

A Chronology

U.N Campaign for Global Taxes On Verge of Success

JULY 1, 2000. UNITED NATIONS GENERAL ASSEMBLY RESOLUTION S24/2. FURTHER INITIATIVES FOR SOCIAL DEVELOPMENT.

Proposes “conducting a rigorous analysis of advantages, disadvantages and other implications of **proposals for developing new and innovative sources of funding**, both public and private, for dedication to social development and poverty eradication programs...Achieving the goals agreed upon at the Summit [World Summit for Social Development in March 1995] will require much stronger and more comprehensive action and **new innovative approaches** by all actors...”

SEPTEMBER 18, 2000 UNITED NATIONS GENERAL ASSEMBLY MILLENNIUM DECLARATION.

“We are concerned about the obstacles developing countries face in mobilizing the resources needed to finance their sustained development...”

“To grant more **generous development assistance**, especially to countries that are genuinely making an effort to apply their resources to poverty reduction.

“To halve, **by the year 2015**, the proportion of the world’s people whose income is less than one dollar a day and the proportion of people who suffer from hunger and, by the same date, to halve the proportion of people who are unable to reach or to afford safe drinking water...”

JUNE 28, 2001. REPORT OF THE HIGH-LEVEL PANEL ON FINANCING FOR DEVELOPMENT, chaired by former Mexican President Ernesto Zedillo and including former U.S. Treasury Secretary Robert Rubin. Secretary-General Kofi Annan appointed the High-level Panel to “identify practical means to fulfil international commitments to fight poverty, set out in September 2000 by world leaders at the Millennium Summit in New York; and to build political momentum” for the International Conference on Financing for Development, March 18-22, 2002.

“The international community must recognize that it is in the common interest to provide stable and contractual resources for these purposes. Politically, taxing for

the solution of global problems will be much more difficult than taxing for purely domestic purposes. But like all political decisions that are taken for the next generation and not just the next election, this one should be assessed carefully against the alternative scenarios, including the very dangerous one of continuing polarization, exclusion, confrontation, and insecurity in the world. If only out of self interest, **new sources of finance must be considered without prejudice by all parties involved.**

“The Panel has considered many suggestions for innovative sources of finance...**if global taxation is considered desirable, they should proceed to discuss seriously the pros and cons of two such sources: a currency transactions tax and a carbon tax.** We advise that before any political discussion, these possible new sources of international finance be examined purely on their economic and development merits and shortcomings.”

The “new sources” include the Tobin Tax on international financial transactions but the panel says that, “If global taxation is considered desirable, the Conference and the Summit are likely to find more promise in a carbon tax—a tax on the consumption of fossil fuels, at rates that reflect the contribution of these fuels to CO₂ emissions. This tax could serve two important goals: limiting the rise in global temperatures associated with burning these fuels, and raising revenue.” It also calls for an **International Tax Organization** that could “seek to develop and secure international agreement on a formula for the unitary taxation of multinationals.” It adds that, “An ITO would also be of great importance to develop and implement innovative sources of finance if they were agreed upon by the international community.”

MARCH 18-22, 2002, MONTERREY, MEXICO. REPORT OF THE INTERNATIONAL CONFERENCE ON FINANCING FOR DEVELOPMENT, ALSO KNOWN AS THE MONTERREY CONSENSUS.

“...we urge developed countries that have not done so to make **concrete efforts towards the target of 0.7 percent of gross national product (GNP) as ODA** [Official Development Assistance] to developing countries...”

“We **recognize the value of exploring innovative sources of finance** provided that those sources do not unduly burden developing countries. In that regard, we agree to study, in the appropriate forums, the results of the analysis requested from the Secretary-General on possible innovative sources of finance, noting the proposal to use special drawing rights allocations for development purposes...”

2002: KOFI ANNAN CREATES THE MILLENNIUM PROJECT, TO DEVELOP A CONCRETE ACTION PLAN FOR THE WORLD TO REACH THE MILLENNIUM DEVELOPMENT GOALS. It operates on a budget of \$3 million and is headed by Dr. Jeffrey Sachs, who is paid an annual salary of \$75,000, in addition to his work as director of the Earth Institute at Columbia University.

