

Demographic Challenges of the Global Economy

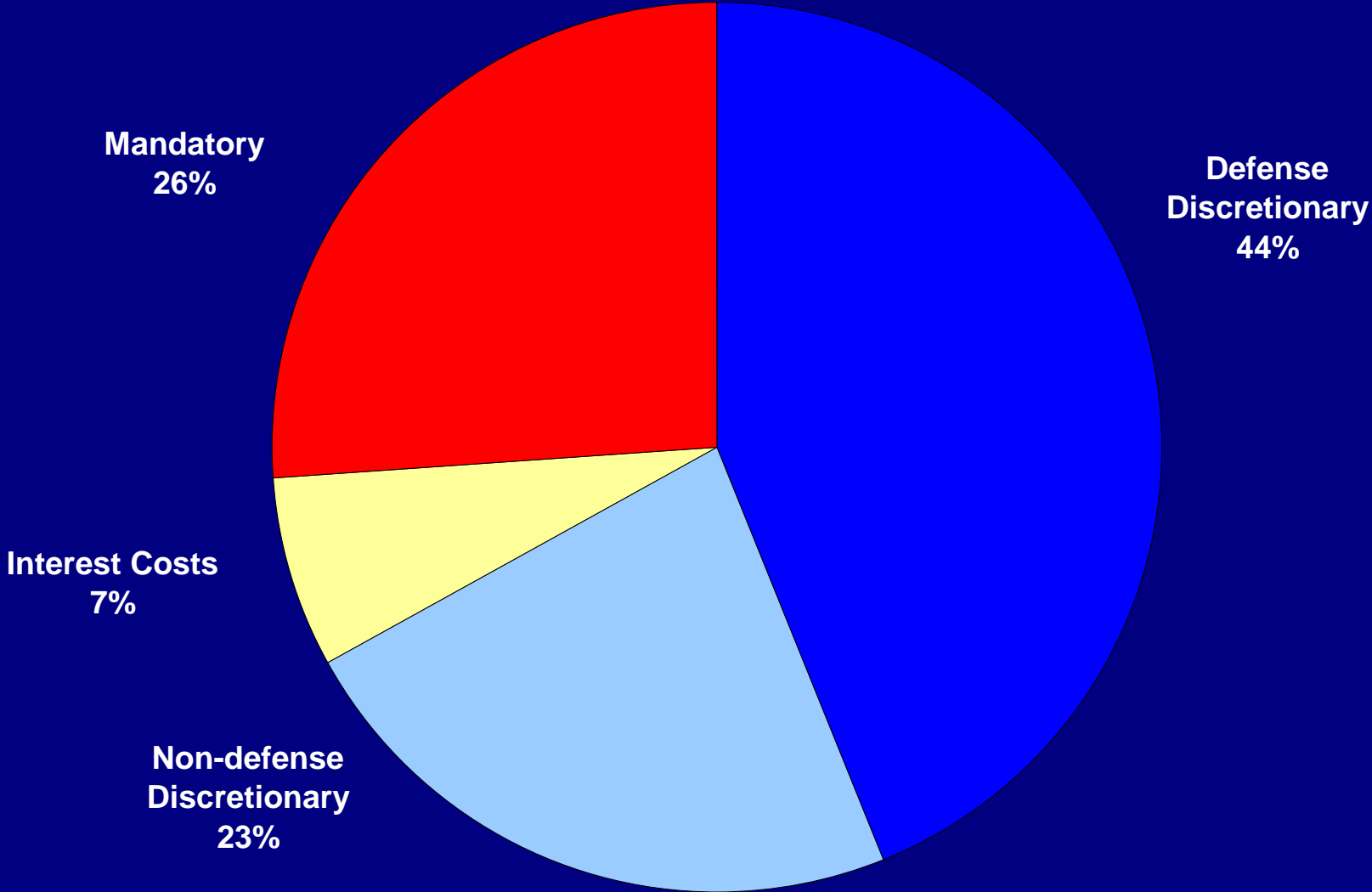
Senator Robert F. Bennett



Produced by Soltis Investment Advisors



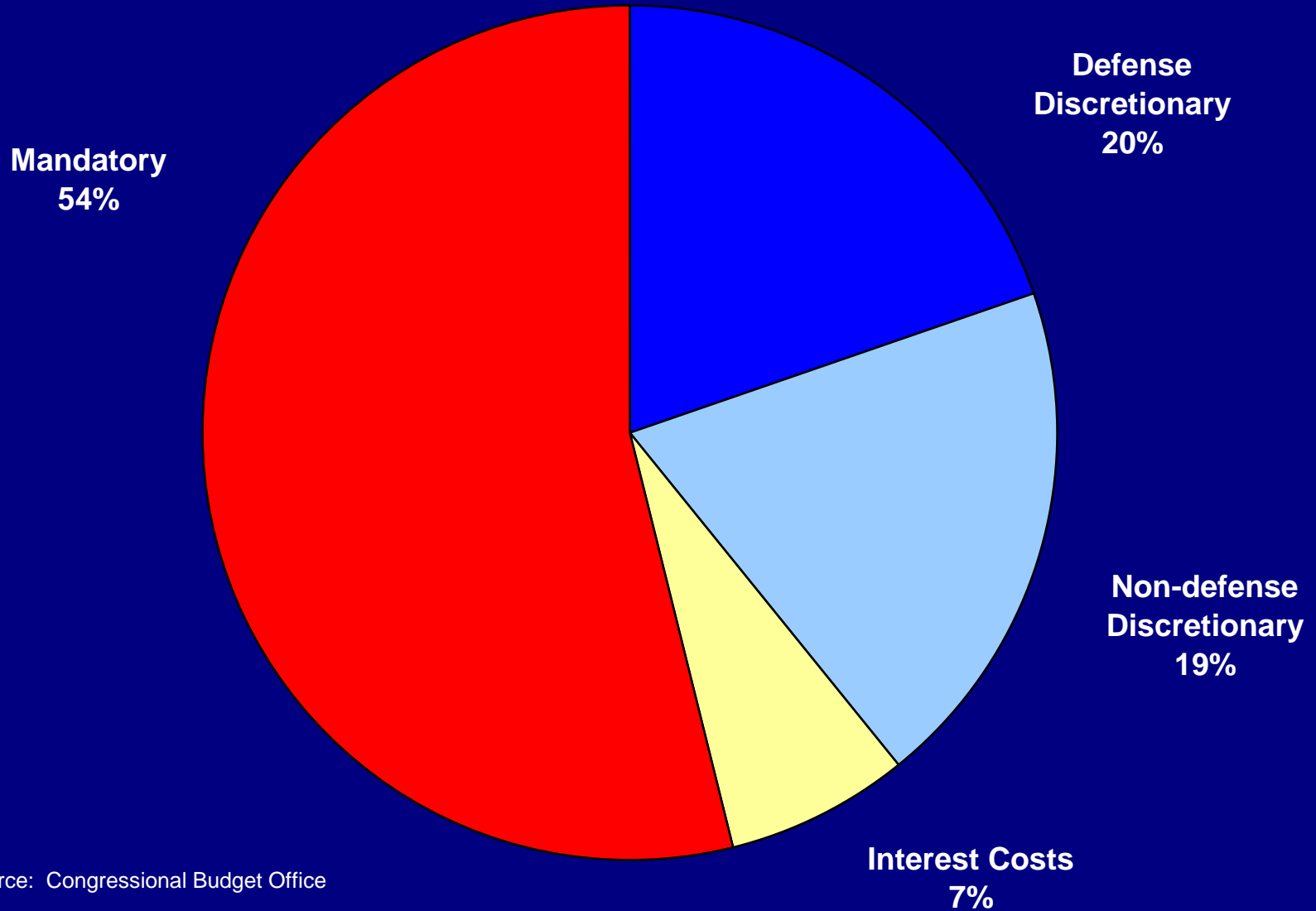
Components of Federal Spending in FY 1966



Medicare and Medicaid spending began in 1966.

