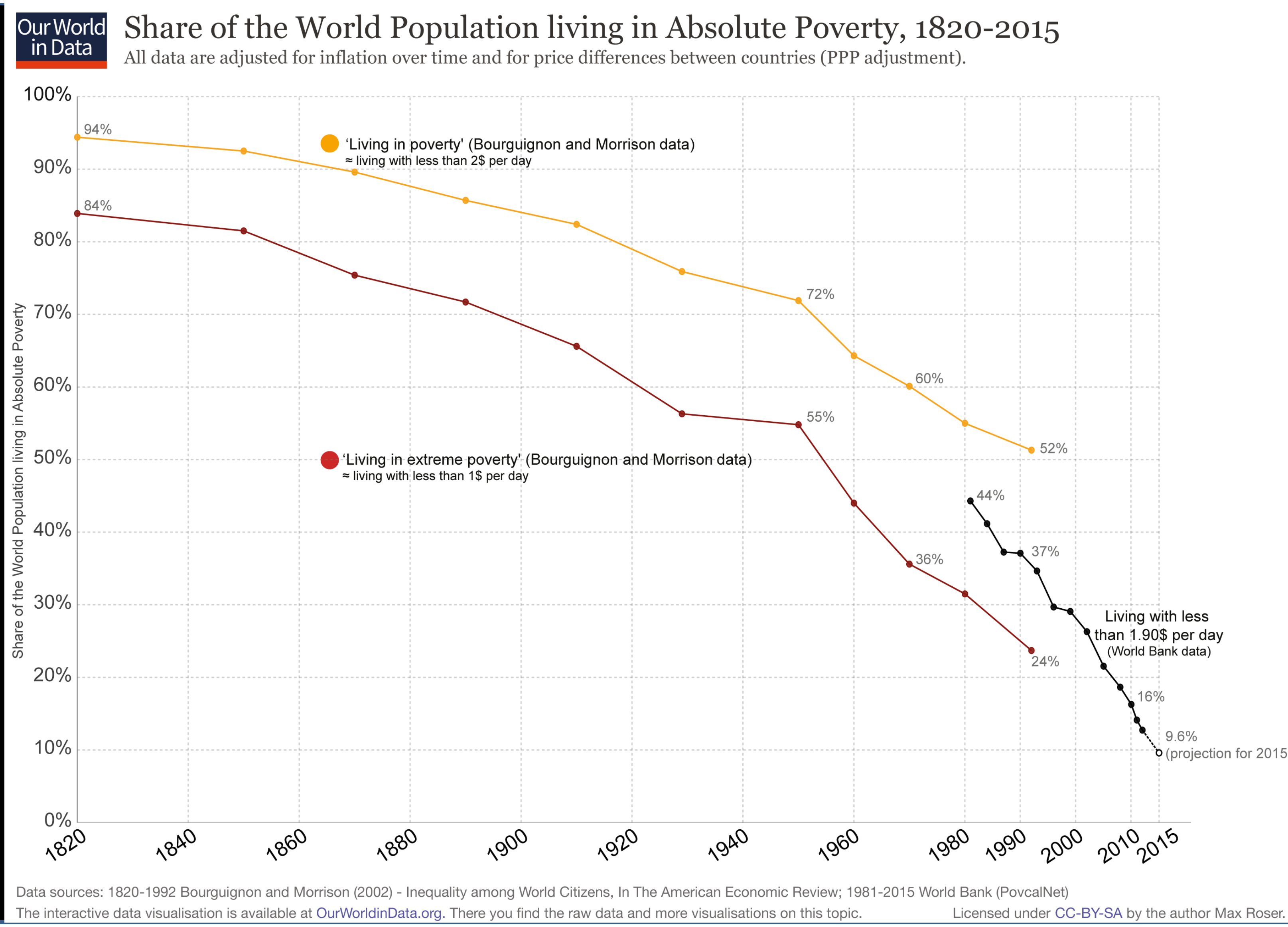
The US and Global Economy: 2026 and Beyond

