

HST 203: History of the United States Sp14 (Escobar Meta 41237 41238)

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Forum 2

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Taxation by the Federal Government



by Joe Escobar - Saturday, April 19, 2014, 5:54 PM

This forum thread is for Taxation by the Federal Government posts and replies.

After studying the required materials, address the questions in your posts.

To make your POSTS, click the reply link in this, MY post.

To reply to another student's post, be sure to click the reply link within in THEIR post.

IMPORTANT - SUBJECT LINES

BE SURE to use an informative subject line for your post. Do NOT simply leave it

RE: Taxation by the Federal Government

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Taxes are Cool...idge?



by Derek Landon - Tuesday, April 22, 2014, 12:30 AM

Regarding Coolidge, one could both agree and disagree on his statement about taxes. Taxes pay for a lot more than people really consider. From schools to paving roads, to Medicare and Social Security, our taxes help the foundation of our community. One of the most compelling statements that was said by Coolidge in the video is at 2:06 where he says "I want the people of America to be able to work less for the Government, and more for themselves. I want them to have the rewards of their own industry. This is the chief meaning of freedom." Despite this being a very valid point of "freedom," without taxes, we would not be able to support a lot of the services we have today. That being said, Social Security and Medicare is one of the most substantial services that our taxes pay for. Those kinds of services help out the individuals that would not be able to support themselves under other circumstances.

While these services help millions of people in the United States, they are also abused by millions of others. I am more than willing to pay taxes for the individuals that actually deserve these services than I am for the individuals who are clearly able to help themselves. In conclusion to Coolidge, I agree in the sense that paying less taxes would really benefit individuals to be more successful for themselves; but it would not benefit the economy in being more successful than it already is.

While writing my response, I came across an article called "Taxes Are Good." (<http://www.governmentisgood.com/articles.php?aid=17>) On page one of the article, it is stated very bluntly "But conservatives are dead wrong about taxes. Taxes are not bad. Taxes are good." This is supported with another quote: "To put it another way, you can't support the things the government does – like caring for the elderly, establishing justice, providing public education, fighting terrorism, and protecting the environment – and still maintain that the taxes that support those things are bad. Taxes are the lifeblood of government and so if government is basically good, then so are taxes." In short, the article is basically stating that without taxes, we would not be able to support all of the good services that we have today. The article also compares paying taxes as being similar to someone who would donate money to a church: it is for a good cause. This is a great rhetoric because although donating money to a church is voluntary, "in practice, many religious organizations require members who can afford it to contribute regularly – payments that are really more like mandatory dues than purely voluntary donations. In any case, the point is that contributing toward an organization that is promoting the public good should not be seen as a bad thing." This article is a positive view on taxes, written by a liberal (in my point of view), considering it is all about why taxes are "good," and that they should not be viewed negatively. Although this article does not use Coolidge as any support in their statements, they use somewhat of a rebuttal against him, with a large amount of reasoning on why taxes should not be considered anything else other than positive.

Sum of ratings:2 (1)

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Holy Crap!!!  

by Bart Golden - Wednesday, April 23, 2014, 9:34 PM

Wow I don't know were to start but I'm going to start anyway. Government is basically good? Are you serious. There is not a more corrupt Criminal Organization on the planet than our government. Yes if the money went to schools roads and public services fine but you have to look at the numbers being spent for one and its not for school busses and meals on wheels. Our country is a Trillion Dollars in debt and default on our preferred Nation status and we are still giving billions in foreign aid. That's not just irresponsible it should be criminal. People have got to wake up!

Now as far as the federal Income tax goes every penny goes to pay off the

debt. Well what's wrong with paying of our debt? Well let me tell you. The debt it pays of is not for a loan or something we borrowed and now are paying off with payments Its for the debt attached to every dollar printed. You see, We rent our cash money from the federal reserve. Now I don't have the time to explain Modern Money Mechanics to you witch explains were money comes from to you because it would take way to much of my time but you really should Google it because you have some bad information. Really bad information.

By the way , the constitution and certainly the bill of rights was written with one purpose. TO PROTECT US FROM THE GOVERNMENT. Why do you think that the government as a whole is constantly chipping away at it? Because they are just big cuddly nice guys that want nothing less than to suck every thing of value out of us. Un F@#@\$^% Believable this Guy

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Learning environment.. Not a Facebook status.

by Katie Birrenkott - Thursday, April 24, 2014, 2:47 AM

I just want to say that I'm sure this forums purpose is to see other views and not to come on here and try to make a mockery of people (probably more so yourself). I can't say I agree with this post as you can tell from reading my own. I do hope that your comment goes passed by and unread by people without furthering the discussion, not only cause this is very offensive (especially to write in a school forum) but because you lay no evidence, like this class calls for, of what you are spewing out.

