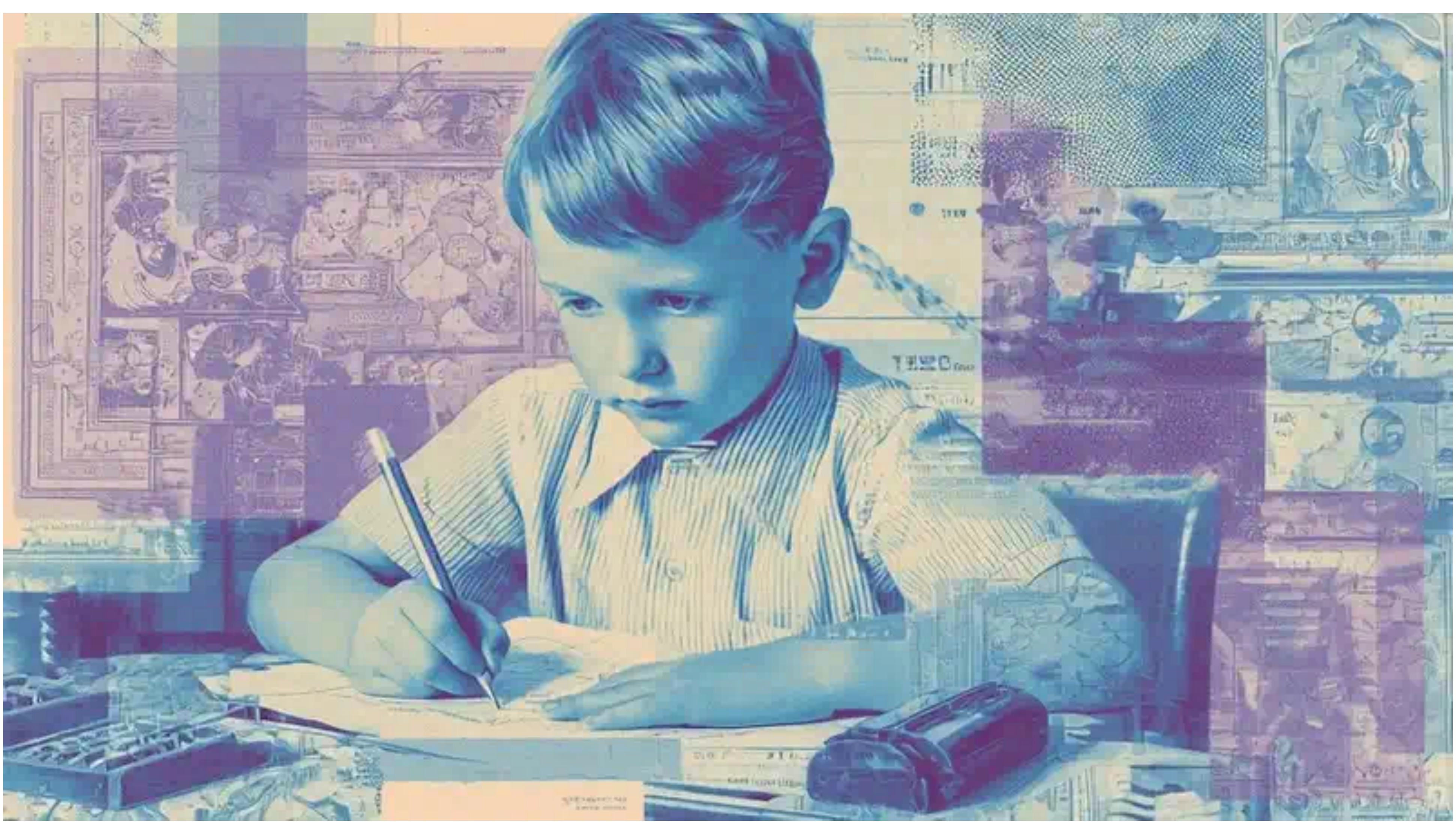
The Myth of the Autism Epidemic

Most new cases reflect mild or no significant impairment. Moderate and severe cases have declined.

ADAM OMARY

APR 01, 2026



For years, public health debate has often fixated on a supposed rise in the prevalence of autism. Various culprits have been named, including the well-investigated but unsubstantiated claim that vaccines cause autism. More recently, additional risk factors have been proposed — many by Health Secretary Robert F. Kennedy Jr. — including maternal Tylenol use, food dyes and additives, chemical manufacturing agents and other possible stressors affecting perinatal development. Concerns about autism have been spotlighted within the larger Make America Healthy Again movement, motivated by a well-founded alarm over the nation's devastatingly high burden of chronic disease and psychiatric illness. But there is a bigger problem with the autism epidemic: It doesn't exist.

Autism *diagnoses* have indeed risen dramatically in recent decades. The most recently released Centers for Disease Control and Prevention report on autism, which was published in April last year, revealed a nearly five-fold increase in the prevalence of autism between 2000 and 2022, from 67 to 322 cases per 10,000 children. However, diagnostic criteria can change even when the underlying health phenomenon remains unchanged. A large-scale study published in December, drawing on CDC data from 24,669 8-year-olds across the country, suggests that the dramatic rise in autism diagnoses may be entirely driven by children with mild symptoms and no significant functional impairment. Between 2000 and 2016, there was a 464 percent increase in diagnoses among children with no significant functional impairment whatsoever. In fact, during the same time period, there was a 20 percent *decrease* in the prevalence of moderate or severe autism, from 15 to 12 cases per 10,000 children.

There is often a lag of several years before such epidemiological datasets are released, and years more for researchers to perform statistical analyses, publish the findings and enter public policy discussions. We do not yet have data more recent than 2016 breaking down symptoms by severity level while controlling for other psychological factors such as intellectual disability. However, given the trends observed between 2000 and 2016, it is highly unlikely that the additional *74 percent increase* in autism diagnoses between 2016 and 2022 reflects a sudden surge in severe, functionally impairing autism. Rather, it is more likely a continuation of the same problem of overrepresentation among children with mild symptoms and no significant functional impairment.

Despite that, some advocates support the narrative that autism is on the rise, because an ever-expanding "spectrum" that produces more diagnoses draws more attention and research funding — even if children's underlying psychology remains unchanged.

Some of the CDC's data documenting the supposed rise in the characteristics of autism, meanwhile, comes not from gold-standard in-person psychiatric assessments but from parent-reported surveys such as the Social Responsiveness Scale. The SRS includes statements such as "Would rather be alone than with others," "Has difficulty making friends," and "Is regarded by other children as odd or weird," which parents rate from "Not true" to "Almost always true." In my own doctoral research on adolescent mental health, I included the SRS to account for the extent to which other psychological outcomes were explained by social difficulties. However, I was always careful to use hedging language — these are behavioral traits known to be *associated* with autism, not diagnostic markers. Unfortunately, many studies use high scores on the SRS as a substitute for clinical assessment of autism — accounting, for example, for at least 12 percent of "suspected cases" in the 2022 CDC data.

We should be concerned about the rising number of quirky children "on the spectrum," but not because they are being exposed to neurotoxins that older generations were insulated from, nor because a growing number of children face clinically–significant social impairment. Rather, as Abigail Shrier argues in her 2024 book "Bad Therapy," the more pressing concern may be a cultural and institutional drift toward overdiagnosis across child psychiatry. Like the rise in attention-deficit/hyperactivity disorder, anxiety and depression diagnoses among young people, the surge in autism labels may reflect shifting norms, looser diagnostic criteria and excess therapeutic attention directed toward ordinary struggles. If autism were truly increasing because of a new environmental insult, we would expect to see increases across all levels of severity. But that is not the case.

This reality should fundamentally reshape our national conversation. Policymakers and public health officials have rallied around dramatic claims fueled more by fear than by evidence. Yes, America faces a real crisis of chronic disease — including obesity, metabolic dysfunction and autoimmune disorders — which plausibly could be impacted by environmental toxins. Yes, many children face real mental health challenges that warrant increased attention and psychiatric support. But neither of these narratives survives scientific scrutiny when applied to the rise in autism diagnoses.

When public discourse starts from an alarming headline — "Autism rates have quadrupled" — even careful scientists can be pressured into chasing explanations for a biological phenomenon that doesn't exist. The result is a misallocation of scientific effort and a blurring of the real signals of environmental harm. In many cases, the kid labeled "on the spectrum" is the same train-obsessed third-grader your grandfather knew, only now he's been assigned a diagnosis. Let's instead direct public health toward real, ongoing health crises and insist on psychiatric criteria that are consistent, unexaggerated and clinically meaningful.

A version of this article was published at the Washington Post *on 2/10/2026.*

A Grim Tour of Preindustrial New York

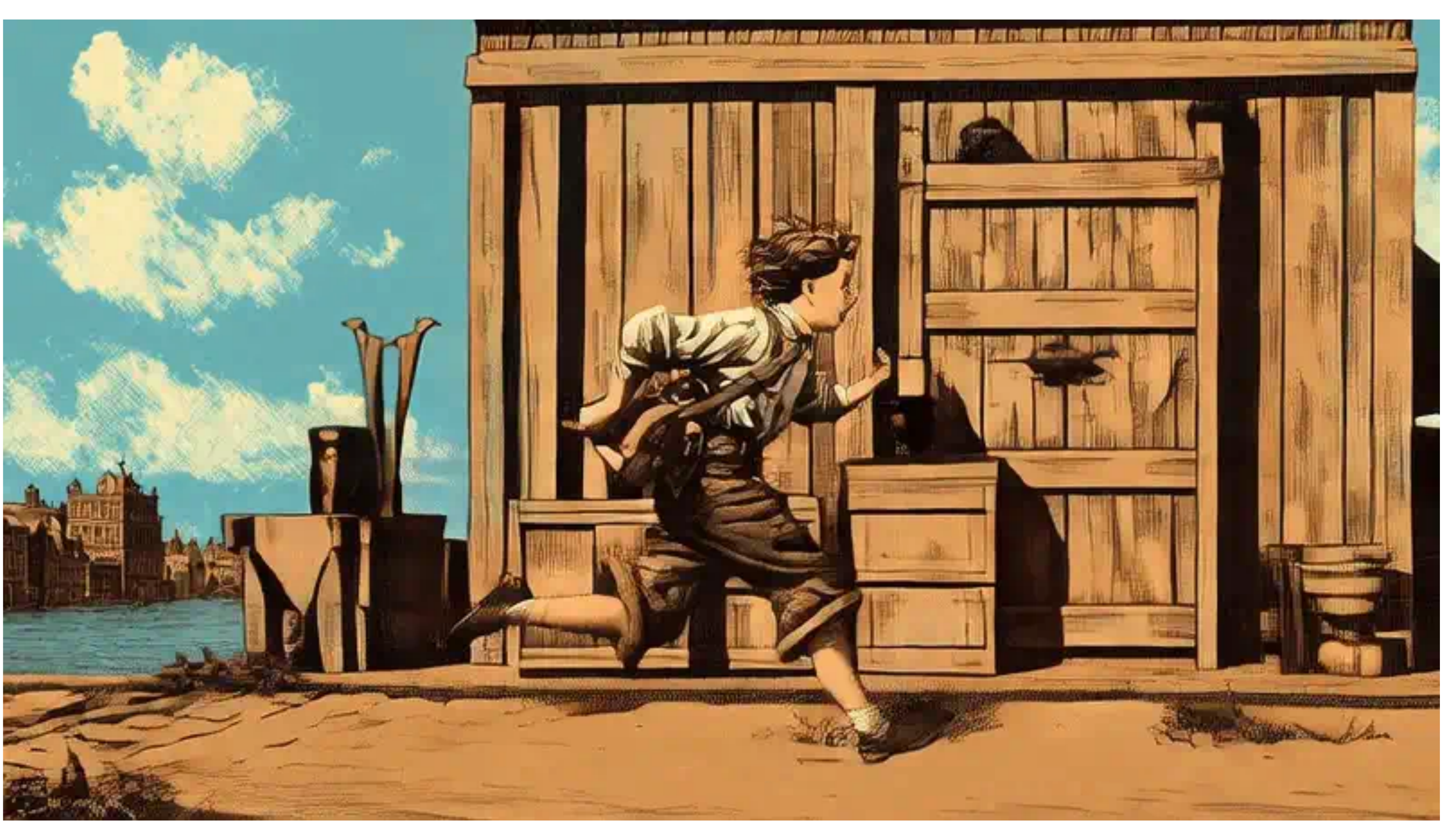
The struggles of early New Yorkers are worth remembering.

CHELSEA OLIVIA FOLLETT
APR 04, 2026

CROSS-POSTED BY PAST IMPERFECT

"Our managing editor Chelsea Follett reflects on the struggles of early New Yorkers."

- Human Progress



Discontent fueled the 2025 New York City mayoral election and Zohran Mamdani's victory. A common theme echoed across the five boroughs: New York is a hard place to live. "We are overwhelmed by housing costs," said Santiago, a 69-year-old retiree, outside a Mamdani rally. Those opposed to Mamdani had their own complaints. María Moreno, a first-time voter from the Bronx who supported Andrew Cuomo, lamented, "Now everything's dirty, and our neighborhood does not feel safe."

Today's voters have legitimate grievances. The city's housing costs, quality-of-life issues, and perceptions of disorder weigh heavily on residents' minds. But it's important to keep things in perspective. Different voters may romanticize different eras, but many seem to share a sense that if they could travel back far enough in time, they'd find a New York that was once clean, safe, and affordable. When Americans were polled in 2023, almost 20 percent said that it was easier to "have a thriving and fulfilling life" *hundreds* of years ago. Across the country, as one writer put it, people are engaged in an "endless debate around whether the preindustrial past was clearly better than what we have now." In fact, Mamdani's politics are grounded in an ideology that first arose from the frustrations of the early industrial era.

If Americans could go back in time to preindustrial New York City, however, they'd likely be horrified and possibly traumatized. Despite today's real challenges, most New Yorkers would not trade places with their predecessors.

Long before the rise of factories and industry, New York City was a bustling port, founded by the Dutch as New Amsterdam in order to trade furs in the early seventeenth century. As early as 1650, local authorities enacted an ordinance against animals roaming the streets to protect local infrastructure—but to no avail. Then, in 1657, according to the Dutch scholar Jaap Harskamp:

> New Amsterdam's council attempted to ban the common practice of throwing rubbish, ashes, oyster-shells or dead animals in the street and leave the filth there to be consumed by droves of pigs on the loose. When the English took over the colony from the Dutch, pigs and goats stayed put. . . . Pollution persisted. The streets of Manhattan were a stinking mass. Inhabitants hurled carcasses and the contents of loaded chamber pots into the street and rivers. Runoff from tanneries where skins were turned into leather flowed into the waters that supplied the shallow wells. The (salty) natural springs and ponds in the region became contaminated with animal and human waste. For some considerable time, access to clean water remained an urgent problem for the city. . . . The penetrating smell of decomposing flesh was everywhere.

Into the early twentieth century, urban living in the United States felt surprisingly rural and agrarian, with an omnipresent reek to match. As late as the mid-nineteenth century, pigs roamed freely through New York City streets, acting as scavengers, and nearly every household maintained a vegetable garden, often fertilized with animal manure.

Indoor air quality was no better. A drawing from Mary L. Booth's *History of the City of New York* depicts a seventeenth century New Amsterdam home with smoke from the fireplace swirling through the room. Indoor air pollution remains a serious problem today in the poorest parts of the world, as smoke from hearths can cause cancer and acute respiratory infections that often prove deadly in children. One preindustrial writer railed against the "pernicious smoke [from fireplaces] superinducing a sooty Crust or furr upon all that it lights, spoyling the moveables, tarnishing the Plate, Gildings and Furniture, and Corroding the very Iron-bars and hardest stone with those piercing and acrimonious Spirits which accompany its Sulphur."

That said, before industrialization, though inescapable filth coated the interiors of homes, the average person owned few possessions for the corrosive hearth smoke and soot to ruin. By modern standards, New Yorkers—like most preindustrial people—were impoverished and lacked even the most basic amenities. According to historian Judith Flanders, in the mid-eighteenth century, "fewer than two households in ten in some counties of New York possessed a fork." Many were desperately poor even by the standards of the day and could not afford housing. One 1788 account lamented how in New York City, "vagrants multiply on our Hands to an amazing Degree." Charity records suggest that the "outdoor poor" far outnumbered those in almshouses.

Water quality was infamously awful. In seventeenth-century New Amsterdam, as Benjamin Bullivant observed, "[There are] many publique wells enclosed & Covered in ye Streetes . . . [which are] Nasty & unregarded." A century later, New York's water remained as foul as Bullivant had described. Visiting in 1748, the Swedish botanist Peter Kalm noted that the city's well water was so filthy that horses from out of town refused to drink it. In 1798, the *Commercial Advertiser* condemned Manhattan's main well as "a shocking hole, where all impure things center together and engender the worst of unwholesome productions; foul with excrement, frogspawn, and reptiles, that delicate pump system is supplied. The water has grown worse manifestly within a few years. It is time to look out [for] some other supply, and discontinue the use of a water growing less and less wholesome every day. . . . It is so bad . . . as to be very sickly and nauseating; and the larger the city grows the worse this evil will be."

In 1831, a letter in the *New York Evening Journal* described the state of the water supply:

> I have no doubt that one cause of the numerous stomach affections so common in this city is the impure, I may say poisonous nature of the pernicious Manhattan water which thousands of us daily and constantly use. It is true the unpalatableness of this abominable fluid prevents almost every person from using it as a beverage at the table, but you will know that all the cooking of a very large portion of the community is done through the agency of this common nuisance. Our tea and coffee are made of it, our bread is mixed with it, and our meat and vegetables are boiled in it. Our linen happily escapes the contamination of its touch, "for no two things hold more antipathy" than soap and this vile water.

In 1832, New York experienced a devastating outbreak of cholera, a bacterial disease that typically spread through contaminated water and killed with remarkable speed. A person could wake up feeling well and be dead by nightfall, struck down with agonizing cramps, vomiting, and diarrhea. The epidemic killed about 3,500 New Yorkers.

