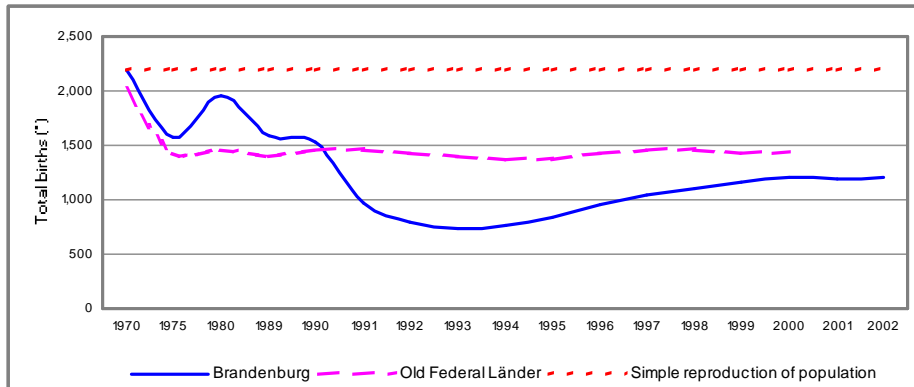
Even 15 years after the collapse of communism, the birth rate is still considerably – i.e. 40-50% - below that needed for a stable population. The consequences have long been apparent in childcare facilities, schools and in unoccupied housing. In a few years the demographic echo of this slump in births will reach us – children who were not born after the fall of communism will not be there to form the next generation of parents.

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<sup>1</sup>

The detailed report "Bericht zu den demografischen und wirtschaftsstrukturellen Veränderungen in Brandenburg" (Report on demographic and structural economic changes in Brandenburg) of February 2004 can be found at <http://www.brandenburg.de/cms/media.php/1168/dgbericht.pdf>.

### Birth rate trend in Brandenburg



(\*) Number of live births per 1,000 women aged 15-45

### Migration

In 1998 the area around Berlin received the largest net influx of migrants from Berlin, almost 30,000 people. Since then, migration between Berlin and its surrounding area has settled down. The net influx from Berlin is falling continuously and was only 12,500 in 2003. In the outer development area the fall in population has been due to natural causes (more deaths than births), exacerbated by continuing high migration. With net migration of between 11,000 and 18,000 people, the outer development area of Brandenburg has been losing annually the population equivalent of a small town such as Angermünde or Zehdenick.

Overall, the east-west migration represents a considerable haemorrhaging of population for the new *Länder*. Between 1991 and 2003, 2.035 million people left east Germany for the west; 1.19 million moved in the opposite direction. For the east, this means a loss to migration of some 850,000 people. Virtually every year just under 70,000 people are leaving; a total of 860,000 since 1991. Since 1997 this has been offset less and less by incomers.

### Change in population in Brandenburg between 1991 and 2003

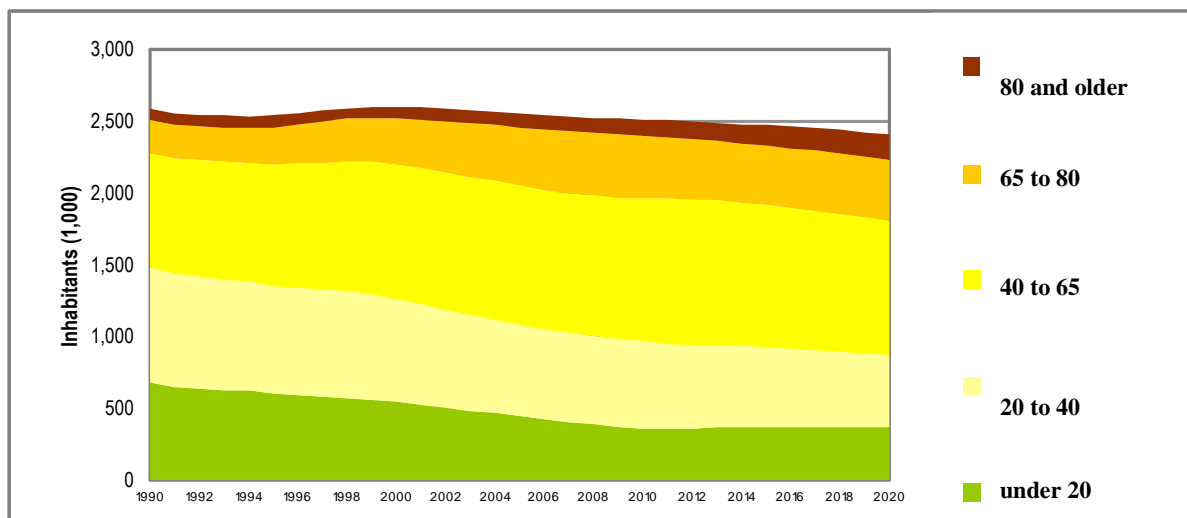
	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Inward migration	39.074	67.348	79.273	71.847	81.535	93.717	97.332	94.134	90.880	74.389	71.128	69.514	68.098
Outward migration	60.712	62.211	67.477	56.714	62.333	68.836	68.096	67.869	71.960	66.014	71.801	71.385	67.064
Balance	-21.638	5.137	11.796	15.133	19.202	24.881	29.236	26.265	18.920	8.375	-673	-1.871	1.034
Births	17.215	13.469	12.238	12.443	13.494	15.140	16.370	17.146	17.928	18.444	17.692	17.704	17.970
Deaths	31.167	29.352	29.024	28.490	27.401	27.622	26.756	26.327	26.016	26.068	25.889	26.494	26.862
Balance	-13.952	-15.883	-16.786	-16.047	-13.907	-12.482	-10.386	-9.181	-8.088	-7.624	-8.197	-8.790	-8.892
Total	-35.590	-10.746	-4.990	-914	5.295	12.399	18.850	17.084	10.832	751	-8.870	-10.661	-7.858

Although current population forecasts for the period up to 2020 point to a renewed increase in net immigration up to 2010, this will nowhere near offset the constantly rising excess of deaths over births.

### Ageing

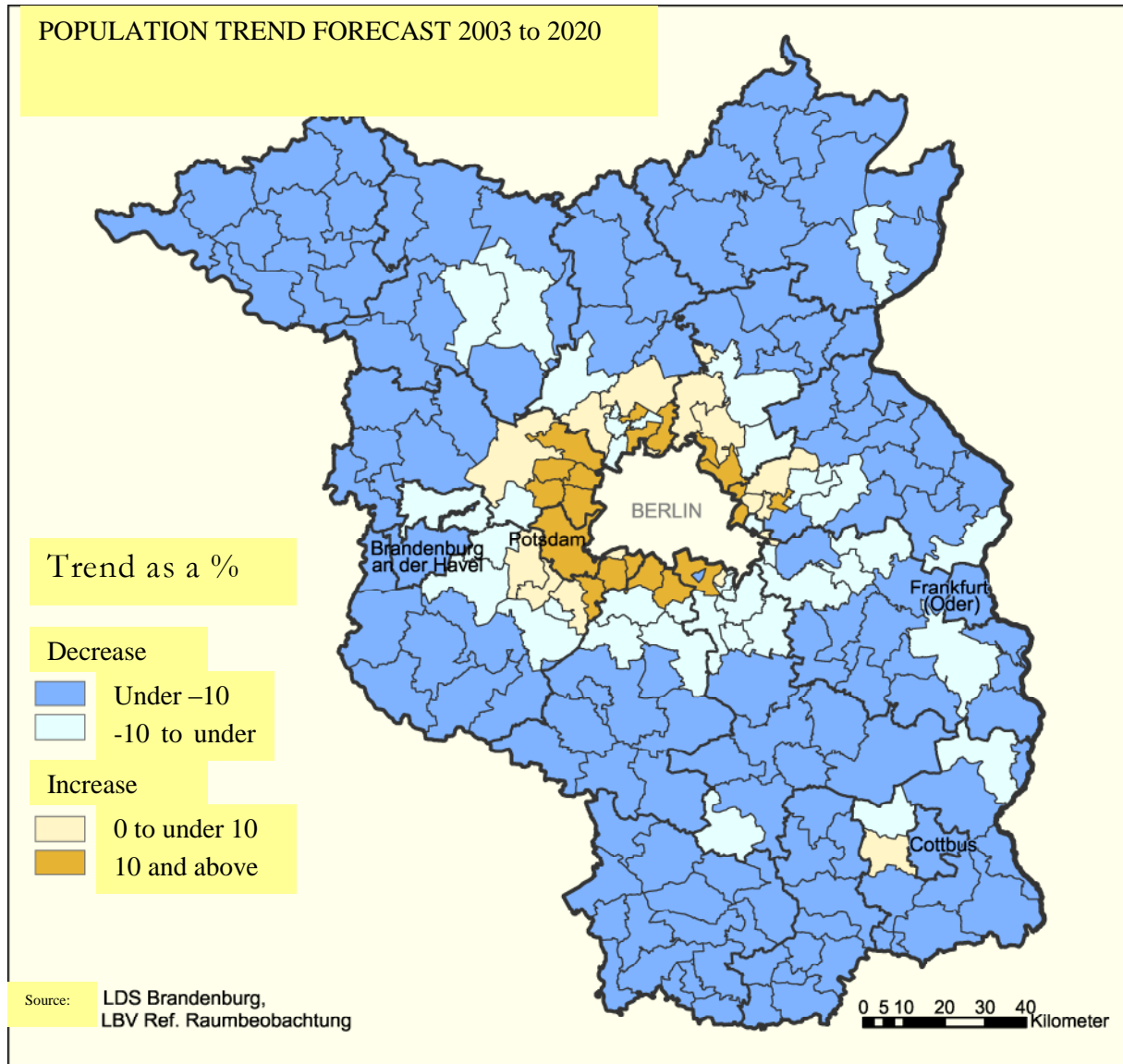
At the same time the population is getting ever older. From 1990 to 2002 the number of 65+s rose by 126,000 to 440,000 (+40%). As a proportion of the total population this group increased from 12% to 17% over the same period. In 2020 every fourth person will be a pensioner.

### Change in population of Brandenburg according to main age groups



### Spatial development

The consequences of these three trends are exacerbated by a problem specific to Brandenburg: the very diverse spatial development. While some 224,000 fewer people will live in the outer development area in 2020 than now, 54,000 more people than now will live in the inner peri-urban zone. Over a 30-year period (1990-2020) the population in the peri-urban zone will increase by 236,000 (+30%), while 413,000 fewer people (-23%) will live in the outer development area. It is expected that in 2009 the population of the peri-urban zone will top 1 million for the first time. Thus the ratio of population between the peri-urban zone and the outer development area will change from 30:70 in 1990 to 40:60 in 2010. By 2050 the ratio could be 50:50.



If there is no significant change in the birth rate, demographers estimate that between 2020 and 2040 Brandenburg's population will decline by a further 500,000-550,000 inhabitants, of which 350,000 in the outer development area, due solely to natural causes. Unless offset by immigration, this would mean a total population of 1,860,000 in 2040, of which 820,000 in the peri-urban zone and 1,040,000 in the outer development area.

## 1.2 The causes of demographic change

Demographic change in Brandenburg is essentially brought about by three factors, namely:

- much too low a birth rate to ensure replenishment of the population,
- higher life expectancy, and

- the migration of, in particular, young people to other *Länder* of the Federal Republic of Germany (FRG) and internal migration from regions of the *Land* of Brandenburg which are distant from Berlin to those which are near to Berlin.