US Dry Bean Convention
19 July 2026
Matthew C Roberts, Ph.D

Bridgeforth


Our World in Data
Share of the World Population living in Absolute Poverty, 1820-2015
All data are adjusted for inflation over time and for price differences between countries (PPP adjustment).
Share of the World Population living in Absolute Poverty
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
'Living in poverty' (Bourguignon and Morrison data)
≈ living with less than 2$ per day
'Living in extreme poverty' (Bourguignon and Morrison data)
≈ living with less than 1$ per day
Living with less than 1.90$ per day
(World Bank data)
94%
84%
72%
55%
60%
36%
52%
24%
44%
37%
16%
9.6%
(projection for 2015)
1820
1840
1860
1880
1900
1920
1940
1960
1980
1990
2000
2010
2015
Data sources: 1820-1992 Bourguignon and Morrison (2002) - Inequality among World Citizens, In The American Economic Review; 1981-2015 World Bank (PovcalNet)
The interactive data visualisation is available at OurWorldinData.org. There you find the raw data and more visualisations on this topic.
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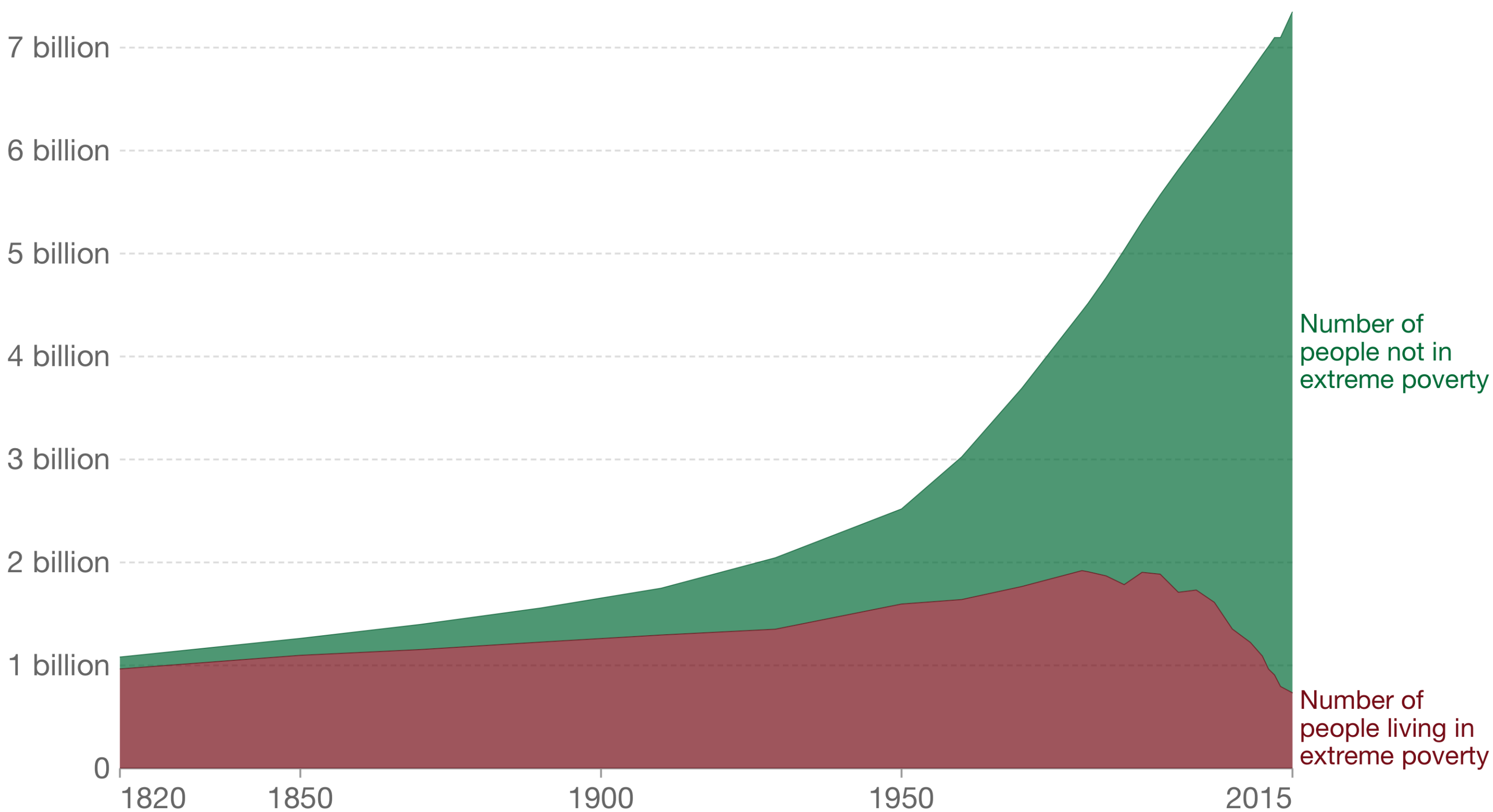
World population living in extreme poverty, World, 1820 to 2015

Extreme poverty is defined as living on less than 1.90 international-$ per day.
International-$ are adjusted for price differences between countries and for price changes over time (inflation).



