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A Warning from the Past

by Charles Adams

In A.D. 476 Odovacar, a German commander in the Roman army, sacked Rome and took over the imperial throne. That date is usually cited as the end of the Roman Empire. As a political force, Rome did end about that time, but the spirit of Roman civilization had long since died, having been put to death by Diocletian, an emperor who is supposed to have saved Rome by remaking the tax system around A.D. 297.

The idea of liberty and freedom first appeared in the ancient world among the Greeks. It was later taken over by the Romans, who erected temples in honor of the Goddess of Liberty. She appeared on Roman coins during the time of Rome's greatness, and we also put the goddess on our silver and gold coins not too long ago. The French made a gift to America over a hundred years ago of the giant colossus that stands in New York harbor — our Statue of Liberty. While it may have been a gift from the French, it was really a gift from the Romans. The Goddess of Liberty in the form of a woman was a Roman concept we and the French have copied as a symbol of our national spirit.

The Roman love of liberty produced some noble expressions, such as, "Liberty is a possession on which no evaluation can be placed," and "Freedom is beloved above all things."

The Destruction of Roman Liberty

Yet this love of liberty was destroyed by Diocletian in the interest of tax compliance, a new Roman god. What is amazing about Diocletian's decree that enslaved the Romans is that it came like our modern tax laws, which are proclaimed with high-sounding preambles like "tax fairness," "tax equity," "deficit reduction," and other noteworthy purposes. Here are the words Diocletian used as a preamble to his decree that enslaved the Roman world:

Diocletian and Maximian . . . most noble Caesars, having learned that the levies of the public taxes are being made haphazardly, so that some persons are let off lightly and others overburdened, have decided to root out this most evil and baneful practice for the benefit of their provincials and to issue a deliverance — bringing rule to which the taxes shall conform. . . .

This so-called "deliverance-bringing rule" was simple. Every Roman taxpayer was bound to his job. His right to travel or change jobs was gone. If he was a shoemaker, he was bound to be a shoemaker and his son also had to be a shoemaker. Farmers had to be farmers, and their sons as well. They were also bound to the farms they worked and lived on. All this to ensure the collection of taxes. Those who fled were called fugitives and would be forcibly returned if caught. It wasn't just workers and farmers who were bound. A member of a city council, for example, would be returned if he fled, providing he was caught within twenty years after having left his post. It is no wonder we read in Roman records of this period, "Let us flee to the lands of the barbarians where we may live as free men." It was also during this time that the temples for the Goddess of Liberty disappeared as well as her image on the coins of the empire.

Tax Tyranny in the U.S.

Our tax-makers today, led by the tax-and-spending gang on the U.S. House Ways and Means Committee, have over the past thirty years, with each new tax law, shackled the American people to the tax system, not unlike Diocletian — to ensure the collection of taxes. These tax-makers would do well to look back into history, and not crow about their achievement. What they have really achieved is to bind the American taxpayer to the *fiscus*, almost Roman style. We may be able to move and change jobs or change banks or investments, but everything we do is recorded for the collection of taxes. Diocletian didn't have computers or tax identifying numbers, so he did the next best thing — he ordered everyone to stay put, where they could be watched.

This observation in my book *For Good and Evil* may have ominous shadows for our day:

The emperors of the fourth century, and above all Diocletian . . . took their duties seriously, and they were animated by the sincerest love of their country. Their aim was to save the Roman Empire, and they achieved it. . . . They never asked whether it was worthwhile to save the Roman Empire in order to make a vast prison for scores of millions of men.

Today, we are imprisoned by the all-seeing eye of the tax bureau; banks are subject to outrageous fines if they don't snitch on their customers; everything that goes through your bank account is photographed for Big Brother to see; every transaction with your securities broker is reported; all dividends, interest, and royalties are reported; all capital gains are reported; all real-estate transactions are reported; all funds paid for services are reported, even babysitters and part-time help, like the boy who mows your lawn on Saturday. Cash in even modest amounts is reported, both within the country and when leaving or entering the country. In short, the nation is covered with an almost perfect system of espionage, much to the delight of the IRS. On top of all this massive surveillance, there are over 150 penalties to punish you for noncompliance with the law or its administration, however innocent. The final cap is a system of vague criminal statutes that are as savage as anything ever known in even the darkest periods of our national history.

The ancient Egyptians rulers would envy our system. Everywhere the scribes of the pharaoh were snooping, inspecting and recording for the tax bureau. The Egyptian languages did not even have a word for liberty. Even the eggs in the nests of the pigeons and chickens were recorded. Like our system, nothing was beyond the surveillance of the scribes.

Thirty years ago, our tax system was in a large measure an honor system, not a spy system. The only information return was the W-2, and this was for taxpayers so they could claim a refund at the end of the year. The first audit I experienced as a young attorney was with a veteran IRS agent. He began with these words, "Ours is an honor system, which is the only way it will work in a free society."

Today, the honor part is gone. Does that mean the free society is gone as well? Eric Hoffer, the San Francisco longshoreman-turned-philosopher, in his book *The Passionate State of Mind* said, "There is a large measure of totalitarianism even in the freest of free societies." It is not too difficult to determine where that "large measure" can be found in the United States. We are even out of step with most of Western civilization.

We might compare our draconian tax laws and totalitarian intrusions with our neighbor of the north-Canada. Hardly a low-tax country, its taxes are considerably more than ours, yet their compliance costs are about one-half of ours; i.e., for every dollar they spend for enforcement, they collect twice as much as we do, and yet our IRS keeps clamoring for more money. In addition, the vast system of espionage we administer for compliance is nonexistent in Canada. Banks don't snitch one word and there are few information returns. Nor are there the penalties or savage punishments we endure. Out of 1000 convictions for tax evasion, less than three people go to jail and then only on a short-term basis. In the U.S., just about every tax-evader goes to jail, which requires reduced jail terms for vicious criminals who endanger all of us. Obviously, the government cares more about protecting its revenue than it does about the safety of its citizens from psychopathic criminals.

Freedom and Taxation

The most important problem of our day, never mentioned by tax experts or members of Congress, is not the question of tax rates and exemptions, but the destruction of liberty by the all-seeing eye of Big Brother IRS and the savage penalties and punishments used for the god of tax compliance. This is the most important struggle of our age between citizen and government. The outcome will determine the liberties our children will inherit from us in the next century.

The course of our civilization appears to be following the final era of the Roman Empire, with citizens in bondage to the tax system. This bondage in Rome was instituted against the spiritual grain of Roman history and destroyed the liberty of a once-free society. Edward Gibbon, in his monumental work, *The Decline and Fall of the Roman Empire*, described this period as a "perpetual struggle between the powers of oppression and the arts of fraud." But Gibbon was

wrong. For the average Roman taxpayer, the struggle was short-lived: they, their children, and their children's children were shackled to the tax system. This bondage of the once-free Roman was the tax man's final victory over the extensive evasions and flight that had endangered the emperor's revenue.

Similar conditions exist today. Except for the very few, most taxpayers cannot hope to win against the awesome powers of the IRS. As the United States government achieves its final victory over the liberty of the vast majority of citizens, we may not be shackled to our jobs like the later Romans, but all indications are that the earnings of our jobs and everything else will be shackled to the state.

Will we end up as citizen-serf taxpayers like the Romans? The current direction of our tax system — with its all-encompassing surveillance, coupled with savage punishments and penalties unknown in Western civilization elsewhere — is making a neo-serfdom a reality. The struggle between communism and democracy may be over, but the choice now is between liberty and bondage. Throughout most of history, liberty has not been lost to foreign invaders, but to the very government that was supposed to protect it.

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