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Editorial

Gillian Brock and Thomas Pogge*

Global Tax Justice and Global Justice

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Concerns over climate change, global recessions, financial volatility, health deficits in poor countries, world poverty, and economic injustice have all resulted in global taxation policy proposals. These include proposals of carbon taxes, currency transaction taxes and air-ticket taxes, as well as of reforms governing tax havens, shell companies, corporate profit shifting, disclosure requirements and international enforcement collaboration. Such initiatives are currently enjoying serious analysis, attention and, in some cases, implementation success. While issues concerning national taxation have long concerned philosophers – invoking core questions about the legitimacy of governments and their appropriate functions as well as about the nature of freedom, coercion and property rights – issues of global taxation and international tax fairness have not received anything like the same attention. Through a special issue of this journal, we aim to remedy such neglect, stimulating further interest especially among moral and political philosophers who we hope will be motivated to turn their attention to many of the important normative questions that deserve more sustained analysis.

The essays collected in this volume are written against the background of several salient debates in the domain of global justice. Among the questions prominent in these debates are the following: What does global distributive justice consists in? What obligations do people in one country have to foreigners? In particular, what do citizens of affluent countries owe those who live in extreme poverty in the developing world? What responsibilities, if any, arise from basic human rights? How, if at all, does membership in a state matter to individuals' global obligations? Is partiality toward compatriots justified in a

***Corresponding author: Thomas Pogge,** Department of Philosophy, Yale University, New Haven, USA, E-mail: Thomas.pogge@yale.edu
Gillian Brock, Department of Philosophy, University of Auckland, Auckland, New Zealand, E-mail: g.brock@auckland.ac.nz

world filled with the more pressing needs of non-compatriots? Is there any role for national self-determination in defensible accounts of global justice? How are obligations of global justice (assuming there are such) to be implemented or enforced? Are there any institutional requirements that must be realized for global justice to be possible in this actual world? Is some global community or solidarity needed before progress can be made toward reducing global injustice? Is global democracy feasible or desirable? How should globalization be governed or reshaped so that it promotes a fairer distribution of life chances? Why would sovereign states be interested in taking any steps in this actual world to promote a more just international order? How can individuals, organizations and states be motivated to advance global justice, or, indeed, are there so many obstacles that hopes of summoning the required motivation are unrealistic?

Clearly, these are important debates that provide essential context for the themes here explored. How might issues of tax justice intersect with these debates about global justice more generally? In numerous ways – but here are two salient connections of special significance for the essays in this volume: practices of international taxation sustain a substantial headwind against which developing countries must struggle and failure to pay or collect taxes greatly reduces revenues available to address poverty, which is among the most pressing global injustices humanity is currently facing. In both these ways, the capacity of poor countries to advance their own development is substantially impeded by an unjust global taxation regime that richer, more powerful states are imposing on them. In reviewing these two factors, we will focus on the latter in particular.

Tax abuse[1] causes especially grave harm to development and democracy in the poorer countries, which typically lack the expertise, administrative capacities and political clout to effectively curb tax dodging by large corporations and wealthy individuals. Through such tax dodging, poor countries incur disproportionately large losses of capital and potential tax revenues, which often compels them to impose excessive tax burdens on non-wealthy citizens and on smaller, purely domestic businesses. As a result, many of these countries are unable to

1 It is worth pointing out before we continue that there is a large grey area between tax evasion and avoidance; aggressive tax planning often involves elements of both and even specialists do not always agree on how to distinguish the two. We refer to the most aggressive schemes that include tax evasion and the grey area of tax dodging, such as is represented by transfer mispricing schemes, as “tax abuses”. For more on the terms and their application, see IBAHRI (2013).

secure minimally decent lives for their citizens along with social cohesion and robust democratic institutions. Such countries then find their civic and economic progress severely retarded, their governance institutions weak and vulnerable to corruption and their citizenry mired in severe deprivations and civil strife (Brock, 2009; Cobham, 2006; Frey and Torgler, 2006; Lopatin, 2002; Oxfam, 2000; Vigueras, 2005).