### Fall in the birth rate

The causes of the drop in the birth rate can be traced to: individual decisions linked to values and feelings; objective basic conditions which are subject to influence by society and, in particular, the career situation of men and women in the requisite age group for starting a family. Over the last three to four decades, the issue of establishing a family has, above all by virtue of the availability of safe means of contraception, increasingly become a matter of a conscious choice either to have children or not. Recent scientific research has highlighted the Europe-wide phenomenon, brought about by a change in social values, of the **decline in the average number of children men and women wish to have.**<sup>2</sup> German **women** in the age-group 18-35 want, on average, to have 1.74 children, which places them in last but one position in the EU. German women in this same age group do, however, occupy the leading position when it comes to women who wish to have either no children at all (17% of those questioned), or just one child (19% of those questioned).<sup>3</sup> According to recent surveys, the number of childless **men** in the new *Länder* of the FRG has also already come into line with the level applying in the west. This matches the observation that the number of children which German men aged under 35, too, wish to have, namely 1.31 children, trails a long way behind, in final position, when compared with other EU states.<sup>4</sup> The main reasons put forward by men for wanting such a small number of children are clashes with non-family interests and lack of security or, alternatively, too much responsibility<sup>5</sup>. Surveys carried out to ascertain the value appraisals of young people in Brandenburg show that only half of those questioned classified starting a family as being a “very important” value.<sup>6</sup>

The desire for self-determination with regard to the number of children people wish to have also derives from an ever greater need for individuals to take into their own hands the planning of their lives in industrial societies. “The trend towards a greater emphasis on the individual in society ... has made values such as gainful employment, self-realisation and recognition outside the family ever

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<sup>2</sup> European Foundation for the Improvement of Living and Working Conditions, Fertility and family issues in an enlarged Europe, Dublin 2004.

<sup>3</sup> See footnote 5.

<sup>4</sup> By way of comparison: men aged 55+ still wanted to have 2.0 children; the average number of children wanted by men under 35 in EU-15 is 2.17 (source; see footnote 5).

<sup>5</sup> Federal Office for Health, Education: Men’s lives – study of life histories and family planning, page 27.

<sup>6</sup> In the hierarchy of values on which the surveys were based, the value of “Starting a family” is ranked third in the list of an overall total of seven priorities, the first two places being occupied by “Enjoying life because we only live once” and “Having a satisfying job in which I can become engrossed”.



more important. Life stories are no longer so closely geared to traditional social institutions, such as the family”.<sup>7</sup>

Women with high educational qualifications form, on a Europe-wide basis, the largest group of women who have fewer children than they originally wished. The higher the level of education attained by women, the more often they remain childless – this observation does not (yet) apply to the same extent in the new *Länder* as it does in the western part of Germany. It is accepted that, by the year 2010, throughout the Federal Republic of Germany, every second person with a university education – both men and women – will remain childless.<sup>8</sup>

The number of childless individuals frequently stands at an above average level in two areas: a) those areas where it is judged to be difficult to reconcile gainful employment and family life, e.g. at the present time almost 40% of all women with a university education remain childless throughout their lives (“the career women”)<sup>9</sup> – whilst, in the case of men with a university education, the percentage is even higher and b) in those areas where, because people have a **relatively low** (but not very low!) income, having children would jeopardise their existing standard of living (the category of people facing competing options).<sup>10</sup>

The increase in the average age of women having their first child<sup>11</sup> also has an effect on the decline in the birth rate. The latest Family Survey, carried out in 2003<sup>12</sup> drew attention to a particular characteristic of the new *Länder*, namely that, in comparison to mothers in the western part of the FRG, fewer mothers in the eastern part of the FRG have a second child, with the result that in the latter part of Germany, the “fertility crisis”<sup>13</sup> is proving to be not so much a “crisis in respect of the first child” as a “**crisis in respect of the second child**”.<sup>14</sup> The general observation may be made that

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7 Federal Institute for Population Research: Population – Facts, Trends, Causes, Expectations, Second edition, 2004, page 21, [www.bib-demographie.de](http://www.bib-demographie.de)

8 Federal Institute for Population Research, 2003.

9 See: Dr Juliane Roloff, Federal Institute for Population Research at the Federal Statistical Office in Wiesbaden: “Will improved family policies bring about an increase in birth rates in the long term?” Lecture given in November 2003 (in German).

10 Loc. cit. page 27.

11 In the case of Brandenburg, 1992: 26.0 years; 2002: 29.4 years (refers only to legitimate children).

12 Third Family Survey carried out by the DJI on behalf of the BMFSFJ: “Partnership and starting a family, 2003”.

13 The term “fertility” indicates only the actual number of births which have occurred (birth rate); e.g. the fertility rate in respect of the number of living children born to every thousand women of child-bearing age between 15 and 45.

14 Loc. cit. (footnote 10) Kreyenfeld/Huinink, “Going on to have a second child – major differences between east and west”, page 63 (in German).

the desire of parents to invest in the education of their children is leading to **a reduction in the number of children which they have.**<sup>15</sup>

Contrary to the situation in the original *Länder* of the FRG, the decline in the birth rate in Brandenburg cannot be put down to a lack of **child-care facilities**, which leads to a lack of compatibility between family life and careers for both mothers and fathers. It is rather the case that the attitude of women towards gainful employment and motherhood and the availability of child-care facilities is more in line with the situation in European states having a high employment rate of women and mothers and higher birth rates, such as Finland and France. This demonstrates that having child-care facilities of an adequate quality is, in itself, not enough to enable the areas concerned to achieve a comparably high birth rate. People clearly take the view that selective cuts in facilities, compounded by uncertainty linked to social change are factors of greater importance than the overall extent of child-care facilities.

The **drastic decline in the birth rate following German unification** has demonstrated that radical changes and deteriorations in the economic situation and the basic structural conditions affecting families, together with a change in values and different lifestyles for individuals, all have a decisive influence on the way in which the desires of young people as regards the number of children which they wish to have are realised. The negative outlook as regards future prospects for individuals, particularly in view of the loss of jobs, increasing stress at work and the loss of key benefits linked to the starting of a family, have all had a sustained influence on the line taken with regard to having children. A recent survey shows that over half of the people in Brandenburg who were questioned think that living conditions for families and children in Germany will undergo a further deterioration in the next few years.<sup>16</sup>

Economic and social crises have always impacted upon birth rates. Even today, the age pyramid still reflects the sharp falls in population brought about by the two world wars and the economic slump of the 1930s. The sharp change in the wake of the reunification of Germany ultimately led to a drop in the birth rate between 1990 and 1993 from 1.52 to 0.74, the lowest figure ever recorded on a worldwide basis; this drop reflects the radical economic and social change which took place during and after German reunification in which there was a sharp increase in the level of personal **uncertainty** felt by many people with regard to their own future.

A survey carried out by the Allensbach Institute for Polling on behalf of the Ministry of State of Baden-Württemberg comes to the conclusion that, in the case of a large majority of potential parents, **realisation of their wishes as regards the number of children they would like to have is dependent upon four factors** which are all bound up with the central theme of “security” namely:

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<sup>15</sup> Hens Bertram, "Family, social change, regional development – Taking stock of family policy", Lecture given (in German) at the Conference on "Family policy as an economic factor", Berlin, 5.11.2004.

<sup>16</sup> "Perspektive Deutschland" (Prospects for Germany), 2004.

- a stable relationship with a partner,
- completed education,
- job security and
- an adequate family income.<sup>17</sup>

### **Increasing life expectancy**

The ageing society, a factor which is part and parcel of demographic change, is brought about by the ever-increasing level of life expectancy. Whilst prior to 1990 there was a gulf between east and west Germany as regards life expectancy, after 1990 and within the space of barely 15 years, life expectancy for women in Brandenburg rose from 77 years to in excess of 81, whereas the equivalent figure for men rose from 69 years to over 74. Looking to the future, demographers consider that most of today's 30-year-olds will live to be more than 90. Half of the newborn children in Germany today have a good chance of living to be 100.

### **Migration**

As a result of the increase in mobility, which is economically-motivated, Brandenburg has been particularly hard-hit by **the outward migration of well-educated young people**. Young women account for the highest number of such migrants. If a large number of women of child-bearing age migrate from an area, this phenomenon is of importance not only in terms of employment policy, but also in terms of long-term regional economic policy and demographic policy. Low birth rates and a lack of potential parents bring about a further drop in the level of population.<sup>18</sup>

People migrate primarily to achieve **better working and training facilities** and **more attractive living conditions**. Migration is also brought about by impending unemployment. In the majority of cases, people attach considerable importance to the quality of jobs, the rate of pay and the prospects for improvement; these factors serve as elements which either persuade people to stay where they are or attract them to go elsewhere.

Even though, in the case of people moving from Brandenburg to live in other parts of Germany, migrants are more or less evenly balanced between men and women, in the case of young adults (aged between 18 and 24), women make up the clear majority of people migrating within Germany. In this age group almost 25% more young women than young men migrate from Brandenburg. A much larger percentage of young women than young men consider moving to live elsewhere in response to poor training and labour-market prospects (59% of young women as opposed to 41% of young men).<sup>19</sup>

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<sup>17</sup> Allensbach Institute for Polling: Factors having an influence on the birth rate, results of a representative survey of people in the 18-44 age bracket [http://www.ifd-allensbach.de/pdf/akt\\_0407.pdf](http://www.ifd-allensbach.de/pdf/akt_0407.pdf).

<sup>18</sup> Steffen Kröhnert, Nienke van Olst, Reiner Klingholz: "Germany 2020 – The demographic future of the nation" (in German) p. 14, Berlin Institute for Global Population and Development.

<sup>19</sup> According to a study carried out by the Institute of German Youth in 1998, quoted from Christiane Dienel et. al. [www.menschen-fuer-sachsen-anhalt.de](http://www.menschen-fuer-sachsen-anhalt.de).

Young people are also increasingly considering moving to other areas because of the fact that alarmingly few **trainees** are taken on by companies after the successful conclusion of their period of training. In 2003 a total of only 34% of trainees were given jobs in the enterprises in which they received their training once that training had been completed, whereas the figure for eastern Germany as a whole was 38%. In the case of **women** trainees, the corresponding figure for Brandenburg was a mere 33%, whereas the average figure for eastern Germany was 39% and for western Germany it was 55%.<sup>20</sup>

### 1.3 The consequences of demographic change

The consequences of demographic change can be seen at all levels of state and society and these consequences require appropriate responses, differentiated according to the area, subject and policy involved.

#### European Union

The number of people of working age in the EU is set to fall by 21 million over the next 25 years. Attention was already drawn to the negative impact of this demographic development in the mid-term review of the Lisbon strategy. Immigration from non-EU countries could initially offset this drop in population and help to provide the requisite number of workers, thereby ensuring the prosperity of the EU. From 2025, however, net immigration will no longer be able to compensate for the natural decline in population, which is already evident at the present time.

#### Consequences for the government of the FRG

The decline in the number of people in gainful employment has the effect of reducing the level of contributions paid into pension funds. At the same time, we are witnessing a considerable increase in the level of expenditure, brought about by increased pensions and longer periods of drawing pensions. By the year 2050 the ratio of persons of working age to persons of (the present) pensionable age will fall by 50% from 4:1 to 2:1. Because of the fact that the employment rate is currently below 70% and in view of the fact that the actual age at which people go on pension is 60 years, the real ratio between the number of persons in gainful employment and the number of pensioners is currently about 2:1. If these basic conditions remain unchanged, the ratio of the number of persons paying contributions to the number of pensioners could be almost 1:1 by 2050. This will have major **consequences for the social insurance schemes**.

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<sup>20</sup> Development of enterprises and jobs in Brandenburg – results of the eight series of meetings of the Enterprise Panel for Brandenburg, (in German) MASGF Brandenburg, July 2004.

### **Consequences for the *Länder*, municipalities and the economy**

The number of inhabitants serves as a yardstick for calculating income under the revenue equalisation scheme in the FRG. One less inhabitant means, in the case of Brandenburg, a cut in revenue of approximately EUR 2,300. Furthermore, Brandenburg is seeing its income decline in the case of ring-fenced allocations which are also tied to the number of inhabitants.

