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Housing and the Politics of Place

A CHAT WITH MATT YGLESIAS

CARDIFF GARCIA: This is very exciting and a little bit of a treat for me. This is, I think, a rarity outside of Miami or South Florida, certainly in Washington — two Cuban Americans sharing center stage. You don't see that very often. Bob Menendez was not available, so I called Matt.

MATT YGLESIAS: (LAUGHS)

CARDIFF: I had that one in the chamber all day long.

Matt Yglesias, author of the *Slow Boring* newsletter — welcome to *The New Bazaar*.

MATT: Really glad to be here.

CARDIFF: Thirteen years ago, you wrote an e-book — remember those, first of all?

MATT: I do.

CARDIFF: Those were a thing back in the day. This one was called *The Rent Is Too Damn High*. And I think if you ask just about anybody now, they'd say the rent is still too damn high.

And not just the rent — people who want to buy houses find that's also too pricey for them. On the other hand, there've been some big YIMBY, pro-housing wins this year. SB 79 in California, the Senate just passed the *Road to Housing Act*. We'll see what happens next, but it's at least somewhat encouraging.

How would you characterize the state of things now?

MATT: I think there's been a lot of success in housing reform in a lot of different state legislatures — taking a lot of different forms — which is great to see.

It's also true that we've seen more passing of bills than actual construction in a lot of cases. So one of the things we're needing to learn is: what kinds of reforms actually

generate large amounts of new housing versus those that just sound good to advocates and policymakers.

But in a time of partisanship, polarization, and a lot of ugliness, there's something really encouraging about the fact that we have bipartisan coalitions for housing reform in many different states, and now to some extent in the federal government.

I mean, this *Road to Housing Act* is fairly small-bore in terms of the changes it actually is going to make, but it was overwhelmingly adopted by the Senate. Tim Scott and Elizabeth Warren are not people you think of as seeing eye to eye on much. But housing speaks to a lot of different sets of values and concerns people have.

To me as a writer, it makes me believe in the power of ideas. We haven't solved the big problems of politics, but we've persuaded a lot of people that unlocking more housing supply would be good — and more and more people are trying to do that.

CARDIFF: I'm curious to know a little more about how the persuasion on this topic has actually worked. I went back and read *The Rent Is Too Damn High*, and here's a direct passage from it. You wrote: "Progressives and urbanists need to move beyond their romance with central planning and get over their distaste for business and developers. Conservatives need to take their own ideas about economics more seriously and stop seeing all proposals for change through a lens of paranoia and resentment."

Sort of an equal-opportunity offender, which is great. (CHUCKLES) But if you ask me, those are not suddenly inaccurate ways to describe a lot of conservatives and progressives. So why is it that you think [they], at least the politicians, have come around?

MATT: Well, I think those two stumbling points are still very much in effect. You still see many cases — for example, in the most recent Connecticut reform push — where Republicans were identity-politics suburbanites in that context and wouldn't agree to anything that liberalized zoning.

And then you see other instances where the left is very much: any kind of market-rate housing is evil — an inherent suspicion of profit. But you've seen people moving off those corners because they want to get things done.

Sluggish growth is a big problem. It's a problem for progressives who govern big cities and need them to be more economically dynamic. Conservatives are concerned about family formation and other things like that. And part of what you see is effective but slightly unprincipled coalitions coming together.

So in Texas, they passed a statewide zoning reform bill that arbitrarily exempts most small towns and rural Texas from its rules. But that got rural Republicans to say,

“Yeah, this is good,” and enough Democrats from urban Texas to say, “Yeah, sure, we’re fine with this.” So it’s going to be a pro-growth bill — but only for the urban counties. Odd on some levels, but also it’s good. It should allow for more housing and opportunity.

CARDIFF: So it’s kind of a small-d democratic success story, right? Prices got too high. It became a problem even for people from ideological backgrounds where this kind of action would’ve been problematic in the past. No longer.

MATT: Yeah, and some of it is just deal-making. It’s hard for me to characterize why different state-level reform efforts are having different outcomes — Some are being very successful, others are being very roadblocked. And a lot of it does have to do with the politicians in the room.

