



MIGRATION RESEARCH INSTITUTE



DEMOGRAPHIC DECLINE IN CROATIA

Migration Research Institute

Analysis
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DEMOGRAPHIC DECLINE IN CROATIA

Even compared to most other Central and Eastern European countries, which are also on a downward trend, Croatia has experienced a more significant population decline in recent decades. Following the publication of the final results of the 2021 Population, Household and Housing Census¹, it became clear that – if we accept that a slight increase, or at least a maintenance of the population level of young and active inhabitants is desirable for a state – the demographic situation in the Republic of Croatia is extremely unfavorable, especially in rural areas. In our analysis, we will look at the historical background, the geo-economic-demographic context, current trends and future prospects.

Historical overview

Croatia was part of Hungary, or the Austro-Hungarian Monarchy, until 1918 when it became part of the Kingdom of Serbs, Croats and Slovenes, later known as the Kingdom of Yugoslavia. During World War II, from 1941 to 1945, it was known as the Independent State of Croatia, which, despite the ‘independent’ in its name, was in fact a puppet state dependent on Nazi Germany and included Bosnia and Herzegovina. After the World War II, the territory was part of socialist Yugoslavia as a member republic until it gained independence in 1991. The territory changed somewhat as a result of the formation changes, but its current size is the same as that of the Socialist Member Republic of Croatia in the Socialist Federal Republic of Yugoslavia. The territory had more or less autonomy at the time of censuses, so demographic trends can be traced despite the territorial changes, as most of the data are from the same territory as today’s Croatia.

According to the latest, 2021 census data, the country has a population density of 68 persons/km², which places it among the most sparsely populated European countries, along with Norway, Finland, Bulgaria and Ireland (Hungary has a population density of 106 persons/km², which is in the middle range in Europe). Over the past 160 years, Croatia’s demographic picture has been influenced by a number of factors, notably the live birth and death rates, the outflow of the working-age population, a partial replacement of the working-age population from abroad, and wars and epidemics. The population has doubled in the last 160 years or so (1857-2021), but this

¹ DRŽAVNI ZAVOD ZA STATISTIKU 2022a.

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is not a significant increase compared with other countries (for example, the Netherlands has seen a 5.3-fold increase in the same period)².

The population grew exponentially until the beginning of the 20th century when outward migration intensified and World War I broke out, followed by the Spanish flu epidemic. World War II, following a relatively brief recovery, led to further population decline. Croatia was also affected by a third war, the war of independence in the mid-1990s. This had a negative impact on the population trend, resulting in an increase in deaths and emigration.³ The population decline is also due to unfavourable birth rates. The last time these indicators were favourable was in 1990, when births exceeded deaths by around 2,000. Thereafter, the ratio of deaths to births has increased steadily, with the exception of the years 1996-1997 that demographers refer to as the 'baby boom'.

Birth and death indicators

In 2018, the number of live births was around 37,000, while 53,000 deaths occurred. The first significant difference in the number of deaths occurred in 2002. In 2018, the average age of mothers giving birth to their first child is 28.9 years, 4.6 years higher than in 1990. This was caused by more women entering the workforce and higher education, and both women and men leaving the parental home later. In addition, the age of getting married was extended. Compared to 1990, by 2018 the average age of marrying for women increased by 5.3 years, and by 4.3 years for men.

In 2021, the number of births showed a slight increase compared to the previous year, rising by 663 compared to a year earlier. The fertility rate (live births per 1,000 inhabitants) was 9.1 in 2021. However, the number of deaths also increased in 2021, more significantly than the number of births. With 5,689 more deaths, the mortality rate was 16.1, and the negative natural increase rate (negative in all years) was the highest: -6.7.⁴ This is the highest figure measured in the past ten years.

The dramatic population decline of Croatia

Even compared to most other Central and Eastern European countries, which are also on a downward trend, Croatia has experienced a more significant population decline in recent decades. According to the latest, 2021 census data, the population of Croatia has fallen below its 1953 level.