Developing countries suffer tax abuse from two main classes of agents: their own rich citizens and foreign multinational enterprises. Tax abuse by rich citizens is far more common in poor than in rich countries. Boston Consulting Group estimates that 33.3% of all private financial wealth owned by people in Africa and the Middle East and 25.6% of such wealth owned by Latin Americans – some $2.6 trillion – is kept abroad; while the analogous estimates for North America and Europe are 1.8% and 7.9%, respectively (Boston Consulting Group, 2013, pp. 4 and 11, and Lopatin, 2002). To collect taxes on the income and capital gains produced by this wealth, poor countries must largely rely on the honesty of their taxpayers as they lack access to information about their citizens' overseas holdings and capital income. Tax abuse by multinational enterprises is crucially facilitated by tax haven jurisdictions through which some 50% of all global trade is channeled (Christensen and Hampton, 1999). Tax havens are used to execute transfer pricing schemes (discussed shortly) and other complex financial structures that facilitate tax dodging and reduce transparency.

It is estimated that these two central kinds of tax abuse deprive developing countries of potential tax revenues that far exceed the annual flow of aid (Baker, 2005; Cobham, 2005). Perhaps even more damaging are the associated losses to the country's economy: losses of capital that rich citizens keep overseas and losses of potential profits that multinational enterprises siphon off into their tax haven subsidiaries in order to escape the national taxes that would otherwise be due on these profits. According to the non-governmental organization Global Financial Integrity, the financial losses suffered by developing countries have amounted to about $6 trillion in the decade ending in 2011 and to about $1 trillion per annum more recently (Kar and LeBlanc, 2013) – about eight times the sum total of all official development assistance.

Let us highlight in somewhat more detail four worrisome behaviors that can highlight the main problematic features of tax abuse.

A. Transfer mispricing and other techniques of corporate profit shifting;
B. Massive lobbying by businesses, the wealthy or the well-connected for tax holidays, exemptions, and other favorable tax treatment;
C. The role of offshore tax havens and secrecy jurisdictions;
D. Practices concerning taxation of natural resources.

A. Transfer mispricing and other techniques of corporate profit shifting

The basic point of these techniques is to transfer profits to jurisdictions with low or zero tax rates. The OECD labels this kind of tax abuse as “base erosion and profit shifting”. It aims to move profits to places where low taxes apply and move expenses to jurisdictions where the tax relief they afford is comparably higher. The overall effect is one of eroding the corporate tax base in jurisdictions with higher tax rates. A central mechanism for enacting this strategy is transfer mispricing.

Transfer mispricing constitutes one of the most damaging international tax abuses. Its scale is vast. Approximately 60% of international trade takes place among subsidiaries of the same multinational enterprise. For the last 10 years, transfer mispricing has accounted for about 80% of illicit financial outflows from developing countries (Kar, 2012; Henry, 2012).

“Transfer pricing” is a recognized accounting term for sales and purchases that occur within the same company or group of companies. Transfer mispricing occurs when such sales and purchases occur at prices that are higher or lower than prevailing market prices. The point of such mispricing is to shift profits into subsidiaries in tax havens, where profits are untaxed or taxed at very low rates. Often, a company’s sole reason for having subsidiaries in tax havens is to siphon off profits from other subsidiaries that are conducting the company’s business of manufacturing and selling. With such tax-haven subsidiaries in place, a multinational enterprise can dodge taxes on profits: by exporting to tax-haven subsidiaries at artificially low prices or by importing from tax-haven subsidiaries at artificially high prices. Such mispricing is supposedly constrained by the “arm’s length principle” which requires transactions among subsidiaries of the same enterprise to be priced as comparable transactions among unrelated parties would be. But this principle is difficult to apply and enforce for goods and services that do not have commonly traded equivalents. Examples are unique parts for a specific product, such as a product-specific engine or battery, consulting services to be called upon as needed, the license to use a specific trademark or recipe. In all such cases, it is very difficult for any tax authorities – and especially those of the poorer countries – to challenge suspiciously high prices that the national subsidiary has agreed to pay to one of its sibling subsidiaries abroad or suspiciously low prices it has agreed to accept from one of those siblings.