Source: Ravallion (2016) updated with World Bank (2019)

Note: See OurWorldInData.org/extreme-history-methods for the strengths and limitations of this data and how historians arrive at these estimates.

The source of every good & bad thing, every challenge & opportunity in the food industry right now is *societal wealth.*

The low-down:

- US Data is mostly positive…wages, hours, stock prices, income growing.
- US Consumer Sentiment data is record negative.
- Both can be right.
- Strong stock market buoys owners.
- Labor market is very very uneven.

The low-down:

- Inflation remains stubbornly high.
- Energy prices have been very resilient, but still high.
- Fed remains hawkish despite Warsh—next move will be up ¼% this year.

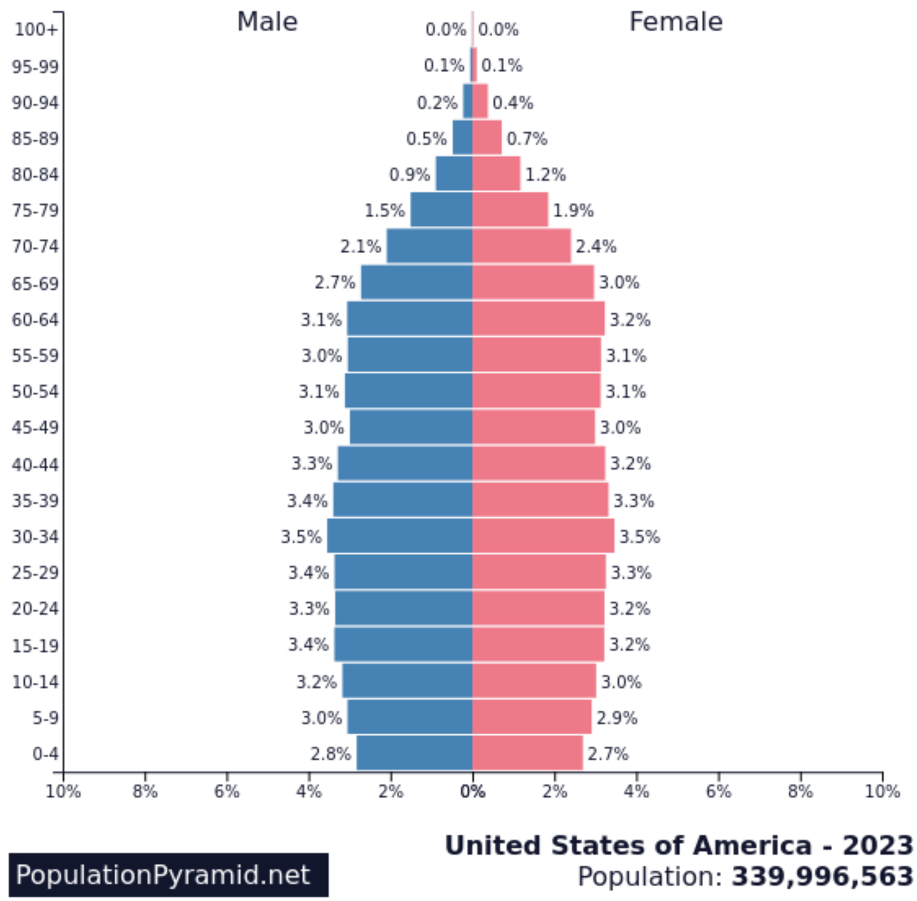
The low-down:

- Like the stock market, the real economy is narrow
- Stock market: Mag 7 is nearly all gains
- Real Economy: Without datacenters, growth is 0

The low-down:

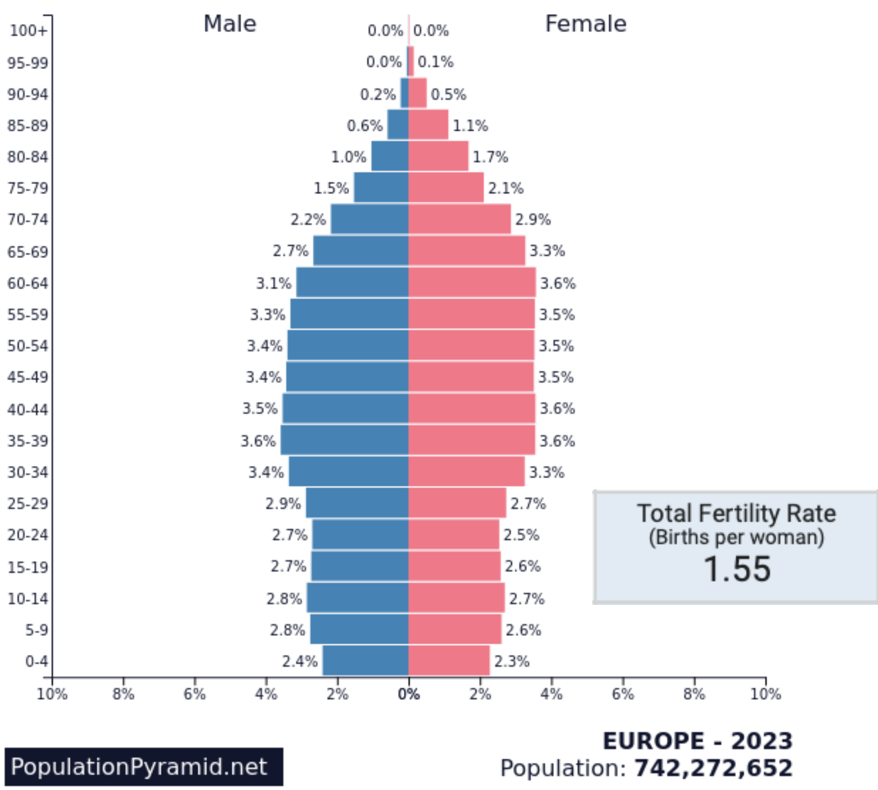
- Trade and tariffs will continue to flare up.
- Trump has been anti-trade since the 80s
- Trade actions still happening, but slower
- US-MCA negotiation again?

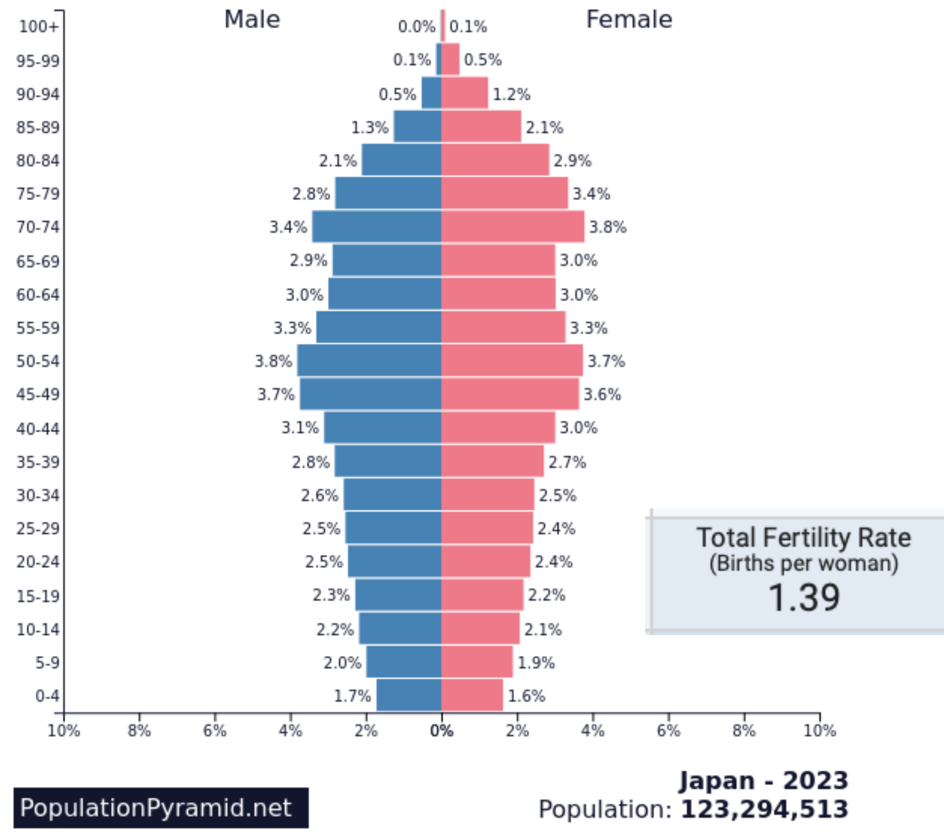
Generation Z is not a large generation



Quick Facts	
Midyear Population 339.7 Million (339,665,118)	Annual Growth Rate 0.7%
Density (People per sq. km.) 37.1	Total Fertility Rate (Births per woman) 1.84
Under 5 Mortality Rate (Per 1,000) 6.2	Life Expectancy at Birth, Both Sexes (Years) 80.8

The United States is Not Alone…





The United States is Not Alone...