² CROATIA.EU 2022.

³ CENTAR DOMOVINSKOG RATA 2007.

⁴ DRŽAVNI ZAVOD ZA STATISTIKU 2022a.

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Stanovništvo prema popisima, 1953. – 2021.

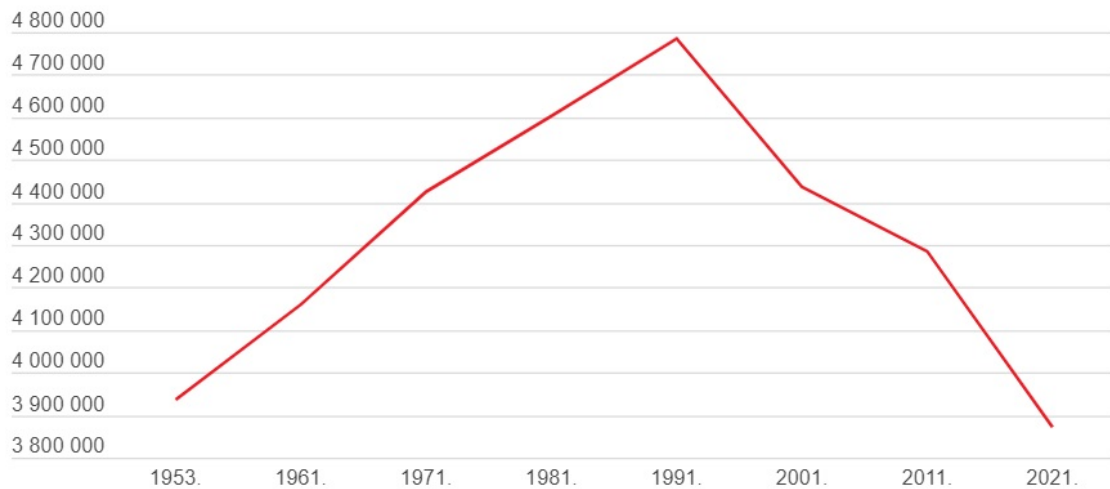


Figure 1: The population according to censuses between 1953 and 2021
Source: Croatian Bureau of Statistics

In 2021, the population was 3,871,833.⁵ Compared to the 2011 census ten years earlier, there are 413,056 fewer people living in Croatia, or 9.64% fewer in percentage terms. (According to the 2021 census, the population of Hungary, which at 9,730,526 inhabitants is over twice the size of Croatia's, decreased by 207,102 in 10 years.) To put it in perspective, the population loss is more than half the population of the capital Zagreb, or almost equal to the total population of Split, Rijeka, Osijek and Zadar. The cities listed are the largest in Croatia after Zagreb.⁶

EU accession as a boost to emigration

Croatia's accession to the EU has significantly increased emigration. Following the opening up of the EU labor market, many Croatian nationals opted to work in more developed EU countries. Already in the first year, 2014, nearly 21,000 people emigrated, which increased the country's migration balance (the difference between the number of emigrants and immigrants in a given year) by just over 10,000, or almost 2.5 times higher than the previous year. The gap increased year on year, with more than 47,000 emigrants and less than 16,000 arrivals in 2017. The trend eased in 2018, when the migration balance was 13,486, but the figure was still almost ten times higher than in 2009. Emigration peaked in 2017, but since then around 40,000 people left Croatia every year,

⁵ DRŽAVNI ZAVOD ZA STATISTIKU 2022a.

⁶ ŠNIDARIĆ 2022.

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except in 2020 when the coronavirus pandemic prevented any kind of foreign travel, including migration.