The initial actions taken to protect city water supplies were often private in nature. In fact, throughout the eighteenth and early nineteenth centuries, private businesses generally supplied urban water infrastructure. Despite such efforts, drinking water remained generally unsafe, even after industrialization, until the chlorination of urban water supplies became widespread.

The pervasive grime took a visible toll on New Yorkers. Between drinking tainted water, eating contaminated food, inhaling smoke-filled air, and living with poor hygiene, the average resident sported visibly rotten teeth. One letter from 1781 described an acquaintance: "Her teeth are beginning to decay, which is the case with most New York girls, after eighteen."

The dental practices of the time were often as horrifying as the effects of neglect. The medieval method of using arsenic to kill gum tissue, providing pain relief by destroying nerve endings, remained common until the introduction of Novocain in the twentieth century. As late as 1879, the *New York Times* ran a story with the headline "Fatal Poison in a Tooth; What Caused the Horrible Death of Mr. Gardiner. A Man's Head Nearly Severed from His Body by Decay Caused by Arsenic Which Had Been Placed in One of His Teeth to Deaden an Aching Nerve—an Extraordinary Case." The story detailed the gruesome demise of a man in Brooklyn, George Arthur Gardiner, who died "in great agony, after two weeks of indescribable suffering."

Preindustrial New York City wasn't uniquely miserable for its time. Life was harsh everywhere, and cities around the world contended with the same foul smells, filth, poor sanitation, and grinding poverty. Rural villages were no better. Peasant families often brought their livestock indoors at night and slept huddled together for warmth. In many cases, rural peasants were even poorer than their urban counterparts and owned fewer possessions. Farm laborers frequently suffered injuries and aged prematurely from backbreaking work, while fertilizing cesspits spread disease and filled the air with an inescapable stench.

Though they may have been slightly better off than their rural counterparts, the struggles of early New Yorkers are worth remembering. However daunting the problems of today may seem, a proper historical perspective can remind us of how far we've come.

This article was originally published in City Journal *on 1/13/2026.*

Doomslayer: Progress Roundup

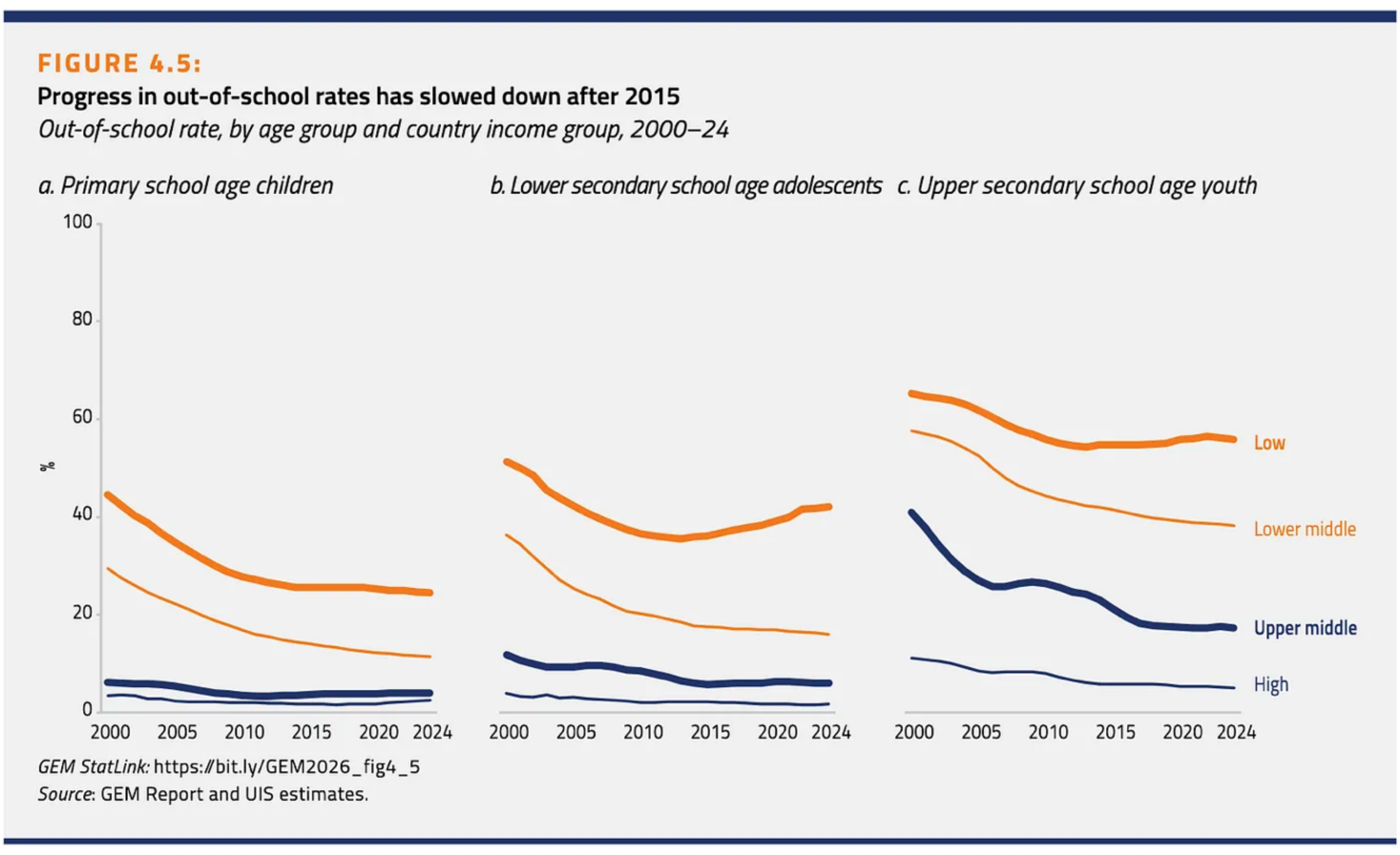
Hundreds of millions more students, a historic lunar mission, more efficient data centers, and more.

MALCOLM COCHRAN

APR 05, 2026

Economics & Development

- UNESCO recently published an encouraging report on access to education around the world. It finds that **1.4 billion students were enrolled in school in 2024, 30 percent more than in 2000.** Over the same period, the global "out-of-school rate," which measures the share of appropriately aged children who are not enrolled in primary or secondary school, fell from 27.2 percent to 16.8 percent. Unfortunately, the report also notes that enrollment progress has stagnated over the past decade.



- **Argentina's national poverty rate fell to 28.2 percent in the second half of 2025**, the lowest it's been since 2018.

Energy & Environment

- Koalas in the Australian state of Victoria have long since bounced back from their near-extinction in the early 1900s, but many worried that inbreeding threatened their long-term prospects. Happily, a new genetic database suggests **Victorian koala genetic diversity is also recovering.**
- **Whale populations in the Southern Ocean have rebounded** to the point that researchers now regularly report spotting pods numbering in the hundreds.

Health & Demographics

- An analysis from *Brookings* finds that **US health care spending in 2024 was $977 billion lower than the government projected** it would be back in 2010. The authors attribute some of the gap between the projections and reality to technological innovations that have lowered the costs and improved the effectiveness of certain treatments.
- CDC data indicate that **the decline in US drug overdose deaths continued into October 2025**.

Science & Technology

- **NASA has launched Artemis II.** The flight will send four astronauts around the Moon—humanity's first crewed journey out of low-Earth orbit in over fifty years.
- Data centers receive power from utilities in the form of alternating current electricity, but the computers inside them run on direct current. Because of this mismatch, most facilities end up converting electricity multiple times as it moves through the system, wasting energy at each step. This may now be changing: multiple data center infrastructure suppliers are developing **new power distribution systems** that require only a single AC-to-DC conversion, **potentially making future data centers more resource and energy efficient.**
- **ChatGPT has solved a math problem on FrontierMath: Open Problems, a benchmark of unsolved problems designed to test AI systems**. This is the first problem from the benchmark to be solved so far.

How Open Economies Lead to Open Minds

Trade undermines bigotry and rewards toleration.

HUMAN PROGRESS
APR 07, 2026

29 2 4 Share

by Walker Wright

In earlier essays, I argued that trade makes us richer, more trusting, more honest, and more fair. Yet over the past decade or so, we have witnessed a growing populist backlash against globalization and international trade. Many critics portray international trade as an example of "foreign intrusions on national sovereignty." At first glance, the backlash might seem to suggest that trade with outsiders breeds resentment, cultural tension, and ultimately prejudice. In this essay, however, I argue that trade mitigates discrimination and prejudice, paving the way for greater tolerance.

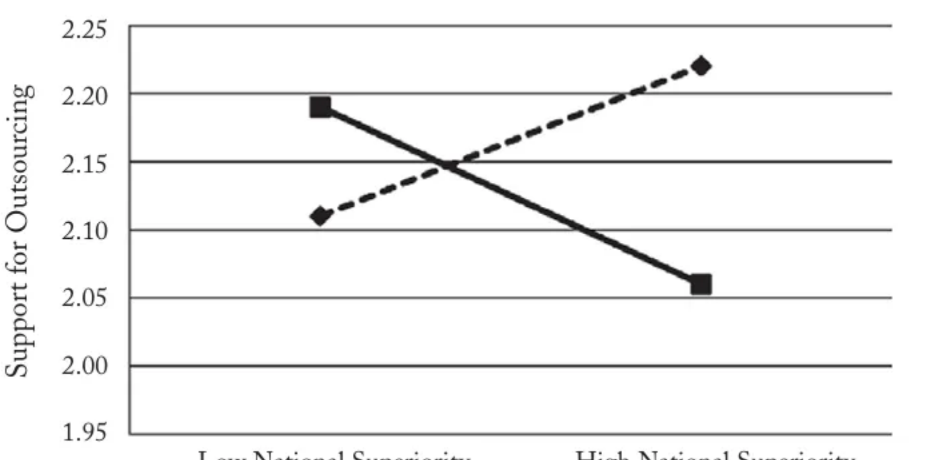
In *Capitalism and Freedom*, the late Nobel Prize–winning economist Milton Friedman dedicated a chapter to the market's relation to discrimination. Drawing on Nobel Prize–winning economist Gary Becker's groundbreaking work, Friedman wrote, "The preserves of discrimination in any society are the areas that are most monopolistic in character, whereas discrimination against groups of particular color or religion is least in those areas where there is the greatest freedom of competition." He continued:

> The man who objects to buying from or working alongside a Negro, for example, thereby limits his range of choice. He will generally have to pay a higher price for what he buys or receive a lower return for his work. Or, put the other way, those of us who regard color of skin or religion as irrelevant can buy some things more cheaply as a result.

Survey data can shed light on the relationship between trade and attitudes toward others. A study of international survey data published by the Brookings Institution found that feelings of national superiority and chauvinism were positively associated with opposition to global trade across multiple countries. On the flip side, pro-trade attitudes and greater exposure to global markets are negatively associated with nationalism, ethnocentrism, and prejudice.

For example, negative attitudes among Americans toward outsourcing appear to be associated with an "us versus them" mentality. According to a study by political scientists Edward Mansfield and Diana Mutz, switching from the *most* isolationist to the *least* isolationist outlooks predicted a fivefold increase in support for outsourcing. Shifting from the *least* ethnocentric to the *most* ethnocentric attitudes predicted a 50 percent decrease in support for outsourcing. And changing from the *least* nationalistic to the *most* nationalistic views predicted a 25 percent decrease in support for outsourcing (see Figure 1).

Figure 1. Support for Outsourcing by Level of Nationalism



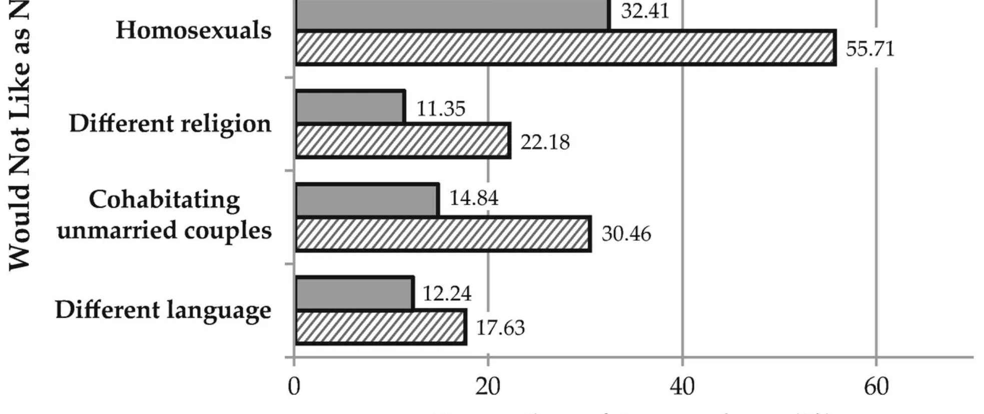
Edward D. Mansfield and Diana C. Mutz, "US Versus Them: Mass Attitudes Toward Offshore Outsourcing," *World Politics* 65, no. 4 (2013): 601. Perceived national superiority reduces support for outsourcing when the economic practice is explicitly labeled as "outsourcing." This is the "Mentioned outsourcing" line. When the same economic practice is described without using that specific term, the same pattern does not occur. This is the "No mention of outsourcing" line.

The evidence compounds. Employing data from the General Social Surveys conducted from 1977 to 2010, Northwestern University's James Lindgren found that racism, intolerance toward out-groups (e.g., homosexuals, atheists, and others), anti-capitalism, and pro-redistribution go hand-in-hand. Even after controlling for gender, logged income, education, age, and year of the survey, Lindgren showed that racism and intolerance are still strong predictors of socialist pro-redistribution and anti-capitalist attitudes. Lindgren's analysis led him to conclude, "Those who support capitalism and freer markets and oppose greater income redistribution tend to be . . . less traditionally racist" and "less intolerant of unpopular groups."

That tracks with the work of the Mercatus Center's Virgil Henry Storr and Ginny Choi, who compared respondents from market societies to those in nonmarket societies using the World Values Survey. When asked who they would *not* like to have as neighbors, those in market societies were less prejudiced against those of a different race, language, or religion, as well as foreign workers, homosexuals, and cohabitating couples (see Figure 2). Trade, it seems, is next to good neighborliness.

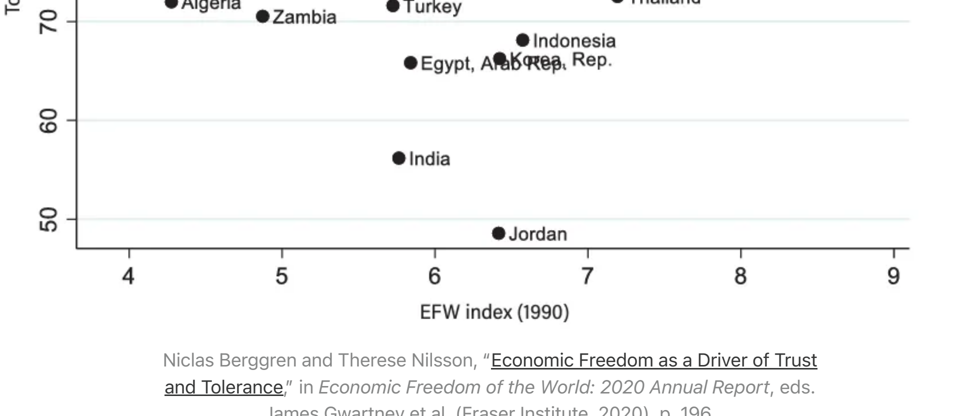
Several studies by economists Niclas Berggren and Therese Nilsson investigated the relationship between tolerance, economic freedom, and globalization. The evidence they gathered suggests a causal relationship between the level of economic globalization and the willingness of parents to teach their children tolerance. Another analysis found that economic freedom plays a seemingly causal role in parents teaching their children tolerance and fostering tolerance toward homosexuals and people of different races (see Figure 3). Focusing solely on the United States, Berggren and Nilsson found a similar causality: Economic freedom increases tolerance toward homosexuals, atheists, and communists. Another study found that economic freedom increases tolerance toward homosexuals, particularly in societies that are high in trust.

Figure 2. Market Societies Are Less Prejudiced



Virgil Henry Storr and Ginny Choi, *Do Markets Corrupt Our Morals?* (Palgrave Macmillan, 2019), p. 174.

Figure 3. Racial Tolerance and Economic Freedom



Niclas Berggren and Therese Nilsson, "Economic Freedom as a Driver of Trust and Tolerance," in *Economic Freedom of the World: 2020 Annual Report*, eds. James Gwartney et al. (Fraser Institute, 2020), p. 196.

And it's not just parents teaching children tolerance. The media also plays a role in shaping our outlook. An interesting study by researchers at St. Olaf College, Stanford University, and George Mason University combed through a corpus of *New York Times* articles written over a 20-year period in search of moral language that Americans used in discussing other countries. They then measured the US market interaction with these countries by looking at bilateral trade flows and immigration statistics. Their results indicated that the more market interaction the United States had with a country through trade and immigration, the more news articles contained humanizing language toward that country. We tend to be cordial toward those we do business with.

Of course, it's easy to *say* you're tolerant in a survey or write nice things in an op-ed. It may even be socially desirable. We all want to *look* good. But does this translate into *action*? Several studies suggest that it does.

A clever set of experiments published in the *European Economic Review* showed that both local (monopsonist) and wholesale (competitive) buyers in the Bangladeshi rice market held prejudicial views of ethnic minorities. Prejudicial attitudes were the same across the board. Yet the wholesale buyers quoted the same price for both ethnic majority and minority farmers, whereas the local buyers did not. Why? The authors concluded, "This suggests that the taste-based discrimination that these buyers have against the ethnic minority group . . . can be eliminated if competition is strong enough."

