

Statement by Kate Donald (Center for Economic and Social Rights) to the Commission on the Status of Women official interactive expert panel on '[Harnessing synergies and securing financing](#)', 15 March 2019



"I'm speaking on behalf of my organization (CESR) & the members of the Global Alliance for Tax Justice's gender & tax working group.

As Tara Cookson said just now on the panel: "The money does exist. We just need the political will to find it."

- Indeed – the issue is not an overall lack of resources, it is that they are horrendously badly distributed, both within and between countries. See for example the vast scale of global wealth inequality: Oxfam have found the 26 richest people on earth (all men) have the same net worth as the poorest 3.8 billion people.
- In order to be successful in reducing inequalities, social protection, public services and infrastructure need to be funded by progressive, redistributive fiscal policies (which take into account unpaid care work). Privatization and private financing is not the silver bullet which many think it is, but in fact could worsen economic and gender inequalities.
- The 'elephant in the room' is the current international tax system and illicit financial flows, including **corporate tax abuses**. This system and these practices are devastating to women, especially in poorer countries - but they continue to be propped up and facilitated by rich countries (many of whom preside over tax havens) and the IFIs.
  - For example; [recent estimate](#) suggests that 10% of global GDP is held in tax havens.
  - [2012 estimate](#) of wealth held offshore \$32 trillion; vs. financing gap on health, education and social protection \$2.5 trillion (ODI).
  - [Estimates suggest](#) that the Indian government lost out on between US \$492 million and \$1.2 billion in direct tax revenue from the funds held in just one bank branch in Switzerland – comparable to as much as 44% of the expenditure on women's rights, and 6% of total social spending in the country in 2016
- Especially the wealthiest countries in the world have to recognize and live up to their obligations to facilitate a global economic order which is conducive to the realization of human rights.
- While it is true that there is more fiscal space in all countries, as Fernando Filgueira said on the panel, the fiscal and policy space of Global South countries is very constrained by the rules of the game, and by a system which in fact drains resources from them.
- We simply won't achieve sustainable development, realize human rights or get close to gender equality if we don't face up to the fact that the current financing mechanisms we have in place are not fit for purpose. In particular, the global tax system perpetuates unacceptable power disparities, between North-South and between men and women."