

Entitlement Reform & Solidarity

Michael Sean Winters | Feb. 23, 2011 | Distinctly Catholic

The past few days, I have been looking at the on-coming debate about entitlement reform through the lens of Catholic social teaching, specifically applying two of that teaching's fundamental principles, the common good and subsidiarity, to the issue. Today, we look at the third leg of the Catholic social teaching stool, solidarity.

If subsidiarity argues for the resolution of social problems at the lowest level of social organization, that is because at such lower levels, relationships are more human, familial and neighborly, and the solution will be more interpersonal than impersonal. Consequently, the type of human solidarity that one can find at the familial and local levels barely needs to be pointed out, it is almost taken for granted, if your cousin or your neighbor needs a helping hand, you lend it.

The common good of a complex society, however, often demands that some problems be solved at the state federal level, such as providing income and health care to the elderly. And, the way we provide for the income and health care of the elderly is not by all becoming part-time nurses, but by paying taxes. Taxes are the expression of our solidarity with those in need, those who benefit from Medicare and Social Security and, because we will someday benefit from those programs, the expression of other people's solidarity with us.

Solidarity is often expressed complexly but it is no less real for being complex. When Franklin Roosevelt spoke to the nation about the Lend-Lease program, which lent old destroyers to the United Kingdom to help protect transatlantic convoys from German U-boats in exchange for leases on Britain's military bases in the Western Hemisphere, he explained the complicated negotiations by invoking the metaphor of your neighbor needing a garden hose to put out a fire. You don't want money for the hose or the water. When your neighbor is finished, you just want your hose back. Lend-Lease was one of the most complicated legal maneuvers around the very strict neutrality laws at that time, but its moral content was, as FDR understood, little different from lending your neighbor a garden hose.

When Catholic conservatives, either members of Congress or pundits, decry taxes, ask them where they got their nursing degree and how much time they are going to commit to helping their elderly neighbor bath himself? Ask them why they failed to tell you all these years that they had a medical degree, and when they are going to perform that operation on your uncle who needs bypass surgery? Ask them how much they can contribute to subsidizing the rent for their first grade teacher? Of course, none of us can do all these things and so, in a complex society, especially a highly mobile society like ours (how would you find your first grade teacher?) we turn to the state for these things and we fund them with our tax dollars.

I submit that the starting point for discussions of entitlement reform should be, as I suggested yesterday, finding innovative ways to cut costs, especially health care costs which have far outstripped the rate of inflation in the rest of the economy. But, the second point of departure for any discussion of entitlement reform is taxes. If Democrats are to distinguish themselves as defenders of the working and middle classes, they must insist on this and shape the debate accordingly. Social Security, Medicare and Medicaid are funded through highly regressive taxes. For starters, the tax is only applied to wages, so investment income, all the billions made annually by trading stocks and in capital gains, none of that provides a penny for Social Security or Medicare. The Social

Security tax is even worse because it cuts off at around 100k of wage income: anything above that is untaxed.

If Social Security, Medicare and Medicaid were paid out of general revenues, and the tax rates were returned to the same levels they were on the day Ronald Reagan left office, we would not be discussing raising the retirement age or cutting back on Medicare benefits. The Democrats need to shift the discussion entirely. But just as the heroic state legislators in Wisconsin have refused to give in to the radical agenda of that state's governor, Democrats need to dig in on entitlement reform. Some of those union workers protesting outside the state capitol in Madison probably voted for the Republicans, never imagining what would result. Elections matter. But, it behooves the Democrats to offer the voters a real choice.

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