- USA: 1.84
  - 0.7% annual growth
- Europe: 1.55
- Japan: 1.39
- Mexico: 1.73
  - 0.6% annual growth
- Central America: 1.86

The Decline in Fertility

- Reduces Consumer Demand
  - Long run and short run
  - Will higher buying power offset that decline?
- Reduces Labor Supply
  - Low cost labor might be Nigerian in 2040
  - Use AI? Automation? More capital.
    - What about service industries?
- Retirement Financing
  - Social Security, Medicare, but globally

The Role of Technology

- Amazing Advances in Short Periods of Time:
  - Eradication of some cancers.
  - GLP-1/GIP antagonists
  - Gene therapies ending genetic conditions
  - Artificial Intelligence opening frontiers
- How will workers adjust?
- Mental Health effects?
- Consumer effects (Data center backlash, privacy)

GLP-1s are the AI of Food…

- 1 in 8 are on GLP-1; 23% of HH have >= 1.
- By 2030, GLP-1 HH are 35% of food & beverage spending
- Snacks down 10%.
- 50% of users lower soda consumption
- 70% of users lower processed food consumption
- 8% lower fast food spending
- Big gains in yogurt, fruit, protein bars, meat snacks.

What effects on individuals

- Technology has accelerated the winner-take-all aspects of the economy. (the Superstar effect)
- In the US, earnings and wealth increasingly concentrated in fewer households.
  - 49% of disposable income spent by 10% of HH.
- Like other sectors, food demand is also splitting
  - High income vs middle vs low income
  - Middle income still ‘high’ in US
- Social media effects on mental health

Where is the US consumer?

- The consumer picture remains confusing.

The data tells one story.

US Labor Force Quits Rate

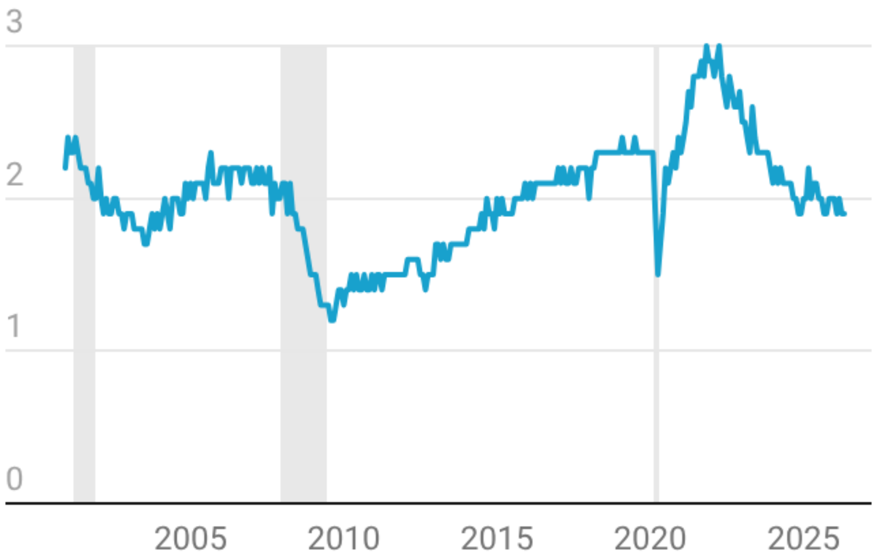
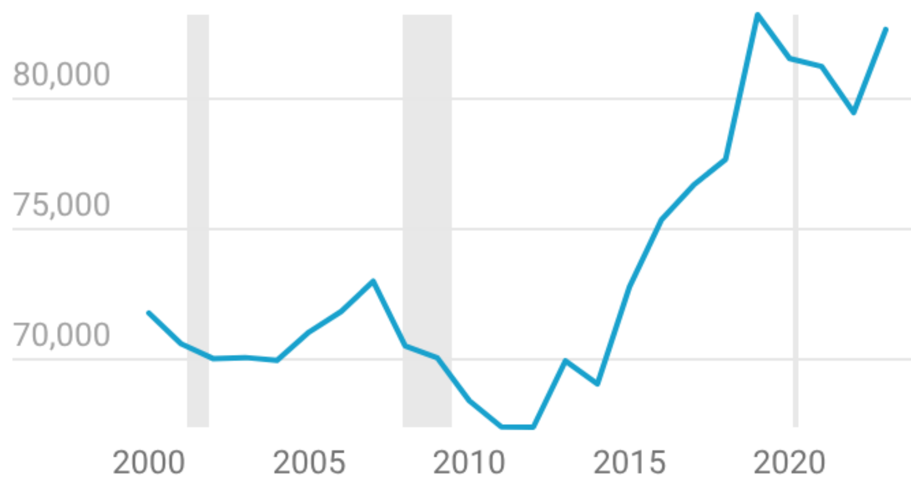


