

2020

**The Decade of Transformation:
Economic and Demographic Disruptions**

**James W. Hughes, Ph.D.
Distinguished University Professor
Dean Emeritus**

1st 10 Minutes



2nd 10 Minutes

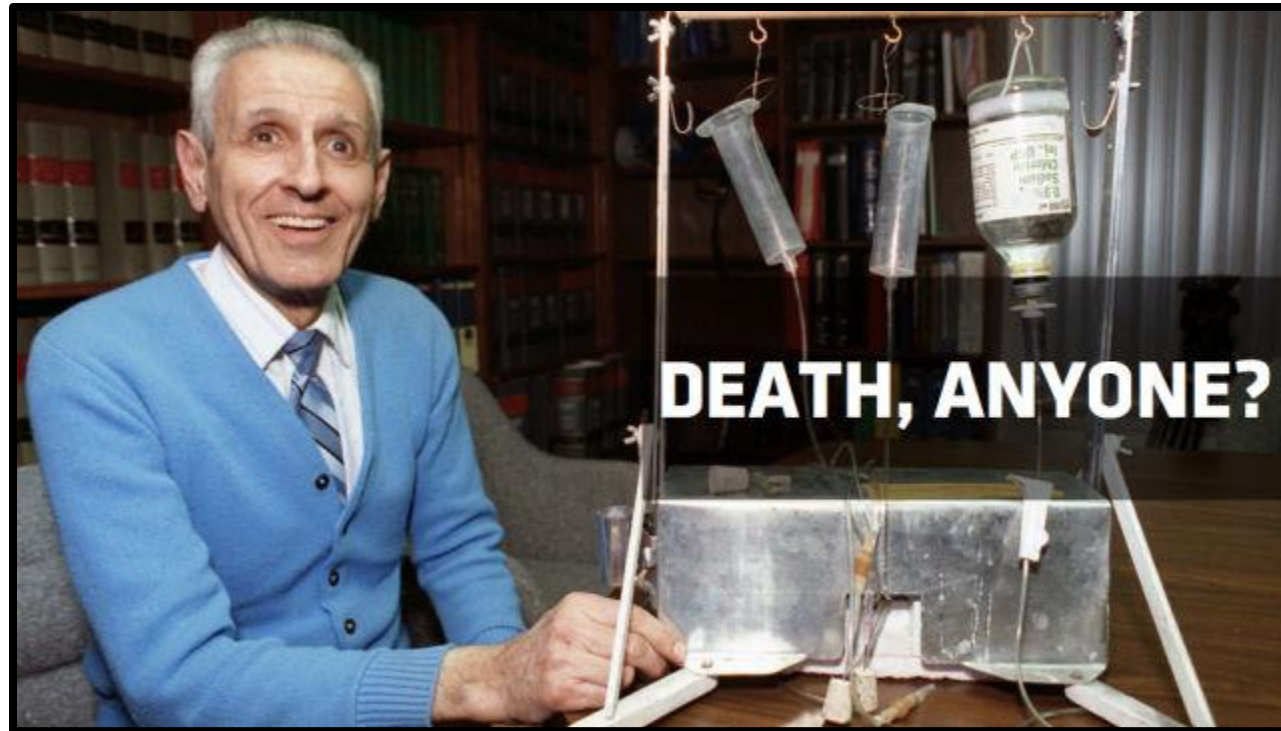


3rd 10 Minutes





Dr. Kevorkian



Forecast 9 of Our Last 5 Recessions





The 1st Year of the 3rd Decade of the Century

Factoids



Factoid 1



We're Number 1!



