

TAXATION AND FORCED LABOR: THE TWO BODIES OF THE CITIZEN IN MODERN POLITICAL THEOLOGY

LUIGI MARCO BASSANI AND CARLO LOTTIERI

ABSTRACT: This article will show that there is nothing innocent about taxation. While coercion had various and rather ruthless forms in premodern times, with the birth of the state, the expansion of taxation has increasingly become the repudiation of a visible brutality. The Enlightenment period marks the beginning of the fiscal state, an impeccable marriage of modern rationality and new forms of control. Tax imposition rendered political exploitation less painful, but at the same time, it inaugurated an expansion of dominion over individuals and society unparalleled in history.

Taxation was the decisive cause of Rome’s downfall. After almost two millennia, Western civilization could implode again and for similar reasons, but the veil of ignorance of modernity will render it impossible for people to comprehend how it happened and why.

According to Robert Nozick ([1974] 2001, 169), “Taxation of Earnings is on a par with forced labor.” This analogy is seen as somewhat humdrum in libertarian circles, as both taxation and forced labor involve a group of people (the few making up the political class) extracting resources from another group (the many governed) against their will and thus limiting their liberty and dominating both their earnings and their bodies.

Luigi M. Bassani (luigi.bassani@unimi.it) is professor of the history of political thought at the University of Milan.

Carlo Lottieri (carlo.lottieri@univr.it) is professor of philosophy of law at the University of Verona.

The two authors received a grant from IREF Europe for this article.



Nevertheless, this perspective is not commonly accepted, because most popular political cultures consider taxation the principal legitimate instrument for the improvement of economic efficiency and for achieving social justice. In one of the most important studies about taxation and welfare economics, Louis Kaplow (2011, xvii) adopts an apparently value-free stance when he states that his intention is to investigate “how various government instruments are best orchestrated to achieve . . . the maximization of a conventional social welfare function.” But what Kaplow presents as a technical issue is, in fact, a problem of power, of relations between human groups and between the two ultimate political actors of modernity: the state and the individual.

This article, which is the starting point of a broader research project, will show that there is nothing innocent about taxation. It will investigate the various relations of the subject with political authority in order to show that the monetarization of political exploitation, while a crucial turning point in modern times, did not modify the essence of domination. The sacralization of the physical body of the subject—evident in the simple fact that torture, killing, and being killed in the name of the state are constantly decreasing—has paved the way for the exploitation of the second body of the citizen, the one that produces wealth.

In a recent article, the philosopher Adam Moore (2021) applies novel arguments to confirm that Nozick was correct. Moore quotes a passage from an article written by Judith Jarvis Thomson (1971) in which she affirms that nobody can take control of another person’s body:

You wake up in the morning and find yourself back-to-back in bed with an unconscious violinist. A famous unconscious violinist. He has been found to have a fatal kidney ailment, and the Society of Music Lovers has canvassed all the available medical records and found that you alone have the right blood type to help. They have therefore kidnapped you, and last night the violinist’s circulatory system was plugged into yours, so that your kidneys can be used to extract poisons from his blood as well as your own.

According to Moore, if one has the right to free oneself and to disconnect immediately from the violinist, regardless of the consequences for his health (as an overwhelming majority of political philosophers would maintain), then one could also legitimately hide or protect the product of one’s labor. In both the seizing of a

person's physical body and the seizing of a person's labor, there is illegitimate, aggressive, and immoral control over the life and the body of a human being. What Moore highlights is the strict connection between body and labor, and the fact that there are many analogies between control over the one and control over the other. In the background, it is easy to recognize the restatement of fundamental themes of classical liberalism; in essence, Nozick and Moore revitalized theses that were at the heart of John Locke's theory, notably the concept that men possess a natural and inviolable right to their bodies, their work, and that portion of the world which they legitimately appropriate:

Though the earth, and all inferior creatures, be common to all men, yet every man has a property in his own person: this no body has any right to but himself. The labour of his body, and the work of his hands, we may say, are properly his. Whatsoever then he removes out of the state that nature hath provided, and left it in, he hath mixed his labour with, and joined to it something that is his own, and thereby makes it his property. (Locke [1689] 1821, 209)

To appropriate the fruits of a person's labor against her will is therefore an attack on that person, not different from forcing her to work. Thus, Nozick's remark is correct.

The aim of this article is to analyze the intellectual background that helped make taxation not only possible, but acceptable. Fiscal policy is the key to understanding the control exercised by the sovereign state over society. The article will try to show how a great intellectual endeavor helped fiscal power in the modern era and how this systematic violence carried out by a group of men in the name of the state was concealed and rendered palatable.

POLITICAL OBLIGATION AS FISCAL COMPLIANCE

Meditating on Carl Schmitt's legacy several years ago, Gianfranco Miglio an eminent political scientist, advised that it was "necessary . . . to get rid of the idea that political relations can be converted into legal relationships: law and politics have always been two autonomous and heterogeneous realities." Although the modern state is predicated on describing political relations in legal terms, Miglio points out that there is only "a structural interference" between the two realities: "The undertaking that modern legal theory had proposed to itself—to transpose and exhaust politics

within the legal system—turns out to be completely utopian, and destined, since its inception, to failure” (Miglio 1988, 755).¹

While this is true, as politics and the law cannot be reduced to any kind of unity, the failure has thus far been on the side of efforts to limit the powers of the state over the lives and properties of its citizens, who are at the mercy of the ruling class. For, although the juridical robes with which it is adorned are somewhat worn, the state is in a position that no other political organization in history has ever even remotely dreamed of: it effectively claims total control over the lives and properties of its subjects. As Max Weber ([1919] 2004, 33) defined it more than a century ago, the state is a solely modern political and all-encompassing institution “that (successfully) lays claim to the *monopoly of legitimate physical violence* within a particular territory.”

The term “political obligation” first appears in Thomas Hill Green’s *Lectures on the Principles of Political Obligation*. Right at the beginning of his lectures Green clarifies that the term includes “both the obligation of the subject towards the sovereign, of the citizen towards the state, and . . . of individuals to each other as enforced by a political superior.” Green wanted to show the moral function of the law, “the system of rights and obligations which the state enforces, and in so doing to discover the true ground or justification for obedience to law” (Green [1885] 1999, 5).

Green’s line of research is of fundamental importance for the subject of this article. He sought to clarify the profound differences between three types of obligation (political, legal, and moral), but his “political obligation” turns out to be a simple prop for absolute respect for the entire juridical order enforced by the state. Political obligation is nothing but a grand design of citizenship grounded on obedience to a system of rights and duties imposed by the state.

Modern times generated a novel political organization in which the rulers could count on a reflex of compliance that was hitherto inconceivable. The political stage was simplified by

¹ All quotations from Italian and French sources are translated by the authors, unless an English translation is used.

annihilating the polycentricity of the medieval cosmos.² Thus, the “historical stage was reduced to two actors, the individual and the state, each the consequence of the same process, each allied with the other in the same life and death war against old ideologies and organizational practices” (Grossi 1998, 32).³ In short, the first item on the agenda of the modern state was the centralization of power. Absolute monarchs created a single decision-making center of command, which gradually imposed itself on all other decision makers. The state asserted itself as the sole, overriding, and exclusive focus. In due time no other political power persisted. Hence, “state sovereignty” became “the prevailing idea of political and legal authority of the modern era” (Jackson 2007, 7).

Centralization also meant the formation of a rational basis for the power of the state, which was achieved through the creation of a bureaucratic apparatus that became increasingly bloated. While all states in the seventeenth and eighteenth centuries moved to attack any sort of intermediate body between themselves and individuals, “by the mid-eighteenth century, the European states had for the most part won . . . their ‘war of annihilation’ against the major intermediate institutions that had survived since the Middle Ages” (Gross 1985, 63). The state became the master and creator of all forms of association between the people. “For both state administrators and the early theorists of the state . . . virtually all associations of any consequence were treated as if they were gratuitous concessions of sovereign authority, if not administrative extensions of the state itself” (Gross 1985, 63).

In the end, such a general concurrence of legal and political rules brought about an institution that moved autonomously and that represented neither rulers nor ruled. The state was construed as a

² For a formidable portrayal of the legal complexity of the medieval age and its polycentricity, see in particular Berman (1983, pt. 2).