The name *Slow Boring* comes from a Max Weber essay — *Politics as a Vocation*. You have to take seriously that this is a real job. Legislators are selling things both to their constituents, but also to each other.

Something I tell people — I’m now older than several members of Congress — you can be super progressive, a moderate, or MAGA, whatever identity you want, but the main way policy change happens is bipartisan bills. Regardless of where you situate yourself.

Ted Kennedy throughout his whole career was a big progressive icon, but he did lots of bipartisan bills. Marjorie Taylor Greene is on some interesting bipartisan bills that progressives like to provide free childbirth for people.

CARDIFF: *Road to Housing* is Tim Scott and Elizabeth Warren.

MATT: Because, for both of them, if you want to do anything, it’s going to have to be a bipartisan bill. You have to get in a room, talk out what you care about more and less. What are deals we can make? That’s something wiser legislators learn over time.

CARDIFF: Speaking of deal-making, one of the critiques I see of the YIMBY movement is that it’s become really aggressive — not just in what it does, which is great, but in its rhetoric. Some people who want it to slow down, or who are outright NIMBYs, are not always acting in bad faith. Some people really are just worried about traffic or neighborhood character.

So what do you see as the appropriate concessions, if any, that YIMBYs should be offering? Or at least rhetorically, to say, “Hey, we hear you. and this is how we think it's gonna play out. And maybe your fears are either unfounded or a little exaggerated.” What do you sort of see as the give and take there?

MATT: This stuff operates on different levels. Traffic is real — clearly, if you have more people living in a given area, there's going to be more cars on the road. You can address that with more infrastructure, with road pricing — lots of ways to handle it — but that's just factually true. When there's more people, there's more cars on the road.

So you have to take seriously the downstream aspects of infrastructure planning, transportation usage, etc, etc.

A lot of YIMBYs have an origin in a hardcore urbanist politics very interested in mass transit and things like that. And just acknowledging that that's not applicable to, like, most people or most of the geography of the United States and being open to the whole range of solutions.

We had the AI panel just before. Self-driving cars are going to change how transportation works. You've got to be open-mined, flexible.

Neighborhood character is a tough one. We have to ask ourselves: as a society, do we want a dynamic, growing economy or not? Look at photos of Shenzhen over time — it looks quite different than 30 years ago. That's what it means to have a growing economy: things change.

If you don't want things to change, you're going to not have growth. And so, if you're progressive, you're not going to have progress without things being different.

Now, if you're a conservative, maybe you like things to be the same, but most conservatives say that they want growth, that they want national power, that they want American greatness and dominance. And none of those things can happen without things changing.

So that's something, on the level of ideas, you have to win.

CARDIFF: To be clear, I'm for change and dynamism. But that is an area where there isn't really a compromise to be had, you see what I mean?

MATT: Yeah, that is the tough one. Things happen on a level of policy, but things also happen on a level of culture. And it is true that the United States, for most of our lifetimes, has become a country that's more change-averse. We've had incredible successes, in the software industry specifically, where there's a lot of opportunity for permissionless change and permissionless innovation.

But things that take place in physical space have gotten very challenging. Even people who would not characterize themselves as against growth or against markets or things like that, became quite skeptical of the visual landscape altering.

But when people say, “Make America Great Again,” they’re referring back to a time when the pace of change was faster. It’s a slightly confusing nostalgia dynamic that a lot of people are dealing with — and to have dynamism, you have to have change, and that means some dislocation.

CARDIFF: Two things — we ran right past the whole *Slow Boring* explanation. You said it’s from Weber. It’s the slow boring of hard — what was it again?

MATT: Yeah, he says politics is “the slow boring of hard boards” — you just crank away at it over time. I think it’s important. A lot of people have this conception of politics where it’s like we’re going to have a sudden knockout blow — our enemies will be defeated, and then we’ll do everything good in the world.

That’s not really how things work in democratic societies. That’s why I think less-partisan organizations are really valuable and important to get people thinking. We have our partisan politics, we have our enduring conflicts, but we also have to just like do things.

CARDIFF: Yeah. And there's a related point here, which is about the *Road to Housing Act* that you mentioned a second ago. You said it doesn't seem like a huge deal. There's some debate about that. One of our earlier guests, Alex Armlovich, and we at EIG, have made the point that this is the first time in basically forever, decades, that local zoning has become the subject of a federal bill.

