



THE PRENTICE INSTITUTE
FOR GLOBAL POPULATION AND ECONOMY

**2ND ANNUAL
DIALOGUE SESSIONS
SUMMARY**

MAY 15-16, 2009

UNIVERSITY OF LETHBRIDGE

University of
Lethbridge



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PREFACE

On May 15 & 16, 2009, the Prentice Institute hosted their 2nd Annual Dialogue Sessions. We invited a number of experts to a dialogue discussion on a variety of issues including: the role of policy and innovation in crises; the importance of demographic shifts in age structure; the growing socio-economic inequalities that effect health. Underlying many discussions were the needs for multi-disciplinary, multi-method studies of populations in association with economic changes.

The Dialogue's purpose was to bring together a small group of researchers from a variety of disciplines to meet informally and exchange views on the complex relationship of population and economics and related factors.

Some of the invited presenters and panellists provided formal power point presentations. These are not included here but are available where indicated on the Prentice Institute website (www.prenticeinstitute.com) in this document.

The Prentice Institute would like to thank the Faculty of Heath Sciences at the University of Lethbridge for their co-sponsorship of this event.

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OPENING COMMENTS

Dr. Trevor Harrison

Chair of the Dept. of Sociology, University of Lethbridge &
Interim Director, Prentice Institute for Global Population and Economy

Welcome to the Prentice Institute's Second Dialogue. My name is Trevor Harrison and I am the Interim Director of the Institute. We will begin the program shortly, but before doing so I want to tell you something about the Institute's history, what is going on currently, and some of its future plans.

The Institute began with an endowment given to the University by Dr. John Prentice in December 2006. Dr. Prentice was born in Northumberland, England, and later immigrated to Canada where he subsequently attended the Olds School of Agriculture and the University of Alberta, graduating from the latter's Faculty of Agriculture with a major in Animal Science. With his wife, Connie, John Prentice raised a family on land just north of Calmar and successfully operated a variety of businesses.

Dr. Prentice was not only a successful businessman but was also an active volunteer with a number of organizations, including serving as president of the Western Hog Grower's Association, Director of UniFarm, and a host of other organizations too numerous to name. He also had a large range of hobbies that included history, finance and investing, Frank Lloyd Wright architecture, golf, birding, arboriculture, and bridge.

Dr. Prentice was committed to higher education, which explains the generous endowment given late in his life to the University of Lethbridge that launched this Institute.

Where is the Prentice Institute today? Well, literally, it does have an actual home, located on the 11th floor of the University of Lethbridge library. If anyone would like a tour of the facility, this can be arranged.

Organizationally, the Institute has a board, a draft constitution, an Executive Officer, Deirdre Coburn, and – as of July 1 – its first Director and Research Chair, Dr. Susan McDaniel.

Dr. McDaniel comes to us from the Institute of Public and International Affairs and at the University of Utah where she is also Professor of Family and Consumer Studies. Dr. McDaniel has an extensive research, publishing, and teaching record on a range of topics including demographic aging, generational relations, family change, and the social impacts of technology. She is a Fellow of the

Royal Society of Canada and the recipient of many research and teaching awards, including the University Cup by the University of Alberta for an outstanding record of excellence in both research and teaching.

A few comments finally about future plans. One of the first organizational needs for any research institution getting off the ground is to build intellectual capacity through connections and discussion with researchers; hence, this Dialogue. A further particular mandate of the Prentice Institute is to engage in discussion with and inform the public; hence, also, the presentation to the University at large by Dr. David Foot this afternoon. But, finally, in this latter role, the Institute has begun putting in place an ongoing speakers series, bringing in some of the world's best researchers and thinkers on a range of subjects.

These speakers include: Dr. James Heckman, Nobel Prize winning economist from the University of Chicago, who is tentatively scheduled to speak this coming fall; Dr. Margaret MacMillan, award winning historian from Oxford University, scheduled to speak next spring; and Dr. Marilyn Waring, renowned New Zealand political economist, famous for her work on the contribution of women's unpaid labour to economic well-being, scheduled to speak in fall 2010.

Other future plans include a Canada Research Chair, the recruitment of post-doctoral fellows, doctoral and masters students, and the possible hosting of a major conference on population and economics, perhaps as early as fall 2010.

This Dialogue, beginning today and continuing tomorrow, is a major step in building the Institute. I am very pleased you are here today to be a part of it and want to again welcome all of you – presenters, discussants, panellists, chairs, and audience members alike – to this seminal event.

Before we begin the day's proceedings, I want to briefly thank everyone involved in putting on the Dialogue, most especially the members of the Prentice Institute's Steering Committee, the Institute's Executive Officer, Ms. Deirdre Coburn, and one of our undergraduate students, Aliya Lalani, who is assisting with our program today.

THE FOOD CRISIS: A RETROSPECTIVE LOOK BACK AND THE WAY FORWARD

Dr. Alfons Weersink

Dept. of Food, Agriculture & Resource Economics, University of Guelph

Major Discussion Points:

- Objective is to understand the differences between crop prices and food prices and how they affect people.
- Developing countries are impacted by the change of crop vs. food prices as they purchase the raw commodity.
- Ethanol production has greatly increased the price of corn in recent years. It is predicted that the price of corn will continue to greatly increase in the next few years.
- Natural commodity price increases are due to an increase in demand or a reduction in supply; but recent food increases have seen demand steadily increase along with production. The price fluctuations have been consistent.
- Stocks use ratios to relate prices, the response is asymmetric making it very susceptible; since the relation is low a shift in demand or supply easily influences prices.
- Some supply factors that influence crop production:
 - Temporary shocks: e.g., slowing yield growth, a fall in area planted, and weather problems in major exporting countries.
 - Long term shocks: e.g., the reduction of supply on the world market through trade restrictions; an increase in export taxes, bans, and the elimination of subsidies.
- Some demand factors that influence crop production:
 - The depreciation of the US dollar: Most commodities are priced using the US dollar, but purchased using local currency; therefore, the depreciation of the US dollar has made these commodities more affordable.
 - Speculator behaviour
 - Rising standard of living in emerging economies: Increasing wealth in China, India, Russia and Brazil (for example) has resulted in better food consumption (not necessarily more calories but different types of calories); in short, → More People, More Grain; More Money, More Meat.
 - Bio-fuel production: Motivated by 1) government support to help increase farm incomes; 2) efforts to reduce greenhouse gases; and 3) efforts to reduce reliance on imported oil to the United States (US Renewable Fuel Standard (RFS) Energy Independence and Security Act.).
 - Corn used primarily for: livestock feed, food ingredient, ethanol.

- Corn → Ethanol → Gasoline → Crude Oil
- Biofuel policy and high oil prices have established a biofuel industry; oil prices are greater than gas prices; gas and ethanol are substitutes.
- The greater the crop price, the greater likelihood of a food crisis.
- In developed countries, purchased food is quick and easy to prepare, whereas in developing countries purchased food is a raw commodity.
- The percentage of income spent on food is greater in underdeveloped countries; if crop prices increase, this impacts especially negatively on poor urban households as crop prices are not the same as food prices.
- Farmers benefit from higher prices; therefore, countries which have the largest share of rural populations prosper.

Discussion:

- What is the difference between farmers in developed countries when compared to farmers in developing countries? Is the beneficiary the landowner or the farmer?
- What is the impact of bio-fuels on the land and its implications for production? With a 50% increase in world population expected in the future how are people expected to be fed if crops are grown for fuel production?
- High prices are not necessarily bad, but they are a signal. They create a win-lose situation; how might domestic institutions compensate for those who lose?
- How might the decline in decreasing productivity and increased protectionism impact the price of food?
- The difficulty with reaching an agreement on a World Trade Agreement is that every country needs to support the decision and most agreements are a result of domestic pressures.
- Why is corn being used? It was seen as the smallest group of individuals (farmers) that were going to benefit significantly; rural development was encouraged to increase communities.
- How might increased bio-fuel production affect the pipeline construction going on in Afghanistan right now?
- What other intervening variables need to be considered in food supply and demand chain?
- What are the real conversion costs of turning crops (corn) into ethanol?
- How will the current financial crisis impact the global demand for food and energy?
- Will the crisis encourage or discourage countries to develop alternatives faster?

Please visit www.prenticeinstitute.com for the PowerPoint presentation.

**DILEMMAS OF DEMOGRAPHY AND DEMOCRACY: EXPLORING PERSONAL AND PUBLIC
RESPONSES BY YOUNG PEOPLE TO THE GREAT DEPRESSION (PANEL DISCUSSION)**

Dr. William Ramp

Dept. Sociology, University of Lethbridge

Major Discussion Points:

- Culture encourages interpretation and discourse.
- Demography is numbers and numbers are social constructs but numbers alone do not tell a story. The story is told by those who interpret the numbers.
- Historical demography is qualitative historical research which can help people avoid pitfalls from the past. It use different interpretive methods than other empirical methodologies.
- Historical development is the qualitative analysis which involves painstaking reconstruction of numbers
- Individuals and populations are two complimentary characteristics; individuals are not born into a population they must be actively constructed as part of the population.
- Individuals in populations do not simply react to events; it depends on how they react to what is interpreted to be happening to them. The rationalization for doing things comes after the fact; the way people actively and culturally respond determine the circumstances that result.
- Example: Social movements swept across Canada in the early 1930s. The tipping point for the rise of these movements was the increase of people who began farming (United Farmers Conventions)
- Aspects that had to be addressed: What did it mean to be a producer? How could one get youth onto farms and away from the lure of the city?
- Women's organizations in 1930s and 1940s lobbied for women's rights and human rights generally, including voting rights. (At the time, women sometimes hid their marital status as being married hindered being employed.)
- How do we do social network research? We need particular types of surveys that include not just what youth think or who they listen to when making opinions but where, how and from whom they first learned to think about government, population, cultures etc. Possibilities: Canadian Industry Research Center (combination of quality and quantity) and Historical Data Research at the University of Guelph.

Dr. Heidi MacDonald
Dept. of History, University of Lethbridge

Major Discussion Points:

- During the Great Depression Canada was equally or more vulnerable than other countries. This was due to the main export of wheat to the US and Britain.
- The most sympathy was shown towards the elderly.
- Youth started to lose ambition and became permanently dependent on the nation
- There was a fear that youth were going to become permanently “stuck” due to an interruption in entering adulthood. Becoming an adult included:
 - Leaving home and obtaining new accommodations.
 - Obtaining education and training.
 - Seeking/finding employment.
 - Participating in the youth political movement parties.
 - Engaging in relationships.
 - Marrying setting up a house and having children.
- Women were encouraged to marry a man who was near her age or older. It was strongly believed that women not married by 30 would face more challenges as beauty was highly valued.
- Men did not want clever wives; educated women often did not marry. Thus, the rate of marriage dropped by one-quarter in 1929 and the birth rate decreased. (The crime rate also increased, further raising concerns about a lost generation.)
- As sex outside marriage became more common, it was believed that it was becoming impossible to maintain traditional standards of morality.
- Unemployment was often seen as a male problem not a problem faced by many women.
- The perception of marriage was that men had to give up everything in order to marry where as women had everything to gain from marriage.
- As a result of the financial situation, people stayed engaged and delayed getting married.
- At the same time, a husband without a job was considered for women better than no husband at all.
- Federal government created endorsements to encourage both men and women to enhance certain features increasing their eligibility for marriage; work relief camps were set up to keep dangerous men away from urban areas.

- It was not emphasized that women needed jobs because they could always become domestic house wives. Women who resided on rural farms were discouraged from accepting training in programs in order to keep women on the farms.

Discussion:

- Programs were tailored toward individuals who born after WWI (25 years prior to the Great Depression)
- Birthrate was high due to the increase of immigration in the 1920s.
- Is the current situation a real demographic crisis or a perceived demographic crisis?
- What happened in Europe with the increase in unemployment, the higher rates of immigration, and moral disclosure where larger groups in the population never gained an education? Social inclusion/exclusion started.
- From growing up during the Great Depression, threatened youth turned into threatening youth. The definition of youth had ages that ranged from 16-25 or even 16-30.
- In the UK during the 1920s many women did not get married due to a scarcity of men (killed during the First World War). How were single women viewed and dealt with as they would have caused a problem in the city? Was there a lack of policies?
- Relief was funded from municipal governments as they were a municipal responsibility.
- What did unmarried women do after the First World War? Did they join fundamentalist groups? What did extent did women respond to demographic situations by becoming joiners or finding men?
- How many universities allowed women to enter? Were there any caps?
- Are we headed for the same discourse in the next 30 years?
- How is marriage valued in today's society?

INEVITABLE SURPRISES: DEMOGRAPHICS AND ECONOMICS IN A GLOBAL CONTEXT (UNIVERSITY ADDRESS)

Dr. David Foot

Dept. of Economics, University of Toronto

Major Discussion Points:

- **Boom, Bust, and Echo:** Boom refers to the baby boomers; bust refers to the impact (primarily) of the birth control pill on population; and echo refers to the children of the baby boomers. The biggest age group today are eighteen year olds; therefore, there is not going to be a labour market shortage (as some fear).
- The aging population are seeking quality and services; they want peace and quiet environments; new young consumers want noise and action and are not willing to pay for quality and service.
- The baby boomers are richest people in Canada currently; they are classified as young seniors.
- The senior population over 75 is dominated by poor elderly widows and those between 65 to 75 years old currently needing help.
- Base of population pyramid has started to collapse since 1971; due to women entering the workforce and the introduction of the birth control pill. The collapse of the base of the population pyramid has continued, resulting in predictable consequences; for example, as births have decreased, today we face the closure of schools in early grades in many cities.
- At the same time, since the late 1970s and early 1980s, there was an increased demand on healthcare system as the number of elderly people has increased.
- Geographic effects: the older the area, the smaller our younger population; the younger the area, the larger the number of youths.
- Mega-trends are a trend that impacts all aspects of society; private and public etc.; new mega trends in the 1990s started with stress management, and balancing working, family, friends etc. It was at this point in time when baby boomers and work-life balance became a huge issue.
- In the 1980s and 1990s, the city center stopped growing; people having families started settling in suburbs. People started to cocoon because they stopped going out and spending money. Instead, they borrowed money and went further into debt; therefore the country soon followed and went into debt causing an increase in the demand for money.
- Aboriginals play a huge role in our current population therefore we need education on reserves especially in Alberta.
- We need to start redesigning pension plans, RRSPs, to be able to add and subtract from RRSPs in the same week from pension accumulations.
- As a huge number of individuals begin to age there are more people who will have health issues, thus causing a need for healthcare; life expectancy has gone up and there is a larger stretch between physical and mental needs (what people need vs. what they think they need).

- If the elder population continues growing it will result in health issues as governments will not be able to keep their promises.
- To increase our current population, younger females need to start having children; the US will grow faster than Canada in the next few years due to the population age structure.
- Trend: younger generations tend to use new technology more than do older generations; it has always been the case.
- Cities tend to be full of a younger population and smaller communities tend to be quieter depending on the demographics; smaller communities tend to have a larger population of older people. This means that healthcare will need to be delivered to smaller communities. As of the new millennium people are moving into sub-urban areas and are not attracted to city centers.
- Those in their twenties tend to move more often.
- More immigrants are going to smaller urban centers while in their thirties; immigrants today tend to be older as the time needed to process applications has increased.
- Due to population pyramid demographics Germany, Russia, and Japan were powers of the past and Turkey, Indonesia, Vietnam, Iran and Pakistan are growing faster. This fact has global economic and political implications.
- Differences in countries are due to demographic profiles not behaviours.
- Better customization to individual needs will result in new industries.

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Discussion:

- Q: Why are people not using this way of thinking more often? A: Due to the political cycle it is such that there is no incentive and no need to look at demographics immediately; people in North America have become very short term; looking at the here and now.
- Q: What do we do about pension plans? A: We need to create a public voluntary contribution pension plan, where anyone can contribute as much as they like. It must be public even as both employees and employers contribute. The advantage is that you spread risk over lots of people.
- The Aboriginal population is huge between the ages of 5 and 20; many are coming into the workforce but they do not have the education needed. We must learn to respect aboriginal views and values if we aspire to obtain them as contributors in our economy.
- The issue of consumerism and resource constraints (fresh water) are such that Canada is going to be the last country adversely impacted by resource constraints. With our aging

population, there will be less demand on resources. The major countries making huge demands today will reduce resource demands in the future. The best solution would be to seek new ways of obtaining fresh water from sea water.

- Current issue: We need to encourage elders to spend as they are the wealthiest segment of the population.
- Q: Is the demographic model based on a closed society? A: Yes, but that does not invalidate the model as it exploits the demographic situations in other countries.
- Q: Is hyperinflation a possibility in US? A: Yes, but inflation benefits borrowers and penalizes savers. The only way to save savings is to obtain fixed assets. When the economy turns around the government should then sell government bonds and suck money back into the system.
- Q: What are the hot jobs for Echos? A: In the past, we were focused on the hierarchical structure, with a linear path and kept our careers in the same area. Currently we are moving towards a spiral career path. Where the average person has more than one occupation in life and there is potential for climbing both the hierarchical chain or moving laterally. Due to constant changes in career paths it is better to not make a lifetime investment in education just a starting education.

STATES AND LABOUR MARKETS IN THE CURRENT RECESSION (PANEL DISCUSSION)

Dr. Chris Nicol

Dean of Arts & Science; Dept. of Economics, University of Lethbridge

Major Discussion Points:

- Failures and problems in current markets and current financial situations: lending to the wrong people, the credit of base players, and the value of toxic assets.
- Countries want to protect their domestic economics and ensure there is no leakage of spending into other economies.
- The standard definition of a recession is identified when there is two consecutive quarters of falling real GDP.
- Unemployment rose as GDP recovered in the 1980s.
- Future prospects in the Canadian economy.
 - Run out of monetary funding.
 - Use fiscal policies.
 - Need 2 percent of GDP to move economies from their current situation (fiscal stimulus).
- Encourage restrictions on domestic spending.
- Specialization encouraged, but ignores the fact that there are adjustment costs; as manufacturing becomes more competitive, and developing economies enter the economy, things are getting more difficult.
- Impediments to adjustment include Employment Insurance to facilitate adjustment to the recession. EI is more of a social policy to deal with regional economic disparities; the inherent perversity of the EI program alluded to further restrictions on the reallocation of resources to emerging opportunities and encourages people to stay in areas of high unemployment.
- Use the EI system to stimulate the economy and not by tax cuts. If income is low and one gets a tax cut, there is nothing ensuring one will spend their tax cut.

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Dr. Muriel Mellow
Dept. of Sociology, University of Lethbridge

Major Discussion Points:

- Women are generally less likely to become unemployed than men during recessions as the industries that suffer the greatest losses are where men tend to work.
- Unemployment sectors where women work (service sector) are economically stable. At the same time, women are less likely to be rehired in areas where laid off.
- It is believed that men find it harder to face unemployment as women can return to being home wives. This belief requires scrutiny.
- Job loss can be a greater problem in single parent families; more single parents are mothers. Many more women work part time due to instability.
- Keep an eye on how vicarious employment seems to be shifting.
- Male employment norms and experiences are becoming more feminized due to the possibility of staying home and taking care of the family.
- To what extent does the current recession amplify the trend of vicarious employment?
 - Part time work has actually increased more in Alberta and with regards to labour force experiences; women are more often the ones making due with less. More women are involved in unpaid work around the home. As a result of the recession there will be an equal share in domestic tasks. Birthrates drop in recessions because the means to support a child make it more of a financial risk. Maternity leave jobs are firing individuals more frequently.
- Economic fixes the government has put forward:
 - Gender equity which is poorly monitored.
 - Support for infrastructure gets conceptualized as labour forces, such as construction, and not services; need a balance between service and product job environments.
 - There is no funding to aid in child care which would enable single families to survive and function. Withdrawing children from daycare facilities makes it difficult to find another place in a different daycare facility.
 - Little encouragement for women to enter the work world.
 - Recession is affecting women and men different; transitions times are now open.

