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The IRS vs. Ragnor Danksjold **by Jacob G. Hornberger**

The feds are very upset with Walter Anderson, whom they're accusing of being the "biggest tax cheat in American history." They say he evaded taxes on \$450 million in income, although he can't be all bad because in 1998 he paid \$494 in income taxes. So, the feds are now going after him, perhaps as part of their customary "Pay your Taxes" advertising campaign prior to the upcoming April 15 tax deadline.

Have you ever noticed how public (i.e., government) schoolteachers and textbooks extol the virtues of America's Founders in the 1770s for being tax rebels — you know, people who broke the law by avoiding taxes on tea, tobacco, et cetera (Remember the Boston Tea Party?); but today the rebels' successors are treated as evil, immoral beings for depriving the government of money to support its welfare-warfare state? I wonder how many public (i.e., government) school students ask about the difference in treatment. Probably not very many, since public (i.e., government) school students are never taught to — or encouraged to — question anything that comes out of the mouth of a public (i.e., government) official, including government schoolteachers. (That's, in fact, the place where blind obedience to government originates.)

There is a bright side to the Walter Anderson story. He reminds us of what life was like before the enactment of the Sixteenth Amendment in 1913. You'll recall that from the nation's founding in 1776 until 1913, Americans were free to keep everything they earned because the American people knew that that was an essential aspect of being free. Thus, there was no IRS and income taxation for almost 150 years of our nation's history. And contrary to what's taught in every public (i.e., government) school in the nation, when Americans were free to accumulate unlimited amounts of wealth as part of their overall freedom, the resulting massive accumulation of productive capital, combined with unbelievably high outpourings of voluntary charity, did more for the poor than socialist-welfare-state programs such as Social Security, Medicare, and public (i.e, government) housing ever have.

It's no different with Walter Anderson or, for that matter, any other person who makes a lot of money in the marketplace. Too bad the feds have the power to take his (repeat: *his*) income

away from him. Too bad they have the power to take Bill Gates's and Martha Stewart's income away from them. Too bad they have the power to take anyone's income away from him. Our ancestors, who knew what freedom was all about, had it right.

Why are the feds really so angry at Walter Anderson? I suspect it has to do with more than just cheating the U.S. socialistic-interventionist welfare-warfare state out of badly needed moolah. I think what actually might have caused them to go ballistic against him was something else:

[According to the New York Times](#), “Walter Anderson, the telephone entrepreneur accused of being the biggest tax cheat in American history, started playing with his name when he was 12 years old. Acquiring aliases became a habit that the government now says is central to how he evaded taxes on at least \$450 million in income.... The most intriguing alias listed in court papers is Ragnor Danksjold, a variation on the character Ragnar Danneskjold in the Ayn Rand novel ‘Atlas Shrugged.’ Danneskjold is a sort of Robin Hood in reverse who steals from the ships of socialist governments and gives the booty to the rich, including a solid gold bar he presses into the hands of an industrialist, Henry Rearden, partly to repay Mr. Reardon for taxes he paid. According to court papers, Mr. Anderson's Gulfstream IV jet was owned by a company named Dankjold Reed, another variation on the name.”

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