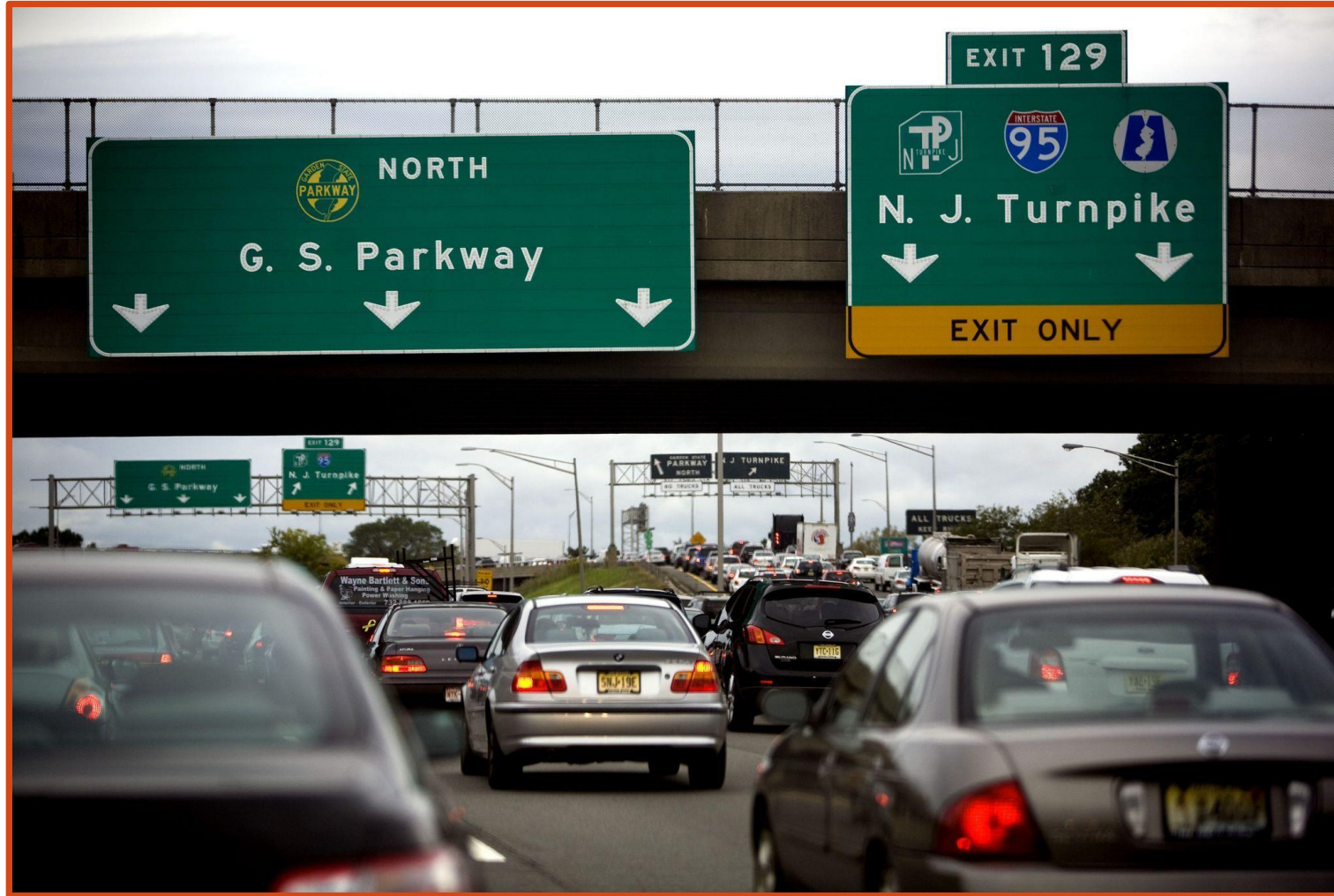
Factoid 2



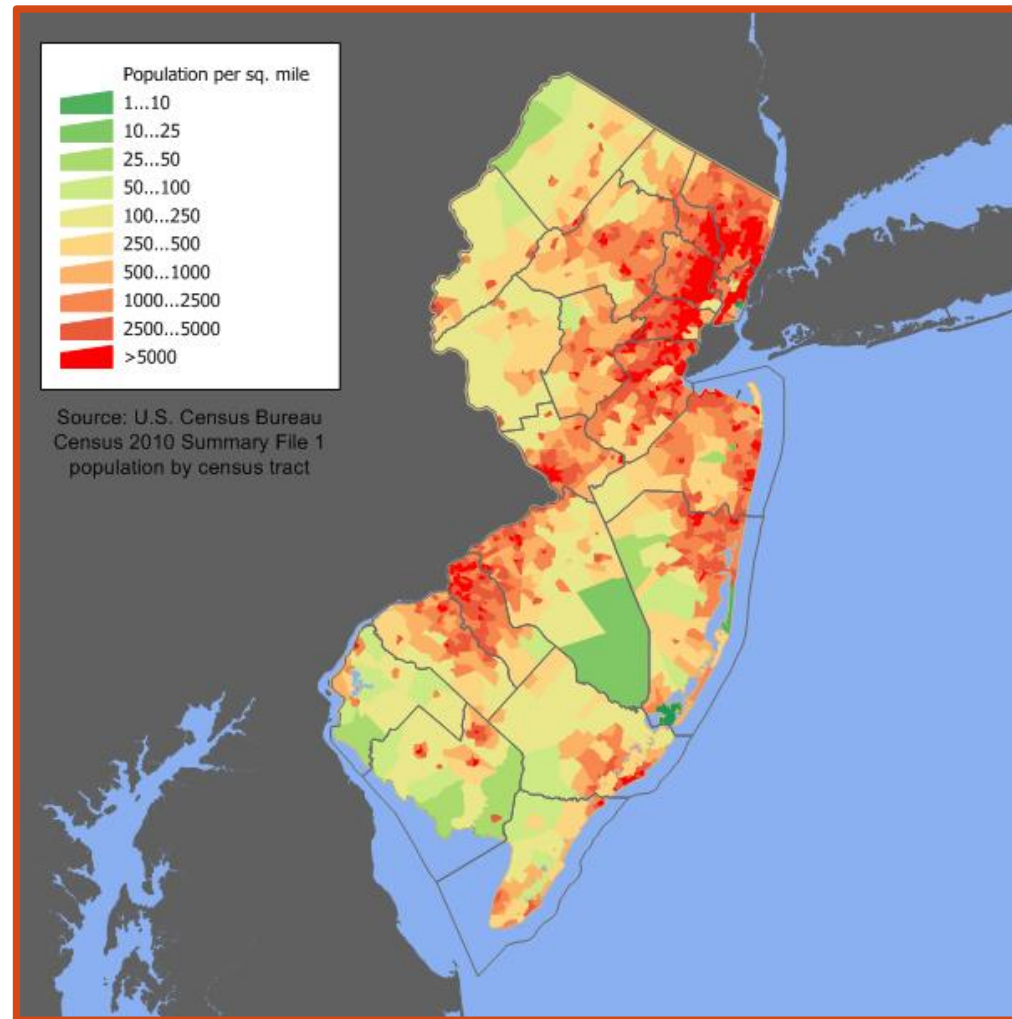
Factoid 3



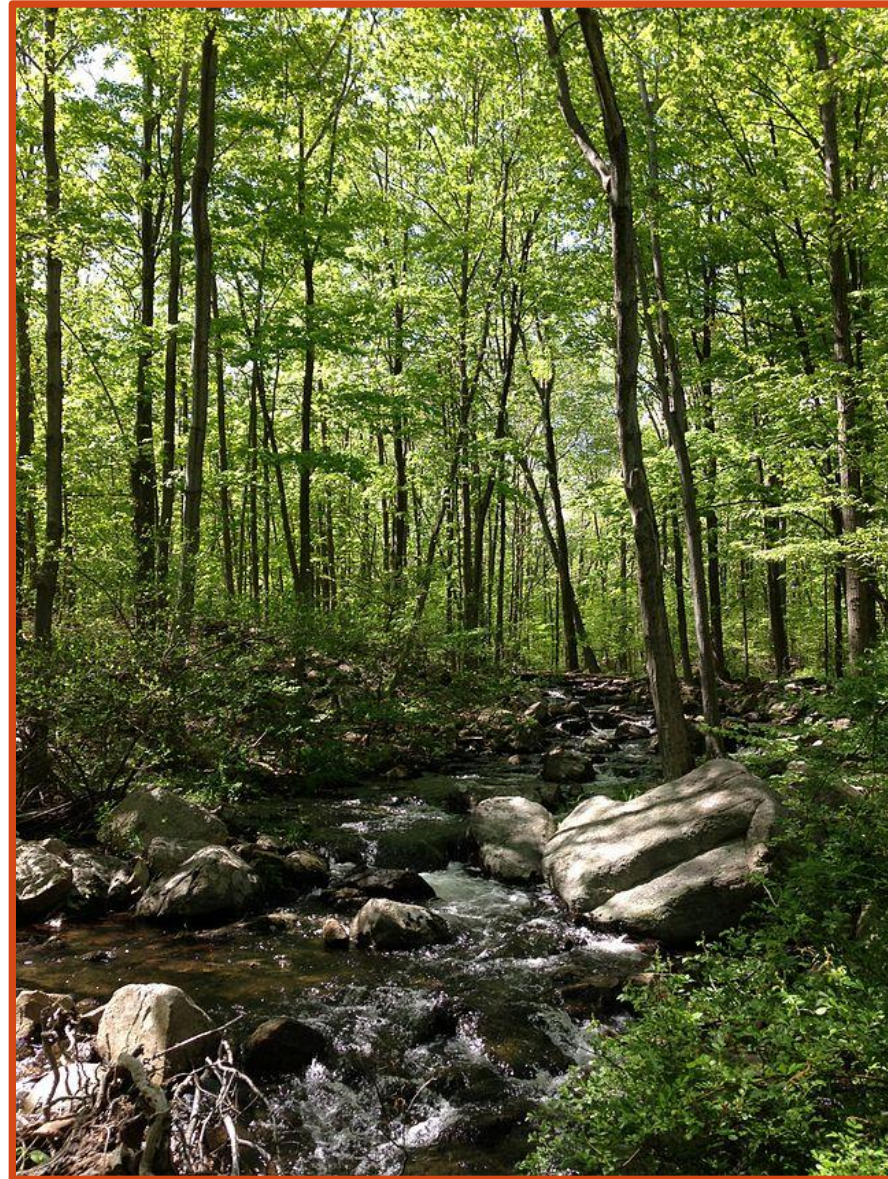
Factoid 4



Factoid 5



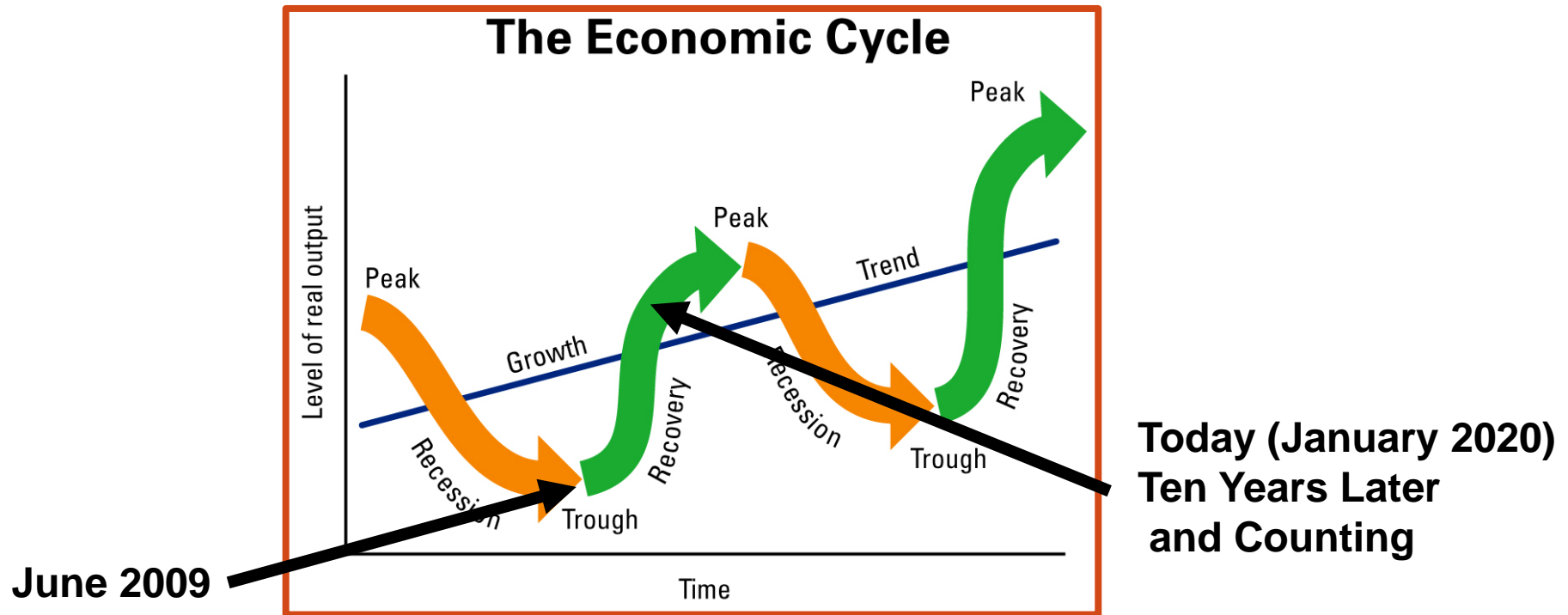
Factoid 6



Fewer Humans Per Horse



Where are We in the National Business Cycle?





