Can Tax Policy Help to Prevent Financial Crisis?
Thomas Hemmelgarn and Gaetan Nicodeme
in Taxation and the Financial Crisis
Published in print: 2012 Published Online: May 2012
Item type: chapter

The financial crisis has raised the question as to whether additional taxes on the financial sector would be advisable. This chapter offers an overview of the economics of a financial transaction tax and of a financial activities tax and describes countries’ experiences with these taxes.

Taxation and the Financial Sector
Douglas A. Shackelford, Daniel N. Shaviro, and Joel Slemrod
in Taxation and the Financial Crisis
Published in print: 2012 Published Online: May 2012
Item type: chapter

In the aftermath of the 2008 financial crisis, a variety of taxes on financial institutions have been proposed or enacted. The justifications for these taxes range from punishing those deemed to have caused or unduly profited from the crisis, to addressing the budgetary costs of the crisis, to better aligning banks’ and bank executives’ incentives in the light of the broader social costs and benefits of their actions. Although there is a long-standing literature on corrective, or Pigouvian, taxation, most of it has been applied to environmental externalities, and the externalities that arise from the actions of financial institutions are structurally different. This chapter reviews the justifications for special taxes on financial institutions, and addresses what kinds of taxes are most likely to achieve the various stated objectives, which are often in conflict. It then critically assesses the principal taxes that have been proposed or enacted to date: financial transactions taxes, bonus taxes,
and taxes on firms in the financial sector based on size, bank liabilities, or excess profits.

**Regulation and Taxation: Economics and Politics**  
Donato Masciandaro and Francesco Passarelli

in Taxation and the Financial Crisis  
Published in print: 2012 Published Online: May 2012  
Publisher: Oxford University Press  
DOI: 10.1093/acprof:oso/9780199698165.003.0011  
Item type: chapter

We describe systemic financial risk as a negative externality. Free riding leads to excess risk production. We consider two instruments usually adopted to tackle this problem: financial regulation and taxation. From a normative viewpoint, taxation is superior in many respects. We take a positive, political-economy perspective. We show that a majority of low-risk portfolio-owners may have a strategic incentive to use regulation rather than taxation in order to charge the minority a large share of the externality reduction. We also show that, when the majority chooses a tax, the probable level is socially too low. If the majority chooses regulation, the latter will possibly be too harsh. This eventually explains why financial regulation is more frequently adopted, and why incentives to circumvent it are so strong in reality.

**Maḥmūd Shaltūt and Islamic Modernism**  
Kate Zebiri

Published in print: 1993 Published Online: October 2011  
Publisher: Oxford University Press  
DOI: 10.1093/acprof:oso/9780198263302.001.0001  
Item type: book

This is the first detailed study of the life and thought of Shaykh Maḥmūd Shaltūt (1893–1963). Shaltūt was an Egyptian scholar and reformer who held the most senior position open to Sunni Muslim religious scholars — that of Rector of the Azhar University in Cairo. His period of office (1958–63) was a turbulent time in Egypt and within the Azhar itself, with President Nasser's socialist government initiating a radical reorganization of that institution in accordance with its policy of exerting greater control over the forces of Islam in Egypt. One of the most popular and progressive Rectors of the Azhar in recent times, his writings have received extremely wide readership throughout the Muslim world. They reflect both his traditional religious background and his great concern with the contemporary problems of Muslims, thus providing an insight into some of the tensions that arise in the confrontation with modernity.
In his important work in the areas of Islamic jurisprudence and Qur’ānic commentary, he strove to demystify Islamic scholarship and make its fruits available to ordinary Muslims. He issued fatwās on a wide range of topics of particular relevance in the modern age, such as financial transactions and family planning.

Accountability through Audit
Carol Harlow

in Accountability in the European Union

Published in print: 2002 Published Online: March 2012
Item type: chapter

This chapter discusses the necessary changes that need to take place both culturally and in practice to effectively reform financial management structures and construct an efficient system of audit for the European Union. The audit problems of the EU fall into two linked categories, the first concerning the internal management of the Commission, and the second the disbursement of funding through the EU and the management of external funding programmes. The link is provided by the Commission which has the responsibility of supervising the external programmes, but the internal audit system has for a long period of time been wrongly structured, lacking independence, autonomy, and an audit culture. The reforms recommended by the Commission in internal documents to improve accountability in the European Union's financial transactions are also discussed in this chapter.

