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CIVIL SOCIETY GROUPS INTENSIFY CAMPAIGN FOR FINANCIAL TRANSACTION TAX

The UK is still firmly opposed

Civil society organisations (CSOs) are continuing to pile pressure on rich countries to adopt the financial transaction tax (FTT), also called the Robin Hood tax, which they say will raise billions of dollars to address global health issues and help end poverty in developing countries. CSOs are hoping that some of the proceeds of an FTT will flow to the Global Fund.

The FTT would apply to transactions such as the purchase and sale of stocks, bonds, options and futures contracts. Proponents of the FTT say that the tax would be extremely small (e.g., 0.005% of the value of futures contracts linked to equities).

CSOs staged coordinated events around the world to mark the Robin Hood Tax Global Week of Action from 15–22 May. The Week of Action was organised to coincide with two major meetings; the G8 Summit on 18–19 May at Camp David, Maryland, US; and the European Finance Ministers Meetings on 15 May and 22 June. The FTT was on the agenda of the European meetings.

As part of the week of action, a huge rally of nurses dressed in Robin Hood hats marched on the streets of Chicago, while others gathered on Mount Fuji in Japan. There were also demonstrations in Britain, Italy, Germany, India, Brazil, Zambia, Malawi and Belgium. In addition, hundreds of European CSOs wrote to European governments to urge them to ensure that proceeds from the tax are used to address global health, poverty and climate change.

During the Week of Action, a group of UN experts called for acceptance of the tax. In a statement, the Special Rapporteur on extreme poverty and human rights, Magdalena Sepúlveda, said:

“Where the world financial crisis has brought about the loss of millions of jobs, socialized private debt burdens and now risks causing significant human rights regressions through wide-ranging austerity packages, a financial transaction tax is a pragmatic tool for providing the means for governments to protect and fulfill the human rights of their people.”

According to the UN office of the High Commissioner of Human Rights (OHCHR), estimates suggest that the FTT would yield at least \$48 billion, and perhaps as much as \$250 billion, every year, across the world’s largest economies, the Group of 20.

In a symbolic move during the Week of Action, the European Parliament approved the idea of an FTT, and said that the tax should go ahead even if only some European Union (EU) member states opt for it. (The European Parliament does not have the power to impose the tax on EU member countries.)

In March 2012, Aidspan published an article on the FTT in [GFO 178](#). As reported in that article, opinion among European governments is divided. France and Germany are in favour of the FTT, but the UK is opposed.

“A financial transaction tax (FTT) is a bad idea,” British Prime Minister David Cameron told reporters as he left an EU summit meeting in Brussels in May. “It will put up the cost of people’s insurance, put up the cost of people’s pensions, it would cost many, many jobs, and it would make Europe less competitive and I’ll fight it all the way.”

Newly elected French President, Francois Hollande, supports the FTT, and promoted the idea at the G8 Summit. The latest “Eurobarometer” survey shows that 66 percent of Europeans favour such a tax.

Information for this article was taken from various sources including The Telegraph and the International HIV/AIDS Alliance

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