People: Resource or Burden?

Economist Julian Simon passed away on the 8th of February, 1998. This anniversary is a good time to recommend one of his books, the Ultimate Resource II.

Published in 1996, this book updated Simon's 1981 book *Ultimate Resource*, which was itself a response to the many doomsayers who told us that mankind is running out of everything. On its face, the argument seemed to make sense: the planet is finite, therefore resources must be limited, therefore there must be some upper limit to its sustainable population. Analogies were drawn to bacteria in a petri dish; at some point, the population exceeds the limits of the dish, and collapses amid a sea of its own toxins.

Malthus made a similar argument – that agricultural production would rise arithmetically, while people grew exponentially.

Julian Simon was initially inclined to believe these arguments. But the more he sought empirical confirmation, the more he dug into the data, the more he became convinced that the argument was missing something important: namely, the vital importance of people as a resource.

People do not merely consume and pollute. They also create; they produce. They find ways to turn negatives into positives. For example, the methane gas produced by landfills is now turned into energy. Ores which were of no economic value, now produce valuable minerals. People find ways to produce more efficiently. Today's computers are vastly more powerful than those of a decade or two ago, and are also smaller; they use less material; they consume less energy per amount of work; and they further allow us to reduce the use of materials and energy for other purposes, in a virtuous cycle.

This debate is also relevant to the question of immigration, which divides so many people today. Are people a burden or a benefit? People who object to immigration tend to think only of the costs. They fail to think of the value of people. As an old proverb goes, many hands make light work. It is even more true that many minds produce many innovative ideas.

We underestimate the power of ideas. We shop at sites like Amazon, without realizing that somebody had to pioneer the idea of shopping online; somebody had to work out the logistics; somebody had to make the process easier and more productive. We use search engines, without thinking about the incredible infrastructure which makes it possible for us to find almost any sort of information we desire. These everyday services are backed by vast amounts of equipment – millions of computers – and by the mental efforts of many thousands of people.

In the right environment – an environment which rewards cooperative efforts – there are incentives to find ways to improve the lives of ourselves and of others. This is not the time to revert to zero-sum thinking, to treat every stranger as an enemy. This is a great time to celebrate our humanity, to celebrate the virtue of peaceful cooperation. This is a time to celebrate life, to "live long and prosper."