³ Paolo Grossi (1998, 39), a famous historian of medieval law, concludes: “The free-spirited itinerary of political modernity evolved over the history of law into the confines of legal positivism, thanks to the intensification of politics by the deceptive but effective means of natural law strategy, of which, despite the passage of time, we are still victims.” In his view, “eighteenth-century natural law theory” presented itself as “the most intelligent, the most aware, the most able foundry of legal myths ever encountered over the long history of Western legal thought; from it emerged a complex of integrally imagined and ordered myths that gave rise to a true legal mythology” (Grossi 2000, 218).

legal person occupying a definite space within certain geographical lines that trace its corporeity. Within its boundaries, the state created good citizens through public education, made citizens into soldiers, and taxed them at will. It is only in such a modern state framework that political obligation makes any sense and that the groundwork for taxation is built.

The free individual is bound to the state by a relationship of loyalty paid in blood and money. If in an earlier and exceptionally long period, it seemed much easier for the state to obtain lives than to obtain estates, in recent decades the opposite seems to be the case. The twentieth century saw first an enormous increase and then a progressive exhaustion of governmental claims on lives. After a peak during the Second World War, the demand for blood donation as a fundamental part of the political obligation collapsed to almost zero. At the same time, the pressure from the government for money has increased exponentially. And it is no coincidence that the two curves reached their zeniths at different times: the first half of the twentieth century saw the maximum attack on lives, while beginning in the second half the plundering of the wealth produced by society reached all-time highs.

Taxes could really be the primary driving force of history, as Charles Adams (1993) argued two decades ago. Moreover, to properly understand taxation it is crucial to unmask the delusions of most statist fiscal doctrine, which maintains that taxes are nothing more than the total cost of the services offered by the state.

Political obligation, once centered on both blood and money, has now become mainly a fiscal duty. It is fulfilled in one way, through a pecuniary disbursement, and thus it increasingly parallels a legal obligation. After all, legal obligations can be discharged at any time through a simple payment.

The state, which from its early stages was nurtured by a cluster of concepts that attempted to displace theology with juridical notions, has in the end destroyed politics itself or, at the very least, diluted it in a sea of taxes. Political obligation, which was once indeterminate and global—the demand of loyalty to supreme leaders—then becomes one great, irresistible demand for money. Fiscal obligation is now the only bond left between the two political actors of modernity, the state and the individual. Leviathan quenches its thirst in only one way: money.

EXPLOITATION AND CONCEALMENT IN CIVIL SOCIETY: FROM MARX TO FOUCAULT

The parallel between taxation and forced labor brings to mind the most important instance of exploitation ever theorized in the history of the social sciences. The Marxian analysis of exploitation is too well known to require a summary here. While the doctrine of exploitation in the market could be considered a figment of Karl Marx's imagination, not only did it gain impressive support, but it is still venerated in academic circles. It is important to keep in mind that Marxian analysis never vanished: it survived the wreck of the labor theory of value upon which it is predicated and resurfaced in different guises even after the death of Marxism was proclaimed by everyone.

According to Marx ([1867] 1977, 119) in his most important work, *Das Kapital*, "Labour-power can appear upon the market as a commodity, only if . . . its possessor . . . offers it for sale . . . as a commodity." Though "equal in the eyes of the law" the buyer and seller of labor are in quite different positions. In order not to become a slave "the owner of the labour-power should sell it only for a definite period, for if he were to sell it rump and stump, once for all, he would be selling himself, converting himself from a free man into a slave, from an owner of a commodity into a commodity" (Marx [1867] 1977, 119). Marx compares a slave and a wage earner in several passages. While it is not clear, according to Marx, which system of domination is better for the dominated, one thing is sure: exploitation and privilege in slavery can be seen with the naked eye, whereas in the capitalist system exploitation is hidden:

In slave labour, even that part of the working day in which the slave is only replacing the value of his own means of existence, in which, therefore, in fact, he works for himself alone, appears as labour for his master. All the slave's labour appears as unpaid labour. In wage labour, on the contrary, even surplus labour, or unpaid labour, appears as paid. There the property-relation conceals the labour of the slave for himself; here the money-relation conceals the unrequited labour of the wage labourer. (Marx [1867] 1977, 381)

The Marxian theory of exploitation has had an exceptionally long lasting influence, reaching even into today's debate. In the contemporary conversation, the state assumes the role of the "great liberator," since in the eyes of most people only political power can free individuals from social chains. Only public institutions,

through redistribution of resources, can mend the injustices resulting from the excesses of wealth. Political power is there to counter and bridle the fundamental ideological agencies that are at work within society, be it the clergy (as it was in the nineteenth century) or the media (as it was in the twentieth century).

Such a view marks the reemergence of an ancient representation of society, divided into three powers—political, cultural, and economic—which to some extent resembles the Indo-European tripartition classically illustrated by Georges Dumézil (1958). In the Middle Ages, that tripartition between *bellatores* (knights with swords), *oratores* (men of the Church with control over speech), and *laboratores* (those who provide economic support for the whole of society) laid the foundations for what would become the class system. Taken up today, such a tripartite vision leads to the belief that any dimension—that of force, wealth, or thought, and therefore of politics, economics, or culture—can generate domination and thwart freedom.

In a certain sense, mainstream culture has outlined a sort of superconstitutionalism whereby the tripartition of public law (separating and balancing legislative, executive, and judicial) is flanked by a tripartition balancing the three powers mentioned above. In this way, the collective reformulation of the sovereign state, the “political” par excellence of the contemporary era, derives its legitimacy and necessity from the task of containing and limiting threats to the underprivileged coming from economy and culture, from wealth and thought.

Within this framework, the thesis championed by some contemporary libertarians and classical liberals appears naïve. It would, in fact, limit itself to the defense of that “formal” freedom that Karl Marx—already in his writing *On the Jewish Question*—denounced as a simple screen to protect bourgeois interests. The menace of coercion by government is not generally denied, but it pales in contrast to two greater threats: economic and cultural power.

Consequently, in most Western countries the crisis of one of the pillars of free society, the contract, derives precisely from the Marxist notion that a contractual and free relationship among consenting adults is only a chimera. Such a relationship is impossible because one party is weak and the other strong, exactly like the proletariat and the bourgeoisie in the labor market. For this reason, the objective is no longer freedom of negotiation, which

implied equality before the law, but instead a form of positive discrimination which—going beyond the will of the contracting parties—protects the tenant vis-à-vis the owner, the consumer from the producer, the employee against the employer, the smaller company from the larger one, and so on. Freedom is dangerous in this view, as it is destined to cause the replication of the struggle between capital and labor over and over again.

It is certainly true that Marx would never have endorsed any intrusion into capitalist relations (as such an intrusion risks adjourning the communist revolution *sine die*), yet it is necessary to recognize the link that connects the two perspectives. In today's societies, the increasing regulation of bargaining relationships rests on that critical account of the free market which is the heart of Marxist philosophy. The materialistic philosophy of history and the dual representation of social relations, such as the conflict between proletariat and bourgeoisie, are pretty much gone, but a watered-down Marxism has resurfaced stronger than ever. While Marx built his grand theory (which had the ambition of explaining once and for all the laws of development of societies) on the premise that the economic would be the starting point of every analysis, this revised version widens the horizon. The new Marxists, reenvisioning the doctrine of their doyen, see cultural relations not as a mere superstructure, but as a determining factor that must be placed at the same level as economic relations.⁴

If today legislation pervades every space, one reason is the need, felt by those who fear the threat of economic and cultural power, to use the weapon of law against the aggressions that spontaneously stem from the world in which ideas, goods, and services are exchanged. If by now public power regulates every relationship and taxes every human activity, the ultimate reason lies in the fact that, even within private law, the idea that there is always a "weak" party in need of protection has taken hold. In due time, this will signify the dissolution of negotiating autonomy. And if today government controls the educational system and orients it toward certain "truths" that must necessarily be accepted, this is because only public power is considered "neutral" and therefore able to control every possible faction, confession, ideology, and partisanship.

⁴ It is exactly based on this new centrality of the cultural dimension that the importance of Antonio Gramsci's thought in certain academic circles can be explained.