Those findings were supported by another set of experiments that demonstrated that market exchange decreases discrimination by increasing participants' focus on their personal gains and reducing identification with their social in-group. Banking deregulation yielded similar results: As the financial sector was deregulated, competition intensified, leading to reduced discrimination against women and minorities.

Protectionist restrictions can exacerbate prejudicial attitudes. As the late economist Walter Williams explained, anti-competitive regulation "lowers the private cost of discriminating against the racially less-preferred person." But when there is money to be made, trading only with groups who look or think like you doesn't seem so important. And the more you trade with different groups, the more you realize that maybe, just maybe, they aren't as bad as you thought.

But let's go a step further. Researchers at the University of British Columbia and Bates College have also shown how trade can break down prejudice in practice. The researchers examined areas along the Silk Roads, a network of trade routes throughout Eurasia that has been used for over millennia. It turns out that areas within 50 kilometers of the Silk Roads today have higher economic activity compared to those that are 50–100 kilometers away. No real surprise there. But more importantly for our purposes, the former areas also have higher rates of intergroup marriage. It's hard to find a better example of tolerance than asking someone of another ethnic group to become family and spend the rest of their lives with you.

You see this in 19th-century America as well. Railroad-driven market integration between 1850 and 1920 helped reshape American social horizons. A new study found that as counties gained better access to this intrastate trade, the likelihood of marrying someone outside the local community increased. That's what's called *extra-community marriage*. Other signs of tolerance and trust became apparent: Newspapers began to adopt language that reflected generalized trust. Parents began to give children nationally popular names rather than locally distinctive ones, implying a social circle that had extended beyond the local community. But one of the strongest findings was the increase in religious diversity: A 1 percent increase in market access raised religious diversity by 0.27 standard deviation, indicating a greater tolerance for religious identity and practice. Perhaps most striking, families who moved to these more market-integrated areas adapted quickly, especially those working in commerce-intensive industries such as agriculture, manufacturing, wholesale, retail, and transportation.

The available evidence suggests that repeated exchange softens suspicion toward outsiders. Sustained commercial contact makes unfamiliar people feel less distant and, consequently, less threatening. Trade provides a mechanism through which tolerance is learned and reinforced. As the 18th-century English theologian and scientist Joseph Priestly noted over 200 years ago,

> By commerce we enlarge our acquaintance with the terraqueous globe and its inhabitants, which tends to greatly expand the mind, and to cure us of many hurtful prejudices. . . . No person can taste the sweets of commerce, which absolutely depends upon a free and undisturbed intercourse of different and remote nations, but must grow fond of *peace*, in which alone the advantages he enjoys can be had.

Author: Walker Wright, the manager for Academic Programs at a public policy think tank in Washington, DC, and an adjunct faculty member at Brigham Young University-Idaho. His forthcoming book, In Trade We Trust: How Commerce Makes Us More Social*, will be published by Bloomsbury.*

The End of the Housing Affordability Crisis

The decline of housing affordability has been a policy choice.

APR 10, 2026

Americans have seen tremendous advances in the availability and abundance of material goods. As Marian L. Tupy and Gale Pooley from the Cato Institute have shown, the most basic necessity of food became eight times more affordable over the 100 years up to 2019, relative to average wages (the food inflation after 2019 set us back a little bit, but the long-run trends are still quite favorable). This increasing abundance is not limited to food alone, as a wide variety of finished goods have become much more affordable in recent decades.

These positive trends are well known for goods and even some services, such as cosmetic surgeries, but a common objection, both on social media and in real life, is: What about housing? That is a fair question, considering that Americans spend about 25 percent of their pre-tax annual income on housing, which has been a fairly constant share of their income for most of the past 125 years. Given the large share of the budget that housing costs represent, and the failure of housing to decline as a share of the budget as other necessities did, it is worth investigating the problem further.

On housing, the critics do have a point: Housing costs across the US and many other nations have quickly outpaced income growth in recent years. While we shouldn't be nostalgic for the housing of the 1950s—houses were about half the size of today's and had fewer amenities we now consider standard, such as air conditioning—nostalgia for the housing of 30 years ago might be justifiable.

Since 1994, two common measures of housing prices, the Case-Shiller Index and the US Department of Housing and Urban Development's Median Sales Price data, have increased faster than most measures of income, including median family income and average wages. And unlike the change since the 1950s, the recent increase in housing prices can't be primarily explained by houses getting bigger: The median square footage of new homes sold has increased only 16 percent since 1994 and has even been falling in the past decade.

Even more so, to the extent housing has become more expensive relative to wage growth in recent years, the trend could worsen over the next 30 years—unless we quickly change policy to allow the supply of housing to increase.

It may seem puzzling that housing could remain roughly the same share of income on average in the US, even as housing prices have increased faster than incomes in recent decades. This seeming puzzle can be resolved by thinking about two different kinds of households: renters and homeowners. While renters and homeowners may certainly be different in many ways—renters tend to be younger, poorer, and so on—there is a fundamental difference in how they experience increases in the price of housing. Renters are typically subject to new market-rate rents on a regular basis, often annually. However, if homeowners remain in the same house they are generally insulated from these changes, with only insurance and property taxes possibly increasing annually, not their principal and interest on the mortgage.

These intuitions are borne out in the data. According to the BLS Consumer Expenditure Survey, in 1984 the share of income that renters spent on housing was about 30.4 percent, which rose over the next four decades to 34.4 percent. Homeowners saw the opposite pattern, with the share of their income spent on housing falling from 27.7 percent in 1984 to 22.6 percent in 2024. The overall average has been fairly stable, but the experience of renters and homeowners has diverged.

The Facts of Housing Unaffordability

Historically, the rule of thumb in the United States is to spend no more than 30 percent of income on housing—though as we saw above, on average Americans spend less than that. But averages can obscure cost burdens for some households. According to an analysis of the Census Bureau's American Community Survey data by Harvard's Joint Center for Housing Studies (JCHS), fully one-third of US households spent over 30 percent of their income on housing, and 16 percent of households spent *over half* of their income on housing in 2024. The number of cost-burdened households has been steadily rising in recent years, as the price of both homes and rentals has increased faster than incomes in most of the US.

We can see the problem of rising home values relative to income by looking at another rule of thumb: Home prices should be in the range of three and five times a household's annual income. In 1994, out of the United States' 387 metropolitan statistical areas (MSAs), 263 had median home prices that were *less than three times* the median household income (the data once again come from Harvard's JCHS). Only 12 MSAs in 1994—mostly in California and Hawaii—had ratios above 5.0.

Fast-forward to 2024, when there were 114 MSAs above the 5.0 ratio of median home prices to income, and those were scattered all over the country. Instead of being in just California and Hawaii, they were also in previously affordable states such as Montana, Wisconsin, North Carolina, and Arkansas. In 2024, the number of MSAs with price-to-income ratios below 3.0 had dwindled to just 32, many of them in the dying Rust Belt. And you don't even need to go back to 1994 to see the dramatic change. As late as 2019, there were still well over 100 MSAs with a price-to-income ratio below 3.0.

While the majority (241 MSAs) are still within the suggested range of three to five times a household's income, many are pushing toward the upper end of that range. Given the trend—the median ratio crept up from 2.65 in 1994 to 4.27 in 2024—it is not unreasonable to expect the ratio to continue to increase, absent any changes in policy.

The challenge of housing affordability is not unique to the United States. Using the home-price-to-income ratio from the Organisation for Economic Co-operation and Development (OECD), since 1994 the US saw home prices increase by 20 percent more than incomes did, meaning that housing is more expensive in real terms. Some other countries were in a much worse situation: Australia, Canada, and the United Kingdom all had over 80 percent increases in the ratio of housing prices to income. Not every country followed the same pattern, though. In New Zealand, the price-to-income ratio rose by 126 percent between 1994 and 2021. The ratio declined to 80 percent in 2024. And Japan's price-to-income ratio *fell* by 25 percent from 1994 to 2024. However, even Japan has recently seen a modest increase in the ratio, by about 14 percent in the past decade. We'll look at New Zealand and Japan in more detail below.

The Fix for Housing Affordability

But something can be done. While there have been several political solutions proposed, most of those focused on the *demand side*, such as subsidies to homeowners or renters. Those kinds of solutions are suboptimal because they increase demand, which will only further increase prices if supply does not also increase. The real problem is on the *supply side*: There is not enough new housing being built in the places people want to live and of the size people want. What is preventing additional building? In most of the US, it is land-use restrictions such as zoning and other policies that limit the density of new homes. Australia and countries across Europe have implemented similar policies that limit the construction of housing in various ways, primarily in the first half of the 20th century. Price increases did not show up immediately, because in most places restrictions were not binding constraints; there was plenty of land in favorable locations until recent decades.

A major restriction on the supply of housing comes in the form of single-family zoning, which prevents multifamily housing (everything from duplexes to skyscraper apartments) from being built in residential areas. A 2019 analysis by the *New York Times* found that about 75 percent of residential areas in US cities are reserved for single-family homes. In some cities that figure may reach over 85 percent. Of course, most families probably aspire to eventually own a single-family home, but the zoning laws force most land to be dedicated to this form of housing for everyone. That contributes to making housing unaffordable for many younger families today.

Land-use restrictions limit supply in ways that go beyond merely proscribing that most lots be reserved for single-family homes. For example, regulations will often require lots to be of a minimum size, which is counterproductive because land area is often the most expensive part of the property in urban settings, and the regulation forces families to purchase more land than they want. Regulations also set a maximum amount (a common range is 40–60 percent) of the lot that can be covered by the building itself, essentially forcing homes to have large lawns. Again, many families might want a large lot with a large lawn, but these regulations require it for everyone. The problem is that the less land dedicated to the home itself, the less land there is for other homes in the same area. These rules preclude single-family home types that were common in the past in large American cities, such as row houses or townhouses, which typically occupy most of the small lots they sit on.

Zoning Reforms Work

Would reforming land-use regulations really increase the supply of housing and make it more affordable? The available evidence indeed suggests it would.

One example of reform is New Zealand's largest city, Auckland, which in 2016 reformed residential zoning to allow for more intensive housing—duplexes, triplexes, townhomes, and the like—on most residential land. This process is referred to as "upzoning." The results were staggering: As documented in a paper published in the *Journal of Urban Economics*, construction boomed, with permits doubling in five years. The economists who studied this reform found that rents were 26–33 percent lower than they would have been without it. Rents kept skyrocketing in the rest of New Zealand but stabilized in the parts of Auckland that were upzoned. As mentioned above, New Zealand is notable for seeing its home-price-to-income ratio fall after 2021: As rents stabilized and incomes continued to grow, the ratio declined.

Another example comes from Houston, the fourth-largest city in the US. Houston has long been known as the shining example of a major US city that never adopted citywide zoning, even though some neighborhoods have private deed restrictions that incorporate features similar to zoning. But despite eschewing traditional zoning, Houston still has land-use regulations of various sorts. For example, like most cities, Houston prescribed a minimum lot size of 5,000 square feet. Because people would've been paying for more land than they needed, alternate forms of housing such as townhomes were less likely to be built. First in 1998 and then in 2013, Houston reduced the minimum lot size to just 1,400 square feet in parts of the city. As Mercatus Center economist Emily Hamilton shows, there was a boom in construction following the reforms. Despite adding over 1 million people between 1970 and 2020, Houston still managed to have median home prices below the national average.

If Houston and Auckland demonstrate the power of local reform, Tokyo shows what is possible when a nation treats housing as essential infrastructure rather than a matter set by local competing interest groups. As urban scholar André Sorensen details in *The Making of Urban Japan* (2002), the country stripped municipalities of the power to block code-compliant projects, effectively turning zoning into a national "right to build" rather than a discretionary local negotiation. The results of this policy choice are astonishing. According to a 2016 analysis by the *Financial Times*, the city of Tokyo consistently builds more new housing each year than the entire state of California or the whole of England, despite having little empty land to spare. By removing the "veto points" that plague Western cities, Tokyo has achieved the status of a growing, vibrant mega-city where rents have remained flat for decades.

Allowing the Market to Increase Supply Keeps Housing Affordable

As families become richer and the population grows, there is increasing pressure on housing prices in desirable locales. The natural market response to increasing prices is to increase supply. Unfortunately, in much of the US and the rest of the developed world, governments have put artificial barriers in place to prevent this market response. While the housing shortage was created by the political process—through the establishment of zoning and other land-use regulations—the solution does not need to come from governments in the form of subsidizing demand. Instead, to unleash the forces of the market and human initiative, governments need to ease regulations on supply.

Land-use regulations are not the only interference in the market process that makes housing less affordable. Some forms of trade policy and protectionism can also harm home prices. For example, the National Association of Home Builders (NAHB) estimates that recent tariff increases for lumber and other inputs can add at least $10,000 to the average price of a home. Even more costly are building regulations, which the NAHB estimated could exceed $90,000 for a typical home in 2021 and were around 40 percent of the cost of multifamily housing such as apartment buildings. While not all of these regulations could be eliminated immediately, the best thing governments can do to address the affordability issue in housing is to figure out how they can get out of the way.

Doomslayer: Progress Roundup

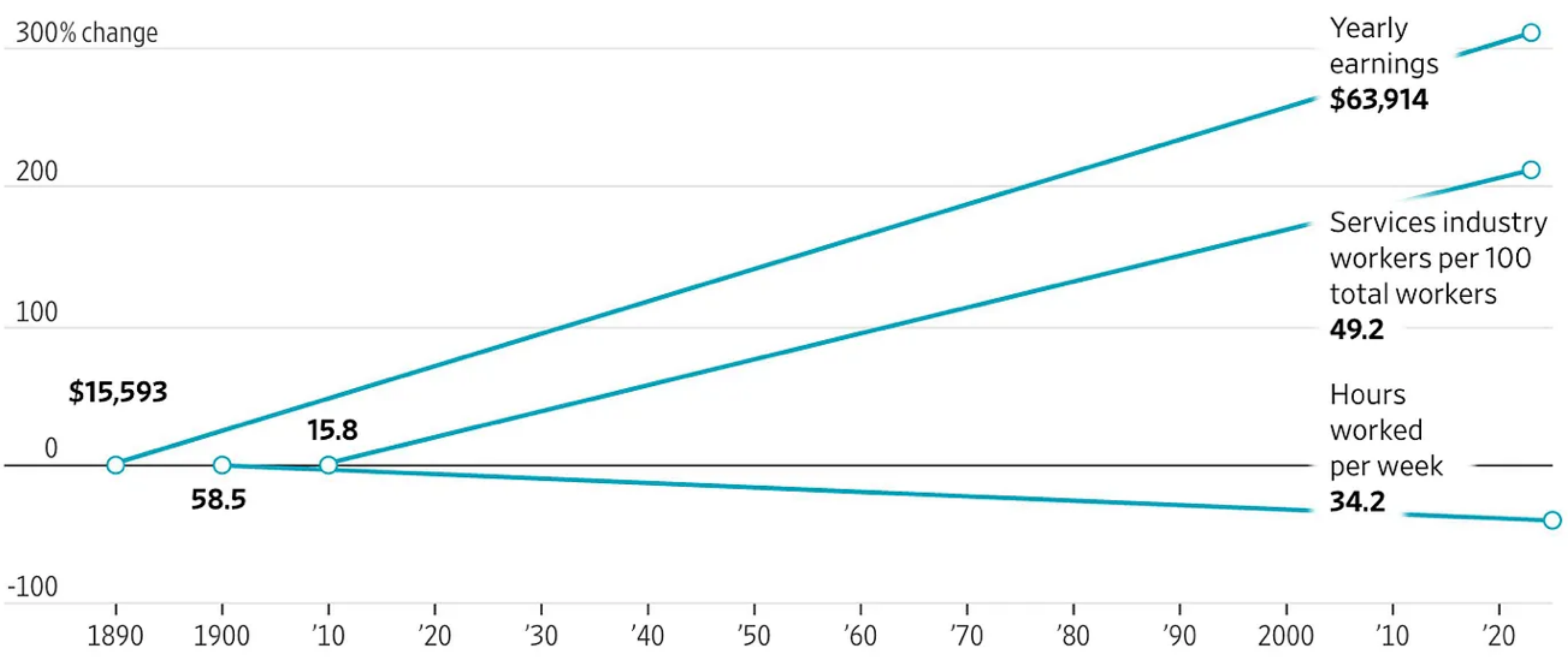
The first vaccine for hookworm, a one-shot treatment for congenital deafness, advances in gene-editing, and more.

MALCOLM COCHRAN

APR 12, 2026

Economics & Development

- *The Wall Street Journal* recently published a fascinating set of data visualizations showing how life has changed for the average American worker over the past few centuries. In short, despite all the hand-wringing over our transition out of a manufacturing-dominated economy, **the modern worker has *a lot* to be grateful for.**



Note: Earnings shown are average for 1890 and median for 2023 and are adjusted to 2025 dollars.
Peter Champelli/WSJ

Energy & Environment

- The New York State Department of Health has determined that, thanks to a reduction in water pollution—namely, declining levels of toxic polychlorinated biphenyl compounds (PCBs)—**certain fish species in the lower Hudson River are now safe to eat** in moderation.
- **Conservationists in Zambia are using synthetic furs to reduce leopard poaching**. An important festival of Zambia's Lozi people involves dressing up in leopard skins. Rather than trying to end the practice, the cat conservation non-profit Panthera Corporation began distributing ultra-realistic synthetic pelts. According to a recently published study of the program, the fake furs were rapidly adopted by the Lozi and were followed by a drop in poaching incidents and a rise in leopard sightings by camera traps.
- **The ampurta, a formerly endangered carnivorous marsupial found in Australia, has rebounded in recent years**, expanding its range by an area the size of Denmark between 2015 and 2021. Researchers credit some of the resurgence to the 1995 release of rabbit hemorrhagic disease virus, which wiped out large numbers of invasive rabbits in Australia and thereby reduced the population of feral cats and foxes, major predators of the ampurta.