Sum of ratings:2 (1)

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When your right your right

by Bart Golden - Friday, April 25, 2014, 12:02 AM

You know what you are absolutely right and I sincerely apologize. I am afraid that I allowed my passion to get the best of me. Thank you for calling me on it , I know occasionally I need that.

As for evidence, I hope that this is sufficient, in light of the reference he is siting. If you would like more Ill be happy to supply more.

Phony Left Right Paradigm (former Minnesota Governor/ Ex-Navy Seal/ Defender of Freedom)



This Pulitzer prize winning site Corroborates Every point I Spew

<http://www.politifact.com/truth-o-meter/promises/obameter/rulings/promise-broken/?page=1>

Once again I apologize to you and anyone else that I may have offended

Sum of ratings: 1 (1)

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Hot-Button Issue

by Joseph Foley - Friday, April 25, 2014, 7:30 PM

I'm not surprised that the discussion on taxation in our forum got heated. I grew up watching this argument annually between my father and grandfather. They were both the biggest political influencers on me during my childhood. My father is a hippy turned yuppie, who was raised in San Francisco. He is as liberal as you will find, and he has a knack for pointing out how "the man" is crushing the middle class and poor. He has grown more and more displeased with taxes his entire life. He could talk for days about how the taxes only benefit the wealthy, and harm the poor and middle class. He typically votes democrat, although he has been interested in several independents. He was raised by a well-to-do family, but he never managed to make much money.

My grandfather (my fathers former father-in-law) on the other hand, is a conservative catholic. He served in the Navy after being raised in Butte

Montana (his father was a miner), was an accountant in Seattle for 30+ years, and he swears by the GOP. He, like most Irish-Catholics, supported the Kennedy's (although embarrassed by his sexcapades), but he has only supported republicans since. Despite America's history of anti-catholic views, my grandfather loves the USA, and is as patriotic as you will find. He believes in big business, and he feels the rich are over-taxed. He was an avid supporter of Reagan, and Reaganomics.

My father and grandfather's tax debates typically resulted in shouting. They were a lot like watching people from competing news sources (any liberal and conservative) discuss the subject. I typically thought they were both wrong. Being in my early 30's, I have been a taxpayer for a number of years, and I have formed my own opinions. I have never agreed on where my tax money goes (debt etc.), and I certainly don't like the ever-growing taxes outside of income tax (forum graph). Both political sides mention valid fallacies, either way, the system is failing.

When it comes to studying taxes in the U.S. historically, I'm relatively new. I have heard many stats, but they were typically from one partisan viewpoint or another. I'm excited to learn more historical facts from historians, not so much American media. It has been enlightening to take Escobar's American History survey, and the tax picture is beginning to take shape. I was introduced to a historian by the name of Eric Foner during the Fall Term. I have grown to respect his opinion, and his viewpoints allow for a broader understanding than I'm currently capable of. He wrote a piece for The Washington Post in 2006. He was talking about President Bush, and how historians view various presidents of the past.

Midway through the article, Foner comments on Coolidge's legacy, "Harding and Coolidge are best remembered for the corruption of their years in office (1921-23 and 1923-29, respectively) and for channeling money and favors to big business. They slashed income and corporate taxes and supported employers' campaigns to eliminate unions. Members of their administrations received kickbacks and bribes from lobbyists and businessmen. "Never before, here or anywhere else," declared the Wall Street Journal, "has a government been so completely fused with business." The Journal could hardly have anticipated the even worse cronyism, corruption and pro-business bias of the Bush administration." Its a very interesting read, you can access it here: <http://www.washingtonpost.com/wp-dyn/content/article/2006/12/01/AR2006120101509.html>. I understand that Foner has his own leanings, but he is attempting to summarize a

general consensus from historians. He also mentions that most presidents are in the mediocre category, with several considered great.

I need to do a great deal more research on the facts, but it has been fun to observe everyone's passionate opinions.

Sum of ratings:3 (1)

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Not everything is a conspiracy.



by Derek Landon - Saturday, April 26, 2014, 5:03 PM

The government has good intentions. It is not out to just F@#* the American people. Taxes also have good intentions. yes, the government has messed up quite a bit and there is some parts that can use a lot of work, but its all for the well-being of American people. If the government is as bad as you say, there would be anarchy sweeping the nation and the government would be overthrown by now. The government it obviously doing something right if we still have them around. We are all entitled to our own opinions.