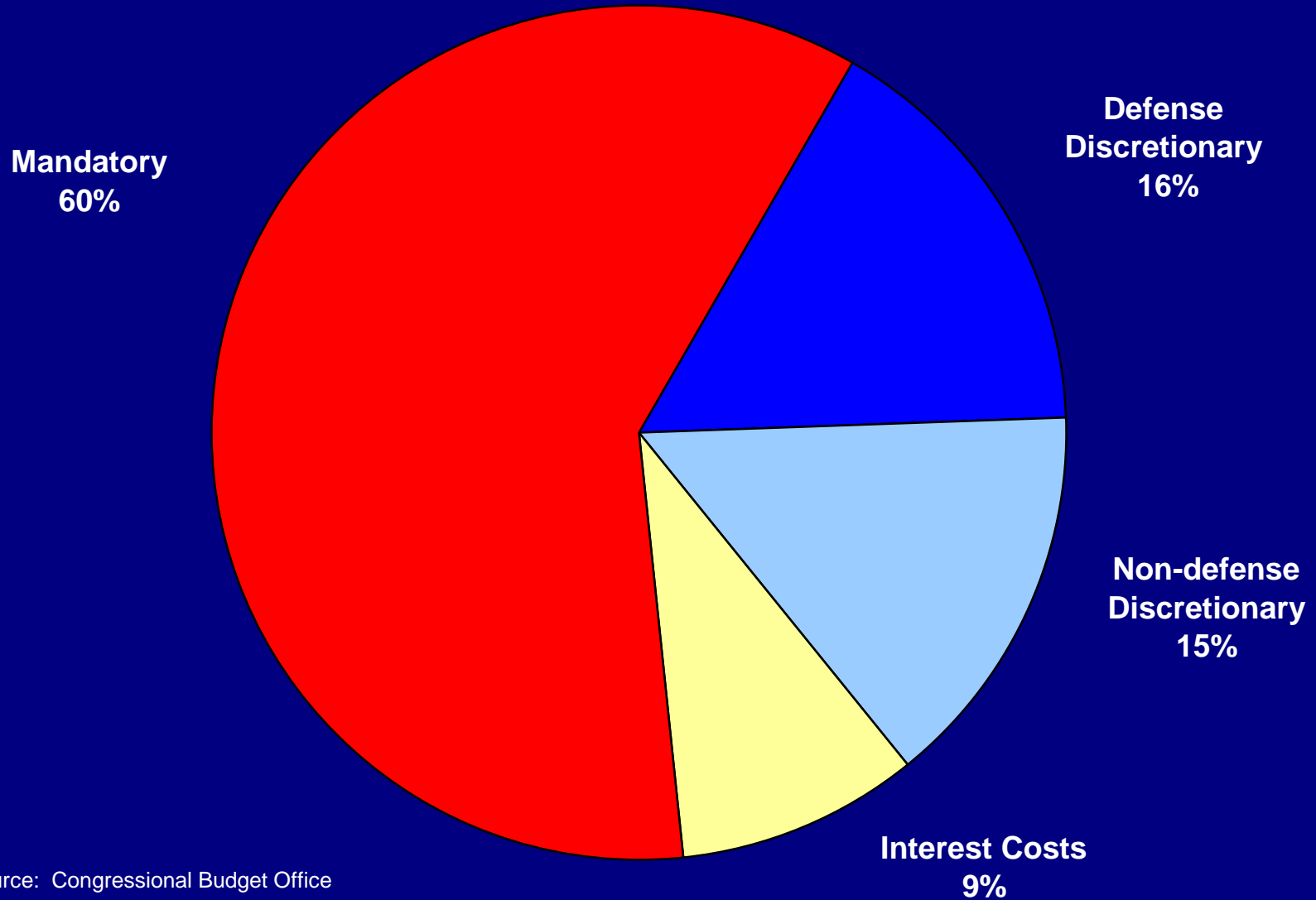
Source: Office of Management and Budget

Components of Federal Spending in FY 2005



Source: Congressional Budget Office

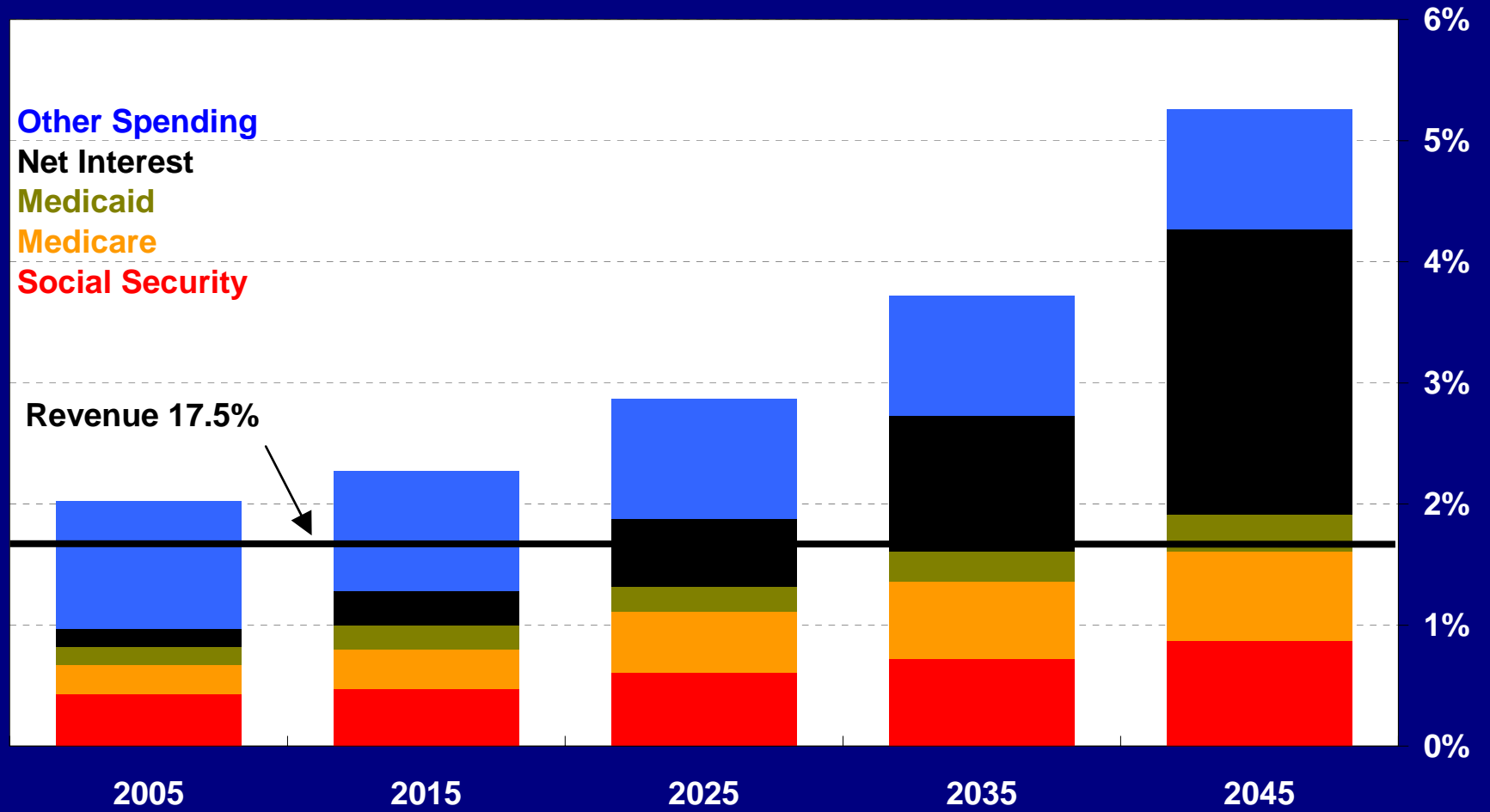
Components of Projected Federal Spending in FY 2015