Health & Demographics

- In a small trial in China, **a single-injection gene therapy improved hearing in all ten congenitally deaf participants**. One even gained near-normal hearing within just four months.
- The National Highway Traffic Safety Administration reports that **traffic deaths in the US were 6.7 percent lower in 2025 than in 2024**, reaching the second-lowest death rate per mile traveled ever recorded.
- **US pedestrian deaths were 10.9 percent lower in the first half of 2025 than in the same period a year earlier**, though they remained slightly above the 2019 level.
- **An experimental hookworm vaccine sharply reduced infection intensity in a Phase 2 trial**, with vaccinated participants showing a median of zero detectable worm eggs in their feces after exposure. If approved, this would be the first vaccine for the parasitic disease, which infects hundreds of millions of people each year and is a leading cause of anemia.

Science & Technology

- Rapid delivery is not only for urbanites. According to recent reporting in *Bloomberg*, **Amazon now provides two-day delivery to 62 percent of rural and small-town households in the US, and one-day delivery to 20 percent**.
- **Total robotaxi travel distance doubled in California last year**, from 3.8 million kilometers per month at the end of 2024 to 9.4 million in December 2025.
- Scientists at the Innovative Genomics Institute in California used sorghum leaf cells to **model how thousands of genetic tweaks affect photosynthesis**, building a detailed map of which changes could plausibly enhance the process. The researchers hope their insights will generalize across crops and offer new ways to increase yields.
- **A new CRISPR gene-editing technique could make it much easier to engineer staple crops.** Using a refined CRISPR enzyme they call CasY7, researchers from the South China Agricultural University were able to edit rice and maize genomes 2.7 times more efficiently than a typical CRISPR system, potentially speeding up the development of higher-yielding, more resilient crops.

Psychiatric Overdiagnosis: The Price of Prosperity?

Abundance, loose criteria, and perverse healthcare incentives turned normal struggles into a diagnosable epidemic.

ADAM OMARY
APR 15, 2026

by Adam Omary, Jeffrey Singer, and Alexander Williams.

According to the World Health Organization, more than 1.1 billion people worldwide are living with a mental disorder. The figure has grown faster than the global population, and the burden falls disproportionately on the world's wealthiest societies. In the United States, an estimated 49.5 percent of adolescents have met diagnostic criteria for at least one mental disorder at some point in their lifetime. Additionally, about 31 percent of American adults will experience an anxiety disorder at some point in their lives, and 21 percent a mood disorder, according to the National Institutes of Mental Health.

In Australia, the National Study of Mental Health and Wellbeing found that 21.5 percent of adults over 25 and over 38 percent of young people aged 16 to 24 met criteria for a mental disorder in the previous 12 months. Across OECD nations, one in five adults experiences at least mild depressive symptoms, with over 9 percent of the population reporting clinical depression or anxiety.

These trends have become perhaps the most common objection to the case for human progress: If life is getting better, why are so many people apparently unhappy? Why are hundreds of millions of people across the most prosperous nations on Earth labeled clinically mentally unwell?

For one, rising mental health diagnoses may themselves be a sign of progress. Psychiatry as a discipline is barely more than a century old, and it was stigmatized and unscientific throughout most of its history. What we now call mental health problems are, in many cases, what our ancestors called the inevitable vicissitudes of life. When survival demanded hard physical labor from dawn to dusk, there was little room for psychoanalysis. Perhaps only in a world of material abundance, safety, and comfort—where mood swings and relationship conflict represent life's biggest challenges for many otherwise healthy people—do we begin to treat such adversity not as fate but as a problem to be solved.

That is not to dismiss the problem entirely. Our survival-evolved brains are navigating environments they were never built for. It was adaptive to be vigilant about threats in one's local environment; there was no possibility of witnessing every catastrophe on Earth in real time. Social media, sedentary lifestyles, weakened community bonds, and the erosion of traditional sources of meaning all represent genuine evolutionary mismatches that plausibly contribute to psychological distress.

But at least in the United States, there is strong reason to believe that a less-examined driver of the supposed rise in mental illness is the healthcare financing system itself, which pays more when providers diagnose more.

Psychiatric Overdiagnosis in the United States

Psychiatric diagnoses in the United States are rising across virtually every category, in every age group. According to the National Institutes of Mental Health, more than one in five U.S. adults—59.3 million people—lived with a mental illness in 2022. By these numbers, mental illness is not a rare affliction but a near-universal feature of American life, prompting some, including former US Surgeon General Vivek Murthy, MD, to declare a mental health epidemic.

The rise is evident across specific conditions as well. The Centers for Disease Control and Prevention (CDC) now places autism prevalence at 1 in 31, a 381 percent increase since 2000. Attention-Deficit/Hyperactivity Disorder (ADHD) diagnoses among American children nearly doubled from 6.1 to 11.4 percent between 1997 and 2022. Among adults, self-reported ADHD diagnosis among working-age adults has more than tripled since 2012, from 4.25 to 13.9 percent. Diagnosed anxiety among children aged 3 to 17 rose from 6.9 to 10.6 percent between 2016 and 2022—a 54 percent increase in just six years. Diagnosed depression among the same age group climbed from 3.1 to 4.6 percent, a 48 percent increase, in the same time period. Among adults, the past-year prevalence of any mental illness rose to 23.1 percent in 2022, with young adults aged 18 to 25 reporting the highest rate of 36.2 percent.

A surface-level reading of these numbers suggests that America is indeed in the midst of a mental health crisis. But diagnoses can change even when our underlying psychology does not.

Psychiatric diagnoses differ from most of medicine because they rely on subjective mental phenomena and behavioral symptoms instead of physical symptoms or biomarkers. There is no blood test for autism, no imaging scan that confirms ADHD, and no objective test that differentiates clinical anxiety from ordinary worry. Diagnosis depends on clinical judgment about whether a person's behavior exceeds a threshold established by committee consensus in the Diagnostic and Statistical Manual of Mental Disorders (DSM).

The DSM has progressively broadened the boundaries of major psychiatric categories over successive revisions. The DSM-5, published in 2013, collapsed previously distinct autism categories into a single spectrum, making "on the spectrum" a label elastic enough to encompass both nonverbal children requiring constant care and socially awkward adolescents who prefer solitude. The same revision loosened ADHD criteria, allowing symptoms to appear as late as age 12 rather than requiring onset by age 7, and reducing the symptom threshold for adults. Generalized anxiety disorder requires only that worry be "excessive" and cause "clinically significant distress or impairment," judgments that depend entirely on a clinician's interpretation of where normal worry ends, and disorder begins.

Defenders of modern psychiatry often claim that expanding diagnostic criteria reflect better screening, capturing subtler presentations, and that rising diagnoses reflect more accurate assessments of the true population prevalence of mental illness. But aside from the grim forecasts of living in a world where half of all young people have experienced mental illness, there is reason to believe that psychiatric diagnoses have become less precise, not more.

Broad diagnostic criteria often interact with screening instruments that cannot reliably distinguish clinical conditions from normal variation. The CDC's autism prevalence estimates, for instance, rely on surveys such as the Social Responsiveness Scale, which asks parents to rate statements like "Would rather be alone than with others," "Has difficulty making friends," and "Is regarded by other children as odd or weird." These items describe behavioral traits common to social anxiety, introversion, and ordinary shyness and cannot reliably distinguish autism. Yet researchers routinely use high scores on such instruments as proxies for clinical diagnosis in prevalence studies, including in the CDC's own data.

The limitations of this approach became especially apparent after the COVID-19 pandemic. CDC autism prevalence surged an additional 40 percent in just four years, from 2018 to 2022—a period during which millions of children experienced prolonged social isolation, disrupted routines, and reduced peer interaction that would predictably elevate scores on parent-reported behavioral surveys measuring social difficulties, whether or not the underlying rate of autism had changed.

None of this diminishes the reality of autism, ADHD, or anxiety disorders for individuals with significant functional impairment. But when the boundaries of diagnosis are inherently subjective, and when diagnosis is the key that unlocks streams of taxpayer-funded services, the system will predictably expand those boundaries.

How Medicaid and the ACA Reward Diagnostic Expansion

When diagnosis is subjective, and payment depends on diagnosis, the system will reward expanding the definition of illness.

Incentives drive behavior. Psychiatric overdiagnoses would matter less if the diagnosis were merely a label. But in the American healthcare system, diagnoses serve as keys that unlock streams of taxpayer dollars.

The Mental Health Parity and Addiction Equity Act of 2008, extended by the Affordable Care Act (ACA), requires health plans, including Medicaid managed care plans, to cover behavioral health services at parity with medical and surgical services. Parity addressed a real problem: mental health conditions were historically under-covered. But parity also limits the tools that plans can use to manage utilization. Prior authorization requirements, visit caps, and annual spending ceilings can all be challenged on parity grounds. Plans that wish to avoid litigation or regulatory action have a strong reason to approve rather than deny.

Under the fee-for-service payment model within Medicaid, which 2008 parity provisions dramatically expanded, providers submit a claim to the state Medicaid agency. The state then pays the provider in accordance with the predetermined price of the service, otherwise known as the fee schedule. The fee schedule, in theory, serves to regulate providers' room for maneuver with respect to payment claims, thereby preventing undue financial gain. The reimbursement structure underlying the fee-for-service model is designed to mitigate abuse by binding providers to a prearranged sum.

However, the fee schedule only governs the prices to which providers are entitled for their services. It introduces no effective mechanism by which to govern the legitimacy of the services themselves. This empowers providers to profit by inflating the frequency of services, knowing that the fee-for-service model fixes only the pricing and not the services. This creates the conditions for supplier-induced demand.

In practice, therefore, providers have the freedom to manipulate demand by lowering the diagnostic threshold for services. Across states, weak spending constraints further subsidize this demand. This serves to distort natural market forces by enabling providers to expand mental health services beyond the point at which their cost would be acceptable to recipients, especially those with minimal diagnostic eligibility.

Similar risks persist in managed care, which pays per patient rather than per service. While this model improves cost predictability, it does little to ensure services are necessary. Providers still control enrollment, and expanding the number of patients can drive spending just as effectively as increasing the number of services. Changing the payment mechanism does not eliminate the incentive—it simply shifts how it is exploited.

Additionally, under Medicaid's Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit, states must cover all medically necessary services for children under 21, even services not otherwise included in the state's Medicaid plan, including mental health services.

When diagnoses rest on subjective behavioral criteria, and when coverage means open-ended reimbursement for services billed by the hour, the connection between spending and genuine clinical need begins to erode.

Then there is the federal matching structure. Medicaid's open-ended Federal Medical Assistance Percentage reimburses states for 50 to 83 percent of Medicaid expenditures. When a state spends a dollar on autism services, it pays 17 to 50 cents. Federal taxpayers cover the rest. And because the match is open-ended, more spending automatically brings in more federal dollars. States bear only a fraction of the cost, weakening the fiscal discipline that comes with spending their own money.

Once therapy became mandatory, states used Medicaid waivers to circumvent standard rules and expand services and eligibility with federal funds. These waivers—and similar authorities—opened the door for providers to significantly increase Medicaid billing.

Enhanced federal matching rates during the COVID-19 public health emergency further reduced the state share, especially during the period when mental health spending grew the fastest. The pandemic significantly increased both the supply of and demand for psychiatric services. Telehealth services for mental health conditions surged 16- to 20-fold during the first year of the pandemic, according to a RAND study of over 5 million commercially insured adults, more than compensating for the drop in in-person care. By August 2022, overall mental health service utilization was 38.8 percent higher than before the pandemic. Mental health and substance use diagnoses grew from 11 percent of telehealth visits in early 2019 to 39 percent by mid-2021. The share of all outpatient visits carrying a mental health or substance use diagnosis doubled from 4 to 8 percent.

Pandemic emergency waivers and telehealth policies further loosened restrictions on how services could be delivered and reimbursed. States such as Massachusetts, North Carolina, Indiana, and Colorado expanded telehealth eligibility (including audio-only services) and adopted payment parity for telehealth, effectively turning remote services into scalable, high-volume billing opportunities. The result was not just a shift in how care was delivered, but a notable increase in utilization and spending, often in the tens of millions of dollars per state annually, consistent with policy changes that reduced the marginal cost of delivering and billing for services.

A substantial body of research suggests that financial incentives can influence psychiatric diagnosis rates. In the United States, eligibility for school services and insurance coverage often depends on specific diagnostic categories. For example, states offering more autism-specific services tend to report higher autism prevalence, while classifications of other developmental disabilities decline—a pattern consistent with diagnostic substitution. A 2009 study estimated that at least 26 percent of the increase in autism diagnoses in California between 1992 and 2005 could be explained by diagnostic substitution, primarily from children previously classified as having intellectual disability.

A Problem of Prosperity?

In economic terms, what has unfolded in American mental healthcare is supplier-induced demand operating within a system that lacks the price signals, utilization controls, and outcome accountability mechanisms that would normally constrain it. The therapy industry has expanded to absorb the available reimbursement, exactly as economic theory would predict in a fee-for-service system with elastic diagnostic criteria, open-ended coverage mandates, and absent oversight.

That is worth stating clearly, because the rising tide of psychiatric diagnoses is often cited as proof that modernity has failed; that the improvements in life expectancy, poverty reduction, literacy, income, and so forth are hollow, because they mask a deeper spiritual or psychological collapse. That narrative is understandable. It is also incomplete.

The story of mental health in the modern world is not one of pure decline. It is a story of multiple forces operating simultaneously, some genuinely concerning and some artifacts of the very prosperity that makes psychological well-being a priority in the first place. Wealthy societies can afford to screen for, name, and treat conditions that our ancestors endured in silence or never recognized at all. That is a form of progress. But when the systems designed to deliver that care are structured to reward volume over value, diagnosis over outcome, and spending over accountability, the result is predictable: an ever-expanding pool of diagnoses that dilutes resources away from those with the most severe impairment.

There is reason to be optimistic. The fact that societies are wealthy and secure enough to attend to psychological suffering at all—rather than simply enduring it—represents a remarkable achievement.

But the same ingenuity that produced modern medicine, market economies, and unprecedented material abundance can also produce perverse incentive structures that undermine the goals they were designed to serve. Understanding that human systems, like the humans who design them, are imperfect and responsive to incentives, is not an argument against progress. It is a precondition for sustaining it. Progress, as ever, depends on getting the incentives right.

Authors:

Adam Omary is a Research Fellow at the Cato Institute's Center for Global Liberty and Prosperity. Subscribe to his Substack, Psychology of Progress.

Jeffrey Singer is a Senior Fellow in Health Policy at the Cato Institute.

Alexander Williams is an intern at HumanProgress.org.

A Reality Check on the Inequality Panic

Calls for wealth redistribution rest on a faulty premise about inequality.

CHELSEA OLIVIA FOLLETT
APR 17, 2026

CROSS-POSTED BY PAST IMPERFECT

"Our managing editor Chelsea Follett corrects some common misunderstandings about global inequality and its remedies."

- Human Progress

Anthropic CEO Dario Amodei called for far higher taxation in a recent blog entry, arguing that current wealth concentration is higher than that of the Gilded Age and is about to get worse globally. The chart-topping singer Billie Eilish implored billionaires to give away their money, while New York City mayor Zohran Mamdani has gone further, opining, "I don't think we should have billionaires" because we live in "a moment of such inequality." If anything is having a moment, it is the conviction that inequality has grown urgent enough to justify a muscular policy response.

But the facts don't support this. Not only has global income inequality fallen over the long run — contrary to the popular narrative — but inequality has also declined in education, health, and a host of other areas. The world is now more equal across a range of factors, from lifespan and childhood survival to internet access and schooling. The more broadly one examines inequality, the more encouraging the data appear. It turns out that even the shock of COVID-19 failed to erase decades of progress toward a wealthier and more equal world.

Indeed, the data show a pronounced decline in global inequality over the past few decades, driven largely by rising prosperity in poorer countries. During the pandemic years of 2020 and 2021, progress slowed sharply. Some indicators stalled and a few modestly worsened. But the gains accumulated before the crisis were not undone.

In short, the damage to human well-being was more limited than many feared.

Another recent analysis published in *The Economist* finds that global inequality in consumption spending is falling. In 2000, the richest 10% of humanity spent 40 times more than the poorest 50%. In 2025, they spent around 18 times more. Using data from World Data Lab, they find that the poorest 50% now out-consume the richest 1%, breaking from past trends.

Yet many think that only large-scale redistribution can stop runaway worldwide inequality. Figures as diverse as Amodei, Eilish, and Mamdani are far from alone in embracing this view. Over the past few years, calls for a worldwide wealth tax, a vast increase in foreign aid spending, and other unprecedented measures are gaining steam across academia, non-profits, the press, and international organizations like the United Nations.

That conclusion is premature. Getting the facts straight is essential, because misunderstanding global inequality can push policymakers toward harmful solutions.

The record on foreign aid is far less encouraging than its advocates suggest: decades of evidence show that aid frequently fails to deliver sustained development and bears no reliable relationship to long-term economic growth. Worse, the fixation on ever larger aid flows often crowds out the harder work of domestic reform. In some cases, foreign aid has been shown to weaken political institutions, entrench bad governance, and slow the process of democratization.

Wealth taxes have their own problems, from high administrative costs and enforcement challenges to low revenue production and invasion of financial privacy. These problems help explain why so many of the countries that have implemented wealth taxes in the past — such as France, Germany, and Sweden— later abolished the tax. Perhaps the worst of all, by discouraging risk-taking, wealth taxes suppress investment and growth, effects that would be felt in both rich and poor countries and would likely prove especially damaging to development in the world's poorest economies.

Recent work on multidimensional inequality suggests that the world has not been drifting toward ever greater gaps, but that the rich and the poor have been converging in material comfort. Calls for global wealth taxes or massive new aid programs often rest on the assumption that international trade and economic freedom have failed to deliver broadly shared gains. Yet the long-term evidence suggests the opposite.

The pandemic offers two lessons here: First, it highlights just how sensitive progress is to disruptions in markets. It depends on conditions that allow growth to occur and persist, including functioning markets and stable institutions. Many of the proposed policy solutions risk undermining that progress.

