The Robin Hood Tax campaign

The aims of the Robin Hood Tax campaign are:

- **The UK government should implement a bank tax (of any kind and combination) that raises a significant amount of money (£10-20 billion), a proportion of which is spent on ‘good causes’ (domestic poverty, international development, climate finance).**
- **The UK government should actively work to persuade other G20 countries to implement ambitious bank taxes for good causes.**
- **The International Monetary Fund (IMF) and other global institutions need to agree that financial transaction taxes are possible and propose a level of ambition for any tax on the financial sector.**
- **The French government should agree to press for a financial transactions tax during its G20 presidency in 2011.**

What is the Robin Hood tax?

A Robin Hood Tax is a tiny tax on the banks that could raise billions to fight poverty home and abroad. The campaign is suggesting that 50% of the funding raised could go to domestic issues, 25% to reducing global poverty, and 25% to fighting climate change.

Oxfam believes that more must be done to repair the damage ordinary people around the world have suffered as a result of the financial crisis. There is no doubt the banks can afford to pay. They continue to create millionaires through bonuses while the rest of Britain is struggling to get back on its feet.

The UK (50%)
Following the economic crisis and bailout of the banks, tens of billions of pounds are needed to balance the UK’s books. The money raised should be used to reduce poverty in the UK, protect frontline services such as schools and the NHS, and safeguard jobs. Our priorities for reducing UK poverty would be: child poverty; reforming welfare to help people back to work; and providing affordable housing to reduce homelessness.

Abroad (25%)
The world's poorest countries have been hit hard by an economic crisis they did nothing to cause. Last year, 100 people every minute slipped into extreme poverty as a result of the economic crisis. Money raised by the Robin Hood Tax could go towards reducing global poverty and funding health and education in developing countries.

Climate change (25%)
Climate change is hitting the world's poorest countries first and hardest. To cope with extreme weather conditions like drought and flooding, people in developing countries will have to adapt by making changes such as developing irrigation systems and building houses above flood levels. At the 2009 Copenhagen summit, the international community promised to give $100 billion for climate change adaptation and curbing emissions. Innovative funding like the Robin Hood Tax will have to be found so that countries can honour this commitment.

Robin Hood Tax campaign progress

The Robin Hood Tax campaign is a coalition of over 100 domestic, development and green organisations, backed by 350 economists worldwide.

There are more than 200,000 supporters on Facebook and over a million people have seen our online films.

Every MP in the UK has been emailed about the campaign at least five times at the time of writing (september 2010), and in total, 20,000 e-actions have been taken by supporters. Similar campaigns have now been launched across the world from Austria to Australia, and the IMF has recognised "the seriousness of the public support" which a Robin Hood Tax has gained.

The UK coalition government has agreed to tax the financial sector. The question now is, how much and what for?

Where next for the Robin Hood Tax?

Anger with the banks remains and has been fuelled by the ease with which the financial sector has returned to huge profits, in contrast to the UK government's plans for severe cuts across public services. If the public is given a stark choice between schools closing, increases in taxes like VAT, and a tax on the financial sector, it is clear what would get the popular vote. The Robin Hood Tax campaign aims to make sure this stark choice is clear to everyone.

The remainder of 2010 will be critical, with the MDG summit, the Comprehensive Spending Review and the Korean G20 all providing opportunities to push for more ambition on a bank tax. To succeed, we need to be even bigger and louder in calling for an alternative to public service cuts. Renewed and revitalised support for this phase of the Robin Hood Tax campaign could deliver a major victory, and will breathe life into our messages about fighting poverty, injustice and climate change at a time where we might otherwise struggle to be heard.

Any bank tax for poverty at home and abroad is a step forward, but so far, none of the bank taxes proposed by governments has delivered on the essentials to make a Robin Hood Tax. The government's current bank levy idea would only raise £2.5 billion – not nearly enough when compared with the devastation caused by the financial crisis. Any proposed bank tax that could deliver hundreds of billions of dollars a year to be help fight poverty in rich and poor countries plus support adaptation to climate change would be as much of a Robin Hood Tax as a tax on financial transactions.

