Taxation and Equitable Economic Development: A Historical Note*

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Introduction

The end of World War Two was followed by the creation of the United Nations and the Bretton Woods Institutions (International Monetary Fund and World Bank). The United Nations established an office that was responsible for generating economic statistics for member countries and which started producing, for the first time, comparable statistics on countries’ national and per capita incomes.

Because of these statistics, economists and policymakers became fully aware of the enormous differences that existed, in per capita incomes and in standards of living—between rich and poor countries. They also became aware of the need to raise per capita incomes, especially in poor countries. The United Nations became a vocal champion of “growth” and “development.” Although the difference that exists

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between *growth* (that lends itself more easily to measurement) and *development* (that does not) was always recognized and development was always considered the superior objective, growth became the key, operational objective in most discussions. It was, however, understood that development required, as a major component, the participation of all classes in the growth process; in other words, the pursuit of growth could not ignore the way in which income was distributed.

At that time (the late 1940s), “development economics” was born as a branch of economics and the search started for identifying *policies* and *factors* that could make the countries’ economies grow at faster paces, raising the standards of living of the populations. There was little controversy at that time, as there would be in subsequent decades, that governments had to play the major role in promoting economic growth.

One of the factors that immediately attracted attention by the then leading economists was “capital accumulation.” Differences in per capita incomes between countries were attributed largely to differences in capital accumulation, and differences in growth rates were attributed to differences in the rates at which capital was being accumulated. In 1930, Keynes had already pointed out that “[the] modern age opened… with the accumulation of capital…” and growth had been driven by “the power of accumulation [of capital] by compound interest” (Keynes 1930, p.361). “Capital output ratios” became important statistics and governments were asked to direct their policy actions toward the creation of capital. Foreign assistance to poor countries was also directed toward this goal.

**The Role of Taxation**

The attention paid to capital accumulation led immediately to the role that taxation could play to contribute to that process. Taxation was recognized as a potentially important instrument that governments could use to promote capital accumulation and make the countries’ economies grow at faster rates. The theories that prevailed, at that time, made popular by leading economists, and especially by Harrod and Domar, suggested the role that taxation could play.

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Capital accumulation could of course be public or private. Net *public* investment would contribute directly to capital accumulation and could indirectly encourage some private investment that would complement the government’s capital accumulation. The strategy recommended for increasing *public* investment was: (a) the level of taxation had to be increased, to make more resources available to the government; (b) government *current* spending had to be kept low, to create a surplus
in the public accounts (excluding the public investment). The public surplus or fiscal space so generated would be used to increase public investments in *physical infrastructure*. This was the strategy recommended, for example, by the famous Musgrave Mission to Colombia, in the early 1970s. (See Tanzi, 1972.) The larger the surplus, the greater the capital accumulation and positive impact on output and growth.

At that time *current* public spending was not considered productive and there was resistance to accumulating public debt that, in any case, in the absence of a global financial market, could not provide many resources. Domestically financed public debt was very limited except through *inflationary finance*, (i.e. through money creation by the central banks). Inflationary finance, when relied upon, created problems of high inflation and reduced tax revenue, due to what came to be called the *Tanzi effect* or the *Olivera-Tanzi effect*. (See Tanzi, 1978.)

*Private* investment would be encouraged by the creation of the publicly-financed physical infrastructure and, especially, by generous and well-targeted tax incentives, for domestic and foreign real investment. (See Tanzi, 1968 for a description of the tax incentives in use at that time by Colombia, Ecuador and Peru.) There was much faith in the impact that tax incentives could have on private investment. Therefore, the strategy that was recommended to governments was: to increase the tax level and to design effective tax incentives for private investors, while keeping the current public spending low.

This strategy gave a lot of importance to tax policy and tax levels. Econometric studies that used relevant economic data from many countries attempted to determine what was called the *tax potential* that was believed to exist in specific countries and the *tax gap* between a country’s actual tax level and the econometrically estimated, potential one. (For an example of such studies, see Tanzi, 1987.)

Countries were criticized by experts and international organizations for keeping their tax levels below the estimated, potential ones. It was asserted that the move from a low level of taxation to a country’s *potential* level would provide the *fiscal space* that would allow the country’s government to build the infrastructure needed to promote growth. This, naturally, led to debates on: how to raise the level of taxation; which taxes to depend on; and what kind of infrastructure to build.