Dr. Trevor Harrison
Chair of the Dept. of Sociology, University of Lethbridge &
Interim Director, Prentice Institute for Global Population and Economy

Major Discussion Points:

- Bad regulation over several administrations:
 - Production and Consumption.
 - Modern capitalism involves virtuous cycle of mass consumption of the mass produced goods and services; big consumption requires a constant degree of demand which can be achieved in three ways.
 - 1) Wages (Henry Ford)
 - a) Mass production; assembly line; increase efficiency.
 - b) Increased wages to encourage employees to purchase cars.
 - 2) Public Transfers (Keynes)
 - a) Benefits for those who are permanently/transitionally in the unemployment labour market; putting money in the hands of people who are going to enjoy it.
 - 3) Credit
- An historical precedent for the current economic crisis:
 - John Kenneth Galbraith identified five great causes of the Great Depression:
 - The bad distribution of income.
 - Bad corporate structure.
 - Bad banking structure.
 - Dubious state of foreign balance.
 - Poor state of economic intelligence.
 - Turning specifically to the first cause, income:
 - The gap between the very richest and the very poorest has increased for the past thirty years throughout the world, especially in the United States, but also in Canada as reflected in Gini coefficient measures.
 - The middle class has also lost ground.
 - How is this related to the current crisis? As real wages for unionized workers have stagnated or actually declined, there have been similar downward pressures on the economic circumstances of others, e.g.: union wages decline

→ non-union wages also decline → non-working (public assistance) benefits decline also (concept of “less eligibility”).

- At the same time, the economy needs people to continue to consume and spend; the result has been an increase in easier and easier credit to compensate for declining real wages.

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Discussion:

- The Keynesian Model works best for domestic economies.
- Large exportation is mainly focused in Asian countries.
- What are the effects of women trying to maintain jobs when the numbers of days children attend school remains inconsistent and rapidly declining?
- When choosing policies, what types of things should they be supporting? For example: supporting people living in Newfoundland.
- What would a rational government do at this point?
- Women are increasing their education but in areas that do not lead to powerful positions with a company.
- How do we get money back into people’s hands? What do we want them to be doing?
- Are we headed to a state of constant production with a lack of consumption? The link of economy and social policies. Production policies are currently unsustainable. How you maintain systems of distribution?
- How beneficial is it to be shovelling money into health? Child care and elder care?
- Rather than referring to ‘Goods and Services’ we should focus on ‘Services and Goods’ to shift the way we are thinking about what is important in our economy.

**DIFFERENCES THAT AMPLIFY: AGING, POLICY AND THE ECONOMY IN
CANADA AND THE US**

Dr. Susan McDaniel

Institute of Public and International Affairs &
Family and Consumer Studies, University of Utah

Major Discussion Points:

- Focus on people in midlife 45 to 65; relying on life course perspective, examining how lives look as they enter later life and what shapes their prospects and policy changes in the future; they have older relatives and children of their own.
- Specific focuses:
 - Economic circumstances
 - Rising costs; stagnant wages
 - Took out loans to pay off homes and now they owe more money to the bank than their house is worth.
 - Saving challenges
 - Save money for retirement; difficult to put money away to save and then difficult to manage savings.
 - Spending challenges
 - Income inequalities
 - Politics of inequality affect our very cores: construction of our identities, perceptions of our bodies and our bodies themselves; social exclusions, work organization, social and cultural relations, natural body functions can be shown through physical body images.
 - Affects how we construct public policy and public discourse.
 - 5 Axioms:
 - Social systems and their inequalities.
 - Consequences of advantage are unequally the inverse of disadvantage.
 - Life course shaped by accumulation or risk, resources, and agency
 - Perception of lived life course influences future life course; self-affirmation influences thought processes about how well one does and can do.

- Cumulative inequality; premature mortality (false image of levelling with age) biased sample due to looking at a specific age group disqualifies those who did not make it to that age group.
 - Market and state provisioning
 - Public pension plan in Canada has inflexibilities.
- Key questions:
 - Is population aging an equal challenge across societies?
 - How do micro and macro contexts matter to later life health risks?
- Income Distribution
 - Life expectancy is increasing along with the gap between the rich and poor; living in an area where the rich and poor gap is growing increases all individual's health risks.
- Suicides rise with an increase in life expectancy.
- Healthcare structure impacts views of future health concerns.
- Development of a society can be measured by a nation's health.

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Discussion:

- How does inequality enter into the person?
- Focus on physiological effects of poverty.
- Gender situations and male's health? Why does it seem like males have a declining life expectancy?
- Private or comprehensive public healthcare? Where are we headed and why?
- Senior citizen care privatized or public? Building specific hospitals for elderly persons?
- How flexible and adaptable are we economically?
- Public pension → flexibility to move from one job to another?
- Due to lack of comprehension program what disabilities are created?
- Comprehensive economic advantage to Canada.
- Is the job lock undermining innovation and entrepreneurship?
- Can we go back to the past where families cared for people?
- Concerns of environmental impacts on future health and care for children?

SUICIDE AND THE CHANGING ECONOMY: STRAIGHTFORWARD OR NOT SO SIMPLE?

Dr. Gus Thompson

Institute of Health Economics, Edmonton, AB

Major Discussion Points:

- Focus on comparing “poor” people now vs. Middle class a century ago.
- Aspects of suicide related to social factors.
- Roots of suicide: one starts with being fearful avoidant/suspicious which leads to thoughts of death, suicidal thoughts, plans/serious ideation, suicide attempts and finishes with completed suicide.
- Impeding factors of individual resilience and social environment.
- Social problem index: murder, attempted murder, assault, sexual assault, robbery, suicide, divorce alcoholism. A province that is high in one or the other tends to be high in all of them.
- Social problem index gets higher going from east to west across Canada; changed now due to increase in Quebec.
- Suicide and mental illness:
 - Social problems influence the probability that someone will get a mental illness.
 - Regions that are high on intentional injury are also high on unintentional injury.
- Suicide is associated with employment status. Correlation between income and suicide is positive; the higher the income in the province, the higher the suicide rate.
- Areas that have high social economic status tend to have a high level of social problems; at the same time, individuals with high social economic statuses tend to have low social problems. Supportive home environment result in less chances and probability of suicide.
- Relative age:
 - Perhaps month of birth determines age group which may impact hopelessness.
 - Family factors play a role in self-esteem.
 - Younger students who enter school show a higher likelihood of suicide when compared to older youth who enter school later.
- Child Trauma Index:
 - Females are more likely to get traumatized than males.
- The impacts of the economic downturn:
 - First to be affected are those who are psychologically and socially vulnerable.

- Social structures that maintain personal efficacy.
- In context
 - Rooted in childhood.
 - Nourished by social exclusion.
 - Banished by having a purpose in life, master and agency, and support.
 - The mechanisms that prevent suicide will also prevent other social problems.

Please visit www.prenticeinstitute.com for the PowerPoint presentation.

Discussion:

- Q: Is suicide common among a certain occupation such as farmers? A: Linking it to childhood; growing up on a farm may have resulted in social exclusion.
- Child resiliency: What impacts pessimistic and optimistic views?
- Physical health vs. psychological health? Are you sick?
- How do population shifts impact the relationships seen in the data?

CLOSING COMMENTS

Dr. Susan McDaniel

[Incoming] Prentice Research Chair in Global Population & Economy & Director of the Prentice Institute for Global Population and Economy & Dept. of Sociology, University of Lethbridge and Senior Investigator Institute of Public and International Affairs & Professor, Family and Consumer Studies University of Utah

This has been a stimulating and wide-ranging two days in this second Prentice Institute Dialogue Sessions, creating very promising 'green shoots' for the Prentice Institute's future.

We have learned a great deal about the complex and often counterintuitive relationship of population and economics during the two days. And along the way, shared in open discussion, commonalities and contrasts among disciplines and approaches to questions both within and between disciplines. This fits very well indeed with the mandate of the Prentice Institute. It is truly rare in academe, where ideas are thought to be regularly aired and debated, to have an opportunity like this, away from the quotidian demands of research, teaching, administration and service, to actually sit in a room with space and, above all, time, to discuss and contemplate new ideas and new connections among ideas. This Dialogue Session was, therefore, a delicious treat for all of us here who love to play with ideas.

We learned about the crucial role of policy and innovation in creating crises, particularly food crises, and how support of what seems like a viable nascent industry such as ethanol from corn, can have decidedly unintended consequences. We learned that we can only overlook history and culture at our peril, and that the "marshy bogs of interpretation" matter greatly. Survey, social network and quantitative research can be complemented by historical, cultural and qualitative research, and indeed must be, to gain full insight and understanding. We were enlightened on the great, never-ending debate between sociology and economics and how both must be gendered for true understanding of economic crises as lived. The fundamental, underlying importance of demographic shifts in age structure to almost everything was made clear in the University Address by David Foot. We learned that growing socio-economic inequalities can have effects on health and well-being. And we were informed on the complex relationship of economic stress to suicide, and how at the aggregate level, high socio-economic status co-exists with more social problems but the relationship is the opposite at the individual level.

What emerges from this Dialogue Session that may guide the work of the nascent Prentice Institute? Perhaps a couple of themes are worthy of mention. First, there is a clear need for systematic, truly multi-disciplinary, multi-method studies of population in association with economic change across many levels and dimensions. Second, there is value – often big pay off value – in following leads, in serendipity. Third, we might seek workable models of think-tanks or other institutes that have been successful. One that comes to my mind is the Perimeter Institute at the University of Waterloo, which ostensibly focuses on theoretical physics, but in the process considers many “big issue” topics. Key to its success is the bringing together of the best minds and giving them space to connect and play with ideas. The architecture of the Perimeter is enabling to this with conversation nooks in stairwells and elsewhere where people are invited to just chat. The Prentice Institute offers a unique opportunity to bring the best and brightest minds to bear on our key questions. This Dialogue Session convinces me that there is a very bright future for the Prentice Institute. I am immensely excited that I will be part of that future and the adventure it holds.

In closing, the organizers of this Dialogue and their supporters must be truly and fully thanked: Trevor Harrison and Deirdre Coburn in particular, of course, for their instrumental roles and hard work but, so many others played a role and should be thanked as well: Chris Nicol, Andy Hakim, and Heather Prentice for their strong support and ongoing interest, all the presenters for their willingness to share their thoughts and insights, to all of you for your participation. And for help with note-taking and our PowerPoint, Aliya Lalani, and to the caterers for the delicious food and snacks. If I have omitted anyone, it is not intentional.

A wonderfully engaging two days. Thank you!

BIOSKETCHES

David K. Foot

David K. Foot, Professor of Economics at the University of Toronto, is co-author of the best-selling books *Boom Bust & Echo: How to Profit from the Coming Demographic Shift* and *Boom Bust & Echo: Profiting from the Demographic Shift in the 21st Century*. His interests lie in the interrelationships between economics and demographics and their implications for both private and public policies. Prof. Foot is a two-time recipient of the University of Toronto undergraduate teaching award and a recipient of one of the nationwide 3M Awards for Teaching Excellence.

Trevor Harrison

Trevor Harrison was born and raised in Edmonton. He holds a B.A. from the University of Winnipeg, an M.A. from the University of Calgary, and a Ph.D. in sociology from the University of Alberta. He is currently Professor and Chair of the department of sociology at the University of Lethbridge and Interim Director of the university's Prentice Institute for Global Population and Economy.

Heidi MacDonald

Heidi MacDonald is an associate professor in the Department of History at the University of Lethbridge. She teaches and studies post Confederation Canadian history and has special interests in Atlantic Canada, gender, the Catholic Church, the development of the social welfare state, youth, and the Great Depression.

Susan McDaniel

Susan McDaniel is a former Alberta resident who was most recently a Senior Investigator at the Institute of Public and International Affairs and Professor of Family and Consumer Studies at the University of Utah. Her extensive research, publishing and teaching record reflects her varied interests and research on demographic aging, generational relations, family change and the social impacts of technology.

Muriel Mellow

Dr. Muriel Mellow is a sociologist whose research focuses on work and gender, with a particular interest in the topics of professional work, volunteer work, the balance between paid work and family responsibilities, and how work comes to be defined. She has taught in the Department of Sociology at the University of Lethbridge since 2000. Her book, *Defining Work* (2007) is published by McGill-Queen's University Press.

Chris Nicol

Christopher Nicol was appointed Dean of the Faculty of Arts and Science and Professor of Economics at the University of Lethbridge in July, 2001. Dr. Nicol has continued to conduct research in the area of applied micro-econometrics. Specifically in applied consumer behaviour, inequality measurement and inter-personal comparisons of well-being. Currently, Dr. Nicol's research interests also include applications of shrinkage estimation to various economic problems.

William Ramp

William Ramp teaches in the Department of Sociology at the University of Lethbridge. His interests are in cultural history, the formation of individual and collective identities and collective moral agency, and the history of sociological theory.

Angus H. Thompson

Gus is currently with the Institute of Health Economics. Prior to this he was the Suicidologist at the Alberta Centre for Injury Control & Research and Associate Professor of Public Health Sciences at the University of Alberta. Earlier experience includes service as a clinical psychologist, Senior Manager with the Alberta Community Mental Health System, Alberta representative on the Federal/Provincial Working Group on the Mental Health of Children & Youth, and Vice-President of the Canadian Association for Suicide Prevention. His training in psychology was taken at the University of Calgary and the Institute of Psychiatry (University of London).

Alfons Weersink

Alfons Weersink is a professor in the Dept of Food, Agricultural and Resource Economics (FARE) at the University of Guelph. He obtained an undergraduate degree from Guelph, a MSc from Montana State University and a PhD from Cornell University. His research focuses on the effect of new technology and government policy on farmer decisions and the structure of the agri-food sector.

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The Differential Demographic Impacts of the Food Crisis

Alfons Weersink

2nd Annual Dialogue Sessions:
Demographics and Hard Times

The Prentice Institute
Lethbridge, AB

May 15, 2009

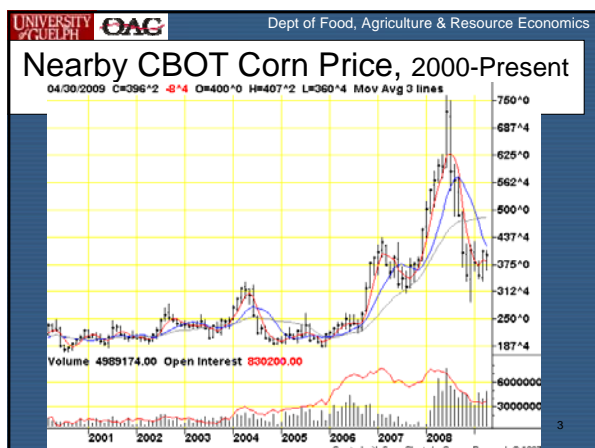
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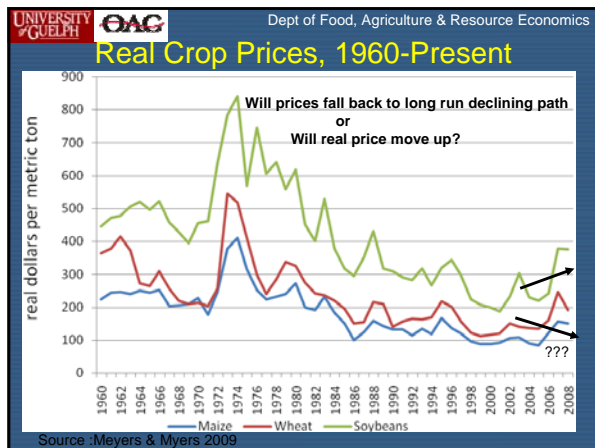
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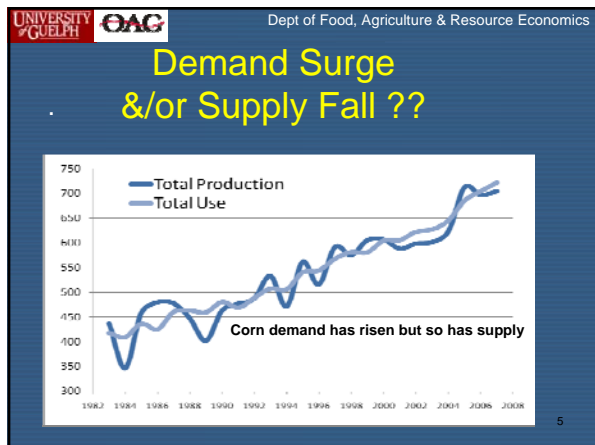
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Tight Market Conditions

- Demand growing faster than supply has lowered stock levels
- Stock/use ratio related to prices but response is asymmetric

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Drivers of Crop Price Increase

- Tight stock levels were the foundation for price increase but what changed?
- Supply Factors
 - Weather problems in major exporting countries
 - Falling yield increases
 - Trade restrictions
- Demand Factors
 - Depreciating US\$
 - Speculative behaviour
 - Growing income in developing countries
 - Biofuels

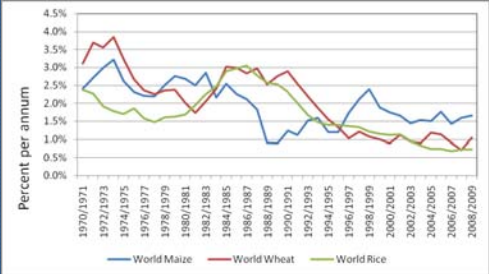
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Supply Factors

- Slowing yield growth



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Supply Factors

- Slowing yield growth
- Fall in area planted
- Weather problems in major exporting countries
- Most of these supply factors are temporary shocks

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Supply Factors- Trade Restrictions

- Many exporting countries reduced supply on the world market through trade restrictions
 - Export taxes
 - Argentina (soybeans, wheat, corn), Russia (wheat), Kazakhstan (wheat, veg. oil), Indonesia (palm oil)
 - Export bans
 - Ukraine (wheat), Egypt, Vietnam, Cambodia, Indonesia (rice)
 - Export subsidies eliminated
 - China (cereals)
- Government acting as public speculators pushed prices up particularly for wheat and rice

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Demand Factors- Depreciating US \$

- Most commodities are priced on the US\$ but purchased in local currency
- The depreciation of the US\$ made these goods more affordable


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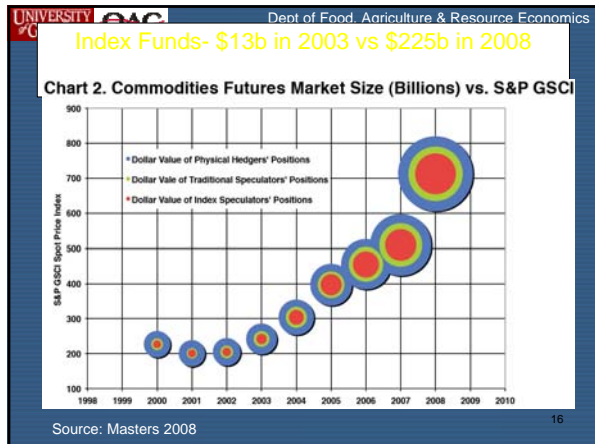
Ratio of US\$/Euro

Price history - /EURUS (1/1/2006 - 5/1/2009)



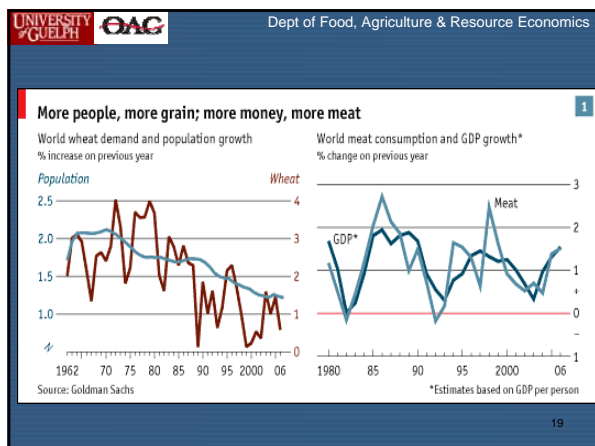
Source: <http://moneycentral.msn.com/investor/charts>