The Current Expansion

127 Months in Length

June 2009-January 2020

The Longest in History

The Great Expansion



Out-of-Body Experience



Congratulations: Two Longest Expansions in History



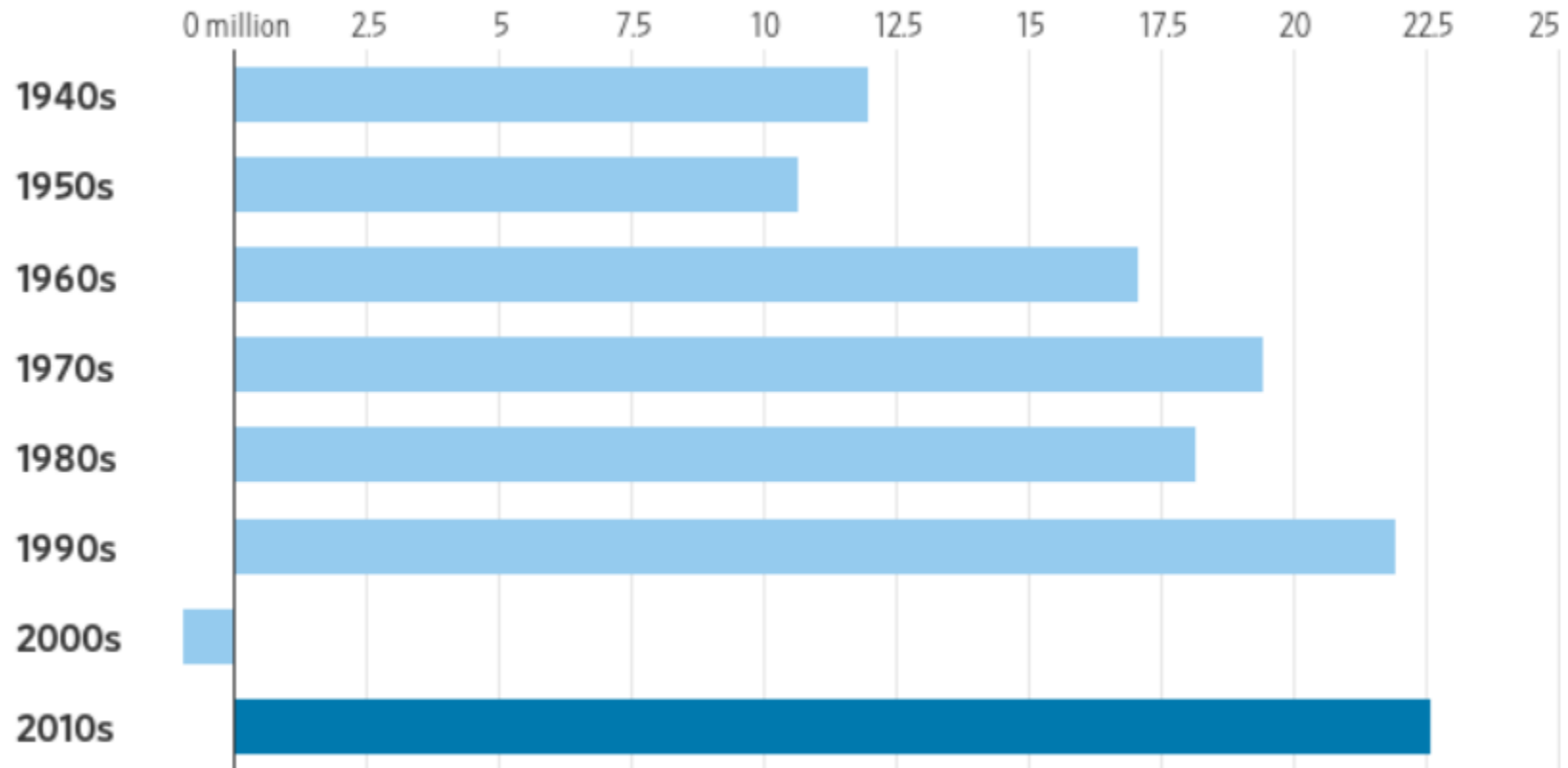
1. June 2009 – January 2020 (127 Months)
2. March 1991 – March 2001 (120 Months)

Toes Up



The Roaring 10s

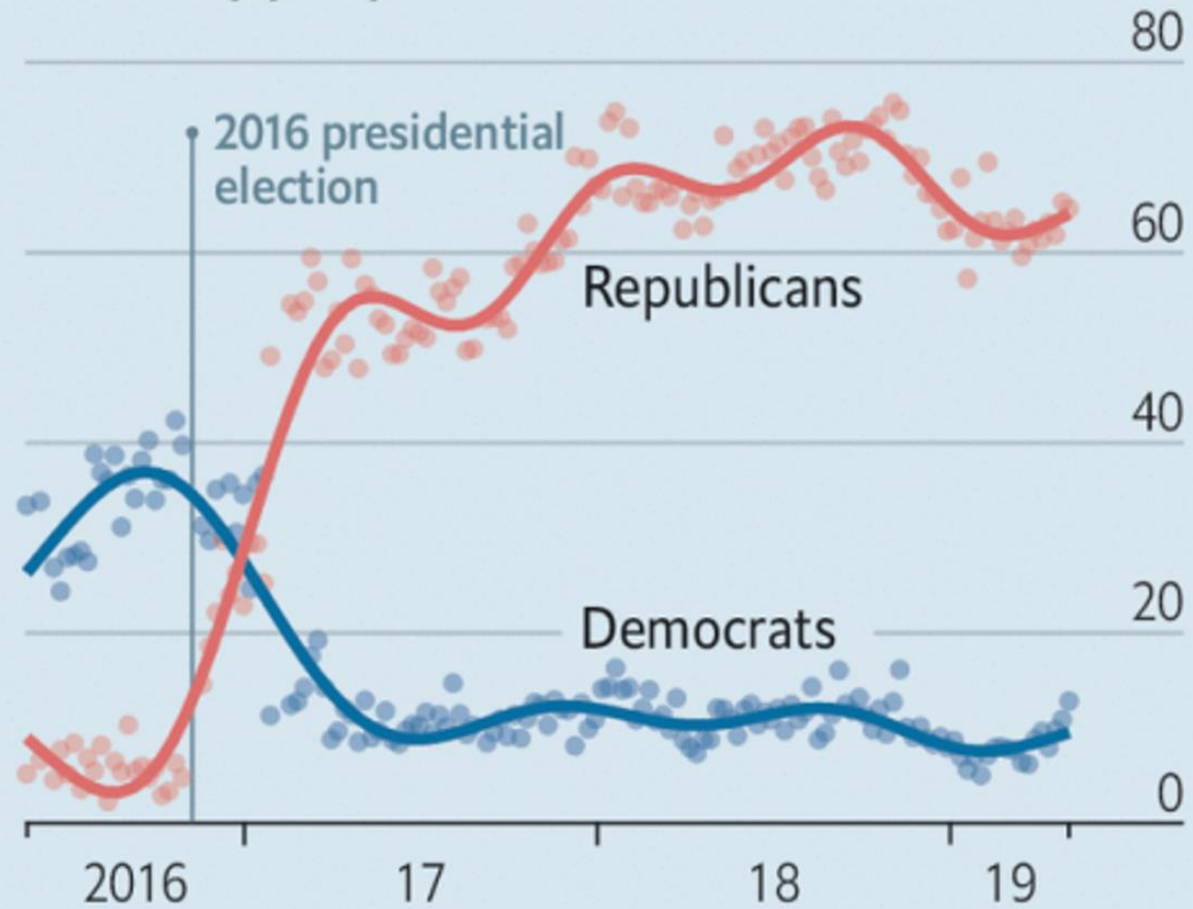
Job growth by decade

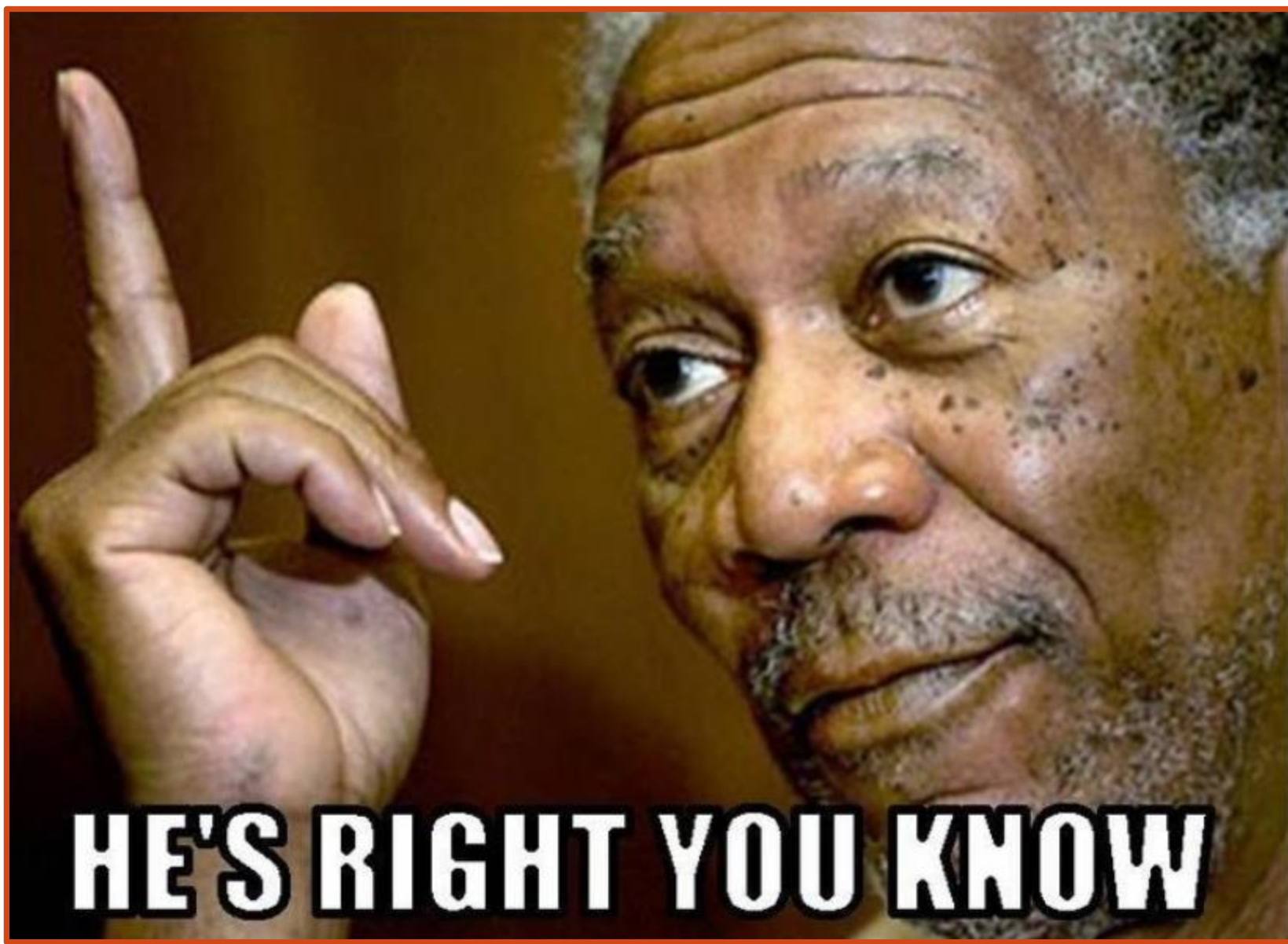


Note: Job growth by decade is calculated by the change in jobs from the previous December of the decade to the final December of the decade.