Insofar as multinational enterprises succeed, they will register no profits in many countries in which they manufacture or sell, and hence pay no taxes there, while registering large profits in tax havens where they have only a token presence. Because this corporate practice drains many – especially poorer – countries of badly needed tax revenues, it is urgent to think about how such tax abuse through transfer mispricing might be curbed through improved international rules.

B. High levels of lobbying for favorable tax treatment

Wealthy individuals and multinational enterprises have excessive influence in shaping tax laws and tax practices in their favor. They also have powerful incentives to engage creative accountants and legal advisors to help devise sophisticated structures that enable them to circumvent the law. Such opportunities facilitate massive tax abuse, effectively providing one set of rules for the wealthy or well-connected and another set of rules for the rest.

Furthermore, taking advantage of developing countries' perception that foreign direct investment is desirable, would-be investors often negotiate favorable tax treatment. This can promote unfairness to other taxpayers who do not have the same kind of bargaining power to negotiate such advantageous terms as multinational enterprises and privileged individuals do. There is also huge potential for corruption in negotiating these tax concessions. This is especially unfair as tax holidays and tax incentives rarely bring the societal benefits imagined (McClure, 1999).

Lobbying for tax holidays is by no means confined to developing countries, but also common in highly industrialized countries such as the United States. Multinational corporations can concentrate their profits in foreign tax havens, but these jurisdictions typically afford only very limited investment opportunities. For this reason, US-based multinationals will eventually want to bring these funds home to the United States. Such repatriations, however, are normally subject to the usual US corporate tax rate of 35% minus foreign taxes already paid (if any). If US-based multinationals had to pay this tax, they would lose the entire benefit of routing so much of their business through tax havens: they might as well pay taxes in the countries where they have substantial manufacturing or sales and then subtract such taxes paid from their US taxes due.

But US-based multinationals have found a way around this problem: they lobby for tax holidays, periods in which they can repatriate their accumulated profits in tax havens at a reduced tax rate. A classic example of such a tax holiday is the (seriously misnamed) *American Job Creation Act* of 2004, which temporarily allowed the repatriation of profits at an 85% discount: at a tax rate of 5.25% rather than 35%. Hundreds of billions of US dollars were repatriated under this *Act* by companies that had very heavily lobbied in its favor. In fact, these 93 companies spent USD 282.7 million on ensuring passage of the *Act*. Their tax savings were, however, considerably higher: USD 62.5 billion, to be exact. The ratio of these two numbers works out to 221:1, which means that these companies, in aggregate, saved USD 221 for every dollar invested – USD 62.2 billion in total (Alexander, Mazza, and Scholz, 2009, p. 404). This is a happy outcome for them – and also for the politicians who collected the corresponding campaign contributions – but a sad outcome for US taxpayers, who have to make up for the tax revenue lost in the tax holiday.

Tax holidays in the United States are disastrous also for ordinary taxpayers in other countries because such holidays sustain the incentive for US-based multinationals to siphon off profits into tax-haven subsidiaries. Without the prospect of a heavily discounted US tax rate, these multinationals would simply pay the taxes they owe abroad and then fully offset them through tax credits against their US taxes. US tax holidays therefore also harm the developing world by producing substantial capital outflows and tax revenue losses. These harms are exacerbated by the tax breaks that multinational enterprises exact from the developing countries directly. A recent Christian Aid report documents, for instance, how Sierra Leone has been spending vastly more on tax give-aways, mainly to foreign mining companies, than on its health and education budgets combined.[2]

C. The offshore impact

Enormous amounts of private wealth are stored in what are variously called “offshore” or “secrecy” jurisdictions. These secrecy jurisdictions impose minimal or no tax obligations and, more importantly, offer secrecy concerning financial information. A secrecy jurisdiction is one in which there is a lack of transparency about a range of important financial matters needed to tackle tax abuses and corruption.