Sum of ratings:1 (1)

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"Ass, grass or gas. Noone rides for free."



by Kenneth Green - Wednesday, April 23, 2014, 7:50 PM

(My dad was a Biker in the Bay Area and I loved the above sticker over the plate of his Harley.) Overall, who does not agree with the Coolidge Speech? Create a Government that is lean and mean. (And read his lips, no new taxes!) It's just easier to make black-&-white statements when you live forever in black-&-white film. Speaking of black-&-white TV and Film, who was one the greatest Welfare-Liberals in America? According to the (top rate) charts? Eisenhower. Wonder if the man who won WWII in Europe believed in Taxes? If you've ever driven on I-5, bet you know he did. I agree with everything Coolidge had to say. Please, take zero dollars from my paycheck to pay for Government. Go Coolidge! However, 1500 years of Western Civilization proves it's not that simple.

Taxation for Public Schools? We learned in this class it was a way for Progressives to defeat Child Labor. In History of Western Civ, a way to keep poor 'thugs' off the streets and off your lawns during the day, while you were at work.

Taxes for Welfare or Food Stamps? (Nuanced because those are more modern forms of taxation) but History of Western Civ, way to keep poor people from rioting

for bread, or keep us all from stepping over the corpses of the dead or dying of starvation, as we walk down the street. (& for us moderns, to keep the poor from breaking into our house to raid our refrigerator.)

My source is a College textbook, Political Ideologies and the Democratic Ideal. Chapter 3 traces Liberalism from its roots in medieval Europe all the way to modern Keynesian economics. And at its core is an ethos that if you work hard, you should reap a reward, and be allowed to advance your status in this world. The problem is that the peak of Welfare-Liberalism in the U.S. (the 50's) met the 1980's.

Suddenly, it's not Hard Work that is rewarded, but outright Wealth. The opposite sides of the debate are 80's Conservatives (who want to re-argue all the lessons of the Enlightenment) and not Liberals, but the new Progressives (who never met a government program they didn't like.) The Conservatives use Coolidge as an example, while most of them DEPEND upon Government programs such as Social Security or Medicare, especially in the poor Southern states. However, they seem pawns of the wealthy. Or the new, (we studied the Gilded Age it's not new but 2.0) Real America.

So ass grass or gas, noone rides for free. Certainly includes the poor, AND the rich.

Sum of ratings:3 (1)

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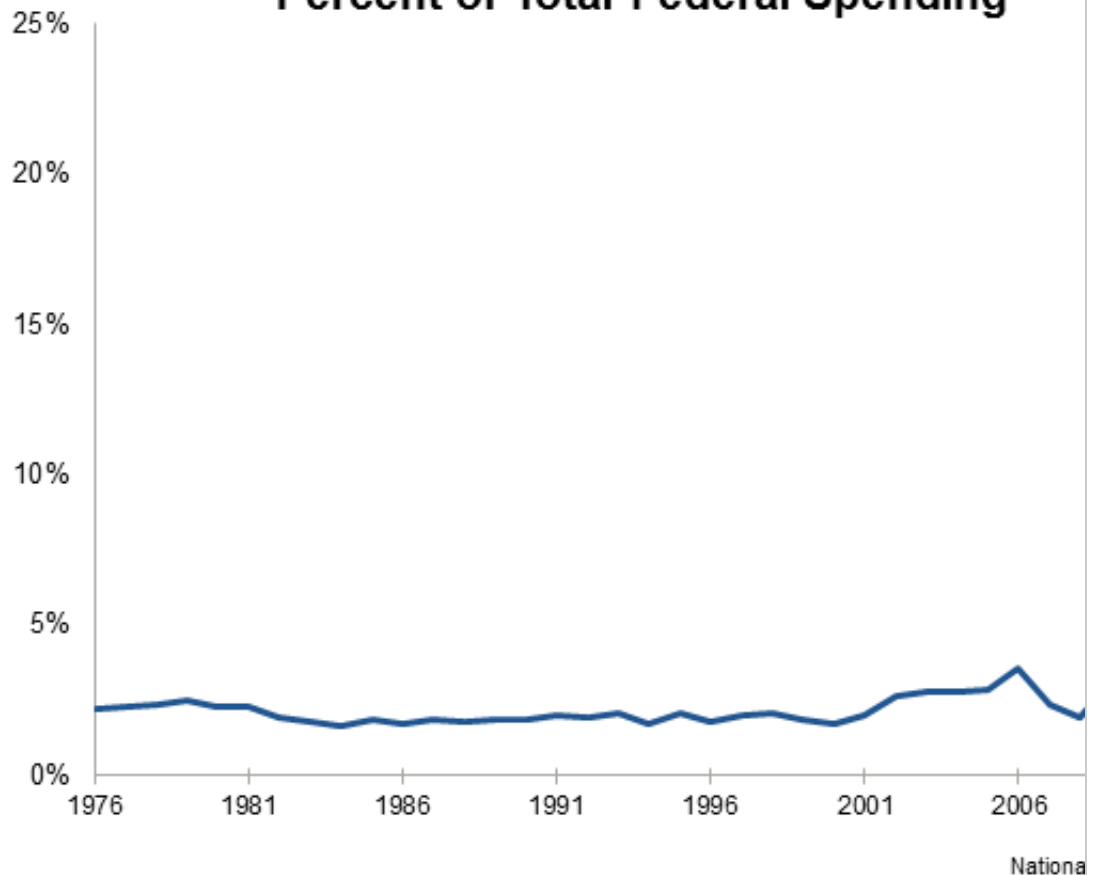
Don't tax me, bro.  

