



S-0045-0001-004-00049

Expanded Number **S-0045-0001-004-00049**

External ID

Title

**Item-in-KAA: DESA July - Dec 2001**

Date Created

Date Registered

Date Closed

16/11/2006 at 2:19 PM

17/11/2006

Primary Contact

Home Location **S-0045-0001-004 (In Container)**

Assignee **In Container 'S-0045-0001-004 (Stephen Abebreseh)' since 17/11/2006 at 11:**

Priority

Local-container

Owner Location **Archives and Records Management Section**

Record Type **Archival Item**

Date Published

Document Details

Container **S-0045-0001: DESA - general**

Notes

**Record has no document attached.**

Print Name of Person Submit Image

Signature of Person Submit

*DESA*  
*UNIC Washington Central*

UNITED NATIONS



NATIONS UNIES

United Nations Information Centre, Washington, D.C. 20006

1775 K Street, N.W.  
Suite 400

Phone: (202) 331-8670  
Fax: (202) 331-9191

**FACSIMILE**

**TO: Ms. Marta Mauras, Office of the Deputy Secretary-General, EOSG  
Mr. Fred Eckhard, UN Spokesman, EOSG**

**FROM: Catherine O'Neill, Director** *CO*

**DATE: 21 August 2001**

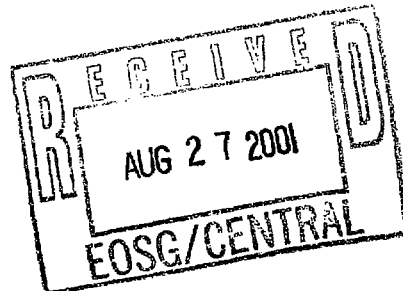
**RE: Today's Washington Times commentary on Financing for Development**

We wanted to bring your immediate attention to the attached Commentary in today's Washington Times, written by a senior fellow at the conservative think tank Heritage Foundation, strongly criticizing the High-Level Panel on Financing for Development report.

While we understand this panel consisted of private citizens with expertise in that area and that the proposals were not official UN proposals, we wondered if your office had any other written fact sheet in this regard.

Also, could you let us know if either of you will be drafting an official response to this article, if you would like our office to, or if you suggest not responding at all?

Best regards.



*21-15991*

# A one-world taxing authority?

key United Nations panel has proposed a radical plan to give international bureaucrats sweeping powers over U.S. tax policy. This scheme, which will be part of the agenda at the International Conference on Financing for Development next March, would undermine America's competitive advantage in the world economy. The president and Congress should reject this extremist agenda.

The report from the "High-level Panel on Financing for Development" contains four major initiatives. Each one of these proposals is bad tax policy. All the proposals undermine national sovereignty, and most of them represent an assault on the right to privacy.

(1) An International Tax Organization: The U.N. report asserts that an International Tax Organization is needed, particularly to "take a lead role in restraining tax competition." This is an attack on the world's taxpayers. Governments should not conspire how to keep taxes high, and they certainly should not set up a supranational institution to pursue this big-government agenda. The proposal also is a threat to America's national interests. By world standards, the U.S. is a low-tax country, and it is clear that an International Tax Organization would undermine our ability to use this advantage to create jobs and growth.

(2) Imposition of global taxes: It is bad news when politicians in Washington make us pay taxes, but just imagine how high taxes would climb if unaccountable international bureaucrats had that power. Yet this is a big part of the U.N.'s agenda. Specifically, the report highlights two options.

The first is a tax on all international currency transactions, a proposal that would throw a monkey wrench in the world trading system and impose a disproportionate burden on America's efficient financial

get the least attention of the report's four major recommendations, it could be the most dangerous. Information exchange is a back-door form of tax harmonization since individuals would be taxed at the same rate regardless of where they earn their income. This initiative is a dagger aimed at the heart of U.S. financial markets since people from all around the world invest in the U.S. economy, but many would withdraw their funds if financial institutions were forced to act as informers for foreign tax collectors.

In addition to the specific proposals discussed above, the report calls for a doubling of foreign aid, more social welfare spending, higher taxes, and international bureaucracies that would interfere with the ability of sovereign nations to determine their own labor and environmental policies.

Combined with the U.N.'s recent pro-gun control meeting, it seems the organization is still wedded to an anti-American, anti-freedom agenda.

In the final analysis, motives do not matter. Regardless of whether the U.N.'s behavior is driven by knee-jerk anti-Americanism or by hard-core socialist ideology, the organization's tax agenda would cripple the U.S. economy.

The good news is that Congress and the President can tell the bureaucrats at the U.N. to take a long walk off a short pier. The bad news is that the administration has been disturbingly receptive to "information exchange" initiatives being advanced by Europe's welfare states. The final decision on these proposals, including those in the U.N. report, will determine whether the White House is on the side of American taxpayers or foreign tax collectors.

Daniel J. Mitchell is senior fellow at the Heritage Foundation.



markets. The second option is an energy tax. This idea would mean higher gas prices, higher electricity prices, and higher heating oil prices. And if this agenda is not sufficiently frightening, the report also talks about global taxes on seabed mining, ocean fishing, and satellite launches.

(3) Allowing governments to permanently tax emigrants: This is probably the most anti-American of all the proposals. Because of our free market economy, we have lots of job creation and economic opportunity, and this makes the U.S. a magnet for the world's entrepreneurs and other ambitious people.

From the perspective of other nations, however, this creates a "brain drain," one that deprives them of people to tax. To fix this supposed problem, the U.N. wants to give governments the power to tax the income of emigrants. In other words, if a French businessman became a U.S. resident, France would have the right to tax his income for the rest of his life. This scheme could have a profound impact on the American economy since foreign-born U.S. residents earn about \$600 billion of income every year.

(4) Worldwide taxation: Not only does the U.N. want to impose taxes on a global basis, it also wants to help individual governments tax income on a global basis. This is why the report endorses "information exchange," which means governments would be expected to collect private financial data on individual taxpayers and then share that information with other governments.

Politicians from high-tax nations like France get upset when taxpayers shift their economic activity to jurisdictions with lower tax burdens. Information exchange would reduce this freedom by allowing France to impose French tax rates on income earned in other nations. While this proposal will probably