Source: Labor Department

Americans who think the economy is getting better, by party affiliation, %





HE'S RIGHT YOU KNOW



Still Got Gas – Still Got Game



Not Yet on the Agenda



Federal Reserve Board Setting Rates

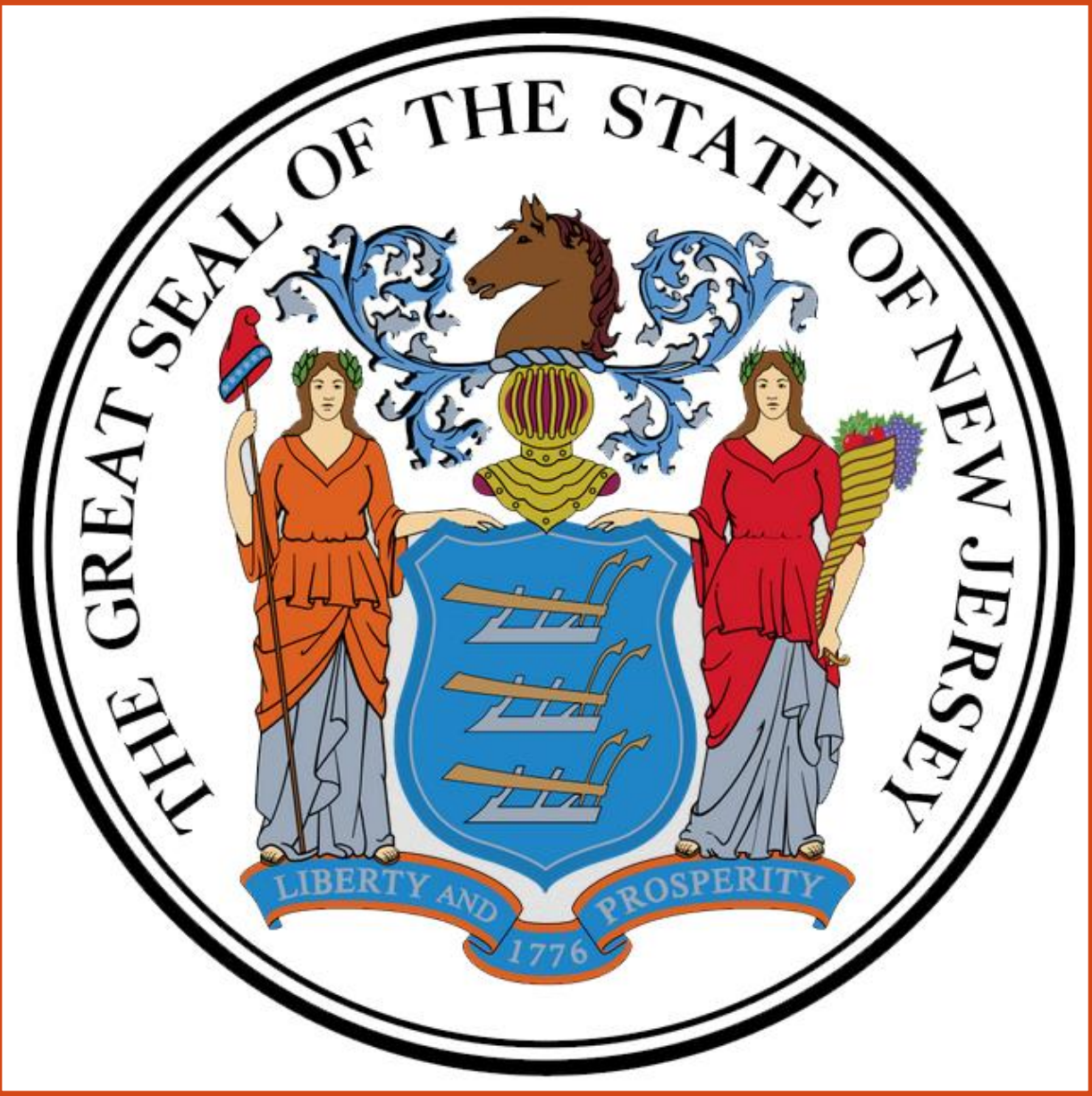


Believe It or Not!

Australia: The Wonder Down Under 29 Years and Counting







Not a Soaring New Jersey Economy



Not a Sinking New Jersey Economy



But an OK New Jersey Economy



Metrics



Private-Sector Employment Growth: 2010-18

United States 17.7%

New York 15.9

New Jersey 11.2

Pennsylvania 8.9

Connecticut 6.3

2020: A Goldilocks Economy



Economic Analysis Overload: Audience Response



Pivot to Demographics



Generational Transformations



Age-Defined Generational Long Waves

(Each Long Wave More Diverse Than Its Predecessor)

THE BABY BOOM (b. 1946-1964) Redefining Maturity

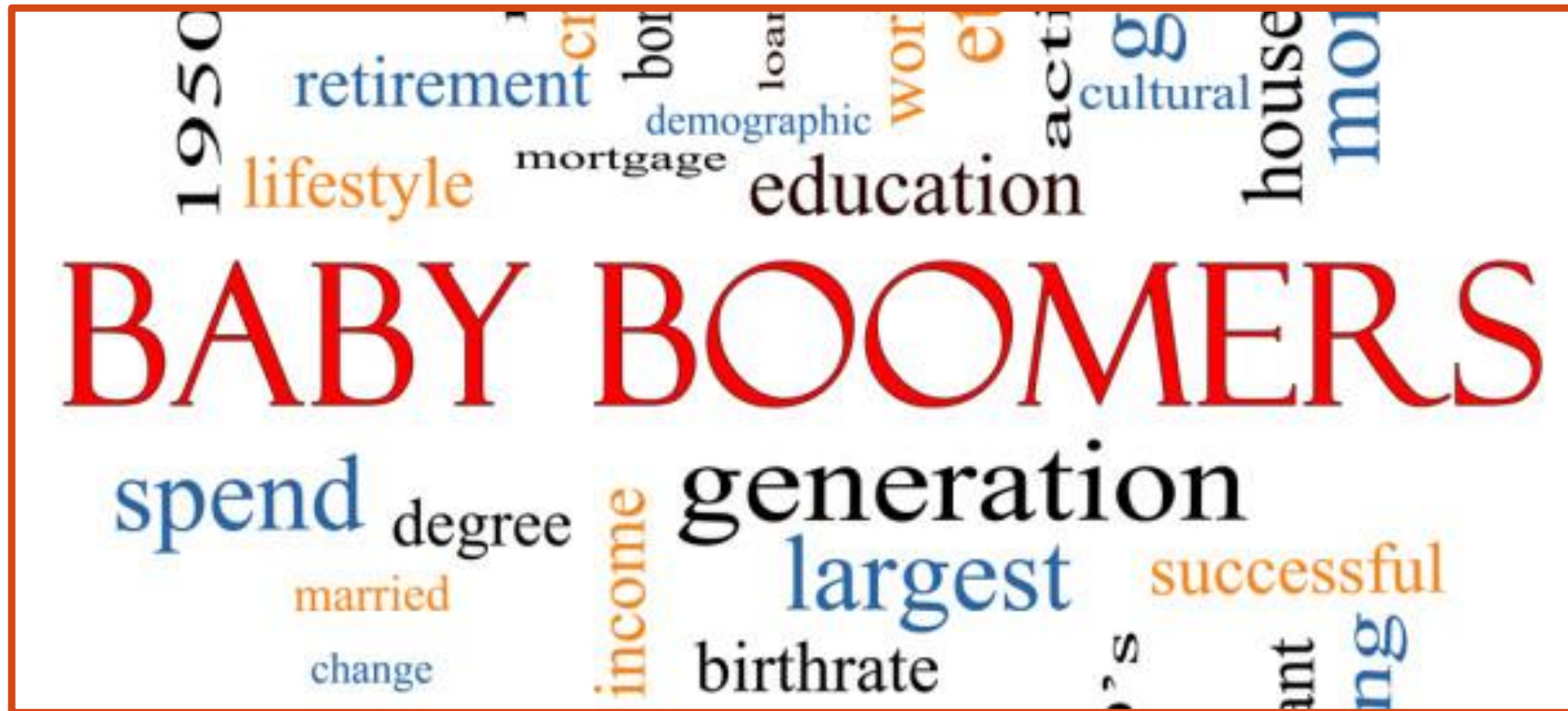
GEN X (b. 1965-1980) Advancing to the Topline Workforce
(Originally the BABY BUST)

MILLENNIALS/GEN Y (b. 1981-1996) Redefining/Disrupting the
Workforce/Workplace (BABY BOOM ECHO)

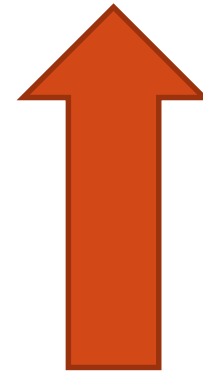
GEN Z/POST MILLENNIALS (b. 1997-2012) New Entry Level
Workforce

