

Working Group on Simulation Modeling

East-West Center. Population Economics

June 18th, 2010

- Rational and selfish individuals (accidental bequests)
 - Cobb-Douglas production function ($\alpha = 1/3$)
 - No productivity growth
 - Spanish SS pension benefits (retirement age 63)
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- Each country differs from other countries in the demography and labor income profile.

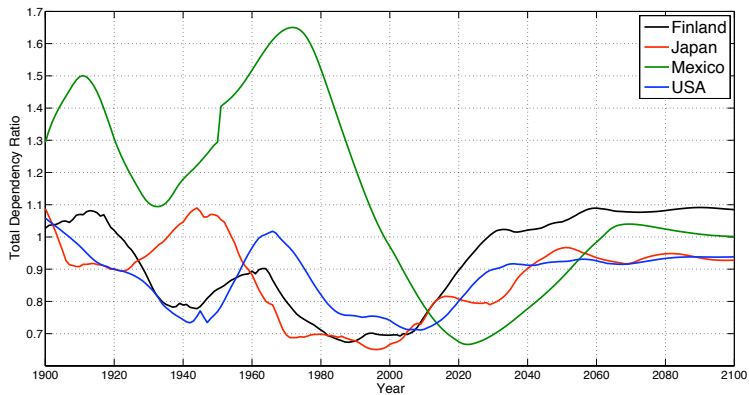


Figure: Total Dependency Ratio, 1900-2100.

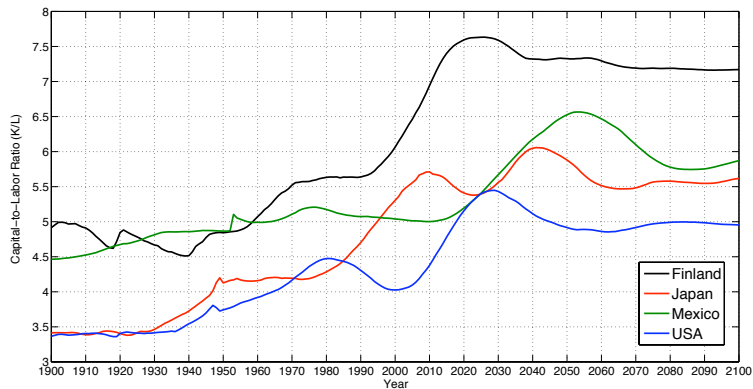


Figure: Capital-to-Labor Ratio, 1900-2100.

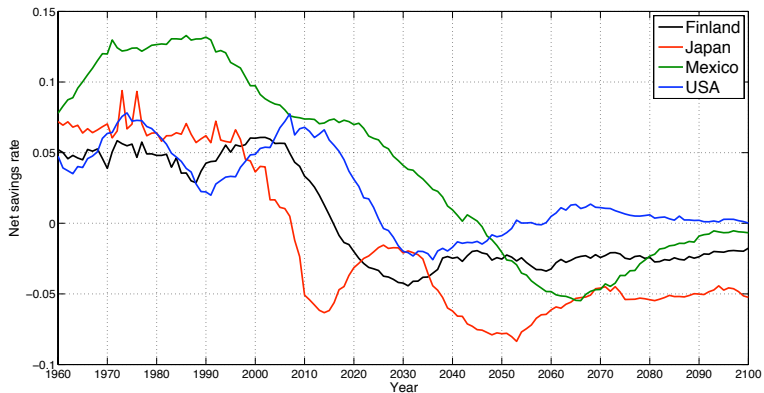


Figure: Net Savings Rate, 1960-2100.

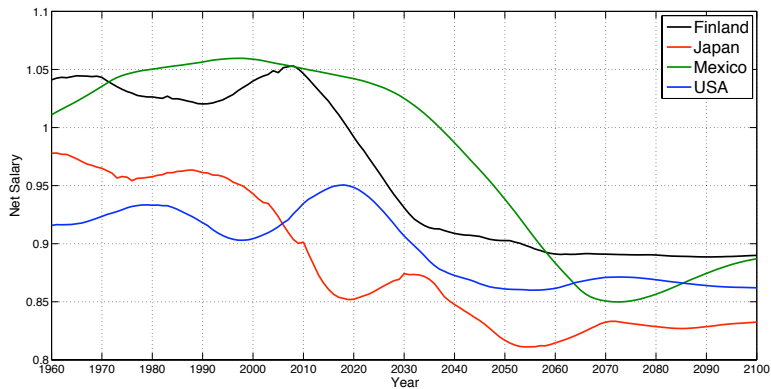


Figure: Net Salary, 1960-2100.

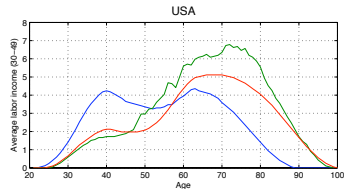
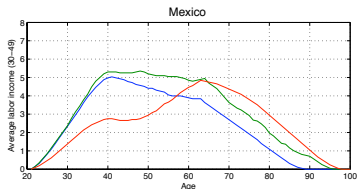
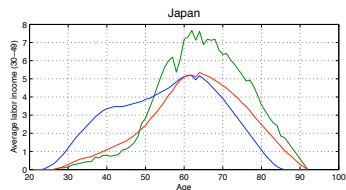
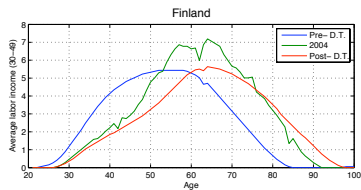


Figure: Asset Holdings by age: year 2004, pre-, post- demographic transition.

