

GLOBAL TAXES FOR PUBLIC FINANCES IN THE SOUTH

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The measures proposed in this chapter should not be taken separately from other proposals discussed in this book. They are part of an integrated approach. Moreover, some issues that are tackled in this chapter are almost certainly also present in other chapters. This should not be interpreted as redundancy, but as a reflection of a multifaceted reality.

We will try to show why global taxes are necessary, and that technically they are perfectly feasible. All that is required is political will. What is needed is a momentous change in the way taxes are imposed on global flows of goods, services and harmful substances. It is a debate in which citizens must have a say. At stake is the future of the global society at large. In this context, it is essential that the standards and rules for such global taxation be decided in the framework of the United Nations, and that statistics on its implementation be gathered. The levying of taxes must be done nationally by competent authorities.

Global taxes are the only possibility to guarantee the indispensable financing of global public goods, which need urgent attention. We could then work towards achieving the Millennium Development Goals and beyond, because we know many of the goals will not be met. Due to its insufficient and uncertain nature, development aid would in this manner find both its supplement and ultimately its replacement in international relations.

WHY DO WE NEED GLOBAL TAXES?

Globalization and tax competition

The existing national tax systems in the developed nations were constructed at a time when territories and borders upon which taxes were levied coincided with national territories and borders. These tax boundaries actually existed centuries ago in the medieval times, before national states did. Because of these borders, national states have long been favoured by sovereign, autonomous powers in deciding on monetary and tax matters.

Current neoliberal globalisation has profoundly changed the framework for tax policies. Today, border controls have been abolished, trade tariffs have been lowered and factors of production are moving all over the world. National tax authorities have lost their autonomy and are now interdependent, both home and abroad, in settling tax matters with regards to the citizens and companies residing within their territories. Taxes do indeed have an enormous impact on financial and trade flows. Countries in the South in particular may think they can benefit from tax competition with neighbouring countries, for instance hoping an influx of capital and financial assets as a result of rising taxes and levies in nearby countries. It is a sign of our times that many countries, both North and South, justify changes in their tax laws by referring to external conditions. This tax competition takes place in times when public

¹ Matti Kohonen en Francine Mestrum, ed.: *Tax Justice - Putting Global Inequality on the Agenda*, (Pluto Press, London 2009), Chapter 7.

finances are overstretched. The under-provision of public goods has dramatic consequences to their citizens.

We can imagine two possible strategies, and both of them can be framed within the famous “*prisoner’s dilemma*”.¹ Countries can refrain from international tax cooperation and go for tax competition and dumping practices. They can lower their taxes and try to attract foreign investments from transnational corporations. This means that their tax revenues will gradually decrease as other national states also enter into the tax bidding process. Alternatively, countries can cooperate and work towards tax harmonisation or international tax cooperation in order to maintain a homogeneous level of taxes. This tax cooperation can either be based on a harmonisation of national tax policies or on the creation of common global taxes. Unfortunately, the reality of our neoliberal world offers only little possibilities for cooperation. Even the European Union, with a thousand and one reasons to organise itself as a relevant fiscal area, does not do so. In theory, in either case, whether countries harmonise their taxes or introduce global taxes, the result is similar, given an identical tax basis and an identical tax rate. The “*free rider*”² practice is thus eliminated.

The example of the European Union shows that it is very difficult to put into place cooperative tax policies in the context of integrating markets. Only the value-added tax is harmonised to a certain degree as parts of it are directly paid to finance the EU budget.³ However, even VAT rates vary between 3 per cent and 25 per cent, and businesses find ways of locating in the lower VAT areas such as Luxemburg, or operate from tax havens that are outside the EU common VAT regime but form a free-trade area with the EU, in particular the Channel Islands of Jersey and Guernsey.