GEN ALPHA (b. 2013-?) Oldest Just 7 Years Old

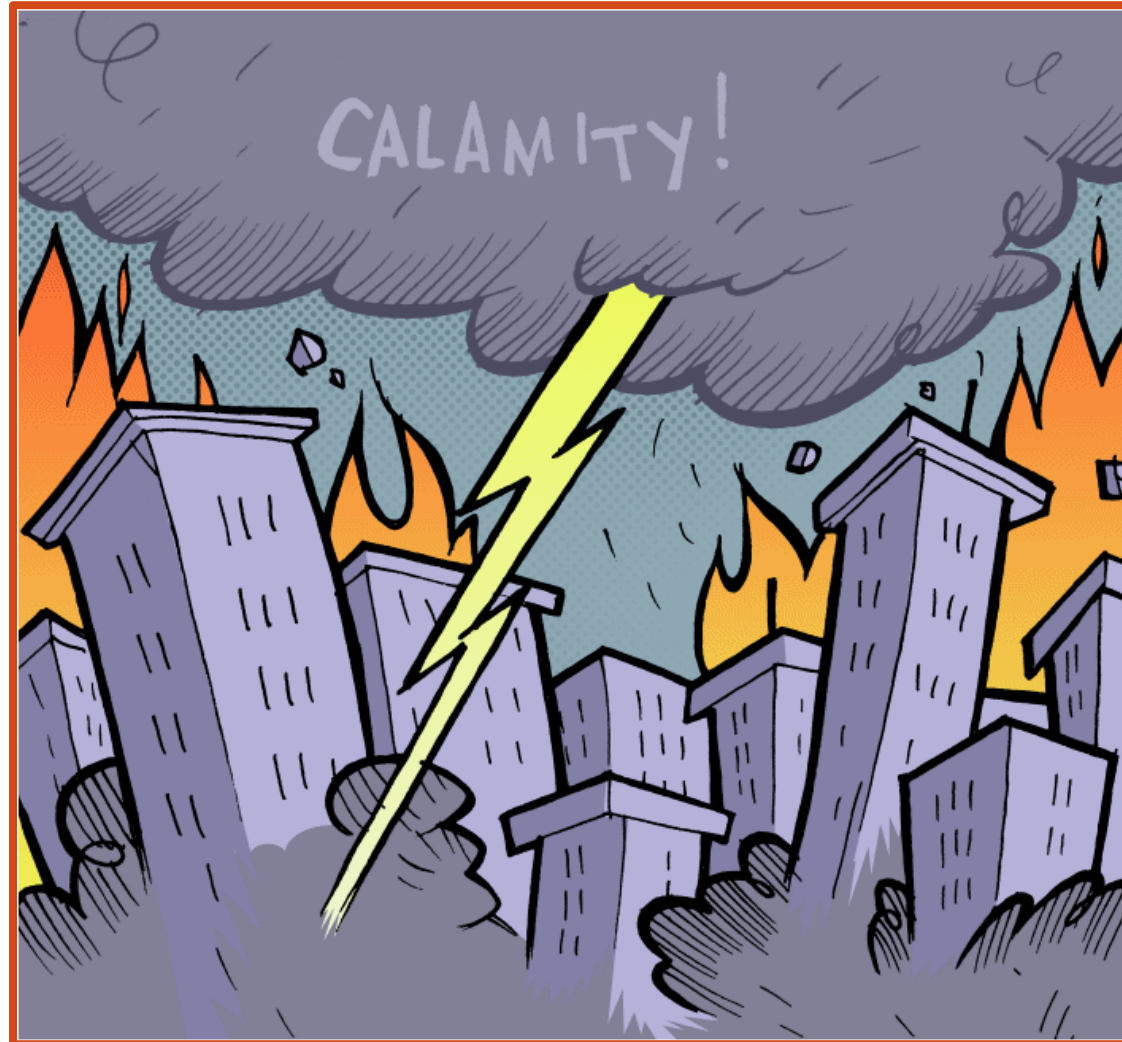
Descendants of the Great European Immigration Waves of the Late 19th and Early 20th Century (born 1946-1964)



Life Cycle Stages



2020: 56 to 74 Years Old



Rock Around The Clock



Limp Around the Block



Admonition 1: Challenge Boomers at Your Peril



Admonition 2

Youth & Agility

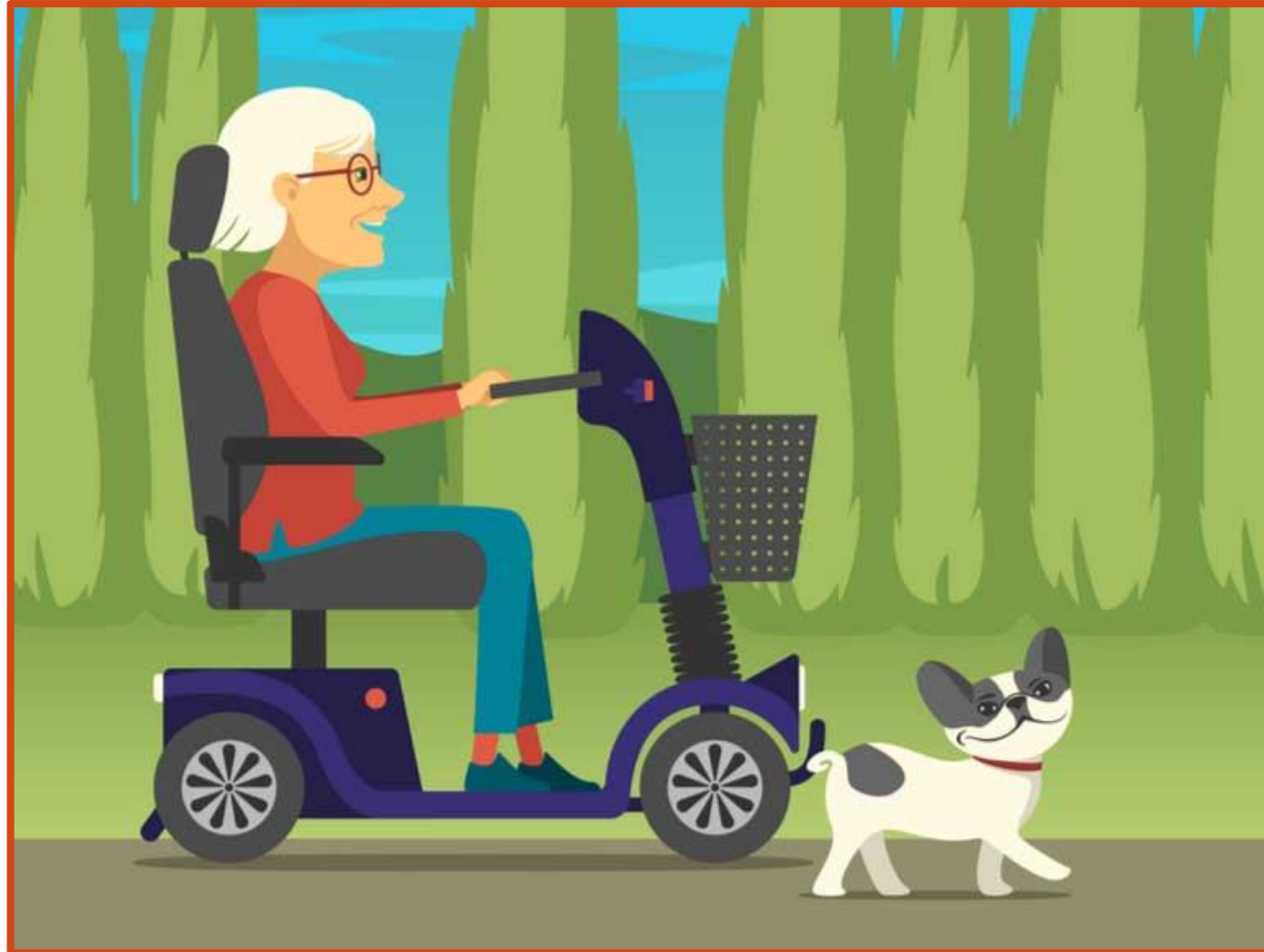
Are No Match

For Old Age & Treachery

We Will Not Go Away Quietly



Post Private-Car Mobility

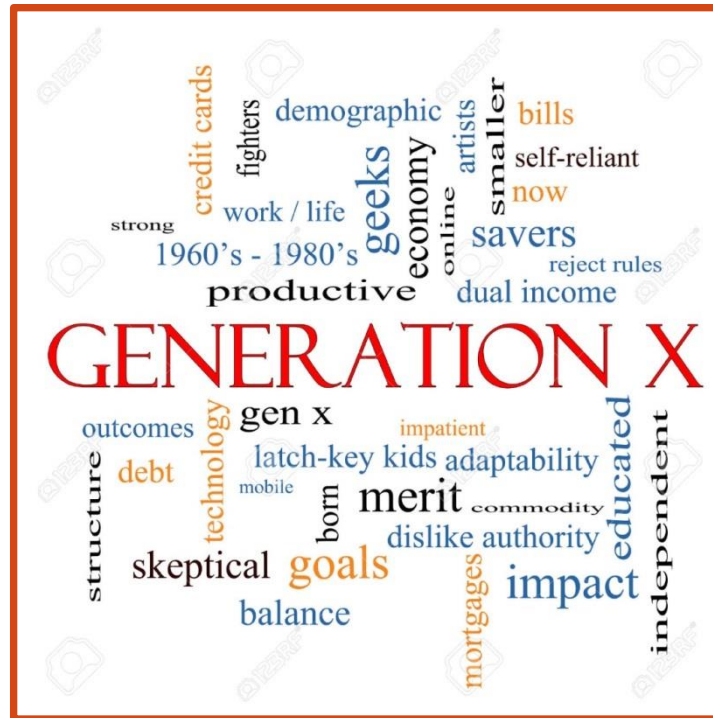


GEN X - Baby Bust (1965-1980)



