<u>The Taxcast, November 2024 transcript: Trump: All’s Not Lost</u>

Naomi Fowler: Hello and welcome to the Taxcast from the Tax Justice Network. I'm Naomi Fowler. Donald Trump will be the US's next president. We're going to talk about the implications of that for tax justice and for anti-corruption efforts worldwide. This does bring nations to a moment of clarity, and we're going to talk about that in a bit. Before that, there are two great pieces of news to celebrate:

UN secretary: The committee is now voting on draft resolution L8/ REV1 entitled Promotion of Inclusive and Effective International Tax Cooperation at the United Nations.

Naomi Fowler: There's been another historic vote at the United Nations:

UN secretary: The voting has been completed. Please lock the voting machine.

UN Chair: I thank the secretary and the result of the vote is as follows: in favor, 125. Against, 9. And abstentions, 46. Draft resolution L8/Rev 1 is adopted. [Applause]

Naomi Fowler: Countries have just voted overwhelmingly to move forward to the next stage for formal negotiation of a UN framework convention on international tax cooperation. It's the world's best chance to avoid losing nearly 5 trillion US dollars to tax havens over the next decade. We're going to talk about that a bit later.

The other good news, in Australia, politicians really *can* act in the public interest. This is like an early Christmas present at a time when so much else in the world is looking pretty grim. Here's a message from one of our campaigner colleagues in Australia.

Jason Ward: Hi, this is Jason Ward from the Centre for International Corporate Tax accountability and research CICTAR and we are thrilled that the Australian government has finally passed public country by country reporting. This is the best multinational tax transparency legislation and requirement in the world and we hope it sets a new global standard.

Naomi Fowler: We've covered this for a while on the Taxcast. This new legislation now means that all major multinationals operating in Australia will have to publish country by country reporting data on the scale of their activities, including profits declared and tax paid in a list of jurisdictions deemed as 'high risk.' It's not only good for Australia, it's going to shed light on what multinationals are doing in other jurisdictions, which will help them tax fairly too. Australia's passed this bill in the face of extraordinary and aggressive lobbying from around the world trying to stop them. So this is historic. It's great news.

Back to Trump and his election victory in the United States. For human rights it's devastating, that's clear. What are the implications though for tax justice and corporate and financial transparency? I'm talking to Alex Cobham of the Tax Justice Network, based in Europe, and Zorka Milian of the Fact Coalition in the United States in Washington.

Okay. Let's challenge you a bit, I'd like one sentence from each of you summarizing your reaction to the Trump victory. I would like to include mine, but it would include some expletives, probably not appropriate for a decent podcast like this one. So Zorka, you want to go first?

Zorka Milin: I'll go first. The recent election is a vibe shift, is a big vibe shift, and honestly, not a good one, but also not as bad as you might think. So I'll try to, I'll try to explain later what I mean by that.

Naomi Fowler: Good, thank you. That was very succinct. Alex?

Alex Cobham: I think it's a disaster for human rights in the U.S and, and probably beyond in different ways. But for international tax, I think it's a moment of clarity that may actually prove to be quite positive over time.

Naomi Fowler: Wow. Very interesting and somewhat encouraging. So, can I ask both of you, and we'll start with Zorka first, in the light of this victory, how does the U. S. look to you now as a global partner in tax justice and anti corruption now?

Zorka Milin: I think it's hard to say. The U.S has always been a tricky partner for the rest of the world, let's just acknowledge that regardless of who is in power, there's a, uh, a mixed record. It's also probably kind of early to say, of course, there is a lot of rhetoric about 'America first' and a lot of people are expecting a more isolationist kind of stance. But I think we have to see how things shake out in terms of the important people who are appointed. Uh, so far we had a, uh, Secretary of State has been announced, Marco Rubio, someone who's, um, I would not call him an isolationist, he's very knowledgeable about Latin America in particular. So if I could read the tea leaves there, I think it signals, uh, a kind of shift from a Biden era position in the world that was, that was very, um, transatlantic and Europe-oriented to, you know, greater focus on, on the Western hemisphere. But I think it's a little hard to say just yet. So, uh, you know, ask me, ask me again, uh, when, when we know more!

