

**FTTs: Taxing financial markets as if people's rights mattered more than money**

Making fiscal policy more progressive and redistributive nationally and globally is an important means to create a more globally enabling environment for development. Value added taxes and taxes on labour continue to be the most popular instruments of fiscal policy to raise revenue. On the other hand the under-taxation of the financial sector is glaring in comparison to its exponential growth just in the past decade. In 2008, for example, the trading of financial transactions was approximately 74 times higher than nominal global Gross Domestic Product. In 1990, it was only 15 times higher. Just in the past decade, the trading of derivatives and foreign exchange has far surpassed global trade. This has contributed to a skewing of income distribution in society, in turn contributing to growing inequality. It has also impacted on the amount of revenues that states can spend on fulfilling their responsibility to fulfil and enforce their human rights obligations. Financial Transaction Taxes (FTTs) are a mechanism to reintroduce a measure of equality and progressivity in taxation systems, helping governments to meet legal commitments to provide resources to respect protect and fulfil people's rights.