The second lesson is that while the pandemic represented a hurdle in the path of progress, the long-term trend toward lower global inequality is holding strong.

Alarmist narratives shape public opinion and encourage policymakers to pursue sweeping interventions that may do more harm than good. A clearer view of the data counsels caution rather than panic.

This article was originally published in Washington Examiner *on 3/23/2026.*

PROGRESS ROUNDUPS

Doomslayer: Progress Roundup

Rainforest resilience, falling college prices, improvements in organ recovery, and more.

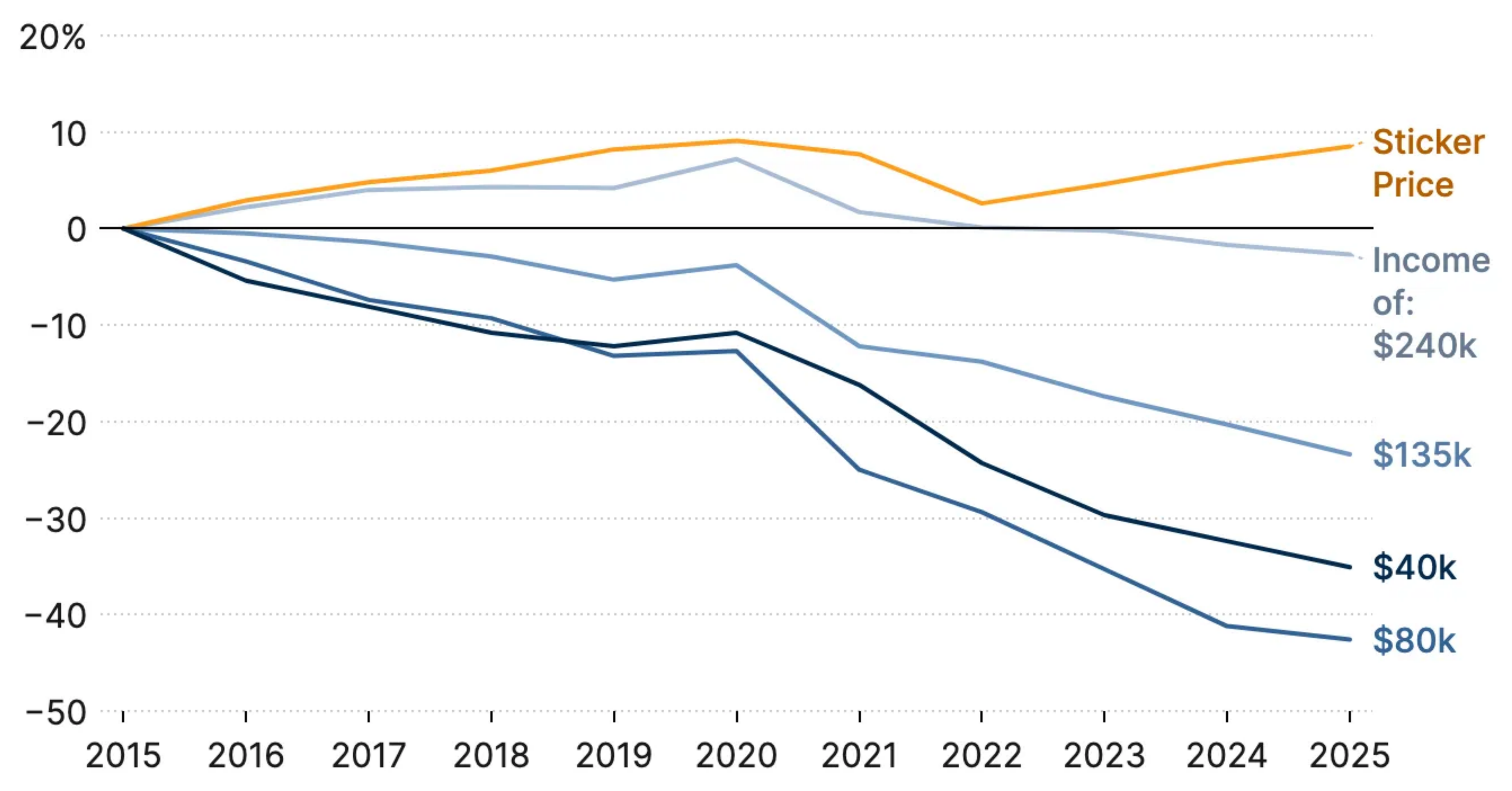
MALCOLM COCHRAN

APR 19, 2026

Economics & Development

- An analysis from *Brookings* finds that **the net price of college** (i.e., "the sticker price minus scholarships and grants") **in the United States has fallen substantially** in recent years, particularly for poorer students attending elite private institutions.

Figure 2: Percent change in inflation-adjusted net prices at highly selective private institutions, by family income



Conservation & Biodiversity

- Around the world, rising crop yields are allowing agricultural land to be returned to nature, but how long does it take for that land to regain a wild, abundant equilibrium? A recently published study **in Ecuador's Chocó rainforest found that recovery can happen fairly rapidly**. After analyzing abandoned agricultural land at different phases of recovery, the researchers estimated that within 30 years, the land regained over 90 percent of the abundance and species diversity found in old-growth forests, and about 75 percent of their species composition.
- Another rainforest study finds that **the Amazon may be more drought-resistant than previously assumed**. The researchers argue that most studies of Amazon drought response focus on forests where groundwater lies deep underground, making them more vulnerable to lower levels of rainfall. This study instead examined forests with shallow water tables—which make up a third of the Amazon—and found that even during a severe drought, tree mortality did not increase and tree biomass continued to rise.
- Thanks to habitat restoration efforts, **Central California Coast coho salmon have enjoyed a run of fruitful spawning migrations**. In 2025, 30,000 adult salmon returned to Mendocino Coast rivers to breed, up from 15,000 the year before and 3,000 a decade ago.

Energy & Natural Resources

- Quaise Energy, a geothermal power company, has announced it is building **a prototype "superhot" geothermal power plant** in Oregon. Their key innovation is a novel drilling technique that uses microwaves to break rock instead of drill bits. This approach could let Quaise tap into deeper, hotter rocks, and thereby generate far more energy than shallower wells.
- **Fervo Energy**, another geothermal developer, **appears to be scaling up**. The company recently ordered turbines totaling 1.7 gigawatts of capacity, enough to support dozens of standardized power plants.

Food & Hunger

- **A new variety of banana genetically modified to be slow-ripening and browning-resistant has been approved in Japan and Brazil**, and will be grown in the latter.

Health & Demographics

- The *World Health Organization* estimates that **measles vaccination has prevented 19.5 million premature deaths** in Africa since 2000.
- **A new drug for metastatic pancreatic cancer nearly doubled survival time** in a phase 3 trial, with patients living for a median of 13.2 months after treatment began compared to 6.7 months on standard chemotherapy.
- **Organ donations have surged in the United States, partly thanks to improved harvesting methods**. Until recently, most organs came from donors who were brain dead but kept on life support, with their circulatory systems still functioning. Over the past decade, however, advances in organ preservation and recovery have made it increasingly feasible to recover organs after circulatory death, when the heart has stopped and preservation becomes far more difficult. A recent study finds that in 2000, just 2 percent of donors fell into this category; by 2025, that had risen to 49 percent, with the number of such donors rising from 118 to 8,129.

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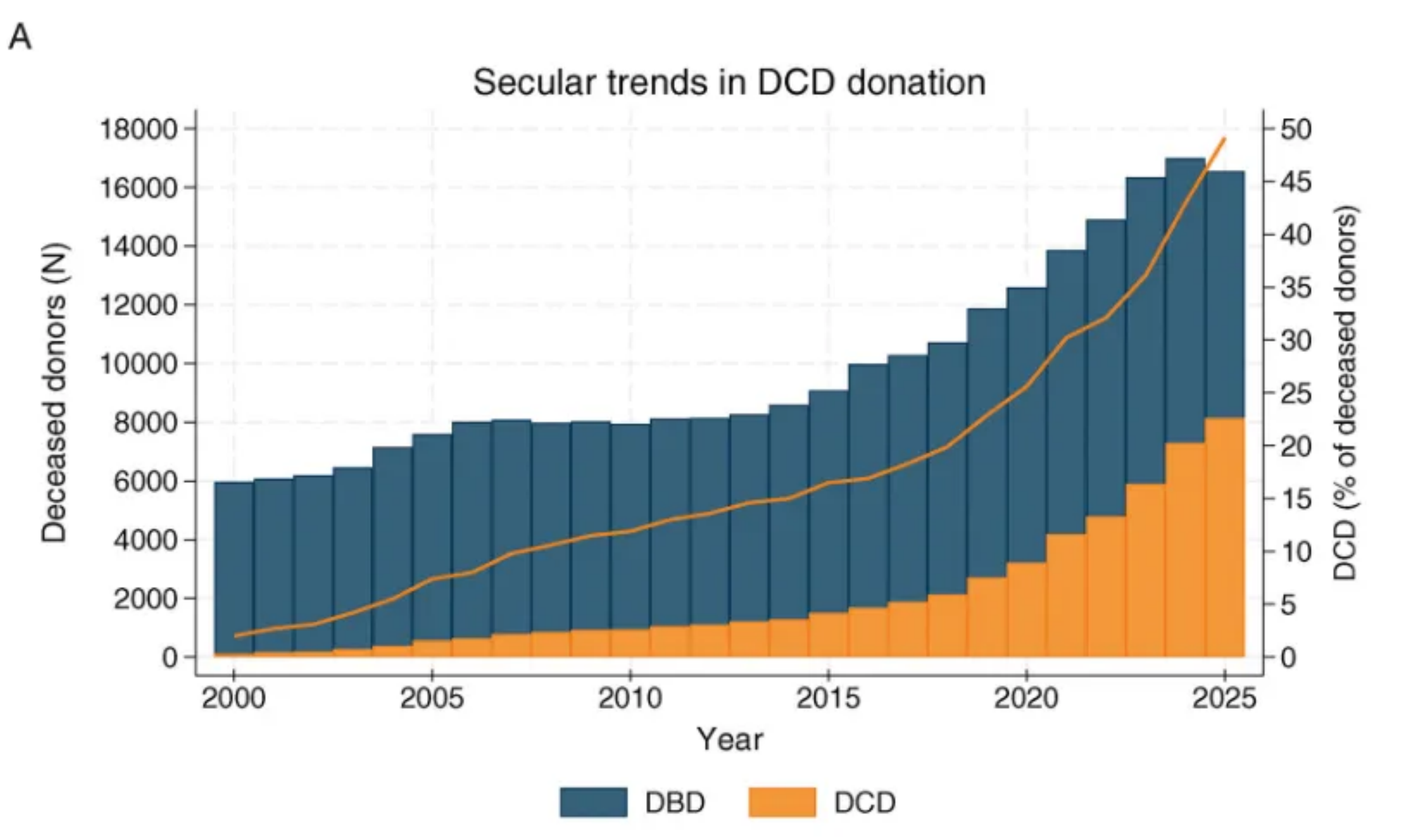

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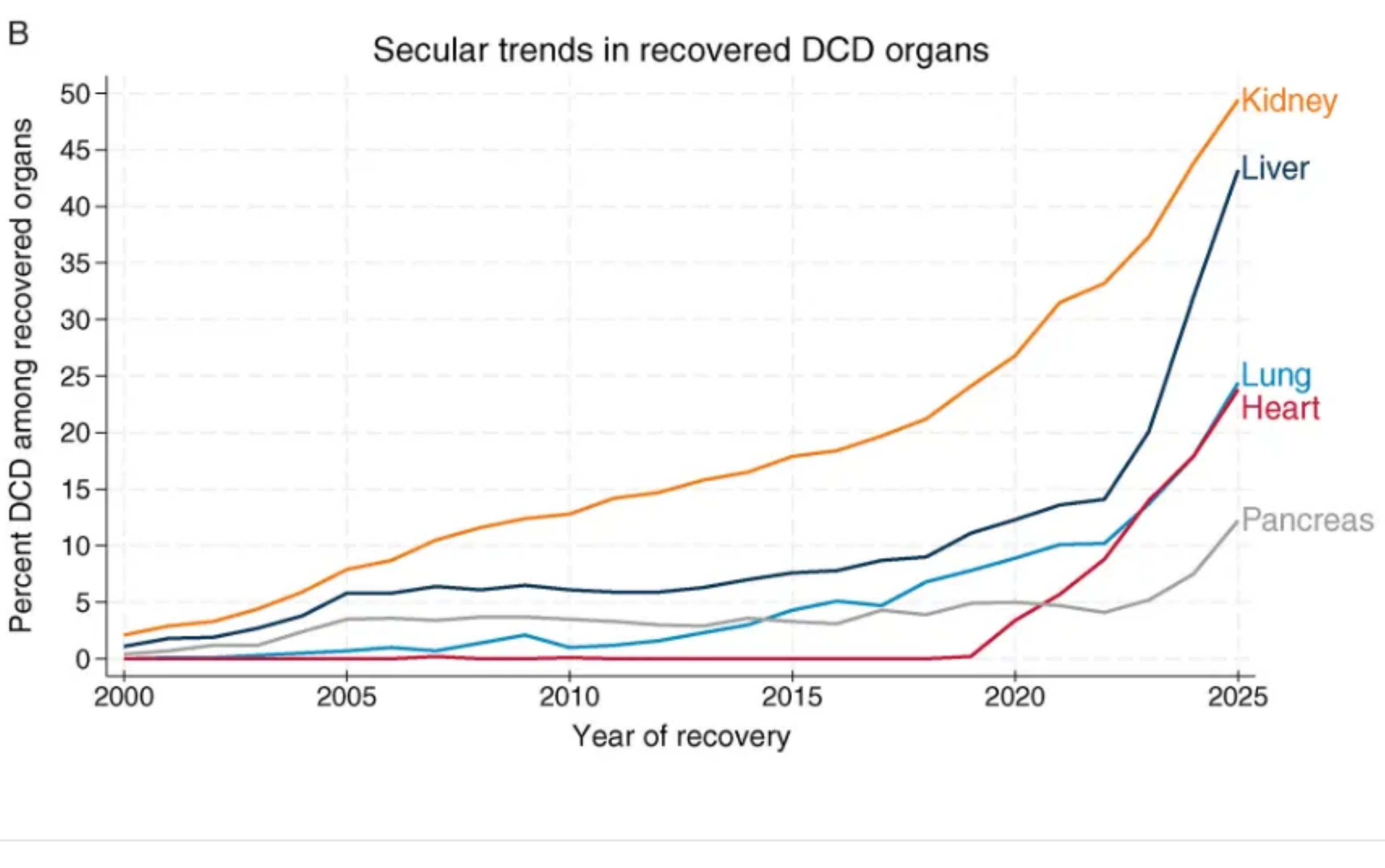
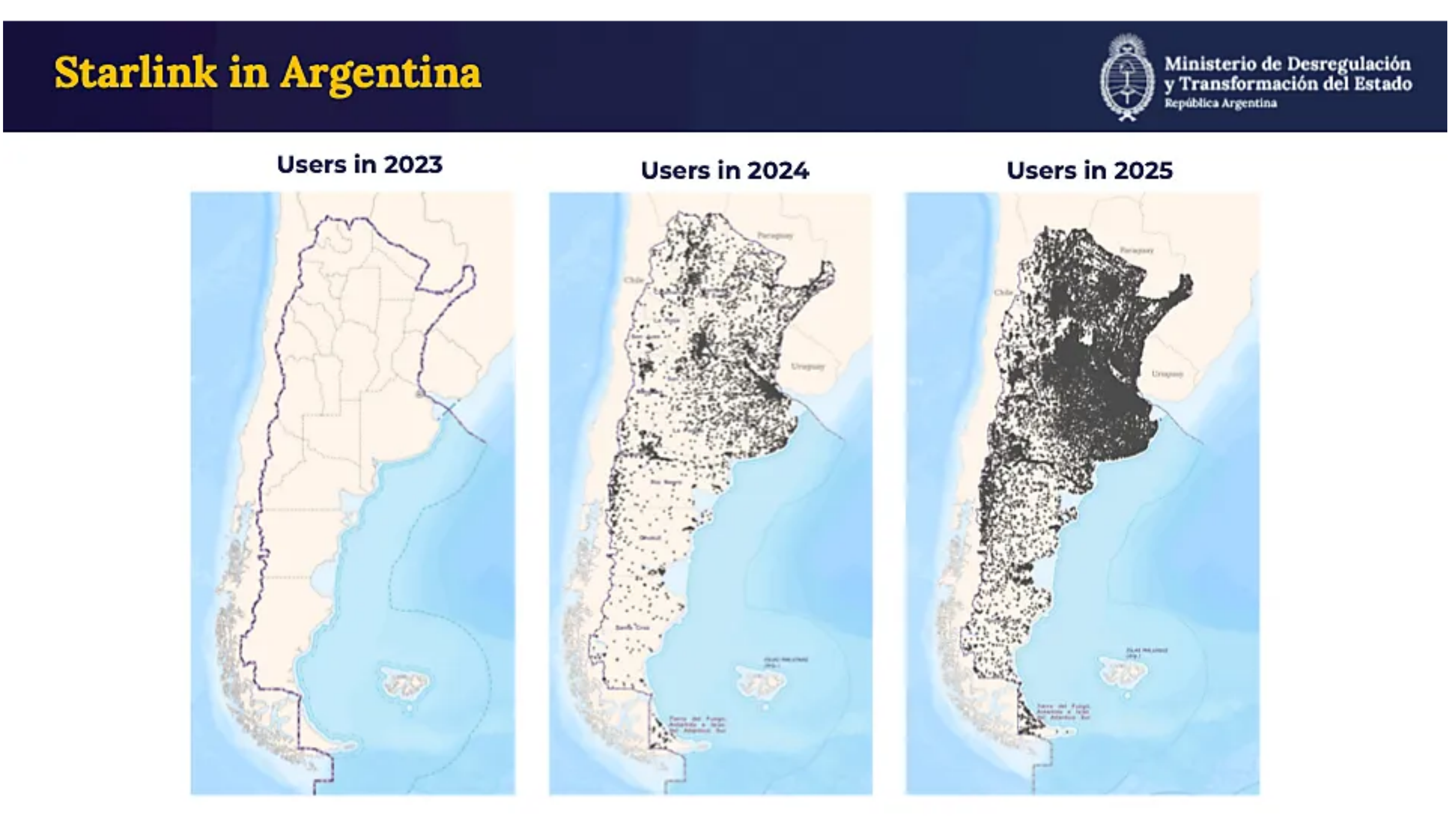


Politics & Freedom

- ***The Economist*'s democracy index shows a small global improvement in 2025**, with scores rising or stable in 3 out of 4 countries. A welcome sign, though it does not make up for the significant democratic backsliding the world has seen since the 2010s.
- Thanks to satellite constellations, **humanity now has the technical ability to provide internet connection anywhere on Earth**. The biggest remaining barriers are political; many governments don't want their citizens to enjoy unfettered access to the internet, or for their domestic service providers to have to compete with foreign firms. In Argentina, where such a ban was recently lifted, two million people have connected to Starlink, many of whom live in remote areas of the country.