Naomi Fowler: Alex.

Alex Cobham: So it is interesting to hear Zorka's reflections. I think just from the outside, you know, you have, you know, on the one hand, a bit of caution that lots of people were making very, very definite predictions when Trump was elected last time. And things didn't, didn't particularly pan out. You know, in some ways, some things were worse, some things were better, some things were just less organized, and so the worst fears in some areas didn't, didn't come to pass.

What feels clearer this time, perhaps, is that the administration is really going to be set up to be very seriously transactional, you know, they're explicitly, people are really discussing how tariffs will be used to get things, and offered to be negotiated down if people do things that the administration likes and so on. How that plays out in, in terms of tax will partly depend, I think, how many different trade wars the administration starts before we get fully into the tax negotiations and how kind of willing it is to use that leverage.

And then, of course, the other question is, you know, really how every other country responds to it. We've seen that under the Biden administration too, you know, we've seen countries like Kenya be threatened with the removal of a possible trade deal if they don't sing the right tune at the OECD. So it's not, in that sense, going to be a new thing. But I think what will be new is the willingness to threaten major OECD countries, including Canada and the EU. And so how, how the dynamics of that play out will probably determine quite a lot in terms of the, the tax policies that may emerge.

Naomi Fowler: Yes, trade wars. Can we talk about tariffs, Zorka, because there's a lot of talk at the moment and we are speculating and Trump says a lot of things and we never know what's going to happen, but in terms of the talk about tariffs on imports to the US, potentially 60 to 100 percent on Chinese products, maybe 10 to 20 percent on the rest of the world, even suggesting tariffs wouldn't just be a sort of trade policy thing, but could even replace federal income tax entirely. What are your thoughts on, on these comments on tariffs so far and your worries?

Zorka Milin: Yeah, you know, I'm a tax policy person, not a trade policy person, but we have to take it more seriously now, it is a big topic of discussion here in Washington. I've been running around and talking to different people and my sense is that we should not assume that everything that Trump said will come to pass. He has said a lot of things, but he's not the only decision maker. And I know that members of Congress, Republican members of Congress don't share his enthusiasm for tariffs. So that will be interesting to see how that unfolds. I mean, the issue is without going into the weeds too much, there's just no way to make the arithmetic work because however high the tariffs, and this is, you know, double digit across the board tariffs, that's, that would be a game changer, but as a revenue raiser, it would come nowhere near to, you know, filling the considerable deficit that we have, not to mention all the additional tax cuts that, that Trump has hinted at or promised. So again, I'm not a trade expert, but in general, tariffs are seen as generally regressive. And that's one of the reasons that I think for those of us who want to see a more progressive tax system, it should give us pause, even, even besides kind of like the math issue that I mentioned that, you know, the brunt of the tariffs would be passed onto consumers and as a revenue raising measure, we should instead be looking at how to make our tax system more progressive. So from the tax perspective, there are a lot of questions. Whether or how this will factor into the tax negotiations in Congress and even if the Congress does go along with it, which I think is a big if, I think there are also a lot of legal questions here. So notwithstanding Trump's campaign rhetoric, I don't think we should assume that these tariffs are going to happen. There are just too many political and legal uncertainties around that.

Naomi Fowler: Yeah. I mean not least Elon Musk would be, his businesses would be very hard hit, wouldn't they? So, uh, that's one thing er to think to think about. Just another quick one on these proposals, again, we don't know if these will actually come to pass, but Trump has been saying that he will cut corporate income tax from 21 percent to 15 percent for companies who make their products in the United States?

Zorka Milin: This is not a new idea. It is ironic because it would be reinstating a policy that was in place before the Republican tax reforms of 2017. And even back then, that policy didn't work very well, was really easy to, to circumvent. So I kind of put that in a similar category as tariffs, it's just, you know, one of the things that Trump's kind of set off the cuff, uh, during the election campaign. But as a policy matter, I don't know that there's much enthusiasm for something like this from the lawmakers in Congress.

