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Tax the Rich

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Tax the rich!

Fed up seeing your life become increasingly stressed with more debt and less cash in your pocket?

Michael I. Niman has the answer, in three words

It's hard to organize a political movement in the age of one-minute news stories and seven-second sound bites. Reality is just too damned complex for our degraded communications culture. Vote for the politician with the flag and the baby, who will cut your taxes and buy you a new car. Stories about how casino capitalists empowered by neoconservative market deregulation took down the global economy with toxic assets, and how hegemonic market relationships shifted the pain of economic collapse to the poorest nations and people, resulting in accelerated patterns of upward wealth redistribution and the subsequent uptick in violent conflicts, just don't fit into this news model.

It's also difficult to propose realistic solutions to such problems when, on those rare occasions the news media actually does allow a dissident voice, they only get seven seconds of airtime or two lines of newsprint. But I think I've got the sound bite that addresses a fix for almost all of our social, economic and environmental problems: Tax the rich!"

It doesn't take seven seconds to say. Perhaps two. And I can write it 13 times in two lines. Try it. Write it. Shout it. Tax the rich!

Though seemingly mind-numbingly simple, it's a universal fix. Worried about how to pay for an economic stimulus plan – not a namby-pamby one that just bails out bank-

ers, but one that would put Americans back to work? Just tax the rich. Worried about the deficit? Tax the rich! Want to rebuild our nation's crumbling infrastructure? Tax the rich! How about creating green jobs and stimulating a green economy? Tax the rich! Want to guarantee each American child the right to a quality education and affordable college tuition? Tax the rich!

Tax the Rich!

For our Tax the Rich coalition to work, it's got to be a broad-based movement focusing on one and only one issue: taxing the rich. For or against abortion rights, marijuana legalization, nuclear power, gay marriage or Don't Ask, Don't Tell? It doesn't matter, we all want to tax the rich. For or against New York's Rockefeller Drug Laws, California's Three Strikes law, or Texas's quest to jail everyone forever? It doesn't matter. We can all agree that the \$50,000-per-year bill to lock people up, whether we think they should be in jail or not, should be paid by taxing the rich.

For or against the War on Terror, the Drug War, the Afghanistan War or the Iraq War? We'll have that argument someplace else. Right now we're talking about taxing the rich. Right or wrong, someone has to pay the outstanding bill for these wars. Our current plan of borrowing from China and Saudi Arabia borders on economic trea-

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son. During World War II, we paid for the military by raising the maximum tax rate, paid only by the rich, to 94 percent. Hell, they're the ones who profited from the war. And they're the only ones who were able to both pay for the war and still have money left over to support their lavish lifestyles. So we taxed the rich.

This is a simple concept. Even 15 years after World War II ended, during the Republican Eisenhower administration, we kept their top tax rate at 91 percent, so we could pay off the bills for that war, the Korean War, and the incubating Cold War.

Tax the Rich!

Our current economic model essentially uses the tax system to take money from working- and middle-class people and redistribute it to the rich in the form of corporate welfare, tax-free loans and bailouts, and subsidies for building and operating the infrastructure the rich use in both making and keeping their money. Try this simple political theory on for size: The primary purpose of civil government is to protect private property. Want to squat an empty building, stay in your foreclosed home, or grow tomatoes and squash on the edge of some rich person's estate? Taxpayer-funded police will enforce trespass laws and drag your butt off to a taxpayer-funded jail. I'm not arguing here for or against the concept of private property. I'm just saying the people who own most of our nation's wealth should be the ones paying to protect their alleged rights to that ownership. This is conservative, libertarian economic philosophy: Tax the rich.

Want to print your own Swoosh shirts? Nike will have you arrested. Ditto for Disney and Mickey Mouse, or your beloved football team and its registered logo. See what happens when you offer your new Amber Swift album up for file-sharing, or try selling a homemade copy of *Toy Story 3* on eBay. Taxpayers subsidize this government enforcement of intellectual property laws that benefit the rich, who take the big-

gest cut every time you hit the buy button on iTunes. Again, I'm not arguing here for or against intellectual property laws. Let's keep our coalition broad. I think we can all agree, however, that if we have such laws, we should tax the rich to pay for their enforcement.

The taxpayer-funded criminal justice system, in addition to protecting the wealth and private property of the rich, also abets the rich in their chronic theft from the poor. If you stop paying the 28-percent interest on your credit card debt, or steal unaffordable medications from a drugstore, you'll wind up in a taxpayer-funded court. If your mortgage adjusts upward to the point where you can no longer afford to pay it, you'll wind up in taxpayer-funded court. Why not pay for these courts by taxing the rich?

The same principle holds true when we fight wars to protect property the rich claim to own, or to acquire resources the rich will soon own. And who should pay the bill for police to protect the estates of the rich, the banks the rich own, their Bentleys and their yachts? The reality is, if you steal from the poor, you will likely get away with it. If you steal from the rich, if you rob a bank, you will go to jail. So why not tax the rich to pay for this criminal justice system? They already seem to own it.

Tax the Rich!

It also turns out that taxing the rich helps grow the economy. Again, the theory is painfully simple: Put money in the hands of rich people and they invest or spend it either abroad or on luxury goods that provide few jobs per dollar spent. Put money in the hands of the poor and they'll immediately pump all of it back into the economy. If you want to stimulate the economy, take money from the rich and give it to the poor. The poor will just give it back to the rich anyway, but at least it will pass through a few middle-class hands on the way.