In contrast, those who—within a classical liberal perspective—still believe that only coercion is power and that therefore the only possible domination is produced in the political arena, also believe that economic or cultural exchanges are not in themselves aggressive or immoral, even if they can certainly become so when they stop being freely chosen and when regulation introduces advantages and privileges.

In the contemporary world, then, the major economic and cultural agencies (corporations, churches, lobbies, and the like) can use political power to gain illegitimate rents and impose their own worldview. These are groups that are not “political” in the strict sense of the word but nonetheless exercise dominance over the rest of the population. According to the classical liberal reading of society, they do so because of the control they are able to exert over the government. If that political dominance were not there or were drastically reduced, they could not dominate or pose any threat to anyone.

In this sense, not only can George Orwell’s words in the conclusion of *Animal Farm* be useful for understanding, for instance, the link in today’s Russia between the heirs of the KGB (the men) and the oligarchs connected with them (the pigs), but they can also speak volumes about the relation between economy and politics in Western societies. “The creatures outside looked from pig to man, and from man to pig, and from pig to man again; but already it was impossible to say which was which” (Orwell [1945] 1976, 66).

Wealth and culture are resources, not centers of power; they become instruments of coercion only because of the politicization of society. In the original sense of the tripartition, therefore, violence belongs to the heirs of the armed knights and not to the educated or to the producers. But certainly the “resources” that the latter two have at their disposal can be used to obtain broad dominion over society, and they become very aware of this exactly because they have knowledge and money.

This perspective is not really shared by the main and most influential intellectual schools, even if many are willing to recognize that there is a threat of arbitrary political power, and that such power has been established thanks to an exploitation of the ideological apparatus. According to Michel Foucault (1980, 71), micropolitical control over human bodies was crucial in the age of Enlightenment, when there was a strong alliance between power

and knowledge; taxation was not as important as physical control over personal life:

Panoptism was a technological invention in the order of power, comparable with the steam engine in the order of production. This invention had the peculiarity of being utilized first of all on a local level, in schools, barracks and hospitals. This was where the experiment of integral surveillance was carried out. People learned how to establish dossiers, systems of marking and classifying, the integrated accountancy of individual records. Certain of the procedures had of course already been utilized in the economy and taxation. But the permanent surveillance of a group of pupils or patients was a different matter.

Since control over bodies can be institutional and coercive (as in slavery or forced labor) or noninstitutional (as in the family, religious communities, and factories), it is not rational, according to Foucault, to simply look at public law and bureaucracy. On the other hand, the outcome of this process is an increasing, tendentially unlimited strengthening of the control that a small group exerts over others. Within this biopolitical perspective, which sees the essence of violence in commercial relations and cultural exchanges, *power is everywhere*—a fact that is not only ineradicable but unable to be contained or limited. Even in Foucault's late-Marxist framework, science is an instrument at the service of power exercised by monopoly capitalism:

Knowledge and power are integrated with one another, and there is no point in dreaming of a time when knowledge will cease to depend on power; this is just a way of reviving humanism in a utopian guise. It is not possible for power to be exercised without knowledge, it is impossible for knowledge not to engender power. 'Liberate scientific research from the demands of monopoly capitalism': maybe it's a good slogan, but it will never be more than a slogan. (Foucault 1980, 52)

The classical liberal tradition has always emphasized the link between power and ideology because power always needs legitimation, and the modern state—in the course of its history—has found its justification from time to time in theology, law, even literature, and now (of course) economics. As Bertrand de Jouvenel ([1945] 1972, 54) has remarked:

It seems to us, therefore, that in obedience there is an enormous part of belief, of credence, of credit. Power can be founded by force alone, sustained by habit alone, but it can only grow by credit, which is logically not useless for its creation and maintenance and which, in most cases, is not historically alien to them.

In the real world one constantly deals with an intersection between power and knowledge, thanks to which rulers try to offer a sugarcoated representation of their empire, while intellectuals do their best to play the role of advisors to the princes of the moment. Foucault (1980, 127) himself did not fail to recognize how the expansion of state power has made many intellectual figures simply collaborators with the group in command: “Magistrates and psychiatrists, doctors and social workers, laboratory technicians and sociologists have become able to participate, both within their own fields and through mutual exchange and support, in a global process of politicization of intellectuals.”

As mentioned above, however, Foucault does not limit himself to highlighting this. On the contrary, his idea is that culture as such represents a form of power and therefore of domination, just as according to Marx there is oppression in the contractual relationship that binds the entrepreneur and his employee. Domination exercised by government is therefore a form of control, but it is neither the most relevant nor the most brutal. This explains why in Foucault’s thought, alongside a persistent reference to Marxist doctrines, there is the idea that power not only marks every human interaction but is also at the heart of voluntarily chosen relationships, whether economic or cultural:

I don’t claim at all that the state apparatus is unimportant, but . . . one of the first things that has to be understood is that power isn’t localised in the State apparatus and that nothing in society will be changed if the mechanisms of power that function outside, below and alongside the State apparatuses, on a much more minute and everyday level, are not also changed. (Foucault 1980, 60)

Foucault’s thesis is clear. The state is not easily conceivable without its growing ability to take away resources, so political modernity is affirmed first by cameralism, then by political finance, and finally by welfare economics. But in his opinion the crucial issues lie elsewhere, where one can see the direct control over the body that has had its most complete form in slavery:

In fact, nothing is more material, physical, corporal than the exercise of power. What mode of investment of the body is necessary and adequate for the functioning of a capitalist society like ours? From the eighteenth to the early twentieth century I think it was believed that the investment of the body by power had to be heavy, ponderous, meticulous and constant. Hence those formidable disciplinary regimes in the schools, hospitals, barracks, factories, cities, lodgings, families. (Foucault 1980, 57–58)

During late modernity, the expansion of taxation has increasingly become the negation of this visible brutality. As Foucault pointed out in his studies of clinics, prisons, and asylums, there is a moment in Western history in which the old forms of dominion become difficult if not impossible, even when it comes to the rules that affect the life of schools, cities, or families. If, starting in the age of Enlightenment, it was necessary to free the body as much as possible from any extreme form of domination (capital punishment, torture, *corvée*, imprisonment), then it follows that this also made possible the expansion of a new and even more powerful version of control, this time necessarily mediated by taxation.

RATIONALIZING STATE, SUBJECT, AND PROPERTY

According to the Marxian creed, market wages are the means by which the bourgeoisie hide their exploitation of the lower class. When people were enslaved, all labor was unpaid, but with the birth of capitalism it became possible to disguise this form of domination. The labor theory of value implies that the proletariat are incapable of *perceiving* the exploitation because law and economic theory have built a curtain obstructing their understanding of what is really occurring. The task of the new Marxian science was to show the reality:

Hence, we may understand the decisive importance of the transformation of value and price of labour-power into the form of wages, or into the value and price of labour itself. This phenomenal form, which makes the actual relation invisible, and, indeed, shows the direct opposite of that relation, forms the basis of all the juridical notions of both labourer and capitalist, of all the mystifications of the capitalistic mode of production, of all its illusions as to liberty, of all the apologetic shifts of the vulgar economists. (Marx [1867] 1977, 381)

In order to emphasize the exploitation relationship, Marx ([1867] 1977, 412) introduced an analogy between market exploitation and state exploitation: when capitalists buy the services of a worker, “the transaction is for all that only the old dodge of every conqueror who buys commodities from the conquered with the money he has robbed them of.” Though it is impossible to agree with Marx when he sees exploitation in “capitalist acts between consenting adults” (Nozick [1974] 2001, 163), it is true that it is vital to comprehend *how* and *when* people have stopped recognizing the aggression of rulers and exploitation by the political class. In this sense, Western history includes a sort of mystery. In fact, it is not easy to explain why the Marxian

theory of exploitation—based on a quite abstruse economic theory—has been so successful, while very few people have analyzed in depth the domination of the political class over the ruled. To begin such an investigation in modern times, it is crucial to study the origins of the state finance system. It is precisely there that a machine controlled by kings to increase their access to resources has become the core of a new legal order conceived to improve people’s lives and sociability.

