Economic Consequences of Population Aging: The Case of Germany

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Proposal

Introduction

With increased life expectancy in developing countries and decline of birth rates, the aging population has worrying improved. Aging of a population is a matter of concern, especially in the workforce sector. There are several implications on the economy that have in the past been associated with this phenomenon. The case of Germany in this study reveals that an aging population has a significant effect on the economic development of the country. The study is therefore aimed at proving the existence of this effects and determining the inclination of the effects. Whether the outcomes are negative or non-consequential to the economic development of the country.

Hypothesis

The suggested hypotheses are that an aging population reduces the economic growth of a country. This is due to reasons like the minimization of the workforce in the country. The null hypothesis suggested is that the AGING POPULATION HAS NO effect on the economic development of the country.

Acceptance or dropping of the hypothesis.

Steps in accepting the suggestions will be determined by the data used to study the effects of aging population about the country’s economic growth over the years. This would enable the determination of where e the aging effect on the community is bringing about a negative effect or a positive one on the economy of the country. Any significant reduction of the economic data about the aging population would satisfy the conditions of the hypothesis and, therefore, the assumptions that tagging population reduces the economic growth of the country would be selected. O the other hand, however, if no noticeable effect on the economic development is noted, then the null hypothesis will have to be accepted.

The primary concern for the aging population in Germany is that it will cause a reduction in the working people of the country which would subsequently result in a reduced development of the economy of the country (Chervyakov, 2015).

To support the above hypothesis, I will carry out a theoretical investigation by reviewing academic research completed by other scholars. I will particularly focus on the case of Germany to support the hypothesis. The following are some of articles and websites I will use in the research together with other resources from the library.

**References**

Chervyakov, D. (2015, september 15). *Population Ageing and Its Effects on the German Economy*. Retrieved from DIW Roundup: https://www.diw.de/en/diw\_01.c.514092.en/press/diw\_roundup/population\_ageing\_and\_its\_effects\_on\_the\_german\_economy.html

*Germany's Demographic Challenge*. (2013, January 30). Retrieved from STRATFOR: http://www.startfor.com/video/germanys-demograhic-challenge

Pettinger, T. (2016, July 20). *The impact of an ageing population on the economy*. Retrieved from Economics help: htttp://www.economicshelp.org/blog/8950/society/impact-ageing-population-economy/