by Katie Birrenkott - Wednesday, April 23, 2014, 8:00 PM

I do find myself agreeing with Coolidge more than disagreeing. For instance, what Derek had mentioned, Coolidge's statement "I want the people of America to be able to work less for the Government, and more for themselves. I want them to have the rewards of their own industry. This is the chief meaning of freedom." Freedom, as defined by Merriam-Webster as "the absence of necessity, coercion, or constraint in choice or action." Taxes do constrain choice and action.

I don't believe taxes should be rid of, but I do believe that taxes should be used in a matter that makes more sense. We always say that taxes are great because we are using them for education, caring for elderly/veterans, and health. However, the chart below shows education spending percentages and that last year it maintains the low level of spending from decades before.

Education Spending as Percent of Total Federal Spending



According to this website, education was only 2% of tax spending in 2013. If more money was spent on the education, then less money could be spent on social security because these young people of America would be educated properly, be able to get good jobs, and not have to rely on social security for their income.

As for who lies on what end of the spectrum, we probably know that democrats and liberals lie on the side of taxation and republicans and conservatives lie on the side of having less to do with taxation since they want less of government in their every day lives.

<http://www.merriam-webster.com/dictionary/freedom>

<http://nationalpriorities.org/analysis/2012/presidents-budget-fy2013/education/>

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On the right track

by Bart Golden - Wednesday, April 23, 2014, 10:25 PM

I like what your saying for the most part but I would like to point out just a couple little things to think about. Now I consider myself very conservative but not in relation to republican conservatism, more like libertarian conservatism.

With regards to the spectrum, its true that liberals want more taxes and of coarse conservatives want less taxes and less government in their every day lives being that they are on opposite ends of the spectrum correct? Yeah well not so much, they want less taxes ----- on them. Not so much on the rest of us, and they want less government in their every day lives. Well they want less government in the form of restrictions in their every day Corporate Lives but they are not opposed to government in the form of Corporate Fascism or even Religious Bigotry very much involved in our lives. there is a good reason why the two parties seem to evolve over time into what the other party is. The reason is they are really the same party, Its a Paradigm, They don't really exist. And the spectrum really looks like this.



I know, at least we are in the circle right? Wrong, we're in the Hole

Sum of ratings:1 (1)

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The true recievers of social security? S

by Sherri Patterson - Thursday, April 24, 2014, 12:40 PM

I just want to point out that in your post that you say if we spend more money on education then we could spend less on social security. Well that is not true. Social Security is spent on people who are disabled and are unable to work due to disability, senior citizens over 65 years old. Educating them is not going to change the fact if they are old or disabled to the point they can't work. So we still have to find money in the system to fund the program. The seniors put money into the program and deserve to be getting there benefits its not like we are doing them any special favors. And I believe it is the American duty to help those that are less fortunate and can't care for themselves.

[http://en.wikipedia.org/wiki/Social_Security_\(United_States\)#Current_recipients](http://en.wikipedia.org/wiki/Social_Security_(United_States)#Current_recipients)

Sum of ratings:2 (1)

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Re: The true recievers of social security? S

by Katie Birrenkott - Thursday, April 24, 2014, 2:35 PM

We all know that social security is used for the disabled and elderly, and I have no problem with that portion of it. However there is still portions that

go into the unemployed. This is shown on the government site listed below where it shows programs that help unemployed people with a link for social security directly underneath.