A NEW SCIENCE: CAMERALISM AS THE RULER’S WEAPON OF CHOICE

In human history, the emergence of money is one of the basic steps toward civilization. Money implied both division of labor and specialization, but it also opened the door to new opportunities for the exploitation of human beings. Joseph Schumpeter ([1918] 1991, 99–140) argues that the transformation of the old “domain states” into “tax states” was a fundamental change in modern history. In addition, as Ernst Kantorowicz points out in his masterpiece, *The King’s Two Bodies*, this separation between the king *as a person* and the king *as a function* originated in the medieval age and immediately had some consequences for forms of ownership and resource extraction by the public apparatus. During the twelfth century in England, “by building up a royal demesne as an administrative entity which was set apart from lands falling in with the feudal dependencies, Henry II certainly laid the foundation to the *fiscus* which, clearly by the thirteenth century, ‘has been separated, as something for the common utility, from the person of the king’” (Kantorowicz 1957, 343, quoting Post, 1954, 423).

For centuries kings and other rulers had their own properties, and they funded their activities (wars and invasions, above all) mainly using these assets. For a long time, using Kantorowicz’s words, “the distinction between what pertains *ad coronam* and what may be held *de rege*” (1957, 343) was not crucial. Such a political order impeded a modern and strong presence of state power in society. When a ruler was basically a person and not a function or a role, it was almost impossible to build a sovereign order based on the supremacy of the state.⁵

⁵ In his notable work on late medieval times, Otto Brunner ([1939] 1992) explains that the emperor never really had complete control even over *his* territories, as every local ruler preserved strong autonomy.

At the end of the Middle Ages, rulers could not grab the wealth of their subjects. As kings needed to extract resources in a rather permanent way, they accepted the sharing of power with assemblies. This was the beginning of the so-called *Ständestaat*, the corporate state or “polity of estates.” In this political order, “the ruler can, jointly with the estates, determine policy,” and typically “a ruler comes to the gathering to ask for money and resources (mostly needed . . . for the purpose of waging war)” (Poggi 1990, 41). But “it can be said that polity of estates is marked by a ‘power dualism.’ Both parties—rulers and estates—consider themselves in possession of a higher right” (Poggi 1990, 42).

The new theory of the sovereign state (mainly French) modified the king’s relationship with communities, individuals, and territories, rendering exploitation of the entire population systematic and organized. The fiscal innovations introduced in the eighteenth century were essential, because when rulers can control all the activities and patrimonies of their jurisdiction—all the goods of their kingdom—their personal resources become irrelevant.

What happened in continental Europe and especially in France had universal consequences. In the course of time one institutional model (the state), forged in continental Europe, became—little by little—the only possible solution to the problem of organizing political communities. Unfortunately, it was mostly in Paris that the institutional forms that have since been adopted everywhere on earth were established, and it was mainly in continental Europe that the framework of the modern state was developed. London, Zurich, and then Philadelphia, the venerable Western traditions of common law and federalism, were relegated to the periphery of the intellectual framework of the modern state.

Taxation increased the budget of the prince and introduced a sort of “rationalization.” As Schumpeter ([1918] 1991, 117) remarks, “Tax brings money and calculating spirit into corners in which they do not dwell as yet, and thus becomes a formative factor in the very organism which has developed it.” The Enlightenment period marked the beginning of the fiscal state, a perfect marriage of modern rationality and new forms of domination.

At the time of Emperor Joseph II of Austria and Frederick the Great of Prussia, state organizations started to become more and more centralized. In this age German cameralism (*Kameralismus*) developed a study of the functioning of government which was

one of the main pillars in the creation of a modern public finance system. The “cameralists” developed this new *science* in order to achieve a centralized economy. As Schumpeter remarks, for centuries taxation was not easy or well accepted. In the late seventeenth century, the cameralists had a bad reputation; they were perceived as bloodsuckers helping the prince to extract money from ordinary people. In fact, they were supporting state power and its increasing invasiveness. As the historian Andre Wakefield (2009, 5) explains, “the good cameralist, that utopian servant of the *Kammer* and protagonist of the cameral sciences, driven only by selfless dedication to the happiness of the people, arrived later.” While “the science of the *Kammer* was a chimera . . . the job description was simple: meet the financial needs of the ruler. Nothing more” (Wakefield 2009, 10; cf. Machiavel 1764).

As the new science became more and more important, cameralism was seen as part of a new, enlightened culture devoted to the modernization of society. Moreover, the new cameralist intellectuals, pretty much like today’s court economists, believed that government initiative was crucial for economic growth. In 1717 a Thuringian lawyer, Gottlob Christian Happe, suggested building a kind of “fiscal Panoptical” with this motto at its entrance: ““God sees and hears everything; the emperor, king or prince [sees and hears] as often as he wants”” (Wakefield 2009, 15). It is evident that this group of civil servants developed a new technique of exploitation and created a science of fiscal propaganda. This combination of true domination and a false (pseudoscientific) theory is of paramount importance for understanding how people have learned to accept this concealment of state coercion.

“Enlightened absolutism” or “benevolent absolutism” was the political form adopted by absolute monarchs in Europe in the age of *Lumières*. Government espoused rationality to boost the power of the rulers. While the civil servants helped the rulers to develop a state apparatus, some thinkers defended the idea that government power was required if morality and civilization were to prevail.

In his short text of 1784, “What Is Enlightenment?,” Immanuel Kant explores his idea of individual liberty, emphasizing the distinction between a *private* and a *public* use of reason. According to Kant, an enlightened man has the duty to reject any kind of authority in the intellectual sphere over what he calls the public use of reason. While this should guarantee a space for free investigation

and a solid barrier against all forms of cultural censorship, Kant also claims that every state representative must blindly obey without asking any questions, and the same applies to citizens.

In fact, Kant's claim is probably the most radical attempt to *moralize* and *rationalize* state power. Obedience must be total in order to avoid the destruction of the social order and the loss of any kind of individual right; the shadows of Hobbes and Rousseau are quite easy to detect:

According to Kant, the case against rebellion is unambiguous. The people cannot possess a right to rebel. There can be no power to determine what constitutes the right to rebel. Rebellion would upset the whole system of laws. It would create anarchy and violence. It would also destroy the civil constitution which the idea of the social contract demands. For if a constitution contained an article permitting a people to rebel or to depose a sovereign, a second sovereign would thereby be established. This event would be a contradiction. It would, in fact, require a further, third sovereign to decide between the two, which is absurd. There cannot therefore be in a constitution a clause giving anyone a right to resist or to rebel against supreme authority. (Reiss 1991, 31)

This submission to the sovereign power is the other side of intellectual freedom, and this abdication of the real and concrete possibility of a right of resistance leads to a state that is without limits. From an intellectual point of view, an adult man has to free himself from "dogmas and formulas, those mechanical instruments to rational use (or rather misuse) of his natural endowments" (Kant 1991, 54–55). Man must reject any kind of constraint on his thought; however, in practical activities he must accept the total domination of the sovereign state, such as when "the tax-official says, 'Do not argue, pay!'" (Kant 1991, 55).

For Kant, "in many affairs which affect the interests of the commonwealth, we require a certain mechanism"; people "must behave purely passively, so that they may, by an artificial common agreement, be employed by the government for public ends" (Kant 1991, 56). In other words, the same mechanical passivity that Kant entirely rejects as a response to intellectual authority (master, book, church, and physician) he accepts and exalts if it is in the interest of the political community. Kant thinks that every human being has an innate right to freedom, but at the same time a duty to enter into a civil state governed by a social contract. This is essential in order to protect exactly that fundamental freedom. According to Foucault (1984, 37),

Kant, in conclusion, proposes to Frederick II, in scarcely veiled terms, a sort of contract that might be called the contract of rational despotism with free reason: the public and free use of autonomous reason will be the best guarantee of obedience, on condition, however, that the political principle that must be obeyed itself be in conformity with universal reason.

