

from the December 24, 2003 edition - <http://www.csmonitor.com/2003/1224/p14s03-lire.html>

Inequity: Is it a sin?

The rich-poor gap in the United States has doubled in 21 years and is set to widen further under new tax cuts. People of faith say society has a moral responsibility to narrow that gap.

By Jane Lampman | Staff writer of The Christian Science Monitor

America is changing: The society that has prided itself on being an egalitarian model for the world has become more unequal than "aristocratic" Europe, economists confirm. The rich-poor gap has doubled in 21 years and now is at its widest since 1929. The number of those in poverty rose by 1.7 million between 2001 and 2002. New tax cuts will add to the disparity.

Does this mean something's gone wrong with the American dream? Some people of faith think so. This is more than an economic or social concern, they say. It's a moral and theological issue - one they insist demands attention.

"A fundamental teaching in the New Testament and strongly present in the Hebrew scripture is that God has a special care for those who are poor and needy," says the Rev. Joseph Hough, president of Union Theological Seminary. "I'm deeply concerned about the directions we are taking in our common life." In a recent sermon at Riverside Church in New York, Dr. Hough said the three Abrahamic faiths share this teaching and urged believers to actively resist public policies that further increase inequality.

Taxes that burden the poor more

This fall, Gov. Bob Riley of Alabama, a conservative Republican, called, albeit unsuccessfully, for voters to approve reform of his state's tax system, which places a higher burden on the poor than on the wealthy - what economists call a "regressive tax system." "According to our Christian ethics, we're supposed to love God, love each other, and help take care of the less fortunate," he said.

Once an ardent anti-tax congressman, Mr. Riley changed his view after becoming governor and reading the report of an Alabama tax lawyer who examined the state's tax structures in the light of Judeo-Christian ethics.

Surveys consistently show that Americans consider themselves highly religious and say they want more morality in public life. Yet all too often, some leaders contend, people don't connect the dots - they fail to see how their faith's teachings relate not just to personal morality but public responsibilities.

Susan Pace Hamill, the Alabama lawyer who sparked Riley's reform effort, says she was like that. She had a comfortable life with her husband and kids, teaching tax and corporate law at the University of Alabama, until she undertook graduate work at an evangelical seminary and did an in-depth study of biblical teaching and its application to her field. That woke her up, she says.

"Tax is a moral issue, and has to do with what is just," Ms. Hamill adds. "Your laws are unjust if they tolerate oppression of the poor and if your community infrastructure fails to provide for the minimum needs of the least of us - and allows them the chance to better their situation."

In Alabama, some low-income people pay income tax at a higher rate than the wealthy. "The state's powerful timber industry, which owns 71 percent of the land, pays 2 percent of the property taxes. Meanwhile, we overtax poor people with punishing high sales taxes even on groceries, reaching 11 percent in some counties," she says. At the same time, the state's infrastructure, including public education, is ranked near the bottom of the 50 states. "We are not prospering," she adds.

While Alabama is an extreme case, Hamill believes it should be a warning about what can happen when the burdens start getting shifted onto middle- and lower-income people. She's concerned that in the national tax debate, "people are not looking at it from any moral framework other than, 'Whatever I've got, I've earned, and it's all mine.' "

People of faith see this issue from varying perspectives, however. The Rev. Robert Sirico, who heads the conservative Acton Institute for Religion and Liberty, says it's important to recognize the role that economically successful people have in ensuring a dynamic and prosperous economy - that the majority of their wealth is invested and is employing people.

"While I agree that Americans tend not to have a very sophisticated moral understanding of social and financial obligation," he says, "part of the problem is that when tax rates reach confiscatory levels, as high as 50 percent, it causes people to react and want to keep it all."

Father Sirico favors a flat tax, where everyone pays the same percentage of their income and the poorest of the poor are exempt - a direction in which some say the US is heading. He sees the progressive system, which taxes higher incomes at a higher rate, as not only unjust, but as proportionally decreasing economic productivity.

Others take issue with that view. "If you look at economic performance over time, or at international comparisons, there is no evidence that more unequal income distribution is good for economic growth," insists Bernard Wasow, senior economist at The Century Fund.

In Mr. Wasow's view, a progressive tax is fairer. "Economists generally talk about the burden a tax places on a family, and it's a question of imposing equal burdens," he says. Richest nation with highest poverty

Many of those concerned with rising inequality agree that it is not the gap per se that is the problem, but what is happening to people at lower income levels.

"I'm less concerned with the ratio between the top 20 percent and the bottom 20 percent than with what's happening to the bottom 20 or 40 percent," says Ron Sider, head of Evangelicals for Social Action. "It's a scandal that the richest society in human history has the highest poverty level of any industrial nation."

People of other faiths share that concern. "Poverty is a theological issue from a Jewish perspective," says Rabbi Brad Hirschfield, of the National Jewish Center for Learning and Leadership, because it "assaults a human being's dignity as the image of God." But, he adds, "I worry even more about the dignity of a society that allows people to be impoverished."

In Islam, the Koran's emphasis on a just society requires that every Muslim give 2.5 percent of his wealth each year to the poor. "Yet most Muslims would say, too, that public policy must address poverty," says Ihsan Bagby, of the University of Kentucky. "If God doesn't want disparity between rich and poor, then that has to be addressed at all levels of society, from political leadership to corporate managers down to the individual."

While tax policies are far from the only means to attack poverty - education, minimum wage, the faith-based initiative, and welfare reforms are also seen as key - many see the large tax cuts as undermining the country's capacity to support those programs adequately.

They say that bringing moral considerations into the economic debate is essential to the well-being of a democratic society.

"We must be concerned with the ratio of unequal wealth because money is power, and when it is divided very unequally, those with power use it politically in selfish ways," says Dr. Sider. "When that inequality removes hope and incentive for people at the bottom, it undermines character and

responsibility, producing despair and more bad choices."

It can also increase cynicism about public institutions. In Alabama, even low-income people who would have benefited from the tax reform voted against it, largely, observers say, because of their deep distrust of government.

Yet Hamill is encouraged somewhat. Though she's been bitterly attacked by some Christians, some denominations in the state are calling for a renewed reform effort, and she's been invited to other states to talk about her work. She's also engaged in research on the federal tax system.

"Economic studies provide no clear answers other than really high taxes are bad and regressive taxes are bad," she says. "Other claims being made regarding flat taxes have no hard evidence, but they're being substituted for moral analysis."

Sider suggests that both religious and secular traditions are to blame for the lack of moral deliberation. "From the evangelical side, there's the dreadful privatizing of Christian faith where it relates to personal life and sexual and marriage issues but somehow not to ... economic policy." And the secular academic world became relativistic so there was no way to get common moral values to shape arguments, he says. "So economists tend to ignore morality and say that's not what they are doing, and thus it's largely not acceptable to have explicitly moral arguments about public policy."

Fairness may be in the eye of the beholder. But in a democratic society, these leaders say, that's a very good reason for insisting that the deeper issues be brought into the public conversation.

Full HTML version of this story which may include photos, graphics, and related links

www.csmonitor.com | Copyright © 2003 The Christian Science Monitor.