

2018

**Cyclical Status and
Fundamental Structural
Disruptions**

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**University Professor
And Dean Emeritus**











The Future





Honesty and Fair Dealing



**If You Can Fake That, You've Got it
Made**

The Current Cyclical Status of the Economy

Long-Term Structural Changes/ Disruptions



Milestones

2017

Believe It or Not 1

The Third Longest Economic Expansion in History

June 2009 – March 2017

93 Months in Length



Abducted by Aliens



Additional Milestones

June 2009 – June 2017

96 Months in Length: 8 Full Years

June 2009 – December 2017

102 Months in Length: 8.5 Years

December 2007–December 2017: Tenth Anniversary



Tenth Anniversary





The Official National Expansion (June 2009- December 2017)



U.S. Post-Nadir (February 2010- December 2017) Growth

+18.0 Million Private-Sector Jobs



Believe It or Not 2

ANNUAL U.S. PRIVATE-SECTOR EMPLOYMENT GROWTH

Current Expansion

+2.3 Million Jobs Per Year

Record 1991-2001 Expansion

+2.4 Million Jobs Per Year

Believe It or Not 3



2018: The Expansion Continues

May 2018: 107 Months in Length
Second Longest Expansion in History

External Shocks

These are factors outside the economic system, but they can cause fluctuations in business activities. Examples include:

wars

natural disasters

foreign economies

9/11



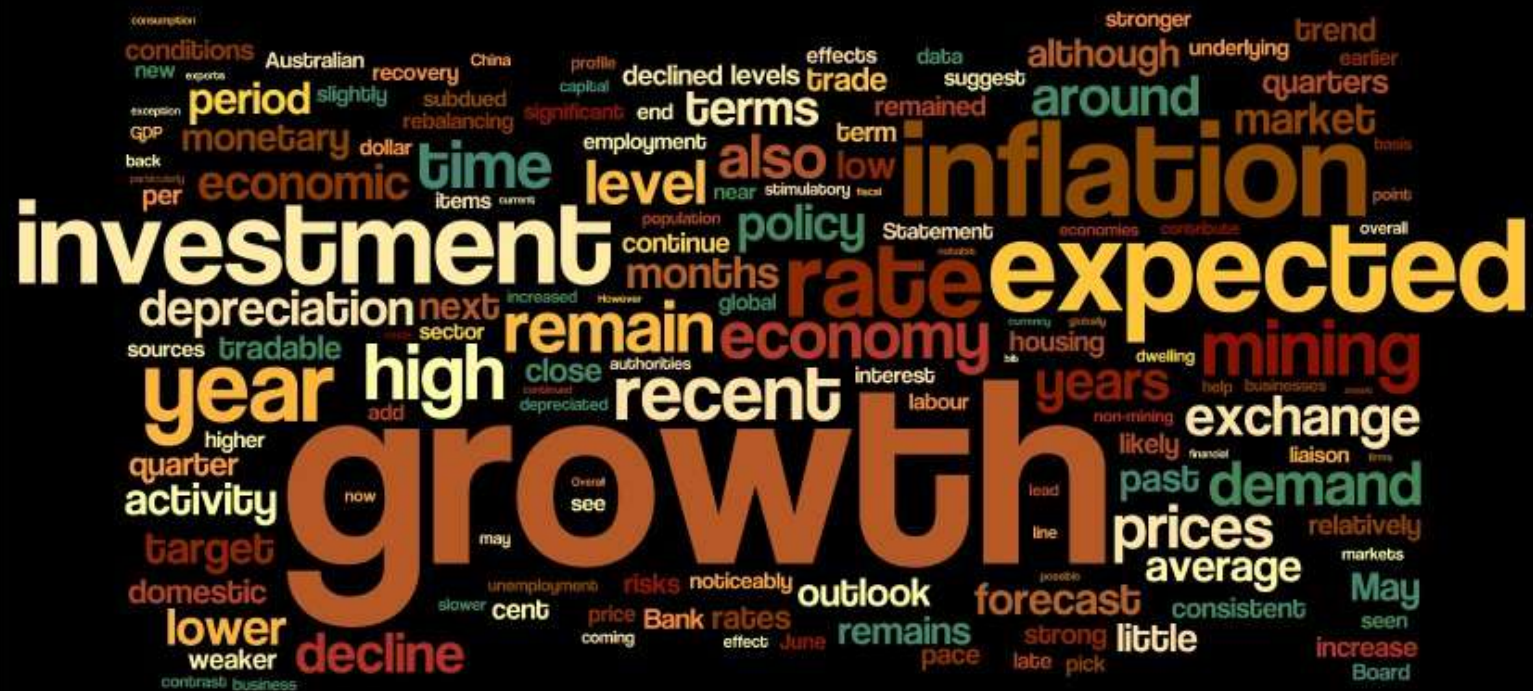
Crash

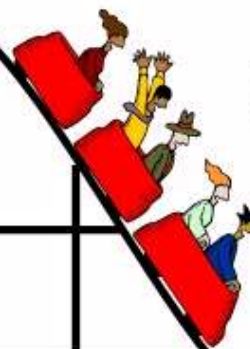






DR. DISASTER





Here We
Go Again!