And I'm curious to know what your thoughts are on the role of the federal government in a movement that I think to this point has largely focused on making changes at the state and local level, because that is where those things are concentrated.

But it's not like the federal government doesn't have resources that it could put to use to help or incentivize things to change, which is what the *Road to Housing Act* tries to do. So what are your thoughts on that?

MATT: Clearly the federal government could take a very strong hand in these kinds of things. There's a lot of political sensitivity about that. There's a lot of voter unease. So I think *Road to Housing* is very important on the level of principle: that the federal government is taking an interest in housing supply in the United States of America.

I think the practical impact may be fairly muted, although it has provisions related to manufactured housing that some people think are going to be very important in changing the regulatory framework for that, that it could unleash — I mean, forever people have been saying, “Well, we are gonna bring down housing construction costs by going modular, by going factory-built.”

So this bill contains some provisions that could help that happen. I've heard from other people who are very skeptical about that, and the possibilities there. But on the construction cost front, it's really the only idea that people have, which is to try to move to more factory-built.

And that is an area of federal competency in which nothing useful has been done in generations. The one thing that I think we've learned from repeated legislative successes is that there's many different ways to block new housing if that's what you wanna do. So then you can do this kind of whack-a-mole effort where you say you can't use this one technique.

But even if some higher entity preempts your zoning and says, "You have to allow this, you have to allow that." But you, the local government, sincerely don't want any new housing. You can make a new rule that says, "Okay, all housing has to have a coat of diamonds on the roof." Right?

And so then nothing will pencil out 'cause you can't afford the diamonds, and then someone's gonna have to go back and whack-a-mole it again.

And so it's always hard to predict, right? California eventually started to unleash a lot of accessory dwelling unit construction. But it took them four different preemption bills, and they broke the spirits of the local government, which figured out that, "Look, the state legislature's gonna smack us down, we're gonna just start issuing the permits."

Congress tends not to pass bills that frequently, so we'll have to see what happens.

CARDIFF: I mean, leaving aside the issue of like the sort of technological retro aggression in construction productivity and all that, and the stuff on modular building, I guess the thing I wanna zero in on though, is: not *you have to do this*, but *you can opt into an idea and get federal money*. Or, in some cases, and I think there's a part of *Road to Housing* that does do this, you withdraw money that you were otherwise getting, especially from the wealthier communities, because they were blocking the housing the most.

And that, just as a market design, seems promising.

MATT: Yes. And conceivably you could go with tougher sticks, right? So the federal government runs a lot of programs that have nothing to do with housing, but that have adjustments for localized cost factors, right? Which are a lot of times downstream of housing. And if you went and said, "Look, your Medicaid rates are not gonna get adjusted upward to compensate you for having blocked housing unless you change what you're doing there." That would be an incredibly powerful stick.

CARDIFF: (LAUGHS) I mean, I wasn't thinking withdrawing Medicaid.

MATT: No, no. I'm not saying we will, but it's like you could go anywhere with that. The Economic Innovation Group has also put forward, I think, some very interesting proposals to create more carrot-focused programs, but to say, look we should create growth zones. I mean, it's your proposal. You can probably explain it better than me. So I mean, there's a lot that could be done if we're thinking creatively there.

Once people accept the premise that housing supply is desirable and is at the core of these problems, that itself is a big change.

When I wrote my book in 2012, just that was a contrarian take, right? We were in the shadow of the construction bust, 2007, 2008. Everybody was saying, "Well, isn't the problem that we have too many houses in America?"

And this, getting people around to the view that for a long time, housing has been undersupplied in the areas of highest demand, is just a big mindset shift.

But that, I think now, all kinds of people have come to accept.

CARDIFF: Definitely everybody go to eig.org to read about Right-to-Build Zones. Phenomenal idea from my colleagues.

Let's move on and talk a little bit about place-based policy ideas. You had this post from a couple of years ago that was actually in response to that song about small towns, Rich Men North of Richmond, right?