In general, the prohibition against any kind of private use of reason in the political realm, as argued by Kant, opens the door to unlimited power of rulers over subjects. It is very revealing that when Kant highlights the obligation of obedience to the sovereign power, he refers primarily to the duty to pay taxes:

The citizen cannot refuse to pay the taxes imposed upon him; presumptuous criticism of such taxes, where someone is called upon to pay them, may be punished as an outrage which could lead to general insubordination. Nonetheless, the same citizen does not contravene his civil obligations if, as a learned individual, he publicly voices his thoughts on the impropriety or even injustice of such fiscal measures. (Kant 1991, 56)

The Enlightenment political culture produced an abstract idea of freedom. While most intellectuals were ready to cherish some basic rights (abolition of serfdom and torture, for instance), they also wanted to build an irresistible yet rational power over the subjects of the state. In the famous words of Joseph II, “Everything for the people, nothing by the people.”

In 1781 *corvée* was abolished in all the lands of the Habsburg Empire; this meant the substitution of an inefficient mode of exploitation with a new one better suited to the needs of the state apparatus. When the French revolutionaries did the same on August 4, 1789, this “humanization” of the relationship between rulers and ruled was purely formal, as the old, visible power of *corvée* was replaced by a new one based on taxation and on the systematic extortion of money. Power limited its capacity to control the physical bodies of the subjects only to achieve other advantages. Tax imposition rendered political exploitation less painful, but at the same time it inaugurated an expansion of the domination of individuals and society unparalleled in previous history.

ROUSSEAU AND THE BIRTH OF THE COLLECTIVE SOVEREIGN

The steps leading to the weakening of individual freedoms and the complete triumph of sovereignty, and thus also to an unlimited

ability to tax, are numerous. A crucial moment in this process undoubtedly occurs when, with the advent of parliamentary regimes, the crown ceases to rest on the head of the king. Although formally the monarch remains in place, an entire assembly supplants him in substance. The sovereign parliament goes hand in hand with the doctrine of popular sovereignty.

This new idea of political order and society had multiple origins. But a nationalist culture took hold from the nineteenth century onwards, while a republican and communitarian vision emerged that placed the city above the individual, the collective above the self. The sacrifice of one's possessions in favor of the nation, the new creation of the state, was considered simply necessary. The classical liberal Benjamin Constant, for instance, in his 1819 defense of the freedom of the moderns (the individual sphere as a shield protecting subjects from government power) against the freedom of the ancients (participation in the community), was very outspoken against Jean-Jacques Rousseau, a thinker who has marked the history of ideas like no other.

In his *Discourse on Inequality*, Rousseau openly states that the crucial cause of the decay of humanity is the birth of private property. The economic integration resulting from the division of labor causes the natural sociability of primitive communal orders to vanish. The original "secular" sin denounced by the Genevan theorist is the rise of market relations. In his eyes, property is an artificial and illegitimate creation which changes the very soul of man. While for Montesquieu the society of exchanges favors a willingness to interact with others, in Rousseau's opinion men became "avaricious, ambitious, and evil" (Rousseau 1755, 52) with the advent of the market. Law was conceived only to protect the landowners, to crystallize an order based on inequality and deny natural freedom. Some of the fundamental theses of nineteenth-century socialism, starting with the condemnation of the original occupation of the land, are already clearly formulated in Rousseau's well-known essay:

The first person who, having fenced off a plot of ground, took it into his head to say this is mine and found people simple enough to believe him, was the true founder of civil society. What crimes, wars, murders, what miseries and horrors would the human Race have been spared by someone who, uprooting the stakes or filling in the ditch, had shouted to his fellows: Beware of listening to this impostor; you are lost if you forget that the fruits belong to all and the Earth to no one! (Rousseau 1755, 43)

The democratic being prefigured by Rousseau is construed as the antithesis of the modern bourgeois, a despicable private creature who finds happiness in the affection of family relationships, yearns for social respect, and desires the best possible job. The objective of the new political community envisioned in *The Social Contract* (1762) consists in restoring a humanity that civilization and progress have disfigured. Community is the only possibility for humanity to be as politically free as possible. Such freedom is nothing but compensation for what human beings lost when private property came to separate individuals and the logic of private interest made its way into human relations. Rousseau believes that with the social contract and the resulting democratic order, mankind can regain its lost values: “What man loses by the social contract is his natural liberty and an unlimited right to everything he tries to get and succeeds in getting; what he gains is civil liberty and the proprietorship of all he possesses” (Rousseau [1762] 1968, 14).

The crucial notion that allows Rousseau to guarantee order and freedom (sovereignty and self-government) is that of *volonté générale*, the general will. In a democratic society, the future is not established by a king or a group of rulers, nor by that sum of individual private and selfish wills that can be expressed in the electoral game of representative systems. In the dynamics of radical democracy, in fact, a will emerges that transcends individuals and that, for Rousseau, is always righteous and consequently infallible. Following democratic sovereignty does not entail any loss of autonomy for the individual, as the only possible earthly salvation is to be part of a community and to follow the general will. For this reason, it makes no sense even to consider any limitation of power. Even when one is hurt by a decision, the conflict is between a fictitious (distorted) individual will and the authentic will, which is embodied in the law, the ultimate expression of the general will. In a true democracy, the individual who believes herself to be oppressed has nothing but a cognitive problem. She has not well understood what she really is and, in a higher sense, what she really wants. Within a collectivity rightly constructed and guided by the general will, if “the opinion that is contrary to my own prevails, this proves neither more nor less than that I was mistaken, and that what I thought to be the general will was not so” (Rousseau [1762] 1968, 88).

Many have pointed out that the logic that would later generate Jacobin terror and even totalitarianism starts from here. In

Rousseau, in fact, there is for the first time the theorization of a sovereign collectivity in which “the whole” transcends everything else. The result is a concealment of power, since in theory thanks to the general will the people simply govern themselves, and all forms of exploitation and domination are implausible. Rousseau’s imagining of a community in which there is no difference between the ruling class and the people, the rulers and the ruled, paved the way for the unlimited expansion of power.

It is interesting to note that the thinker who most influenced the development of contemporary institutions has some objections to taxation in the rigorous sense. He seems to echo some antimodern strains in his preference for the use of forced labor over the transfer of money. On the one hand, Rousseau puts forward the most explicit repositioning in modern times of an ancient type of community, organic and ethically superior to any particular will; on the other hand, however, he rejects civilization and progress to the point of the indictment of money, which leads to his preference for *corvées* over taxes: “It is through the hustle of commerce and the arts, through the greedy self-interest of profit, and through softness and love of amenities that personal services are replaced by money payments” (Rousseau [1762] 1968, 77).

Rousseau’s position is paradoxical. He condemns taxation not because he wants to protect society from power, the exploited from the exploiters, but instead because he identifies taxes as a feature of societies characterized by the division of labor, specialization, and, consequently, the use of money and the development of finance. For Rousseau, in an era characterized by mercantile—and thus degraded—rationality, forced labor represents the subtraction of monetary resources within societies founded on the citizen spirit and on civil religion. The same reasons that lead him to oppose political “representation” (which empties democracy and debases the agora) lead him to reject currency over goods and, consequently, the replacement of forced labor with taxation.

The word *finance* is a slavish word, unknown in the city-state. In a country that is truly free, the citizens do everything with their own arms and nothing by means of money; so far from paying to be exempted from their duties, they would even pay for the privilege of fulfilling them themselves. I am far from taking the common view: I hold enforced labour to be less opposed to liberty than taxes. (Rousseau [1762] 1968, 77)

NORMATIVISM, WELFARE, AND DISTRIBUTION

In Kantian political philosophy the idea of radical freedom of thought is coupled with a religious reverence for state power. The development of public economics is the ultimate concealment of this deep ambiguity: modern Western political culture is predicated on a schizophrenic vision of the body of the citizen. For Kant, as mentioned above, on the one hand the *public use* of human reason must be totally free, but on the other hand the *private use* can be restricted. Thus, it is clear that people can *argue* without any boundaries as *human beings*, but they must *obey* the sovereign power as *political subjects*. In this sense, the modern citizen of the new political society has two bodies, because he is at the same time a human being and a political subject. The freedom of the human being is the backdrop for the subjugation of the citizen, and this second element is dominant.