Economic Trees Do Not Grow To The Sky



A Real Flair with Numbers

$$4 + 2 = 6$$

$$-4 + (-2) = -6$$

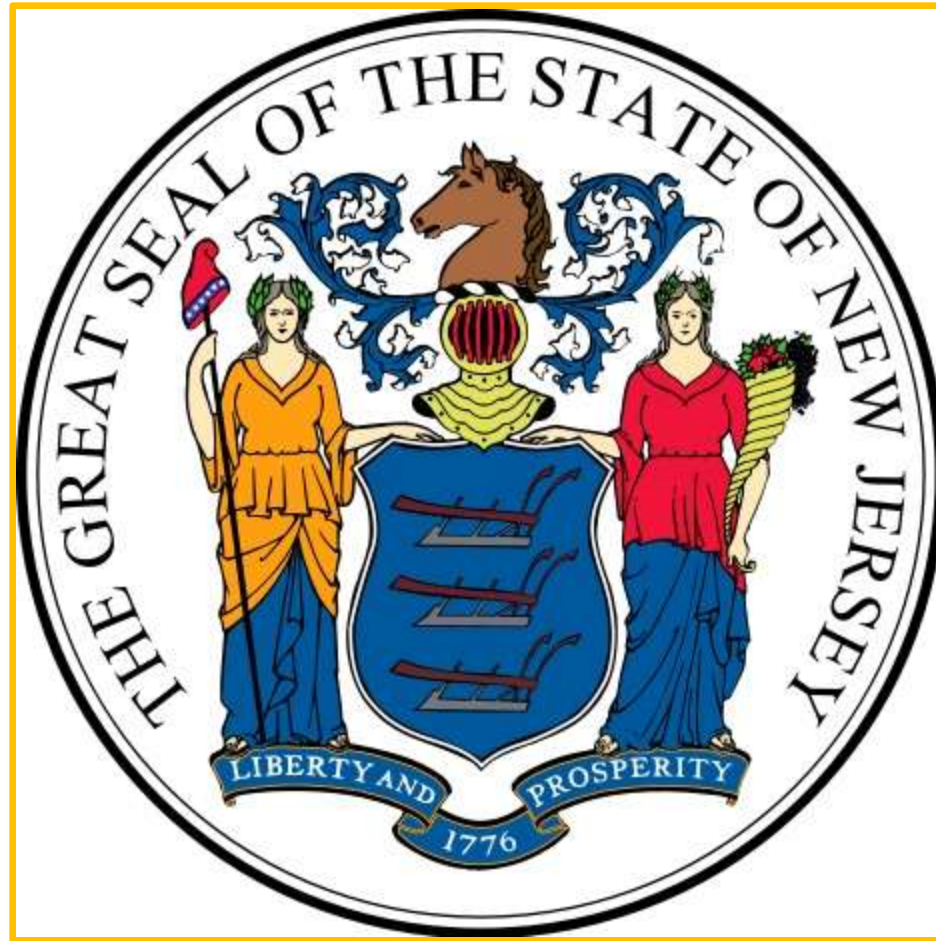
$$-4 + 2 = -2$$



Marry a Forecaster?



