

Big Life Choices as Econ Homework

problem #1: Where To Live?



For Now...



$$\text{NPV here} < \text{NPV there} - \text{moving costs}$$

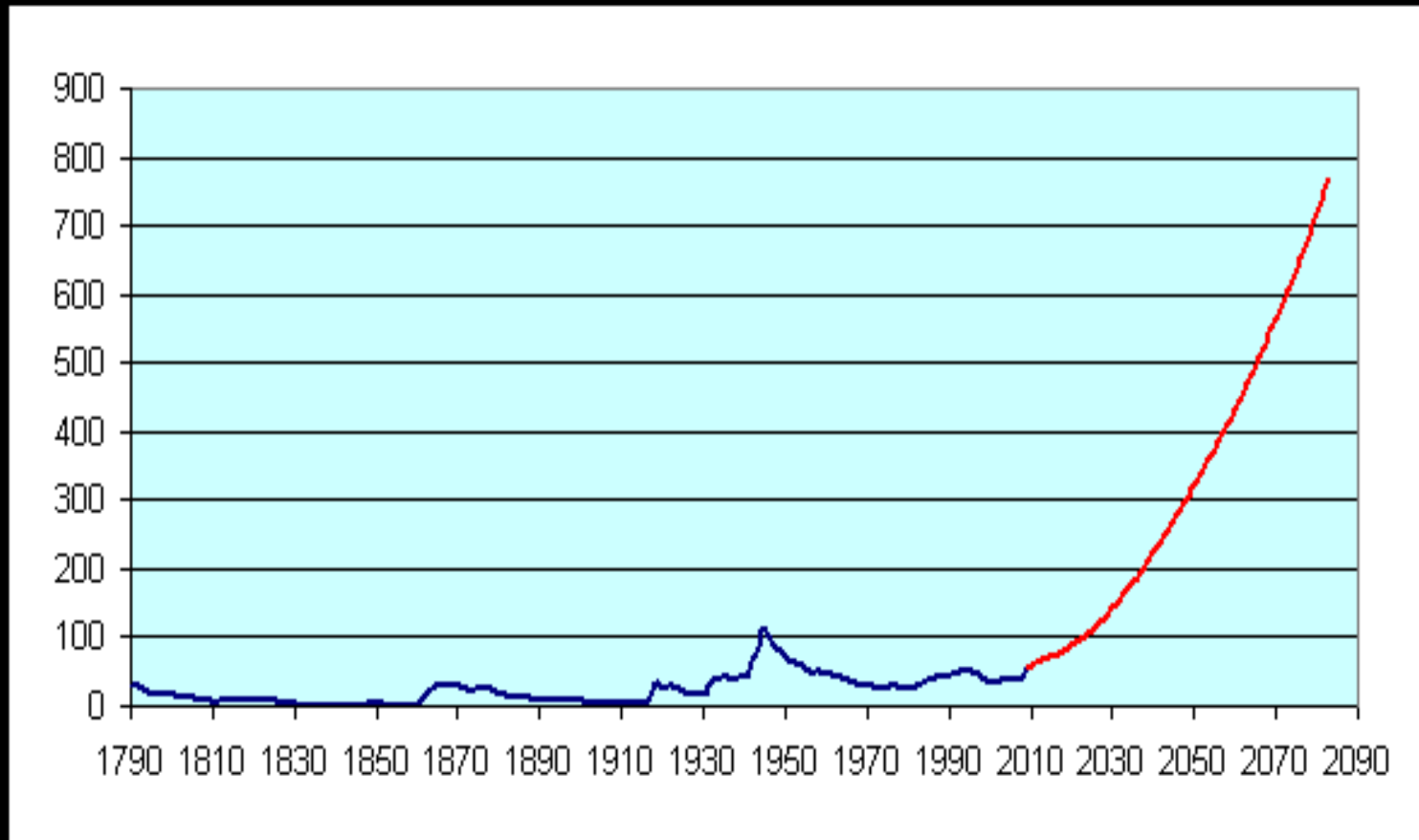
NPV elsewhere = $-\infty$

This talk isn't for you

NPV here

Where here = the United States

US Debt as % of GDP (CBO includes implicit debt)



