Think Strategically

The Government Progress Index Measures President Trump's nineteen months of the False Golden Age of Merica

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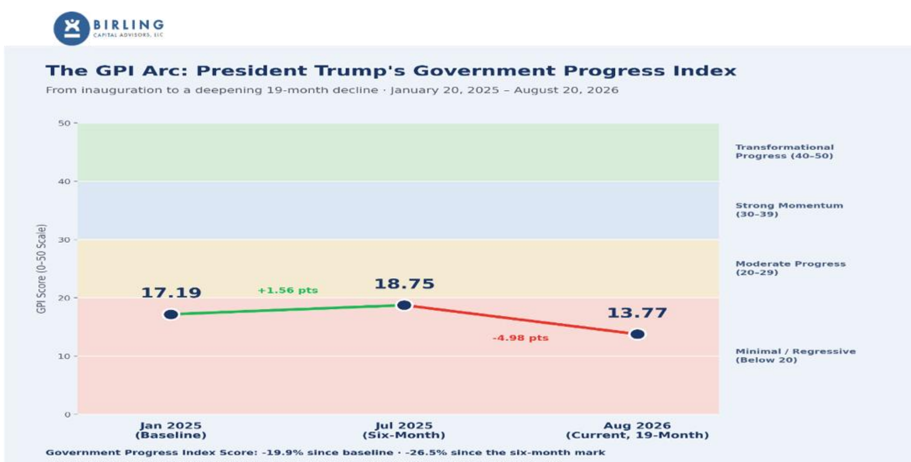
Beyond the spin: benchmarking government progress with data, not narrative

In an era marked by economic headwinds, erratic policymaking, and political polarization, distinguishing fact from narrative has never been more crucial. Before we begin, let's remind ourselves of the issues the United States voters accepted as key. Using President Trump's own words — the promises that framed this term:

- ***"Starting on day one, we will end inflation and make America affordable again, to bring down the prices of all goods."*** — Bozeman, MT, August 9, 2024
- **"Energy is going to bring us back. That means we're going down and getting gasoline below $2 a gallon, bringing down the price of everything from electricity rates to groceries, airfares, and housing costs."** Economic Club of New York, September 5, 2024
- ***"We're going to be a tariff nation. It won't cost you. It's going to be a cost to another country."*** — Wisconsin, September 2024

These failures are best captured with the old Puerto Rican saying **" No es lo mismo con violin que con guitarra"** (It's not the same playing a violin as a guitar).

The **Government Progress Index (GPI)** was created precisely for this moment — a nonpartisan, data-driven benchmark designed to measure the actual performance of governance across core domains. Developed by Birling Capital, the GPI strips away the spin to evaluate outcomes rather than intentions.



According to the latest GPI report, **as of August 20, 2026, President Trump earns a score of 13.77 out of 50** — a **19.9% decline** from the January 20, 2025 baseline of 17.19, and down **-26.6%** from the 18.75 reading recorded at the six-month mark in July 2025. The score places the administration in the **Minimal/Regressive** band (below 20), reflecting a nation still grappling with volatility, reaccelerating inflation, and a sharp decline in consumer and institutional confidence. In this fragile moment, the GPI offers more than a scorecard — it provides a **compass for accountability**, helping citizens, investors, and institutions navigate through the noise and toward the truth.

January 20 to August 20, 2026, and we note the areas of improvement and contraction; let's review the specific benchmarks.

GPI Full Scorecard — President Donald J. Trump
Benchmarks for the U.S. August 20, 2026 vs. January 20, 2025

US Benchmarks	8/20/2026	1/20/2025	Change
Price for Gallon of Gasoline	$4.18	$3.23	29.50%
Index of Consumer Sentiment	55.2	74	-25.41%
Dow Jones Industrial Average	52,759.21	43,487.83	21.30%
Nasdaq Composite	26,067.17	19,630.20	32.80%
S & P 500	7,641.16	5,996.66	27.40%
Unemployment Rate	4.10%	4.10%	0.00%
Gross Domestic Product	1.50%	2.80%	-46.40%
Labor Participation Rate	61.40%	62.50%	-1.80%
Personal Consumption Expend	3.67%	2.60%	41.20%
Consumer Price Index/Inflatio	3.30%	2.89%	14.20%
Producer Price Index	4.67%	3.44%	35.80%
Home Ownership Rate	65.00%	65.60%	-0.90%
Median Family Income	$111,791	$103,148	8.40%
US National Debt In Trillions	$40.00	$35.46	12.80%
Credit Rating	AA+ & AA+	AAA & AA+	Downgrade
US Treasuries 10-Year Rate	4.69%	4.61%	1.70%
Approval Rating	33%	47%	-29.80%
GPI Score	13.77	17.19	-19.90%

