

NEWSLETTER

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A Socially Balanced National Budget Plan

A **socially balanced national budget plan** must be rooted in the understanding that individual wealth and income are not solely the result of personal effort, but are deeply intertwined with the resources, infrastructure, and systems provided by society.

A national budget must account for the collective responsibility we share in supporting the well-being of all, ensuring that **economic policies promote not only growth but also equity, opportunity, and sustainability**. A good budget recognises the contributions of past generations, public investments, and the advantages conferred by being part of an interconnected, productive social system.

This point was argued by Herbert Simon, who won the Nobel Prize in Economics in 1978. He states that *"If we are generous with ourselves, we might claim that we earned as much as one-fifth of our income. The rest is associated with being a member of an enormously productive social system, which has accumulated a vast store of physical capital, and an even larger store of intellectual capital held by all of us"*.

Progressive Taxation: A Foundation for Equity

One cornerstone of a socially balanced budget is **progressive taxation**. Taxation is often viewed as a burden, but it is a mechanism through which the wealth created by the collective efforts of society is redistributed to promote broader social well-being. In a just society, individuals who have benefited most from social infrastructure – education systems, public health, legal frameworks, and physical infrastructure like roads and utilities – should contribute proportionally more. **A budget that lauds reduced taxation and open-ended subsidies as success, rather than identifying and promoting the drivers of success, is one that does not build a foundation of equity.**

A progressive tax system ensures that those with higher incomes, who have reaped the greatest rewards from the collective social and economic system, pay a higher percentage of their income in taxes. It is further noted that **government must put in place mechanisms to ensure any taxation due is collected fully** - everyone must contribute their fair share to society, no one is exempt of this duty.

This is not merely a question of fairness; it is essential for sustaining public goods and services that benefit all members of society. **Marginal tax rates should be designed so that they do not punish success but ensure that the wealth generated by the nation's economy benefits everyone, not just a wealthy minority.**

Access to Quality Public Services

A socially balanced national budget must prioritise access to high-quality public services. **The existence of these services reflects society's commitment to ensuring that all individuals can succeed and lead dignified lives.** These services are not privileges, but rights afforded to every citizen in lieu of their participation in a productive and socially interconnected economy. Government is expected to fund services. The need to invest in public services cannot be measured in terms of revenue generated. Most of these **services generate indirect revenue by enabling people to participate productively in the economy.**

As an example, an accessible and well-funded **education system** guarantees a level playing field where everyone can develop skills to contribute productively to society. The measure of impact of such funding, whether it's public schools or tertiary institutions like MCAST and University, is achieved indirectly when students enter the work force to positively drive economic growth through innovation and specialised skills. It is therefore imperative that its impact is not measured in direct monetary returns. **The investment is in people, not shareholders!**

Another example is the **healthcare system**. Public health is a shared responsibility. In recent years we have witnessed a shocking mismanagement of our healthcare system. By running this service as a pure business venture government has lost sight of the **cardinal objective of our health care system, which is that of safeguarding society, and by extension the workforce, well-being.** It is imperative that government invests in proper facilities and ensures that right number of professionally trained staff capable to communicate effectively with patients under their care run these services.

Another example is public investments in **housing and infrastructure**. Affordable housing programmes prevent homelessness and housing insecurity, while well-maintained and accessible infrastructure promotes economic mobility that enables the economy to grow sustainably. Investment in these sectors cannot just be a lip service, it must be planned and have a studied outcome - projects must not be about how much EU funding is used, but rather focus on what long term vision these funds enabled.

Social Safety Nets and Economic Justice

In any society, there will be individuals and families who face hardships due to factors beyond their control, such as economic downturns and health crises. **A socially balanced budget should strengthen social welfare to support those in need.** Programmes like *unemployment benefits, disability assistance, and income support for low-income families* should be adequately funded, ensuring that no one is left behind. While NGOs and the private sector can (and are encouraged to) help in providing support to individuals facing such hardships, **it is unacceptable for a government to offload this responsibility on others.**

Moreover, these programmes should be designed as mechanisms for empowering individuals to re-enter the workforce or gain access to education and training. These programmes must act as enablers. This can be achieved through retraining, apprenticeships, and education grants that prepare individuals for participation in an evolving economy. **A socially balanced budget recognizes that these investments in people contribute to a viable, healthier, more stable economy in the long term.**

Environmental and Cultural Sustainability as a Social Imperative

A socially balanced budget must also **address the long-term sustainability of the nation's economic and environmental resources.** Our ability to generate wealth in the present is a direct result of the resources we inherited from previous generations, and it is our duty to ensure that future generations can enjoy the same benefits. This requires prioritising investments in *clean energy, climate resilience, environmental preservation and cultural preservation.*

It is an ethical responsibility today to affect policies that ensure that future generations have a country to sustainably live in. Allocating funds toward renewable energy infrastructure, reducing carbon emissions, and promoting green technologies not only protects the environment but also creates new economic opportunities in emerging industries.

The greed of a few developers must be pointed out – we have a developer community that is so self-engrossed that it will not think twice to ignore a court ruling and to manipulate a government into changing policies in their favour. **It is useless to talk about wealth, when the pursuit of this wealth leaves a trail of destruction and a dysfunctional culturally devoid society.**

Fair Corporate Responsibility and Regulation

Corporations, like individuals, benefit from the society in which they operate. **A socially balanced budget should include measures that ensure corporations contribute fairly to the society in which they operate.** *Corporate taxes, environmental regulations, and labour protection legislation* should be rigorously enforced to prevent exploitation and ensure that businesses operate in a manner that benefits all stakeholders, not just shareholders. The right to unionise must be enshrined in law while ensuring that this right is exercised at the sole discretion of the individual – **mandatory unionisation goes against the very fundamental human right of freedom of choice and association.**

In conclusion, **a socially balanced national budget plan recognises that individual success is inseparable from the collective success of a society.** By prioritizing progressive taxation, universal access to public services, strong social safety nets, environmental sustainability, and corporate responsibility, such a budget would not only promote fairness and equity but also ensure the long-term prosperity and viability of the nation.

Be the change you want to see. Be that change today.



Prayer Intention

Every month of the year the Pope encourages all faithful to pray as one family, the family of God, the Church, with a common intention. You can follow the monthly intentions in this [website](#).

During the month of November, were we remember those have passed away, the intention is **'For anyone who has lost a child'**.

Prayer of the month

"We pray that all parents who mourn the loss of a son or daughter find support in their community and receive peace and consolation from the Holy Spirit"