The Political Economy of Containing Financial Systemic Risk
Donato Masciandaro and Francesco Passarelli

in Taxation and Regulation of the Financial Sector

Published in print: 2015 Published Online: May 2015
Item type: chapter

This chapter approaches financial systemic risk as a pollution issue. Using a political economy model it studies the distortions that may occur when either regulation or taxation is adopted. A majority of low polluting portfolio owners strategically choose regulation in order to concentrate sacrifices on the minority of high risk producers. Regulation is likely to be too harsh in this case. On the contrary, a transaction tax has regressive
effects as it will be disproportionately be borne by small polluters and, in this case, the chosen tax level is likely to be too low. Under heterogeneity with a majority of low polluters, regulation is more likely to be chosen than taxation.

Women as Financial Managers
Edith Sparks
in Capital Intentions: Female Proprietors in San Francisco, 1850-1920
Published in print: 2006 Published Online: September 2014
Item type: chapter

This chapter analyzes the importance of financial management, focusing on how female proprietors face the challenges of complex financial transactions on a daily basis. It argues that compared to men proprietors, women were especially poorly prepared as financial managers. The financial-management skills required in the operation of a business are best mastered through training and experience, and this is the sort of background that most female proprietors lacked.

The Finance–Security Assemblage
Marieke de Goede
in Speculative Security: The Politics of Pursuing Terrorist Monies
Published in print: 2012 Published Online: August 2015
Item type: chapter

This chapter develops the concept of the finance-security assemblage as a lens onto the transnational institutional innovations produced in this domain. It starts with a reflection on the methodologies used in this research and with the wider question of how to study the assemblage. It argues that the pursuit of terrorist monies amounts not strictly to a practice of global governance, in which sovereign states are compelled to enact certain laws and regulations, but to a practice of global biopolitical governing, in which mundane transactions, donations, and affiliations are securitized and governed in novel ways. This global biopolitical governing is preemptive in that it seeks to govern transactions thought to be “precrime”—or transactions that are “perfectly legal” but are conceptualized to hold specific potential to support terrorism. A genealogical reading of the imagination of multiple futures in security...
premediation draws out its affinities with derivates and financial speculation.

Financial Transactions by Women in Puteoli
Éva Jakab

in New Frontiers: Law and Society in the Roman World

This chapter discusses legal institutions and social dependencies which enabled women to take a serious part in every day business. The documents from Puteoli shed new light on the practice of tutela mulierum and offer a subtly changed view on the topic.

More Than Just Another Tax
Peter Wahl

in Global Tax Fairness

Eleven EU member states will implement a Financial Transaction Tax (FTT) by 2015, following fifteen years of advocacy by civil society. With this decision, one of the rare success stories regarding civil society campaigns over tax issues will have been achieved. The history of the FTT demonstrates that success is possible regarding tax issues on progressive grounds, even as it shows the difficulties and political risks. Now the process of implementation is of paradigmatic importance, going beyond the implementation of a tax as such, and could serve as an example and encouragement for other projects to regulate finance in the service of sustainable development.

Global Taxation and Accounting Arrangements
Gillian Brock and Rachel McMaster

in Taxation: Philosophical Perspectives
Chapter 12 considers why reforms to several taxation arrangements are needed, especially in the quest to reduce global injustices. The role of tax havens and transfer pricing schemes in facilitating massive tax evasion and abusive tax avoidance are discussed, along with some of the initiatives aimed at improvements. The case for carefully crafted new global taxes, including air ticket taxes and currency transaction taxes, is also considered. The chapter argues that all the reforms proposed here are normatively desirable and feasible. The chapter also engages with the work of prominent proposals concerning global taxation, considering their strengths and weaknesses.

Targeting States
Sarah S. Stroup and Wendy H. Wong

in The Authority Trap: Strategic Choices of International NGOs
Published in print: 2017 Published Online: May 2018
Publisher: Cornell University Press
DOI: 10.7591/cornell/9781501702143.003.0004

States are the “natural” target for INGOs, yet how INGOs approach them depends on their authority. In this chapter, we demonstrate how leading INGOs use different strategies to work with states, using the case studies of negotiations over the Arms Trade Treaty (ATT) and Financial Transactions Tax (FTT). The two cases are similar in a number of ways: the campaigns took off in the later 1990s, the issues target the practices of the United States and United Kingdom as relevant actors, and both engage issues that have traditionally been challenging for INGOs as “hard politics.” Leading INGOs are more collaborative with states than other INGOs, and prioritize easy target states, rather the most important. In both cases, the entry of leading INGOs accompanied the re-framing of the campaign’s proposals to more reformist positions. This yielded a vanilla victory in the form of the ATT and even less for the FTT.

