

# Creatures and Machines

*Weekender*

April 11, 2026

The next great division of the world will be between people who wish to live as creatures and people who wish to live as machines.

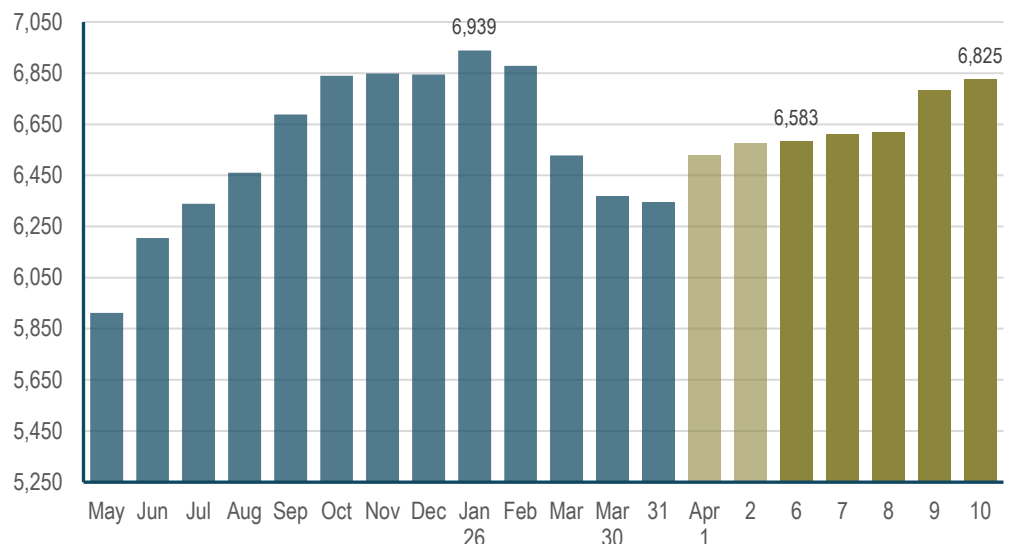
Wendell Berry

Good morning and welcome to the *Weekender* for Saturday, April 11, 2026. It was another week when geopolitics “Trumped” any market fundamentals. US forces struck targets on Iran’s Kharg Island, and President Trump set a self-imposed 8 p.m. ceasefire deadline that sent shivers throughout financial markets around the world. After more than twenty hours, both sides left negotiations at roughly the same place they started. By Sunday, President Trump announced the United States would blockade the Strait of Hormuz to reduce Iran’s chokehold on oil markets.

Financial markets have been aflutter since hostilities in Iran started. This week was no different. But in light of possible positive outcomes from the negotiating table, equities, as measured by the Standard and Poor’s 500, were higher by an impressive 3.8%.

## S&P 500 Index Levels

(Source: Bloomberg)



## Market Narrative

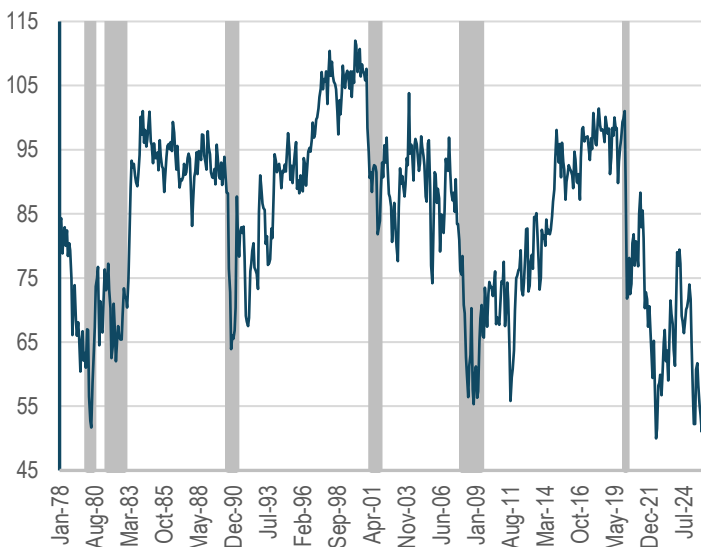
Looking ahead, oil is higher, trading at \$102 per barrel. Around the world, equities are lower. The dollar is higher going into next week as a haven currency and hiding place. It is impossible to predict the future of oil prices. We believe that if crude prices remain above \$100 per barrel through the summer, consumers will begin to retrench, resulting in significant pressure on consumer spending.

Pandemic-era uncertainty sent consumer sentiment into a tailspin, but government bounty in the form of stimulus payments took the edge off the unknown. Inflation, which had been dormant for almost a generation, pushed sentiment lower, and it hasn't really recovered. Last week's sentiment data hit an all-time low. Historically, consumer sentiment at such low levels has been a harbinger of an oncoming economic recession. Economic output in the United States has softened considerably, driven mostly by uncertainty. For the moment, consumers remain employed, and workers are hunkering down, mostly unwilling to leave their current positions and search for alternatives.