That said, there's a broader discussion about what the rate should be, you know, the 2017 reform reduced the headline rate, the corporate rate, from 28 percent to 21 percent, floating in my, mind really erroneous arguments about America's tax competitiveness and that the rate was too high compared to, you know, other countries and a lot of them think that it's too low now where it is.

Now, I think the potential to, to increase that, that rate back up to what it was as President Biden had proposed is now not realistic. But equally, I think that any proposals to reduce it further, you know, just given America's fiscal picture are really far fetched, whether with respect to kind of reducing it for specific subset of companies that are, you know, making things in America or, or more broadly, I don't, I don't see that as happening.

Naomi Fowler: Oh, okay, interesting. Alex, the United States, it's got the potential to create a real climate of fear. The rhetoric's really ramping up, isn't it? And that's got a big impact on trade and tax policy of other countries. This threat about tariffs and punitive ones against countries that might try to implement some fairer taxes that we'd like to see on U.S multinationals, how much do you think this is going to have countries running scared from implementing things even like the digital services taxes, the OECD's pillar one aimed at getting big tech to pay more tax, and their pillar two, the global minimum tax of 15% ?

Alex Cobham: It's hard to, hard to think how much of the things that Trump has talked about in the campaign are actually gonna come in, partly because Trump isn't someone who sticks to his word and partly 'cause as Zorka, says within the Republican party there's a lot of different views on elements of this. I think one area where there is a bit more consensus, perhaps, is on the use of trade measures as, as sanctioning tools. And, you know, that's also something that the Democrats are not unfamiliar with. But, you know, it's been Republicans in the House Ways and Means Committee who've threatened both Canada and the European Union. In Canada's case, over digital services taxes as a response to the failure of OECD Pillar 1. In the European Union's case, over the introduction of elements of the OECD's Pillar 2. So everyone, everyone who might do anything that could raise the effective tax rate on U.S. multinationals is potentially in, in scope in that sense.

But I think it's just too early to say how, how much of a focus that will be. And it may depend on what else they can put through as a positive agenda. How, you know, as Zorka says, tariffs are not going to fill the type of budget gap that seems likely to be created by the tax cuts, and therefore, how willing will a Trump administration be to use further tariffs as a, as a tax attack? You know, that that could shift quite a lot over the course of the, the four years.

So perhaps what's left is just a question on, you know, how countries are gonna respond to that both in advance and as it goes along. And I think if they're having this kind of conversation with themselves, say in, in the European Union or, or elsewhere, you're probably thinking, there's so much rhetoric around, and this isn't the time to respond to rhetoric, you know, because we know, we've, we've got abundant evidence that rhetoric is, is cheap. So right now, we should stick to what we're doing, and it may even be that this is creating things that we can trade later for less aggressive tariffs, for example. So I don't think countries are likely to be getting compliant early in response just to the rhetoric, I think they'll wait to see.

Naomi Fowler: There's a situation when it comes to the global south countries in terms of threats about tariffs and this power that United States has globally in the economy. Looking at the bloc of the EU, which has been implementing the global minimum tax the most when you look globally, is there much chance of some leadership there and using the power of a bloc? I've seen that the EU official in charge of tax policy has been quoted as saying that it can't be that we're not going to tax these companies because we can't come to a global agreement. And I'm quoting, he said, the preference is to do it globally. If that's not possible, I will have to convene with EU finance ministers and find a second best solution, which is quite interesting that he said that.

Alex Cobham: Yes, um, but I think we have to take that with a bit of a pinch of salt because this is someone with a reputation for being on the side of corporate tax avoidance who is trying to get confirmed by the European Parliament! I too would be saying all sorts of progressive things in that situation, but I'd be more likely to stick to it!

On the other hand, you know, it's also true there's a dynamic there that it's, it's sort of popular, verging on populist in a lot of European countries, simply to be seen to be opposing Trump. And that might, might also have some impact on the willingness of politicians to press ahead with something like digital services taxes, or to stick with the global minimum tax.