There were a lot of ideas in that post, but this is something that you wrote in there where you were talking about small towns specifically, and you wrote, "like everyone, they deserve a national economic model that lifts all boats. But under any system, the largest rewards will go to the people interested in seeking them. And those rewards typically are not in small towns, absent some specific situations related to natural resource extraction."

I think the point you were making was that yes, people do have a powerful attachment to place or to home. It's understandable. But the specialization edge, the agglomerations edge, will always end up in big cities. And not just the coastal cities — you meant things like Houston suburbs and stuff like that.

So I guess my question is, then what?

MATT: Yeah, I think when you're talking about true small towns, this is a relevant consideration. I spend my summers in Maine; it's beautiful.

I got to talking to a dentist in a small town in Maine. You can practice dentistry in all kinds of places. He chooses to practice it there because he likes the lifestyle that it affords him.

But that's not how you become the richest dentist in the country. You go to a big city, you gotta be a dentist to the stars or billionaires or something like that.

When we're in an economy where most people work providing local services to other human beings, there's just a kind of advantage to big cities, right? Like New York: if you can make it here, you can make it anywhere. And you wouldn't say that about Syracuse, which is not a knock on Syracuse. It's just the nature of these competitive service economies. If you're going up against the biggest people, you're there.

But also, we should care about everybody and all kinds of communities, and do what we can to make them successful. Because people have authentic preferences.

It's not a great policy prescription to go to Lewiston and just say, "Move to Dallas." People don't want to. People have perfectly good reasons to be attached to their communities. Also, these communities have incredible amounts of social capital and fixed infrastructure and stuff connected to them.

I think it's incredibly sad when you look at a lot of the Midwest and really valuable, rich, vibrant communities that have been draining away for almost a generation now. And I hear the skepticism of place-based policymaking from people who've been trying to work at it for a long time and not having a ton of successes, but the basic case for trying remains, I think, very strong.

CARDIFF: Great. Let's talk about different approaches to place-based policymaking. So if you're in this room, then you definitely know that EIG traditionally has favored more market-friendly approaches, right? Opportunity zones, for example, which give you a tax incentive to invest in low income communities. Or high-skilled immigration to both bring in people who are very entrepreneurial, start companies, hire people, and also to offset population decline.

Then there are ideas that are more, I think, commonly associated with place-based industrial policy, which are more about redistribution, sending money to places, and in some cases, for example, the ideas of Tim Bartik, who advocates for sending money to places, but then giving the local communities the option for how to use it. So if you're well-tailored for tourism, then you can spend that on that. In some places, job training or other ideas.

Of those two approaches, which do you think we need more of on the margin?

MATT: I mean, you wanna do both, which is like slightly boring. But places, to succeed, I think do need a sound underlying growth model, which often means a market-friendly growth model.

A big issue with the Biden administration is that they wanted to do industrial policy very much. They wanted to re-industrialize the country for foreign policy, for

national security reasons. They cared about place-based policy as part of that. They also cared a lot about doing favors for specific blue collar labor unions. And there's big tensions between those things. If you want to attract inbound investment in the United States and build factories and maximize our output of things like that, the natural tendency is for those investment dollars to flow to right-to-work states, which are just friendlier places for investment.

And so you can say, "Well, no, what I really wanna do is either try to prop up the Michigan auto industry or create some specific alternative for those people." But if you're not addressing Michigan's relative lack of competitiveness, vis-a-vis Arizona or Georgia or Kentucky or something else like that, it's not actually going to succeed.

So then you're into a more challenging political conversation about: what are the actual specific roots of decline in this place? And it's very sensitive. I've been talking to a bunch of Michigan elected officials over the past few months, and I don't think they wanna hear what I have to say about this, which I understand.

They're the professionals, right? And this is one reason why place-based policymaking is challenging, because often places are struggling for reasons that are in part under their own control and they don't want to change. But you're not gonna have an improved outcome unless you change.

CARDIFF: Speaking of challenging political ideas, a later book that you wrote — not an e-book, a book — was *One Billion Americans*, which sort of advocated for a combination of more immigration and also things, to boost fertility rates and so forth. And the book was intentionally provocative, as you've described it.

We're gonna talk about the politics of immigration itself in a minute, but first I want to ask about the ideas in the book, and their relationship to place itself and how it would contribute to offsetting regional inequality of the kind that we've discussed so far today.

