

## Agents of Change?

If you've been to a high school or college commencement lately, then you know the drill: at some point at least one speaker will urge the graduates to be "agents of change," suggesting they'd like to see these students make the world a better place through some sort of social activism.

The problem with goading students to think this way is that it assumes they should be dissatisfied with the status quo. It asks students to dwell on the negative, to focus on what is wrong, to obsess on injustices, whether perceived or real. Which makes us imagine an alternative message that we rarely, if ever, hear: for graduates to go forth thinking about what is already good, to dwell on what is worthy of conserving, and why sometimes it can be important to be *barriers* to change.

In the context of protecting the environment, this message makes sense to pretty much everyone: let's be careful stewards of nature. People may disagree with what this means in certain contexts and may disagree about how to weigh trade-offs, but everyone agrees that environmental concerns shouldn't be casually dismissed.

At the same time; what does changing or reimagining the US mean? No country close to the population size of the US has wealth or income per person even close. People from around the world are eager to move here. Think about our blessings: property rights, freedom of contract and the ability to enforce those contracts, a democratic republic with a Constitution that separates executive and legislative functions, a bicameral legislature that makes it tough for temporary voting majorities to impose their will, and social institutions that foster individual rights. The list goes on and on.

And yet the academic class would like those graduating its intellectually narrow, and often overly shallow, confines to dwell on how to make our society different from what it is today.

Maybe that's a natural consequence of living in a high-income and wealthy society. Academics, who in times past had higher status than those who run businesses, must think to themselves that something must be seriously wrong or rotten

with a society in which so many others have more prestige than they have. If so, what's being taught in schools and conveyed in commencement speeches simply reflects the status anxiety of the intellectual class and we should accept it as a symptom of long-term economic improvement (higher income and wealth) for people outside academia.

But, even if so, that doesn't mean we should completely ignore or reject their message to be agents of change. After all, our country's Founders were, in a sense, agents of change themselves, while also doing so in a way that conserved and expanded freedoms that had developed in certain parts of Western Civilization.

We can think of two areas in particular that are ripe for change, just in the education system itself. One would be breaking up government-run primary and secondary school systems by making school vouchers as widespread as possible. Another would be requiring colleges to have skin in the game when they get student loan money. If a student can't repay a student loan, maybe colleges should eat half the cost. Or, instead of getting all the loan funds up-front, colleges should only get *half* up front, while also getting a 50% stake in all future loan payments (interest and principal) made by their students. How about that for change?

In the end, it's also important to remember that preserving our dynamic free-market economic system is also a way to foster the kind of change that America needs, the kind that leads to less poverty and higher incomes. More entrepreneurship means more change, not less. Every single day, the US is built back better by entrepreneurs, while government flounders around making mistakes.

Look, it may be that the US is headed for a recession in the near term. But we also think that once graduating students embrace real change that also conserves what is best, while addressing the government failures that make things worse, they will help lead to the next bull market, which will be a long and strong one.

Date/Time (CST)	U.S. Economic Data	Consensus	First Trust	Actual	Previous
5-23 / 9:00 am	New Home Sales – Apr	0.665 Mil	<b>0.676 Mil</b>		0.683 Mil
5-25 / 7:30 am	Initial Claims – May 20	245K	<b>243K</b>		242K
7:30 am	Q1 GDP Preliminary Report	1.1%	<b>1.1%</b>		1.1%
7:30 am	Q1 GDP Chain Price Index	4.0%	<b>4.0%</b>		4.0%
5-26 / 7:30 am	Durable Goods – Apr	-1.0%	<b>0.0%</b>		+2.8%
7:30 am	Durable Goods (Ex-Trans) – Apr	-0.2%	<b>0.0%</b>		+0.2%
7:30 am	Personal Income – Apr	+0.4%	<b>+0.4%</b>		+0.3%
7:30 am	Personal Spending – Apr	+0.4%	<b>+0.4%</b>		0.0%
9:00 am	U. Mich Consumer Sentiment- May	58.0	<b>60.0</b>		57.7