
An Open Letter to the Political Class On the Need to Raise Taxes

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Grover Norquist founded [Americans for Tax Reform](#) (ATR) in 1985, a conservative advocacy group dedicated to the proposition that since the “government's power to control one's life derives from its power to tax” the power to tax should be minimized. This group “opposes all tax increases as a matter of principle” with the stated goal, according to Norquist, of reducing “government to the size where we can drown it in a bathtub.” In furtherance of this goal, ATR requires that any politician who seeks its support sign a pledge to “oppose and vote against any and all efforts to increase taxes.” The overwhelming majority of [Republican politicians in the U. S. House and Senate](#) have signed this pledge since it was instituted 1986, and Democrats have refused to make this pledge a campaign issue.

The failure of Democrats to make this pledge a campaign issue has made it possible for Republicans to argue that Americans are overtaxed and that all we have to do to provide the government we need is to lower taxes and eliminate government regulations and waste. This argument has stood essentially unchallenged at the center of the American political zeitgeist for well over thirty years now, and the extent to which politicians have come to embrace it is truly terrifying. This is particularly so when you stop and think about what Norquist is saying when he says he wants to drown the government in a bathtub. He's saying that he wants to destroy the American government! The idea that we can save the country by destroying the government is [utterly absurd on its face](#) and totally out of touch with reality. And, yet, Norquist and his conservative friends, *with the acquiescence of liberal/progressive Democrats who refuse to make this pledge a campaign issue*, are well on their way to accomplishing this end.

When we leave the delusional world of Norquist and his conservative supporters and look at the way in which [government actually determines the wellbeing of society](#) in the real world we find that it is only those countries that devote a major portion of their economic resources to funding government services (e.g., the countries of Western Europe and North America) that are the most prosperous throughout the world:

Denmark	45.9	Greece	38.6	Czech Republic	34.0	Latvia	30.2
France	45.3	Norway	38.0	Poland	33.6	Australia	28.2
Belgium	44.2	Germany	37.6	Spain	33.5	Switzerland	27.8
Finland	44.1	Luxembourg	37.1	UK	33.2	Korea	26.3
Sweden	44.1	Slovenia	37.0	Slovak Republic	32.7	USA	26.0
Italy	42.9	Iceland	36.4	New Zealand	32.1	Turkey	25.5
Austria	42.7	Estonia	34.7	Canada	31.7	Ireland	23.0
Hungary	39.4	Portugal	34.4	Israel	31.2	Chile	20.4
Netherlands	38.8	Mean OECD	34.3	Japan	30.7	Mexico	17.2

Source: OECD Revenue Statistics (Comparative Tables).

and those that fail to do this (e.g., those countries that devote a smaller proportion of their

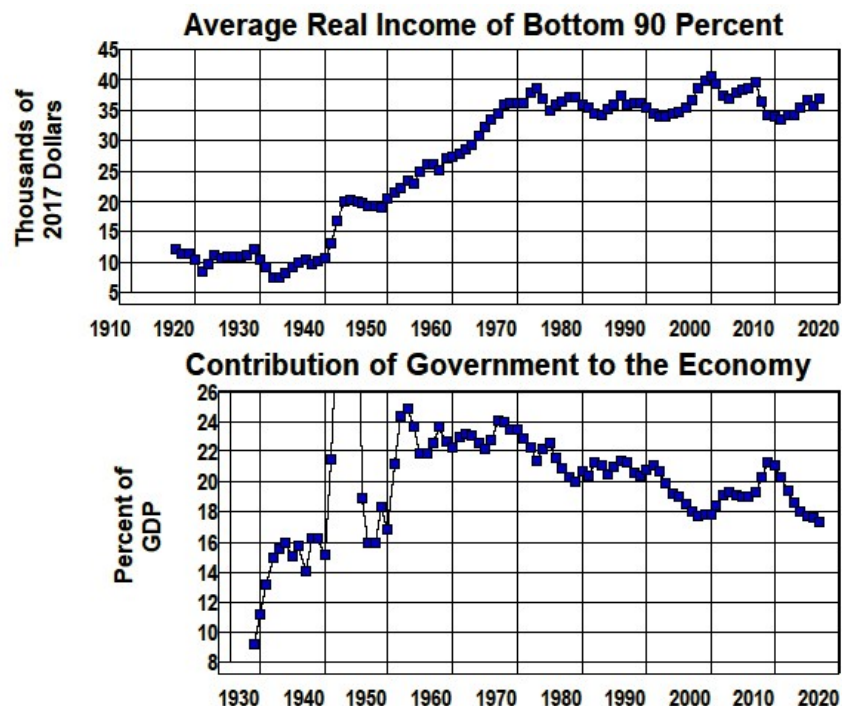
GDP to their central governments than does the United States) are among the least prosperous:

National Government Taxes and Other Revenues as a % of GDP							
USA	17.2	Uganda	15.2	Costa Rica	14.0	Korea, North	11.4
Guinea	17.0	Sri Lanka	15.1	Philippines	13.9	Timor-Leste	11.0
Cameroon	16.8	South Sudan	15.0	Burma	13.8	Bangladesh	10.8
Papua New Guinea	16.7	Suriname	14.9	Yemen	13.5	Turkmenistan	10.6
Curacao	16.6	Liechtenstein	14.9	West Bank	13.4	India	10.2
Malaysia	16.5	Pakistan	14.9	Indonesia	12.9	Afghanistan	9.5
Taiwan	16.3	Egypt	14.7	Madagascar	12.2	Puerto Rico	9.0
Bahrain	16.1	Monaco	14.6	Chad	12.1	Sudan	6.9
Tanzania	15.3	Benin	14.6	Brunei	12.0	Syria	4.2
Ethiopia	15.2	Isle of Man	14.6	Guatemala	11.8	Nigeria	3.5

Source: [CIA World Facebook](#) ([Taxes and Other Revenue](#))

Countries that pay higher taxes than we do devote a larger portion of their economic resources to providing government services. Not surprisingly, these countries have longer life expectancies, healthier populations, lower crime and incarceration rates, better educated populations, higher standards of living, lower poverty rates and better public infrastructure. That is, they do a better job of “promoting the general Welfare” than does the United States. (Cf., [OECD Comparative Tables](#).)

We find similar results when we look at the economic history of the United States since the beginning of the 20th century. There was virtually no increase in the average real family income of the bottom 90 percent of the population until the contribution of government to GDP increased from 9 percent in 1929 to 24 percent by 1970. The average family income of the bottom 90 percent measured in 2017 prices increased dramatically during this period from a low of \$7,500 per year to \$36,200:



Source: [The World Inequality Database](#) and [Bureau of Economic Analysis, Table 1.1.5](#)

Taxes were high throughout this period as the personal tax rate in the top bracket was 91 percent and the corporate tax rate was 52 percent from the end of World War II until 1966. Conversely, we find that the average real income of the bottom 90 percent stagnated as taxes were cut and the contribution of government to GDP fell from 24 percent in 1970 to 17 percent in 2017. It was during this period of wage stagnation that fraud and predation flourished with the junk-bond/savings-and-loan frauds of the 1980s, the tech-stock/telecom frauds of the 1990s, and subprime-mortgage fraud of the 2000s as ordinary people were driven deeper and deeper into debt, and trillions of dollars were transferred from the victims at bottom to the predators at the top.