Our Beloved Garden State



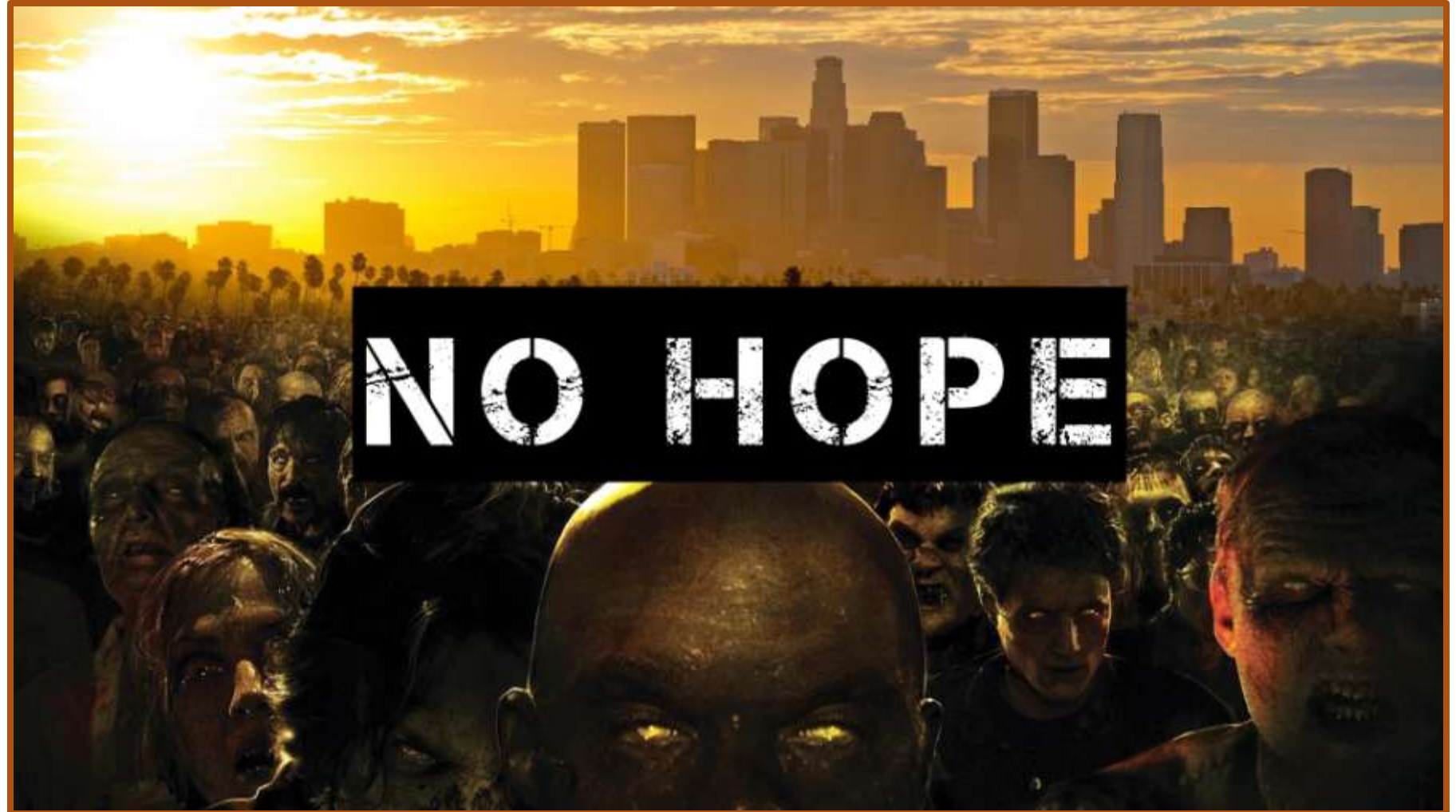
New Jersey: The Elusive Recovery

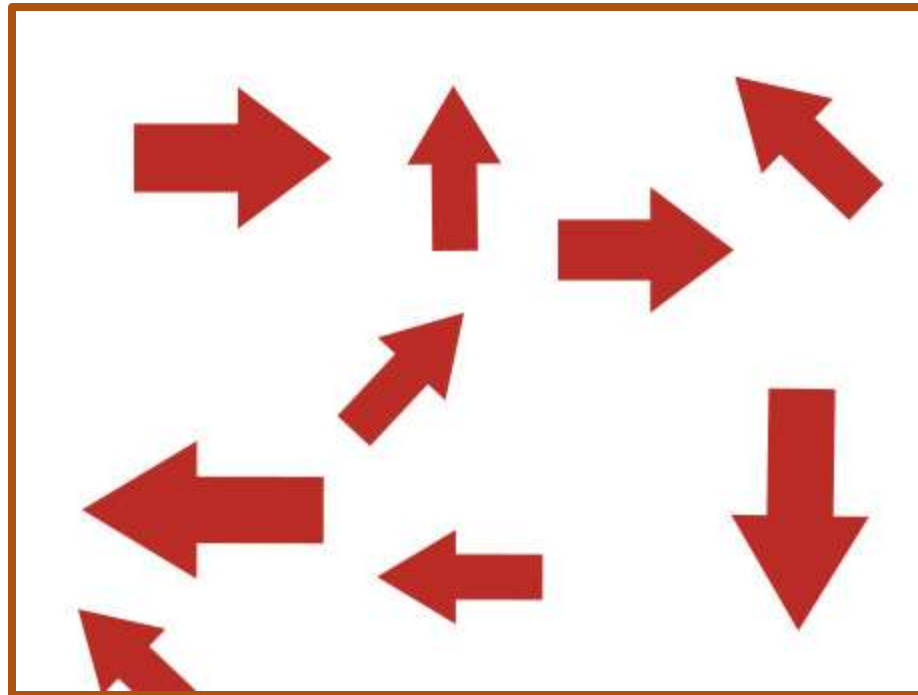


Economic Training Wheels

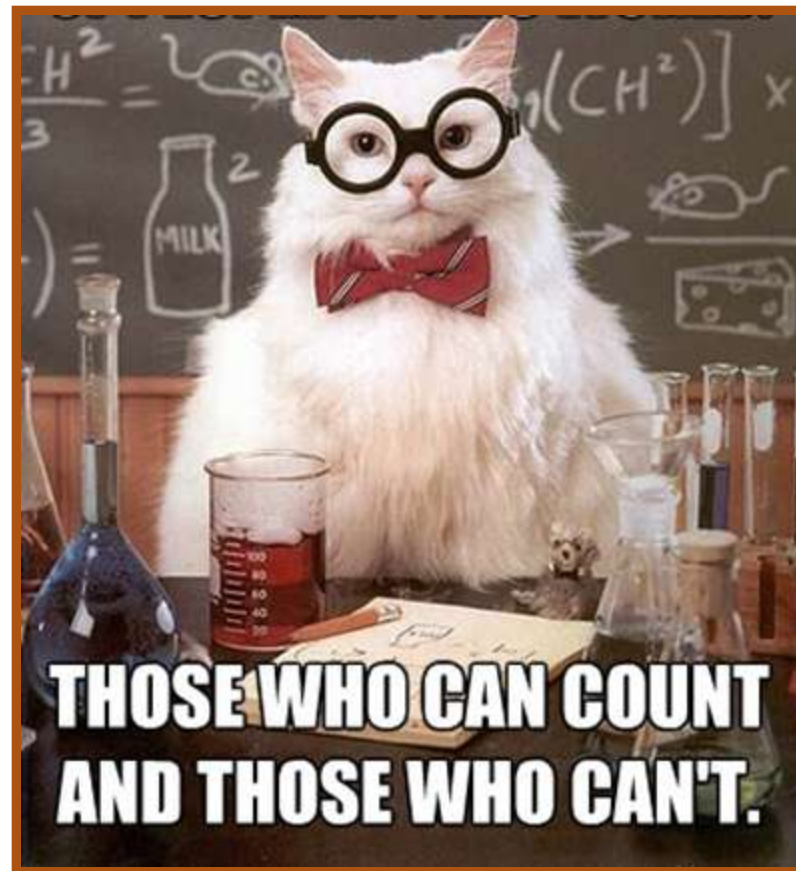


Exiting the Great Recession





Three Kinds of Forecasters in New Jersey



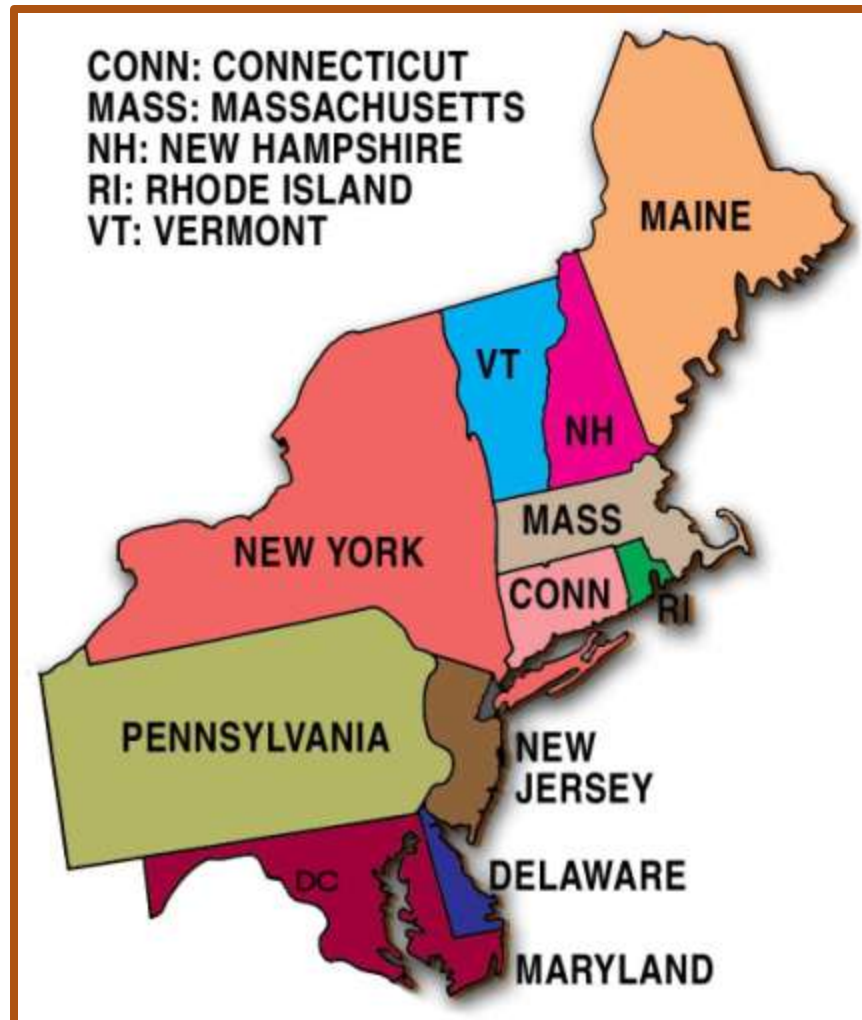


**New Jersey's Expected Share (3%) of
National Growth (2.3 Million Jobs):**

69,000 Jobs/Year

**Actual New Jersey (2010-2017) Job
Growth:**

44,000 Jobs/Year



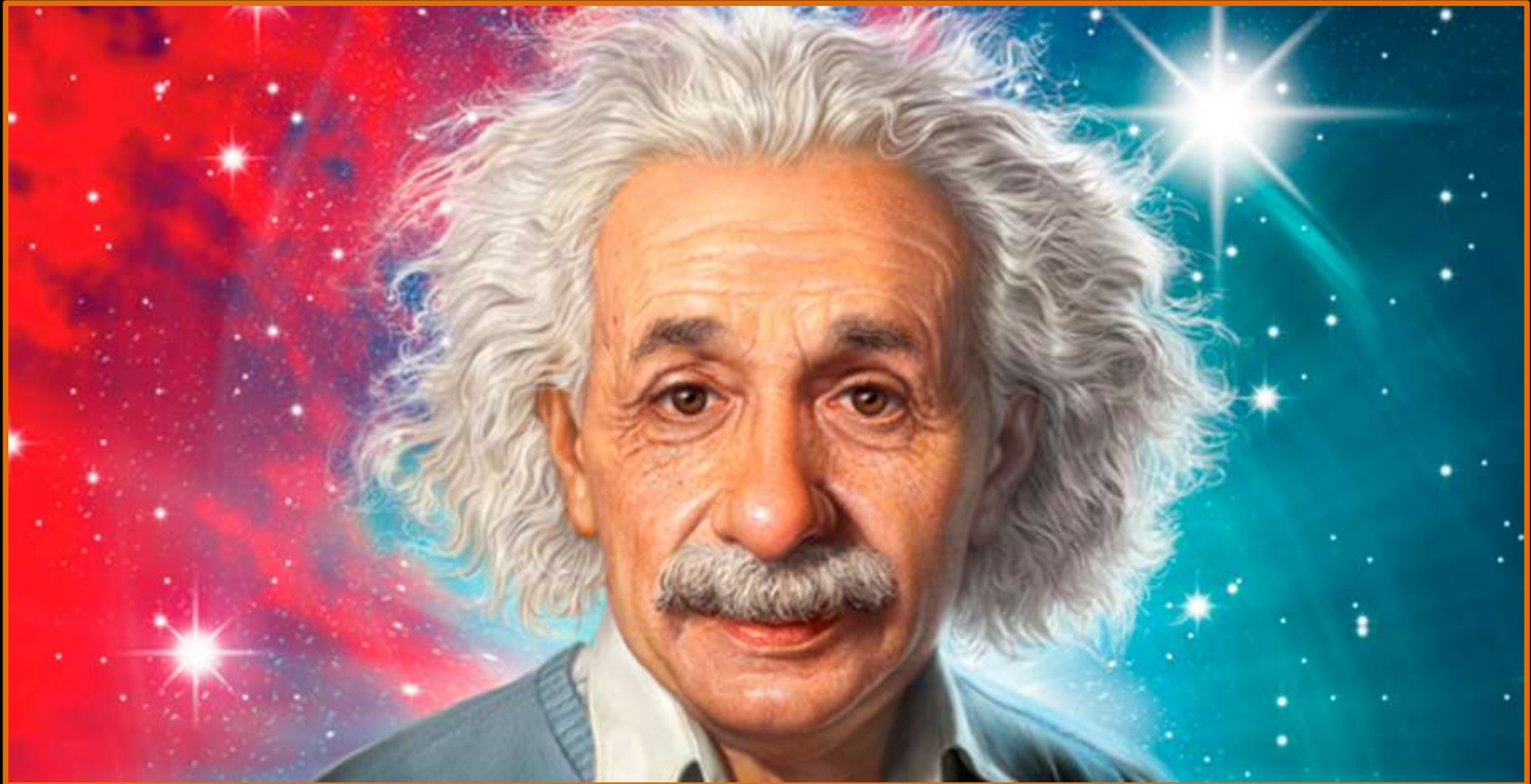


Believe It or Not 4:

Private Sector Employment Change: 2010-2016