Reading financial data
Peter Richmond, Jürgen Mimkes, and Stefan Hutzler

in Econophysics and Physical Economics
Published in print: 2013 Published Online: December 2013
DOI: 10.1093/acprof:oso/9780199674701.003.0002

This chapter describes the characteristics of financial data, and the general way in which it may be analysed. It then briefly describes the
two different styles or approaches to investing. Financial transactions have been recorded on a daily basis since the nineteenth century, and since 1984, the sampling rate of transaction values has been made on a minute-by-minute basis. Companies now publish financial information in the form of accounts, with reporting periods varying from country to country. The data within company reports is concerned with the fundamental health of a company and spans income from sales, expenditure on salaries, capital investment, overall profit or earning, dividend payouts to shareholders, and transfers to the company reserves. These reports, together with periodic meetings with company directors, are the greatest concern of fundamental investors, as opposed to technical traders, who rely more on the asset price movements over time than on fundamental data.

Objections
Malcolm Torry

in Why we need a Citizen's Basic Income

Published in print: 2018 Published Online: January 2019
Published Online: January 2019
Publisher: Policy Press
DOI: 10.1332/policypress/9781447343158.003.0010
This chapter examines various objections to a Citizen's Basic Income, such as: people should not be paid for doing nothing; immigration would go up; people would not work; we cannot afford it; it would cause a hike in public expenditure; the money could be better used on other things. Another objection is that if means-tested benefits are abolished, then we would not know to whom we should give passported benefits such as free school meals. The chapter responds to each of these objections, focusing in particular on funding schemes for the Citizen's Basic Incomes such as making changes to the existing tax and benefits structure, taxing appropriation of the commons, or by means of consumption taxes or a Financial Transaction Tax. It also considers some of the problems that a Citizen's Basic Income cannot solve, including disability, housing costs, fuel poverty and climate change.

Legal Avoidance as Peace Instrument
Lea Heimbeck

in Paradoxes of Peace in Nineteenth Century Europe

Published in print: 2015 Published Online: April
Published Online: April
Publisher: Oxford University Press
DOI: 10.1093/acprof:oso/9780198727996.003.0007
This chapter examines various objections to a Citizen's Basic Income, such as: people should not be paid for doing nothing; immigration would go up; people would not work; we cannot afford it; it would cause a hike in public expenditure; the money could be better used on other things. Another objection is that if means-tested benefits are abolished, then we would not know to whom we should give passported benefits such as free school meals. The chapter responds to each of these objections, focusing in particular on funding schemes for the Citizen's Basic Incomes such as making changes to the existing tax and benefits structure, taxing appropriation of the commons, or by means of consumption taxes or a Financial Transaction Tax. It also considers some of the problems that a Citizen's Basic Income cannot solve, including disability, housing costs, fuel poverty and climate change.
This chapter analyses the asymmetric power relations between creditor states and the debtor state as well as the legal instruments governing them which fostered a paradoxical effect regarding the debtor’s situation. These paradoxical outcomes are examined independently regarding the issue of asymmetric loan contracts and the consequences they had in cases of state bankruptcies. In the nineteenth century, the asymmetric structure of international financial transactions and the (non-)normatization of these deals led to two consequences which might appear contradictory at first sight: both issues had the capability of pacifying international relations and of leading to force or at least consolidating power relations. Yet, both these asymmetric relations and legal instruments did not either support peace or power relations, but they did one through the other, or they accomplished both results at the very same time through the very same means.

Can We Afford a Citizen's Income?
Malcolm Torry

in Money for everyone: Why we need a citizen's income
Published in print: 2013 Published Online: January 2014
Publisher: Policy Press
doi: 10.1332/policypress/9781447311249.003.0014
Item type: chapter

This chapter addresses the question “how large should a Citizen's Income be±”. It is answered in terms of ease of implementation, ease of political testing, and a needs-based approach. The difficulty of calculating the cost of a benefits reform is then discussed, and particularly the difficulty of calculating the tax base. A variety of funding options are then explored: funding a Citizen's Income from within the existing tax and benefits structure; taxing appropriation of the commons (for instance, by a land tax or a carbon tax); a financial transaction tax; consumption taxes; and from capital fund dividends.