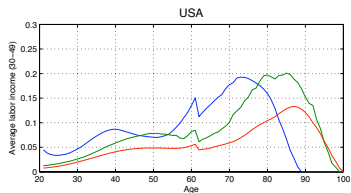
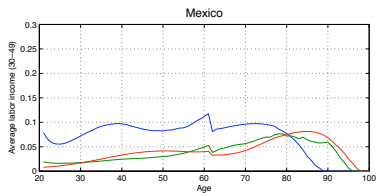
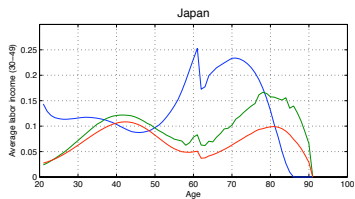
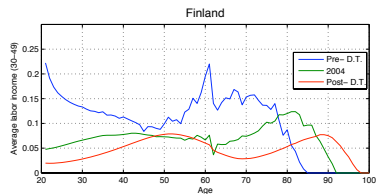


Figure: Bequest received by age: year 2004, pre-, post- demographic transition.

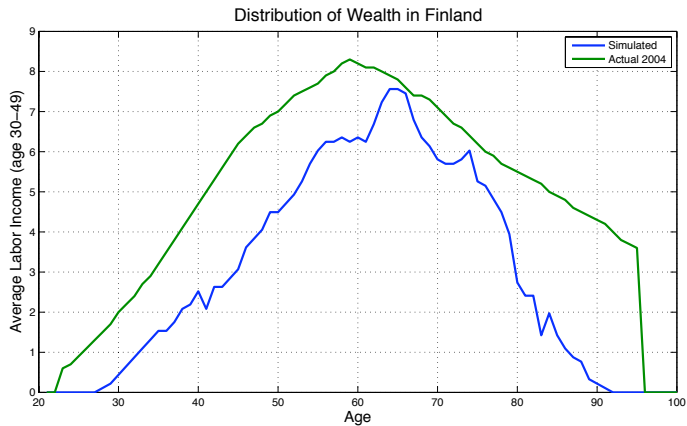


Figure: Asset holdings by age: Finland, 2004.

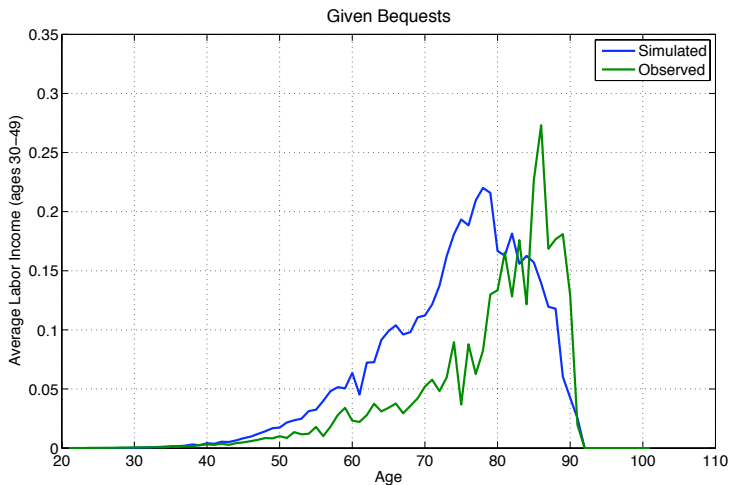


Figure: Bequest given by age: Finland, 2004.

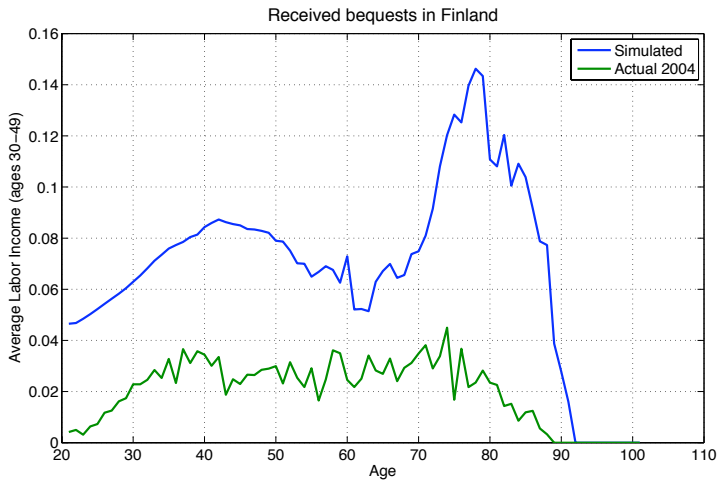


Figure: Bequest received by age: Finland, 2004.

Conclusions and Further Research

Conclusion

- Population Matters

Next step

- Human capital
- Countries: Mexico, Japan, Finland, Slovenia, Sweden, Germany, Europe

THANK YOU