I think the question of global leadership is, is an interesting one. We've got most of the countries of the global South currently as a bloc leading in, in two different ways. One is leading the progress towards the negotiation of the UN Tax Convention, so really taking power from the OECD bloc. And the other is resisting the implementation of the OECD's two pillars. You know, it's one thing for the U.S to be, you know, dragging its feet, even after really having imposed key elements of the design on the rest of the world. But it's another thing, lower income countries outside the OECD, to be actually refusing outright to implement some elements of this. So, we might expect to see a continuing process of flux perhaps, in what we actually think of as leadership on tax.

Whether there's a space for the EU to step into and be in some sense, the progressive effective tax leader, the countries in the global south follow, it's not clear to me anymore, you know, I think that space *was* there 10 and 20 years ago, it's less obvious now.

So what does that mean? Positively, perhaps there's a moment of joint leadership, you know, where you could see the G77 countries and the European Union decide to move together collectively within that UN setting and agree rules together. And that, that moment of clarity that I talked about with Trump, I think European Union countries in particular would have been really unwilling to take that step with a Biden administration in place, even though the Biden administration itself was effectively undermining the pillars it had helped to design. Because it's Biden, and you say, look, this, this person is clearly in favor of progressive tax, and he's sort of a good guy, so we can't split with him. Trump, it's a different dynamic. He's going to say something much more aggressively against making corporate tax effective. So the space there to say, let's act progressively and somehow not worry about where the U.S is, not expect them to be with us and not worry that they're not, is probably bigger now with, with the incoming Trump administration. Just maybe that plots a path for the world towards something that is collectively more ambitious and more effective than, than anything that could ever get through the OECD while the U.S was, you know, exercising an effective veto.

Naomi Fowler: Yeah, and I mean, the OECD's Pillar 1 was in trouble already with its attempts to get big tech and other multinationals to pay more tax. And Pillar 2, the global minimum tax Zorka, it was already in trouble?

Zorka Milin: I think reports of the death of Pillar 2 are somewhat exaggerated. A lot of countries, not just in Europe, but Australia, you know, a few countries in Asia, Brazil, looking at implementing pillar two, I mean, it is, it is, uh, a reality that, uh, it's the law, you know, so, so it is, it is something that has moved from a kind of crazy policy idea to, you know, a actually having force of law in a lot of countries. And this is something that, like, if I try and put my international corporate tax lawyer hat back on, I think that for companies, they are looking at it pragmatically in terms of what their exposure is and how they can comply with the, with the laws. For them, it's, it's at this point, effectively a compliance question. And I think that's relevant when we, when we think about the US, um, response, because while it's true that Republicans, especially in the

House, have been extremely hostile to the idea of a global, any kind of tax cooperation, I think the fact that it's a reality kind of changes the political situation significantly.

I think that this is something that would be in the U.S interest. I mean, we have some of the biggest, most profitable, most powerful multinational companies in the world. They are also some of the least taxed companies in the world. I mean, if you look at the headlines, it's like hard to keep up with all the scandals from Apple, Microsoft, Pfizer, they're all American. And so there's a lot of revenue on the table for the, for the U.S. We are currently, I mean, the current international tax system we are a major loser. In absolute terms, the biggest loser. Although in relative terms, of course, the global South countries are losing significantly more relative to their GDPs, but you know, we should be united and kind of hold hands together to make the system work better for everyone.

As Alex has explained, and I agree, I think that that's far fetched in this new political reality, but we should be doing what we can to improve how U.S multinationals are taxed. And I think that Pillar 2, for all its flaws, and it has flaws, you know, to be sure, it's a, it's a good, uh, starting point. So, uh, I would say I am cautiously optimistic. That might surprise you, but I think that it's not, you know, dead in the water.

Naomi Fowler: That's interesting, and however much, uh, that's the case, the OECD is somewhat weakened, right, Alex, when it comes to their power to set global tax rules with the U.S being such a major sort of incluence and funder. You know, multilateralism is exactly Trump's forte, is it?

