

Shocking Economic Realities vs Tone Deaf Politicians

By: Vote4Florida.com April 10, 2025

Introduction

- *50% of Americans (173+ million) live off \$30,000 or less per person per year!*
- *25% of Americans (86+ million) live off \$15,000 or less per person per year!*
- *50% of 65–69-year-olds in America have less than \$50,000 in retirement savings!*
- *\$40% of all American retirees rely exclusively on Social Security income at a median payout of \$2,000/month/person)*
- *Billionaire politicians boast about paying no income tax while people with \$23,000 income per year (2025) pay 10% Federal income tax on top of sales tax and tariffs!*

There simply is no predecessor comparable to the chaotic presidency of Donald Trump in memory or written history of the USA. Never before has a president so divided Americans against each other based on political, ethnic, racial, sexual and economic diversity.

There are so many controversial topics on Trump that begs to be recorded and reported that it tends to numb and confuse the average person to not know where to start. However, I want to pick the one topic that most contributed to his election against Kamala Harris: The US Economy.

The Democrats did not ignore the economy as a topic in the 2024. However, it was buried among all the other causes they championed, like women's rights, DEI, Project 2025, the Environment, Immigration reform, and so on. Each of these topics are indeed noble and absolutely worthy pursuits, but the one thing that stood out for the voter in 2024, was the economic effects of the prior 4 years of inflation. Trump made it his prime campaign focus while vilifying and blaming the Biden administration (and by association Kamala Harris), for having caused the inflation. The GOP vigorously marketed the billionaire Trump as knowing how to "fix that". **That is why 51/49 of all voters voted for Trump, even among those at the receiving end of his homophobic, misogynistic, racial and diversity rhetoric.**

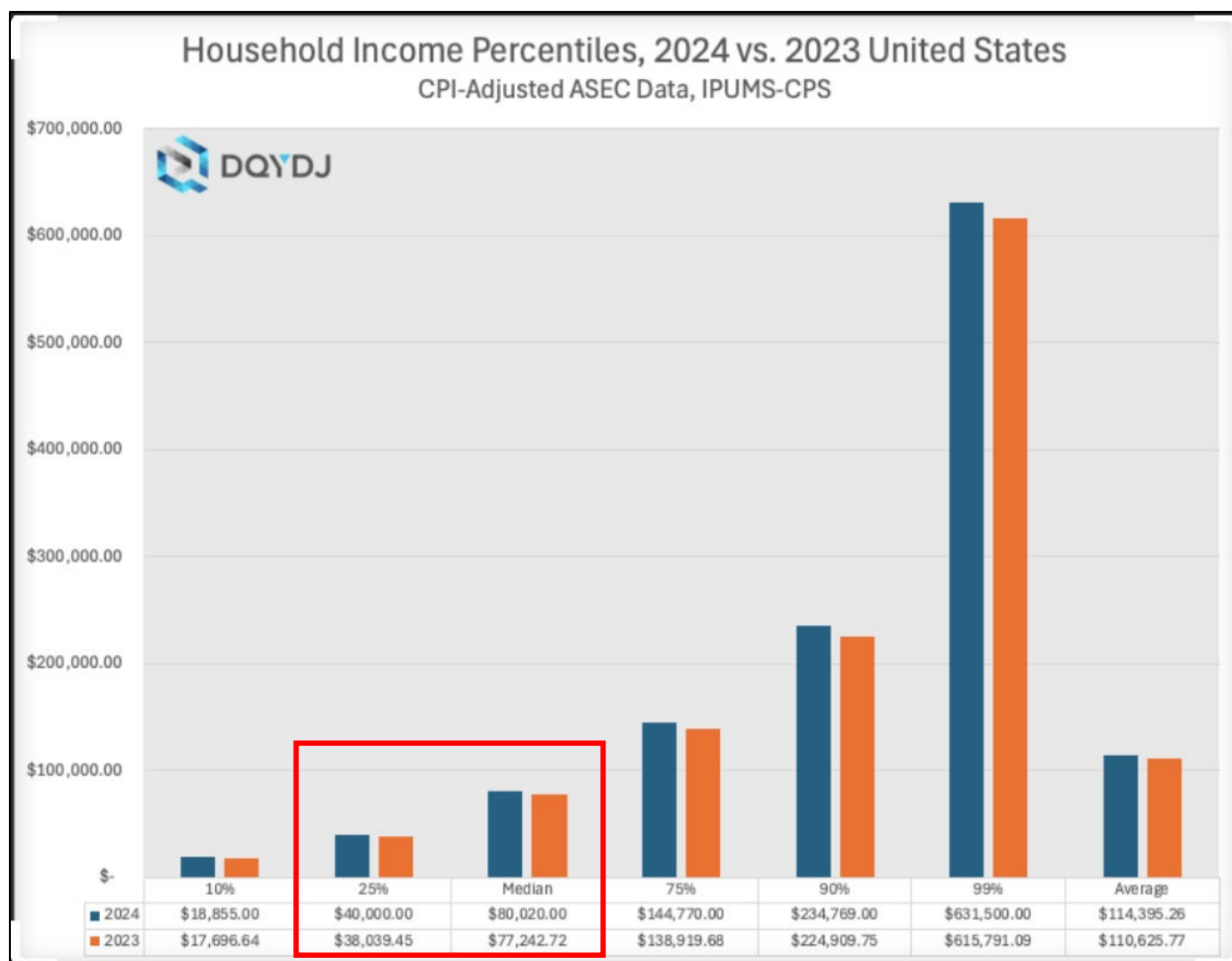
While many of his followers like to proclaim "promises made, promises kept" to describe Trump's first months as president in 2025, there is little substance and a lot of smoke and mirrors behind those words seeded by his administration. For example, the number one promise his voters voted for, was to reduce prices "starting on day one". By mid-April, it was clear that it did not happen, and it is not going to happen any time during his 4-year term. No president has the power or tools at his/her disposal to dictate what

