

Exploring Liberal Cosmopolitan Paths
towards Global, Regional and National
Financial Regulation (2008-2018): The
Case of the European Union Financial
Transactions Tax (EUFTT)

Kavi K Thakore

The degree is awarded by Oxford Brookes University

The thesis is submitted in partial fulfilment of the requirements of the
award of Doctor of Philosophy

May 2022

Acknowledgements

First and foremost, I must extend special thanks to my mother and father, Raksha and Kiran, as well as my sister Roshnee. Without their constant, unequivocal and loving support and patience, I would not have been enabled to pursue my PhD pathway, let alone complete my thesis. Of course, special thanks must also be extended to my supervisory team: Stephen Hurt, Doerthe Rosenow and Chris Hesketh. Their guidance, theoretical expertise and support have been integral to my research project. On top of this, I must thank all of my extended family, particularly those I engaged regarding theoretical thoughts, ideological concerns and, of course, my thesis. Key figures like, Darshna, Smitesh, Jamisha, Vinit, Pritesh, Alok, Ramesh Mama, Bhanu Mami, Sheila Foi, Bharat Masa, Moti Masi, Dharmista Masi, Kirit Mama, Bhupendra Mama, Bharthi Mami, the late Viru Mama, Aman, Ameesh, Simmi, Natasha, Devisha, Nehal, Shrey, Shivam, Kunal, Karishma, Ben Davies, Taj, Reena, Diviya, Parul and Ruchi deserve recognition. In addition, I would like to thank friends I consider to be innovative norm carriers, as their discussions and debates have proved to be indispensable to my thesis and formulations of my worldview more broadly. Of note here are, Cameron Hall, Maxwell Stewart, Charlie Barber and Travis Folkes. Further to this, a number of friends and colleagues, who have offered their assistance, reassurance and time, must be acknowledged, including: Ryan 'the Frieberg School' Fry; Frank Horwood-Cummins, David McLaughlin, Mark McLaughlin, Chloe Chaplin, Duane 'DL' James, Niki Nunes, Hugo Stewart, Becky 'BP' Pollock, Saskia Clubb, Joe Fellows, Ben Williamson, Simon Bull, Alfie West, Hugh Leather, Emma Hawes, Marco Duarte, Chloe Brutto, Charlotte Bonsall, Yasmin Matthews, Charlotte Marman and Claire Cardinal.

Abstract

Following the 2008 global financial crisis, the failure of neoclassical regulatory/governance mechanisms and economic ideas, necessitated calls for the construction of new approaches that depart from the old accepted paradigm. Therefore, the thesis argues for a liberal cosmopolitan approach to regulate and reform the current arrangements guiding the global financial system. By considering the European Union Financial Transactions Tax (EUFTT) case study, the thesis goes beyond abstract theorisation and explores the viability of a liberal cosmopolitan approach towards global finance in practice. The thesis argues that the EUFTT is associated with liberal cosmopolitan concerns related to generating a regulatory turn, global redistributive justice and more convergence between national political economies. In mapping out the EUFTT policy process across 2008-2018, the thesis examines the major obstacles to implementation, and provides a multi-actor/multi-level analysis that reveals the representative attitudes and strategies embraced by EU/national policymakers and non-state actors. The thesis is guided by 46 qualitative research interviews conducted between 2016-2017 with a range of policymakers and non-state actors involved in the EUFTT project/process. Furthermore, by combining rationalist and constructivist methodologies through an actor centred constructivist (ACC) approach, I reformulate liberal cosmopolitanism by presenting a deeper account of agency, which is usually missing from most liberal cosmopolitan scholarship. Hence, the thesis argues that an ACC approach extends liberal cosmopolitanism by incorporating actors, interests, ideas and power into the analysis. The major findings of the thesis include uncovering an unheard aspect of the debate, insofar as baseline convergence existed among a diverse set of actors around establishing a global FTT that covered transactions involving shares. Nonetheless, a lack of leadership, divisive agendas, national market specialisations, divergent conceptualisations of FTTs, as well as the occurrence of new crisis moments were all key challenges for implementation of the EUFTT, and the advancement of ideas favouring FTTs in general. Moreover, the thesis argues that specific market identities, social representations and cognitive backgrounds influenced the views of policymakers, and non-state actors operating within certain political economies, on the EUFTT because actors in different countries think about capitalism differently. In turn, the thesis argues that this constrains/enables paths towards applying an (EU)FTT, and, by extension, other liberal cosmopolitan projects of this nature. This is a key lesson for liberal cosmopolitan scholarship, as the thesis argues that a practical and pragmatic path to reform is to endorse thin and narrow liberal cosmopolitan projects, outcomes and values as a first step, with the view that these can become thicker and broader over time. At the same time, national paths and measures, pursued by both policymakers and non-state actors, can also lead to the realisation of varying degrees of liberal cosmopolitan outcomes and values in practice.

List of Abbreviations

ACC	-	Actor Centred Constructivism
Attac	-	Association for the Taxation of Financial Transactions and Aid to Citizens
Brexit	-	British/UK exit from the European Union
BWS	-	Bretton Woods System
CCP	-	Central Counterparty
CDO	-	Collateral Debt Obligation
CDS	-	Credit Default Swap
CDU	-	Christian Democratic Union (Germany)
CSO	-	Civil Society Organisation
CSU	-	Christian Social Union (Germany)
DG	-	Directorate General
DG TAXUD	-	Directorate General for Taxation and Customs
Die Linke	-	The Left Party (Germany)
EC	-	European Commission
ECB	-	European Central Bank
ECON Committee	-	Committee of Economic and Monetary Affairs
ECOFIN Council	-	The Economic and Financial Affairs Council
ECP	-	Enhanced Cooperation Procedure
EELV	-	Europe Écologie Les Verts (France)
EESC	-	European Economic and Social Committee

EMIR	-	European Market Infrastructure Regulation
EP	-	European Parliament
EPSU	-	European Public Services Union
EU	-	European Union
EU-11	-	Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia, Spain
EU-10	-	Austria, Belgium, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia, Spain
EUFTT	-	European Union Financial Transactions Tax
Eurozone Crisis	-	Eurozone Sovereign Debt Crisis
FDP	-	Free Democratic Party (Germany)
FSA	-	Financial Services Authority (UK)
FTT	-	Financial Transactions Tax
G20	-	Group of Twenty Countries
GDP	-	Gross Domestic Product
GPE	-	Global Political Economy
HFT	-	High Frequency Trading
IBRD	-	International Bank for Reconstruction and Development
IMF	-	International Monetary Fund
IPE	-	International Political Economy
IR	-	International Relations
LCR	-	Ligue Communiste R�volutionnaire (France)
Lib Dem	-	Liberal Democrat (UK)
MBS	-	Mortgage Backed Security

MEP	-	Member of the European Parliament
MiFID II	-	Markets in Financial Instruments Directive II (EU)
MiFIR	-	Markets in Financial Instruments Regulation (EU)
MP	-	Member of Parliament (national)
NGO	-	Non-governmental Organisation
ODA	-	Official Development Assistance
OECD	-	Organization for Economic Cooperation and Development
OTC	-	Over-the-counter (i.e. off exchanges)
PCF	-	Parti Communiste Français (France)
PRG	-	Parti Radical de Gauche (France)
PS	-	Parti Socialiste (France)
SPD	-	Social Democratic Party (Germany)
STT	-	Tax on share transactions
The Council	-	The Council of the EU
The Union	-	International Currency/Credit Union
TJN	-	Tax Justice Network
TUC	-	Trade Union Confederation (UK)
UK	-	United Kingdom
UMP	-	Union for a Popular Movement (France)
UN	-	United Nations
US	-	United States (of America)
USA	-	United States of America
VoC	-	Varieties of Capitalism

WEED

- World Economy, Ecology & Development Association

Timeline of Events

Feb 2007	US housing prices begin to decline nationwide, while delinquency/default rates rise, especially among those with subprime mortgages. Global investors are no longer reaping benefits from subprime products, thus they become reluctant to invest in MBSs, sparking the beginning of the US subprime mortgage crisis.
Mar 2007	Derivatives linked to MBSs, like CDOs and CDSs, begin to collapse in value.
Apr 2007	US credit ratings agencies begin to downgrade MBSs, CDSs, CDOs and other mortgage related derivatives, generally from the highest 'AAA' rating, to the lowest rating, 'BBB-' (junk).
Jun 2007	Global liquidity credit crunch emerges as short-term lending between banks/financial institutions declines sharply.
Jul 2007	German bank <i>IKB (Industriekreditbank)</i> requires a private sector bail out due to exposures linked to the US mortgage market.
Aug 2007	French bank <i>BNP Paribas</i> publically recognises it will face difficulties due to exposures to the US mortgage market.
Sep 2007	UK bank <i>Northern Rock</i> fails due to exposure to US mortgage market and is bailed out by the UK government.
Jan 2008	The 2008 global financial crisis begins to unfold, as at least 100 US mortgage companies have failed since January 2007. The collapse of the US mortgage market raises global solvency issues for many banks, financial institutions and investors that are overexposed to US mortgage related instruments.
Feb 2008	<i>IKB</i> requires further assistance and is bailed out by the German government.
Mar 2008	US investment bank <i>Bear Sterns</i> faces difficulties due to being overleveraged in US mortgage related instruments, and is acquired by US investment bank <i>JPMorgan Chase</i> .
14 Sep 2008	US investment bank <i>Merrill Lynch</i> is overexposed to MBS and CDO markets, but is acquired by another US bank, <i>Bank of America</i> .

15 Sep 2008	US investment bank <i>Lehmann Brothers</i> is allowed to fail as a US government and/or private sector bailout is not forthcoming. Due to their size, scale of operations, interconnectedness and immense overexposures to US mortgage related instruments, the failure of <i>Lehmann Brothers</i> creates a systemic risk and too big to fail problem, fully precipitating the 2008 global financial crisis. At this point, the accepted view was that if <i>Lehmann Brothers</i> can fail, then the same could be true for other financial institutions that were more, or even less, exposed than <i>Lehmann</i> . As such, to avoid a global economic collapse, systemically important banks/financial institutions were deemed to be too big to fail by the US and other governments.
16 Sep 2008	US insurance company <i>AIG (American International Group)</i> is even more overexposed than <i>Lehmann</i> , but it is bailed out by the US government.
3 Oct 2008	To calm global financial markets, US policymakers start to bail out other US and European banks/financial sector institutions that are deemed to be systemically too big to fail.
8 Oct 2008	UK bank <i>RBS (Royal Bank of Scotland)</i> is bailed out by the UK government.
10 Oct 2008	Iceland's banking and financial system begins to collapse. UK and Dutch policymakers launch legal action to guarantee their national savers' deposits.
21 Oct 2008	French banks <i>BNP Paribas</i> , <i>Credit Agricole</i> and <i>Societe Generale</i> receive bailouts from the French government.
14 Nov 2008	G20 summit held concerning the reform and regulation of global financial markets, particularly in light of the ongoing 2008 crisis and emerging global recession.
21 Nov 2008	Iceland receives IMF bailout.
25 Nov 2008	The US Federal Reserve launches its first round of quantitative easing and begins to purchase MBSs and other 'toxic' public/private assets.
Mar 2009	The Bank of England follows suit and embarks on a policy of quantitative easing as it starts to purchase US subprime mortgage related public/private assets held in the UK.
May 2009	To recover some of the costs associated with the 2008 crisis, the UK Labour Party introduces a national bank levy, i.e. a bonus tax on bankers.

Nov 2009	UK PM Gordon Brown proposes Global Tobin Tax at G20 meeting, with the view that revenues should be allocated towards a global insurance fund that addresses systemic risk and too big to fail problems.
Nov 2009	German Chancellor Angela Merkel and French President Nicholas Sarkozy support calls for a Global Tobin Tax/FTT.
Dec 2009	The IMF, ECB and US Treasury Department all present strong opposition towards a Global Tobin Tax/FTT.
Dec 2009	RBS receives second UK government bailout.
Dec 2009	As the global recession and credit crunch intensifies, a Eurozone Sovereign Debt Crisis begins to unfold as several Eurozone members cannot repay/refinance their government debt or bailout national banks/financial institutions, without the assistance of the Troika (representatives and technical experts from the IMF, EC and ECB). The Troika attach conditions and the implementation of austerity policies to bailouts.
Jan 2010	Major political debates ensue at the EU and national levels concerning bailout conditionality. This continues for several months.
Mar 2010	In the lead up to the 2010 UK General Election, the Liberal Democrats include implementing a global FTT as a clear manifesto pledge. However, this type of policy, as well as FTTs in general, are not endorsed by the Labour Party or the Conservative Party.
May 2010	The German government introduces a national ban on the short-selling of CDSs on Eurozone sovereign debt/government bonds and shares in major German financial institutions.
May 2010	Greece receives first Troika bailout
May 2010	The Labour Party suffers defeat in the UK General Election. The Conservative Party and Liberal Democrats form a coalition government, led by new PM David Cameron. The three political parties agree that a global FTT is the best path, but this move is unlikely unless the US government and other large financial centres join/launch the project. UK policymaker discussions on extending the existing UK FTT (Stamp Duty on shares) to cover other instruments like derivatives (a key policy ask of UK based FTT proponents) are non-existent as the major UK political parties do not support such steps.

Jun 2010	As G20 and global discussions concerning FTTs/Tobin Taxes start to recede, the EC suggests that an EU-wide Tobin-style measure can generate direct revenue for the EU, thereby reducing member-state contributions to both the EU budget and Eurozone bailout funds. On top of this, the so-called 'EUFTT' is also heralded by EC proponents for delivering deep regulatory benefits.
Jul 2010	The EESC adopts an opinion in favour of the EUFTT.
Nov 2010	Ireland receives Troika bailout.
Mar 2011	Most UK policymakers continue to pursue other measures to raise revenues from the financial sector, such as the national bank levy and direct fines, rather than endorse FTTs/Tobin Taxes as solutions. In this way, the latter largely disappears from discussions and debates held between UK policymaking circles, and this is evident on a cross-party basis.
Apr 2011	Eurobarometer data indicates that 65% of EU citizen respondents are in favour of introducing Tobin-style/financial taxes at the EU level.
May 2011	The EC launches an EESC public consultation process on financial sector taxation, which includes stakeholder feedback from investors/market actors and financial institutions, as well as traditional EESC members, like social partners/NGOs, CSOs and other bottom-up forces.
May 2011	Portugal receives Troika bailout.
Sep 2011	The EC proposes an EU-wide EUFTT, which is based on a 'Triple A' approach (coverage of all actors, markets and instruments) and includes extraterritorial features. The EC produces its first Impact Assessment.
Oct 2011	The UK coalition government, along with policymakers from other EU member-states (e.g. the Netherlands, Sweden, Luxembourg, Ireland and others), display staunch opposition to the EUFTT project, thereby dampening the likelihood of EU-wide implementation.
Oct 2011	Greece receives second Troika bailout
Jan 2012	French President Sarkozy proposes a national FTT to cover shares (at a tax rate of 0.1%) as well as some other financial instruments, actors and markets.

Feb 2012	Regardless of political/technical opposition, policymakers from 9 EU member-states are still interested in pursuing a sub-EU/intergovernmental EUFTT. This grouping lobbies the EC and other EU institutions to continue to support the EUFTT project.
Feb 2012	Parliamentary voting in Germany links the Merkel government's EU fiscal compact (common Eurozone austerity package and bailouts) to the implementation of the EUFTT.
Mar 2012	Greece receives third Troika bailout.
May 2012	French President Sarkozy is defeated in the French Presidential Election by Socialist Party candidate François Hollande.
Jun 2012	Spain receives Troika bailout.
Jul 2012	Parliamentary voting in France is influenced by French CSOs, like <i>Attac France</i> and other FTT proponents, as these groups advocate for a broader national FTT than proposed by the Sarkozy government.
Aug 2012	The French government introduces a national FTT, but under Hollande's leadership, the tax rate implemented on shares is double that proposed by Sarkozy (0.2%).
Oct 2012	The EC proposes that policymakers interested in pursuing the EUFTT should do so under the enhanced cooperation procedure (ECP) process. This creates convergence among a sub-group of EU member-states (minimum 9), and therefore does not require unanimous EU-wide agreement.
Oct 2012	The EP approves the usage of the ECP for the EUFTT if an EU-wide agreement is not forthcoming.
Dec 2012	Most UK policymakers are still against introducing the EUFTT, as well as improving their national FTT, unless a global agreement is established.
Jan 2013	The Council of the EU authorises usage of the ECP.
Jan 2013	The Hungarian government does not join the ECP, but proposes a national FTT.
Jan 2013	The Greek government introduces a national FTT and joins the ECP.

Feb 2013	The EC sets out a new EUFTT proposal, which differs only slightly from the initial 2011 EU-wide proposal. Mainly, revenue will no longer be allocated to the EU level, but will instead be obtained by the participating national governments. This proposal is supported by the governments of 11 EU member-states (Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain).
Mar 2013	The EC produces a second Impact Assessment.
Mar 2013	The Italian government introduces a national FTT.
Apr 2013	The UK government files a legal challenge with the European Court of Justice over the usage of the ECP for the EUFTT and the inclusion of extraterritorial features.
Apr 2013	Cyprus receives Troika bailout.
Jun 2013	The French government under Hollande extends national FTT in terms of clarifying coverage and scope.
Jul 2013	French and German CSOs issue a common statement favouring a much broader EUFTT than the one established in France.
Jul 2013	The EP approves of the new EC proposal for the EUFTT.
Sep 2013	Many major German political parties (the CDU/CSU, SPD, Greens and Die Linke) make manifesto pledges supporting the introduction of the EUFTT.
Sep 2013	Merkel's CDU/CSU wins the German Federal Election, but lacks a parliamentary majority and has to form a coalition government with the SPD.
Dec 2013	The UK government meets the United Nations target for ODA spending and continues to do so across the period under investigation. This is in contrast to the French and German governments, respectively, who both failed to meet these targets at this point and up to 2018.
Dec 2013	In France, only 3.75% of the national FTT tax revenue was allocated to ODA. Most French CSOs and FTT proponents feel betrayed by the French government, as early indications highlighted that at least 25% of the tax revenue would be directed towards ODA.
Dec 2013	Ireland exits Troika bailout programme.
Jan 2014	Spain exits Troika bailout programme.
Feb 2014	Portugal exits Troika bailout programme.

Mar 2014	French and German CSOs start to meet and engage with parliamentarians across other EU member-states in an attempt to further the EUFTT project. This is in contrast to most UK CSOs who are only interested in extending the UK FTT.
Apr 2014	The European Court of Justice dismisses the UK government's EUFTT case, but suggests that future possible challenges can be raised if the measure is implemented.
Apr 2014	Greece exits Troika bailout programme.
May 2014	The ECP negotiations lead to a departure from the Triple A approach, as some actors, markets and instruments are to be exempt from the EUFTT.
Aug 2014	German CSO, <i>Attac Germany</i> , are declared a political organisation by the local tax office in Frankfurt and they have their charity status revoked (i.e. tax exemptions for funding). <i>Attac Germany</i> challenge this decision.
Dec 2014	The ECP Progress Report states there is convergence between the EU-11 over transactions involving shares, but many other differences are stalling agreement. As such, Finance Ministers fail to meet their initial deadline for agreeing on the first phase of the EUFTT.
Jan 2015	The ECB, many years after other central banks, finally introduces quantitative easing for EU based banks through a direct (toxic) public/private asset purchase programme.
Feb 2015	The ECP participants reiterate that they are committed to introduce the EUFTT by January 2016.
Mar 2015	The ECP negotiations continue as divisions regarding derivatives, tax collection and extraterritoriality persist.
May 2015	Under UK PM Cameron's leadership, the UK Conservative Party presents a manifesto pledge to hold a referendum on the UK's membership in the EU. The UK Conservative Party wins the UK General Election with a small overall majority.
Aug 2015	Greece re-enters bailout programme and receives a fourth Troika bailout.
Sep 2015	Official EU Reports indicate that although divergence persists over designing the EUFTT, the ECP process will be reinvigorated over the following months.

Dec 2015	The Estonian government withdraws from the ECP process and EU-11, as their national policymakers are dissatisfied with estimated revenue generation under the latest version of EUFTT.
Jan 2016	Implementation date for EUFTT is not achieved.
Mar 2016	<i>Attac Germany's</i> challenge over its charity status is accepted by the Hessian Tax Court in Kassel. However, the German Federal Ministry of Finance launches an appeal against this decision, meaning that <i>Attac Germany's</i> charity status remains suspended.
Jun 2016	The UK votes to exit the EU (Brexit).
Dec 2016	The Belgian government extends the scope and coverage of their existing national FTT.
Jan 2017	The French government increases the tax rate of their existing national FTT (0.3% on shares).
Feb 2017	During the ECP, the French and Belgian governments call for the activities of pension funds to be granted exemptions from the EUFTT.
May 2017	The UK Labour Party endorses extensions to the existing UK Stamp Duty on shares, by also covering some derivatives transactions.
May 2017	Hollande is defeated in the French Presidential Election by Emmanuel Macron.
Sep 2017	Merkel leads CDU/CSU to German Federal Election victory, but does not have a parliamentary majority and will need to form another coalition government with the SPD.
Sep 2017	French President Macron endorses an EU-wide EUFTT based on the existing UK or French FTTs.
Feb 2018	German Finance Minister Olaf Scholz (2018-2021), and now Chancellor (2021-present), supports Macron's call for the EUFTT project to be similar to the UK/French FTT.
Dec 2018	German CSO, <i>Steuer Gegen Armut</i> , disbands the broad German CSO network and ceases campaign activities as FTT proponent policymakers are departing too far from the initial EUFTT proposals.
Dec 2018	Spanish government commits to implementing a national FTT.
Jun 2019	Renewed ECP discussions continue to produce stalemate.

Jul 2020

The ECP negotiations lead to convergence among EU-10 policymakers, as they all agree that transactions involving derivatives will not be covered by the EUFTT. Nevertheless, stalemate persists and a concrete agreement is not forthcoming.

Jan 2021

Spain introduces a national FTT.

Table of Contents

Chapter 1	1
Introduction	1
1.1: Introductory Remarks: the Rationale for Applying a Liberal Cosmopolitan Approach to Global Finance.....	1
1.2: Aims of the Investigation and Central Research Questions	5
1.3: Significance	6
1.4: EU Policymaking Process and the Enhanced Cooperation Procedure (ECP)	8
1.5: Selection of Cases: The UK, Germany and France	11
1.6: Structure of the Thesis.....	14
Chapter 2	19
Reframing and Revitalising Liberal Cosmopolitan approaches towards Global Financial Governance and Regulation	19
2.1: Introduction	19
2.2: The Essential Characteristics of Liberal Cosmopolitanism	22
2.2.1: What is Liberal Cosmopolitanism?.....	22
2.2.2: Reformulating and Adapting ‘Social Democratic Globalisation’	32
2.3: Agency: A Lacuna?	39
2.3.1: Background Conditions and ‘Active Agency’	39
2.3.2: Bringing Actor Centred Constructivism into Liberal Cosmopolitan Accounts	43
2.4: Moving Beyond Abstract Theorisation: The EUFTT as a Potential Model of Liberal Cosmopolitanism in Practice?	47
2.5: Conclusion	52
Chapter 3	54
Research Methodology and Research Methods.....	54
3.1: Introduction	54
3.2: Pursuing an Actor Centred Constructivist Approach	54
3.3: Qualitative Interviews and Data Triangulation.....	72
3.4: Research Process, Data Collection and Potential Limitations	74
3.5: Thematic Data Analysis	79
3.6: Conclusion	84
Chapter 4	85
A History of the Global Financial System: The Bretton Woods System and Lessons for Future Paths.....	85

4.1: Introduction	85
4.2: The Bretton Woods Conference: Pursuing the Wrong Path	89
4.2.1: The US Dollar as the Global Reserve Currency	89
4.2.2: A Stabilisation Fund, not a Central Bank.....	95
4.2.3: Promoting the Use of Capital Controls.....	101
4.3: The Bretton Woods System: ‘A Path Not Taken’	105
4.3.1: The International Clearing Union as a Global Central Bank	106
4.3.2: The Bancor as the Global Reserve Currency:	111
4.3.3: Capital Controls and The Eurodollar Market:	114
4.4: Conclusion	119
Chapter 5	122
Designing the EUFTT: A Regulatory Path Not Taken.....	122
5.1: Introduction	122
5.2: The 2008 Global Financial Crisis: A Vehicle for Change or a Forgotten Memory?	126
5.2.1: Early Norm Carriers and Constructing New Paths: The Time for FTTs and the 2008 Crisis Moment	127
5.2.2: Fading Memories and New Crises: The Emergence of the Eurozone Crisis	133
5.3: Divergent Paths and Muddling Through: Divisions over Design	137
5.3.1: Mixed Messaging and the Primary Objective: Regulatory Turn or Revenue Stream?	139
5.3.2: Deepening Divisions among FTT Proponents: The Revenue Objective	146
5.3.3: Departing from the ‘Triple-A’ Approach and Constructing a Path Towards Baseline Convergence: Accounting for Exemptions based on Market Specialisations..	150
5.4: Constructing Alternative Paths: Paying their Fair Share and Fining the Financial Sector Directly	156
5.4.1: Direct Fines and Targeted Compensation	156
5.5: Conclusion	162
Chapter 6	165
Framing Mainstream Narratives: Policymaking Communities and Market Identities.	165
6.1: Introduction	165
6.2: Accounting for Varieties of Capitalism: Diverse Market Identities.....	168
6.2.1: Financial Markets, Capital Allocation and Corporate Governance: Shareholder versus Stakeholder versus State-holder Models.....	169
6.2.2: Tax Market Identity and Levels of Social Protection	173

6.2.3: Levels of Personal/Household Debt	180
6.3: National Policymaker Engagement and Transmission	184
6.3.1: The United Kingdom	185
6.3.2: France	196
6.3.3: Germany	202
6.4: Conclusion	209
Chapter 7	213
Contested Agency: Non-State Actors and the Construction of Divergent Paths - Facilitating or Constraining Global Approaches Towards the Regulation and Governance of the Financial Industry?	213
7.1: Introduction	213
7.2: The UK.....	218
7.2.1: Constructing a Global Path Through the Extension of National Arrangements?	219
7.2.2: Unheard Voices: Non-State Actor Convergence & Signs of a Thin Liberal Cosmopolitan Path?	228
7.3: France.....	233
7.3.1: Cognitive Background, Coalitions and Global Competitiveness: Enabling and Constraining Pathways	234
7.4: Germany	241
7.4.1. Institutional Arrangements and the Conditions for a ‘Thicker Liberal Cosmopolitan Path’	242
7.4.2: An Atmosphere of Distrust: Passing on the Baton.....	248
7.5: Conclusion	253
Chapter 8	255
Conclusion	255
8.1: Key Insights and Lessons for Liberal Cosmopolitan Scholarship: Going Beyond Abstract Theorisation and Re-formulating the Perspective.....	256
8.2: Agency and Liberal Cosmopolitanism: Key Lessons for Policymakers and Non-State Actors.....	261
Policymakers.....	262
CSOs.....	265
Business	268
8.3: Relevance of the Thesis for Future Research.....	270
8.4: Latest Developments	273
8.5: Summary of Key Contributions	274

Bibliography	277
Appendix 1.....	338
List of 46 Interview Participants (in no specific order).....	338
Appendix 2.....	341
The Participant Information Sheet.....	341
CONSENT FORM	344
Appendix 3.....	345
Interview Questions:.....	345

Chapter 1

Introduction

1.1: Introductory Remarks: the Rationale for Applying a Liberal Cosmopolitan Approach to Global Finance

In this thesis, I argue that a liberal cosmopolitan approach towards global financial regulation, governance and cooperation is warranted due to the widespread damage, economic chaos and uncertainty generated by the 2008 global financial crisis. The fallout from the 2008 crisis raised a number of questions for accepted neoclassical/neoliberal economic ideas, alongside their associated governance mechanisms and regulatory models. Due to the intensity of the crisis, this change in atmosphere extended beyond academic circles and expert/specialist groupings as a range of policymakers and non-state actors called for the construction of new approaches and policies which departed from the old accepted paradigm (Irvin et al, 2013: 65-71; Krugman, 2009; The Warwick Commission, 2009: 7-8). In this light, one such policy initiative, the European Union Financial Transactions Tax (EUFTT), can be viewed to be an effort on the part of EU and national policymakers, along with some non-state actors, to construct alternative paths and narratives towards global/regional financial governance, taxation and regulation.

