



Global Solidarity Advocates – Position Paper

Adrien Fabre*

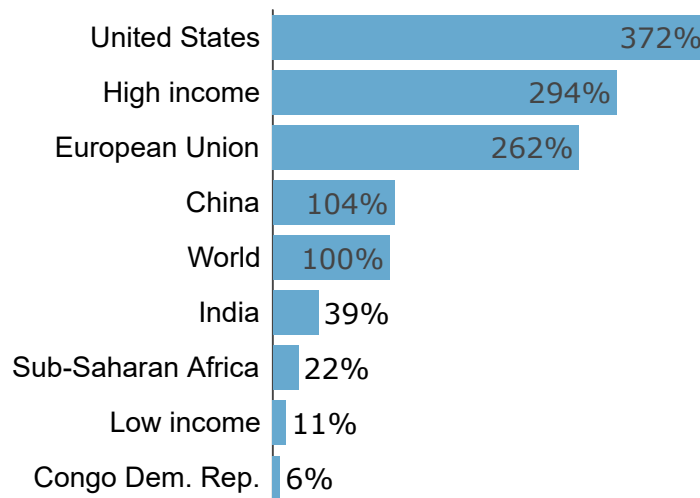
May 13, 2023 – [Link to most recent version](#)

1 We need global redistribution

To meet the first Sustainable Development Goal and end extreme poverty by 2030, we need international transfers. The nominal GDP per capita is **62 times larger** in high-income countries (home to 1.2 billion people) than in low-income countries (700 million). In other words, a transfer of just 1% of high-income countries' GDP would mechanically double low-income countries' national income. A transfer of this magnitude can be financed by a modest tax on wealth above \$5 million, leaving unaffected 99.9% of people.

Global Redistribution Advocates call on world leaders to implement global policies redistributing at least \$1 trillion (i.e. 1% of global income) from higher income countries to lower income countries. Indeed, "Present economic differences between rich and poor countries are too large", as agree 78% of people in 29 countries (**ISSP 2019**). In fact, we are all global redistribution advocates.

Figure 1: Selected GDP per capita in PPP relative to the World's (2021, World Bank).



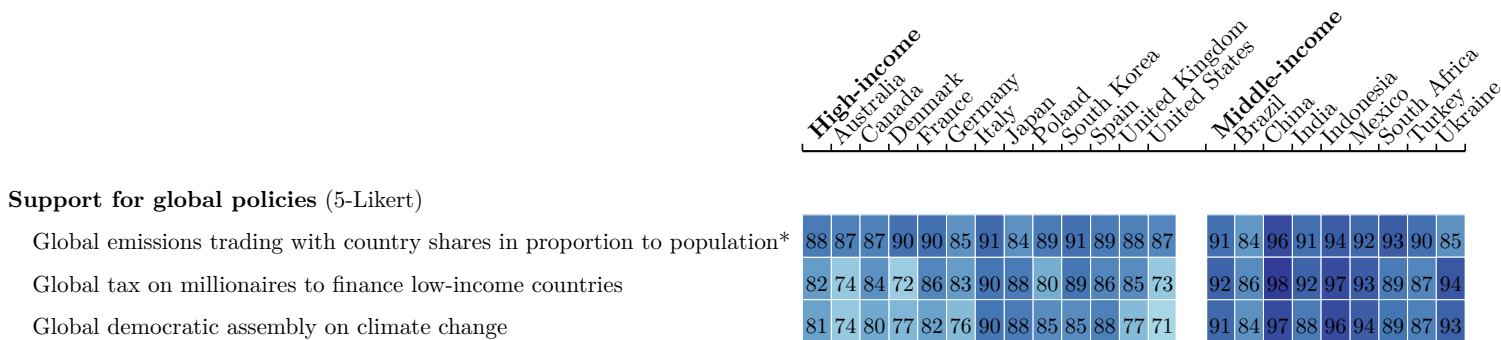
*CNRS, CIREN. E-mail: adrien.fabre@cnrs.fr (corresponding author).