Alex Cobham: Well, I think on that, I think most of the damage has already been done, you know, we're, we're just coming to the end of the sixth year of a two year process to, to come up with these two pillars. And the reason that process has gone so long is also its biggest weakness, which is that, you know, it began with the inclusive framework being told, you know, this group of countries that goes beyond the OECD for the first time, you are setting the rules here and the secretariat is here to do your bidding.

Naomi Fowler: Yeah. And just to explain, what we call the rich country club of the OECD set up what it calls the inclusive framework , after complaints about countries being excluded, especially global south countries, in discussions on the taxation of multinationals. So they added more countries who aren't OECD members into their discussions.

Supposedly, these non-OECD member states have an equal voice and decisions are made by consensus, and it sounds nice, but OECD decision making isn't public. There's no formal voting. There's a lot of political pressure bullying any opposing countries into submission. There's a kind of reliance on silence from countries that may not have the capacity to engage.

Alex Cobham: Yes, um, the very first work plan that the Inclusive Framework set for the Secretariat to look at three different options, the Secretariat ripped up before they had done the evaluation they were supposed to six months in, because the US and France had begun bilateral negotiations, and you know, the Secretariat then came back to the, to the Inclusive Framework and said actually, we have this much better plan, the Unified Proposal, which didn't look much like any of the three, and six months after that, they had to rip it up again and say, actually, we didn't mean that, we meant this because the U.S and France had reached a different point in their negotiations. This was the U.S under Trump, so perhaps something to think about there. It's not that the Trump administration wasn't a multinational actor, just that it very much believed in, you know, exerting its own power directly I think more crudely, perhaps than other US administrations had done at the OECD, but with by and large the same effect. And when the Biden administration came in, you know, they ripped up everything that had been done on pillar one and replaced it with a proposal by a single academic who they happened to have brought into the Treasury when they came in, for good or bad. So, you know, nobody could claim that either of those administrations had done anything to bolster the credibility or the inclusiveness of the OECD, quite, quite the opposite.

So, will the next Trump administration be any worse for the OECD's reputation? I think it's gone. I mean, you know, I think the fact that we've got a majority of OECD members having voted in favour at different stages of the process towards the UN Convention, and on the last vote just having eight countries oppose the UN process, I think is indicative of that's where the future lies.

Naomi Fowler: Yeah, so we're talking about eight main countries that have opposed the UN Tax Convention. They're wanting to keep things at the OECD, where they like it. And actually, countries have just voted at the UN General Assembly, overwhelmingly to begin the formal negotiation of the UN Framework Convention on International Tax Cooperation.

We saw the same culprits voting against it as we saw earlier this year. The UK, of course the United States, plus Australia, Canada, Israel, Japan, New Zealand and South Korea. Those eight are also responsible for not far off half of the world's revenue losses caused by cross border tax abuse. And it was interesting in today's vote, Argentina under President Javier Milei joined those blockers so now there's nine of them. So how will this fare in your view? Let's go to Zorka first. How will it fare without the US necessarily being involved? Under Trump, we know we're not going to be a big fan of the United Nations. Zorka?

Zorka Milin: Maybe this is the extent to which Trump's victory is the kind of clarifying moment for the rest of the world, especially when it comes on the international tax issues. I think that's particularly true when we're talking about the UN even more so than on the OECD front. I mean, the Trump and Republicans in Congress are not the biggest fans of multilateralism on tax or, I mean, other, other issues for that matter. I think that's, that's, that's pretty clear.

I will just say though, that said, a question to consider and grapple with in terms of how a UN framework convention, how we can make the most of that moment without US participation, because I mean, you know, the US - so many big multinational corporations, is kind of like the big, you know, thousand pound gorilla here, so, so I think down the road, that is, that is something to consider, but for, for the time being, I would agree with Alex that there is a clarifying moment.

Naomi Fowler: Alex?

