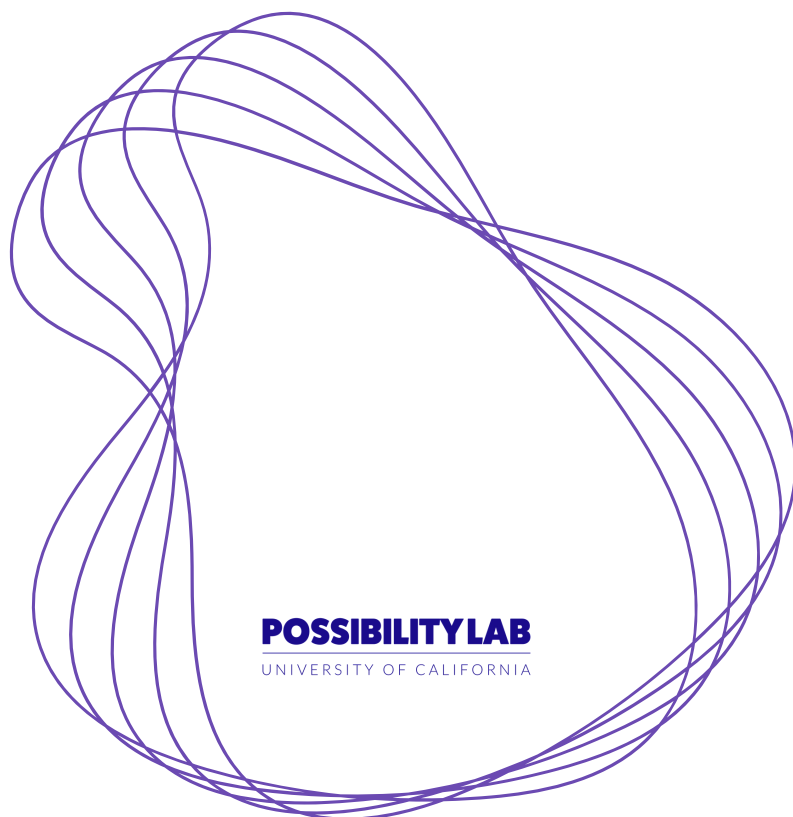


Abundance
Accelerator

AN ABUNDANCE POLICY FRAMEWORK

EXPANDING THE SUPPLY OF ESSENTIALS IN CALIFORNIA



POSSIBILITYLAB
UNIVERSITY OF CALIFORNIA

EXECUTIVE SUMMARY



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Despite continued technological advances, scarcity remains a major problem in the American economy, including in California—one of the wealthiest places on earth. The cost of things like TVs, toys, computers, and clothing fell from 2000 to 2020, but the cost of basic human essentials like housing, food, and medical care rose markedly. Government interventions over the past few decades designed to address these concerns have frequently relied upon demand-side programs, such as food stamps and housing vouchers. However, this approach does not address a crucial underlying issue: that there is simply not enough healthy food or affordable housing available in many communities that need access to these basic resources. This has led to calls from advocates and journalists for governments to reform policies with the specific aim of expanding supply and mitigating scarcities through an “abundance agenda.”

This report aims to facilitate greater understanding of the potential for supply-side reforms to help build a stronger, more sustainable, and more equitable economy. We begin by laying out a rationale for why public policies targeting the supply side of the economy will be critical to addressing some of California’s most difficult problems, including homelessness, poverty, and environmental degradation. We also establish six principles that we believe should guide the development of an abundance policy agenda in California. These principles address among other concerns: what types of **policy domains** to prioritize, the role of **political ideology**, and the importance of incorporating considerations of **equity** and **community voice** into public **decision-making processes**.

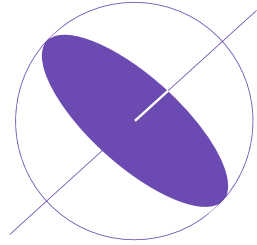
Building on these principles, we provide a typology of policy reforms that governments in California could undertake to promote supply-side growth. These fall into two broad categories: ways governments could **encourage supply growth by reducing barriers to entry** and ways governments could **encourage supply growth by making strategic public investments**. The first category mainly involves reducing the scope of government—for instance, streamlining permitting of housing and clean energy. The second mainly involves expanding the scope of government—for instance, policies promoting the deployment of new technologies. Throughout, we provide examples of how these various policy mechanisms could expand the supply of 12 essential needs: food, water, energy, housing, healthcare, transportation, safety, employment, education, care for children and elders, and digital connectivity.

In the paper’s final section, we discuss some of the political challenges and opportunities of actualizing an abundance agenda in California. The potential bipartisan appeal of supply-side policies represents a huge opportunity, but elements of this agenda likely will also be opposed by powerful organizations with a vested interest in the status quo. Building coalitions to overcome opposition and actualize an abundance agenda can improve the dynamism, sustainability, and equity of our economy, and **dramatically reduce scarcity and deprivation over time**.

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Introduction

California is one of the wealthiest places on earth, but we still have a scarcity problem. Scarcity of housing is perhaps the most salient concern. In 2022, approximately half of the U.S. unsheltered homeless population lived in California due in large part to insufficient housing supply. But housing is not the only basic human necessity that is scarce. As of 2020, nearly one million Californians were served by water systems out of compliance with state standards, and climate change and drought are increasingly threatening the sustainability of the state's water supplies. Powering and heating homes is more costly in California than most other places in the U.S., and these costs are particularly burdensome for low-income residents. And in a state that produces almost half of the country's fruits and vegetables, 20 percent of Californians struggle with food insecurity.

How are these basic human needs in such short supply in one of the richest places on earth? More importantly, how do we build a future in which Californians no longer struggle to access fundamental resources like shelter, electricity, water, food, and care for children and elders?

Often, when lawmakers craft policies aiming to expand access to the basics, they focus on social programs that direct more resources to the people who need them most. Of course, sustaining and strengthening programs that redistribute resources is critically important. We propose, however, that building a future where far fewer Californians struggle to access the essentials will also require California's state and local governments to develop and implement reforms that enhance the capacity of the *supply-side* of the economy to produce enough of what we all need.

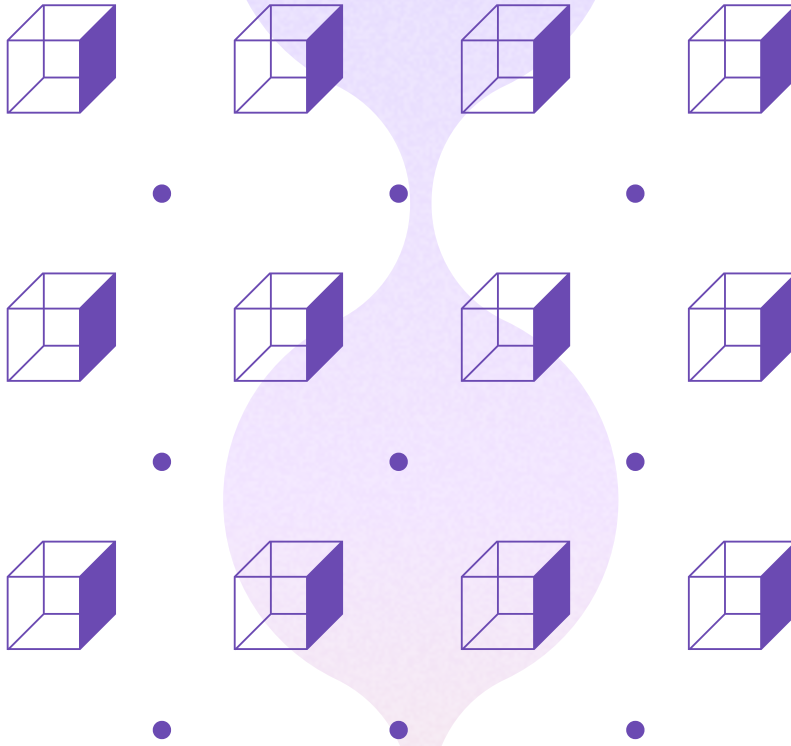
Focusing on the supply-side of the economy is historically associated with deregulatory and anti-tax movements spearheaded by conservatives. But we argue that reforming the policies that govern and shape production is a much more nuanced project, implicating both expansion and retrenchment of government. It is also necessary for achieving core progressive goals in California, including greater economic equality and environmental sustainability. Indeed, **we hope to convince Californians from across the political spectrum of the value of a policy agenda targeting the supply-side of the economy.**

Thankfully, we are not the only ones calling for greater attention to the supply-side. Our work on this issue has benefited greatly from a strong current of new thinking from across the political spectrum on how governments can set policies that make our economy more dynamic, equitable, and sustainable. This broader movement has been labeled differently by different people, but we will refer to it as the "abundance agenda."

The term "abundance agenda" emerged as a response to scarcity-based thinking, which often frames societal challenges in terms of limited resources and zero-sum games. In contrast, proponents of the abundance agenda argue for a paradigm shift that would emphasize the potential for innovation and collaboration to increase supply and reduce scarcities. By leveraging innovation to redesign systems of production, we can unlock abundance and mitigate scarcity.

THE ESSENTIALS





Why We Need Supply-Side Policy

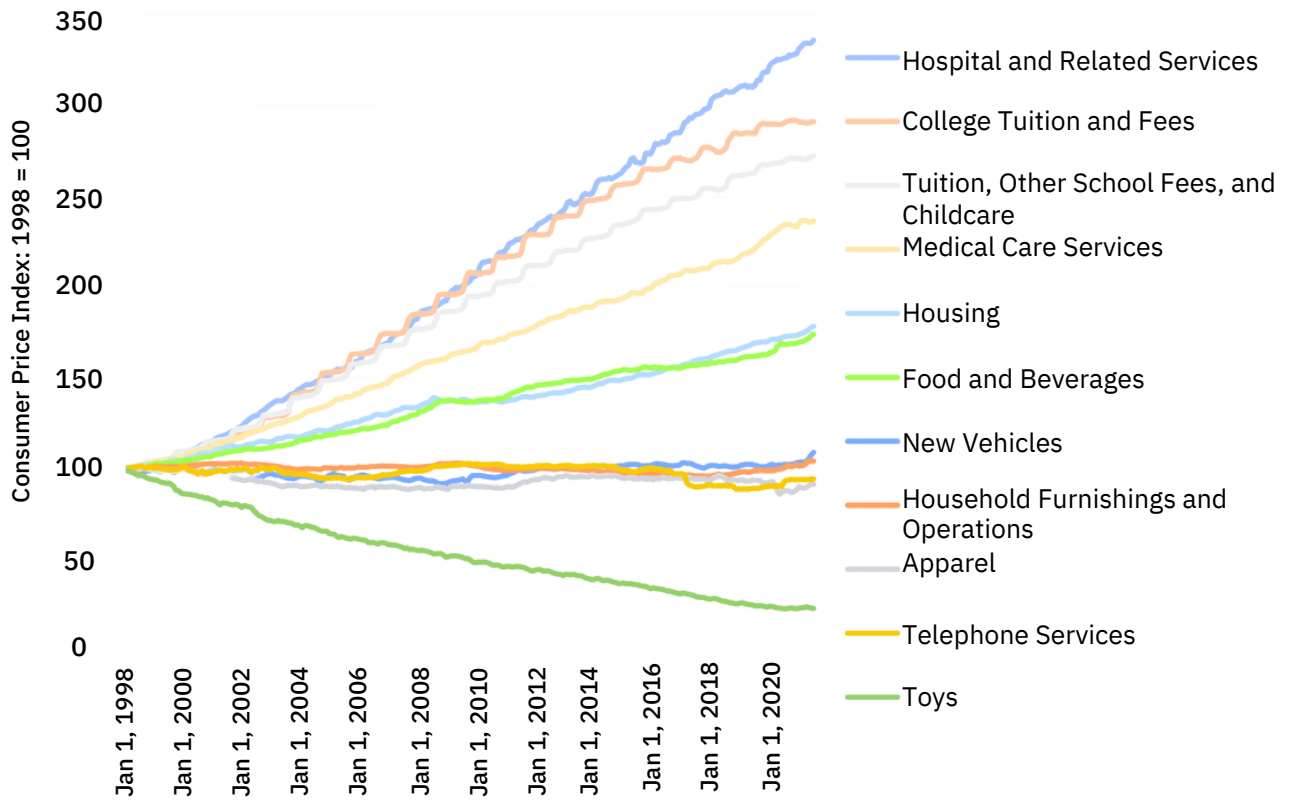
The great promise of technology and innovation is its potential to allow us to produce more output with fewer resources. Ideally, the benefits of technological advances and greater productive capacity would be widely shared, reducing scarcity and allowing more people to comfortably consume enough of what they need to live well. For example, during the Covid-19 pandemic, advances in biotechnology, combined with streamlined approval processes, allowed for the rapid development and dissemination of highly effective vaccines. These vaccines were quickly made available at low or no cost, saving countless lives.

However, **despite continued technological advances, scarcity remains a major problem in the American economy. The cost of products like TVs, toys, computers, and clothing fell from 2000 to 2020, but the cost of essentials like housing, food, and medical care rose sharply.**¹ The U.S. has experienced strong growth and low unemployment since Covid-19 disruptions, and yet the persistent high prices of necessities have left most Americans unsatisfied with the state of the economy.²

High prices are a signal of scarcity. Generally speaking, when products are available in abundance, sellers are compelled to reduce prices to be able to sell what they produce. But when there are limitations on production, sellers are able to raise prices and still make sales. Scarcity, and its high prices, is most problematic for low-income individuals, who are the first to be “priced out” when prices rise. For instance, higher food prices might be an annoyance for wealthier people, but for people with lower incomes it can mean not getting enough to eat or choosing cheaper, but less nourishing, options that can contribute to health problems like obesity and diabetes.