In the first couple decades after World War Two, when the *value added tax* was not yet known or used—that tax was first introduced in France in the mid-1950s and
was exported to other countries in later years—the personal income tax was expected to play the leading role, in both providing additional revenue and in raising it in a fair and progressive way that would reflect the ability to pay of the taxpayers. As the Declaration of Punta del Este, that created the Alliance for Progress, put it, the objective was: “To reform tax laws [in Latin American countries], demanding more from those who have most...including fair and adequate taxation of incomes.” By that time (early 1960s) it had become known that the income distributions of the Latin American countries were very uneven and that it would be desirable to integrate in society the large populations which lived, at very low subsistence levels, in distant and isolated rural areas.

At that time, the personal income tax still had the reputation, especially in the United States, of being the fairest of all taxes. It was considered the ideal tax, the instrument that could provide the needed fiscal space in a fair and efficient way, especially in countries with very uneven income distributions, where much of the ability to pay taxes was concentrated in a small share of the population. (See Tanzi, 1966.) As a consequence, domestic and foreign tax experts focused on this tax in their advice, especially at a time when foreign trade taxes had started to be criticized for creating major distortions in the allocation of resources. In the past, import duties had been the major “tax handle” (using Musgrave’s expression) for governments to generate public revenue. These taxes had been a major instrument in promoting industrialization through import substitution, as recommended by the strategy that had been pushed by the influential Argentine economist, Raúl Prebisch. Some attention was also paid to the possibility of using wealth taxes, and especially taxes on land, because of the concentration of wealth in land owned by latifundistas.

Unfortunately, the tax reforms did not achieve encouraging results in generating tax revenue in a fair and progressive way. The personal income tax failed to live up to expectations and to deliver the hoped for fiscal space. In countries that were still largely agricultural, with relatively few large modern establishments, and where informality was common and tax evasion easy, the personal income tax did not deliver the hoped for fiscal space. It therefore never gained much importance in Latin America, and the levels of taxation in most Latin American countries remained low until the 1990s. The corporate income tax became a more important revenue source in addition to various indirect taxes, especially the value added tax.

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In addition, the widely used tax incentives for private investors and enterprises had little impact in attracting much private investment, and they made the tax systems of many countries more complex than they needed to be and more prone to “rent-seeking” and to acts of corruption. Furthermore, for various reasons, often having to do with poor choice of investment projects, lack of good benefit-cost evaluations, absence of appropriate “operation and maintenance” after the infrastructures had been created, or simply because of acts of corruption that led to the choice of wrong projects, the public investment undertaken did not turn out to be as productive as it had been expected to be. The marginal capital output ratios were uncomfortably high in too many cases, and the impact of capital accumulation on growth was low.
In the 1960s some development economists started questioning the implicit growth model that had given the dominant role to public investment in government policies. They started arguing that some categories of current public spending (education, health, assistance to children and some others) could be as productive as real public investment. Therefore, “human capital” became another important actor in the economic policy debate. It would remain important in future years.

Some other economists started to call attention to the fact that declared policies are often just statements of intentions. They must be carried and implemented by public institutions. The institutions can be considered the necessary vehicles that transform policymakers’ intentions into concrete acts. If the institutions are inefficient and not capable of implementing and monitoring the policies, policies that are well-intentioned and that look good in theory may give poor results because of poor implementation. Therefore, attention shifted from policies (that is from the enacting of particular laws to promote some objectives) to public institutions and to the general quality of particular institutions in public administration (tax administrations, budget offices, justice systems, educational systems and so on).

Spending on public education came to be seen as essential not only for growth but also for promoting better income distribution, at a time when the income distribution was attracting increasing attention and when there was the realization that the tax systems were not contributing to reducing the Gini coefficients, which continued to be very high in most Latin American countries. Unfortunately, even in this area there were disappointments: while the growing attention and the higher spending on education was improving literacy, it did not seem to generate the hoped for and desired impact on income distribution, or on growth.

There was also growing awareness of what could be called cross-institutional externalities. These externalities are created when the poor performance of some essential institutions, say justice, have damaging effects on the performance of other institutions. For example, the effectiveness of a tax administration can be reduced if tax evaders are not punished because of the poor or slow functioning of the justice system.

