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### **“From Tax Cuts to Governance through Cyberspace”**

The 185-page *Tax Cuts and Jobs Act* that was passed by the US Congress and made law by President Trump on December 22, 2017 is one among several perfect examples of why it is time for a governance change in the US.

But let us address the *Act* first. As expected, the *Act* is wide-ranging, covering individual and corporate tax issues—domestically and internationally. It is tricky. On the one hand, it lowers tax rates, increases the standard deduction, and expands certain tax credits (namely the Child and Earned Income Tax Credits). On the other hand, it eliminates personal exemptions, disallows interest deductions on home equity lines of credit, and eliminates or reduces the limits on certain important itemized deductions. In part, the right hand taketh away what the left hand giveth.

Given the very short memories of the American people, the only thing that will be remembered by the 2019 tax filing season is that some tax relief is in store. Unfortunately, actual tax relief will be small compared to the grandiose political claims that the *Act* would bring huge benefits.

Huge benefits are gained by some: Corporations, whose tax rate is reduced from 35 percent to 21 percent; generally shareholders of corporations who stand to receive a windfall of dividends; and specifically corporations and their shareholders who own enterprises abroad.

Even Black Americans can potentially reap benefits from the operationalization of Opportunity Zones in low-income areas that are provided for under the *Act*. There are huge benefits to be had from investing in these zones. Unfortunately, we may find that state government officials exploit the provision so that Opportunity Zones are **not** established in the neediest of areas. In addition, the banking system may use gullible Black Americans to front enterprises in these zones and then reap the benefits, while virtually raping Black areas of influence and preventing these areas from actually benefiting in meaningful ways from the *Act*.

It is also important to note that finance industries (banking and insurance) have used rent seeking strategically and effectively to ensure that they benefit handsomely under the *Act*.

So much for the *Act*. At least the press was open enough to tell the American people that the *Act* was designed to benefit mainly the wealthy. It is legislation that most of the 99 percent, would not have approved. Did we not also see a similar position by the 99 percent on efforts to repeal Obama Care? Was it ever about “We the people?” In a democracy, should not the majority rule?

What we have here with the *Tax Cuts and Jobs Act* is a congress and president who have bowed shamelessly to corporate powers and produced a bottomless party punchbowl for the wealthy behind a veil of very modest tax relief for most Americans. The sad fact is, and this too has been announced officially, the *Act* portends massive future debt for the nation.

When in the course of human events the governors defy the wishes and aspirations of the governed, then the governed should act to modify the governance system. It is acceptable that the nation needs leadership, say a president, if only on a *pro forma* basis. However, in today's world of high technology, do we really require a congress? Elsewhere, we have argued that the US is capable of organizing national (and other levels) of government on a digital basis, which is devoid of legislative bodies.<sup>1</sup> Cannot and should not the people govern?

Let us be clear: the *Act* is long and convoluted. However, one requires only a fundamental comprehension of accounting principles and knowledge of US standard tax returns to be able to decipher the *Act*.<sup>2</sup> Remember that many members of congress admitted that, given the hurried manner in which the *Act* was passed, they did not review the *Act* before voting on it. Surely we deserve better governance than that.

Cannot the nation be governed digitally? Let the American people use their ubiquitous electronic devices to vote on every major issue. Cannot we be trusted to determine what is important, and how to manage the country? Our representatives are untethered, and go on their merry way passing laws that the American people do not want—producing outcomes that we do not desire.

The answer is that those in power want to remain, and will fight to stay, in power. While the American technological system is capable of facilitating Internet voting, the US Congress refuses to approve it. Congress comprehends that Internet voting is one-step removed from governance through cyberspace.

Therefore, we say tell the Congress to approve Internet voting, and prepare to step aside and let the 21<sup>st</sup> century run its course. We neither wanted nor needed a *Tax Cuts and Jobs Act*, but we certainly want and need to govern ourselves.

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<sup>1</sup> See "Google May Hold a Key"; <http://www.BlackEconomics.org/BEFuture/GMHK.pdf>.

<sup>2</sup> This is knowledge that should be available to, and possessed by, every American high school graduate.