

E.G. Nadeau and Luc Nadeau: The grinch is trying to steal Christmas

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Whether it's lying about the health effects of tobacco, the negative consequences of climate change on society and the planet, or the massive unfairness of the Republican tax reform, it's always possible to find a minority of scientists – and, unfortunately, sometimes a majority of Republican legislators – who will enthusiastically agree that up is down.

In a recent case of pseudoscience, 100+ economists were happy to conclude in an open letter to Congress: “Economic growth will accelerate if the Tax Cuts and Jobs Act passes, leading to more jobs, higher wages, and a better standard of living for the American people.”

Some interesting facts related to that letter:

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- A number of the signers were not economists, or were working for organizations that have vested interests in tax cuts for corporations and the wealthy;
- Another group of about 200 economists – real economists – also wrote an open letter, including the following statement: “Our central problem is not insufficient profits for corporations. Consumers, not employers, are the real job creators and cutting the corporate tax rate won't jumpstart the economy.”

- in a survey of prominent economists, 37 of 38 “agreed that the GOP tax bills in Congress would cause US debt to increase ‘substantially’ faster than the economy.”
- The Joint Committee on Taxation, the tax research arm of Congress, and the Tax Policy Center put numerical estimates on the increase in the national debt over the next decade - 1 trillion to \$1.4 trillion.

Corporate tax cuts are only part of this cobbled together monstrosity of a tax bill. In addition to generating only a marginal increment in economic growth at a cost of more than a trillion dollars in increased debt, there are other insidious impacts as well. Both the House and the Senate versions of the bill primarily benefit wealthy individuals and families. By 2027, the Congressional Budget Office calculates that, on average, families earning less than \$75,000 per year will face a tax increase, while wealthier families will continue to receive tax benefits.

But it gets worse. A number of Republicans are already expressing concern that the national debt is too high, at the same time that they are in the process of making it higher. So, what’s the solution? Cut back on federal expenditures, with an emphasis on Medicare, Medicaid, Social Security, health programs, and other parts of our safety net for the elderly, the unemployed, the poor, people with disabilities, and the sick. (See [here](#), for example.) So, the tax bill can be seen as the first punch in a two-punch combination, with reduced expenditures for social programs as the second. If this happens, the result will be a dramatic increase in inequality in the United States and a reduction in the standard of living for most Americans.

We know, however, that there are Republican legislators who are concerned about the negative consequences of the proposed tax reform. Some are strongly on record in opposition to increasing the national debt; some have raised concerns about increasing inequality in society; others have expressed a commitment to maintaining an adequate social safety net.

In addition to these expressions of concern, there is also a very pragmatic issue: if Republicans are seen as responsible for a major decline in the quality of life in the United States, they are likely to pay for it at the polls in 2018, 2020, and beyond. Are the short-term benefits of a skewed tax cut worth the long-term loss of Republican credibility with the American people?

In the United States, we have been on a trajectory of increasing economic inequality for decades. The Tax Cuts and Jobs Act promises to further exacerbate this

inequality. What kind of legacy do we want to leave our children: one in which we're all fighting each other for the scraps, or one where a fair allocation of economic resources creates a shared abundance?

Surely there are three Republican senators who recognize that the tax bill is not the path to improve the lives of US citizens. They have the power to prevent the grinch's Christmas heist.

E.G. Nadeau and Luc Nadeau are authors of "The Cooperative Society: The Next Stage of Human History."