One of the reasons that tax competition seems so obvious is that transnational corporations optimise their international tax strategies by encouraging governments to opt for it. This phenomenon is particularly clear in the case of foreign direct investments, when companies ask for subsidies from central and regional governments when locating their manufacturing operations or service centres. While governments may consider such subsidies as a continuation of a social market economy practice, most companies today will relocate immediately as subsidies run out. This happened, for example, in the case of the Nokia factory in the German city of Bochum, where the closing down of a manufacturing plant was announced as subsidies from the regional state government ran out.⁴ Nokia relocated to Romania, where it announced that labour costs were one fifth of what they were in Germany. Instead of assuming that companies will remain committed to its workers in a social market economy scenario, we should end all practices of granting either tax holidays or outright subsidies to companies. These rules should be first decided on the EU-level for the better functioning of the common market, and furthermore be compatible with international tax co-operation agreements.

Companies are contributing an ever smaller share of the overall tax income of states, a trend that is evident not only in developing countries, but also in OECD member states. In the UK, it has been calculated that between 1990 and 2003, while personal income tax collection increased by 124 per cent, corporate tax payments only increased by 36 per cent, representing a mere 2.8 per cent of GDP.⁵ These trends are worrying especially as during the same time, the gaps in the fiscal revenues are increasingly being filled by both an increasing income tax burden on ordinary citizens and by regressive taxes such as the VAT that disproportionately hit the lower income persons who spend a higher amount of their disposable income on consumer goods.

Taxation and Factor mobility

States have no problems in taxing factors of production when these factors are not mobile and there is no elasticity of the tax base related to the tax rate. However, when national borders disappear in the context of market liberalisation policies, production factors start to move. This happens first with capital, whose owners are transnational industries, banks and international investors. Thanks to this mobility – whether it is legal or not– capital owners can optimise their tax strategy and go to the countries and regions where taxes are lower. This does not necessarily mean a geographical delocalisation. It can also mean the use of perfectly legal financial instruments or establishments. More and more, large companies can avoid paying national taxes altogether on their profits. And states have witnessed the erosion of their tax revenues.

Companies have many instruments at their disposal to avoid taxation. The most drastic measures include using tax shelters, which include placing for instance all of your intellectual property rights offshore. Many pharmaceutical companies have done so.⁶ Another instrument, not an alternative to the first one, is to use complicated bookkeeping engineering. The most widespread technique in this field is fictitious transfer pricing between the parent company and its subsidiaries. There have been many examples of this technique in the past decade, for instance Volvo Cars (which since 1999 is owned by Ford Motor Company). It was caught by the Swedish tax authorities in January 2007 for mispricing its car exports to countries with high import taxes, including Finland, Taiwan, Thailand, and Singapore. As a result, they were fined for 31 million Dollars⁷.

Globalisation and tax inequalities

Neoliberal globalisation has increased tax inequalities between different types of owners of production factors, as a function of their mobility. On the one hand, there are farmers and wage earners, owners of land and labour that represent almost all of humanity, expressed in numbers of individuals. Most workers cannot move freely because of obvious obstacles, like cultural and linguistic borders and immigration laws. The consequence is that they suffer from the heaviest tax burden and have no means of avoiding it. This is particularly true for VAT that, in France for instance, represents almost half of the state's tax revenues. Higher income households pay only one third of the part of income that is paid by lower income households on VAT.

Higher income households, at the top of the pyramid of global incomes, are very mobile and the elasticity of their tax basis is very high. It means they can move in order to avoid taxation. Neoliberal globalisation has introduced a new gap between wage earners with, on one side, those who can move in order to reap the benefits of tax and wage differences, and on the other the huge majority of those who cannot move.

Existing statistical data show very clearly how the tax basis is eroding and how this links with the mobility of production factors. The gap between tax rates on labour and on capital has constantly grown since the beginning of the process of neoliberal globalisation. In the countries of the European Union, capital taxes have been diminishing, from a nominal 50 per cent in 1980 to 35 per cent in 1994 and 25 per cent in 2005. Labour taxes, and especially VAT, have increased in order to maintain states' tax revenues. Fighting these inequalities will imply a serious re-balancing act.

