

NO TAXATION WITHOUT REPRESENTATION WHY THE FIGHT FOR GLOBAL TAXATION MUST ALSO BE A FIGHT FOR GLOBAL DEMOCRATIC INSTITUTIONS

Why fight for global taxation?

Our unions are right when they fight for global taxation – a global clamp on tax havens, and a system of global taxes. Indeed, from radical to mainstream, the political projects of the left are all dead as national projects in an age of globalisation. Socialism, social democracy, the welfare state, even social-anarchism and communism - these are all dead if they are only for national solutions. **Today, leftwing politics can only survive as a global political project.**

Why? This is because markets are global and democracy is not. Global markets mean that money can cross borders and escape our democratic control. If we vote for national tax, multinationals corporations (like the banks or Vodafone) can very easily move somewhere else. Multinationals come to our national governments and threaten that 'such high taxes make it unprofitable to be here, we'll produce somewhere else, with lower taxes' or 'with such high taxes we are less competitive than companies in other countries, we will have to lay-off workers'. Additionally, in a global economy multinationals can report that they make profit in countries where taxation on profit is lower (these are tax havens).

Our unions argue for a fantastic solution – if instead of national tax policies we have global tax policies, we've won the war. **If we have global taxation, multinationals and capital can't escape anymore.** They can't run away to where taxes are lower, because there is simply nowhere to go to. We can get back the control we had before the age of economic globalisation - but now on a global scale.

But global taxation is not enough.

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Our unions are right.

The only alternative to the cuts is global: fighting global tax-havens and creating global taxation.

But there should be no global taxation without global representation.

If we globalise taxes we have to make sure we globalise democratic control, that we democratise global institutions.

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Evo Morales, Bolivian president, and George Monbiot, Guardian journalist, call for creating New Democratic Global Institution.



Boutrus-Boutrus Rally, former UN Secretary General, calls for Democratizing the UN.

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Why fight for global representation?

Our unions also miss a crucial part of the solution – the need for global democracy. If we want to create global taxation or globally clamp down on tax havens, we need to rely on global institutions to do the job. There is no way to enforce global policies without global institutions, old or new.

“No taxation without representation,” shouted citizens in British colonies 250 years ago. They were rightly saying that they would not agree to be subjected to policies (taxes) over which they had no democratic control. There is no reason why this will be different this time. **The only global institutions we have today are undemocratic:** the World Trade Organization, the International Monetary Fund, the World Bank and the United Nations Security Council are all controlled by the rich and powerful governments and the lobbyists of multinational corporations.

People hate these global institutions because they are undemocratic. They are right. We should not give more power to global institutions without us having global democratic control; without representation; without us having a say. That means either a radical democratic reform of global institutions, or the creation of new, democratic, global institutions. **Yes, global taxation is the solution, but global taxation needs to come with global democracy. Otherwise we just give power to those who created the problem.**

Around the world, many support globalising democracy. Evo Morales, the Bolivian president, wants to have regular global referendums. George Monbiot, the Guardian’s columnist, suggests to create a world parliament with consultative powers. Albert Einstein wanted world federalism. Boutrus-Boutrus Rally, former head of the UN, wants to add a directly elected second chamber to the UN – a UN Parliamentary Assembly. All these ideas have problems, but they all provide a starting point for a discussion we must have – how to globalise democracy.

Join us in an old-new call: **No global taxation without global representation.**

Yes to global taxation, but not without globalising democratic control, not without democratic global institutions.