

The Historic Africa-led UN Tax Convention

THE DECOLONIZATION OPPORTUNITY OF A LIFETIME

*"Emancipate yourselves from mental slavery,
None but ourselves can free our minds."
- Redemption Song, Robert Nesta Marley*

COLONIAL OVERHANG

If I had a dollar (even a Guyanese one!) for every time someone in the Caribbean laments colonialism's multi-generational and pervasive effects on our lives and wellbeing, I would stash my steadily growing fortune in the world's most prolific tax haven and live happily ever after - for generations to come.

The ways in which colonialism has altered the course of history will probably never be adequately explored, let alone measured. And the ways in which being colonized affects our attitudes, behaviours, and outcomes, may never be adequately appreciated.

But one of the most worrying and heartbreaking symptoms of our (former) colonization I see in the Caribbean and elsewhere, is the extent and persistence of our collective Stockholm Syndrome that prevents us from making even the simplest and most obvious choices for our own good.

"A UN tax convention is an international agreement that could hold countries to equitable, democratic and legally binding standards on corporate tax, financial transparency and tax justice." - Tax Justice Network (TJN)

TJN continues - "UN conventions, like the Convention on the Rights of the Child and the Convention against Torture, are international treaties to which countries can sign up and ratify to become bound to the treaty's provisions in international law."

The fact that our African sisters and brothers were all able to unite, to champion the UN Tax Convention in an unprecedented effort to release themselves from the shackles of their (former) colonizers - at least for tax governance - is beyond exemplary and inspirational.

Alas - in parts of the Caribbean, Latin America, and the Pacific, our (leaders') postcolonial PTSD is real. What else could explain this map (below)?

Positions - Where countries stand on the UN tax convention



Source: Tax Justice Network Policy Tracker, accessed Nov 13, 2023

This map's North-South distinction clearly and importantly reflects the collective (post)colonial overhang affecting the Caribbean (St. Kitts and Nevis, Suriname, Jamaica, Dominica, St. Vincent and the Grenadines, St. Lucia, Haiti), Latin America (Panama, Honduras, Ecuador, and Venezuela) and the Pacific islands (Tonga, Vanuatu, Samoa, Tuvalu, Kiribati, Nauru, Palau, Marshall Islands, Micronesia). *Refer to Table 1 annexed for more details.*

What else could possibly explain our underwhelming support for this historic African-championed UN Tax Convention?

IF THE AFRICANS CAN DO IT, WE CAN TOO

*"We refuse to be what you wanted us to be.
We are what we are - that's the way it's going to be,
if you don't know..
We've been trodding on your winepress much too long.
Rebel! Rebel!
And we've been taken for granted much too long.
Rebel!
Got to rebel, y'all!
The Babylon system is the vampire!
- Babylon System, Bob Marley and the Wailers*

The extent to which colonialism's ghosts haunt us to this day is yet undefined, but they manifest themselves relentlessly.

Perhaps weak institutional and/or human resource capacity and the resulting bureaucratic failures may have led Jamaica, Venezuela and Samoa (one can only hope) to somehow 'miss' the opportunity to cast their vote on a humanitarian truce in Gaza and the UN Tax Convention?

Perhaps the all-too-familiar puppet strings of (neo) colonialism explain these countries' (in)action at the UN on Gaza and their failure to support the UN Tax Convention - Haiti, Kiribati, Marshall Islands, Micronesia, Nauru, Palau, Panama, Tonga, Tuvalu, and Vanuatu?

But I digress.

It shouldn't surprise anyone that the Global North does not support the UN Tax Convention. After all, the world's greatest tax haven is the USA (in case you didn't click in the first paragraph of this article to check). And the European Union (EU) and its vassal Organization for Economic Cooperation and Development (OECD) (based in a castle in Paris, purchased from the Rothschild family, no less) are consistently and unambiguously against financial transparency and tax justice, because it is in their interest to continue to successfully pursue their financial secrecy and tax havenry, alongside their hypocritical and racist, indefensible smear campaign against lesser competitors.

But the Caribbean and the Pacific's lack of support for the UN Tax convention equates to our (continued) support for the OECD's global tax governance. Is that what we really meant to do?

*"My people, oh my people, keep your head on at all times!
Understand-up and be counted!
Understand-up and be counted, and send a message!"
- The Ganges and the Nile, David Rudder*

YOU HAD ONE JOB

"Since the G20 declared the end of banking secrecy in 2009, the international community has achieved **great success** in the fight against offshore tax evasion. Working through the Global Forum, countries and jurisdictions have implemented **robust standards** that have prompted an **unprecedented level of transparency** in tax matters. With **168 members**, the Global Forum on Transparency and Exchange of Information for Tax Purposes is the leading international body working on the implementation of global transparency and exchange of information standards around the world." - OECD

Today, the OECD, with a mere 38 member countries, is the only institution that almost the whole world relies on, by default, for global tax governance.