Many countries continued to try to make the tax systems more productive, more efficient, easier to administer and more equitable. Over the decades, several countries introduced tax reforms, often with some foreign assistance, including from the IMF. There was some progress (and some less desirable changes) as a consequence of the tax reforms.

First, the growing concern for neutrality and for efficiency led to:
• The progressive reduction in the importance of foreign trade taxes in the tax systems.

• The growing reliance on broad-based sales taxes and especially on the value-added tax, a tax that became popular in most Latin American countries, starting in the decade of the 1970s and which acquired growing revenue importance in many countries in subsequent years. The value added tax was mainly responsible for the changes in tax revenue that occurred after 1990.

• The elimination of many excises and nuisance taxes (including stamp taxes and the taxes that had existed on various luxury products) and the concentration on fewer excises taxes justified on grounds that the products taxed created negative externalities; or excises based on “benefit received principles,” as for example taxes on gasoline, justified by the use of roads and the need by the government to provide and maintain public roads. The excise taxes now in use are mainly those on tobacco products, gasoline, cars, alcoholic beverages and, increasingly, on soft drinks (because of the latter’s sugar content that leads to illnesses connected with obesity, and because of the environmental costs created by plastic bottles).

The above changes in tax structures made the tax systems more efficient. At the same time, some of the changes (such as the elimination of excises on luxury products and on non-essential imports) may also have made the tax systems less progressive, while the personal income tax continued to play a very limited, marginal role.

Second, the growing use of computers in recent decades made it easier for tax administrations to store and retrieve information on taxpayers. This contributed to making the tax administrations more efficient and facilitated the introduction of some important administrative reforms. For example, several tax administrations have been reorganized by functions and no longer by taxes, as they had been in the past. Tax administrations have also been given greater independence from political interferences than in the past when the political interference had often compromised their objectivity and efficiency. Furthermore, some incentives have been provided, to make the tax administrations operate more efficiently. For example, with Sunat, the tax administration of Peru, some shares of the additional tax revenue collected could be used by the tax administration to provide selective bonuses, or other benefits, to good performers.

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There is little question that, in several countries, the tax administrations are now more efficient than they were in past decades. One clear indication of this is the
success that they have in administering the value added taxes, which are not easy taxes to administer.

Third, a change that, at least in terms of equity and revenue generation, may not be considered as reflecting “progress,” the traditional Haig-Simons principle of taxation, that had guided the taxation of personal income in earlier decades, was abandoned by many countries, following the example of the United States. The Haig-Simons principle had maintained that all personal income should be taxed in the same way, regardless of sources: there should not be different treatment among the various sources of income of individuals, but there could be different treatment for different levels of income. Thus, higher personal income, regardless of its origin or source, could be taxed at higher marginal tax rates, guaranteeing, or at least increasing, the probability that the tax system would be progressive.

Because of the growing globalization of economic activities and the increasing ease with which financial capital could move across countries, starting in the late 1980s, and in reaction to the writing by some influential American economists and to pressures by investors and lobbyists, the income received by individuals from capital sources started to get preferential treatment by the tax systems compared to income from other sources. This made it possible for some individuals to receive large incomes while paying low tax rates on them. It should be recalled that incomes from capital sources are received mainly from individuals at the high end of the income distribution. (See Tanzi, 2014b.) This trend spread to other countries, including Colombia and other Latin American countries.

Income from labor sources and from routine business activities that combine the use of labor and capital continued to be taxed at higher and progressive rates. The net effect of these changes has been to make the statutory tax systems of many countries possibly more efficient, in terms of the global allocation of resources, but not more efficient in terms of revenue generation, or more equitable in terms of the burden of taxation on different income levels. This change has had a damaging effect on the progressivity of the tax systems.

It can be theorized that globalization has reduced the fiscal space of governments while it has made tax systems less progressive. Through its impact on the systems, globalization has contributed to the growing unevenness of the income distribution now observed in many countries, both developed and developing. By reducing the countries’ fiscal space, globalization may also have reduced the governments’ ability to pursue redistributive policies that require public spending.

While the above developments have taken place in what could be described as the visible or transparent part of economic policies, there has been another development that may have contributed to make tax systems less productive, in terms of
resource generation, and less equitable. This is the growing tax evasion facilitated by and connected with the increasingly important globalization of economic activities. While in the past tax evasion of rich individuals was mainly an activity connected with domestic economic activities, in recent years it has become more and more an activity connected with global activities. (See Tanzi, 2014a.)