<http://www.usa.gov/Citizen/Topics/Benefits.shtml>

I've also provided a link to a site that shows Unemployment Insurance (part of the social security act) and what it constitutes of.

<http://www.ssa.gov/policy/docs/progdesc/sspus/unemploy.pdf>

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"If you were President, what would you do?"



by Matt Hauge - Friday, April 25, 2014, 8:44 PM

I stand somewhere in the middle of the spectrum when concerning taxation by the government. First and foremost, I can agree with Coolidge on certain aspects of taxation. However, I disagree with his speech and rhetoric. At no point does Coolidge explain where these tax dollars are being spent, and I find that somewhat disturbing. Personally, with a portion of my tax dollars paying things like: public works, roads, running water, electricity, and infrastructure. I am not happy with my tax dollars going into the pockets of business executives, military industrial complex, and things we do not really need. What I find most that Coolidge passes was the Revenue Acts of 1926 in which "By 1927 only the richest 2% payed federal income tax." (Wikipedia - Calvin Coolidge ~ Taxes) What do you think of that you "99 percenters"? I do think President Coolidge had a solid policy and also held the best interests for the middle class and lower class. As Coolidge so righteously stated, "It is only out of what is left, after they are paid, that the necessities of food, clothing, and shelter can be provided and the comforts of home secured, or the yearnings of the soul - - for a broader and more abundant life gratified."

What I find most disturbing is the more recent National Defense Authorization Act of 2012. The military budget was increased to 662 billion dollars (Wikipedia, National Defense Authorization Act for Fiscal Year 2012). Who do you think pays that? I am sure that Coolidge is rolling over in his grave if he knew about this "stupendous sum". Moreover, the NDAA also furthered the Patriot and Homeland security act by "The most controversial provisions to receive wide attention were contained in 1021-1022 of Title X, subtitled D, entitled 'Counter Terrorism', authorizing the indefinite military detention of persons the government suspects of involvement in terrorism, including U.S. citizens arrested on American Soil." (Wikipedia, National Defense Authorization Act for Fiscal Year 2012) In summary, we are paying for a larger "Military Industrial Complex" as Eisenhower so warned the American people about, and we can be arrested indefinitely if the government deems us a terrorist. I feel bad for the militia's defending the Bundy ranch. Senator Harry Reid is calling them "Domestic Terrorists" I guess now they can be arrested indefinitely.

**Taxation should simply be called theft by the Government**

by Amanda Daniels - Saturday, April 26, 2014, 3:43 PM

[Article about who really pays what](#)

I wish that everyone would take the time to read this article, however the reality is most of you won't. The tax system in this country is the hugest scam ever, that is design to achieve one thing within our society, eliminate the middle class through debt.

If you think the rich are paying their fair share then how do you explain this:

And please notice the negative sign before the "Taxes Paid" amount

General Electric U.S. Profits: \$10,460,000,000

Taxes Paid: **-\$4,737,000,000**

PG&E Corp. U.S. Profits: \$4,855,000,000

Taxes Paid: **-\$1,027,000,000**

Verizon Communications U.S. Profits: \$32,518,000,000 Taxes Paid: **-\$951,000,000**

Wells Fargo U.S. Profits: \$49,370,000,000

Taxes Paid: **-\$681,000,000**

American Electric Power U.S. Profits: \$5,899,000,000

Taxes Paid: **-\$545,000,000**

FedEx U.S. Profits: \$4,247,000,000

Taxes Paid: **\$37,000,000 (a rate of less than 1%)**

These numbers come from directly from a [Report put out by Public Campaign](#)

And if you still think taxes are paid fairly by all here are a few more numbers, these are actual CEO rather than corporations:

Goldman Sachs CEO Lloyd Blankfein

Amount of federal income taxes paid in 2008? Zero. \$278 million tax refund.

. Bank of America CEO Brian Moynihan

Amount of federal income taxes paid in 2010? Zero. \$1.9 billion tax refund

These corporations also received billions and billions of tax dollars bailout funds as well as zero interest rate loans after the crash in 2008 which they are pretty much the sole cause of as well.

The list goes on and on. This article has plenty of source cited as well as links to follow.

So do I think taxes are paid fairly by all of us? Absolutely not, if that were true the rich would not keep getting richer while the rest of us keep getting poorer. These guys are criminals of the worse kind, they should be in jail. Instead they are all in bed with the government spending more money on lobbying every year than they pay in taxes. They have destroyed our economy and essentially robbed every single honest, hardworking, tax paying, tax paying citizens in this country.

