

# The Washington Times

[www.washingtontimes.com](http://www.washingtontimes.com)

---

## Halting global tax tyranny

By Richard W. Rahn

Published July 19, 2006

---

Should the U.N. be able to tax you? Over the last several years, officials at the U.N. and other international organizations have been hatching schemes to directly tax the world's people. Traditionally, only sovereign governments have the right to tax. The U.N. and other international organizations have largely depended on their ability to extract dues or other payments from their sovereign members.

Naturally, officials at the United Nations, the Organization for Economic Cooperation and Development and other organizations hate the present system because it limits their ability to spend other people's money on themselves and their various schemes. The U.N. crowd has proposed an international tax on aviation fuel, a tax on airline tickets, taxes on international currency transactions, carbon use taxes, including a 4.8-cent tax on each gallon of gasoline, and other taxes on an extensive range of transactions, goods and services.

Properly concerned about these proposals, the U.S. House of Representatives passed a bill last month, crafted by Rep. Ron Paul, Texas Republican, which prohibits the Treasury from paying dues to the U.N. if it attempts to implement or impose any kind of tax on U.S. citizens. The action has now shifted to the Senate.

Sens. James Inhofe, Oklahoma Republican, and Ben Nelson, Nebraska Democrat, also seeing the threat to national sovereignty and global economic prosperity, have introduced a bipartisan bill known as the "Protection Against United Nations Taxation Act of 2006" (S.3633).

As of this writing, the bill has 32 co-sponsors. When enacted, the bill will require the U.S. government to withhold 20 percent of its subsidy to the U.N., the OECD and other international organizations if those organizations develop, advocate, endorse, promote, or publicize any proposal "concerning the imposition of a tax or fee on any United States national or any income earned in the United States in order to raise revenue for the United Nations, any foreign government, or any international organization."

The U.S. Congress, in its "Findings" in support of the proposed legislation, has produced a 47-point list of the advocacy by U.N. officials of various global tax schemes, violations of existing U.S. law of such schemes, massive corruption within the U.N., and notations of the damage to global economic growth and national sovereignty by such tax schemes.

A broad coalition of public policy and taxpayer groups has arisen to support the legislation. On the other side, the normal group of apologists for the U.N. and international organizations, who

remain forever blind to the endless U.N. corruption and waste of taxpayer dollars, has emerged to resist restrictions on U.N. funding. Many opponents of the proposed legislation are former U.S. government and other officials who failed to engage in proper oversight of the U.N. and other international organizations during their own terms of government service.

Under U.S. law, it is illegal for a government agency to use taxpayer funds to lobby for more money for the agency. Yet, the U.N. and OECD are doing so. Their spokespersons (paid by taxpayers from sovereign nations) are "lobbying" for more funds for their international institutions. In effect, we have the bizarre situation where the world's taxpayers pay people to advocate higher taxes on themselves -- and even worse, without any sovereign protection for the taxpayers. If this is not tyranny, what is?

Advocates of these global tax schemes, to be administered by their unaccountable bureaucratic buddies, even acknowledge the money they were provided with in the past was wasted or stolen. They claim to have "corrected their procedures" and say the "new money will be used to help the world's poor." U.N. Secretary General Kofi Annan constantly uses such lines, though official investigations into the world's largest financial scandal -- the U.N. oil for food program -- found the corruption directly benefited members of Mr. Annan's own family.

Ironically, according to the "Findings," the Report of the United Nations Commission on the Private Sector and Development estimates "developing countries have \$9,400,000,000,000 [that is \$9.4 trillion in private financial assets that cannot be fully mobilized because of corruption and inadequate legal protection for property and contracts."

If the U.N., OECD, International Monetary Fund, World Bank and the rest would put their own houses in order and seriously fight corruption in the developing world, not one additional penny of development aid would be needed.

The Inhofe-Nelson proposal is quite modest. It does not defund the U.N. or OECD or any other international organization. It merely reduces the U.S. government's payment to these organizations if they continue to push ahead with their destructive tax proposals. Thus, one can only assume those who oppose or vote against the Inhofe-Nelson bill favor allowing the unelected U.N. bureaucrats to impose taxes on all of us.

If the U.N. and the other international organizations obtain the right to directly tax, you can be assured most of the world's productive people will grow relatively poorer and less free, while the international bureaucratic class will become relatively richer.

*Richard W. Rahn is director general of the Center for Global Economic Growth, a project of the FreedomWorks Foundation.*