

CREATE A FINANCIAL TRANSACTION TAX, NOW!

Taxing the financial sector would enhance fairness. Moreover, this would increase government revenue, which is badly needed to support the transition towards more inclusive, fairer and cleaner societies. **While dumping purely speculative, socially useless activities, a financial transaction tax would promote the sustainable, long-term investments that are needed to green our economies.** And last but not least, a global financial transaction tax of 0.05% could yield revenue of about 1% of nominal world GDP per year. This would provide funding for long-term public investments, to finance global development and climate change. **Only through such policies can solidarity at a global level be enhanced.**



“A financial transactions tax is an idea whose time has come”.

Paul Krugman
(Economist and Nobel Prize winner, USA)

“It cannot be acceptable that the benefits of success in this sector are reaped by the few but the costs of its failure are borne by all of us”

Gordon Brown
(Prime Minister, UK)



“The globalization of financial markets has given financial capital an unfair advantage over other sources of taxation. A tax on financial transactions would redress the balance”.

George Soros
(Soros Fund Management and Open Society Institute, USA)

EUROPEANS FOR FINANCIAL REFORM

Europeans for Financial Reform is a coalition of progressive forces, ranging from NGOs to Trade Unions, citizens, academics and progressive politicians, that have come together to spearhead a campaign for real reform in our banking and financial system.

Partners: The Global Progressive Forum, CES/ETUC, CIS/ITUC, Solidar, UniGlobalUnion, FEPS, IGMetall, IUJ/UIITA/IUL, SOMO, Socialist Mutual Benefit Society, DGB, FGTV/ABVV, CNCD, AK, ÖGB, CEVEA, TUC, UNITE, The Party of European Socialists, the European Green Party, the S&D Group.



More information at www.europeansforfinancialreform.org !

FINANCIAL TRANSACTION TAX NOW!

0.05%

A TAX OF 0.05% ON EVERY FINANCIAL TRANSACTION

With over €3,000,000,000,000 worth of financial transaction worldwide, even the smallest tax rate can raise enormous revenue.

If we implement a global financial transaction tax today, it could generate more than €500 billion in revenue as early as next year, including nearly €200 billion for Europe alone.

- We need €200 billion a year to reach the Millennium Development Goals.
- We need €900 billion a year in order to avoid the worst consequences of climate change.
- In Europe alone, with a 0.05% FTT, you could create 2 to 3 million jobs.

0.05 % X €3,000,000,000,000 worth of financial transaction worldwide
= 2 to 3 million jobs created

Selected Country	Potential Tax revenue in 2011	Public deficit in 2011
Germany United Kingdom	€26bn €107bn	€115bn €187bn
Europe North America	€195bn €178bn	€884bn €1,497bn
World	€515bn	€2631bn

Source: European Commission, Austrian Institute for Economics

WE NEED A NEW TAX STREAM NOW!

A TAX TO GET THE BANKERS TO PAY FOR THEIR CRISIS! A TAX TO STOP SPECULATION!

We the people rescued a financial system that nearly destroyed us with its wild greed.

- The crisis has already cost 7 million Europeans their jobs.
- The crisis will have cost €6,000 in extra public debt for each European by the end of next year.
- Banks and investment funds are making profit again and are paying billions of Euros in bonuses.

The irresponsibility of both bankers and neo-liberal politicians caused the crisis. Speculation caused the crisis.

Over the last 15 years, the number of financial transactions has increased by 450%.

Today, even after the crisis, the financial system is 70 times bigger than the real economy.

It is not up to us to pay for the damage.

But it is up to us to make sure that this never happens again.



“If there is a better idea for fair burden-sharing between the world’s Main Streets and its Wall Streets, let’s hear it. If there isn’t, let’s have a FTT now.”

Peer Steinbrück
(former Finance Minister, Germany)

A FINANCIAL TRANSACTION TAX NOW!

**They say it’s too difficult and too expensive;
We say it’s the easiest, cheapest and most popular tax ever.**

The main part of financial transaction is done electronically. All fees and transaction costs are already levied directly: the transaction tax is just the same, as simple as adding a line of computer code. And it’s cheap too: there’s no tax person going door to door, no complicated tax declaration to control. **So, the financial transaction tax can be levied easily and at very low costs.**

**They say it can’t be done;
We say it’s already being done.**

In the UK, home of the majority of financial transaction in Europe, a 0.5% tax on buying and selling company stock (the “stamp duty”) has been enforced since...1694. Currently, 7 out of the 27 EU Member States as well as Switzerland have a form of FTT. Most other countries, including the USA, have had one at some point in history.

**They say it will be harmful;
We say it’s the lack of regulation that is harmful.**

A global or European financial tax will have an impact on the financial market, in slowing socially useless speculation and allowing others, longer-term ones, to take place – like productive investment. **This tax only concerns financial actors, not ordinary citizens.**

**They want to go back to business as usual.
We say to them: failed business is closed for business.**