Those who can be called “*capital owners*”, to use a generic term, do exist, and they are the subject of various analyses published every year. In the 11th edition of the World Wealth Report³, it is stated that there are only 95,000 Ultra-HNWI’s in the world, or 10 per cent of the total number of HNWI’s. But they hold one third of the 37,000 billions of Dollars held by HNWI’s. UNDP and the International Centre on Poverty published a report stating that 10 per cent of the richest people in the world own 85 per cent of global assets, whereas 50 per cent of the poorest people in the world own less than 1 per cent.⁴

Global taxes, global public goods and the common good of humanity

One fundamental reason to think about global taxes is the idea that globalisation has created new needs, and that satisfying these needs requires a new international taxation instrument, just as former needs did. In reference to the common good of humanity, a new concept has been introduced: Global Public Goods. These represent global needs that cannot be produced by the market because of two major characteristics: everyone must have access to them - the principle of non-exclusion -, and their consumption must be possible without the goods being depleted - the principle of non-rivalry. The goal of balanced development of the planet cannot be met if public goods, such as health, education and security, are not globally defined and financed using public resources gathered from global taxes. In this context, one needs only to consider our environment and particularly our climate: although they are subject to increasing debate, very little efficient action is taken. The existing Kyoto treaties have not led to necessary environmental taxation initiatives, nor are they globally binding as some of the major polluters have opted out.

Currently, GPGs (global public goods) are insufficiently available. Global financial instability, pandemics, financial crime, insufficient access to knowledge and information, and environmental degradation are among the consequences of this shortage. As a result and due to neoliberal globalisation, our planet lacks stability, equality and health. There are many factors that explain this shortage. First of all, costs and profits tend to be assessed within a limited timeframe. However, GPGs must be considered in the long term. Policies against financial instability and the deterioration of biodiversity imply high costs and uncertain far-off financial profits, contrary to the financial profits currently made from the activities contributing to these crises. Governments and capital owners in particular are not accustomed to consider long-term profit scenarios. Secondly, the current shortage is also a consequence of the geographic dimension of GPGs. States’ budgetary and tax policies are defined within a national context whereas profits from GPGs are to be shared with other countries. There will never be enough public resources to meet the needs for public goods in developing countries, unless we have global taxes that get rid of the free rider phenomenon.

WHAT KINDS OF INTERNATIONAL TAXATION?

International taxation should fulfil three major criteria that can also be used to judge the efficiency of any proposed international taxation initiatives: the reduction of various negative social and economic externalities, the redistribution of incomes and the production of international revenues in order to finance GPGs. Different kinds of international financial contribution models must be put in place through an efficient and equitable international tax system. These points were analysed in the Landau Report.⁸ Based on these criteria, the three types of taxation that are discussed in this chapter concern the agents who benefit most from

neoliberal globalisation without contributing their share towards collective goods. The other taxes concern harmful activities or public “*culprits*”, who seriously damage the environment.

Financial taxation

In our global economy, there are several easily identifiable flows. These flows create revenues for those who command them. It is perfectly reasonable that they be collectively taxed. Some of these flows are particularly dangerous for global economic stability, and a tax system that discourages these activities would thus help maintain social order and indirectly reduce the strain on the environment.

Taxation of speculative financial transactions

There is considerable talk all over the world about a currency transaction tax and it is not necessary to go into detail here. It is discussed in a book published by WEED,⁹ “*New Rules for Global Finance*” and many others¹⁰. Let us just point out that speculative international transactions are a real scourge of financial globalisation with considerable economic and social costs, especially in southern countries as we have witnessed in the past decade with the South-East Asian (1997), the Brazilian (1999), the Argentinean (2000), the Russian (2001) and some twenty other financial crises.

One of the objectives of taxation is to raise revenues. A stock exchange tax on the exchange of securities, amounting to about 0,01 per cent and levied in all financial locations, would generate important tax revenues. A tax on all financial transactions, existed in Brazil between 1993 and 2007. The rate of taxation was 0.38 per cent and it helped to raise some 30 billion Dollars per year¹¹. In terms of incidence, it targets both institutional investors and wealthy individuals, who both most benefit from the effects of globalisation and find it easiest to escape their tax liabilities.