Put simply, an FTT (Keynes, 1936) or Tobin-style tax (Tobin, 1978) places a very small tax on financial transactions between financial institutions, with this being applicable to trading activities involving shares, bonds, derivatives, currency conversions and/or other financial instruments/products. Global financial markets are now colossal in size, with some estimates suggesting that by 2018 annual trading volumes across major asset classes reached \$2400 trillion in exchange-traded derivatives, \$1500 trillion for over-the-counter¹ derivatives, \$200

¹ Over-the-counter transactions encompass financial instruments traded directly between financial institutions, i.e. off-exchanges. This includes bonds like mortgage-backed securities (MBSs) as well as derivatives like credit default swaps (CDSs) and collateral debt obligations (CDOs), which were all central to the 2008 global financial crisis.

trillion in bonds, and \$100 trillion in shares (Pekanov and Schratzenstaller, 2019: 13-16). In addition, by 2018 the daily turnover in global foreign exchange markets reached \$6 trillion, which amounts to \$1500 trillion annually, given that 250 days trading are assumed (Bank for International Settlements, 2019: 22-23). These statistics illustrate that global financial markets are highly significant for the global economy, and thus, an FTT can be a regulatory tool that adds another layer to financial governance mechanisms thereby enhancing financial stability and sustainability as well as generating a deeper regulatory turn in the process. Employing a control on the flow of capital, in the form of an FTT as a regulatory tool, is associated with a number of (liberal) cosmopolitan ideas concerning the regulation of capitalism in general and the global financial system in particular (Beroš and Beroš, 2013: 4; Brock, 2011: 274-285; Brassett, 2010; Held, 2010: 188-195; Patomäki, 2009; 2001).

In this manner, by analysing the EUFTT as a potential model of liberal cosmopolitanism, I explore the viability of a liberal cosmopolitan approach towards global financial governance and regulation more generally. Therefore, rather than pursuing a more radical approach (as there is a lack of a clear political route to implement more radical changes) I am interested in building upon liberal cosmopolitanism as it presents a pragmatic and practical path towards reforming capitalism and improving global financial governance. In this respect, from a normative standpoint, I agree with most liberal cosmopolitan theorisation, as I stress the value of global markets in generating higher levels of economic growth, prosperity, economic development as well as wider and freer individual choice (Catterall, 2011: 333; Beardsworth, 2011; Archibugi, 2008: 60-61; Held, 2004: 13; 154-155). At the same time, this approach is a valid response to the global financial crisis as scholars endorse paths towards 'social democratic globalisation' to improve, regulate and reform current arrangements. Thus, to better regulate global financial markets, a more 'social' and 'democratic' agenda is required, which will support the still prevalent notion of free markets, but within a policy framework of shared values and commonly agreed institutional processes (Inglis, 2015; Beroš and Beroš, 2013: 8; Beardsworth, 2011; Held, 2010: 300-302; Held et al, 1999b: 492-493).

One of the most high-profile liberal cosmopolitans is David Held, who has not only published prolifically (see among others: Held, 2011; 2010; 2005d; 2004), but has also inspired various scholars to coalesce around a number of his theorisations, assumptions and principles (see among others: Eriksen, 2016; Sanchez-Flores, 2013; Beardsworth, 2011 Archibugi, 2008).

Here, Held's brand of liberal cosmopolitanism provides one well-founded critique against current neoclassical/neoliberal arrangements from within by arguing for the re-embedding of liberalism and the construction of a global society which better respects the balance between individual rights and freedom on the one hand, and democracy, fairness, social justice and welfare on the other (Held, 2010). As such, it is warranted to focus on the works of Held and his 'descendants', to build upon their research agenda as they call for the emergence of global frameworks based upon forms of social democratic globalisation that can alter existing conditions, especially with regard to global finance (see Chapter 2).

From this, liberal cosmopolitan projects, like the (EU)FTT or global Tobin Tax, present an alternative path towards improving the functioning of global financial markets by increasing stability, changing investor behaviour, fostering long-term investment outlooks and providing steps towards a deeper regulatory turn. Moreover, if a form of FTT - even set at a low rate of 0.01% or 0.001% - was implemented at the global, regional, inter-governmental or national level, this could raise vast sums of government revenue that might be allocated towards liberal cosmopolitan projects and concerns. For example, this could be utilised to alleviate global poverty, reverse austerity agendas, increase development expenditures, address climate change, provide global public goods and/or further the repayment of government/central bank bailouts of the financial sector, granted during, and following the 2008 crisis. Dependent on design, annually, a global measure could raise over \$400 billion (Pekanov and Schratzenstaller, 2019: 46), while some form of EU approach could generate between 'EUR 16.4 billion and EUR 400 billion' (European Commission, 2011b).

In this way, by 2009, the Group of Twenty (G20) countries discussed introducing a form of global FTT or Tobin-style tax. Here, the aim was to: deter financial speculation, dampen asset-dumping (deleveraging), increase financial stability, better regulate financial sector actors and obtain additional revenues from global financial markets (Gabor, 2013; Krugman, 2009; Financial Times, 2009a; 2009b). However, after G20 policymakers failed to reach a consensus on a Tobin Tax/FTT at the global level in 2010, European policymakers pressed ahead in setting out their own ideas for the future governance, regulation and taxation of the financial sector in the EU. Although not many policymakers from EU member-states advocated for the measure, a grouping of proponent policymakers emanating from 11 EU member-states (EU-11), who have been supported by other EU level policy actors, pushed

ahead with the EUFTT project. On top of this, some financial sector actors, along with a number of bottom-up forces, like civil society organisations (CSOs), academics and others, have reinforced calls for the implementation of global, regional or national FTTs. Yet, by 2018, while some national FTTs have been implemented, the EUFTT negotiations remain ongoing and seem far from finalised.

As such, my research project is concerned with investigating whether the EUFTT could be representative of a model of liberal cosmopolitanism in practice, and how the findings of the study could inform other (future) theorisations around the viability of such an approach in general. My investigation is guided by 46 qualitative interviews that I conducted with key policymakers and non-state actors involved in the EUFTT project and process. Moreover, to further explore and comprehend this policy process, I focus exclusively on the years 2008-2018. The selection of this period of investigation is warranted because: FTTs emerged as serious policy proposals following the 2008 crisis and nearly all EU level policy work, discussions and negotiations took place across this timeframe. In addition, mapping out the process over ten years illustrates how contested EU measures fare over a relatively long period, as well as how they change and adapt from inception to near adoption. Further to this, setting a timeframe on the investigation allows one to hone in on specific aspects of the negotiations and process, thereby providing an in-depth analysis of key moments, developments and phases.

Following these introductory remarks, this chapter is organised into five parts. First, I present the aims of the investigation, including the key research questions that guide the analysis. Second, I illustrate the significance of the research project. Third, I provide details on the EU policymaking process as these are relevant for later chapters. Fourth, I justify the selection of the three cases under examination: The UK, Germany and France. Finally, I set out the structure of the entire thesis and offer a roadmap of the key arguments pursued across the subsequent chapters.

1.2: Aims of the Investigation and Central Research Questions

The aims of the investigation include: seeking to uncover how the financial sector can be better regulated at an EU level through an FTT, and whether this might lead to the manifestation of thick and thin liberal cosmopolitan outcomes; understanding how capitalism can be reformed along liberal cosmopolitan lines at the national, regional and global levels; analysing the role played by a host of actors in the EUFTT process and fundamentally exploring their attitudes and strategies; indicating how obstacles and challenges have been overcome during the process; and furthering debates surrounding global/regional financial governance and regulation, EU integration and the policy process more generally. Thus, the following key questions informed the investigation at hand:

- 1) What are the major theoretical foundations of liberal cosmopolitanism?
- 2) Are there resonances and links between liberal cosmopolitan theorisation and the EUFTT? Which aspects and elements of the EUFTT project and process could prove to be associated with liberal cosmopolitanism?
- 3) Historically, what have been the major obstacles and challenges faced when constructing types of global financial governance and regulation, as well as global financial and monetary cooperation? How might these lessons be applicable to the EUFTT project and process?
- 4) What are the representative attitudes and positions of civil society organisations, policymakers and businesses towards an (EU)FTT? How have these differed within, between and across groups? Why have particular stances, viewpoints and paths been endorsed?
- 5) When mapping out the EUFTT negotiations and process, how have hurdles and contestation points been overcome or compromised upon? What key lessons can be drawn for other (future) global, regional and national policy initiatives?

- 6) How have national/EU policymakers been constrained and enabled during the EUFTT process? Which paths to reform have, and have not, been taken?
- 7) In what way have non-state actors engaged with the EUFTT process, and how have they been constrained and enabled when doing so?
- 8) In light of the investigation, how can liberal cosmopolitanism be re-evaluated and re-formulated when considering the regulation and governance of the financial sector?

1.3: Significance

My research project is significant for five reasons, including two claims to originality and three further contributions to knowledge. First, I make an original contribution to liberal cosmopolitan debates as I go beyond abstract theorisation and assess a potential real-life model of liberal cosmopolitanism in the form of the EUFTT measure. Liberal cosmopolitan scholarship can be deemed as highly abstract and detached from existing realities, as the global projects that are endorsed seem to be far too encompassing to overcome national differences (Rendtorff, 2011: 3; Brock and Atkinson, 2008: 166; Eckersley, 2007: 675; Brassett, 2006: 27). Here, although normative abstractions are viewed as important, they cannot explain how these global forms are to be realised or achieved in practice. In this respect, I argue that the EUFTT project as well as process (negotiations, debates and discussions) can be viewed as a concrete example of varying degrees of 'thick' and 'thin' liberal cosmopolitanism in practice. As such, I re-contextualise liberal cosmopolitanism by testing the viability of the theory in a new setting, while also providing a well-founded critique to existing theoretical debates and exploring extensions as well as limitations surrounding the application of projects of this kind.

Second, through an actor centred constructivist (ACC) approach, I make another original contribution to knowledge by providing a deeper multi-actor and multi-level analysis that addresses the lacuna of agency, which afflicts most liberal cosmopolitan scholarship (Bray,

2011: 7; Waks, 2009: 188; Brassett and Smith, 2008: 90). Here, I present a deeper exploration into EU/national policy processes and the roles played by both elite actors (i.e. EU/national policymakers and some 'powerful' non-state actors) and other non-state actors (i.e. businesses and bottom-up forces, like CSOs etc.). In this way, I identify the key norm carriers of ideas associated with the EUFTT and liberal cosmopolitan values more generally, and bring to light unheard aspects of the project and process (Saurugger, 2018; Hassenteufel and Saurugger, 2016; Abdelal, Blyth and Parsons, 2011; 2005). Moreover, by drawing upon sociological tools and notions of embedded rationality, an ACC approach enhances liberal cosmopolitan scholarship by bridging rationalist and constructivist methodologies. In doing so, I illustrate that elite agents as well as non-state actors are partly guided and informed by specific social representations, cognitive backgrounds and market identity traits, especially when they engage with economic ideas and construct mainstream (and counter-)narratives for wider audiences. Thus, through an ACC approach I seriously take stock of national peculiarities and idiosyncrasies associated with national political economies when considering how to implement a liberal cosmopolitan framework and a global approach more generally.

Third, I make further contributions to knowledge, as my analysis is based upon unique interview data collected between 2016-2017. In this regard, I conducted 46 qualitative research interviews with a range of elite actors and non-state actors that had been a part of the EUFTT project and process. The interview data generated novel and original insights that were representative of the viewpoints postulated across all three sectors of society: the policymaking sector, the business sector and the civil society organisation (CSO) sector. In turn, this allowed for an in-depth multi-actor and multi-level analysis that is generally absent from most liberal cosmopolitan works. Fourth, by mapping out the EUFTT policy process, alongside broader debates concerning global financial regulation and governance, I generate further contributions to knowledge as I raise a number of key lessons and insights that can be utilised by EU/national policymakers as well as the wider research community. Finally, by engaging with a number of academic debates, theoretical perspectives and methodological approaches, my thesis makes broader contributions to debates and scholarship associated with cosmopolitanism, liberal egalitarianism, global finance, social constructivism, varieties of capitalism (VoC), comparative politics, international relations (IR) and global political

economy (GPE). In this way, I pursue an interdisciplinary line of enquiry that consults a wide range of scholarship and material, which, in turn, allows for the expansion and development of the liberal cosmopolitan perspective in a multitude of (new) academic terrains.

1.4: EU Policymaking Process and the Enhanced Cooperation Procedure (ECP)

Liberal cosmopolitans support the view that the creation of the EU has fostered further convergence between member-states around some liberal cosmopolitan norms, values and principles by pooling sovereignty above the national level through the process of regional integration (Wolin, 2010: 147-148; Archibugi, 2004: 449-450; Held et al, 1999b: 487-489). In this sense, the EU is portrayed as an example of regional liberal cosmopolitanism (Eriksen, 2014), ‘...democracy beyond borders’ (McGrew, 2004: 14), and an ‘...historic experiment in governance’ beyond the national level (Held, 2010: 247), which generates a body of regional law that is ‘...both formal and informal, with many layers’ (Held et al, 1999b: 487). This is because policymakers from sovereign states have voluntarily transferred increasingly broad tasks to the EU (Archibugi, 1998: 219) and therefore ‘...the EU is an important democratic laboratory...[as well as]...an extraordinary sovereign laboratory [that is]...unprecedented...in state history’ (Held and Patomäki, 2006: 124). While some view the EU to be a form of neoliberal project (see among others: Stiglitz, 2016; Blyth, 2013), it is evident that liberal cosmopolitans disagree with this assessment as social democratic currents, trends, ideas and representations are also prominent within EU institutions and member-states (Inglis, 2016; Archibugi and Held, 2011; Beardsworth, 2011).

In this respect, liberal cosmopolitans assign the EU a special role as both an agent that can bring about global institutional change, and as an arena in which other agents can deliberate and influence the form that institutional reform/change takes at the national, regional and global levels (Eriksen, 2016; Beardsworth, 2011; Held, 2010; Archibugi, 2008; Pogge, 2008). In this fashion, the EU is not exclusively a policymaker club, but also provides a transnational arena for non-state actors, such as elite financial sector interests, firms/corporations, think-tanks, research institutes and bottom-up forces like CSOs, academics, trade unions and environmental groups, etc., to have a somewhat meaningful impact on policy debates and proposals as well as ongoing negotiations. For instance, the

European Economic and Social Committee (EESC) provides a forum for non-state actors to have an input into European policymaking and this was the case for the EUFTT process as witnessed during the consultation period with different types of non-state actors. In this respect, as later chapters show the emergence of the EUFTT project, and the policy pathway taken, must be understood as more than just an EU/national policymaker affair (see Chapter 5 and Chapter 7).

With this said, elite agents like EU and national policymakers are generally viewed to have the most power when setting the policy agenda and implementing (supra-)national measures. As such, when considering the EUFTT proposal, as well as drafting EU law and implementing EU level measures, policy actors from the European Commission (EC) (and the High Representative of the Union for Foreign Affairs and Security Policy) usually propose these new initiatives due to their interpretations of changes in economic, political and/or social conditions; to further the EU integration project and produce more convergence between member-states; to address security and foreign policy concerns that may arise; and/or at the behest of national policymakers. In all cases, before concrete proposals are put forward EC policymakers consult with a range of national policy actors and non-state actors, form groups of experts, hold public discussions and prepare Impact Assessments (The European Union, 2021).

This discussion, and the one that follows, is relevant for later chapters that consider how the EUFTT policy process was initiated, the steps taken to further the project, which political/institutional constraints and obstacles were present, and how the overall process panned out (See Chapter 5, Chapter 6 and Chapter 7). As such, once constructed, policy proposals are then reviewed by members of the European Parliament (MEPs) and national policymakers in the Council of the EU. This may take several readings if agreement is not forthcoming within and between these two EU institutions. On top of this, either institution can block legislative proposals during the final reading (The European Parliament, 2021; The European Union, 2021). In this way, the standard decision-making procedure utilised when generating EU-wide measures is known as the 'Ordinary Legislative Procedure' (formerly 'codecision'), where both an absolute majority (i.e. over 50%) of MEPs must agree with the policy proposal along with a qualified majority vote in the Council. The EU process of 'Qualified Majority Voting' means that legislation cannot usually be created unless national

policy actors in the Council, from 55% of member-states, representing at least 65% of the total EU population, vote in favour (The Council of the European Union, 2020). Here, it should be noted that some areas of national policymaking are protected to some degree and viewed to be sensitive, therefore unanimity in the Council between policy actors from all member-states is required for the implementation of certain EU-wide policies. For example, this is the case for harmonisation of national legislation on indirect taxation as well as in the field of social security and social protection (The Council of the European Union, 2020b).

Nevertheless, if there is enough political will among policymakers from at least 9 EU member-states then sub-EU measures, implemented on an intergovernmental basis between participating governments can come into existence. Although rarely used and having only been invoked historically on four occasions², the Enhanced Cooperation Procedure (ECP) is the process that EC and national policymakers have turned to, when considering how to further the EUFTT project. The ECP is an EU process that allows a sub-group of member-state governments to move forward with advanced integration in a particular field where it is clear that the EU as whole will not be able to reach agreement within a reasonable period of time. This means that stalemate at the EU level can be overcome and that national policymakers can move at different speeds and towards different goals if the political will exists. The process is open as policymakers from non-participating member-states can join the ECP at any stage and they are also permitted to observe and engage in the meetings and negotiations between participants. However, policymakers from non-participating member-state cannot vote on the final agreement, unless they intend to implement the measure (European Commission, 2013a; 2013b). Following on from this, if agreement is reached between the sub-group of policymakers, the EUFTT will then require national ratification within the national parliaments of the participating member-states before the measure will come into existence (European Commission, 2021).

² As of 2018, the ECP has been utilised in the areas of: 1) laws applicable to divorce and legal separation, 2) unitary European patents, 3) property regimes rules for international couples and, 4) the creation of a European Public Prosecutor's Office to investigate and prosecute fraud against the EU budget at a supranational level (see: Wessels and Gerards, 2018).

1.5: Selection of Cases: The UK, Germany and France

In this thesis, I mainly focus on the cases of the UK, Germany and France. These cases demonstrate how policymakers and non-state actors across different liberal democracies engage with, conceptualise and promote/disparage potential liberal cosmopolitan projects, like the EUFTT, and by extension, possibly other EU level/global measures more generally. The selection of these three national political economies is warranted for a number of reasons. To begin, when related to global finance and the flow of capital, the three political economies in question are viewed to have very sophisticated financial markets and are thus more attractive venues for the flow of capital when compared to other EU member-states. Next, in terms of population size and economic measures like Gross Domestic Product (GDP), the three cases are by far the largest in the EU, which in turn translates into more political and economic clout.

When turning to the conventional EU decision-making process known as Qualified Majority Voting (see above), this illustrates that policymakers from the UK (prior to Brexit), Germany and France have the most power and occupy the commanding heights when it comes to supporting and constructing new EU legislation. Here, governmental actors from at least two of these political economies must support legislative proposals in the Council of the EU if changes to EU-wide legislation are to be witnessed. In addition, claims made in the wider literature suggests that EU decision-making processes are generally subject to the emergence of three competing voting-blocks that are led by either the UK, Germany or France (Oliver et al, 2018; Lehne, 2012). In addition, to increase the strength and depth of the analysis, the selection of cases was guided by the need to explore national political economies that were both inside (France and Germany) and outside (the UK) of the ECP process. Here, Germany and France were a part of the group of 11 member-states whose policymakers had the political will to further sub-EU integration, whereas those from the UK did not go ahead with the ECP route. Finally, it can be added that key actors from these political economies are more influential and have a larger 'say' in the operations and policy direction of the EU, when compared to their counterparts from other EU member-states (Brattberg, 2020; Krotz and Schlid, 2019; Stiglitz, 2016; Blyth, 2013).

Having said this, by focusing on the EUFTT, three European political economies and liberal cosmopolitanism, this investigation could be levelled with the charge of Eurocentrism. While definitions vary, Eurocentrism is generally depicted by postcolonial scholars as an ‘...enduring construct of “modern world history” that forms a “homogeneous global space” for European narratives, and, importantly, “universalises Europe as the ordinary” (Down, 2022; see also Matin, 2013). Thus, there is ‘...a systematic distortion of knowledge, which tends to depict Europe (or the West) as superior’ (Tolay, 2021: 693). In this respect, postcolonial scholarship illustrates that studying policymaking and ‘otherness’ becomes a choice between conceptualising policies and traditions that can only be meaningful to in-group members (i.e. Europeans/the West), ‘...or acknowledging that any attempt to speak about ideas across traditions will be Eurocentric in the sense of relying on standards of scholarship learned within the Western tradition’ (Godrej, 2011: 98-99). Following on from this: ‘Within a Eurocentric worldview, Europe is always visualised as being *ahead, at the centre, and at the top* all at once’ (Tolay, 2021: 694). Moreover, others find that European intellectuals and politicians fail to address their own colonial histories and therefore, do not acknowledge their postcolonial present, ‘...or even recognise it as something other than an external intrusion disrupting an otherwise ordered European polity’ (Bhambra, 2016: 188-189). As such, even though liberal cosmopolitans focus on equality for all through norms associated with ‘individuality, universality and generality’, this does not necessarily consider that the preoccupations of outsiders ‘...are likely to be rather different from those of satiated insiders’ (Rao, 2012: 168).

However, with this in mind, I highlight three contentions with the above that show the form of liberal cosmopolitanism I pursue in the thesis is not Eurocentric. First, I focus on mapping out the policy process of the EUFTT through an in-depth exploration of three cases (The UK, France and Germany), as each illuminates the obstacles/challenges faced towards global/regional/national implementation, but also where opportunities and alternative pathways could be witnessed. Attention towards these cases is warranted because the EUFTT arose as a direct response to the 2008 global financial crisis, and after failures to establish or even seriously discuss a tax at the global G20 level, policymakers within the EU were the only interested parties in pursuing this type of policy. In this vein, had a global or broader global/intergovernmental measure emerged post-2008, it would have been prudent to

concentrate attention on a variety of cases within and outside of Europe. Having said this, the core of the EUFTT project is founded upon regulatory reform, extraterritorial features and extending global redistributive justice, which are all relevant for, and in the interests of, those outside of the EU (see below and Chapter 2). To add to this, I demonstrate that FTTs can be constructed to cover a range of activities that are conducted by global/national financial sector actors and investors across jurisdictions based in East and West (see Chapter 5). As such, my thesis presents practical and pragmatic reform pathways for the variegated activities of global/national finance that can be tailored to the specific institutional settings of national political economies on a global basis.

