Making the Modern American Fiscal State

_Law, Politics, and the Rise of Progressive Taxation, 1877–1929_

At the turn of the twentieth century, the U.S. system of public finance underwent a dramatic transformation. The late nineteenth-century regime of indirect, hidden, partisan, and regressive taxes was eclipsed in the early twentieth century by a direct, transparent, professionally administered, and progressive tax system. This book uncovers the contested roots and paradoxical consequences of this fundamental shift in American tax law and policy. It argues that the move toward a regime of direct and graduated taxation marked the emergence of a new fiscal polity—a new form of statecraft that was guided not simply by the functional need for greater revenue but by broader social concerns about economic justice, civic identity, bureaucratic capacity, and public power. Between the end of Reconstruction and the onset of the Great Depression, the intellectual, legal, and administrative foundations of the modern fiscal state first took shape. This book explains how and why this new fiscal polity came to be.

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AJAY K. MEHROTRA

Indiana University, Bloomington
For my parents, Neena and Vishnu
Contents

List of Tables, Charts, and Illustrations  page xi
Acknowledgments  xiii
Introduction  1

PART I: THE OLD FISCAL ORDER
1 The Growing Social Antagonism: Partisan Taxation and
the Early Resistance to Fiscal Reform  37
2 The Gradual Demise: Modern Forces, New Concepts, and
Economic Crisis  86

PART II: THE RISE OF THE MODERN FISCAL STATE
3 The Response to Pollock: Navigating an Intellectual
Middle Ground  143
4 The Factories of Fiscal Innovation: Institutional Reform at
the State and Local Level  185
5 Corporate Capitalism and Constitutional Change: The
Legal Foundations of the Modern Fiscal State  242

PART III: CONSOLIDATING THE NEW FISCAL ORDER
6 Lawyers, Guns, and Public Monies: The U.S. Treasury,
World War I, and the Administration of the Modern
Fiscal State  293
7 The Paradox of Retrenchment: Postwar Republican
Ascendancy and the Resiliency of the Modern
Fiscal State  349

Conclusion  409

Index  419
Tables, Charts, and Illustrations

Tables

I. Federal Government Receipts by Source, 1880–1930
   1. Alcohol Excise and Federal Government Revenue, Internal and Total, 1880–1913 7
   1.2 Nineteenth-Century Independent Parties Favoring an Income Tax 8
   4. State and Local Government Receipts by Source, 1890–1932 19
   4.2 State and Local Government Debt Levels, 1880–1927 19
   6. Maximum Marginal Tax Rates and Tax Revenues by Source, Fiscal Years 1913–1921 30
   6.2 Increases in Corporate Profits of Select U.S. Corporations, 1914–1916 33
   7.1 Top Personal Income Tax Rates, and Sources of Tax Revenue, 1916–1929 35
   7.2 Sources of Individual Income, 1916–1930 40

Charts

2.1 Industrializing Nations: Real GDP per Capita, 1870–1930 9
6.1 Growth of Bureau of Internal Revenue, 1915–1925 30

Illustrations

1.1 “Difference Between Trimming a Hedge and Cutting it Down” 48
1.2 “How the Tariff Robs the Farmer and Every Workingman” 5
2.1 The Progressive Public Finance Economists 102
3.1 “The Latest Unfortunate Experience of an Unfortunate Animal” 145
5.1 The Lawmakers 265
5.2 “The New Man on the Job” 279
6.1 The Treasury Lawyers 309
7.1 1920 Taxpayers Lined Up To Pay Their Income Taxes 357
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