

Introductory Lecture

Prof. Joshua R. Goldstein
Economic Demography
Econ/Demog c175
Week 1: Lecture A
Spring 2017

Today's Agenda

1. Why is economic demography interesting?
2. Class Overview and logistics

Why Population Economics?

(1) Personal interests

- How long will I live?
- Will I get married? Divorced?
- How many children will I have?
- What will happen to me as I get older?

“The economics of our own lives”

Why Population Economics?

(2)Societal Interests

- Are more people a good thing or a bad thing?
For whom?
- Should we stop or increase immigration?
- Should we be worried about population aging?
- About running out of resources?
- Does population growth increase or decrease inequality?

Why Population Economics?

(3) Intellectual Interests

- What influences economic growth, human progress?
- Why do we shift from one technology to another?
- Does scale matter?
- Are demographic decisions understandable as economic decisions?

Demography in the News

Economic Demography
Econ/Demog C175
Spring 2017
Prof. Goldstein
UC Berkeley

Centenarians Proliferate, and Live Longer

By SABRINA TAVERNISE JAN. 21, 2016



Malvina Hunt, 100, at home in central New York on Wednesday. She said vigorous exercise was the secret to her longevity. Heather Ainsworth for The New York Times

WASHINGTON — Move over, millennials. The centenarians are coming.

The number of Americans age 100 and older — those born during Woodrow Wilson's administration and earlier — is up by 44 percent since 2000, federal health officials reported Thursday.

Longer life

- Why are people living longer in general?
- How can you live a longer?
- Can we afford a society with lots of old people?
- Is population aging caused by longer life?

The Crumbling Case for a Mexican Border Wall



Eduardo Porter

ECONOMIC SCENE

SEPT. 6, 2016



A fence at the border with Mexico. Immigration enforcement costs American taxpayers \$30 billion a year, without the cost of a wall proposed by Donald J. Trump. Gregory Bull/Associated Press