Alex Cobham: Yeah. One thing that we, you know, an argument we've made within the negotiations already is that because it's possible for a UN Tax Convention to create rules that are effective on economic actors from countries that don't sign up, most obviously, you know, U.S. headquartered multinationals operating across the global south, then there will be a significant interest in keeping engaged. You know, that's why the European Union didn't just walk away from this in the way that they did from the equivalent attempt to get a process going around international debt.

You know, on, on debt, you can't, you can't really create an effective mechanism without the main powerful countries in place because they're the ones who, who own the debt. But on tax, you *can* tax their multinationals for the profits that they're making and possibly not declaring in your jurisdiction. And so you can do it without them.

So for that reason, I think there will be a point when the U. S. comes to the table and it might be within, you know, the two and a half years when negotiations of the convention have scheduled to mid 2027. If there's a point within that where they move beyond the principle that's already agreed of taxing multinationals according to where their economic activity takes place and into rule setting on that basis, which might well be a unitary taxation approach with formulary apportionment, at that point, the implications for U. S. multinationals would be very, very clear and large. And I don't think there's any way you know, in the same way that the U. S. Treasury effectively was pushed by those multinationals to get the OECD to start the negotiations again in 2019, I don't think there's any way that they stay outside of that space, if that's where it goes.

But it might be that the convention negotiation remains on principles in that area, and it's the framework body after 2027 that might start setting rules in that space. In which case that, that timing will, will be different. And you could see the US, you know, they'll be in the room for sure to see what's happening, but they might more or less stay outside until, until later.

But I think even then, you know, we have the precedent of things like the Convention on Cluster Munitions negotiated outside of the UN in order to avoid having countries like the US block it all the way through, but which, once enacted by the signatories, actually ended up more or less changing the US position too, so that just the soft law norm setting of that convention was significant for the US as a, as a non signatory. So we might see that dynamic at play a bit too.

But - just a last point before we get close to that I think this will likely become an area, unless there's just too much happening in other, in other fights for this administration, I think we'll see some quite significant threats being made around this process by the U. S. and the way that the countries of the world respond to that, including whether EU stick together, probably determines how ambitious the convention is in that first phase.

Naomi Fowler: I wonder if we can talk with Zorka a bit about some of the impacts within the United States itself of this Trump win? We did a lot of reporting on the 2017 Tax Cuts and Jobs Act and how bad that was, kind of Laffer curve philosophy, you know, cut the taxes and you're going to stimulate growth. Didn't happen. Just eroded the tax base and, uh, made a very narrow section a lot wealthier. But Trump has said that he would make that permanent, some of that, um, those provisions were due to expire in 2025. What are your thoughts on, on that?

Zorka Milin: Right. So as you say, big parts of the 2017 reforms are expiring after next year. And that is a forcing moment on tax policy. Now, you know, the political lay of of the land is not as, you know, favorable to create tax justice as would be ideal, to be sure. But I still think that there's a discussion to be had given, um, the overall fiscal picture and the fact that what's expiring actually is, is some of the more politically popular tax cuts for individuals. Whereas what, in the bill, you know, what the Republicans had made permanent was the less politically popular tax cuts for big corporations . But, you know, be that as it may, I, I think the policy debate will be broader and will capture the corporate tax cuts, including the international provisions that we, that we talked about earlier. It's hard to predict. But it's just not a foregone conclusion that everything will be extended wholesale, just because not only would that be physically irresponsible, it would also be unpopular. And our, in our coalition, which includes many tax justice groups, as well as kind of labor and small business groups, we are determined to press our case as much as we can, regardless of the election outcomes.

Naomi Fowler: Yeah, and just to take a sort of a handful of things to think about, and I don't know if you want to make a comment on any of them, but if you look at the IRS, Biden invested a lot in the IRS after a long time of undermining it. That's likely to be rolled back, I would think.

Corporate Transparency Act, you know, companies have a deadline, if they're eligible, there's some exclusions, uh, they have to report by, uh, the 1st of January 2025 which is a really interesting date. Then there's crypto developments, which is where my eyes are on as a really major economically destabilizing force in the Trump years. And of course, the deregulation of the finance sector, further deregulation and merger booms , these are my pick of things to keep an eye on over the next few years. And that's a lot I just threw at you, but, um, I wonder if you wanted to pick anything out of that in particular?