For this reason, Hans Kelsen, the most eminent interpreter of normativism, declares that individuals have no natural rights, as *rights* are nothing but permissions granted by the legal order or the state. First of all, for Kelsen ([1960] 2005, 126) a right comes from another's obligation: "The behavior of one individual that corresponds to the obligated behavior of the other is usually designated as the content of a "right"—as the object of a "claim" that corresponds to the obligation." Moreover, the obligation comes from a legal order that cannot be separated from state power, because Kelsen rejects any kind of dualism and, above all, the classical distinction between law and state. An "individual right" is only a "reflex right," and "a reflex right, at any rate, cannot exist without the corresponding legal obligation." The conclusion is clear: "A subjective right (as a reflex right) presupposes a corresponding legal obligation—that indeed, it is this legal obligation" (Kelsen [1960] 2005, 128–30). He adds that "the legal power, . . . as 'right' (that is, as private or political right), is only a special case of that function of the legal order described here as 'authorization'" (Kelsen [1960] 2005, 145). Rights are predicated on other people's obligations.

Consequently, in his *Pure Theory of Law* there is no room for individual rights. Refusing any sort of dualistic perspective (combining a *subjektives Recht* and an *objektives Recht*), he reformulates the idea of individual autonomy as a simple permission coming from the general legal order, as a system of sanctions and obligations:

A certain behavior by a certain individual is “authorized” by the legal order not only if a legal power is conferred upon him (that is, the capacity of creating legal norms), but also generally, if the individual’s behavior is made the direct or indirect condition of the coercive act as the legal consequence, or if this behavior is in itself the coercive act. (Kelsen [1960] 2005, 146)

Analyzing ownership, Kelsen ([1960] 2005, 130, 132) denies the possibility that property rights can originate before state laws:

Traditional science of law defines [the right of property] as the exclusive dominion of a person over a thing and thereby distinguishes this right from the right to claim which is the basis only of personal legal relations. This distinction, so important for civil law, has an outspoken ideological character. . . .

[If] the right of property is defined as the legal power of the owner to exclude all others from the disposition over a thing, then we are no longer dealing with a mere reflex right. An individual has this legal power only if the law authorizes him to assert in court that the obligation not to prevent him from his disposition of a certain thing had been violated.

Some decades later and in a quite different cultural context, the same arguments were advanced in a very influential book on taxation, *The Myth of Ownership: Taxes and Justice* written by Liam Murphy and Thomas Nagel. The American scholars, adopting a purely normative perspective, state very clearly that

what belongs to you is simply defined by the legal system as what you have discretion to dispose of as you wish, after taxes have been levied. Since there are no property rights independent of the tax system, taxes cannot violate those rights. There is no prima facie objection to be overcome, and the tax structure, which forms part of the definition of property rights, along with laws governing contract, gift, inheritance, and so forth, must be evaluated by reference to its effectiveness in promoting legitimate societal goals, including those of distributive justice. (Murphy and Nagel 2002, 58–59)

In their plainly socialist perspective, private property is no more than a mere

legal convention, defined in part by the tax system; therefore, the tax system cannot be evaluated by looking at its impact on private property, conceived as something that has independent existence and validity. Taxes must be evaluated as part of the overall system of property rights that they help to create. Justice or injustice in taxation can only mean justice or injustice in the system of property rights and entitlements that result from a particular tax regime. (Murphy and Nagel 2002, 8)

Other scholars largely influenced by a neo-Keynesian perspective have defended the idea that money, like property right entitlements, is a state product too (see Mosler 2010 on modern monetary theory). Following this reasoning, not only would it be irrational to denounce inflation as a sort of extraction of money, but any kind of redistribution is fair. If all comes from government, politicians can manage everything as they see fit.

PUBLIC FINANCE AND WELFARE ECONOMICS: CAMERALISM WRIT LARGE

After Rousseau, economic theories reformulated the basic tenets of cameralism and developed a modern science of public finance based on two fundamental principles: (1) important services can be offered to the citizenry only by the sovereign power; and (2) taxes represent the “price” for goods and services that the populace receives. Taxes therefore are masked as a technicality that the general public cannot dream of grasping, rather than appearing as a simple question of power.

Even the important nineteenth-century classical liberal Francesco Ferrara ([1849–50] 1992, 248), writing about a contractual relationship between society and rulers, saw a legitimate and voluntary character in taxation:

Here is the idea of the tax in its purity. Nothing could be more legitimate or indeed more voluntary. It is a contract between the majority of society and that portion of men who, because of their special ability or for reasons which we do not care to discuss here, represent the constituted authority, the government. It is a fraction of our wealth which we give in exchange for the utilities inherent in the organized state and if we reflect that, for each of us, the sacrifice is minimal while the utility is immeasurable, the idea of sacrifice almost disappears. The tax is no more than one of our necessary and better calculated expenses.

Following Schumpeter’s (1991) reference to the transition from the “domain state” to the “tax state,” Richard A. Musgrave (1985) has reconstructed the history of taxation in modern times, underlining how, with the decline of feudalism, public finance shifted from the management of royal wealth to the taxation of subjects. Schumpeter’s analyses focus on Germany and Austria prior to the rise of cameralism. Rationalist and Enlightenment logic generated a technical and scientific culture placed at the service of improving the functioning of public administration. The efficient reformulation

of the state apparatus from land registry to tax system was part of this encounter between scholars and power. As Joel Mokyr (2005, 336) has remarked, “The Enlightenment in the West is the only intellectual movement in human history that owed its irreversibility to the ability to transform itself into economic growth.”

Musgrave, however, sees in Adam Smith’s thesis on the duties of the sovereign a clear reformulation of the governance of society. At the heart of Smith’s thesis, he finds the necessity, for a dynamic economy and a functioning market system, of a sort of “exchange” in the form of taxation for the provision of essential public services:

Smith offers a convenient point of departure to trace the emergence of modern thought. The major issues are already present and neatly arranged, from the duties of the Prince to provide public services to appropriate ways of raising the necessary revenue. What follows over the next two centuries are variations, if dramatic ones, on his essential theme. (Musgrave 1985, 2)

In this interpretation, certain functions need to be provided for by the public sector and funded by taxpayers because “market failure occurs in the provision of certain goods, goods which it does not repay the individual to provide.” More generally, “natural liberty requires a framework of security and legal rules, and government is needed to provide it” (Musgrave 1985, 4).

So the most important notion in analyzing the tax state is that of “fiscal exchange.” The idea is that the political process can be compared to a kind of market process because the benefits of government decisions and their costs are supposed to be totally internalized by the agents. As Musgrave and Alan T. Peacock have remarked in the preface to their anthology on the theory of public finance, at the end of the nineteenth century the main discussion about the nature of the tax state “was concerned with the optimum distribution of resources between the government and the private sector, and with the ideal means of taxing individuals so that resources could be put at the disposal of the state” (Musgrave and Peacock 1958, vii). Very few economists discuss the fact that some people (the “rulers”) can expropriate the wealth of other people (the “ruled”); all the controversies concern “how” and “how much” this taxation can be realized. All important studies about public domination of some (rulers) over others (ruled), which see the fundamental manifestation of this oppression in spoliation, end up being marginalized.

In one of the best-known works within this tradition, the Swedish economist Knut Wicksell expounds the notion of “fiscal exchange” (Wicksell [1896] 1967). The political process of negotiation between citizens must be structured so as to approximate the outcome of a hypothetical market process in which the benefits of public action and its costs (e.g., taxes) are fully internalized by the agents. At this point, the subtraction of resources by the sovereign power (taxation) is both fair and efficient. As Bernd Hansjürgens (2000, 97) remarks, according to Wicksell,

the process of taxing and spending is to be understood as a process of voluntary exchange, which is guaranteed by the unanimity rule; the taxation is in accordance with the principle of “value and countervalue” (benefit principle). In contrast to the sacrifice theory of taxation (ability-to-pay principle), this principle ensures that both public revenues and public expenditures are determined simultaneously and with respect to the other side of the fiscal account. The advantage of this fiscal rule cannot be emphasized enough: The voters-taxpayers decide by comparing costs and benefits, taking both the benefits of public expenditures and the corresponding tax burden into consideration.

After Wicksell and following his insight, Erik Lindahl ([1919] 1958) develops a theory in which the “supply-demand curve” is transformed into a “taxation curve” able to suggest what the just “price” is. Lindahl tries to justify the extortion of money using the model of the free market. Coercion and violence are nowhere mentioned.