Chart: Matthew C Roberts, PhD • Source: Bureau of Labor Statistics • Created with Datawrapper

US Real Median Household Income



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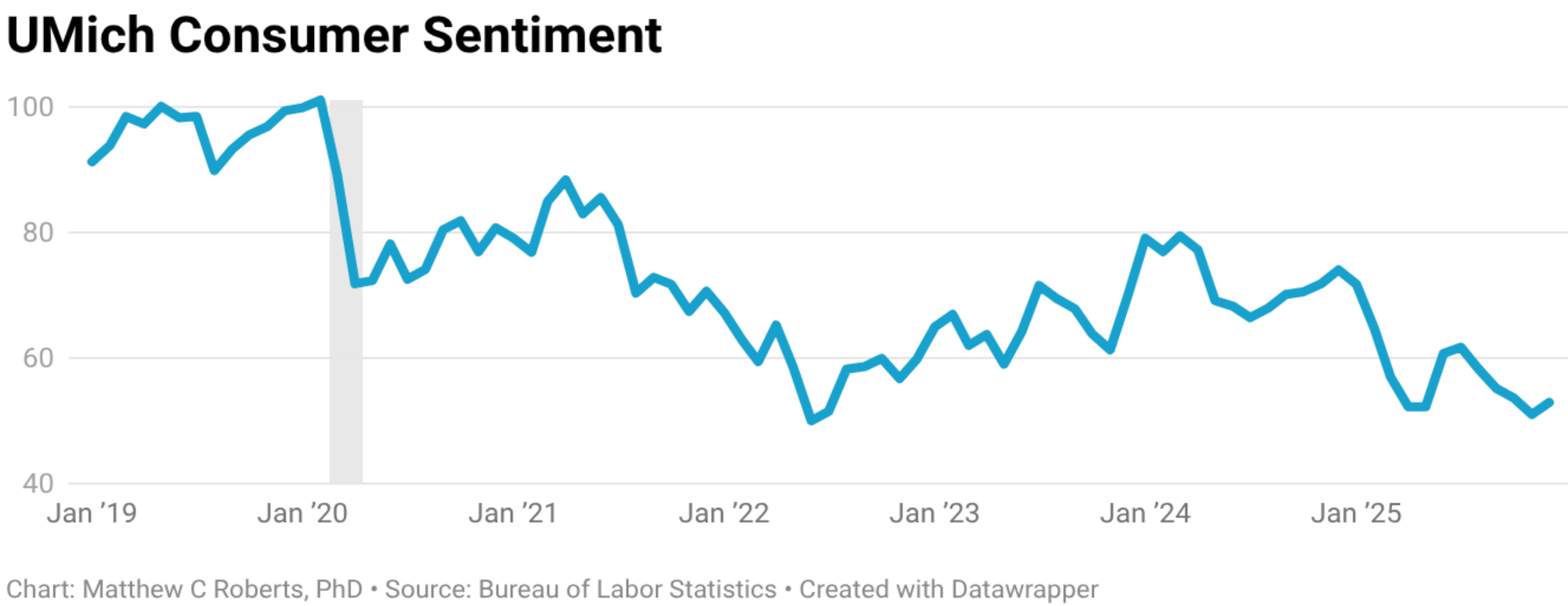
The vibes tell a different story.