### Consumer Sentiment

January 1978 - April 2026

(Source: Bloomberg)



Despite feeling gloomy, consumers are still spending. They are spending far more than they earn, thanks to the kindness of strangers. Consumer debt continues to rise to record levels. Delinquencies and defaults are rising as well. It would be foolhardy not to acknowl-

edge that the consumer is teetering. Sentiment is at recession levels. Delinquencies and defaults are rising, especially among wage-earners. More than 70% of consumption is by those with incomes exceeding \$175,000 per year.

Inflation is rising. The impact of Trump's tariffs is beginning to filter through to consumer prices. Over the past week, all the primary inflation indicators were released. Each of them showed the same thing. Inflationary pressures are building, not moderating. While the Federal Reserve has not addressed the issue directly, it seems clear that its 2.0% inflation target is no longer a line in the sand. It's probably not a line at all. With inflation moving in the wrong direction, the likelihood that interest rates will begin to come down from here is low unless lower rates are a response to a significant deterioration in the labor market.

Looking ahead, geopolitics will continue to dominate market headlines and direction. From a fundamental perspective, corporate earnings for the first quarter of 2026 start this next week. We expect profit results to come in line with expectations.

## One More Thing

One more thing. At the beginning of the *Weekender*, we used a quote by Wendell Berry. He wrote those words decades ago while the internet was a government experiment. The smartphone was not even a distant memory. Berry's thoughts had more to do with industrial farming, about the difference between a farmer who knows the land and a corporation that processes the ground. As far as farming goes, the reality of his ideas has sharpened with age.

Berry studied at the University of Kentucky and Stanford, later taking on a teaching position at New York University. In 1964, he returned to the University of Kentucky to teach while settling on a farm near his birthplace. As an American novelist, poet, essayist, cultural critic, and futurist, he viewed technological progress with skepticism and its dehumanizing impact.

Like Thoreau's, Berry's life's work was based on the idea of living a principled life. Like Thoreau, he opted for greater simplification in his quest. The "creatures and machines" quote comes from his 1990 essay collection *What Are People For?* He made no futuristic

predictions based on technological advancements he saw on the horizon. He was, however, identifying a philosophical fault line he had been watching growing deeper and broader since agriculture began to industrialize after World War II. His concerns about agriculture came not from revolution but from thousands of small, gut-wrenching surrenders. Berry's initial question is even more prescient today. Technology's march forward has been so exciting and revolutionary that we haven't taken the time to sit back and ask. What are people for? Increasingly, this question is asked and answered by those with a deep vested interest in technology and divergent views of humanity's future.

In Berry's sense, to live as a creature is not to reject technology and retreat to a cabin. It is more subtle and demanding. A creature must remain embedded in a body that tires, in weather, in relationships that require patience. It means accepting that you are the subject of time. Bread takes hours to rise. Grief takes years to metabolize. Friendship deepens only through accumulated presence. A creature is porous to the world. Machine learning treats these frictions as problems to be optimized away. For the machine, efficiency is the ultimate virtue. Gaps between desire and satisfaction are viewed as a failure of engineering. Machines resent sleep and sleepy Sunday afternoons.

Yearning for creature comforts should not be conjoined with a nostalgic acceptance of backwardness. Instead, it is a cautionary warning that we all notice what is happening and what is being traded for the expediency granted by the marvels of machine living. All tools are imbued with a philosophy that lurks within them. At our current degree of development, the machine asks what, and the creature how and why.

A distinction must now be drawn, not between the digital native and the Luddite. We are all part creature and part machine. Which one we tend determines where we end up. We do not generally decide to be biased in favor of the creature's life. We can be more aware when we lean too far into one direction at the expense of the other. We can catch the reflex to fill our silent moments with doomscrolling and push back against it to extract value from every moment.

In the early days of technological innovation, technical specialists were also philosophers. A 17th-century French mathematician and philosopher, Blaise

Pascal, suggested that "All of humanity's problems stem from man's inability to sit quietly in a room alone." Winnie the Pooh once said, "Sometimes nothing creates the very best something."

We are running headlong into artificial intelligence as if any of its outcomes will be worth the trade-offs exacted from society. The dangers to society and humanity posed by such a reckless approach bring to mind Pandora's box. The philosophical underpinnings of AI are being established by young knaves hell-bent on meeting an ever-changing horizon.

## Conclusion

The primary purpose of this Weekender was to update readers on key data points and set the stage for our *House View*, which will be published in a fortnight. To be clear, we are certain that the societal and enterprise changes being wrought by artificial intelligence will be monumental. We are committed to remaining engaged, analyzing any applications that exhibit staying power and influence. We will also strike a philosophical note and highlight what we consider the trade-offs of primary advancements for society.

That's it for this *Weekender*. Have a wonderful "creature-focused" week.

## Disclosure Statement

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