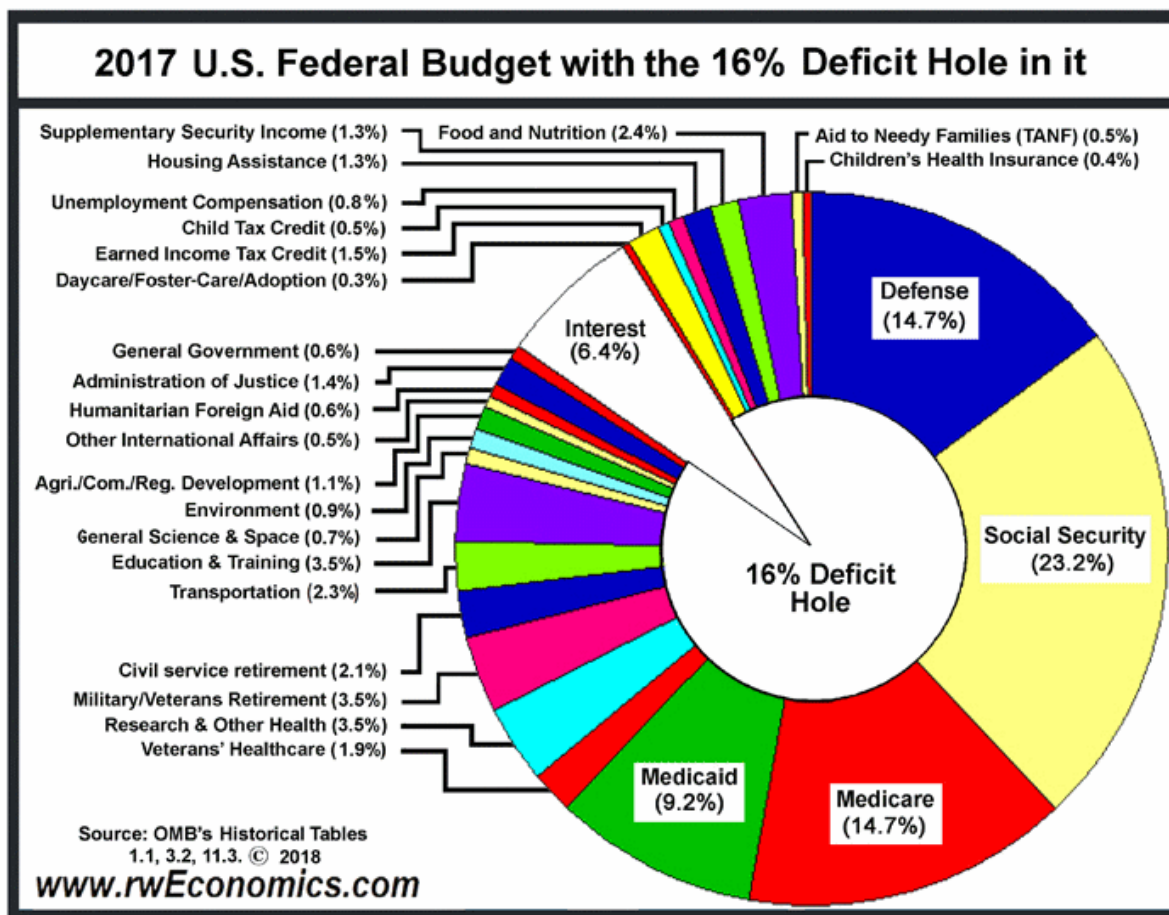
The simple fact is, Grover Norquist and his Republican allies, along with their Democratic enablers, are not simply destroying our government; they are destroying our country and everything our country used to stand for. And they are doing this in the name of a warped sense of freedom and liberty—the freedom and liberty of the economically and politically powerful to prey on the economically and politically weak by way of fraud and corruption throughout the system.

The ATR is absolutely correct when it says the “government's power to control one's life derives from its power to tax.” Only a democratically elected government that is truly dedicated to establishing “Justice, insuring domestic Tranquility, providing for the common defence, promoting the general Welfare, and securing the Blessings of Liberty to ourselves and our Posterity” can control the lives of those who, through fraud and corruption, chose to prey on the less powerful among us.

And that government is not free! It must be paid for, and the way we pay for government is by paying taxes.

The alternative to paying taxes is for the populace to arm as it splinters into tribal factions in the manner of third-world countries that fight over the spoils of what is left of society as their governments disintegrate. This is, of course, what the Republican Party and its NRA supporters with its Russian backers are, wittingly or otherwise, advocating. It is also what its Democratic enablers are allowing to happen as well. And this is where we are headed if our political leaders continue to refuse to speak truth to power by explaining to the American People the actual fiscal choices that are available to us.

The idea that we can eliminate a 16 percent deficit hole in the federal budget and, at the same time, provide the kind of functioning government that the American people expect and need to prosper without raising the taxes that are necessary to pay for that government is patently absurd. Even a casual examination of the chart below reveals that it is impossible to maintain the government the vast majority of the American people want and, at the same time, eliminate the deficit through spending cuts. Where are these cuts supposed to come from? From eliminating waste, fraud, and abuse? The idea that we can reduce the federal budget 16 percent by eliminating waste, fraud, and abuse only makes sense to those who refuse to look at the numbers or are innumerate:



Source: Office of Manage and Budget (Historical Tables)

The only way the actual fiscal choices that are available to us can be made clear to the American people is if those political leaders who are capable of a modicum of common sense and human decency muster the courage to put country before donors, take a stand on this issue, and explain these choices to the American people in a way that allows the American people to choose at the polls which option they wish to follow:

- a) increase taxes, or
- b) cut Social Security, Medicare, Medicaid, defense, education, police and fire protection, highway and bridge maintenance, food and drug protection, water and waste treatment, consumer and environment protection, public health programs, and countless other government functions—cuts that will inevitably lead to a failed government that continues to ignore the will and needs of the people, promotes civil unrest and repression, and serve only the ideological delusions of the economically and politically powerful few.

Not giving the American people this choice ensures the latter option and does not bode well for the future.

References:

[Who Needs Big Government? \(Video\)](#)

[A Day in Your Life: How Government Improves Your Life](#)

[Waste, Fraud, and Abuse in the Federal Budget](#)

[Why Democrats Lose Elections](#)

[Ideology Versus Reality](#)

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This isn't rocket science.

It's just plain common sense!

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