1. A LAKOSSÁG KÜLSŐ MIGRÁCIÓJA A HORVÁT KÖZTÁRSASÁGBAN

	Bevándorlók	Kivándorlók	Migrációs egyenleg
2012.	8 959	12 877	-3 918
2013.	10 378	15 262	-4 884
2014.	10 638	20 858	-10 220
2015.	11 706	29 651	-17 945
2016.	13 985	36 436	-22 451
2017.	15 553	47 352	-31 799
2018.	26 029	39 515	-13 486
2019.	37 726	40 148	-2 422
2020.	33 414	34 046	-632
2021.	35 912	40 424	-4 512

*Figure 2: External migration in the Republic of Croatia
Source: Croatian Bureau of Statistics*

While not fully offsetting emigration, a fairly intense wave of immigration to Croatia was also started in 2018. As a result, in 2020 emigration was almost entirely balanced by immigration, but indicators show that the share of emigrants has been increasing again since then. In contrast, the share of immigrants to Croatia continues to show a slight increase, despite a one-off drop in 2019-2020 triggered by Covid-19.

It is interesting to note that, although the numbers are not significant in terms of magnitude, from 2017 to 2021 at least twice as many people moved from Hungary to Croatia than the other way round.⁷ According to the Croatian Bureau of Statistics, in 2017, 99 people moved to Croatia and 51 from Croatia to Hungary, in 2018 83-45, in 2019 118-40, in 2020 132-47, while in 2021 162 Hungarian citizens moved to Croatia and 49 moved from Croatia to Hungary.

⁷ DRŽAVNI ZAVOD ZA STATISTIKU 2022b.

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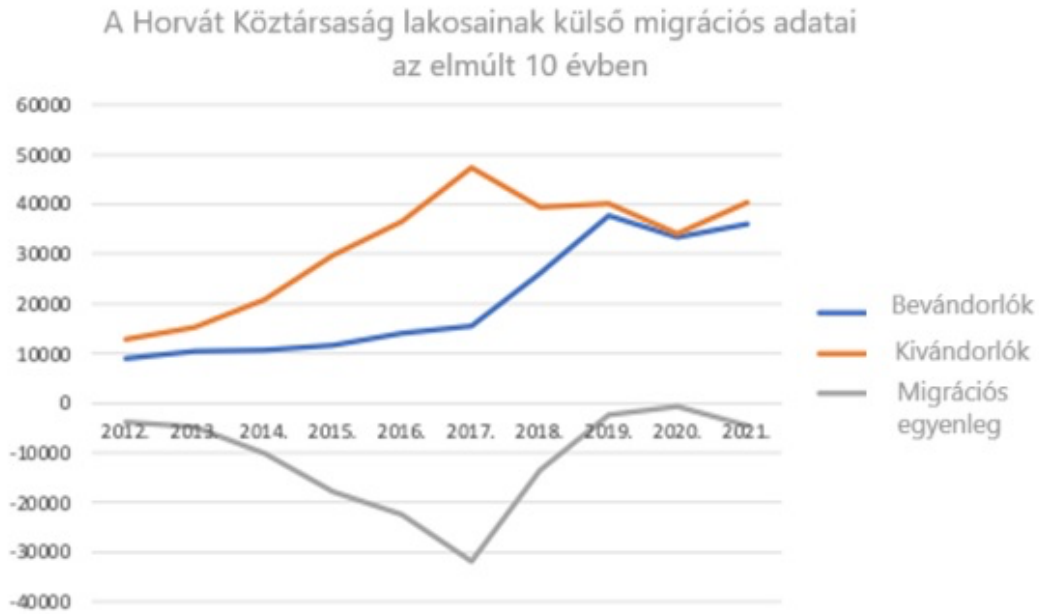


Figure 3: External migration data for residents of the Republic of Croatia in the past 10 years