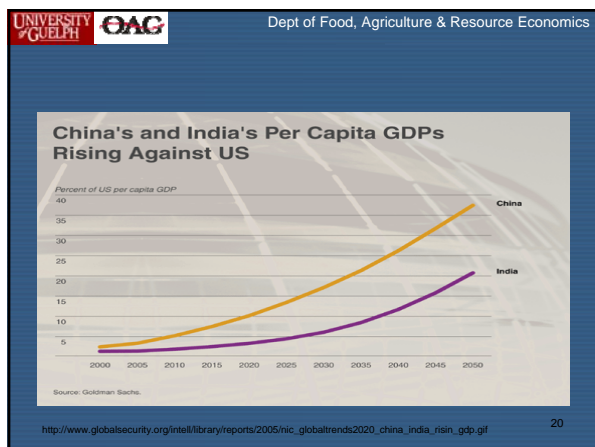
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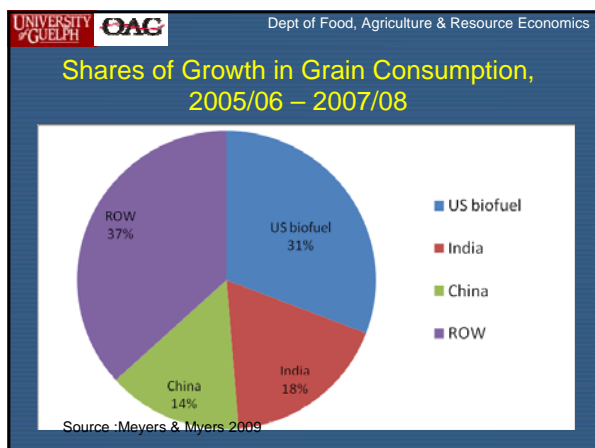


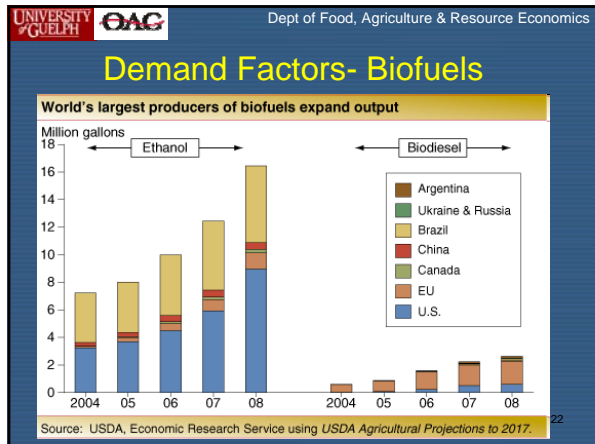
- UNIVERSITY OF GUELPH OAC Dept of Food, Agriculture & Resource Economics
- ### Hot Money Attracts Hot Money
- A speculative bubble is possible even if price boom originated on fundamentals
 - Major bull markets begin on fundamentals but often end in a speculative frenzy
 - Speculation played a part at the end of the boom/bust
 - Still questions about the dramatic changes within days
- 17

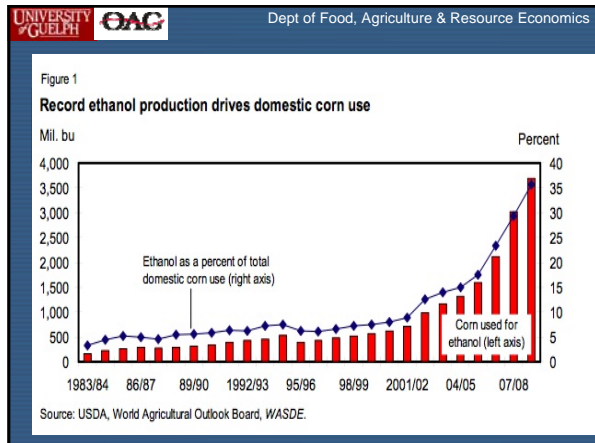
- UNIVERSITY OF GUELPH OAC Dept of Food, Agriculture & Resource Economics
- ### Demand Factors- Emerging Economies
- Increasing wealth in China, India, Russia and Brazil has driven demand for various commodities.
 - 50 million added to middle class annually.
 - Annual GDP growth 3xs world average in last decade for China and India
 - These consumers are consuming more food and shifting their diet toward more protein
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Demand Factors- Biofuels

- Primary motivation for government support was:
 - Increase farm income
 - Reduce GHGs
 - Reduce reliance on imported oil (US)
- Types of programs
 - Blend subsidies, import tariffs and mandates
 - i.e. US Renewable Fuel Standard (RFS) Energy Independence & Security Act
 - will increase US production 4 fold.

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Demand Factors- Biofuels

- Current biofuel mandates will require in the future
 - 1/3 of cereal land in US and Canada
 - 1/2 of cereal, oilseeds, and sugar beets in EU
- Corn used primarily for:
 - Livestock feed
 - Food ingredient
 - Ethanol
- Each user of corn has a maximum bid price before they switch to an alternative or shut-down.
- Ethanol is now the marginal user of corn.


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Linkage between Energy Price and Corn Price



Crude Oil

↓


Gasoline

↓

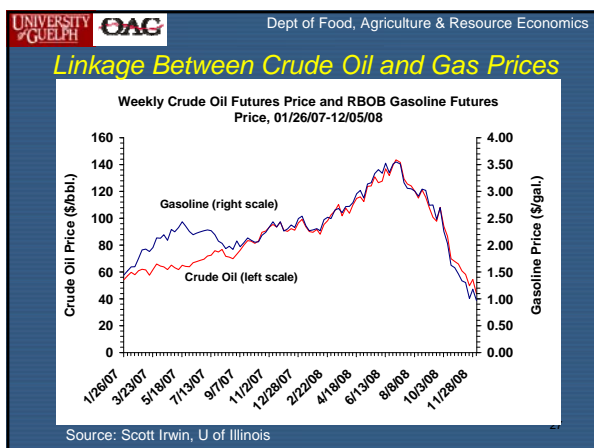
Ethanol

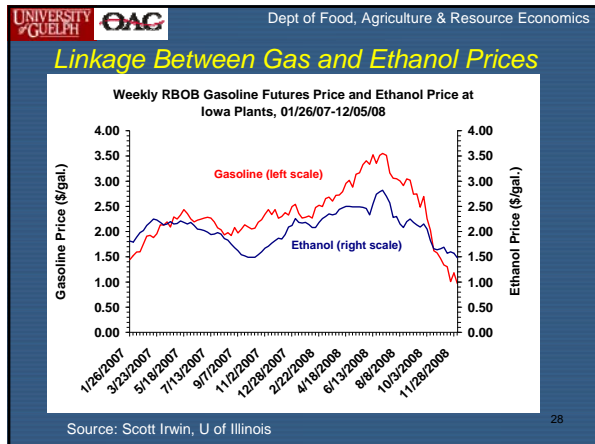
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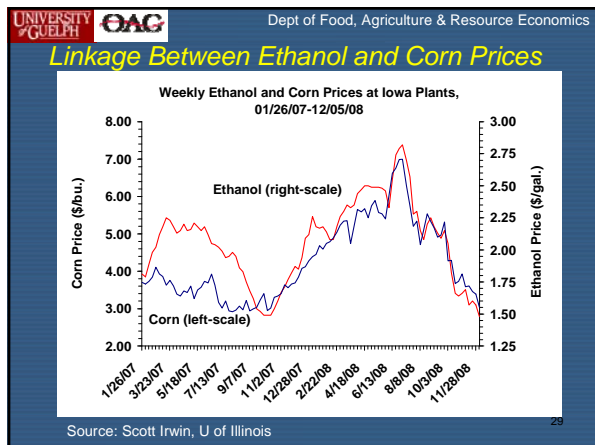
Corn



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Demand Factors- Biofuels

- Biofuel policy and high oil prices have established a biofuel industry
- There is now a linkage between energy prices and corn prices.
 - a) Oil price > gas price
 - b) gas and ethanol are substitutes
- Mandates put a floor on corn prices
- Higher energy prices will pull up corn prices
 - Higher energy prices will not push up crop prices

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Demand Factors- Biofuels

Price of Oil (\$/barrel)	Price of Corn (\$/tonne)	
	Without Policies	With Policies
\$40	\$115	\$145
\$100	\$140	\$160

Source FAPRI, 2009

On average, corn prices 15-25% higher due to biofuel policies

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Persistence of Factors

Factors	Persistence
<i>Supply</i>	
Yield/production	Temporary/Uncertain
Trade restrictions	Temporary/Uncertain
<i>Demand</i>	
US\$/Oil	Uncertain
Speculators	Temporary
Emerging Economies	Persistent
Biofuels	Persistent

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Crop Price Projection

- Tight stocks made commodity markets susceptible to the demand and supply shocks that came together in late 2006.
- Agricultural commodity prices likely to be stronger than historical standards.
- The markets will definitely be more volatile

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Crop Prices >> Food Crisis???

- Impact of crop prices on retail food prices depends on the farmer share of the food dollar.
- Effect of food inflation depends on the share of income spent on food.
- The impacts vary with demographics.

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Canadian Food Crisis???

- Farmer share of food dollar in Canada is around 20%.
- Share of disposable income is 10%.
- Biggest costs affecting food prices are energy and labour.
- Crop prices are not the same as food prices

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Rising Crop Prices- Domestic Effect

Average annual income	\$50,000
10% of income spent on food	\$ 5,000
20% of food budget is the farmer share	\$ 1,000

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Rising Crop Prices- Domestic Effect

Average annual income \$50,000

After (Before) Doubling of Farmer Prices:

	Before	After
Farmer Share goes to \$2,000		
12% 10% of income spent on food	\$5,000	\$6,000
33% 20% of food budget is farmer share	\$1,000	\$2,000

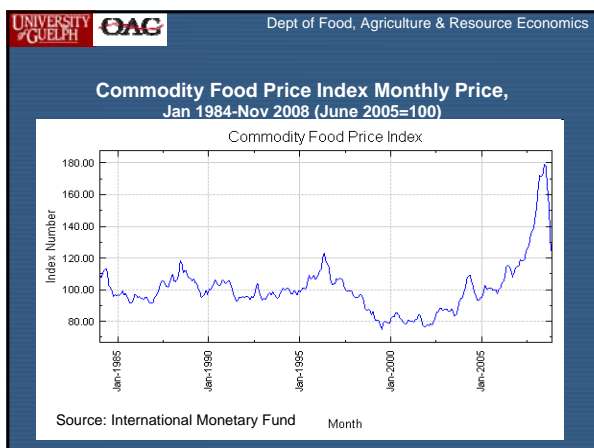
- Doubling all farmer prices (including livestock) would increase the share of income spent on food to 12% (\$6,000)
- 30% increase in price of corn increases household food expenditures by 1.3% (CARD, Iowa State U)

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Rising Crop Prices- Canadian Effect

- Minimal food inflation last year; <5%
 - Canadian dollar
 - Competition at retail level
- Some noticeable effect for products with high farm value (ie. flour, pastries)
- Most noticeable impact due to energy price increases



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Rising Crop Prices- International Effect

Average annual income		\$750
<u>After Before Doubling of Crop Price</u>		
40% 60% of income for other expenses	\$450	\$300
60% 40% of income spent on food	\$300	\$450
67% 50% of food budget spent directly on crop staples (i.e. rice)	\$150	\$300

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Significant Impact on Urban Poor in Developing Countries

- The food crisis (was) is a continuation of hunger problems faced by many low income countries
 - Not localized due to harvest failure or wars
- 1 billion live on \$1/day
 - absolute poverty benchmark
- 1.5 billion live on \$1-\$2/day
 - 20% food price increase could push 100 million into poverty
- Food inflation wiped out gains in reducing poverty
 - Urban-poor households hardest hit.

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Food Riots in Many Developing Countries


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Significant Benefits to Rural Poor in Developing Countries

- Farmers were able to benefit from higher prices
- Countries with large share of rural population prospered.



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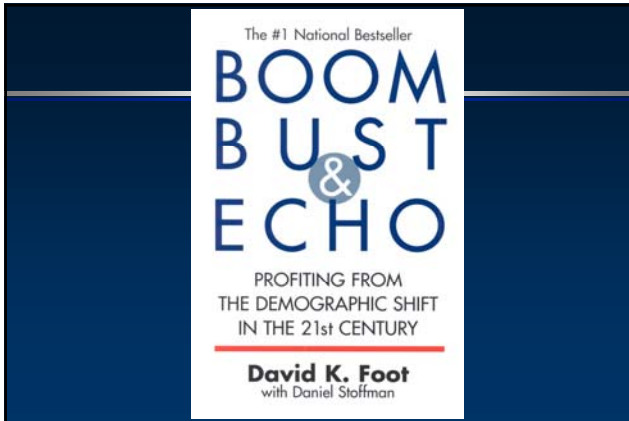
Summary

For poor, urban households in developing countries→
Crop price are the same as food prices

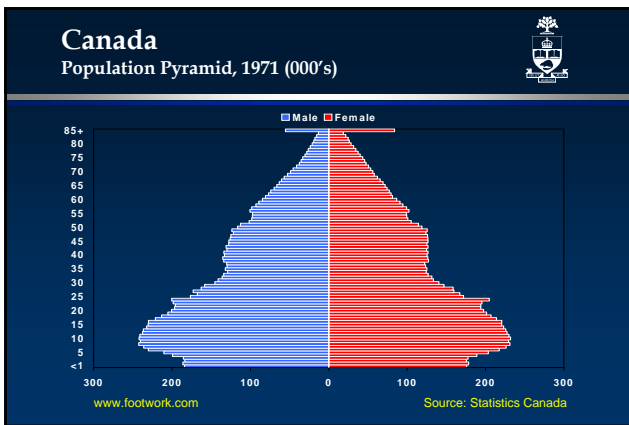
For the Canadian households →
Food prices are weakly related to crop prices

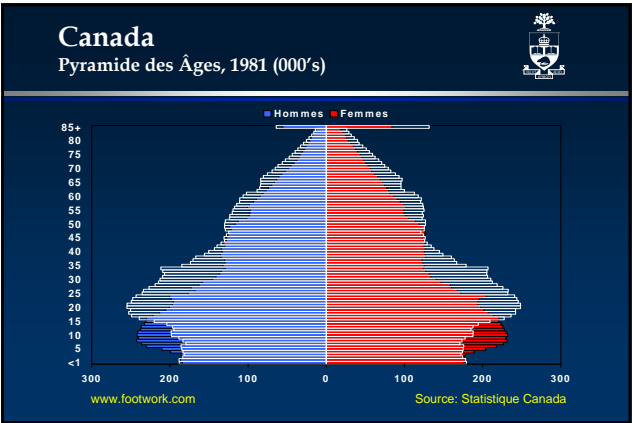
Demographics influence crop price impacts

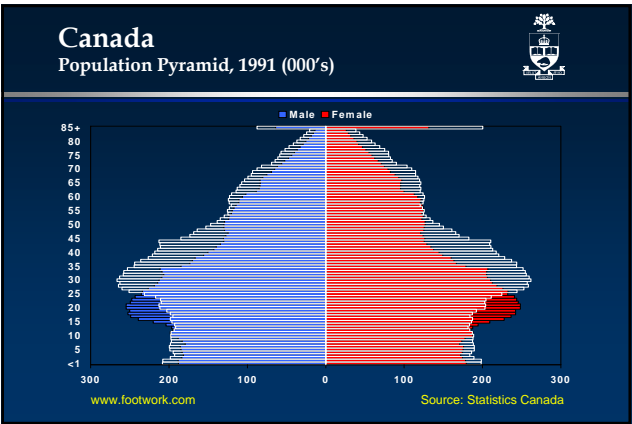
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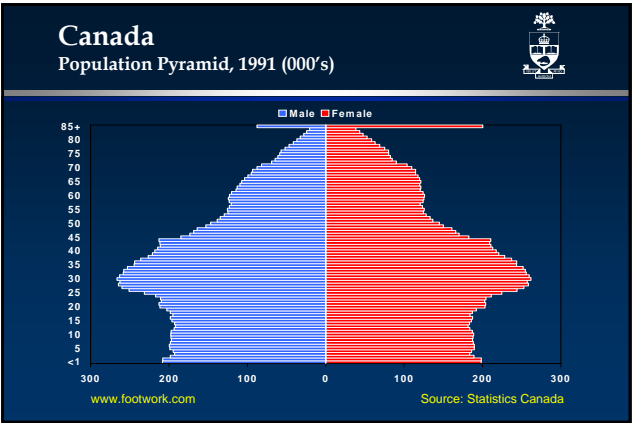






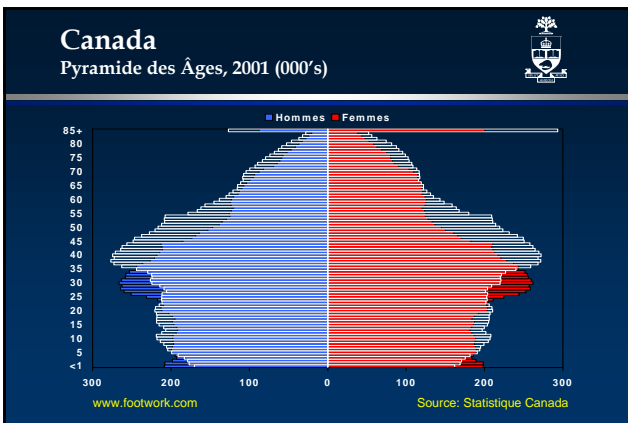


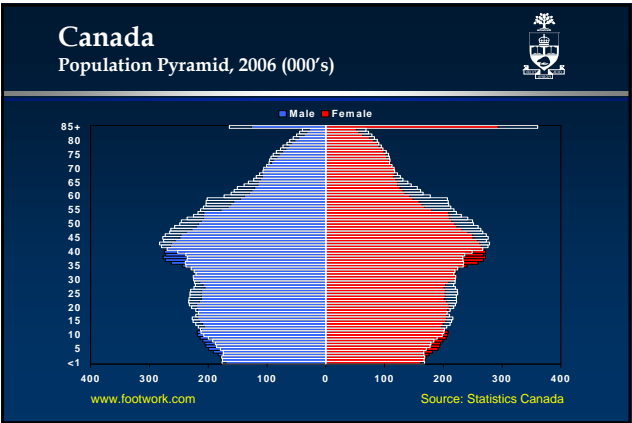


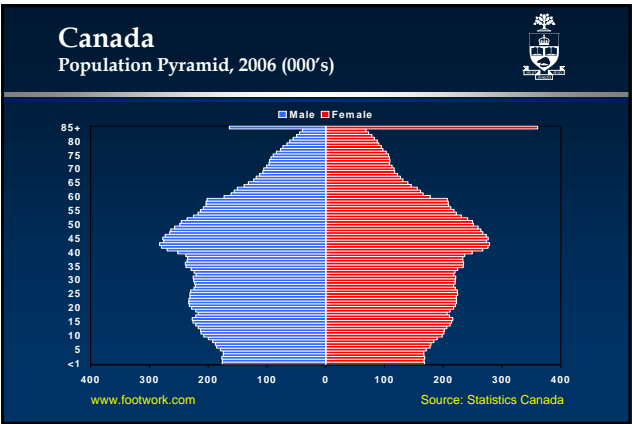


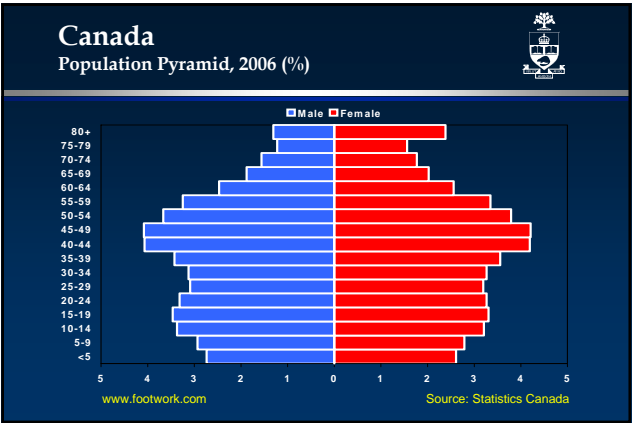






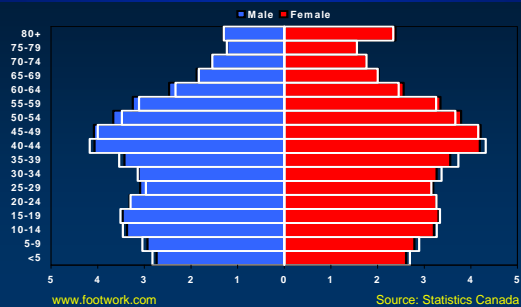






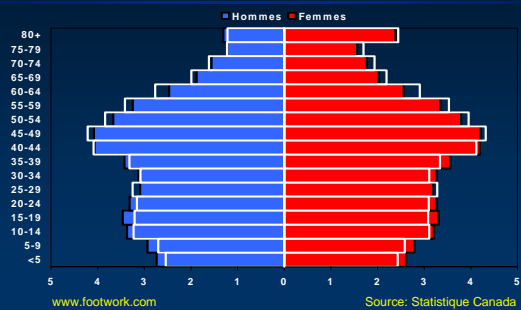
Ontario

Population Pyramid, 2006 (%)