Daily newspapers are now full of stories of enterprises or rich individuals who manage to avoid or evade large sums of money by taking advantage of ambiguities in the national tax laws or by exploiting the opportunities offered by low tax countries, or by using tax havens. Corporations that operate globally are finding it increasingly profitable to move their headquarters to low-tax jurisdictions, at times by buying foreign enterprises in countries to which they can shift part of their global income, in a process described as inversion. The shareholders of these corporations are the ones who benefit. They generally do not come from the lower end of the income distribution.

Globalization and the easier movement of financial capital, made possible by new communication technologies and by a financial market that has become global and the shifting of profits from high-tax jurisdictions to low-tax jurisdictions, have created major and growing difficulties for national tax authorities and great opportunities for rich individuals. They have created, what the author of this paper has called, fiscal termites. (See Tanzi, 2001.) These termites describe opportunities that taxpayers who operate globally have available to avoid, or evade, taxes. These termites are slowly damaging the very foundation of tax systems and contributing to increasing Gini coefficients.

All of the developments described above have, to some extent, made it more difficult to increase fiscal space for governments that would like to promote economic development with their policies; or to play a larger role in redistributing income. According to statistics prepared by the OECD, 2012, in Latin American countries tax revenue increased from around 14 percent of GDP in 1990 to around 19 percent of GDP in recent years. Much of the increase came from the value added tax and to a much lesser extent from taxes on the profits of enterprises. The contribution of personal income taxes to tax revenue remained modest or was almost insignificant. In some countries (Argentina, Colombia, Ecuador, Paraguay, Peru, and Uruguay) the total increase in the tax level was more pronounced. However, only in Argentina, Brazil, and Uruguay did the tax level rise enough to exceed 25 percent of GDP. In the OECD and the European countries, the levels of taxation, which are much higher, had increased at fast rates in the 1970s and the 1980s; had slowed down in the
1990s; and had stopped rising, or even decreased, in the new century although it had remained much higher than in most Latin American countries.

The tax revenue derived from personal income taxes did not change much in most Latin American countries over many years. In 2010, taxes on personal income accounted for only 1.4 percent of GDP in Latin American countries while they accounted for 8.4 percent in OECD countries and a much higher share in European countries. These taxes accounted for an insignificant 0.2 percent of GDP in Colombia. This low contribution may even have been collected regressively, according to a study by Fede-sarrollo, 2014.

As already mentioned, the tax changes that were introduced, over the years, probably made the tax systems of most Latin American countries less progressive than they had been, at a time when the income distributions continued to be very uneven. There is little doubt that in Latin American countries the tax systems have not contributed to making the income distributions more even. (See Mahon, 2012.)

**Taxation and Public Spending**

While in the years after the creation of the United Nations taxation had been at the center of the economists and policymakers’ attention, the goal was to create fiscal space for governments in a more equitable fashion, in the following decades the attention shifted progressively towards the spending side of the budget, especially in connection with the goal of improving the income distribution. (See Lustig, 2012.) In those years the prevailing views about the economic role that the state should play were changing and many rich countries were creating welfare states with universal entitlements. (See Tanzi, 2011.)

Within the spending side, attention shifted from the financing of physical infrastructures toward the financing of social current spending, reflecting especially spending for education, health, assistance to minors and other selected social programs. Some of these programs were not universal but were focused specifically on the poor. Some economists and policymakers had come to believe that social spending could be as productive in promoting growth as real public investment and, in addition, it could reduce absolute poverty. “Human capital” had moved to the center stage of economic development. At the same time, there was also the beginning of a movement to rely on the private sector and on “public-private partnerships” to build needed physical infrastructures. (See Tanzi, 2005.)
Education, public health and public pensions and some other social programs, especially when they aim at being universal, can be much more expensive than real public investment and can require much higher public revenue. The advanced countries that had introduced the **welfare states** (that publicly financed education, health, pensions and other social programs) after World War Two had had to raise tax levels that, in several cases, brought them above 40 percent of GDP. In several cases these levels were not even sufficient to finance the public spending, forcing several of these countries to accumulate large and growing public debts that created macroeconomic difficulties. (See Tanzi, 2013.)