A Cohort of Contraction

Ultimately More Diverse than the Baby Boom: Bolstered by the Immigration Act of 1965



October 3, 1965: 1965 Immigration and Nationality Act



2020: 40 to 55 Years of Age



GEN Y / Millennials (1981-1996)



Generation Avocado Toast



Today – Most Diverse Workforce Generation



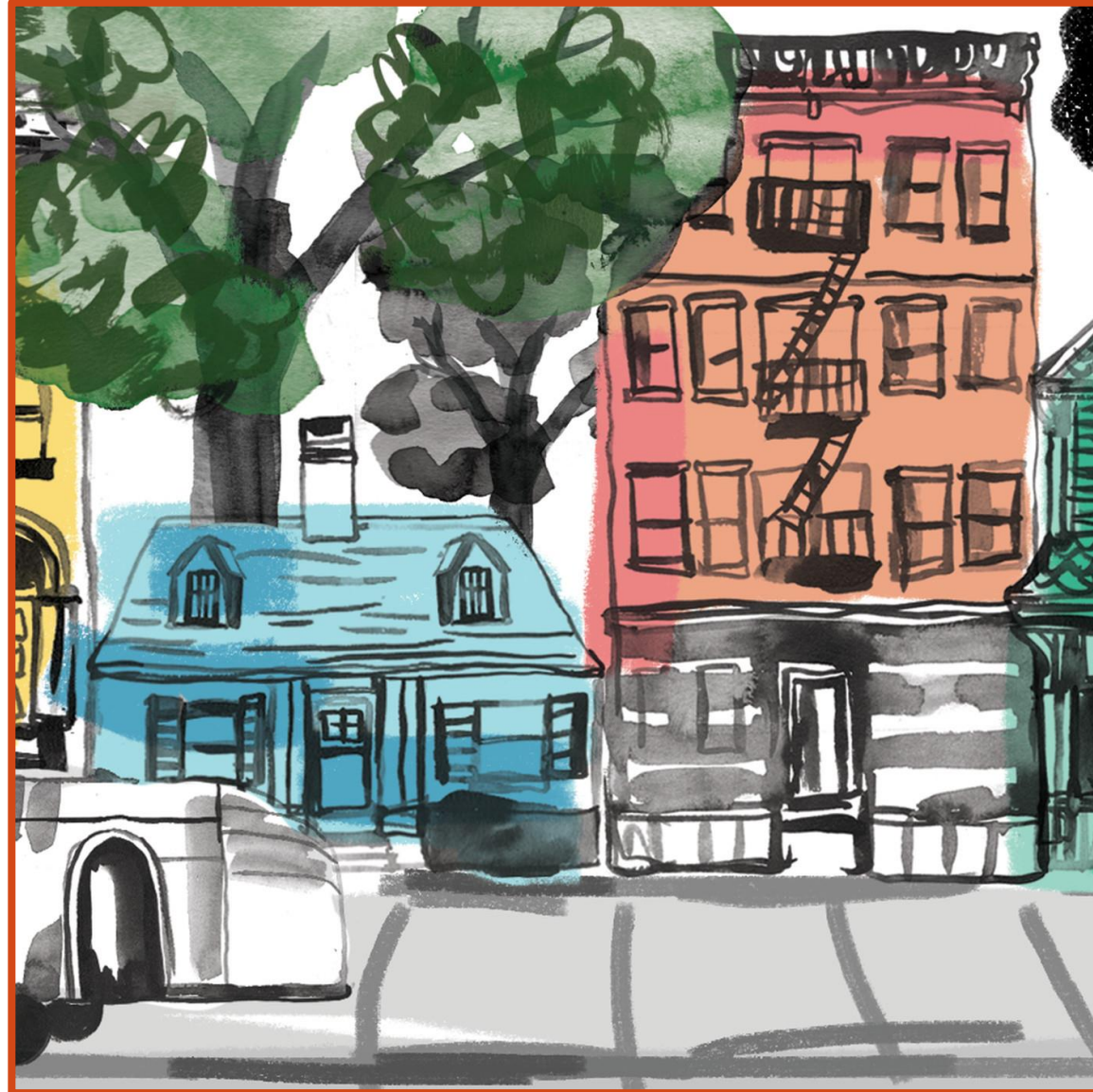
Sprawl Withdrawal



2020 Millennials: 24 to 39 Years Old The Era of Family Raising is Commencing

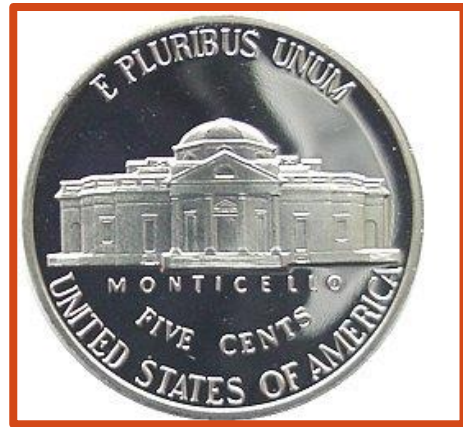


Shelter Preferences?











Gen Z: Born 1997-2012



WSJ: Luci Gutierrez

2020: 8 to 23 Years of Age



2020's Gen Z: Workforce Aspirants

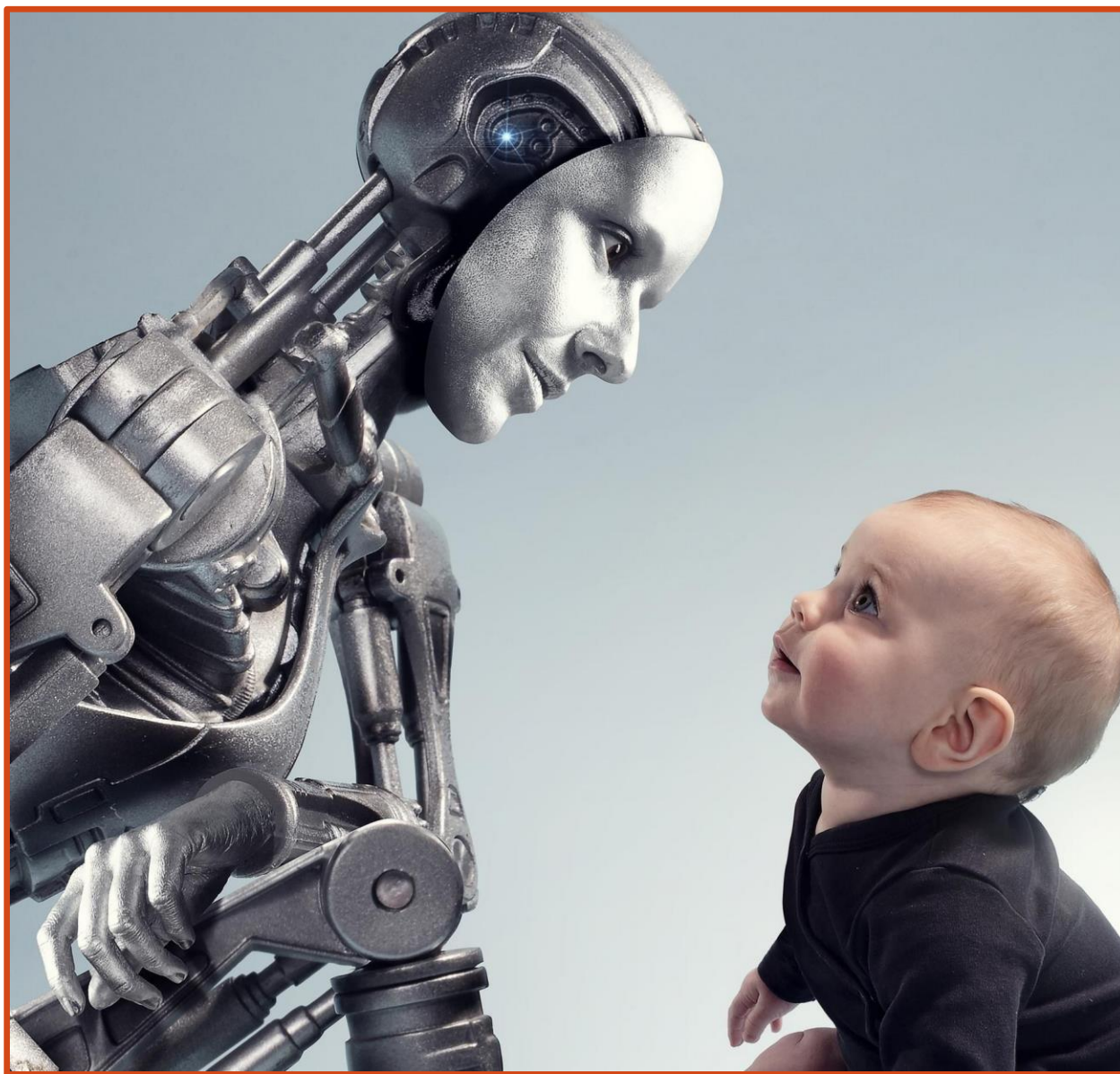


Generation Alpha: 2013 - ?