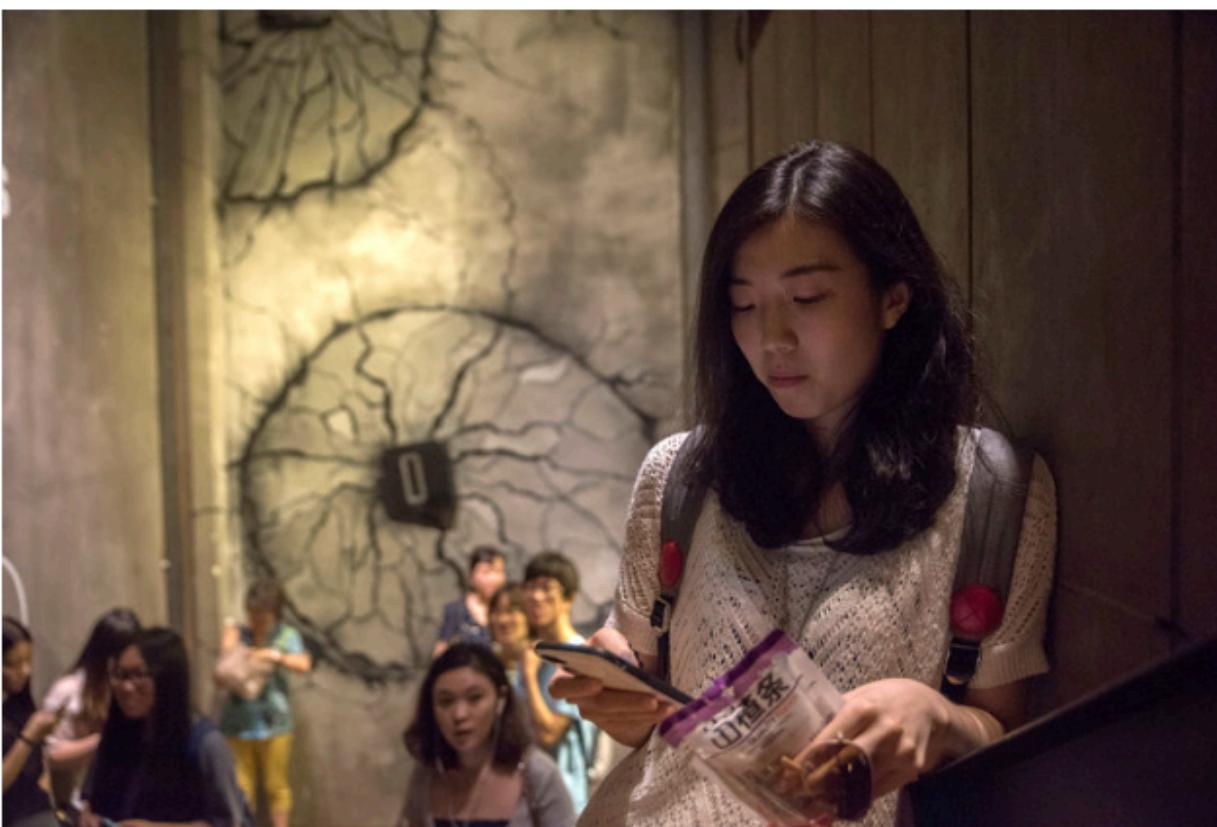
Immigration

- Why are fewer Mexicans moving to the United States?
- What effect does immigration have on native wages?
- What effect on tax payers?
- Who wins? Who loses?

Marriage Falls in China, Transforming Finances and Families

[点击查看本文中文版](#) | [Read in Chinese](#)

By AMIE TSANG and ZHANG TIANTIAN SEPT. 11, 2016

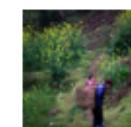


Wu Jingjing, 29, at a Beijing theater. Ms. Wu, who is single and works at an internet company, says young people no longer just want someone to marry, they want a relationship based on love. Gilles Sabrie for The New York Times

RELATED COVERAGE



SINOSPHERE
Chinese Women Head Overseas to Freeze Their Eggs [AUG. 30, 2016](#)



China Will Feel One-Child Policy's Effects for Decades, Experts Say [OCT. 30, 2015](#)



China Ends One-Child Policy, Allowing Families Two Children [OCT. 29, 2015](#)



SINOSPHERE BLOG
Not Enough Women in China? Let Men Share a Wife, an Economist Suggests [OCT. 26, 2015](#)

Chinese women putting off marriage

- Why?
 - Sex-ratio imbalance?
 - Postponing childbearing for career?
 - Cultural change?
- Is China special, or following same path as others?

Italy's 'Fertility Day' Call to Make Babies Arouses Anger, Not Ardor

By GAIA PIANIGIANI SEPT. 13, 2016



"The government encourages us to have babies and then the main welfare system in Italy is still the grandparents," said Vittoria Iacovella, a journalist and mother of two girls.

Nadia Shira Cohen for The New York Times

RELATED COVERAGE



In Sweden, an Experiment Turns Shorter Workdays Into Bigger Gains MAY 20, 2016



Women Try to Make Italy's Shoe-Shining as Chic as Its Shoes MARCH 6, 2016

Low Fertility

- What's wrong with low fertility, anyway?
- How low is “too low”?
- Why are people having fewer children?
- Can government do anything?



Governor's Views Don't Help as Maine's Population Dwindles

BY JESS BIDGOOD AND KATHARINE Q. SEELYE

The oldest state, where deaths exceed births, Maine is losing people; some say it must welcome foreign-born workers to help rebuild.

A Sour Surprise for Public Pensions: Two Sets of Books

By MARY WILLIAMS WALSH SEPT. 17, 2016



Lincoln Anderson collecting sticky cards that trap California red scale, a citrus pest.
Jaime Kowal for The New York Times

When one of the tiniest pension funds imaginable — for Citrus Pest Control District No. 2, serving just six people in California — decided last year to convert itself to a 401(k) plan, it seemed like a no-brainer.

After all, the little fund held far more money than it needed, according to its official numbers from California's renowned public pension system, [Calpers](#).

Except it really didn't.

Funding retirement

- What is the difference between a pre-funded system and a PAYGO system?
- Which can adapt easier to demographic change?
- Who pays for whom?

