



Demographic Divergence and the Future of Global Economic Power: A Conceptual Analysis of Population Asymmetry

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Abstrak

Demographic change is increasingly uneven across countries, producing divergent trajectories of fertility decline, population aging, and migration dynamics. While some advanced economies face shrinking labor forces and rising dependency burdens, many emerging economies continue to experience expanding working-age populations. This article develops a conceptual framework explaining how such demographic divergence may reshape the distribution of global economic power. The study introduces the concept of population asymmetry, defined as structural differences across countries in labor-force renewal capacity, dependency burdens, and market expansion potential resulting from uneven demographic transitions. Building on insights from demographic economics, migration studies, and international political economy, the article identifies four transmission mechanisms through which demographic asymmetry influences economic outcomes: production capacity asymmetry, demand structure asymmetry, mobility connectivity asymmetry, and fiscal dependency asymmetry. The framework further highlights the moderating roles of human capital development, technological capability, institutional capacity, and migration policies. By integrating previously fragmented literatures, the article proposes a conceptual model of demographic power rebalancing, suggesting that persistent demographic asymmetries may gradually reshape global economic hierarchies through differential growth trajectories, shifting trade centrality, and evolving patterns of investment and labor mobility.

Keywords

demographic divergence; population asymmetry;
demographic transition; migration and labor mobility; global
economic power; demographic economics

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1. Introduction

Demographic change has long been recognized as one of the most consequential structural forces shaping economic development. However, contemporary demographic dynamics differ fundamentally from earlier historical phases of population growth. Rather than experiencing a uniform demographic transition, the global economy is now characterized by increasing demographic divergence, where countries move through fertility decline, population aging, and migration transitions at markedly different speeds (United Nations, 2024). While some advanced economies face rapid population aging and shrinking labor forces, many emerging economies still experience expanding working-age populations. These asymmetries suggest that demographic change is no longer simply a domestic development issue but a structural force capable of reshaping global economic relations.

Recent demographic projections indicate that the distribution of the world's population is shifting significantly toward emerging and developing regions. According to the United Nations World Population Prospects 2024, global population growth is increasingly concentrated in South Asia and Sub-Saharan Africa, while many high-income countries are entering sustained phases of demographic stagnation or decline (United Nations, 2024). By contrast, several economies in Europe and East Asia are expected to experience substantial contractions in their working-age populations over the coming decades. Such divergent trajectories create a structural imbalance in labor supply, consumption potential, and fiscal sustainability across countries.

Population aging has become particularly pronounced in advanced economies. OECD projections show that the share of individuals aged 65 and older is increasing rapidly across developed countries, while the working-age population is expected to decline significantly in many of these economies during the coming decades (OECD, 2024). This demographic shift has major macroeconomic implications, including rising dependency ratios, fiscal pressure on pension systems, and potential constraints on economic growth. While technological change and productivity improvements may partially offset these pressures, demographic aging remains a key structural challenge for advanced economies (Bloom, Canning, & Fink, 2010; Lee & Mason, 2011).

At the same time, several emerging economies continue to experience demographic expansion and favorable age structures that may generate potential growth advantages. The concept of the demographic dividend suggests that a rising share of working-age individuals relative to dependents can create opportunities for accelerated economic growth, provided that appropriate institutional and economic conditions are in place (Bloom, Kuhn, & Prettnner, 2023). However, the benefits of demographic dividends are unevenly distributed and depend heavily on human capital accumulation, labor market institutions, and economic integration. Consequently, demographic divergence may contribute to widening economic asymmetries between countries.

Despite growing recognition of these dynamics, existing research has primarily examined demographic change within national contexts rather than as a relational phenomenon shaping global economic structures. Much of the literature on demographic transition focuses on fertility decline and aging as drivers of domestic economic outcomes such as labor supply, savings behavior, and productivity (Lee & Mason, 2011). Similarly, research on population aging has largely emphasized fiscal sustainability, health expenditures, and retirement systems within individual countries (Bloom et al., 2010). While these studies provide valuable insights, they offer limited explanations for how uneven demographic transitions interact across countries to influence global economic power.

Parallel strands of research have also explored the role of international migration in responding to demographic imbalances. Migration is frequently discussed as a mechanism that can partially alleviate labor shortages in aging economies while generating economic

opportunities for both migrants and sending countries. Empirical studies show that international migration can influence labor supply dynamics and demographic structures in destination economies, particularly in countries experiencing population aging and declining fertility (Docquier et al., 2014; OECD, 2024). However, migration alone is unlikely to fully offset the structural effects of sustained fertility decline and demographic aging.

Another emerging body of research highlights the implications of demographic change for international trade and global economic geography. Changes in population distribution can influence market size, labor availability, and production networks, thereby altering global trade patterns and economic power structures (Brakman, Kohl, & van Marrewijk, 2025). As demographic expansion becomes concentrated in certain regions while others face population contraction, the geography of consumption, production, and investment may gradually shift. Yet the mechanisms through which demographic divergence translates into shifts in global economic power remain insufficiently theorized.

The fragmentation of these research streams reveals an important theoretical gap. Existing studies have generated important insights into demographic transition, population aging, migration, and global economic dynamics, but these literatures remain largely disconnected. What remains underdeveloped is a coherent framework explaining how uneven demographic trajectories across countries generate structural asymmetries that influence the distribution of economic power in the global economy. Without such a framework, the broader implications of demographic divergence for global economic order remain difficult to interpret.