The predicted fall of 170,000 in the number of inhabitants in Brandenburg will lead to a clear cut in all of the revenue of the *Land* which is calculated on the basis of number of inhabitants. Assuming that the relative financial capacities remain unchanged, the drop in revenue under the current revenue equalisation arrangements for the FRG *Länder* – due to expire in 2019 - will amount to in excess of EUR 400 million by 2019. It should, however, be borne in mind that the actual financial consequences will depend upon the respective financial capacities of the individual *Länder*. Brandenburg will see its income decline further at a later stage as a result of the expiry, in 2019, of the federal top-up allocations under the Special Needs scheme. Financial allocations to the *Land* of Brandenburg will, as a result, then be aligned on the arrangements which apply in the case of west Germany.

Demographic developments are also having a major impact on the ongoing organisation of infrastructure in Brandenburg. The basis on which planning and corresponding technical planning decisions are taken have to take account of the differentiated impact of demographic developments on the *Land* of Brandenburg. Previous planning, which was geared to need, will have to be reviewed and organised on the basis of demand. The massive exodus from Brandenburg as a result of the lack of labour-market prospects is resulting in a large amount of accommodation standing empty, which is having a detrimental effect on local housing associations.

In view of the fact that financing and other fixed costs in respect of both housing and supply and disposal infrastructure are, generally, not dependent upon the level of use, consumer prices are going up. Unless measures are taken to deal with the problems, under-used waste-water drainage systems will lead to odour problems and rapid dilapidation; under-utilised drinking water mains may also pose a health hazard to consumers.

The level of supply of public and private services is particularly hard-hit by the problem of demographic change. Because of a shortage of pupils schools have to be closed on budgetary and also on educational grounds. Local public transport must, on the one hand, extend its supply of services but has, on the other hand, to cut the supply of services or tailor it to match new requirements by introducing new levels of services geared to thinly-populated areas and an aging population. Banks are also cutting the number of branches. Businesses are closing. The provision of mobile services is proving to be an inadequate replacement for stationary facilities. To put in a nutshell, public and private **service-providers are withdrawing from the area**. Furthermore, rural medical practices cannot find enough doctors to fill vacancies and hospitals are also short of doctors. Posts for skilled workers remain unfilled because applicants do not consider Brandenburg as an attractive place to live.

The **shortage of skilled workers** will start to have a dramatic impact on the regional economy once more skilled workers retire and cannot be replaced because of the lack of young workers as a result of migration ("the demographic trap"). Brandenburg's prospects for economic development, particularly in outlying underdeveloped areas of the *Land*, could also deteriorate as a result of the decline in an important factor as regards industrial location, namely human resources. Brandenburg will, on the other hand, have a **surplus** of trained specialist workers.

A factor which will assume considerable importance is the demand for services which enhance the quality of life of older people and enable them to live independently for as long as possible. These services include appropriate forms of accommodation and services in the field of health, finance and insurance. At the same time as we are witnessing these market changes brought about by demographic factors, there will be growing demands for timely and comprehensive consumer protection in order, on the one hand, to make it possible for people to continue to live an independent and healthy life and also, on the other hand, to avoid jeopardising the economic power of the old people of tomorrow.<sup>21</sup>

Older people are not just gaining economic power; they are also securing more political influence and, perhaps, influence as regards the establishment of values.

### **Social changes**

Outward migration has **considerably changed the social structure** in many towns and regions, with the departure of young people, skilled workers and ambitious people wishing to acquire skills or to improve their career prospects, in particular women. In the outlying, underdeveloped areas of Brandenburg there are now only 86 women for each 100 men in the age category 20-39; in 1990 the figure was as high as 94 women for every 100 men in that age category. There is a danger that in some parts of towns and cities "a climate of 'structural monotony' will arise, in which everyday necessities will still be dealt with but hardly any emotional or intellectual energy will be able to be summoned up for seeking to change the miserable situation in which people find themselves".<sup>22</sup>

A number of factors are combining to form a vicious circle, namely: unemployed parents, a lack of career or social development prospects, and the fact that a large number of children are being brought up in families which are not "educationally minded". The State and municipalities can make good a lack of education and an inadequate family upbringing, but only inadequately and at considerable cost. If this problem is not countered by providing compensatory education at the earliest possible opportunity, the problem of social and educational skills will enter a downward spiral. Experts are talking of a "brain drain". In this context, the maxim "educational opportunities = opportunities to enhance your life" reveals the way not just for individuals but for society as a whole to ensure its prospects for the future. "The provision of high-quality, up-to-date education must also be guaranteed

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21 Study on the long-term viability of Schleswig-Holstein – the consequences of demographic change, Kiel, July 2004

22 Leipzig-Halle Environmental Research Centre, quotation from Roland Kirbach, referring to the town of Weisswasser: "The Last Children" (in German), DIE ZEIT No. 41/2004

in the case of peripheral regions – and indeed in these areas *in particular*, since, objectively speaking, education is the only promise at all which politicians can both give and carry out in this region".<sup>23</sup> "We cannot afford to leave one single child behind", not only because of that child's own prospects for leading a successful life but also because the future prospects of Brandenburg itself are at stake.<sup>24</sup>

The problem of the **ageing** society is an international phenomenon but one which is, however, taking place relatively rapidly in the case of the east German *Länder*. In 1990, the 65+ age group still made up only 12% of the population in Brandenburg; today the figure has risen to 17% and it is set to reach 25% by 2020. Over a period of 30 years the figure will therefore have more than doubled. Over the same 30-year period, the number of people aged 80+ is set to undergo a 2.3 fold increase from 80,000 to 183,000.

On the one hand, the fact that these age groups account for a growing percentage of the population means that they will have a correspondingly increased level of influence over political decisions. It is therefore all the more important to bring transparency to the links between the different groups in society and to ensure that the interests of children and families are adequately safeguarded in the various programmes. At the present time older people have considerable purchasing clout in the markets for goods and services in industrialised societies. Looking to the future, enterprises such as the Deutsche Bank expect that the views of older people will have a defining effect on the market.<sup>25</sup> Furthermore, the role of the 50+ age group is changing. This stage of life formerly marked the transition from an active working phase to a passive "older persons" phase. This phase is now visibly being transformed into a transition towards a further active phase in which people catch up on activities they missed out on earlier and try new activities. The structure of aggregate demand is therefore changing, as is also the previous pattern of consumption. Enterprises must gear themselves to the needs of the gradually changing but growing "grey market". Older people are increasingly no longer prepared to accept shortcomings with regard to quality and customer service in respect of both products and services. Enterprises will therefore not only have to take a fresh look, with their customers, at hitherto successful goods and services but will also have to review, with their customers, development processes, product design, marketing and communication.

Demographic change will have a concrete **impact on the life of every individual**. Two trends are now already foreseeable. On the one hand, people are postponing the moment at which they give up their working careers. On the other hand, people are having to take on an increased number of jobs in the course of their working careers.

It was formerly the case that people learned the skills required for a particular career and continued in that career up to their retirement; now the situation has changed and people are already being called

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23 Mattias Platzeck: "Das zupackende Land" (The Purposeful Land), February 2005.

24 Op. cit.

25 Deutsche Bank Research, Special publication on demography (No. 278) – "Auf dem Prüfstand der Senioren" (Looking at the needs of older people), July 2003.

upon to demonstrate an increasing level of flexibility. People will increasingly be called upon to change jobs and the demands to be met will be constantly stepped up, reflecting progress in the fields of science and technology. Lifelong learning is becoming the essential tool for enabling us to keep pace with the requirements of society and the world of work. It is now an absolute necessity for people to update their professional expertise and skills throughout their working careers. Lifelong learning is also growing in importance in view of the fact that the duration of initial training courses is set to become much shorter. Lifelong learning for adults also needs to be stepped up on the grounds that it helps to promote democracy and civil society. If people are to be in a position to play an active role in helping to shape social change, lifelong learning is also a vital requirement in the fields of further training in political and cultural matters.

These developments may, in turn, have a positive impact on decisions to start a family: couples may decide to have children at an earlier stage than was hitherto the case and they may perhaps subsequently be more inclined to have a second or third child than used to be the case. The introduction of supporting measures to make starting a family compatible with working careers will also facilitate the switch from gainful employment to looking after children. These developments will bring fundamental changes to the lives of individuals. Continuity will give way to diversity and, following a shorter period of initial training, people will have longer working careers than is still currently the case.

## 2. Political strategies

### 2.1 Countermeasures: strategies based on causes

Clearly, the first question that comes to mind after any analysis of demographic trends is how to stem the process. We therefore need to consider whether and to what extent economic and social measures can influence the motives and factors which have caused declining birth rates and emigration from the region. In assessing possible courses of action, we also need to take into account how long it would take for such measures to take effect.

#### **Family and economic policies go hand-in-hand**

It is not only low birth rates that make demographic trends an issue for family policy. Family policy also relies on sustainable solutions for dealing with the changing age structure of the population, the decline of family support networks and changes in the living conditions of families in sparsely populated regions of Brandenburg.

There are three possible starting points for measures in the field of family policy, based on the causes of declining birth rates:

- the declining interest in having children,
- the discrepancy between plans to have children and putting such plans into practice,
- the rising age of parents having their first child.



On the basis of these, the following areas for strategic action can be suggested:

- raising public awareness of sustainable social development and of the “value” of children,
- giving children the vote,
- boosting child-related incentives in tax and welfare systems,
- reducing the opportunity costs (loss of earnings during maternity leave),
- shortening the stages of life which precede parenthood (school and university years),
- putting in place or maintaining family-oriented-services, in particular the childcare infrastructure, to ensure compatibility between family and professional life, and family and studies, and
- combating employment.

Support systems for families to help parents educate and bring up children are becoming increasingly important. These require an integrated policy for children, young people and their families, with closely intermeshed child, youth, family and educational policies. An integrated approach should also seek to enhance the way that children, young people and families with children are perceived and valued in society.

This means that:

- We need more children. All possible measures must therefore be taken to support families and help them to fulfil their potential plans for having children. The conflict which both women and men clearly still face between professional activity and having children should be resolved. To this end, both employers and the State must work to ensure that the appropriate conditions are in place and to promote new social models. Admittedly, this will not prevent a continued population decline, but merely slow it down. Only in the very distant future will any effects and positive impact on the population structure of the *Land* become apparent.
- Family policy and the creation of attractive and secure jobs go hand-in-hand with one another: only secure employment combined with confidence in social conditions will enhance the prospects for more children.
- The State has only an indirect influence on private choices concerning children, which are usually taken on a rational basis, but reforms of family taxation and the social security system must still be undertaken on the basis of decisions taken at federal level.

### **Stemming emigration and attracting immigrants**

Due to the lack of well-paid jobs or employment in general, there is an increasing tendency for young people, and especially young women, to leave Brandenburg. This exodus can only be halted if people in Brandenburg have secure employment prospects, thanks to the availability of attractive and sustainable jobs. Economic and employment policies are thus also priorities for family policy.

An influx of skilled labour is important for the economy and labour markets, and also to underpin social systems, whenever there is a labour shortage which cannot be met from the available resources. Given that the first signs of a shortage of skilled labour are starting to become apparent throughout Germany, including Brandenburg, preparations should therefore begin to put in place the conditions for workers to move or return to the *Land*. With the forecast drop in the number of school leavers, these tendencies will become more marked.

Even though there are relatively few citizens of foreign origin living in Brandenburg, efforts to integrate them should be stepped up. Usually they settle in areas where there is an existing population of people from their countries. Therefore, wherever the limited availability of jobs permits, skilled labour of foreign origin should have a chance to engage in paid employment, and the opportunities envisaged by the Immigration Act should be actively exploited. For example, the proportion of foreigners studying at universities and polytechnics in Brandenburg is well above the national average; such graduates, who tend to be well integrated, could be encouraged by means of targeted offers of suitable jobs to opt for long-term residence in Brandenburg. In the long term they could help to attract other skilled workers from abroad and actively support the integration process of such future immigrants. The same applies for the many young people from other German *Länder* graduating from universities in Brandenburg.