It is hard to see why bank secrecy is legitimate especially when one considers its effects on attempts to enforce the tax laws in all countries. Secrecy jurisdictions are places that create regulation specifically and primarily for the benefit of non-residents. This regulation is intentionally designed to facilitate the circumvention of legislation or regulation in other jurisdictions. And to make sure that those who use the secrecy jurisdiction are protected, elaborate legally backed structures ensure that those non-residents cannot be identified to outside parties.

2 See http://www.christianaid.org.uk/pressoffice/pressreleases/april-2014/tax-breaks-for-multinationals-outstrip-spending-on-schools-and-clinics-in-sierra-leone.aspx.

Securely investing large amounts of private wealth in offshore jurisdictions is a complex matter and relies on a number of expert skills such as those of financial planners, tax lawyers, accountants, bankers, and estate planners. Those who embark on such ventures rarely do so without enlisting the help of such experts. Indeed, an entire industry of firms is flourishing to address this particularly lucrative international market. All of this comes at huge costs to global justice: enabling rich elites of developing countries to stash their wealth offshore leaves them untaxed and unaccountable to their poor compatriots who lose out as a result.

D. The corrupting influence of natural resource deals

In many poor countries, the revenue that would be derived simply from resource licenses and concessions, if received and properly spent, would be more than enough to finance what is necessary to shore up an effective state capable of helping citizens to live decent lives. But too often deals are forged in private without proper oversight or democratic accountability. There is little transparency about natural resource deals and ample scope for massive corruption and misappropriation of funds. This problem is also huge. Approximately 3.5 billion people live in resource-rich poor countries. Most of them would substantially benefit from mandated transparency and accountability in natural resource deals.

Combating the problems identified here involves several kinds of reforms and participation from a range of actors. Key components of solutions seem to include at least the following ten:

(1) Raising awareness around tax issues and their harmful effects;
(2) Reworking international standards, practices, laws, codes, and policies;
(3) Promoting a culture of compliance through appropriate monitoring, oversight, and mandatory information sharing;
(4) Increasing appropriate levels of transparency concerning tax and related matters;
(5) Devising systems and institutional innovations that can harness the power and opportunities related to transparency initiatives;
(6) Increasing cooperation and collaboration among multiple stakeholders on tax issues;
(7) Sharing financial information across national tax authorities;
(8) Increasing international assistance to help governments in developing countries who would welcome support in improving tax performance;

(9) Ensuring relevant professionals are mindful of their professional and legal obligations related to tax duties;
(10) Strengthening the role of civil society in improving governance and accountability.

There are promising moves in all of these directions. To give one example, there are some powerful measures in place that aim to end bank secrecy. The US Foreign Accounts Tax Compliance Act (FATCA) came into force in January 2013. This Act makes it mandatory for foreign financial institutions to determine which of their clients could be US citizens or "US Persons" and to pass on account details to the US Internal Revenue Service. The aim is to identify US tax evaders. This significant step has added considerable momentum to global efforts toward instituting automatic exchange of information, eliminating offshore bank secrecy and curbing tax evasion.

High-profile prosecutions have had notable effects as well. Wegelin and Co., one of Switzerland's oldest banks, was successfully prosecuted and found guilty of helping US taxpayers evade taxes through secret accounts. There are investigations currently underway into a number of other Swiss banks to examine whether they are guilty of similar offences.

Why might there be important responsibilities to reform global tax arrangements in the ten directions noted? There are at least two powerful ways to argue for these responsibilities from normative perspectives that cut across diverse ideological positions and so should be compelling to a wide audience.

(i) *Duties not to harm*: One point of convergence in normative discussions is a common view that one ought do no harm. Whatever the merits of taking actions to benefit or assist others, one should be especially vigilant to avoid doing harm to others. The so-called negative duties are especially stringent, and one must attend to them as a matter of great moral importance (Pogge, 2008). We might draw attention to the fact that the taxation arrangements and practices described here often do facilitate vast levels of tax escape that have profoundly harmful consequences, especially for ordinary people in the poorer countries. Those who prevent developing countries from collecting due tax revenues on a grand scale and thereby prevent these countries from providing essential public goods and services to their populations are thereby harming those who consequently suffer severe deprivations.
(ii) *Duties to respect human rights*: Inadequately funded governments are also unable to secure and provide what people need to realize their human rights. Tax abuses have important impacts on human rights realization (IBAHRI, 2013). Quite simply, when governments are unable to collect the revenue they need, human rights go unrealized or are under threat.

