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## Tax thralldom network

By Richard W. Rahn

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This is a story about an international organization -- The Tax Justice Network (TJN) -- that advocates higher taxes, yet flies under the false label of "tax justice."

Its odd concept of tax justice includes:

Increasing taxes on savings and productive investment, which will destroy jobs and economic opportunity.

Demanding that more efficient and less corrupt governments increase their taxes to the level of some of the less efficient and more corrupt governments.

Not allowing people who live under high tax, corrupt and incompetent governments to move their assets to low tax, uncorrupt jurisdictions that will protect them.

Insisting that people pay taxes on illusory gains caused by government induced inflation.

And, demanding that people who work longer and harder pay not just more taxes, but also higher tax rates than the lazy and less competent.

One of the TJN's best-known leaders, Richard Murphy of Britain, recently chided an official of the Isle of Jersey (a low-tax jurisdiction) for refusing his offer of a debate. Whereupon, Dan Mitchell, a senior fellow at the Heritage Foundation and a highly regarded tax economist, challenged Mr. Murphy to a debate. Mr. Murphy initially agreed, but demanded Mr. Mitchell debate in London or Jersey (Isle of), and pay all of the expenses for the debate, including Mr. Murphy's.

Mr. Mitchell agreed, and then Mr. Murphy reneged -- with the laughable excuse that Mr. Mitchell had not provided him with private financial information about thousands of Heritage Foundation donors (information Mr. Mitchell did not have or, if he did, ethically could not disclose).

Mr. Murphy and his "Network" colleagues are funded by labor unions, Fabian socialist sympathizers and activists and indirectly by unaccountable international organizations that directly benefit from big governments with high tax policies yet oppose personal privacy of private citizens.

Clearly, Mr. Murphy was afraid (and I think rightly so) that Mr. Mitchell would expose the fallacies and hypocrisies that are TJN's stock in trade.

The U.S. branch of the Tax Justice Network, "Citizens for Tax Justice" (CTJ), was founded by and has been funded by big labor. (Polls show most union members favor lower taxes, yet their dues are spent involuntarily by the labor bosses to fund an organization that promotes tax increases.)

CTJ works closely with the Democratic Party, and according to its own Web site, which scores members of Congress based on who is in favor of tax increases, gives most Republicans an "F" and most Democrats an "A."

CTJ vigorously opposed both the Reagan and Bush tax rate reductions, which in each case turned out to be the economic locomotives for record-setting generation of high-paying jobs.

The officials at TJN claim they are trying to help the world's poor, but in fact their high-tax, big government spending agenda has been demonstrated time and time again to do just the opposite. Despite their language of compassion, they are really about shifting money and power from the productive private sector to government and international organization bureaucrats.

Their rhetoric is designed to appeal to economic illiterates. For instance, they want higher taxes on corporations, assuming their target audience is too dumb to understand a corporation is only a legal form of business. These higher corporate taxes would be paid by customers in higher prices, stockholders in lower returns, and workers in fewer and lower-paid jobs. So much for compassion.

TJN and CTJ support higher capital-gains taxes, yet in many cases the so-called gain is nothing more than a reflection of inflation caused by excessive money creation by government. Taxing people on gains due to inflation is nothing more than fraud even though it is committed by government, yet somehow TJN considers this "just." The TJN uses time-worn socialist rhetoric, such as saying it is "opposed" to "individualism" and "profit-motivated professionals."

Finally, TJN and CTJ strongly oppose tax competition between countries and between the states within the U.S. Many Nobel Prize-winning economists, such as Milton Friedman, Gary Becker, James Buchanan and Vernon Smith, have spoken and written of the importance of tax competition for economic growth and opportunity, human liberty, and civil society.

Without tax competition, governments would abuse their power to tax and spend even more than they do now. Tax competition pressures governments to manage their financial affairs more responsibly, and leads to less government waste and mismanagement.

It is a fundamental human right for people to be able to flee, both physically and financially, oppressive high-tax regimes. TJN seeks to deny people that basic human right in the name of "justice."

*Richard W. Rahn is director general of the Center for Global Economic Growth, a project of the FreedomWorks Foundation.*

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