

NOT SO DEEP IN THE HEART OF TAXES

One of Romney's worst moments was when he accused Obama supporters of wanting something for nothing. Not only did he manage to insult large numbers of working, retired, and military people by ignorantly misinterpreting a statistic, but he was so wrong that he had it exactly backwards. The something-for-nothing people were *his* voting constituents.

That is exactly what Republicans have been selling since Reagan. They constantly harp on cutting taxes. It always appeals to taxpayers of any income who don't know or don't think about the effect on the other end. They mindlessly accept the lies about cutting spending to balance the lower revenue. Reducing spending sounds fine in the abstract until it comes to sifting through the specifics.

People think about eliminating waste, which is always a good idea, but it doesn't amount to a big part of a budget. Most of that budget is there for a reason. When you propose cutting things people need, you alienate voters, and those who stand up for them will oppose you. Try to reduce the military budget and you have the hawks against you.

So what you end up with is a deficit bigger than planned, and after a few of those, you have a new issue to campaign on, but you don't want to admit that you and your party were wrong in cutting taxes too much, and you already tried cutting spending.

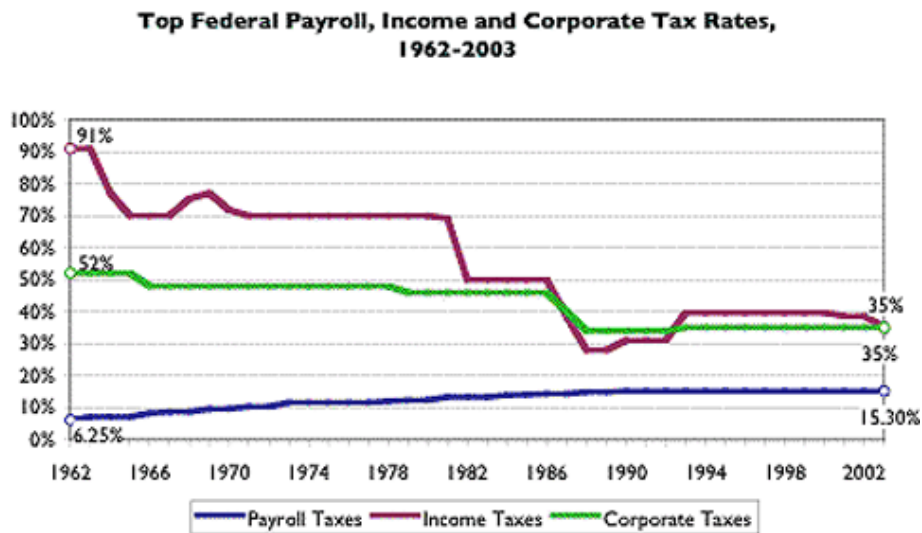
Republicans claim to be business-minded, but they don't approach government that way. Businesses like to offer lower prices to increase sales, but first they find out if costs can be reduced. They may increase efficiency, use cheaper materials, or find a way to pay workers less. Business may often be ruthless and immoral, but they're not stupid enough to promise lower prices they can't afford to deliver.

To make matters even worse, low taxes have become not just the campaign scam they've always been-- now it's part of an ideology. The aim is not just to appeal to voters, but to force budget cuts to the point where government cannot afford to protect its citizens from its corporations. It is no surprise that the pro-corporate Republicans pursue that purpose, along with anti-labor union laws, and any other policy designed to give big business free rein.

Enthusiasm for budget cutting does not extend to the defense portion. Military power is the corporate tool that enables and protects global expansion. It always has been, just as it was in the British Empire. In addition, weapons and other military equipment are a lucrative market.

