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## **IMPACT OF POPULATION AGEING AND ELDERLY POVERTY ON MACROECONOMIC AGGREGATES**

### **Abstract:**

The paper examines the impact of population ageing on the most important macroeconomic aggregates and internal economic growth. I study elderly poverty aspect connected with demographic changes and its possible influence on saving rate, government expenditures and other variables. The main target is to examine the impact of population growth rate and elderly poverty rate changes on these variables with respect to the population ageing. I suppose, as well as Robert Sollow did, that population growth should lead to the increase in the available labour forces and successively to the growth of capital, consumption and GDP. Earlier research has demonstrated that demographic changes do influence the economy. Therefore, I suspect increasing elderly population and its socio-economic situation could in the future markedly influence economical development of ageing countries. I will use basic assumptions of Life cycle model of overlapping generation to examine above-mentioned influences of ageing and poverty.

### **Keywords:**

population ageing, elderly poverty, economic growth, saving rate, consumption, labour force, government expenditures

**JEL Classification:** J11