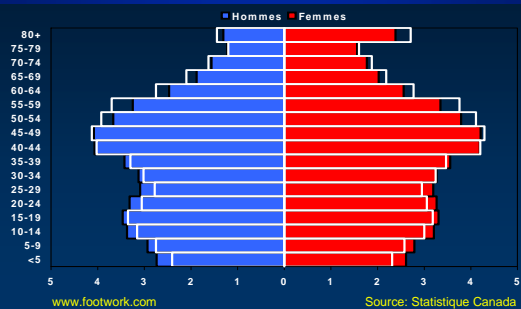
Québec

Pyramide des Âges, 2006 (%)



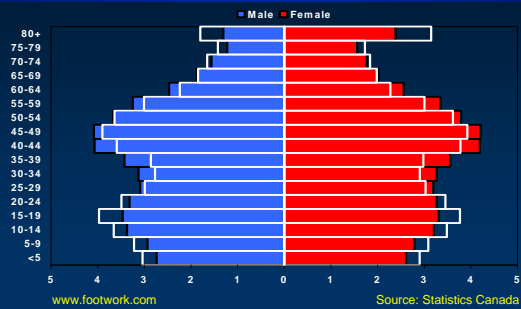
New Brunswick

Pyramide des Âges, 2006 (%)



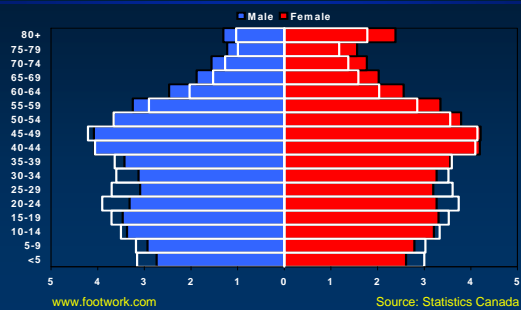
Saskatchewan

Population Pyramid, 2006 (%)



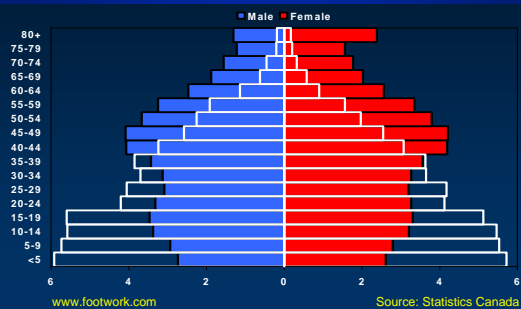
Alberta

Population Pyramid, 2006 (%)

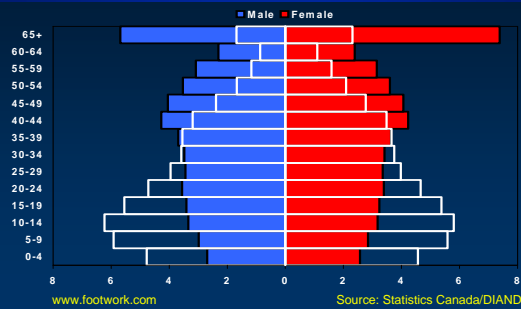


Nunavut

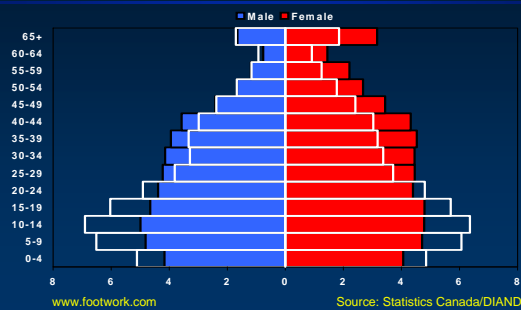
Population Pyramid, 2006 (%)



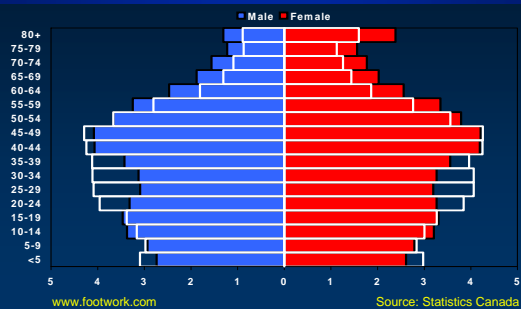
Alberta, Aboriginal Population Pyramid, 2005 (%)

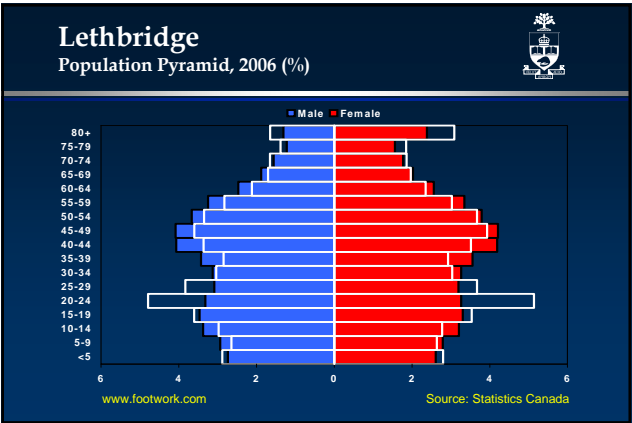


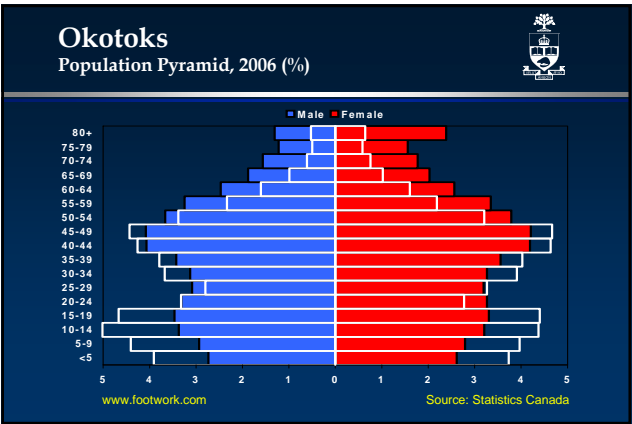
Alberta, Aboriginal On vs. Off Reserve, 2005 (%)

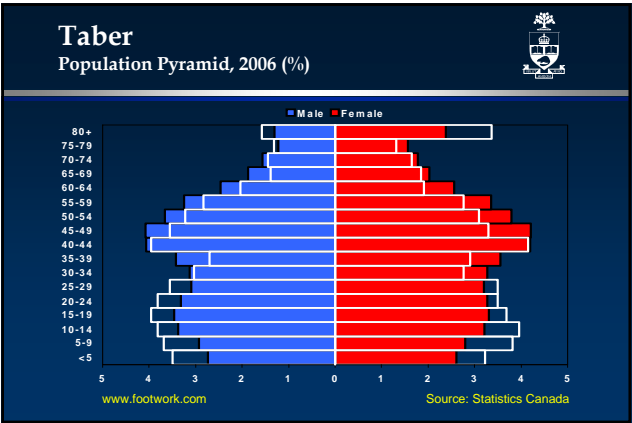


Calgary Population Pyramid, 2006 (%)



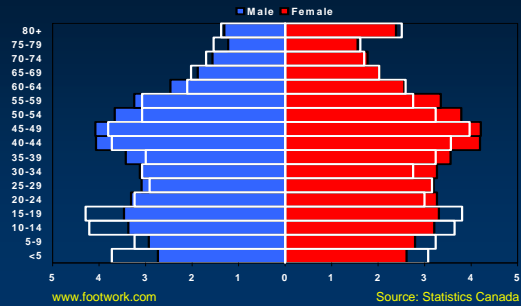






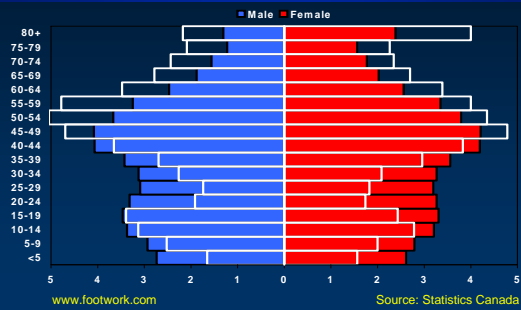
Coaldale

Population Pyramid, 2006 (%)



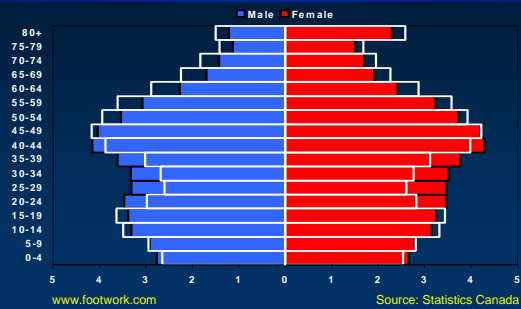
Crowsnest Pass

Population Pyramid, 2006 (%)



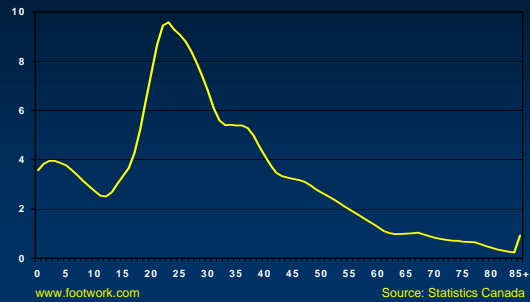
Rural vs. Urban

Canada, Population Pyramid, 2006 (%)



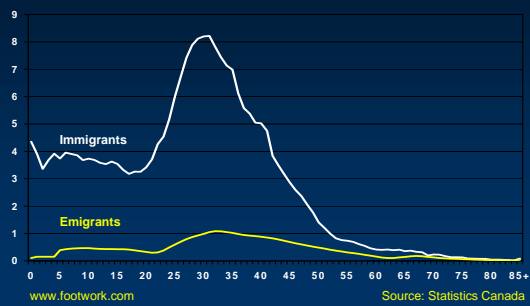
Interprovincial Migration

Canada, 2005 (000's)



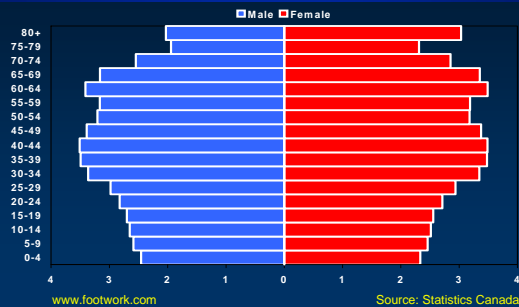
International Migration

Canada, 2000-05 (000's)

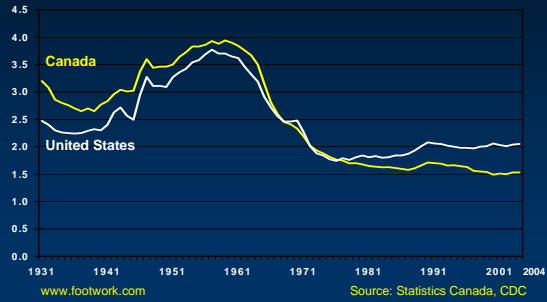


Canada

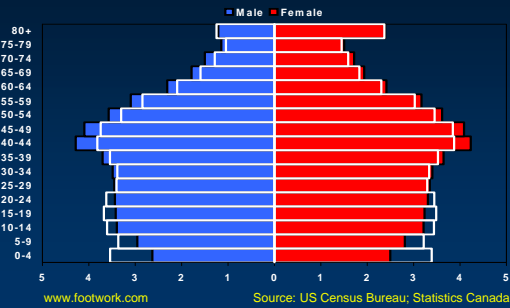
Population Pyramid, 2026 (%)



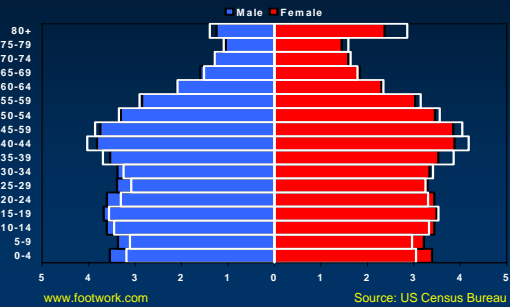
Fertility Rates 1931-2004 (children per woman)



United States Population Pyramid, 2005 (%)

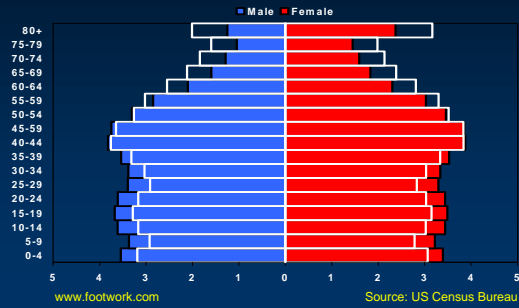


Massachusetts Population Pyramid, 2005 (%)



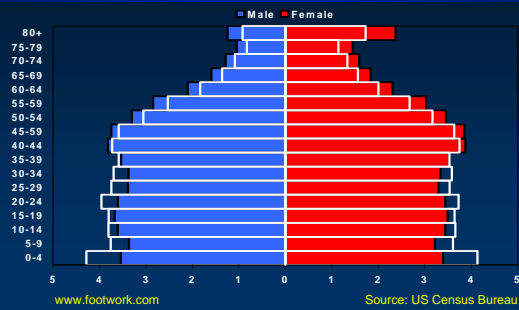
Florida

Population Pyramid, 2005 (%)



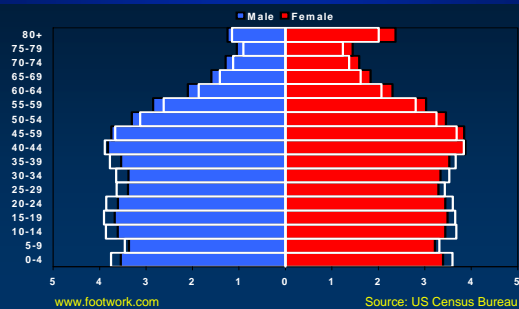
Texas

Population Pyramid, 2005 (%)

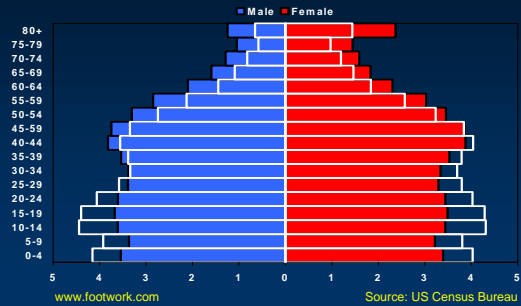


California

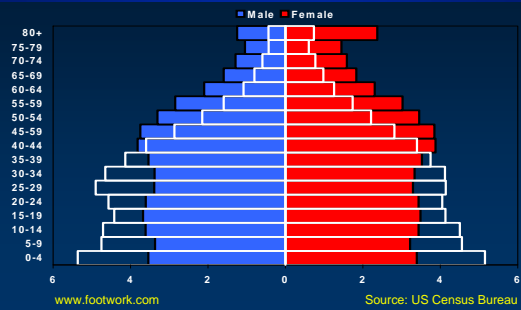
Population Pyramid, 2005 (%)



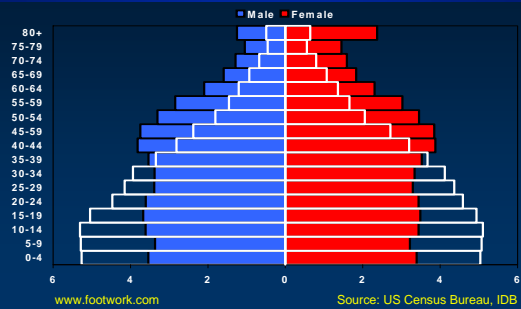
United States Black Population Pyramid, 2005 (%)



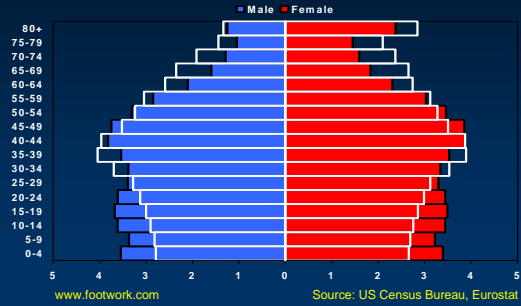
United States Hispanic Population Pyramid, 2005 (%)



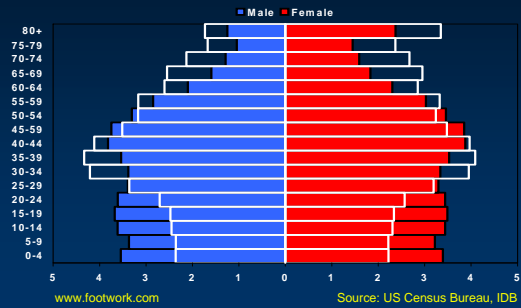
Mexico Population Pyramid, 2005 (%)



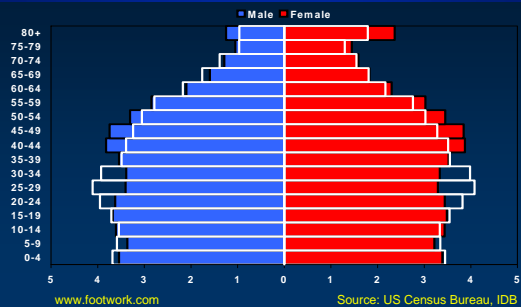
Western Europe Population Pyramid, 2005 (%)



Italy Population Pyramid, 2005 (%)

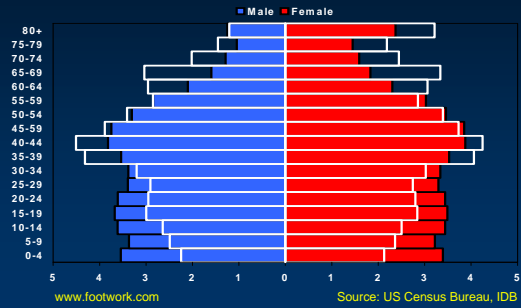


Ireland Population Pyramid, 2005 (%)