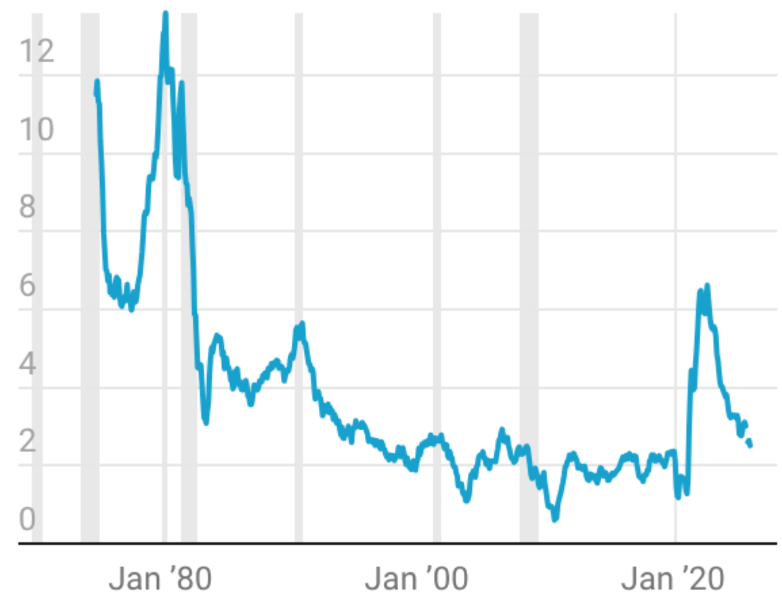


There isn't just one labor market…

- The consumer picture remains confusing.
  - The head (data) says they are doing well
  - The heart (sentiment) says they are doing poorly.
  - Could both be true?
- The stock market is also helping.
- What does beef tell us?

Where is the US economy?

- Tariffs continue to create some business uncertainty.
  - Less than before…but some sectors remain exposed
    - Machinery
    - Autos
  - Inflation is slowing but still high

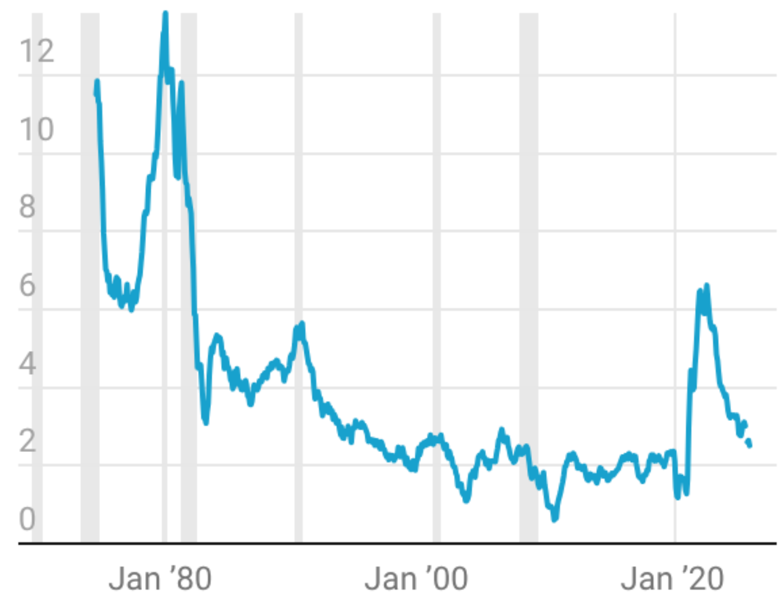


(CPILFESL)

Chart: Matthew C Roberts, PhD • Source: Bureau of Labor Statistics • Created with Datawrapper

Energy Prices Continue to Surprise

- At the start of the Iran war, projections about oil prices were dire.
- But markets adjust.
  - Chinese domestic usage
  - Kazakh usage
  - US production & SPR
- US gasoline prices remain elevated: gasoline -> diesel/jet



