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A young boy with a wide, open-mouthed smile is looking at a large, ornate golden dragon head sculpture. The dragon has a red eye and is surrounded by people, including a man in a blue shirt who is also looking at the dragon. The scene appears to be outdoors, possibly at a festival or a public display.

Chinese Dragon Children Are a Self-Fulfilling Prophecy

Photographer: Kevin Frayer/Getty Images

Children born in dragon years come out on top, and it probably has to do with parental investment

By Jeanna Smialek

August 22, 2017, 4:00 AM CDT

From

Expectation can become reality, and child-rearing is a case in point.

Chinese parents' belief that their kids should be successful because of their zodiac birth year seems to lead to better actual academic performance, and a look into that phenomenon leads off this week's economic research wrap. We also run through research on China's gas demand, a look at U.S. job expectations and career-climbing patterns, and a paper on how foreign ownership affects firm productivity in the U.K. Check this column every Tuesday for new and

thought provoking research from around the world.

How to raise a dragon

Chinese superstition says that children born during zodiac “dragon years” grow up to be successful – and it turns out, it’s true, according to a new National Bureau of Economic Research working paper from two Louisiana State University researchers. Parents appear to be trying to have kids during the special years, based on birth data. Children born during dragon years score higher on college entrance exams and are more likely to attain a college education versus their peers of a similar age but different zodiac year.

So should these kids thank their lucky stars? Probably not. Their better education outcomes might be driven by the fact that their parents have higher expectations of dragon children and invest more money in them, while putting more time into their education. “These expectations create this self-fulfilling prophecy,” the authors write. Interestingly, this isn’t a confidence story. The kids themselves don’t expect to be more skilled, based on survey responses.

Can Superstition Create a Self-Fulfilling Prophecy? School Outcomes of Dragon Children of China

Published August 2017

Available on the [NBER website](#)

China: the new gas guzzler?

High growth and energy-intensive choices could cause Chinese oil demand to double by 2025. Even with a more moderate expansion and less energy-intensive choices, it could climb by 30 percent, based on a new San Francisco Fed economic letter by Deepa Datta and Robert Vigfusson. The estimates are reached by looking at how other countries around the world saw oil demand vary with income. If oil producers fail to anticipate that surge in Chinese demand, “prices would have to rise, perhaps dramatically.” If supply doesn’t match demand growth, oil prices would have to climb from \$90 to \$172 per barrel to strike a balance in the high-demand scenario, the authors project. (Though they note that this would be an extreme and less-likely outcome.)