Developing countries, or at least most of them, do not have the option of raising their tax levels to 40 percent of GDP, or even of coming close to that level, even though Argentina and Brazil have attempted to do it. However, many of them could use more tax revenue than they now have and at the same time could try to make the incidence of their tax systems more progressive. A few of them (again, especially Argentina and Brazil) have managed to increase significantly their tax burdens but have been less successful in making the tax systems more progressive. There are some important considerations to keep in mind when governments attempt to raise the tax level in a significant way. These considerations may seem rather obvious but are often forgotten, or ignored.

The first is that, when taxes are not raised progressively but are raised in a broadly proportional way and with indirect taxes (as is the case in Latin America), the citizens who are at the lower end of the income distribution (the poorer classes) will often experience tax increases that are similar **proportionally** to those experienced by the richer classes. When their income is low, or is close to the subsistence level, this tax increase can be very painful and can significantly reduce their standard of living. Thus, **ceteris paribus**, the tax increase will make those in the poorer classes even poorer. This implies that there must be a **strong** belief that the use of the additional tax revenue, by the government, will compensate the poorer classes for the higher taxes paid. Putting it differently, the additional spending must be more progressive than the higher taxes and must be highly valued by the poorer classes.

This consideration becomes less important when the tax system is progressive, so that the additional taxes can be collected mainly from the taxpayers at the high end of the income distribution. The basic message is that: **the less progressive the tax system, the less justification, ceteris paribus, there may be to increase the tax level.**

The second consideration is the one that considers the use by the government of
the taxes. There is a minimum amount of taxes essential to any government, in any community, to allow it to perform the **most essential functions** of the state (personal protection, essential defense, justice, essential infrastructure, basic administrative services, and so on) that a country needs as a community and that it cannot do without.

“It is difficult to determine exactly what this essential level is, because it depends on various factors, such as the country’s need for defense spending, the efficiency in the use of the public resources and so on. Therefore, this minimum level of spending is likely to vary from country to country. However, it is not likely to require very high tax levels.

In this connection, it may be useful to remind us that the level of taxes, even in countries that, today, are as advanced as the United States and Sweden, was only ten percent of GDP, in the former in 1929, and 15 percent of GDP, in the latter in 1940. The governments of today, of course, are expected to do far more for the citizens than the governments of 70 or 80 years ago. Therefore, higher tax levels are required. Naturally, in some cases the tax level may be so low that, regardless of the best effort, a country’s government may not be able to satisfy even the most basic, essential needs and to provide the most basic services to its citizens. In this case, there is no question that the tax level should be raised, regardless of the progressivity, or lack of progressivity, of the tax system and regardless of the way in which the additional, required tax burden is, or would be, distributed.

The third consideration is that higher tax levels and tax rates **almost always** have some negative impact on incentives on some individuals, household, or economic activities. There may be, and there is, controversy about the **empirical** importance of this impact in specific countries, but **not on the fact that it exists**. Also, it must be kept in mind that the transfer of tax money from citizens to the government, in and of itself—and ignoring the benefits that might be derived from the use of the money—is never a zero-sum game. There is **always** some loss in the transfer, due to **administrative costs** to the tax administration, to **compliance costs** to the taxpayers, and to **welfare costs** to the economy. In other words, the **net** revenue that the government receives is **always less than the total cost of collecting and paying taxes**.

This takes us to the fourth consideration, the one that looks at the use that the government makes of the tax revenue. If the tax system is efficient in its structure and is not complex; if the tax administration is efficient in its function; if the tax system is progressive, so that taxes are collected mostly from individuals at the higher end of the income distribution; and if the government is capable of using efficiently and equitably the tax revenue, for activities that have high social and economic value as seen from the side of the beneficiaries, than whatever tax level the government
collects can be considered justified. In such a situation an increase in the existing tax level can be easily justified, especially when the initial level is low.

In the situation described in the above paragraph, low levels of taxation can be considered inefficient and tax reforms that reflect demands by governments for higher tax revenue should be supported and encouraged. There are likely to be countries that are close to the situation described above. However, this is a different argument from the one that is often made, that, because a country’s tax level is relatively low, or is lower than that of other countries, the country must increase its taxes. There is always a need for a kind of implicit or explicit cost-benefit evaluation of the decision whether a country should or should not pursue a policy of raising taxes. A tax reform must justify itself in terms of what it wishes to achieve, especially when its main objective is to raise the tax level rather than improve efficiency or equity.