Source: Congressional Budget Office

Entitlements on Auto Pilot

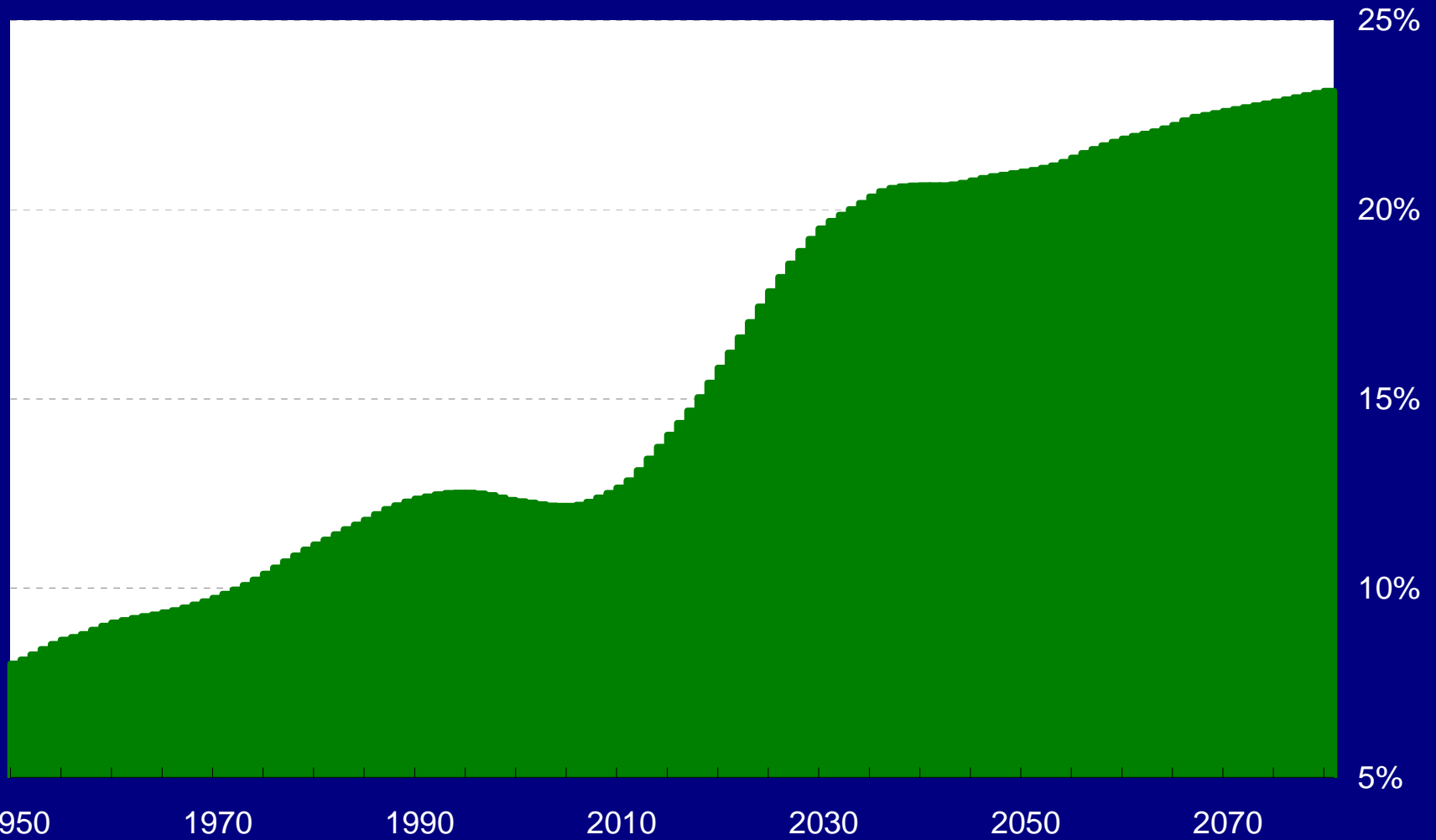
(As percent of GDP)