1 Hartley, J.S. (2022) The New Supply-Side Economics. The Niskanen Center. <https://www.niskanencenter.org/wp-content/uploads/2022/03/The-New-Supply-Side-Economics-final.pdf>
2 Jones, Jeffrey M. (2023, May 30). U.S. mood remains glum; 18% satisfied with state of nation. Gallup. <https://news.gallup.com/poll/506513/mood-remains-glum-satisfied-state-nation.aspx>

Figure 1. The Cost of Essentials like Housing, Healthcare, and Food has Risen Over the Past Two Decades



Source: FRED Consumer Price Index for all urban consumers (Monthly, Not Seasonally Adjusted)

The current scarcity of essential items and services is made apparent in our recent statewide poll of more than 8,000 of California’s registered voters. Of particular note, 71 percent agreed with the statement, “where I live, it is difficult for me to find suitable housing at a price I can afford;” nearly half agreed that, “where I live, it is difficult for me to get healthy food at a price I can afford;” and more than half agreed that, “where I live, it is difficult for people to find affordable childcare.”

A conventional policy response to this sort of scarcity is to institute social programs operating on the demand-side of the economy that direct resources to low-income individuals in order to ensure that, even if prices go up, they are able to access essentials. In California, for instance, CalFresh, which is part of the federal Supplemental Nutrition Assistance Program (SNAP), keeps thousands of residents from going hungry and helps to stabilize incomes.³ In many cases, these types of programs are exactly what is needed to maintain or expand access in the face of scarcity.

³ Danielson, C., & Thorman, T. (2022). The Role of CalFresh in Stabilizing Family Incomes. Public Policy Institute of California. <https://www.ppic.org/publication/the-role-of-cal-fresh-in-stabilizing-family-incomes/>

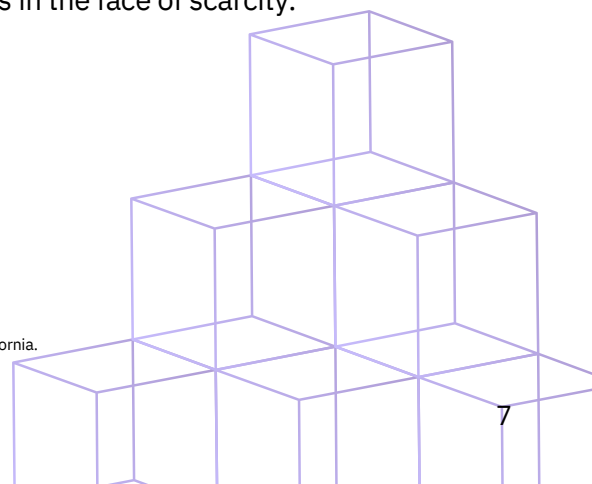
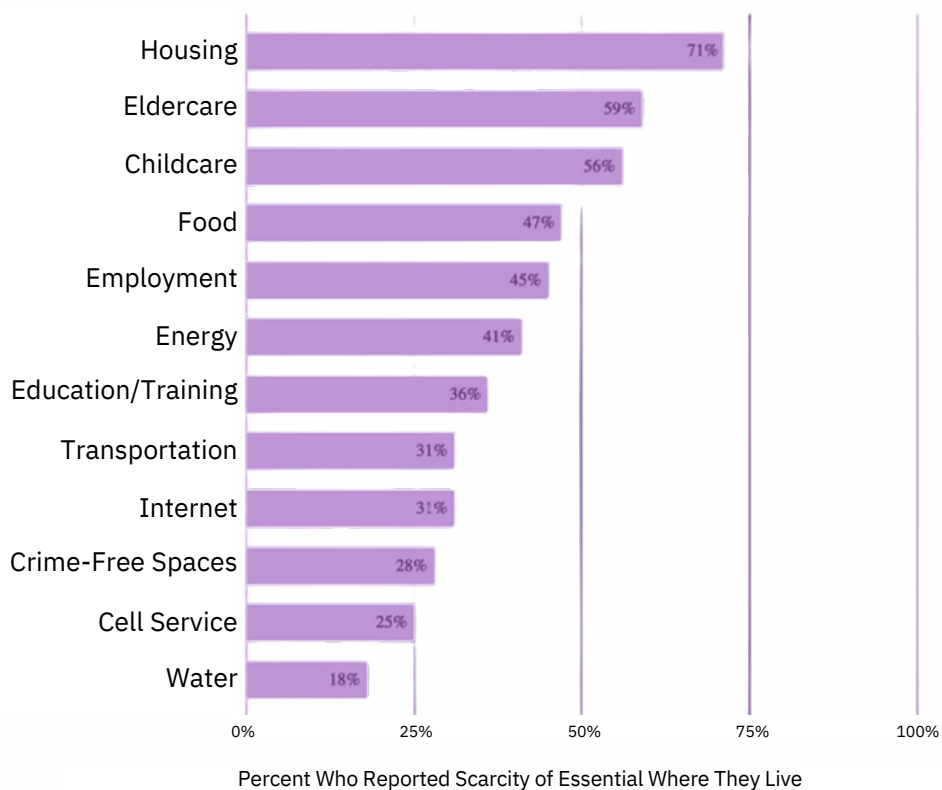


Figure 2. Californians Are Experiencing Scarcity Across Our 12 Essentials



However, in other cases, social programs alone are limited in their effectiveness. In a recent paper, Steve Teles, Samuel Hammond, and Daniel Takash observe that the public demand for government programs is often greatest in areas where constraints on supply have led to large price increases, including in healthcare, housing, higher education, and childcare.⁴ If the government steps in to subsidize consumer spending in these areas, it can provide relief in the short run, but in the long run it doesn't address the underlying supply constraints that are generating high costs. Worse, by shielding consumers from high costs, these programs can perpetuate ineffective production models and supply constraints, producing ever-greater costs that are borne by the public.

In the case of housing, for instance, skyrocketing rents in major urban areas have prompted calls to expand programs subsidizing rental costs for low-income individuals and families. Such policies might provide relief in the short term, but do not address underlying causes of rising housing costs—which include government restrictions on what can be built where. Policies operating on the demand-side, like rental subsidies, in the absence of expanding supply, allow property owners to simply increase rents further.⁵ And as rents go up more, the need for government support and the cost of those programs for the public can likewise spiral upwards.

The ability of state governments, in particular, to expand social programs that ensure people can afford necessities is limited. As of early 2024, California was facing a budgetary shortfall. More broadly, states have less flexibility than the federal government to run budget deficits to finance social spending. They also have greater difficulty raising revenue through taxes, since businesses might respond to greater tax liability by relocating to lower-tax states.⁶

4 Teles, S. M., Hammond, S., & Takash, D. (2021). Cost Disease Socialism: How Subsidizing Costs While Restricting Supply Drives America's Fiscal Imbalance. Washington, DC: Niskanen Center.

5 Shoag, D. (2019). Removing barriers to accessing high-productivity places. Policy Proposal, 2(1), 46-58. https://www.hamiltonproject.org/assets/files/Shoag_PP_web_20190128.pdf

6 Chow, T., Huang, S., Klassen, K. J., & Ng, J. (2022). The influence of corporate income taxes on investment location: Evidence from corporate headquarters relocations. *Management Science*, 68(2), 1404-1425.

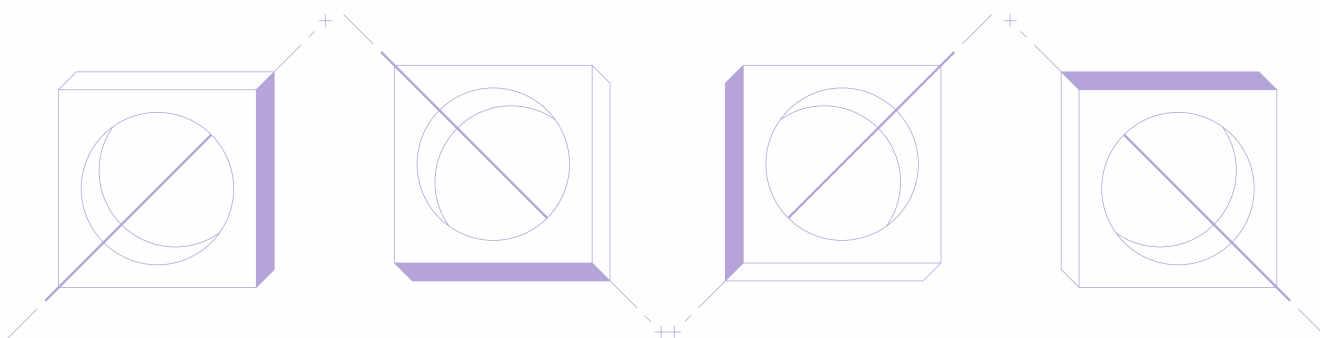
Given the problems with relying solely on social programs to expand access to necessities, we believe it is also important to address the underlying causes of scarcity by targeting the supply-side of the equation. Recent years have seen the emergence of a growing movement of thinkers advocating for greater attention to the ways that government policies affect our systems of production, generating either scarcity or abundance.

An “abundance” framework asks policymakers to consider: what are the scarcities at the root of societal problems and what can the government do to mitigate those scarcities and generate greater abundance?

Viewing problems through an abundance lens can, we believe, help generate novel approaches for addressing seemingly intractable policy and political problems. Consider the problem of carbon pollution and climate change. In the traditional viewpoint, climate change is caused by excessive usage of fossil fuels to power our economy and the way to mitigate climate change is to enact and ratchet up regulations on the ability of companies and consumers to burn fossil fuels. This viewpoint is entirely accurate, but it has been an unproductive lens for actually addressing the problem.

Research consistently shows that people and businesses in the U.S. and other advanced industrialized countries are largely unwilling to pay more for energy or use less.⁷ This has limited the political feasibility of a regulatory approach aimed at restricting the usage of fossil fuels. Increasingly, policymakers are finding much greater success approaching climate change from the lens of scarcity and abundance. In this alternative framework, climate change is caused by a scarcity of clean energy—and the appropriate government response is a package of policies that can develop clean energy supply chains to eventually out-compete fossil fuels on cost. This was the guiding principle behind the Biden administration’s landmark climate bill in 2022 as part of the Inflation Reduction Act.

We believe an abundance policy agenda focused on the supply-side of the economy can help to mitigate current scarcities of a range of necessities—including clean energy, housing, and care for children and elders—that plague the state and cause downstream issues like climate change, homelessness, and poverty. More broadly, we believe an abundance policy agenda is needed to help leverage new technologies that can enable transition to systems of production that are more sustainable, so that we can supply enough of what we all need without degrading our environment and society.



⁷ For a review, see Mildenberger, M., & Stokes, L. (2020). The trouble with carbon pricing. Boston Review, 24 <https://www.bostonreview.net/articles/trouble-carbon-pricing/>

OUR PRINCIPLES

Our vision for California is aligned with the broad contours of an abundance agenda, as described by commentators like Ezra Klein⁸ and Derek Thompson.⁹ In short, addressing climate change, homelessness, poverty, and other major societal concerns will require greater attention to how public policy affects the supply-side of the economy. However, as we move the notion of an abundance agenda from the conceptual to the practical, and aim to develop a policy reform agenda in California, we want to be upfront about the principles guiding our particular conception of abundance.

1. Focusing on Essentials

The obvious first question that a skeptical reader might ask about the abundance agenda is: *an abundance of what?* In our view, it is important to focus on mitigating the scarcity of human necessities. Adequate access to essentials like food, water, energy, healthcare, and education form the bedrock of healthy lives and societies. Reasonable people may disagree on what exactly should be characterized as essential, but we believe that certain physical resources and social services are foundational.¹⁰ In terms of physical resources, healthy societies must be able to produce and distribute energy, water, food, shelter, and transportation. On the social dimension, they also must be able to provide healthcare, care for children and elders, safety, education, and employment.

2. Evidence Over Ideology

As much as possible, we think it is important to keep ideological concerns out of discussions about crafting an abundance policy agenda.¹¹ Instead, we focus on finding the policy lever that is most appropriate given what we know about the causes of scarcity. For some problems, like climate change, the evidence suggests that *more* government intervention is needed to subsidize deployment of clean energy and make public investments in the technologies needed to wean our economy off of fossil fuels. Conversely, when it comes to housing, the evidence suggests that governments—particularly at the local level—are hindering the development of critically needed housing supply through zoning and discretionary review processes. With a lighter regulatory touch, governments could facilitate more much-needed housing production. **In the absence of rigid ideology, we can be more prudent about designing policies that follow the evidence.** As new reforms are implemented, it will also be critical to evaluate their performance and guard against unanticipated consequences. Experimentation and iteration will lead to improvements in governance over time.

Downplaying ideological concerns also allows for an open mind regarding what types of policies will work for what types of problems. In particular, we expect that the types of policies that could expand the supply of physical resources like energy will be different from the types of policies that could expand the supply of more social resources like healthcare. What reforms are needed depends fundamentally on the various factors causing scarcity and the levers government can pull to impact those factors.