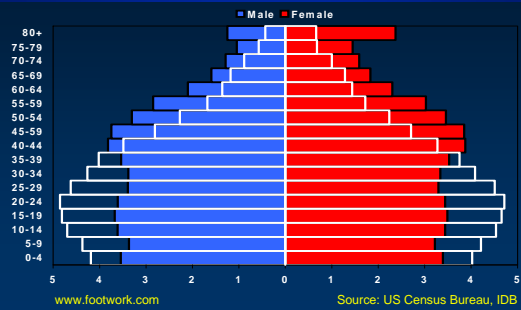
Germany

Population Pyramid, 2005 (%)



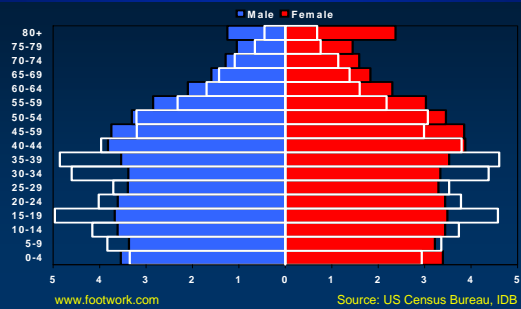
Turkey

Population Pyramid, 2005 (%)



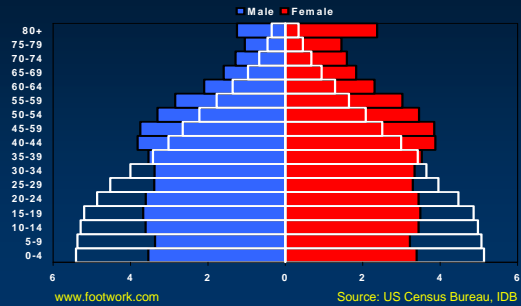
China

Population Pyramid, 2005 (%)



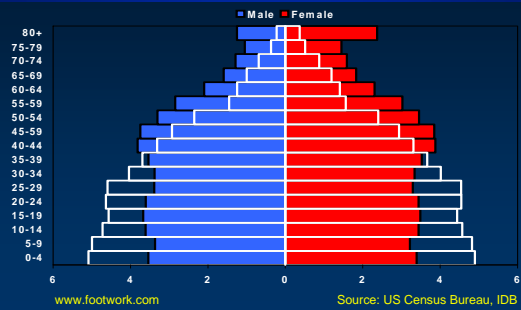
India

Population Pyramid, 2005 (%)



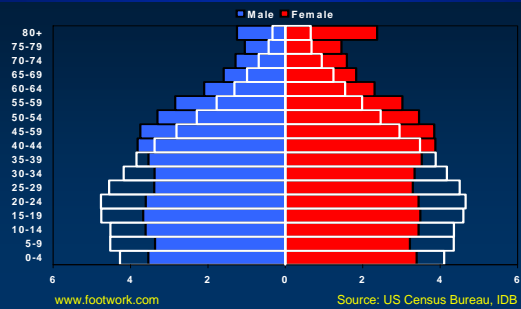
Indonesia

Population Pyramid, 2005 (%)



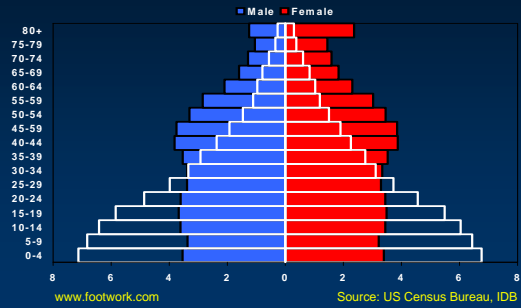
Brazil

Population Pyramid, 2005 (%)



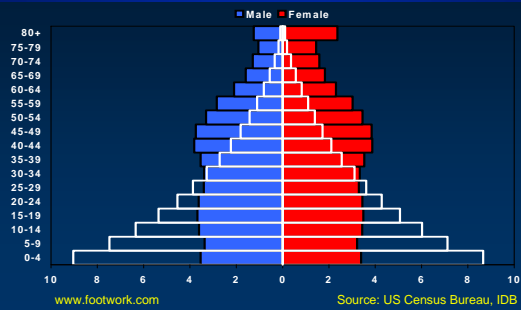
Pakistan

Population Pyramid, 2005 (%)



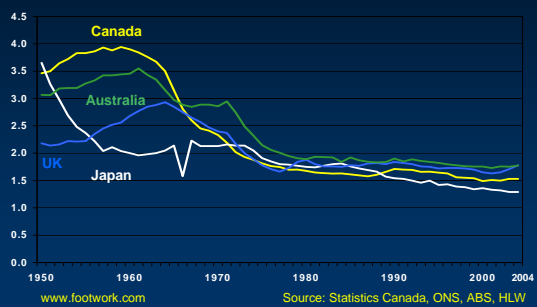
Afghanistan

Population Pyramid, 2005 (%)

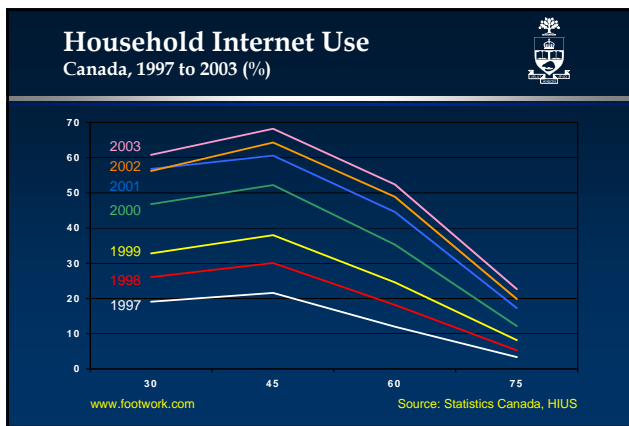


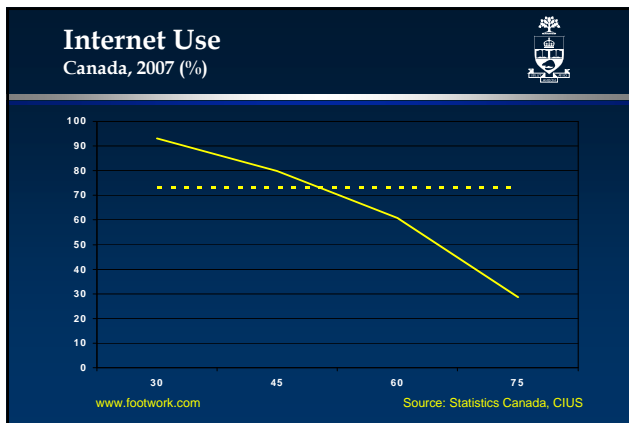
Fertility Rates

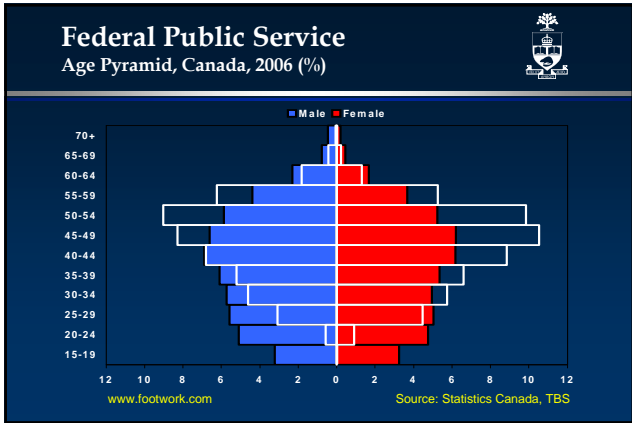
1950-2004 (children per woman)



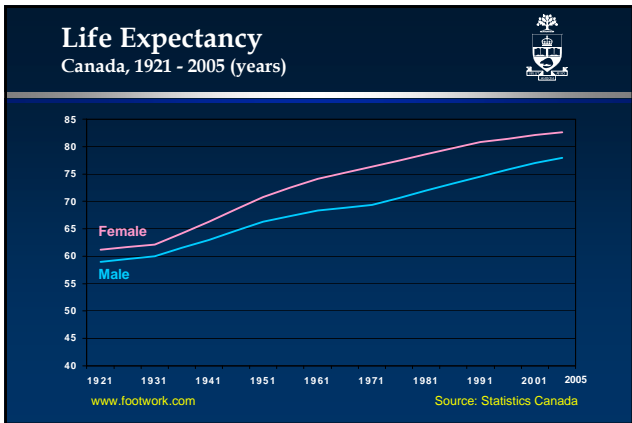






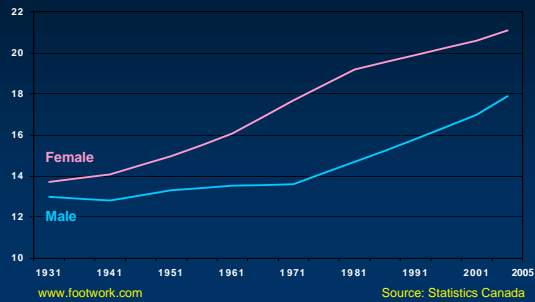






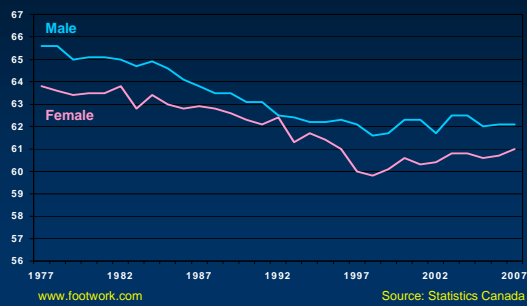
Life Expectancy at 65

Canada, 1931 - 2005 (years)



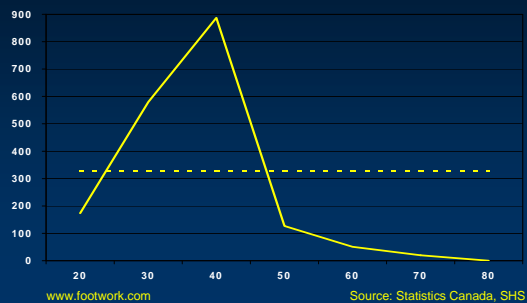
Age of Retirement

Canada, 1977 - 2007 (age)



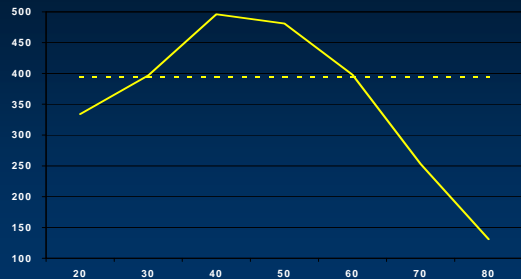
Child Care

Canada, 2006 (\$/year)



Pet Care

Canada, 2006 (\$/year)



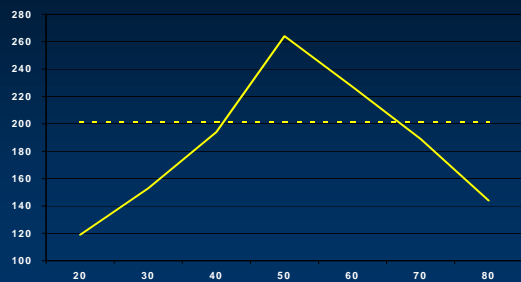
www.footwork.com

Source: Statistics Canada, SHS



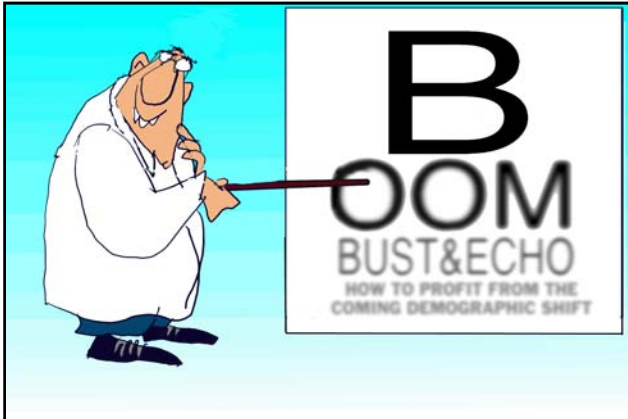
Eye Care

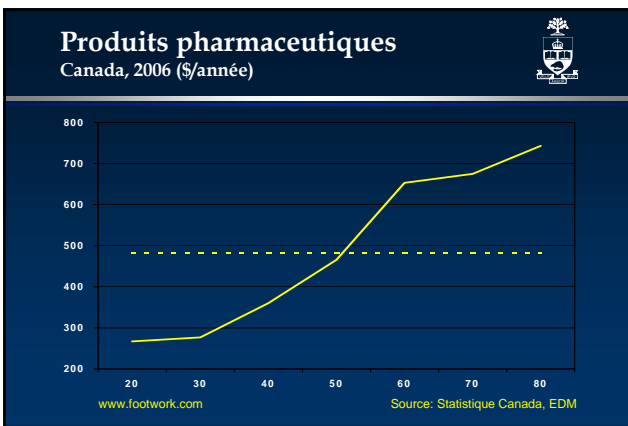
Canada, 2006 (\$/year)

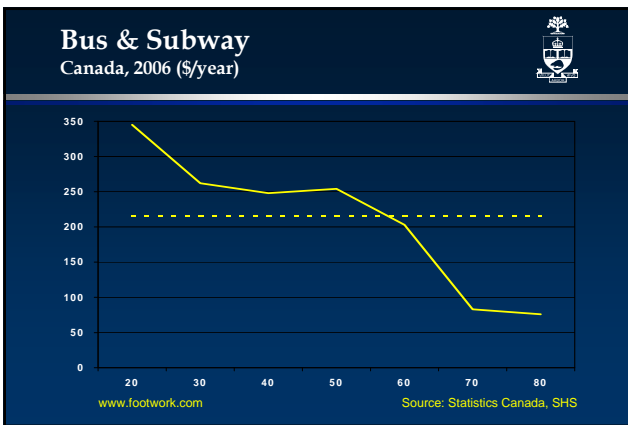


www.footwork.com

Source: Statistics Canada, SHS

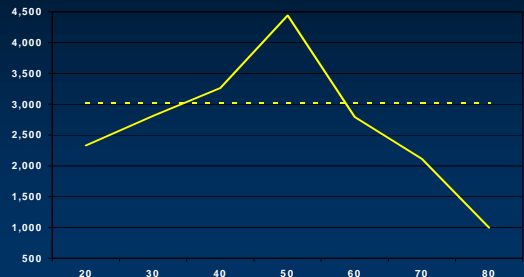






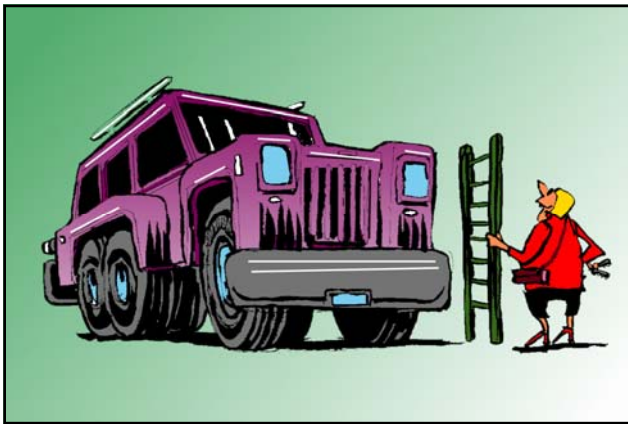
Vehicle Purchase

Canada, 2006 (\$/year)



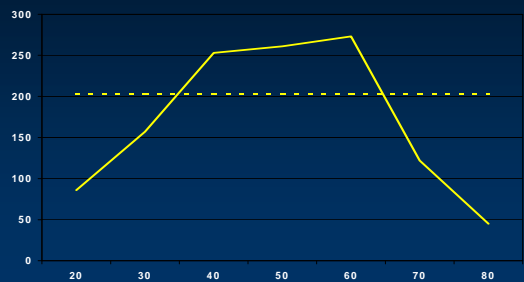
www.footwork.com

Source: Statistics Canada, SHS



RV Operation

Canada, 2006 (\$/year)

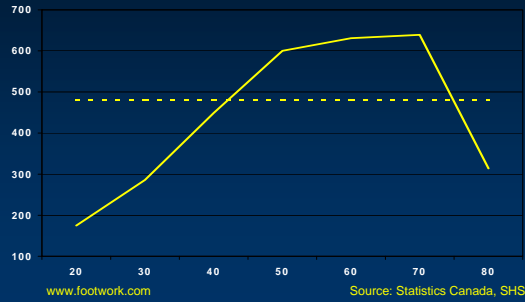


www.footwork.com

Source: Statistics Canada, SHS

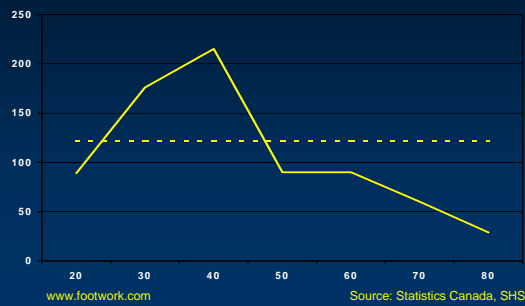
Package Travel Tours

Canada, 2006 (\$/year)



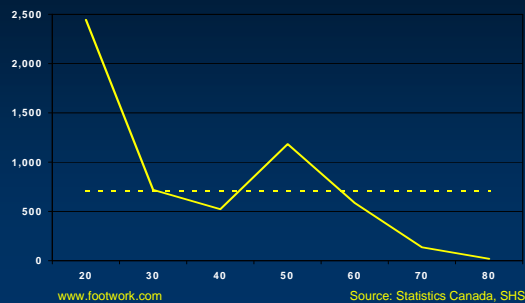
Toys

Canada, 2006 (\$/year)



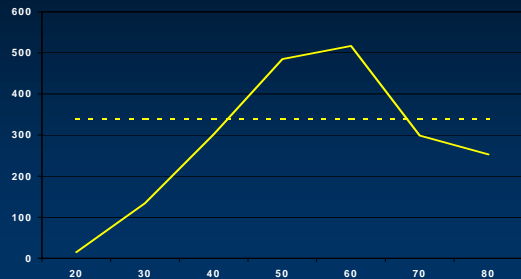
Postsecondary Tuition

Canada, 2006 (\$/year)



Vacation Home

Canada, 2006 (\$/year)

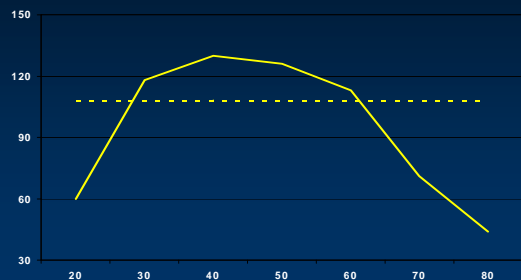


www.footwork.com

Source: Statistics Canada, SHS

Books

Canada, 2006 (\$/year)

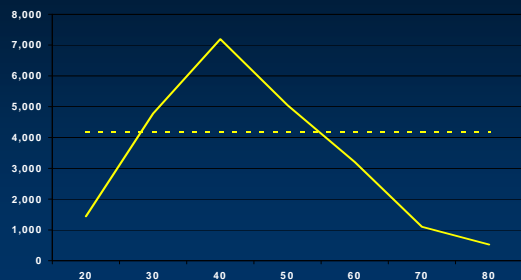


www.footwork.com

Source: Statistics Canada, SHS

Mortgage Payments

Canada, 2006 (\$/year)