This article addresses this gap by introducing the concept of population asymmetry as a relational mechanism linking demographic divergence to shifts in global economic power. Population asymmetry refers to structural differences across countries in labor-force renewal capacity, dependency burdens, and market expansion potential arising from uneven demographic transitions. By integrating insights from demographic economics, migration studies, and international political economy, the article develops a conceptual framework explaining how demographic divergence can reshape global economic hierarchies. In doing so, the study contributes to a more comprehensive understanding of how population dynamics influence long-term transformations in the global economic system.

2. The Emerging Landscape of Demographic Divergence

Demographic change is unfolding unevenly across regions, creating a global landscape characterized not by uniform population growth but by widening demographic divergence. While earlier phases of demographic transition were largely associated with declining mortality followed by fertility decline across most regions, the contemporary phase exhibits highly differentiated trajectories. Some countries have entered advanced stages of population aging and fertility stagnation, whereas others continue to experience relatively young population structures and expanding labor forces (United Nations, 2024; Bloom, Kuhn, & Prettner, 2023). This divergence is reshaping the distribution of demographic resources that underpin economic development, including labor supply, consumption capacity, and fiscal sustainability.

One of the most visible dimensions of demographic divergence is the rapid aging of advanced economies. Across Europe, Japan, and parts of East Asia, declining fertility and rising life expectancy are producing unprecedented increases in old-age dependency ratios. These trends have significant macroeconomic consequences, including shrinking labor forces, increased pension obligations, and rising healthcare expenditures (Bloom, Canning, & Fink, 2010; Lee & Mason, 2011). Empirical evidence indicates that population aging can exert measurable effects on economic growth by reducing labor supply and altering productivity dynamics, although these effects vary depending on institutional responses and technological adaptation (Maestas, Mullen, & Powell, 2023).

In contrast, many emerging and developing economies continue to experience demographic structures characterized by relatively large working-age populations. This demographic configuration has often been associated with the possibility of a demographic dividend, whereby the expansion of the working-age population relative to dependents creates favorable conditions for economic growth (Bloom & Williamson, 1998; Bloom & Finlay, 2009). However, the realization of such dividends depends on the ability of economies to generate productive employment, accumulate human capital, and integrate into global markets. Without these complementary conditions, favorable demographic structures may fail to translate into sustained economic advantages (Mason & Lee, 2022).

Recent global analyses further demonstrate that demographic trajectories are becoming increasingly heterogeneous across regions. Fertility decline is occurring at different speeds, and in some contexts fertility rates have fallen well below replacement levels while others remain above the threshold needed for population stabilization (Dörflinger & Loichinger, 2024; Gauthier & Gietel-Basten, 2025). These uneven fertility patterns interact with population momentum and migration flows to produce complex demographic structures that vary significantly across countries. As a result, the global distribution of working-age populations is projected to shift substantially toward South Asia and Sub-Saharan Africa in the coming decades (United Nations, 2024).

Migration represents an important mechanism through which demographic divergence becomes interconnected across regions. Aging economies increasingly rely on migration as a complementary mechanism to sustain labor supply and economic activity. Cross-national evidence shows that labor mobility often connects countries with shrinking workforces to regions with relatively younger populations, thereby creating transnational labor market linkages (Docquier et al., 2014; OECD, 2024). Nevertheless, migration alone cannot fully compensate for demographic aging, particularly in societies experiencing sustained fertility decline and rapidly rising dependency ratios. International migration also plays a broader role in shaping development outcomes and labor mobility across regions in an increasingly interconnected global economy (World Bank, 2023).

These divergent demographic dynamics are increasingly influencing the structure of the global economy. Changes in population size and age distribution affect not only labor supply but also market size, savings behavior, and patterns of production and consumption. Recent studies suggest that demographic change can alter global trade patterns and shift the economic center of gravity toward regions with expanding populations and growing consumer markets (Brakman, Kohl, & van Marrewijk, 2025; Liu, McKibbin, & Noland, 2022). Consequently, demographic divergence is emerging as a structural factor with the potential to reshape long-term trajectories of global economic power. Demographic change may also interact with urbanization dynamics, influencing the spatial distribution of economic activity and the evolution of regional economic systems (Glaeser, Ponzetto, & Tobio, 2014).

3. Fragmented Explanations in Existing Literature

Despite a rapidly expanding body of research on demographic change and economic development, existing scholarship remains theoretically fragmented. Several streams of literature have examined different aspects of demographic transformation, including demographic transition, population aging, migration dynamics, and global economic restructuring. While each of these strands provides valuable insights, they rarely converge into a unified explanation of how uneven demographic trajectories across countries reshape the distribution of economic power in the global economy (Bloom, Kuhn, & Pretzner, 2023; Mason & Lee, 2022). Early economic–demographic modeling also emphasized the complex interactions between population dynamics and macroeconomic performance across countries (Kelley & Schmidt, 2005).

The first strand of literature focuses on demographic transition and demographic dividend. Classical demographic transition theory explains how societies move from high fertility and mortality toward low fertility and longer life expectancy, generating structural shifts in population age composition (Bloom & Williamson, 1998). Research on demographic transition has also emphasized the role of rising life expectancy in shaping long-term economic growth trajectories (Cervellati & Sunde, 2011). Building on this framework, subsequent research has highlighted the potential for demographic dividends when the working-age population expands relative to dependents (Bloom & Finlay, 2009). Empirical research demonstrates that demographic windows characterized by a growing working-age population can support accelerated economic growth when accompanied by appropriate institutional and economic conditions, including human capital investment and labor market expansion (Bloom, Canning, & Sevilla, 2003; Mason & Lee, 2022). However, this literature primarily treats demographic dynamics as domestic growth opportunities rather than as elements of cross-national structural asymmetry.