prices are in a free market. On the contrary, he launched a hyper inflationary strategy of Tariff Wars against the rest of the world claiming “they were” taking advantage of us, “they were” unfair, “they were” etc. etc. To an average person, unschooled in economics and financing, his arguments sound plausible, while mostly the opposite is true. The only real truth is that he is a highly skilled expert in “the art of fooling people”.

Among many topics to pick from, The Trump Tariff War clearly illustrates how he is failing in his duty as a president to serve all Americans. In order to prove this, we need to understand some basic economic realities of the American people who he is supposed to serve.

Income Distribution

Unless you were born into wealth, Americans spend their lives working towards economic health in order to one day retire in peace and security. However, a hard fact about a free-market economy is that all are not equal, and economic health eludes a shockingly large portion of our population. The following statistics illustrate that:



Let's first explain the difference between "Mean" and "Average" and what is a "Percentile".

The Mean value is that value where 50% (one half) of the population has less of.

The Average value is simply midway between the maximum and the minimum values.

The Percentile value is the value representing a percentage of the population having less or equal to that value.

So, from the chart we can see the following:

50% of all Americans have an annual household income of \$80-thousand or less representing about 66 million households. Using the 2024 population of 345,426,571 people, those households represent roughly 173 million people (2.6/household).

With a little bit more math, that means about \$30,400 income per year per person in each 2.6-person household for 50% of our population, and only about \$15 thousand per year for 25% of our population (86.4 million people)!

If higher income people can only imagine for a minute how they would get by with so little, they would understand the reality for half our population regardless of party, before making sweeping statements about how acceptable current economic fluctuations are!

Retirement Savings

Closely linked to the above and equally devastating, is retirement savings. I say devastating for a few reasons: One is that if you are living paycheck to paycheck, how in the world do you save towards social security and retirement? Secondly and very frequently, large corporations that provide minimum or low wage jobs, "cleverly" (or one should really say "deviously") deny full-time employment to those employees which means they do not get benefits of social security or medical insurance contributions from the company. To name a third, many of the low-income group are self-employed workers like cleaners, gig-artists, farm laborers, etc. who have no medical or social security contributions that may one day provide them with retirement income.

The result is the following 2023 retirement savings distribution among our citizens:

Age	Median Retirement	Age	Median Retirement Savings
18-24	\$710	50-54	\$43,000
25-29	\$8,200	55-59	\$59,840
30-34	\$12,680	60-64	\$33,000
35-39	\$21,000	65-69	\$50,650
40-44	\$24,000	70-74	\$105,000
45-49	\$33,000	75-79	\$36,000

Retirement Savings by Age: Averages, Medians, Percentiles US - DQYDJ

The above table leads one to realize how severely impacted retirement savings for at least 50% of our people in each age group are, when the economy fluctuates:

Using the current mean social security payout of \$2,000 per month, that equates to \$24,000 per year before taxes. Note that sales tax and tariffs are not excluded by income tax laws. Also, income from social security applies only to that portion of the population that paid towards social security while employed and we have already demonstrated that a large portion of the lower income population did not do that. This latter group will have to finance their retirement from savings!

Fifty percent (50%) of the population has less or equal to \$50,000 saved for retirement at age 65 to 69. It is doubtful that those people have that money invested in the stock market, more likely in low interest-bearing savings accounts. Nevertheless, assuming for a moment that they are invested in the stock market (a best-case scenario). The average annual return on investment in the stock market over the past 40 years has been about 9.4% compounded per year. Thus a \$50,000 investment should be expected to produce an average long-term yield of **about \$4,700 per year which is less than \$400 per month. Imagine that as your retirement income if you do not get social security checks!**

According to the Office for the Assistant Secretary for Planning and Evaluation, in 2025, an individual is considered to be living in poverty at an annual income of \$15,650 or less, i.e. that almost exactly equals 25% of the population, or over 86 million people!

The horrific reality of these numbers simply disappears in the daily deluge of insensitive, unsympathetic and tone-deaf Trump economic rhetoric. Millions of our fellow Americans are being destroyed financially as he adds tariffs to their expenses while playing golf.

