Wealth Concentration

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1) Criminal Justice
1.1) Prisons

- Poor disproportionately jailed
- Phone visitation costs money
- Paltry prisoner pay
- Overpriced prison store
- Pay for rushed public defender
- Restitution for victim
- 80% of restitution never paid
- Lifetime poverty sentence

1.2) Drug Prohibition

- Protects profitable industries:
- Drug, alcohol, tobacco, prison
- Eliminates low cost alternatives to opiates
- Eliminates psilocybin for depression
- Encourages cycles of jail, poverty, trauma, disconnection, addiction
- Disproportionately affects blacks

2) Working Poor
2.1) State Sponsored Gambling

- Advertises hope to destitute
- Source of expensive, destructive addiction
- Increases crime, bankruptcy
- Preys on poor

2.2) Payday & Title Loans

- Extreme interest rate
- Entices fiscally illiterate
- Existed for years in SD

2.3) Inflation

- Price of consumer goods rises faster than wages
- Working poor lose
- Rich can buy hedges
- Pensions lag inflation, pensioners lose
- Savings usually lag inflation

2.4) Cheap Labor

- Manufacturing went overseas
- Engineering, IT also moving
- Supported by free trade, globalization
- High paying semi skilled work dwindling
- Labor unions are shrinking
- Robotics are taking over

2.5) Social Security

- Underfunded entitlement program
- Current employees pay for current retirees
- Because of aging population, pay in more but get fewer benefits
- Further reduces worker pay
- There is no social security trust fund

3) Taxes
3.1) Regressive Taxation

- Sales, excise, property tax regressive
- Income tax now regressive
- Hedge fund traders pay lower rate than plumbers

3.2) Trust Funds

- Used by super rich
- Avoid income and inheritance taxes
- SD now a tax haven

3.3) Offshore Tax Havens

- Help USA companies avoid income tax
- Not viable for small companies

4) Currency
4.1) Federal Reserve

- Private central bank system
- Established by Congress in 1913
- Inner workings are secret
- Private banks work for the owners
- Member banks make $150 billion from creating money. See https://www.monetary.org/35-key-articles/97-is-the-federal-reserve-system-a-governmental-or-a-privately-controlled-organization

4.2) Banking Quotes

- "The real truth of the matter is, as you and I know, that a financial element in the large centers has owned the government of the U.S. since the days of Andrew Jackson." Franklin D. Roosevelt in his 1933 letter to Edward Mandell House
- “When a government is dependent upon bankers for money, they and not the leaders of the government control the situation, since the hand that gives is above the hand that takes. Money has no motherland; financiers are without patriotism and without decency; their sole object is gain.” Napoleon Bonaparte

4.3) Informative But False Quote

- "The Central Bank is an institution of the most deadly hostility existing against the principles and form of our Constitution. If the American people allow private banks to control the issuance of their currency, first by inflation and then by deflation, the banks and corporations that will grow up around them will deprive the people of all their property until their children will wake up homeless on the continent their fathers conquered." Falsely attributed to Thomas Jefferson

4.4) Economic Disasters

- Can be immensely profitable
- Get rich during a boom
- Sell before the bubble bursts
- Buy cheap after the crash
- 1990 – Savings & Loan bailout under Reagan
- 2001 – 911 attack under Bush
- 2008 – Housing bubble under Obama
- 2020 – COVID under Trump
- Were these disasters accidental or deliberate?

5) Miscellaneous

5.1) Expensive Housing

- Home ownership often unattainable
- Prevents generational wealth
- Long mortgages help bankers
- Economic disasters discourage private ownership

5.2) Corrupt Government

- Buying officials is immensely profitable
- National reward is $760 to $1 for buying officials
- Government functions as plutocracy
- Overpriced contracts help company owners
- Regulatory capture helps industry, increases pollution, hurts consumers
- Reduced enforcement of antitrust laws
- Industry consolidation promotes wealth, reduces innovation

5.3) War

- USA has world's biggest military (and prison system)
- Endless series of overseas wars
- Boon to military industrial complex

6) Conclusion

- Many ways for super rich to gain wealth
- Losing economic power accompanies losing political power and freedoms
- Reform needed

7) Enjoy Our Falls