

Progressive income tax supported by Catholic social thought

Mary Barron | Nov. 2, 2008



Senator Barack Obama strengthened his promises of tax relief for

working people Saturday in Pueblo, Colo., and said the "redistributor in chief" label that rival Sen. John McCain is trying to pin on him is a sign of a trailing Republican campaign that would "say anything" in the last days of the presidential race to try to close the gap.

If voters stay focused on the troubled economy, McCain will lose, Obama said. "That's why John McCain is spending these last few days calling me every name in the book; everything but a child of God."

McCain first started calling Obama "redistributionist in chief" and compared him to a socialist Oct. 27 in Pottsville, Penn. He continued into the campaign's final weekend using the "redistributor" line to trigger crowd reaction in Newport News, Va.

Obama responded by clarifying his own promises Saturday. "I will give a tax break to 95 percent of Americans who work everyday and get taxes taken out of their paycheck every week," he said. Earners making less than \$250,000 per year would see no increases in their income taxes, payroll taxes or even capital gains taxes under his plan, he said.

Those with the highest income would return to paying rates they paid under the Clinton administration: 36 percent for taxpayers with income above \$250,000 and 39.6 percent for those earning more than \$1.6 million annually. The top rates apply only to a portion of the income earned by any given taxpayer in the highest tax bracket and are far below the top rates of up to 70 percent the country has had in its history.

But as redistributionist label gained pejorative currency through daily repetition in McCain's stump speech, Catholic Democrats hastened to remind swing voters that Catholic teaching supports economic justice measures like the progressive income tax.

"Not only has the McCain campaign continued to distort the Obama economic plan as a means of attacking Senator Obama, but they seem determined to deliver yet another tax windfall to the richest Americans in defiance of the sense of duty that originally led their party to institute the progressive income tax in the first place," said Dr. Patrick Whelan, president of the organization Catholic Democrats.

Meanwhile, the Gallup organization released a new poll suggesting McCain's newfound rallying cry has some

potential to attract independent voters, although it is most likely to appeal to those who are already in the Republican column.

Polling was conducted Oct. 23-26, after McCain had begun lauding "Joe the Plumber" for having gotten Obama to speak favorably about spreading wealth. Gallup found that 58 percent of Americans agreed that wealth should be more evenly distributed among a larger percentage of the people. Back in April, 68 percent had agreed, so McCain's criticism seemed to affect some attitudes.

Asked whether the government should "redistribute wealth by heavy taxes on the rich," 81 percent of Republicans in the October poll said no, 75 percent of Democrats said yes, and the independent voters were evenly split, resulting in a nearly even split among all voters polled. The pollsters noted that "heavy taxes" was a harsh-sounding phrase that might not apply to Obama's tax plan.



Catholics, constituting about 25 percent of the electorate, make up a much-

watched group of swing voters. Those who ponder how Christ's commandments to love God and one's neighbor might mesh with their civic duty to vote have heard a lot from fellow Catholics on both sides. This year's campaign and the efforts of Catholics activists have shone a bright light on the fact that neither presidential candidate has a monopoly on solutions for issues that Catholics are taught to consider in good conscience.

Catholic social teaching supports a progressive income tax structure like the one under attack by McCain, according to analysis by Stephen F. Schneck, Ph.D., director of the Life Cycle Institute at the Catholic University of America. The church insists that the poor should receive special consideration in matters of distributive justice. But a recent LeMoyne College/Zogby International poll suggests the preferential option for the poor isn't a high priority for many Catholics and a majority of Catholics polled frankly disagreed that government policies should favor the poor.

Even so, many recent polls show a majority of Catholics now support Obama. Saturday's Washington Post-ABC News tracking poll showed Catholics breaking for Obama 53 percent as against 44 percent for McCain.

For his part, Obama has focused on relief for the middle class and said that all socio-economic classes benefit when the middle class does well.

But the gap between rich and poor, and even between the rich and middle-class, has become alarming, according to recent studies. Tax and income analyses - including a 2007 study by university economists and a 20-year study of 30 countries released last month by the Paris-based Organization for Economic Cooperation and Development, show that not only has the gap between rich and poor Americans grown to levels not seen since before the Depression, but that middle-income earnings have also stagnated while top-level incomes soar.

In 2005, for instance, total reported income in the United States increased almost 9 percent, but average incomes for those in the bottom 90 percent dipped compared with the year before, according to the 2007 study by economists at the University of California, Berkley and the Paris School of Economics. The result was a 14 percent increase for top earners.

The new OECD report said that of its 30 member countries, the United States has the highest inequality and poverty after Mexico and Turkey, and that the gap has increased rapidly since 2000.

Barron is an NCR contributor living in Colorado.

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