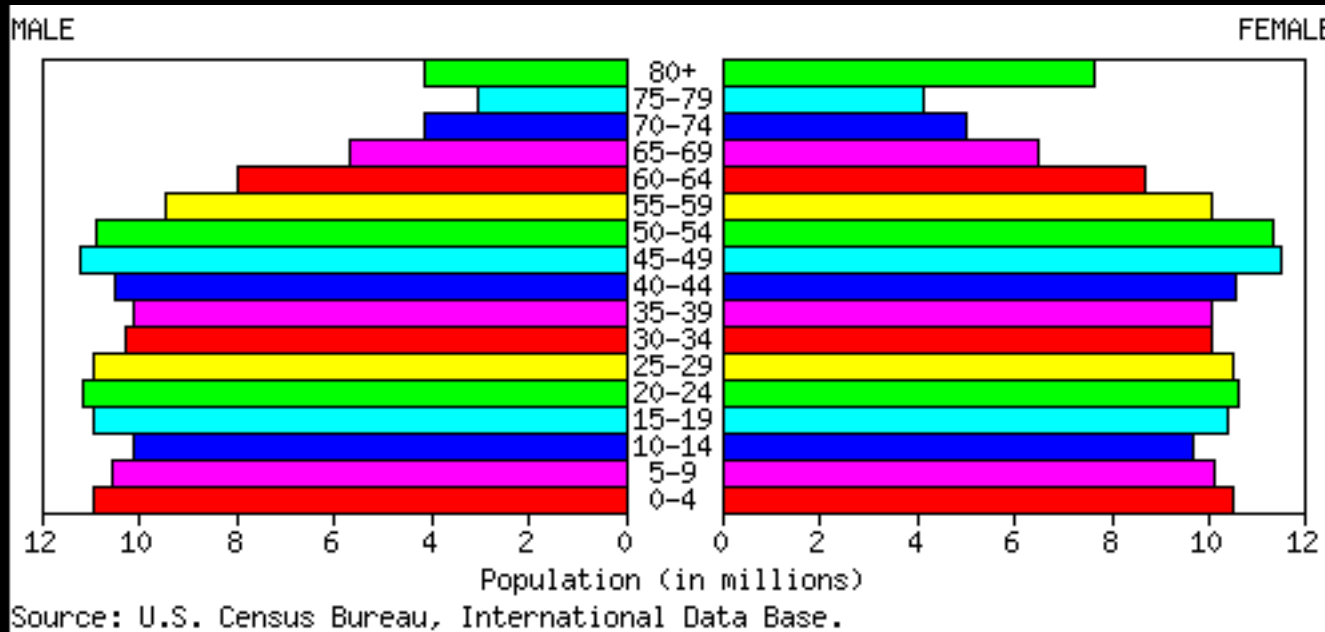
NPV (explicit + implicit) debt = ?

