



## The 2010s: A decade of astounding economic progress, with capitalism and free trade to thank

Brad Polumbo

January 1, 2020

It's human nature to focus on the negative, so it's worth starting 2020 with an earnest appreciation of all the gains we made during the last decade. Despite the doom-and-gloom rhetoric of economic disaster pushed by politicians left and right, honest reflection reveals that the 2010s were arguably the single most magnificent decade of economic progress in human history.

The statistics showing growth over the last 10 years are almost mind-blowing.

Extreme poverty, defined as the number of people globally living on less than \$1.90 a day, fell from a whopping 18.2% of the world in 2008 to just 8.6% in 2018. This means that over the last decade or so, the number of people in extreme poverty has *more than halved*.

Of course, in the abstract, it's hard to understand how these figures translate into improved quality of life. But these massive improvements in global prosperity manifest themselves in the form of substantial decreases in child mortality rates, hundreds of millions gaining access to electricity, and record levels of income per person in many countries.

Likewise, not even the figures showing booms in global prosperity fully do this decade justice. Advances in technology don't show up in global poverty figures but have improved all of our lives nonetheless. The list is mind-boggling: Innovations in devices and services such as smartphones, Skype, GPS, Amazon, Bluetooth technology, and medicine have all improved our quality of life so much that we have a hard time imagining life before they existed.

But it's not enough to just be grateful for the tremendous progress of the last decade. As we head into the new year, we need to remember what drove such record economic advancement: capitalism, free markets, and free trade — not socialism, protectionism, or big government.

The Cato Institute's Chelsea Follett, the managing editor of HumanProgress.org, stressed to me the important role economic freedom plays in economic progress:

People can lift themselves out of poverty if you just get out of the way and allow them to innovate and exchange. We've seen this again and again: Wherever people are free, they are able to create wealth. As a result, we have reached a standard of living our ancestors couldn't have imagined.

There's ample research to back up her arguments. For instance, a report from the Fraser Institute found that "Nations that are economically free out-perform non-free nations in indicators of well-being." This includes boasting better rates of income per person, lower rates of infant mortality, and higher life expectancy to boot.

Sadly, many people aren't aware of all the progress we've made. Why? Well, because politicians from both ends of the ideological spectrum have an incentive to focus on the problems plaguing our society and downplay advances (unless they can directly take credit for them).

"It's very convenient for politicians to promise that they can save us from impending disaster if only we give them more power," Follett told me. "If you have a narrative that the world is falling apart ... then that provides an opening for policymakers to seize more power."

This isn't to say serious problems don't exist — of course they do. From healthcare to inequality to climate change to lingering poverty and violence, there's no doubting the seriousness of the challenges that face us. But focusing on the negative only is counterproductive. And ignoring progress leads us to cast aside the effective systems that brought it. This is the biggest reason we must remember how far we've come — socialists and populists alike are currently touting policies that would undermine the progress we've made.

If big-government, socialist policies and anti-trade protectionism continue to proliferate across the globe, Follet warns that progress could slow or even reverse. She warned, "That's why it's so important people recognize the progress that has already been made — and what caused it."