Whatever practical difficulties may exist in implementing a tax on financial transactions, and whatever possible mechanisms arise for avoiding it, it is still difficult to understand why such tax has not yet been proposed. In Sweden and the UK there are stamp duties applied to stock market transactions, but similar stamp duties do not apply to currency transactions. The European Union should lead the way in applying a financial transaction tax, honouring its principles of social rights and equal treatment of all citizens, as it is now the poor who disproportionately pay the EU budget through the common VAT regime. It is obvious that taxation has an inevitable moral component.

A unitary surtax on profits

The objective in this proposal is to restore the state’s capacity to levy corporate taxes on profits. In allowing the free movement of capital, states have given corporations the power to exert pressure that can only be avoided if a global unitary tax is introduced. It has become the current practice of corporations to threaten delocalisation or investment in another country unless they obtain tax holidays or a lower corporate tax regime. This is in fact a type of blackmail and it has led to a tax war between states to give more and more tax breaks that unavoidably erode tax revenues. In the United States, corporate tax represented a mere 6,7 per cent in 2002, compared to 27 per cent in 1965¹². The average in the OECD was 9.3 per cent in 2002 for corporate tax and 32 per cent for VAT. The principle and modalities of a unitary tax are simple: wherever a company is established, it would pay a unitary rate on its profits. In

that way, tax wars would be eliminated, as would tax evasion and fraud. Revenues would potentially be very high. According to the OECD, the profits of transnational corporations of G7 countries in 2004 represented 14 per cent of the GDP of these countries, almost 4,000 billion Dollars; back in 1980, it represented much less, a mere 10 per cent. The stock exchange value of the world's top ten financial entities was 41,000 billion Dollars in 2006¹³. Even if the stock exchange value is not of the same nature as the gross global product, it is worthwhile to remember that it had more or less the same value that year.

A property tax

Property is an asset and not a flow. But it is difficult to understand why asset holders would not equally contribute to the restoration and maintenance of the planet, according to the wealth they have accumulated. In the same way, they would contribute to the – partial - satisfaction of the basic needs of the planet's poorest people. On the basis of 2006 data it seems realistic to estimate the financial assets of HNWIs to be worth 10,000 billion Dollars, this is also relatively close to the amount of assets held offshore by wealthy individuals, calculated at 11,500 billion Dollars.¹⁴

A very modest average tax rate of only 1 per cent would yield 100 billion Dollars, an amount almost equal to total official development aid - even if aid figures are very controversial and over-estimated. It is difficult to see why the world's citizens would not agree to demand such a modest contribution, compared to the considerable wealth that asset holders cannot have created ex nihilo. The levying of this tax would however require the compliance of off-shore financial centres and tax havens. The off-shore centres would either need to sign up to tax cooperation treaties, and become an integral part of the global governance framework, or alternatively there could be punitive entry and exit taxes for capital going in and out of them. The most drastic measure would be to cut off banks and other financial institutions in non-complying tax havens from the global financial system.¹⁵

Ecological taxes

With this type of taxation, the clear goal is to limit the negative impacts of activities that threaten the planet's future. This is becoming more and more crucial. Environmental deterioration cannot be stopped without public rules because markets only worsen it. Very selective international taxes would have a strong regulatory effect if the modalities and rates were carefully defined. Of course, taxes are not the only instrument that would prevent the world from destroying itself. They would have to be part of a whole series of measures with incentives, prohibitions and sanctions. The objective of this book is precisely to propose a coherent set of measures. The three types of taxes listed in this section are not the only ones, but they are the most urgent. The public revenues they would generate can be used to prepare a budget for a Global Environmental Organisation (GEO), as part, of course, of the United Nations. The mandate of the GEO would be to promote a vast global programme reducing energy consumption and vastly improving energy efficiency. It would also set and monitor binding global rules for the preservation of the natural habitats, biodiversity and other global ecological commons. Finally, funds should be made available for research on alternative, renewable and non-polluting energy, waste recycling and non-polluting, energy-friendly modes of production.