According to Sachs, who also carries the title of Special Advisor to United Nations Secretary-General Annan on the Millennium Development Goals, says about the U.S. that, "As a nation, we committed to 0.7 percent -- and to do so along a specific timetable. The President of the United States himself was present at Monterrey." The U.S. commitment to ODA stands at 0.15 percent and, therefore, "**We are short by \$65 billion each year.**"

Over a 13-year period, from 2002 – the year of the International Financing for Development conference -- to the target year of 2015, **this amounts to \$845 billion over and above what the U.S. is already providing in foreign aid.** Sachs, author of the book, *The End of Poverty*, has proposed global taxes to make up the difference. "We will need, in the end, to put real resources in support of our hopes," he states. "**A global tax on carbon-emitting fossil fuels might be the way to begin.** Even a very small tax, less than that which is needed to correct humanity's climate-deforming overuse of fossil fuels, would finance a greatly enhanced supply of global public goods. No better time to start than as the new millennium begins."

AUGUST 26-SEPTEMBER 4, 2002. REPORT OF THE WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT. JOHANNESBURG, SOUTH AFRICA.

"Develop innovative financing and partnership mechanisms;

"Explore ways of generating new public and private innovative sources of finance for development purposes, provided that those sources do not unduly burden developing countries, noting the proposal to use special drawing rights allocations for development purposes, as set forth in paragraph 44 of the Monterrey Consensus.

"A proposal to establish an international humanitarian fund to meet the goals of poverty eradication, health care, sanitation and education for the poor received broad support. This would be financed by a percentage of external debt repaid by the developing countries, a percentage of money seized from illicit drug trafficking profits and from overseas deposits of funds gained through corruption, and **the taxation of major financial transactions.** There was also a suggestion to consider **the possibility of global taxation for the development of global public goods.**

"Consider the possibility of **global taxation for the development of public services.**

"Some measures, including **a 0.5 per cent tax on regional trade** to generate funds to improve infrastructure and **a Tobin tax on international financial transactions,** were suggested."

AUGUST 2003. U.N.-SPONSORED PROJECT UNDERWAY ON NEW SOURCES FOR DEVELOPMENT FINANCE. Book by same name is published in 2005. Editor A.B. “Tony” Atkinson thanks the U.N. Department of Economic and Social Affairs (DESA) and the U.N. University’s World Institute for Development Economics Research (WIDER) for having “initiated the project” and having “provided crucial support.”

Atkinson, Warden of Nuffield College, Oxford, was previously Professor of Political Economy at the University of Cambridge, and Chairman of the Suntory Toyota International Centre at the London School of Economics. He is Fellow of the British Academy, and has been President of the Royal Economic Society, of the Econometric Society, of the European Economic Association and of the International Economic Association.

Atkinson declares: **“Proposals for any form of global taxation meet immediate opposition from powerful elements in the US Congress. On the other hand, there is widespread appreciation of the need for new resource flows to allow the MDGs to be achieved.”**

The report proposes

- Global environmental taxes (e.g. carbon-use tax);
- “Global lottery and global premium bond;
- “Tax on currency flows (the so-called “Tobin tax” designed to discourage excessive currency speculation);
- “Creation of new Special Drawing Rights (creation of SDRs for development purposes, with donor countries making their SDR allocation available to fund development);
- “International Finance Facility (making available long-term, but conditional, funding guaranteed to the poorest countries by donor countries);

SEPTEMBER 6-7, 2003. U.N.-SPONSORED CONFERENCE ON SHARING GLOBAL PROSPERITY, TO PROMOTE INNOVATIVE SOURCES OF FINANCING FOR DEVELOPMENT, held in Helsinki, Finland. Conference material says that, “Research is mainly financed with the yields of an endowment fund, provided by the Governments of Finland, the host country of WIDER, the Government of India, Swedish International Development Authority (SIDA) and the Sasakawa Foundation (Japan). Operating contributions and contributions earmarked for specific projects have been received from the Governments of Denmark, Finland, Italy, Norway, Sweden and the UK; the Arab Fund for Economic Development (Kuwait), **Ford Foundation**, Yrjö Jahnesson Foundation (Finland), **MacArthur Foundation**, McDonnell Foundation, Nippon (formerly Sasakawa) Foundation, Oracle (Finland), **Rockefeller Foundation**, SITRA (Finnish National Fund for Research and Development), United Nations Department of Economic and Social Affairs, UNDP [U.N. Development Program],

UNESCO, and the World Bank. In-kind contributions (i.e. research papers, hosting of a meeting, etc.) are received from various UN and other international organizations.”

DECEMBER 23, 2003. U.N. GENERAL ASSEMBLY RESOLUTION 58/230. FOLLOW-UP TO AND IMPLEMENTATION OF THE OUTCOME OF THE INTERNATIONAL CONFERENCE ON FINANCING FOR DEVELOPMENT.