Second, I argue that universalism, in the liberal cosmopolitan sense, should be comprehended as more of ‘...a self-critique of the West by the West’ rather than some type of domineering colonial, imperial or empire building project (Fine, 2011: 153). In this regard, the global/regional/intergovernmental/national designs that are analysed and put forward in this thesis should be viewed as emancipatory projects that reinforce ‘...the common humanity of West and East and the inhumanities imperial designs have brought upon the world’ (Ibid: 153). Following on from this, I argue that Western scholarship needs to appreciate and incorporate revisionist historical studies and postcolonial perspectives into their analyses, especially when highlighting commonalities across humanity like, (pre-/post-)Enlightenment knowledge transfers, cultural exchanges, the emergence of norms and the many ways in which the European present has been shaped by its colonial past and those outside of Europe. In other words, there needs to be: ‘...an acknowledgement of how Europe’s posited others [and people of colour] have always been very much a part of Europe’s broader imperial histories’ (Bhambra, 2016: 195). Third, by placing a high degree of attention on global redistributive justice, the EUFTT project allows European/Western based policymakers and intellectuals to consider how to address global issues and the pressing needs of humanity, but, at the same time, it also empowers governments and local groups (CSOs, etc.) in the global South to take similar steps if revenues are directed toward these interests. In this respect, as later chapters indicate, political activities and campaigns conducted in the three cases at hand surrounding the EUFTT and national FTTs, had shown that some revenues would be directly allocated towards CSOs and other bottom-up forces based in the global South (see Chapter 5, Chapter 6 and Chapter 7).

1.6: Structure of the Thesis

With Chapter 1 setting the scene, following this introduction the rest of the thesis is structured into seven chapters. In Chapter 2, I present a deeper exposition of liberal cosmopolitanism by exploring the four key assumptions at the core of this theoretical framework, and I further set out why I have chosen to engage with this perspective. These assumptions include the notions that: 1) global problems require global solutions in the form of multi-level/multi-actor global governance mechanisms; 2) justice should transcend borders, incorporating forms of global redistributive justice; 3) the individual is the primary unit of analysis/moral concern, not states; and 4) capitalism and democracy can co-exist. Here, the degree to which liberal cosmopolitan scholars subscribe to these assumptions can be viewed as a 'thick' or 'thin' commitment, which in turn can be described to generate 'thick' or 'thin' forms of liberal cosmopolitanism (Held, 2010: 75-81). Thick and/or thin commitments on the part of scholars will dictate which of the above aspects might be most central to theorisation or whether they could carry equal weight. In this vein, I argue in favour of a thin commitment to all assumptions and recommend that they should carry equal weight during theorisation and analysis, as this can lead to the establishment of thin forms of liberal cosmopolitanism at a minimum. To add, here I begin to introduce the ACC perspective and demonstrate how it is relevant for liberal cosmopolitan theorisation, especially surrounding agency. An ACC approach directly addresses the notorious lacuna of agency, which afflicts most liberal cosmopolitan scholarship, by accounting for strategies and power dynamics across multiple levels and within and between the interactions of multiple actors. At the same time, I illustrate that the EUFTT resonates with liberal cosmopolitan scholarship as the measure is designed to regulate financial sector actors while generating a fair and substantial tax contribution in the process. To add, the measure aims to create more EU convergence, generate multi-actor/multi-level cooperation within and between policymaking groupings and non-state actor cohorts, as well as produce sustained global re-distributive justice. Thus, in Chapter 2, I address the first and second key research questions by setting out the major theoretical foundations of liberal cosmopolitanism and then showing how this can be associated with the EUFTT project and process.

In Chapter 3, I display the research methods and methodological concerns that guided my investigation. Here, I fully expand on the ACC perspective, and justify why I have adopted such an approach by explaining how it is relevant for liberal cosmopolitan scholarship and broader debates concerning EU processes/policies/integration. An ACC approach bridges rationalist and constructivist methodologies by considering ideas as well as actors, interests and power. In this way, I consider both strategic interests and ideational factors by viewing actor rationality to be embedded in specific social representations and cognitive backgrounds, which, in turn, have an impact on how narratives are framed and the outcomes of policy processes. Therefore, an ACC approach assists in identifying: unheard aspects of the process and debate; which actors mobilise at the European level and outside this space; why actors involved in the policy process might not react as expected; who the entrepreneurial and innovative norm carriers are and; which actors are opponents to change (see among others: Saurugger, 2018; Hassenteufel and Saurugger, 2016; Abdelal, Blyth and Parsons, 2005). In this chapter, I also present details around the research strategy and process, including: the type of inductive thematic data analysis employed, interviewee recruitment and the usage of the analytical construct of the three sectors of society.

Chapter 4 explores an historical example of global financial and monetary cooperation in the form of the Bretton Woods negotiations, which initiated the Bretton Woods System (BWS). By assessing the two main paths considered during the negotiations – the Harry Dexter White Plan and the John Maynard Keynes Plan – I argue that the former represented an incipient version of thin liberal cosmopolitanism, while the latter aligned more towards thicker forms of the perspective. The purpose of this revised account is to go beyond an analysis based solely on power politics and the role of US hegemony in explaining why a form of thin liberal cosmopolitanism could emerge as well as why a thicker path was not taken. Specifically, I demonstrate that ideas mattered because the Bretton Woods negotiations were subsumed by the ongoing Keynesian policy revolution, a revival of US internationalism and existence of shared cognitive backgrounds linked to memories/experiences of the inter-war period, the Wall Street Crash, the Great Depression and World War II. Therefore, the BWS witnessed a high degree of legitimisation and policy buy-in on the part of policymakers, as well as non-state actors who had increased their representation in the post-war era. With this said, I also demonstrate that some US policy actors and other non-state actors, like financial

sector interests, played a role in diminishing the Keynes Plan and watering down some features of the White Plan. Therefore, in this chapter I concentrate on the third key research question by analysing the major challenges faced when constructing the BWS and assessing the related lessons that might be applicable to the EUFTT project and process.

Chapter 5 focuses on trends in the interview data, which highlight that the 2008 crisis became a vehicle for change, insofar as this prompted discussions among policymaking communities around implementing global/regional FTTs and allowed a host of entrepreneurial/innovative norm carriers to emerge that were supportive of such measures. In this way, I argue that at the EU level, policy actors from the EC and EP were early norm carriers of the EUFTT idea, along with a range of liberal cosmopolitan values that were associated with the initial proposal. In addition, although their agendas were not unified, a number of actors emanating from the CSO sector, as well as some academics, supported EU level actors in their efforts, and could equally be considered to be early norm carriers of the (EU)FTT project and a range of associated liberal cosmopolitan values/outcomes. As such, I indicate that the 2008 crisis moment provided a window of opportunity and the impetus required for FTT proponents to force the FTT onto the policy agenda, as the idea had been legitimised and normalised, especially at the EU level. However, this chapter also provides an assessment of the representative attitudes of EU/national policymakers, business interests and CSOs towards the EUFTT and FTTs in general, and I explore a number of challenges and obstacles that constrained the EUFTT process overall. This includes: problems with timing/temporal issues; the arrival of the Eurozone Crisis; existing national market specialisations leading to exemptions; divisions over design features/key aims; and the endorsement of divergent paths, i.e. national FTTs/directly fining the sector. Therefore, this chapter addresses the fourth and fifth key research questions as I explore the positions and viewpoints taken towards the EUFTT project and set out how the process has unravelled across the period under investigation.

In Chapter 6, I concentrate on the role played by elite actors, like policymakers, in constructing mainstream and counter-narratives relating to the (EU)FTT. By exploring patterns emerging from the interview data linked to notions of difference, I draw upon the varieties of capitalism (VoC) literature to explain how national policymaking communities are, to some degree, constrained by instrumental/structural power and different models of

capitalism that inform background conditions, the broader policy environment they operate in and how narratives are constructed for wider audiences. Here, I address the sixth key research question by exploring how policy actors have been constrained/enabled during the EUFTT process, and which paths they have chosen to pursue. Hence, I further emphasise how differences between the political economies at hand, in terms of power relations, specific social representations, institutional arrangements and market identity traits, all have an impact on the way national policymakers and wider audiences interpret economic ideas and construct policy proposals. As such, through an ACC approach I illuminate that the narratives postulated by national policymakers will be constructed in such a way to account for particular market identity traits and different varieties of capitalism, which leads to the transmission of dissimilar messages to national audiences across EU member-states and the construction of idiosyncratic paths towards financial reform, regulation and taxation. Thus, due to specific power relations and peculiar national institutional configurations/arrangements, I argue that policymakers and non-state actors across EU member-states have differentiated abilities when setting and influencing the policy agenda as well as deciding on which policies make it on to the agenda in the first place. In this sense, my analysis indicates that market identities – while not rigid and not determinant – are still embedded to some degree in certain state processes, cultural terrains and methods of institutional access, which can constrain and/or favour different types of agency. In addition, this raises questions over further EU integration, especially due to divergences between national policymakers over areas beyond the remit of exclusive EU competencies, like direct taxation, levels/types of social protection and the regulation of financial services, among others. As these are controversial and sensitive areas, rather than full EU integration, national paths and differentiated integration or a multi-speed EU, in the form of the ECP, could be also be considered.

Chapter 7 complements the preceding chapter by expanding upon how specific power relations, social representations, cognitive backgrounds and market identities influence the activities of non-state actors and how this has impacted the EUFTT process. Here, I draw on patterns from the interview data that indicate there are differences between non-state actors when regarding the feasibility of global and international/intergovernmental measures versus national arrangements. By analysing the role played by CSOs, I show that the

EUFTT/intergovernmental path remained on the German and French political agendas throughout the period under investigation, whereas in the UK (even prior to the lead up to Brexit), considerations for the implementation of an EU path would disappear from both mainstream and counter-narratives as most proponents concentrated on extending the UK FTT. In addition, I assess the role played by other non-state actors, like those emanating from the financial and banking sectors, and show that they legitimised ideas around a global FTT, but diminished other national and regional pathways. On top of this, I bring to light another key unheard aspect of the EUFTT process by suggesting that baseline convergence and agreement between an array of actors existed around a global FTT that solely covered shares. Therefore, this was an early compromise between financial sector actors and others that could have produced thick and/or thin versions of liberal cosmopolitanism. In this respect, this chapter answers the seventh key research question by assessing how non-state actors engaged with the EUFTT process, and how they have been constrained and enabled when doing so.

Finally, Chapter 8 – which addresses the eighth key research question – presents my concluding remarks, which posit a range of theoretical implications that re-evaluate and revitalise the liberal cosmopolitan project, as well as set out key lessons for EU/national policymakers and non-state actors. To add to this, I speculate on the applicability of my research project to inform further future research concerning global and EU projects/measures that focus on financial regulation, governance and taxation, as well as beyond. In the next chapter, I present an in-depth exploration into liberal cosmopolitanism and I set out how the perspective is relevant for global finance, as well as, how it can be reformulated and extended by an ACC approach.

Chapter 2

Reframing and Revitalising Liberal Cosmopolitan approaches towards Global Financial Governance and Regulation

2.1: Introduction

In this chapter, I set out the theoretical framework that guides the investigation and therefore I provide a deeper exposition of the form of liberal cosmopolitanism postulated by David Held. As noted in Chapter 1, I focus on Held, as well as those influenced by his works, as they suggest that global financial markets should be regulated through a more ‘social’ and ‘democratic’ agenda (see among others: Inglis, 2015; Beroš and Beroš, 2013: 8; Beardsworth, 2011; Held, 2010: 300-302). This type of liberal cosmopolitanism therefore presents one well-founded critique against current neoclassical/neoliberal arrangements from within, by advocating for the re-embedding of liberalism and the construction of a global society, which better upholds balancing individual rights and freedom on the one hand, with democracy, fairness, social justice and welfare on the other (Held, 2010).

This move is warranted because, in the wake of the 2008 global financial crisis, mainstream neoclassical narratives and models based upon pure ‘market fundamentalism’ displayed failure. Subsequently, neoclassical frameworks have become increasingly questioned in a far more forceful and meaningful manner than witnessed in the preceding four decades, especially among academics and policymakers (see among others: Stiglitz, 2016: 151-153; 2010: 31; Blyth, 2013: 72-73; Held, 2010: 245-246; 2009: 545-546). A central issue surrounding the 2008 crisis concerned global regulatory failure, wherein weak or non-existent financial regulations as well as inadequate credit ratings agencies – both located at the national level – led to a questioning over whether these types of arrangements would be sufficient in preventing another global financial meltdown, or if new global measures and solutions were required. In this respect, the 2008 crisis has had a significant impact on political, economic and social relations within as well as across borders, and the post-crisis period has, in turn, become a conjuncture that has visibly renewed regulatory debates for the reform of the global financial system (Held, 2010: 184-196; Stiglitz, 2010: 12-23; Archibugi, 2008: 84-

90). With this opening, liberal cosmopolitanism presents itself as one possible theory, model and project that can reform or displace existing mainstream orthodoxies which, as the crisis amply displayed, are 'not fit for purpose' (Held, 2010: 245-246).

Following this introduction, this chapter is comprised of four sections. First, I broadly define cosmopolitanism and then provide more details on the liberal cosmopolitan project endorsed by David Held and others that build upon, and are aligned towards, his theorisation and liberal cosmopolitan principles (see among others: Beardsworth, 2011; Sánchez-Flores, 2010: 53-71; Archibugi, 2008; Beitz, 2004: 14-24). Here, I unpack and critique the four key assumptions associated with the perspective which focus on instituting multi-layered – in effect, multi-level and multi-actor – forms of global governance, furthering projects that aim at achieving global justice, increasing individual rights, as opposed to the rights of sovereign states and establishing social democratic globalisation. In doing so, I set out my own normative stance, explaining where I situate myself within the theoretical perspective. Additionally, in this section I present a deeper exposition of social democratic globalisation arguing that this concept requires far more theorisation than is offered by most liberal cosmopolitans, including Held, as in the main 'social democracy' is not defined with much precision. In this respect, cosmopolitan perspectives, whether considered to be liberal or not, still require an account of economic ideas and theory that better clarifies how to establish projects aligned with these viewpoints. This discussion is relevant for the overall thesis because I aim to extend and improve liberal cosmopolitan theorisation by demonstrating how forms of the liberal cosmopolitan project and global social democracy can come to fruition in a world where many divergences, idiosyncrasies and messy realities exist. Furthermore, this sets the groundwork for Chapter 4 and discussions on the Bretton Woods System (BWS), which liberal cosmopolitans and others herald to be incipient versions of liberal cosmopolitanism and global social democracy in practice.

Second, I critique the limited conceptualisation of agency that afflicts most liberal cosmopolitan scholarship as theorisation is usually based upon the existence of rational actors, meaning that analyses are highly abstract and divorced from reality. To address this lacuna within scholarship, I then draw on the actor centred constructivist (ACC) approach, which provides a better account of agency by bringing constructivism into rationalist accounts (see also Chapter 3). Here, in departure from Held and most liberal cosmopolitans, I illustrate

the importance of specific social representations, historical trends, market identity traits and cognitive backgrounds in influencing the behaviour, action and preference formation of actors. Providing a fuller analysis of agency is central to understanding how different actors behave during policy processes like the EUFTT, across multiple levels (national, intergovernmental, regional and global), and why they pursue and purvey certain paths and (counter-)narratives over others. As such, this enriches, improves and revitalises liberal cosmopolitan accounts of agency by allowing for a multi-layered analysis that considers national specificities and peculiarities seriously, while also accounting for the role played by ideas in framing mainstream and counter-narratives. This lays the groundwork for later chapters that analyse the role played by proponents and opponents of the EUFTT (see Chapter 5), how elite actors like national policymakers constructed narratives for wider audiences and the way in which they engaged with the project (see Chapter 6), and the broader involvement of non-state actors within and across borders (see Chapter 7).

Third, by moving beyond abstract theorisation, I correlate liberal cosmopolitanism with the proposal for the European Union Financial Transactions Tax (EUFTT). Here, the measure can produce, among other things: further cooperation and convergence among EU member-states; a regulatory turn that broadly questions current arrangements; a ‘universal’ approach towards global financial flows; the implementation of forms of global re-distributive justice, and; an innovative global path utilising ‘extraterritorial’ features. In this regard, I focus on the EUFTT because, as the wider literature indicates, the consideration of a potential real-life existing model of liberal cosmopolitanism in practice is seemingly missing from most liberal cosmopolitan theorisation and scholarship (see among others: Rendtorff, 2011: 3; Brock and Atkinson, 2008: 166; Brassett, 2006: 27). At the same time, a deeper exploration of the EUFTT furthers debates on applying liberal cosmopolitan approaches towards global finance (see among others: Held, 2010: 188-195; Beroš and Beroš, 2013: 4; Brock, 2011: 274-284; Boran, 2008: 7). Therefore, by setting out key design features of the EUFTT and linking this to varying types of liberal cosmopolitan ideas, values and theorisation, this section further lays the foundations for the empirical chapters that follow (see Chapters 5, 6 and 7). Finally, I offer some concluding remarks tying the chapter together.

2.2: The Essential Characteristics of Liberal Cosmopolitanism

2.2.1: What is Liberal Cosmopolitanism?

In a literal sense, 'cosmopolitanism...stands for a political orientation ("politan") with global reach ("cosmos")' (Zürn, 2016: 90), and the term is derived from the Greek word *kosmopolitēs*, which is roughly translated as 'citizen of the world' (Kleingeld and Brown, 2019). In a general manner then, a 'cosmopolitan' is portrayed to be a citizen of the world (Held, 2010: 40-42), or a 'citizen of the cosmos' (Skrbis, Kendall and Woodward, 2004: 117). Cosmopolitanism has a long, complex and multifaceted history, with the term dating back to Ancient Greece and at least the 3rd century BCE. Here, it was deployed by the Cynics in their rejection of the conventional view that people belonged to one community among many different communities (Appiah, 2007: xii). At the same time, Stoic aspirations for a single human community with multiple corresponding forms of affiliation, stretching from the local to the global level, were also early hallmark features of ideas and thinking deemed to be cosmopolitan (Held, 2010: 40-41; Benhabib, 2009: 30-33; Held and Patomäki, 2006: 117; Hayden, 2005: 15).

With the rise of nation-states and national political economies over the 19th and 20th centuries, a somewhat common thread emerged between cosmopolitan approaches in that scholarship tends to question how far these general conceptions, literal readings and ancient definitions can be taken. In other words, contemporary theorisation explores whether individuals possess a 'consciousness' of belonging to both a bounded national community and a much broader global human community and society that incorporates all humankind (Brown and Held, 2010: 2; Appiah, 2007: xix; Skrbis, Kendall and Woodward, 2004: 124; Benhabib, 1994: 173-174). When contemplating transcending the bounded national community, cosmopolitans usually display distinctions between 'moral' cosmopolitanism, which is interested in the expansion of the scope of ethical concern, 'political' cosmopolitanism, which is concerned with envisaging institutions that might better organise global society, and 'economic' cosmopolitanism which is interested in developing a truly global free market (Kleingeld and Brown, 2019; Brassett, 2006: 4). This indicates that cosmopolitan conceptions and definitions might be exclusively restricted to specific realms

and arenas. At the same time, these aspects and projects often overlap and coalesce, meaning that there are few moral or economic cosmopolitans who have not, at some stage, made a political intervention and vice versa.

Having said this, many contemporary theorists from a range of different traditions have utilised, interpreted and expanded upon cosmopolitanism in very unique ways, which indicates that: ‘...no consensus exists on what constitutes cosmopolitanism, who can be described as cosmopolitan, or where cosmopolitanism might be found’ (Rumford, 2005: 3). Therefore, many nuances persist between the various schools of thought, perspectives and scholars that claim to be cosmopolitan. Put another way, alongside liberal cosmopolitans like David Held, there exists non-liberal cosmopolitans as well as non-cosmopolitan liberals (Beardsworth, 2011: 5; also see below). Faced with such plurality, I hone in on David Held’s version of liberal cosmopolitanism as this project, through the endorsement of ‘social democratic globalisation’, proposes a global framework that moves beyond the strict separation of the political, economic and moral realms, by overcoming these and other distinctions. I focus on Held because he has published prolifically and set the agenda for liberal cosmopolitan scholarship (see among others: Held, 2010; 2004). However, to instantiate the liberal cosmopolitan project along with forms of global social democracy, the accounts provided by Held and liberal cosmopolitans more broadly, necessitate further development, deeper theorisation and much more engagement with existing realities.

Held’s brand of cosmopolitanism is ‘liberal’ because it primarily builds upon Kantian, enlightenment and liberal egalitarian traditions. In general, liberal cosmopolitans like Held (see among others: Kaldor, 2012: 91-92; 123; Beardsworth, 2011: 19; Sánchez-Flores, 2010) are deeply inspired by Immanuel Kant’s 1795 *Perpetual Peace: A Philosophical Sketch*. This is because Kant presents visionary prescient propositions of constructing an international legal order or ‘league of nations’, and ‘a universal community’ based on universal cosmopolitan rights of humanity: ‘...where a violation of rights in one part of the world is felt everywhere’ (Kant, 2006: 106-108). As Benhabib notes, Kant ‘...resuscitates the Stoic meaning of cosmopolitanism [making] it compatible with the demands of a modern state based on the rule of law, [and through his writings] we also begin to see that cosmopolitanism and democracy, as embedded in a republican constitution, are not incompatible but may in fact require each other’ (Benhabib, 2009: 33). Similarly, Held indicates that ‘in the spirit of Kant’

and due to further developments in liberal political thought and philosophy, the case for a new cosmopolitanism needs to be put forward, ‘...but with a substantially different understanding of the components of law, order, and accountability than can be found in his [Kant’s] writings’ (Held, 1995a: 415). This ‘new’ project and framework promulgated by Held, and other liberal cosmopolitans (see among others: Gahir, 2016; Beardsworth, 2011; Catterall, 2011; Archibugi, 2008; Boran, 2008; McGrew, 2004; Falk, 1997), rests on four key assumptions:

- 1) Global problems require types of universal global regulatory solutions, i.e. forms of multi-level and multi-actor global governance mechanisms that increase cooperation and enhance deliberation among all actors leading to universal agreement;
- 2) justice should transcend borders, i.e. projects should incorporate forms of global redistributive justice;
- 3) the individual is the primary unit of analysis and moral concern, not states i.e. the focus is on individual rights, as opposed to sovereign state rights; and,
- 4) capitalism and democracy can co-exist, thus forms of democracy and regulatory capitalism should spread to all national political economies/communities, i.e. cultural homogenisation towards forms of democratic capitalism.

With any extensive framework of this sort, immediately one question comes to the fore: how committed must one be to these assumptions? Thus, it should be noted that the degree to which one could subscribe to these assumptions can be viewed as a ‘thick’ or ‘thin’ commitment, which in turn can be described to generate ‘thick’ or ‘thin’ forms of liberal cosmopolitanism (Held, 2010: 75-81). To elaborate, Held illustrates that ‘thick’ liberal cosmopolitanism ‘...lays down the universal or regulative principles which delimit and govern the range of diversity and difference that ought to be found in public life’ (2005c: 160). In turn, this generates ‘...an overriding frame of reference (trumping all other moral positions)...[as it]...discloses the proper basis or framework for the pursuit of argument, discussion and negotiation about particular spheres of value, spheres in which local, national and regional affiliations will inevitably be weighed’ (Held, 2010: 79).

In other words, Held indicates that thick liberal cosmopolitanism warrants deeper political, social and economic convergence as well as cultural homogenisation around a set of universally agreed upon norms, values, principles and ideas (Held, 2005d: 97). Having said this, the point to be made is that thick liberal cosmopolitanism cannot ‘...be specified once and for all...[as]...precise meaning...is always fleshed out in situated discussions’ (Held, 2005c: 160). Thus, ‘deliberative justification’ must be provided (Held, 2009: 540) and, in general, deliberation among a wide array of actors, considered to be both top-down and bottom-up forces, must take place if an agreement is to portray ‘thicker’ representations of the liberal cosmopolitan project (Held and Maffettone, 2017: 55; Held, 2010: 78-81; 1997: 309-310; Held et al, 1995a: 427). As such, alongside convergence and homogenising outcomes, the actual policy process is of importance, with thicker liberal cosmopolitan projects displaying a clear and meaningful involvement on the part of bottom-up forces and actors in deciding said outcomes. For instance, as explored below, an EUFTT project and process representative of thicker liberal cosmopolitanism outcomes will not only include steps towards universal coverage of financial markets, actors and instruments, but also a large amount of policymaker consideration for the viewpoints and opinions of bottom-up forces in the policy process (see Section 2.5).