Men and women who have left Brandenburg to find more attractive employment elsewhere should not be “written off”, in the sense of having left forever. The *Land* of Brandenburg could stay in contact with them by providing regular information, particularly on employment opportunities.

There is a lively debate both in academic circles and among the wider public on the possible impact of activities targeted at natives of Brandenburg who have moved elsewhere. Opinions on this subject range from the view that such individuals are “gone for good”<sup>26</sup> to claims that strong identification with the family home and one’s place of origin not only helps to retain people but can also have a positive impact on birth rates, even in areas with high unemployment. Property and social ties are particularly effective in preventing emigration<sup>27</sup> or favouring an eventual return. An assessment of existing strategies to bring back natives of Brandenburg who have moved elsewhere has yet to be conducted; indeed, such an evaluation would only be helpful against the backdrop of an economic upturn in the new *Länder*.

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26 Cf. Hans Bertram, *Familie, sozialer Wandel, Regionalentwicklung – Eine familienpolitische Bestandsaufnahme* (Families, Social Change and Regional Development: Taking Stock of Family Policy), presentation at the conference on *Familienpolitik als Wirtschaftsfaktor* (Family Policy as an Economic Factor), Berlin 5.11.2004.

27 Christiane Dienel, *Strategien für eine nachhaltige Bevölkerungspolitik in Sachsen-Anhalt* (Strategies for a Sustainable Demographic Policy in Saxony-Anhalt), presentation at the conference on *Familienpolitik als Wirtschaftsfaktor* (Family Policy as an Economic Factor), Berlin 5.11.2004.

## 2.2 Adapting to the effects of demographic change

As explained above, demographic change has repercussions for all walks of life. However, a fatalistic response to this situation in the fields of politics, economics and administration will not do. Urgent infrastructure problems must be addressed as soon as possible; the longer action is postponed, the costlier it will become. As a matter of course, policy areas should be subjected to a long-term impact assessment to analyse whether they are demographically sound and financially responsible, at the same time as applying the following strategies to counter the falling demand for public and private services.

### **Achieving long-term growth in employment rates**

The shrinkage of the labour force throughout Germany, but at a significantly faster rate in Brandenburg and the other new *Länder*, casts a shadow over the prospects for growth. It is therefore of vital economic importance to counter the shortage of skilled labour which threatens to emerge in the medium and long term by taking appropriate measures. These could help to mobilise many people in the 20-65 age group who for one reason or another have not looked for work or succeeded in finding employment. In particular, family policies seeking to make family and professional activity more compatible, and educational policies – including vocational education and tertiary education - should be strategically geared to this aspect. In addition, measures to combat youth unemployment must be made more effective. In the medium and long-term, action must be taken to prepare society for a gradual rise in the retirement age.

A new culture of autonomy can help to raise employment rates. It is up to the State to organise social security systems in such a way as to minimise the conflict between the objectives of promoting entrepreneurial autonomy and providing family-centred employment safeguards.

### **Concentrating subsidies, services and investments**

As a result of demographic trends, it has become of pressing importance to achieve greater spatial concentration of social infrastructure, amenities and services in a suitable number of central locations. The number of such locations and their spatial distribution should be determined partly by the need for adequate provision of services of general interest and partly by economic sustainability.

In addition, basic approaches to planning at *Land* level will have to be revised and tightened up. Economic policy must concentrate on sectors and skills, and the *Land* must consolidate its proven strengths. Public administration must concentrate on its core tasks and reorganise the way it works. However, the emphasis here is not on amalgamating departments, but on a “one-stop shopping” approach to services.

### **Adapting cities to different requirements**

Land usage requirements have also changed within cities. With fewer people, less housing is needed, the elderly require different housing and services, and the private sector expects adequate standards not only in terms of economic location factors, but also of a city's structure and image. The physical structure of cities should be adapted through rebuilding so as to avoid long-standing gaps, to enable urban districts and the city as a whole to function effectively, to maintain and enhance the quality of life, and to ensure attractive conditions for economic activity.

### **Responsiveness to the needs of the public through decentralised and mobile services**

The contradiction between decentralisation and the concentration strategy is only an apparent one. Services must be provided on a decentralised basis, and channels of communication with the public must be kept open. Operational processes themselves, especially those which are particularly labour-, capital- and technology-intensive, must be streamlined, which in many cases requires centralised organisation. By adopting this structure, public administration is reflecting organisational practices which have proven themselves effective in the private sector (separation of back- and front-office functions). What this means is that concentration and decentralisation often go hand-in-hand. Many of these new practices will have to be tested by means of pilot projects. In the years to come, services in the region will be characterised by closeness to the needs of the public, increasing supply-side mobility and the use of IT (e-government, e-administration, e-health, etc.). Public administration exists to serve the public, and not the other way round. In addition, public- and private-sector service providers and utilities must be flexible in terms of time and location in order to adapt to the needs of clients: services, if not the actual service provider, should be brought to the client. Even if this is not possible, the way in which services are provided should be made more flexible, for example by transferring data. There can and must be flexibility in all kinds of public services, whether in the fields of administration (mobile offices for the convenience of the public, online access to administrative services), care (childminding, home care, peripatetic care), education (e-learning), health-care (telemedicine, mobile surgeries) or public transport (taxibus services, train-taxis, etc.).

### **Cooperation**

There are various forms and characteristics of cooperation: bilateral cooperation, cooperation by means of networks, and axial cooperation. Cooperation should not be held back by administrative boundaries, as such artificial dividing lines are of little relevance to members of the public. Due to a decline in population, municipalities are increasingly faced with a financial choice of "together or nothing".

Cooperation in the public and private service sector can involve collaboration between utilities and commercial companies or public and private partners (public-private partnerships), administrative partnerships and political cooperation. Inter-municipal rivalry and cooperation do not have to be mutually exclusive. In many areas of self-government where inter-municipal rivalry is not so prevalent as in the case of cultural activities, costs can be saved by carrying out tasks jointly.

## **Promoting innovation**

Nowadays, the success of a region is determined by its innovation capacity. Innovation and continuous renewal drive economic growth. The two key conditions for innovation are, firstly, inter-company networks and secondly, basic research, inventions, development and patents resulting from cooperation between science and business. Together, these two factors ensure the launch of new product cycles and market success. The Brandenburg economy cannot compete with labour costs in Eastern Europe and Asia; rather, we must look to university and non-university research institutions, to development of the research and development potential of local businesses, and to a combination of curiosity and creativity on the part of the younger generation, and of the experience and established networks of the older generation; together, these factors can constitute our competitive advantage.

## **Removing barriers to growth**

As discussed above, change is needed, but change can also represent an opportunity to launch a broad-based campaign to free public administration of red tape. By adopting a more client-oriented approach in dealings with businesses and the public, and by focussing modern regulatory activity on making decision-making processes faster and more transparent, cutting the costs borne by small and medium enterprises and reducing the staffing needs of public administration itself, a lasting improvement in the conditions for economic growth in the region can be brought about.

### **2.3 Renewal from within: winning the support of the public**

#### **The need for a public relations strategy**

“A majority of Germans (60%) does not believe that the problems arising from low birth rates can be solved in future; the contrary view is shared by only slightly over a third (36%).”<sup>28</sup> “Excessive ageing” of the population is viewed as a further impediment. About two-thirds of the total population are concerned that living standards may be threatened as a result. However, only 41% are worried that economic growth may decline as a result of the increasing number of elderly persons, while a mere 20% believe that technological progress may slow down. The results of the survey make it clear that there is a certain amount of concern about demographic change, but that awareness of the correlation between social and economic changes is lacking.

A public relations strategy must be developed to raise awareness among key political and administrative players at *Land*, regional, district and municipal level, as well as decision makers in

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IPOS, Institut für praxisorientierte Sozialforschung (Institute for Practice-Oriented Social Research), Mannheim: *Deutschland vor der demografischen Herausforderung, Ergebnisse einer Bevölkerungsumfrage im Auftrag des Bundesverbandes Deutscher Banken* (The demographic challenge facing Germany – results of a survey commissioned by the German Bankers’ Association), 11/2004, page 3.

businesses and associations, of the facts, context and implications of demographic change, as a basis for launching a broad-based social debate.

### **What must the public be made aware of?**

- The facts, causes and implications of demographic change (see Chapter 1).
- Strategies for adapting to demographic change and its implications (see Chapter 2.2).
- The need for social change, i.e. changes in basic conditions, in individual and collective attitudes and behaviour, which cannot be brought about by decisions or legislative acts (see Chapter 2.1).

- **Reassuring the public**

The message communicated to the public must help them to find their bearings. Economic insecurity and anxiety about unpredictable changes are key factors linked to the phenomenon of falling birth rates. The relevant concepts therefore need to be explained to the public by means of a dialogue with them. This is the only way to help them take a more confident and optimistic view of the future. It is the responsibility of politicians to take a credible stand on demographic issues and to make them a long-standing concern.

- **Bringing about a change in attitudes**

We need a society which places a higher value on family and children, and we need a public debate on an urgent change in priorities. A starting point for this would be a change in attitudes towards children. No one should be allowed to blame the situation on “society” or “the way things are”. Each individual must be prepared to answer for his own attitudes to children and family. Children should not be viewed purely in terms of expense. Everybody needs to realise that children are our future.

- **Insisting on openness**

Receptiveness to new solutions, unconventional ideas, and the opportunities which change can bring, together with openness to the foreign and unfamiliar, is essential if we are to break new ground.

Competitiveness is also an important part of the search for new ways, for the best solutions and the best results. Only this kind of openness will enable us to learn from others or to work out solutions to problems through an innovative process.

- **Promoting active involvement**

Civil society can only flourish if enough people are willing to stand up for their fellow citizens and their social environment. This kind of commitment is what characterises community life and determines its quality.

With the State increasingly in retreat and focusing on its core tasks, active citizenship, voluntary work and civic responsibility will take on a more important role over the next few years. Brandenburg must concentrate much more closely than hitherto on its own resources and potential, on the creativity and abilities of its people - for they are the only ones who can decide on the way forward for our *Land* over the decades to come.

- **Developing a mission statement for Brandenburg**

A mission statement should provide answers to the most pressing questions, such as: what problems are we facing, and how should we go about solving them? What opportunities are there, and how can we take advantage of them? What should Brandenburg look like in 20 years?

A mission statement has a demanding role to play: it has to tie together the key political challenges and priorities, while identifying what we can realistically afford in the long-term, in view of ongoing budgetary problems.

The primary function of mission statements is to give the public an idea of the projects envisaged by *Land* policies and their strategic objectives. However, they also boost political leadership and facilitate the coordination of jointly implemented objectives. "Mission statements are more than just visions of a better world. They are a clear promise to translate opportunities into reality;"<sup>29</sup> they are therefore a necessary instrument for political leadership.

## 2.4 **Change as an opportunity**

A crisis, although initially perceived as a threat, also invariably represents an opportunity to use change in order to bring about beneficial changes. This truth is even reflected in the symbol for "crisis" used in written Chinese, which is formed by combining the symbols for "danger" (wei) and "opportunity" (ji). If a threat is overcome, it is possible to bring about a change for the better, even when no alternative to change exists, as in the case of demographic developments.

The following are areas where the need for change also represents an opportunity:

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<sup>29</sup>

Wolf Lotter, *Zum Mond und zurück* (To the Moon and Back), in *Brand Eins* magazine, Vol. 6, 2004.

- **Family**

There is an urgent need to bring about lasting change in terms of making work and family more compatible. An efficient, needs-oriented range of childcare facilities capable of flexibly adjusting to changing conditions will continue to be of vital importance in the future. Rather than choosing between having children or a career, one should be able to opt for both. Women and men have an equal and natural right to a balance between their family and professional lives. It is up to the State and the private sector to make such a balance possible. The key issue for family policy is the value which society places on children and families.