“Welcomes establishment of the **Financing for Development Office** in the Department of Economic and Social Affairs in the Secretariat.

“...requests the Secretary-General to submit the annual analytical assessment of the state of the implementation of the Monterey Consensus...”

JANUARY 2004. IN GENEVA, THE PRESIDENTS OF BRAZIL, FRANCE, AND CHILE AND THE U.N. SECRETARY-GENERAL START AN “ACTION PROGRAM AIMED AT IDENTIFYING INNOVATIVE SOURCES OF FINANCING.” A “technical group” is set up to explore new sources of finance, such as taxation on certain sales of arms, taxes on financial transactions, and environmental taxation. The British proposal to establish an International Finance Facility is also under consideration.

FEBRUARY 2004. A FAIR GLOBALIZATION: CREATING OPPORTUNITIES FOR ALL. REPORT OF THE WORLD COMMISSION ON THE SOCIAL DIMENSION OF GLOBALIZATION, SPONSORED BY THE INTERNATIONAL LABOR ORGANIZATION OF THE U.N.

“We believe that achievement of the 0.7 percent goal for ODA, together with debt relief, are the most promising immediate routes for raising new resources...Countries have made firm commitments and it is everyone’s responsibility to ensure that they are held to them. However, **additional sources of funding are also needed.**

“A proposal which has been on the table for some time is to restart regular issues of Special Drawing Rights (SDRs) to increase liquidity in the global economy. These resources could be voluntarily allocated to developing countries...”

“There is also a variety of **proposals for new taxes at the global level**, many of them controversial. Probably the best known is the Tobin tax, designed to tax speculative capital flows, but there are a number of others. One proposal which has been suggested is **to tax the use of global resources**, in particular the global commons. This is **the rationale of a carbon tax**, which would thereby contribute to environmental sustainability. At the World Summit on Sustainable Development in Johannesburg in 2002, **Jacques Chirac said, ‘Let us find new sources of financing. For example, a necessary levy, in the interest of**

solidarity, on the considerable wealth that has been generated by globalization.”

JULY 2004. “THE [GLOBAL TAXES] DEBATE HAS ALREADY ENTERED THE UNITED NATIONS,” DECLARES JOSÉ ANTONIO OCAMPO, UNDER-SECRETARY-GENERAL FOR UN ECONOMIC AND SOCIAL AFFAIRS. (As quoted by Thalif Deen, Inter Press Service News Agency, July 8, 2004).

AUGUST 17, 2004. INNOVATIVE SOURCES OF FINANCING FOR DEVELOPMENT. NOTE BY THE SECRETARY-GENERAL. This report of U.N. Secretary-General Kofi Annan makes explicit references to several global tax proposals, including those described in the Atkinson study and by the Zedillo panel, and makes reference to the use of SDRs for foreign aid. He also states:

“Any foreseeable global tax will be introduced, not by a unitary world government, but as the result of concerted action by nation states.”

SEPTEMBER 20, 2004. NEW YORK DECLARATION ON ACTION AGAINST HUNGER AND POVERTY SIGNED BY OVER 100 COUNTRIES.

“...it is also appropriate and timely to give further attention to **innovative mechanisms of financing** – public or private, compulsory and voluntary, of universal or limited membership – in order to raise funds urgently to help meet the MDGs [Millennium Development Goals] and to complement and ensure long-term stability and predictability to foreign aid. In this respect, we urge the international community to give careful consideration to the report that has been prepared by the Technical Group established by the January 30th 2004 Geneva Declaration. This report explores ways to find **new resources for development**, on a sound economic basis and at a significant level.”

Countries endorsing the declaration: Albania, Algeria, Andorra, Angola, Argentina, Austria, Azerbaijan, Bahamas, Bangladesh, Barbados, Belarus, Belgium, Bolivia, Bhutan, Bosnia and Herzegovina, Botswana, Brazil, Bulgaria, Burkina Faso, Cambodia, Cape Verde, Chile, China, Colombia, Comoros, Congo, Costa Rica, Croatia, Cyprus, Czech Republic, Denmark, Dominican Republic, Ecuador, Egypt, El Salvador, Estonia, Finland, France, Gabon, Gambia, Ghana, Germany, Greece, Guatemala, Guinea Bissau, Guyana, Haiti, Holy See, Honduras, Hungary, India, Iran, Ireland, Italy, Kenya, Laos, Latvia, Lebanon, Lithuania, Luxembourg, Macedonia, Madagascar, Malaysia, Mali, Malta, Marshall Islands, Mexico, Morocco, Mozambique, Namibia, Nepal, Netherlands, Nicaragua, Nigeria, Norway, New Zealand, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Romania, Rwanda, Saint Vincent and the Grenadines, São Tome and Principe, Saudi Arabia, Senegal, Serbia and Montenegro, Slovakia, Slovenia, South Africa, Spain, Sri Lanka, Suriname, Sweden, Switzerland, Syria, Tanzania, Timor Leste, Togo, Trinidad Tobago,