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Re: Taxation should simply be called theft by the Government



by Daniel Halverson - Saturday, April 26, 2014, 8:21 PM

The best word to describe this situation is wow. This article you posted really opened my eyes to just how bad the tax system is. When companies and huge corporations are making all this money, yet do not pay nearly enough in taxes is only hurting the country even more. I do think that if people earn their money in a legal way, they should get their money. But it doesn't make sense as to why people who make far less money owe more. With all of the extra money that the richest 1% keep in the taxes that they don't have to pay, that money could be put towards helping better our country and get things that we need done finished. In the long run it is only hurting the country and like you said making an effort to eliminate the middle class and I agree with you all the way on that.

**Taxes - not just for little people**

by Thomas Stevens - Saturday, April 26, 2014, 11:51 PM

Our dearly esteemed professor is trying to make a case that taxes don't just come from income taxes, and he's right! Americans are taxed in many different ways. Looking at chart #1 bears this out:

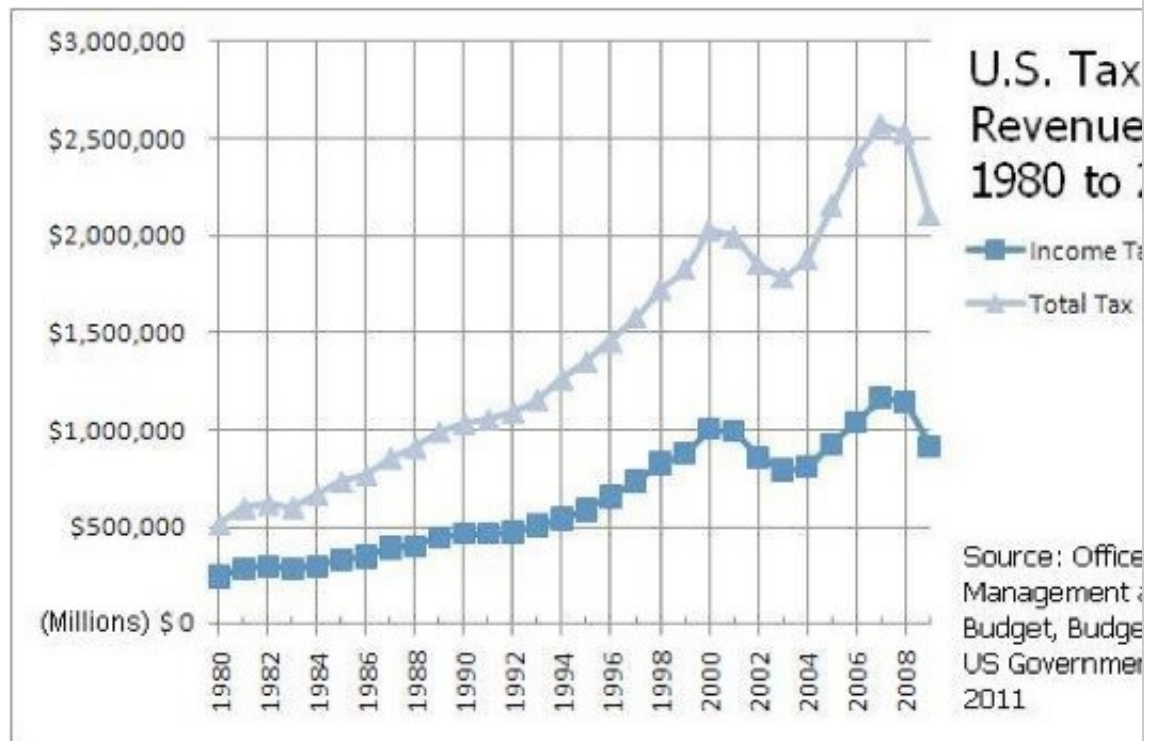


Chart #1

I earned just over \$20 thousand last year and because I received educational tax credits from the Federal Government I received some money back, however, I did not pay almost \$400 in Federal income taxes. On the Federal level, this excludes Fica, Medicare and Futa taxes, which while also partially paid for by my former employer would, in effect, reduce my pay because my former employer would pay me those amounts if they did not have to pay the Federal Government. Taxation of business also reduces the size of their business, as I learned at U of O in my Finance class. There is actually a mathematical formula that proves that, but I will not try to explain that here. If you're interested, get admitted into the U of O, and the Lillis Business School to expand your knowledge of this area.