Source: GAO's August 2005 Analysis

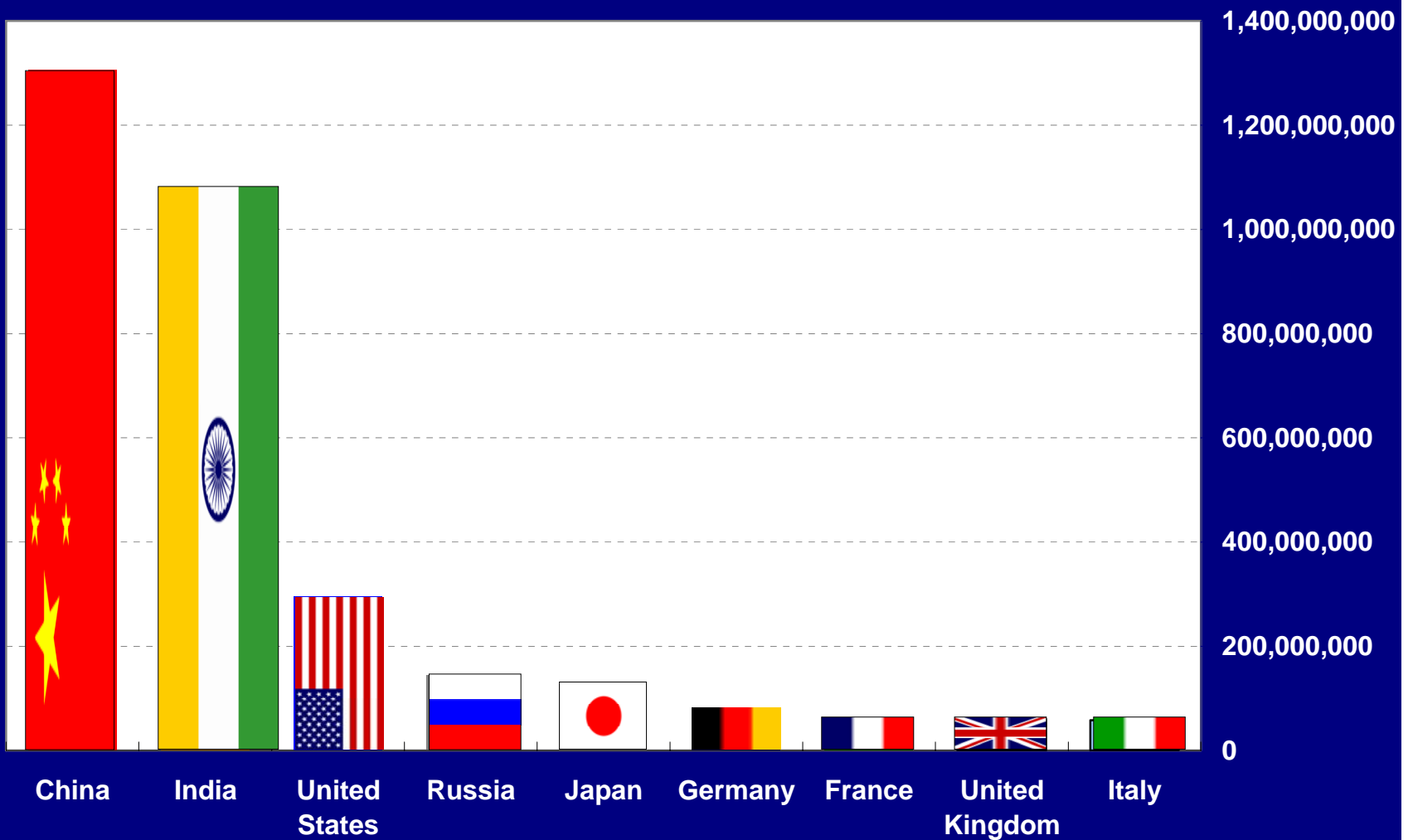
Americans are Getting Older

(Percentage of Americans ages 65 and older)



Source: Social Security Administration

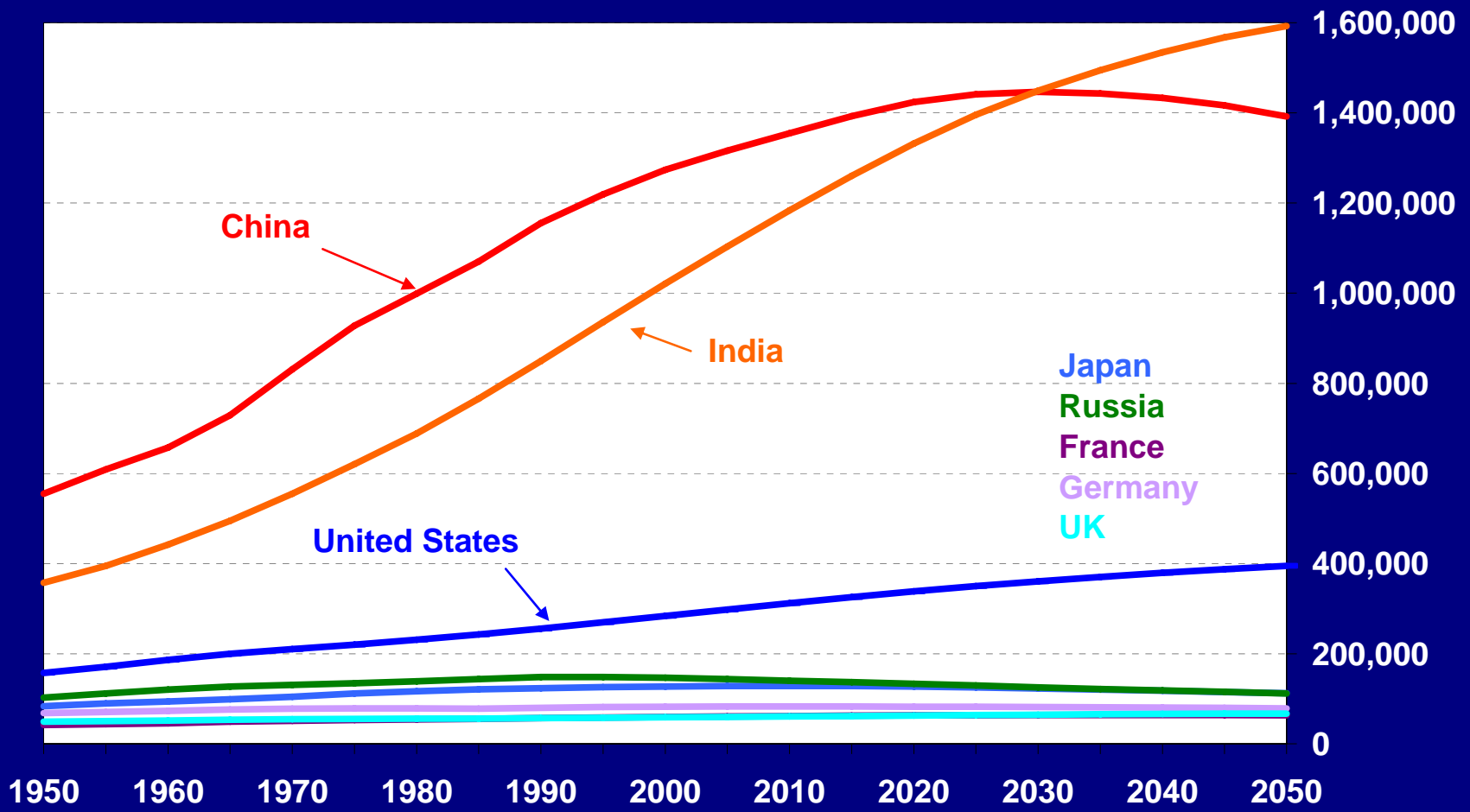
World Populations



Source: U.S. Census Bureau, International Data Base

Many Developed Economies Are Experiencing and Will Continue to Experience Declines in Population

(Population in thousands)