- **Children**

A sustained high shortfall in the birth rate will ultimately lead to a significant shortage of educated personnel. Improvements in children's educational and living conditions and full exploitation of potential educational and training capacities are needed to help prevent this happening. An expert opinion commissioned by the Federal Ministry for Family Affairs concludes that better childcare means fewer children having to attend special schools or repeat a year of studies, as well as better educational and employment prospects for children from immigrant families.<sup>30</sup>

- **The elderly**

Fewer and fewer elderly people see retirement as a time for taking leave of life; rather, more pensioners are displaying a sense of social responsibility and remaining active for very much longer than ever before. In future, there is even greater potential for voluntary activity in this area. In businesses, the experience and knowledge of older workers will be used more intensively and extensively in future. Overall, this will result in a change in perceptions not only of former achievements but also of the active contribution made by elderly people in economic and social life.

- **Society**

Solidarity is re-emerging as a social value. Society places a high value on mutual assistance between old and young, not necessarily within the same family, and on neighbours helping one another out. There will be a (re-)discovery of "what really matters". Once again, people will learn to appreciate the communities, families, neighbourhoods and villages in which they live. In future, the emphasis will be much more on what people have in common rather than on what divides them; associations have an important role to play here. Sports clubs, with a sense of identity built up over generations (particularly in many villages) are some of the most important meeting places for people. In cooperation with organised sport, their facilities should be developed to make them more attractive for the elderly, families and women.

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<sup>30</sup>

DIW expert opinion commissioned by the Federal Ministry for Family Affairs, Berliner Morgenpost, 27.10.04.



- **Gender mainstreaming**

In order to manage change successfully, we need to take the differing interests and situations of men and women into account, as it is not possible to divorce the realities of life from gender-related considerations. Gender equality issues are of particular relevance to the management of demographic change. Implementation of gender mainstreaming as a principle and strategy for achieving gender equality is especially relevant to policies at *Land* level, as a cross-functional task which concerns all policy areas and key players. Building up knowledge and skills relating to gender mainstreaming at all levels is a priority here.

- **The private sector**

Changes in the world of work will make entrepreneurial autonomy more important than ever. Flexible arrangements such as self-employment on a part-time basis or in cooperation with others can be an attractive option for young, well-educated women, enabling them to combine work and family.

A key issue for greater compatibility between family and employment is provision of more needs-oriented day-care for children, in order to give parents a better chance on the labour market, and to enable young, educated mothers in particular to resume professional activity at an earlier stage. Childcare facilities, in combination with family-oriented measures by the private sector, such as teleworking from one's home, flexitime and in-house support services, release the innovation potential of young, skilled workers, fresh out of school or university. This potential, combined with the established networks and experience-based knowledge of the older generation, opens up new possibilities for innovation.

- **Employment and the labour market**

Businesses can only innovate if they have a skilled labour force. Investments in human resources are increasingly playing a key role. Investment not only in technology but also in brainpower is essential for business development. For small and medium enterprises (SMEs), the strategic importance of human resource and organisational development skills, together with the timely recruitment of new skilled personnel, can only grow. A shortage of skilled labour would have implications for businesses in Brandenburg and could substantially threaten SMEs. Timely action to ensure the availability of skilled labour and development of human resources are essential conditions for secure employment and job creation. The competitiveness of enterprises over the next few years will depend not least on their success in recruiting and retaining sufficient young, enthusiastic and educated staff. What is needed is training to develop skills relevant to achieving business development objectives in small and medium enterprises. Closer integration of employment, business and science must continue. We need solutions enabling greater compatibility of work and family. Future business strategies should be geared to organising employment so as to take the needs of different age groups into account and ensure healthy and safe conditions at work.

### 3. Political action levels

Family policies aimed at increasing the birth rate were for a long time a taboo in the Federal Republic of Germany due to the misuse of such policies by the National Socialists. However, current and especially forecast population developments are forcing policy-makers to take action. The increasing individualisation of society is leading more and more men and women to take the decision not to have children. This conflicts, however, with the need for essential services. Policy-makers at all levels, together with social organisations and the public, must decide how essential services are to be organised and paid for in the future.

Demographic decline cannot be corrected in the short term through an increase in the birth rate, and complete replacement through immigration is not a realistic option. Meanwhile, the overall age of the population is rising continuously. This, together with the fact that the participation rate of people of working age, especially older people, is too low, has led to a clear shift in the ratio of social security contributors to beneficiaries. Adjustments therefore need to be made to social security systems, tax law, social, cultural and educational infrastructure, and public and private service provision, in order to make them “demographically viable”.

#### 3.1 Policy initiatives at EU-level

The birth rate in most EU Member States is well below the replacement rate. In March 2005 the EU Commission presented the Green Paper on *Confronting demographic change, a new solidarity between the generations* and thus initiated a broad public debate on the subject. The aim is to respond to demographic change and its consequences in an effective way. The Brandenburg state government intends to bring its expertise to bear and thus to defend the interests of Brandenburg in the European consultation process.

#### 3.2 Setting of policy frameworks by the Federal Government

Family policy is to a great extent the task of the Federal Government. Federal responsibilities include education allowances and child benefits, as well as initiatives such as the investment programme entitled the future of education and childcare which supports the establishment of all-day schools.

As comparisons with other European countries show, factors such as the type, amount and duration of transfer payments and services available to families clearly have a strong influence on the decision of women or couples to have children. For instance, in France and Sweden parental allowances are available as income replacement. This is a stronger incentive than child benefit since it reduces opportunity costs (loss of income during maternity leave). To take account of demographic factors we should adopt a splitting of income taxation between family members, as in France, which enjoys the highest birth rate in Western Europe, as opposed to the current splitting of income taxation between couples. Instead of splitting income taxation between couples and disregarding the number of children, France’s system offers considerable reductions in the tax burden with each additional child a family decides to have by splitting income taxation between family members.

**Social security systems**, pensions (pension contribution rate, retirement age, pension levels), health services, medical care, unemployment benefit, income support, housing allowances and student grants/loans have a major influence on virtually all areas where the effects of demographic change are felt and where adoptive strategies need to be developed.

In our current **pension insurance scheme** essentially the only factor that is considered when individual pension entitlements are calculated is the level of financial contributions made. The contribution a person may have made to raising a generation, the size of which determines overall prosperity, is ignored. In a typical family the decision to have children usually means a reduction in income potential, and so the pension entitlements of parents are consistently lower than those of childless individuals. Hence the pension system penalises precisely the behaviour that it needs if it is to function in the long term.

The "Zuwanderungsgesetz" (immigration law) "facilitates and regulates **immigration** by taking the capacity of the Federal Republic of Germany to absorb and integrate immigrants, as well as its economic and employment-policy interests into consideration" (para. 1 of the residence law ("Aufenthaltsgesetz") in conjunction with Art. 1 of the Zuwanderungsgesetz).

Since the effects of reunification have by no means yet been overcome in the new Bundesländer and persistent economic weakness has compounded the scale of demographic change, the Federal Government also has the responsibility to continue with the **Aufbau Ost** restructuring programme. Demographic change, which affects Germany and Europe in equal measure, is taking place at an accelerated speed in Eastern Germany. Solutions that are found here could serve as blueprints for solutions elsewhere. The continuation of Aufbau Ost through the use of instruments such as federal top-up grants, joint tasks for the improvement of regional economic structures, building of higher education institutions (if necessary), agricultural structures and coastal protection, support for research, and the Federal Transport Infrastructure Plan are an important prerequisite for the development of such model solutions.<sup>31</sup>

### 3.3 **Tasks for the *Land*: Developing adaptation programmes**

Much of the preparatory and sectoral planning based on the assumption of population growth that has been carried out is obsolete. That is why all sectoral planning and support programmes have to undergo a demography check and be coordinated better with a view to long-term sustainability and running costs.

The strategies set out in chapter 2 must serve as a touchstone for all policy areas. Solutions will often only be found if several approaches to the same problem, project or policy area are linked. The high

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<sup>31</sup> In spite of the Federal Government's role in managing and overcoming the consequences of demographic change, this report focuses mainly on the strategies and concepts with which the *Land*, its municipalities as well as the economy and society must respond to demographic change.

degree of complexity of the subject matter, the manifold connections between cause and effect, as well as the broad range of players involved add to the need for all these factors to be interlinked. The consequences of demographic change will not be overcome through individual solutions, but only through cross-sectional thinking and action.

### **The economy and employment**

As already stated secure long-term employment is the prerequisite for increasing the birth rate and ending emigration.

Job creation is important not only for the economic and social situation of the population in municipalities and regions. It is also indispensable for the maintenance of a skilled workforce. If the downward spiral of unemployment, emigration, lack of prospects and deskilling continues, the loss of skilled workers in individual towns will be so substantial, that it might be irreversible. Hence educational resources need to be exploited to the full and the educational potential of families strengthened so as to guarantee the availability of a skilled workforce.

Our future economic policy must focus on providing support to selected economic sectors and areas of specialised expertise of importance for the future so that synergy and spill-over effects can take hold. We must further improve the coordination between development programmes in order to achieve the greatest possible benefit.

Economic activity that is sustainable can develop only through the cooperation of all players involved. The overall strategy of Brandenburg should therefore be to continue integrating the economy and science, to provide special support to small- and medium-sized companies and to promote self-employment and entrepreneurship. At the same time the expertise of large companies must be linked to that gained in research and the SME community. A forum on the economy and science that acts as an advisory body to the *Land* government and helps it prepare its decisions should be introduced.

A firm commitment to consistently reduce bureaucracy in areas where state regulation is superfluous and harmful, or where it impedes investment and the creation of jobs is an integral part of Brandenburg's strategy to support the economy.

### **Compatibility of family life and work**

Day care for children is an important factor in the compatibility of family life and work or training. The *Land* government will therefore maintain the existing entitlements and standards. It will also support and promote the high-quality services in nurseries and the day-care sector. Other facilities within the youth-welfare system, which aim to support parents in carrying out their parental duties include, besides day care for children, services such as educational advice, family counselling and support in crisis situations. The youth welfare system is designed to help parents fulfil their parental duties and to encourage people to have children. However, these requirements will not be met by state measures and financial transfers alone. What is needed is a family policy offensive which has the

support of all social players with an influence on the lives of families, in order to bring about a change in the values of our society.

## **Education and Science**

Since the prospects for our *Land* correlate with the educational prospects of our children, the foundations of our children's educational and life opportunities have to be laid at the pre-school age. Nurseries are crucial to the ability of our *Land* to adapt to the future requirements of a knowledge-based society through their role as places of education and care. Brandenburg is credited as having the best level of nursery care provision in quantitative terms in Germany. However, the benefits of this are still not obvious enough. That is why we must pave the way for a future-orientated education of our children through the development and supervision of the quality of nurseries, the application of high educational standards and higher teaching qualifications for staff.

The demographic crisis has caught up with schools. This has made a reduction in the number of schools necessary. This is painful for the communities affected by school closures, as well as for parents, children and teachers involved. However, it is unavoidable if the quality of school education is to be maintained. Plans for the maintenance of an accessible network of schools have been developed (small schools at primary school level; lowering of the minimum number of classes required per school at secondary school level in the main centres). Experience to date shows that demographic change can be managed in schools in such a way as not to create unacceptable distortions. These developments often lead to conflict, but are usually accepted in the end.

The expansion in the number of full-day schools, which is currently taking place under the Federal programme *Zukunft Bildung und Betreuung* is also of great importance. Firstly, it makes family life and work more compatible. Secondly, cooperation between schools, the youth welfare system and other sponsors helps to create appealing living and learning spaces for young people, and to guarantee access to youth culture programmes in thinly populated, rural regions.

The reorganisation of the secondary school system has created a clear, comprehensible and demographically viable concept for the seventh to tenth years. It lays the foundation for high-quality teaching of pupils in all of Brandenburg's regions. In future, grammar school pupils will reach school leaving age after 12 years. Meanwhile, the number of young people entitled to a university place will rise, with standards being maintained, and the number of students will increase. Measures to improve study conditions and course structures will contribute to faster completion of undergraduate-level studies meaning that young women and men will be able to start their professional and family lives sooner. In this way further reductions in the birth rate due to couples deciding to have children later in life will be countered.<sup>32</sup>

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Max Planck Institute for Demographic Research, Rostock, "Aus erster Hand" No. 4, 2004, "Shorter training periods could raise the birth rate – complementary effect of a school reform: a younger population".