A second strand of research examines the macroeconomic implications of population aging. Studies have documented how aging societies experience declining labor supply, rising dependency ratios, and increasing fiscal pressures associated with pension and healthcare systems (Lee & Mason, 2011; Maestas et al., 2023). Changes in population age structure have also been linked to productivity dynamics, as different age cohorts contribute differently to economic output and innovation capacity (Feyrer, 2007). Recent empirical analyses emphasize that population aging can influence productivity dynamics by altering labor supply structures and the composition of human capital within economies (Maestas, Mullen, & Powell, 2023; Acemoglu & Restrepo, 2017). These studies suggest that aging societies may face productivity challenges unless technological adaptation and labor market adjustments occur. While this literature provides important insights into the economic challenges faced by aging societies, it largely focuses on internal economic adjustment rather than on the international implications of demographic asymmetries.

A third research stream highlights the role of international migration as a response to demographic imbalances. Migration flows increasingly connect younger and older economies by reallocating labor from regions with relatively abundant working-age populations to those experiencing demographic contraction and labor shortages (Docquier et al., 2014; OECD, 2024). Empirical studies show that migration can alleviate labor shortages and influence the age structure of destination economies by expanding the working-age population and supporting labor market participation (Docquier et al., 2014; Ortega & Peri, 2014). However, the long-term capacity of migration to offset demographic aging remains limited. Moreover, the migration literature has primarily focused on labor market integration and remittance dynamics, rather than on the broader implications of migration-driven demographic connectivity for global economic power. Migration can also influence human capital formation in origin countries through processes often described as brain circulation and skill mobility across borders (Beine et al., 2008).

A fourth strand of literature examines demographic change from the perspective of global economic geography and international trade. Population size and age structure influence market size, labor availability, and patterns of comparative advantage, thereby shaping international trade and investment flows (Brakman et al., 2021; Liu et al., 2022). Recent research suggests that demographic shifts may gradually alter the geographic distribution of global demand and production networks. Yet even within this literature, demographic factors are often treated as contextual variables rather than as structural drivers of economic power redistribution across countries.

Taken together, these literatures highlight important dimensions of demographic change but remain insufficiently integrated. Demographic transition research explains population dynamics, aging studies analyze domestic economic consequences, migration research focuses on labor mobility, and international political economy examines global economic

structures. What remains underdeveloped is a theoretical framework that connects these perspectives and explains how divergent demographic trajectories across countries generate structural asymmetries with far-reaching implications for global economic power. Addressing this gap requires a conceptual approach that moves beyond country-level demographic outcomes toward a relational understanding of demographic change in the global economy.

4. Conceptualizing Population Asymmetry

While existing research has examined demographic transition, population aging, and migration as distinct processes, these phenomena increasingly interact across countries in ways that generate structural demographic imbalances. To capture this relational dimension of demographic change, this article introduces the concept of population asymmetry. Population asymmetry refers to systematic differences across countries in their capacity to sustain labor-force renewal, manage dependency burdens, and expand domestic markets due to uneven demographic transitions. Unlike conventional demographic indicators that focus on population size or growth rates, population asymmetry emphasizes relative demographic positioning among countries within the global economy.

The table below clarifies the principal constructs used throughout the conceptual framework. Because the manuscript introduces several related demographic and economic concepts, organizing them systematically helps ensure terminological consistency and analytical precision across the subsequent theoretical discussion.

Table 1. Key Constructs in the Demographic Power Framework

| Construct | Definition | Analytical Role in the Framework |
|-------------------------------|---|--|
| Demographic divergence | Cross-national differences in demographic trajectories resulting from uneven fertility decline, population aging, and migration exposure. | Serves as the initial structural condition that generates demographic differences among countries. |
| Population asymmetry | Structural differences among countries in demographic capacities that support economic development, particularly labor-force renewal, dependency burdens, and market expansion potential. | Core relational concept linking demographic divergence to economic consequences in the global economy. |
| Labor-force renewal capacity | The ability of a country to sustain or replenish its working-age population through fertility patterns, demographic momentum, or migration inflows. | Shapes long-term productive capacity and the sustainability of labor supply. |
| Dependency burden | The relative size of dependent populations—especially the elderly—compared with the working-age population. | Influences fiscal sustainability, social expenditure pressures, and economic flexibility. |
| Market expansion potential | The capacity of a country’s population structure and growth trajectory to support expanding domestic consumer markets. | Determines the potential scale and dynamism of domestic demand and investment attractiveness. |
| Production capacity asymmetry | Cross-national differences in productive potential resulting from variations in labor supply and workforce age structure. | Explains how demographic differences influence industrial expansion and economic competitiveness. |
| Demand structure asymmetry | Variations in consumption and savings patterns associated with different demographic age structures. | Shapes the geographic distribution of global demand and market opportunities. |

| Construct | Definition | Analytical Role in the Framework |
|-----------------------------------|---|--|
| Mobility connectivity asymmetry | Patterns of international labor mobility linking countries with demographic labor surpluses to those experiencing labor shortages. | Facilitates cross-border redistribution of labor and human capital. |
| Fiscal dependency asymmetry | Differences in fiscal pressure arising from demographic structures, particularly aging populations and rising social expenditures. | Influences government fiscal space, public investment capacity, and economic resilience. |
| Global economic power rebalancing | Long-term shifts in the relative economic influence of countries resulting from differences in demographic structures and their economic effects. | Represents the macro-level outcome of demographic asymmetries operating through economic mechanisms. |

Source: Developed by the authors

In Table 1, the central constructs of the article are defined in a structured manner to avoid conceptual ambiguity and ensure consistent terminology throughout the analysis. By specifying each construct and its analytical role, Table 1 strengthens the theoretical clarity of the manuscript and prepares the reader for the subsequent discussion of transmission mechanisms and global economic power dynamics.

