



## Institute Tracks Human Progress

By [John Hood](#)

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RALEIGH — Having authored more than one [optimist's lament](#) in recent years, I am clearly of the opinion that, generally speaking, things are better than they seem — and getting better all the time.

We all have a tendency to focus on what's wrong rather than on what's right. We tend to enjoy criticizing more than we do celebrating. Bad news (tragedies, disasters, screw-ups, and laughable incompetence) makes good news (headlines and Google bait).

The problem is that relentless negativity gives us a warped sense of reality, which may in turn cause us to make poor decisions and do ourselves real harm. A common example is investing. In the short run, putting some of your savings into the stock market entails risk. Because of the phenomenon of [loss aversion](#), periods of stock-market loss often sting us more than periods of stock-market gain. Market drops also tend to get more news coverage than market gains, because they happen more quickly.

If, in reaction to these influences, you decide to keep all your savings in a federally insured bank account, or in a lockbox in Al Gore's spacious backyard, you may feel less anxiety in the short run. But you are highly likely to be poorer in the long run.

The same risks apply to companies, governments, and societies as a whole. When we don't collect solid empirical data and analyze it properly, we screw up. If all we do is respond to adverse events, we miss the opportunity to invest our time and resources in areas of strength that produce long-term gains in household wealth, health, and happiness.

The Cato Institute has just launched a new website that seeks to improve public understanding of recent economic and social trends. At [HumanProgress.org](#), you will find a wide range of datasets and maps that allow you to discover how the human condition has changed over time. Here are some of my favorite examples:

- **Economic growth.** In 1950, America's gross domestic product per person was 22 times greater than India's and 36 times greater than China's. By 2011, those ratios had fallen to 12 times for India and five times for China. This didn't happen because America's economic growth was weak. From 1950 to 2011, real GDP per person more than tripled in the U.S. But it grew by even-faster rates in India and China, particularly after 1970.

• **Poverty.** Extreme poverty in the world is vastly less common than it was just one or two generations ago. In Mexico, for example, more than a quarter of the population lived on less than \$2 a day in inflation-adjusted terms in 1984. By 2008, Mexico's rate was just five percent.

• **Health.** Average life expectancies at birth have grown dramatically in much of the world since 1960. The gains include 8.5 years in the U.S., 18.6 years in Brazil, 19.6 years in Mexico, 22.7 years in India, 23.8 years in Indonesia, and 29.8 years in China. On the other hand, life expectancy rose only 2.6 years in South Africa and 1.1 years in Russia.

• **Happiness.** Tragedy and disappointment are always with us, but over time most people in most countries have become more likely to describe themselves as generally happy. The trend is certainly present in America (up three percentage points from 1991 to 2006) but is particularly strong in developing countries such as China and Chile (both up eight points), South Africa (up 11 points), Brazil (up 15 points), and Mexico (up 21 points).

As the Cato Institute is a free-market think tank, you might expect its new site to advance the argument that economic freedom correlates with human progress. You'd be right — [economic freedom](#) does correlate with [human progress](#), and [HumanProgress.org](#) advances the argument. But even if you aren't interested in that policy debate, you'll find lots of fascinating and hopeful information about the daily lives of your fellow human beings at the site.

It makes me happy to commend it to your attention.

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