When departing from thicker forms, liberal cosmopolitans also understand that there must be recognition of ‘...difference as a legitimate and indeed valuable part of the human condition’ (Held and Koenig-Archibugi, 2004: 14-15). Therefore, ‘thinner’ types of liberal cosmopolitanism express ‘...that there are some substantive global rules, norms and principles of justice which ought to be balanced with, and take account of, those derived from individual societies or other human groupings’ (Held, 2010: 79). Put another way, thin liberal cosmopolitanism is ‘...compatible with the recognition of different ‘spheres’ or ‘layers’ of moral reasoning’ (Held, 2009: 540), and therefore scholars are interested in defining the parameters required to reach a type of ‘minimal agreement’ and in establishing forms of baseline convergence among political economies (Skrbis, Kendall and Woodward, 2004: 123). In this regard, thin liberal cosmopolitanism still promotes convergence and cultural homogenisation, but in a manner that is not as deep and far-reaching as its thicker counterparts because there is a recognition that diversity needs to be respected (Archibugi, 2008: 95; Held, 2005d: 97). Again, as Section 2.4 and later chapters illustrate, thin liberal

cosmopolitan outcomes can be witnessed through the EUFTT project and process if some intergovernmental agreement is established around coverage (e.g. for select financial markets/actors/instruments), and if some of the perspectives and goals of bottom-up forces are still considered and addressed to some degree.

This said, even thinner version of liberal cosmopolitanism exist, with these focusing exclusively on the role played by top-down forces and the processes and negotiations undertaken at the intergovernmental and policymaker level. This type of scholarship indicates that global/regional governance settings can only be effective if major players are involved and leadership is forthcoming, because, in their view, mechanisms have only come into existence when powerful states and institutional stakeholders support such efforts (Beardsworth, 2011: 168; Boran, 2008: 13; Pogge, 2008: 261; Day, 2002: 309-310). This brand of thin liberal cosmopolitanism suggests that the role of leadership is an important factor in spreading values and norms analogous to the perspective, as well as in creating, supporting and maintaining the necessary global/regional institutions. Here, the foremost consideration is leadership on the part of top-down forces, which includes both powerful policymakers and market actors, or groupings of these cohorts. As such, when compared to other versions, this form of thin liberal cosmopolitanism does not concentrate on the role or influence of bottom-up forces in the policy process as it is solely interested in power relations and agreements reached between policymakers and market actors.

Nevertheless, Held and others do not completely align to this thin top-down form as they still deem bottom-up forces – through the acts of socialisation, persuasion and debate within deliberative settings – to be central to the global governance process (Held, 2010: 204-210; Archibugi, 2008: 84-87; Held and Koenig-Archibugi, 2004: 14; Falk, 1997: 24; Archibugi and Held, 1995: 13). With this in mind, I argue for a multi-layered approach that considers the viewpoints and strategies of both top-down and bottom-up forces, as both can be important to the direction taken during the policy process. At the same time, I argue in favour of a form of thin liberal cosmopolitanism that promotes establishing a minimal agreement and baseline convergence among political economies as a first step, with this becoming broader over time and subsequently leading to thicker liberal cosmopolitan outcomes. In this sense, the thin form of liberal cosmopolitanism that I advocate is ‘pragmatic’ and ‘practical’ as it considers the importance of power relations as well as both top-down and bottom-up forces. This

somewhat bridges the gap between norms and realistic paths, and, while not addressing all problems associated with the global financial system, this move is a first step towards achieving narrow agreement and convergence that can be built upon at a later stage. In this way, through the case study of the EUFTT, the thesis explores the viability of achieving thick and/or thin forms of liberal cosmopolitanism in practice (see also Section 2.4).

Global Problems require Global Solutions

As such, when returning to the first assumption set out above, the common proposition for most liberal cosmopolitans is that global problems require global solutions, and the question thus becomes how multi-layered and universal should these processes and solutions be (see among others: Stevenson, 2012: 243; Held, 2010; Brock and Atkinson, 2008: 166; Hayden, 2005). For Held and others, the process of enhancing or creating global governance mechanisms and global regulatory arrangements, as well as achieving universal agreement on these forms, should not to be viewed as exclusively the remit of states and national policymakers, but instead as a multi-level and multi-actor, i.e. multi-layered affair (Held, 2016: 842; 2010: 245-246; Archibugi and Held, 2011: 7-11). Therefore, I argue for a thin liberal cosmopolitan form of global governance that is not solely set in motion by top-down forces (policymakers and market actors), but rather, accounts for deliberation, consent and collective decision-making involving bottom-up forces (Held, 2010: 15-16). As such, a multitude of non-state actors and stakeholders need to be involved in the global governance process, at various levels – including within transnational spaces – with the emphasis being placed ‘...on finding durable modes of international and transnational cooperation and collaboration’ (Held, 2005d: 103-104).

Thus, forms of thin liberal cosmopolitanism can be, at the same time, a top-down as well as bottom-up approach to global governance (Archibugi, 2008: 84-87; Falk, 1997: 24; Archibugi and Held, 1995: 13; Held, 1993: 299-300). As is displayed in later chapters, some national institutional governance mechanisms, arrangements and configurations – namely those present in France and Germany – have already incorporated both top-down and bottom-up forces into formal decision-making processes, demonstrating that this type of simultaneous top-down and bottom-up approach is possible (see Chapter 6 and Chapter 7).

For Held, increased interconnectedness which has intensified through the processes of globalisation across various domains, generates global 'overlapping communities of fate' that bind all individuals together, deeply enmeshing them into dense, interlocking and interdependent networks and relations (Held, 2009: 542; 2004: x). In this step, I argue that global approaches and paths are warranted due to the high probability that economic and financial sector issues and phenomena will continue to spill over borders, and, unless change is forthcoming, this will remain something that no national political economy can adequately address alone. Here, conceptions of the 'global' are linked to a 'Kantian upbringing' surrounding ideas of a common humanity as well as an affinity towards liberal 'enlightenment' principles and traditions more generally. In this manner, liberal cosmopolitanism is linked to the notion that 'universal' global norms, rules and frameworks can emerge that might command common agreement across humanity (see among others: Beardsworth, 2011: 5; Pierik and Werner, 2010: 11; Held and Koenig-Archibugi, 2004: 14; Skrbis, Kendall and Woodward, 2004: 115-124).

Of course, a number of schools of thought, broadly falling under the 'communitarian' label, which is by no means a singular form (see Mulhall and Swift, 1997: xiii-xv), are nevertheless unified in opposition towards cosmopolitan approaches in general. Here, the bounded community, national or otherwise, i.e. religious affiliations, social and historical contexts, the neighbourhood, etc., are all foremost when considering individual human action and conceptions of universality (see among others: Eckersley, 2007; Miller, 2005; Smith, 1996). In this respect, liberal cosmopolitans are challenged by communitarian approaches as these indicate that Kantian global universal frameworks, regardless of whether they are multi-layered or thin, cannot be constructed in the first instance, as some differences cannot be overcome. The claim is that '...social attachments...determine the self and thus individuals are constituted by the community of which they are a part' (Avineri and de-Shalit, 2002: 3). This means that global universal frameworks do '...not sufficiently take into account the importance of community for personal identity, moral and political thinking, and judgements about our well-being in the contemporary world' (Bell, 1996: 4).

This type of critique is reiterated by other scholars within the non-liberal cosmopolitan tradition, that also take a 'pragmatic' turn, but on this occasion by building upon the works of John Dewey and/or Richard Rorty. For example, so-called 'pragmatic cosmopolitans', like

Daniel Bray – who builds upon a ‘Deweyan’ philosophy – illustrates that his cosmopolitan approach is pragmatic as it considers interaction with a ‘morally problematic situation’ by taking ‘...lived experience as its starting point’, rather than some ‘...search for fixed ends, ultimate principles or a priori knowledge’ to guide this process (Bray, 2009: 685). As such, Bray indicates that Kantian liberal cosmopolitanism is problematic as it exhibits ‘...universalism, formalism, and abstraction from the messy realities of particular contexts’ (Bray, 2011: 7). Further to this, other pragmatic cosmopolitans, like James Brassett, suggest that the cosmopolitan perspective needs to become an ‘ethical paradigm’ rather than being strictly concerned with political and economic institutions/projects – democratic or otherwise (Brassett, 2006: 5). Brassett draws upon Rorty’s engagement with the emergence of a human rights culture that ‘...seems to owe nothing to increased moral knowledge, and everything to hearing sad and sentimental stories’ (Rorty, 1998: 172).

From this, Brassett re-describes the Tobin Tax campaign as a tool of ‘sentimental’ education, which ‘...tells ‘sad’ and ‘sentimental’ stories about the harm done by financial markets’ (Brassett, 2009: 458). Thus, sentimental education ‘...provides an easily understood heuristic device for explaining and critiquing globalisation, while offering a way to change it’ (Ibid: 458). From this view, morals and justice are ‘constructed by us and for us’ (Brassett, 2004: 5), and so this pragmatic approach deems liberal cosmopolitan values, like human rights norms, democracy and regulatory practices to be inherently cultural, which ‘...requires us...[cosmopolitans]...to give up on a universal response’ (Brassett, 2009: 457). On top of this, Brassett and Smith illustrate that David Held, through his universalising global projects, does not seem to comprehend that such projects will ‘...entail judgements about ethics and politics over which one can expect substantial disagreement within global contexts’ (Smith and Brassett, 2008: 83). Similarly, non-cosmopolitan liberal egalitarians like Will Kymlicka argue that universalising projects even within contemporary political economies (especially liberal democracies) are ‘hopelessly inadequate’ considering the diversity of cultural membership that exists, thus he questions the assumption that the political community is or ever can be ‘culturally homogeneous’ (Kymlicka, 2002: 183-184). Kymlicka applies this reasoning to the global level, thereby demonstrating that universal principles attempting to establish convergence and deep cultural homogeneity should be avoided as they disregard multiculturalism and demean minority rights (Kymlicka, 2019: 145-146). For Kymlicka then, in

general cosmopolitan perspectives do not account for the way in which separate national and ethnic communities can impose distinctive homogenising cultural tendencies upon its members.

In the face of such strong and multidirectional critique, two key points should be made. First, I argue that the depth and pervasiveness of global issues and phenomena can affect political economies in different but also very similar ways. As such, the thick and thin distinction raised above demonstrates that universalism may need only apply to certain realms, and not be all-encompassing. In other words, I postulate that a thin liberal cosmopolitan project can promote a type of, albeit, limited minimal agreement that could reasonably garner universal global acceptance in the first instance and then subsequently become broader at a later stage. While this does not immediately address all problems associated with global finance, this could be a first step towards greater systemic reform. In this sense, the thesis helps to probe and assess whether thick and/or thin liberal cosmopolitan approaches can stand up in practice. Second, as discussed below, I integrate communitarian concerns into my reformed approach towards liberal cosmopolitanism and social democratic globalisation by seriously accounting for messy realities, national contexts and cultural/historical factors (see Section 2.2.2). In this fashion, I argue that thick and/or thin liberal cosmopolitan paths and outcomes might also be arrived at through national, intergovernmental and regional measures.

Global Re-distributive Justice and the Individual as a Key Unit of Analysis

When considering the second assumption listed above and conceptualising global redistributive justice, universal projects and the individual, in the broadest sense, most liberal cosmopolitan scholarship puts forward global concepts of justice and endorses Kantian liberal enlightenment ideas surrounding 'reason' (Gahir, 2016: 47-50; Beardsworth, 2011: 147; Held, 2010: 91; Beitz, 2004: 21-24). For his part, Held supplements his reading of Kantian 'reasoning' by broadly drawing upon works from the liberal egalitarian tradition (Pogge, 2002; 1989; Barry, 1999; Beitz, 1979; Rawls, 1971). By amalgamating Kantian and liberal egalitarian traditions, Held's liberal cosmopolitanism is tied together by a common thread of 'impartialist reasoning', i.e. '...an impartial moral standpoint from which to assess routine forms of

practical reasoning...[and as]... a frame of reference for specifying rules and principles that can be universally shared' (Held, 2010: 46-47). Others promoting this approach highlight that individuals have duties and responsibilities that transcend borders, as '...the scope of justice...knows no boundaries [and] is not confined simply to compatriots' (McGrew, 2004: 2) because, in the words of Charles Beitz:

'...persons of diverse citizenship have distributive obligations to one another analogous to those of citizens of the same state. International distributive obligations are founded on justice and not merely on mutual aid' (Beitz, 1979: 128).

Similarly, other liberal cosmopolitans illustrate that a theory of global justice is warranted because nationality is just another 'deep contingency' and '...one more potential basis of institutional inequalities that are inescapable and present from birth' (Pierik and Werner, 2010: 8). Following on from this, and by turning to the third assumption, the general proposition for liberal cosmopolitans is that justice must transcend national boundaries, and apply equally to all individuals – thus, individuals are the primary unit of moral concern, not states (Brown and Held, 2010: 2; Beitz, 2004: 16; McGrew, 2004: 7). In this way, liberal cosmopolitans find that the 'individual' is another key unit of analysis that should be focused upon alongside states, institutions and other actors, as one foremost aim of the liberal cosmopolitan project is to equalise rights, opportunities and responsibilities across humanity.

As such, within IR and IPE, some scholars view cosmopolitanism to be '...a subspecies of liberalism' (Pierik and Werner, 2010: 11) which can propel liberal egalitarian concepts of justice along with broader currents of liberal political, economic and social theory, from the domestic sphere to the global level (see among others: Gahir, 2016: 47-50; Held, 2010: 91; Beitz, 2004: 21-24). Moreover, liberal cosmopolitans argue that '...there is no reason to restrict this process of normative thinking to the domestic sphere' (Boran, 2008: 11), as theorisation can justly be linked to individual practical reasoning concerning principles that are defensible from a larger human standpoint (Held, 2010: 46-50; 85-86). As Benhabib notes, '...all human beings, by virtue of their humanity, are entitled to moral respect from others, and...such universal moral respect minimally entails the entitlement of individuals to basic human, civil, and political rights' (Benhabib, 1994: 173).

Of course, communitarian scholarship highlights that social justice varies quite significantly from community to community (Miller, 2005: 7), and that a detachment from actual existing traditions and forms – in the name of global universality – is impossible due to deep sociological and cultural factors (Mulhall and Swift, 1997: 11-12). This spirit is captured in the words of Anthony Smith, when he states that ‘...the quest for a global culture and the ideal of cosmopolitanism are continually subverted by the realities of power politics and by the nature and features of culture’ (Smith, 1996: 19). Others from the communitarian turn illustrate that those from this perspective are far more ‘...interested in how individuals and communities are situated in the world, and how this shapes and constrains the boundaries of the moral imagination’, which cosmopolitan approaches tend to downplay or neglect to mention (Eckersley, 2007: 681). In short, the value of community alongside how a common identity can emerge is missing from most cosmopolitan accounts, much in the same way as it is within liberal ones (Smith and Brassett, 2008: 82; Bell, 1996: 11). With this in mind, the next section highlights how these valid communitarian insights can be integrated into liberal cosmopolitan theorisation through the consideration of the subtle as well as wide-ranging differences that exist between national political communities.

2.2.2: Reformulating and Adapting ‘Social Democratic Globalisation’

In this section, I argue that liberal cosmopolitan approaches in general need to include an assessment regarding how aspects of liberal egalitarianism and liberal libertarianism can merge into a concrete project, and which economic policies and ideas need to be pursued. In essence, a deeper exploration into existing democratic capitalist forms is required so that social democratic liberal cosmopolitan projects begin to account for national peculiarities, histories and cultural factors in a meaningful way, thereby becoming better defined in the process. As is highlighted by the fourth assumption, liberal cosmopolitans suggest that democracy and capitalism can and should co-exist. This said, when analysing the development of capitalism, and its latest forms and incarnations, liberal cosmopolitans endorse paths towards ‘social democratic globalisation’ to improve and reform current arrangements. Here, the aim is to better regulate global markets through a more ‘social’ and ‘democratic’ agenda that will support the still prevalent notion of free markets, but within a policy framework of

shared values and commonly agreed institutional processes (see among others: Beroš and Beroš, 2013: 8; Held, 2010: 300-302; Held et al, 1999b: 492-493; Falk, 1997: 20). However, the fact that Held and others continue to support the notion of 'free markets', seems to indicate that these social democratic liberal egalitarian visions display some overlaps with liberal libertarian theorisation.

For example, like liberal libertarians/neoliberals, most liberal cosmopolitans stress the value of global markets as key to generating higher levels of economic growth, prosperity, economic development as well as wider and freer individual choice (see among others: Catterall, 2011: 333; Archibugi, 2008: 60-61; Held, 2004: 13; 154-155). Yet, in departure from pure liberal libertarian/neoliberal forms, the issue for Held and others is that despite the construction of global markets, democratic regulation remains largely national and ineffective. This is supported by Benhabib, who highlights that a rethinking is required around 'free market ideologies' and the 'rules and regulations of global markets', therefore, '...cosmopolitanism must involve new, multiple, overlapping projects of global governance' (Benhabib, 2009: 39), including '...the formation of a common social democratic vision at the level of the EU' and beyond (Benhabib, 1998: 1). In this sense, liberal cosmopolitans believe that there should be further global convergence towards a social democratic model across political economies as well as global '...harmonisation of corporate practices, taxes, and business regimes' (Held et al, 1999b: 491- 492). In other words, current arrangements have resulted in the processes of economic globalisation far outweighing other steps towards political and social globalisation, i.e. the spread of social democratic welfare states and multi-layered democratic global governance institutions. As such, liberal cosmopolitans suggest that along with the occurrence of social democratic outcomes in the national sphere, multi-layered global, international and regional institutional settings as well as policies also need to come into existence to regulate global markets (see among others: Archibugi and Held, 2011: 7-11; Brown and Held, 2010: 2; Held, 2009: 542; Held and McGrew, 2007: 114-116).

Further to this, since at least the late 1970s, global arrangements have been guided by what is called the 'Washington Consensus', i.e. 'market fundamentalism and unilateralism' (Held, 2009: 545-546), whereby decision-making and accountability are largely devoid of democratic processes (Beroš and Beroš, 2013: 16; Held, 2009: 545-546; Falk, 1997: 20). For Held, neoliberalism is conflated with the United States led Washington Consensus, as the IMF

and World Bank have implemented a 'neoliberal' policy playbook, based broadly on liberal libertarian economics, across a range of developing political economies, especially in the global south. With global financial governance based on the Washington Consensus, for instance, Held indicates that '...its neo-liberal economic orthodoxy guided Organization for Economic Cooperation and Development (OECD) countries and was prescribed, until recently without qualification, by the International Monetary Fund and World Bank as the policy basis for developing countries' (Held, 2005b: 15). From this, liberal cosmopolitans argue that neoliberal forms generated by the Washington Consensus have meant that processes and outcomes are asymmetric as well as unfair, while the benefits are unevenly distributed (Beardsworth, 2011: 126; Catterall, 2011: 333-334; Archibugi, 2008: 141; Held, 2005b: 15; McGrew, 2004: 5). As such, Held proposes a competing and alternative vision founded on '...the regulation of the global economy through the public management of global trade and financial flows, and the engagement of leading stakeholders in corporate governance' (Held, 2004: 16). Thus, Held advocates for a move against the Washington Consensus and neoliberalism by indicating that '...the nature and form of a free and fair global economy can...[instead]...be articulated through the lens of social democratic concepts and values' (Held, 2005d: 103).

More recently, with the rise in the notion of a post-Washington Consensus (Onis and Senses, 2005), or a variety of types of post-Washington Consensus (Stiglitz, 2008: 41-54; Bello, 2007), liberal cosmopolitans have nevertheless continued to endorse the spread of global social democracy and social democratic globalisation as the central solutions (see among others: Inglis, 2015; Beroš and Beroš, 2013; Catterall, 2011; Held, 2010). Some reasons for this include the fact that agreement around this 'new' post-Washington consensus is mainly underpinned by little more than an acceptance in the failure of the original Washington Consensus policies (Stiglitz, 2008: 41-43), and because:

'...differences between the Washington consensus and the post-Washington consensus have been overblown and, in particular, that they share much the same conception of development and attachment to neoliberalism, and the same limited commitment to democracy' (Fine and Saad-Filho, 2014).

Whereas other scholarship concentrates on more radical propositions (see for instance: Bello, 2007), or hones in on implementing specific national measures due to the large divergences that exist between countries (Stiglitz, 2016; Blyth, 2013), for most liberal cosmopolitans the extension of global governance mechanisms and global regulations as well as the homogenisation of national political economies is still warranted. In this respect, Held's stance towards creating a global regulatory policy framework remained much unchanged as it was still informed by historical evidence suggesting that '(t)he major phases of capitalist development have all been underpinned by regulatory regimes' (Held, 1993: 299). Here, the social democratic institutional breakthroughs of the Bretton Woods System (BWS) era are viewed to have generated '...the momentum for decades of sustained economic growth and geopolitical stability sufficient for the transformation of the world economy' (Held, 2016: 845). In Chapter 4, I explore the history of the Bretton Woods negotiations and argue that the resulting BWS was an incipient version of thin liberal cosmopolitanism in practice, but that thicker forms may have come to fruition had a different path been taken that fully implemented the Keynes Plan.

This said, by drawing on the works of John Ruggie, the basis of Held's concept of social democracy – which is utilised by others – is the Post-War Consensus referred to as the compromise of embedded liberalism (Ruggie, 1982: 393-398). Here, the '...post-1945 world economy embodied a social bargain [whereby] [m]arkets would be reconciled with the values of social community and domestic welfare' (Abdelal and Ruggie, 2009: 151-153). As such, Held writes that:

'The nature of the balance struck took different forms in different countries...in the US, the New Deal, and in Europe, social democracy or the social market economy. Yet however this balance was exactly conceived, governments had a key role to play in enacting and managing this programme' (Held, 2005d: 103).

Similarly, other liberal cosmopolitans chime in, suggesting that this type of 'transformation' allowed governments, especially in Europe, to enact 'welfare based social democracy' and begin or continue to strike a balance between democratic forms and capitalist relations (Catterall, 2011: 332). David Inglis supports this line of argument, and goes even further by illustrating that the construction of European welfare states in the post-war era was to be based upon a 'social democratic legal-political cosmopolitanism' which eventually aimed to

generate institutions at a European level to regulate and tame markets (Inglis, 2015: 738; 754-755). Others outside the cosmopolitan perspective, like Thomas Biebricher, illustrate that the Roosevelt administration through its 'New Deal' reforms managed to save and rebrand liberalism through an egalitarian and progressive lens, much like social democrats in Europe, and hence social democratic traditions are deemed to be 'liberal' in the USA (Biebricher, 2015: 256).

When returning to Held, he highlights that during this era an attempt was made by policymakers to amalgamate the efficiency of markets with the values of social community, including respecting 'national democratic political traditions' and by '...providing social investments, safety nets and adjustment assistance' (Held, 2005d: 103). As such, Held argues that some sort of regulatory regime like the Bretton Woods compromise or 'Post-War Consensus' needs to be constructed once again, but on this occasion based on global institutions that incorporate transnational democratic processes (as opposed to solely governments/policymakers) so as to reinforce the multi-level and multi-actor components central to his conceptualisation of social democratic globalisation. In this way, Held postulates that there needs to be a strengthening of multilateral institutions and common rules that bridge '...the gap between global market processes and social justice' (Held, 2005d: 95). At the same time, Held expounds that any global consensus or agreement reached on social democratic globalisation should be fleshed out in situated discussions, and guided by deliberation and debate among an array of actors (Held, 2010: 79-80).

However, there are visible differences between the paths taken by various national political economies as they sought to institute social democratic forms and welfare capitalism. Thus, two closely related issues place an overall limitation on this liberal cosmopolitan reading. First, most liberal cosmopolitans, do not consider the subtle as well as wide-ranging differences that exist within and between democratic political communities, especially European ones that are already, or have been in the past, considered to be 'social democratic' in one form or another, and/or have developed along specific and unique social democratic paths. While Held and other liberal cosmopolitans do note that some differences exist between political economies when it comes to their 'internal' journeys towards capitalism and (social) democracy, this is highly under-developed and under-theorised (see for instance: Held, 2009: 539; Archibugi, 2008: 36; Held et al, 1999b: 487; Archibugi and Held, 1995: 13).

Second, this proves to be even more problematic due to the lack of precision offered by Held in defining 'social democracy'. This is exemplified by the way that he limits his analysis to a few small passages and scattered passing comments (for instance see: Held, 2005b: 17; 2005d: 100-101; 1993: 299-300). In fact, Held seemingly closes the debate on defining 'social democracy' by noting that:

'Irrespective of exactly how this programme was implemented in different countries, state-based policy instruments were thought of as the main means for the delivery of social democratic values' (Held, 2004: 15).

Unlike other liberal cosmopolitans, for example Richard Falk, who narrowly defines his social democratic project along the lines of the Scandinavian political economies (Falk, 1997: 18-20), Held does no such thing, and instead conflates social democracy with the social market economy (Held, 2005d: 103). This is a general problem that can be extended to liberal cosmopolitanism as a whole, as most scholars seem to lack definitional clarity as they downplay differences between social democratic traditions, policies and outcomes (see among others: Inglis, 2015; Beardsworth, 2011; Catterall, 2011; Sánchez-Flores, 2010; Archibugi, 2008).