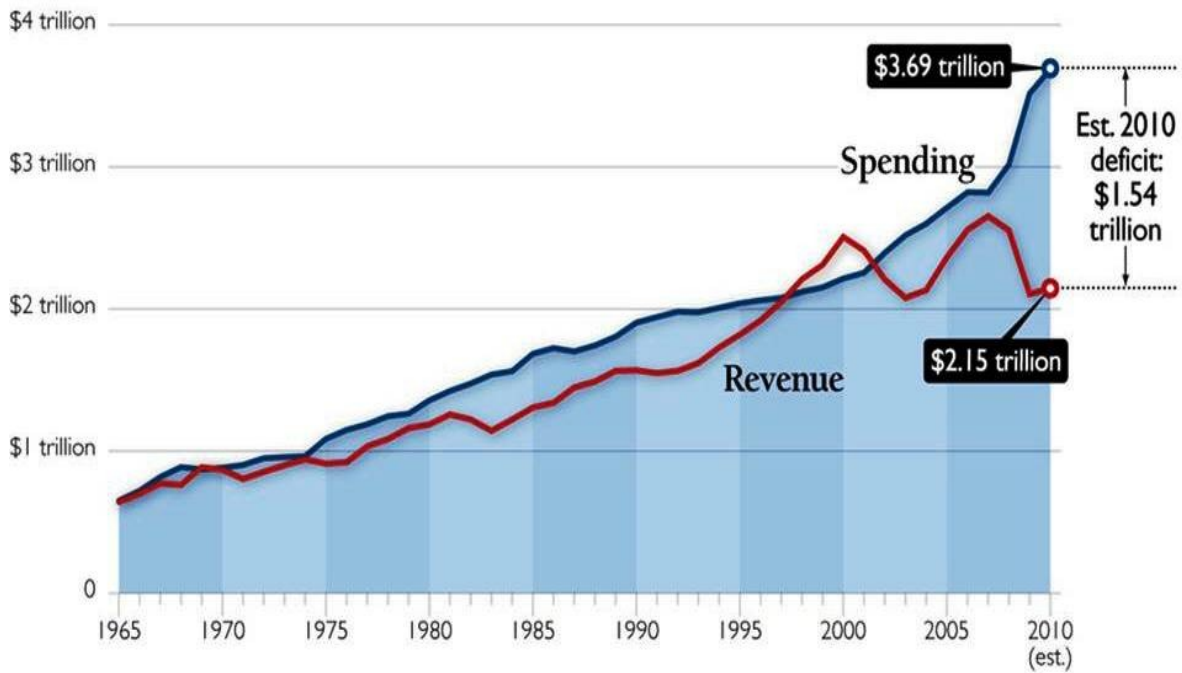
Tax reduction is a political product for which there is no need in a normal economy. As a temporary stimulus in times of economic recession, it is only useful in the lower income range, where the savings will likely be spent.

Here is the tax rate history:



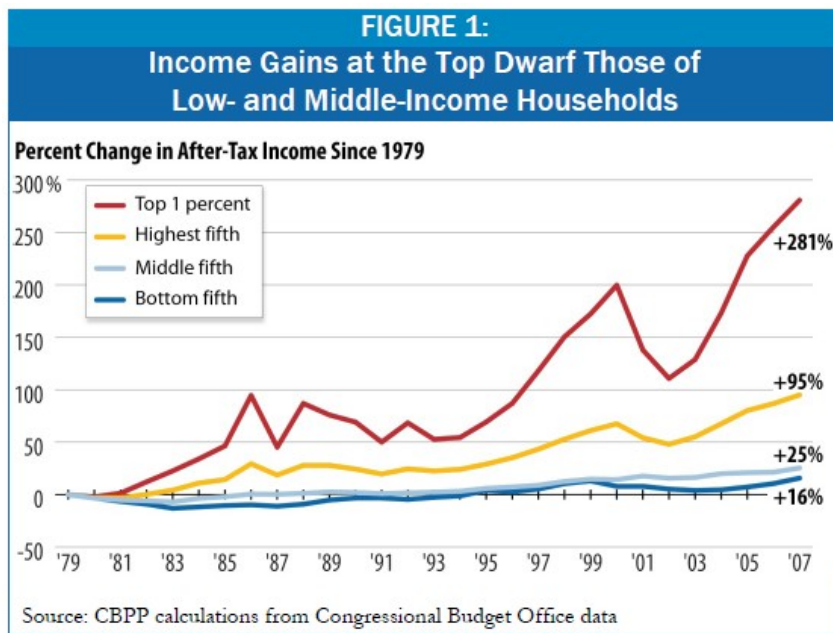
Our taxation is not only lower than it has been in recent history, but is lower than that in almost all developed nations.

And here is the revenue and spending history:



Note that revenue and spending stayed close until Reagan's unnecessary tax cut, which he partly corrected by a subsequent increase. After Clinton balanced the budget, Bush, by excessively cutting taxes and hugely increasing spending with two long wars, created an absurdly wide gap.

And here is the growing income gap since Reagan. Part of this results from tax reduction, which radically narrowed the range of progressive taxation. Most of it comes from the war on labor unions, also started by Reagan. Keep in mind that collective bargaining helps not only union workers, but non-union as well. All wages and benefits tend to rise as businesses compete for workers.



Other causes include increased outsourcing of manufacturing, aided by policies that allow and encourage it.

Though it would be best to keep middle and lower income taxes from increasing until economic recovery is more certain, we need to increase them all in the near future. Failure to keep revenue in the same range as the cost of government is irresponsible. Ending the Afghan occupation will reduce much expense, but costs of caring for veterans of both wars will continue for some time. And, far from allowing less funding for education, the EPA, the ATF, or financial regulation, we need to do much more in those and other areas.

Obsession with the national debt is pointless until the economy is back to normal, but increasing revenue to meet current spending will go a long way toward restoring confidence and sanity.