The conditions must be improved for groups which are educationally disadvantaged or have restricted access to higher education. The concept of "studying with children" must become a real possibility. In that way the below-average level of participation in higher education in Brandenburg will be boosted and the preconditions for graduates to have larger families created.

It is expected that intensified cooperation between the scientific and business communities will afford SMEs, which predominate in Brandenburg, easy access to innovations and new technologies, and will benefit the economy.

Demographic developments will create new professional profiles and changes to existing ones. In view of the need to provide education in rural areas and the fact that the upcoming generation will face higher educational demands, the future planning and implementation of studies will require the application of the lifelong learning principle and the provision of education that is not constrained by time or space. This can be achieved through the use of electronic information and communication technologies (ICT).

### **Town planning, Infrastructure**

New building projects and the dismantling of old infrastructures will take place in parallel. There is a need for infrastructure expansion in the Berlin catchment area, whilst in the shrinking outer development areas entire districts will see dismantling of technical and social infrastructure. Particularly in densely populated urban areas, such dismantling must be accompanied by the re-use of the available space and of listed buildings. These changes will upgrade the district concerned and enhance the overall attractiveness of the town, in terms of quality of life, e.g. for potential workers.

Social infrastructure (for instance, crèches, schools, youth leisure centres, old people's homes, cultural institutions) will increasingly be located in central areas. This, at least, has the advantage that traffic flows can be concentrated more on central areas, and that greater use will be made of local public transport systems.

Technical infrastructure and transport services are by nature decentralised. They must guarantee the long-term provision of appropriate services and mobility to the public and industry. These services include electricity, water, telecommunications and media services, which must be provided, regardless of population numbers and demand, and appropriate local public transport services to all parts of the *Land*. The complete dismantling of infrastructure is only possible in areas where entire residential areas have been totally abandoned and are to be demolished.

### **Budget and Finances**

The reduction in public sector revenue associated with demographic change in Brandenburg has forced the *Land* and municipalities to adopt drastic saving measures in order to make sure that future parliaments and governments have sufficient financial resources. Since demographic change is a dynamic process and there is no prospect of it ending, it is imperative to adhere to the sustainability

principle in public finances. However, it is important not to consider saving just as a measure that takes place once a year, but to approach it from a sustainability and sound financial management angle. Economically sound measures which have the immediate effect of relieving pressure on *Land* and municipal budgets should not be postponed due to a shortage of money. The gradual introduction of cost and management accounting as well as double-entry accounting will contribute to even more widespread adoption of sound financial management practices.

## **Integration**

A rise in immigration to Brandenburg due to EU enlargement is not expected.<sup>33</sup> However, the permanent integration of the admittedly very small number of young men and women and their families who have migrated to Brandenburg is an urgent requirement.<sup>34</sup> This is the only way for Brandenburg to become an attractive option for the skilled workers that it will need in the future.

## **Equal living standards**

The Constitution obliges the *Land* to provide structural support to regions, which is aimed at creating and maintaining equal living and working conditions in all areas. However, due to demographic developments this is becoming increasingly difficult and the service provision network is becoming increasingly thinly spread.

However, "equal" does not mean the "same". Life in a city will always be different to life in the country, and choosing one location over the other means choosing a specific quality of life. Besides the advantages a city dweller gains from living in a city, he/she must also accept the disadvantages, such as noise and air pollution. Likewise, the country dweller must accept disadvantages such as longer distances and the higher cost of mobility, along with the advantages.

### **3.4 Policy determination by municipalities and society – citizens' communities as a framework for action**

Demographic change is a particular policy-making challenge to municipalities, which are the level of government that is closest to families. They have the responsibility for carrying out all the tasks of the local community.<sup>35</sup> But this does not mean that municipalities are obliged to carry out all these tasks themselves.

Municipalities and their duties are subject to constant change: Administrations that were responsible for the mere application of rules have turned into ones that carry out planning, and the administration

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<sup>33</sup> See the 2003 migration report of the Federal Officer for Migration.

<sup>34</sup> Strategy of the *Land* government on the integration of immigrants with the right to permanent residence in the *Land* of Brandenburg – cabinet decision of 7 May 2002.

<sup>35</sup> Para. 3 (1) local authority law of the *Land* of Brandenburg

of benefits has turned into the administration of entitlements. In other words municipalities are now also responsible for ensuring that individuals actually receive the benefits they are entitled to. Since the right to self-government of municipalities under Article 28 of the Basic Law is in many cases interpreted as a duty to self-administer, "adequate knowledge and problem-solving capacities to facilitate strategic planning" must be developed so that municipalities can "carry out their duty of providing entitlements". The "responsibility incumbent on the legitimate decision-taking authorities ... for the 'matters of the local community' (cannot) simply be 'privatised'".<sup>36</sup>

But here as well developments are continuing to take place. These raise questions such as: What services is an individual entitled to? Which services must the State provide and which the municipality, and which services can an individual him/herself provide? Private initiative and mutual solidarity are keywords that have once more become the focus of public interest as a result of demographic change. The municipality is becoming a facilitator which must develop and provide infrastructure based on initiative, and which will in future be merely supervising some of the areas of activity that fall within its remit.

Policies at federal, *Land* and municipal level must create the framework conditions for a "demographically viable" development of our society. Individuals will decide for themselves how they wish to shape "their" living conditions at municipal level. Civil initiatives are the backbone of all democratic communities, especially in difficult times. In the absence of voluntary initiative by committed individuals - who include many highly active older people - the community's social life, especially in rural regions, would be non-existent. Our community depends on people working for their fellow citizens. In many places committed individuals take responsibility for cultural, social and sports activities, and themselves run the facilities. For instance, self-managing youth clubs have existed for a long time, especially in smaller communities run by committed young people through a network of rural coordinators.

Communities carry out their duties through the civil self-administration of their elected bodies and citizens. They promote the communal life of their community's inhabitants.<sup>37</sup> This communal cooperation, involving community representatives, the public, the administration and the local business sector, determines the future viability of each community. In each individual case a balance must be struck between these local players. No group may be excluded, over-burdened or neglected. The citizens' community is not a finished model, but a dynamic process, which the players in each community must shape themselves. The local elected authority has a political mandate and therefore the task and legitimate right to manage local community matters. In so doing it relies partly on the administration. However, it must also involve its citizens directly in the shaping of policy and the development of problem-solving strategies, in the framework of the law and in dialogue with organisations representing society. The administration is responsible for the implementation of policy in a way that is technically and financially sound and in accordance with the law. Individuals in the

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<sup>36</sup> German Institute for Urban Affairs (Difu) report 3/2004: Public welfare provision as a challenge, page 13.

<sup>37</sup> Para. 1 (2) local authority law of the *Land* of Brandenburg.



community, however, are responsible for making their wishes known and especially for bringing their expert knowledge of local affairs to play in the implementation process. Meanwhile, local business contributes to local family associations or other strategically oriented working groups and supports specific projects and measures. Without the commitment and cooperation of these four forces – local authority, administration, the public and business – the citizens' community cannot develop any of the independent dynamism that it needs to shape demographic change.

If the cooperation between the main groups of players in the citizens' community is successful then the following aims will be achieved:

- Greater **satisfaction** with local services
- Greater **acceptance** of unpopular decisions
- **Participation** in the policy-making process and hence
- Identification with the **democratic state**
- Consolidation of **solidarity**
- **Identification** with the local community
- Increases in **efficiency** by relieving pressure on the local authority budget and greater **effectiveness** owing to better results in the setting of policy objectives.<sup>38</sup>

#### 4. **Projects and measures**

The demographic trends described above must be accepted as facts and form the basis for action under all specific policies. The order of the day is to take countermeasures based on long-term ideas and to learn to deal with the consequences, because demographic change is an ongoing process that constantly requires new answers. Demographic change needs more action in all policy areas, at all levels of government and through a joint approach involving leaders and all those personally affected.

The *Land* government is basing its measures on the developments described in the previous chapters and takes into account the causes and effects analysed therein. It will carry on the search for solutions and the implementation of the necessary measures with leaders at all political levels and in all areas of society. In the first instance, the projects described below will be discussed in public and implemented in the way that is decided as a result of those discussions.

##### 4.1 **Modern state**

#### **Demography check for public investment and the distribution of subsidies**

In order to avoid wasting public funds, the long-term economic sustainability of public investment and the distribution of subsidies must be carefully assessed taking into consideration regional population forecasts. For this purpose, a lifetime user forecast taking into consideration demographic

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<sup>38</sup>

This analysis is partly taken from Bogumil/Holtkamp, The Concept of the Citizens' Community. <http://www.fernuni-hagen.de/POLAD/download/vopbur.pdf>.

change should be drawn up. For sufficiently large investments, a cost-benefit analysis based on formal criteria should be produced. If the economic benefit of the investment cannot be ensured over its lifetime, time-limited alternatives should be looked into. Binding rules will be drawn up in cooperation with the *Land's* funding programme committee.

### **Programme planning for EU subsidies**

During the forthcoming planning of the new EU support programme period 2007-2013, the consequences of demographic change will be taken into consideration from the start. The expected effects of the measures on demographic change must be investigated both when describing the socio-economic strengths and weaknesses of the *Land* and during the ex-ante evaluation of the proposed measures. The institutional framework for programme planning and monitoring must be selected in such a way that the needs arising from demographic change are properly taken into account.

### **Review of the administrative structure and continuation of administrative reform**

The administrative structures of the *Land* and the municipalities are being reviewed to see how they can handle the demographic and financial situation in Brandenburg in the long term. For example, the most appropriate, cost-efficient and user-friendly way of dividing up tasks between the administrations of *Land*, districts and metropolitan boroughs and municipalities should be looked into. This investigation should be supported by the development of new structural models for *Land* and municipal administrations. Districts in particular should look into whether and how, in the long term and under changed demographic circumstances, they can best carry out their public tasks.

If the task and structure-critical reviews reveal the need for comprehensive structural and operational reform of the administration, the legal, financial and staffing requirements for its implementation should be discussed between the *Land* and the municipalities. An inter-ministry project group involving the associations of local authorities will draft a preparatory proposal for a comprehensive structural reform of administrations and will present it to the cabinet in the second quarter of 2006. Once a decision has been taken, the preparatory measures will be implemented during this parliamentary term. The legislative procedure should be completed in the next parliamentary term.

### **Brandenburg Online Office (BOA) administrative portal**

The fall in population will, especially in sparsely populated areas of the *Land*, lead to a reduction in the number of administrative locations. At the same time, more and more people – including older people – have access to the internet and the necessary skills to use it, so that the Brandenburg Online Office can, at least in part, replace administrative locations that close. The Brandenburg Online Office is also the platform for cooperation between the *Land* government and other public and private service providers, and makes government services local and accessible regardless of the time of day. Over the next few years, all information and many of the services of the Brandenburg government will be bundled, organised according to content and made available online in a single, user-friendly interface to citizens, businesses and municipalities, regardless of time or location, through the Brandenburg

Online Office (Project timetable: 2005/06). In addition, a form service (2005/2006) will include forms in municipal and *Land* software, so that seamless service provision will gradually be phased in (2006 to 2008). This means that the user's communication with the administration will not end by printing out an online form and posting it, but that he will instead be able to deal with his request together with the relevant government employee via his PC. The implementation of this project has begun – in close cooperation with the associations of local authorities – and is expected to be completed by the end of 2008.