NPV debt = 52.7 T\$

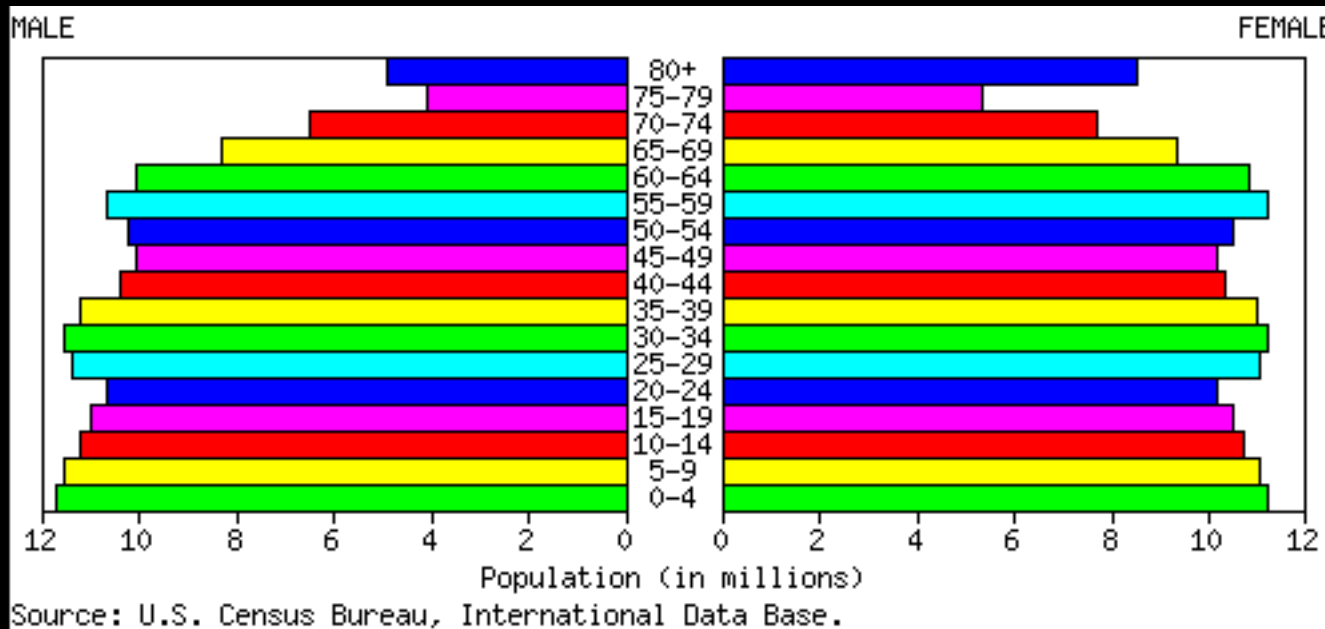
US population = 306 M

NPV Debt / person = 172 K\$

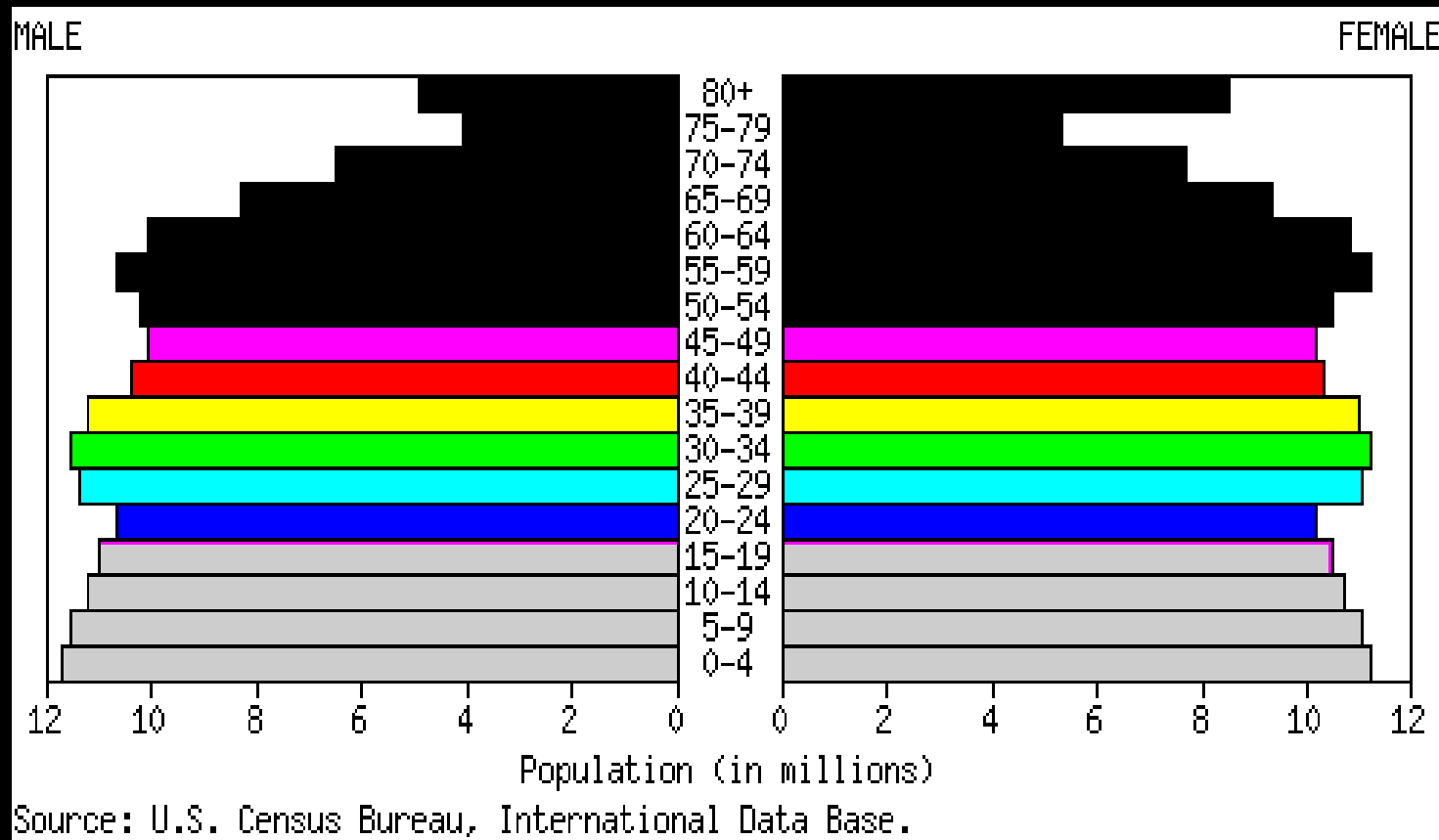
US Population Pyramid for 2010



US Population Pyramid for 2020