Source: UN, 2004

Demography As Destiny: A Different World Order

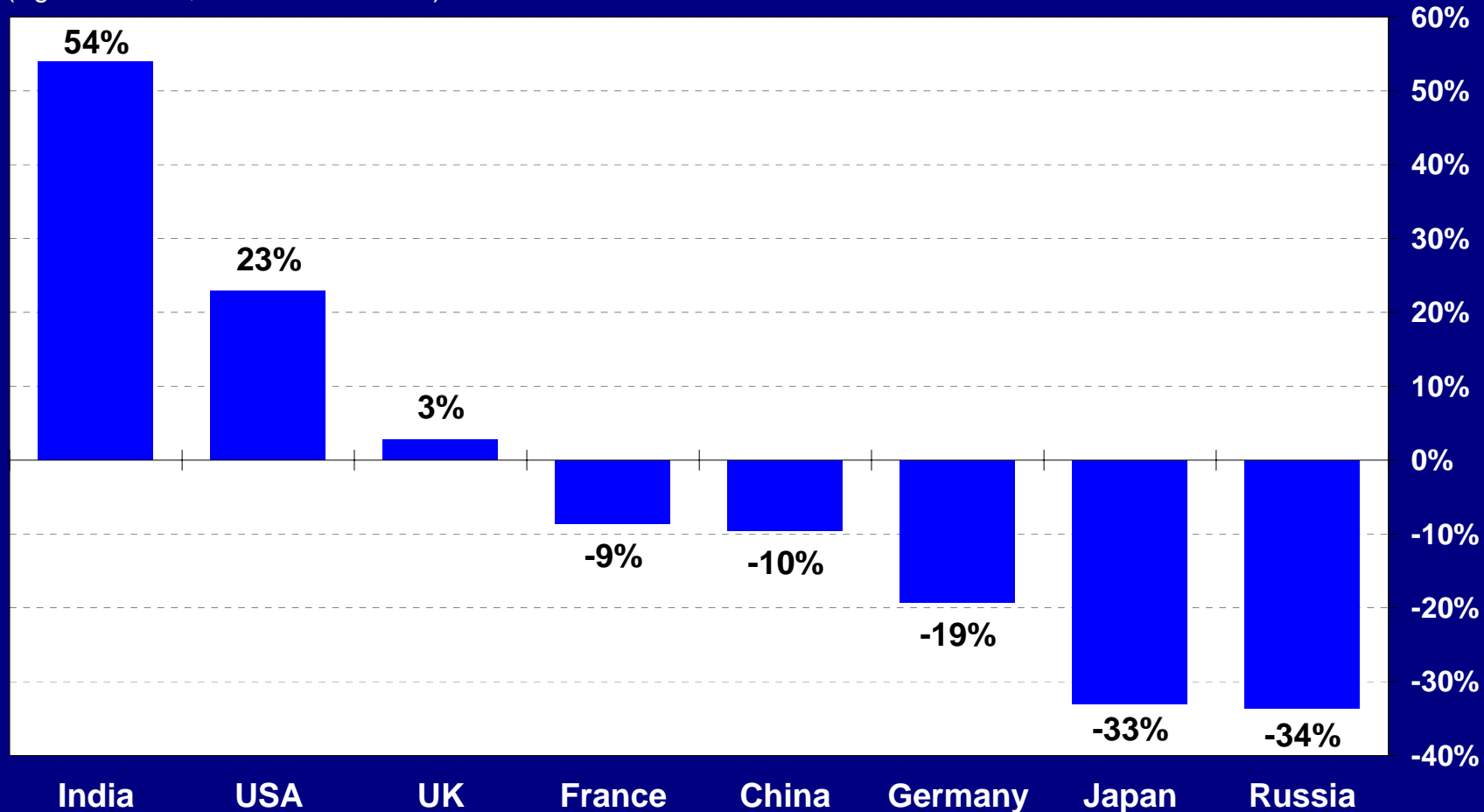
12 Largest Countries Ranked by Population

	1950	2000	2050
1	China	China	India
2	India	India	China
3	United States	United States	United States
4	Russian Federation	Indonesia	Pakistan
5	Japan	Brazil	Indonesia
6	Indonesia	Russian Federation	Nigeria
7	Germany	Pakistan	Bangladesh
8	Brazil	Bangladesh	Brazil
9	United Kingdom	Japan	Congo
10	Italy	Nigeria	Ethiopia
11	France	Mexico	Mexico
12	Bangladesh	Germany	Philippines

Source: UN, 2001

The Size of the Working-age Population Will Shrink Dramatically in Rapidly Aging Countries

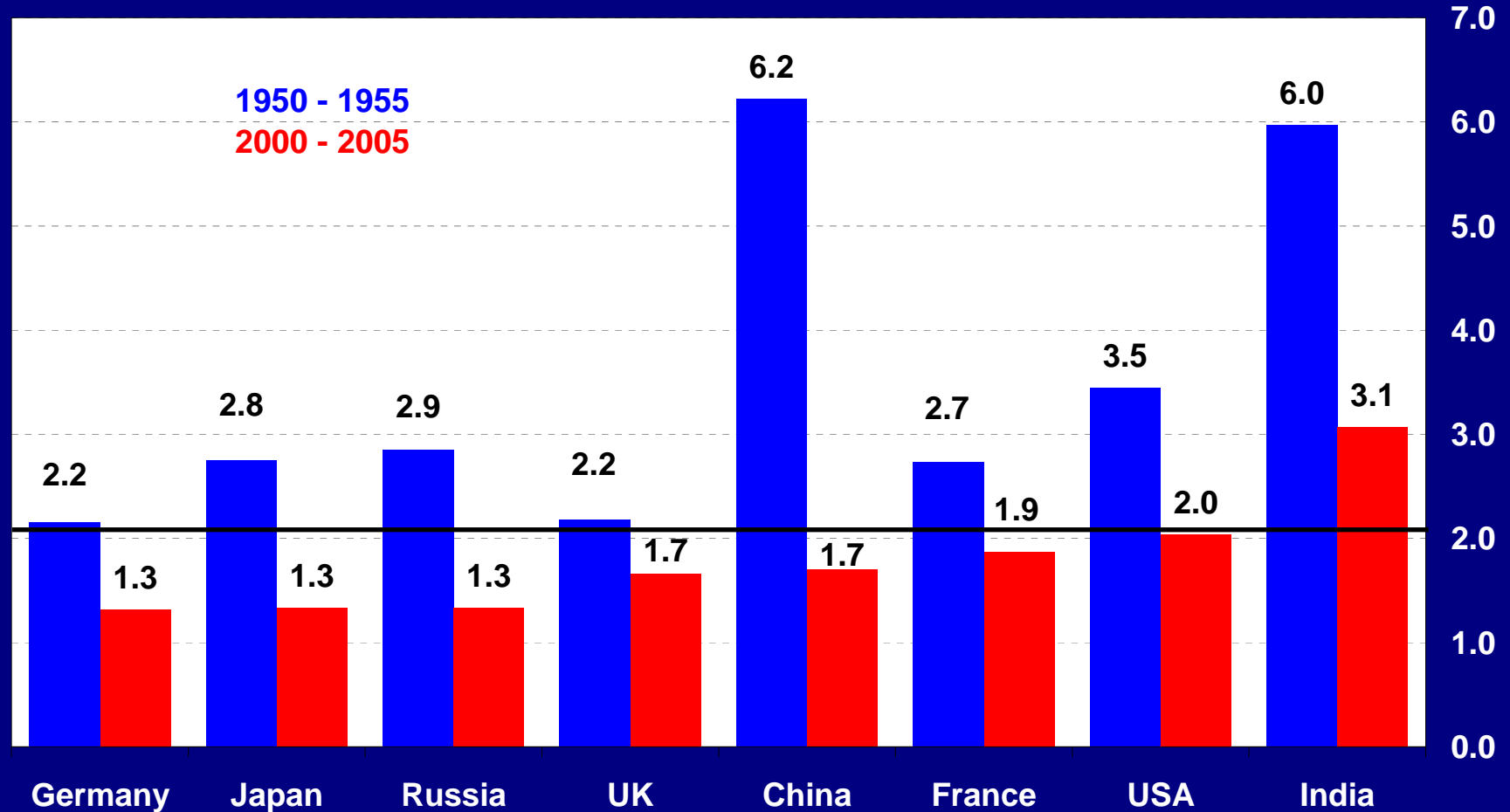
(Ages 15 to 64, from 2005 to 2050)