Science & Technology

- A recent paper finds that **AI models can outperform humans at fact-checking social media posts**. After generating over 1,600 AI-written Community Notes on X, researchers compared them with human-written notes on the same posts and found that the AI notes were rated as more helpful by both left- and right-leaning users.
- Autonomous vehicles continue to make progress around the world:
  - **The Netherlands Vehicle Authority has become the first European regulator to approve Tesla's supervised self-driving software**, commenting that "Proper use of this driver assistance system makes a positive contribution to road safety." Seems especially notable coming from the world's foremost cycling nation.
  - **An autonomous bus will soon begin operating in Norway** without a safety driver**.**
  - Uber and the Chinese self-driving firm Pony.ai are launching **the first European commercial robotaxi service** in Zagreb, Croatia.

Read more news stories on our website

The Simon Abundance Index 2026

Earth was 536.4 percent more abundant in 2025 than it was in 1980.

MARIAN L TUPY AND GALE POOLEY

APR 22, 2026

This year's Simon Abundance Index features interactive graphics that allow you to explore trends in abundance across individual countries and commodities. To access these features, please read the version of the index posted on our website.

The Simon Abundance Index (SAI) measures the relationship between resource abundance and population. It combines the per-person abundance of 50 basic commodities with the size of the world's population into a single number. The index began in 1980 with a base value of 100. In 2025, the SAI stood at 636.4, indicating that resources have become 536.4 percent more abundant over the past 45 years. All 50 commodities in the dataset were more abundant in 2025 than they were in 1980. The global abundance of resources increased at a compound annual growth rate of 4.20 percent, thus doubling every 17 years.

The SAI is based on the ideas of Julian Simon, a University of Maryland economist and Cato Institute senior fellow who pioneered research and analysis of the relationship between population growth and resource abundance. If resources were truly finite, as many people believe, an increase in population would be expected to lead to scarcity and higher prices. However, as Simon discovered through exhaustive research spanning decades, the opposite was true. As the global population increased, resources tended to become more abundant.

How is that possible? Simon understood that atoms without knowledge have no economic value. It is knowledge that transforms atoms into resources that benefit all of us. While the quantity of atoms on Earth is finite, the frontiers of undiscovered knowledge are infinite. He also understood that only human beings, especially those living under conditions of economic and political freedom, can create new knowledge. As he wrote, "The ultimate resource is people, especially skilled, spirited, and hopeful young people endowed with liberty, who will exert their wills and imaginations for their own benefit, and so inevitably they will benefit the rest of us as well."

The Simon Abundance Index, 1980–2025

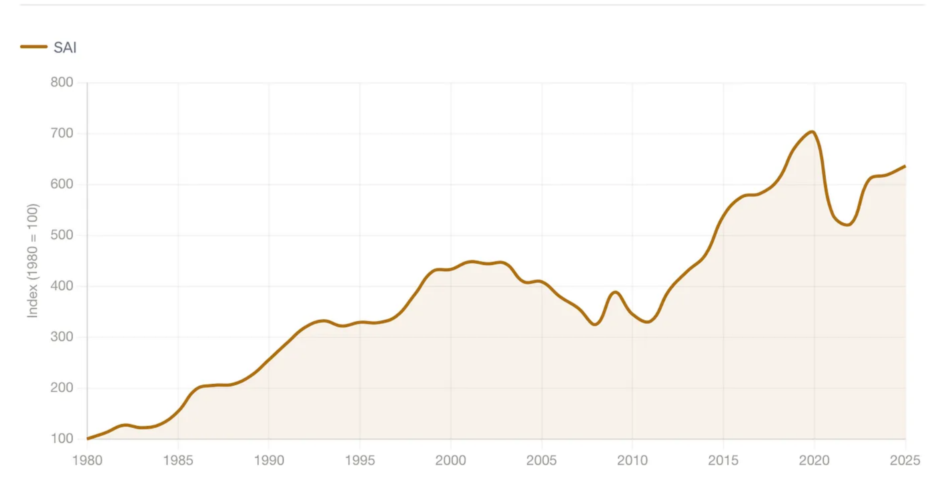
Over 45 years, the index climbed from a base value of 100 to 636.4, a more than sixfold increase. The line does not climb smoothly. The SAI declined in the early 2000s, as a rapidly growing global economy led to elevated demand for resources. It fell again during the COVID-19 pandemic, which disrupted production and supply chains around the world, and following the full-scale Russian invasion of Ukraine, which spiked energy prices. In both cases, the index recovered. By 2024, it had reclaimed its pre-pandemic trajectory, and 2025 extended that recovery, returning near the all-time high of 700.8 reached in 2020.

This year's interactive version of Figure 1 adds a capability not available in prior editions: country-level exploration. Readers can select any of the 42 countries accounting for 85.9 percent of global gross domestic product and 66.3 percent of the world's population, and see how much resource abundance has increased for that country's citizens relative to 1980. They can also view the ranking of 42 countries by cumulative resource abundance between 1980 and 2025 and compare them. Results show that no country's citizens in this dataset experienced less resource abundance in 2025 than in 1980.

Figure 1: Simon Abundance Index, 1980–2025

Population × personal resource abundance indexed to 100 in 1980.

World average | All countries | Rankings | Comparison



Individual Commodity Changes Between 1980 and 2025

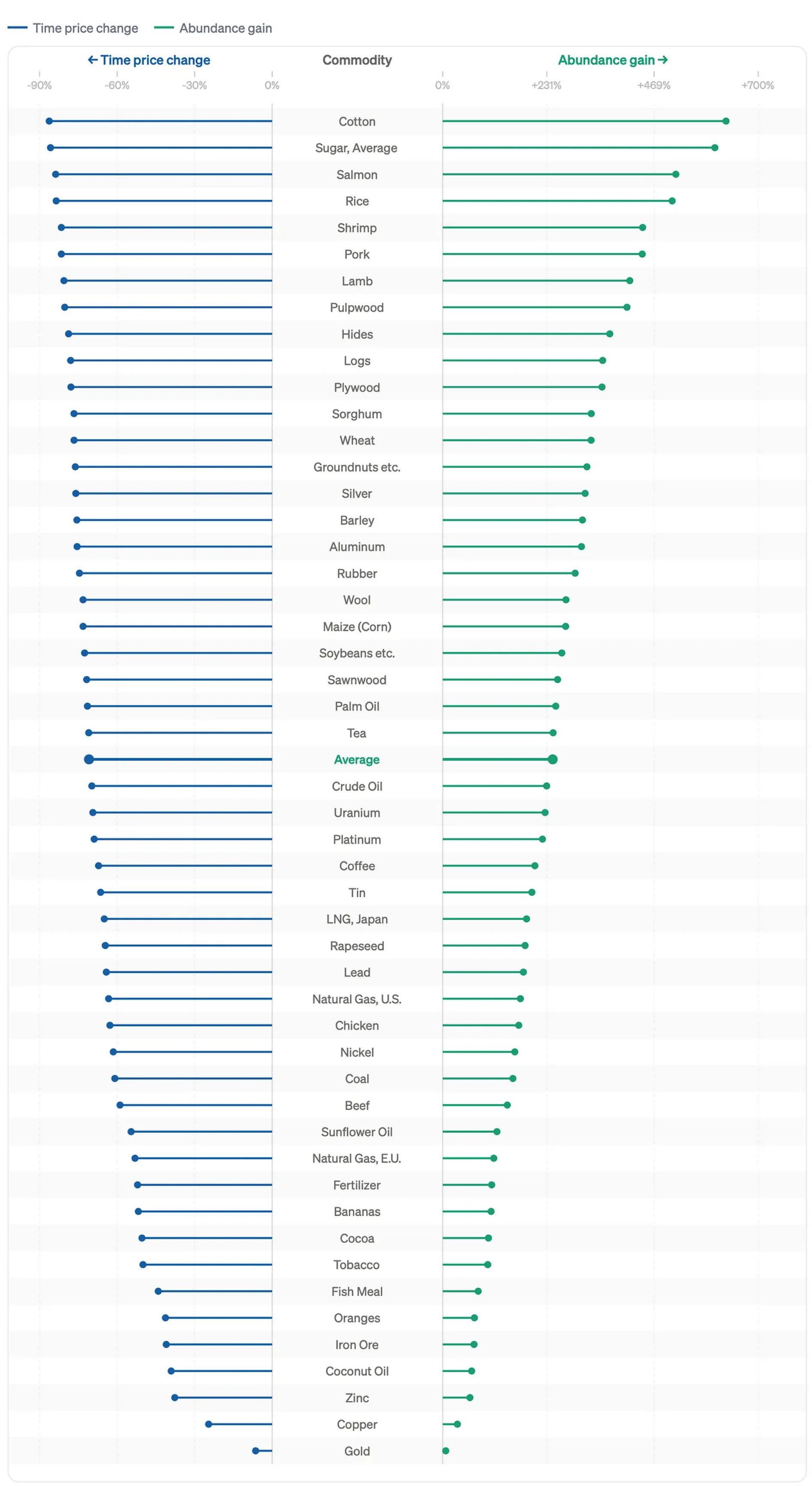
The SAI uses "time prices" to measure changes in resource abundance. A time price tells you how long you must work to earn enough money to buy something. If you work less time this year than last year to afford the same good, your standard of living has risen. Time prices are elegant, intuitive, and universal. They can be used to compare the cost of bread in France in 1900 with the cost of bread in France in 2000, or the cost of milk in China with that in the United States in 2025. Because time prices always divide nominal prices by nominal hourly wages, they do not require any adjustment for inflation.

Between 1980 and 2025, time prices for the 50 basic commodities fell by an average of 70.9 percent. That figure has a concrete meaning. What required an hour of work in 1980 now requires approximately 18 minutes. Put differently, the same hour of work that bought a single unit of a typical commodity in 1980 buys 3.44 units in 2025, a 244 percent increase in personal resource abundance. The personal abundance of resources increased at a compound annual growth rate of 2.78 percent, thus doubling every 25 years.

Figure 2: Commodity Change in Time Price and Abundance, 1980–2025

Sorted by abundance gain. Hover a row for details.

Long-run (1980–2025) | Time price grid | Comparison



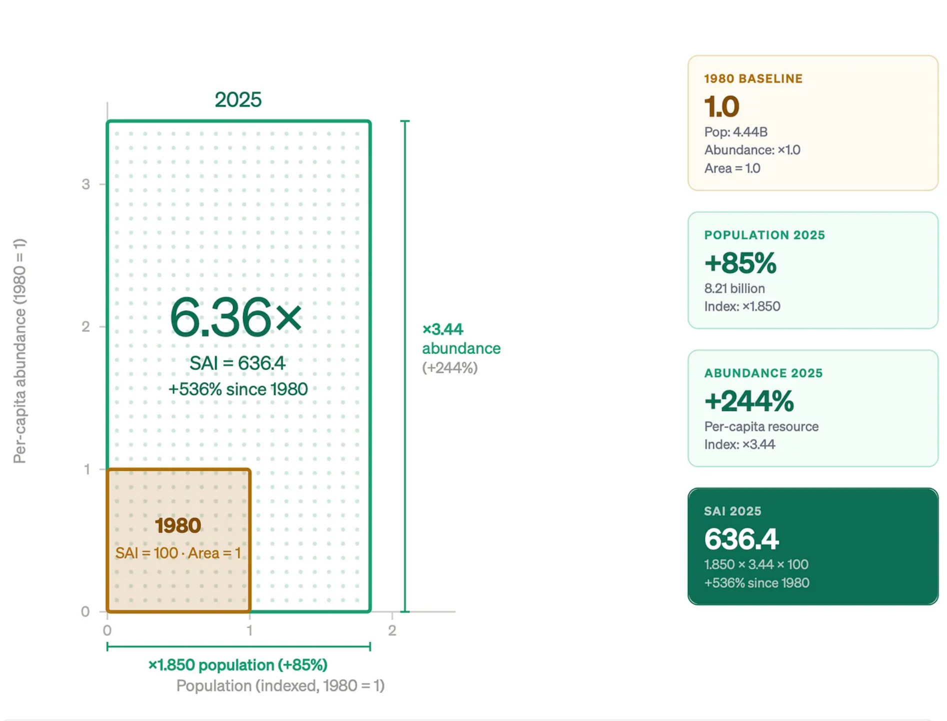
How We Measure Overall Abundance: The Rectangle Explained

Resource abundance can be understood at two levels: personal and population-wide. Think of the world's resource supply as a pizza. Personal abundance measures the size of each individual slice. Population-level abundance measures the size of the entire pie. The pie can grow in two ways: the slices get larger, or the number of slices increases. Between 1980 and 2025, both happened simultaneously.

The box chart below makes this point intuitive. Draw a rectangle for 1980. Index both the width, representing global population, and the height, representing per capita resource abundance, to a value of one. That is the amber box. Now draw a second rectangle for 2025, scaled to reflect actual changes. The width has expanded to 1.850, reflecting an 85.0 percent increase in the world's population, from 4.44 billion to 8.21 billion people. The height has risen to 3.44, reflecting a 244 percent increase in what the average person on earth can buy with a given amount of work. (We assume average abundance growth rates in economies we do not track – a conservative assumption given that the GDP per person in many of these developing countries grew at a faster pace than that in our dataset, a contributing factor to the well-documented dramatic decline in global income inequality in recent decades.) That is the teal box.

Figure 3: The Abundance Rectangle

Population growth × per-capita abundance growth = total resource abundance.



4 **SAI = 636.4.** Area = 1.85 × 3.44 = **6.36**. Population-level resource abundance is 536% higher than in 1980, and grew more than six times faster than population alone.

The area of the 1980 box is 1.0. The area of the 2025 box is 1.850 multiplied by 3.44, which equals 6.364. That is a 536.4 percent increase. That is the SAI. Put differently, the world's population grew by 85.0 percent, but population-level resource abundance grew by more than 536 percent. Every 1-percentage-point increase in global population corresponded to roughly 6.3 percentage points of growth in population-level resource abundance.

> SAI = (1 + percentage change in population) × (1 + percentage change in personal resource abundance) × 100
>
> SAI = 1.850 × 3.44 × 100
>
> **SAI = 636.4**

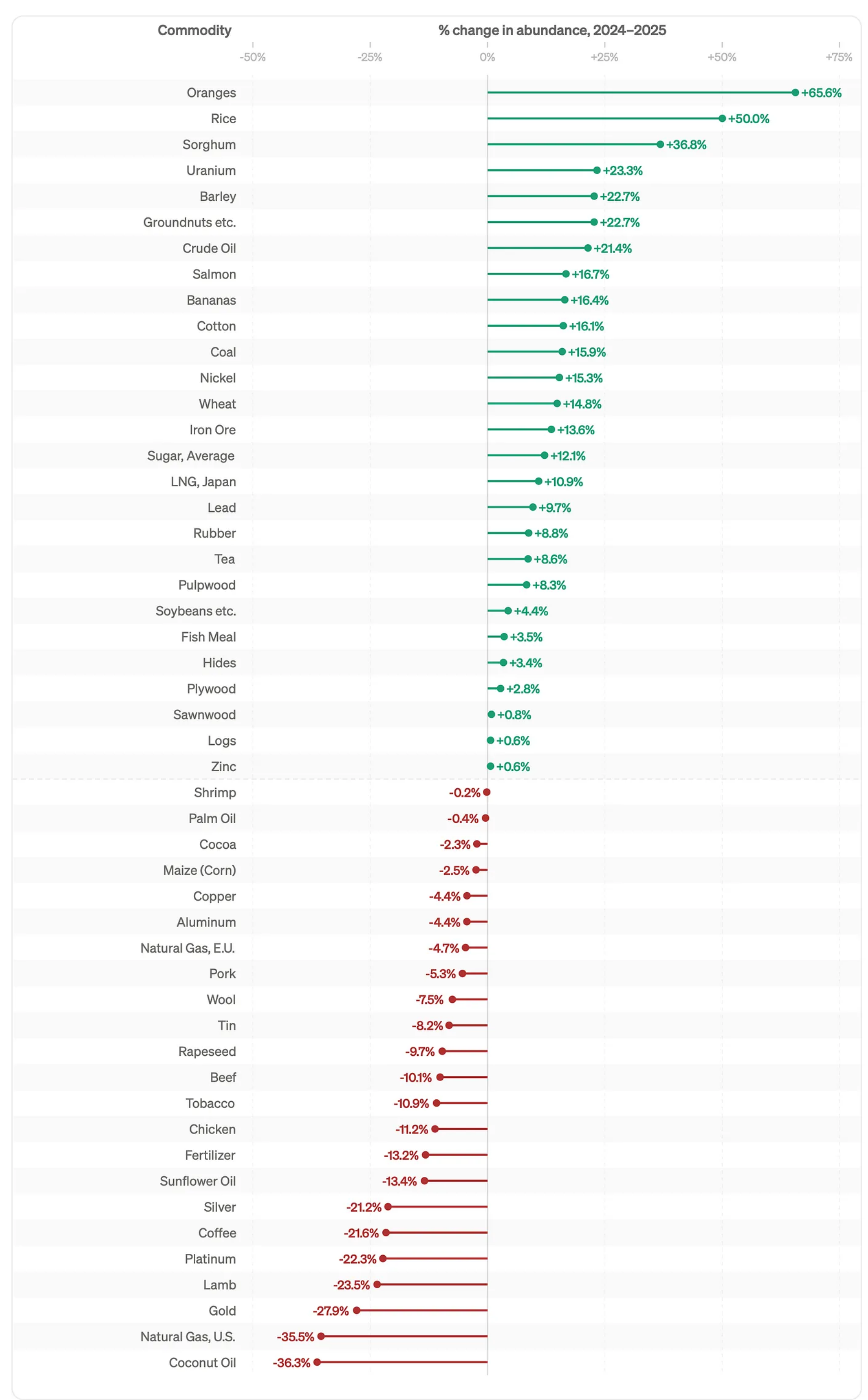
This relationship, in which resources grow far faster than the population consuming them, is what we call *superabundance*.