2 Our three policies

Our association is structured in autonomous campaigns, one per policy. For each campaign, we write a policy brief, deploy a petition, and reach out to politicians. Our goal is that political parties throughout the world include our policies in their platform, and implement them when in power. We advocate three popular policies:

1. A **Global Wealth Tax** to finance low-income countries. Each country would tax individual wealth that is above \$5 million.¹ Half of the revenues would be pooled to finance infrastructure and public services in lower income countries.
2. A **Global Climate Plan** (GCP) to stop global warming and eradicate extreme poverty. The GCP would establish a cap on global CO₂ emissions, with a yearly quota that decreases in line with the climate target of the Paris agreement. Polluting firms would be required to buy emissions permits to cover their emissions. The revenues from the auction of emissions permits would finance a global basic income of about \$50 per month to each human adult. The GCP would thus lift out of extreme poverty the 700 million people who earn less than \$2 a day. The redistribution operated by the GCP would greatly benefit Africa and South Asia, and would be neutral to China. The system would also be open to subnational States like California.
3. A Global Assembly on Climate Change. The Global Assembly on Climate Change would be responsible for drafting international treaties against climate change. Each adult in the world would have one vote. To ensure the principle of “one person = one vote”, the members of the assembly would be elected by proportional representation on global lists, in a single constituency.

Figure 2: Support for our three policies (in percent), from Fabre et al. (2023).



On top of these three policies, we run a “meta” campaign: that such policies be discussed in international negotiations, in the UN, the COP, and the G20. We may campaign on more policies, as long as they are supported by strong majorities of the population in each country.

¹Our basic tax schedule consists of a 2% tax on wealth above \$5 million, 4% above \$100 million, and 6% above \$1 billion.

3 Complementarity between policies

Our policies entail large transfers to lower income countries: 0.65% of the global GDP with the global wealth tax and 0.9% with the GCP (at its peak).

These large and predictable flows of income for people and governments in lower-income countries would help lower interest rates in these countries, and spur a tide of investments. Our policies should be viewed as complement, not substitute, to other development and climate policies. For instance, we should not rely solely on the carbon price incentive to decarbonize. Various climate policies can complement the GCP at the national level. At the global level, financial actions are needed to de-risk low carbon projects (especially in low-income countries) and unleash green investments ([Bridgetown Initiative, Hourcade et al. 2021](#)).

Our policies also complement each other. The Global Assembly on Climate Change could provide the ideal arena to draft the GCP and its specifics (such as the carbon budget). If negative net emissions are needed in the second half of the century, the Global Wealth Tax could provide funding for carbon removal. Besides, participating in the global wealth tax could be a condition to benefit from receiving the basic income from the GCP, to encourage lower income countries to implement the wealth tax. Similarly, the opt out provision that allows middle-income countries not to lose from the GCP could be granted only to countries that participate in the global wealth tax.

4 This is just a first step

Our policies may seem utopian, but they really are the minimum we should do, to start addressing global inequalities. In line with the SDGs, our overarching goal should be to provide a decent life to all, sustainably. In the long run, we need to think “Beyond the Welfare State” and build a Welfare World ([Myrdal 1960](#)). [Kopczuk et al. \(2005\)](#) compute that an optimal tax system at the global level would provide a basic income of \$250 per month, and reduce the world’s Gini inequality index from 0.695 to 0.25. By comparison, implementing optimal taxes at the national level would only bring it down to 0.69. In other words, inequalities cannot be tackled at the national level.

Bibliography

- A. Fabre, T. Douenne, & L. Mattauch. International Attitudes Toward Global Policies. 2023. [Link](#). 2
- J.-C. Hourcade, D. Dasgupta, & F. Gherzi. Accelerating the speed and scale of climate finance in the post-pandemic context. *Climate Policy*, 2021. [Link](#). 3
- ISSP. International Social Survey Programme ISSP 2019 - Social Inequality V. 2019. 1
- W. Kopczuk, J. Slemrod, & S. Yitzhaki. The limitations of decentralized world redistribution: An optimal taxation approach. *European Economic Review*, 2005. [Link](#). 3
- G. Myrdal. *Beyond the Welfare State: Economic Planning and its International Implications*. Praeger, yale university press edition, 1960. ISBN 978-0-313-23697-6. 3