Source: UN (2004)

Fertility Rates in Developed and Developing Economies Have Fallen Blow Replacement Rates of 2.1

(Average number of childbirths per female)

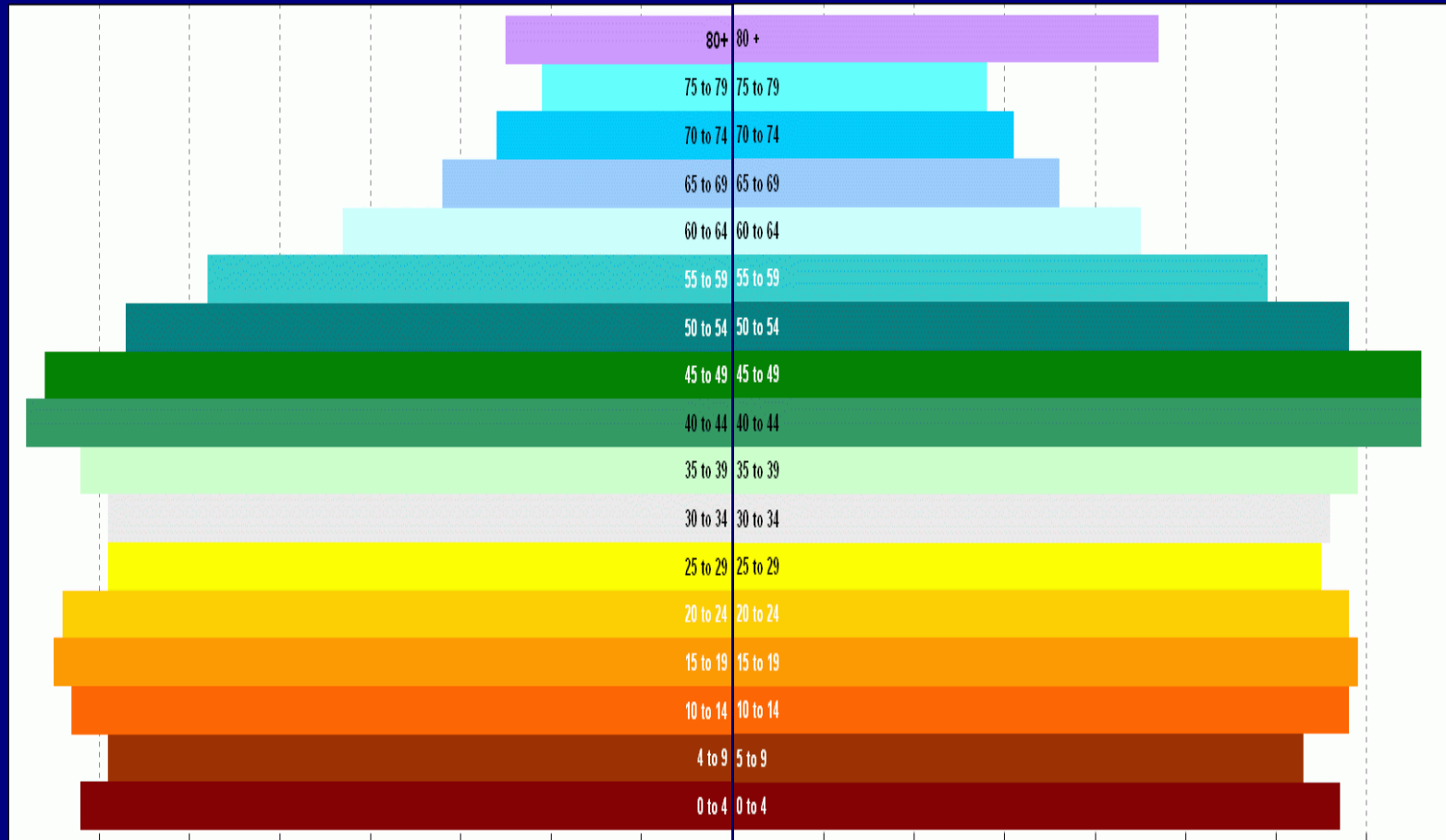


Source: UN, 2004

USA Population Distribution by Age, 2005

Male

Female



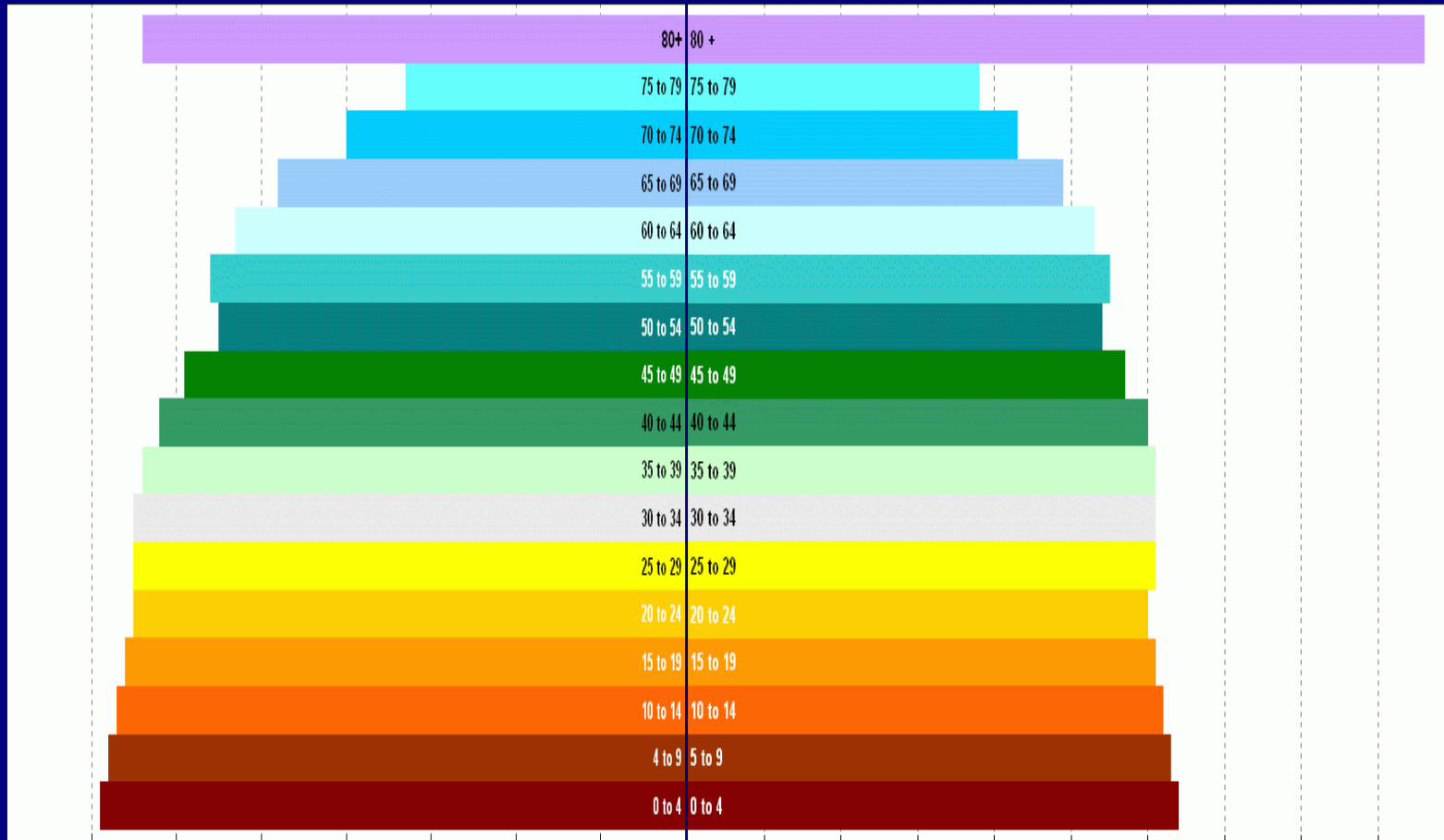
8% 7% 6% 5% 4% 3% 2% 1% 0 1% 2% 3% 4% 5% 6% 7% 8%