Tunisia, Turkey, United Arab Emirates, United Kingdom, Uruguay, Venezuela, Vietnam, Zambia.

The Heads of State and Government of the following countries participated:

Algeria, Andorra, Argentina, Bolivia, Bosnia and Herzegovina, Bulgaria, Burkina Faso, Burundi, Cape Verde, Chile, Comoros, Costa Rica, Croatia, Cyprus, Djibouti, Dominican Republic, El Salvador, Equatorial Guinea, Estonia, Finland, France, Gabon, Gambia, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Holy See, Lebanon, Lesotho, Madagascar, Marshall Islands, Mozambique, Namibia, Nicaragua, Nigeria, Pakistan, Panama, Paraguay, Peru, Portugal, Romania, Rwanda, Saint Lucia, Saint Vincent and the Grenadines, Sao Tome and Principe, Senegal, Singapore, Slovenia, South Africa, Spain, Sri Lanka, Suriname, Swaziland, Sweden, Switzerland, Tanzania, Uruguay, Zambia and Zimbabwe.

Countries participating at the Ministerial level:

Albania, Angola, Bhutan, Canada, China, Cuba, Denmark, East Timor, Egypt, Honduras, Indonesia, Ireland, Italy, Jordan, Kazakhstan, Kuwait, Libyan Arab Jamahiriya, Liechtenstein, Malaysia, Mexico, Morocco, Nepal, Netherlands, Norway, Oman, Papua New Guinea, Philippines, Russian Federation, Serbia and Montenegro, Sudan, The former Yugoslav Republic of Macedonia, Trinidad and Tobago, Tunisia, Turkey, United Arab Emirates and **United States of America**.

SEPTEMBER 20, 2004. FRENCH PRESIDENT JACQUES CHIRAC SAYS U.S. CAN'T FIGHT CAMPAIGN FOR GLOBAL TAXES:

“However strong the Americans may be, in the long term, you cannot successfully oppose a position taken by 110 countries. You can't oppose that forever.” (as quoted by Associated Press).

SEPTEMBER 2004. REPORT OF THE TECHNICAL GROUP ON INNOVATIVE FINANCING MECHANISMS. Derived from the 2004 Geneva Declaration of Brazil, Chile, France and Spain.

The report examines a host of innovative sources, including:

- Taxation of financial transactions.
- Taxation of the arms trade.
- International Finance Facility.
- SDRs for financing development.

NOVEMBER 15, 2004. THE BOOK, *NEW SOURCES OF DEVELOPMENT FINANCE*, AND A POLICY BRIEF BASED ON THE BOOK ARE THE BASIS

FOR A PRESENTATION HELD AT THE PREMISES OF THE PERMANENT MISSION OF GERMANY TO THE UNITED NATIONS. The speaker was Tony Atkinson, editor of the book. Chairpersons of a panel discussion about the book are José Antonio Ocampo, Under-Secretary-General for U.N. Economic and Social Affairs, and Tony Shorrocks, Director of the United Nations University World Institute for Development Economics Research.

DECEMBER 2004. THE LANDAU COMMISSION REPORT ON INNOVATIVE DEVELOPMENT FUNDING MECHANISM. Commissioned by French President Jacques Chirac and headed by President Jean-Pierre Landau. The report suggests various mechanisms to produce more foreign aid, including the International Finance Facility, “which has been proposed by the British government and is supported by France.” The report explains that, “The objective is to frontload the disbursement of expected future increases in ODA. The IFF would issue bonds on financial markets, backed by pledges from participating governments. It would produce a stable resource, whose availability would not be dependent on the time schedule of donors’ budgetary contributions.”

Declares that “Another possible mechanism is international taxation,” raising the prospect of “environmental taxes” and “maritime and air transport” taxes, “taxes on financial transactions,” a “surtax on the profits of multinationals,” a “tax on arms,” “voluntary contribution schemes,” the use of Special Drawing Rights (SDRs) for development and the creation of a Global Lottery for “development purposes.

