

# NEWSLETTER OF THE PARLIAMENTARIAN WORLD APPEAL FOR THE 'TOBIN TAX'

<http://tobintaxcall.free.fr>

Welcome to the August/September Newsletter of the World Parliamentarians for the 'Tobin Tax'. If you would like to have this newsletter sent to other Parliamentarians, NGOs or anybody else, or to obtain further information, you can contact us by e-mail: [tobintaxcall@free.fr](mailto:tobintaxcall@free.fr)

Yours sincerely,

**Harlem Désir and Glyn Ford**

"Capital Tax, Fiscal Systems and Globalisation" Intergroup

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## **1. 'Tobin Tax' on the agenda of the Belgian Presidency of the European Union**

At the Economist Hearing on the 'Tobin Tax' organised in the European Parliament by the "Capital Tax, Fiscal Systems and Globalisation" Intergroup, Charles Picqué, Belgian Minister for Economy and Scientific Research, announced that the 'Tobin Tax' would be on the agenda of the ECOFIN Council of the 22 and 23 September to be held in Liege just before the annual meeting of the IMF and the World Bank.

This is a major step for the fight to install a tax on international financial transactions. The European Member States must take this opportunity to support the installation of such a tax within the international institutions. Following this announcement, the ATTAC Committee of the French National Assembly sent a letter to Prime Minister Lionel Jospin asking official French government support for the Belgian Government's initiative.

*The report of the Finance Council on the installation of a 'Tobin Tax' can be consulted on the website of the Belgian Ministry of Finance: <http://minfin.fgov.be>, under the news section (only available in French and Dutch)*

## **2. Economist hearing in the European Parliament**

At the hearing of economists that was held on Wednesday 27<sup>th</sup> June in the European Parliament, participants has a positive discussion on the technical and political aspects of the installation - and the conditions for the installation of - a Tobin-type tax at a European level.

Professor Anthony Clunies-Ross of Strathclyde University, Glasgow, Bruno Jetin, Assistant Professor at the University of Paris XIII and a member of the ATTAC-France Scientific Council, and Paul Bernd Spahn, Professor at Goethe University, Frankfurt, explained to an audience of European members of parliament and representatives of European NGOs, the different techniques for taxation of the international currency market.

Professor Spahn, a former consultant for the IMF, presented his proposition for a two-tier tax: firstly: a minimal rate transaction tax (0.02%) that would raise about US\$ 60 billion a year, representing more than the current public aid to development, and secondly: an exchange surcharge that, as an antispeculative device, would be triggered only during periods of exchange rate turbulence. The economists also explained how the tax could be implemented in a unilateral fashion.

Professor Denys from the University of Brussels made it clear that such a tax would be legal within the terms of Article 93 of the Treaties and also that the independence of the European Central Bank could not be an argument against the tax; the ECB controls monetary policy and the Council currency stabilisation but the Council could easily instruct the ECB to introduce such a tax.

'There are now no intellectual arguments against the introduction of such a tax to help curb the kind of currency speculation that destroys companies and countries, lives and livelihoods', said Glyn Ford MEP, Secretary of the Intergroup. 'We now require plans on how to implement the tax and what its optimum level should be: this will ensure that there is no impediment to trade and will raise enough money to start pulling the poorest fifth of the world out of poverty - the 1.2 billion people living on less than a dollar a day', added Harlem Désir, President of the Intergroup.

*A detailed report of the hearing and of the roundtable on the Belgian presidency that followed can be found on the website of the World Appeal for Parliamentarians for the 'Tobin Tax': <http://tobintaxcall.free.fr>*

This year's Hearing follows the Interparliamentary Meeting that was organised on 28 June 2000, where Parliamentarians, Economists and NGOs from Europe, Canada, America and Tunisia came together to debate the 'Tobin Tax' in the European Parliament. The proceedings of this conference have now been published in French and English and can be obtained by emailing the following address: [tobintaxcall@free.fr](mailto:tobintaxcall@free.fr)

## **3. Mexico: Tobin resolution to be tabled**

The Mexican federal deputy Rafael Hernandez Estrada who has just joined the World Appeal for Parliamentarians in favour of the 'Tobin Tax', has kept us informed on the progress of the political campaign for the 'Tobin Tax' in his country. A press conference to list all the

Members of Parliament in favour of the 'Tobin Tax' will be organised during the summer and will be followed by the tabling of a resolution before the permanent committee of the Union's Congress.

#### **4. 36 Argentinean Parliamentarians join the World Appeal**

As announced in the last newsletter, a draft resolution should soon be tabled in Argentina. During the presentation of this resolution, "ATTAC Argentina" received the signatures of 36 Parliamentarians to be added to the World Appeal for the 'Tobin Tax'.

*The ATTAC Argentina website can be consulted on <http://www.attac.org/argentina>*

#### **5. 'Eminent' UN team calls for another study**

A panel of 'eminent persons' appointed by Kofi Annan to look into innovative sources of finance for development has declared that "further rigorous technical study is needed before any definitive conclusion is reached" on the 'Tobin Tax'. The panel, which included Robert Rubin, former US Treasury Secretary and Jacques Delors, former President of the European Commission, was chaired by ex-Mexican President Ernesto Zedillo. The call follows the promise of a study at the UN special session in Geneva last year where 147 countries backed an, as yet unfulfilled, pledge to study the tax.

*Information published thanks to Steve Tibbett from War on Want (UK),*  
<http://www.waronwant.org>

#### **6. TGW Union in favour of 'Tobin Tax'**

The Transport and General Workers' Union, the UK's second largest trade union, with a membership of nearly 900,000, has adopted a motion in support of the 'Tobin Tax'. The motion also commits the union to campaign for the measure. The T&G's support follows that of million-strong public sector union UNISON and the Trade Union Congress, as well as other large UK unions and the 156-million-strong International Confederation of Free Trade Unions.

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*[The Newsletter of the Parliamentarian World Appeal for the Tobin Tax has been realised by Elsa Jacquemin, Elodie Sellar and Philippe Burguière](#)*