Zorka Milin: These are all incredibly important issues. There is a lot in what you listed where we have important wins that we will need to defend, like the Corporation Transparency Act and then there's also kind of emerging issues like crypto, you know, that's, that's a tough one, just because one of the things about this election is that the crypto industry kind of came into its own as a big political actor and political spender. And so they, they, they will have outsized influence over, you know, both the administration and the Congress.

We have our work cut out for us. Um, it's not easy, but then again, it never is. We're going to be fighting to defend all the hard fought wins that we have. And also trying to do everything we can to have some new, new wins on our, on our side of the board.

Naomi Fowler: So, I mean, where are the best potential areas for resistance um, as you see it? There are always new opportunities in every situation, however bad it can look. So, you know, in terms of. international saxation and anti corruption, um, what are the opportunities with this realignment, really? Um, I'd start with Alex first.

Alex Cobham: I think it's, really, there's a chance for not even necessarily a progressive alliance, but an alliance of national level policy makers who recognize the importance of tax for effective States. That doesn't, that doesn't have to cut left, right in any particularly hard way. It just requires some kind of desire to be on the state building side rather than state tearing down side. I think, you know, I think the UN is the opportunity where that, that could happen. And it's the, the European Union countries that really will be the kind of the tipping majority or not, I think.

A UN convention negotiated by the G77 alone would be a really good convention. And then there's a question of how far it goes . But a convention negotiated by the G77 and the EU *together* can really change the world and do it with, with some speed. You know, if we think about acoustical mass on, on pillar two of the OECD's proposals, it's, it's gone some distance. It hasn't gone that far. It's given us a bit of a sense of a minimum, but, you know, more in principle than in, in practice. That kind of dynamic taken to the breadth of the G77 and the EU, and delivered across the whole range of tax areas in the Convention, you know, *then* we'd be talking. So yeah, I do think this, this moment of clarity may, may turn out to be rather positive. But that's going to take an enormous amount of work from, from across the movement, and from people holding their governments to account, and forcing them to prioritize this issue and their stance rather than allowing people to, to hide from it in case it provokes a fight with the U. S. That, that can't be where this gets left.

Naomi Fowler: A moment of clarity. Zorka, what are your thoughts?

Zorka Milin: I think notwithstanding the election outcome that the world can't forget or give up on, on the U.S and, and its role in the world because it still is uh, such an outsized role. But if you think about the election, you know, let's not forget the election was actually very close. It wasn't this landslide that, like, if you look at the map, because of the way in which, uh, the votes are calculated, actually, the overall popular vote was close, and it was pretty close in the key swing states, so you know, it's, it's not exactly a mandate. I mean, you know, Trump and, and Republicans like to talk about how they have a mandate because they do have control over Congress. Let's say they do have a mandate; a key part of the reason why they won is because the American voters weren't happy about the economy, you know, unfortunately they were looking to Trump and the Republicans to fix it, but that is a responsibility that they now have.

One of the things that does give me hope when I said at the outset, you know, that things are not as dark and gloomy as they might appear from our vantage point here in the US this new economic populism is, is, is something that gives me hope that we are starting to see even in the Republican party, which has traditionally been a very anti tax, you know, kind of trickle down economics, that was the party establishment, right? Now they're grappling with new ideas and, and that includes some new territory, you know, around corporate accountability and also what a fair tax system should look like . In public opinion polls, Americans across the political divide, they feel like the tax system is not fair. And it's not, it's not fair, not because taxes are too high, but because they are too unfairly distributed and this kind of business as usual, giving tax cuts to the very wealthy and to corporations is now in question. So that is something that gives me hope and where I see an area of opportunity.

Naomi Fowler: That's it for this month. Check out the show notes for further reading. You've been listening to the Taxcast. You can listen wherever you get your podcasts and our podcast website with all our podcasts in five different languages, all independent productions is podcasts.taxjustice.net Thanks for listening. We'll be back with you next month. Bye for now.