	Change: 2010-2016		
State	Absolute (thousands)	Percent	Rank
UNITED STATES	14,453	13.3	-
CONNECTICUT	69.7	5.1	5
DELAWARE	36.7	10.4	2
NEW JERSEY	272.4	8.5	3
NEW YORK	913.0	12.9	1
PENNSYLVANIA	316.9	6.5	4

Albert









Fundamental Disruptions to 20th Century Assumptions and Protocols



Fundamental Disruptions

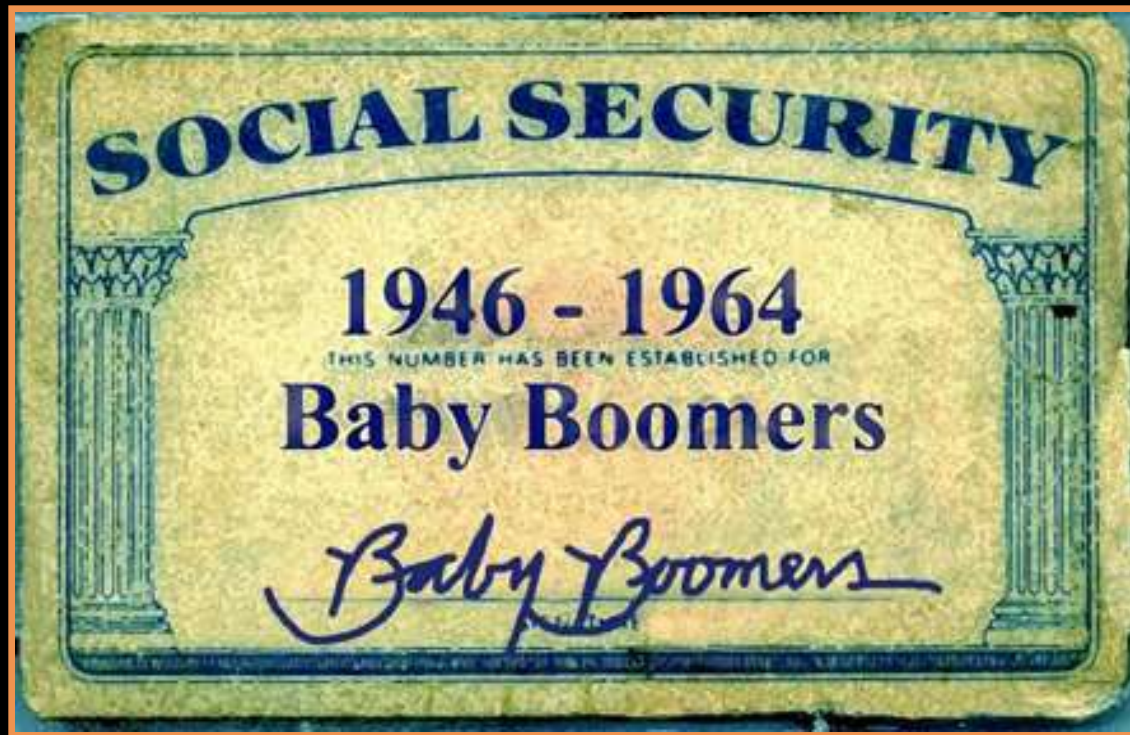
- 1. Demographics: Changing of the Guard**
- 2. Advances in Digital Information Technology**
- 3. Diminishing Forces of Suburbanization**
- 4. Suburban Office-Ecosystem Transformation**
- 5. Advancing Corporate Urbanism**
- 6. E-Commerce - The Great Retail Apocalypse**