The concept of population asymmetry builds upon insights from demographic economics and international political economy while extending them in an integrative direction. Traditional demographic transition theory explains how declining fertility and mortality transform age structures within societies (Bloom & Williamson, 1998). Similarly, demographic dividend literature highlights how favorable age structures can support economic growth under appropriate institutional conditions (Bloom & Finlay, 2009; Mason & Lee, 2022). However, these frameworks largely analyze demographic change within national contexts and pay limited attention to how uneven demographic trajectories across countries interact to produce structural asymmetries in global economic capacity.

Population asymmetry emerges primarily from three interrelated demographic processes: fertility divergence, population aging, and migration connectivity. Fertility decline has proceeded at markedly different speeds across regions, producing wide variations in population growth and age structures (Dörflinger & Loichinger, 2024; Gauthier & Gietel-Basten, 2025). In many advanced economies, sustained fertility decline has resulted in shrinking working-age populations and rising old-age dependency ratios. By contrast, several emerging economies continue to experience expanding labor forces due to higher fertility rates and demographic momentum (United Nations, 2024). These divergent trajectories create structural differences in the ability of countries to reproduce their labor forces over time.

Population aging further amplifies these asymmetries by altering the balance between productive and dependent populations. Aging societies face increasing fiscal pressures as pension obligations and healthcare expenditures rise alongside shrinking labor forces (Bloom et al., 2010; Lee & Mason, 2011). Although productivity improvements, delayed retirement, and technological adoption may partially offset these pressures, demographic aging nonetheless imposes structural constraints on economic growth potential (Maestas et al., 2023). Countries experiencing slower aging or continued demographic expansion may therefore enjoy relative advantages in sustaining economic dynamism.

Migration constitutes a third dimension shaping population asymmetry by redistributing labor across regions with contrasting demographic structures. International migration increasingly links aging economies experiencing labor shortages with younger economies characterized by relatively abundant working-age populations (Docquier et al. 2014; OECD, 2024). Empirical studies show that migration can partially alleviate labor supply constraints in

destination countries while simultaneously generating economic opportunities for migrants and origin economies through remittances, human capital mobility, and labor market integration (Ortega & Peri, 2014). However, migration flows are themselves shaped by global demographic asymmetries and are unlikely to fully compensate for the long-term effects of sustained fertility decline and population aging in advanced economies.

Taken together, these demographic processes generate structural differences in three key demographic capacities that underpin economic development. First, countries differ in their ability to renew their labor forces, depending on fertility levels, age structures, and migration inflows. Second, they face different levels of dependency burden, reflecting the relative size of elderly populations compared with working-age cohorts. Third, they exhibit varying degrees of market expansion potential, determined by population growth and the size of domestic consumer markets. These three dimensions—labor-force renewal, dependency burden, and market expansion—constitute the core structural components of population asymmetry.

Taken together, these demographic processes generate structural differences in three key demographic capacities that underpin economic development. The figure below isolates the internal structure of population asymmetry so that the manuscript’s core construct is specified with greater analytical precision. Rather than treating the concept as a broad demographic condition, the visual clarifies its three constituent capacities and supports a cleaner theoretical definition for subsequent sections.

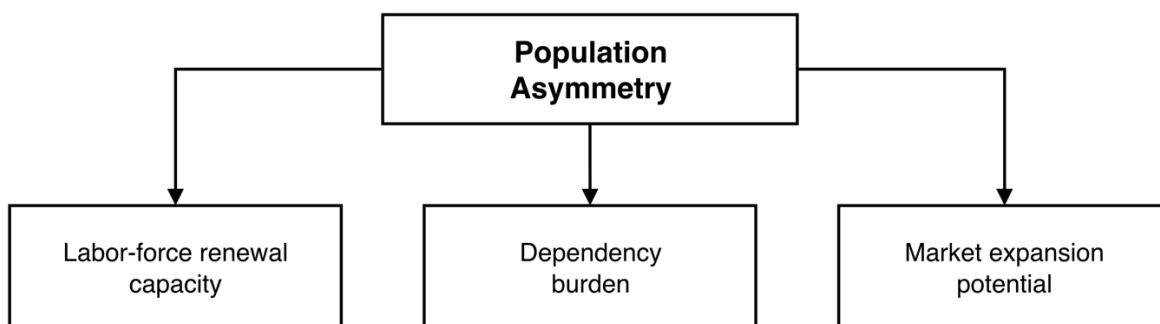


Figure 1. Structural Components of Population Asymmetry

Source: Author’s conceptualization

As structured in Figure 1, population asymmetry is defined through three interrelated demographic capacities: the ability to renew the labor force, the degree of dependency burden, and the potential for market expansion. This figure strengthens the article’s argument by converting the central construct from a broad narrative idea into a clearly delimited analytical architecture that can anchor the later discussion of transmission mechanisms and global economic power.

Conceptualizing demographic change through the lens of population asymmetry allows demographic processes to be understood not merely as national characteristics but as relational structures within the global economy. Countries do not experience demographic change in isolation; rather, their demographic trajectories interact through migration flows, trade linkages, and investment networks. As a result, population asymmetry can generate shifts in economic influence by altering the relative distribution of labor, markets, and productive capacity across countries (Brakman et al., 2021; Liu et al., 2022). Understanding these relational dynamics is therefore essential for explaining how demographic divergence may translate into long-term transformations in global economic power.