MARCH 21, 2005. KOFI ANNAN REPORT, *IN LARGER FREEDOM, RELEASED.* Annan urges massive increases in “official development assistance” and proposes that a new International Finance Facility be launched by the U.N. to facilitate this objective. But he also declares that, “In the longer term, **other innovative sources of finance for development should also be considered** to supplement the Facility.”

JUNE 1, 2005. THE MONTERREY CONSENSUS: STATUS OF IMPLEMENTATION AND TASKS AHEAD. REPORT OF THE SECRETARY-GENERAL.

“A number of countries have followed up on the call in the Monterrey Consensus to investigate innovative financing mechanisms to guarantee more and greater predictability of development financing.” These include:

- The study undertaken by the U.N. University-World Institute for Development Economic Research at the request of the General Assembly.

- The “group of experts appointed by the President of France to study innovative financing mechanisms...”
- “The initiative to combat hunger and poverty launched in January 2004 by the Presidents of Brazil, Chile and France with the support of the Secretary-General and later joined by the governments of Spain, Germany and Algeria...”
- The meeting “on this subject held in New York, at the invitation of the President of Brazil, in September 2004, which produced a declaration supported by more than 100 countries...”

JUNE 2005. THE U.N.’S “WORLD ECONOMIC AND SOCIAL SURVEY 2005,” IS RELEASED. It offers a number of “innovative sources of financing,” described as able to generate more than \$200 billion a year for global “development.” They included:

- Taxing air transport. This was described as making “economic sense.”
- Taxing aviation fuel. This would have a “major positive environmental impact.”
- A tax on airline tickets. It could “easily be instituted and would present no legal obstacles” and could generate \$8 billion a year.
- “Indirect taxation of air flight corridors,” with revenues reaching \$10 billion a year.
- An “indirect tax on passenger transportation,” to raise \$20 billion a year.
- An international “currency transaction tax,” which could generate up to \$60 billion a year.
- A tax on carbon emissions, which (at 5 cents per gallon of gasoline) could generate \$130 billion a year.
- A tax on the arms trade, which could yield up to \$8 billion a year.

JUNE 11, 2005. “THE GROUP OF EIGHT INDUSTRIALIZED NATIONS HAVE DECIDED TO CONSIDER IMPOSING A LEVY ON AIRLINE TICKETS TO FINANCE EXTRA AID FOR AFRICA,” REUTERS REPORTS. The United States opposed the idea and “U.S. Treasury Secretary John Snow made clear that Washington’s position had not changed. However, *Snow said that if other countries wanted to go ahead and look at proposals to fund aid via this mechanism the United States was not going to object.*”

JULY 6-8, 2005. THE G8 SUMMIT INCLUDES A REFERENCE TO GLOBAL TAXES IN ANNEX II OF ITS GLENEAGLES COMMUNIQUÉ. Under the title of “Financing Commitments,” it stated: “A group of countries above [a reference to Germany, Italy, France and the UK] firmly believe that **innovative financing mechanisms can help deliver and bring forward the financing needed to achieve the Millennium Development Goals.** They will continue to consider the International Financing Facility (IFF), a pilot IFF for Immunization and a **solidarity contribution on plane tickets** to finance development projects, in

particular in the health sector, and to finance the IFF. A working group will consider the implementation of these mechanisms.”

AUGUST 10, 2005, SUMMARY BY THE PRESIDENT OF THE GENERAL ASSEMBLY OF THE HIGH-LEVEL DIALOGUE ON FINANCING FOR DEVELOPMENT (NEW YORK, 27-28 JUNE 2005).

“The idea of **new and innovative sources of financing permeated a large number of the interventions on official development financing.** Many ministers welcomed the progress in the consideration of innovative sources of finance and supported recent pilot-project initiatives to be financed through the International Finance Facility and the tax, or solidarity contribution, on air travel tickets...some ministers mentioned other feasible options such as financial transaction taxes, taxes on arms trade, allocation of antitrust fines to development, use of Special Drawing rights and new forms of voluntary contributions.”

AUGUST 31, 2005. U.S. AMBASSADOR TO THE U.N. JOHN BOLTON DECLARES, "WHILE THE U.S. STRONGLY SUPPORTS INCREASED ODA TO THOSE COUNTRIES THAT DEMONSTRATE AN ABILITY TO USE AID EFFECTIVELY, **THE U.S. DOES NOT ACCEPT GLOBAL AID TARGETS OR GLOBAL TAXES.**" (As quoted by Colum Lynch of the Washington Post, September 1, 2005; A23.)