> Insufficient funds means inadequate resources and institutions for upholding civil and political rights and inadequate programs for securing economic and social rights. Under international conventions, the primary obligation for protecting the human rights of a population lies with their state. When tax abuse endangers the fulfillment of human rights, it is primarily the responsibility of states to effect the necessary revisions to their tax laws and tax practices. Yet, there are also obligations not to impede, and to assist, states in such efforts, which fall upon accountants, lawyers, transnational organizations and citizens.

Those seeking to reform existing taxation arrangements in the direction of fairness often use either or both such strategies. They draw attention to the ways in which current taxation practices facilitate vast levels of tax escape that have profoundly harmful consequences, especially for those in the developing world. Inadequately funded governments are also unable to secure and provide what people need to realize their human rights.

Multinational enterprises are heavily implicated in the practices of tax abuse described above. The first essay in this special issue makes the case that these tax abuse practices are worthy of considerable attention by global justice scholars. In "Global Tax Justice and the Resource Curse: What Do Corporations Owe?," Zorka Milin argues that tax abuse by multinational extractive corporations should be an important subject of attention for global justice theorists. Multinational extractive corporations manage to contribute very little to the revenues of the developing countries in which they operate. They achieve this goal by pressuring, bribing or misinforming officials of these countries. As a result, the citizens of those countries are deprived of their fair share of the value of the natural resources extracted from their territory. The amounts of income lost are vast, much larger than all development assistance taken together, and the impact of this kind of tax abuse on the impoverished people of developing countries is therefore enormous. The conduct of extractive multinationals also has severe adverse effects on the quality of governance in the resource-rich countries by corrupting their politicians and officials and by attracting unscrupulous people to seek such offices. Milin argues that such corporate conduct, though often not illegal, is nonetheless highly unjust: it aggravates already extreme global inequalities, it violates the idea that corporations should be good citizens in the countries in which they operate, and it continues to drain national treasure from countries that had already been severely impoverished during the colonial period. Milin's argument assists in casting doubt on several dominant assumptions such as that corporate tax breaks are needed to encourage foreign investment and that tax abuse by multinational corporations is a purely domestic issue.

If one is concerned to attend to harmful practices that one is involved in perpetuating – as stringent negative duties require – then practices of harmful tax competition warrant normative attention. There is a widespread perception that states need to compete with one another to attract investment and that this is a necessary part of promoting citizens' interests, especially their economic interests in growth and prosperity. There is interesting research about whether such strategies do in fact promote citizens' interests in the ways imagined, but be that as it may, many states believe that they must enter the game of tax competition in order to keep up or catch up with other countries – even if, overall, this game weakens all states. So what about tax competition in this globalized world? Is it a legitimate activity in a world of sovereign states that take appropriate decisions pursuant to their right to self-determination? Or is it a morally dubious practice? If the latter, can tax competition be successfully managed through appropriate levels of international co-operation?

As Miriam Ronzoni observes, in a globalized economy, states are no longer capable of determining their fiscal policy in full isolation as the phenomenon of tax competition most clearly illustrates. Yet, she believes, it remains to be investigated from a normative perspective what implications this has with respect to both (1) the obligations that states have to one another in a context of high fiscal interdependence and (2) the institutional responses that might be required. Her essay aims to show that tax competition has strong implications for whether one endorses a statist or a cosmopolitan position (1). Both cosmopolitans and internationalists must accept that tax competition generates stronger inter-state duties to counter the phenomenon. However, statists and cosmopolitans will have very different views on *what exactly* is problematic about tax competition, and therefore with respect to the *exact content* of both (1) and (2). From an internationalist perspective, global fiscal institutions should primarily tackle "negative externalities" that deprive states of their fiscal sovereignty. This will require a tripartite strategy in regard to tax governance: (a) moving (with great caution) some fiscal powers to the supranational level; (b) harmonizing certain fiscal areas; and (c) empowering supranational institutions to sanction specific kinds of fiscal behavior.