The Arc: A False Golden Age

The nineteen-month trajectory is not a straight line. Through the first six months, the GPI score climbed to 18.75 — a 9.1% improvement over the January 2025 baseline of 17.19 — as markets rebounded and inflation appeared to ease. That improvement did not hold. By August 2026, the score had fallen to **13.77**, a full **26.6% below the six-month reading** and **19.9% below where the term began**. Progress was made, then lost — not a mild pullback, but a sharp relapse driven by re-accelerating inflation and a stalling growth rate that a stricter, formula-based scoring model treats as severe misses rather than partial credit.

The Disconnect: Markets vs. People

The nineteen months are defined by a widening gap between two very different stories. Equity markets have posted a sustained advance: the Dow is up 21.3%, the S&P 500 up 27.4%, and the Nasdaq up 32.8%

since January 2025. Over the same period, every indicator that captures how people actually experience the economy has moved in the opposite direction: consumer sentiment is down 25.4%, presidential approval is down 29.8%, and labor force participation has slipped 1.8%. Equity gains have not translated into household confidence — and that divergence, more than any single metric, is what the GPI relapse reflects.

The Growth Engine Is Losing Power

GDP growth has slowed sharply, from 2.80% at the start of the term to 1.50% by August 2026 — a 46.4% deceleration and the single most structurally alarming figure in this update. Where the six-month reading showed a temporary contraction followed by a rebound, the nineteen-month trajectory instead shows a durable loss of momentum. Unemployment has held flat at 4.10%, suggesting stability on paper. Still, the labor force participation rate has continued its decline, falling from 62.50% to 61.40% — a clear signal that a growing share of Americans are stepping away from the workforce altogether rather than simply changing jobs.

Inflation Didn't Stay Defeated — It Came Back

Where the six-month report showed inflation easing, the nineteen-month picture has reversed on every core measure. The Consumer Price Index rose from 2.89% to 3.30% (+14.2%), the Personal Consumption Expenditures index — the Fed's preferred gauge — climbed from 2.60% to 3.67% (+41.2%), and the Producer Price Index, which often leads consumer pricing trends, rose from 3.44% to 4.67% (+35.8%). Rising input costs and re-accelerating consumer prices both point toward renewed, not resolved, inflationary pressure.

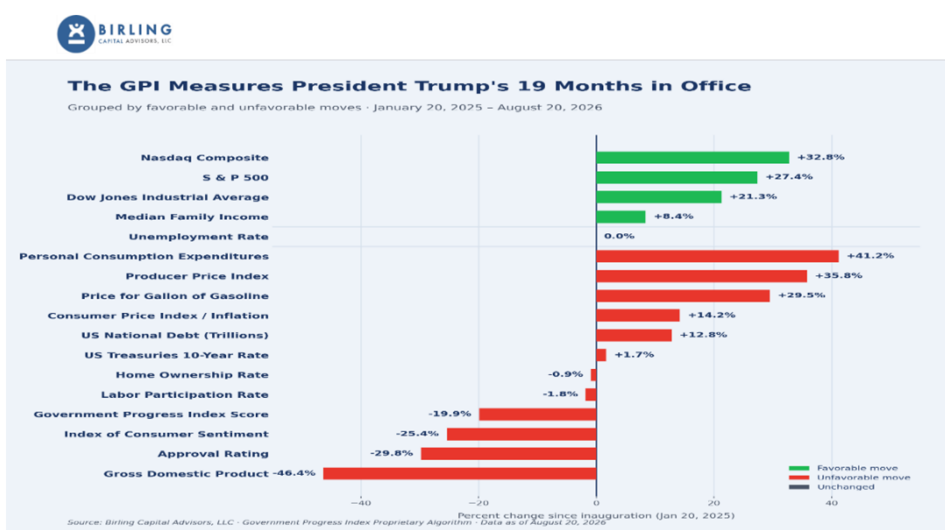
The Fiscal Reckoning

The U.S. national debt has climbed from $35.46 trillion in January 2025 to $40.00 trillion by August 2026, a 12.8% increase and a new record. The Moody's downgrade from AAA to AA+ recorded earlier in the term has not been reversed, and the 10-Year Treasury yield has edged higher from 4.61% to 4.69%, reflecting persistent investor unease about the sustainability of federal borrowing. This is the running cost of nineteen months of volatility — a bill that keeps growing regardless of which way markets move week to week.