In the 1950s and 1960s, when we actually taxed the rich, we were able to build the interstate highway system, wage an expen-

sive war, and fund a welfare state. Economic growth, stimulated heavily by government and poor people's spending, allowed the "liberal" Kennedy and Johnson administrations to cut the tax rate for the rich by 21 percent, lowering their rate to 70 percent. Then greed got the better of America. Today's top tax rate for individuals "earning" over \$373,650, is 35 percent, while the rate on "unearned income" from passive investments is capped at 15 percent – which is 10 percent less than someone earning \$34,000 per year would pay on their "earned" income.

We financed this historically unprecedented wealth transfer with deficit spending and cuts to government services. These cuts led to increases in public university tuitions, a plethora of fees and sales taxes, and local and state taxes, at the same time our public infrastructure began to decay and food, medical, and education assistance to the poorest Americans was cut. We didn't cut any of the government services that protect the rich's monopoly on wealth, however. The Great Society gave way to the McMan-sion when we stopped taxing the rich.

This stuff is simple, but you'd never know it since rich people own our media and our politicians. They've linguistically transformed their obligation to contribute to society by paying taxes into a "tax burden." And likewise, they've bastardized the language to describe their endless campaign to pass the responsibility of paying off government debt to the middle class as "tax relief." Call it what you will, those who reap most of the material benefits of our society should also shoulder most of the "burden." So let's tax the rich.

The corporate media also tell us that economics is far too complex for us to wrap our little working- and middle-class minds around. They even manufacture "think tanks" to lend a bought-and-paid-for academic veneer to their economic propaganda. But their "trickle-down" meme is even simpler than mine. Money we give to the rich will supposedly trickle down to

the poor. After 30 years of this experiment, the data showing otherwise is overwhelming. But you'd never know this from reading, watching, or listening to the American media. They'll say anything to avoid taxing the rich.

Tax the Rich!

Let's embrace a bit of complexity for a moment. When rich people in developed countries get tax cuts, their take-home income soars, leaving them with a surplus of money, which history has shown they will wildly and irresponsibly invest in speculative assets, creating various market "bubbles." Then markets correct and these bubbles spectacularly burst, creating radical disruptions that crash economies. In the roaring 1920s, when the tax rates for the richest Americans decreased from 73 percent to 25 percent, the rich invested wildly, driving stock prices up to unsustainable levels. When that market corrected, it gave us the "Great Crash" of 1929 and the subsequent "Great Depression." The next major crash came a few years after Reagan halved the maximum tax rates, creating another bubble-bust cycle. The ensuing years between these crashes, when taxes on the rich were in the 70 to 90 percent range, saw a historically unprecedented period of economic stability. Bush Senior held Reagan's line on taxes, and the economy floundered. Bush Junior cut taxes further, and we got another bubble, followed by another big crash.

Get the picture? We can prevent this mayhem by taxing the rich.

When taxes are higher, income for working- and middle-class taxpayers also rises, even adjusted for inflation, since the labor market is modulated by real after-tax income. Inversely, when taxes are cut, real income for these same working people tends to drop. The opposite, however, has historically held true for the rich, whose income drops drastically when taxes rise, and rises at a similar rate when taxes are cut. Hence, they have a vested interest in keeping taxes low, while the rest of us have a vested inter-

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est in seeing taxes rise. The rich, however, can back up their interests with money, which they often invest in buying media organizations, which parrot their anti-tax mantras.

This is why the Founding Fathers warned against allowing a super-wealthy class to emerge, and until the late 19th century, even after adjusting income into today's dollars, there were no billionaires. The fear was that such a class would have the financial resources to dominate a political system, rendering democracy obsolete. Political scientists point out that you cannot have both massive economic inequality and democracy.

The best way to prevent, or reverse, such inequality, and to salvage our democracy, is to tax the rich!

Tax the Rich!

Of course our political class will not tax the rich for us. Politicians are deathly afraid that the rich will punish them. Our elections are little more than auction blocks where the rich can afford to sponsor candidates they like and destroy ones they don't.

But why don't we-the-people want to tax the rich? The bottom line is that we do want to tax the rich. Ask your friends. Who really doesn't want to tax the rich? We just need to ignore the media messages that say we don't.

Here's a strategy for a broad-based Tax the Rich political movement. Call or email your representatives and tell them to tax the rich. Call them out when they refuse to tax the rich. Petition for ballot lines around the country for a Tax the Rich party, and endorse candidates with the strongest tax-the-rich commitments or track records, and oppose those who refuse to tax the rich.

It fits on buttons, bumper stickers, t-shirts, railroad bridges, abandoned buildings, and highway overpasses. You can work it into conversations. You can post it to your Facebook profile, Tweet it, shout it out your window, tattoo it on your arm. But we've got to get the message out loud and clear: Tax the damned rich! **CT**

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"David Swanson writes in the tradition of Howard Zinn. War Is A Lie is as clear as the title. Wars are all based on lies, could not be fought without lies, and would not be fought at all if people held their governments to any reasonable standard of honesty." — **Charles M. Young.**

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