5. Transmission Mechanisms of Demographic Asymmetry

While population asymmetry captures structural demographic differences across countries, its economic consequences unfold through a set of transmission mechanisms linking demographic structures to economic outcomes. Demographic divergence does not directly translate into shifts in economic power; rather, it operates through intermediate processes that influence labor markets, consumption dynamics, fiscal capacity, and international mobility. Identifying these mechanisms is essential for understanding how uneven demographic trajectories can reshape the global distribution of economic resources.

The following figure clarifies the mechanisms through which demographic asymmetries translate into economic outcomes. By organizing the channels analytically, the visual separates the structural demographic condition from the economic processes that transmit its effects across national economies.

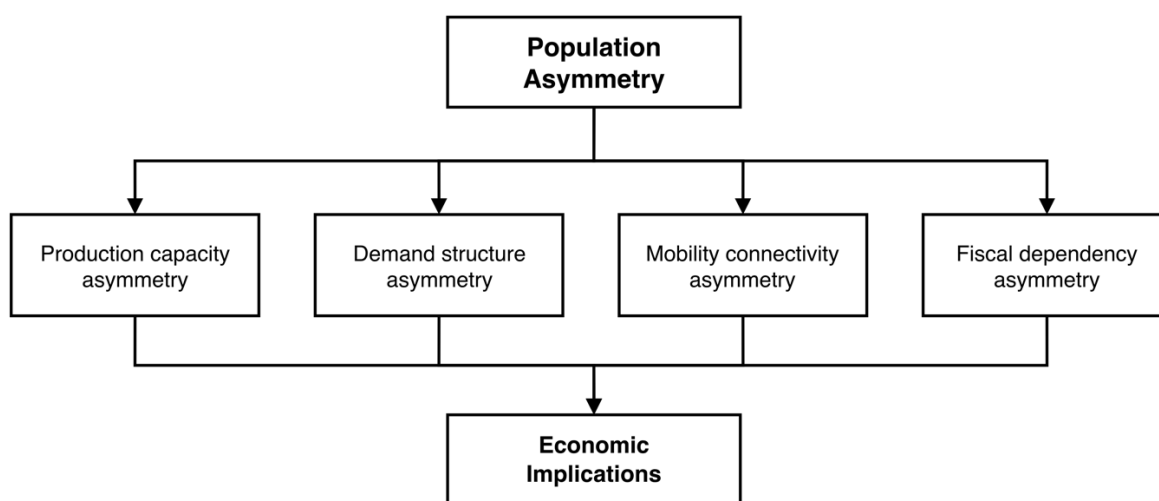


Figure 2. Transmission Mechanisms of Demographic Asymmetry
Source: Developed by the authors

In Figure 2, population asymmetry operates as the structural demographic condition that activates four economic transmission channels: production capacity asymmetry, demand structure asymmetry, mobility connectivity asymmetry, and fiscal dependency asymmetry. These mechanisms collectively translate demographic differences across countries into broader economic consequences, thereby preparing the analytical ground for the later discussion of global economic power rebalancing.

The first mechanism operates through production capacity asymmetry. Differences in age structures affect the size and renewal capacity of the labor force, which in turn shapes national production potential. Countries experiencing sustained fertility decline and rapid population aging often face shrinking working-age populations, creating structural constraints on labor supply (Bloom et al., 2010; Maestas et al., 2023). In contrast, economies with expanding working-age populations may enjoy relatively abundant labor resources that support industrial expansion and economic growth, particularly when combined with investments in human capital and productive employment opportunities (Bloom & Williamson, 1998; Mason & Lee, 2022). As a result, demographic divergence can generate cross-national differences in productive capacity that influence long-term economic competitiveness.

A second mechanism involves demand structure asymmetry. Demographic structures shape patterns of consumption and savings across societies. Aging populations tend to exhibit higher healthcare expenditures, lower labor income growth, and changes in savings behavior, all of which affect domestic demand composition (Lee & Mason, 2011).

Conversely, countries with younger populations often experience expanding consumer markets driven by urbanization, rising household formation, and increasing labor income. These demographic differences can influence global consumption patterns and gradually shift the geographic distribution of market demand (Brakman et al., 2021; Liu et al., 2022). Consequently, population asymmetry may reshape global market opportunities and alter the economic center of gravity.

The third mechanism is mobility connectivity asymmetry, which reflects how demographic differences generate cross-border labor mobility. As aging economies encounter labor shortages, migration becomes an increasingly important mechanism for sustaining labor supply (OECD, 2024). Younger economies with expanding labor forces often become major sources of international migration, generating global networks of labor mobility that connect regions with demographic surplus to those experiencing labor shortages. Empirical research shows that migration increasingly links economies with contrasting demographic structures by reallocating labor from younger populations toward aging societies facing workforce contraction (Docquier et al., 2014; Hanson & McIntosh, 2016). Although migration can partially mitigate labor shortages in destination countries, its capacity to offset demographic aging remains limited, particularly when fertility rates remain persistently below replacement levels (OECD, 2024). Nevertheless, migration flows play a critical role in redistributing labor and human capital across regions experiencing divergent demographic trajectories.

A fourth mechanism concerns fiscal dependency asymmetry. Population aging increases the ratio of dependents to workers, generating rising public expenditures on pensions, healthcare, and social protection systems (Bloom et al., 2010). Countries facing rapid demographic aging may experience increasing fiscal pressure that constrains public investment and economic flexibility. In contrast, countries with relatively younger populations may face lower fiscal dependency burdens and greater fiscal space for investments in infrastructure, education, and economic development. These differences in fiscal capacity can contribute to long-term divergences in economic performance across countries.