### **Strengthening civic commitment**

Civic commitment is becoming increasingly important to the strengthening of civil society. At the same time, members of the public are increasingly taking charge of things that were previously done by the council or the government. Voluntary schemes and volunteers, who have a sense of regional identity and, in a spirit of sustainable development, want to help shape their region or town and improve its social cohesion, are the force driving this development. Alongside the tangible effects for the structural development of the municipality in question, carrying out such projects can be expected to encourage others to do the same and to demonstrate that volunteering can produce tangible results and improve one's own living conditions. With particular regard to the demographic situation, it is planned that the Local Agenda 21 project will, along with others, be put into effect with special emphasis on peripheral rural areas. Voluntary organisations should be more closely involved in the management of the (sports) facilities they use. Local public transport in sparsely populated rural areas will increasingly be complemented by voluntary organisations and volunteer bus drivers. (Community bus).

## **4.2 Family and social affairs**

### **Family policy at *Land* level**

The *Land* government is drawing up a horizontal strategy entitled *Perspectives for a fair and sustainable family policy* including a catalogue of family policy measures. It will publish its proposals in the second half of 2005. Initiating and supporting *Local alliances for the family* is part of the *Land's* long-term family policy. The *Land* Family Policy Council, which was set up in August 2004, advises the *Land* government. A *Land* government family portal is being set up on the Internet for broad information and communication. In addition, family education opportunities are being encouraged and promoted (such as the letters to parents initiative); holiday camps are also being promoted. The national action plan *For a world suitable for children* is being supported and implemented by the *Land*, as is the UN Convention on the Rights of the Child.

### **Family policy at federal level**

The *Land* government uses appropriate initiatives to influence federal legislation to ensure that social security systems and tax legislation are family-friendly. In particular, the *Land* government adopts positions on issues such as further developing federal childcare allowance into a family allowance,

making childcare costs tax deductible as occupational expenses, introducing family leave or childcare leave following parental leave, and raising the actual age of retirement. *Land* politicians and social partners are also involved in arrangements for early retirement. The same applies to the creation of flexible working time arrangements for employees with family duties (such as annual or monthly working-time accounts and teleworking).

### **Integrated policy to support children and young people as they grow up**

Families need an environment in which parents are supported in exercising their responsibilities to educate and bring up their children. Such an environment should help to encourage couples to decide to have children and empower them to carry out their tasks with the necessary parenting skills. Help is particularly needed for those parents who are not adequately able to fulfil their tasks of bringing up and educating their children – so-called “at risk” families. Due to the emigration of more mobile young adults, the proportion of such parents is increasing. Creating such an environment requires an integrated policy for children, young people and their families, with closely intermeshed child, youth, family and educational policies. Basically this means:

- maintaining child day-care infrastructure to ensure the compatibility of family and work and of family and studies;
- increasing the educational value of child day-care by improving teaching and the transition from child day-care to primary school;
- structuring family education in such a way as to reach families seminar-based approaches cannot reach (strengthening accessible approaches to family education);
- further extending the availability of all-day schooling;
- strengthening and developing family advice services, in particular advice on parenting and strengthening family self-help approaches;
- maintaining appropriate, demand-led infrastructure for children and young people, including sports grounds and facilities for playing and exercising.

Integrated policy for supporting children and young people as they grow up highlights the significance of the next generation. This should also counter the effects of what has been described as a society that is no longer used to children. The political aim is to perceive children and young people not primarily as a cost factor or a problem group, but rather to raise public awareness and visibility of the way children enrich families, adults, and society as a whole.

### **Primary healthcare in the region**

Primary healthcare in the region should be strengthened by new models of out-patient treatment. The different areas of the *Land* are affected differently by demographic change. Specific regional characteristics of demographic developments should be addressed by developing specific service provision through networking of existing out-patient and in-patient services. The legislative framework for solving the problems in rural areas was established when the Law on Modernising Statutory Sickness Insurance (GMG) came into force on 1 January 2004 (contractual possibility of integrated forms of treatment, merging doctors' surgeries and complementary services into interdisciplinary health centres). Sickness insurance funds, service providers, *Land* and municipalities will together take the necessary initiatives to ensure healthcare provision in rural areas in the long term. The *Land* government will closely support the self-managing partners in fulfilling their task of ensuring such provision.

### **Hospitals and highly specialised services**

In hospital planning, the services hospitals provide need to be adapted to changing needs. On the one hand, the lower number of children means that fewer children's departments are needed. On the other, hospitals need to make provision for the rising number of old people. At the same time, highly specialised services for the elderly population must remain accessible. This means that the reduced mobility of sick old people must be compensated for by appropriate care at home, but also by the accessibility of specialised treatment centres. In addition, modern treatment technologies (such as telemedicine and electronic health cards) should be developed. At the same time, progress continues to be made on networking in the Berlin-Brandenburg health region, and all health planning in the two *Länder* is done in close cooperation between them.

### **Health of children and young people**

Promoting the health of children and young people is the joint task of the public health service (*Land* and municipalities), sickness insurance funds, the medical profession and independent providers. Under the *Growing up healthy in Brandenburg* coalition, children from disadvantaged families are supported, and special programmes are developed for children who are overweight or have eating disorders, and for those who have motor or communication impairments. At the same time, thanks to this coalition, the take-up rate of checkups of infants and especially children is rising, the willingness of parents to have their children immunised is being encouraged, the consumption of addictive substances is being tackled, and the lowering of the age at which people start using these substances, especially tobacco and alcohol, is being reversed.

### **Health of elderly people**

A rising proportion of elderly and aged people means increased demand for geriatric and EMI (elderly mentally infirm) care. The legislative basis for meeting this need either already exists or needs to be created. The opportunities provided by the Social Code (SGB Volume V, Section 20) need to be

implemented with determination and the needs of older people need to be given special consideration when implementing the law on prevention. Cooperation between sickness insurance funds and the public health service needs to be strengthened both at *Land* and at municipal level. Personal responsibility and programmes promoting physical and mental fitness should be reinforced, and the principles of “cure before care” (SGB Volume IX, Section 5) and “out-patient before in-patient” should be comprehensively put into practice by sickness insurance funds and other providers of rehabilitative healthcare. Clinical and complementary structures should be networked. In order to ensure that the domestic needs of those who are below the qualifying threshold for long-term care are met, the municipalities need to develop personal care services involving semi-professional helpers and volunteers.

### **Reorganisation of financial and operational responsibility for out-patient and in-patient care**

With the aim of limiting the burden on the *Land* budget of expenditure on ancillary care services under volume XII of the Social Code, the provision of ancillary services for out-patient and in-patient care is being reorganised. Over and above this, a properly agreed system of advice and respite for relatives who are prepared in principle to provide care is necessary if the current proportion of care that is provided on an out-patient basis is to be maintained. A policy of promoting out-patient care should keep sight of all those who need assistance. The key role for creating and coordinating an advice and respite service to make the promotion of out-patient care a reality falls to the municipalities as part of their local remit for services of general interest.

### **Ensure sufficient qualified carers**

With the aim of ensuring and developing appropriate services for advising and assisting the increasing number of help-dependent old people, the *Land* will actively seek to create the conditions in which the increasing demand for qualified carers and care assistants can be met. With this in mind, the number of *Land*-financed traineeships (initial training and third year of retraining) in colleges specialising in elderly care will be adapted to the rising demand and by introducing regulatory arrangements for training as care assistants with the possibility of fast-track additional training in elderly care. If care home operators improve working conditions in their establishments, the retention of qualified carers in the profession can also be expected to improve. In addition, Brandenburg is lobbying at federal level for changes to the law on care homes in order to support and accelerate the development of new forms of living that fall between the existing arrangements whereby people live in their own homes or in residential care homes. Discussions with the relevant associations are being held with a view to making the most of this new market.

## **4.3 Economy and employment**

### **Strengthening economic growth by targeting *Land* funding**

To increase economic growth and create jobs, the *Land* government is currently drawing up a new, interdepartmental support strategy. The aim is to draw up a regional development strategy, agreed

between departments, for areas with above-average potential for development (regional growth centres) whilst taking into account hindrances to economic development. Strengthening regional growth centres is the job of all policy areas. Not least in view of demographic trends, such a strategy makes sense: identifying job-creating growth centres could help reduce emigration. In addition, a falling population means that greater concentration of potential is necessary for reasons of fiscal policy. An interdepartmental *Land* government working group has identified 15 regional growth centres. Based on these initial results, the *Land* government will publish a support strategy, inter alia for the regional growth centres, by Autumn 2005.

### **Restructuring economic support**

Over the next few years, Brandenburg will be setting new priorities for economic support policy. This will put into practice the commitments set out in the coalition agreement in the area of economic support. Building on existing strengths is at the heart of the new approach. Supporting sectors will be prioritised, replacing the previous regional approach. In particular, the SME-based nature of the Brandenburg economy will be taken into consideration. The revamped support policy thus consists of two pillars: a growth programme for SMEs, and focusing on sectoral areas of excellence. Following a structural analysis of the Brandenburg economy, the following were established as sectoral areas of excellence: biotechnology/life sciences, aeronautical engineering, media/ICT, automotive, food, energy and related technologies, geoinformation, wood processing, plastics, logistics, metallurgy and metalworking/mechatronics, mineral oils/biofuels, optics, paper, rail technology and tourism. These areas of sectoral excellence are to be strengthened through targeted sectoral strategies. With this in mind, the individual areas of excellence will be analysed for their specific needs. Appropriate strategies will then be developed with those involved in each sector. The aim is to offer each sector an appropriate package of suitable support measures.

### **Attracting young people to agriculture**

The number of qualified young people in the agricultural professions has been falling consistently in recent years. Conversely, the loss of skilled workers and agricultural business leaders due to retirement will increase over the next few years. The *Land* government is countering this development, which poses a threat to agriculture, with a package of measures to attract young people into the sector:

- raising the awareness of agricultural businesses of where their own interests lie and encouraging them to do more, in particular with regard to the training opportunities they offer;
- better information of schoolchildren about the green professions (information stands at trade fairs and exhibitions, cooperation with employment agencies);
- introducing schoolchildren to life and work in the countryside (information from teachers about modern agriculture, information brochure on *Agriculture as a place of*

*learning*, the *Schooldays on the farm* project, the *Green classroom* project as a partnership between businesses and schools to provide better information on life in the countryside, website with a presentation of all businesses providing training in Brandenburg, work experience database);

- attracting agriculture students into management of agricultural businesses (presentation of all businesses offering work experience, information events with the agricultural faculties of the Humboldt University of Berlin and the Neubrandenburg Polytechnic);
- improving skills training by introducing an e-learning component (project for *Experimenting with e-learning as part of the training of farmers*)

### **Meeting the demand for graduates**

In order to ensure that the future demand for qualified people in the Brandenburg economy and administration is met, the proportion of those entitled to go to university who actually do so needs to be increased. For this purpose, cooperative structures for educational guidance between universities and polytechnics, schools and careers advisors need to be set up, and the concept of a structured transition to university should be developed. For these measures to be implemented successfully, the active cooperation of Brandenburg's institutes of higher education will be needed. These latter must adapt the courses they offer to changing work patterns and, by offering new conditions and forms of study, make education more attractive and more accessible to population groups which do not (yet) take part in higher education and enable those with children to study. Universities and polytechnics must offset the effects of the reduction in the length of initial training, made necessary for reasons of family policy, with systems of lifelong learning. The *Land* government and the institutes of higher education will look at how the ongoing higher education pact can rise to the challenges of demographic change.

#### **4.4 Education and science, culture**

##### **Mobilisation of all educational reserves**

Demographic change means that there is a lack of well-trained specialists and also that the potential pool of students for a given course at a university is contracting. Both these factors could in the medium term have a seriously detrimental effect on economic development in Brandenburg. In the coming years it will therefore be more necessary than ever to mobilise all educational reserves. The central aim is to give all young people the opportunity of leaving school with qualifications and to enhance their personal capacity for training. Various approaches will be needed when developing measures and strategies for action for pre-school education and childcare and for teaching in primary schools and higher levels of education.