8 Klein has used the phrase “supply-side progressivism” somewhat synonymously.

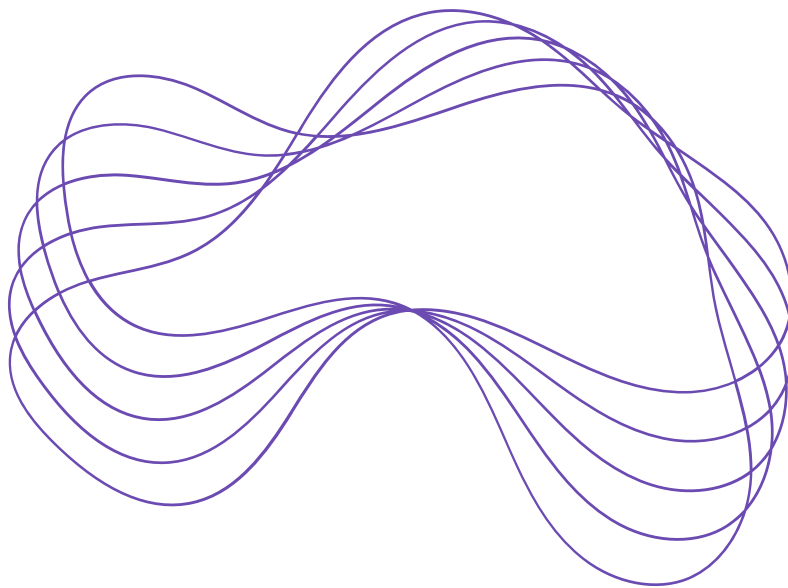
9 Klein, Ezra. (2021, September 19). The Economic Mistake the Left is Finally Confronting. *The New York Times*. <https://www.nytimes.com/2021/09/19/opinion/supply-side-progressivism.html>; Thompson, Derek. (2022, January 12). A Simple Plan to Solve All of America’s Problems. *The Atlantic*. <https://www.theatlantic.com/ideas/archive/2022/01/scarcity-crisis-college-housing-health-care/621221>

10 Here, we also draw on the UN’s Sustainable Development goals. See: <https://unstats.un.org/sdgs/report/2023/>

11 Of course, we recognize that even the framing of the problem is, in part, a matter of ideology.

3. Striving Towards Effective Government

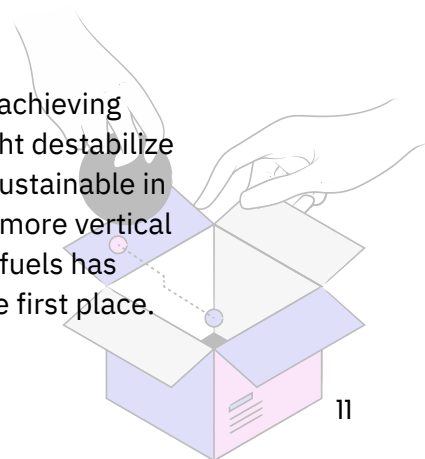
As we conceive it, the abundance framework recognizes the vital role that government plays in basically every essential sector of the economy. When it comes to supplying basic human needs—like water, food, energy, healthcare, education, safety, etc.—there is no sector that operates anything like a “free market.” There is nothing wrong with that and, regardless, we do not see it changing anytime soon. However, as we will discuss, we must be attentive to the ways that government intervention can inhibit growth of needed supply and reform policies to remove blockages. We should also be attentive to the ways we can leverage the power of government investment to expand the supply of essentials, such as by spurring private-sector innovation and investing in public-private partnerships. In our view, the abundance agenda is very much a political project in addition to a technological one.



4. Sustainability

A skeptic might suggest that we already have an abundance of *things* in California in 2024, perhaps even an over-abundance. We agree that overconsumption of resources produced unsustainably can have all sorts of bad consequences. **Our goal is not to simply produce more using the same unsustainable practices. Rather, it is to reshape the supply-side of the economy so that we can more sustainably produce enough of the essentials that we really need.** For instance, policies and technologies that allow us to expand infill housing supply will allow us to densify existing residential areas and reduce environmental impact. In this way, our conception of abundance aligns with new economic models that highlight the costs of unchecked, unsustainable growth.¹²

We also recognize that systems of production are highly interdependent, so achieving abundance of one resource using unsustainable technologies or models might destabilize another critical system. As one example, food production is increasingly unsustainable in California due to limited water resources. Abundant electricity could enable more vertical farming, which is less water intensive. And electricity production from fossil fuels has contributed to the warming climate, which has stressed water systems in the first place.

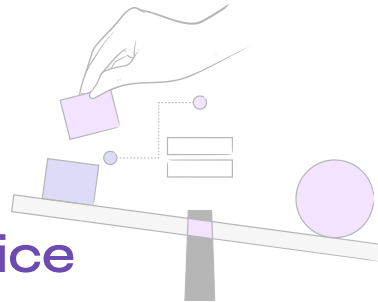


¹² Raworth, Kate. (2017). Doughnut economics: Seven ways to think like a 21st-century economist. Chelsea Green Publishing.

5. Enhancing Equity

In our view, an abundance agenda should be designed to benefit those suffering the most under the current system. Focusing on essentials helps to ensure that this agenda aligns with equity goals. Policies that mitigate scarcity of essential items and services will tend to benefit the disadvantaged more than the well-off, since scarcity functions as a regressive tax, with high costs hitting poor people harder than the wealthy. If the cost of food staples goes up by half, for instance, the effect on the ability of the poor to get by is much greater than the effect on the wealthy, who spend a much lower percentage of their budget on food. (Alternatively, if the cost of vacation travel goes up by half, the effect could be the opposite.)

Some might view the abundance framework as inconsistent with an equity-oriented approach, which generally focuses on social programs operating on the demand-side of the economy and targeting disadvantaged groups.¹³ However, **we believe that supply-side and equity-oriented policies can co-exist, and, indeed, are likely to be complementary. That’s because the effectiveness of demand-side programs that target benefits to disadvantaged groups depends in part on our capacity to expand supply.** As discussed above, if we enact demand-side programs, but supply is constrained, it will lead to inflation and greater government budgetary burden, not gains in access.



6. Balancing Community Voice

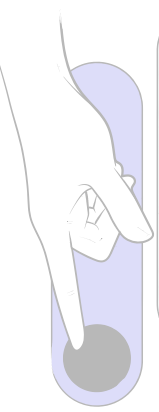
One of the pillars of the abundance framework, in our view, is the importance of physical infrastructure: we need to be able to build in order to sustainably supply enough of the basics. In California, our failure to build enough housing has led to a massive affordability problem and homelessness crisis, and delays to clean energy development imperil our ability to meet the state’s ambitious greenhouse gas reduction goals. California’s rigorous community input and environmental review processes make it more difficult to build the essential infrastructure we rely on. But, at the same time, these processes were put in place for a reason. **Historically, California governments have too often steamrolled local opposition to build projects that harm and displace communities—particularly communities of color.**

We believe it is possible, though, to develop more meaningful and inclusive processes of community engagement that are also compatible with rapid buildout of housing and clean energy. In practice, community input in housing decisions in California often comes down to neighborhood opponents of new development showing up to planning meetings to fight it. Though they are loud, these “neighborhood defenders” tend to be a very small portion of the community, and are also systematically older, whiter, and wealthier.¹⁴

However, there are other ways to structure processes and practices that could foster different types of engagement. One promising approach is to conduct better outreach when developing broad development plans while reducing opportunities for small groups to block individual projects. If communities can determine what type of development they want and what kinds of benefits they want developers to provide upfront, developers can have greater certainty about

¹³ Prokop, Andrew. (2023, May 4). The equity wars. Vox. <https://www.vox.com/policy/2023/5/4/23644810/equity-social-justice-equality-sanders-biden>

¹⁴ Einstein, K. L., Glick, D. M., & Palmer, M. (2020). Neighborhood defenders: Participatory politics and America’s housing crisis. *Political Science Quarterly*, 135(2), 281-312.; Sahn, A. (2022). Public Comment and Public Policy, working paper.



the projects and processes that will move forward, potentially unlocking growth and opportunity.¹⁵ The solution, in this case, is not reducing community voice, but shifting the stage in the development timeline at which it is solicited. Of course, this requires significant initial investment in a community engagement process, potentially leveraging new techniques and technologies.

Likewise, in the case of clean energy infrastructure development, clean energy developers and advocates are responding to rural opposition by experimenting with new methods to engage host communities. As it stands, the common approach is for developers to negotiate one-off community benefits agreements (CBAs)—often cash payments—with influential community groups late in the development process to avoid organized opposition. This approach can breed distrust and rural counties are increasingly adopting restrictive ordinances that limit clean energy development,¹⁶ even while such development has the potential to mitigate many of the economic challenges rural communities face. Investing in upfront community outreach could lead to a greater understanding of what rural communities want from clean energy development, giving developers the opportunity to design and propose projects that meet those needs.



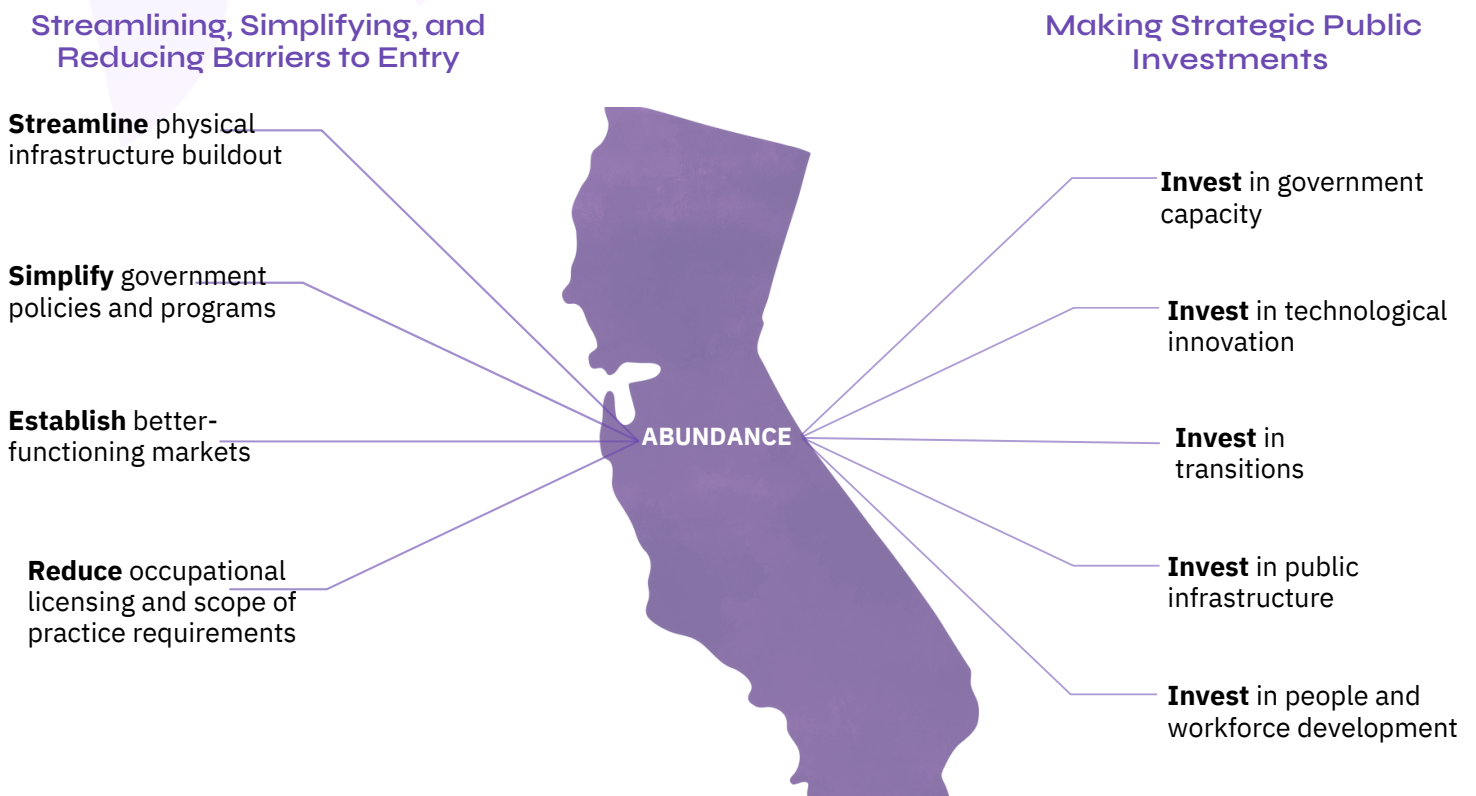
¹⁵ Furth, Salim, and Wharton, Philip. (2021). Case Study: New Rochelle - Zoning & Permitting Innovations Unlock Opportunity. Better Cities Project.
¹⁶ Holm, Federico, and Goodwin, James. (2024). Communities Left Behind: How Local Ordinances Can Obstruct Energy Democracy and a Just Transition. Center for Progressive Reform.

How to Expand Supply: An Abundance Policy Framework

Part of moving the abundance discourse from the conceptual to the practical is defining what exactly we mean when we talk about abundance policy. It is easy to point to particular examples, like restrictive zoning on housing construction, where existing government policy is inhibiting supply of an essential resource. What is more difficult is to develop a generalizable framework for thinking about the types of reforms that governments can adopt to expand supply. But we see the development of this framework as a critical step toward bringing experts working in different policy areas to the table and giving them the tools to apply an abundance mindset to their particular areas of expertise.

We call attention here to two broad categories of policies with the potential to expand supply. First, we will discuss ways governments might reduce barriers to entry or expansion to increase the supply of essentials. And, second, we will discuss ways that governments might make strategic public investments that can increase the supply of essentials. Throughout, we discuss examples of how these categories of policies might apply in California. Of course, this is not meant as an exhaustive list of policy levers that can be leveraged to enhance supply, but rather a framework for guiding discussion.