In this light, restricting social democracy to mean the Scandinavian model like Falk does, or leaving definitions as wide open as Held and others do, are equally problematic because they either greatly limit conceptualisations or, by being too expansive, are emptied of practicality and meaning. This should be viewed to be an even greater limitation of liberal cosmopolitanism because the wider literature has labelled various political economies as 'social democratic' across different time periods, while also demonstrating that an assortment of traditions informs both theory and practice (see for instance: Goodin et al, 2003: 9-17; Esping-Andersen, 1990: 27-29; 44-69). Put another way, many varieties of social democracy and (welfare) capitalism, along with neoliberal forms, exist in theory and practice, with these producing different policy prescriptions, outcomes, measures and arrangements. Yet, this theoretical engagement is missing from David Held's liberal cosmopolitanism, and this is a problem that afflicts most liberal cosmopolitan scholarship, especially Held's co-authors, disciples and followers (see among others: Beros and Beros, 2013: 21; Beardsworth, 2011: 142; Archibugi, 2008: 31-52).

In this sense, for Held and most other liberal cosmopolitans, social democracy can take a singular form if the state increases its role within the political economy through the creation of 'good' economic and social policies. Yet, detail on what this 'good' conception is (aside from being social democratic), how it is to be undertaken and implemented, or where governments should be curtailed, are all seemingly missing from the analysis. In light of Held's all-encapsulating universal cosmopolitan principles (Held, 2010: 67-92; 2004: 170-178), he finds that the state needs to pursue policies, ranging from universal education, universal healthcare and universal basic income (Held, 2009: 536-539; 2005d: 104-106; 1995a: 424), to the creation of a shared morality, ethics, culture and law (Held, 2010: 67-69). Thick and thin universalism aside, even at first glance, Held's cosmopolitan principles are either a clear departure from actually existing forms or an attempt to combine the 'best' features from existing models deemed to be social democratic because they already offer universal education, healthcare or basic income for example.

If the latter is the case, Held and other liberal cosmopolitans need to be clearer and specify this, alongside the other institutional arrangements that are deemed to be social democratic as well as aligned to their projects. Now, Held does argue that '...state intervention is not always progressive and beneficial' thereby endorsing a free market model with underlying social democratic themes, but he does so with limited detail and without a deeper exposition that could concretely link his notions to economic theory and practice (Held, 2005b: 15). The key point to raise here is that economic theory and practice is not static, forms differ widely across political economies, and these can also be subject to a large degree of change (see Chapter 6 and Chapter 7). Therefore, liberal cosmopolitans should draw upon and subsequently endorse specific economic theories and forms of political economy that they deem affiliated with social democratic patterns, which, in turn, can more fully explain the relationship and dynamic between individuals, governments, markets and society.

As such, it is still worth building on and pursuing Held's liberal cosmopolitan framework as it utilises much from the liberal egalitarian and social democratic traditions, while also drawing upon notions – like free markets – that are primarily derived from liberal libertarian scholarship, and continue to be accepted by a large proportion of elite actors. Thus, liberal cosmopolitan approaches can be revitalised and improved if they start to assess how features of liberal egalitarianism and liberal libertarianism can be amalgamated into a

concrete project, and subsequently, which policy prescriptions should be implemented when going forward. Essentially, to become better defined, social democratic liberal cosmopolitan projects need to take into account different democratic capitalist forms as well as national particularities, peculiarities and idiosyncrasies in meaningful ways. In this vein, actor centred constructivist (ACC) scholarship suggests that actors are not only led by individual rational cost-benefit considerations, but are also influenced by, and embedded within, certain historical cultural traits, specific social representations and market identities that inform the paths that are pursued by these actors. Thus as the next section displays, an ACC approach can develop, improve and build upon liberal cosmopolitan theorisation by not only providing a better account of agency, but also by engaging with the wider political economy literature.

2.3: Agency: A Lacuna?

2.3.1: Background Conditions and 'Active Agency'

This section illustrates that liberal cosmopolitanism, especially the form postulated by David Held and his disciples, lacks clear theorisation around agency and this subsequently leads to an overly abstract conceptualisation of the individual. Here, by addressing this gap in scholarship I make an original contribution to liberal cosmopolitan debates and theorisation as I provide a deeper account of agency for rationalist perspectives. Liberal cosmopolitans find that agents have the ability to rationally distinguish between a consensus that is freely attained, from one that is subject to manipulation, coercion and/or compulsion. In this sense, forms of consensus can emerge from the state, but equally, they may arise from other structures and constructs related to culture, identity and other background conditions. Hence, liberal cosmopolitans display that although individuals can raise challenges within non-democratic settings, the most successful reforms and deepest changes that have increased individual freedom have emerged when democratic background conditions exist as this allows for equal respect within deliberations and among conversation partners (see among others: Held, 2010: 83; Sánchez-Flores, 2010: 132; Chambers, 2004: 231).

As such, for individual agency to be less constrained, and in fact enabled by a far greater degree, liberal cosmopolitans argue that there should be a commitment to forms of

global democracy and the establishment of universal basic human rights as well as a moral minimum that might reasonably command agreement among all (Held and Maffettone, 2017: 57-58; Held, 2010: 46-47). Elsewhere, Held indicates that human wellbeing cannot be determined by geographical locations or engrained within cultural settings and practices because all humans require equal moral respect and concern (Held, 2009: 536-537). Along these lines, Held presents an extensive list of universal cosmopolitan principles (Held, 2010: 67-92; 1995b: 167-188) that he suggests all humans could reasonably assent to regardless of whether they are historically and culturally enmeshed in a world of fundamentalisms (Held, 2010: 80; 2005c: 154-158). For Held, this is because individuals are bestowed with 'active agency', i.e. humans are active and capable of reasoning, reflection and self-determination (Held, 2010: 70-71; 2005b: 155-157). In other words:

'Active agency connotes the capacity of human beings to reason self-consciously, to be self-reflective and to be self-determining...Active agency is a capacity both to make and pursue claims and to have such claims made and pursued in relation to oneself' (Held 2010: 70).

Thus, Held is arguing that agents are rational insofar as they are not constrained within different sites of power (Held, 1995a: 419-422; 1994: 228), i.e. prevailing 'background conditions' that might prevent particular choices of human agents being achieved as a 'basic' structure of individual action and social activity is non-existent or enforces many limitations (Held, 2010: 62; 2009: 539). From this, most liberal cosmopolitans indicate that actors under liberal democratic conditions have far more freedom than those outside this form of political organisation (see among others: Gahir, 2016; Inglis, 2016; Beardsworth, 2011; Sánchez-Flores, 2010).

Now, liberal cosmopolitans stress that existing forms of (liberal) democracy are not perfect, but nevertheless, they still enable agents to question and reform structures of power in a way that is not possible under the background conditions akin other forms of political organisation. By placing an importance on 'background conditions', such as liberal democratic forms, deliberation, social justice as well as individual freedom, rationality, responsibility and morality, liberal cosmopolitans believe that agents – through the acts of socialisation, persuasion and compromise – will rationally come to an agreement over the institutional arrangements guiding political economies from the local to the global level (see among

others: Sánchez-Flores, 2010: 5; Held, 2010: 62; 2009: 539). In this manner, liberal cosmopolitans take agency as given by suggesting that the material reality of 'background conditions' generated within liberal democracies allows for the formation of rational individuals who will eventually be attuned towards progressive and social democratic forms of liberalism. In turn, this will generate the necessary steps towards 'social democratic globalisation' as a form of liberal cosmopolitan world order because elite actors become attuned to the 'new' cognitive structure (Held, 2010: 110-115; 2003: 466-469; Held and McGrew, 1998: 232).

Yet, the problem with this assessment is that even under 'democratic' background conditions, actors are not as rational as theoretical assumptions suggest. In fact, even if actors have rational intent, their value judgements may differ widely as these can also be shaped by specific capitalist relations – as well as – uncertain contexts, the lack of perfect information and cultural preference formation. The issue here is that much like other rational models, for example those presented by neoclassical economists, i.e. concepts of the median voter, cost-benefit analysis, rational expectations and rational behaviour, the presentation of liberal cosmopolitan rationality is also divorced from reality (Stiglitz, 2016; Blyth, 2013). As such, I argue that rationality is embedded within various structures and constructs, including market identities and cognitive backgrounds present within political economies, as these inform preferences and choices made by agents. Here, value judgements inculcated at a national and 'community' level seem to have an impact, more broadly, on choices that actors decide to pursue, and thus this can constrain and enable action in dissimilar ways.

In this respect, other critiques surrounding the notion of the existence of the rational individual usually emanate from perspectives that are structural in their orientation, or aligned towards communitarian scholarship, as the view is that individuals do not have any content outside these structures, constructs and arrangements (see among others: Bray, 2011; Avineri and de-Shalit, 2002; Smith, 1996). With this in mind, I take these critiques on board through a reformulated liberal cosmopolitan approach, with the aim to provide a better explanation into how processes of individualisation lead to notions of active agency and the detachment of individuals away from national and community level judgements. For liberal cosmopolitans, the evolution of capitalism is viewed to be beneficial because processes of market individualisation have contributed in uprooting individuals away from traditions,

habits and customs (i.e. deep cultural contingencies), including those generated by the 'state'. Thus, this allows for the creation of rational individuals who might reasonably agree to be embedded within a liberal cosmopolitan framework instead (see among others: Held, 2010: 46-50; 81-91; Beitz, 2005: 16-17; McGrew, 2004: 7). In the words of Beardsworth, liberal cosmopolitanism:

'...is fundamentally indebted to the capitalist evolution of society...[as it]...breaks the social bond between the individual and the community and promotes the process of individualisation that becomes the leitmotif of the enlightenment and the post-enlightenment liberal age' (Beardsworth, 2011: 147).

Therefore, by focusing on the individual as the unit of analysis, liberal cosmopolitans suggest that capitalist and democratic background conditions can lead to the formation of rational individuals that might choose to be detached from cultural and historical patterns and identities. Specifically, this presentation is applied to liberal democracies like EU member-states.

Yet, as is explored in the empirical chapters that follow, this assessment will be tested and interrogated in a thorough fashion to see how plausible it is in actuality (see Chapters 5, 6 and 7). Further, an exploration into the manner in which this individual detachment takes place and the actual internal journeys of political economies towards capitalist relations and democracy are also required, as these are seemingly missing from most liberal cosmopolitan scholarship. On top of this, liberal cosmopolitans lack a '...sustained analysis of the internal dynamics of debate in global civil society' (Brassett and Smith, 2010: 422), and therefore they find that these individual actors, and groups of actors, are unquestionably ethical agents (Brassett, 2010; 2006). Thus, by treating individuals as removed from all affiliations and cultural tendencies in the name of individualism, a liberal cosmopolitan framework presents a number of limitations that the thesis seeks to investigate.

As such, to improve, reformulate and revitalise liberal cosmopolitanism, I draw on the ACC approach as this builds a bridge between rationalist and constructivist accounts. Briefly, while viewing actors to be rational, this rationality is embedded within a number of cognitive structures, market identities and other cultural historical features, which in fact guide actor

perception and choice. An ACC approach can strengthen liberal cosmopolitan theorisation by bolstering rational frameworks that seem to be too general, highly incomplete and questionable at best. In the main then, critiques towards liberal cosmopolitanism highlight that the perspective needs to move beyond, or indeed dispose of, a strict rationalist analysis and include a far better account of bottom-up processes, forces and agents as well as the existing importance attached to key cultural differences. As the next section expounds, a liberal cosmopolitan account can be supplemented through an ACC reading which accounts for a number cultural identity traits, but does so through a rationalist lens.

2.3.2: Bringing Actor Centred Constructivism into Liberal Cosmopolitan Accounts

By taking an actor centred constructivist (ACC) approach, I build upon liberal cosmopolitan scholarship by detailing an account of agency within the EUFTT policy process (see below) that brings the dynamic within as well as between top-down and bottom-up forces to light in a far more illuminating fashion than is provided by most liberal cosmopolitan scholarship. While I make an interjection into liberal cosmopolitan debates surrounding the lacuna of agency with regard to global finance, other cosmopolitan scholars have also explored this problematic element of theorisation across other areas of study and policy arenas. As such, I situate my thesis in the literature making a further contribution to emerging work on cosmopolitan thought that attempts to engage with the question of agency and policy. For example, Scholte analyses the agency of global civil society within global governance institutions and he puts forward ‘...recommendations for more, more inclusive, more competent, more coordinated, and more accountable engagement of global governance by civil society organisations’ (Scholte, 2007: 305). Similarly, Gerard Delanty illustrates that a cosmopolitan global ‘...civil society is meaningless in the absence of cosmopolitan public spheres in which fundamental changes in values occur [because] without a cosmopolitan public sphere, legal and political forms of global civil society will not be rooted in the civic dimension of community that is necessary in order to resist homogenising forms of globalisation’ (Delanty, 2001: 49).

In addition, others have explored questions of agency and humanitarian intervention, whereby they promote the creation of a cosmopolitan standing army for the UN as the ‘...current mechanisms and agents of humanitarian intervention are inadequate’ (Pattinson, 2008), or a global police force to maintain ‘...a global legal order based around the principle of universal human rights [with] policing functions to be discharged by a variety of actors’ (Smith, 2016: 135-136). Further to this, Parker and Rosamond, by developing the concept of ‘Normative Power Europe’, have shown that the EU possesses agency insofar as it has promoted cosmopolitan ideas and norms effectively outside the EU, without the need to resort to economic and military material capabilities. However, they also note that while this ‘...may well empower certain local individuals and groups, close examination of particular cases reveals [that] concrete enactment has often delimited the agency of such groups to the extent that the policies enacted have failed to respect particular circumstances’ (Parker and Rosamund, 2013: 230-235).

With this in mind, my focus also relates to other social constructivist liberal cosmopolitan scholarship, like that postulated by Seyla Benhabib. For her part, Benhabib concentrates on rethinking regulations ‘from the bottom up’ as well as the importance of ‘moral learning experiences’ and ‘the social dissemination’ of legal cosmopolitan norms concerning universal human rights, and how these can be:

‘...reconciled with the diversity of the world’s governments and regimes that consider the individual first and foremost as a being embedded in specific moral, religion, ethical, and linguistic contexts?’ (Benhabib, 2009: 36-39).

In this way, by taking on board communitarian critiques (see above) and including accounts of agency through an ACC reading, I argue that individual rationality is informed by and embedded within particular cognitive backgrounds, ideas and market identity traits that are linked to the specific liberal and social democratic trajectories pursued in different political communities.

Subsequently, the actions, behaviours, preferences and choices pursued by agents, regardless of whether they are considered to be of a top-down or bottom-up nature, cannot be taken as given (see Chapter 6 and Chapter 7). As such, liberal cosmopolitans should not take for granted the subtle as well as wide ranging differences between the political

economies at hand (the UK, France and Germany), as well as EU member-states and other political economies more generally, because unique institutional configurations have a diverse impact on the behaviour and choices of individuals. The key point to raise is that policymakers, top-down and bottom-up forces, along with wider audiences, understand ideas like neoliberalism and social democracy in diverse ways and this is not accounted for within cosmopolitan scholarship more broadly.

A deeper exposition of actor rationality and the ACC approach is presented in Chapter 3, but here it can be stated that an ACC approach provides another ‘pragmatic’ and practical path that generates an additional layer of analysis to conceptual and theoretical frameworks grounded in liberal philosophical thought and traditions which are endorsed by Held and others. An ACC analysis incorporates equal consideration of both top-down and bottom-up actors, by understanding that agents ‘...rational cost-benefit calculations...are embedded in specific social representations, values and norms in which the actor evolves’ (Saurugger 2013: 900). This supplements liberal cosmopolitan theorisation surrounding the individual, as it introduces constructivism into rationalist perspectives by accounting for ‘strategic thinking and cognitive contextualisation’ (Saurugger 2013: 902). In this manner, the ACC perspective ‘...does not disregard the existence of material reality but investigates how ideational factors interact with it’ (Scholvin and Wigell, 2018: 9), which enables considerations ‘...of both the strategic interests of actors as well as their embeddedness in cognitive structures’ (Saurugger, 2013, 892).

In light of this, an ACC approach complements the broad literature surrounding cosmopolitanism by directly engaging with notions of agency and difference that are under-theorised within liberal cosmopolitan scholarship specifically. Here, I present a better account of preference formation that illustrates cultural traits, specific social representations and market identities can influence individual rationality and agency. Through this lens, I explore and understand how precisely ideas and (counter-)narratives count in policy processes, such as the EUFTT, by considering how these ‘solutions’ were used strategically (Hassenteufel and Saurugger, 2016: 11-14). Here, I argue that actors utilise ideas to not only ‘...articulate and advance their interests’ but also as a strategic resource, whereby they ‘...understand their usefulness as rallying grounds for those in pursuit of diverse or even incompatible goals’ (Jakbo, 2006: 8). In addition, the ACC approach critiques the fact that ‘...structures do not

come with an instruction sheet' (Blyth, 2002: 10), while actors, on the most part, lack a well-defined set of preferences in policy processes and usually '...have contradictory preferences which are embedded in specific values and world views' (Saurugger, 2013: 899).

As such, this means that key actors are therefore transmitting dissimilar messages and (counter-)narratives when it comes to policy processes due to their various constructions of knowledge, but also because they are situating the idea in relation to their national audience. Here, specific cultural understandings and engrained historical patterns have a clear impact on the way policymaking communities interpret ideas like the EUFTT, and by extension also other policies/projects – liberal cosmopolitan or otherwise (see Chapter 6). Moreover, non-state actors like CSOs and market actors, were also susceptible to influence from these market identity traits (see Chapter 7). As such, these types of attitudes remain engrained in public imaginations and the ideational realm, which in turn characterises the market identity formation process in these political economies. In this sense, insights from an ACC approach resonate with the varieties of capitalism (VoC) framework, as it increases understanding around how specific economic ideas can be linked to certain political identities, trajectories and formations, in turn informing the types of 'solutions' on the table during crisis moments (Hassenteufel and Saurugger, 2016: 14). In the words of Schmidt: 'The national traditions of economic thought that influence countries' ideas of how to make and remake the markets – even in the face of a seemingly common set of neo-liberal ideas – are also very different' (Schmidt, 2016: 17). Again, here the way in which policymakers and other actors interpret neoliberal ideas – along with other economic traditions - is in an active, dynamic and importantly, diverse fashion.

In addition, the approach adds value to liberal cosmopolitan scholarship by directly engaging with notions of active agency, as it incorporates '...agents' changing ideas about their interests' into the analysis (Schmidt, 2016: 7). In the main then, an ACC perspective indicates that due to varying comparative institutional arrangements and advantages, actors within the political economy – even when faced with a similar set of challenges – may not arrive at the same conclusions, as their analyses are filtered by cultural and ideal structures (Hassenteufel and Saurugger, 2016: 11-12). Even at a basic level, this highlights that all actors conceptualise and interpret ideas like 'social democracy' and 'neoliberalism', which liberal cosmopolitan scholarship takes as given and fixed, in very different ways. Thus, an ACC

approach provides liberal cosmopolitans with the necessary theoretical tools to address critiques that target the lack of theorisation surrounding cultural specificity, particularities and peculiarities, by adding constructivism to rationalist accounts. In turn, this assists in explaining how and why different background conditions frame narratives and counter-narratives in diverse ways.

The chapter now turns to the empirical focus of the thesis, illuminating how the proposal for the European Union financial transactions tax, along with the subsequent negotiations and debate, is an appropriate example to explore when considering how liberal cosmopolitanism can possibly work in practice.

2.4: Moving Beyond Abstract Theorisation: The EUFTT as a Potential Model of Liberal Cosmopolitanism in Practice?

In general, cosmopolitan debates are deemed to operate at a highly abstract and theoretical level, when instead they should try to discover concrete examples of the perspective in practice (Brassett, 2006: 27). To add, liberal cosmopolitan presentations are viewed to be overly abstract because they do not account for cultural peculiarities in a serious fashion (For direct critique against Held, see for instance: Bray, 2011: 7; Waks, 2009: 188; Brassett and Smith, 2008: 90; Eckersley, 2007: 675). Therefore, Held and other academics from this tradition must ‘...look for models of cosmopolitanism’ (Rendtorff, 2011: 3), which already exist in practice or could potentially come into existence through concrete projects and policy proposals that resonate with the perspective. On top of this, another major limitation with the liberal cosmopolitan project as a whole is that it lacks clear policy solutions and practical reform proposals. In this manner, by considering an existing policy process and moving beyond abstract theorisation I make a further original contribution to academic debates by interrogating ‘...what must be done in this actual world to instantiate the ideal’ (Brock and Atkinson, 2008: 166) and provide stepping-stones towards conceptualisations endorsed by liberal cosmopolitans.

Here, alongside liberal cosmopolitans, I am interested in fostering convergence and the generation of global rules, norms and frameworks that can emerge from multi-layered

global governance mechanisms and apply to a range of transboundary issues and phenomena. In the main, cosmopolitans focus on an array of global problems and, as is shown above, one concern that is foremost, especially since 2008, regards the global financial system. As such, in line with the essence of the liberal cosmopolitan project, I argue that the rules governing global finance need to change significantly to not only alter market actor behaviour, but also produce better-regulated forms of capitalism and increased global redistributive justice.

One policy idea that promotes global redistributive justice and that is supported by liberal cosmopolitans is the suggestion of implementing a global financial transactions tax (FTT), which can address the intensification of global capital flows and speculative behaviour by providing both a regulatory and redistributive solution (Brock, 2011: 274-284; Boran, 2008: 7; Held, 2004: 65-66). Employing a control on the flow of capital, in the form of an FTT as a regulatory tool, is associated with a number of cosmopolitan ideas concerning the regulation of capitalism in general and the global financial system in particular (Held, 2010: 188-195; Beroš and Beroš, 2013: 4; Brock, 2011: 274-285; Brassett 2010: 1-5; 2006: 6-10). Liberal cosmopolitans like Held argue that the outflow of capital assets from the poorest regions of the world to the richest regions of the world needs to be reversed through regulatory measures such as FTTs and Tobin-style taxes on the turnover of financial markets (Held, 2010: 168-169). Further to this, others postulate that FTTs could serve to keep inward-bound capital invested by encouraging long-termism and incentivising the allocation of capital towards long-term productive investments (Archibugi, 2016: 535-543; Beardsworth, 2011: 159-162; Held et al, 1999b: 492).

As is further elaborated in later chapters, depending on design, various forms of global justice can be pursued through FTTs (global or otherwise) if the revenue raised is redistributed to the poorest individuals across the world (and/or in specific political economies), and if the regulatory impact alters some types of short-term speculative behaviour thereby encouraging more long-term investment. In this light, the European Commission (EC) proposal for the European Union Financial Transactions Tax (EUFTT) can be deemed an appropriate example to consider when analysing how liberal cosmopolitanism is to work in practice. This is particularly the case when considering the broad aims of the EUFTT proposal, as the EC illustrates that:

‘First, it will strengthen the Single Market by reducing the number of divergent national approaches to financial transaction taxation. Secondly, it will ensure that the financial sector makes a fair and substantial contribution to public revenues. Finally, the FTT will support regulatory measures in encouraging the financial sector to engage in more responsible activities, geared towards the real economy’ (European Commission, 2013a).

From this, the EUFTT could generate further convergence among (some) EU member-states, incorporate ideas of redistributive justice and fairness which is not limited by territorial boundaries and provide a form of (global) financial regulation that seeks to alter the behaviour of financial sector actors towards more responsible long-term activities. Already, this displays some resonance with liberal cosmopolitan theorisation as key notions of regulatory convergence, redistributive justice and encouraging a long-term investor outlook to increase wellbeing and levels of economic development, are all at the core of the policy measure.

Moreover, the EUFTT proposal endorses the possibility of ‘universal’ coverage through the application of a ‘Triple A’ approach (all financial actors, financial markets and financial instruments), while at the same time, it could also construct an alternative global path by utilising extraterritorial features (see Chapter 7). As the proposal has advocated for a ‘Triple A’ approach, this suggests that the tax might apply to all markets (such as regulated markets/exchanges and/or over-the-counter (OTC) transactions), all instruments (shares, bonds, derivatives etc.) and all actors (banks, pension funds, asset managers, etc. as well as non-financial corporations, i.e. firms) (European Commission, 2015a). In this respect, the approach would apply to OTC transactions like credit default swaps (CDSs) and collateralised debt obligations (CDOs), as well as mortgage bonds, such as mortgage backed securities (MBSs), which were all at the heart of the 2008 crisis (Stiglitz, 2016; Bernanke, 2013; Blyth, 2013). Furthermore, this type of approach could minimise distortions across different market segments and might reduce the risk of tax planning, substitution and relocation (European Commission, 2015a). As such, this is further associated with liberal cosmopolitan scholarship as the ‘Triple A’ approach displays an affinity towards creating forms of global regulation through universal coverage.

Additionally, the EUFTT project could allow agents from the local level all the way through to the global level to engage in discussions within deliberative settings, with the possibility of achieving understanding, agreement and convergence through the acts of persuasion and socialisation. In this fashion, the EUFTT process might provide a transnational arena for non-state actors, like CSOs, firms, academics, research institutes and the like to have a potentially meaningful impact on the debate and even varying degrees of influence on the ongoing negotiations. Again, this strikes a chord with liberal cosmopolitan scholarship, as the role played during the policy process by CSOs and other bottom-up forces is taken into account in a serious fashion (see Chapter 5). On top of this, the EUFTT is not just heralded for its regulatory benefits, but can be viewed as a source of revenue to further the aims of issue specific and special interest groups like development NGOs and CSOs more broadly. Thus, alongside the perceived regulatory benefits and as a concomitant, the EUFTT (and Tobin style taxes/FTTs in general) could be framed as having the potential to generate vast amounts of revenue, which could increase international development aid, and in the process promote liberal cosmopolitan notions of global redistributive justice. Of course, the EUFTT is an ongoing negotiation and process, which is subject to alterations and a possible ‘watering down’ in terms of the aims set out above.