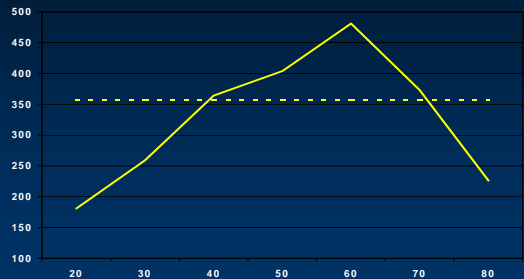


www.footwork.com

Source: Statistics Canada, SHS

Financial Services

Canada, 2006 (\$/year)

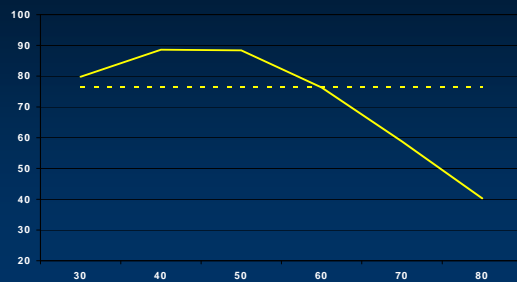


www.footwork.com

Source: Statistics Canada, SHS

Debt

United States, 2004 (%)

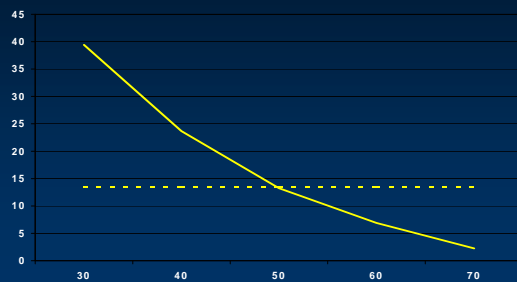


www.footwork.com

Source: Federal Reserve Board, SCF

Debt-Asset Ratio

Canada, 2005 (per \$100)

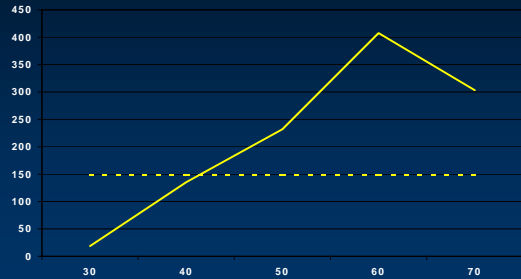


www.footwork.com

Source: Statistics Canada, SFS

Net Worth

Canada, 2005 (\$ 1,000s)

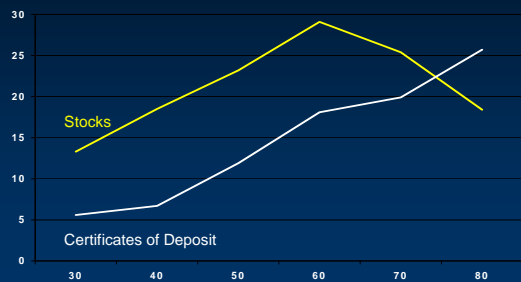


www.footwork.com

Source: Statistics Canada, SFS

Stocks & Certificates of Deposit

United States, 2004 (%)

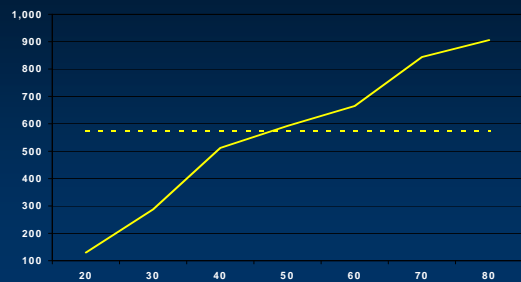


www.footwork.com

Source: Federal Reserve Board, SCF

Charitable Contributions

Canada, 2006 (\$/year)

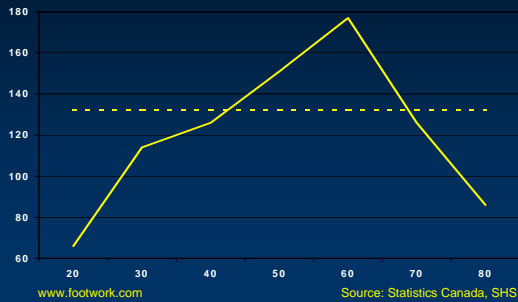


www.footwork.com

Source: Statistics Canada, SHS

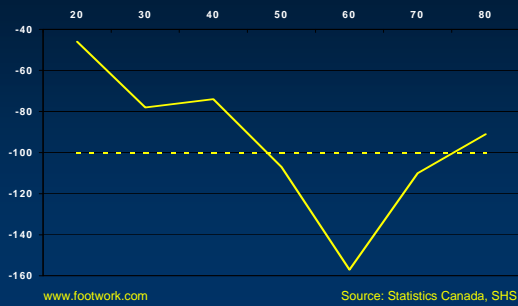
Casinos, Slots & VLTs

Canada, 2006 (\$/year)



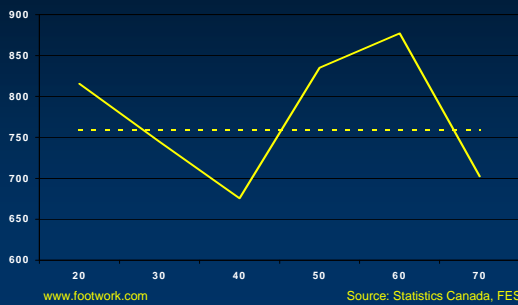
Winnings

Canada, 2006 (\$/year)



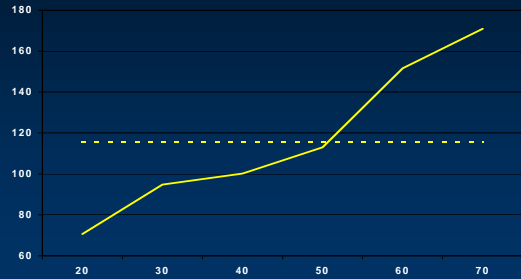
Restaurant Food

Canada, 2001 (\$/person/year)



Fresh Fruit

Canada, 2001 (\$/person/year)

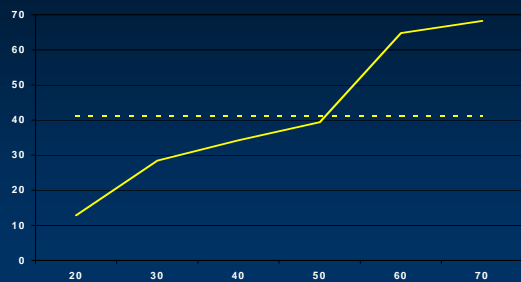


www.footwork.com

Source: Statistics Canada, FES

Fish

Canada, 2001 (\$/person/year)

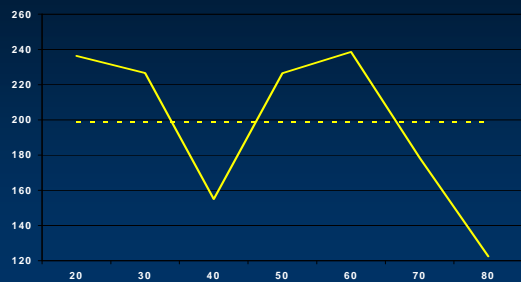


www.footwork.com

Source: Statistics Canada, FES

Alcoholic Beverages

USA, 2006 (\$/person/year)

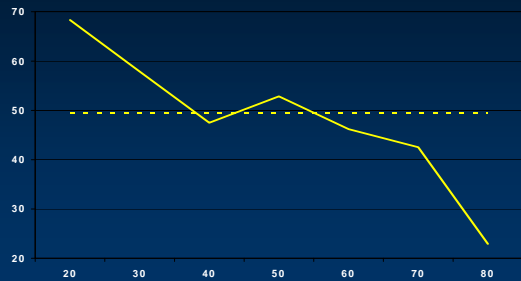


www.footwork.com

Source: Bureau of Labor Statistics, CEX

Beer

USA, 2006 (\$/person/year)

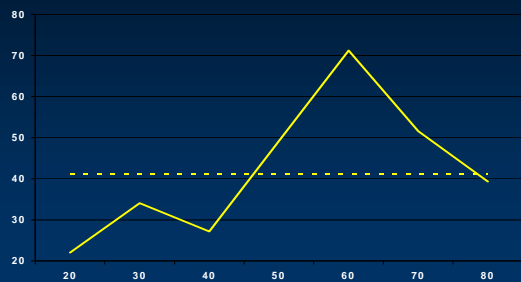


www.footwork.com

Source: Bureau of Labor Statistics, CEX

Wine

USA, 2006 (\$/person/year)

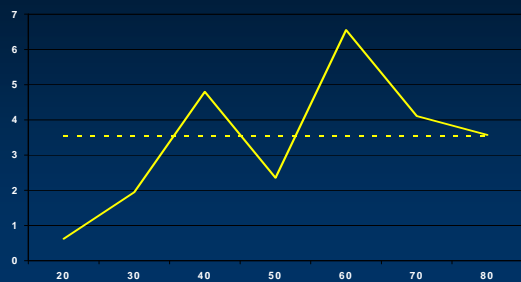


www.footwork.com

Source: Bureau of Labor Statistics, CEX

Whiskey

USA, 2006 (\$/person/year)

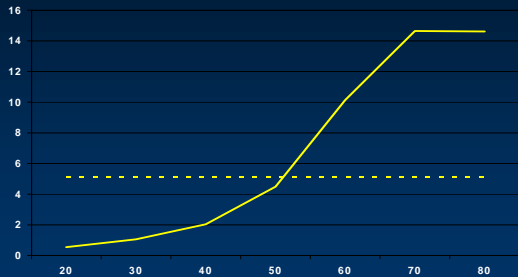


www.footwork.com

Source: Bureau of Labor Statistics, CEX

Diabète

Canada, 2005 (%)

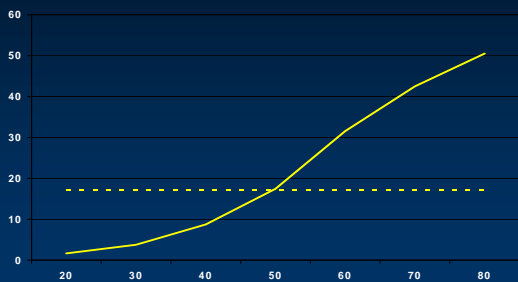


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Source: Statistique Canada, ESCC

Arthritis or Rheumatism

Canada, 2005 (%)



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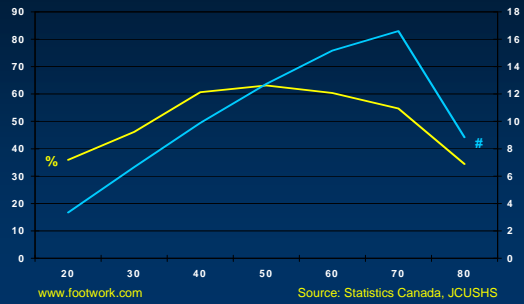
Source: Statistics Canada, CCHS

Bird Watching Takes Flight



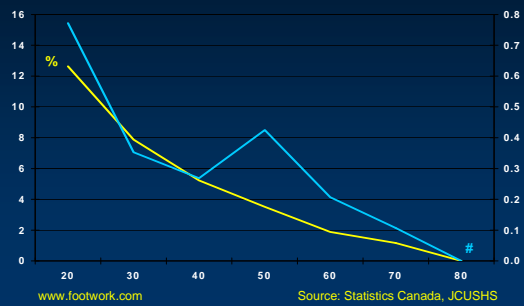
Gardening

Canada, Participation (%) and Frequency (#), 2003



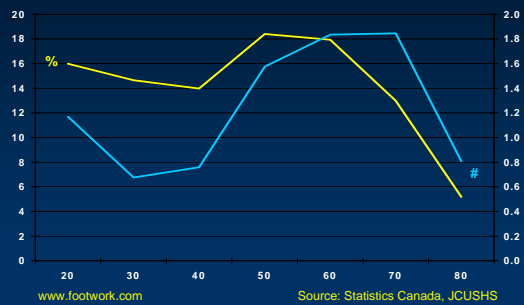
Tennis

Canada, Participation (%) and Frequency (#), 2003



Golf

Canada, Participation (%) and Frequency (#), 2003



Sports Activity Growth

USA, 2000-2010 (%)



Fastest			Slowest		
1	Exercise: walking	10.5	43	Football: touch	3.6
2	Exercise: equipment	8.1	44	Scuba: open water	3.6
3	Golf	7.8	45	Basketball	3.5
4	Sailing	7.6	46	Badminton	3.4
5	Fishing: salt water	7.4	47	Softball	3.4
6	Work out: club	7.1	48	Skating: ice/figure	3.1
7	Fishing: fresh water	6.9	49	Soccer	3.1
8	Hunting: bow and arrow	6.9	50	Roller skating: inline	3.1
9	Hunting: firearms	6.8	51	Baseball	3.0
10	Exercise: aerobic	6.8	52	Roller skating: wheel	3.0

Population: total

8.4

Population: 7 plus

8.2

www.footwork.com

Source: Foot; National Sporting Goods Association

Sports Activity Growth

Canada, 2006-2026 (%)



Fastest			Slowest		
1	Gardening/yard work	20.2	12	Weight-training	6.5
2	Exercise walking	19.5	13	Ice skating	5.9
3	Home exercises	18.4	14	Baseball/softball	5.4
4	Golfing	16.8	15	Tennis	4.7
5	Fishing	13.8	16	Jogging/running	4.4
6	Soccer	13.1	17	Downhill skiing	4.2
7	Bowling	11.9	18	Ice hockey	2.7
8	Exercise class/aerobics	11.6	19	Rollerblading	1.2
9	Swimming	11.5	20	Volleyball	-0.5
10	Popular/social dance	11.1	21	Basketball	-1.3
11	Bicycling	10.2			

Population: 18 plus

21.0

www.footwork.com

Source: Foot & Bierling, JCUSHS



While the individual man
is an insoluble puzzle, in
the aggregate he becomes
a mathematical certainty.

Sherlock Holmes

Always remember
you're unique – just like
everyone else.



States and Labour Markets in the Current Recession

Second Annual Prentice Institute Dialogue

Christopher J. Nicol, Professor of Economics
University of Lethbridge

May 16, 2009



Opening Remarks:

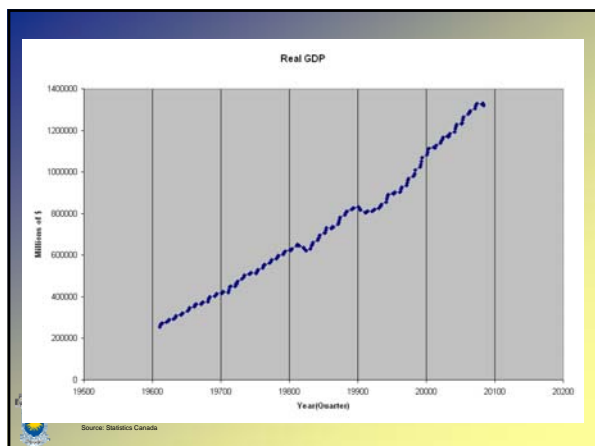
- Focus of talk is the impact on labour markets in the current recession
- Perception of this recession is that it is/will be worse than recent recession history
- Perception that this recession could be a "depression", of the type seen in the 1930's
- Recent debate has focused on Great Depression history, and effort to avoid perceived mistakes from that time: "protectionism" in particular



Overview of Recent Canadian Recession History

- "Standard" definition of recession indicates two consecutive quarters of falling real GDP identifies a recession
- The periods from approximately 1980-82 and 1990 "qualify" as the significant times in most recent Canadian economic history when we were in recession
- During a period in 1980-82, Canada experienced six consecutive quarters when real GDP fell ("recovery" beginning in 1983(I))
- From 1990(II) to 1991(I), Canada experienced four consecutive quarters of declining real GDP
- Even with recovery of real GDP following the above periods, employment took much longer to recover: more later
- From 2008(III) to 2008(IV) real GDP has declined by 0.8%, with a further decline estimated for 2009(I) by Statistics Canada

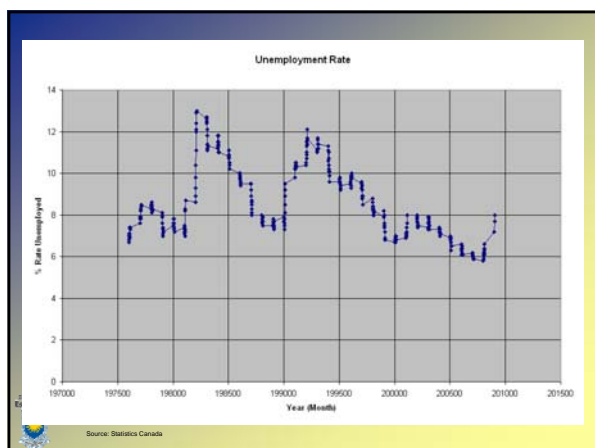




Slower Recovery of Employment, Post Recession is Typical

- Unemployment in Canada was at its lowest level in decades in 2008(1) at 5.8%
- Historical lows in unemployment in Canada between 1976-2008 have been in the neighbourhood of 7%
- During the 1980-82 recession, unemployment 9.8%, with the biggest rise being from 7.0% to 8.2% from 1981(12)-1982(1)
- The 1980-82 recession saw unemployment peak at 13% in 1982(12)
- However, even although real GDP growth had recovered by 1983, unemployment remained above 10% until 1986(2), and did not decline to 7.5% until 1988(12)
- A similar experience was seen around the 1990 recession, where unemployment rose from 7.9% in 1990(1) to 9.5% in 1990(12)
- Again, however, even after real GDP recovered in 1991(11), unemployment continued to rise, peaking at 11.7% in 1993(6), and remaining above 10% until 1994(10)
- By 2004(12) unemployment had fallen to 7.1%, back to the relatively lower levels seen outside recession periods

Source: Statistics Canada



Future Prospects with a Prolonged Downturn

- Major concern exists over the current recession being very much more serious than the 1980-82 and 1990 experiences
- A mark of this concern is reflected in the efforts by major economies to coordinate "stimulus packages", through increased government spending, and lax monetary policy
- However, some governments are inclined to "force" stimulus to be directed internally, essentially erecting impediments to free trade in goods and services
- Economists have been arguing against such protectionist policies, given the experience of the Great Depression, where it is claimed the Depression was made worse and lengthened through such protectionist policies
- Arguments in favour of continued or expanded free trade, however, always ignore the adjustment costs of moving from one equilibrium to another, and the associated resource re-allocation costs

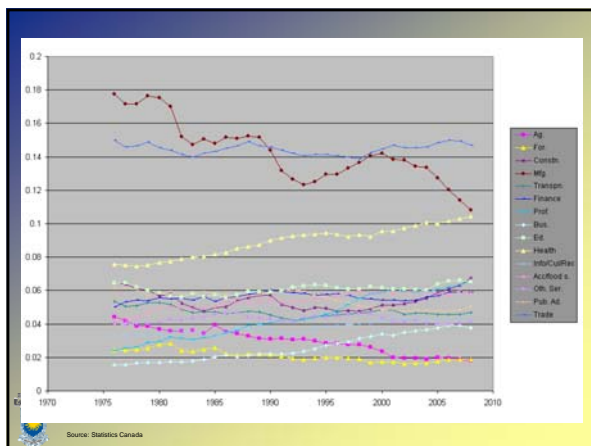


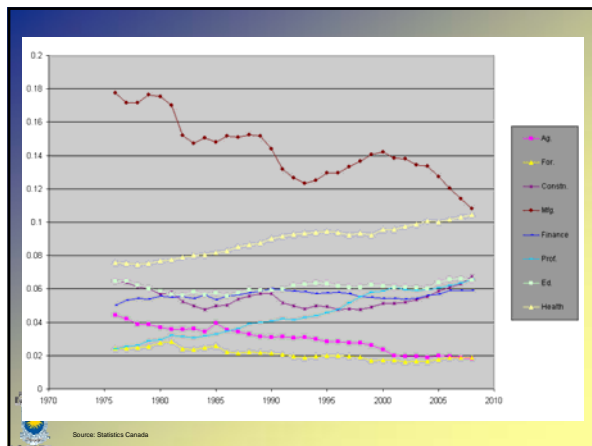
Resource Re-allocation

- Irrespective of economic circumstances (growth versus recession), economies are in a constant state of flux
- As new resources, skills or technologies become available, pricing of goods, services and product/service inputs change, calling for the re-allocation of resources
- The most obvious of these changes, over the long-term in developed economies, is the increasing mechanisation in agriculture, and the resultant falling share of employment in the agricultural sector
- With emerging economies having large labour forces, re-location of manufacturing production to these jurisdictions has led to reduced manufacturing employment in developed economies
- As sectoral employment declines in specific areas, employment in other areas expands, but this takes a considerable amount of time
- These re-allocation costs are rarely taken into account by any public policies, the tendency being to expect the "free market" to deal with these issues



That these adjustments are costly can be seen by a brief look at sectoral employment proportions





Impediments to Adjustment?