MATT: Yeah, so one of the ideas in the book, which is an EIG idea that I picked up, was trying to let places do an opt-in to extra skilled immigration, right?

And so, the premise here is you look at a place like Cleveland. It's a city. It's got a lot of problems. At the same time, by the standards of the whole world, Cleveland is a really good place to live compared to most of the places that a human being could live.

And a lot of the problems that exist in a community like that are downstream of a lack of human capital and a lack of high-quality jobs. The tendency is, if you're born in a place like that, and you do well in school and you work hard, you're going to leave.

And so, by allowing more skilled immigration into communities that have suffered from depopulation and into communities that want more skilled immigration, you can create new hubs of dynamism and more opportunities for people who grow up there to actually stay there, and go on and do things like that.

For a while, it felt like there was a good amount of momentum around this. And the National Conference of Mayors was talking about it.

The whole politics of immigration have gone completely sideways at this point, which is —

CARDIFF: You're telling us!

MATT: (CHUCKLES) Which is unfortunate. And we're gonna have to fix that.

CARDIFF: I had this question for an earlier panelist, and I want to ask you as well. We're now a few years into the "working-from-home" experiment, like the post-COVID remote work experiment. And there's been cycles, but it looks like we have settled at a level that is considerably higher than what existed before COVID. What are your thoughts on it, and do you think that it still at least has the potential to contributing to some less regional inequality because people can work anywhere in the country and still be employed by a company that's based on the coast. The richer companies.

MATT: I personally am like a huge work-from-home hater and not a good person to ask about this. I have a company that's just me and my wife, and we have an office, and we commute. But I think that remote work does not seem to have decentralized the big frontier companies in American life, even if it's had a large impact on what most people are doing most of the time.

But the companies on the leading edge of the AI revolution seem to all be in San Francisco. So I think that some of these regional dynamics continue to stay with us anyway. The other thing, though, about remoting is that in a place-based sense, what it sort of advantages is leisure destinations.

There's certain kinds of places that 10 years ago people would say, "That's a really nice place, but you can't really have a job or career there." That's an important change, and we should think about it. It's a real change. It's been a big negative shock to real estate values of central cities. That's an important change.

But I haven't seen a lot of evidence that remote work is specifically revitalizing communities that had been in structural decline previously. So it's helping people with a lot of different kinds of problems, but I don't think it's helping distressed places with their specific problems.

CARDIFF: It sounds like you're also skeptical that you can recreate the kinds of agglomerations effect that you get in dense places in this more kind of online distributed way. And you're somebody who was blogging before blogging was an actual profession. You've been testing this out for a very long time, but still you sound skeptical of its promise in that sense.

MATT: It's also tough. Journalism is weird because it's always been the case that the newspaper employs lots of people who don't work at the headquarters. But that's because they're where the stuff that they're covering is, and so it's a different kind of agglomeration, right?

So I cover politics. I think it's really good to be in Washington, D.C. Not to be like — I've worked with editors who I'm remote with since long before Zoom existed — but I'm trying to be close to the people who I'm covering so that I can talk to them. Most jobs aren't like that, and I don't have a super strong grasp of the intuitions around them.

I do think it's striking that AI has been the leading story of the American economy in the post-COVID years, and it has been very geographically concentrated. It has not been like the Open AI team is just, live wherever —

CARDIFF: In Iowa or whatever, sure.

MATT: Yeah.

CARDIFF: You had a very amusing post yesterday that actually also has a place-based component. It was about museums.

MATT: Yes.

CARDIFF: I'll do the quote first, and then I'll set up the question. Here's what you wrote: "The Louvre displays several paintings by Vermeer up on the third floor in a different wing from most of the other famous paintings, which is great if you're some kind of Louvre hipster. But in practice, it means a ton of people visit one of the most famous art museums in the world every day and totally miss great works from an extremely famous painter, just because the logistics are tricky."

And then you go on to write that a good solution to this is to redistribute a lot of the art from the world's great museums and put it in museums that are in places that are sort of, right now, not huge tourist attractions. So take some of the artwork outta Paris, basically, and put it in a small town in France somewhere, and do that everywhere.