Individual Commodity Changes from 2024 to 2025

In 2025, the SAI stood at 636.4, up 17.2 points from 619.2 in 2024. That was a 2.78 percent increase. Of the 50 commodities in the index, 27 became more abundant, and 23 became less abundant. The range of one-year change was wide, from a 65.6 percent increase for oranges to a 36.3 percent decline for coconut oil.

Figure 4: Individual Commodity Change in Abundance, 2024–2025

Annual change. Teal = increased, red = decreased.



A brief clarification is in order. When time prices fall, abundance rises. Workers need fewer hours of labor to buy the same quantity of a good. When time prices rise, abundance falls. Workers must spend more of their labor to buy that same quantity.

The observed pattern of mixed annual results is normal. Some commodities rise sharply in abundance; others fall sharply. Short-term variation is a standard feature of commodity markets. Weather, disease, transport disruptions, investment cycles, policy shifts, and changes in demand all affect prices from year to year. The fact that 23 commodities became less abundant in 2025 is therefore not surprising, nor does it contradict the broader story of long-run progress.

That was one of Julian Simon's main insights. Simon did not argue that resource prices move in a smooth downward line. He argued that, over time, human beings respond to scarcity signals. Higher prices encourage conservation, substitution, innovation, new production, and better organization. In that sense, temporary scarcity is not the end of the story. It is often the beginning of adjustment, discovery, and the sharing of new knowledge.

Oranges provide a good example of the uneven trend toward greater abundance. In earlier years, orange abundance had risen dramatically, only to reverse as disease, crop damage, and supply-chain problems pushed time prices back up. By 2024, much of the earlier gain had nearly disappeared. If one looked only at that moment, one might have concluded that the long-term trend toward greater abundance had broken down. But that would have been a mistake. In 2025, orange abundance rebounded by 65.6 percent, the largest single-year gain of any commodity in this SAI edition.

That rebound illustrates Simon's point. Short-term setbacks are real, but they do not by themselves define the long-run trajectory. The proper way to read the index is not to expect uninterrupted annual improvement in every commodity. It is to recognize that volatility is normal, adjustment is constant, and the long-run tendency remains toward greater abundance. By that measure, the 2025 results are consistent with the larger historical pattern.

Conclusion

The SAI began its recovery from the disruptions caused by COVID-19 and the Russian invasion of Ukraine in 2023, and has continued its recovery into 2025. Despite natural disasters, geopolitical turmoil, persistent monetary inflation in some markets, and ongoing conflict in parts of the world, resources continued to become more abundant at a pace that far exceeds population growth. Over 45 years, global population grew 85.0 percent. Personal resource abundance grew 244 percent. The result is a planet that is, by this measure, more than six times better supplied per capita with the basic commodities on which human welfare depends than it was in 1980.

This year's edition introduces a substantially more interactive and exploratory presentation than in prior years. Readers can now move between the global SAI trend, individual country trajectories, commodity-level time-price charts, and annual change rankings within a single interface.

The message remains the one Julian Simon spent his career advancing. Human beings are not a drain on the resources of this planet. They are the mechanism by which atoms become resources, by which constraints are discovered and dissolved, and by which each generation inherits a world more abundantly supplied than the one before it.

We explore these topics in greater depth in our book *Superabundance: The Story of Population Growth, Innovation, and Human Flourishing on an Infinitely Bountiful Planet*. You can also visit our website at superabundance.com.

Explore the index on our website

America's Turn Against Markets

Samuel Gregg joins Chelsea Follett to discuss the rise of a more interventionist economic consensus and the case for markets in modern America.

CHELSEA OLIVIA FOLLETT

APR 25, 2026

Over the past decade, American politics has shifted against free enterprise. On both sides of the political spectrum, there's a growing sense that markets have fallen short and that a more interventionist state is needed to deliver stability, security, and fairness.

In this episode of *The Human Progress Podcast*, our managing editor Chelsea Follett speaks with economist Samuel Gregg about his book *The Next American Economy*. They discuss the roots of this new "state capitalist" consensus, the enduring appeal of economic intervention, and how to make the case for free markets in an increasingly skeptical political environment.

Below is an edited and abridged transcript featuring some highlights from the interview.

Joining me today is economist Samuel Gregg, the President and Friedrich Hayek Chair in Economics and Economic History at the American Institute for Economic Research. He is the author of seventeen books, including *The Next American Economy: Nation, State, and Markets in an Uncertain World*, which will form the basis of our discussion today.

So, tell me about why you chose to write this book and why it is, perhaps unfortunately, more relevant today than ever?

In around 2016, the way that Americans thought about the nature of their economy started to shift. Since the early 1980s, America had moved back towards markets, free enterprise, and limited government, at least in principle. You could find people on the center left and the center right who were more or less on board with that vision. That changed, I think, in 2015 or 2016. People have emerged on the right and left who believe that the state should take a much more proactive role in economic life.

In the book, which came out in October 2022, I wanted to outline why this shift occurred. I wanted to outline some of the differences, the battle lines, if you like, between those of us who favor a free-market economy and those who favor state capitalism. And I also wanted to argue that it was time for free marketers to realize that we weren't living in the 1980s or even the 1990s anymore. The tide had shifted, and we needed to adjust our message to the conditions that we find ourselves in today.

What is this state capitalism alternative that so many seem to be advocating for?

The way that I use it in the book, and I think this is a common use of the phrase now, is to describe an economy in which you have private property and markets, but also a state that tries to deliver economic outcomes that are substantially different than those that would emerge if markets were left to prevail.

State capitalism usually involves a large and extensive welfare state. It involves using regulation and the administrative state to put certain parameters and contours around the workings of markets in order to push consumers and producers, and particularly producers, in particular directions. So, while you still have markets, competition, and private property, the state goes far beyond anything that would have been envisaged, for example, by America's founders. And I think if you look around America today, that's exactly what we're living in.

Now that you've described the idea of state capitalism, let's dissect it a bit more. You have a chapter in the book titled "Why Protectionism Does Not Pay." Why doesn't it?

The classic arguments against protectionism go back to Adam Smith. His basic argument against tariffs was that they don't create wealth; they just push production or economic activity in particular directions. The problem is that creates a hidden tax on consumers because the businesses that get charged the tariffs invariably pass the costs on to consumers.

Protectionism also encourages cronyism, by which I mean businesses getting close to government to try to ensure that tariffs are leveled against their competitors. It also shifts the balance of the economy away from consumer interests towards producer interests. The problem with that is, in the end, protectionism doesn't serve producers very well either. It makes them lazy and uncompetitive, and rarely ever manages to maintain a particular industry in place. So, protectionism, despite the name, actually does enormous damage, both to consumers and, in the long term, to the producers that it's ostensibly designed to protect.

What do you say to those who would argue that the world we live in today is very different from the world of Adam Smith? For example, we have new national security concerns that might justify tariffs.

Free traders and free marketers have always acknowledged that national security is a legitimate exception. Adam Smith says defense trumps opulence. At the same time, the single most important element for a country's national security is the size and dynamism of its economy. That is what allowed the United States to defeat or outlast Nazi Germany, Imperial Japan, and the Soviet Union.

So, yes, there are genuine national security challenges, but they don't justify shutting down the whole process of liberalizing trade with other countries. Reverting to protectionism will ultimately hurt our security more than it will help.

Let's move on to industrial policy. What is the trouble with industrial policy, and why do you think it has so much continued appeal?

The basic problem with industrial policy is something classical liberals talk about all the time, which is, as F.A. Hayek called it, the knowledge problem.

Industrial policy assumes that governments can come up with a better allocation of resources than the market can. The problem is that even central banks and treasury departments, which are full of economists who have lots and lots of data at their disposal, cannot possibly know the best allocation of resources at any one point in time, and you need to know that information for industrial policy to work. So industrial policy cannot help but misallocate resources. Another problem with industrial policy is that it breeds cronyism. In case study after case study after case study, industrial policy is determined, not by some detached being discerning the best allocation of resources, but by the best and most influential lobbyists.

I think industrial policy remains attractive to people for two reasons. One is a sort of hubris about human intellect and how much you can know about the world. The second is that it panders to people's desire for security. I think it's very difficult for people to live their lives unless they have some degree of predictability and stability, and people think that industrial policy can provide their community or economic sector with that stability. But it can't. Just like protectionism, industrial policy corrodes an industry's competitiveness and can encourage laziness and a sense of entitlement among those who are being protected. In the long term, that results in greater instability and insecurity.

Many worry that, because so many manufacturing jobs have moved overseas, we need industrial policy to help those displaced workers. What would you say about that specific concern?

Well, there's no question that the number of manufacturing jobs has fallen since the 1970s, but that has relatively little to do with outsourcing and a lot more to do with technological change. And that's a good thing, because manufacturing in the 1950s relied very heavily on manual labor, which was exhausting and had a high risk of injury. Technology made the industry safer and more productive, and displaced workers gravitated to service sector jobs, which are generally safer, less physically demanding, and better-paid.

The other thing I would say is that many parts of the country that once had very big industrial manufacturing sectors have successfully transitioned towards something different. Pittsburgh and Grand Rapids are good examples. You can contrast those examples with places like Youngstown, Ohio or Detroit, Michigan, which, rather than adapting, tried to stay the same through protectionism. In other words, those towns and cities that opted to embrace change and work with the change have come out the other side quite well, while the places that opted not to change have effectively made themselves poorer and less competitive.

You have a chapter with a rather counterintuitive title: "Business Against the Market." What do you mean by that?

There's a common assumption that being in favor of the market is the same as being in favor of business. And I always say, no, businesses are participants in markets, they're not markets themselves, and that's an important distinction because the interests of a given business may not coincide with the interests of American consumers. Businesses, in many cases, don't even particularly like markets. I know plenty of business leaders who like subsidies, are quite favorable towards tariffs, and resent competition. They don't like having to constantly adapt to stay alive.

That is an excellent transition to part two of the book, "Markets in America." You start out that section of the book with America as a creative nation. Tell me about that.

The classical economists of the Scottish Enlightenment, even into the 19th century, didn't say much about things like entrepreneurship and economic creativity. I think it was assumed rather than talked about. But in the 20th century, people like Joseph Schumpeter, or, in more recent decades, Israel Kirzner, pointed out that the entrepreneur, and human creativity in general, is essential for a dynamic economy. Entrepreneurs are not just making big discoveries like the iPhone that fundamentally change the entire economy, but they also make piecemeal changes on an everyday basis that constantly animate the economy. If you took away creativity from the market, it would enter almost automatic stagnation.

I think it's important for those of us who favor markets to talk more about creativity. It's a distinctly human force. We are made to truck and barter, as Adam Smith said, and we're also made to be creative. That, I think, is a very uplifting, very positive message. And of course, people on the other side of the debate tend to be rather suspicious of economic creativity because economic creativity creates disruption and change. It means you have to adapt.

Now tell me about America as a competitive nation.

As you can probably tell by my voice, I wasn't born in the United States, so I come at this as someone who's lived in America for a long time, but who has an outsider's perspective. And Americans are very, very competitive people. They don't see competition as bad or even distasteful. And that's important because competition is not about destroying other people, it's about adapting and changing so that you can do things faster or more efficiently or more creatively than other people.

Finally, you discuss America as a trading nation.

Well, again, Americans have been trading with the world since the very beginning of, and even before the Republic. We've never been a people that say trade begins and ends in the United States. At the same time, there's also been immense debate about trade in the United States since the beginning. In the 19th century, the single issue that most divided Americans, apart from slavery, was tariffs. In the 1830s, we even had some states threatening to secede over tariffs, because they wanted to be able to freely trade with European countries.

One of the things about the United States that lots of external observers noticed from the very beginning is that America began as a commercial nation. It wasn't a feudal society. Even mercantilism was not particularly strong in the American colonies compared to, say, continental Europe and Britain. When Alexis de Tocqueville came to America in the 1830s, he looked around and said, "Everyone is an entrepreneur." So, commerce is part of our identity, of who we are as a people.

If we lose sight of that, I think the country is in big trouble. We're not meant to be just another Western European social democracy. There are some Americans who want America to become like that, but that is not the vision that the founders had of the United States, and I don't think it's a vision that large numbers of Americans really want, because they understand that we would lose what makes us different from other countries.

Given current events, what do you foresee in terms of the future economic direction of the United States? Are we going to move closer to that ideal haven of freedom, or further away?

Well, the battle of ideas never ends. Even in the 1980s and 1990s, there were plenty of people expressing deep reservations about markets and limited government. The New Deal and Great Society programs still overhang a lot of American political culture and inform the assumptions that many Americans bring when they think about the economy.

What we've seen added since the mid-2010s is the addition of a nationalist populism, which is now the dominant force in the Republican Party. There are similar things happening on the political left as well, in the form of a class-oriented populism that feeds off the idea that any economic inequality is inherently wrong and needs to be corrected.

It's interesting that you hear a lot of the same mythologies among both nationalist populists and left-wing populists. There's the sense that blue-collar workers have done poorly as a result of economic liberalization, that manufacturing has been emptied out by trade, that we should be giving more benefits and welfare to particular segments of society rather than trying to wind these things back.

So, in addition to all the usual problems that we have when it comes to defending markets—the fact that arguments for markets are often counterintuitive, that markets are about the long-term rather than the short-term, that markets force us to face up to certain realities of the human condition—we also have this cross-party populist consensus, which is going to be very difficult to dislodge.

In the end, I think their policies will fail and inflict enormous harm, because they always do. Economic history is full of examples like this. But that doesn't necessarily mean that we'll move back in the direction of markets very quickly; the argument, "well, we didn't do enough intervention," will remain. That means that we need to keep making the same arguments, and we also need to find ways to get our arguments across to broader audiences because, like it or not, in a democracy like the United States, you have to win both the battle of ideas and the battle of public opinion.

I always try to end The Human Progress Podcast on a positive note.

What do you feel most hopeful about with regard to the future of the United States of America?

I'm very hopeful and inspired by the fact that we remain by far the world's most entrepreneurial economy. Even despite all the regulation, despite Roosevelt, despite Johnson, despite all sorts of very bad policies, entrepreneurship continues to flourish in the United States. There's something about American culture that inclines people to view entrepreneurship as a positive rather than a negative. And if you have a strong culture of entrepreneurship, then I think you've got a lot of room for hope.

It's also amazing how resilient American capitalism is. It bounces back over and over and over again. It's battered, and it's still being punched around, but nonetheless, it keeps powering forward.

PROGRESS ROUNDUPS

Doomslayer: Progress Roundup

US inter-generational upward mobility persists, along with Moore's Law, African elephant genetics, and the Przewalski's horse.