- Recent debate in Canada is focusing on the role and efficacy of Employment Insurance to facilitate adjustment to the recession
- However, the current structure of the EI programme is not conducive to optimal adjustment, and will make adjustment harder if protectionist policies abroad further impede adjustment
- EI is a curious programme, since it is not an insurance programme at all, with "higher risk" insured paying *lower* (effective) premiums for their coverage, which usually also lasts longer than the coverage of the lower risk insured
- Current programme has 2 week waiting period; 19-50 weeks coverage; variable eligibility depending on regional unemployment levels; a \$1.38 premium per \$100 coverage; with maximum insurable earnings of \$42K
- The inherent perversity of the EI programme alluded to above further induces restrictions on re-allocation of resources to emerging opportunities

Source: Human Resources and Social Development Canada

Regional rate of unemployment	Insurable hours required
	Required number of hours of insurable employment in the last 52 weeks
0% to 6%	700 hours
6.1% to 7%	665 hours
7.1% to 8%	630 hours
8.1% to 9%	595 hours
9.1% to 10%	560 hours
10.1% to 11%	525 hours
11.1% to 12%	490 hours
12.1% to 13%	455 hours
13.1% and over	420 hours

Source: Human Resources and Social Development Canada

Province / Territory	Economic Region Code	Economic Region Name	Unemployment Rate	Number of Insured Hours Required to Qualify for Regular Benefits	Minimum Number of Weeks Payable for Regular Benefits	Maximum Number of Weeks Payable for Regular Benefits
Newfoundland and Labrador	01	St. John's (m.s.p.)	7.5	630	22	45
Newfoundland and Labrador	02	Newfoundland/Labrador (m.s.p.)	20.7	420	37	50
Prince Edward Island	03	Prince Edward Island (m.s.p.)	12.2	455	29	50
Nova Scotia	04	Eastern Nova Scotia (m.s.p.)	15.5	420	35	50
Nova Scotia	05	Western Nova Scotia (m.s.p.)	10.6	525	26	50
Nova Scotia	06	Halifax (m.s.p.)	6	700	19	41
New Brunswick	07	Fredericton Moncton-Saint John (m.s.p.)	6.2	665	20	43
New Brunswick	08	Madawaska-Charlotte (m.s.p.)	11.5	490	28	50
New Brunswick	09	Restigouche-Albert (m.s.p.)	15.2	420	35	50
Quebec	10	Gaspésie-Iles-de-la-Madeleine (m.s.p.)	17.4	420	37	50
Quebec	11	Quebec (m.s.p.)	4.4	700	19	41
Quebec	12	Tout-Nord (m.s.p.)	6	555	22	45
Quebec	13	South Central Quebec (m.s.p.)	7	665	20	43
Quebec	14	Sherbrooke (m.s.p.)	7.5	630	22	45
Quebec	15	Montréal (m.s.p.)	9	595	23	47
Quebec	16	Montréal (m.s.p.)	9	595	23	47
Quebec	17	Central Quebec (m.s.p.)	6.4	660	25	49
Quebec	18	North Western Quebec (m.s.p.)	12.5	455	29	50
Quebec	19	Lower Saint Lawrence and North Shore (m.s.p.)	12.4	455	29	50
Quebec	20	Hull (m.s.p.)	5.7	700	19	41
Quebec	21	Chicoutimi/Joliette (m.s.p.)	8.9	595	23	47
Ontario	22	Ottawa (m.s.p.)	5.6	700	19	41
Ontario	23	Eastern Ontario (m.s.p.)	5.3	595	23	47
Ontario	24	Kingston (m.s.p.)	5.9	700	19	41
Ontario	25	Central Ontario (m.s.p.)	10	590	25	49
Ontario	26	Ottawa (m.s.p.)	7.8	630	22	45
Ontario	27	London (m.s.p.)	4.5	695	23	47

Policy Design: The Tools for the Job

- If EI is to be used to maintain population in high unemployment areas, there is no reason for the "qualifying time" and benefits to be more generous than elsewhere in the country
- Making use of (an adjusted) EI system to stimulate the economy makes more sense than attempting to stimulate via tax cuts
- Using the EI system, rather than universal tax cuts, makes more sense in the long-run, since this is more likely to promote a return to a balanced government budget
- The current EI system is not an insurance system at all, but a policy to deal with regional economic disparities; there are likely less distortive policy measures which could achieve this objective

Inequality and the Current Economic Crisis

A Presentation to the Second Annual
Prentice Dialogue 2009

Production and Consumption

- Modern capitalism involves a virtuous cycle of mass consumption of mass produced goods and services.
- But consumption requires a concomitant degree of demand.
- Demand can be achieved in three ways →

Wages (Henry Ford)



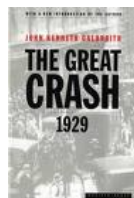
Public Transfers: J. Maynard Keynes



Or Credit – Very Easy Credit!



John Kenneth Galbraith



Galbraith's Five Causes of the Great Depression

- 1) The bad distribution of income
- 2) The bad corporate structure
- 3) The bad banking structure
- 4) The dubious state of foreign balance
- 5) The poor state of economic intelligence

Galbraith's Enemy #1: The bad distribution of income

"In 1929 the rich were indubitably rich. The figures are not entirely satisfactory, but it seems certain that the 5 per cent of the population with the highest incomes in that year received approximately one third of all personal income.... This highly unequal income distribution meant that the economy was dependent on a high level of investment or high level of luxury consumer spending or both... [and thus] subject inevitably to erratic influences."

Canadian Inequality

- Median income was the nominally same in 2004 as in 1982. Subtracting inflation, median income, before taxes, did not rise at all over those 22 years.
- Only the very well-paid - those above the 90th percentile of the income distribution - saw any significant increase in earned income; and the higher up the earnings ladder, the greater the growth.
- A recent CCPA report shows CEO salaries in Canada rose from 104 times the average income of Canadians in 1995 to almost 400 times today; or, in concrete figures, over \$10 million per CEO compared with \$40 thousand per average Canadian working full time.

US Inequality

- In 1975, the ratio of CEO pay to that of workers in the United States' largest publicly traded companies was 41 to 1. By 2004, the ratio had grown to 431 to 1.
- By 2005, the average CEO in the US earned US\$11.8 million per year, compared with the average wage of American workers (union and non-union) of US\$27,460.
- The average earnings of the highest 1 per cent of Americans rose 160% between 1975 and 2005, while the income of the top 10th of 1 per cent soared 350%; in real terms, from US\$800,000 in 1975 to US \$3.6-million by 2005.
- Today, the top five percent of Americans possess roughly 40 percent of America's wealth. (Note: According to Galbraith, in 1929, the top five percent owned only roughly 33 percent.)

U.S. Gini Coefficients Over Time (U.S. Census Bureau)

- 1929: 45.0 (estimated)
- 1947: 37.6 (estimated)
- 1970: 39.4
- 1980: 40.3
- 1990: 42.8
- 2000: 46.2
- 2006: 47.0

Source: U.S. Census Bureau

International Comparisons of Gini Coefficients

- Canada = 32.6
- Norway = 25.8
- Sweden = 25.0
- Germany = 28.3
- France = 32.7
- United States = 40.8

Source: Human Development Index 2007-08

Why Did Wages Decline? (Krahn, Lowe, and Hughes, 2007: 464)

“The causes ... are complex and intertwined, but involve the following: transformation of the world economy, including outsourcing of jobs; the desire for greater hiring flexibility and the continued popularity of downsizing in both the private and public sectors; the use of new technologies as labour replacements; shrinking employment in the goods-producing sector; polarization within the growing service sector; a decline in the strength of labour unions; and governments distancing themselves from their 20th-century role of labour market regulation.”

The Wage/Poverty/Public Assistance Nexus

- The forgoing ratios refer to mainly unionized jobs. Union jobs are generally better paid, with non-union wages carried along in the tide, but as union wages fell, non-union wages also declined.
- But as workers' wages dropped, so also did social allowance payments to the non-working poor (the concept of “less eligibility”).

Summary

The reason that easier and easier credit was given to individuals with no apparent means of repayment was that the other means of maintaining or increasing demand (wages and government transfers) had been suppressed over the previous 25-30 years.



Differences that Amplify:
Aging, Policy and the Economy in
Canada and the U.S.

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- And RAs: Jayme Day, Nekehia Quashie, Jennifer Givens (Soc, UUtah), Ethan Doetsch (Economics, UUtah), Hugh McCague (York U)

Focus

- Those 45-64 in Canada & the US in early 1990s, mid-2000s, & Fall 2008
- Relying on a life course perspective, examining how lives look as they enter later life and what shapes their prospects & policy challenges in future
- And in qualitative phase, how respondents' later years compare with their older relatives now and with the anticipated later years of their children
- Specific focus here is on **economic circumstances, income inequalities, and market/state provisioning**

Key Questions

- Is population aging an equal challenge across societies?
- How do micro and macro contexts matter, ie. economic situations, market involvements/ benefits, diversities and inequalities, state provisioning, changing family forms and generational responsibilities, living arrangements, and inclusion/social participation?

Data

- Range of comparative trend data in Canada and in the U.S.
- Analyses of two waves - comparable national survey datasets in the two countries – Nat'l Population Health Survey (NPHS, Canada, 94/95 & 98/99) & Nat'l Survey of Family Health (NSFH, U.S., 92/94 & 01/03)
- In-depth interviews with two socio-economic groups in Canada & U.S.– Fall 2008/Winter 2009

Rising costs; stagnant wages

- **Canada**
 - July 07-08: +3.1% in earnings
 - July 07-08: +3.4% in consumer prices(CPI: Statistics Canada. *The Daily*. August 21, 2008; Earnings: Statistics Canada. *The Daily*, July 29, 2008)
- **US**
 - July 07-08: -3.1% in earnings
 - July 07-08: +2.5% in consumer prices(US Bureau of Labor Statistics, 2008)

Savings challenges

- **Canada**, Survey of Financial Security, 2005:
- Net worth ↑ for 45-64 group, 1999-2005: by 15.3%
(<http://www40.statcan.ca/l01/cst01/famil112a.htm>)
- But so did debt: 1.5 times higher in 2005 than in 1999 (StatsCanada *Daily* 7/12/06)

...savings challenges

- **US**, Survey of Consumer Finances, 2001. 2004 (with data back to 1995)
- Net worth rose but debt did too

	<u>>40% debt ratio</u>		<u>% 60 days past due</u>	
	1995	2004	1995	2004
45-54	12.3	13.1	7.4	7.6
55-64	15.1	10.2	3.2	4.2

<http://www.federalreserve.gov/pubs/bulletin/2006/financesurvey.pdf>

...savings challenges

- If savings are managed, new challenges arise:
- In US, lowering home worth/ bank closures, less retirement savings & security/risk protections
- In Canada and US, less secure private investment savings for retirement

Spending challenges

- **Canada**
 - Bankruptcies: June 07-08: +3.8%
 - Mortgage arrears: 0.27%, up from 0.24% in 2007
- **US**
 - Bankruptcies: June 07-08: +28.9%
 - Mortgage arrears: up 79% since 2007

Market/state provisioning for later years

- **Canada**
 - Canada/Quebec Pension Plan: good shape for 77 years (Independent actuarial assessment)
- **U.S.**
 - Move to riskier self-managed pension funds 401(k)'s, IRAs with low participation
 - Social Security: shaky

Income Inequalities (specifically in relation to health)

- “From today’s vantage point, inequality looks like a bigger problem than economic growth.”

Robert Rubin, former Goldman Sachs Executive, Aide to President George W. Bush

Why inequalities matter....

- Politics of inequality affect our very cores...construction of our identities, perceptions of our bodies, and our bodies themselves
- “That’s not fair!”
- Also affects how we construct public systems of policy and public discourse

Conundrum of inequalities/bodies at heart of sociology

- **Marx & Engels:** “natural knowledge” used to justify social inequalities; bodies constructed by inequalities
- **Durkheim:** social relations affect health & body
- **Weber:** discipline of work organization
- **De Beauvoir:** not body as biology that matters but body as lived in socially
- **Esping-Anderson:** major distinctions in welfare states emanate from stratification & ‘decommodification’

...continued

- **Bourdieu:** bodies are inscribed with social & cultural relationships; habitus=class-specific ways of representing bodies (physical capital)
- **Foucault:** bodies are disciplined unequally by ‘helping professions’
- **Mauss:** bodily comportment reflects more than class – cultural & historical location
- **Elias:** natural bodily functions transformed by societal change
- **Sontag:** disease/illness, normative questions of what is socially ‘good’
- Also, **Tilly,** and **Sen....**

Key questions re: the conundrum

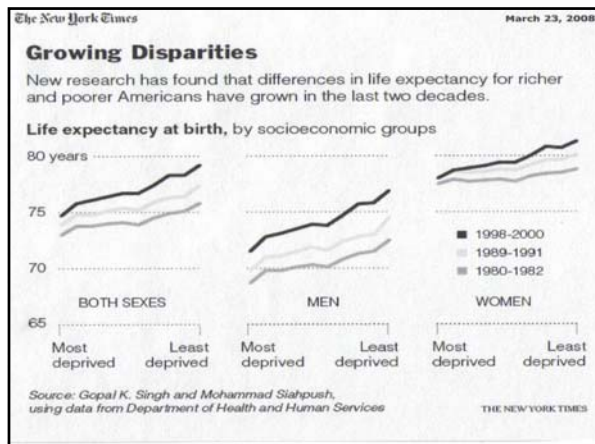
- *What are some people healthy and others not?...* 1994 book by Evans, Barer & Marmor
- "...How does inequality get under the skin?" subtitle of 2007 paper by Ferraro & Shippee (GSA paper, award winning)
- Recent focus on physiological effects of poverty (Cookson, 2008; Krugman, 2008; Shonkoff, 2006)

Cumulative Advantage/Disadvantage (Dannefer, O'Rand) → Cumulative Inequality (Ferraro & Shippee)

- 5 key axioms
- --social systems → inequalities
- --conseqs of advantage ≠ inverse of disadvantage
- --life course shaped by accumulation risk, resources and agency
- --perception of lived life course influences future life course
- -- cumulative inequality → premature mortality (false image of leveling with age)

Income Distribution Shifts U.S. & Canada

- Canada
- Median income (market) 2004, same as 1982, yet Canadian economy grew by 50% over this period
- Top 1% incomes grew by **100%**; and top 10th of 1% grew by **260%** -- same period
- U.S.
- Median income grew 1975-2005 by 28%, most in '93-'00, and has dropped since '00, yet US economy grew by 86% over this period
- Top 1%, incomes grew by **160%**; and top 10th of 1% grew by **350%** -- same period



Suicide 40-64

- Alarming rise in suicides among mid-lifers
- U.S. 1999-2004: F, 45-54 31% >
- Canada in 2003: 50-54: 18.4%
- (15-19: 10.2%)
- “successful aging” may add pressures...

Propitious moment to study inequalities and health in later life

- Largest generation (b. 1946-66) entering later life in next 20 years; our focal group
- Alarmism about demographic aging and dire policy implications needs testing over time in contexts
- Period of post-war (life courses of our focal group) – large-scale and diverse immigration & increasing diversity in populations
- Most important reasons on inequality side: sharp income distribution shifts in both US & Canada, having effects on life expectancies

Human Development Index and Life Expectancy
Canada and U.S. Trends

HDI	Rank/ Value	
	Canada	U.S.
1990	5th / 0.931	18th / 0.919
2005	4th / 0.961	12th / 0.951
2008	3rd / 0.967	15th / 0.967

Life Expectancy		
1970-75	73.2	71.5
2000-05	79.8	77.4
2005	80.3	78.0
2008	80.4	78.0
	> +7.2 years	> +6.5 years

Human Development Index: Average achievement in three basic dimensions: long and healthy life, knowledge, and decent standard of living. Measured comparatively by the United Nations Human Development Index.

Model of Self-Reported Overall Health Canada and U.S. NPHS, 1994-95 and NSFH 1992-94						
	Canada NPHS			U.S. NSFH		
Survey date	Gini at survey	1994-95	.41	1992-94	.45	
	Coef [1]		Sig		Coef	Sig
Constant						
50-54 yrs						
55-59	-.043		**		-.045	
60-64	-.018				.160	***
Male	-.026				-.043	
Single	-.003				.015	
Wid/Sep/Div	.039				.014	
Own home	.045		**		.042	
Highest educ	.113		***		.091	***
HouseIncome	.154		***		1.78	
Int/Dividends						
Main source	-.021		***		.022	
Govt income	-.178		***		-.324	***
Other income	-.068				-.129	**
Health ins(US)					.127	**
Race (US)					.052	
R Square of Full model			11.9%	20.7%		
Significance levels ***1%, **5%, *10%						
[1] Standardized						

[1] Standardized

Model of Self-Reported Overall Health Canada and U.S. NPHS, 1998-99 and NSFH 2001-03						
	Canada NPHS			U.S. NSFH		
Survey date	Gini at survey	1998-99	.43	2001-03	.46	
	Coef [1]			Coef		Sig
Constant						
50-54 yrs						
55-59	-.033	*		-.081		*
60-64	-.065	**		.049		***
Male	.033			-.034		
Single	-.011			-.050		
Wid/Sep/Div	-.023	***		.143		**
Own home	-.091	***		.135		***
Highest educ	.135	***		-.004		**
HouseIncome	-.003			3.33		
Int/Dividends						
Main source						
Govt income	-.177	***		-.050		
Other income	-.063	***		.171		
Health ins(US)				.410		***
Race (US)				-.036		
R Square of Full model	9.0 %			13.2%		
Significance levels ***1%, **5%, *10%						
[1] Standardized						
[2] Data not available for this variable. All other than married were combined into one category						

[1] Standardized

[2] Data not available for this variable. All other than married were combined into one category.

Contrasting views from qualitative interviews
(U.S. respondents – both in middle class sample)

- Q: Some people say that growing income inequalities in the US recently make things worse for most of us, particularly as we enter our later years. What is your opinion on this?
-
- R1: "Yeah!" (said as though it's obviously correct.)
- R2 "... I don't think there is inequality. The more the wealthy people make more money, the more they are able to employ and give back to all those other people."

Canada / US differences re:

what future health risks they might experience

- Americans: define risks in terms of specific familial health risks such as heart disease, scoliosis, colon and other cancers, arthritis, or a fear of losing independence.
- Canadians, on the other hand, were more inclined to see risks in terms of stress or attitudes that they themselves had and thought they could control.