US Population Pyramid for 2020 By Voting Bloc



Retirees

On “Fixed Income”

Tax-averse &
Service-reduction-averse

Who else can Pay?

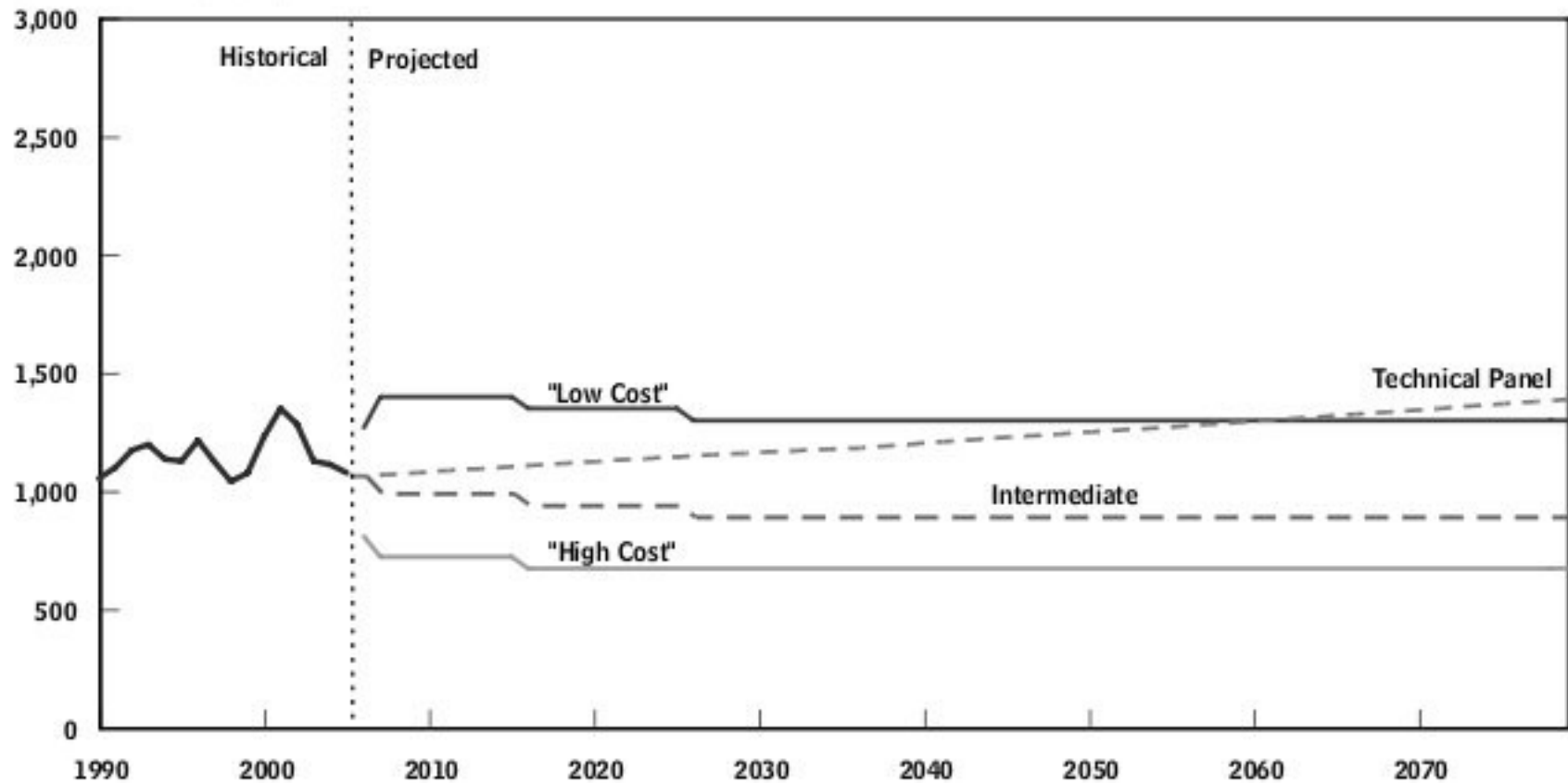
Immigrants

1.5M / year

Figure 1.