HEALTH

Maternal Mortality Rate in U.S. Rises, Defying Global Trend, Study Finds

By SABRINA TAVERNISE SEPT. 21, 2016



WASHINGTON — One of the biggest worldwide public health triumphs in recent years has been maternal mortality. Global death rates [fell by more than a third](#) from 2000 to 2015. The United States, however, is one of the few countries in the world that have gone against the grain, new data show. Its maternal mortality rate has risen despite improvements in health care and [an overwhelming global trend](#) in the other direction.

Increases in mortality for middle-aged Americans

- Is this just a blip?
- Is it the opioid epidemic?
- Is the cause related to our political upheavals?
- Is this the effect of the Great Recession
- Is this economic inequality?
- Does this mean we life expectancy won't keep going up?

Immigrants Aren't Taking Americans' Jobs, New Study Finds

By JULIA PRESTON SEPT. 21, 2016



New Americans taking the Oath of Allegiance during a naturalization ceremony last year at Oakton High School last year in Vienna, Va. Chip Somodevilla/Getty Images

Do immigrants take jobs from Americans and lower their wages by working for less?

The answer, according to a report published on Wednesday by the [National Academies of Sciences, Engineering and Medicine](#), is no, immigrants do not take American jobs — but with some caveats.

RELATED COVERAGE



Break fro

EIGMX

Global Macro

★ ★ ★ Overall
Among 218 funds in the Non-

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Investment Manager
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Immigration and jobs

- (We will read part of this report)
- How can we possibly quantify the causal relationship?
- Who are the winners, who are the losers?

The Bangladeshi Traffic Jam That Never Ends

By JODY ROSEN SEPT. 23, 2016



Of all the dysfunctions that plague the world's megacities, none may be more pernicious than bad (really, really bad) traffic. Sitting still in Dhaka, where bad design takes on epic proportions.



Shahid Syed Nazrul Islam Sharani is a typical Dhakaian thoroughfare, which is to say, a snarl of trucks, cars, rickshaws and handcarts. The traffic here is so dense, so unending, that it has become detrimental to the city's economic future and development. Nicolas Chorier

Congestion

- Is more density bad?
- Or ... the key to development?
- Does building more roads, housing, shelters, and jobs solve the problem – or just invite it to get worse?

FIXES

How Dwindling Fish Stocks Got a Reprieve

By SYLVIA ROWLEY APRIL 19, 2016 3:30 AM ▾ 55



Fixes looks at
solutions to
social problems
and why they
work.

“My wife told me to sell the boats,” says Brad Pettinger, a longtime trawl fisherman in the Pacific Northwest. “But I said, honey, who’s gonna buy them? At that time we just didn’t have anything.”

The “anything” was fish to catch. Fifteen years ago, America’s vast \$50 million Pacific groundfish fishery, which stretches some 1,200 miles from Southern California to the Canadian border, collapsed.

Running out of renewable resources?

- We used to worry about running out of finite resources (tin, oil, ...)
- But now it appears our big problem is overwhelming renewable systems like fish, clean water, the climate (carbon).
- Why are these so threatened?
- Is there a solution – or are we doomed?

How the First Farmers Changed History

By CARL ZIMMER OCT. 17, 2016



A fossilized skeleton of a human who was buried beneath a floor in a family home in Ain Ghazal, a 10,000-year-old farming village in Jordan. C. Blair/The Ain Ghazal Archaeological Project

Beneath a rocky slope in central Jordan lie the remains of a 10,000-year-old village called Ain Ghazal, whose inhabitants lived in stone houses with timber roof beams, the walls and floors gleaming with white plaster.

Technological Progress?

- Why did humans switch to farming?
- Was it an “invention” (a new idea)?
- Or, was it a “necessity” (too many people to keep gathering nuts and berries)?



RETIRING

Migrant Workers in Recreational Vehicles

BY CHRISTOPHER FARRELL

Work camping combines elements of the gig economy, telecommuting and contingent labor, and attracts older adults seeking more money and more meaning from life.

Will we be able to retire?

- Does it make sense to work longer, if we are living longer?
- Does it make sense to abruptly stop working, going from 100% to 0%?