An entire tradition of political and economic thought had developed a very promising analysis of the actual class struggle: that between the parasites (in various ways linked to state rents) and the exploited (lacking any legal protection). This tradition of thought, ranging from Frédéric Bastiat to John C. Calhoun, from Gustave de Molinari to Herbert Spencer and many others, was eventually marginalized. The perception of domination was almost lost, above all because an ideological curtain fell over taxation and the redistribution of resources.

For this reason, the realist theses of Vilfredo Pareto have not been taken into consideration. In one of his major works, never translated into English, the *Cours d'économie politique*, the Italian scholar wondered how a few could become rich to the detriment of the many.

Illegal appropriation, through violence, is easily explained by the reason of the strongest. It is also conceivable that the majority, which makes the

laws, can impose in its favor such tribute as it pleases. We understand less well how, by devious means, a small number of individuals can make the majority pay them tribute. Why does the majority allow itself to be deprived of its property? (Pareto 1897, 386)

This question was the starting point from which he developed a demystification of taxation and its relationship to public spending. One of the main principles of public finance, as a specific science at the service of government funding, is that taxes must be—as much as possible—*invisible* (as in the case of value-added tax) and *shared* by a large number of people (so as to be a modest burden for everyone). Pareto was well aware of this when he noted the importance of not knowing who is gaining from taxation—that is, being in the dark about what we give and what we receive.

Consumers of sugar, for example, do not know that they are supporting the parasitism of national producers protected by customs duties. Pareto (1897, 386) asks, “Why is the majority easily deprived of their property? First of all, because of ignorance. A large number of economic phenomena are so complicated that few people have even a superficial knowledge of them. Among the people who use sugar, not one person in a thousand understands the appropriation of wealth that is hidden by export subsidies.” Moreover, a large number of people are penalized by a minimal levy in order to significantly subsidize a few:

In a country of about thirty million suppose that under some pretext it is proposed to make each citizen pay one franc a year and to distribute the total sum among thirty people. Each of the spoliated will pay one franc a year, each of the spoliators will receive one million. The action will be quite different on both sides. People who hope to earn a million a year will have no rest day or night. They will offer a monthly payment to newspapers and will seek supporters everywhere. A discreet hand will pay the outstanding services of hard-working legislators and even ministers. In the United States, these roundabout ways are not used, as contracts are dealt with in broad daylight. There is an exchange of votes, just as there are cotton and wheat exchanges. On the side of the looted, the activity is much less. (Pareto 1897, 383)

During the twentieth century many public finance handbooks have been conceived precisely to hide the antagonism between the dominant few and the exploited many. In their technical language they have tried to show that state control over the life, the body, and the time of subjects is connected to the provision of services. The social reality behind this smoke screen shows that

taxation is not really an alternative to forced labor. If modern rulers oriented their activities toward a progressive abolition of *corvée*, it was only because taxation would produce a much better functioning state apparatus.⁶

CONCLUSION: POWER AND ECONOMY

With the advent of representative sovereignty and the subsequent process of the democratization of institutions—culminating in the idea of popular sovereignty—there was a fundamental change. Step by step, the body of the citizen became inaccessible. Political power today rejects even the idea of having disposal over the body of subject, now elevated to the status of citizen. Unless there is a war your body is yours, there is no slavery and no *corvée*, no torture or corporal punishment. Although for a long period, the advent of popular sovereignty was accompanied by conscript armies, since the Vietnam War this power of disposal over the lives of citizens has been almost eliminated in Western countries.

Consequently, political obligation today is essentially the obligation to allocate to the state one's own resources, in an ever-increasing amount. In this sense, the monetarization of the economy is a prelude to the monetarization of politics, and the main—if not the only—obligation of the modern citizen is to hand over a large part of her income, and therefore of the time necessary to obtain it, to the state apparatus.

Once again, the spectacular failure of classical liberalism is evident. This venerable tradition nurtured the delusion of taming sovereignty and using public power to guarantee a framework of private liberties. From Montesquieu to Constant, from Bastiat to Spencer, a long school of thought had seen war and exchange, conflict and the peaceful logic of trade, and physical violence and voluntary agreement as dichotomic dyads. The universe of law and the market (on the one hand) and that of politics and war (on the other) were radically opposed. It is, however, quite naïve to expect not only that the opening of markets will reduce conflicts, but above all that the heart of modern warfare (the state) can somehow be tamed by the liberal perspective that has found its lintel in constitutionalism.

⁶ For the same reason, the compulsory military system (a form of forced labor), though still present in many countries, is very often abandoned because it makes an interventionist foreign policy more difficult.

In this regard, some of Carl Schmitt's analyses are still rather useful. According to the German jurist, in the age of modern democracy, liberalism has been a constant effort to eliminate the tensions inherent in society. In fact, liberalism "has attempted to transform the enemy from the viewpoint of economics into a competitor and from the intellectual point into a debating adversary" (Schmitt [1932] 2007, 28). In this way it has endeavored to nullify all political and conflictual dimensions, declaring "war on war." Schmitt ([1932] 2007, 30) charges precisely to this angelic vision of human reality the origin of the conversion of democratic pacifism into an intolerance that does not recognize any dignity in one's opponent:

If, in fact, the will to abolish war is so strong that it no longer shuns war, then it has become a political motive, i.e., it affirms, even if only as an extreme possibility, war and even the reason for war. Presently this appears to be a peculiar way of justifying wars. The war is then considered to constitute the absolute last war of humanity. Such a war is necessarily unusually intense and inhuman because, by transcending the limits of the political framework, it simultaneously degrades the enemy into moral and other categories and is forced to make of him a monster that must not only be defeated but also utterly destroyed.

All this, after all, comes from a sort of compromise between state and liberal theory that is motivated by the foolish illusion that the encounter between constitutional technology and market forces would be enough to defuse the destructive potentialities of state power.

In the end, the political structures of modernity certainly tend to evaporate any recourse to direct aggression and other forms of physical domination. At the same time, however, there has been a spectacular substitution. The expansion of trade has often enabled the overcoming of war, but in turn it has been peace—within the framework of the state—that has made possible the almost unlimited expansion of taxation. The logic of violence and prevarication has not been defeated but has found a new expression. As the Italian Science of Finance school well pointed out, the perception of financial flows is far more important than the flows themselves (Puviani 1903; on this school, see Buchanan 1960). In this sense, it must always be kept in mind that during the second half of the twentieth century average income in many societies grew very rapidly, and this made it possible to boost the percentage share of income taken away from entrepreneurs and workers. The result was that as Western humanity became richer and richer, it also became more enslaved.

This expansion of the new servitude, no longer immediately corporeal but mediated by financial flows, has then benefited from the illusions many have nurtured around the idea of power as a neutral (because constitutional) and participatory (because democratic) reality. In short, the logic of liberal democracy has paved the way for this reformulation of exploitation that most of the exploited are not able to perceive.

Modern times produced a schizophrenic subject, two bodies of the citizen: one rendered impenetrable by political power and sacred by liberal notions of rights, and another generating wealth for the state. One had to be decreed untouchable for the other to be subjugated. Such an outcome is reminiscent of the bourgeois illusion of equality denounced by Marx; the only difference is that it happens solely because of political power, not because of economic power.

At this point in the intellectual love affair with state power that sees taxation as the sole political obligation, it is possible that the expansion of taxation has reached levels that are no longer sustainable. Charles Adams (1993) points out that civilizations generally end because of the expansion of taxation. In his well-known 1959 article “Over-taxation and the Decline of Rome,” Hugo Jones sees high taxation as the decisive cause of Rome’s downfall. He cites the Christian historian Lactantius and his idea that “the resources of the farmers were exhausted by outrageous burdens of all taxes, the fields were abandoned, and the cultivated land reverted to waste” (Jones 1974, 82–89, cited and quoted in Adams 1993, 126). After almost two millennia, Western civilization could implode again for similar reasons, but the split between the two bodies of the subject—that is, the veil of ignorance of modernity—will render it impossible for citizens to comprehend how it happened and why.