The Social Security Trustees' and Technical Panel's Projections of Net Migration

(Thousands of people)



Who's left to pay the bill?

The Rich

The Middle Class

The Young

Who's left to pay the bill?

The Rich

The Young

Who are mobile

Where to move to?

NPV elsewhere = ?

Similar Standard of Living

1	 Iceland	0.968
2	 Norway	0.968
3	 Canada	0.967
4	 Australia	0.965
5	 Ireland	0.960
6	 Netherlands	0.958
7	 Sweden	0.958
8	 Japan	0.956
9	 Luxembourg	0.956
10	 Switzerland	0.955

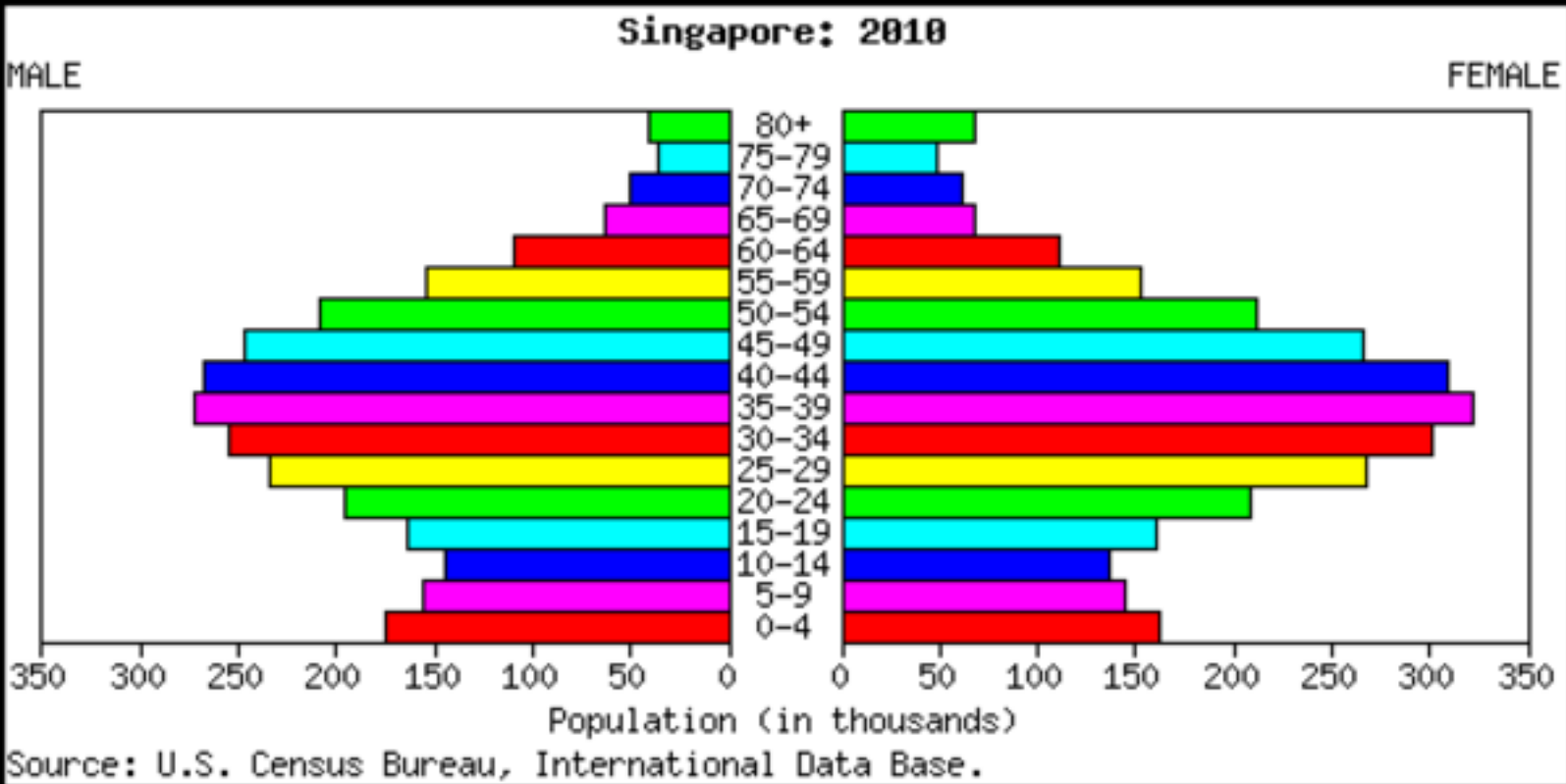
Low Death Rate

185	 Belize	3.8
186	 French Guiana	3.7
187	 Palestinian territories	3.7
188	 Saudi Arabia	3.7
189	 Syria	3.4
190	 Bahrain	3.2
191	 Brunei	2.8
192	 Oman	2.7
193	 Qatar	2.4
194	 Kuwait	1.9
195	 United Arab Emirates	1.4

