

SPEECH BY SENATOR ROBERT MORGAN
Cooperative Council of North Carolina
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RELIEVING THE MIDDLE CLASS BURDEN

Recently, while visiting one of North Carolina's universities, I met a Black woman who had a child enrolled there. She had a complaint, a familiar complaint. She was concerned about the existence of financial programs for aid to education for the poor and the lack of similar programs to aid the middle class. She complained about the fact that hard working, self-reliant wage earners of America were being called upon to support the many federal give-away programs designed to help the disadvantaged.

Those self-reliant wage earners are expected not only to provide whatever advantages they can for their own families, they are being taxed to provide advantages for the children of dependent families. Those members

of the middle class caught in this financial squeeze do not feel that they are being treated fairly. The financial squeeze we have placed them in is beginning to pinch. Similar complaints are becoming more and more frequent. We even hear calls, from time to time, for a taxpayer's action.

Now no one expects the hard-working, self-reliant, patriotic wage earners of America to revolt. They are too responsible to do anything so irresponsible. But their grievance is a valid one; they have a just complaint, and it is time we tried to do something to relieve their condition.

If we are to relieve their problem, it might be good to acquire some understanding of just how this situation arose. It has arisen because of two considerations, both of which, in their time and proper context, seemed reasonable enough. Let me take a moment to re-

construct those circumstances.

First, we must remember that we have a capitalist economy. A capitalist economy not only thrives on profit, it is in fact nurtured by investment. A capitalist economy cannot function without a continuing flow of investments. Investments are necessary to finance product development, plant construction and renewal, and the research so necessary to provide the knowledge upon which industry thrives.

The existence of a strong capitalist economy is to everyone's advantage. It is an advantage to RICH investors for they earn dividends, and it is an advantage to labor, for laborers earn the wages that support their families. The current recession is proof enough of just how important a strong economy is to the welfare of all of our people. When the economy falters, the working man suffers most. In order to keep the economy strong, our government - on both the state and national levels -

has seen fit to give investors certain tax advantages.

These tax breaks are made in order to encourage people with more money than they need to invest their excess capital in the economy. One apparent result of this, however, is that the rich seem to get richer. They seem not to carry their fair share of the burden of Government. Their tax advantages seem to exempt them from their fair share of taxation.

But the idea behind these tax breaks, understood in context, makes perfectly good sense. In order to keep the economy strong, we must encourage investment. Investment is the backbone of our system of free enterprise.

Next, we must realize that ours is the most prosperous nation in the world. And it seems unjust that everyone of our citizens should not share in this prosperity. The fact that a significant proportion of our citizenry earn

incomes below the poverty line or earn no incomes at all seems to be a blot on our ability to distribute the vast wealth of our nation.

This apparent injustice, of course, has given rise to the many federal programs to help the disadvantaged. It motivates everything from welfare to programs to aid the children of the unemployed and the unemployable to become trained and productive members of society. Without aid to the poor, they and their children will always be poor. Without aid to the poor, we would create a permanent class of impoverished unemployable people. Without aid to the poor, our nation cannot raise the welfare of all of the people.

If we are to have a government of the people, by the people and for the people, we cannot abandon the lower classes to an inferior date. If we ignore these people, and continue to breed them, the social consciousness of

not only the nation, but of the world will be raised against us. If we ignore them, we will have not only internal unrest, but international antagonism.

We, our system of government, and our economy will bear the brunt of criticisms of our humaneness. We will appear to be inhumane, cross, and inconsiderate.

Of course, we cannot ignore our poor; we must have programs to aid them; we have no other choice. These programs, however, must be paid for, and in that lies the crux of the problem.

If we are going to have programs to aid the poor, and if we are going to give tax advantages to those who have money to invest in our economic system, the burden of payment falls squarely on the shoulders of the middle class. The burden falls on that vast segment of the populations who are hard working, self reliant, and responsible.

It is this group which must bear the heavy burden of taxation that give away programs require.