How has the OECD performed, in its crucial role as overseer of global tax governance?

One would expect that with 168 members of its Global Forum on Transparency and Exchange of Information for Tax Purposes, its "robust standards", and its "unprecedented transparency", of course the OECD's efforts have been a resounding success. N'est-ce pas?

"For the past sixty years, global tax rules have been set by the OECD, a small club of rich countries, some of which rank as the world's most harmful tax havens. Analysis shows that OECD countries are responsible for enabling three-fourths of these tax losses" - TJN (2023)

"A club of rich countries determining global rules on corporate tax are responsible for over two-thirds of global corporate tax abuse...the OECD, a membership organisation made up of high income countries and the world's leading rule-maker on international tax, failed to detect and prevent corporate tax abuse enabled by the OECD's own member countries – and in some cases, pushed countries to rollback their tax transparency." - [TJN](#) (2021)

"OECD pressed Australia to drop plan to reveal where multinationals pay tax" - [FT](#)

"Letter: OECD's lobbying points to failure on fair corporate taxation" [Joseph Stiglitz and Jayati Ghosh](#)

"The OECD has not delivered. The world needs an answer now, not further delays" - [ICRICT](#)

"The OECD has produced a deal that has strong biases towards the interests of larger and richer countries, at the expense of the world's poorest countries." - [EURODAD](#)

"Open letter to G20: OECD failure to deliver on G20 mandates" - [TJN](#)

"An assessment of the G20/ OECD BEPS outcomes: Failing to reach its objectives" - [EURODAD](#)

"A bad deal for development: Assessing the impacts of the new inclusive framework tax deal on low- and middle-income countries" - [Brookings](#)

"The OECD's proposed reform will fail to generate meaningful additional tax revenue, especially for developing countries" - [ICRICT](#)

"Oxfam criticizes 'toothless' OECD Tax Package" - [Oxfam](#)

"More evidence of the OECD's failure to stop tax abuse" - [Financial Transparency Coalition](#)

"The Questionable Legitimacy of the OECD/G20 BEPS Project" - [Erasmus Law Review](#)

"The EU and OECD have come under attack for failing to solve digital tax just as the US is preparing new sanctions." - [ITR](#)

"The OECD has not delivered on global tax reform" - [Public Services International](#)

*"You can fool some people sometimes,
But you can't fool all the people all the time.
Now you see the light, So stand up for your rights!
- [Get up, Stand up, Bob Marley and the Wailers](#)*

WHY A UN TAX CONVENTION?

"For the past century, global tax rules have been set by a small club of rich countries at the OECD, some of which rank as the world's most harmful tax havens. The outcome is tax rules that fail to stop, and sometimes even encourage, tax injustice. Establishing a UN tax convention will give all countries a say on global tax rules through a democratic, inclusive intergovernmental body under the UN, and will introduce global tax rules that must adhere to the UN's human rights principles" - [TJN](#)

First of all, why not? The only arguments against the UN taking on the role of global tax governance so far, center around the risk of UN bureaucracy and ineffectiveness. But the OECD itself, which already has all the power and authority it needs to address global tax injustice and tax evasion, is itself responsible for [three-fourths](#) of the world's global tax losses, and has failed to address these problems as outlined earlier (likely because it will prove harmful to its own members).

The [OECD comically boasts](#) that its "Voluntary disclosure programmes, offshore tax investigations and related measures have generated close to EUR126 billion in additional revenues so far" - an unimpressive one-quarter of [the estimated USD483 billion](#) lost to tax evasion annually.

And assuming “so far” means over the past decade¹ and with the cooperation of 168 countries, the OECD is proud to report that its efforts have yielded a whopping 2.6% of global tax losses!!

Evidently, the OECD has set the bar quite low for effectiveness, and indeed, it is hard to imagine a more abysmal outcome (assuming they were even trying). I am confident the United Nations will do better.

It is instructive that the only Latin American countries that are members of the OECD - Chile, Colombia and Mexico - are also the only OECD members that are Leaders on the UN Tax Convention. They would be more familiar with the inner workings of the OECD, perhaps hence their leading position on the UN Tax Convention.