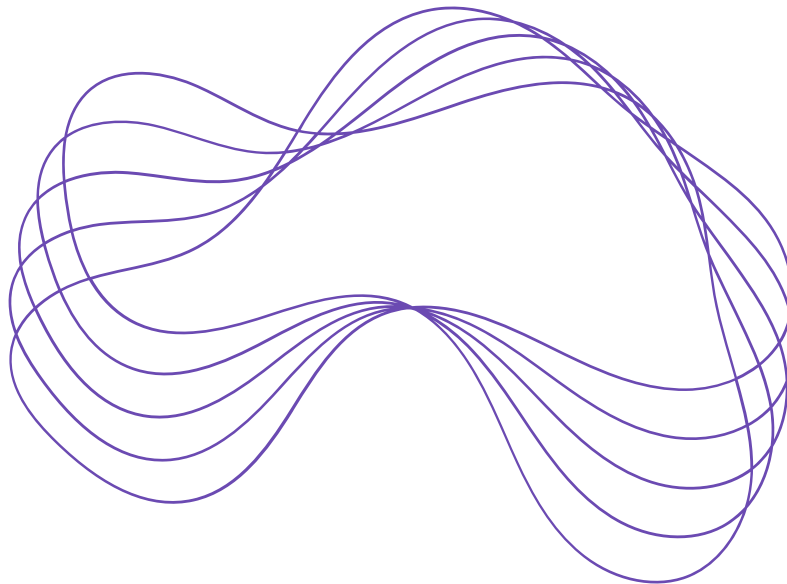
We See Two Pathways to Promoting Abundance in California



Streamlining, Simplifying, and Reducing Barriers to Entry

Broadly speaking, scarcity arises when the supply that providers are willing to put on the market is persistently lower than the demand. In theory, the price increases that accompany scarcity should compel suppliers to enter the market, bringing supply and demand back into balance and mitigating scarcity. In practice, there are all sorts of reasons that prevent supply from responding to demand increases. Sometimes supply chain issues are caused by natural disasters, wars, or other issues beyond the purview of state and local governments. But, in many other cases, supply chain blockages are exacerbated by barriers to entry put up by governments.

Reducing barriers to entry is not just about expanding raw supply. It is also about promoting innovative technologies and practices, which can produce lower costs and better quality for the public over the long run. When new entrants are able to enter a market, they might bring with them an innovation that allows them to challenge established players. They also might put pressure on incumbents to adapt and innovate. Here, we propose four broad ways that governments can reduce barriers to entry, promote innovation, and expand the supply of essential resources.



1. Streamlining Physical Infrastructure Buildout

In 2023, UC Berkeley made national news when a court blocked a proposed housing development that would have provided dorm-style housing for 1,100 students as well as supportive housing for more than 100 formerly unhoused individuals. The reason: Berkeley residents had leveraged the California Environmental Quality Act (CEQA) to stop the development. They claimed that the university had not properly analyzed the impact of student noise when it conducted its environmental review and an appellate state court agreed. Amid widespread uproar over the blocking of desperately needed student housing in Berkeley, Governor Newsom signed a bill clarifying that noise would not be considered a significant environmental impact necessitating review under CEQA.

That the California legislature and governor moved so quickly to support housing development in this case reflects a dramatic and relatively recent change in the politics of housing and physical infrastructure more broadly. Since the 1970s, state and local policies have made it difficult to build in California, contributing to a widespread housing shortage. Why is it so hard to build in California? This is a complicated question, but well-intentioned policies designed to protect the environment and local communities clearly play a major role. Policies like CEQA were enacted to defend the environment from excessive development. California cities adopted rigorous community input processes in part to protect people from displacement and protect communities from the disruption of major urban infrastructure projects. Other policies restricting growth, though, like Article 34 of the State Constitution which requires local votes on new public housing projects, were adopted to preserve racial segregation. **But regardless of good or bad intentions, anti-growth policies in California have made it more difficult to build all sorts of development for housing, energy, transportation, or other public purposes.**

In a context of housing and climate crises, inability to build physical infrastructure poses a dire threat to communities and to the environment. To reiterate, in our December 2023 survey, fully 71 percent of Californians agreed with the statement, “where I live, it is difficult for me to find suitable housing at a price I can afford.”

High housing costs threaten communities by forcing people to move away from friends and family to find an affordable place to live. They also contribute to our homelessness crisis, which in turn affects our ability to provide safe, public spaces. Furthermore, the inability to build dense, infill housing harms the environment as people are pushed further from metro areas and forced into long car commutes.

Barriers to building physical infrastructure also affect our ability to rapidly deploy the renewable energy we need to transition away from fossil fuels. We need to decarbonize rapidly to protect future generations, but the energy transition also must be affordable. According to our 2023 statewide survey, 41 percent of Californians agree that “it is difficult for me to get the energy I need to power and heat my home at a price I can afford.” Given California’s plans to electrify vehicles and homes, the state’s high and rising electricity rates are of particular concern. In addition to harming low-income families and making it harder for California businesses to compete with producers in other states, high electricity rates threaten a smooth energy transition. When electricity is more expensive, it reduces the incentive to switch from fossil fuel vehicles and home heating to electric-powered systems.

Utility-scale clean energy is now cost-competitive with fossil fuels and is likely to get cheaper over time, but siting and permitting issues have slowed its development. Local opponents of large-scale renewables projects have leveraged discretionary permitting processes, zoning, and environmental review to slow and block development.

In both housing and energy, policymakers at the state level have recently enacted new policies that make it more difficult for localities to block much-needed housing and clean energy projects. In housing, perhaps most notably, the state has instituted by-right housing permitting for certain types of projects in localities that have failed to contribute their fair share towards state housing goals. And in energy, the state has recently allowed developers to opt into state-level, versus local-level, permitting through the California Energy Commission.

We generally support zoning reform, permitting streamlining, and other similar efforts to enhance our capacity to build critical infrastructure. Yet, the political sustainability of state-led efforts to streamline new development is uncertain. Localities are already resisting new state mandates, and critics argue that state-level permitting of large renewable projects reduces the ability of communities to control their physical landscape. Moving forward, it is important to reform policies like CEQA that serve to block critical infrastructure and to develop new policies and institutions that allow for rapid buildout of much-needed physical infrastructure, without steamrolling communities or degrading the environment.

2. Simplifying Government Policies and Programs

Public policy in American federal and state government has grown increasingly complex over time.¹⁷ Steven Teles has labeled America as a “kludgeocracy” – governed by “clumsy but temporarily effective solutions.”¹⁸ As Teles argues, complexity in public policy has serious costs to citizens, government, and the quality of our democracy. **At a basic level, complexity reduces the effectiveness of government policies aimed at mitigating critical scarcities.** For instance, in 2021, the federal government passed legislation allocating \$7.5 billion for construction of electric vehicle charging stations, which are important to facilitate the transition to electric vehicles. However, as of December 2023, the program had not installed a single charger, with states and industry blaming complex contracting and performance requirements.¹⁹

Complexity also functions as a barrier to entry, reducing innovation, dynamism, and, ultimately, our ability to produce enough of what we all need. For one, complexity facilitates “regulatory capture” which chokes off new entrants and innovation. Regulatory capture broadly refers to instances where regulations serve to protect corporate interests more so than the public interest. Big companies, with large legal teams, are often able to exploit complex policies, particularly tax loopholes, to reap benefits at public expense. In 2021, for instance, the Center for American Progress calculated that 19 highly profitable American corporations paid effective federal tax rates of less than 10 percent—and several paid no taxes at all.²⁰

In addition to draining public coffers, this type of regulatory capture also has downstream implications for the supply side of the economy. It makes it harder for smaller, newer entrants to compete with established players, who receive a leg up from the government. More generally, research shows that complex regulations make it difficult for smaller, newer entrants to challenge established companies for market share.²¹ When new suppliers are unable to enter the market, it reduces overall innovation in a sector, inhibiting cost declines and quality improvements. It is likely no coincidence that some of our most highly regulated sectors like healthcare and higher education have also been the sectors with the most cost growth over the past several decades.

The American healthcare system is notoriously piecemeal and complex. Healthcare payers and providers in the U.S. pay nearly \$500 billion annually in billing and insurance related costs, about twice as much as necessary.²² This contributes to the U.S. having one of the most expensive healthcare systems in the world but without the strong health outcomes to match it. Complexity is likely contributing to the mismatch between health spending and health outcomes.

17 Scheffler, Gabe. (2024). The Costs of Complexity in Policy Design. Yale Institution for Social and Policy Studies.

18 Teles, S. (2013). Kludgeocracy in America. National Affairs. <https://www.nationalaffairs.com/publications/detail/kludgeocracy-in-america>

19 Bikales, James. (2023, December 5). Congress provided \$7.5B for electric vehicle chargers. Built so far: Zero. *Politico*.

<https://www.politico.com/news/2023/12/05/congress-ev-chargers-billions-00129996>

20 Koronowski, R., Vela, J., & Rasheed, Z. (2022). These 19 Fortune 100 Companies Paid Next to Nothing—Or Nothing at All—In Taxes in 2021. Center for American Progress.

21 Edwards, C. (2021). Entrepreneurs and regulations: Removing state and local barriers to new businesses. Cato Institute, Policy Analysis, (916).

22 Gee, E., & Spiro, T. (2019). Excess administrative costs burden the US health care system. Center for American Progress, 134-142.

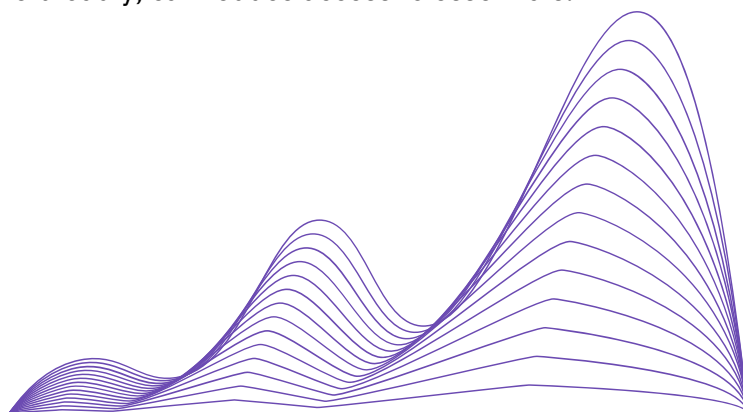
In a 2023 survey, researchers at the Kaiser Family Foundation found that almost 6 in 10 people with health insurance reported some problem using it in the past year. As they summarize, “the reality is that many people are hopelessly confused by how their insurance works.”²³ Simplifying health insurance through universal catastrophic coverage, or a similar model, can enhance our capacity to provide high-quality healthcare at a lower cost.²⁴

We have already discussed the restrictions on development that have led to our housing shortage in California. But housing production in California is also highly *complex* due in part to government policy. Ezra Klein has coined the phrase “everything bagel liberalism” to refer to when policymakers saddle policies meant to achieve one core outcome with so many other provisions, often having to do with equity and labor, that they become less effective at achieving their primary goal. Klein, in his op-ed introducing the concept, discusses the slew of requirements that affordable housing developers in San Francisco must meet. One is that they use small-business contractors. This is a well-intentioned policy, but as the article notes, “a few small contractors end up attached to a large number of affordable housing jobs, causing delays and cost overruns.”²⁵ All of the requirements that affordable housing developers in San Francisco must meet end up reducing the number of financially feasible projects and reducing the downstream availability of affordable housing.

To be clear, we are not arguing here necessarily for a smaller scope of government activity and regulation, just a clearer and simpler one. Governments can craft big, ambitious policies without introducing harmful complexity. Working to simplify policy and regulations in California has the potential to boost our economy’s capacity to supply essential resources and, in turn, lower costs and expand access.

3. Establishing Better-Functioning Markets

It is common rhetoric to pit market allocation of resources against government allocation of resources. But, in reality, governments play a critical role in establishing and maintaining well-functioning markets. As political scientist Steven Vogel has written, governments play a “marketcraft” function, designing the “legal and regulatory infrastructure that makes modern markets work, including everything from corporate governance to financial regulation, labor practices, antitrust policy, and intellectual property rights.”²⁶ **When governments set up well-functioning markets, healthy competition between suppliers promotes lower costs, innovation, and higher quality for consumers.** Failure to do so can impose serious costs on consumers and, more broadly, can reduce access to essentials.



23 Levitt, L., & Altman, D. (2023, October). Complexity in the US Health Care System Is the Enemy of Access and Affordability. In JAMA Health Forum (Vol. 4, No. 10, pp. e234430-e234430). American Medical Association. <https://jamanetwork.com/journals/jama-health-forum/fullarticle/2811354>
 24 Dolan, E. (2019). Universal Catastrophic Coverage: Principles for Bipartisan Health Care Reform. Niskanen Center.
 25 Klein, Ezra. (2023, April 2). The Problem With Everything-Bagel Liberalism. The New York Times. <https://www.nytimes.com/2023/04/02/opinion/democrats-liberalism.html>
 26 Vogel, Steven K. (n.d.). The Marketcraft Solution: How the Government Can Reshape Markets to Make Them Work Better – For Everyone. NYU Law.



One of the government’s critical marketcraft functions is preventing monopoly or excessive consolidation among suppliers. When there is a monopoly or oligopoly, suppliers can make greater profit by restricting supply and raising prices. Historically, governments have sought to restrict monopoly and oligopoly through antitrust policy. However, consolidation of industry has become a major concern across the country and in California.