Gen Alpha: Screenagers





Kids Versus Canes



Differences in Generational Wealth

<u>Generation</u>	<u>Wealth</u>	
	<u>Absolute</u>	<u>Percent</u>
Pre-Boomers (b Pre-1946)	\$26.8 trillion	21.9%
Boomers (b 1946-1964)	66.5	54.3
Gen X (b 1965-1980)	23.2	19.0
Gen Y-Millennials (b 1981-1996)	5.9	4.8
Gen Z (b 1997- 2012)	0.1*	0.0
TOTAL	\$122.4	100.0%

Note: * Estimate
Source: Federal Reserve, 2Q, 2019

OK Boomer



You Can't Take It With You



The Great 35-County Metropolitan Regional Exodus



Study Area Counties



Source: Census Bureau

The Four-State, 35-County Metropolitan Region's Net Domestic Out-Migration April 1, 2010 - July 1, 2018

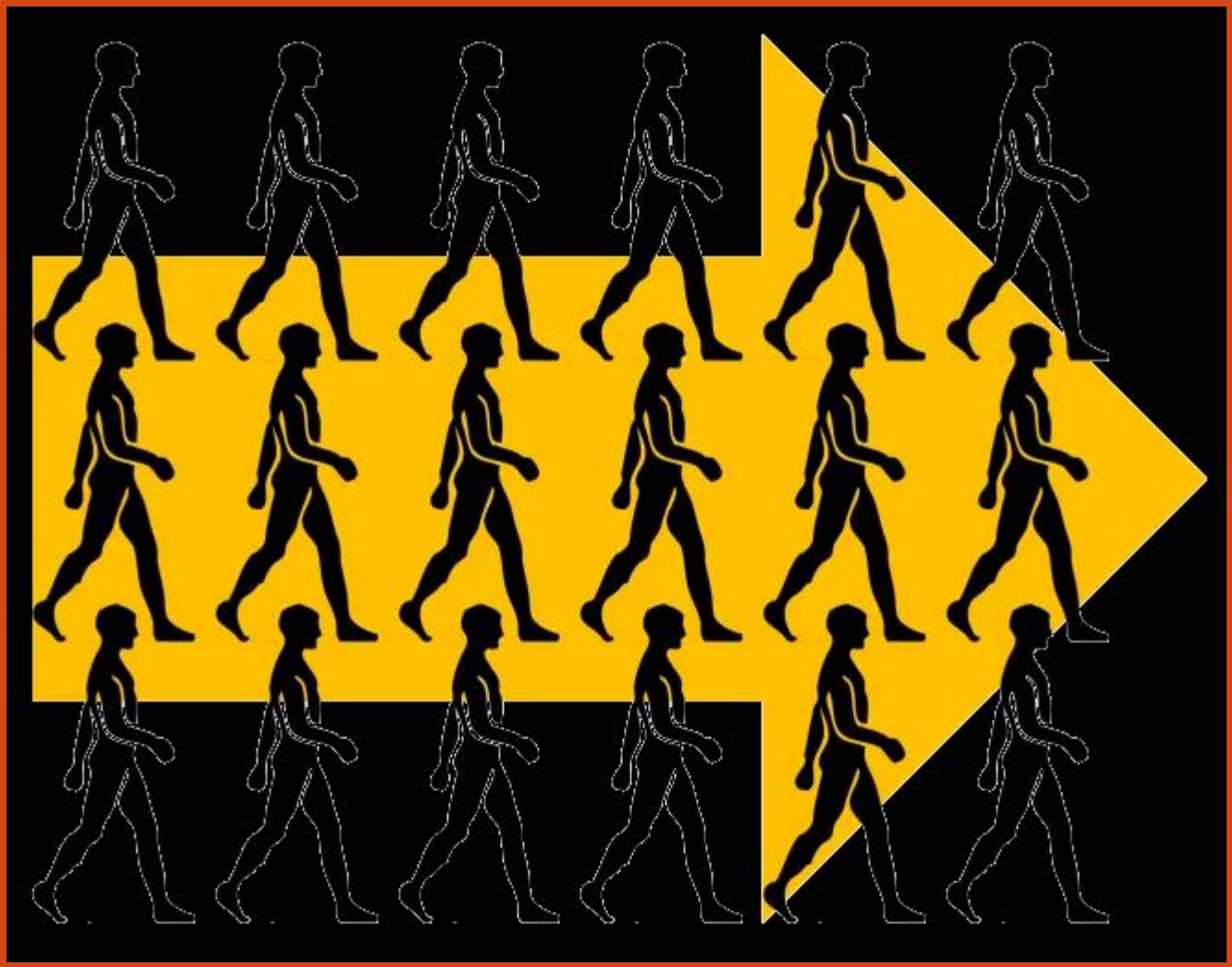
Area

Net Domestic Outflow

**35-County
Region**

-1,412,699

469 People Per Day Exiting the Metropolitan Region



Will The Last One Out Please Turn Off The Lights



The Metropolitan Region's Net Migration Flows April 1, 2010 - July 1, 2018

<u>Area</u>	<u>Domestic</u>	<u>International</u>
35-County Region	-1,412,699	+935,084
(Overall Net Migration Loss: -477,615)		



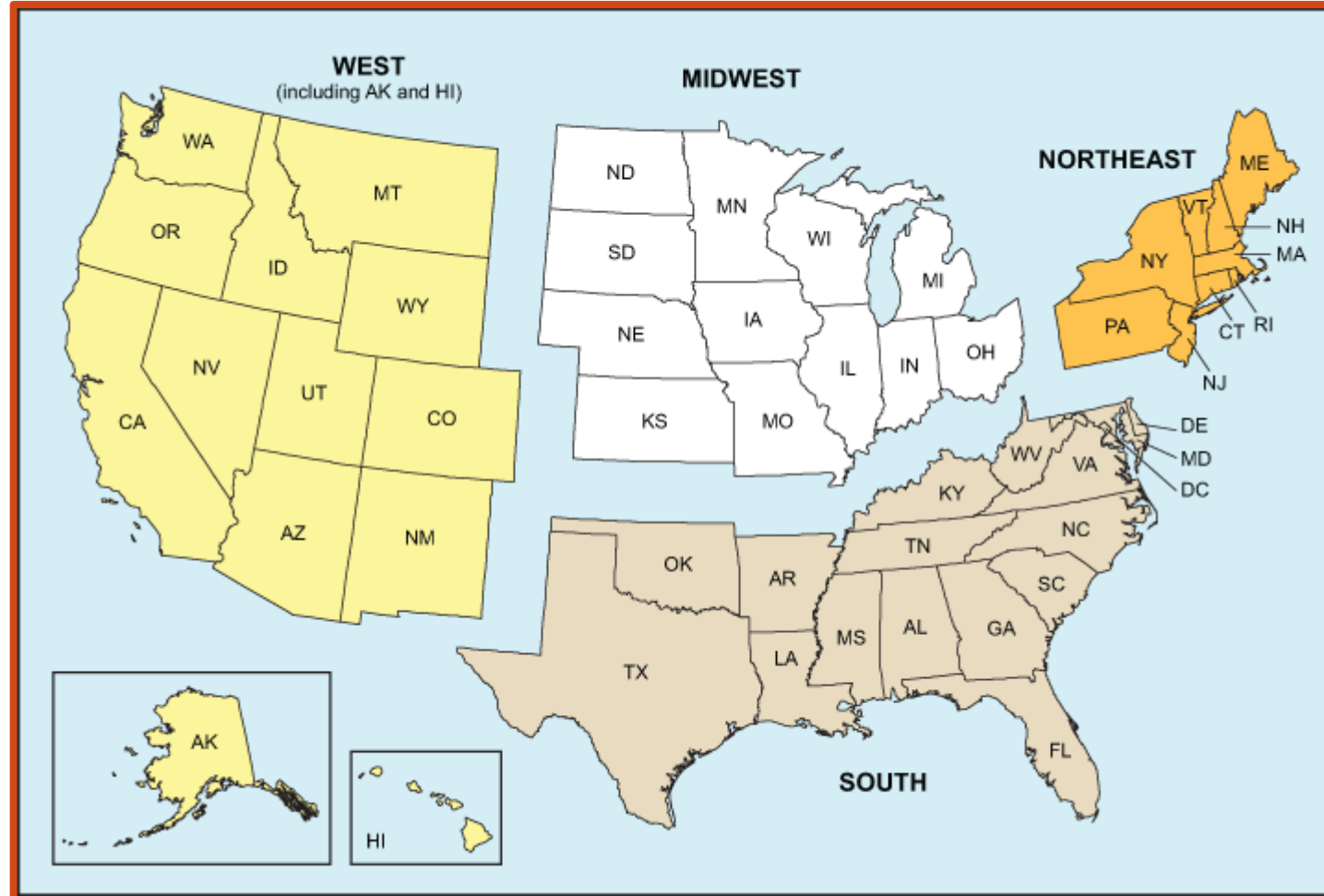
*Now Leaving
New Jersey
Leaving so soon?*

WAS IT SOMETHING WE TAXED?