As later chapters demonstrate, much discussion and debate has revolved around how the measure is to be designed. However, here it should be noted that regardless of whether the EUFTT is designed to be a ‘broad’ or ‘narrow’ measure, on the whole, it can produce outcomes that are, to varying degrees, aligned to liberal cosmopolitan concerns. The degree of alignment between these outcomes and concerns can be described to generate ‘thick’ or ‘thin’ forms of liberal cosmopolitanism (Held, 2010: 75-81). Put another way, even if a ‘broad’ EUFTT – as initially proposed by the EC – is not adopted, liberal cosmopolitans would still believe that the potential outcome of such a measure can produce varying degrees of alignment towards thick and/or thin liberal cosmopolitan values and outcomes in practice.

In this manner, as Chapter 6 and Chapter 7 demonstrate, even a narrow EUFTT, or a narrow global FTT, that was solely restricted to transactions involving the ownership of shares, could still produce outcomes that resonated with thick liberal cosmopolitan conceptualisations concerning universal global regulations and global redistributive justice. In the main liberal cosmopolitan scholarship is interested in defining the parameters required

to reach a type of 'minimal agreement' and in establishing forms of baseline regulatory convergence among political economies which a narrow (EU)FTT can still produce (see among others: Beroš and Beroš, 2013: 16; Held, 2009: 545-546, Skrbis, Kendall and Woodward, 2004: 123; Held and Koenig-Archibugi, 2004: 14). In this respect, thick and thin liberal cosmopolitanism still promotes cultural homogenisation, but with the latter forms not being as deep, extensive and far-reaching as its 'thicker' counterparts are. To add, thicker forms display a more meaningful role for bottom-up forces and actors, in terms of offering competing counter-narratives and forming coalitions with policymakers. In turn, the view is that this can have a tangible impact by raising public awareness around the EUFTT project as well as strengthening the notion that a national FTT is a realistic and feasible path that policymakers within the EU and beyond could pursue.

Therefore, the EUFTT project displays some concrete linkages to liberal cosmopolitan scholarship not only because of resonance with the three main policy objectives set out above, but also because the project provided a transnational arena and space for bottom-up forces to engage and participate in a potentially meaningful way. In addition, the EU is already attributed a 'special role' within the liberal cosmopolitan literature as this intergovernmental actor, as well as member-state arena, is also a 'space' to extend the influence of transnational actors from stakeholders and bottom-up forces, to market actors and top-down forces (see among others: Eriksen, 2014; Held, 2010: 247; Pogge, 2008: 261). In other words, the EU is constructed in a way that could be deemed as a form of regional multi-layered governance, which not only considers an array of interests, but can also lead and support efforts towards global institutional change and reform. Finally, as a practical reform proposal, the EUFTT is an interesting as well as necessary extension of the liberal cosmopolitan paradigm that allows one to think through the possibilities and limitations offered by the perspective. Therefore, by considering the EUFTT project to be an appropriate example when exploring liberal cosmopolitanism in practice, I go beyond abstract theorisation and illustrate how the perspective can be applied to a real-life example, while also critiquing the perspective in doing so.

2.5: Conclusion

In conclusion, this chapter has illustrated that following the 2008 global financial crisis an alternative path to current arrangements is warranted, and that a liberal cosmopolitan framework can provide one such path. I located my thesis and theoretical framework within the cosmopolitan literature, and offered a deeper exposition of the brand of liberal cosmopolitanism endorsed by David Held and those building on his insights. I argued that a liberal cosmopolitan approach towards global finance is necessary as this perspective concentrates on multi-layered democratic global governance solutions to address global problems and phenomena, which not only fosters further convergence between national political economies, but also raises concerns around the need to extend democracy and individual rights as well as pursue global justice and fairness. In turn, I moved beyond abstract theorisation and illuminated that the EUFTT is an appropriate example to draw upon when further exploring aspects of global finance and liberal cosmopolitanism in practice. I showed that the key aims of the EUFTT project strike a resonance with broader liberal cosmopolitan theorisation as the measure could invoke a global regulatory turn and produce global redistributive justice. This said, through an exploration of thick and thin liberal cosmopolitanism, a key point that emerged from the discussion indicated that universalism is only warranted or necessary in certain realms. Therefore, regional, intergovernmental and national approaches are also valid policy responses as these can lead to varying degrees of thick and/or thin liberal cosmopolitan outcomes. Overall, David Held's liberal cosmopolitan project certainly has merit, with a number of aspects and tenets undoubtedly required for our global age. Yet, as this chapter displayed, although Held has published prolifically and set the agenda for liberal cosmopolitanism, his accounts necessitate further development, deeper theorisation and much more engagement with existing national peculiarities and cultural forms. Without doing so, liberal cosmopolitans will continue to face similar critiques to those present above as well as others witnessed across the following pages.

Therefore, I argued for a reformulated approach that proposes liberal cosmopolitans need to incorporate economic theory, ideas and practice, as well as the wider political economy literature, into their analyses. On top of this, I suggested that through the EUFTT process, an exploration into the roles played by CSOs and other bottom-up forces, along with

elite agents/top-down forces, could be better examined and detailed in a far more serious fashion than is presented by most abstract liberal cosmopolitan theorisation. In this sense, I address the notorious lacuna of agency displayed throughout most liberal cosmopolitan scholarship, especially in the works of Held and those that support and extend his project. I highlighted that a meaningful account of agency is missing for two key reasons. First, bottom-up forces like CSOs are viewed to be unquestionably ethical agents. Yet, this does not account for differences between these agents, especially considering the forms transnational cooperation may take or the way in which group agendas are decided and even contested. In a similar vein, policymakers and top-down forces like market actors, are also deemed to be pursue certain agendas, but unheard voices, disagreements and areas of baseline convergence seem to be missing from the liberal cosmopolitan analysis. Second, by focusing on the individual as the unit of analysis, liberal cosmopolitans suggest that capitalist and democratic background conditions lead to the formation of rational individuals that are detached from cultural and historical patterns and identities. However, liberal cosmopolitans do not provide a sustained analysis of how this detachment or shift occurs, aside from hailing the processes of market individualism. Thus, in the next chapter, I set out to redefine, revitalise and improve liberal cosmopolitanism, as I draw on the ACC approach that aims to build a bridge between rationalist and constructivist accounts. In this way, I make another original contribution to knowledge by supplementing broader cosmopolitan debates surrounding agency and cultural features that are seemingly missing from scholarship of this sort.

Chapter 3

Research Methodology and Research Methods

3.1: Introduction

Here, I present the research methodology and research methods that guide the investigation. The chapter is divided into five sections. First, I set out a deeper exposition of actor centred constructivism, justifying why I adopted such an approach, as well as illustrating how it is relevant for liberal cosmopolitan scholarship and broader debates concerning EU/global processes, policies and integration. Second, I demonstrate why I pursued in-depth qualitative interviews over other research strategies, and how this strategy was subsequently reinforced by data triangulation. Third, I highlight key aspects of the research process and data collection method, including details on interviewee categorisation, selection and recruitment. Here, I fully unpack a key analytical construct utilised in the research project: ‘the three sectors of society’, while also accounting for ethical considerations and potential limitations of the study. Fourth, I portray the central features of the form of inductive thematic analysis I employed to organise, interpret and analyse the key patterns that emerged from the raw interview data. Finally, I present some concluding remarks, summarising key points raised and further setting the stage for the analysis chapters that follow.

3.2: Pursuing an Actor Centred Constructivist Approach

I combine a rationalist and constructivist methodological research design by utilising an actor centred constructivist (ACC) approach. Put simply, this approach suggests that actors are neither solely embedded in a social context that determines their preferences and actions as constructivists would argue, nor are they completely self-interested agents purely seeking maximum profit as rational choice theorists believe (Saurugger, 2016: 71). Actor centred constructivism, unlike constructivism more broadly, ‘...is no longer exclusively centred on cognitive factors as opposed to materialistic factors: both must be taken into account’

(Hassenteufel and Saurugger, 2016: 10). In this way, an ACC perspective ‘...considers not only ideas, but also actors, interests and power’ (Quaglia and Howarth, 2018: 992), because ‘...in order to understand how actors think and how their ideas count in policymaking, one must take into account the way actors use ideas strategically’ (Saurugger, 2013: 888). In other words: ‘...ideas give content to preferences and thus make action explicable, but they...can also be seen as power resources used by self-interested actors or as weapons in political struggles that help agents achieve their ends’ (Blyth, 2003: 702).

Here, I concentrate on actors involved in the policy arena, in effect, the agents that influence and/or operate within the policy process. This includes policymakers as well as a range of non-state actors. In this manner, I extend and revitalise liberal cosmopolitan notions of agency, by directly assessing how individuals or groups – like governments, political parties, social movements, CSOs, financial sector actors, trade unions and others – ‘make things happen within given structural constraints and opportunities’ (Stones, 2015: 1). At the same time, although a concept which is understood in divergent ways (Stones, 2015: 1-2; Hays, 1994: 57-59), I consider social structure to generally refer to ‘...the resilient patterns that order social life’ (Hays, 1994: 57), which ‘...human action instantiates, reproduces, and transforms’ (Wendt, 1987: 345). Therefore, when it comes to the structure/agency problem, I argue that ‘... the capacities and even existence of human agents are in some way necessarily related to a social structural context’ and thus, human action is inseparable from the social construction of structures (Wendt, 1987: 355).

In this light, the ACC perspective is linked to forms of the ‘structurationist’ response to the structure/agency problem, positing there is a clear interplay and interconnection between the two (Wendt, 1987: 355-361). As a result, I consider both the relational and institutional notions of structure. On the one hand, the relational structure refers to ‘...networks of social relations that tie people together into groups and social systems’ (Stones, 2015: 1), including those based on instrumental material power relations, the distribution of capabilities and systems of constraint (Wendt, 1987: 335; 340-344). On the other hand, the institutional structure is taken to mean ‘...the beliefs, values, symbols, ideas, and expectations that make up the mutual knowledge of members of a society and allow them to communicate with each other and to interact in meaningful ways’ (Stones, 2015: 1-2). The institutional structure may manifest itself as ‘real’ institutions, structural power relations, accepted

conventions, prevalent norms, market conditions and policy frameworks, but one should also consider the ideational and ‘...speak meaningfully about the "reality" of unobservable social structures’ (Wendt, 1987: 352). Thus, an ACC approach aims at ‘...bridging rational choice and more interpretative approaches’ (Schulz, 2019: 231), as the policy process:

‘...is understood as the result of the interaction between individuals whose interests are not only based on a rational cost–benefit calculation, but must be understood as something that is embedded in specific social representations, values and norms in which the actor evolves’ (Saurugger, 2018: 25).

In this manner, the primary question becomes how specific social representations, as well as other types of ideational factors, are used strategically by actors to influence and dominate political action and policy outcomes (Saurugger, 2018: 20; 2013: 888; Jabko, 2006; Abdelal, Blyth and Parsons, 2005). Here, the ideational can encompass: paradigms, (counter-)narratives, world views, ideas, symbols, collective understandings and memories, norms, identities, values, cognitive schemes and backgrounds, belief systems, frames, practices, models, etc. (Saurugger, 2018: 20; 2013: 888; Carstensen and Schmidt, 2016: 322).

By drawing on the works of Abdelal, Blyth and Parsons, the label constructivist within an ACC approach is essentially used as ‘...shorthand for describing the sociological and cognitive turn in a number of disciplines [and] as a synonym for “ideational” [including] any argument that focuses on interpretive ideas, norms, identities, practices’ (Abdelal, Blyth and Parsons, 2005: 38). Therefore, when considering the existence of such a wide range of ideational factors, as well as by bringing rationalism into constructivist accounts, one of the main methodological considerations of an ACC reading indicates that: ‘Agents are purposeful actors, embedded in ideational structures, which they use according to their interests’ (Saurugger, 2013: 898). Here, interests are viewed to be constructed and cannot be conceived as a singular concept, because if ‘...information is processed differently by different agents, or if information is asymmetrically distributed, then interests cannot be “given” by structural location or revealed ex-post in behaviour’ (Abdelal, Blyth and Parsons, 2005: 10).

From this, a relational focus on constraints, path dependencies and power imbalances must be combined with institutional notions of structure and structurationist accounts. If what an actor wants is filtered through ideas, ‘...culture, psychology, ideology, history and

context', then explanatory factors based solely on power politics, material realities or '...the notion of structurally determined self-interest' are limited and should be extended (Blyth, 2003: 695-697). As ideas give content to interests, another advantage of an ACC perspective is that it explains '...how similarly placed actors, in similarly placed states, with similar problems, [could react] in such utterly different ways' (Ibid: 698).

In this light, rationality is embedded because: '...specifying agents' interests becomes less about structural determination and more about the construction of "wants" as mediated by beliefs, desires, and the wider social context of action' (i.e. constraints) (Abdelal, Blyth and Parsons, 2005: 10-11). This means that an ACC perspective does not exclude behaviour based on a rational cost and benefit analysis or path dependencies, but seeks to uncover rather than assume rationality (Saurugger, 2018: 30; 2016: 74; Jabko, 2006; Abdelal, Blyth and Parsons, 2005). In this respect, specific market identities can become embedded within political economies thereby guiding actor rationality through the constructions of broadly accepted understandings, paradigms and worldviews. Here, I argue that market identities are a combination of policymaker identity, i.e. collective state identity, institutional arrangements, ideologies, etc., and national identity, i.e. wider collective understandings, beliefs, experiences, memories, narratives, purposes and meanings (Fligstein, 2009: 134-138; Abdelal, Blyth and Parsons, 2005: 26-28; Wendt, 1994: 385-388; see also Chapter 6).

As such, market identities and embedded rationality are based on '...conflicting ideas...often rooted in specific national historical experiences and institutional structures', meaning that in European level debates '...policymakers do not only try to find the 'right' technical solutions for common problems, but also strive to preserve national cultures and economic interests' (Schulz, 2019: 231). At the same time, while actors are embedded in specific world views and market identities, they '...often lack a clear and well-articulated set of preferences in policy processes, and have contradictory preferences' (Saurugger, 2018: 29). This is because actors are not entirely predefined '...by their 'social capital' nor by the 'field' in which they evolve (as) [t]hey are able to adapt and to change their environment' (Saurugger, 2016: 75). Put another way, actors' strategic interests can evolve as changes in their environment alters their situation, while at the same time, these interests and priorities can be recalculated as agents can alter both the environment they operate in and their

understanding of their changing world (Hassenteufel and Saurugger, 2016: 10; Saurugger, 2013: 890-891).

Therefore, an ACC reading indicates that the interests and preferences held by individual actors, and groups of actors, cannot be taken as given, fixed or homogenous. This is because interests/preferences along with ideational factors remain open to continuous alteration and contestation, which can take place amongst as well as between, (groups of) actors operating within similar and different cognitive backgrounds (Saurugger, 2018: 20; 30; 2016: 71; Carstensen and Schmidt, 2016: 320). I argue that change can occur through at least three possible input mechanisms of social construction: persuasion, manipulation and socialisation (Abdelal, Blyth and Parsons, 2005: 29-37).

First, persuasion usually takes place when the entrepreneurial action of innovative people, i.e. norm carriers, persuade others to accept new interpretations of pre-existing ideas/norms that have been (partly) delegitimised/de-legitimated (Ibid: 30). Norm carriers are individuals or groups of individuals with ‘...unusual authority, resources, entrepreneurial spirit, or charisma (who can) cajole or force (i.e. manipulate – see below) others to reorient their beliefs, norms, or identities’ (Ibid: 34-35). When it comes to persuasion, an opening for innovation is provided due to (a combination of) the sheer force of new concepts, a delegitimising ‘crisis’ moment, some qualities of the norm carrier, and/or the indirect fit between new concepts with existing ideas/norms (Ibid: 30; 36). This implies that actors ‘...relate to the new norm or idea in a relatively conscious...internalised, coherent way’, meaning that they knew of alternative beliefs, but chose specific ones because they ‘like’ or ‘value’ it in some sense (Ibid: 31-32). Therefore, a persuasion argument tends to view ‘...order and change in terms of punctuated equilibria, with crises de-legitimizing previous thinking and charismatic innovators forging new order’ (Ibid: 37).

Second, when turning to manipulation this suggests that powerful norm carriers ‘...may use some sort of power to impose a new idea or norm on others...then these ‘recipients’ rationalise the new idea or norm and forget they ever questioned it’ (Ibid: 32). A manipulation argument indicates that the agendas of powerful actors are ideational, reflecting beliefs and norms, and thus ‘...ideas matter most obviously when powerful actors espouse them and use their authority or resources to impose them on others’ (Ibid: 33). Therefore, through manipulation, recipient actors relate to new ideas/norms in ‘...a relatively

unconscious...weakly internalised, potentially incoherent way', as they take ideas for granted, find it '...difficult to conceive of shifting to alternatives', and ultimately rationalise things powerful actors force them to accept (Ibid: 32-33).

Third, socialisation occurs when '...norms or ideas spread in a relatively incremental, evolutionary way generated by repeated interaction within groups [whereby] either through accident, deliberation, or initial innovative leadership they orient themselves around certain norms or beliefs' (Ibid: 34). This form of social construction '...is a decentralised, collective, consensual mechanism', which does not necessarily depend on entrepreneurial or powerful norm carriers, as it is '...a more diffuse process in which a group of people work their way collectively to certain norms or ideas' (Ibid: 34-35). As such, this is a far more uncontested view of political dynamics and change, that is based on 'social learning', 'repetitive rehearsing', the close proximity of actors, repeated interactions and the building of shared intersubjective understandings (Ibid: 35-37). With this said, an ACC approach posits a more nuanced position overall by amalgamating aspects from all three of the aforementioned input mechanisms of social construction and considering how specific types of interaction or actors are associated with certain mechanisms. Thus, rather than insisting on the normative embeddedness and static character of ideational factors, instead policy reform and change is viewed to be subject to conflict and contestation that involves varying degrees of persuasion, manipulation and socialisation between different as well as similar actors.

From this, justification for pursuing an ACC approach is threefold. First, on a general level, not paying attention to these strategic interests and ideational factors together may obfuscate major aspects of policymaking. This includes assessing why the agents of policy processes may not react as expected, i.e. behave according to rational self-interest or specific 'given' ideational factors (Saurugger, 2013: 891) and '...how precisely ideas and cognitive frames count in policy outcomes' (Saurugger, 2018: 27). On top of this, as I focus on key norm carriers, this incorporates an exploration into '...who the carriers of and the opponents to change are' (Hassenteufel and Saurugger, 2016: 3), as well as '...who are the political and social actors who mobilise at the European level and who are those who remain at the margins of this transnational space' (Saurugger, 2016: 74). In this respect, actor centred constructivism builds on liberal cosmopolitan scholarship as it furthers understanding of European integration and the EU policy process (Saurugger, 2018: 19), as well as broader

debates concerning global governance mechanisms, regulatory convergence and establishing a common global framework (see Chapter 2).

Second, focusing solely on 'power dynamics' between policymakers cannot account for the launch of EU projects, like the EUFTT, or the subsequent paths taken towards reform and the eventual shape of the policy outcomes (Quaglia and Howarth, 2018: 993). Here, an understanding of the 'power games' that occur between a range of actors establishes not only who the norm carriers are, but also, how their ideas and power relations shaped the policy outcome (Saurugger, 2018: 28-29; 2013: 898; Abdelal, Blyth and Parsons, 2005: 29-37). By utilising an ACC approach, I present a multi-level and multi-actor analysis that goes beyond a strict focus on policymakers by also including the consideration of non-state actors. Even though policymakers were central to the EUFTT negotiations, a number of non-state actors would also exert influence on the paths taken during the policy process as well as contribute more broadly in framing the (counter-)narratives surrounding the project. In this regard, ACC scholarship indicates that to understand how European politics function, focus should be placed on the ideas that guide, frame and shape (counter-)narratives, '...domestic debates, organised interests and public opinion' (Saurugger, 2016: 82). Again, this approach resonates with, and complements, liberal cosmopolitan theorisation as it allows for a comprehensive multi-actor/multi-level analysis of the EU policy process through rationalist and constructivist lenses.

Therefore, alongside policymakers I consider the role played by a variety of non-state actors within the policymaking process. As I place attention on a wide range of actors, and to better organise both data collection and data analysis, I utilise a broad analytical construct based on the notion of 'the three sectors of society': the policymaking sector, the business sector and the civil society organisation (CSO) sector. This analytical construct may be imperfect, i.e. not fully representative of the diversity that exists or the overlaps that emerge within and between these sectors. However, it nonetheless allows one to take account of different actors across multiple levels of action (global, transnational, supranational, inter-governmental, national and local), and to further investigate the linkages on display between the domestic and European spheres. This is crucial in understanding not only how the framing of (counter-)narratives surrounding the EU policy process occurred, but it also allows for the mapping of interactions and power struggles among different policymakers or policymakers

and non-state actors at various levels (Saurugger, 2018: 29-31; 2016: 71; Hassenteufel and Saurugger, 2016: 2).

As demonstrated in section 3.4 and Appendix 1, the policymaking sector consists of: EU as well as national policymakers and officials; the business sector comprises: banking and financial industry interests, corporate entities and other special interest groups; and the CSO sector includes: social movements, (development) non-governmental organisations (NGOs), trade unions and other pressure and special interest groups. Having said this, a range of other actors such as academics, specialists and experts as well as policy and research institutes, could be considered to be representative of one of the above sectors and therefore these actors are not listed in all three sectors. The usage of this analytical construct, in combination with an ACC approach in this step, is significant for liberal cosmopolitan scholarship as it allows for a better and deeper account of agency through a multi-level/multi-actor analysis of the processes surrounding the EUFTT project. In this respect, and as highlighted in earlier chapters, I make an original contribution to academic debates by directly addressing the lacuna of agency that persists in most liberal cosmopolitan scholarship.

Third, to study individual actors and groups of actors, an ACC approach deploys sociological tools and notions of embedded rationality. Here, policy outcomes are partly viewed as a result of the historical, cultural and ideological context in which actors form their ideas, individual backgrounds and world views (Schulz, 2019: 231). As such, an ACC perspective allows for a deeper exposition into the ‘...ways in which preferences and worldviews are constructed and presented’ (Saurugger, 2016: 71), as well as how actors make use of ideas as resources in order to attain their goals (Schulz, 2019: 231; Saurugger, 2013: 898, Blyth, 2003). In this light, embedded rationality is not assumed to be fixed as actors can change their preferences and understandings, along with the environment they operate within. Thus, when considering paths to reform and policy responses that arose following the 2008 global financial crisis, like the EUFTT project, an ACC reading allows one ‘...to understand how specific economic ideas framed the solutions to the crisis that were put on the table, but at the same time how these solutions were used strategically’ (Saurugger, 2016: 76).

Therefore, through an analysis of the EUFTT project, an ACC perspective complements liberal cosmopolitan theorisation by providing a deeper engagement with the existing peculiarities on display across (EU/national) political economies. This includes how these

shape and frame particular economic ideas, market identities, embedded rationalities, (counter-)narratives and the responses to the national or global financial system more broadly. By accounting for these differences in a meaningful way, I make an original contribution to liberal cosmopolitan debates by interrogating the paths towards ‘thick’ and ‘thin’ forms of the perspective in practice, including where the potential for broad or narrow agreement and convergence may lay. As such, through a multi-level/multi-actor analysis, I go beyond abstract theorisation by considering features of liberal cosmopolitanism within the real-life concrete example of the EUFTT project.

At this point, I must reiterate that my normative commitments to liberal cosmopolitanism, in combination with an ACC approach, mean that I engage with problem solving theory. In effect, my analysis operates within the existing paradigm, and ‘...the prevailing social and power relationships and the institutions into which they are organised, as the given framework for action’, as opposed to critical theory, which:

‘...stands apart from the prevailing order or the world and asks how that order came about...(thus,)...does not take institutions and social and power relations for granted but calls them into question by concerning itself with their origins and how and whether they might be in the process of changing’ (Cox, 1981: 128-129).

As such, while I have explored the communitarian challenge towards (liberal) cosmopolitanism in Chapter 2, it must be noted that alternative normative positions and critiques also exist, which contest the ACC liberal cosmopolitanism I pursue in my thesis, particularly in regard to the global, EU and national/transnational policymaking process.

In this vein, in what follows, I consider issues raised towards my theoretical framework by critical approaches like neo-Gramscianism, post-structuralism and feminism, as well as mainstream Marxism. From the outset of this discussion, it should be noted that these schools of thought are by no means singular in form, as many variations exist between scholars. However, to illuminate the key differences with my theoretical framework, I provide a broad brush presentation of some of the central tenets of the aforementioned alternative approaches. Having said this, I do portray a deeper exposition of neo-Gramscian critical theory, as post-structuralist and feminist thought draw upon a number of assumptions emanating from this perspective.

When considering neo-Gramscian perspectives, which utilise and extend the thought of Antonio Gramsci (1971), it is evident that these types of approaches theorise, conceptualise and understand policymaking processes in a different fashion to my theoretical framework. This is because the neo-Gramscian understanding of hegemony goes beyond the conventional IR definitions of the term that I utilise – as comprising the economic power and military capabilities of states (see Chapter 4) – by basing the concept:

‘...on a coherent conjunction or fit between a configuration of material power, the prevalent collective image of world order (including certain norms) and a set of institutions which administer the order with a certain semblance of universality (i.e. not just as the overt instruments of a particular state’s dominance)’ (Cox, 1981: 139).