A tax on carbon emissions

There is no need here to explain the numerous and serious negative impacts of carbon-derived productive activities, stemming for example from CO₂¹⁶. It is absolutely necessary to introduce a tax that, along with strict, binding rules, would stimulate producers to reduce their emissions and make them pay for the costs that until now have been borne very unfairly by wider society. This model could be called “*cap and tax*”, instead of the currently used concept of “*cap and trade*”, where rights are given for carbon emissions. Instead, all emissions, including those under the cap thresholds, should be taxed. The tax rates would have to be carefully defined in order to genuinely stimulate emission reductions. The numbers that are proposed in the table should only be seen as indicative. They are in the lower margins of such a possible tax, since some proposals estimate yearly revenue of 500 billion Dollars.

An air ticket levy

The fact that air transportation has become a sector of economic importance, or that the financial profitability of airlines is rather weak does not change anything about the particular relevance of a tax on kerosene consumption. Is it reasonable to consider taxing CO₂ emissions without taxing air transportation? The economy must change according to human needs instead of humans changing according to economic needs. Of course there are questions about the tax rates. But it is no coincidence that this international tax was the first one to be introduced by France, followed by tens of other countries, in order to pay for the fight against HIV/Aids. The popularity of this tax demonstrates the viability of global taxes.

A first analysis makes clear that the 3.76 dollars per ton of consumed kerosene is a perfectly reasonable rate of taxation as proposed in the final table. This tax should be seen in the context of harmful consumption taxes, and all harmful activities should certainly be taxed. The fact that the roundtrip to Miami for a European traveller causes an equivalent amount of CO₂ emissions as a year's amount of emissions from using her own car demonstrates the degree of the problem. Similar arguments could also be used to tax maritime fuel, because maritime transport competes on an unequal footing with rail and road transport with regards to the taxes on fuel consumption.

A tax on highly radioactive nuclear waste

In addition to a heavy tax designed to reduce CO₂ emissions, a tax on nuclear waste should also be introduced. Leaving aside whether nuclear energy is desirable or not, producers should clearly be encouraged to reduce flows and stocks of highly radioactive waste, such as plutonium, and other by-products of nuclear fission.

This issue is discussed in an excellent document by Charpin, Dessus, Pellat¹⁷. It is important to note that energy taxes should not be limited to carbon taxes alone. It does not matter whether plutonium or minor actinides from nuclear fuel are considered energy resources or hazardous waste products. In the framework of current technology, they are stocked in such a way that they cannot be used again. As long as they cannot be utilised economically, and are not considered as a secure energy source, they are a harmful substance whose impact must be reduced. In the case of plutonium, this impact is linked to its long lasting radioactivity and to the risk of it being used for nuclear proliferation. From these perspectives, it becomes reasonable and logical to tax nuclear by-products.

The easiest and least controversial way to do so would be to take the production of plutonium and minor actinides as the tax basis. France has had some experience that could help assess

such a tax. The country has shown that it is prepared to pay approximately 150 million Dollars per ton to reduce its production of plutonium and minor actinides by 20 per cent. If more reduction were desired, costs could rise up to 300 million Dollars per ton. It is reasonable, then, to consider a tax of about 200 million Dollars per ton. If the amount of plutonium and minor actinides produced annually in the whole world is about 60 tons, a tax on these products would generate around 12 billion Dollars per year.

Another question is whether to tax waste stocks. The material can be considered as having negative impacts and meriting taxation as a means to reduce the future pile-up of stocks. Whether they stem from civil or military use, their harmfulness remains the same and the tax should be calculated on the same basis. A yearly tax could be calculated on the basis of about 10 per cent of the stocks.