Taxes & Tariffs

In an attempt to alleviate the inherent free-market income inequalities, income taxes were designed to be lower for low-income people than for high income people. A sliding scale was thus established. The effect is shown in the 2025 USA tax table below.

Depending on your annual income, you can also calculate the approximate overall tax rate that incorporates each lower tax bracket. For example, if you earn \$125,394 per year, your average tax rate is 14%).

2025 Tax brackets: Married, filing jointly					
Annual Income Bracket	Tax rate %	Income Portion	Income sum	Tax	Effective Tax rate
\$0-\$23,850	10%	23,850	23,850	2,385	10.0%
\$23,851-\$95,950	12%	53,002	76,852	6,360	11.4%
\$23,851-\$95,950	12%	19,098	95,950	2,292	11.5%
\$96,951-\$206,700	22%	29,444	125,394	6,478	14.0%
\$96,951-\$206,700	22%	81,306	206,700	17,887	17.1%
\$206,701-\$394,600	24%	187,900	394,600	45,096	20.4%
\$394,601-\$501,050	32%	106,450	501,050	34,064	22.9%
\$501,051-\$751,600	35%	250,550	751,600	87,693	26.9%
\$751,601 and up	37%	1,248,400	2,000,000	461,908	33.2%

sales tax and import tariffs, however, do not operate on a sliding scale. The result is that such taxes disproportionately hit the lower income population the hardest.

Take sales tax for example. Let's say where you live, there is a general sales tax of 10%. At the low-income end, one would arguably spend 100% of income on cost-of-living items that are then taxed at 10%. Even without tariffs, such a person will pay an average of 20% tax: 10% income tax and 10% general sales tax. A person on the other end of the income scale would spend only a fraction of their income on cost-of-living items to which the sales tax will apply.

When, as in recent weeks, Trump implements an average 20% tariff on imported goods, for all practical purposes it works the same as a general sales tax which will be directly paid by every American consuming those goods, including for transportation and many common foods like eggs, meat, fruit and vegetables. Once again this burden is disproportionately hitting low-income people, many living on the poverty line and spending 100% of their income on cost-of-living items will now pay Income Tax + Sales Tax + Tariff Tax. Remember, Americans living on the poverty line is close to 25% of our population, i.e. 86+ million people, that include retired people!

What is Inflation?

Inflation refers to the rate at which the general level of prices for goods and services rises, eroding purchasing power. It is often measured by the Consumer Price Index (CPI), which tracks the prices of a basket of goods and services over time. When inflation occurs, each dollar buys fewer goods and services. The only tool the government has to limit inflation, is to try to influence our spending habits, for example, by raising interest rates. The Biden Administration managed to bring inflation down below 3% and had all the economic indicators pointing to restoring income to make up for the more or less 20% accumulated cost of living increase since 2021.

Inflation under Biden's Administration was caused by the previous months and years of oversupply of money, supply chain disruptions due to COVID, and Russia's invasion of Ukraine which pushed up fuel and grain costs.

What is Stagflation?

Particularly with his Tariffs War, Trump is exposing the USA to simultaneous inflationary pressures by increasing consumer prices and reducing economic activity which can easily lead to a rare economic phenomenon characterized by the simultaneous occurrence of stagnation and inflation, hence "Stagflation". This means that the economy experiences slow or stagnant growth, often accompanied by high unemployment rates, while at the same time, there is a sustained increase in the general price level of goods and services. Hoping for industries to relocate to the USA is certain to take 5 to 10 years or longer to establish while reducing production and raising prices. Large industries will take 10's of years to make up the extra investments they will need to relocate and start up new factories.

Stagflation is particularly challenging for policymakers because the tools used to combat inflation, such as raising interest rates, can exacerbate economic stagnation by reducing consumer spending and business investments. Conversely, measures aimed at stimulating economic growth, such as lowering interest rates or increasing government spending, can further fuel inflation.

Understanding stagflation requires recognizing the delicate balance between fostering economic growth and controlling inflation, and it underscores the importance of comprehensive and adaptive policy approaches to maintain economic stability. Economic stability and the name Trump unfortunately do not fit into the same sentence.

Again, the hardest hit will be 50% of Americans that earn below the median annual income. One is tempted to say: "good luck to those who voted for him ... they are getting what they deserve". However, half the country did not vote for him and are equally affected. The real message here is to inspire and mobilize the DEM AND GOP

voters to vigorously oppose all his chaotic policies by contacting their congressional representatives, by joining protests, and by constant “online opposition.

Conclusion

In 2 years, there will be mid-term elections and there will be no place for a half-hearted participation by the Democrats. Spread the message, inspire those in your family and among friends, to stand up against this man who has already and continues to do historic harm to our country. **We must make the Economy our No 1 campaign issue. Make Trump own this chaos and economic harm to all American voters.** This is the only winning hand to restore order on all the other noble fronts that make America the greatest Country on earth again.