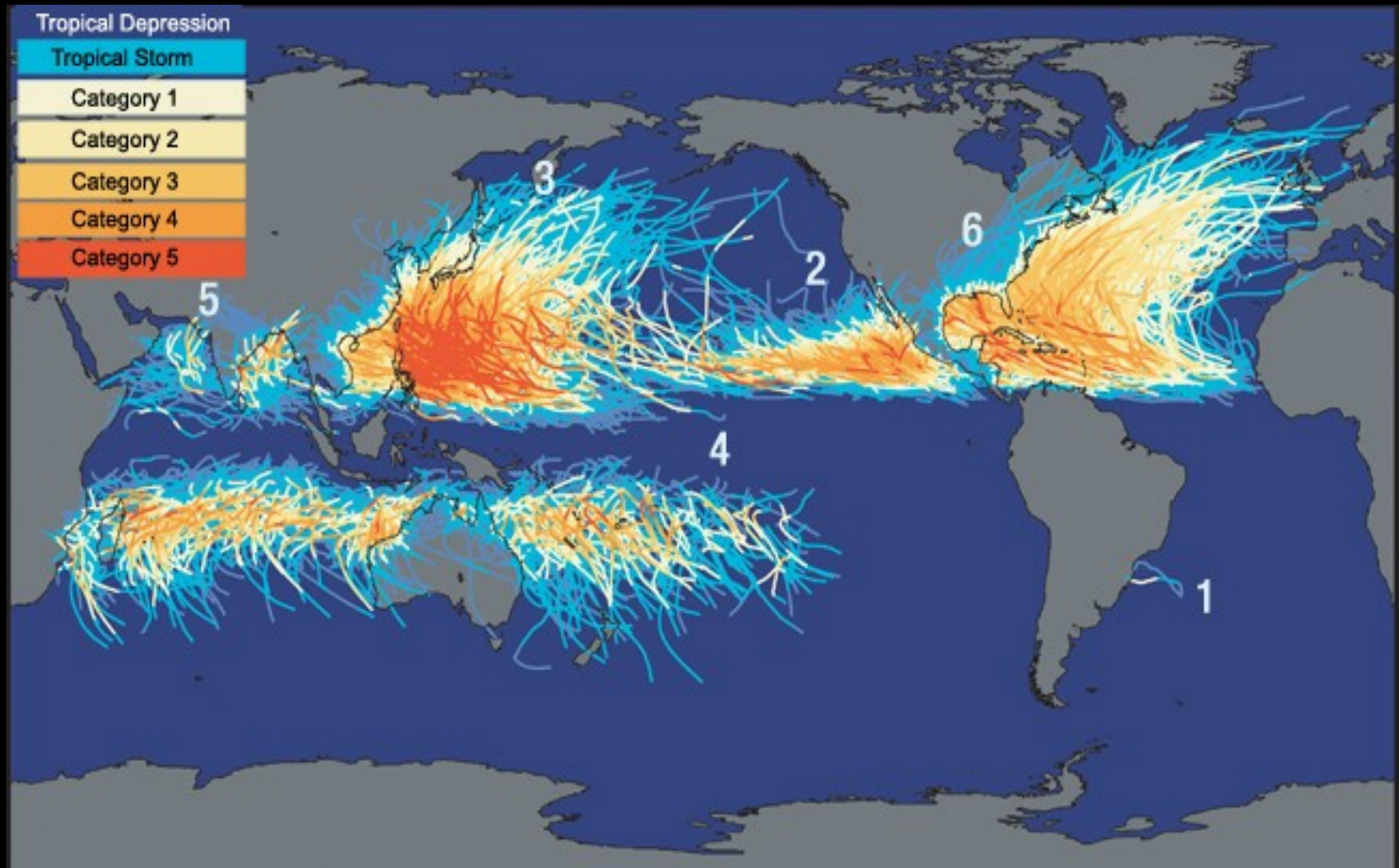
Standard of Living / Death Rate

<u>United Arab Emirates</u>	42.80
<u>Kuwait</u>	38.81
<u>Qatar</u>	36.54
<u>Brunei</u>	27.93
<u>Bahrain</u>	20.64
<u>Singapore</u>	19.70
<u>Israel</u>	17.13
<u>South Korea</u>	15.62
