CONTENTS

Preface xv Acknowledgments xix

PART I. PLUNDER AND POWER		1
1	Any Public Matter	3
	Bengal to Boston	5
	Never Such Disgrace	11
	Why Bolivia Is Landlocked	15
	Taxing the Light of Heaven	17
	Not Everything Is About Tax. But	22
2	The Way We Were	24
	A Quick Gallop through the Long History of Taxation	25
	How Much?	34
	Warfare and Welfare	38
	Babbage's Nightmare	41
	Debt, Default, and Princes	43
	Making Money	47
3	By Another Name	55
	Elizabeth I to Spectrum Auctions	56
	Selling Sovereignty	62

viii CONTENTS

	Cheap Labor	63
	Working for Nothing	63
	A Rich Man's War and a Poor Man's Fight	65
	Doing Your Bit	68
	Paying Your (Feudal) Dues	71
	Crossing the Line	73
	And There's More	75
	Jobs for the Boys	75
	A Tax on Stupidity	77
PA]	RT II. WINNERS AND LOSERS	81
4	Fair Enough	83
	Heads on Pikes	84
	Poll Taxes and the English	85
	Noble Causes	91
	Trying to Be Fair	93
	Pay for What You Get?	94
	Pay What You Can?	96
	Show Me a Sign	97
	Taxing by Class	98
	Taxing by Community	99
	Taxing the Finer Things in Life	102
	Presumptions of Prosperity	105
5	This Colossal Engine of Finance	108
	The Work of Giants: The Income Tax in Britain	109
	The Dred Scott Decision of the Revenue	116
	A Crime of Passion and the French Income Tax	123
	Old Fears and New Directions	127

CONTENTS ix

6	Some Are More Equal Than Others	131
	Taxing Femininity	132
	Peculiar Tax Institutions	136
	Leaps of Faith	138
	Outsiders	144
	Strangers in a Strange Land	144
	Taxes as Punishment	145
	Hard Choices	146
7	Stick or Shift?	149
	False Starts	150
	Burgling Other People's Intellect	155
	You Must Remember This	158
	Buddy, Can You Spare 1/20th of a Dime?	160
	Things Aren't Always What They Seem	162
	Helping the Working Poor (or Their Employers)	162
	Are Tax-Free Municipal Bonds a Giveaway to the Savvy Rich?	162
	,	163
	The Murky Incidence of the Corporate Tax	164
	The Big Picture	167
PAI	RT III. CHANGING OUR WAYS	171
8	Breaking Bad and Making Good	173
	Do the Right Thing	174
	Family Matters	174
	Taxing Knowledge	177
	Tax Bads, Not Goods	179
	Saving the Planet	180
	Wind-Breaking Cows, Scary Dogs, and Cute Cats	183

x CONTENTS

	The Wages of Sin	184
	The Vile Custome	184
	The Curse of the Drinking Classes	189
	Sex,	190
	Drugs,	192
	But Not Much Rock and Roll	193
	Unhealthy Living	193
	Just Say No?	195
9	Collateral Damage	199
	Spurring Ingenuity	200
	Stranger Things	200
	Drawing a Line	207
	Excess Burden	214
	No Fire without Smoke	215
	A Window on Excess Burden	222
10	How to Pluck a Goose	225
	Searching for the Holy Grail	227
	War Profiteers and the Corporate Tax Revisited	228
	Give Me Land, Lots of Land	230
	Conscripting Wealth	235
	Limiting the Damage	237
	The Cleverest Man in England	237
	Broaden the Base, Lower the Rate (Maybe)	240
	Shaping a Tax System	243
	How Many Feathers?	247
11	Citizens of the World	251
	Squeezing a Rice Pudding	254
	Havens from the Tax Storm	257

CONTENTS xi

	The Rich Are Different from Us	261
	They Don't Live Here Any More	262
	Don't Tell	263
	False Profits	265
	If I Were You, I Wouldn't Start from Here	266
	A Farewell to Arms (Length Pricing)?	270
	Tumbling Taxes	276
PA]	RT IV. TAXES DON'T COLLECT THEMSELVES	281
12	Vlad the Impaler and the Gentle Art of Tax Collection	283
	Mind the Gap	285
	A Gallery of Tax Rascals	285
	Known Unknowns	288
	Many Sticks—and a Carrot or Two	289
	Get to the Money First	290
	Big Businesses Are the Tax Administrator's Friend	296
	And Small Businesses Are Their Nightmare	298
	Information Rules	300
	Trust but Verify	306
	Taxpayers Are People Too	308
	Principled (and Singing) Evaders	308
	Making Honesty the Easiest Policy	309
13	Someone Has to Do It	313
	The Tax Collectors' Gallery	314
	Who Collects?	318
	The Rise and Demise of Tax Farming (and Tax Farmers)	319
	Kickbacks—Legal and Otherwise	324

xii CONTENTS

	Tax Independence	328
	Privatizing Tax Collection	329
	How Big Should Tax Administrations Be?	331
	Tax Tech	333
PAl	RT V. MAKING TAXES	339
14	Taxing and Pleasing	341
	The Finance Minister's Dream	341
	Starving the Beast	346
	From Coventry to K Street	348
	The Naked Truth about Lobbying	348
	I Can't Believe It's Not (Taxed Like) Butter	351
	The Taxes Chain Store Massacre	352
	One Man's Exemption	354
	You Just Don't Do That: Four Centuries of Not Taxing Food in Britain	355
	Games Governments Play	358
	Vanishing Acts	359
	What's in a Name?	361
	Oops	363
	Some Triumphs of Pretty Good Tax Policy	363
	Lessons from Gucci Gulch, and Elsewhere	365
	The Rise (and Rise) of the VAT	368
15	The Shape of Things to Come	372
	Taxes in Naboo and Utopia	372
	Pillars of Tax Wisdom	375
	Tax Revolts Are Rarely Just about Tax	375
	Be Careful with Words	376

CONTENTS xiii

You May Be the One Paying for Lunch	377
Fair Taxation, Whatever That Is, Is Hard to Achieve	379
Taxation Is About Finding Good Proxies	380
Tax Avoiders and Evaders Are Wonderfully Creative	382
The Biggest Costs of Taxation May Be the	
Ones You Can't See	383
Taxes Are Not Just for Raising Money	385
People Pay Taxes Because They Are Scared	386
Tax Sovereignty Is Becoming a Thing of the Past	387
Beware of Mantras	388
The Future and Beyond	389
Hard Times	390
Brave New Worlds	393
What Will They Think of Us?	397

Notes 399
References 453
Illustration Credits 495
Index 497