For an issue so ubiquitous as tax, so powerful as fiscal policy, so unnecessarily dominated by the Global North as tax governance, and so enigmatic as tax justice, the United Nations at least presents the real possibility of inclusivity, fairness, and transparency. Don't forget - the OECD by design will always seek the interests of its 38 member countries, even at the expense of the rest of the world, and it is heavily incentivized to do so.

Indeed, the Global South, and more specifically, the Caribbean and Pacific Islands are the most ‘assessed’ by the OECD. And supposedly on the basis of the OECD peer rating, the [EU blacklists](#) only predominantly non-white countries (apart from Russia in February 2023), mostly from the Caribbean and the Pacific. And according to EU methodology, appearing on one EU blacklist makes it more likely that we will appear on the other.

According to OECD's [peer review ratings dashboard](#), the countries which have been subjected to the most peer reviews, having had 4 peer reviews each, are:

Barbados - Supporter of the UN Tax Convention, deemed ‘Largely Compliant’ by the OECD, and is [AML/CFT blacklisted by the EU](#).

¹The OECD, a club of rich countries that has set global tax rules for the past sixty years, was mandated by the G20 in 2013 to reform global tax rules to stop multinational corporations from shifting profit into tax havens and underpaying tax. A decade later, the OECD has yet to deliver any significant progress.” <https://taxjustice.net/press/ft-confirms-oecd-lobbied-against-australian-tax-transparency/>

Mauritius - Leader of the UN Tax Convention, deemed ‘Compliant’ by the OECD.

The Seychelles - Leader of the UN Tax Convention, deemed ‘Partially Compliant’ by the OECD, and is tax blacklisted by the EU.

Dominica - No Public Position on the UN Tax Convention and is deemed ‘Largely Compliant’ by the OECD.

The countries which have had 3 OECD peer reviews each:

Andorra - Opposer, deemed ‘Largely Compliant’ by the OECD

Anguilla - Not Applicable, deemed ‘Partially Compliant’ by the OECD, and Tax Blacklisted by the EU

Antigua and Barbuda - Supporter, deemed ‘Partially Compliant’ by the OECD, and Tax Blacklisted by the EU

Austria - Blocker, deemed ‘Largely Compliant’ by the OECD

Botswana - Leader, deemed ‘Largely Compliant’ by the OECD

British Virgin Islands - Not Applicable, deemed ‘Partially Compliant’ by the OECD

Costa Rica - Partial Supporter, deemed ‘Largely Compliant’ by the OECD

Curaçao - Not Applicable, deemed ‘Largely Compliant’ by the OECD

Cyprus - Blocker, deemed ‘Largely Compliant’ by the OECD
Dominican Republic - Supporter, deemed ‘Largely Compliant’ by the OECD

Guatemala - Supporter, deemed ‘Non-Compliant’ by the OECD

Israel - Opposer, deemed ‘Largely Compliant’ by the OECD

Jamaica - No Public Position, deemed ‘Largely Compliant’ by the OECD, and is AML/CFT blacklisted by the EU

Jersey - Not Applicable, deemed ‘Compliant’ by the OECD

Luxembourg - Blocker, deemed ‘Largely Compliant’ by the OECD

Marshall Islands - No Public Position, deemed 'Largely Compliant' by the OECD

Panama - Opposer, deemed 'Partially Compliant' by the OECD, is Tax Blacklisted by the EU, and AML/CFT Blacklisted by the EU

St. Lucia - No Public Position, deemed 'Largely Compliant' by the OECD

Samoa - Not Applicable, deemed 'Largely Compliant' by the OECD, but is Tax Blacklisted by the EU

United Arab Emirates - Supporter, deemed 'Largely Compliant' by the OECD, and is AML/CFT Blacklisted by the EU

To support the OECD, is to implicitly support the EU and its indefensible, racist and hypocritical blacklisting of non-white former colonies, especially in the Caribbean and Pacific Islands. Again, is that what we really meant to do?

Furthermore, and finally, apart from the fact that the OECD is a failure as it relates to global tax governance and by design is not concerned with the needs of non-members particularly in the Global South, the Caribbean and the Pacific islands MUST support the UN Tax Convention, lest we continue to enslave ourselves to our (former) colonizers in the EU and OECD. To do otherwise, and not support the UN Tax Convention unequivocally, only proves that we are not yet ready for decolonization, that we are unable to free ourselves of the puppeteer's strings, or to think for ourselves and vote independently.

As such, I call on the Governments of St. Kitts and Nevis and Suriname who have for whatever reason opposed the UN Tax Convention, to please reconsider their rather regressive position. I also call on the Governments of Dominica, St. Vincent and the Grenadines, St. Lucia, Jamaica and Haiti to indicate their support for the UN Tax Convention. Show the world that you can stand up to injustice, further your decolonization journey, and break free of the OECD. It's now or never.