Source: U.S. Census Bureau, International Data Base

USA Population Distribution by Age, 2050

Male

Female



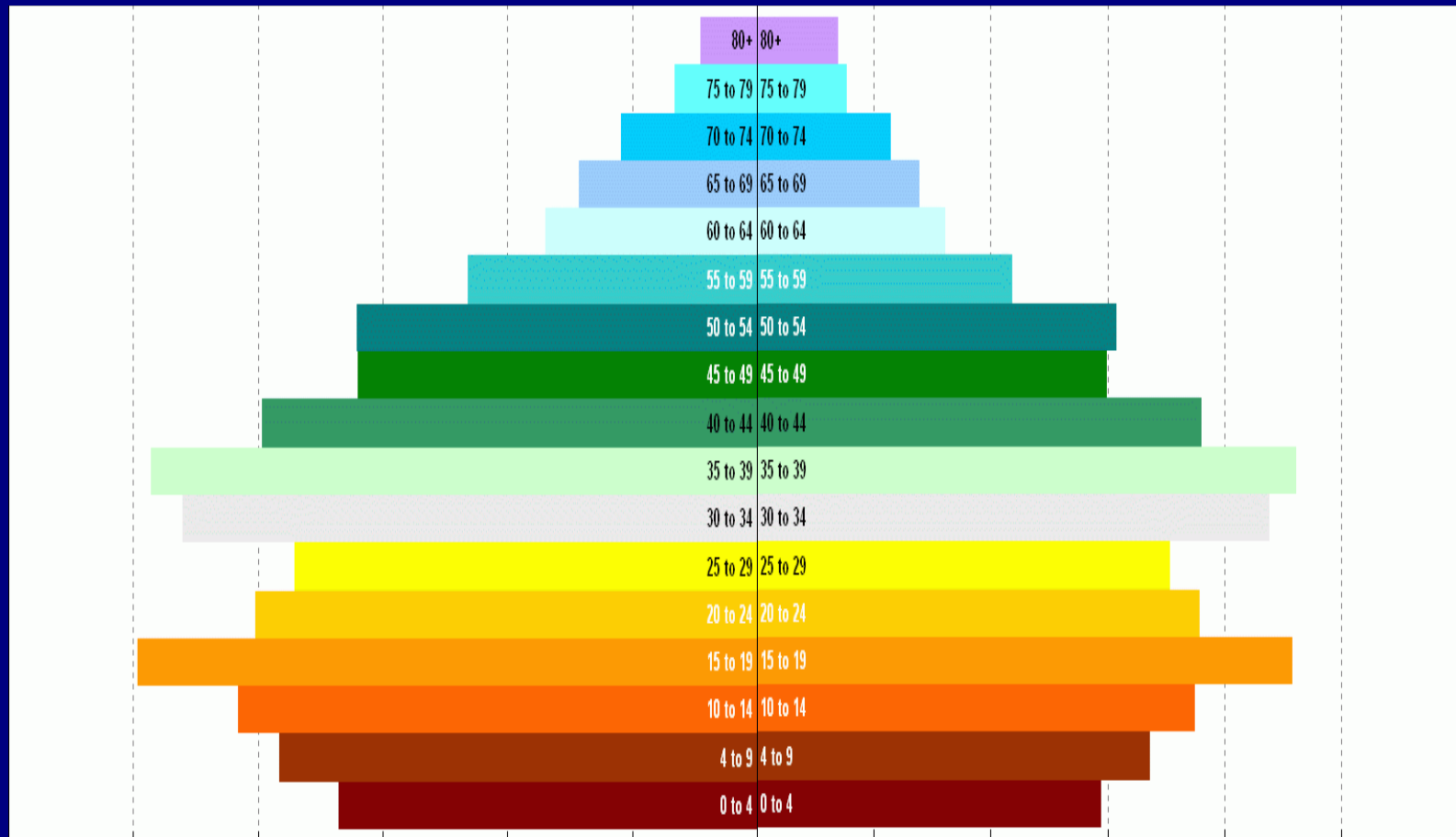
8% 7% 6% 5% 4% 3% 2% 1% 0 1% 2% 3% 4% 5% 6% 7% 8% 9% 10%