I'm curious to know if that is scalable to other things. Should we be redistributing other touristic amenities and stuff like that?

MATT: I do think that we should be thinking about that kind of thing.

The world is not zero-sum, right? That's very fundamental to I think something everybody here believes in. But then we do have to think about the things that kind of are zero-sum. There's only one Mona Lisa, and there's like a limited supply of historic Roman artifacts.

I think to the art heads, there's an agglomeration benefit to having this stuff all stocked in like a small number of giant warehouses, which is convenient for them. But in terms of the value to the world of these kinds of cultural amenities, it's good to spread the wealth a little bit to think about tourism as a driver.

Especially for Europe, where this is such a big part of their economy. You have this kind of very unbalanced situation in France, where the people in Paris are like, "Oh my God, we're drowning in tourists." And then in Lyon, nobody is there. Their old auto factories are kaput. And you should think about it.

I've written about decentralizing government agencies and federal employment, other kinds of things like that. The location of military bases historically has been an economic development tool. There are things that are inherently place-based.

A museum is going to be in a specific location. And so you should think about the broad regional economic impacts of all of these decisions and try to do it in a way that makes sense.

CARDIFF: Let's talk about politics a little bit and, as promised, let's start with the politics of immigration.

Last week's guest on this show, Jerusalem Demsas, who founded *The Argument* (the magazine) essentially argued that liberals are ceding too much ground to anti-immigrant sentiment now. That, in a rush to grab the center again, there's too much that's being given up at this point. Do you agree with that?

MATT: I mean, I sympathize with what she's saying. I'm just not sure that she's correct. The way I would put it is that — I wrote my book, I wrote *One Billion Americans*, came out right before the 2020 election, and then Joe Biden won. Within a few weeks of him assuming office, we were talking about a flood of people making asylum claims at the southern border.

And what I wrote at that time was, "Look, unless the Biden administration is prepared to say, 'This is good, we want large numbers of people to show up at the southern border and make asylum claims,' they need to really shut this down hard and fast." Because they were coming to me — they wanted me to say that their policy announcements were not the reason that this was happening.

Which, I think, there was some evidence for and some against, but they themselves knew that this was not an outcome that they were gonna be able to defend. But they didn't wanna clamp down really hard. They wound up dicking around for literally years. And so the entire immigration debate became swallowed by this question about asylum, right?

Which meant that we weren't talking about immigration as an economic development tool. And now, I would love for Jerusalem to be correct. That you could go to the voters and be like, "Hey guys, I'm talking about something totally different," right? Like yes, it's immigration—

CARDIFF: To be fair to her, legal immigration is what she was talking about. She agreed with the need for rules and for people to—

MATT: That's what I mean, that we could say, "Listen, yes, we have an idea. It is about immigration. It involves there being more immigration, but not at all what Biden did." Like this is our different, better idea.

I do think that a different, better idea would be politically viable. But I think it may take us a long time to get to the point where that sounds credible to anyone who, in everybody's mind now, what immigration means is this kind of chaos and disorder. It's always been the case.

I think the average person is unduly pessimistic about immigration. Both our families are from Cuba, and you look at the story of Cuban immigration to the United States, that is not a story of a well-organized process, and a high level of selectivity, and blah, blah, blah.

In the long run, it's been totally fine. Miami's great. It's a very well assimilated population. Like all kinds of good things are happening

CARDIFF: Here we are. Look at this. Here we are.

MATT: Yeah, we're here, and we got all kinds of senators, and it's great.

CARDIFF: Mixed track record on that, but yeah.

MATT: But in the moment, it was quite chaotic.

Another question, but crime went up by a lot in South Florida during the Mariel boatlift. There were very real problems. Now, again, I would say net in the long run, like that was fine. And so I'm super optimistic about a better designed program.

But the public marks down everything a couple notches relative to where I think they should be. And under Biden, they were given a very chaotic, very poorly organized,

totally unexplained, chaotic immigration system, and it's just gonna be hard to win back trust and confidence.

CARDIFF: One last question on this.

So one of the points that we at EIG have made, and that Jerusalem also made in my chat with her, was that if you look at quite a few, at this point, nationally representative surveys of people and their views on immigration, they still are able to distinguish between the different kinds of immigration.