Peter Dietsch and Thomas Rixen also explore the proper role that tax competition might have in a world marked by radical global inequalities. As they note, global income inequalities are met with increasing calls for direct supranational redistribution. Their essay argues that, judged from the perspective of political feasibility, this approach should not be prioritized. They use the example of tax competition to show that supranational regulation that stops short of direct redistribution has better prospects of implementation. Moreover, as the case of tax competition illustrates, such regulation can help shore up the capacity of nation states to redistribute internally, which indirectly tends to reduce global inequalities, too. Against this background, the authors formulate the conditional subsidiarity principle of redistribution. It states that when the case for direct supranational redistribution is built on the alleged incapacity of the state to redistribute due to the pressures of globalization, the preferred alternative should be regulatory reform toward restoring this capacity. Finally, they ask whether two prominent proposals for global taxation – the global resources dividend and the financial transaction tax – pass the test of the conditional subsidiarity principle they endorse.

Managing the destructive effects of tax competition and other tax practices is often both collectively in the self-interest of all states and conducive to reducing global injustices – though these two purposes may well support somewhat different reform ideas. With many harmful behaviors, everyone being free to engage in them is worse for all than the existence of robust agreements to refrain from these behaviors along with high levels of compliance with such agreements. But how do we get to the latter world? Who will invest in the efforts required to initiate change, and how can we achieve convergence on one reform project when alternative reform candidates differ in the costs and benefits they confer upon the negotiating parties? Obstacles to motivating states toward taking necessary actions, even when these are in their own long-term interest (and fortuitously promote global justice at that same time), are often adduced in discussions of the feasibility and implementation of normatively justified proposals. Many skeptics assert that the necessary political will cannot be mobilized and that there is no good reason, therefore, to expect ideals of global tax justice to be implemented in the actual world.

In his contribution, "Global Taxation, Global Reform, and Collective Action," Shmulik Nili distinguishes among different forms of collective action problems but gives a bleak prognosis in regard to the prospects that collective action problems can be transcended for the sake of global tax reform. The article begins by investigating how global tax reform relates to other emerging proposals for global economic reform. Specifically, Nili aims to contribute to the philosophical understanding of this relationship by comparing global tax reform with reforms that aim to eliminate dictators' trading privileges in their peoples' natural resources. Through this comparison, he hopes to show that reform of dictators' resource privilege will be easier to initiate than legal reform against global tax avoidance. His argument focuses on the moral reasons states have to participate in these two reform projects: whereas each state has good reasons to participate in global taxation reform only if all or most other states are participating as well, each state has compelling moral reason not to recognize property rights in natural resources that were acquired from dictators who govern against the will and interests of their countries' populations regardless of whether other states do or do not recognize such property rights.

Marcus Schulzke is more optimistic about the prospects for achieving helpful reforms on global tax justice issues. He addresses the pressing question of how states might be motivated to forge agreements on global tax issues. He begins by noting that two of the most serious obstacles that plans for global taxation must overcome are (1) that there is no existing cosmopolitan political community that can serve as the ethical basis for global distributive justice and (2) that many states have no strong interest that would lead them to support the creation of global taxes. He argues that it is possible for a system of global taxation to overcome these problems if one could devise a tax that provides a clear benefit to existing political communities and, in particular, offers some benefit to the states that would bear much of the tax burden. A tax discouraging the use of tax havens is the most promising way of accomplishing this. This type of tax could be legitimized on the basis of existing national political identities, as it would strengthen these communities by discouraging the violation of national ethical obligations through tax avoidance. States would also have a strong incentive for imposing this type of tax, as limiting the use of tax havens would allow them to collect revenues that are currently being lost.

