Sweden Warned Not to Return to High-Tax 70s as Incomes Squeezed

Don't return Sweden to the high taxes of the 1970s and 1980s. That warning comes from Sweden's state-funded economic think tank as the Social Democratic-led government has been raising taxes on workers while planning to cut levies on pensioners and those collecting benefits. "There are big negative effects at least in the longer term of higher state income tax and the marginal tax rate Urban Hansson Brusewitz, director-general at the National Institute of Economic Research, said in an interview Tuesday in Stockholm. Should things head in this direction too long it would be harmful for Sweden."