Changing of the Demographic Guard: Disruption 1

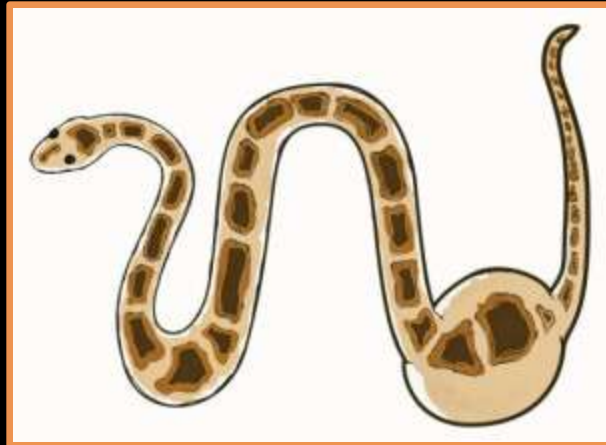


Born 1946-1964





Baby Boom Pig in the Demographic Python



Baby Boom Life Cycle Stages



Protesting Serious Middle-Aging



Empty-Nesters Resizing in the Housing Market



Rock Around The Clock



Limp Around the Block



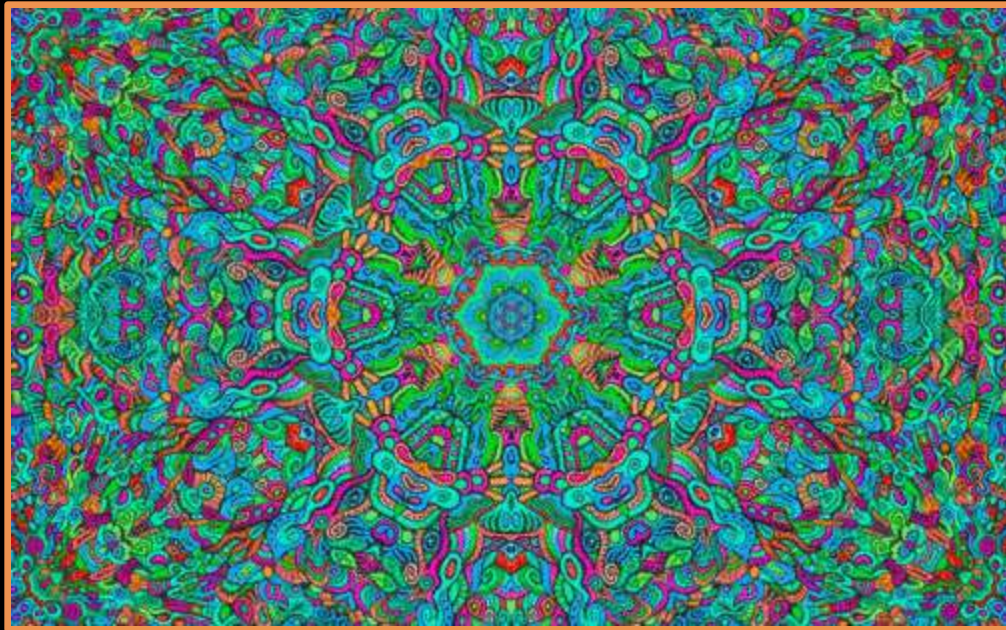
2018: The Great Calamity

54 and 72 Years of Age

First Boomers: 72 years of age

More than 1/2 of all Boomers will be 63 or older

Dropped Acid



Dropping Ant-Acids



Now a Back-Seat Passenger



Median Retirement Age: 63 Years



We Will Not Go Away Quietly!







Millennials: First Digital Age Generation



Born 1980-2000





Sidebar: Disruptive Change 2

Advancing Information
Technology:

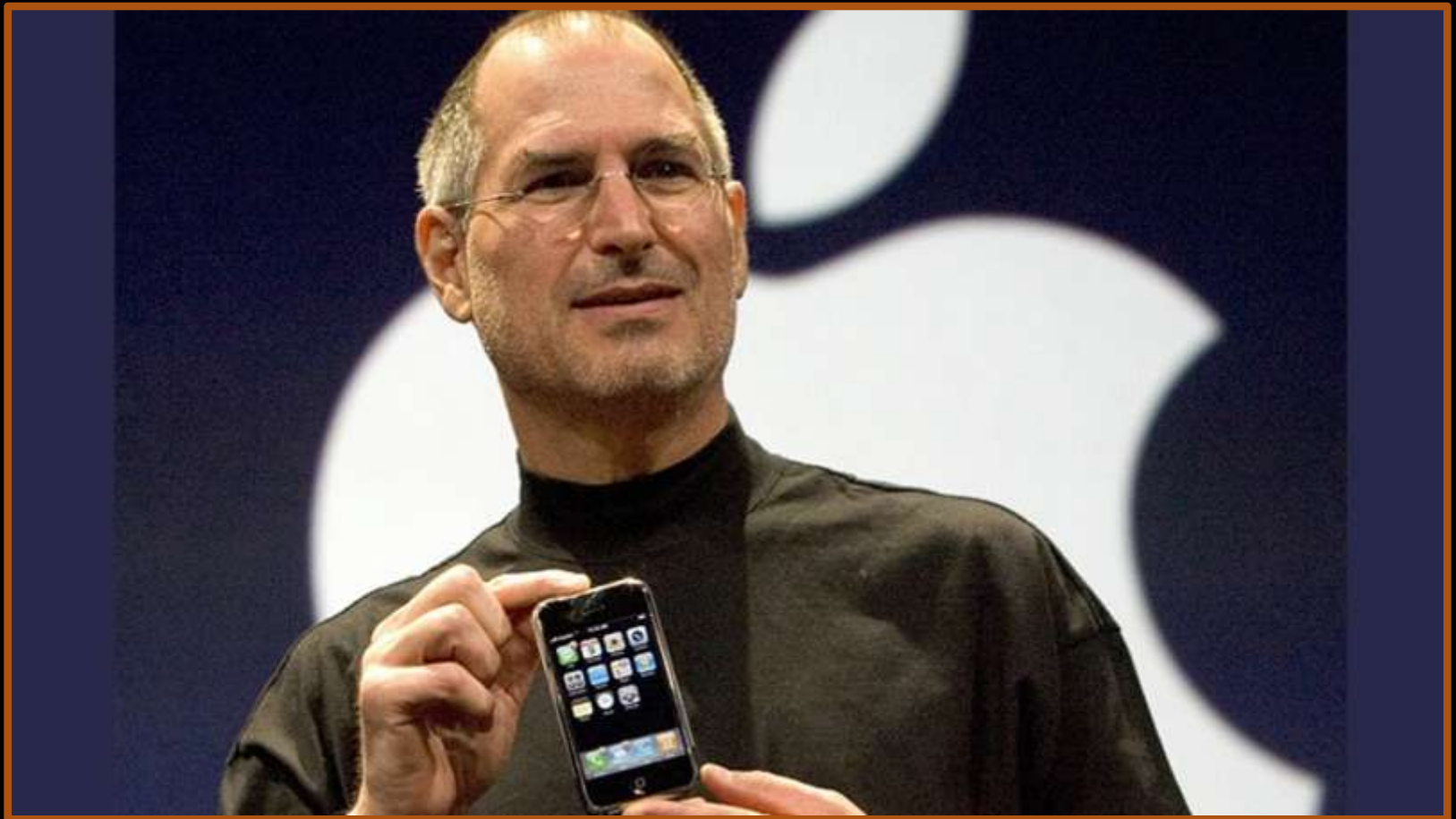
The Digital Foundation of a
Millennial-Driven Economy

Advancing Information Technology



But Wait...
**THERE'S
MORE!**

2007: Mobile-Internet-Untethered Era Steve Jobs Unveiling iPhone



2018: 18 to 38 Years of Age





MILLENNIALS: SHAPING A NEW ECONOMY OF EXPERIENCE

Then: Baby Boomers Fleeing From Industrial Jersey City



Now: Millennials Flocking To Postindustrial Jersey City



Sprawl Withdrawal



Millennial Paradise?