Importantly, these mechanisms do not operate independently but interact within broader economic and institutional contexts. The effects of demographic asymmetry depend on moderating factors such as human capital accumulation, technological adoption, labor market institutions, and migration policies (Bloom et al., 2010; Mason & Lee, 2022). The accumulation and distribution of human capital across populations also play a critical role in shaping long-term economic productivity and growth (Jones, 2020). For instance, technological innovation and automation may partially offset labor shortages in aging societies, while investments in education and skills can enhance the economic benefits of favorable demographic structures in younger economies. Technological change and automation may partially offset the economic consequences of population aging by increasing capital intensity and labor productivity (Prettner & Bloom, 2020). Understanding these moderating conditions is therefore crucial for explaining why similar demographic trends may produce different economic outcomes across countries.

Taken together, these mechanisms illustrate how population asymmetry can influence economic dynamics at multiple levels of the global economy. Differences in production capacity, demand structures, labor mobility, and fiscal sustainability interact to shape the relative economic trajectories of countries. By tracing these transmission mechanisms, the concept of population asymmetry provides a theoretical bridge between demographic divergence and broader transformations in global economic power.

The following table organizes the economic implications associated with each transmission mechanism of demographic asymmetry. Presenting these mechanisms in a structured format clarifies how specific demographic dynamics translate into broader macroeconomic outcomes and helps readers connect the theoretical discussion to observable economic processes.

Table 2. Economic Implications of Demographic Asymmetry Mechanisms

| Transmission Mechanism | Demographic Driver | Primary Economic Effect | Long-term Global Implication |
|---------------------------------|--|---|--|
| Production capacity asymmetry | Differences in working-age population size and labor-force renewal capacity across countries | Variation in labor supply, industrial expansion potential, and productivity dynamics | Divergent economic growth trajectories and shifts in global production capacity |
| Demand structure asymmetry | Differences in population age composition and household formation patterns | Changes in consumption patterns, savings behavior, and sectoral demand | Geographic redistribution of global consumer markets and investment opportunities |
| Mobility connectivity asymmetry | Cross-national demographic imbalances generating migration flows from younger to aging economies | Reallocation of labor and human capital through international migration networks | Increasing interdependence between labor-supplying and labor-receiving economies |
| Fiscal dependency asymmetry | Rising dependency ratios associated with population aging and declining fertility | Expansion of public expenditures on pensions, healthcare, and social protection systems | Differences in fiscal flexibility, public investment capacity, and economic resilience |

Source: Developed by the authors

As summarized in Table 2, demographic asymmetries influence economic outcomes through multiple interconnected mechanisms. The table consolidates the mechanisms discussed in the preceding section and clarifies how each pathway links demographic structures to broader economic transformations. By mapping demographic drivers to economic effects and long-term global implications, Table 2 supports the article's broader argument that persistent demographic divergence can contribute to structural shifts in global economic power.

6. Population Asymmetry and Global Economic Power

The mechanisms outlined in the previous section suggest that demographic asymmetries have implications that extend beyond domestic economic outcomes. Differences in labor-force renewal, market expansion potential, migration dynamics, and fiscal dependency structures collectively shape the relative economic capabilities of nations. When such differences persist over extended periods, they can contribute to shifts in the distribution of economic influence across countries and regions. In this sense, population asymmetry operates not merely as a demographic condition but as a structural factor influencing the long-term configuration of the global economy.

One important dimension through which population asymmetry affects global economic power is economic growth potential. Countries with expanding working-age populations often possess greater opportunities for labor-force participation, productivity gains, and industrial expansion. Historical evidence shows that favorable age structures contributed significantly to rapid economic growth in several East Asian economies during the late twentieth century (Bloom & Williamson, 1998). Conversely, economies experiencing rapid population aging may face structural growth constraints as shrinking labor forces reduce productive capacity and increase dependency burdens (Bloom et al., 2010; Maestas et al., 2023). These contrasting demographic trajectories can generate persistent differences in economic growth performance across countries. Some scholars argue that global demographic aging may also

reshape macroeconomic conditions, including inflation dynamics and wage structures (Goodhart & Pradhan, 2020).

Population asymmetry also influences the geographic distribution of global markets. The size and composition of populations shape consumer demand, investment opportunities, and market expansion dynamics. Regions experiencing demographic expansion often become increasingly important centers of consumption and investment, attracting multinational firms and capital flows. In contrast, countries with stagnant or declining populations may experience slower growth in domestic demand, potentially reducing their relative importance in the global market system. Research on demographic change and global trade suggests that shifts in population distribution can gradually alter patterns of international trade and economic geography (Brakman et al., 2021; Liu et al., 2022).

Another important channel linking demographic asymmetry to global economic power is labor mobility and human capital flows. Migration increasingly connects regions with contrasting demographic structures, transferring labor and skills from younger economies to aging societies experiencing labor shortages (OECD, 2024). These migration flows can influence the distribution of human capital across countries and affect productivity, innovation capacity, and economic competitiveness. At the same time, migration dependence may create new forms of structural interdependence between labor-supplying and labor-receiving economies.

Population asymmetry also shapes the institutional and fiscal foundations of economic power. Aging societies often experience rising public expenditures associated with pensions and healthcare systems, which can constrain fiscal flexibility and public investment capacity (Bloom et al., 2010). Countries with relatively younger populations may face lower dependency burdens and greater opportunities to allocate public resources toward infrastructure development, education, and technological advancement. Over time, such differences in fiscal capacity can influence national investment strategies and economic competitiveness.