Japan Lost Nearly a Million People in 5 Years, Census Says

By JONATHAN SOBLE FEB. 26, 2016



A business district in Tokyo last week. Japan's population of 127.1 million in 2015 was down by almost a million compared with the last census in 2010. Yuya Shino/Reuters

TOKYO — Japan's population shrank by nearly a million during the last half-decade, official census figures confirmed on Friday, an unprecedented drop for a society not ravaged by war or other deadly crisis, and one that helps explain the country's persistent economic woes.

Depopulation

- What will it mean for our standard of living?
- What will it mean for economic inequality?

Format of the Class

Details are in syllabus

Available at bCourses

and

<http://courses демог.berkeley.edu/goldstein175/>

Plan for semester

Part 1: Macro-demography (how population matters)

- Grand theories
(Malthus, neo-classical growth, Boserup)
- Demographic Transition
- Population Aging
- Inequality
- Population and Environment

Part 2: Micro-demography (behavior and determinants of population)

- Marriage and the family
- Fertility
- Mortality
- Migration

Let's look at lecture calendar and reading list

Our team (people who can help you)

- GSIs (I'll introduce in a minute)

GSIs will lead several optional sections, hold office-hours, and are an excellent first contact

- Dr. Ellen Langer (erlanger@berkeley.edu) , my faculty assistant

(Enrollment, CE, getting in touch with me, scheduling a special meeting, ...)

- Dr. Carl Mason (cmason@berkeley.edu)
(Computing for our labs)

GSIs

- Leslie Root (bCourses and labs)
leslie.root@berkeley.edu (Weds 10:30-11:30)
- Yi Zhou (exams and labs)
yizhou.ccer@gmail.com (Tues 3-5)
- Mia Zhong (Piazza and labs)
ruijie_zhong@berkeley.edu (Weds 1:30-3:00)
- Gabriel Borges (computing and labs)
gmendesb@berkeley.edu (Mon 3-4)
- + Boroka Bo (special computing sessions)
borokabo@berkeley.edu

Course requirements

- Attendance and iClicker quizzes (dropping lowest 25%) (5%)
- Weekly labs (dropping lowest 2) (30%)
- Mid-term (25%) and final (40%)
- Extra-credit: Helpful answers on Piazza

Class participation

- Please ask lots of questions
- We aim for an active lecture, with activities, solving some problems in class, discussions, and debate (Please bring laptops on Thurs for first activity)
- iClicker quizzes and surveys
 - Graded only for participation
 - Important: we allow 25% non-response in order to avoid transaction costs. No need to excuse yourselves!

Active classroom

- No cell phones (“negative externalities”)
- Laptops only when announced in advance
(or by instructor’s permission)
- iClickers
- Please feel free to ask questions
 (“No such thing as a bad question”)
- Take pen and pencil notes. We will often have slides in advance.
- Please tell us if something is too fast, unclear, ...

Labs

- Hands-on computing labs with real data and simulations
- We're going to be using "R" and "Rstudio"
<http://courses.demog.berkeley.edu/goldstein175/>
- Don't worry if you don't know R or haven't had statistics. We are going to build gradually.
- Goal of labs is to learn economic demography, but a nice side-effect will be to learn "R".

Labs (grading)

- Electronic submission of graded portion (bCourses)
- No late submissions
- We will drop your lowest 2 grades (so don't panic).
- Can work together on problem sets, but you (1) must acknowledge the names of your collaborators. And (2) you must write up your answers by yourself.

Mid-term and Final

- Mid-term will be in class
- Final will be during regular exam time

Resources

- Optional Sections
4 economics topics in semester (4 sections a week, 4 GSIs will rotate weeks.)
- Required readings (25-150 pages a week)
Most are available on-line, via bCourses or in eReader.
- Piazza
- Office hours (GSIs and Professor)

Questions?

For Thursday

1. Log in to our 175Rstudio server and change your password
2. Read Carl Mason's "Rstudio175 cloud server instructions" at
<http://courses.demog.berkeley.edu/goldstein175/Instructions/rstudio175.pdf>
3. Bring your laptop for crash test
4. If you want to get a head-start:
 - Try the first part of the lab, answer question 0.
 - Do the reading by Livi-Bacci