What also interests me greatly is that the above chart seems to be inversely proportional to the percentage of income that the top 1% received over the same period. Please see below chart:

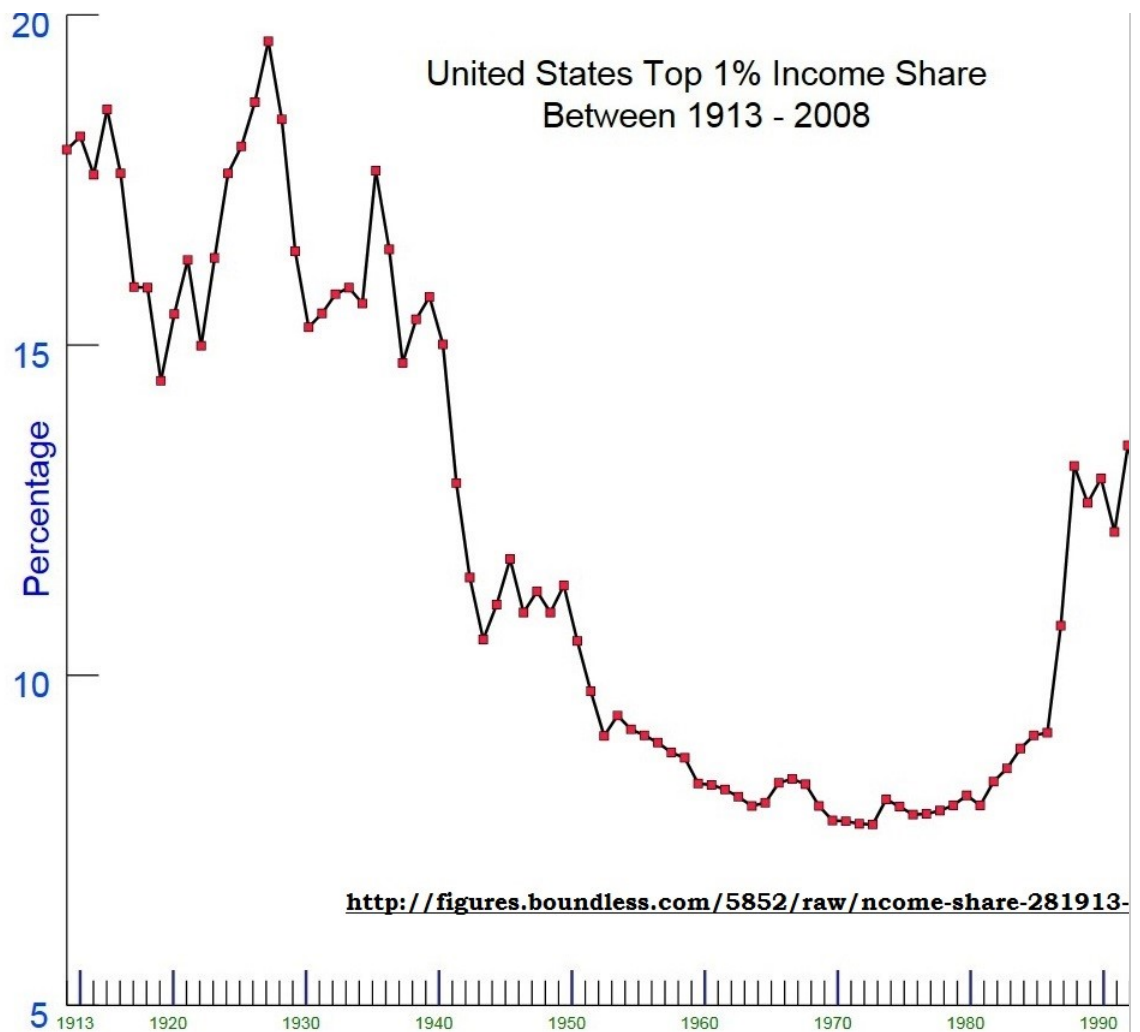
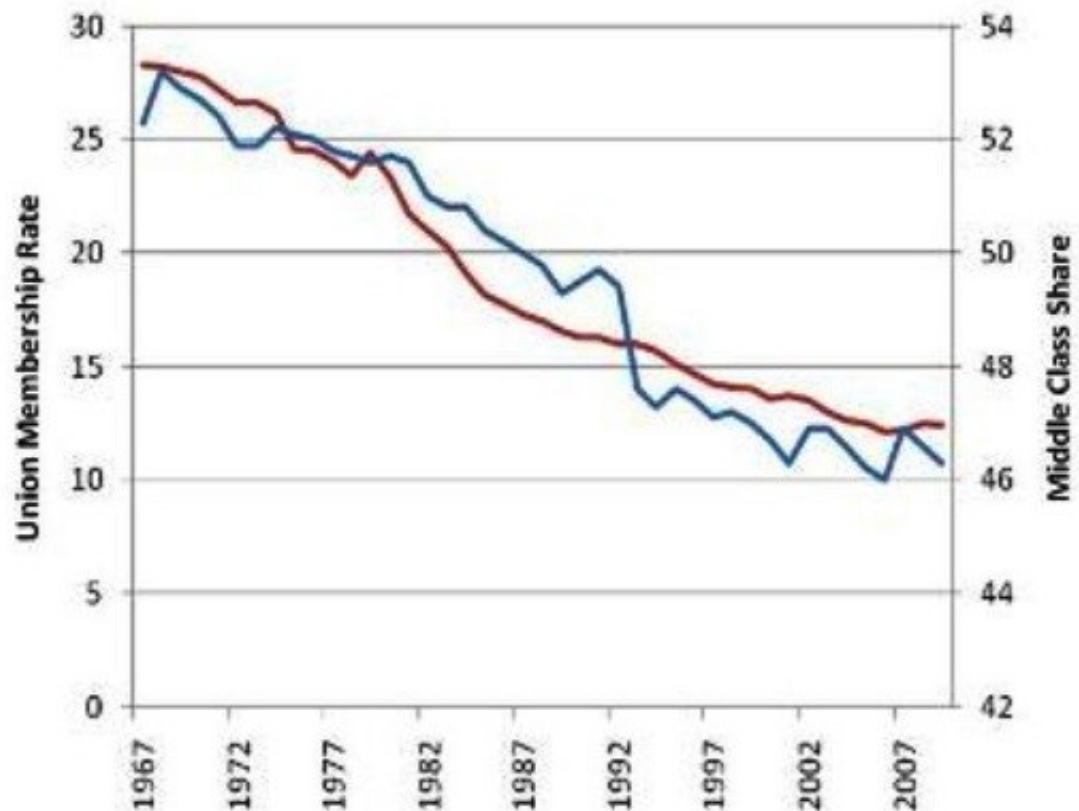


