

WHY IS TAX A FEMINIST ISSUE?

Globally, women are more likely to live in poverty than men. They are paid less, they own less, they do more work overall, and poverty and discrimination increase their exposure to the risk of violence. At the same time, poor women and girls bear the brunt of the government spending cuts that are taking place in developed and developing countries alike. In most cases, these spending cuts could be avoided altogether were governments to take strong measures to tackle tax abuse by corporate entities and the wealthiest in society, or commit to taxing them at higher rates.

Instead, both powerful corporations and wealthy individuals put pressure on States to reduce their own tax burden in the name of “efficiency” and “competition”, and to perpetuate a global system in which international financial flows, massive profits and huge personal fortunes are allowed to escape tax. Meanwhile, governments turn to workers and consumers to generate public revenue. The result is that giant amounts of corporate income – and the wealth of the 1% – accumulate untaxed and in tax havens, while rich and poor countries alike struggle to provide for their populations’ basic needs.

These are policies whereby, in effect, the poor subsidize the rich. Since the asset-owners and shareholders of the global North are predominantly men, and the global poor are predominantly women, these mechanisms essentially represent a massive global transfer of wealth and power from women to men. Millions of women around the world have little choice but to sell their time and labour for meagre wages; and while their labour and consumption is taxed, the corporations and financiers who ultimately make vast profits from their toil pay little or nothing into the public purse. Schools, hospitals, roads and energy infrastructure – and other goods and services essential for human flourishing and for progress towards gender equality – remain inadequate and under-financed.

At the national level, studies across different countries have shown that women bear a disproportionate share of overall tax burdens, while government expenditure tends to privilege men. The benefits of tax cuts for corporations and high earners largely bypass women, while they feel the brunt of regressive VAT/consumption taxes, as women tend to use larger portions of their income on food and basic goods for the household – because of gender norms that assign them responsibility for the care of dependents. Indeed, tax policies themselves play a crucial role in entrenching these social norms, tending to be based on an outdated sexist ‘male breadwinner’ model. So, as well as direct effects on women’s income, tax policies enshrine social norms and gender stereotypes that are profoundly discriminatory and constrain women’s opportunities, political voice and progress towards equality.

Over the last three decades politicians in most countries have substituted regressive consumption taxes (e.g. VAT) for wealth, income and corporation taxes. This has reversed the largely successful progressive tax policies of the previous half-century, worsening inequality and substantially impacting the expenditures of poorer households. Women have borne the brunt of this reversal. Combined with the gendered impacts of government spending cuts that have created more unpaid work for women while slashing their

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benefits, in many countries poor women's resources, time, health and coping abilities are being stretched to breaking point – with those who experience additional forms of discrimination (on the basis of e.g. race, ethnicity, sexual orientation or national origin) often suffering most.

Therefore, national and international tax systems entrench patriarchal power structures in the economy, in public life, and in the home – making women's full economic equality a mirage under the current tax status quo. Tax justice should be firmly on the agenda of the women's movement; while equally, gender inequality should be a core concern of tax justice advocates.