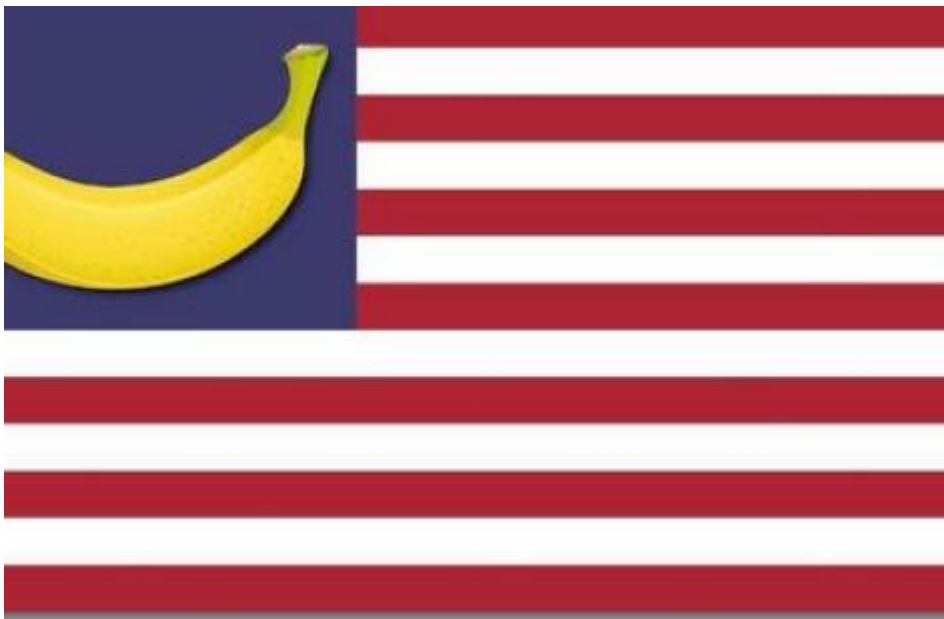


## How Corruption Makes You Poor

### Description

*[Authored by MN Gordon via EconomicPrism.com,](#)*

**Are you the type of person who works hard, saves money, and invests with the intent of accumulating lasting wealth?**



**If so, you've likely noticed that things don't quite add up between what you're regularly told about how the economy and financial markets work and what you actually experience.** We think there's more to this than just dollars and cents.

The central feature of economics is prices. How they are determined and how people respond to them. This process establishes how prices adapt to meet the supply and demand pressures of the market.

Through experience, buyers can determine what's a good deal or not. And they adjust their behavior accordingly. Similarly, through testing, sellers determine the optimal price of their products; a price where profit margin is best supported by sales.

For example, when airfares are cheap, a father may spring for long distance plane tickets so his family can vacation somewhere exotic. When plane tickets are expensive, he may opt for a road trip and tent camping at a national park.

Both experiences will create lasting family memories. Prices, nonetheless, are a critical determinant in the decision.

In fact, prices, and how people respond to them, are factored into nearly all free exchanges for fulfilling wants and needs. You may already have an ample supply of socks. But a 'buy one get one free' sale

may incentivize you to buy more.

Your old beater car may work just fine. Still, you may want a new car that has all the latest digital integrations.

But how badly do you want it? Bad enough to sign-up for a [\\$1,000 per month](#) car payment? At that price, you'll miss out on a lot of steak dinners.

**The point is prices and incentives matter.** Moreover, changes in conditions that raise or lower prices, such as interest rates or regulations, will influence behavior.

This is an important insight. **And it is one that is not lost on government policy makers. By influencing prices, they can influence behavior.**

## Corrupting Prices

**To be perfectly frank, prices are corrupted by governments for the purpose of extracting capital from the economy and rearranging society in strange and unnatural ways.** In California, for instance, [Assembly Bill No. 205](#), which was approved by Governor Newsom in 2022, requires power companies to charge customers a base fee that escalates by income bracket.

A recent [proposal](#), would forcibly compel high income earners to pay a base fee that's over 400 percent more than low income earners. This is in addition to the actual use rate.