<u>Australia</u>	14.32
<u>Iceland</u>	14.13

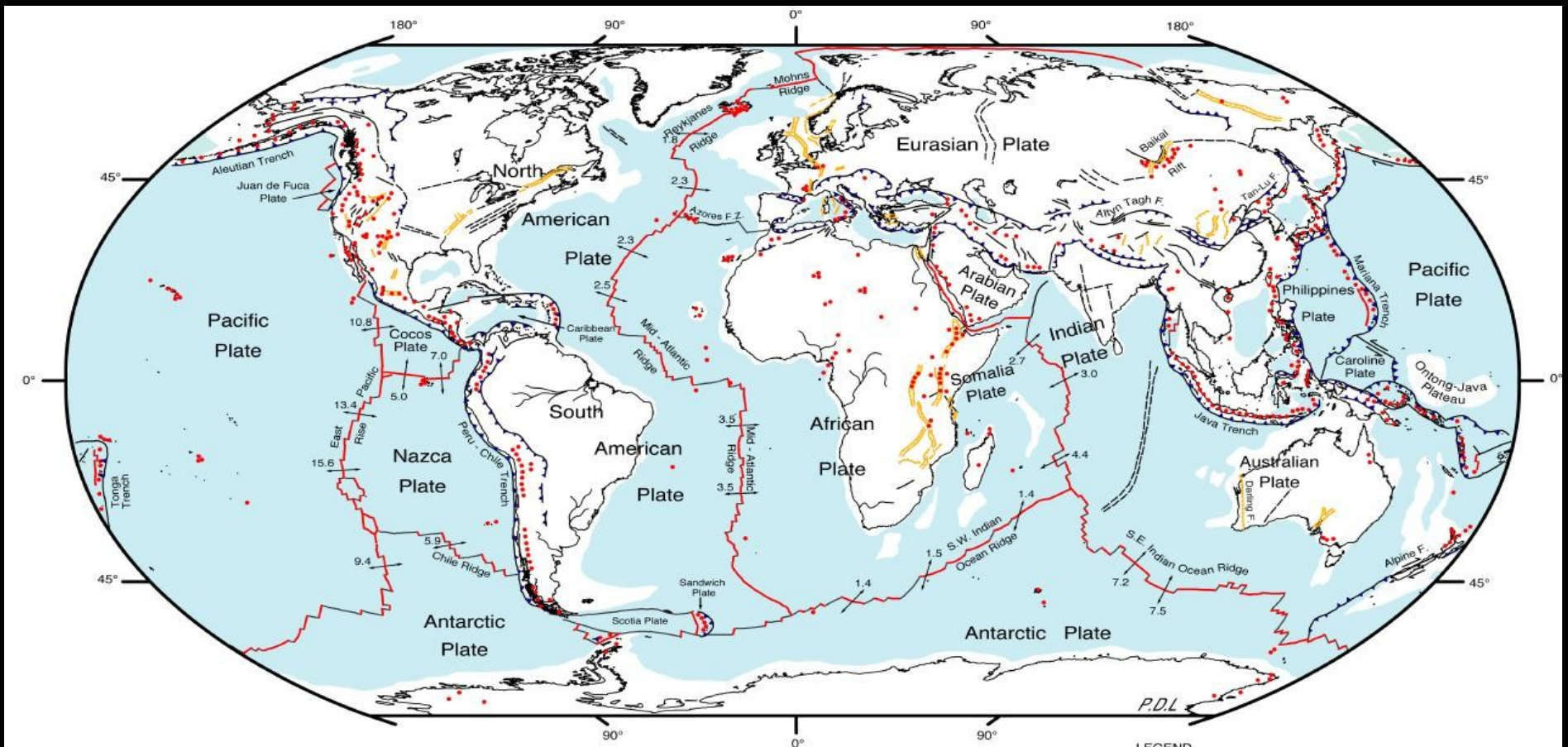
Singapore



Global Hurricane History



Global Fault Lines



DIGITAL TECTONIC ACTIVITY MAP OF THE EARTH
Tectonism and Volcanism of the Last One Million Years