REFERENCES

- Adams, Charles. 1993. *For Good and Evil: The Impact of Taxes on the Course of Civilization*. Lanham, Md.: Madison Books.
- Berman, Harold. 1983. *Law and Revolution: The Formation of the Western Legal Tradition*. Cambridge, Mass.: Harvard University Press.
- Brunner, Otto. (1939) 1992. *Land and Lordship: Structures of Governance in Medieval Austria*. Translated by Howard Kaminsky and James Van Horn Melton. Philadelphia: University of Pennsylvania Press. German original published in 1939.

- Buchanan, James M. 1960. "La Scienza delle Finanze': The Italian Tradition in Fiscal Theory." In *Fiscal Theory and Political Economy*, 24–74. Chapel Hill: University of North Carolina Press.
- Dumézil, Georges. 1958. *L'idéologie tripartite des Indo-Européens*. Brussels: Latomus.
- Ferrara, Francesco. (1849–50) 1992. *Lezioni sulla teoria delle imposte (1849–50)*. Edited by Bruno Rossi Ragazzi, Federico Caffè, and Francesco Sirugo. Vol. 12, bk. 2 of *Opere complete di Francesco Ferrara*. Rome: Bancaria Editrice. Italian original written in 1849–50.
- Foucault, Michel. 1980. *Power/Knowledge*, ed. Colin Gordon. New York: Pantheon Books.
- . 1984. "What Is Enlightenment?" In *The Foucault Reader*, edited by Paul Rabinow, 32–50. New York: Pantheon Books.
- Green, T. H. (1885) 1999. *Lectures on the Principles of Political Obligation*. Kitchener, Ont.: Batoche Books. First published in 1885.
- Gross, David. 1985. "Temporality and the Modern State." *Theory and Society* 14, no. 1 (January): 53–82.
- Grossi, Paolo. 1998. "Modernità politica e ordine giuridico." *Quaderni fiorentini* 27 (1): 13–39.
- . 2000. "Oltre le mitologie giuridiche della modernità." *Quaderni fiorentini* 29 (1): 217–40.
- Hansjürgens, Bernd. 2000. "The Influence of Knut Wicksell on Richard Musgrave and James Buchanan." *Public Choice* 103, no. 1/2 (April): 95–116.
- Jackson, Robert. 2007. *Sovereignty: The Evolution of an Idea*. Cambridge: Polity Press.
- Jones, A. H. M. 1974. *The Roman Economy: Studies in Ancient Economic and Administrative History*. Oxford: Blackwell.
- Jouvenel, Bertrand de. (1945) 1972. *Du pouvoir: Histoire naturelle de sa croissance*. Paris: Hachette. First published in 1945.
- Kant, Immanuel. 1991. *Political Writings*. Edited by Hans Reiss. Translated by H. B. Nisbet. Cambridge: Cambridge University Press.
- Kantorowicz, Ernst. 1957. *The King's Two Bodies: A Study in Mediaeval Political Theology*. Princeton, N.J.: Princeton University Press.
- Kaplow, Louis. 2011. *The Theory of Taxation and Public Economics*. Princeton, N.J.: Princeton University Press.
- Kelsen, Hans. (1960) 2005. *Pure Theory of Law*. Edited and translated by Max Knight. Clark, N.J.: Lawbook Exchange. German original published in 1934; expanded second German edition published in 1960.

- Lindahl, Erik. (1919) 1958. "Just Taxation—a Positive Solution." In *Classics in the Theory of Public Finance*, edited by Richard A. Musgrave and Alan T. Peacock, 168–76. New York: St. Martin's Press. Partial translation of *Die Gerechtigkeit der Besteuerung: Eine Analyse der Steuerprinzipien auf der Grundlage der Grenznutzentheorie*, published in 1919.
- Locke, John. (1689) 1821. *Two Treatises of Government*. new ed. London. First published in 1689.
- Machiavel, Maria. 1764. *Der vollkommene Kameraliste: entworfen von Maria Machiavel aus Der Italienischen Urschrift des Verfassers ins Deutsche übersetzt von U. Frankfurt and Leipzig*.
- Marx, Karl. (1867) 1977. *Capital: A Critique of Political Economy*. Edited by Frederick Engels. Translated by Samuel Moore and Edward Aveling. Vol. 1. Moscow: Progress Publishers. German original published in 1867.
- Miglio, Gianfranco. 1988. "Oltre Schmitt." In *Le regolarità della politica: Scritti scelti raccolti e pubblicati dagli allievi*, 2:751–60. Milan: Giuffrè.
- Mokyr, Joel. 2005. "The Intellectual Origins of Modern Economic Growth." *Journal of Economic History* 65, no. 2 (June): 285–351.
- Moore, Adam D. 2021. "Taxation, Forced Labor, and Theft: Why Taxation Is 'On a Par' with Forced Labor." *Southern Journal of Philosophy* 59, no. 3 (September): 362–85.
- Mosler, Warren. 2010. *Seven Deadly Innocent Frauds of Economic Policy*. With a foreword by James K. Galbraith. N.p.: Valance.
- Murphy, Liam, and Thomas Nagel. 2002. *The Myth of Ownership: Taxes and Justice*. Oxford: Oxford University Press.
- Musgrave, Richard A. 1985. "A Brief History of Fiscal Doctrine." In *Handbook of Public Economics*, edited by Alan J. Auerbach and Martin Feldstein, 1:1–59. Amsterdam: Elsevier.
- Musgrave, Richard A., and Alan T. Peacock. 1958. *Classics in the Theory of Public Finance*. New York: St. Martin's Press.
- Nozick, Robert. (1974) 2001. *Anarchy, State and Utopia*. Oxford: Blackwell. First published in 1974.
- Orwell, George. (1945) 1976. *Animal Farm, Burmese Days, A Clergyman's Daughter, Keep the Aspidistra Flying, Coming Up for Air, Nineteen Eighty-Four*. London: Secker and Warburg and Octopus Books. *Animal Farm* first published in 1945.
- Pareto, Vilfredo. 1897. *Cours d'économie politique*. Vol. 2. Lausanne-Paris.
- Poggi, Gianfranco. 1990. *The State: Its Nature, Development and Prospects*. Cambridge: Polity Press.
- Post, Gaines. 1954. "The Two Laws and the Statute of York," *Speculum* 29, no. 2, pt. 2 (April): 417–32.
- Puviani, Amilcare. 1903. *Teoria della illusione finanziaria*. Palermo: Remo Sandron.

- Reiss, Hans. 1991. Introduction to *Political Writings*, by Immanuel Kant, 1–40. Edited by Hans Reiss. Translated by H. B. Nisbet. 2nd ed. Cambridge: Cambridge University Press.
- Rousseau, Jean-Jacques. 1755. *Discourse on the Origin and Foundations of Inequality Among Men*. Amsterdam.
- . (1762) 1968. *The Social Contract*. Translated by Maurice Cranston. New York: Carlton House. French original published in 1762.
- Schmitt, Carl. (1932) 2007. *The Concept of the Political*. Translated by George Schwab. Chicago: University of Chicago Press. German original published in 1932.
- Schumpeter, Joseph A. (1918) 1991. “The Crisis of the Tax State.” In *The Economics and Sociology of Capitalism*, edited by Richard Swedberg, 99–140. Princeton, N.J.: Princeton University Press.
- . 1918. *Die Krise des Steuerstaats*. Graz, Aust.: Leuschner and Lubensky.
- Thomson, Judith Jarvis. 1971. “A Defense of Abortion.” *Philosophy and Public Affairs* 1, no. 1 (Fall): 48–49.
- Wakefield, Andre. 2009. *The Disordered Police State: German Cameralism as Science and Practice*. Chicago: University of Chicago Press.
- Weber, Max. (1919) 2004. “Politics as a Vocation.” In *The Vocation Lectures*, edited by David Owen and Tracy B. Strong, translated by Rodney Livingstone, 32–93. Indianapolis: Hackett. Original German essay published in 1919.
- Wicksell, Knut. (1896) 1967. “A New Principle of Just Taxation.” Translated by J. M. Buchanan. In *Classics in the Theory of Public Finance*, edited by R. Musgrave and A. Peacock, 72–118. New York: St. Martin’s Press. Original German essay published in 1896.