This is particularly true when it comes to healthcare provision. As a California Healthcare Foundation report concluded in 2021: “hospital markets in most California counties are approaching monopoly levels of concentration, especially in rural areas.”²⁷ A growing body of evidence demonstrates an association between consolidation in the healthcare sector and higher prices with no increase in quality. The California state government could take measures to reduce consolidation in the healthcare sector, including by expanding the authority of the attorney general to block mergers. Beyond healthcare, lack of competition also is likely increasing prices and reducing access to internet service—a critical component of digital connectivity.²⁸

Besides using policy to reduce consolidation in key sectors, there are other ways that governments can leverage markets to deliver lower costs and greater access. In the energy sector, for instance, policymakers have explored the possibility of establishing new markets to increase coordination of power grids in Western states through what is generally referred to as “regionalization.” Modeling suggests establishing more integrated electricity markets in the West could both reduce electricity costs in California and speed up the transition to renewables throughout the region.²⁹

Limiting monopolies and promoting coordination might appear contradictory and disparate policy ideas, but the broad point is that we need government to do more than regulation and redistribution: we also need government to help set up the markets that allow for healthy competition and ensure that those markets stay competitive. **Establishing well-functioning markets where we see persistent scarcity can invite people and organizations to be part of the solution**, changing their behavior when possible to reduce consumption or starting new businesses that provide what is scarce.

Leveraging markets more effectively can also potentially help the state transition to more sustainable systems. Our reliance on fossil-fuel powered cars for mobility has made transportation the largest source of greenhouse gas pollution in California. Some cities have experimented with charging drivers fees for entering high-traffic areas and reinvesting revenues into more sustainable public transportation options. In addition to pushing people to use public transit, these market-based programs have been shown to benefit public health by reducing pollution.³⁰ Likewise, well-designed markets could be leveraged to help manage the state’s water resources as climate change and overuse threaten the sustainability of the system.³¹

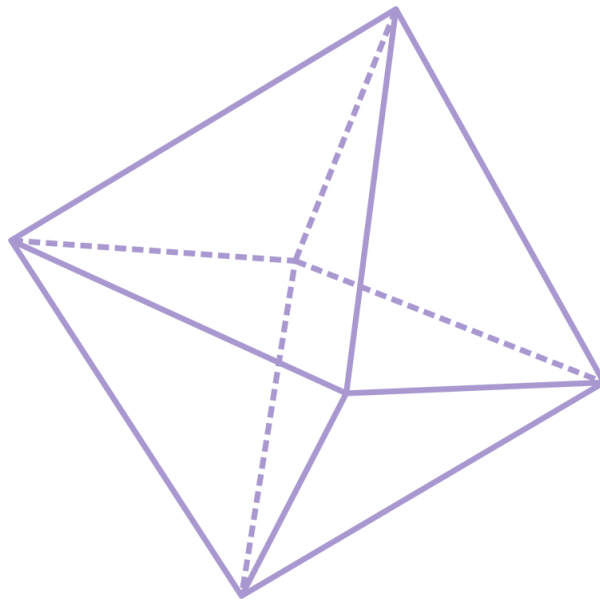
27 Gudixsen, K. L., Gu, A. Y., & King, J. S. (2021). Markets or Monopolies? Considerations for Addressing Health Care Consolidation in California. California Health Care Foundation.

28 California Community Foundation. (n.d.). California Community Foundation and Digital Equity LA have Released a New Report on Internet Service Price Disparities in LA County. California Community Foundation. <https://www.calfund.org/internet-service-price-disparities/>

29 Transforming the Western Power Grid. (n.d.). Union of Concerned Scientists. <https://www.ucsusa.org/sites/default/files/2023-03/grid-regionalization-policy-brief.pdf>

30 NRDC. (2022, May 25). What Is Congestion Pricing?. NRDC. <https://www.nrdc.org/stories/what-is-congestion-pricing>

31 Ayres, Andrew, Hanak, Ellen, Gray, Brian, Sencan, Gokce, Bruno, Ellen, Escriva-Bou, Alvar, and Gartrell, Greg. (2021, September). Improving California’s Water Market. Public Policy Institute of California. <https://www.ppic.org/publication/improving-californias-water-market/>



4. Reducing Occupational Licensing and Scope of Practice Restrictions

California is one of fifteen states that requires individuals hoping to work as locksmiths to obtain licensure. There are no training requirements, but prospective locksmiths still must pay various fees to the state and potentially get licensed as contractors if they want to take on big projects. Licensing requirements for occupations are now common in California, including for jobs like fire alarm installation, makeup artist, and slot supervisor.

In 2016, the Little Hoover Commission, a state government oversight agency, found that **fully one in five Californians were required to receive permission from the government to work due to licensing and scope of practice regulations, compared to just one in 20 in the 1960s**. The rise in licensure in the state, according to the Little Hoover Commission's report, had not stemmed from a "thoughtful examination of how best to protect consumers," but rather more from the political engagement of professionals that stand to benefit from reduced competition.³²

Some amount of licensing makes sense for highly skilled, highly trained professionals. But California also requires licensure for a wide range of generally lower-skill occupations. According to the Institute for Justice, of 102 lower-income occupations (as classified by the Bureau of Labor Statistics), 75 require licensure in California, the third highest total of any state.³³

A defender of the current system might argue that, as the state grew wealthier, it made sense that more of its residents would want services provided by licensed and qualified professionals. Even if restrictive licensing and scope of practice regulations increase cost and reduce supply, it could be worth it if the quality of services improves. The trouble with that argument, though, is that there is virtually no evidence that licensing significantly improves quality, even for high-skill professions like dentistry.³⁴ In 2015, the Obama administration commissioned a comprehensive report on occupational licensing reform.

³² Jobs for Californians: Strategies to Ease Occupational Licensing Barriers. (2016). Little Hoover Commission. <https://lhc.ca.gov/wp-content/uploads/Reports/234/Report234.pdf>

³³ Institute for Justice. (n.d.). Occupational Licensing in California. Institute for Justice. <https://ij.org/issues/economic-liberty/occupational-licensing/california/>

³⁴ Kleiner, M. M., & Kudrle, R. T. (2000). Does regulation affect economic outcomes? The case of dentistry. *The Journal of Law and Economics*, 43(2), 547-582.

Reviewing the literature, the researchers found that “overall, the empirical research does not find large improvements in quality or health and safety from more stringent licensing.”³⁵

The benefits of stringent licensing appear minimal at best, but the costs are substantial.³⁶ There are two main problems. First, excessive licensing reduces the supply of services, pushing prices up. Second, excessive licensing makes it harder for all Californians to access good jobs if those jobs require licensure. These effects are particularly pronounced for hard-to-employ groups such as the formerly incarcerated. Researchers Morris Kleiner and Evgeny Vorotnikov have estimated that excessive licensure costs the California economy over \$22 billion annually.³⁷

California’s licensing, in their analysis, is the costliest of any state. Little Hoover Commission researchers concluded, in 2016, that “California has enacted a thicket of occupational regulation that desperately needs untangling in order to ease barriers to entering occupations and ensure services are available to consumers of all income levels.”

One domain where reducing the scope of licensure and occupational regulations could enhance supply and access is childcare. California is currently suffering a major childcare shortage. The supply of childcare was already low in 2019, and plummeted during the Covid-19 pandemic, when many centers closed.³⁸ Childcare supply has been slow to recover. In our 2023 survey, nearly 60 percent of Californians agreed that “where they live, it is difficult for people to find affordable childcare.” In 2021, researchers estimated that average annual prices for center-based care in California were 16.7 percent of a married couple’s median income (and a much higher percentage of single-parent median income)—the highest of any state in the nation.³⁹

California’s relatively extensive training licensure requirements for both teachers and directors likely prevent people from starting new centers, thus limiting supply and increasing costs. California also has comparatively high staff-to-child ratio requirements, which researchers have shown increase costs without necessarily improving quality.⁴⁰

Advocates have put forward a number of ideas for reforming occupational licensing in California, including reciprocity for professionals licensed in other states as a default and creating an independent commission to review the evidence for all licensing laws. **Reforming licensing to make it easier for Californians from all backgrounds to provide services has the potential to boost supply of services, reduce costs, and expand access over time.**

However, more work is needed to understand when professional licensure is necessary for ensuring quality and oversight, as well as to develop particular policies or institutional reforms that can be effective at reducing the negative impacts of licensure in California. It is also critical that advocates build a political coalition capable of enacting meaningful reform in the face of entrenched opposition from professional associations that often benefit from onerous licensing requirements.

35 Occupational Licensing: A Framework for Policymakers. (2015). The White House.

https://obamawhitehouse.archives.gov/sites/default/files/docs/licensing_report_final_nonembargo.pdf

36 Kleiner, M. M., & Soltas, E. J. (2023). A welfare analysis of occupational licensing in US states. *Review of Economic Studies*, 90(5), 2481-2516.

37 Kleiner, M. M., & Vorotnikov, E. (2017). Analyzing occupational licensing among the states. *Journal of Regulatory Economics*, 52, 132-158.

38 Center for Health Reporting (2022, June 22). California Has a Child Care Crisis. How Finding It – and Paying for It – Can Be a Nightmare. USC Schaeffer.

39 Bourne, Ryan. (2022, December 15). Childcare. Cato Institute. <https://www.cato.org/publications/childcare>

40 V. Joseph Hotz and Mo Xiao, “The Impact of Regulations on the Supply and Quality of Care in Child Care Markets,” *American Economic Review* 101, no. 5 (August 2011): 1775–805; Michal Perlman et al., “Child-Staff Ratios in Early Childhood Education and Care Settings and Child Outcomes: A Systematic Review and Meta-Analysis,” *PLOS ONE*, January 19, 2017.



Making Strategic Public Investments

The previous discussion focused on expanding the supply of essentials by simplifying government policy and regulations to reduce barriers to entry. But an abundance agenda, in our view, is about more than identifying ways to reform government policy in order to reduce barriers: **it is also about leveraging immense government resources to make investments that will deliver publicly-shared benefits over the long run.** There is a whole suite of potential investments—in government capacity, innovation, transitions, public infrastructure, and people—that private sector investors have no clear market incentive to make, but that have enormous potential to enhance our economy’s capacity to sustainably supply what we all need.

1. Investing in Government Capacity

Throughout history, scholars have identified quality governance as *the* fundamental driver of economic growth and well-being.⁴¹ But, as Brink Lindsey wrote in 2021, “A series of calamities during the 21st century—the Iraq War, Hurricane Katrina, the financial crisis, and most recently the Covid-19 pandemic—have made it painfully clear that American state capacity is not what it once was.”⁴² Lindsey defines state capacity simply as “the government’s ability to do its job effectively.”

Broadly speaking, **we need more than a set of policy reforms to unblock abundance: we also need to build the state’s capacity to effectively implement those reforms.** Indeed, some housing advocates have expressed to us that a major impediment to implementing new state housing policy is that local governments may not have the capacity needed to comply.

Improving government capacity requires both institutional and cultural shifts. As Jennifer Pahlka compellingly describes in her recent book: a culture of process adherence, versus problem-solving, has hobbled the ability of government agencies to adapt, improve, and deliver better outcomes.⁴³ But this culture is also rooted in institutional design. As Nicholas Bagley has written, “the central dogma of administrative law is that strict procedural rules are essential to agency legitimacy and necessary for public accountability.”⁴⁴ The prevalence of procedural requirements in administrative law, and the consequent outsized role of lawyers in U.S. government, foster a culture of process-following at the expense of seeking to improve outcomes. It is likely no accident, Bagley notes, that institutions like the Federal Reserve who are less subject to traditional procedural constraints tend to have greater legitimacy and higher favorability ratings in the public.

41 Kanani, Alma, and Larizza, Marco. (2021, April 13). *Institutions matter for growth and prosperity, today more than ever*. World Bank Blogs. <https://blogs.worldbank.org/en/governance/institutions-matter-growth-and-prosperity-today-more-ever>

42 Lindsey, B. (2021). *State Capacity: What Is It, How We Lost It, And How to Get It Back*. Niskanen Center.

<https://www.niskanencenter.org/wp-content/uploads/2021/11/brinkpaper.pdf>

43 Pahlka, J. (2023). *Recoding America: Why government is failing in the digital age and how we can do better*. Metropolitan Books.

44 Bagley, N. (2019). The procedure fetish. *Michigan Law Review*, 345-401.

In addition to changing culture and institutions, improving government capacity also likely requires investments in the people in government. Over time, American government has increasingly delegated critical functions to contractors and non-profits.⁴⁵ This reduces the ability of government agencies to accomplish even basic tasks, fostering greater dependence on contractors. It also makes it harder for the government to attract and retain talented workers who want to innovate and implement improvements. Indeed, California is currently facing a public-sector recruitment crisis. Finally, the contracting model produces a principal-agent problem. As Noah Smith has written, “when the government controls the purse strings, but only the contractors know how much things should really cost, you get the worst of both worlds—a government that doesn’t know how to save taxpayer money, paying contractors who don’t *want* to save taxpayer money.”⁴⁶

One critical component of enhancing state capacity is improving the ability of the government to leverage information technology and artificial intelligence. The possibilities are enormous. One area where digital technology has the potential to revolutionize governance is in civic engagement. **Around the world, governments are increasingly leveraging digital technology to engage communities in policy decisions.** Perhaps most famously, Taiwan’s government has launched a platform, vTaiwan, that facilitates online discussions and consensus-building on various policy issues. These technologies, if deployed effectively, can greatly improve government capacity by incorporating public preferences and knowledge much more closely into policymaking.

