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[†] I am grateful to Juri Viehoff and two anonymous reviewers for their comments and suggestions, and I would like to thank Mathias Risse for extensive comments and long discussions. Earlier versions of the paper were presented at the graduate seminar of the Edmond J. Safra Center for Ethics at Harvard (February 2012) and the Political Theory Workshop at the University of Bayreuth (November 2012). I am grateful to both audiences for questions and objections. The McCloy Academic Scholarship Program provided generous financial support while I was writing this paper.

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Justice in Finance: The Normative Case for an International Financial Transaction Tax*

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THERE has recently been much debate about the idea of levying a tax on particular transactions on international financial markets. Economists have argued about how much revenue such an international financial transaction tax would raise and they disagree about what effects it would have on trade volumes, financial stability, and overall growth.[1] Politicians have argued about the feasibility of introducing such a tax internationally and they disagree on its adequacy as a policy response to the current financial and economic crisis.[2] This article contributes to the debate about international financial transaction taxation by bringing the perspective of political philosophy to bear on the politicians' and economists' arguments about policy. I shall outline a framework for thinking about justice in finance,[3] and defend the idea of an international financial transaction tax as an instrument for making the international financial system more just.[4]

*I am grateful to Juri Viehoff and two anonymous reviewers for their comments and suggestions, and I would like to thank Mathias Risse for extensive comments and long discussions. Earlier versions of the paper were presented at the graduate seminar of the Edmond J. Safra Center for Ethics at Harvard (February 2012) and the Political Theory Workshop at the University of Bayreuth (November 2012). I am grateful to both audiences for questions and objections. The McCloy Academic Scholarship Program provided generous financial support while I was writing this paper.

[1]For the original formulation of James Tobin's famous proposal of an international financial transaction tax, see Tobin (1978). For a comprehensive overview of different perspectives, see Kaul and ul Haq (1996). For a review of recent developments and available empirical evidence, see for example McCulloch and Pacillo (2011).

[2]Among the earliest political proponents of an international financial transaction tax are non-governmental organizations like the Association for the Taxation of Financial Transactions and Aid to Citizens (ATTAC), <www.attac.org>. More recently, advocates of the tax include heads of states and European Union officials. On January 22, 2013, the EU Council authorized eleven member

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