MEASURES AGAINST TAX HAVENS AND BANK SECRECY

Taxes can only be equitable if their calculation and their payment can be monitored. This basic principle is constantly being violated by the existence of tax havens and bank secrecy. In the case of tax havens, the solution is simple: eliminate them. All other proposals are totally naïve or utterly ineffective. As for banking secrecy, a remedy against the tax evasions it allows would be relatively easy to put in place. If banks claim they must preserve the confidential character of their customer's transactions that is acceptable. But then banks should also be willing to declare the totality of the transactions concerned, without naming their clients, and pay taxes on them. If they refuse, it would be easy to introduce a flat rate.

MECHANISMS FOR COLLECTING AND REDISTRIBUTING GLOBAL TAXES

National collection of global taxes

Global taxes do not imply the introduction of a global revenue authority, as the existing national revenue authorities are fully capable of collecting taxes on global flows. It would be inefficient to invent new structures for collection, as the net benefit of a tax for public finances is measured by subtracting the cost of collection from the revenues collected.

In the case of most proposed global taxes, the cost of collection is astonishingly low as available statistics already exist on most of the activities that are proposed to be taxed. The most efficient way is to apply taxes immediately at the point of the taxed activity, rather than calculating the costs at the end of the year. It is both more accurate and discourages harmful consumption more transparently to those who make decisions concerning the activities in question. In the case of financial transactions, air travel and large-scale CO₂ emissions, the taxes can be applied on the spot. The profits of multinational corporations and assets of wealthy individuals would be better taxed at the end of the year as the annual accounts and tax returns are filed in.

It is my view, having heard the arguments as a member of the Landau Commission for the establishment of a global organisation¹⁸ charged with collection of global taxes that it would prove to be both an inefficient and an undemocratic solution to the question. While we already have competent national revenue authorities, and a legitimate international framework in the form of the UN, it would not make sense to reinvent global governance for the purpose

of establishing a framework for global taxation. If a new body were to be established outside the UN authority, what democratic legitimacy would it have?

An international framework for providing Global Public Goods

While collection is best done at the national level, we do need a binding international framework to commit the funds collected from global taxes to be used for global public goods. Paying taxes should not be a matter of good-will, nor should taxes be voluntary. Taxes are what we pay to live in a civilised society guaranteed by a rule of law. The agreement that binds national governments to global taxes and global public goods should be just as clear as is the social contract that binds citizens to their states as taxpayers. Without a global rule of law, we can forget having a global civilisation worth mentioning.

The international treaties governing the relationship between global taxes and the provision of public goods must be established under the United Nations framework. This is the best framework since the UN has more legitimacy than the World Bank. There is a tendency in international diplomacy to allow the World Bank to administer specific funds aimed for the purchase of medicines against malaria, tuberculosis and HIV/AIDS. Due to undemocratic governance structures based on the size of the contributions and the choice of the president of the World Bank - always a US citizen, while the IMF always has an European national as its executive director -, we cannot allow for these organisations to be given the role of administering the proceeds of global taxes.

Global taxes must be decided by the UN General Assembly, just as they decided on the Millennium Development Goals in 2000. We know that these goals will not be met in the majority of developing countries. The member states of the UN should draw the responsible conclusions and decide upon the recommendations of the Landau Report and further work carried out by the Leading Group on Innovative Finance Mechanisms to collect the necessary funds to achieve the MDGs and go even further. The extent of the global taxes proposed in the Landau Report allow for providing global public goods much beyond the MDGs. Indeed, it would entail starting an environmental and social renaissance.