Taken together, these dynamics suggest that demographic divergence may gradually contribute to the rebalancing of global economic power. As demographic expansion becomes increasingly concentrated in certain regions while others face population contraction, the relative distribution of labor, markets, and productive capacity may shift accordingly. This does not imply that demographic factors alone determine economic power; institutional quality, technological capabilities, and human capital development remain critical determinants of long-term economic performance (Bloom, Kuhn, & Prettnner, 2023). Nevertheless, demographic asymmetry represents an important structural condition that can shape the context within which these economic forces operate.

Understanding the relationship between population asymmetry and global economic power therefore requires a framework that integrates demographic processes with economic and institutional dynamics. The following section develops such a framework by synthesizing the mechanisms discussed above into a conceptual model of demographic power rebalancing in the global economy.

7. A Conceptual Model of Demographic Power Rebalancing

The preceding discussion highlights that demographic divergence generates structural differences across countries in labor-force renewal, dependency burdens, migration dynamics, and market expansion potential. While each of these dimensions has been examined individually in prior research, their combined effects on global economic power remain insufficiently conceptualized. To address this gap, this article proposes a conceptual model of demographic power rebalancing, which explains how uneven demographic trajectories translate into shifts in the global distribution of economic capabilities.

The proposed model begins with demographic divergence, defined as cross-national differences in fertility decline, population aging, and migration exposure. These processes interact to generate population asymmetry, which reflects structural differences among countries in demographic resources that support economic development. As discussed earlier, population asymmetry manifests through three key demographic capacities: labor-force renewal, dependency burden, and market expansion potential (Bloom & Williamson, 1998; Dörflinger & Loichinger, 2024; Mason & Lee, 2022). These capacities shape the demographic foundations of economic growth and competitiveness.

Population asymmetry influences economic outcomes through the transmission mechanisms identified in the previous section. Differences in demographic structures affect productive capacity, consumption dynamics, labor mobility, and fiscal sustainability. Countries with expanding working-age populations may experience advantages in labor supply and domestic market growth, whereas aging societies may encounter structural constraints associated with shrinking labor forces and rising dependency ratios (Bloom et al., 2010; Maestas et al., 2023). Over time, these mechanisms can generate divergent economic trajectories across countries.

Importantly, the relationship between demographic asymmetry and economic power is not deterministic. The impact of demographic structures on economic outcomes depends on a set of moderating conditions, including human capital development, technological capability, institutional quality, and migration policy regimes (Bloom, Kuhn, & Prettnner, 2023). Countries with aging populations may partially offset demographic constraints through productivity-enhancing technologies or selective immigration policies, while countries with younger populations may fail to realize demographic advantages without adequate investment in education and employment opportunities (Mason & Lee, 2022). These moderating factors therefore shape the extent to which demographic asymmetry translates into shifts in economic power.

Within this framework, demographic divergence ultimately contributes to global economic power rebalancing. Over extended time horizons, differences in labor supply, market expansion, and fiscal sustainability may alter patterns of economic growth, trade centrality, and investment attractiveness across regions. Empirical studies already suggest that demographic change can influence global trade flows and the spatial distribution of economic activity (Brakman et al., 2021; Liu et al., 2022). The conceptual model developed here integrates these insights by positioning population asymmetry as the structural link connecting demographic divergence to evolving patterns of global economic influence.

The following figure integrates the analytical components developed throughout the manuscript into a single conceptual architecture. By linking demographic divergence, population asymmetry, transmission mechanisms, and moderating conditions, the visual clarifies how uneven demographic trajectories can translate into long-term shifts in global economic power.