Four Census Regions of the United States



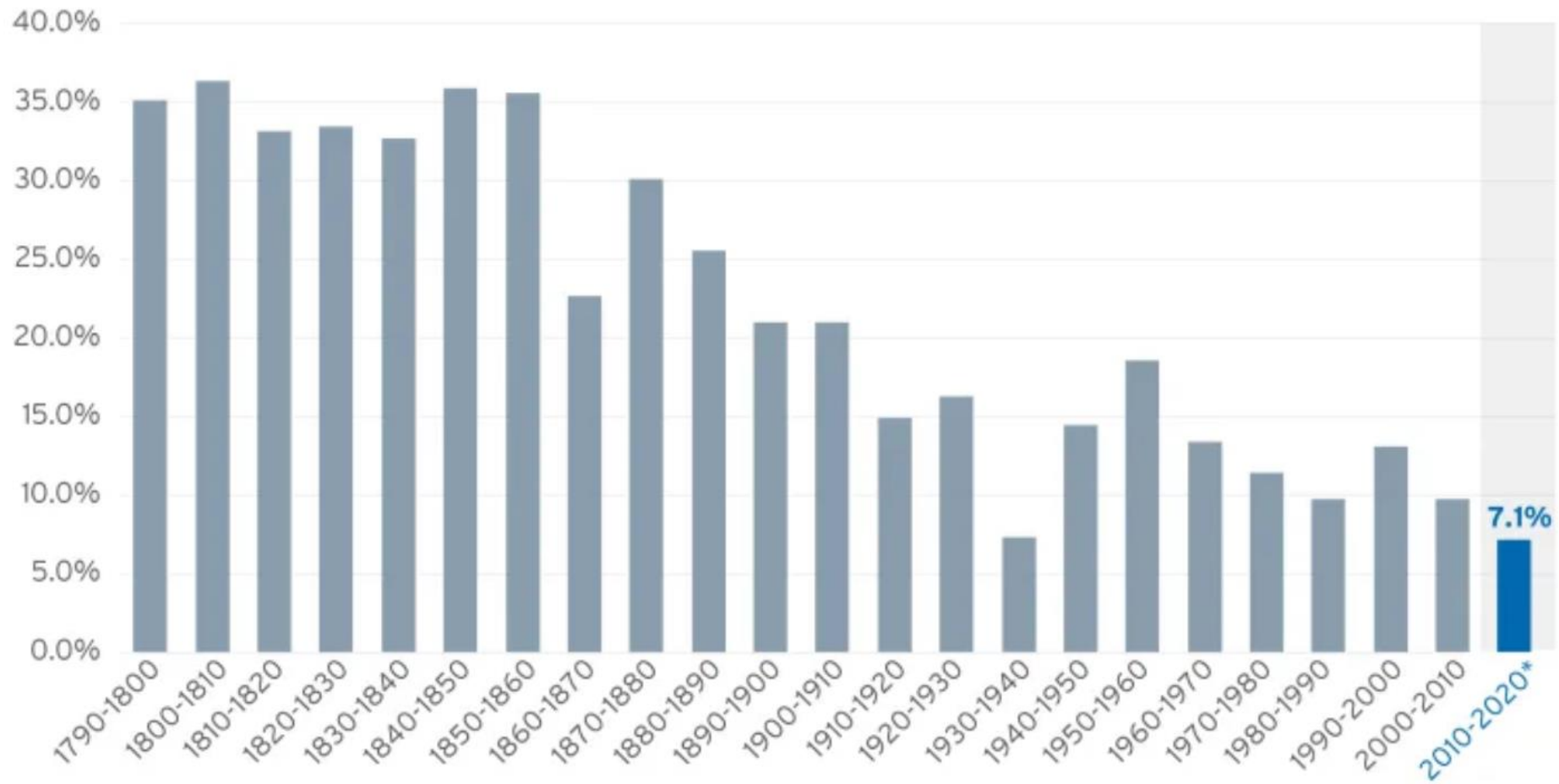
Migration Flows, U.S. Regions: 2010-2018

<u>Area</u>	<u>Domestic</u>	<u>International</u>
Northeast	-2,211,411	+1,796,346
Midwest	-1,507,056	+1,065,306
South	+3,035,042	+3,082,344
West	+683,455	+1,760,374

Immigration: Demographic Growth Engine



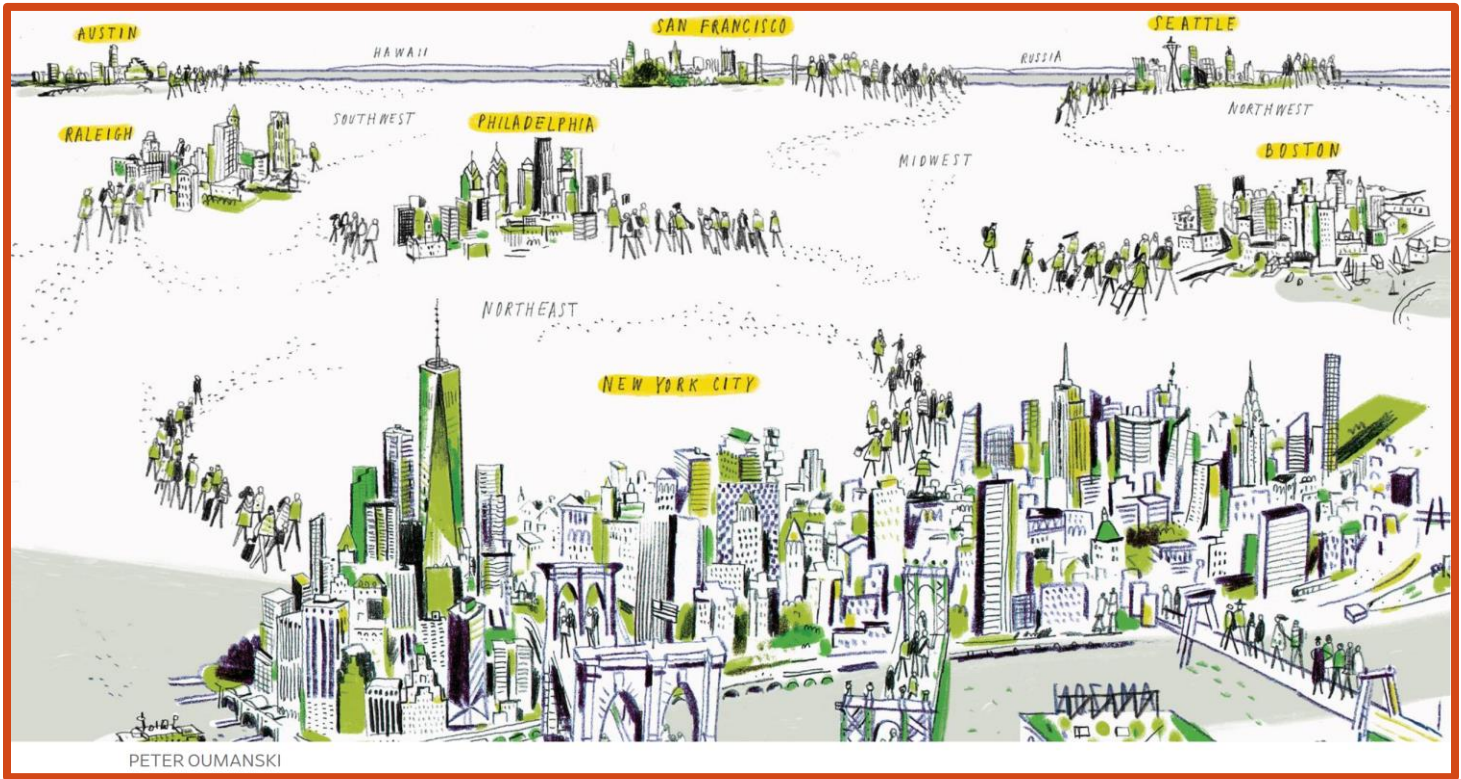
Figure 1: US population growth for decades: Censuses 1790 to 2020 (projected)



*Projected

Source: William H Frey analysis of U.S. decennial censuses 1790–2010, and author's projection to April 1, 2020.

The Global Rise of Superstar Cities



**The Ongoing Structural
Transformation of
the Office Ecosystem of the
Innovation-Based Economy**

The New Corporate Preference: Multi-Use Creative Environments



The Technology-Driven Disruptions in Retailing, Fulfillment, and Distribution



Clicks Replacing Bricks



Fulfillment Center Proliferation

Happiness Instantaneously Delivered



Car Dependence is Alive and Well



What? My Forecast Was Wrong?



How's That Even Possible?

Eventually Can be a Very Long Time



Not Easily Found



The Future: Continued Unanticipated Change and Further Structural Disruptions





Tough Man, Tender Chicken

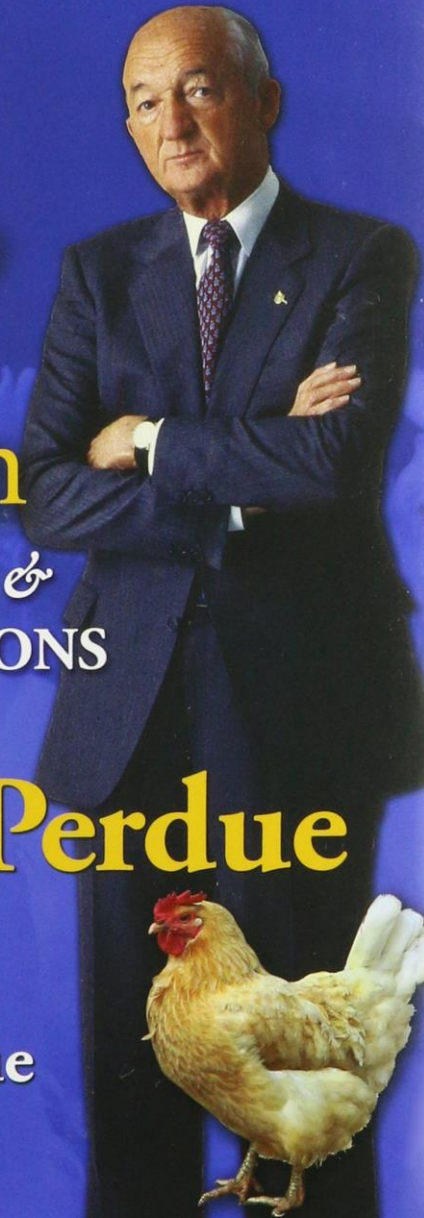
BUSINESS &
LIFE LESSONS

from

Frank Perdue

by

Mitzi Perdue



Give us this day our daily bread



Matthew 6:11

Bread to Chicken





The brain can only absorb what
the seat can endure.

Anonymous





