Few alternative indices reveal societies’ predominant political orientations more clearly than taxation policies or regimes. A society which practices modest tax extraction will inevitably produce public institutions less extensive than those of a society with a considerably higher level of extraction. Accordingly, the former will leave more responsibilities in private hands (those of individuals, families, charitable institutions, businesses and the markets through which they interact); whereas the latter is apt to realize a broader range of societal objectives through public programs.

In the sections below I engage in the following tasks. First, I briefly contrast salient historical experiences of the United States and Sweden as well as the divergent character of these societies’ major public institutions and their political cultures. Second, I show how the contrasting institutional designs of the United States and Swedish tax regimes fit with these experiences, institutions and cultures. Third, I consider the interactive flows of causality among history, institutions and culture. This last task is undertaken in part with reference to a specific practical question that reflects an important concern of this study, namely: what other changes would be required (and how might they come about) for the United States to adopt a tax regime similar to Sweden’s.
Contrasting Societal Histories, Institutions and Cultures

United States

History. As I suggested in chapter 1, in comparison to many other societies the United States has had a relatively mild historical experience with both economic disasters such as famines and depressions and attacks by foreign powers or groups (e.g., Al Qaeda). For instance, while the Great Depression of the 1930s caused much social dislocation in the United States, American economic trials were less severe and long lived than those endured by many other societies during this period. Similarly, the United States suffered many casualties in the Second World War, yet its continental base remained essentially unscathed, and it sustained far more modest proportional losses than any other major party to the conflict. The United States’ most gripping conflicts have been domestic struggles with Native Americans and particularly the Civil War, both of which now lie far beyond the personal experience of current citizens. A different sort of historical accident holds importance for this study. The early migrants from Europe to the regions which subsequently formed the United States held various disaffections with European political practices that shared some common implications and prompted distinctive colonial political practices such as the broad dissemination of political voice on local issues.

Institutions. Serious struggles erupted early in United States history about the appropriate developmental path for American political institutions. Both colonial agitation for greater autonomy from the British Empire during the 1760s and early 1770s and the subsequent successful Revolution engendered extensive support for limited and largely local government. But experience with the constraints on life under the Articles of Confederation prompted concerns among other Americans for more capable central public institutions which could, among other matters, better facilitate both foreign and domestic commerce. For a time a struggle between this latter faction (the Federalists) and their opponents who favored limited and local government (the anti-Federalists) followed a pendulum-like oscillation. The anti-Federalists dominated from the mid-1770s through the late 1780s; while the Federalists—the initiators of the 1787 Constitution—acquired the upper hand through the 1790s. A somewhat chastened anti-Federalist orientation regained influence in 1800. Across the balance of the nineteenth century the norm of a relatively small