On the other hand, failures of government to effectively develop and deploy digital technology can lead to major issues with governance and service delivery. For instance, problems with the development of Healthcare.gov led to delayed and over-budget rollout of this critical component of President Obama’s Affordable Care Act. In California, poorly designed and outdated digital systems contributed to delays in the provision of unemployment benefits and huge instances of fraud at the outset of the Covid-19 pandemic in 2020.⁴⁷

2. Investing in Technological Innovation

The death and destruction wrought by the Covid-19 pandemic was greatly mitigated by the rapid development of safe and effective mRNA vaccines. It is estimated that vaccines saved over 1 million lives in the U.S. alone between the start of 2020 and the end of 2021—not to mention their impact worldwide.⁴⁸

The rapid development of Covid-19 vaccines was spurred by a public-private partnership between the U.S. government and private biotech companies: Operation Warp Speed. What is less well known is the important role of government funding in developing the scientific knowledge needed to develop new vaccines so quickly. Researchers have estimated that the “U.S. government invested at least \$31.9 billion to develop, produce, and purchase mRNA Covid-19 vaccines,

45 Morgan, K. J., & Campbell, A. L. (2011). *The delegated welfare state: Medicare, markets, and the governance of social policy*. Oxford University Press.

46 Smith, Noah. (2023, May 20). Nonprofits are sapping the progressive project. *Noahpinion*. <https://www.noahpinion.blog/p/nonprofits-are-sapping-the-progressive>

47 Hepler, Lauren. (2023, June 12). California’s COVID unemployment reckoning goes national. *CalMatters*. <https://calmatters.org/economy/2023/06/california-covid-unemployment/>

48 Schneider, Eric C., Shah, Arnav, Sah, Pratha, Moghadas, Seyed M., Vilches, Thomas, and Galvani, Alison P. (2021, December 14). *The U.S. COVID-19 Vaccination Program at One Year: How Many Deaths and Hospitalizations Were Averted?*. The Commonwealth Fund.

including sizable investments in the three decades before the pandemic [emphasis added].”⁴⁹

While Operation Warp Speed was critical, the government funding that enabled its success was an investment made long before the pandemic.

Broadly speaking, government funding of scientific research is a powerful driver of innovation.

Technological innovation, in turn, plays a critical role in determining how much we can produce with the resources we have—and the scarcity or abundance of essential resources. Innovation is also critical to making our economy more sustainable over time. Producing enough energy without warming the planet, enough food without degrading the land, and enough clean water without destroying wildlife areas will all require innovation.

Private firms have a profit motive to invest in research and development to the extent that they anticipate those investments will pay off through some product they can bring to market. However, they have less incentive to invest in the basic research that often lays the foundation for scientific progress.⁵⁰ Given this gap, the U.S. government has historically played a major role in supporting research that led to the development of critical innovations, including the Internet, Magnetic Resonance Imaging (MRI), and American Sign Language.

Recent research has shown a remarkable alignment between public funding of science and downstream public benefit.⁵¹ Yet, funding for the main U.S. science agencies has fallen over the past couple of decades.⁵² Grants have gotten more competitive, and scientists, as a result, are spending more of their time on grant-writing and less on conducting science. Currently, efforts are underway to figure out how to better leverage federal science funding to produce scientific progress and public value.⁵³ But California, as the state with the largest population and economy, could also play an important role in driving scientific and technological advances and making sure that the benefits of these advances are widely shared.



49 Lalani, H. S., Nagar, S., Sarpatwari, A., Barenie, R. E., Avorn, J., Rome, B. N., & Kesselheim, A. S. (2023). US public investment in development of mRNA covid-19 vaccines: retrospective cohort study. *bmj*, 380.

50 For a counter-argument, see: Arora, A., Belenzon, S., Cioaca, L. C., Sheer, L., & Zhang, H. (2023). The Effect of Public Science on Corporate R&D (No. w31899). National Bureau of Economic Research.

51 Yin, Y., Dong, Y., Wang, K., Wang, D., & Jones, B. F. (2022). Public use and public funding of science. *Nature human behaviour*, 6(10), 1344-1350.

52 Tollefson, Jeff. (2023, October 6). US science agencies on track to hit 25-year funding low. *Nature News*. <https://www.nature.com/articles/d41586-023-03135-x>

53 NSF News. (2023, September 28). NSF partners with the Institute for Progress to test new mechanisms for funding research and innovation. U.S. National Science Foundation. <https://new.nsf.gov/news/nsf-partners-institute-progress-test-new>

State policy also plays a critical role in promoting and effectively regulating the *deployment* of newer technologies. Deployment is a crucial step in the innovation process. When new innovations are deployed, it facilitates learning-by-doing, drives more technological improvements, and allows newer technologies to better compete with incumbents on cost. For instance, the cost of solar panels has fallen precipitously over the past several decades—a major game-changer when it comes to combating climate change. When researchers studied the drivers of solar panel cost declines, they found that market-stimulating policies like government subsidies accounted for more than half of the cost decline.⁵⁴

Another area where technological advances can help mitigate scarcity is in the water system. California’s groundwater sources are depleting, due largely to agricultural use. While better management of existing water resources is certainly needed, desalination technology, which uses energy to separate salt and other minerals from seawater, can also help to expand the supply of our water resources. Desalination is already in use, particularly in the Middle East, but is highly energy intensive and costly. Deploying desalination in California could lead to technological gains and cost declines that make it a more feasible large-scale option in the future.

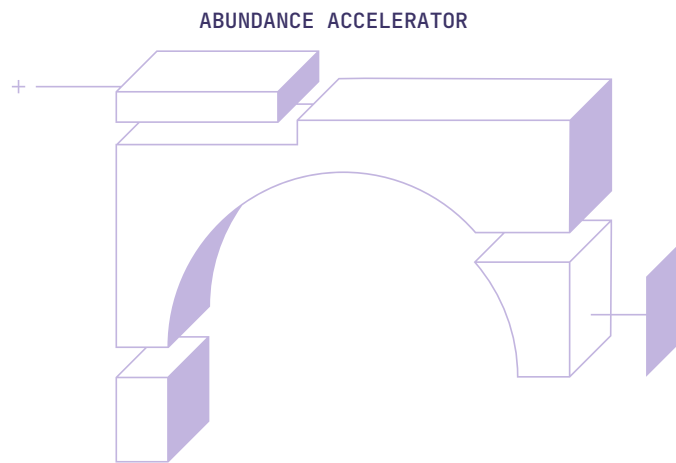
For instance, AI is already being deployed in a variety of capacities in the food system to increase yields and reduce waste. Effective regulation, but also government investment, will be needed to ensure safety while promoting further technological advancement.

3. Investing in Transitions

New technologies can potentially enable transitions to more productive, sustainable systems. But government policy reforms are often needed to help facilitate these transitions—above and beyond the deployment of new technologies through subsidies or other mechanisms discussed above. Facilitating smooth transitions can require government action on a number of fronts, including regulatory reform, public investments, and social programs.

Decarbonization provides a good example. A highly electrified energy system powered by wind, solar, geothermal, and nuclear could ultimately be much safer and more affordable than the current fossil-fuel heavy energy system. But even though this system is superior along nearly every dimension, transitioning is likely to be difficult and slow. Basically, all of our regulatory, political, technological, and cultural systems were developed to accommodate fossil fuel energy, causing substantial “lock-in”.⁵⁵

54 Kavlak, G., McNerney, J., & Trancik, J. E. (2018). Evaluating the causes of cost reduction in photovoltaic modules. *Energy policy*, 123, 700-710.
55 Unruh, G. C. (2000). Understanding carbon lock-in. *Energy policy*, 28(12), 817-830.



Escaping this inertia requires a concerted effort from the government to disrupt some of the forces of lock-in and promote elements of the new system. For instance, one reason people are hesitant to adopt electric vehicles, despite their advantages to gas-powered vehicles, is that the existing system of EV charging stations is much less developed than the existing system of gas stations. Getting people to adopt EVs at a faster pace will likely require governments and private actors working together to help develop the critical charging infrastructure that makes EV ownership more attractive.

Government plays another crucial role in facilitating transitions: helping to ensure these transitions do not leave some people behind. When it comes to decarbonization, transitioning from fossil fuels to renewables will benefit society in the long run, but can cause serious economic harm to communities that rely on fossil fuel-based energy production for jobs and tax revenue.⁵⁶ Policies promoting renewables that fail to adequately compensate or retrain fossil fuel workers risk political backlash as people seek to preserve the fossil fuel system on which their communities depend.⁵⁷ On the other hand, policies that promote a “just transition” that accommodates fossil fuel workers can win support even in areas historically reliant on fossil fuels.⁵⁸

Government action is also likely needed to help transition to a more sustainable system of food production. Agriculture has long been a critical component of California’s economy. As of 2022, the market value of agricultural products produced in California was \$59 billion. Farming is a particularly important part of the economy for rural areas of the state. Yet, the sustainability of agricultural production in California is at risk, primarily from water scarcity. Agricultural production in California has historically relied on cheap water, but the state’s water systems are increasingly stressed. The state’s groundwater sources have been depleting at an accelerating rate.⁵⁹ Over-pumping groundwater not only reduces supply over time, but can also contaminate aquifers, making remaining water unsafe for drinking.⁶⁰

Studies indicate that strategically repurposing California’s farmland can increase the sustainability of the system and produce economic benefit for communities.⁶¹ In particular, building renewable energy on retired farmland can help mitigate lost economic production while also contributing to building the clean electricity infrastructure the state needs. Yet, transitioning land from agricultural production to energy production is a risky proposition for individual farmers. The government can help facilitate this transition by subsidizing the deployment of renewable energy on retired farmland, taking on some of the costs of transition, and protecting farmers from potential negative shocks that threaten their livelihoods.⁶²

56 Haggerty, M., & Gentile, N. (2022, September 1). Quitting Fossil Fuels and Reviving Rural America. Center for American Progress. <https://www.americanprogress.org/article/quitting-fossil-fuels-and-reviving-rural-america/>

57 Gazmararian, A. F. (2022). Working Paper.

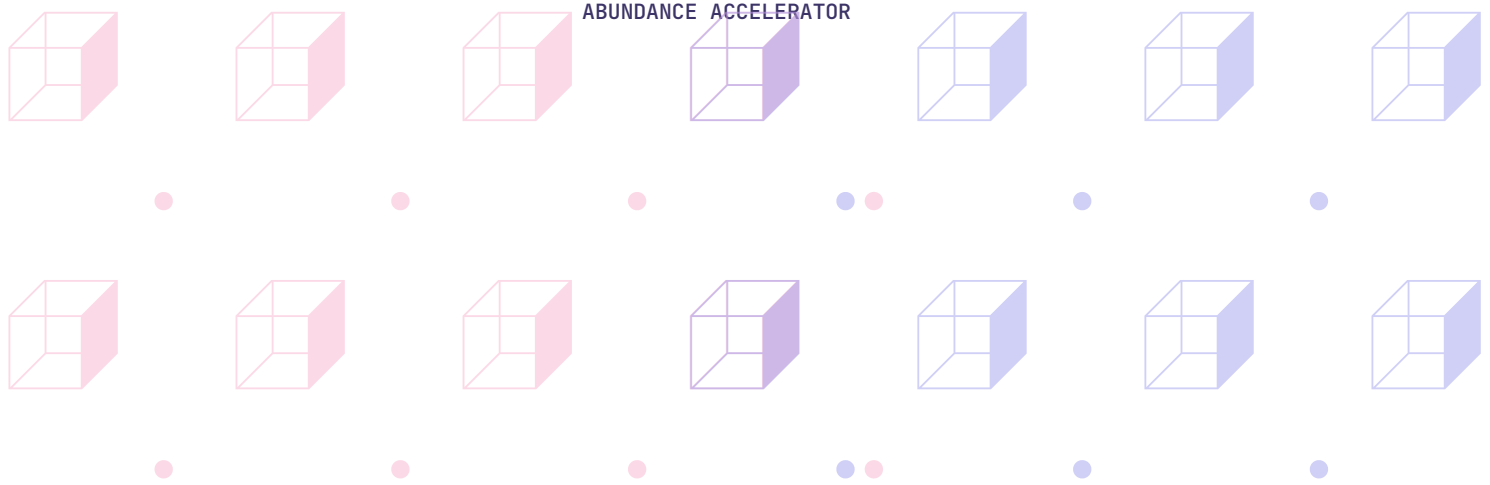
58 Bolet, D., Green, F., & Gonzalez-Eguino, M. (2023). How to Get Coal Country to Vote for Climate Policy: The Effect of a “Just Transition Agreement” on Spanish Election Results. *Science Review*, 1-16.

59 Liu, P. W., Famiglietti, J. S., Purdy, A. J., Adams, K. H., McEvoy, A. L., Reager, J. T., ... & Rodell, M. (2022). Groundwater depletion in California’s Central Valley accelerates during megadrought. *Nature Communications*, 13(1), 7825.

60 Rojanasakul, Mira, Flavelle, Christopher, Migliozi, Blacki, & Murray, Eli. (2023, August 28). America Is Using Up Its Groundwater Like There’s No Tomorrow. *The New York Times*. <https://www.nytimes.com/interactive/2023/08/28/climate/groundwater-drying-climate-change.html>

61 Fernandez-Bou, A. S., Rodríguez-Flores, J. M., Guzman, A., Ortiz-Partida, J. P., Classen-Rodríguez, L. M., Sánchez-Pérez, P. A., ... & Medellín-Azuara, J. (2023). Water, environment, and socioeconomic justice in California: A multi-benefit cropland repurposing framework. *Science of the Total Environment*, 858, 159963.