Put another way, hegemony is associated with a structural concept of power whereby the establishment of a stable order results from ‘...a manufactured compatibility between dominant ideas, institutions and material capabilities’ (Burnham, 1991: 75), with this process being led by the transnational dynamics of capital accumulation and class formation (Overbeek, 2004), and/or an existing transnational capitalist class (Sklair, 2001; Robinson and Harris, 2000). In this sense, the emergence of a hegemonic world order grows out of a ‘...successful formation of an international historic bloc of social forces...premised upon the articulation of a dominant ideology accepted by subordinate classes’. As such, hegemony is not simply composed of a transnational alliance of capitalists, but also ‘...the persuasion and incorporation of the working class to accept as legitimate a new institutional context and its associated values’ (Burnham, 1991: 76-77).

In this view, hegemony is understood as a consensual order based upon opinion-moulding activity, rather than solely military/economic dominance. This is:

‘...manifested in the acceptance of ideas and supported by material resources and institutions, which is initially established by social forces occupying a leading role within a state, but is then projected outwards on a world scale’ (Bieler and Morton, 2004: 87).

In this way, the state for neo-Gramscians, comprises:

‘...not only the machinery of government but also aspects of ‘civil society’ press, church, mass culture - which stabilise existing power relations...through the articulation of persuasive ideas and arguments...which build on and catalyse its political networks and organisations’ (Burnham, 1991: 76-77).

Following on from this, neo-Gramscians find that there has been a transnationalisation of the policy process (Robinson and Harris, 2000: 20), or ‘internationalisation of the state’, which refers to ‘...the way transnational processes of consensus formation, underpinned by the internationalisation of production and the thrust of globalisation, have been transmitted through the policy-making channels of governments’ (Bieler and Morton, 2004: 95-96). Hence, neo-Gramscian scholarship focuses on the structural power of transnational capital, the formation of hegemonic historic blocs along with counter-hegemonic blocs/forces which challenge the existing order (Ramesh, 2021: 99-105; Carroll, 2007; Bieler, 2005: 521; Robinson and Harris, 2000: 18-28), as well as ‘...transnational networks of production and how national governments have lost much autonomy in policy-making, but also how states are still an integral part of this process’ (Bieler and Morton, 2004: 102). As Bieler notes, neoclassical economics, and neoliberalism more broadly, have attained high standing, predominance and acceptance within EU policymaking circles ‘...because this project has been backed up by the increasing structural power of transnational capital, i.e. it was firmly rooted in material structures’ (Bieler, 2005: 521).

In light of the above, there are clear overlaps between the ACC approach I pursue and some neo-Gramscian thought, although key differences also exist. For instance, I explore the importance of mainstream narratives and counter-narratives in legitimising policymaking and guiding the action of agents, which could be connected to neo-Gramscian concepts of hegemony/counter-hegemony. On top of this, I consider relational and institutional notions of structure, that are associated with neo-Gramscian concerns surrounding the structural power of transnational capital, and everything this entails in terms of lobbying and expertise, but also the broader ideational landscape that is created and the prevailing ideologies of the day. However, in contrast to neo-Gramscian approaches, which suggest that agents are subsumed in ‘a fog of false consciousness called hegemony’ and only discovering the ‘correct theory of history’ will allow them to comprehend what is really going on, I argue that there is ‘...no theory of history apart from the one actors themselves believe’ (Blyth, 2008).

In this regard, an ACC approach can present individualised accounts for agents by drawing upon concepts like embedded rationality, which highlight that individuals are guided and influenced, in part, by specific social representations, market identities, institutional arrangements (i.e. constraints and opportunities), (counter-)narratives and historical contexts. In turn, these peculiarities play a role in the construction of interests, but they cannot be taken as given, fixed or homogenous, because similar placed actors, with similar understandings and similar problems, regularly seem to react in completely different ways and/or an unexpected manner altogether (Blyth, 2003: 698). In turn, interests/preferences along with ideational factors remain open to continuous alteration and contestation, which can take place amongst as well as between, (groups of) actors operating within similar and different cognitive backgrounds, through the input mechanisms of social construction identified previously (Saurugger, 2018: 20; 30; 2016: 71; Carstensen and Schmidt, 2016: 320; Abdelal, Blyth and Parsons, 2005: 29-37).

Moreover, the neo-Gramscian reading is problematic for three further reasons. First, as Blyth has noted, '...empirical cases...show that how things actually 'come to be' is a process that is certainly not in the hands of a given self-appointed hegemonic block of actors. Projects wander, go off track, move across institutions, and come to fruition in odd places' (Blyth, 2008). In this vein, paths are not predetermined as individuals hold contradictory preferences that can be unclear and not well-articulated (Saurugger, 2018: 29), meaning that rather than viewing agents as '...constituted actors with class derived and asset produced interests, many...have no clue what their interests should be' (Blyth, 2008) and they do not behave and operate in an identical fashion linked to a specific group identity. Therefore, '...academics can put people into classes, social forces, and historic blocs all they like, but unless the actors on the ground identify with these categories', and exclusively align themselves to certain interests, market identities or one undisputed historical reading, it is 'meaningless' to do so (Ibid).

As such, while aspects of civil society, for example, could comprise state mechanisms in a neo-Gramscian sense, these actors still portray degrees of independence, as well as divergence and difference between one another. As a result, the identities, activities and strategies of CSOs are not fixed and always aligned with government policies, national market identities, regional/global norms or even the strategies/positions of other CSOs, as these

actors vociferously challenge and oppose a variegated range of understandings, mainstream/counter-narratives and accepted modes (see Chapter 5 and Chapter 7). In this respect, I argue that market identities are influential in constraining and enabling behaviour, but not fully determinant, as unique individualised understandings, along with persuasion, socialisation and manipulation, can all have an impact on the construction of policy proposals, decisions and pathways.

Second, while a neo-Gramscian critique of hegemonic blocs and social structure may be helpful and informative, bottom-up forces and ‘...stakeholders trying to influence policy making may find it more helpful to understand the different policy narratives and the relations among them’, and how this can lead to practical strategies and action (Van Eeten, 2007: 257). As such, my ACC liberal cosmopolitanism provides a multi-level and multi-actor analysis, that is both top-down and bottom-up, and is relevant for EU/national policymakers, CSOs, financial sector interests, and others, that are interested in practical and pragmatic paths to reform and change. Third, on a normative level, neo-Gramscianism renews the Marxist tradition and hence, most proponents exalt that this framework ‘...provides an understanding of the contemporary social order that can effectively inform a radical transformation of society toward a socialism centered on equality and social justice’ (Radice, 2008: 54). However, I promote a reformist agenda for capitalist relations, which departs from existing arrangements as well as more radical solutions, through the notions of ‘progressive liberal cosmopolitanism’ (Beardsworth, 2011: 146) and social democratic globalisation, that is based on a social agenda coupled with free markets (Beroš and Beroš, 2013; Held, 2010; Sánchez-Flores, 2010; Boran, 2008), and presents a ‘...normative argument for institution-building that is founded, concretely, on a mix of market, government and post-national governance policies’ (Beardsworth, 2011: 156).

In this way, I favour practical reforms and policies that can have an immediate impact on resolving regulatory issues and alleviating human suffering (Gahir, 2016; Pogge, 2008; Held et al, 1999b). Here, a clear distinction should be made between existing so-called neoliberal arrangements, and the social democratic progressive liberal cosmopolitanism I pursue that promotes fast-paced reform as well as ‘...advances incremental global changes within an uncertain ideological and governance environment and future, [and is] ‘...focused on institution-building and policy mixes that balance growth and social justice, efficiency and

equity' (Beardsworth, 2011: 146). Thus, rather than advocate for establishing untested or historic forms of socialism, I persist with social democratic currents, policies and forms as these have, to varying degrees, been implemented under numerous guises across a range of political economies, can provide steps towards immediate change/reform, and they provide clear alternatives to existing arrangements through a liberal egalitarian agenda (Catterall, 2011; Archibugi, 2008; Pogge, 2008; and see Chapter 2).

When turning to post-structuralism, also known as postmodernism, this group of approaches intends to deconstruct modernity due to '...a profound dissatisfaction with the modernist project of enlightenment and reason' (Sadovnik, 2007: 419). Therefore:

'Deconstruction is an appeal to be existentially open to the possibilities of existence rather than privileging one value over another, thereby marginalising and doing violence to other people, values, or institutions ("the other")!' (Trepanier, 2011: 212).

In this manner, Enlightenment based meta-narratives, especially the imagining of rational individuals, are called into question as '...all social and political discourses are related to structures of power and domination' (Sadovnik, 2007: 419), i.e. the power/knowledge nexus posited by Michel Foucault, whereby the social distribution of power is constituted through constructions of accepted forms of knowledge, scientific understanding and universal truths (Harcourt, 2007: 21; Foucault, 1998; 1991). Subsequently, all agents '...are thoroughly contingent, emergent, and constituted through discourse and particular institutional contexts' (Larsson 2018: 329). As such, when considering the policymaking arena, poststructuralists are cautious about '...the degree of leverage we should ascribe to individuals/actors in respect to institutional change' (Ibid: 330), and rather, '... the goal is to discover deep-seated ontological and epistemological commitments within policies ('solutions') that are probably hidden to policy makers and planners' (Bacchi, 2010: 63).

In contrast, my ACC liberal cosmopolitan approach, disposition and overall outlook is modernist, as it is committed to reason, the emergence of a modern liberal subject, varying degrees of universalism, and it appreciates the rationalist assumption that knowledge empowers (Gahir, 2016; Held, 2010; Benhabib, 2009; Beitz, 2004), as it allows agents '...to leave their pre-political condition by being recognised through constitutionally guaranteed rights' (Beardsworth, 2011: 173-199). With this said, I also draw on sociological tools and

notions of embedded rationalities, which illuminates that market identities and other specific social representations, although not fully determinate, still shape, influence, constrain and enable actors during the policymaking process. On top of this, my theoretical framework still accounts for marginalised and unheard voices, a range of counter-narratives emanating from multiple perspectives, including from bottom-up forces, and aspects of the policymaking process that are usually obscured by most liberal cosmopolitans and rationalists alike (Saurugger, 2018; Saurugger and Hassenteufel, 2016; Abdelal, Blyth and Parsons, 2011).

In this sense, while I build on some poststructuralist thought and understandings, I fully engage with conventional constructivism, as opposed to more radical or critical versions, because despite sharing ‘...many of the foundational elements of critical theory, [I embrace] defensible rules of thumb, or conventions, rather than following critical theory all the way up the postmodern critical path’ (Hopf, 1998, 181, cited in Hynek and Teti, 2010: 179-180). Thus, I argue that an ACC liberal cosmopolitan approach appreciates that the ‘...practices of modern liberal society constitute as many constraints on the arbitrary use of power as opportunities for the state’s increasing purchase on the behaviour of individuals’ (Beardsworth, 2011: 204), and it allows one to problematise actors, ideas, identities, interests and power relations that are generally taken for granted by mainstream approaches.

When assessing Feminism and policymaking, scholarship is broadly divided into two broad strands, that either consider: A) ‘...the extent to which feminist ideas, needs and interests make it to the political agenda and through the policymaking process’, or; B) ‘...an emphasis on the construction of policy problems and solutions, and the framing of needs and interests’ (Lombardo, Meier and Verloo, 2012: 6-7). In this regard, the first strand, much like problem-solving theory in general (see above), takes political systems as given and concentrates on why/how feminist interests and needs have been accounted for during the policymaking process (Ibid: 6-8). An example of this type of scholarship is presented by Gillian Brock, as she takes a liberal cosmopolitan feminist perspective and argues that a global Tobin tax ‘...can be harnessed to promote gender equity’, and this must be the foremost concern for global taxes in general, as measures ‘...can sometimes have unintended gendered consequences, disproportionately burdening or benefiting individuals according to their gender’ (Brock, 2009: 141). Others note that problem-solving feminists have found that EU gender equality policies have been implemented in ‘unwilling’ member-states: ‘...from below,

through the mobilisation of domestic feminist groups, from within, that is by femocrats or by domestic political or judicial pressure, and simultaneously from above, through the action of supranational institutions' like the EC, EP and European Court of Justice (Lombardo, Meier and Verloo, 2012: 8).

The second strand, which takes a discursive turn and is more closely linked to critical theory and/or post-structuralism, finds that feminist needs and interests are constructed in policy discourses, thus the focus is on '...how the meaning of gender and other equality policies is discursively constructed in policymaking processes and what normative elements do policy documents express' (Ibid: 6-9). In this respect, Bacchi pursues a feminist post-structural critical policy analysis, which illuminates that '...all policies and policy proposals rest upon culturally influenced presuppositions and assumptions ('unexamined ways of thinking') that may well have deleterious consequences for some social groups' (Bacchi, 2010: 63). As such, Bacchi hones in on problems of gender mainstreaming, by '...examining all policies for their gender-sensitivity and gender-inclusiveness' (Ibid: 65). On top of this, there are overlaps between this second strand of feminism and neo-Gramscian perspectives, as some researchers seek to '...uncover the norms embedded in particular constructions of policymaking strategies, which are far from neutral and rather reflect hegemonic assumptions and taken-for-granted beliefs' (Lombardo, Meier and Verloo, 2012: 9).

Overall, feminist perspectives reject the 'malestream' mainstream IR theories, including liberal cosmopolitanism, because their discourses '...help perpetuate a distorted and partial world view that reflects the disproportionate power of control and influence that men hold, rather than the full social reality of the lives of women, children and men' (Youngs, 2004: 76). From this, it is evident that feminist perspectives are insightful as they: bring to light a range of under-represented (gender) concerns; provide detailed accounts of male-constructed reality which illuminates the deeper gendered reality of global politics and economics; and allow an interrogation into power relations, including deeper cultural and institutional mechanisms that reproduce patriarchal power (Lombardo, Meier and Verloo, 2012: 9; Youngs, 2004: 87). However, feminist approaches are still problematic for the ACC liberal cosmopolitanism I pursue, particularly when scholars employ neo-Gramscian, post-structural and critical approaches in general. As I have outlined in the preceding exposition, the ACC liberal cosmopolitan approach that I embrace takes on-board, but also critiques a

number of aspects central to these approaches. In this respect, on the whole, feminism is ‘...more reflective and expressive of historically established male power than it is an open and comprehensive exploration of the political and economic processes in which all members of societies are engaged’ (Youngs, 2004: 76). As such, the ACC liberal cosmopolitanism pursued in my thesis engages with problem-solving theory and presents practical and pragmatic paths to reform, that, through the investigation of an array of actors, brings to light a diverse set of issues and concerns for those involved in the policy process, which can be relevant for feminists and feminist groups (see Chapter 5 and Chapter 7).

Finally, I turn to mainstream Marxism or historical materialism, which presents ‘...a spirit of opposition and resistance to capitalist relations of exploitation’ (Bieler and Morton, 2003: 3), by highlighting that capitalism ‘...is permeated by structured relations of social power (especially class-based power) deeply consequential for political life and, indeed, for the (re-)production of social life as a whole’ (Rupert, 2007: 37). In this way, class conflict and struggle between the owners of the means of production (the bourgeoisie/capitalists) and those that have to sell their labour-power (proletariat/workers), is the central dynamic of capitalist societies, hence: ‘...the purpose of social inquiry [is] to promote the emancipation of the exploited proletariat and other oppressed groups’ (Linklater, 2007: 47). Moreover, Marxist scholarship hones in on existing conditions of neo-imperialism (Yu, 2020: 495-498; Narayan and Sealey-Huggins, 2017; Callinicos, 2009: 14-20) and:

‘...adds a vertical dimension of power to the horizontal dimension of rivalry among the most powerful states [by investigating] the dominance and subordination of metropole over hinterland, centre over periphery, in a world political economy’ (Cox, 1981: 134).

In this fashion, Marxists focus on class struggle/conflict between rich and poor nation-states in a world order of capitalist neo-imperialism (Radice, 2008: 53-55; Chirot and Hall, 1982: 86), and between workers and capitalists at the national/domestic level, as well as international stage, when opportunities arise and sites of social production are identified (Rupert, 2007: 38-40). While struggles can be global in scope and capitalists are global agents, Marxists depict processes as ‘...organically national in the sense that development takes place within the bounds of specific nation-states...[and thus, scholarship]...has analysed the process of economic globalisation from the political framework of the nation-state system and the

agency therein of national classes and groups' (Robinson and Harris, 2000: 15-16). At the same time, like neo-Gramscians, Marxists have also explored other international, transnational and global processes, class formations/relations and class struggles between labour and capital at all points in the circuit of accumulation (Burnham, 1994: 229-230). In this vein, there are clear overlaps between Marxism and neo-Gramscianism, and therefore a number of challenges raised by the former towards my theoretical framework have been addressed in an earlier portion of this section (see above).

With this said, here, two more points should be raised. First, the Marxist anti-capitalist disposition is contended by my thesis on the grounds that capitalist relations can be reformed through regulatory initiatives and global redistributive justice, both of which are central to liberal cosmopolitan theorisation (see Chapter 2). Here, I argue that reform can take place through a range of national, intergovernmental, regional and/or global pathways, which, in turn, can produce varying degrees of thick and/or thin liberal cosmopolitan outcomes in practice (Held and Maffettone, 2017: 55; Held, 2010: 75-81; Skrbis, Kendall and Woodward, 2004: 123). Second, Marxists charge liberal cosmopolitans of '...diverting attention from material modalities of power and interest', as their reformist agendas reproduce the status quo (Beardsworth, 2011: 169). Yet, this assessment proves to be inaccurate when embracing an ACC liberal cosmopolitan approach, which considers actors, interests, power and ideas, thereby bolstering rationalist accounts through constructivist insights. In this respect, I argue that capitalist relations cannot be viewed as homogenous or similar in all places, as different forms exist in theory and practice, meaning that neoliberalism and social democracy are conceptualised and implemented in diverse fashions, and consequently, actors across different national political economies are constrained and enabled in a variety of ways. Again, an ACC reading accounts for these dynamics as well as theorisations around agency for national/EU policymakers (see Chapter 5 and Chapter 6) and non-state actors (see Chapter 5 and Chapter 7).

Having assessed these alternative perspectives, the next section sets out the research strategy that I utilised for the investigation.

3.3: Qualitative Interviews and Data Triangulation

My research strategy primarily utilised in-depth qualitative interviews, which were then triangulated with other primary and secondary sources (see below). I conducted in-depth qualitative interviews as opposed to other research strategies, like those centred upon structured surveys and questionnaires, for a host of reasons. To begin, my research strategy, especially through the use of semi-structured interviews, is more exploratory and open to new material than is the case with (quantitative) strategies strictly based on standardised survey or questionnaire mechanisms that normally produce results which are fixed, very general or statistical (Seidman, 2013: 1-13; Flick, von Kardorff and Steinke, 2004: 5). As Saurugger elucidates, the views held by individuals, regardless of whether they are classified to be policymakers, citizens or representative of broader political parties and special interest groups, etc. 'cannot be derived from studying surveys only'. As such, other methods like in-depth qualitative interviews and case studies need to be conducted to increase comprehension of political processes and societal phenomena (Saurugger, 2016: 71).

On top of this, qualitative interviews provide detailed responses, thick description and unique personal reflection, all of which facilitate a deeper understanding of the central aims, themes and priorities of the research project (Vromen, 2010: 249; Flick, von Kardorff and Steinke, 2004: 8). Moreover, when conducting in-depth qualitative interviews, a small participant population is not a drawback as it allows one to concentrate on interviewees that are worth studying and examining extensively. This is because their actions and insights prove to be substantively important in policy processes as well as in influencing the construction of broader cognitive backgrounds (Vromen, 2010: 256; Mahoney and Goertz, 2006: 242). In other words, this research strategy allows for insights and descriptions 'from the inside out', i.e. from the point of view of the people who are well placed to participate in, or have an impact on, the policy process (Flick, von Kardorff and Steinke, 2004: 1-5). As I display in next section, I ensured that the selection of interviewees would include well-placed actors as well as authoritative insights, and that I covered a suitable range of opinions and viewpoints.

Further to this, a detailed analysis of change is more likely to be obtained through qualitative methods because quantitative methods, for instance, simply '...assess that a change has occurred over time but cannot say how (what processes were involved) or why

(in terms of circumstances and stakeholders)' (Cassell and Symon, 1994: 5). Following on from this, the research strategy I employed was far more relevant to answering the central research questions at the core of thesis. This was especially the case when considering an exploration into the representative attitudes of different as well as similar actors towards the EUFTT project and how they have been enabled and constrained during the process. Additionally, qualitative interviews allow for the emergence of extensive insights and descriptions related to the key lessons that can be drawn from mapping-out the EUFTT policy process, assessing paths to reform, considering power imbalances and re-evaluating liberal cosmopolitan theorisation more broadly (see Chapter 1).

Yet, as researchers cannot rely on in-depth qualitative interviews alone, the employment of a variety of qualitative methods, like document analysis (Wesley, 2014; Bowen, 2009) and e-mail communications/exchanges (Hawkins, 2018; James, 2016), alongside data triangulation with external complementary sources, extant research and other material, was also a necessity (Schulz, 2019: 233). Here, I utilised a variety of qualitative methods, insofar as potential interviewees were also asked to direct one towards (publicly) available documents and other resources that were pertinent to the investigation. Opening and continuing to maintain lines of email communication was especially relevant in the case of non-participants, primarily national policymakers, as a range of sources were obtained in this manner and, subsequently, this allowed for the close analysis of key policy documents. As such, by drawing upon a variety of qualitative methods and data triangulation, this allowed one to deal with a full variety of evidence, thereby not only increasing the credibility of the interviewees' account, but also providing confirmation, validation and substantiation for broader findings relevant to the research project and the wider academic literature (Edwards and Holland, 2013: 16; 34; Yin, 2003: 8).

In terms of primary sources, I drew upon a range of political documents from EU institutions and national governments, including: national parliamentary debates and political party statements; EU institutional debates, statements and declarations; specific documents pertaining to EUFTT drafts and proposals; the outcomes of EU level meetings; public opinion data; and other official multi-level policymaker documents. In addition, I concentrate on policymaker speeches and public statements, along with autobiographies and media communications. Moreover, I utilise publications and public statements emerging from a

wide range of non-state actors involved in the EUFTT process. The large majority of these primary sources were freely accessible and available online through the websites of: national governments, EU institutions, political parties and groupings, media outlets as well as a range of non-state actor special interest groups. To further enhance the triangulation process, secondary sources would also be drawn upon, including: the wider academic literature, biographies, media reports, editorial pieces and political commentary along with publications emanating from think-tanks, policy and research institutes, pressure groups, lobbyists and stakeholders. Thus, through the mixture of in-depth qualitative interviews and data triangulation with other material, I set out an analysis of the EUFTT project through several different angles, sources, viewpoints and perspectives, which – on the whole – increases the validity of inference (Kern, 2018: 3; Flick, 2004: 178).

3.4: Research Process, Data Collection and Potential Limitations

To identify key interview participants, I drew upon a range of primary and secondary sources, including: EU institutional websites, national parliamentary debates and government documents, (EU)FTT proponent and opponent websites, media reports and the wider academic and EU policy literature. On top of this, I utilised gatekeepers and the snowball technique to access other potential interviewees that were more difficult to contact/recruit and/or may have been missed through the above process (see below). Overall, I identified, and then approached, 300 potential interview participants via e-mail, and this sample was composed of approximately 50% proponents and 50% opponents of the EUFTT, and FTTs in general. From the outset, I attempted to recruit proponent/opponent EU policymakers as well as a range of non-state actors in an even manner by contacting individuals from all groupings simultaneously. In total, between 2016-2017, I conducted 46 in-depth qualitative interviews and a full list of participants is provided in Appendix 1. As highlighted above, the interview data was triangulated with a range of other sources, and this material, along with the interviewees, were organised into a broad analytical construct based on the notion of three sectors of society: the policymaking sector, the business sector and the CSO sector. To maintain a wider and fairer representation, from each sector 100 interviewees had been selected to participate in the study.

The adoption of three sectors of society construct, as opposed to another configuration – like that of state, organised labour and organised business, for instance (Blyth, 2002) – was more appropriate and relevant for two key reasons. First, the CSO label incorporates an array of non-state actors that go beyond a sole focus on labour organisations and labour specific issues. This is important because a litany of bottom-up forces exist and they can all influence the policy process in diverse and similar ways. Therefore, the CSO label rightly encompasses far more than just labour unions and organisations (see below). Second, while this analytical construct suggests that agents can act collectively, I explore division and divergence between, but also within these three groupings. In this way, the analytical construct of the three sectors of society allows for a multi-level/multi-actor analysis, which is linked to my key research questions, particularly in regards to exploring the actions and representative attitudes of various actors towards the EUFTT project.