Taxing the banks in any form is a huge step forward, but it's important to remember that Robin Hood didn't just take from the rich: the most important thing he did was give to the poor.

Key dates in 2010

- **20 October** UK government's Comprehensive Spending Review
- **November** G20, Korea
- **December** COP 16, Cancun, Mexico

What can you do?

- Sign up to show your support at www.robinhoodtax.org.uk
- Find us on Facebook (Robin Hood Tax) and then spread the word – the more the merrier!
- Tweet about us with the #RHT hashtag.
- Get in touch with your MP by email, letter or a personal visit, and ask for his or her support. Your MP can push for a Robin Hood Tax in parliamentary debates and votes.
- Organise events, street stalls and stunts to spread the word in the public and the media. Looking for people to campaign with? See the Robin Hood website for a list of organisations supporting the campaign.
- The latest Robin Hood Tax campaign actions and resources can be found on the coalition website (www.robinhoodtax.org.uk/category/latest). New resources including action cards, posters and other materials will soon be available (September 2010).

Robin Hood Tax myth and jargon buster

Won't this tax wipe out the City?
The banks can afford to pay – the financial sector has swollen to over 60 times that of the normal economy. A report from the Institute of Public Policy Research suggests that the financial sector in the UK could pay up to £20 billion more in tax.

Won't the banks find some way to pass this on to the consumer?

A Robin Hood Tax, of any kind, would fall mainly on big banks and other financial institutions that can afford it, unlike rises in VAT or cuts to public services which affect ordinary people first. Further safeguards can be built into any legislation to stop banks passing on any costs from a Robin Hood Tax to consumers.

Will the UK be able to introduce the tax without international agreement?
Ideally a bank tax would be implemented globally, and the leaders of the four major G7 economies (US, UK, France and Germany) have all recently backed a tax or taxes on the financial sector. Even if there is no international agreement on what type of bank tax to support, the UK can still move ahead and show global leadership by implementing an ambitious bank tax which is linked to fighting poverty and climate change.

The International Monetary Fund (IMF) report
The IMF was asked to prepare a report looking at how the "financial sector could make a fair and substantial contribution toward paying for any burden associated with government interventions to repair the banking system". The IMF stretched this to include indirect costs of the crisis in rich countries. However, it stopped short of including the indirect costs on poor countries, which according to recent Oxfam research amounts to a $65 billion hole in the budgets.

Bank Levy / Financial Stability Charge (FSC)
Sometimes known as the Insurance Levy. Also labelled by the IMF as a Financial Stability Charge (FSC). Whatever the name, it would a flat-rate levy to be taken from all financial institutions. This would allow government to build up a rainy-day fund to insure against future bailouts.

Financial Activities Tax (FAT)

The FAT would be a tax on profits and bonuses seen to be above the norm in the financial sector. It would be a tax on "excess" returns in the financial sector. This is groundbreaking for the IMF and would have been unthinkable pre-crisis.

Financial Transactions Tax (FTT)
Instead of taxing the institution, this taxes the transactions between the financial institutions – the trade in assets such as stocks, bonds and foreign exchange. With an average tax of 0.05% it could raise £250 billion a year if implemented globally. We believe that an FTT at an average rate of 0.05% is the best way to raise the volume needed to fight poverty and climate change. However, a bank levy, FAT or other form of tax could also raise hundreds of billions annually and be linked to fighting poverty and climate change.

Resources and further information

Resources, information and the latest actions can all be found at http://robinhoodtax.org.uk

Campaign videos featuring Bill Nighy (http://www.youtube.com/watch?v=qYtNwmXKIvM)

and Ben Kinglsey (http://www.youtube.com/watch?v=M18_Yi9hVm4)

are great ways to share the message.

Robin Hood Tax Saving Challenge: http://rht-treasury.org.uk