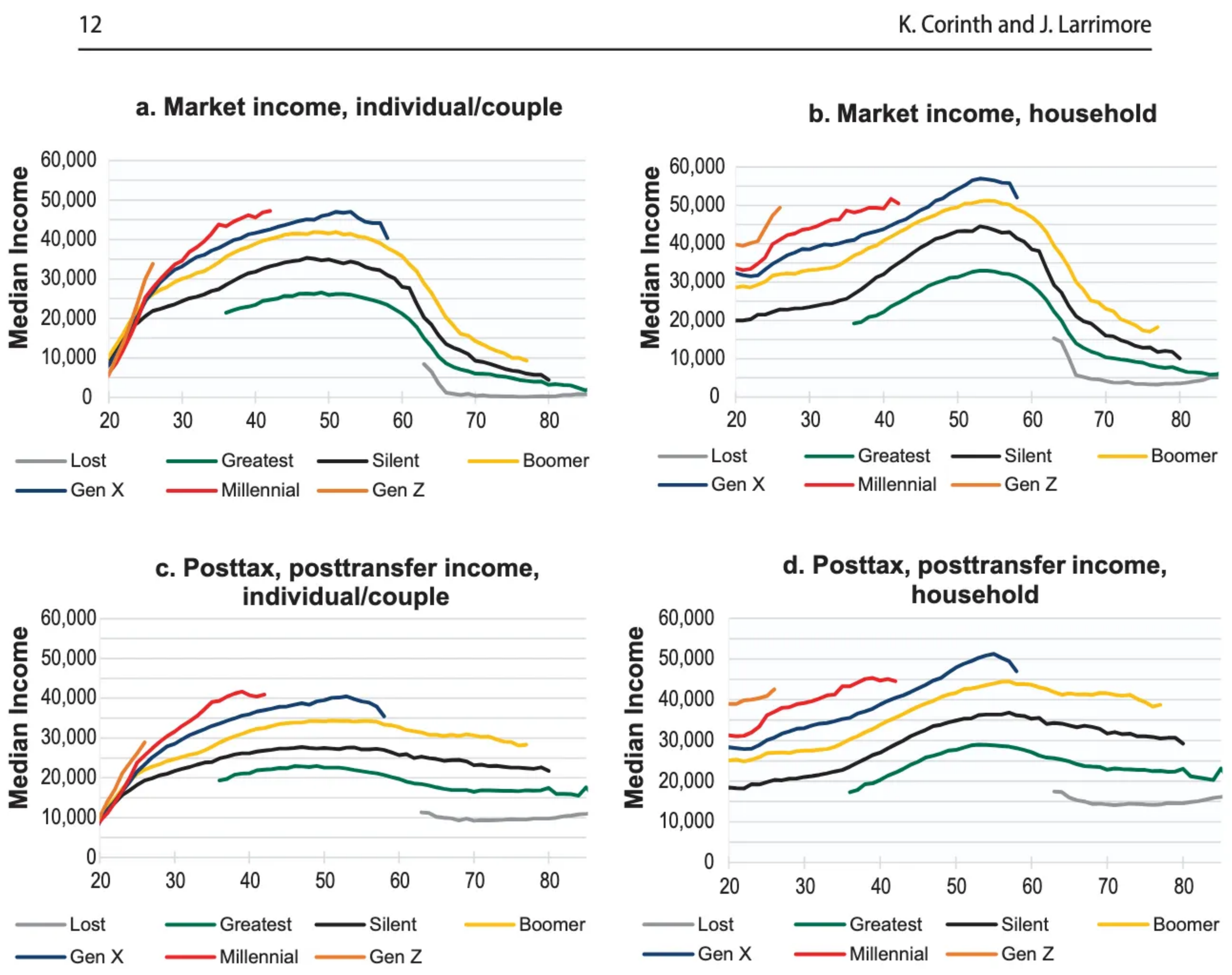
MALCOLM COCHRAN

APR 26, 2026

29 5 Share

Economics & Development

- Over the past two decades, **Paraguay's national poverty rate has fallen from over 50 percent to around 16 percent**. World Bank economists credit sustained economic growth of nearly 5 percent per year, along with rising labor productivity that has driven gains at the bottom of the income distribution.
- A **new analysis of US incomes finds that each generation has ended up richer than the last**, though the pace of progress has slowed in recent decades. The authors find that much of the earlier gains were driven by rising work hours among women, while more recent generations have seen smaller gains as that trend has leveled off.



Conservation & Biodiversity

- **Forty years after their reintroduction, there are now over 900 Przewalski's horses in China**, some of which are living in "self-sustaining wild herds." Przewalski's horse was extinct in the wild by the late 1960s but is now recovering thanks to captive breeding and reintroduction programs.
- A recently published study of **African elephants** found that, despite a large and prolonged population decline, the species has **generally maintained good genetic health**.
- Following years of population recovery, **Humpback whales are now regularly spotted in massive pods.**

Energy & Natural Resources

- **Desalination in California is helping reduce pressure on the Colorado River**. By adding new supply, notably from the Carlsbad Desalination Plant in San Diego, coastal utilities are freeing up river water for other states in exchange for desalination funding.
- **Clean energy generation rose by 887 terawatt-hours in 2025, outpacing growth in global electricity demand for the first time in history.**
- The first LNG tanker has arrived at Golden Pass, **a new LNG terminal on the Texas coast with a planned annual export capacity of 18 million metric tons**. Once fully operational, it will rank among the largest LNG export terminals in the United States.

Health & Demographics

- The World Health Organization recently verified that **Algeria has eliminated trachoma as a public health problem**, and **The Bahamas has eliminated mother-to-child transmission of HIV.**
- **The FDA has approved a gene therapy for a form of congenital deafness** caused by a faulty OTOF gene. The treatment uses a virus to deliver a working copy of the gene, a technique that has shown very promising results in recent trials.
- In a small, early stage trial, an **experimental mRNA vaccine for pancreatic cancer triggered long-lasting immune responses in a subset of patients**. Only about half of the recipients responded to the treatment, but those who did had a much lower rate of cancer recurrence, though the study was small and not designed to show that the vaccine caused the difference.

Science & Technology

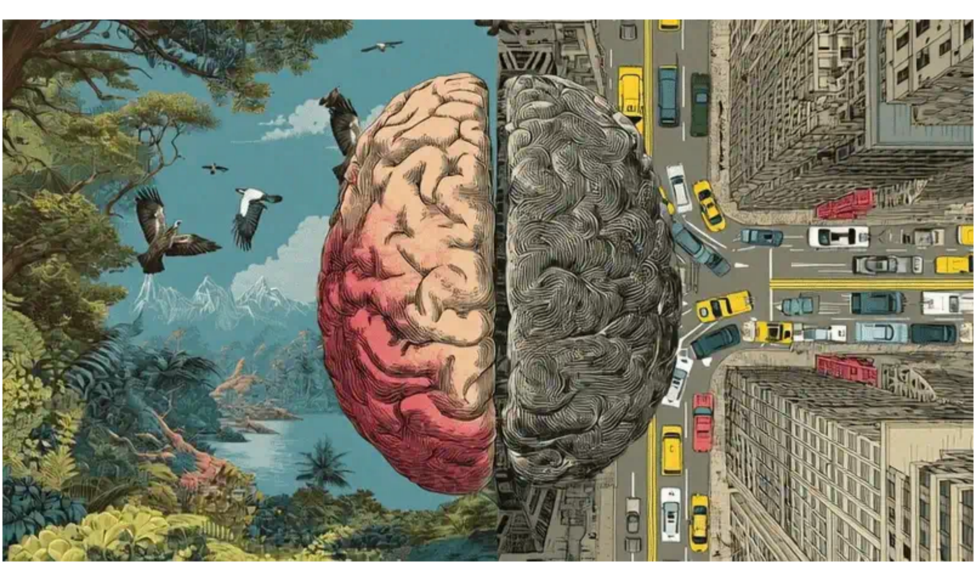
- Last year, Beijing hosted a half marathon for both humanoid robots and humans. The robots performed poorly, with the fastest mechanical finisher trailing the fastest human by nearly three hours. This year's race was a different story: **the fastest robot finished in just 50 minutes and 26 seconds, beating the human half-marathon world record.**
- **Google now claims that 75 percent of its new code is generated by AI**, up from 50 percent in the fall of 2025.
- ASML has started selling a **new extreme ultraviolet lithography machine that can potentially triple transistor density on computer chips**. Using upgraded optics, the machine can print extremely fine patterns—just 8 nanometres wide—in a single step, allowing many more transistors to be packed into the same space.

Why Our Economic Intuitions Are Often Wrong

Such tendencies stem from our evolutionary psychology.

ADAM OMARY

APR 29, 2026



Economic models, rooted in assumptions of rational agents maximizing utility under constraints, have long provided elegant frameworks for understanding human behavior in markets and societies. Yet, a persistent friction exists between these idealized portrayals of human beings and the ways humans actually navigate economic choices. People frequently champion policies that contravene basic economic principles, including minimum wages presumed to boost income without increasing unemployment, rent controls expected to enhance housing affordability without reducing supply, or tariffs that run counter to comparative advantage and affordability.

People also often harbor counterproductive intuitions, including a belief that markets erode social bonds, despite evidence that markets foster cooperation and thus generate wealth. Those tendencies stem not primarily from information deficits or irrationality, but from our evolutionary psychology. Our economic intuitions were shaped over thousands of years in a world of tight-knit coalitions and zero-sum intergroup rivalry, rendering modern market dynamics counterintuitive. As such, markets are often rejected even when they are beneficial.

Perhaps the most parsimonious theory explaining why people often behave in economically harmful ways is the evolutionary cognitive model of folk-economic beliefs, proposed by anthropologist Pascal Boyer and political scientist Michael Bang Petersen. Folk-economic beliefs are those convictions about economics held by laypeople untrained in the discipline, which frequently diverge from fundamental economic tenets. These encompass mental representations of varied topics, from prices, taxes, and tariffs to welfare and immigration policies.

Economists have traditionally critiqued those as irrational beliefs or mere byproducts of ignorance, but an evolutionary lens reveals them as predictable outcomes. Ensuring fairness in trade, sustaining social ties, forming stable coalitions, and resolving ownership disputes are all responses to ancestral challenges.

If this theory is right, both actual economic behavior and theories generated to explain one's own economic behavior are predictable outputs shaped by evolution. When folk-economic beliefs are wrong, they are wrong in predictable ways. We talk about impersonal markets as if they were tribal conflicts. We treat economies built on innovation and surplus as if they were competitions over a fixed pile of resources.

Consider the intuition that international trade is harmful because another country's gain must come at our expense. From the perspective of standard economics, this belief contradicts the well-established principle of comparative advantage. People benefit from specializing in what they produce most efficiently relative to other goods, even if a trading partner could produce everything more cheaply in absolute terms. For example, a surgeon who happens to type faster than his or her secretary still benefits from hiring the secretary and devoting more time to the operating room. Likewise, America could manufacture its own consumer electronics, but every dollar and worker devoted to assembling phones is one not devoted to designing the software, chips, and financial services where American companies dominate globally. The result is more total output and mutual gain.

But our evolutionary psychology wasn't built for comparative advantage, especially not across nations or tribes. Human groups historically competed for territory, food, and status in genuinely zero-sum ways. If a rival coalition grew stronger, it often meant danger for one's own group. When modern individuals read that another nation is exporting more goods to us or running a trade surplus, our tribal instincts activate automatically. Nations are cognitively represented as tribes, and the success of one tribe is interpreted as a threat to another. The idea that both sides could benefit simultaneously—one of the central insights of the founder of economics, Adam Smith—runs against these deeply ingrained intuitions.

The same coalitional logic helps explain folk intuitions about immigration. People opposed to immigration often claim that immigrants steal jobs from native workers while also claiming that immigrants siphon welfare benefits without working. At the level of policy argument, these beliefs are apparently contradictory. But at the level of psychology, it is an expression of a single concern: Outsiders are draining scarce resources, whether the resource is employment or benefits. Humans evolved in groups where membership conferred access to shared resources—food, protection, or status—and where vigilance against free riders was essential to sustaining cooperation. Newcomers were therefore automatically treated with suspicion until they proved themselves contributors rather than exploiters.

When this ancestral heuristic is applied to modern societies, it produces the intuition that outsiders must be consuming resources that properly belong to the in-group. Whether the imagined resource is employment or welfare benefits—or even whether the resources are truly being drained at all—matters less than the perceived threat that group boundaries are being crossed without reciprocal contribution.

The psychology of free-rider detection also helps explain the peculiar ambivalence that many people feel toward welfare programs. While people readily endorse the idea that society should help those who fall on hard times through no fault of their own, they also often worry that welfare encourages laziness or dependency. These views appear inconsistent only if one assumes that the public is applying a unified economic theory. In reality, they reflect two separate intuitions inherited from ancestral exchange systems.

Communal sharing evolved as a form of insurance against bad luck—injury, illness, or an unsuccessful hunt—where helping unlucky group members benefited everyone in the long run. But the same systems also evolved to punish individuals who accepted benefits without contributing. Modern welfare debates, therefore, activate both intuitions simultaneously: compassion toward the unlucky and hostility toward perceived free riders.

Another common folk-economic belief concerns the relationship between labor and value. Many people feel instinctively that hard work should determine how much something is worth. In the hunter-gatherer economy that prevailed throughout most of human history, where the value of goods was closely tied to the labor required to obtain them, strenuous physical effort was intrinsically linked to value production itself. Hunting, gathering, building shelter, or crafting tools all involved visible effort, and individuals who contributed more effort typically produced more resources. When applied to modern economies, however, the same intuition can generate confusion. A programmer writing code, an entrepreneur coordinating supply chains, or an investor allocating capital may create enormous value without performing visible physical labor. Yet because our ownership psychology is sensitive to effort and physical transformation, profits earned through organization or innovation are often framed as morally suspect, particularly in socialist ideology, as if they are thought to represent extraction rather than creation.

Some common opposition to the profit motive itself is explained by evolutionary psychology. In face-to-face exchange within small groups, unusually large gains might indeed signal exploitation or hoarding of limited resources, especially since producing anything of value typically required communal effort. Someone who consistently benefited more than others from trades might be suspected of manipulating information or violating norms of fairness. Modern markets, however, often reward individuals precisely when they discover new ways to produce value—whether by inventing technologies, improving logistics, or coordinating complex networks of production. Because these gains arise in impersonal systems where the beneficiaries are distant strangers rather than known partners, the profits they generate can appear less like the rewards of innovation and more like evidence of exploitation. Our evolved moral intuitions struggle to track value creation in dispersed and opaque market economies.

Likewise, many popular beliefs about regulation reflect ancestral intuitions that authorities can directly control outcomes. If the chieftain declared that food should be shared in a particular way, the order could be enforced through social pressure or direct monitoring. Everyone knew everyone else, contributions were visible, and deviations from the rule could be punished immediately. This experience makes it intuitively plausible that governments—which our minds intuitively represent as tribal coalitions—can simply command economic results. If rents are too high, they can seemingly be capped. If wages are too low, they can seemingly be raised. In naive folk economic theories, prices behave like promises: If the authority decrees a new price, the outcome should follow.

Take rent control. The intuition behind it is straightforward and morally compelling. If landlords raise rents beyond what tenants can afford, people may feel exploited: The owner of a scarce resource is extracting more money without providing more housing. A government rule limiting rents, therefore, appears to be a simple act of fairness. Ostensibly, the authority steps in, declares that rents may not exceed a certain level, and housing becomes affordable again. But in a large market economy, rent is not just a moral claim between two parties; it is also a signal that coordinates investment and construction of new housing. When rents are capped below market levels, the signal changes. Developers build fewer apartments, landlords convert rental units into other uses, and maintenance becomes less attractive when returns are limited. Over time, the supply of housing shrinks, and the shortage intensifies the very scarcity that drove up rents in the first place. The policy fails because the mechanism through which housing supply adjusts is invisible to the mental model that produced the intuition.

The same dynamic appears in debates over minimum wages. If workers are paid very little for difficult or unpleasant jobs, the situation feels unfair. But in a modern labor market, wages also function as signals that coordinate hiring decisions across the entire economy. When the legal wage floor rises above the productivity level of some jobs, employers do not simply pay the higher wage and continue as before. They reduce hiring, substitute machines for labor, or restructure tasks so fewer workers are needed. When the price signal changes, behavior adjusts in ways that the regulation does not anticipate. That often results in the direct opposite of the desired effect.

Our minds are not utility-maximizing computers that simply deviate from optimal choice due to insufficient information or computing power. They are toolkits. Our brains have evolved specialized cognitive inferences, or intuitions, that solved specific recurrent problems in our ancestral environments: "Who is trustworthy enough for exchange?"; "Who belongs to us, and who is a rival?"; "Who is contributing, and who is free riding?"; "Who owns what, and by what right?" These intuitions can be triggered by modern economic situations that resemble ancestral ones, even when the actual circumstances are entirely new.

Folk-economic beliefs persist not because people are irrational, but because they are reasoning with tools that evolved for cooperation in small bands rather than coordination among millions of strangers. The challenge for modern societies is therefore not simply to correct mistaken beliefs, but to build policies that work with—rather than against—the grain of human psychology.

Modern market societies represent one of humanity's most remarkable cultural achievements. They sprang into existence by harnessing a set of different ancient social instincts—ones that enable cooperation on an unprecedented scale. Systems of property rights, contract enforcement, and voluntary exchange allow millions of strangers to coordinate their efforts in mutually beneficial ways.

The claim here is not that markets are infallible. It is that our evolved intuitions often misidentify the nature of the problem and thus point us toward remedies that make matters worse. In modern economies, visible losses are concentrated, immediate, and emotionally salient, while gains are diffuse, gradual, and spread across millions of consumers and workers. A serious defense of markets should therefore acknowledge adjustment costs and real harms without conceding the larger error: namely, the belief that mutual gain, price signals, profit, and exchange are themselves forms of exploitation.

Some of our evolved instincts—like valuing reciprocity, rewarding contribution, and building reputations for trustworthiness—remain essential foundations of prosperous societies. Markets themselves depend on these deeply rooted norms of cooperation and exchange. Other intuitions, however—such as zero-sum thinking about trade, suspicion toward profitable innovation, or faith that authorities can simply command prices—reflect cognitive shortcuts suited to environments of scarcity and small-group control rather than decentralized abundance.

Recognizing that distinction should not slide into a blanket dismissal of public concern. Not every market outcome is benign, and not all economic anxieties are mere illusions. Trade, technological change, and broader shifts from manufacturing to services can impose real, concentrated losses on particular workers, firms, and regions, especially on lower-skill laborers whose jobs are exposed to offshoring or displaced by new forms of production. A person who loses a job to foreign competition is not simply trapped by faulty intuition. He is often responding to a real personal setback, even if the economy as a whole still becomes more productive and prosperous. The same is true in recessions or cases of fraud and negative externalities.

The question, then, is how societies can address those real costs without defaulting to the very intuitions that misdiagnose their causes.

Human beings are unusual among species in our ability to revise intuitive judgments through abstract reasoning and accumulated knowledge. Economic theory, empirical evidence, and institutional experimentation provide ways of testing whether our intuitions about markets actually match the systems we inhabit. Over time, societies that learn to distinguish between intuitions that promote cooperation and those that misread economic signals tend to design more effective institutions.

Much of the progress of the last two centuries reflects this process of institutional learning precisely. Expanding trade networks, protecting property rights, encouraging innovation, and allowing prices to coordinate decentralized decisions have produced levels of prosperity that would have been unimaginable in the environments where our economic intuitions evolved. Understanding the evolutionary roots of folk-economic beliefs, therefore, helps explain why certain policy ideas remain politically attractive despite poor outcomes—and why sustained progress often depends on institutions that counteract some of our most natural intuitions while reinforcing others that support cooperation, openness, and exchange.

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