Source: Croatian Bureau of Statistics

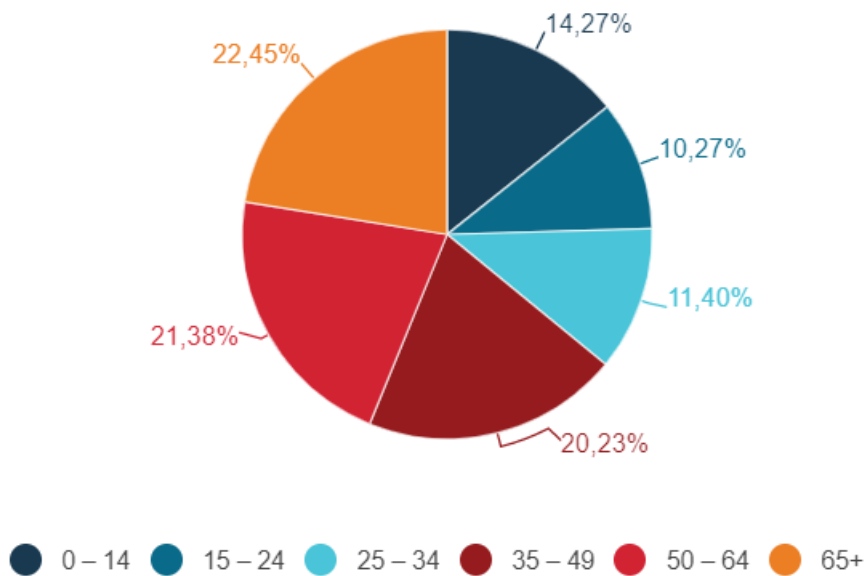


Figure 4. Source: Croatian Bureau of Statistics

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The ageing of the population is reflected in the fact that the oldest group is now the most populous, with 22.45% of the population aged over 65. The population of all counties has decreased. In terms of age structure, however, Zagreb and Split, the second largest city, are typically populated by young people, while older people are moving out of the metropolitan area into the suburbs.

While trends show a slight improvement, the 2021 figures show that emigration still significantly outstrips immigration⁸, including the return of Croatian nationals. From the European Union, the highest numbers of settlers moving to Croatia come from Germany and Slovenia.⁹

As for the migration of labor to Croatia, it is not yet significant according to the 2021 census data (but as we will see later, the census left out a significant number of guest workers). According to the census, 99.24% of the population are Croatian citizens, while the number of foreigners is only 0.74%, or 28,784.¹⁰ Given the significant number of seasonal guest workers, especially on the Croatian coast, the census does not cover them, but as the 2022 data show, it is likely that a significant proportion of those arriving for longer periods, and not just seasonal work, are also excluded from the census.

As for foreign guest workers, in 2022 there were about 115,000 of them registered, as well as 448 agencies that place foreigners in permanent or seasonal jobs. Most come from the former Yugoslavia due to language skills and geographical proximity, but as they too are increasingly being siphoned off by employers offering better-paid jobs in Western Europe, they are now filling the labor gap from further afield. For the time being, however, migrants from the former Yugoslavia continue to dominate: 34,443 from Bosnia and Herzegovina, 18,238 from Serbia, 11,212 from Nepal, 9,594 from Northern Macedonia, and 8,333 from Kosovo were registered as guest workers in 2022. This year, 73,374 new work permits were issued by the Croatian authorities, and only 16,788 for seasonal workers, typically in tourism and hospitality. Most permits were issued to workers in construction (49,161), tourism and hospitality (31,372), manufacturing (15,530), transport (6,628) and agriculture (2,719).¹¹

Emigration and immigration ratios by county

In 2021, three out of 21 counties (including the capital, which has the same status as the counties) had more foreigners arrive than the people who emigrated. These are the counties of Zagreb City, Split-Dalmatia and Istria.

⁸ DRŽAVNI ZAVOD ZA STATISTIKU 2022b.

⁹ Ibid.

¹⁰ DRŽAVNI ZAVOD ZA STATISTIKU 2022a.

¹¹ GRGAS 2023.

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The Croatian diaspora

The Croatian diaspora, being from a maritime nation, reached and settled in many parts of the world not only in the last century, but also in the centuries before. The Croatian diaspora has sought a new homeland mainly for political and economic reasons. A significant number live in the USA, Canada, Australia, Germany, Argentina and Chile. According to some estimates, there are at least as many Croats (or Croats of Croatian origin) living abroad as in the mother country.¹² Emigration is ongoing, but it is not one-way.

