

Duquesne University

Duquesne Scholarship Collection

Hallowed Secularism

The Collective Works of Bruce Ledewitz, Adrian
Van Kaam C.S.Sp. Endowed Chair in Scholarly
Excellence and Professor of Law

5-18-2020

May 18, 2020: Why Have Taxes At All?

Bruce Ledewitz

Duquesne University, ledewitz@duq.edu

Follow this and additional works at: <https://dsc.duq.edu/ledewitz-hallowedsecularism>



Part of the [Constitutional Law Commons](#), and the [Law and Philosophy Commons](#)

Repository Citation

Ledewitz, B. (2020). May 18, 2020: Why Have Taxes At All?. Retrieved from <https://dsc.duq.edu/ledewitz-hallowedsecularism/1307>

This Article is brought to you for free and open access by the The Collective Works of Bruce Ledewitz, Adrian Van Kaam C.S.Sp. Endowed Chair in Scholarly Excellence and Professor of Law at Duquesne Scholarship Collection. It has been accepted for inclusion in Hallowed Secularism by an authorized administrator of Duquesne Scholarship Collection. For more information, please contact beharyr@duq.edu.

Title: Why Have Taxes At All?

Date: 2020-05-18T05:40:00.000-04:00

5/18/2020—A story in the New York Times said what everybody already knew—the emergency we face economically requires any spending we can muster whatever the effect on the deficit. Much like a war. But, if this were a normal time, then when we reopened, we would try to bring the deficit down. That would not be so difficult, since these payments are one-time and not recurring—not like social security. The real danger is that since the Fed is buying Treasury bonds—essentially just printing money—we now believe or want to believe that deficits don't matter. Really don't matter. At that point, why have any taxes at all? This is the lesson taught by what is called Modern Monetary Theory. It says in effect that the old model of a nation's budget being like any person's budget is false. Government just issues money and should do so until full employment is reached. Debt is not "paid back." I am not an economist. But I do know snake oil when I hear it. MMTP—and practice—is just like the old supply side idea. Cut taxes and you will have more money come in. The point is that we have no problem believing this for the same reason we have no problem believing that the virus will disappear or global warming is not real. It's reality we don't believe in. Reality and its limits on anything we want to do. Why should unserious people like this sacrifice? Live within limits? Wear masks? Have an inconvenient child? Be limited by the resources of the planet? Once you don't live in reality, there are no limits. But reality has the last word.