The Shapes and Problems of Multi-speed Integration
Alicia Hinarejos

in The Euro Area Crisis in Constitutional Perspective
Published in print: 2015 Published Online: August 2015
Publisher: Oxford University Press
doi: 10.1093/acprof:oso/9780198714958.003.0008
Item type: chapter

The crisis has resulted in a drive for more extensive and deeper integration in certain areas of economic, fiscal, and financial policy. Due
to the delicate nature of these areas, not all Member States are willing
to integrate to the same degree, or following the same approach. The
greatest cleavage appears between euro and non-euro states, because
of their different priorities in the wake of the crisis. The question is how
to balance the euro countries’ need for flexibility and further integration
with the legitimate interests of non-euro countries and the unity of the
EU. This chapter analyses the different manifestations of this struggle:
the adoption of EU measures that are applicable only to the euro area,
the adoption of intergovernmental agreements, the use of enhanced
cooperation, and the special governance arrangements for the euro
area. Finally, the chapter discusses the consequences of multi-speed
integration, and its future.

Agency Law in Commercial Practice
Danny Busch, Laura Macgregor, and Peter Watts (eds)

Published in print: 2016 Published Online: June Publisher: Oxford University Press
DOI: 10.1093/acprof:oso/9780198738473.001.0001
Item type: book

This book contains contributions on aspects of the operation of agency
law in commercial contexts by many of the world’s leading experts on
the law of agency. It is the product of a conference of the authors held
at the University of Nijmegen in November 2014. Contributing authors
come from Australia, Canada, the Netherlands, New Zealand, Singapore,
the United Kingdom, and the United States. It comprises 12 chapters in
five parts, preceded by a synthesising introduction. The first substantive
section is devoted to aspects of general principle, including apparent
authority, ratification, undisclosed principals, indirect representation, and
unidentified principals. The second section, on Agency in Company Law,
is concerned with the status as agents of company directors, liquidators,
and receivers. The third section addresses the role of agency law in
markets in financial transactions and services, including the relationship
between insurers, agents and their customers. There is treatment of
the common law, but also of aspects of statutory regimes including
the Financial Services and Markets Act 2000 (UK), Markets in Financial
Instruments Directive (MiFID), and the Insurance Act 2015 (UK). The
fourth section is concerned with powers of attorney. The fifth and last
section is concerned with private international law, and in particular
issues of conflict of laws arising out of the EC Commercial Agents
Directive.
Conclusions
Thomas Kalinowski

in Why International Cooperation is Failing: How the Clash of Capitalisms Undermines the Regulation of Finance

Published in print: 2019 Published Online: October 2019
Item type: chapter

Publisher: Oxford University Press DOI: 10.1093/oso/9780198714729.003.0006

This concluding chapter summarizes the findings of this book and revisits the six hypotheses introduced in Chapter 1, in the light of the empirical investigation. It then turns to a discussion of open questions and future research agendas. Finally, it summarizes the main practical conclusion of this book. To achieve international cooperation, neither grand visions of political leaders nor technocratic fine-tuning of the machinery of international institutions are enough. Substantial improvements in international cooperation are difficult, because they need to go hand in hand with institutional and structural changes at the domestic level. The good news is that this book hopefully helped to demystify the origins of international conflicts. Conflicts are neither the result of an anarchic international system nor the ‘natural’ consequence of conflicting national egoisms, but can be traced to concrete deficits of the domestic models of capitalism. These capitalist models are dynamic and internally contested, which gives hope for the possibility of international cooperation.

Direct Investment, Rising Real Wages, and the Absorption of Excess Labor in the Periphery
Michael P. Dooley, David Folkerts-Landau, and Peter Garber

in G7 Current Account Imbalances: Sustainability and Adjustment

Published in print: 2007 Published Online: February 2013
DOI: 10.7208/chicago/9780226107288.003.0004
Item type: chapter

This chapter concentrates on the connection between the currency regime and the development strategy of rapidly growing Asian countries, especially China. It specifically argues that the expansion of the volume of trade in goods and services and the volume of two-way trade in financial assets is the backbone of a successful industrialization and development strategy. Analysis of government behavior implies that there is a trade-off between objectives for intertemporal trade, objectives for net international investment positions, and objectives for growth in gross trade in goods and financial instruments. The optimal exchange
rate and inflation policy are derived conceptually from the exhaustible resource problem. China has more than adequate controls on domestic and international financial transactions. Central banks have raised interest rates more slowly than in the United States, if at all, and bond yields have remained stable, while yields fell in the United States.