Bebeto Matthews/AP

I Don't Want Your Stuff!



Source: NorthJersey.com

Lifetime Accumulated Treasures or Dumpster Material



Treasures' Final Resting Place?



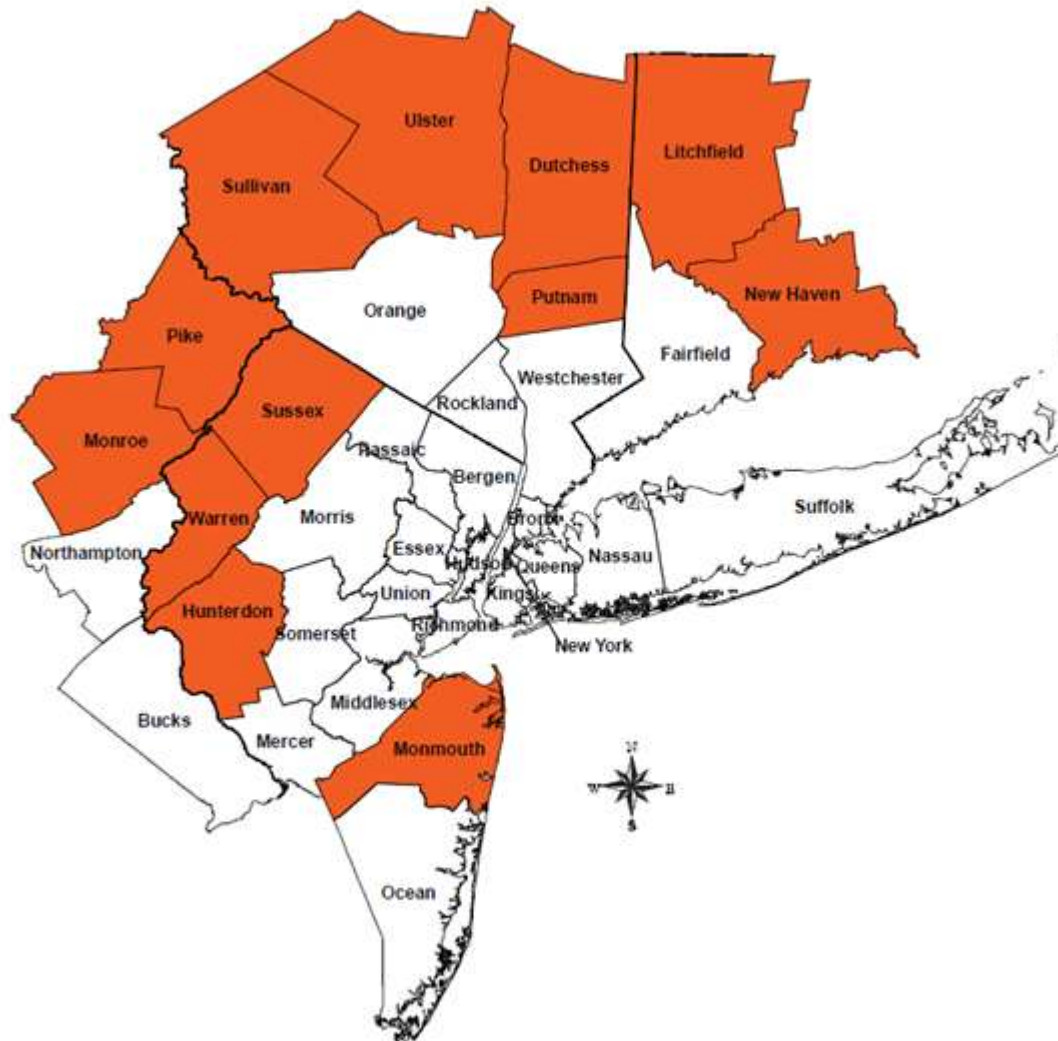


Disruption 3

The Attenuation of the Forces of Suburbanization

The Shrinking of the Metropolitan Demographic Perimeter

Counties with Population Decline, 2010-2015



Source: Rutgers Regional Report, based on data from the U.S. Census Bureau, New Jersey Geographic Information Network, NYS GIS Clearinghouse, and National Oceanic and Atmospheric Administration.



Reversal of Economic Fortune



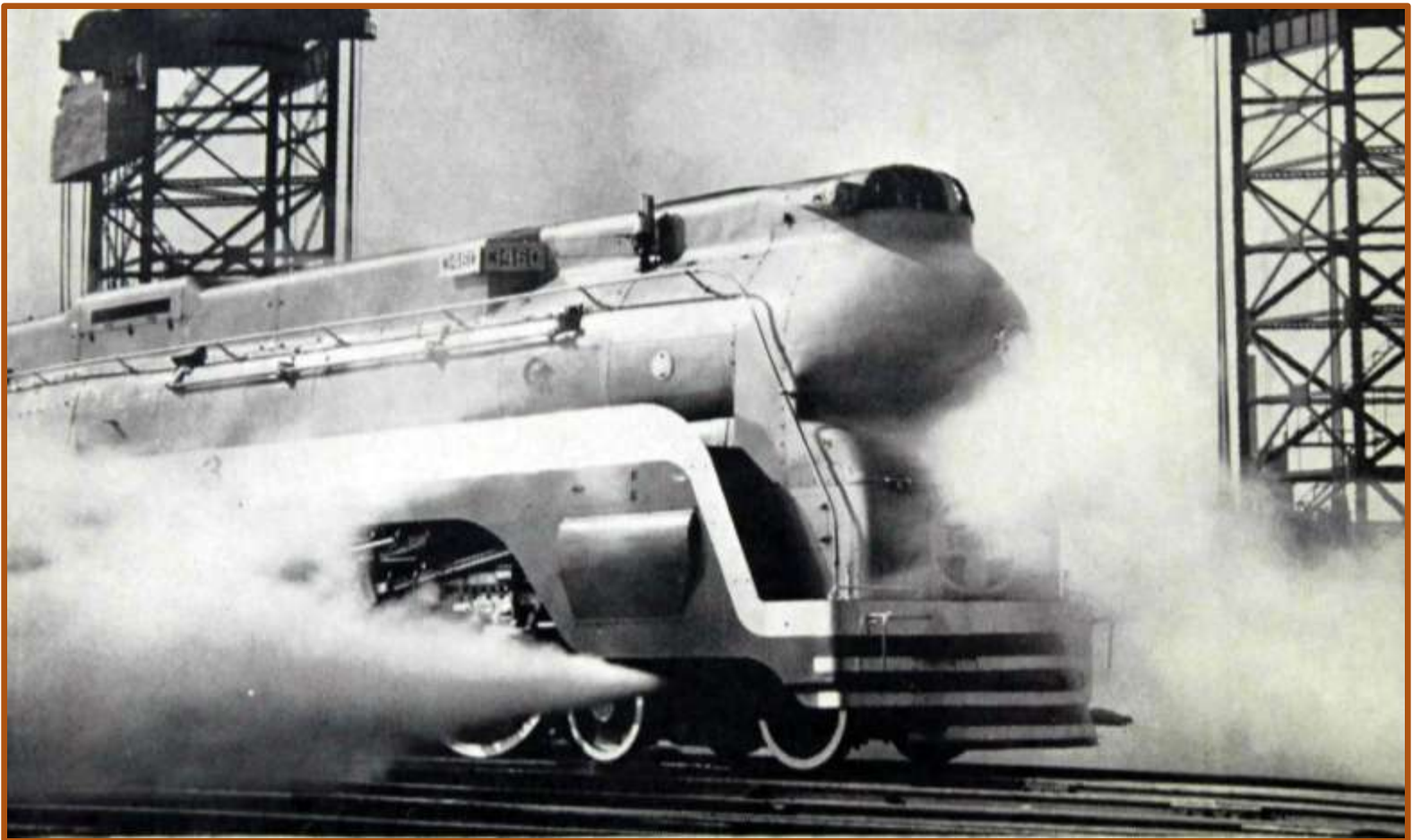
New Jersey and New York City: Employment Change