There is no effective alternative barring drastic changes in our way of life. If we exempt the rich from their fair burden of taxation to keep the economy going, and if the poor cannot pay any taxes at all, the only group left to bear the burden is the middle class. There simply is no alternative.

Of course, some suggestions have been put forth in recent years to ameliorate the problem. The move toward progressive taxation is suggestion. So is the idea of a minimum income tax for the rich and a negative income tax for the poor. Perhaps a really progressive income tax and a minimum income tax for the rich would generate more revenue.

Perhaps they are good ideas. And a negative income tax might save some money by reducing the administrative costs of give-away programs. But none of these suggestions is wholly acceptable, for in the long run, although they may temporarily ameliorate the problem, they will not solve it. There is in fact, only one way to remove the burden of taxation from the shoulders of the middle-class. And that is to reduce governmental expenditures.

We must lower the federal budget. Obviously, no temporary reduction is going to be of much help. Neither will increased taxation for the rich, for as long as we have a governmental policy that has spread as its motto, the more we collect, the greater our expenditures will be. What we need is a permanent reduction of governmental expenditures.

We also cannot accomplish this merely by taking the so called "fat" out of the federal budget. What we need is a change in psychology at the federal level. We must stop trying to make government all things to all people. We must stop thinking that all human problems can be solved with money.

Of course, it is not easy to see where the federal budget can be cut. Every segment of the budget seems to have an obvious justification. In an electronic age, military hardware has become enormously expensive; yet it seems short sighted not to provide the best defense we can imagine. We have already seen the need for social programs, for social unrest can be as damaging to our way of life as foreign aggression.

Most would argue that the vast sums spent on the space program were worthwhile. The need to finance intricate Basic medical research to advance the life

existancy of Americans by finding cures for or ways to prevent heart disease, stroke, and cancer is a noble endeavor. A way to finance research in our need to achieve energy sub-sufficiency also now seems very important. And no one would even suggest a reduction in that part of the budget geared at reducing crime.

So you see, the solution is not easy to find. Yet it must be found if we are to alleviate the burden of the middle class. Although no solution is readily available, some suggestions have been put forth. If by detente and treaty we could reduce world tensions, we could then reduce the military budget. A world at peace has no need for arms.

If we could, by providing incentives, encourage our free enterprise system to take up the burden of fundamental research on the grounds that it would in

the long run be profitable, we could perhaps permanently reduce the health budget. If we could rear a generation of productive, hard-working, and self reliant people, we would eventually reduce the welfare budget. And if we could, by some miracle, raise a generation of law abiding citizens, we could reduce the budget for justice.

Unfortunately, I do not feel that our psychology is ready for such moves. Whenever a new problem arises, our motto is spend, spend, spend. There is even a movement now to balance the rights of accused persons with compensation for the victims of crimes.

We cannot continue to act in this way and have a content middle class. The middle class can only afford to pay so much before they themselves are driven into poverty. And then we shall have no one to pay the costs of government. Such a situation surely would signal an

end to our way of life. It would presage socialism or even a communist dictatorship in which everyone is equally poor and no one is well-off.

We would have a dismal equality in which no one is content. Surely we must avoid this at all cost, even at the cost of reducing our noble goals.

We must realize that if we are to do justice to the hard-working middle income earners of America, we must reduce our expenditures. We must realize that nothing is ever bought for free, that every expenditure must eventually be balanced by a tax, and that we can only tax the people so much. We must realize that true freedom includes freedom from excess taxation.

The problem is an especially severe one, and if we do not change our ways, it will get worse. I do not see much hope of change unless we have a change in attitude,

for it is an attitude toward government that caused the problem, and it will only be a change in attitude toward government that will solve the problem. Our national government is currently engaged in a program of fiscal irresponsibility.

A new way of thinking is needed at the highest levels, and I pledge to do what I can to introduce fiscal responsibility to government and thereby reduce the burden of the middle class.