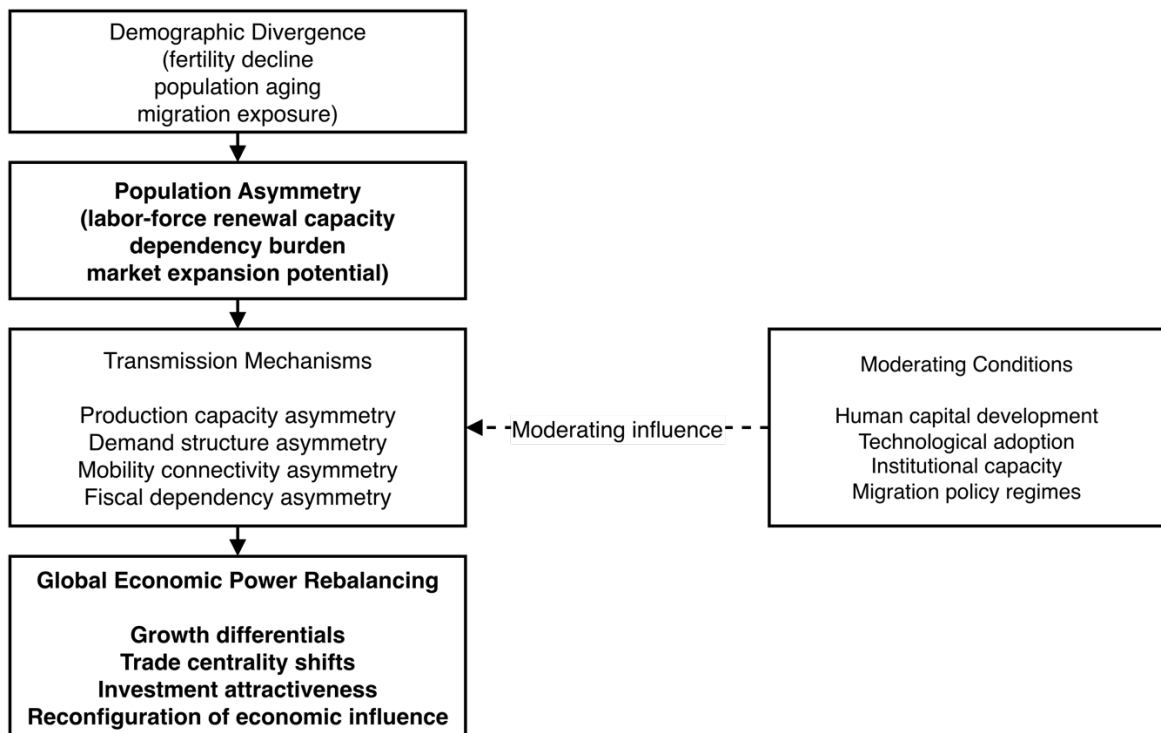


Figure 3. Conceptual Model of Demographic Power Rebalancing
Source: Author's conceptualization

As synthesized in Figure 3, the framework connects demographic divergence to shifts in global economic influence through the intermediary structure of population asymmetry and its associated transmission mechanisms. The model clarifies that these demographic processes do not operate deterministically; instead, moderating conditions—such as human capital development, technological adoption, institutional capacity, and migration policies—shape the extent to which demographic asymmetries translate into global economic power rebalancing.

Building on this framework, several theoretical propositions can be derived.

Proposition 1. Greater demographic divergence across countries increases the likelihood of population asymmetry in labor-force renewal capacity.

Proposition 2. Population asymmetry in labor-force renewal and dependency structures generates cross-national differences in production capacity and fiscal sustainability.

Proposition 3. Population asymmetry influences the geographic distribution of global demand by shaping domestic market expansion and consumption structures.

Proposition 4. Migration connectivity moderates the relationship between population asymmetry and labor supply imbalances across countries.

Proposition 5. The economic consequences of population asymmetry are conditioned by institutional capacity, human capital development, and technological adoption.

Proposition 6. Over time, persistent population asymmetry contributes to shifts in global economic power through differential growth trajectories, trade centrality, and investment flows.

Taken together, these propositions suggest that demographic processes operate as structural forces influencing the evolution of global economic hierarchies. By integrating demographic economics, migration studies, and international political economy, the proposed framework provides a conceptual foundation for analyzing how demographic divergence may shape the future distribution of economic power.

8. Conclusion

This article has argued that contemporary demographic change should be understood not merely as a set of national population trends but as a relational structure shaping the global distribution of economic capabilities. While existing research has examined fertility decline, population aging, migration, and demographic dividends as largely separate phenomena, this study has shown that these processes increasingly interact across countries in ways that generate structural demographic asymmetries. The concept of population asymmetry was introduced to capture these relational differences, emphasizing how uneven demographic transitions create disparities in labor-force renewal capacity, dependency burdens, and market expansion potential across countries.

Building on this concept, the article developed a conceptual framework explaining how demographic divergence translates into shifts in global economic power through a set of transmission mechanisms. Differences in productive capacity, domestic demand structures, labor mobility, and fiscal sustainability were identified as key channels through which population asymmetry influences economic trajectories. These mechanisms operate over long time horizons, gradually reshaping patterns of economic growth, market development, and global economic integration.

The proposed framework also highlights the importance of moderating conditions that shape the economic consequences of demographic asymmetry. Human capital development, technological capability, institutional quality, and migration governance play critical roles in determining whether demographic structures translate into economic advantage or constraint. Countries experiencing demographic expansion may fail to realize demographic dividends without effective institutions and productive employment opportunities, while aging societies may mitigate demographic pressures through innovation, productivity improvements, and strategic migration policies.

Conceptually, the study contributes to ongoing debates on demographic change and global economic transformation by repositioning demographic dynamics within a relational international framework. Rather than treating demographic transition as a domestic development process, the framework emphasizes the interaction of demographic trajectories across countries and the resulting asymmetries in economic potential. This perspective provides a bridge between demographic economics and international political economy, offering a more comprehensive understanding of how population dynamics influence the evolving structure of the global economy.

The article also contributes by proposing a model of demographic power rebalancing, which links demographic divergence to shifts in economic influence through population asymmetry and its associated transmission mechanisms. This model provides a conceptual basis for examining long-term transformations in global economic hierarchies and highlights the structural role of demographic factors in shaping economic competition among nations.

From a policy perspective, the findings underscore the importance of integrating demographic considerations into economic and development strategies. Governments facing population aging may need to adopt policies that extend labor-force participation, encourage innovation, and manage migration effectively. Meanwhile, countries with younger populations must prioritize investments in education, job creation, and institutional capacity in order to translate demographic advantages into sustained economic growth.

Finally, the conceptual framework developed in this article opens several avenues for future research. Empirical studies could examine how population asymmetry influences economic growth differentials across countries, how migration networks redistribute demographic resources globally, and how demographic divergence interacts with technological change and global production networks. Cross-country analyses, longitudinal demographic-

economic datasets, and international migration network studies may provide valuable insights into these dynamics.

Understanding the long-term consequences of demographic divergence will become increasingly important as population structures continue to evolve across regions. By conceptualizing demographic change as a relational phenomenon embedded within the global economy, this study provides a foundation for future research examining how demographic forces contribute to the reconfiguration of economic power in the twenty-first century.

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