1950-2004

New Jersey +2,342,300

New York City +81,800

New Jersey: Suburban Regional Economic Locomotive



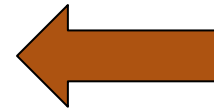
New Jersey and New York City: Total Employment Change

1950-2004

New Jersey	+2,342,300
New York City	+81,800

2004-2016

New Jersey	+76,100
New York City	+775,700



Caboose on the Regional Economic Train





Disruption 4

The Structural Transformation of New Jersey's Aging Suburban Office Ecosystem

RUTGERS



**FOR
RENT**
OFFICE SPACE

1111 Durham Avenue, South Plainfield





New Prudential Complex in Newark



Disruption 5: The New Corporate Urbanism



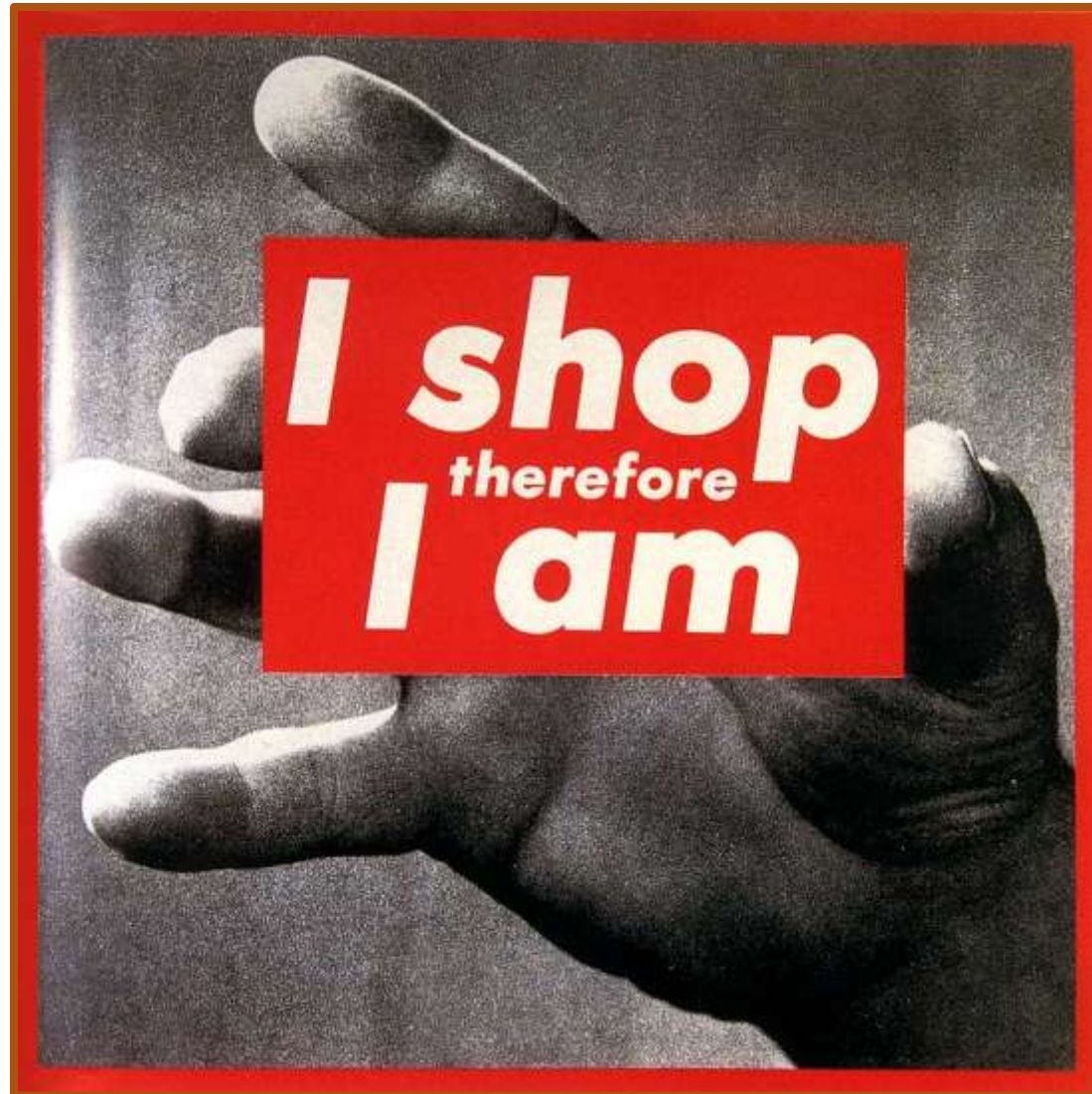
Disruption 6: The Revolution in Retailing and Distribution



New Jersey's Core Economic Competency











(Die Broke)