Tax resources can be used unproductively, because spending policies can be deficient in various ways. Good intentions and good but vague pronouncements are not sufficient for determining whether taxes should be raised. Unfortunately in some countries, problems associated with inefficient public spending acquire worrisome dimensions. When this is the case, the net benefit that the citizens receive from the policy of taxing and spending more can easily become low, or even negative. In Latin America surveys reported by Latinobarómetro have often indicated that citizens are not too happy with the services that they receive from their governments.

“This is not the place to provide a complete list of problems associated with the use of public money. It may be sufficient to mention leakages due to inefficiency, inappropriate destinations of spending programs, rent seeking, leakages due to corruption, and so on. Unfortunately these are not abstract possibilities. They reflect “termites of the state” that are common in many countries. The sad truth is that at times there are little, or no, genuine benefits for many citizens that accompany the use of resources collected from higher taxes.”

It is often argued that, money spent for education, for public health, and for other forms of public assistance, including subsidies for energy and for other forms of consumption, directly or indirectly, benefit those at the low end of the income distribution. Affirmations of this nature must not be accepted at face value. They must be subjected to expert scrutiny and must be evaluated because public spending that at first sight may seem to be clearly pro poor, such as spending for basic education and health, may end up benefiting more the individuals who deliver the
services (the providers), who often are higher up in the income distribution, than those who receive the services and those who receive the services might have preferred to receive the equivalent in cash that they could use as they wished.

This may happen especially when those who deliver the public services (school or hospital administrators, teachers, nurses, doctors) appropriate in various ways a significant part of the spending that is assumed to benefit only those intended to benefit. (See Tanzi, 1974 and 2008.) Studies that routinely assign the full benefits from this spending to the low-income groups tend to exaggerate the benefits to the latter and the impacts of this spending on the income distribution.

When this spending is financed by proportional and not by progressive taxes, as is the case in Latin America, the net benefit from the public action to the poor may be reduced, even though it is not eliminated. This consideration does not apply, or applies less, when pro-poor programs are well targeted, are delivered efficiently, and are financed by efficient and progressive taxes. Some recent programs in various Latin American countries have attempted to meet these conditions.

**Concluding Remarks**

There is no question that modern governments need more revenue than in the past to be able to provide the assistance and the public services that modern societies expect them to provide. This need for revenue has created a bias for higher tax rates and tax levels. Governments and especially those of developing countries are often encouraged to increase taxes and to spend more money for social services, public infrastructure and especially for services that will benefit those at the lower end of the income distribution. Several Latin American countries have introduced new programs specifically focused on the poor.

The highly uneven income distributions that characterize many countries, and especially many developing countries, have given more justification to these policies. Some observers have concluded that it does not matter how taxes are collected as long as the revenue is spent on social programs. Given this bias, it may not appear politically correct to question the policies of taxing more and spending more on social services. The author of this paper is not against these policies, when the taxes can be raised efficiently and progressively and when the spending, with a high degree of probability, can be assumed to actually benefit those that it is intended to benefit, without creating “poverty” or “subsidy” traps. Unfortunately, there conditions may be less common than it is assumed.

Because of the various, potential problems mentioned above, it is important that, before additional “fiscal space” is created, by raising the countries’ tax levels with tax reforms, there must be a clear understanding of how

> “Before additional ‘fiscal space’ is created, by raising the countries’ tax levels with tax reforms, there must be a clear understanding of how that fiscal space will be used and how the additional tax burden will be distributed.”
that fiscal space will be used and how the additional tax burden will be distributed. There must also exist the necessary public institutions that are capable of enforcing the policies in a competent, efficient and corruption-free manner.

It may be a mistake to rush toward increasing tax levels with tax reforms only because in a country the tax levels seem low and because it would be nice for the government to have more revenue to spend, while leaving to a later time the decisions on how precisely the extra revenue is to be used. Often, the costs of the tax increase tend to be more certain than the benefits from the higher spending. This said, it would seem that for various reasons Colombia might benefit from having a higher tax lever than its current, low level. The higher taxes could easily come from widening the base of the value added tax. However, it would be even better if they could be obtained from a truly progressive personal income tax that would bring more equity to the Colombian tax system.

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TAXATION AND EQUITABLE ECONOMIC DEVELOPMENT:
A HISTORICAL NOTE

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