The Chinese Financial Dispatch

China's Primary Economic News Rag: *"Delivered As It Develops"*

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Today: Dangerous Deficit Dragging Down the Day-to-Day!

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Up until the year 1360 BC, China has been doing relatively well financially, maintaining a financial surplus. The government's treasury has been growing steadily, expensed when they needed a rush job, or to call on emergency manpower. However, our government recently began spending more gold than we collect, a problem that will not be quickly solved. Based on exclusive screenshots of the Economic Overview panel, obtained by the Chinese Financial Dispatch, we can extrapolate current production trends, lending insight into future market swings. A thousand years ago, the state of the nation's economy was largely a matter of concern for the Ministry and Legislature, but now, with almost one hundred open accounts in the DemocraCiv National Bank, it is a matter of desperate public interest. At this fragile time for our economy, the livelihoods of our citizens hang in the balance.

The Devil's In The Details

The nation currently in a 2 Gold per turn deficit, which would be largely unconcerning, especially since we are constructing a Paper Maker in Wanmei, and have 219 Gold saved in the Treasury. In an ideal world, the Paper Maker would correct the deficit, granting us 2 Gold a turn, balancing the budget. Sadly, things are not this simple. Beijing is also constructing a Water Mill, which will be complete 5 turns before the Paper Maker. The Water Mill, while an extremely powerful food and production building, is expensive, costing 2 Gold a turn. Not only does this leave the Treasury exactly where it started, it worsens the situation for 5 turns. Sadly, this will not be an quickly solved problem.

After just ten turns, we can safely project that the Treasury will fall as low as 178 Gold, losing 6 more a turn due to continued building and road maintenance costs. The situation slightly improves when Wanmei completes its Paper Maker, lowering the deficit to just 4 Gold, but this is still unsustainable, as building maintenance costs continue to rise. Unless action is taken, the deficit will be approximately 6 Gold lost a turn by the end of the next session, draining the coffers to under 100 Gold.

The issue cannot be blamed on a single act, but instead a multitude of actions. Beijing is the only city collecting Gold for the Treasury, producing just 8 Gold a turn. Building maintence costs across the three cities total 4 Gold a turn, while paying the salaries of our construction crews and soldiers total 5 Gold a turn, with a single Gold a turn spent on maintaining a new road, connecting Wanmei to the capital. Mostly, this just demonstrates a ministry unconcerned with the finances of the nation, willing to make risky investments at the drop of the hat, without a plan to recoup expenses.

Minister Joebob: “It’s fairly normal for Liberty players to run a small deficit early on.” He added “It's one of the reasons why I'm advocating for a war.”

What Can The Ministry Do?

Beijing has an plantation of incense left to grow wild; if the ministry were to have someone collect it, perhaps the worker assigned to the forest, the Ministry could solve this financial issue with the snap of their fingers. Albeit, it would slow growth in Beijing to a crawl, but we must make sacrifices. Even then, until more farms are built around the city, Beijing's growth will be frustratingly slow; there is simply not enough food. The Water Mill is an effective stop gap; but only just that; a stop gap. Beijing desperately needs a permanent solution before it is struck with famine again.

Shanghai is much the same, there's no easy solution from our newest city: still finding its feet, it has no access to Gold producing land, not until it establishes large enough borders to lay claim to the Gem deposits on the other side of a nearby hill. Still, following the doctrines laid out in the City Standards Act could resolve this issue: a Paper Maker would establish a very valuable stream of revenue, but even at its fastest, it's 15 turns away.

The Ministry seems to have its heart set on connecting Wanmei to Beijing for the Gold that results from a city connection. It bears the question: can we afford the expensive roadway construction costs? The answer appears to be a definitive no: a road to Wanmei would cost 6 Gold a turn to maintain, while only rewarding us with 4.3 Gold a turn. Why would the Ministry invest in this road to debt?

Not all is bad news from the city of Wanmei, which is expected to grow in the shadow of the great Mountain Kilimanjaro next turn, and a patch of flowers in a nearby forest have been discovered to be potent dyes. Harvesting and selling them to travelers could earn the treasury 2 Gold a turn, along with the benefits of working the forest (Food and Production). Thanks to the great bounty of the Holy Mountain, Wanmei produces 4 Food a turn, more than enough to sustain its growth, and compensate for a weak treasury. A plantation to streamline dye production would go far to repair the economic damage.

The Bottom Line:

In the coming week, the average citizen has much reason to be skittish. If the Ministry lets the deficit spiral out of hand, this could seriously damage the basic income they are guaranteed. When asked how a deficit could impact the average citizen's bank account, presumptive Triumvirate member Solace said that "it was decided very early on that military spending will not be a negative factor to the economy as a whole... but building maintenance and city incomes have a direct impact." This is good news; the 5 Gold a turn spent on the salaries of our soldiers and construction crews will not be calculated for basic income. Still, depending on how the Ministry addresses the financial crisis, a worst case scenario could mean that the next round of basic income could even be nothing. One can only hope that the Ministry takes immediate action to protect the citizens of China.

About the *The Chinese Financial Dispatch*:

The Chinese Financial Dispatch is a non-partisan economic review for DemocraCiv MK 4, primarily written and edited by My Name Is Immaterial, a newcomer to DemocraCiv. Its mission is to improve the financial and economic literacy of the citizenry of DemocraCiv, by featuring stories about current financial issues of the DemocraCiv economy.

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