In the background of most of these essays is some view of what global background justice is and what we should assume or aspire to achieve. How much state sovereignty is desirable? How much freedom should states have in setting their own tax rates, given their own visions of social justice? In his article, Douglas Bamford presents a rival proposal to that presented by Peter Dietsch and Thomas Rixen to ensure international background justice. He explains the notion of background justice and how this is challenged by the lack of international co-operation on taxation policy. He critically discusses the two principles that Peter Dietsch and Thomas Rixen offer in order to respond to these challenges, namely, the principle of membership and the principle of constraint. Bamford's essay proposes alternative principles of relationship and counter-incentive, which he argues are superior means toward achieving the aim of global background justice, because the alternative principles do not interfere with the right of states to set the tax-rates they desire. The counter-incentive approach instead rewards the states that set higher taxes and provides them with revenues from taxpayers who have left for various reasons (including that of enjoying lower taxes elsewhere).

Does the practice of granting multiple citizenships have implications for, or present opportunities to pursue, global tax justice? Ana Tanasoca argues that present allocation patterns of multiple citizenships promote the interests of the global advantaged, and she sees opportunities to reform the practice so that it can be harnessed to reduce global inequality. In "Double Taxation, Multiple Citizenship and Global Inequality" Tanasoca focuses on the interaction between multiple citizenship and international taxation, and on the consequences of this interaction for global equality. She first reviews some common objections to national membership. The objections focus on the unfair allocation of membership and on the implications of membership for global equality. She shows that these objections are, to some extent, also relevant for *multiple* citizenships. She then argues that multiple citizenships undercut the global equality ideal in several ways. The granting of a second or third citizenship might seem, at first, to present a useful remedy to global inequality. Yet, as she points out, the present allocation of multiple citizenships greatly favors the global rich. She explores an international taxation mechanism by which multiple citizenships currently increase global inequality, namely *double taxation agreements* (DTAs). DTAs are bilateral treaties preventing double taxation through rules that assign taxpayers who are related to multiple jurisdictions exclusively to one of the contracting states. The global rich are heavily overrepresented among those holding multiple citizenships, and with the help of DTAs they can maximize the advantages offered by their various citizenships in ways that unfairly reduce their tax payments at the expense of people worse off than themselves. Thanks to DTAs, multiple citizenships therefore aggravate global inequalities. Tanasoca proposes two solutions to the problem she raises: a reform of existing DTAs along *prioritarian* lines and a *multiple citizenship levy* (distinguished from similar proposals such as Shachar's birthright levy), which taxes individuals on the basis of the number of citizenships each holds.

The present collection of essays provides but a sample of the many issues still to be explored in the emerging field of global tax justice. This field would benefit from careful formulation of its fundamental normative questions, along with more work on translating some of the resulting normative insights into feasible public policy initiatives. Among the questions we think deserve more attention are the following:

(1) What moral justifications can be offered for global taxation?
(2) Who should be taxed? Should some individuals or countries be exempt? Should there be *global* taxes on businesses and multinational corporations?
(3) What should be taxed? What arguments favor taxing consumption, wealth, income, speculation, trade, sales, natural resources or a host of other potential tax bases?
(4) It seems important to ensure that governance arrangements concerning taxation (including matters of collection, disbursement of revenue, and other decision-making) be accountable. Is there a special problem of accountability at the global level?

(5) What agencies should implement or enforce global taxation policies? If these are to be transnational agencies, what would be the source of their legitimate authority to do so? Would this authority conflict with state sovereignty?
(6) How (if at all) do implementation or feasibility issues affect the desirability of various tax proposals?
(7) Do arguments about global taxation shed light on some of the core concerns in political philosophy, such as the nature of property rights, freedom, coercion, interpersonal obligations, the legitimacy of authority, or appropriate governance of collective affairs?
(8) What useful solutions can be proposed to various tax abuse practices, such as transfer mispricing and bank secrecy?
(9) What responsibilities do various agents (such as accountants, lawyers, and governments) have with respect to ending tax abuse? What role should international organizations play in making progress?
(10) Which of a variety of global taxes should we endorse? Is there a strong case for implementing international financial transaction taxes, Tobin taxes, or carbon taxes?
(11) What purposes should global taxation serve, and how should these purposes be ranked or weighted?

With a lot of public interest, and anger, currently focused on abusive international tax practices, and with powerful states therefore ready to consider serious reforms, this is an opportune time for serious thinkers to learn about the issues and to provide normative guidance.

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