- The high proportion of school children with special needs should be reduced by preventing, or at least mitigating, educational disadvantages by means of compensatory action initiated at an early stage.
- Individual needs, the risk of poor performance, lack of motivation and signs that a child may be at risk of dropping out of school need to be picked up early.
- Pre-school assessment of language development and a flexible start to schooling are particularly important at the beginning of a child's school career.
- Many cooperative projects are being carried out between schools and social services, as well as cooperation between schools and industry, to ensure that all school children are offered the opportunity to achieve qualifications and to avoid leaving school prematurely without qualifications.
- In addition to the objective of ensuring that all school children achieve qualifications, the proportion of children qualifying for higher education must also be increased.
- Compulsory testing and monitoring of children's school progress will form the basis for improved diagnostic testing. The aim is to enhance the professional skills of teachers in all forms and at all levels of school education.
- When reworking syllabuses for teacher training, due attention must be paid to the acquisition of diagnostic skills and the application of various support methods; where possible these aspects of training should be developed.

### **Lifelong learning/further education**

In view of the decline in the working population, lifelong learning is an essential instrument for the necessary exploitation of human resources and for economic development. The further education of young adults is highly effective in compensating for disadvantages by offering them a second chance to obtain basic or further qualifications and school-leaving certificates. Basic educational programmes are being developed at present.

The middle-aged have to cope with the heavy demands of career, education of children and care of the older generation. These simultaneous demands are often incompatible with the need to obtain further vocational qualifications. And yet continually updating vocational skills is essential for this group.

Education for older people is also essential to enable them to keep up with technical and social developments. eGovernment and online administration can, for example, be successfully introduced only if the bulk of the population are familiar with the technology. The increased use of technology in accommodation for the elderly and in health care is a further example of the need for continual updating of skills for older people. Ongoing learning also makes it easier to take on voluntary

commitments and to support the younger generation in school and other activities. Education for the elderly encourages social integration, makes it easier for them to find their place in society and helps them to adjust to the changes which are characteristic of old age. It promotes the capacity for dialogue between the generations and for continuing autonomy of the elderly.

Fulfilling the conditions for increasing participation in education by provision of suitable programmes and by improving infrastructure is a matter of priority. At the same time, recent advances in psychological-gerontological research, which challenge the stereotypical belief that the ability to learn declines with age, need to be communicated to a broader public. This is particularly relevant to the debate on the labour market and older workers.

The organisation of educational infrastructure will follow the process of demographic change. Networks seem to be the appropriate way of guaranteeing that further education is also available in outlying areas. Organisational principles are currently being tested.

### **Guaranteeing capacity in tertiary education**

The government of the *Land* is seeking to stem the exodus of young people of university age to higher educational institutions in other *Länder*, to encourage graduates of Brandenburg universities to remain in the *Land* and to attract students from other *Länder* and abroad. But for this, a sufficient number of university places have to be available. In order to reduce current overcrowding and to broaden the range of courses offered, the process of increasing the number of university places available, especially in practical disciplines (the criterion being the target pupil: teacher ratio), has been completed and the process of improving study conditions is continuing. The long-term falling trend in the number of university applicants as a result of demographic change is being observed and the question addressed as to how far the plans to cut excess university places after 2008 need to be amended.

### **Raising the awareness of cultural organisations and exchange of experience**

Culture is first and foremost a matter for the people and the task of local authorities. The government of the *Land* therefore sees it as its task to raise the awareness of local authorities and cultural bodies and associations of the changes arising from demographic trends and of their impact on cultural activities. The *Land* government will continue to support dialogue between cultural players by organising discussion forums and contributing its own views on possible and necessary reactions, for discussion. It will also reach agreement with the governments of other *Länder* on joint, inter-*Land* support for cultural and artistic activities in border regions, and it will promote the exchange of experience on successful models for adapting cultural policy to demographic change in the Permanent Conference of Ministers of Education and the Arts.

## **Supporting the reorganisation of cultural infrastructure in municipalities**

The *Land* government intends, to the extent that its resources allow, to promote models for the reorganisation of municipal cultural infrastructure. The emphasis will be on concentration and increasing the efficiency of cultural services, greater geographical coverage, coordination with the activities of social, youth and child-related infrastructure, exploiting potential for cultural tourism and promoting ways of boosting financial independence of public support. Particular emphasis will be placed on planning and managing cooperation between local authorities in the region concerned, and on the involvement of private-sector partners.

### **4.5 Safety and the law**

#### **Fire and rescue services**

Ensuring that the fire and rescue services are in a state of readiness, particularly in thinly populated regions, is becoming an increasing challenge. In rural areas coverage is provided by local, voluntary firefighters. There is continuing demand for management training in voluntary fire services, which underpins the high quality of operational decision-making. And yet, in Brandenburg as in all the other *Länder*, demographic trends are making it necessary to seek new avenues for recruitment. In addition to seeking potential future recruits in schools, recruitment campaigns could also target women. Every seventh firefighter is in fact now a woman. A publicity campaign spearheaded by the Brandenburg Fire Service Association is currently underway to encourage more women to join the voluntary fire services.

The existing 15 integrated management centres will be merged into four integrated regional management centres. By combining tasks and integrating the personnel of the four professional fire services cost and staff savings will be generated.

### **4.6 Regional development, infrastructure, environment**

#### **Revision of regional planning instruments**

Against the background of demographic change, it is the responsibility of the *Land* government to prepare for the future by assessing and adapting regional planning generally, but above all with regard to the viability of urban centres - especially in the outer development area (the part of the *Land* of Brandenburg outside the immediate Berlin catchment area), taking account of the results of the structural reform of municipalities. Not only from the point of view of growth but particularly against a background of population decline, urban centres require a multidisciplinary approach in order to ensure the availability of services. The aim of the adaptation of the system of urban centres is to guarantee essential services in changed demographic and financial circumstances by:

- concentration on priority centres with suitable functional and performance characteristics,
- underpinning viability by adapting the catchment areas of urban centres, and

.../...

- streamlining the hierarchy of urban centres (three-level hierarchy of high, medium and low-level centres).

And here account needs to be taken of the structural differences between the outer development area and the immediate environs of Berlin peri-urban zone. It is also necessary to define spatial requirements and those relating to specific policy areas in the light of demographic factors. As far as the system of urban centres is concerned, this means formulating the various essential service functions in different policy areas, in accordance with the hierarchical system, within the framework of a system of spatially differentiated objectives (immediate area, more distant areas).

### **Urban redevelopment**

The consequences of population decline are being felt with particular intensity in cities: empty housing, urban infrastructure under economic pressure, whole areas of cities on the verge of becoming unviable, deteriorating image. Changing population structures also have an impact on the demand for services. Implementing a family policy to counteract the process of demographic change requires cities and residential areas which are attractive to families and children. The *Stadtumbau Ost* redevelopment programme provides a comprehensive set of instruments to facilitate adjustment to changed conditions; it aims to solve the most pressing problems, sets out an approach to urban redevelopment and makes provision for demolition and urban regeneration measures.

At the same time these changed conditions are a test of the durability of urban development and housing policy. Under the umbrella of the urban redevelopment master plan an integrated system is being developed to identify new areas and scope for action and to map out the strategy for future action. The draft master plan is scheduled to be submitted in November 2005.

### ***Impuls 2005* - a new mobility plan for the region**

The sharply falling population density in the already thinly populated rural and outlying areas of the *Land* makes it necessary to adapt existing public transport services. Thus, the *Bahnkonzept 2009* programme is to be reviewed and parallel bus and rail services rationalised. Sections of the rail network, the existence of which is no longer justified by passenger numbers, will be closed. But, in parallel, new and additional services will have to be developed. Basic transport services will have to be provided for people without cars and viable services and forms of financing developed. The participation of the districts of Barnim, Oberhavel and Uckermark in the *Impuls 2005* programme made it possible to gather initial experience and to test ways of developing and implementing a new integrated system using conventional scheduled rail and bus services in conjunction with flexible, locally organised services such as taxibuses, special event buses, shuttles and community buses. The technical and organisational arrangements will be put in place for day-to-day operation. Another key project objective is to test the extent to which project results are relevant to other providers of mobility services or other regions. Optimum organisational, operational, financial and legal bases and arrangements are to be sought for responsibility, communication and cooperation.

### **Further development of the road network plan**

The population, economic and transport forecasts of the early 1990s which were originally used as a basis for federal road network planning and the *Land's* own planning will need to be adjusted in line with subsequent developments and new forecasts, and updated in the light of changes in *Land* planning instruments. Accordingly, the conceptual basis for road planning which builds on these must be further developed. The decline in the population and in the number of jobs available which goes hand-in-hand with the process of demographic change is affecting transport demand, particularly in the outer development area, and thus mobility habits. As transport services cease to be economic owing to lack of demand, changes (alternative approaches) and cuts in local public transport are to be expected, with more people travelling by car. In principle the existing road network is able to absorb these new mobility demands. But for financial reasons it is impossible to ensure that the same level of quality is maintained throughout the road network.

The aim of continuing the hierarchically organised road network plan is thus to lay down priorities for new road building and maintenance of the existing network, as well as for the adaptation, based on need and network considerations, of the development standards applied to the federal and *Land* road network, with due regard to trans-regional and regional traffic trends. New building will mainly focus on motorways and heavily used federal trunk routes. The development of existing through routes in urban areas will in future be given priority over the building of new bypasses.

### **Integrated approaches to rural development**

The declining population is endangering the countryside as a place to live and work. The countryside is becoming less attractive both to the local population and to potential new residents as a result of its inadequate economic dynamism. The life of the countryside is more obviously shaped by local residents than is the case in towns. This is a major challenge for those local residents who (usually voluntarily) shape the destinies of their fellow citizens as mayor, municipal councillor or as "ordinary" citizens. Rural development measures will in future be promoted on the basis of integrated rural development plans (ILEKs). And here the objectives for the *Land* are to establish spatial and conceptual priorities and to initiate competition between participating regions, with implementation-readiness and project quality being the main criteria when deciding which measures are to receive support. Furthermore, local initiatives by municipalities, firms, associations and private individuals are to be supported in order to harness self-reliance, networking and the bottom-up principle more than hitherto for the purposes of rural development. Support will be channelled towards these activities. The measures receiving support will aim to increase regional added value and to create jobs, and will open up opportunities for public-private partnership.

### **Consequences for water supply and waste-water treatment**

Water supply and waste water treatment will be particularly affected by demographic change in the rural regions and small towns of the new *Länder*. In the framework of the Water and waste water working group of the *Länder* (LAWA) only short-term measures have so far been required at plant

level in the event of underuse of the waste water network. More far-reaching approaches have not yet been developed. In order to establish a basis for future decisions, national and international experience should be studied to establish the extent to which the foreseeable population decline can be taken into account in planning, building and operating technical water supply and waste water treatment facilities. The local bodies responsible for water supply and waste water treatment are required to develop approaches and projects taking strategic account of population trends while complying with quality standards. Closer cooperation between the responsible bodies or associations must be promoted and cross-border projects developed. The preparation of a comprehensive package of measures will take three to four years. Implementation will be an ongoing process.

### **Model regions for sustainable regional development in nature parks, regional parks and biosphere reserves**

A large area of the *Land* of Brandenburg consists of unspoilt, natural landscapes which have valuable development potential. Nature parks, regional parks and biosphere reserves are both models and priorities where this potential is to be exploited for sustainable regional development. The aim is to promote the capacity of nature parks, regional parks and biosphere reserves for self-development, to stabilise the socio-economic situation in what are often structurally weak regions and to increase their attractiveness as places to live and work. The management of the conservation areas and the association of regional parks make an important structural contribution to the maintenance and diversity of landscapes and to maintaining villages as viable living environments, thus making it possible for people to decide to move there or stay there. Individual measures include the launch and promotion of projects to develop nature tourism, care of the landscape, the strengthening of regional added value chains and craft industries, as well as rural and village structural development. The bodies administering conservation areas and regional park associations cooperate with local authorities, farmers and other local players, as well as with environmental and business associations.

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