AUGUST 31, 2005. KRISTEN SILVERBERG, ASSISTANT SECRETARY OF STATE FOR INTERNATIONAL ORGANIZATION AFFAIRS, DECLARES: "THE U.S. STANDS BY ITS COMMITMENT TO THE GOALS IN THE MILLENNIUM DECLARATION. The President has said so specifically. This is an important commitment we made and, of course, we remain committed to it. Separate from the Millennium Declaration, the UN Secretariat created a document that provides a number of indicators, ways to measure, ways the UN Secretariat thinks would be appropriate to measure progress towards those goals. Some of them we agree with, some of them we don't agree with. The U.S. never signed onto it. Other member-states didn't sign onto it. So we try to be very precise when we're talking about the Millennium Declaration to say we support the goals in the Millennium Declaration that were subject to U.S. agreement.”

SEPTEMBER 7, 2005, FOLLOW-UP TO AND IMPLEMENTATION OF THE OUTCOME OF THE INTERNATIONAL CONFERENCE ON FINANCING FOR DEVELOPMENT. REPORT OF THE SECRETARY-GENERAL.

“...a number of special initiatives have been taken by developed countries, within the context of commitments made in the Monterrey Consensus, to ensure that efforts to provide financing for development are mutually consistent and reinforcing. In particular, measures have been taken to increase the amounts and

effectiveness of development assistance, to provide **additional innovative sources of finance** and to provide fuller debt relief.”

SEPTEMBER 10, 2005. U.S. COMPROMISES ON GLOBAL TAXES. Ewen MacAskill, diplomatic editor for the British Guardian, reports that British Foreign Secretary Jack Straw makes “a personal plea” to U.S. Secretary of State Condoleezza Rice and asks her “to rein in John Bolton...” U.S. agrees to World Summit Outcome Document allowing global taxes under some circumstances.

SEPTEMBER 14, 2005. DECLARATION ON INNOVATIVE SOURCES OF FINANCING FOR DEVELOPMENT.

Endorsed by 79 countries : Algeria, Andorra, Argentina, Armenia, Austria, Azerbaijan, Bahrain, Bangladesh, Benin, Bolivia, Bosnia-Herzegovina, Burkina-Faso, Burundi, Brazil, Cambodia, Cameroon, Cap Verde, Central African Republic, Chad, Chile, Comoros, Congo, Costa Rica, Cote- d'Ivoire, Croatia, Djibouti, DRC, East Timor, Estonia, Ethiopia, Equator, Equatorial Guinea, France, Gabon, Germany, Grenada, Guinea, Guinea Bissau, Guyana, Haiti, Honduras, India, Jordan, Kuwait, Laos, Lebanon, Luxembourg, Macedonia, Madagascar, Mali, Mauritius, Mauritania, Moldavia, Monaco, Morocco, Mozambique, Namibia, Nicaragua, Niger, Peru, Qatar, United Kingdom, Rumania, Sao- Tome, Senegal, Spain, Sudan, Sweden, Syria, Togo, Tunisia, Turkey, Thailand, Ukraine, United Arab Emirates, Uruguay, Vietnam, Zambia, Zimbabwe.

“Not only do we need more resources. **We also need new types of resources.** Quality of aid is as important as its quantity. We strongly believe that greater stability and predictability in aid flows would bring major benefits in terms of efficiency and impact on poverty by facilitating accountability and promoting ownership of reforms and policy design. These objectives could be reached through a menu of options, including inter-alia allocation of special drawing rights and coordinated measures to foster private voluntary contributions.

“We will continue to consider the IFF, as proposed by the British Government, including refinancing mechanisms, as supported by a group of countries.

“We support pursuing **the creation of international levies** as an element in the development financing system, and are determined to continue to build consensus on this issue. These levies should be nationally applied and internationally coordinated mechanisms. They are especially appropriate where the need for stability and predictability is greatest over a long period of time. They would bring continuity in development finance in the long run...

“In the near future, we will further work on and pursue the project of **a solidarity contribution levied on air tickets for global sustainable development as supported by Brazil, Chile, France and Germany.** The objective of this project

is to combat hunger and poverty and finance global sustainable development, including the fight against HIV/AIDS and other pandemics.