Chart #2

My conclusion for the above charts is that as taxes for the rich increased, income fell. Now, don't be silly and assume that income follows taxation, actually it's reversed. Taxation follows income, the less you make, the less you pay in income taxes. When the rich were more heavily taxed they had less incentive to work and thus were more forthcoming with bigger paychecks for their workers to let them pay the taxes. Also keep in mind that middle incomes also correlate to union membership, see chart below:

As union membership decreases, middle income shrinks



<http://thinkprogress.org/wp-content/uploads/2011/03/unionincome.jpg>

Chart #3

Now in regards to the video of Calvin Coolidge, he was Republican, and as such was making an argument for lower taxation. He got it! Chart #1 bears that out. Coolidge is playing the Reagan card; he's talking about the little man being affected by taxation, but what he really means is the rich. The rich put Coolidge in office and they want him to pay it back.

Spending by the rich dramatically increased booming the economy because they could make more money and have less of it taxed. But, what happened in 1929? The stock market crashed causing a meltdown that has never been seen before, even in 2008. Taxation did not cause that. What caused that was over leverage, there was so much incentive to create profit that rich people were borrowing money like never before and when conditions were just right the market collapsed. This created much hardship, but unfortunately, this hardship was unequally dispersed upon the poor and middle class. That's the way it always works, the poor and unfortunate are always at the forefront of the misery and suffering, just like they are at the war front.

A lot of politicians like to claim that tax cuts create jobs, and in the short term it could be argued that they do. But, let's look at more recent history. Taxes fell under President Reagan and unemployment fell at first, however, the market experienced a serious correction in 1987 and later a recession under the first President Bush. Taxes increased under President Clinton, and ironically, the U.S. Government achieved a budget surplus during his presidency. After 9-11 the U.S. experienced a minor recession. The second President Bush cut taxes again, the deficit went up. Later it exploded when Bush took us into two foreign wars without raising taxes.#

It should be noted that not all rich people are against higher taxes. [Warren Buffet](#) claimed that he was bothered by the fact the he was paying a 15% Capital Gains tax while his secretary was paying above 40%.

I would argue that taxes are a way to level the playing field by encouraging rich people to share their wealth.

#<http://www.forbes.com/sites/billharris/2012/11/05/tax-cuts-dont-create-jobs/>

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