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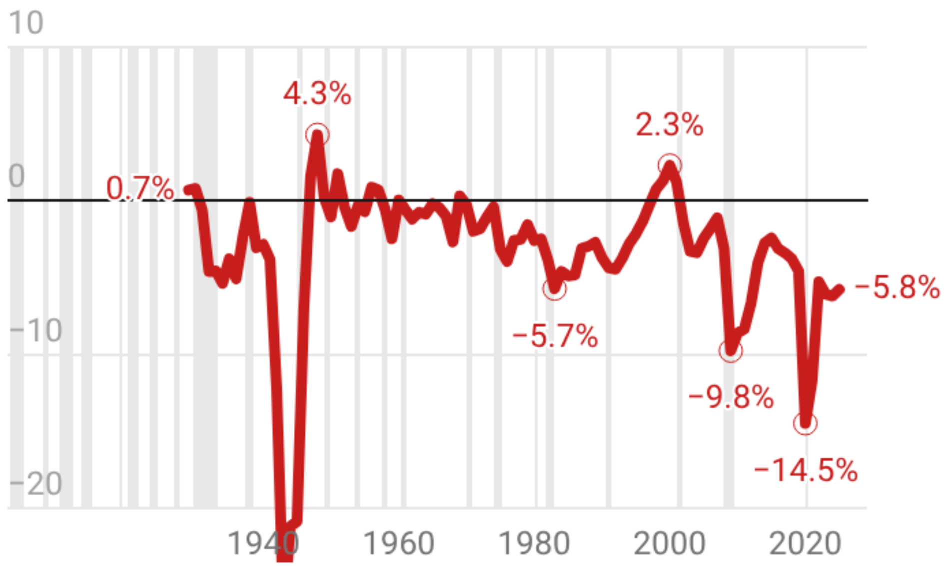
Where are Interest Rates going?

- Federal Reserve sets short rates:
  - Dual Mandate of low unemployment, low inflation.
  - Unemployment is relatively low, inflation is not.
  - ‘Dovish’ doesn’t mean a dove. +1/4% in Dec
- Long term rates are back at pre GFC levels
  - Higher inflation, higher short rates, higher long rates—4.75% or higher.

Was Dick Cheney Right?

US Federal Deficit as % of GDP



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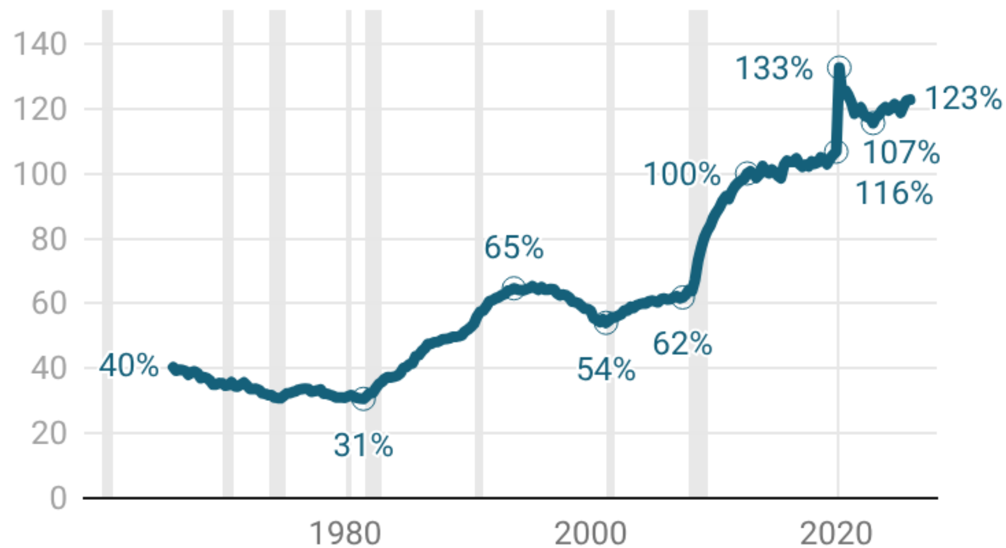

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What to do: Consumers

- Identify the market you serve:
  - Upper-Middle-Lower Income
  - Premium or Commodity Product
- Those serving the Middle-Commodity have the toughest road.
- How to move to premium from commodity
  - Identity?
  - Direct?

What to do: Labor?

- Labor is becoming both scarcer due to birthrates
  - And more easily replaced with AI & automation
  - Jobs that require specific workers will continue to see wage growth
  - Entry-level jobs, or jobs for those without highly specific skills will become scarcer and harder to get.
- Which category do your employees fall into?
  - It is nearly always cheaper to keep an employee than replace them.

What to do: Inflation & Rates?

- 3-5% inflation is likely here until ‘28
- Term structure remains relatively flat, little cost to fixing
- Energy prices remain volatile; don’t get greedy.
- Premium for 5y fixed vs floating is ~60bps; shorter notes should float.
- Learn how to manage your floating rate exposure via swaps now; you’ll have the opportunity to use it.

Miscellaneous:

- Internal AI message board
- If you hire young white collar workers, invest in them understanding *all* business, not just yours.
- Younger workers want development and to feel valued.
- Invest in leading.

Questions?

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