***Is it fair and just to penalize people with high incomes? Does the government know how to spend money better than the people who earned it?***

Sacramento thinks so. As does Washington through its execution of federal income tax policies.

The process of corrupting prices also accrues power to the central planners and decision makers. This power, and the wealth it affords them, has proven to be quite intoxicating. Too much is never enough.

**What's more, bankrupt, failing governments can only hold onto power by tightening their grip on those they dominate – *including you*. Compulsory diktats over how your time is directed and how your money is spent are acts of desperation. Yet they must go on.**

Massive taxes, endless fees, tax incentive credits, and outright currency debasement and money supply inflation, all work to extract capital from private individuals and direct it back to Washington. And right now, in the later stage of decadence, this appropriative coercion must increase.

You see, at this point, there's no way to reverse the gross corruption that has already occurred. Any potential means to do so are soon coopted by the central authority and turned against the population.

## Tools of Control

Consider digital technology advancements. These should be liberating. And in many ways, they are. But what the last 20 years of the digital age has shown is something that's profoundly sinister.

**Digital advancements, in practice, have given governments – including the U.S. government – powerful tools of control.** Edward Snowden blew the whistle a decade ago on the massive surveillance apparatus that was being erected to spy on people. Instead of being hailed a hero, Snowden was rewarded with espionage charges and exiled to Russia.

Since then, the use of digital tools to spy on and control the political process has run completely amok. Each innovation – from social media to cryptocurrencies to artificial intelligence – is swiftly penetrated by the FBI, CIA, IRS, Homeland Security, and the Federal Reserve.

**The new digital innovations are then used to punish certain baskets of deplorables, rig elections, and stymie honest debate for the purpose of locking people down, pumping them full of bogus vaccines, and locking the doors to their churches.**

A preponderance of evidence has shown that these are not merely conspiracy theories. Rather, they're real, genuine, *bona fide* conspiracies. And they're being perpetrated by powerful actors to destroy your freedoms, confiscate your wealth, and rule your life.

Bat to human spread of coronavirus. Hunter Bidens laptop. Russiagate. These episodes were all based on lies that were perpetuated through the collusion of media with unelected bureaucrats, sitting in corrupt government agencies, to swing power in their favor.

Revelations included in the recently released Durham report confirm what everyone already knew, in spite of all the lies from Rachel Maddow and Adam Schiff. That Russiagate was a complete fabrication by the FBI and the Clintons.

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The findings of the Durham report, for any honest observer, really aren't all that shocking. Political corruption in America has been normalized.

Like opaque medical billing charges, it's merely a facet of everyday life. You can get worked up over it. You can complain. But it won't do any good.

**The IRS, for example, has long proven itself to be an agency of dubious actors.** If you recall, the IRS singled out conservative groups in 2013, including the Tea Party, and subjected them to expensive and needless audits.

Lois Lerner, who was then the director of the IRS division that oversaw tax-exempt groups, ultimately apologized for making mistakes and exercising poor judgment. President Obama also demanded the resignation of the acting IRS commissioner, Steven T. Miller, and called the agency's [actions](#) *"intolerable and inexcusable."*

Yet if there was really justice to be had the IRS would be scrapped and the agency's workers would be sent home without pay. The impenetrable tax code would be replaced with a simple across the board

flat tax, which eliminates all deductions, loopholes, and chicanery. But that would remove the politics, lobbying, and swindling opportunities behind it, which is the tax code's very point.

**Given these abuses by the IRS, for partisan purposes, it shouldn't be a surprise that other government agencies are abusing their powers for political objectives.**

What to make of it?

**Banana republics of all stripes have several common denominators:**

They have a corrupt political class, including both 'elected' officials and unelected agency bureaucrats, who **lie, cheat, and steal to consolidate power and concentrate wealth.**

They have a corrupt debt-based currency, run massive deficits, and resort to the printing press to scam the populace.

All public restrooms are corrupted with carved graffiti and missing toilet seats. **In good time, as a nation's corruption spreads and becomes more pervasive it bleeds all private wealth from its citizens.**

Lastly, you know utopia's been reached when the powerless majority are all equally poor.