Source: U.S. Census Bureau, International Data Base

Chinese Population Distribution by Age, 2005

Male

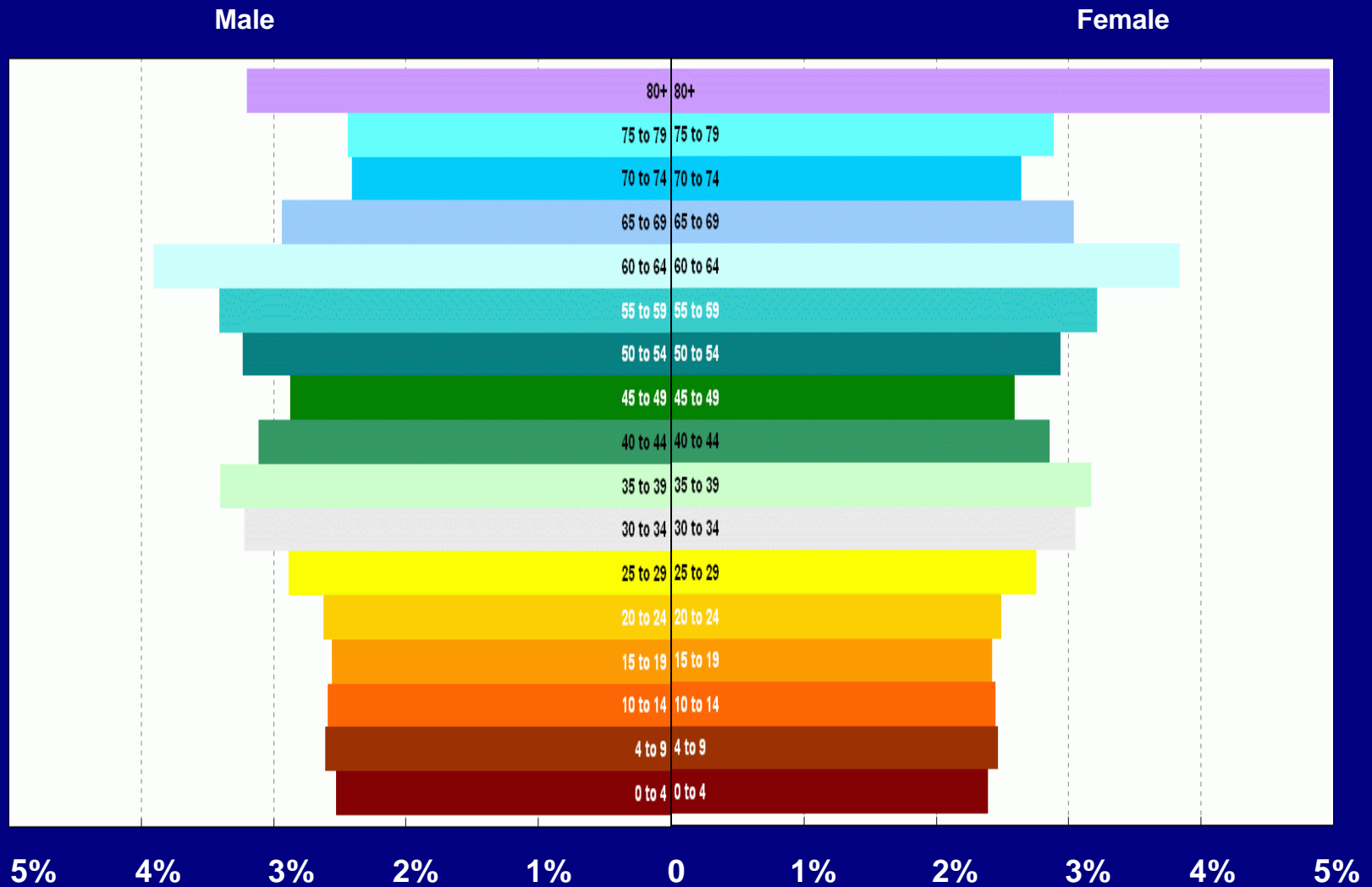
Female



6% 5% 4% 3% 2% 1% 0 1% 2% 3% 4% 5% 6%

Source: U.S. Census Bureau, International Data Base

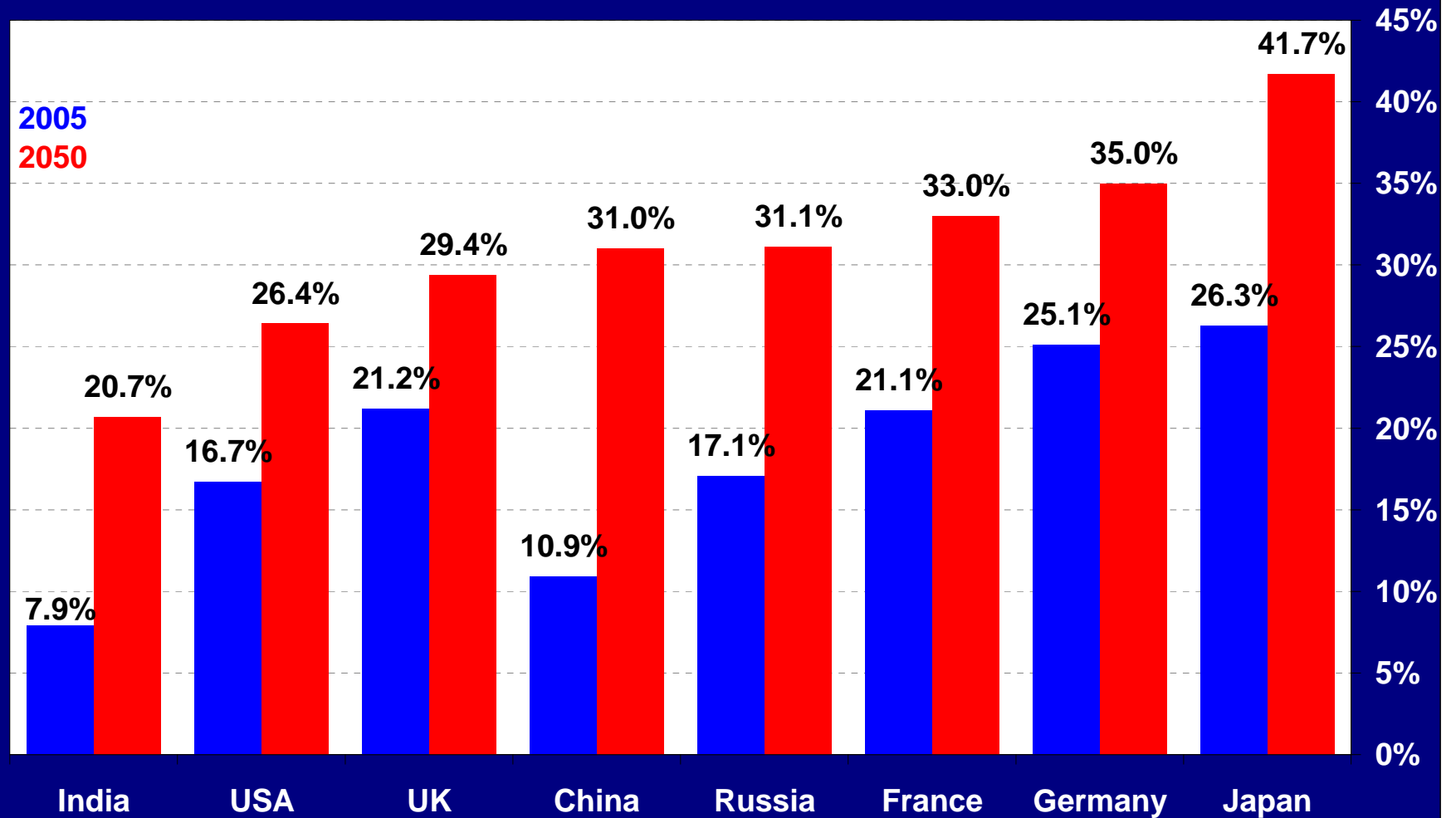
Chinese Population Distribution by Age, 2050



Source: U.S. Census Bureau, International Data Base

United States Will Remain Among the Youngest of Nations

(Percent of population aged 60 and over)



Source: UN, 2004



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