

Editorial

Remembering Geoffroy's work, services at ISU

In this, the final editorial of President Geoffroy's final full semester as president, the editorial board wants to thank him for his service, efforts and attention to students.

Since 2001, he has led Iowa State toward many improvements and through several more turbulent times. We still have Veishea thanks to him, despite its suspension after the 2004 riots. The Big 12 conference still exists, and his fundraising campaign to cushion the effects of less state funding in the past decade was enormously successful, bringing in \$867 million.

We have new and renovated buildings, and new seats and technologies in classrooms all across campus make learning more comfortable for students and teaching more comfortable for professors.

He has overseen increases in student enrollment, with larger and larger numbers of students from other states and overseas. The declining enrollment between 2002 and 2007 was reversed, and the number of endowed faculty positions has been doubled.

But what we like, appreciate, and will miss most is this: his devotion to the student body and visibility. If you woke up early enough and were walking between Beardshear Hall and the Memorial Union, you were likely to see President Geoffroy walking to his office. If you attended any sporting event, you were likely to see him somewhere or greeting students in the student section.

We wish President Geoffroy — and you all — a happy holiday and the very best.

Taxation



Everything in moderation

No new taxes! That is the battle standard of the tea party and much of the Republican Party these days. And it really isn't hard for the common person to disagree with them. Why should we have to pay new taxes that weren't paid by our fathers before us? Why would we ever want to have less disposable income?

As I tried to get an idea of the theory and the numbers behind the much-debated issue of taxes, I found one quote that you should remember if you remember nothing else from this column: "Taxes are equal to government spending. Every spent dollar is a tax dollar. The only question is when that dollar will be paid and who will pay it." — Professor Robert Ricketts, Texas Tech.

The simple fact is this: Currently we do not pay enough taxes to the federal government (or many local governments) to match the cost of providing federal services. So if we are to simply balance the budget and keep our children and grandchildren from paying for our government today, we need to either cut costs in a lasting way or generate more revenue. While many Americans believe only in government cuts, I believe that the budget can be balanced with targeted cuts and minor tax increases.

If we only cut services to balance our budget, we will end up with a federal government that is a skeleton of its former self and that is far less capable of doing its job.

Perhaps I should address what the job of the federal government is. The federal government is a body of the people, by the people and for the people as noted by Abraham Lincoln. It exists to do what we as individuals or even as states full of individuals cannot do on our own. It provides us with a common national defense, a common currency, regulations for the common

By Rick Hanton
 @iowastatedaily.com

good and lets us pursue major national projects like national highways or probes to explore other planets.

We will need to cut all of these benefits of government to solve our budget woes if we depend on cuts alone. Our other option is to increase revenue.

Increasing revenue means increasing taxes in one way or another. Nobody likes that, but we have a large population, so taxes would not need to increase substantially. It is also true that taxes are low today in proportion to the past and our top tax bracket has gotten substantially lower over the years. During the '40s, '50s and '60s, the top tax bracket was taxed at rates of 70 to 90 percent, but that top bracket only included people that would be considered millionaires today.

Conservatives bemoan higher taxes on these people as an attack on "job creators," but I know differently. For years, I have maintained the hobby of stock investing, either with my own money or fake money on investing game websites. One of the most annoying things about studying company reports is the ever-increasing levels of executive compensation eating at shareholder profits. If taxes on the super-rich were higher, there would be little incentive to have multi-million dollar salaries and major increases each year — that means more money for shareholders or to reinvest in new jobs.

I know you might say that the super-rich

will spend those millions in income each year, creating new jobs with their money, but that is untrue as well. If you made millions of dollars a year, what would you spend it on? Maybe you could buy a nice car, a few houses or a yacht, but you would get millions more the next year. Eventually you'd end up investing most of the money until you could find something to do with it. Such investing doesn't create new jobs like domestic spending or government projects would, it simply buys you a stake in a company, increasing that company's worth.

The best solution to our budget challenges is a combination of necessary cuts and additional revenue increases to make up the rest of our budget shortfall. We could even do our children a favor and pay off some debt while we're at it. We can all afford to pay a few percentage points more to move toward a debt-free and better America and we could probably trim some fat off of our major budget hogs as well, namely the Department of Defense and Department of Homeland Security.

We can continue to nickel and dime all other agencies of the federal government, but if you look at a graphic of the budget, you'll notice that there are some vast agencies that have more money than they did during the Cold War. Did you know that we have more carrier battle groups than the rest of the world combined?

So do we really want no new taxes, or do we simply want a reasoned approach to taxation, where we pay for things we buy rather than taking out more national credit cards? You decide.

Rick Hanton is a senior in computer engineering from Arden Hills, Minn.

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