The GPI Benchmarks in Detail

The metrics below provide the complete underlying data behind the GPI score and the narrative above.

1. **Gasoline Prices: Sharp Increase Amid Renewed Volatility:** The national average rose from $3.23 in January 2025 to $4.182 in August 2026 (+29.5%), one of the steepest cost-of-living increases of the period, directly hitting household budgets and logistics costs.



2. **Consumer Confidence: Continued Erosion:** The University of Michigan Index fell 25.4%, from 74.0 to 55.20, as affordability concerns, political tensions, and economic uncertainty continue to weigh on sentiment, 19 months into the term.
3. **Equity Markets: Extended Rally:** The Dow is up 21.3%, the S&P 500 up 27.4%, and the Nasdaq up 32.8% since January 2025 — a sustained advance that stands in sharp contrast to the deterioration in consumer sentiment, wages, and household affordability.
4. **Economic Growth: Sharp Deceleration:** GDP growth slowed from 2.80% to 1.50% (-46.4%), the most structurally concerning reading in this update and a clear signal that underlying economic momentum has faded.
5. **Labor Market: Flat Unemployment, Declining Participation**
    - Unemployment: flat at 4.10%
    - Participation: fell from 62.50% to 61.40%, a 1.8% decline showing continued workforce disengagement
6. **Inflation: Broad-Based Re-Acceleration**
    - CPI: 2.89% → 3.30% (+14.2%)
    - PCE: 2.60% → 3.67% (+41.2%)
    - PPI: 3.44% → 4.67% (+35.8%)
7. **Homeownership: Modest Decline:** Dropped from 65.60% to 65.00% (-0.9%) as affordability pressure and elevated rates continue to weigh on buyers.
8. **Median Family Income: Nominal Gain, Real Erosion:** Family income rose 8.4% to $111,791, a nominal increase that is substantially offset by the concurrent rise in CPI, PCE, and gasoline costs over the same period.
9. **Credit Rating & Treasury Yields: Downgrade Persists, Yields Higher**
    - Credit ratings: AAA & AA+ → AA+ & AA+ — the downgrade from the first six months has not been reversed
    - 10-Year Yield: 4.61% → 4.69% (+1.7%)
10. **National Debt: Still Climbing:** Debt rose 12.8% to $40.00 trillion, a level not seen since World War 2, underscoring an unresolved fiscal trajectory 19 months into the administration.
11. **Presidential Approval: Steep Decline**
    Approval fell from 47% to 33% (Reuters/Ipsos), a 29.8% decline that mirrors weakening sentiment on affordability, trade, and fiscal policy.

Housing, Income & Presidential Approval

Homeownership has edged down from 65.60% to 65.00%, a modest but persistent decline shaped by elevated mortgage rates and tight housing supply. Median family income rose 8.4%, from $103,148 to $111,791 — a nominal gain substantially offset by the concurrent rise in CPI, PCE, and gasoline prices over the same period. Presidential approval has fallen from 47% to 33% (Reuters/Ipsos), a 29.8% decline that mirrors the broader erosion in consumer sentiment and reflects mounting skepticism over the administration's economic stewardship.

Nineteen Months In: Promises Made, Promises Measured

When a president wins an election on the strength of economic arguments — as this one did twice — the numbers eventually have to answer for the rhetoric. The administration's preferred formulation is "promises made, promises kept." The data through August 2026 tell a more mixed story, and in several cases a story of the exact damage that critics warned about at the outset. Here is that record, promise by promise.

1. **End inflation "starting on day one."** Inflation is running near 3.5%, still well above the Federal Reserve's 2% target — a persistent squeeze on household budgets rather than the promised reversal.