You ask them about high-skilled immigration in particular, overwhelmingly favorable. And so I guess my question is, and it's a different way of asking the same one really: do you think that in the rush to say, "Yeah, no, we agree for now, we're gonna have to wait on this," do you think that that conversation has, in a sense, contaminated something that people actually are fine with?

MATT: It was very interesting to see Ron DeSantis make this announcement, a couple days ago, that he's gonna make the University of Florida stop putting in H-1B applications.

CARDIFF: My colleague Adam Ozimek was like, "Protectionism for academics. It's here!" Who knew they needed it?

MATT: Yeah. So I don't know. Because you can look at polling, and then you look at the real-world test, right? And it's like, are there moderate Republicans in the Florida legislature who are gonna say, "Wait a minute, that doesn't make a lot of sense."

Is there going to be an electoral backlash against this kind of step? Because that's the kind of thing where, if you look at the polling, that is going way too far. That has nothing to do with anybody's stated concerns about immigration, and yet you keep seeing it.

The Trump administration keeps fiddling with the H-1B program in odd ways. You see some sort of back and forth between different factions on the right about this kind of thing. There's this huge Twitter community now complaining about Indians all the time, which is not close to the traditional political concerns.

So I hope for the best, but I plan for the worst in terms of this kind of backlash, because I haven't yet really seen somebody pay a price for going too far. Even though when I look at it, it's like "What is this?" Like what, we're trying to save the professors' jobs? We're worried about too many accountants? Even when some of the criticism of H-1B, where people say, "Well, these aren't truly the best of the best," and it's like, okay, sure, they're regular white collar workers doing office jobs

for above-average salary. Is that so terrible? You can always make programs more optimal, right? But as a thing to be paranoid about, it seems strange.

CARDIFF: A more general, but related question about politics now.

The book *Abundance* by Ezra Klein and Derek Thompson —

MATT: Haven't heard of it —

CARDIFF: (CHUCKLES) — has gotten a lot of attention this year. It's been cited by Gavin Newsom. It's been cited by Zohran Mamdani and so forth. And the ideas in itself have really captured a lot of people's attention, and it's provoked a lot of really fascinating debate.

I don't want you to have to speak for Ezra and Derek, but there's a point in very early in the book where they say something interesting that I do wanna ask you about — where they say, essentially, "This book is about our conversation with other folks on the left, with whom we share a lot of goals and we just disagree on how to get there. In terms of conservatives, we wish you guys well, and we might even agree with you on some things, but that's a different project."

This is about a conversation happening pretty much between the center-left and the left. One of the conservative critiques of that idea is that essentially, when folks on the center-left are debating with the left, they're trying to persuade leftist groups that exist to *not* be persuaded.

Their whole reason for being is to not be persuaded of some of the ideas that Derek and Ezra are pushing for. So, for example, if you look at the longshoreman's union trying to stifle automation at the ports. That is just explicitly about capturing rents. I'm not making a more general point about all unions. That's not what I'm doing. I'm talking about that specific one.

If you look at certain environmental groups, it might be pushing for environmental review in housing reform and things like that. There really just does not seem, again, to be a compromise to be had.

And I'm curious, as somebody who gets into his fair share of debates with the left, what you think about that approach and its limitations.

MATT: Well, so I think if you look at the two American political parties, there's a kind of asymmetrical construction to them.

And the Democrats are this sort of agglomeration of interest groups. And most people in electoral politics are like back-bench legislature members. And so what they do is they just kind of like say yes to all their side's guys, and all their stuff, and they don't worry that much about outcomes.

Then what happens when you're the governor, you're the mayor, or you're the president, is you've gotta say, “Look, I wanna do two things. I wanna deliver for my people, but I also wanna like be seen as a success who had a growing economy and good jobs and low crime, whatever it is,” and so there's two ways you can do that.

You can be Joe Biden and act like you're a senator, and just be a total failure. Or you can be Barack Obama, Bill Clinton, and be like, “I'm gonna make some choices. I'm gonna deliver some wins for some progressive interest groups, and I'm gonna jam up some of the other ones.”

