

The Big Apple Exodus

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According to <u>ZeroHedge</u>, New York City is the number one metro area in America for people leaving its city limits. As of 2019, Bloomberg <u>reports</u> that approximately 277 people move out of New York City on a daily basis. This is more than double the number of people who left a year ago — 132 to be exact.

Los Angeles and Chicago have also witnessed similar trends, with 201 and 161 people fleeing these two cities in 2019, respectively. Of the top ten cities that had the largest number of arrivals, Seattle was the only cold-weather city that made the list

People like to think this development is a coincidence and a product of people just casually moving to warmer climates. However, there's more to this story. States like California and New York are notorious for policies that increase the cost of living for working-class families to live in and complicate business operations.

According to the Cato Institute's *Freedom in the 50 States* <u>index</u>, New York and California are ranked 46th and 47th for land-use freedom, respectively. Strict zoning laws limit housing supply, thus making housing artificially expensive. For overall regulatory policy, California and New York hold dismal rankings of 48th and 50th place, respectively. Taxation shows a similar trend, with New York occupying 43rd place and California finding itself in 45th place.

Yes, the federal government is incredibly burdensome thanks to its <u>taxation</u>, <u>regulation</u>, and <u>massive spending</u>. However, many Americans have a fallback with state governments, which provide jurisdictional competition. In other words, competing tax and regulatory systems allow Americans to escape to states that are more affordable and offer more economic opportunities thanks to their higher levels of economic freedom.

The <u>federalist features</u> of the American system of governance serve to keep states in check by forcing them to compete for citizens and capital. If states like New York and California want to keep citizens from leaving en masse, they must start implementing policies that make these areas easier to work in and affordable for people to have a decent standard of living and start families.