2. **Cut the cost of living immediately.** The affordability gap has instead widened for many households as tariff costs, elevated housing prices, and sticky services inflation combined; consumer sentiment hit a fresh low in the spring before only a partial recovery.
3. **Make foreign countries pay the tariffs.** The Supreme Court ruled in February 2026, 6–3, that the bulk of the administration's IEEPA-based tariffs were unlawful, invalidating the "reciprocal" tariffs and forcing a refund process now running past $35 billion and potentially reaching $160–170 billion — money that goes back to the U.S. importers who paid it, not to consumers who absorbed the higher prices in the meantime.
4. **Quickly rebuild American manufacturing.** Manufacturing employment is down roughly 75,000–82,000 jobs since the January 2025 inauguration, and construction spending on new manufacturing facilities has fallen about 30% over the same period.
5. **Shrink the manufactured-goods trade deficit.** It is running about 5% wider than in the same period before this term began; the modest improvement in the broader trade gap has come mostly from commodity exports — gold, oil, LNG — rather than a manufacturing comeback.
6. **No cuts to Medicaid.** The 2025 domestic policy law imposed new 80-hour-a-month work requirements, curtailed states' financing tools, and closed simplified enrollment pathways — with most of the changes timed to take effect after the 2026 midterms.
7. **Pay down the national debt "very quickly" using tariff revenue.** The debt has instead climbed past $40 trillion, a record, and is rising by roughly $8 billion a day; the Supreme Court ruling substantially reversed the tariff revenue the administration counted on to offset it.
8. **Shrink the federal deficit.** Through the first ten months of the fiscal year, the cumulative deficit has exceeded the same period a year earlier, with the Congressional Budget Office projecting it will remain near $1.9 trillion for FY2026 — a long way from Treasury Secretary Bessent's stated goal of 3% of GDP.
9. **Deliver faster GDP growth.** Second-quarter 2026 growth came in around 1.5%–2.1%, depending on the measure, below the "3-to-4%" growth the campaign promised and roughly in line with — or slower than — the prior administration's pace.
10. **Restore real wage gains for workers.** Wage growth has largely tracked or trailed inflation, and labor's share of GDP sits near its lowest level on record — the opposite of the "workers first" framing the campaign used.
11. **Bring gasoline down to roughly $2 a gallon.** Pump prices have moved with oil-market volatility tied to the Iran standoff and the Strait of Hormuz rather than toward that target, undercutting one of the most concrete, memorable numbers the campaign put on the table.

The Through-Line

The deeper issue isn't simply that a scorecard shows unfulfilled promises — every administration accumulates some. It's that several of the policies actually implemented — the tariff regime, the Iran standoff's spillover into oil markets, the Medicaid work requirements — are producing close to the effects that critical economists flagged before they were enacted: higher, not lower, consumer costs; a wider, not narrower, industrial trade gap; and a debt trajectory moving away from, not toward, the stated goal. That is a different and more consequential story than campaign rhetoric simply running ahead of reality. A fair counterpoint deserves acknowledgment: the administration and its allies point to record S&P 500 levels, a slowing rate of increase in the goods trade deficit with China specifically, a sharply reduced deficit with China as a share of imports, declining border crossings, and an AI-investment boom they argue their deregulatory posture helped enable. Whether that boom — largely private-sector and global in nature — should be credited to policy, or whether it is masking the underlying fiscal and trade trends above, is very much the debate that will define the run-up to the midterms.

The Final Word: A Fragile Equilibrium, Still Unresolved

Nineteen months into President Trump's second term, the Government Progress Index score of 13.77 — down from 18.75 at the six-month mark — shows an administration losing, not gaining, ground on the fundamentals that matter most to households: growth, inflation, and confidence. The durability of the equity market rally is real, but it has not been matched by improvement in the metrics that most directly shape everyday affordability.

Progress on markets must be weighed against decelerating GDP growth, re-accelerating inflation, a persistent credit downgrade, rising debt, and a presidential approval rating now roughly a third below its starting point. The administration's reliance on reactive policymaking has not produced the sustained course correction needed to move the score out of the Minimal/Regressive band.

Whether the administration can reset course over its remaining term is uncertain. However, the data remains precise: America is still navigating a fragile equilibrium, and by most measures that matter to households, the path has grown more difficult, not less, since the six-month mark.

That gap between narrative and fundamentals shows up elsewhere too. Even as the underlying data has moved the wrong direction, the administration has invested real time and capital in institutional branding: Palm Beach International Airport was renamed President Donald J. Trump International Airport in a roughly $5.5 million rebrand completed July 9, 2026; the Kennedy Center for the Performing Arts became The Donald J. Trump Kennedy Center after a Trump-appointed board vote in December 2025; a four-mile stretch of road linking Mar-a-Lago to the newly renamed airport now carries the name President Donald J. Trump Boulevard; and TrumpRx, a federal prescription-drug pricing portal, launched under the president's name in February. None of this moves GDP, inflation, or approval numbers — but it illustrates an administration prioritizing visible legacy-building even as the index it is measured against continues to erode.

"Politicians who promise what a nation cannot collectively afford are not acting alone; they are responding to an electorate willing to believe in the illusion of a free lunch. The same illusion sustains the belief that taxing the wealthy can painlessly finance ever-expanding promises. But capital and taxpayers are not static targets—they adapt, relocate, restructure, and change behavior. In the end, every government promise must be paid for by someone. And that someone is us."

— Francisco Rodríguez-Castro

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