The Mall is ALL



WHEN THE
GOING GETS
TOUGH
THE TOUGH
GO *Shopping!*

The Great Retail Apocalypse





Cathedrals of Consumption

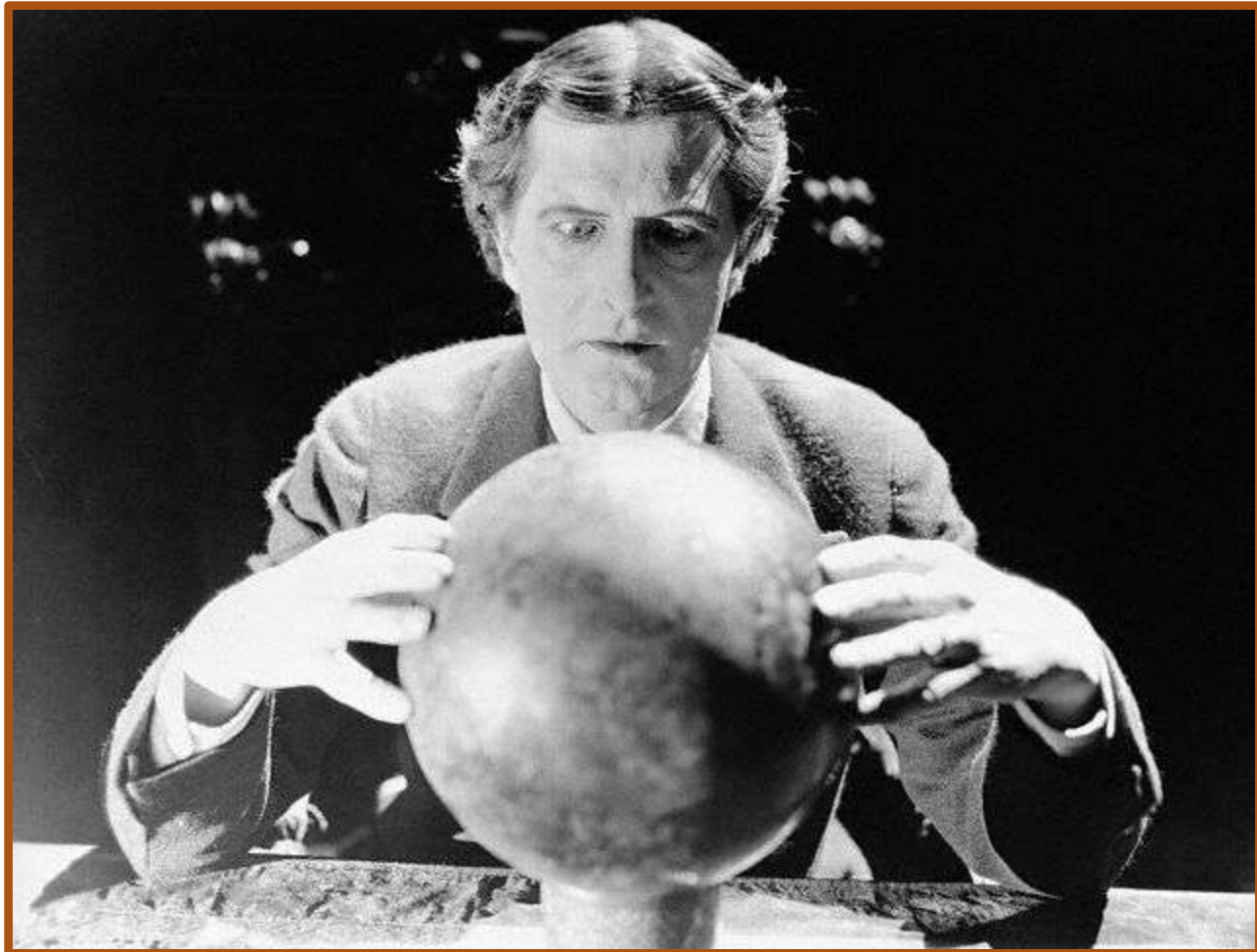


Right-Sizing of Regional Mall Ecosystem





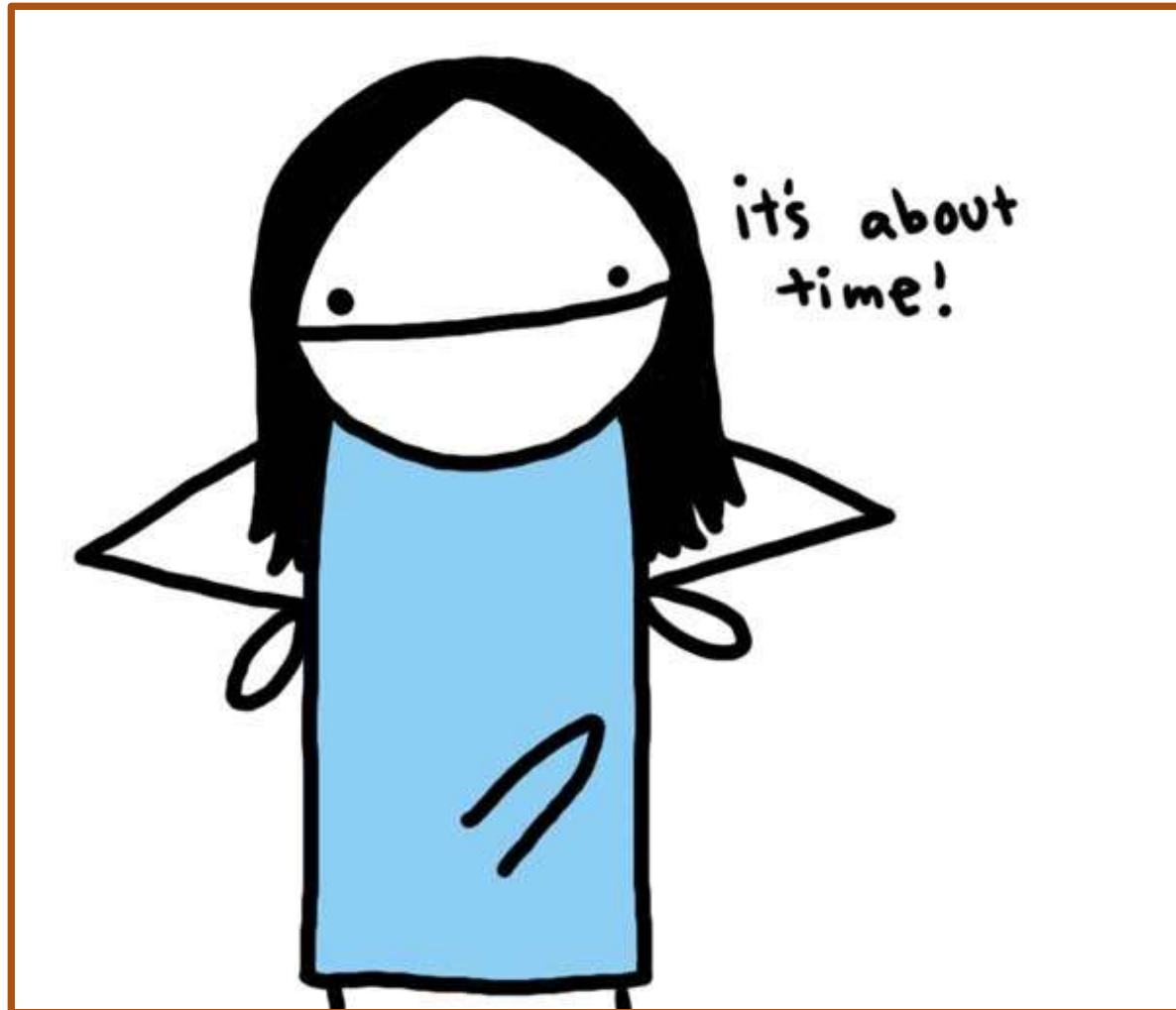




Eventually Can be a Very Long Time









The Lost Decade

Source: Tony L. Uphoff, UBM TechWeb

New Jersey's Long Economic Recuperation Period



[illegible]



FINAL CHAPTER