“The mechanism would be based on a small solidarity contribution levied on plane tickets issued to passengers departing from participating countries.

“We commit ourselves to work further on and support pursuing the projects of solidarity contributions, first of all a solidarity contribution levied on air tickets. **We welcome the French proposal to host a high level meeting on this initiative by February 2006 and the commitment by some countries to pave the way by establishing such a contribution on air tickets as soon as possible in 2006.**

“We remain fully committed to the fight against hunger and poverty as a priority in the international agenda. We believe that innovative sources of financing will be an essential tool in this effort...”

SEPTEMBER 15, 2005. WORLD SUMMIT OUTCOME DOCUMENT (THE WORDING OF THE SECTION ON GLOBAL TAXES WENT THROUGH SEVERAL DRAFTS. YOU CAN COMPARE THEM ON PAGE 15).

“We **recognize the value of developing innovative sources of financing**, provided those sources do not unduly burden developing countries. In that regard, we take note with interest of the international efforts, contributions and discussion, such as the **Action Against Hunger and Poverty**, aimed at identifying innovative and additional sources of financing for development on a public, private, domestic or external basis to increase and supplement traditional sources of financing. Some countries will implement the International Finance Facility. Some countries have launched the International finance Facility for immunization. **Some countries will implement in the near future, utilizing their national authorities, a contribution on airline tickets to enable the financing of development projects...**”

NOVEMBER 2, 2005. JOINT STATEMENT BY BRAZIL, CHILE, FRANCE, GERMANY AND SPAIN.

“The creation of international taxes as an element in the development financing system. These taxes should be nationally applied and internationally coordinated.”

“Among the formulas which should be considered are:

- A domestically applied and internationally coordinated levy on international financial transactions...
- A domestically applied and internationally coordinated tax on arms purchases, levied on all heavy conventional weapons purchases

- A domestically applied and internationally coordinated levy on air transport travels.
- SDRs. We reiterate our interest in further pursuing the proposals for new issuances of Special Drawing rights (SDRs), as a mechanism for financing development...”

FEBRUARY 28-MARCH 1, 2006. PARIS CONFERENCE ON INNOVATIVE DEVELOPMENT FINANCING MECHANISMS. Representatives of 93 states are reported to have attended.

Kofi Annan speaks and endorses the global tax initiative, saying:

“Innovative sources of financing should not be seen as a replacement for traditional forms of aid. Rather, they are meant to generate even more money for development, and to channel resources more effectively. And there are some very promising possibilities on the table.”

French President Jacques Chirac told the conference:

“The solidarity levies we are discussing today can serve as an example and as experience, but they are only initial projects. **We need to advance much more quickly and much further.**”

Mr. José Antonio Ocampo, U.N. Under-Secretary-General for Economic and Social Affairs, declared:

“Let me start by expressing how delighted I am to participate in this conference. **My Department, through its Financing for Development Office, has been fortunate to be the UN counterpart of the countries supporting the Action Against Hunger and Poverty, which have brought innovative sources of financing to the centre of world attention.** Furthermore, as the Secretary-General has just said, we have taken a major step forward on this front, from theory into practice. **We were set on this path by the Presidents of Brazil, Chile and France and the Secretary-General in Geneva in January 2004,** followed by President Lula at the meeting of world leaders in New York in September 2004. Our gratitude goes today to President Chirac and the Government of France for providing us an opportunity to make this move decisive—and one that leads to concrete results.

“...**Last September in New York, this call received the full backing of world leaders.** Innovative financing processes can, and should, help the market support social inclusion...”

“...Finally, **on the specific innovative mechanisms now at hand, I can only praise the extensive efforts made by all of you for moving to action—and**

encourage others to join in, with speed. We have two concrete initiatives currently being implemented: the IFF for immunization, and the contribution on airline tickets to facilitate access to drugs for fighting HIV/AIDS, tuberculosis and malaria. The long-term need for an adequate supply of these drugs could be assured through support for an International Drug Purchase Facility (IDPF).

“Yet, while we drive ahead on action, **I urge you to keep the pace in exploring other innovative mechanisms, complementary to those being implemented, which could also increase and supplement traditional sources of financing.** And we need to remember the two overarching concerns here: to help governments reach their development goals, including the MDGs by 2015; and to help fill a potential financing gap after 2015, which could jeopardize advances made up to that point...