And then the question is, what choices do you make? Do you make smart ones? It's not a coincidence. Again, Gavin Newsom is the governor of California, so like at a certain point… he's got a quite progressive record, but he wants to make California be good, and he's gotta make some choices.

He's come to embrace housing abundance in his second term because he wants to have a legacy of having solved an actual problem in California. I think the criticism is correct, but also a little bit off base. It just sort of misses how this works.

And so trying to have a dialogue inside the left-of-center community about: what are the most important problems in the country, and how can they be solved? And what priorities do you have to have to deliver on, ultimately, the kinds of goals that progressives want?

CARDIFF: Speaking of Zohran Mamdani, people might not know that you are from New York. You still have a lot of interest in New York City politics. Do you think that when he makes a nod towards *Abundance*, and towards the idea that you do have to do a mix of deregulation and other things to build more housing in New York, do you think it's real?

MATT: I think you should be skeptical that a self-described socialist is going to unleash huge quantities of market-rate housing for obvious reasons. It’s also true that once Andrew Cuomo emerged as his main opponent — Cuomo is a huge NIMBY guy who has a terrible record on housing.

There were some people in that race earlier on who were really good pro-housing, pro-abundance people. I wish they had done well. I wish there'd been more enthusiasm for the Whitney Tilson campaign and other things like that.

CARDIFF: Kathryn Garcia, a few years ago. Always vote Garcia, that's my philosophy. (CHUCKLES)

MATT: Exactly. She was great. And so you wound up with a slightly unfortunate choice there. But the two candidates, as they narrowed down, had a tactical choice to make.

And Cuomo chose to stick with his older, outer-borough, NIMBY base and run with that. Mamdani saw that he had an opening to at least court the support of *Abundance* voters. He did that very successfully. And so now it's a thing he has to deliver on. I don't know if he will or won't.

Normally, mayors are more pro-growth than city councils just by the structural nature of it. He absolutely did get YIMBY and *Abundance* support in the election that is coming up. If he does not deliver some kind of wins for those people, it creates an opportunity for a better-than-Cuomo, moderate challenge to him four years down the road, which will put together tough-on-crime and public service reform with growth and housing and things like that.

If he can deliver wins on housing, that could be strong for him. If you look at the "City of Yes" vote in the council, it was the more left-wing members who were much more supportive of the pro-housing side in that case. And so you can look at the galaxy brain ideology of it and say, "Well, that doesn't make sense. Like, how come the Republicans are against deregulation?"

But if you look at the sociology of New York City, the people who are personally comfortable with high-density housing tend to be very left-wing. And so when you tell them we should allow for more dense housing construction, they say, "Sure, fine."

Whereas the people who are more conservative in New York City are the people who've deliberately located themselves on the fringes and kind of fear encroachment of density in their lives. And that's a real thing.

CARDIFF: Two final questions about some hobbies of yours. You keep a pretty active Letterboxd account. Your movie of the year so far?

MATT: *One Battle After Another*, I think. How about you?

CARDIFF: *One Battle After Another* is great. It's close. The movie that has given me the most things to contemplate and that I've rewatched at this point I think five times, has been Ryan Coogler's *Sinners*, which I think will come to be seen as the movie of the year, regardless of whether or not it wins anything at the Academy Awards, which I think will be swept by *One Battle After Another*.

MATT: Strong choice.

CARDIFF: Both great choices. And who's gonna win the NBA finals this year?

MATT: Thunder.

CARDIFF: You think they're gonna repeat?

MATT: Yeah.

CARDIFF: Is it too soon for Victor Wembanyama to win MVP?

MATT: I think he's gonna contend. He’s done really well. I think people would like to vote for someone new.

CARDIFF: Yeah.

MATT: Speaking of skilled immigration (CHUCKLES), the recent NBA MVP voting has been insane.

CARDIFF: There's a quartet in the NBA that I think Victor Wembanyama is gonna turn into a quintet at this point. Nikola Jokić, Shai Gilgeous-Alexander, Giannis Antetokounmpo, and Luka Dončić. All foreigners. Victor Wembanyama? French. The top five players in the NBA: all skilled immigrants.

MATT: And yet, America remains great.

CARDIFF: Absolutely. Matt Yglesias. Thanks so much for being on *The New Bazaar.*

MATT: Thank you.