62 Hines, Bryn. (2023, October 25). Farming for Renewable Energy. *The Regulatory Review*. <https://www.theregreview.org/2023/10/25/hines-farming-for-renewable-energy/>



4. Investing in Public Infrastructure

Well-functioning public infrastructure—including roads, bridges, and ports—helps facilitate our ability to produce and distribute the things people need, like food, water, and transportation. But public infrastructure has deteriorated in the U.S. over the past several decades. Much of our current infrastructure of highways, airports, and waterways was built in the decades following World War II and is now in need of maintenance, repair, and upgrade.⁶³

The Biden administration has made public infrastructure a priority with legislation like the 2021 Bipartisan Infrastructure Law (BIL), but state and local governments play a more direct role in maintaining and upgrading most public infrastructure. These lower-level entities own over 90 percent of non-defense public infrastructure assets and much BIL spending will be funneled through the states. In California, Governor Newsom has announced a public infrastructure program of \$180 billion over the next 10 years and launched a public website, build.ca.gov, to track progress.

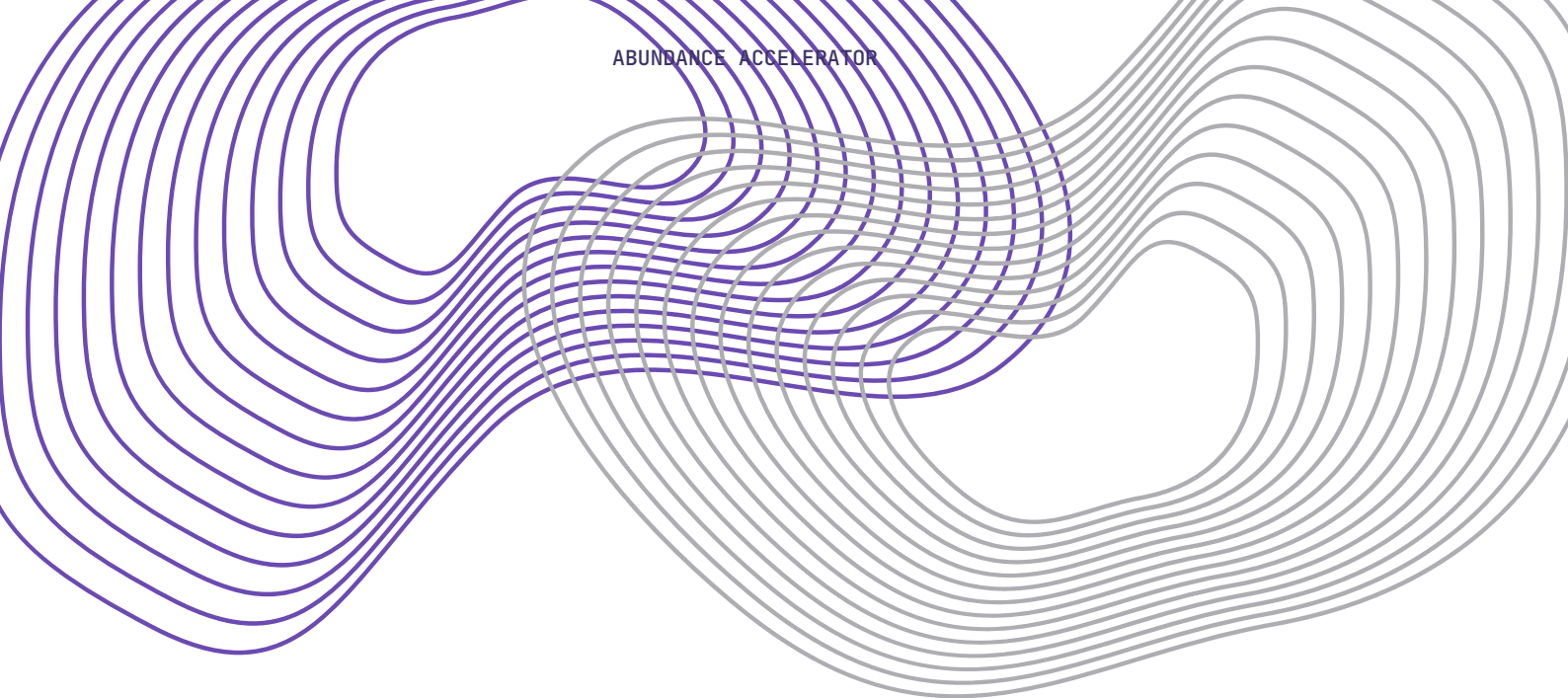
At best, public infrastructure investments have the potential to catalyze economic activity, create good jobs, and reduce disparities across the state. At worst, public infrastructure investments can be politically motivated, highly expensive “bridges to nowhere.” In 2008, the state announced plans to build high-speed rail to connect its marquee cities: Los Angeles and San Francisco. Due to severe cost overruns and delays associated in part with permitting, siting, and environmental review, the plan has since been downsized considerably.

One way to increase the likelihood that public infrastructure projects fulfill their aims is by pairing greater government infrastructure investment with measures to streamline and simplify permitting (which we discuss in a prior section). To his credit, Governor Newsom has already laid out a streamlining agenda alongside his public infrastructure plan. Research also indicates that the public gets a greater return from maintenance projects than from new construction,⁶⁴ though new projects are likely to be more politically attractive. Finally, research suggests that procurement costs, a major component of public infrastructure spending, are higher where government agencies have less internal capacity, so investing in government capacity is likely to reduce costs down the road.⁶⁵

63 The American Society of Civil Engineers (ASCE) gave U.S. infrastructure a C- rating in its 2021 report—and California also received a C- in the ASCE’s 2019 report.

64 Schanzenbach, D. W., Nunn, R., & Nantz, G. (2017). If you build it: a guide to the economics of infrastructure investment. Hamilton Project, Brookings Institution, Washington, February.

65 Liscow, Z., Nober, W., & Slattery, C. (2023). Procurement and Infrastructure Costs (No. w31705). National Bureau of Economic Research.



As new technologies emerge, the types of public infrastructure projects with high impact are likely to change. For instance, the Green Raiteros program in Fresno County offers free and discounted rides in electric vehicles to farmworkers and other low-income Californians in an area of the state without other forms of public transportation. What started as an informal program became institutionalized as it was able to raise more funding. By supporting these types of innovative programs, the state can develop, test, and potentially scale novel forms of public infrastructure.

Policymakers might also broaden their thinking about what constitutes public infrastructure beyond the usual suspects: energy, transportation, and water projects. Digital connectivity has become increasingly important for work and education, yet gaps in access remain. As part of SB 156, passed in 2021, the state is now building network infrastructure to improve access, particularly in rural areas.⁶⁶

In healthcare, California is currently implementing a new program to publicly produce low-cost insulin for residents who suffer from diabetes. Insulin is cheap to produce, but expensive to buy. The market is cornered by three manufacturers that control its supply by continually tweaking the chemical compounds they use, as a rationale to extend patents without developing major innovations. In the absence of patent law reform to make the market more competitive, providing a public option could enhance supply and reduce costs for diabetic patients.

Finally, in higher education, the state has failed to expand the UC and CSU systems to accommodate growing demand. The CSU system has reached enrollment limits and is now rejecting qualified applications, and the UC system has responded to growing enrollment by increasing class sizes and adopting other measures that could reduce the quality of education. With digital technology and other forms of innovation, can the state increase the number of students who receive public higher education without sacrificing on quality? How else might the system be expanded to accommodate growing demand and shifting workforce needs?

⁶⁶ Starr, Darriya, Hayes, Joseph, & Gao, Niu. (2023, June). California's Digital Divide. Public Policy Institute of California. <https://www.ppic.org/publication/californias-digital-divide/>

5. Investing in People and Workforce Development

People harvest our food, educate our children, take care of our elders, build our energy infrastructure, staff our government agencies, and so much more. When people are mentally and physically healthy, well-supported, and well-trained, they are also more innovative and effective workers. (Promoting health is also important in its own right, of course, regardless of the relationship with worker productivity.) **Investing in the health, well-being, and education of people can thus have major downstream effects on our ability to build an economy that can sustainably supply an abundance of essentials.**

Policies targeting benefits to young children are particularly impactful in this regard. Recent work from researchers Marthaj Bailey, Hilary Hoynes, Maya Rossin-Slater, and Reed Walker leverages large-scale data and over-time variation in the rollout of Food Stamps programs in the 1960s and 1970s to estimate the long-run implications of social programs for children. They found that children receiving benefits *in utero* and in early childhood had greater educational attainment, were more likely to be gainfully employed as adults, and were less likely to be incarcerated as adults.⁶⁷ More broadly, a 2015 Obama administration report identified four evidence-based mechanisms by which early childhood education programs benefit the broader society: higher future earnings leading to greater tax receipts; savings in remedial education; reduced involvement with the criminal justice system; and improvements in overall health.⁶⁸ Governor Newsom has directed more funding to early childhood education in California, but the program has struggled to recruit enough teachers.⁶⁹

Investing in people can have positive downstream effects on society— particularly our ability to provide critical social necessities like public safety. Lack of safety is hugely harmful to communities, particularly already disadvantaged ones.⁷⁰ In our 2023 statewide survey, more than a quarter of Californians reported that “where I live, there is so much crime that it is difficult for me to find safe spaces to gather with friends and family.” Yet, solely police-centered approaches to reducing crime can expose disadvantaged communities to over-incarceration and its collateral consequences, as well as police violence and harmful encounters with the justice system.

67 Bailey, M., Hoynes, H., Rossin-Slater, M., & Walker, R. (2020). Is the social safety net a long-term investment? Large-Scale evidence from the food stamps program. National Bureau of Economic Research. <http://dx.doi.org/10.3386/w26942>

68 Executive Office of the President of the United States, The Economics of Early Childhood Investments (2015). Retrieved from https://obamawhitehouse.archives.gov/sites/default/files/docs/early_childhood_report_update_final_non-embargo.pdf.

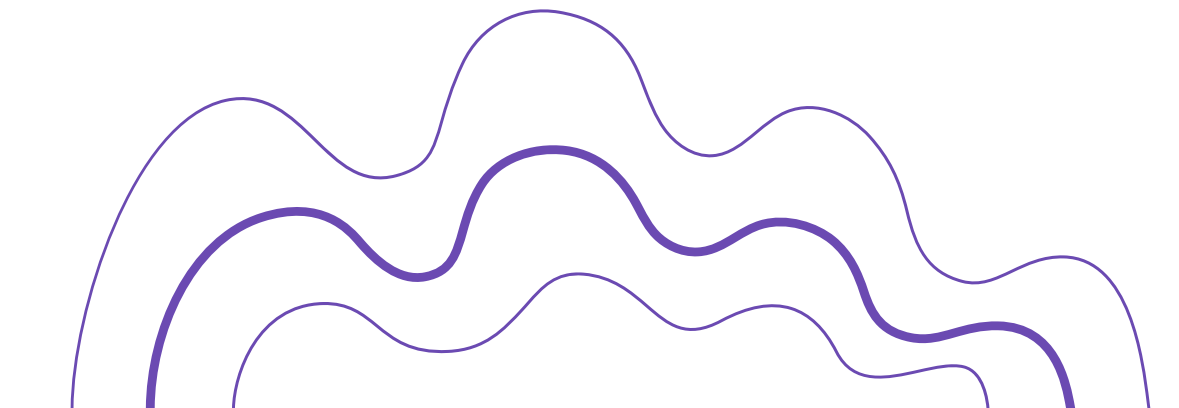
69 Aguilera, Elizabeth. (2022, November 2). Schools scramble to find teachers as California expands transitional kindergarten. CalMatters. <https://calmatters.org/education/2022/11/california-transitional-kindergarten/>

70 Sharkey, P. (2018). The long reach of violence: A broader perspective on data, theory, and evidence on the prevalence and consequences of exposure to violence. Annual Review of Criminology, 1, 85-102.

Through targeted investments in people, we can improve public safety without perpetuating racially biased patterns of mass incarceration. For instance, research has shown that mentoring and counseling programs for high-risk individuals can reduce criminal involvement, improving safety for everyone. The Becoming a Man mentoring program in Chicago was shown to cut arrests for violent crimes by 50 percent and increased on-time high school graduation by 19 percent.⁷¹ Some research also indicates that students exposed to better-funded public education were less likely to go on to be involved with the criminal legal system. In Michigan, researchers exploited quasi-random variation in school funding and linked data tracking students through adulthood to demonstrate that students who attended better-funded schools were significantly less likely to be arrested through age 30.⁷²

Investing in young people through education and social programs can reduce the likelihood that they end up contributing to social harms like crime, and increase the likelihood that they contribute to social goods like care and education. However, California currently is experiencing a shortage of teachers that threaten the ability of schools to provide high-quality education. Men, and men of color in particular, are underrepresented as classroom teachers. Well-designed and well-implemented programs investing in the potential of young people in California could reduce crime, enhance public safety, and increase our capacity to provide education and mentorship to children who need it.

Finally, a simple way the government could invest in people, and generate downstream positive economic effects, is by delinking health insurance from employment. Around 70 percent of working Americans receive health insurance through their employer. The outsized role of employers in U.S. healthcare is unique and dates back to World War II, when firms, restricted by wage controls, sought to attract workers with non-salary benefits. This system has become entrenched in part because employer-sponsored health insurance is highly tax subsidized. However, this system is also harmful. Among other things, it causes “job lock,” whereby people remain too long in unsuitable jobs in order to retain their health insurance benefits.⁷³ By adopting a more universal system of health insurance coverage, we could free people up to find employment that maximizes and develops their skills, likely also contributing more to our overall economic well-being.



71 Becoming a man. (2023, October 26). University of Chicago Crime Lab. <https://crimelab.uchicago.edu/projects/becoming-a-man-bam/>

72 Baron, E. J., Hyman, J. M., & Vasquez, B. N. (2022). Public school funding, school quality, and adult crime (No. w29855). National Bureau of Economic Research.

73 Blume-Kohout, M. E. (2024). Entrepreneurship Lock and the Demand for Health Insurance: Evidence from the US Affordable Care Act. *ILR Review*, 77(2), 199-226.