The Croatian diaspora is characterised by the cultivation of Croatian culture and language as that of the country of origin. The Croatian state has launched various campaigns to attract people of Croatian origin, including those of many generations before, back to the motherland. However, the Croatian “Come home” programs have not been a great success. On the other hand, more people opted for a dual-home lifestyle. People of Croatian origin spend a greater or lesser part of the year in Croatia. As people reach retirement age, more and more of them become permanent residents, and it is not only Croats who take advantage of this opportunity.

Old-age international migration

Croatia is becoming an increasingly popular destination for older people. It attracts mainly retirees from Western Europe, who move almost exclusively to the coast. Thus, the Croatian coast is increasingly becoming the new destination for international migration of older people. Coastal Spain, Portugal, France and Greece are also experiencing this type of migration.¹³ Germany, Austria, Switzerland and Slovenia are the main countries of origin. More affluent older people either buy property or rent for the long term. This trend is set to increase over the next 10 years, also fuelling further migration to Croatia, as new providers of services for the typically older but more affluent residents may also arrive.

This is already underway, and the number of retirees moving to the Mediterranean coast is expected to increase significantly. Some of the retirees, mainly from northern European countries, will stay permanently on the Croatian coast, while others will spend part of the year in their new or second home on the Adriatic. In addition, there are a significant number of Croatian retirees who have worked for decades as guest workers in Western European and Northern European countries, and who also move to the Croatian coast first and foremost, and then to other Croatian settlements, typically their place of birth, in their old age. The arrival of older people from Western European countries has a significant impact on the local development of Mediterranean tourist destinations,

¹² HRVATHIZVANRH.GOV.HR 2023.

¹³ REPETTI-PHILLIPSON-CALSANTI 2018.

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particularly with regard to the built environment, e.g. the widespread use of 'elderly-friendly', accessible urban solutions.

Internal migration

Internal migration is also significant in Croatia. Most people move to Zagreb and Krapina-Zagorje counties. More people move abroad from Zagreb County¹⁴ (the county surrounds the Croatian capital, but the city of Zagreb is counted separately, similar to Pest County in Hungary from Budapest) than foreigners move there, but internal migration is still increasing the population of the county. In particular, people are moving from the city of Zagreb to the green belt agglomeration. With more and more people working remotely, moving out of the capital is becoming popular not only among retired people, but also among those active in the labor market. In addition, some of those who can avoid rush hour traffic on the ring road around the capital also moved out.

In the city of Zagreb, population turnover is increasingly expected to accelerate. Inward migration from within and outside the country will be concentrated on younger people, while older and younger people who can afford to commute or work remotely will move to the quieter, cheaper agglomeration.

How does Croatia try to correct unfavorable demographic trends?

As for immigration trends to Croatia, fewer and fewer people are coming from the former Yugoslav states and more from farther afield, from the less developed countries of Asia. In order to address this, the authorities are trying to fill the labor shortage from abroad by simplifying the issuing of work permits. In addition, projects are being organized to help members of the Croatian diaspora to move to Croatia, with modest success. As for deeper reforms, including increasing the propensity to have children, the Croatian government ordered¹⁵ the development of a longer-term strategic plan, based on the results of the 2021 census, which would include measures until the next census in 2031.

Summary

Eurostat estimates that Croatia's population will fall from today's nearly 3,900,000 to 3,390,000 by 2050, and 2,775,000 by 2100.¹⁶ On the one hand, an improvement in macroeconomic indicators could lead to fewer people going abroad to work, and on the other hand, a more favorable social

¹⁴ DRŽAVNI ZAVOD ZA STATISTIKU 2022b.

¹⁵ VLADA REPUBLIKE HRVATSKE 2021.

¹⁶ NACIONAL 2022.

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and labor environment for women could encourage a rising birth rate. If these measures are not taken or do not succeed, the shortage of labor could be filled from abroad by promoting long-term immigration, including family reunification. Alternatively, another option is to allow foreign workers to settle in Croatia by issuing temporary work permits without the possibility of family reunification.

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