“Among other proposals mentioned in previous reports—such as those by WIDER, the Group of Six and the Landau report—some seem to show promise for producing large, stable and long-term resource flows to developing country budgets. Our evaluation, in the World Economic and Social Survey 2005 and elsewhere, shows that **a tax on carbon emissions and a tax on financial transactions would generate the most revenues.**

“Their overall desirability would need to be weighed against that of other options, such as establishing an arms tax; using Special Drawing Rights (SDRs) for development; creating premium bonds; or establishing a lottery to finance UN funds and programs, on which the WFP [World Food Program] has a proposal today...”

A Leading Group on Solidarity Levies is created from the Paris conference, including Algeria, Austria, Belgium, Benin, Burundi, Brazil, Cambodia, Cameroon, Cape Verde, Chile, Congo, Cyprus, Ethiopia, France, Gabon, Germany, Guinea-Conakry, Haïti, India, Ivory Coast, Jordan, Lebanon, Luxemburg, Madagascar, Mali, Mauritania, Mauritius, Mexico, Morocco, Mozambique, Namibia, Nicaragua, Niger, Norway, Spain, South Africa, South Korea, and United Kingdom.

March 9, 2006. America’s Survival, Inc. initiates letter to John Snow, Secretary of the Treasury, urging him to take immediate action to resist and reject an effort by the French government to put the issue of global taxes -- or “solidarity levies” or “solidarity contributions” – on the agenda of the July G8 summit that will be held in Russia.

Changes in references to global taxes in World Summit Outcome Document

June 3, 2005 Version

“Underline the urgent need for increased investment now, and therefore for immediate front-loading of additional ODA commitments; and in that regard, **welcome the decision to launch, in 2005, an International Finance Facility** to support an immediate front-loading of ODA commitments and encourage broad participation; and also **welcome the pilot-project of an international solidarity contribution on plane tickets** to finance the fight against HIV/AIDS and other pandemics, and **decide to consider other solidarity contributions that would be nationally applied and internationally coordinated...**”

July 22, 2005 Version

“We recognize the need for increased and more predictable resources, and in that regard take note with interest of international efforts, contributions and discussions such as the Action Against Hunger and Poverty aimed at identifying innovative and additional sources of financing for development on a public, private, domestic or external basis. **We also welcome the pilot projects to be implemented on a voluntary basis for IFF immunization and a solidarity contribution on plane tickets to finance development projects, in particular in the health sector, including the fight against HIV/AIDS and other pandemics, and agree to consider further other solidarity contributions that would be nationally applied and internationally coordinated.**”

August 10, 2005 Version

“We recognize the need for increased and more predictable resources, and in that regard take note with interest of international efforts, contributions and discussions such as the Action Against Hunger and Poverty aimed at identifying innovative and additional sources of financing for development on a public, private, domestic or external basis and complementary to official development assistance. **We also welcome the pilot projects to be implemented on a voluntary basis for an international finance facility for immunization and a solidarity contribution from plane tickets to finance development projects, in particular in the health sector, including the fight against HIV/AIDS and other pandemics, and agree to consider further other solidarity contributions** that would be nationally applied and internationally coordinated.”

September 15, 2005 **Final Version.**

“We recognize the value of developing innovative sources of financing, provided those sources do not unduly burden developing countries. In that regard, **we take note with interest of the international efforts, contributions and discussion, such as the Action Against Hunger and Poverty, aimed at identifying innovative and additional sources of financing for development** on a public, private, domestic or external basis to increase and supplement traditional sources of financing. Some countries will implement the International finance Facility. Some countries have launched the International finance Facility for immunization. **Some countries will implement in the near future, utilizing their national authorities, a contribution on airline tickets to enable the financing of development projects...**”

“We are short by \$65 billion each year...”

- *Jeffrey Sachs, adviser to U.N. Secretary-General Kofi Annan, on how the U.S. is failing to meet the Millennium Development Goals (MDGs).*

“Proposals for any form of global taxation meet immediate opposition from powerful elements in the US Congress. On the other hand, there is widespread appreciation of the need for new resource flows to allow the MDGs to be achieved.”

- *A.B. “Tony” Atkinson, editor of U.N.-sponsored book, *New Sources of Development Finance*.*

“The debate has already entered the United Nations.”

- *José Antonio Ocampo, Under-Secretary-General for UN Economic and Social Affairs, on the subject of global taxes.*

“However strong the Americans may be, in the long term, you cannot successfully oppose a position taken by 110 countries. You can’t oppose that forever.”

- *French President Jacques Chirac on U.S. opposition to a declaration in favor of global taxes endorsed by 110 countries.*