Canada/ US comparison re:
how midlifers are preparing for risks

- **Americans** all mentioned concerns about health insurance
- **Canadians** mentioned that they didn't really know how to be prepared, but that they felt positive in having public health insurance ...continued

Examples

"NO, can't get good health insurance these days! Dental, vision, flex, it doesn't cover it all. I have lots of health insurance, but it's not good enough, not adequate. Health insurance is a worry."

[American midlife respondent]

"How would I be prepared? I guess if something happened I wouldn't be prepared mentally because my attitude is I'm going to be fine, so I guess I would struggle with that. We have quite a different health care system here in Canada. Financially, the financial burden of being sick, a lot of it would be covered."

[Canadian midlife respondent]

Canada/US differences re: relation of state to their health/lives

"The service that the government provides that I don't even think of is the medical care. It's just so much part of our culture. Also in [my province] if your income becomes low after a deductible, they'll pay all of your pharmacy costs, so as I age I imagine I will be taking advantage of that.."

[Canadian midlife respondent]

...continued

Differences re: state roles

- "I don't expect or want government support, would like government to be less intrusive."

[American midlife respondent]

Yet....

- Midlife **Americans** express deeper concerns about the economy and the implications for their later years:
- “I am definitely concerned. My 401k is tanking. My husband is on a fixed pension from his union, is it fully funded? Will social security be there when we need it?”
[American midlife respondent]

What solutions do respondents see?

- **Americans**.... This is but one example:
- “There needs to be healthcare for everyone, people need a safety net, availability of healthcare if catastrophic disease or illness, could be financially devastating.
[American midlife respondent]

Solutions (continued)

- **Canadians**.... one example of many similar responses:
- “Well, I feel that it’s not a pretty picture. When you look at what’s going on, Canada is more sheltered than the US, but Canada gets 70 percent trade from US. Eventually the ‘flu’ will reach Canada and we will have pneumonia.
- But...I’ve got insurance coverage because I’m in Canada. I feel very fortunate. We have excellent coverage. Our costs are lower.”
[Canadian midlife respondent]

Discussion/Implications

- Pre-Boomers in both countries better health
- Grew up and old in times of lesser income inequalities than Boomers
- Toll of inequalities on health in later life yet to come
- Americans at greater risk in entering later life – compounding effects of accumulating disadvantages and lesser risk insurance
- Differences in health between Canadians & Americans amplify in later years



- “The development of a society, rich or poor, can be judged by the quality of its population’s health, how fairly health is distributed across the social spectrum, and the degree of protection provided from disadvantage as a result of ill-health.”

World Health Organization, 2008:1


Next steps

- Longitudinal comparative analyses: Canada & U.S.
- Wider comparisons with other developed countries
- Deeper comparisons with population data, Utah Pop Database & Manitoba Pop Health Registry



T h a n k y o u
M e r c i






SUICIDE AND THE CHANGING ECONOMY: Straightforward or Not So Simple?

Angus H Thompson, Ph.D.

Demographics and Economic
Hard Times
University of Lethbridge
May 15-16, 2009



INSTITUTE OF
HEALTH ECONOMICS
ALBERTA CANADA





HARD TIMES?

Alberta: Wealthiest province
in a very wealthy country

“Poor” people now vs. middle
class a century ago







REAL HARD TIMES

Status & agency as defined
by wealth (rank)

Gap between “wealthy” and
“poor” (salience of our rank)





ASPECTS OF
SUICIDE



SUICIDE
“...Endpoint of long-
term difficulties “

Marttunen, Aro, & Lönngqvist
Journal of the American
Academy of Child &
Adolescent Psychiatry (1992)



Roots of Suicide

Fearful/Avoidant/Suspicious

↓

Thoughts of Death

↓

Suicidal Thoughts

↓


Plans/Serious Ideation

↓

Suicide Attempts

↓

Completed Suicide



EXPRESSION OF SOCIAL PROBLEM BEHAVIOUR


Stress-Diathesis

Predispositions x Precipitants = Suicidal Behaviour

Predispositions. MI, Helplessness, Pessimism

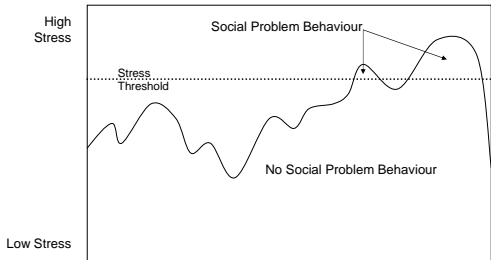
Precipitants Loss, The last straw


(Note: Social structure is missing)



EXPRESSION OF SOCIAL PROBLEM BEHAVIOUR

A Threshold Model






THE CANADIAN SOCIAL PROBLEM INDEX

COMPONENTS

- Murder
- Attempted Murder
- Assault
- Sexual assault
- Robbery
- Suicide
- Divorce
- Alcoholism

Source: Thompson AH, Howard AW, Yin J (2001). A social problem index for Canada. *Canadian Journal of Psychiatry* 46, 45-51.



THE CANADIAN SOCIAL PROBLEM INDEX

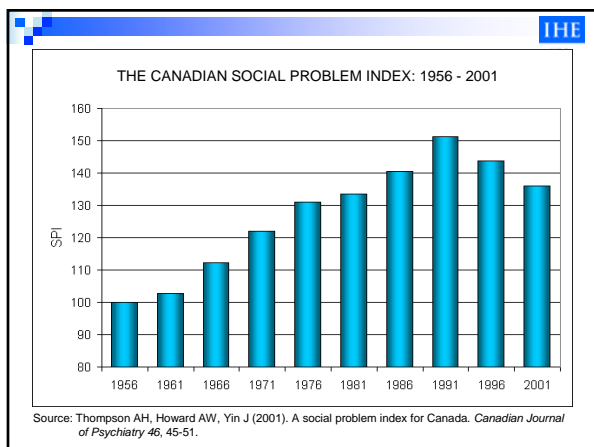
Single factor (over provinces) → 64% variance



A province high on one factor is high on all

Suggests an underlying cause or causes

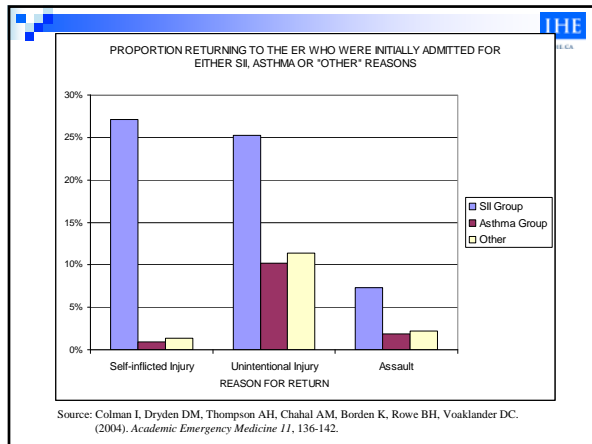
Considering suicide in isolation is insufficient

One index for all
(interpreted like IQ, but high is bad!)




SUICIDE AND MENTAL ILLNESS



BURSTING THE ECONOMIC BUBBLE?

ECONOMIC FACTORS

- Ecologically high SES → High social problems
- Individually, high SES → Low social problems
- Within ecological areas → Wealthy/Poor gap
- Suicide is associated with employment status




SOME INCONSISTENCY

Finland 1989 – 1997

“Despite the deep recession, with rapidly rising unemployment, attempted suicide rates remained unexpectedly stable”

Ostamo et al. (2001). SPPE

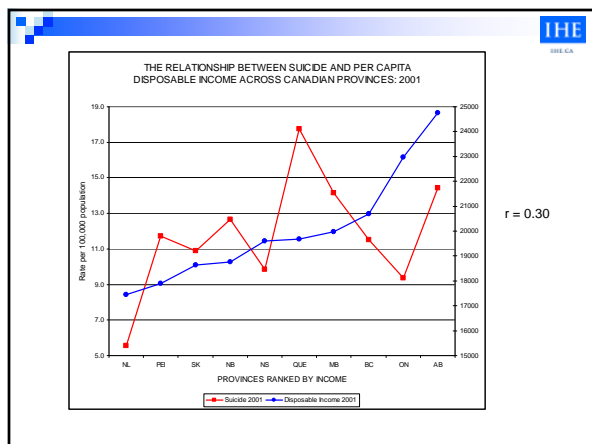


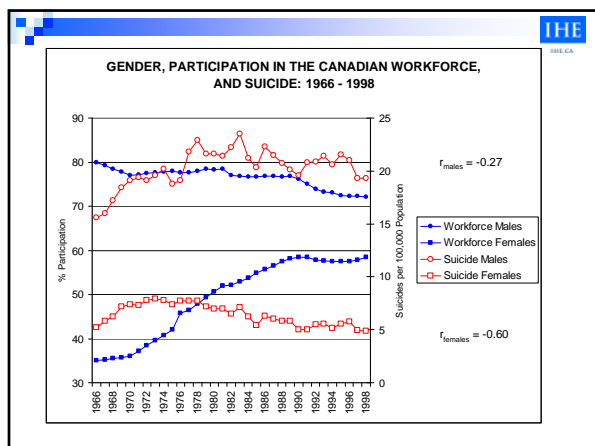
SOME INCONSISTENCY

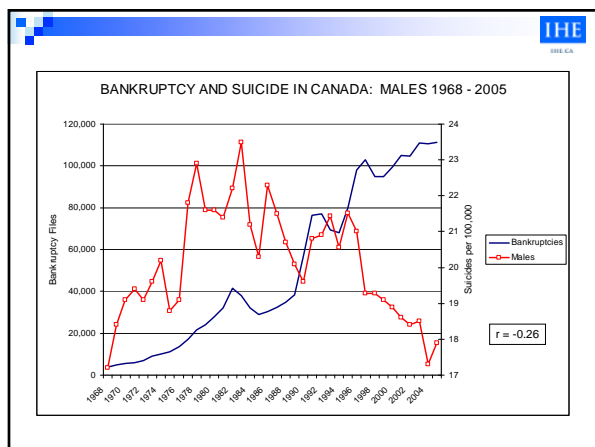
Eastern Europe 16 countries 80s & 90s

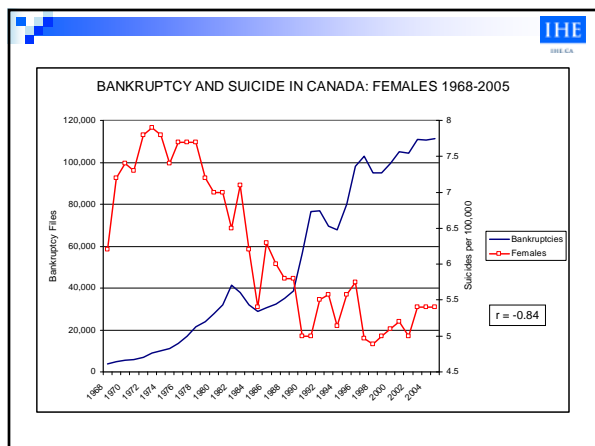
“... the fact that economic change seemed to lack explanatory power in multiple analyses”

Makinen (2000). Soc Sci Med



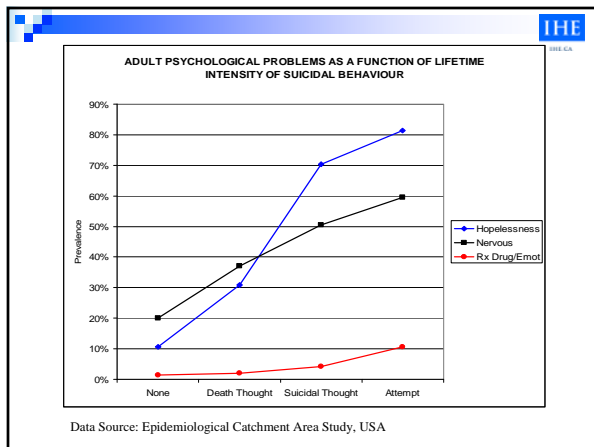
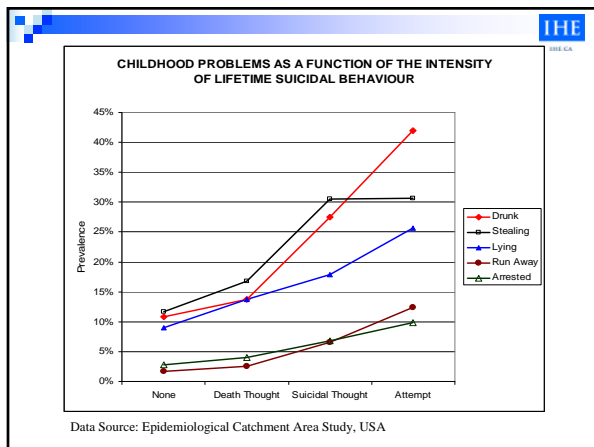


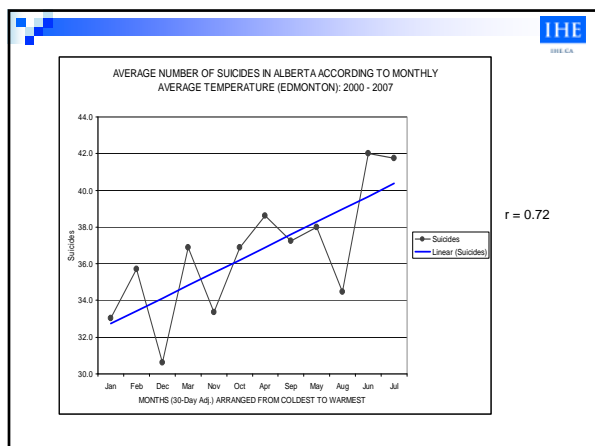


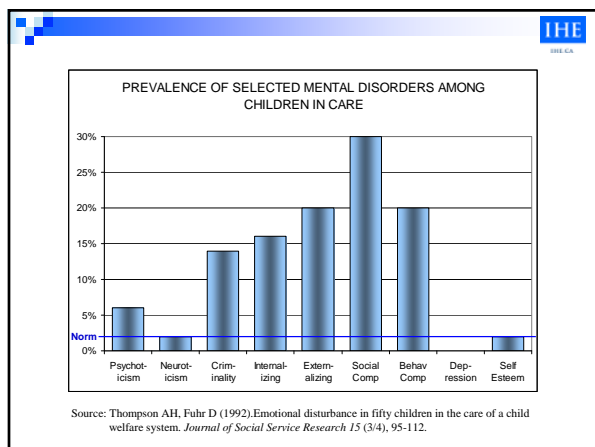


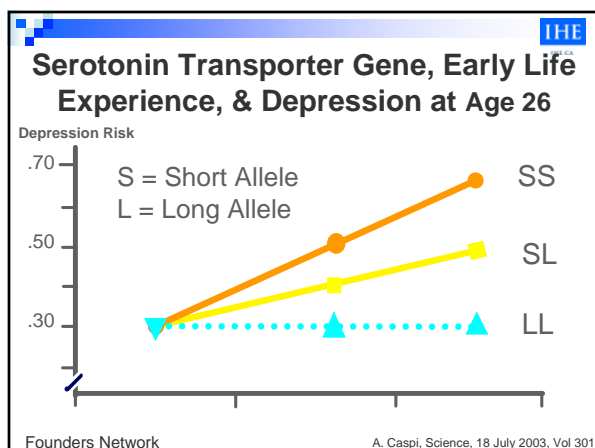




OTHER FACTORS





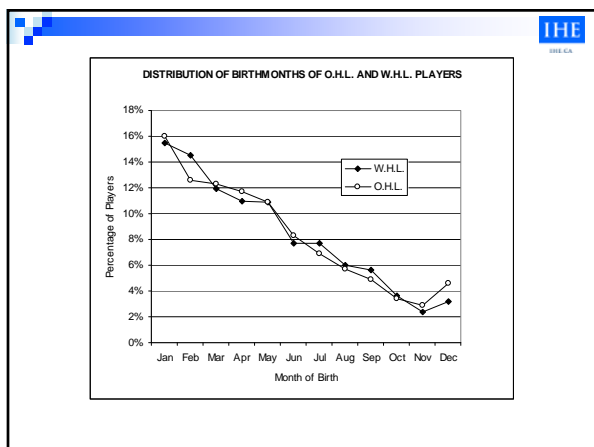


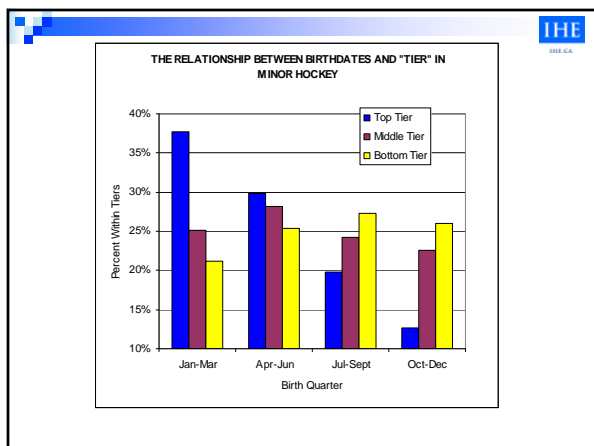


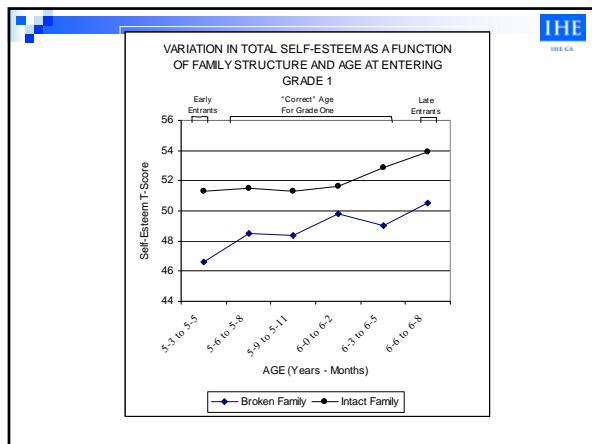




RELATIVE AGE

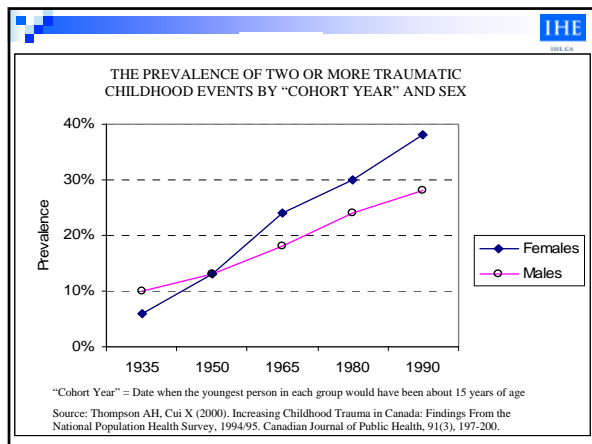






	Young	Old
March 1	172	152
Jan. 1	117	92
Sept. 1	9	5
Nov. 1	7	2
Oct. 1	6	1
Dec. 1	1	0
Total	312	252

- ### THE CHILD TRAUMA INDEX
- COMPONENTS
1. TWO + WEEKS IN HOSPITAL
 2. PARENTS DIVORCED
 3. PARENT UNEMPLOYED
 4. FRIGHT THAT PERSISTED
 5. KICKED OUT OF HOME
 6. PARENTAL SUBSTANCE ABUSE
 7. PHYS. ABUSED BY SOMEONE CLOSE



ECONOMIC DOWNTURN

One important factor among many

1st the Psychologically & Socially Vulnerable

Social Structures That Maintain Personal Efficacy

The "Bailout Plan" < \$3 Billion

SUICIDE IN CONTEXT

Is Rooted in Childhood

Healthy Early Child Development is Crucial

"Nourished" by any Social Exclusion

"Banished" by Purpose, Agency, and Support

The Mechanisms That Prevent Suicide Will Also Prevent Other Social Problems

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