To this point, we have focused on the great promise of a supply-side policy agenda for growing supply and expanding access to essentials in California. But there are also major political barriers that reformers seeking to promote an abundance agenda will face. None of these barriers, we believe, are insurmountable. But advocates should be aware of them and think carefully about how to overcome resistance and make necessary tradeoffs. In this section, we discuss some of the major challenges for this movement and suggest ways advocates could mitigate them. We also discuss the political opportunities offered by this agenda and how to take advantage of them.

1. Overcoming the Power of Vested Interests

Many of the reforms we have discussed here are meant to benefit the broader public. But many are also bound to impose concentrated costs, particularly on a smaller number of wealthy or well-organized actors. These groups have immense political power. They have a vested interest in the status quo, tend to have resources to engage politically, and can leverage status quo bias in American government (as we discuss below) to block reforms. Reforming onerous licensing in medicine, for instance, would impose specific costs on doctors, even as it would likely benefit the broader public. Attempts at such reforms are generally beaten back by powerful associations representing doctors' interests.⁷⁴ In politics, as a general rule, vested interests tend to win out over the public good.⁷⁵

⁷⁴ Patashnik, E., Gerber, A., & Dowling, C. (2018). *Unhealthy politics: The battle over evidence-based medicine*. Princeton University Press.

⁷⁵ Moe, T. M. (2015). Vested interests and political institutions. *Political Science Quarterly*, 130(2), 277-318.

However, **throughout history, there are plenty of examples of diffuse interests organizing to achieve policy victories despite opposition from entrenched, concentrated interests.**⁷⁶ Usually, it requires political entrepreneurs leveraging moments of crisis to capture public attention and build new movements and coalitions. Indeed, many of the reforms discussed in this document are likely to require building new organizations and sources of political power. For instance, recent years have seen the rapid rise and growing success of a “Yes In My Backyard” (YIMBY) movement aiming to reduce restrictions on the permitting and construction of infill housing to improve housing affordability.⁷⁷ The success of policy reforms like less restrictive zoning across the country has depended on the mobilization of voters dissatisfied with the housing status quo through the YIMBY movement.

2. Reforming Political Institutions

A second problem facing the abundance agenda is status quo bias in our political institutions. Relative to other democracies, U.S. politics has some of the most “veto points,” or government actors with the capacity to block a policy reform. In California, this can include the governor, both legislative chambers, local governments, and the courts. As a result, the vested interests that benefit from existing policy at public expense can strategically target different veto points to block policies that threaten them. Status quo bias is therefore a problem for the reform-oriented abundance agenda we have outlined.

Indeed, status quo bias has likely played a role in generating many of the problems that the abundance agenda aims to address. Status quo bias contributes, in particular, to *policy drift*: “the transformation of a policy’s outcomes due to a failure to update its rules or structures to reflect changing circumstances.”⁷⁸ For instance, the rigorous environmental review process required by the California Environmental Quality Act (CEQA) was designed initially to protect the environment. In its first several decades, CEQA mainly slowed down, required changes to, or blocked projects likely to have a negative or neutral overall environmental effect. Now, however, in a context where rapid renewable infrastructure buildout is needed to reduce the environmental harms of a fossil-fuel-burning economy, CEQA may be *causing* environmental harm.⁷⁹ Yet, it is difficult to reform CEQA in response to these changing circumstances in part because of status quo bias in our institutions.

Other institutional factors besides status quo bias also likely inhibit abundance policy. For one, in the U.S. there is a tendency to delegate local governments more authority over land-use decisions than peer countries, an institutional decision that has made it more difficult to permit and build essential physical infrastructure in housing, energy, and other systems.⁸⁰ Setting permitting rules at higher levels of government would give local opponents of new development less political leverage to block projects. Indeed, in California, the state government is taking an increasingly active role in land use decisions around housing and energy—an institutional change that will likely need to continue if we are to meet housing and clean energy needs. Importantly, these types of institutions are not set in stone. **Enacting institutional reforms that, for instance, reduce veto points or reduce local control over land use decisions, are likely to make it more politically feasible to adopt abundance-oriented policies in the future.**

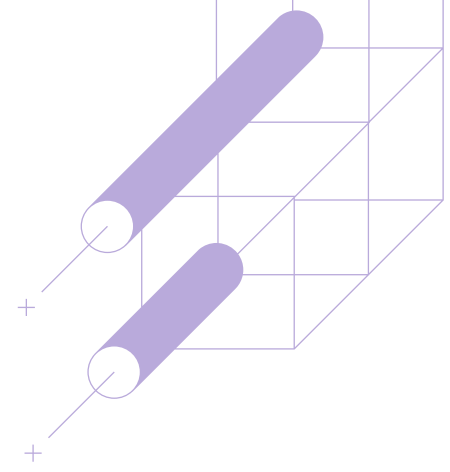
⁷⁶ Trumbull, G. (2012). *Strength in numbers: The political power of weak interests*. Harvard University Press.

⁷⁷ Yglesias, Matthew. (2023, August 9). *YIMBYs keep winning*. Slow Boring. <https://www.slowboring.com/p/yimbys-keep-winning>

⁷⁸ Galvin, D. J., & Hacker, J. S. (2020). The political effects of policy drift: Policy stalemate and American political development. *Studies in American Political Development*, 34(2), 216-238.

⁷⁹ Gray, M. Nolan. (2021, March 12). How Californians Are Weaponizing Environmental Law. The Atlantic. <https://www.theatlantic.com/ideas/archive/2021/03/signature-environmental-law-hurts-housing/618264/>

⁸⁰ Durning, Alan. (2021, March 25). Yes, other countries do housing better, case 1: Japan. Sightline Institute. <https://www.sightline.org/2021/03/25/yes-other-countries-do-housing-better-case-1-japan/>



3. Navigating Partisan Politics

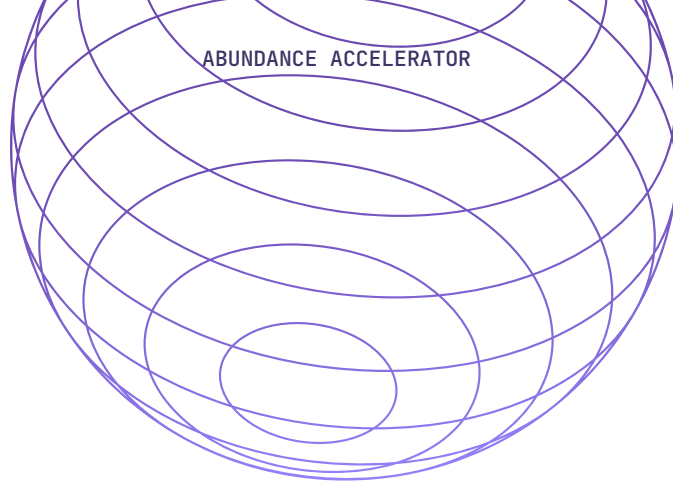
One of the political strengths of the abundance agenda is its bipartisan potential. As Derek Thompson writes, an abundance agenda would “harness the left’s emphasis on human welfare, but it would encourage the progressive movement to take innovation as seriously as it takes affordability,” and also “channel the right’s fixation with national greatness to grow the things that actually make a nation great—such as clean and safe spaces, excellent government services, fantastic living conditions, and broadly shared wealth.”⁸¹ Indeed, several recent important bipartisan federal bills signed by President Biden, including the CHIPS Act and the Bipartisan Infrastructure Law, had an abundance, supply-side orientation.

However, in Democrat-dominated California, it will be important to iron out potential tensions within Democratic party politics. One has to do with the role of equity considerations—now a central concern for Democrats. The good news is that the abundance agenda we have outlined here would be equity-enhancing, meaning more benefits would accrue to the disadvantaged. At a basic level, as we’ve discussed, this is because policies that expand the supply of necessities benefit lower-income individuals—who tend to spend a greater portion of their budgets on necessities—more than they benefit the wealthy. In addition, many of the public investments we have discussed would be funded primarily by progressive taxes with benefits shared across society. For instance, public early childhood education programs are funded via progressive tax systems, but have benefits that accrue primarily to those with lower-incomes, in addition to society at large in the long run.

Unlike some equity-oriented policies, though, the types of policies we have discussed here do not explicitly target benefits to particular demographic groups. Rather, they aim to promote broad-based economic improvements that disproportionately benefit the disadvantaged. Thus, to build and maintain Democratic party support, it will be critical to not only espouse the potential for abundance policies to enhance equity, but to also conduct rigorous analysis estimating the effects of policy reforms on different demographic groups in order to ensure that benefits accrue to those who need them.

Another tension has to do with community input. Making it easier to build physical infrastructure, especially housing and clean energy, is a critical component of moving towards an abundance of essentials in California. Yet, many of the policies and processes that allow communities input into what gets built, and where, can also make it harder to build. This tension could be generative, though. As we’ve discussed, we believe it is possible to develop more meaningful and inclusive processes of community engagement that are also compatible with rapid buildout of housing and clean energy.

⁸¹ Thompson, Derek. (2022, January 12). *A Simple Plan to Solve All of America’s Problems*. The Atlantic. <https://www.theatlantic.com/ideas/archive/2022/01/scarcity-crisis-college-housing-health-care/621221/>



4. Leveraging Positive Feedbacks

This document has outlined a hugely ambitious agenda that will not be actualized overnight. We believe, though, that small reforms can add up and can also pave the way for more ambitious ones in future years. For one, even incremental advances provide the opportunity to experiment with different approaches and learn about their strengths and weaknesses. In addition, small reforms might generate *political* changes that facilitate more ambitious policy changes down the road. Political scientists call this dynamic “policy feedback,” since it describes how policy reforms “feed back” into the political system.⁸² The degree to which policy reforms generate feedback plays a major role in whether they stick.

There are a myriad of ways that the policies outlined in this report might feed back into the political system. Policies that expand supply by reducing barriers to entry might erode the political power of incumbents over time. For instance, airline deregulation policies adopted in the late 1970s were politically sustainable in part because the major carriers that had lobbied to resist reform were put out of business by new entrants.⁸³ Policies can also shift the preferences of incumbents in a pro-reform direction. Studying climate policy in California, researchers have shown that fossil fuel interests that initially opposed new policies would later adapt to them by investing in clean energy. With their new investments in clean energy, these companies became less opposed to climate policies in future years.⁸⁴ Policies that make strategic public investments can also generate self-sustaining feedback. For instance, to the degree that people benefit from visible and beneficial public infrastructure projects, they might mobilize politically to support such projects in the future.

5. Presenting an Optimistic Vision

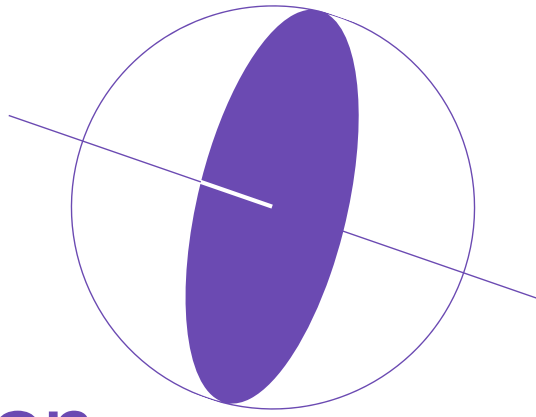
People want more affordable housing, energy, and childcare. But they also want a vision for a much better future. Technologically, we are well on our way. But we need to build a politics that can leverage technological advancement, meaningful civic engagement, and other forms of innovation to build a healthier, happier society. **One of the great strengths of the abundance policy agenda is its inherent optimism and its focus on human agency.** It does not pit one group against another, but rather outlines a vision of shared prosperity. It also looks forward, not backwards, for inspiration—and aims to unite, not divide.



⁸² Pierson, P. (1993). When effect becomes cause: Policy feedback and political change. *World politics*, 45(4), 595-628.

⁸³ Patashnik, E. M. (2009). *Reforms at risk: What happens after major policy changes are enacted*. Princeton University Press.

⁸⁴ Meckling, J., Sterner, T., & Wagner, G. (2017). Policy sequencing toward decarbonization. *Nature Energy*, 2(12), 918-922.



Conclusion

This paper has put forward a framework for crafting and implementing policies that can increase our capacity to sustainably supply essential needs in California. We believe developing such a framework can facilitate public policy reforms that help address pressing challenges facing modern societies, taking the idea of an abundance agenda from theory to practice. Central to our framework are the principles that guide our approach, which emphasize the importance of essential needs, evidence over ideology, striving towards effective governance, promoting sustainability, enhancing equity, and balancing community voice.

The policy typology we have outlined emphasizes that this agenda is not inherently liberal or conservative, but rather guided by evidence. The first set of policies we have outlined aim to expand supply by reducing barriers to entry and expansion. Some are generally associated with conservative ideology, but, as we argue, are also critical to achieving goals associated with progressive politics like decarbonization. The second set of policies we have outlined aim to expand supply through strategic public investments. These are generally associated with liberal ideology, but are also critical to achieving goals associated with conservative politics like improving public safety. Indeed, we believe that the potential for this agenda to cut across existing partisan cleavages represents a great opportunity for progress.

This agenda will certainly face political challenges, particularly from entrenched interests that benefit from the status quo. Reforming political institutions that empower these interests and organizing new groups and movements will be critical to enacting and implementing abundance policies in California. The potential returns to successfully doing so, we believe, are enormous. By embracing the principles outlined in this report and working collaboratively towards a shared vision, we can create a future defined by abundance, sustainability, and equity. It is through bold action and an optimistic vision for the future that we can realize the promise of abundance in California for generations to come.