

With Tax Hikes Soon, Cable News Uses 'Tax Cut' Phrasing 13 Times as Much

Class warfare rhetoric, White House talking points and attacks on 'cost' of tax cuts dominate tax debate coverage.

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The [largest tax hikes](#) in history get closer every day, and the focus of the news cycle is finally on taxes. Tax *cuts*, that is.

After portraying Obama as a [tax cutter](#) when he took office, journalists have recently been talking about the Bush tax cuts, whose expiration will amount to a huge tax increase on Americans. But most stories have failed to explain that the pending expiration will raise taxes on many people, including investors, small business owners and families, during an economic slowdown.

While cable primetime shows criticized conservatives for wanting to “cut taxes” for the wealthy, a morning appearance by Senate Minority Leader Mitch McConnell was one of the few that put the debate in perspective of tax hikes. McConnell appeared on MSNBC’s “Daily Rundown” Sept. 14 and said, “This [Bush tax cuts] has been tax policy for 10 years now. This is not about tax cuts, this is about raising taxes in the middle of a recession.”

According to Americans for Tax Reform, many tax increases are on the way. On Jan. 1, 2011, personal income taxes will rise, the “marriage penalty” will return, the child tax credit will be chopped in half, the “death tax” will return and capital gains and dividend tax rates will jump.

But that is the opposite of the way the mainstream media have been telling the story. Primetime cable shows on MSNBC, CNN and Fox News Channel have focused on the fight over “tax cuts” more than 13 times as often as they discussed it in terms of tax hikes.



On weekday evenings between Sept. 6 and Sept. 13, 27 of those primetime cable shows framed the debate around tax cuts, compared to just two that spoke solely in terms of tax increases. An additional 12 shows presented both tax cut and tax increase phrasing. FNC was the most balanced with nine of its primetime programs using both terms to cover the story.

But MSNBC coverage was full of liberal talking points and spin. Keith Olbermann distorted the facts entirely on “Countdown” Sept. 13, claiming that “the gripping detail is this: Democrats want to cut everyone’s taxes, Republicans want to cut taxes on every dollar earned above a quarter-million.”

That misrepresented the position of Republicans including McConnell, who told MSNBC the next day that “We should not be raising taxes on anyone during a recession.”

McConnell said he is unwilling to raise taxes on anyone, even the wealthy. Obama’s so-called compromise solution has met resistance even from some [Democrats](#), who agree with Republicans that that raising taxes on anyone in a bad economy is a bad idea.

Former White House budget director Peter Orszag wrote a column calling for his own kind

of compromise: [extend the cuts for two years, then scrap them all](#). But the president insists he does not want to extend the tax cuts for top income earners.

Obama campaigned on repealing the Bush Tax cuts for the “rich” setting the bar for wealth at \$250,000 for families, \$200,000 for individuals. The White House has mentioned extending those tax cuts for people making less, but also wants to spend more money on “[clean energy](#)” and infrastructure.

According to Jeffrey Miron of Cato Institute, the Bush tax cuts that are set to expire worked because they made the market [more efficient](#).

Writing specifically of dividend and capital gains taxes, Miron noted, “These taxes appear to hit wealthy capitalists, but in reality they fall partly on consumers via higher prices, and on workers, via lower demands for their services when corporations shut down or move overseas. So low taxation of dividends and capital gains helps both low and high income taxpayers.”

White House Given Face Time on Broadcast Morning Shows, Boehner Gets None

MSNBC and CNN weren't the only ones spinning the tax cut/hike debate from the left. Rep. John Boehner created a political controversy after he said on “Face the Nation,” “If the only option I have is to vote for some of those tax reductions, I'll vote for it.”

Boehner had said he would “fight” against raising taxes on anyone, but his apparent compromise was fodder for journalists (and cheap shots from MSNBC about his “trademark tan”).

All three broadcast network morning shows highlighted Boehner's remarks Sept. 13 as they discussed Obama's “compromise” bill, and they all made sure to give the Obama administration time to plead their case, while failing to interview Boehner. White House press secretary Robert Gibbs was interviewed live on “The Early Show,” “Today” and “Good Morning America” following segments about the political fight over taxes.