*"That's just the way it is, Some things will never change.
That's just the way it is. Ha, but don't you believe them!
- The Way It Is, Bruce Hornsby and the Range*

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TABLE I ANNEXED ON NEXT PAGE >

TABLE I: Positions – Where countries stand on the UN tax convention

BLOCKERS	OPPOSERS	PARTIAL SUPPORTERS	SUPPORTERS	LEADERS	NO PUBLIC POSITION	NOT APPLICABLE
Have consistently taken active steps to block progress on the policy at an international or national level, or both	Have expressed opposition to progress on the policy at an international or national level, or both	Expressed support for progress on the policy at an international, or national, or both levels, but the country's actions have not consistently aligned with this support	Consistently support progress on the policy at an international, or national, or both levels (global median)	Consistently take active steps to advance the policy at an international, or national, or both levels (which include ALL the African states)	Have not expressed support or opposition to the policy, despite opportunities to do so	Non-sovereign territories which are not themselves UN members and therefore unable to vote
Australia	Iceland	Costa Rica	Antigua and Barbuda	Chile	Dominica	American Samoa
Austria	Ireland	Norway	Barbados	Colombia	Haiti	Anguilla
Belgium	Israel	Turkey	Belize	Mexico	Jamaica	Aruba
Canada	Switzerland	Argentina	Cuba	Algeria	Kiribati	Bermuda
Czech Republic	Federal States of Micronesia	Bangladesh	Dominican Republic	Angola	Marshall Islands	British Virgin Islands
Denmark	Saint Kitts and Nevis	Bhutan	Fiji	Benin	Nauru	Cayman Islands
Estonia	Suriname	El Salvador	Grenada	Botswana	Palau	Curaçao
Finland	Albania	Peru	Guyana	Burkina Faso	Saint Lucia	Guam
France	Andorra	Uruguay	Papua New Guinea	Burundi	Saint Vincent and the Grenadines	Montserrat
Germany	Ecuador		Solomon Islands	Cameroon	Samoa	Puerto Rico
Great Britain	Honduras		The Bahamas	Cape Verde	Tonga	Turks and Caicos Islands
Greece	Kyrgyzstan		Trinidad and Tobago	Central African Republic	Tuvalu	United States Virgin Islands
Hungary	Panama		Bahrain	Chad	Vanuatu	Cook Islands
Italy			Bolivia	Comoros	Afghanistan	Gibraltar
Japan			Brazil	Djibouti	Armenia	Guernsey
Latvia			Brunei	DR Congo	Azerbaijan	Hong Kong, China
Lithuania			China	Egypt	Belarus	Isle of Man
Luxembourg			East Timor	Equatorial Guinea	Cambodia	Jersey
Netherlands			Guatemala	Eritrea	Tajikistan	Kosovo
New Zealand			Indonesia	Eswatini	Turkmenistan	Macau, China
Poland			Iran	Ethiopia	Uzbekistan	Taiwan
Portugal			Iraq	Gabon	Venezuela	
Slovakia			Kazakhstan	Ghana		
Slovenia			Kuwait	Guinea		
South Korea			Laos	Guinea-Bissau		
Spain			Lebanon	India		
Sweden			Malaysia	Ivory Coast		
USA			Maldives	Jordan		
Bosnia And Herzegovina			Mongolia	Kenya		
Bulgaria			Myanmar	Lesotho		
Croatia			Nepal	Liberia		
Cyprus			Nicaragua	Lybia		
Denmark			North Korea	Madagascar		
Georgia			Oman	Malawi		
Liechtenstein			Paraguay	Mali		
Malta			Qatar	Mauritania		
Moldova			Russia	Mauritius		
Monaco			Singapore	Morocco		
Montenegro			Sri Lanka	Mozambique		
North Macedonia			Syria	Nambibia		
Romania			Thailand	Niger		
San Marino			United Arab Emirates	Nigeria		
Serbia			Vietnam	Pakistan		
			Yemen	Philippines		
				Republic of the Congo		
				Rwanda		
				São Tomé and Príncipe		
				Saudi Arabia		
				Senegal		
				Seychelles		
				Sierra Leone		
				Somalia		
				South Africa		
				South Sudan		
				Sudan		
				Tanzania		
				The Gambia		
				Togo		
				Tunisia		
				Uganda		
				Western Sahara		
				Zambia		
				Zimbabwe		

Source: Tax Justice Network, Marla Dukharan.

 OECD Member Countries  Caribbean and Pacific Countries