DTAM



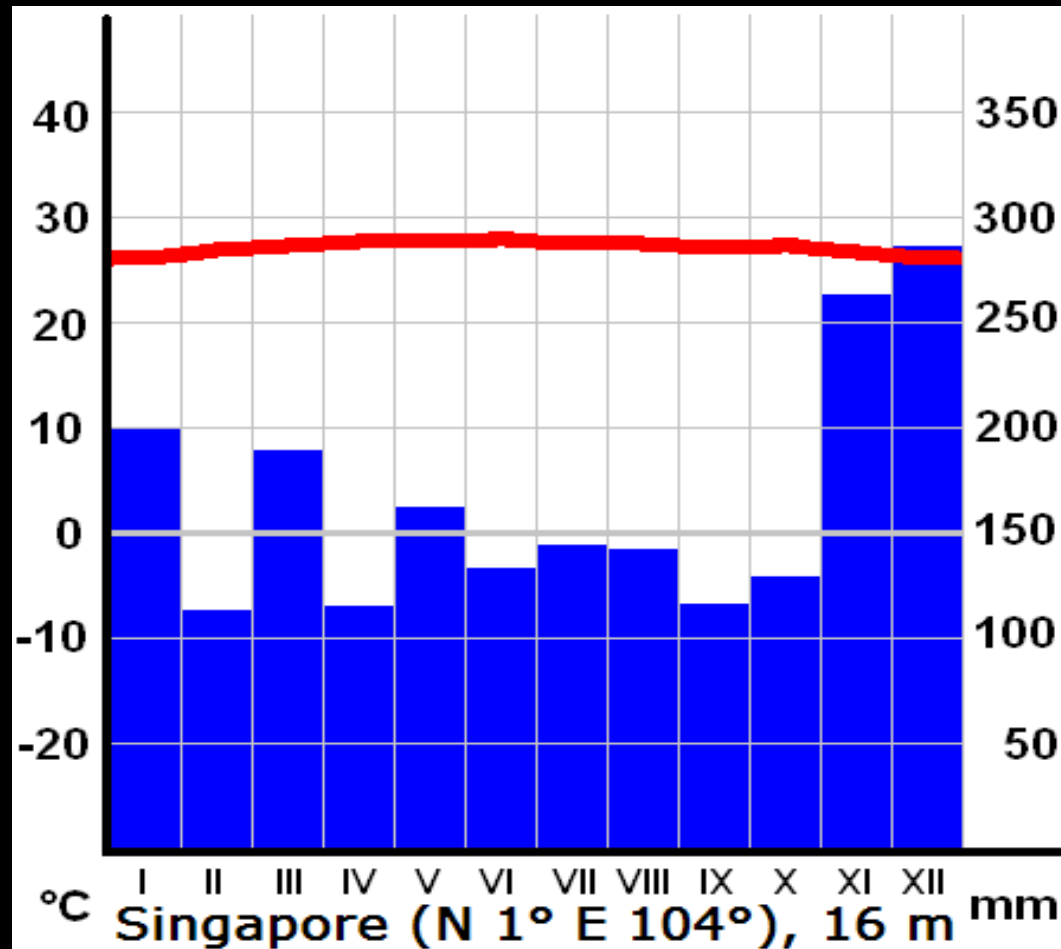
NASA/Goddard Space Flight Center
Greenbelt, Maryland 20771

Robinson Projection
Mainly oceanic crust
October 1998

LEGEND

- Actively-spreading ridges and transform faults
- Total spreading rate, cm/year, NUVEL-1 model (DeMets et al., Geophys. J. International, 101, 425, 1990)
- Major active fault or fault zone; dashed where nature, location, or activity uncertain
- Normal fault or rift; hachures on downthrown side
- Reverse fault (overthrust, subduction zones); generalized; bars on upthrown side
- Volcanic centers active within the last one million years; generalized. Minor basaltic centers and seamounts omitted.

Average Temperature & Rainfall



Things to Monitor

GeoPolitics

Exchange Rate

Local Politics

</rationality>