The shows aired a snippet of Boehner's “Face the Nation” interview, but didn't bring him on to elaborate or defend himself against left-wing attacks. In contrast, Gibbs was given 10 minutes and 55 seconds that morning to present Obama's views and attack Boehner. Gibbs told CBS the U.S. shouldn't “borrow” \$700 billion to extend tax cuts “for folks quite frankly, that weren't asking for them and don't particularly need them.”



On Sept. 8, Obama had accused Republicans and Boehner specifically of holding tax cuts “[hostage](#).” In the same speech he called for Republicans to stop blocking the Senate's small business bill, which he supports. One reason for conservative opposition of the small business bill is disagreement over a \$30 billion Treasury-run “[lending facility](#)” for small businesses.

The Hill reported on Aug. 31, that Small Business & Entrepreneurship Council President Karen Kerrigan has said the bill [will not address the problems such businesses are facing](#).

“The concerns and needs of most business owners go much deeper, and this legislation does not address broader issues related to taxes, regulations and excessive spending which threaten to aggravate currently poor economic conditions,” Kerrigan said. “At the end of the day, proposed tax hikes along with legislation and regulatory initiatives in the

pipeline will drive business costs higher and drain more private capital from our economy."

Kerrigan specifically cited the expiring Bush-era tax cuts which will increase taxes on small businesses as one of the reasons for "stalled" small business expansion.

Cannot 'Afford' Top 2-3 Percent Cuts?

Obama's primary argument has been that the U.S. cannot "afford" to extend the tax cuts to the rich. Many in the news media have echoed that claim, and perpetuated the liberal argument that tax cuts are a "cost."

That argument is one of [five common ways the media spin tax stories](#) in a liberal direction. Calling tax cuts a "cost" assumes that all money belongs to the government, rather than to the taxpayers who have worked hard for it.

Olbermann pushed that liberal theme Sept. 13 when he blasted Boehner saying: "[He] wants to increase that deficit by \$700 billion over ten years by extending those Bush tax cuts on income over a quarter-million."

MSNBC's Savannah Guthrie also promoted that viewpoint in her interview with McConnell Sept. 13. Guthrie pressed McConnell to admit that tax cuts would increase the deficit.

"You don't dispute that it would require more debt for these tax cuts? You don't dispute that?" Guthrie asked the senator. CNN's Ali Velshi claimed tax cuts aren't "free" and that extending the Bush tax cuts to the top 3 percent of earners would cost ["between 650 and 700 billion dollars. Extending it for the rest of us is going to cost a lot more, possibly \\$3 trillion."](#)

The media have long attacked the tax cuts claiming that they were responsible for the deficit, instead of criticizing government spending. Conservatives argue that government spending is the real problem in Washington.

According to Stephen Moore's book "The End of Prosperity," the 2003 tax cuts generated a huge increase in federal tax receipts. A [\\$785 billion increase](#) between 2004 and 2007, Ryan Dwyer told The Washington Times.

That was after Bush had slashed dividend and capital gains rates to 15 percent in 2003. The economy also bounced back, according to Dwyer: "In three years, \$15 trillion of new wealth was created. The U.S. economy added 8 million new jobs from mid-2003 to early 2007, and the median household increased its wealth by \$20,000 in real terms."

Similarly, under President Ronald Reagan's tax cuts federal revenues grew rapidly ([33 percent cumulative growth](#)) according to a Congressional Economic Update from 1995.

Instead of arguing that the U.S. can't afford to cut taxes, Cato Institute Director of Tax Policy Chris Edwards argued that the U.S. can't afford not to. He wrote that the average top tax rate for the top 30 OECD (Organisation for Economic Co-operation and Development) nations has fallen by 5 percentage points since 2000. So if the top rate tax cuts are not extended the U.S. will have the [tenth highest rate](#) among the 30 countries jeopardizing the nation's competitiveness.

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