

Abstract

This thesis investigates the impact of population ageing on economic development in Central and Eastern Europe, focusing on its effects on savings rates, labour force participation, human capital, and technological progress. Using panel data from 11 CEE countries spanning 1995 to 2020, the study employs the neoclassical economic growth theory and the Solow model for theoretical analysis. Subsequently, it explores the mechanisms through which population ageing influences economic growth using mediation effects. The findings indicate that population ageing in the CEE region adversely affects economic development. As the degree of ageing intensifies, it directly or indirectly inhibits economic growth by reducing savings rates, shrinking the labour force, and impeding technological progress. This study provides comprehensive insights into the multifaceted impacts of demographic changes on economic growth in CEE and offers policy recommendations to address the challenges an ageing population poses. These recommendations include enhancing financial systems, supporting innovation, and formulating strategic measures to sustain economic growth amidst demographic shifts.