ANNEX: Indicative assessment of some global taxes (in billion Dollars)

Type of tax	Hypothesis	Yearly result (billions of Dollars)
Tax on speculative transactions	Rate: 0.1 %; reduction of tax basis with 50 %	125
Tax on stock exchange transaction	0,01 %	100
Tax on the profits of transnational companies	Tax rate of 15 %, 4000 billion Dollars	600
Asset tax	Flat rate of 1 % applied to 10,000 billion	100
Carbon emission tax	20 Dollars per ton carbon content	140
Tax on plutonium and minor actinides	Tax of 240 million Dollars per produced ton	15
Tax on air transport	Tax of 1 % on price of ticket or freight Tax of 3.65 Dollars per ton kerosene	2 75
TOTAL		1175

Notes

Two men are in prison, but who is guilty? In 1950 two researchers of game theories, Dresher and Flood, explained their dilemma as follows: if you accuse your colleague with the crime and if he does not accuse you, you will be put free and he will have to stay in prison for ten years; if you accuse him and he accuses you, you will both have to stay 5 years in prison. If you do not accuse him and he does not accuse you, you will both have to stay 6 months in prison. There is an opportunity to cooperate but the prisoners do not use it. They prefer to accuse one another and attempt escaping prison themselves. They thus both will have to stay 5 years in prison, whereas they could have avoided the longer sentence by cooperating. Nash, who did a lot of research on game theory, shows that the “*equilibrium*” is not Pareto optimal and satisfaction of one does not diminish satisfaction of the other.

² A “*free rider*” is someone using public transport without paying anything and without getting caught.

³ EU Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax.

⁴ <http://www.spiegel.de/international/germany/0,1518,529218,00.html>.

⁵ <http://www.guardian.co.uk/society/2003/nov/17/10>.

⁶ <http://www.accountancyage.com/accountancyage/news/2163995/gsk-settles-biggest-tax-dispute>.

⁷ <http://www.grantthornton.com/staticfiles/GTCom/files/services/TaxServices/Transfer%20Pricing%20Update/Transfer%20Pricing%20Update%202-26-07.htm>.

⁸ Landau, *La Documentation française*, 2004, English edition :

http://www.cttcampaigns.info/documents/fr/landau_en.

⁹ B. Jetin and L. Denys, *Ready for Implementation*, novembre 2005, http://www2.weed-online.org/uploads/CTT_Ready_for_Implementation.pdf.

¹⁰ M. Huq, I. Kaul and I. Grunberg, I. (eds), *The Tobin Tax: coping with financial volatility*, Oxford: Oxford University Press, 1996; H. Patomäki, *Democratising Globalisation: the leverage of the Tobin Tax*, New York: Zed Books, 2001; J. Weaver, R. Dodd and J. Baker (eds), *Debating the Tobin Tax*, Washington D.C.: New Rules for Global Finance, 2003.

¹¹ *International tax review*: <http://www.internationaltaxreview.com/?Page=9&PUBID=210&ISS=24419&SID=699746>.

¹² OECD, 2005, <http://gesd.free.fr/ochiff5.pdf>.

¹³ AMF according to data of the World exchange federation: http://amf-france.org/documents/general/7822_1.pdf.

¹⁴ TJN, *The price of off-shore*. http://www.taxjustice.net/cms/upload/pdf/Price_of_Offshore.pdf.

¹⁵ This is what the Bush administration threatened unless Switzerland and the Cayman Islands hand over data concerning terrorist organisations following the acts of terrorism in the USA in September 2001. Unsurprisingly, these tax havens co-operated with the US administration (R. Baker, *Capitalism's Achilles heel: Dirty money flows and how to renew the free-market system*, Hoboken, N.J.: John Wiley & Sons, 2005).

¹⁶ IPPC 2007: the yearly carbon production was estimated at 6.4 billion tons in 1990 and an average of 7.2 billion tons in 2000-2005. In the pre-industrial era, there were approximately 280 ppm of CO₂ in the air; there were 379 in 2005. They increased by 1.9 per year between 1995 and 2005 and by 1.4 per cent between 1960 and 2005.

¹⁷ *Etude économique prospective de la filière électrique nucléaire française*, La Documentation française, 2000.

¹⁸ H. Patomäki and L. Denys, *Draft Treaty on Global Currency Transaction Tax*, Helsinki: NIGD, 2002, <http://www.nigd.org/ctt>.