From the policymaking sector, I interviewed 14 participants emanating from key EU institutions: The European Commission (EC), the European Parliament (EP), and the Council of the EU ('the Council'). In Chapter 1, I present a deeper exposition of the EU's institutional arrangements along with an outline of the EU policy process and the working practices of the key institutions. In this respect, I identified interviewees that operated within supranational policymaking arenas and sites central to the aforementioned EU institutions. Interviewees included: EU officials and staff from the EC and the Council, Members of the European Parliament (MEPs) as well as some attachés and policy advisors. In terms of the participants from the EC, this site concerned the specific policy area Directorate General (DG) for Taxation and Customs (TAXUD), which was responsible for the EUFTT file and the ongoing consultation process.

From the EP, I concentrated on recruiting MEPs that were actively involved in the EUFTT policy process. This was on display through parliamentary speeches and campaigning/lobbying activity, mainly available from the EP website but also other sources (see above). Furthermore, to ensure a fairer representation this consisted of both proponents and opponents of the measure. On top of this, I focused on MEPs comprising the membership of the Committee of Economic and Monetary Affairs (ECON Committee), as within this arena these actors frequently deliberated over the EUFTT as well as EU financial governance, regulation and supervision more generally. In addition, to increase representativeness I

accounted for MEPs from the eight EP political groupings. Regarding the Council, the central arena would be the Economic and Financial Affairs Council configuration (Ecofin Council). Here, officials and staff from the Ecofin Council helped to guide some economic and finance ministers from EU member-states to the enhanced cooperation procedure (ECP) stage in the EUFTT process and assisted in the ongoing negotiations between both participating and non-participating governments.

In this light, for the policymaking sector I primarily recruited interviewees from the EU level for three reasons. To begin, the EUFTT proposal emerged from and was conceived within the EC, with much of the early development of the project undertaken at the behest of the EC officials and staff (see Chapter 1 and Chapter 5). Here, it should be recalled that the EC is the executive branch of the EU and is alone responsible for creating proposals for new EU-wide legislation. Even though some national policymakers did show an interest in furthering the project and other EU regulatory measures concerning financial markets, namely those from Germany and France, the initial proposal, design and broader framework of the EUFTT were originally launched and guided by the staff and officials from the EC alongside other EU institutions (like the EP). In this respect, the focus on MEPs is warranted as much discussion, debate and regulatory innovation surrounding the EUFTT was undertaken within the EP and its parliamentary bodies.

Second, and building on the above, EU level actors were thus best positioned and most suited to shedding light on the supranational policy process. This is especially the case when considering their unique insights into the negotiations and debates that take place across the key EU institutions. This is because much of the discussions and negotiations that occurred during the period under investigation (2008-2018) transpired within a supranational context. In this respect, staff and officials from Ecofin would also be well placed to share unique insights as many national policymakers would draw upon their expertise, while, at the same time, rely on them to mediate discussions between other policymaking counterparts.

Third, much of the wider literature in general already considers the role and impact that national policymakers have on the EU, as well as other intergovernmental, policy processes and discussions (see Chapter 2). In this regard, the influence of policymakers, staff and officials at the supranational level are also prioritised as this presents a stronger analysis of multi-actor/multi-level processes, especially in the context of the EU. As such, to uncover

supranational policy actor dynamics and to understand whether they further liberal cosmopolitan goals and outcomes, it is important to study this policy level thoroughly. Yet, the role of national policymakers is not unimportant and the supranational and national levels are not isolatable spheres. Thus, through the process of data triangulation, the attitudes and preferences of national policymakers and political parties, along with the way they framed and used specific (counter-)narratives and debates, would still be accounted for in the analysis. Therefore, this research strategy and subsequent analysis offers a wider range of interpretations and insights into EU policymaking beyond the traditional focus on national policymakers and national policymaking communities.

When turning to the business sector, I conducted 16 interviews with actors that primarily represented the banking and financial industries, but also some emanating from corporate entities/firms, broad trade associations, policy institutes and other special interest groups. As various types of financial sector actor exist and to be as inclusive as possible, I focused on recruiting: long-term and short-term investors; actors involved with a range of specific asset classes (shares, bonds, derivatives, etc.) and markets (national, regional and global); and a number of other banking and financial sector professionals that could provide a specialist insight into the EUFTT process as well as regulatory debates more generally. On top of this, non-financial sector expertise was also drawn upon to increase representativeness as well as the depth and strength of the analysis.

Finally, from the CSO sector I interviewed 16 participants which mainly represented (EU)FTT campaigners and proponents heralding from social movements, development non-governmental organisations (NGOs), trade unions, pressure groups, and other special interest groups/NGOs. Of course, these groupings are not homogenous either, as interests could diverge quite significantly within and between these groups of actors. However, the wider literature indicates that a broad coalition of proponent EUFTT CSOs existed which not only promoted the measure vociferously to wider audiences, but also influenced and pressured policymakers during the negotiations and policy process (see Chapter 1). As such, due to this broad coalition of actors, these interviewees would be encapsulated by the CSO sector label. Again, this undertaking is relevant for liberal cosmopolitan scholarship to further understanding of the role played by a wider range of non-state actors within the supranational EU policy process.

During interviewee recruitment as well as the interview process, I followed standard ethics procedures in line with accepted research practices involving human participants. This included providing a participant information sheet and consent form to all interviewees, which highlighted the nature and purpose of the research as well as clarifications surrounding anonymity and data dissemination (see Appendix 2). I recruited most interviewees directly as their e-mail addresses and telephone numbers were publicly available, but when necessary, I also sought the assistance of gatekeepers to facilitate contact and access (Kristensen and Ravn, 2015: 724-725). To add to this, I employed the 'snowball' technique whereby interviewees were asked to suggest other potential key informants and would, at times, initiate contact and/or encourage participation (Burnham et al, 2008: 233).

Each interview consisted of 20-30 open-ended questions (see Appendix 3), lasted around 45-60 minutes, and were conducted at the convenience of participants, usually over the telephone or internet (42 interviews) and, at times, in-person (4 interviews). The majority of interviews were audio-recorded (44 interviews) and then transcribed shortly after each had taken place. Audio recordings, along with subsequent transcriptions and notes, were all stored on multiple secure locations to ensure data protection protocols were adhered to as well as to allay concerns around potential data corruption. At the same time, I kept a detailed fieldwork notebook to document key points, thoughts, information and verbatim quotations, especially if audio recording was not permitted (2 interviews). For these latter instances, participants were made aware that the interview process might take longer than expected so that direct quotes and key information could be carefully recorded. On top of this, although I suggested that all participants could provide further documents/materials/sources related to the research project and (EU)FTT, the interviewees that did not permit audio recording were strongly and repeatedly encouraged to do so. This would act to supplement and bolster each interview, particularly when audio recording was not possible.

With this said, there were a number of potential limitations associated with a research project of this nature. First, the issue of non-response is a general challenge faced by most qualitative researchers, thus the recruitment stage can be time-consuming, professionally challenging and partly unpredictable (Kristensen and Ravn, 2015: 725). Therefore, to mitigate this I cast a wide net by approaching 300 potential interviewees, who I repeatedly contacted and encouraged to participate through multiple e-mails and/or telephone calls. Here,

persistence, follow-up reminders and a constant selling of the research project were important to entice interviewee participation (Ibid: 725). To add to this, by having a relatively large population sample of 300 individuals, there was a readily available stream of possible replacement interviewees that could be drawn upon. While their individual experiences and actual involvement with the EUFTT project might have differed, all potential interviewees were identified as key informants and therefore their insights and viewpoints would still bear relevance for the research project.

Second, and relatedly, to generate a manageable data set it would be important to decide once an adequate number of interviews had been conducted and a saturation point was reached. The arrival of a saturation point can be noticed when interviewees begin to portray the same or very similar types of information and ideas, and ‘...where each additional interview yields diminishing returns’ (Burnham et al, 2008: 234). While saturation points are not standardised and could be difficult to measure across studies, I decided that for the project to proceed and for any conclusions to be viable, at a minimum I needed to conduct between 35-50 interviews, with these being roughly equally distributed across the three sectors and between proponents/opponents of the (EU)FTT. Thus, to increase the extensiveness and reliability of the data, and to ensure the replicability of the study, I considered these limitations seriously and made the necessary amendments throughout the research process.

3.5: Thematic Data Analysis

I utilised a form of thematic analysis as a method for identifying, organising, reporting, describing and analysing patterns found within my dataset (Nowell et al, 2017: 2; Vaismoradi, Turunen and Bondas, 2013: 400). Here, patterns are represented by themes, where a theme is defined as a ‘...thread of underlying meanings, within which similar pieces of data can be tied together’ (Vaismoradi and Snelgrove, 2019) and as ‘...a pattern in the information that at minimum describes and organises the possible observations and at maximum interprets aspects of the phenomenon’ (Boyatzis, 1998: 161). As such, thematic analysis ‘...offers a method for identifying patterns (‘themes’) in a dataset, and for describing and interpreting the meaning and importance of those’ (Braun, Clarke and Weate, 2016: 2). Thematic analysis

can be employed in a multitude of ways and therefore there is ‘...no clear agreement about how researchers can rigorously apply the method’ (Nowell et al, 2017: 2). Having said this, I broadly pursue an inductive or data-driven thematic analysis which considers themes that emerge from and are strongly linked to the raw interview data, without trying to fit this into a pre-existing coding frame or an established category system (Vaismoradi and Snelgrove, 2019; Nowel et al, 2017: 8; Mayring, 2014: 79-86).

In this respect, an inductive thematic analysis allows one to ‘...appreciate gross (i.e., easily evident) and intricate (i.e., difficult-to-discern) aspects of the information, [while at the same time] silenced voices or perspectives inherent in the information can be brought forward and recognised’ (Boyatzis, 1998: 30). Moreover, an inductive approach to thematic analysis is useful in ‘...examining the perspectives of different research participants, highlighting similarities and differences, and generating unanticipated insights’ (Nowell et al, 2017: 2). As noted above, agreement on how to conduct an inductive thematic analysis can differ widely and a number of steps, phases or stages can be followed to increase methodological rigour (see among others: Mayring, 2014: 79-80; Boyatzis, 1998: 41-51

With this in mind, my data analysis proceeded in three broad stages which I set out below. First, a ‘familiarisation’ and ‘identification’ stage occurred whereby I read and reread the interview data, line by line, identifying key words, initial thoughts, tentative ideas as well as potential emerging trends and themes (Braun, Clarke and Weate, 2016: 8; Mayring, 2014: 80-81; Guest, MacQueen and Namey, 2014: 6; Vaismoradi, Turunen and Bondas, 2013: 402). I manually attached ‘labels’ to index the raw text (Nowell et al, 2017: 6) and applied colour coded markers across all interview transcripts ‘tagging’ important and interesting information, common/divergent insights, and ‘analytically-relevant’ content with one or more codes (Braun, Clarke and Weate, 2016: 8-10). Here, ‘codes’ represent common points of reference and an early development of identifiable themes that can be applied or linked to raw data as summary markers for later analysis (Vaismoradi and Snelgrove, 2019; Guest, MacQueen and Namey, 2014: 9). At the same time, for the minority of interviews that were not audio recorded, and subsequently transcribed, I drew upon my detailed fieldwork notebook as this contained extensive information and verbatim quotations. In this way, notebook entries were also subject to the familiarisation and identification stages.

This initial production of codes allowed one to simplify and focus on specific characteristics of the interviews as well as move from unstructured information towards developing clearer ideas regarding ‘what is going on in the data’ (Nowell et al, 2017: 5-6). Rather than coding a subsample of interviews first and then applying these codes to the rest of the raw data at a later stage (see for instance: Boyatzis, 1998: 41-51), instead I systematically worked through each data item of the entire data set, thus giving full and equal attention to all interviewees (Nowell et al, 2017: 5-6; Braun, Clarke and Weate, 2016: 9). As I progressed through this stage, the coding process was kept flexible, open and inclusive, by adding, dividing, tweaking, expanding and contracting codes when necessary (Braun, Clarke and Weate, 2016: 9-10). After three rounds of coding, a number of potentially concrete subcategories/subthemes and clusters of relevant and key information began to emerge, and these were classified into specific codes (Vaismoradi, Turunen and Bondas, 2013: 401-402). Thus, at this point I collated and listed all codes identified across the entire dataset in preparation for the next stage (Nowell et al, 2017: 8; Braun, Clarke and Weate, 2016: 10;).

The second stage entailed transforming codes into concrete themes by ‘clustering codes to identify ‘higher level’ patterns...which are broader and capture more than one very specific idea’ (Braun, Clarke and Weate, 2016: 10-13). This phase, of code refinement and theme development, would continue to be an iterative process that brought together ‘...components or fragments of ideas or experiences’ (Nowell et al, 2017: 8) as well as ‘...recurrent ideas based on similarities and differences’ (Vaismoradi and Snelgrove, 2019). At the same time, I created and utilised diagrammatic representations, i.e. mind-maps, matrices, thematic maps and tree diagrams, to assist in the construction of clear themes by checking and reviewing whether themes work and if they required further refinement (Nowell et al, 2017: 4; 8-9; Vaismoradi, Turunen and Bondas, 2013: 402).

Moreover, at this point I created a ‘miscellaneous theme’ to temporarily house codes that did not seem to fit into the main emerging themes, ensuring that unique and/or under-represented insights would not be overlooked (Nowell et al 2017: 8). During this second stage, overarching themes were developed with a ‘central organising concept’ in mind so that all codes cohered around a single key analytic point, which captured ideas underpinning a number of themes (Braun, Clarke and Weate, 2016: 12). Therefore, once codes were processed, and after a number of iterations, the various labels, terms and phrases were

categorised into three broad themes: 1) the 2008 global financial crisis; 2) differences between political economies; and 3) global or intergovernmental measures versus a national approach. The transformation of codes into concrete themes is associated with the ACC methodology as I focused on strategic interests and ideational factors together, considered the deployment of sociological tools and notions of embedded rationality, and went beyond a strict assessment of the power dynamics between policymakers (see section 4.2).

To illustrate the process of code refinement and theme development, these categories are unpacked below, starting with ‘the 2008 global financial crisis’. Here, codes associated with to the 2008 crisis included: providing a window of opportunity for reform; questioning financial sector behaviour; self-regulation of financial industry; emerging regulatory measures; problems surrounding systemic risk/‘too big to fail’; preceding era of deregulation; financial sector bailouts; crisis moments as a vehicle for change; speed of implementation; crises as fading memories; global/EU/national leadership; EU regulatory turn; appetite for increased financial regulation, i.e. national/EU/global policy responses; capital controls; Eurozone crisis – bailouts and austerity packages; austerity policies; financial sector to pay fair share; recover costs of crisis from financial sector; EUFTT to raise revenue from and/or regulate financial sector; aims/objectives of the EUFTT; rise in other regulatory measures; financial sector fines; financial innovation i.e. markets/instruments/actors; size of global financial markets; common EU approach; wide coverage through ‘Triple A’ approach; innovative regulatory policies; universal approach to global financial markets; among others.

When turning to the next theme: ‘differences between political economies’ a number of codes were enveloped within this category. This included divergences related to: perceptions of national interest; designing the EUFTT; aims/objectives of the EUFTT; the structure of national financial systems and financial markets; national institutional/arrangements/configurations; views on the role of government; specific histories/cultures/background conditions; views towards financial regulation; construction of the EUFTT debate; market specialisations/particularities/identities; affinity to specific financial products/markets; fiscal and monetary policies; national debates regarding tax redistribution; tax sovereignty; views on the EU and sovereignty; mainstream narratives and the production of counter-narratives; role of the EU/intergovernmental policymaking; political systems; configuration of political groups and domestic actors; types of domestic actors; role

of non-state actors; role of highly organised/powerful special interest groups; along with others.

The third theme, set out as 'global or intergovernmental measures versus a national approach', would subsume a multitude of codes including: national policymaking; EU institutional dynamics; processes of global governance; intergovernmental policymaking (EU and elsewhere); obstacles to implementation of EUFTT and other measures; multi-layered global governance; extraterritoriality; extraterritorial features – 'residence'/'issuance' principles; the role of international institutions/organisations; supranational arenas/processes; global forums; global policies; lobbying/campaigning at multiple levels (national/EU/global) by a range of state and non-state actors; areas of convergence between various groups; divisions within/between (groups of) actors; unheard voices; actors constraining/enabling the EUFTT process and how this is carried out; leadership roles; actor coalitions; as well as others. As such, at the end of the second stage, theme names were fully established and defined, and the overall story told by each theme was identified, in that they were discrete and broad enough to capture a set of ideas contained in numerous segments of the interview data (Nowell et al, 2017: 9-10; Braun, Clarke and Weate, 2016: 14).

The third stage, i.e. the final analysis, interpretation and write-up phase, led to the creation of an overall story regarding what the different themes reveal about liberal cosmopolitanism and the broader research questions and aims (Nowell et al, 2017: 11). Here, the process involved compiling, developing and editing one's '...existing analytic writing, and situating it' within the final thesis in a logical and coherent manner (Braun, Clarke and Weate, 2016: 14). While data triangulation (see section 3.3) would be important throughout each stage, the final analysis fully interweaved the wider literature with the research findings thereby progressing from a flat description to a richer interpretation (Nowell et al, 2017: 11). I achieved this by striking an adequate balance between the inclusion of raw interview data and analytic commentary based upon complementary sources (Braun, Clarke and Weate, 2016: 14-15). Therefore, at this point much of the analysis revolved around the 'selection of vivid, compelling extract examples' (Vaismoradi, Turunen and Bondas, 2013: 402) that were drawn from across the entire dataset to 'clearly and compellingly demonstrate the relevant analytic point' (Braun, Clarke and Weate, 2016: 14-15). Put another way: 'Extracts of raw data need to be embedded within the analytic narrative to illustrate the complex story of the data,

going beyond a description of the data and convincing the reader of the validity and merit of the analysis' (Nowell et al, 2017: 11). The chapters that follow are an illustration of this final stage in practice.

3.6: Conclusion

To conclude, this chapter has addressed a number of methodological concerns and questions surrounding research methods in a thoroughgoing and thoughtful manner. I combined rationalist and constructivist methodologies and presented a deeper exposition of the ACC approach, displaying that this perspective complements liberal cosmopolitan scholarship as well as furthers understanding around EU integration and EU policy processes. I have argued that an ACC approach not only draws upon power relations, ideas, and the input mechanisms of social construction, but also sociological tools, all of which allow for an in-depth extrapolation into the way that cognitive backgrounds and ideational factors are linked to notions of embedded rationality. In addition, I have shown that this approach provides a deeper account of agency – a notorious lacuna within liberal cosmopolitan scholarship – by considering the role of ideas and power dynamics across multiple levels and within and between the interactions of multiple actors. As such, substantial detail can be obtained around who the main norm carriers might be, who the opponents of change are, and how actors operate within transnational spaces and arenas like the EU.

In the next chapter, I present an historical analysis of global financial and monetary cooperation in the form of the Bretton Woods negotiations, which initiated the Bretton Woods System (BWS). In evaluating the two main paths considered during the negotiations – the Harry Dexter White Plan and the John Maynard Keynes Plan – I argue that the former represented an incipient version of thin liberal cosmopolitanism practice, while the latter could have embodied thicker forms of the perspective. In this respect, I analyse the major challenges faced during the Bretton Woods negotiations, as well as under the operation of the actual system, and thereby consider related lessons that might be applicable to the EUFTT project/process, as well as, more generally, establishing thick and thin forms of liberal cosmopolitan in practice.

Chapter 4

A History of the Global Financial System: The Bretton Woods System and Lessons for Future Paths

4.1: Introduction

In this chapter, I concentrate on the third key research question by analysing the historical challenges and obstacles faced when constructing forms of global financial governance and regulation, as well as global financial and monetary cooperation, as represented by the Bretton Woods System (BWS). In turn, I extrapolate and assess the key lessons of the Bretton Woods negotiations, as well as the operation of the BWS, and consider how these lessons might be applicable to the EUFTT project and process. Following on from this, I illustrate that the BWS established incipient thinner liberal cosmopolitan forms and outcomes that coalesced around the implementation of Keynesian economic policies. Here, notions of fostering international/global cooperation and agreeing upon a limited common framework, baseline convergence and types of minimal agreement are at the core of thin liberal cosmopolitanism (see Chapter 2). Moreover, the historical lessons drawn in this chapter link to the other key research questions explored in the empirical chapters, especially regarding the role of leadership and entrepreneurial norm carriers, power imbalances between actors, policy legitimisation and the construction of mainstream/counter-narratives (see Chapters 5, 6 and 7).

With this said, while Winston Churchill is oft-cited as saying, '[t]hose that fail to learn from history, are doomed to repeat it' (Geller, 2018), it is also true that no two time periods are the same, as contexts differ, constraints vary and not all comparisons will be relevant (Boettke, Coyne and Leeson, 2013: 294-296). At the same time, it is useful to draw on relevant historical examples because these can still provide key lessons and insights for future reform and they can go beyond an imaginary starting point, thereby accounting for how history might constrain institutional possibilities across societies (Ibid: 292-294). In this fashion, when reflecting on the current global financial system as well as considering the construction of

paths toward reform, a prudent starting point can begin with an historical analysis of the two main paths that might have been taken when creating the BWS. In 1944, before the end of the Second World War, delegates from 44 countries, led by the soon to be victorious allies, held a conference at a US resort in Bretton Woods, New Hampshire, to decide the future architecture of the global financial system. The 'well-known story' of how the new financial architecture was to be decided upon at Bretton Woods demonstrates that it would mainly be contested between two proposals, one from the rising power; the US (the White Plan), and the other from the declining one; Britain (the Keynes Plan), thus I concentrate on these two plans (Skidelsky, 2002: 125).

The US plan was put forward by Harry Dexter White, a senior US Treasury Department official, while the British plan emanated from the head of their delegation, the world-renowned economist and British Treasury official John Maynard Keynes. Now, although the plans focused upon in this chapter bear the names of their primary authors, many other actors and forces would also have a telling influence on formulating the plans alongside the actual negotiation process and final agreement. In addition, it must be noted that years of preparation preceded the conference and that other competing plans were put forward by a number of other governments (Helleiner, 2016; Jaeger, Haas and Töpfer, 2013: 16; Hess, 2012: 4). Nevertheless, by focusing on the White Plan and Keynes Plan respectively, I examine why the former would more or less take precedence over the latter in the final negotiations.

Having said this, both plans were centred and based upon Keynesian economic policies, thus I argue that the White Plan, as well as the emergence of the BWS, still embodied an incipient liberal cosmopolitan project. As Chapter 2 has demonstrated, for liberal cosmopolitans the BWS era (1945 to the early 1970s) represented the golden age of capitalism, insofar as it partly generated types of thin liberal cosmopolitanism in practice, which, in turn, could have led to thicker outcomes. This was witnessed through the potential for: the restoration of global trade and growth, social democratic forms to emerge, deeper multilateralism and the rise in significance of international institutions, increased cooperation among policymakers, stable global monetary policy and, importantly, all governments to enact Keynesian full employment policies. In this respect, the Bretton Woods agreement extended and created two international institutions, the World Bank and the International Monetary Fund (IMF). These set out to manage global trade, increase cooperation, assist in

the adjustment process by providing support to governments, produce financial stability, limit exchange-rate fluctuations and ensure overall confidence in the capitalist systems of the founding countries (and others that were to join later). As such, the puzzle of the BWS revolves around how this thin compromise was reached, but also, how thicker forms – based on the Keynes Plan – may have been constructed.

In this regard, I argue that a range of factors beyond power politics, including the role played by economic ideas as well as by a range of social groups and forces, would enable and constrain both plans and the eventual path taken (see also Chapter 3 on the power of ideas). Although I appreciate the importance of US hegemony and power, my account builds on conventional power politics explanations as I hone in on the fact that an ongoing Keynesian policy revolution had engulfed and subsumed the Bretton Woods negotiations. In this light, the role of ideas mattered as the Keynesian paradigm dominated the intellectual climate, and this economic policy revolution continued to guide economic policymaking and academic debates during and following the Second World War. At the same time, there was a commitment on the part of most US policymakers towards a deeper revival of US internationalism founded on economic ideas along Keynesian lines and New Deal values. In addition, following the devastation of the Second World War, trends towards more democratisation and greater voter enfranchisement, alongside the further formation and organisation of a range of social groups, would all mean that policymakers had to consider and account for a multitude of new voices.

Moreover, this was combined with the presence of shared cognitive backgrounds between a plethora of actors that surrounded collective memories and experiences linked to the inter-war period (1919-1939) and World War II. In this way, there was far more policy buy-in and legitimisation towards the BWS, as well as maintaining global financial and monetary cooperation in general, because a common overriding vision existed among a range of actors and forces. Therefore, while power politics, US leadership and hegemony are clearly relevant, my analysis also points to other explanatory factors that demonstrate that ideas mattered for the emergence of the BWS era based partly on incipient liberal cosmopolitanism. However, I also argue that the speed of implementation, taking full advantage of the window of opportunity for reform, and the changing nature of economic ideas would all prevent a thicker liberal cosmopolitan project from being established.

Following this introduction, this chapter is divided into three sections. First, I consider three key features of the White Plan: the use of the US dollar as the global reserve currency; the creation of a global central fund and the promotion of capital controls. Here, I explain why certain outcomes prevailed, while also exploring some of the immediate challenges faced in relation to these features and the primary lessons that can be drawn from this experience. I indicate that although the path that was taken did generate some forms of thinner liberal cosmopolitanism in practice, through shallow multilateralism and the enactment of Keynesian economic policies to achieve full employment, the BWS would nonetheless be weak, scaled-back and evade achieving 'thicker' forms of liberal cosmopolitanism. In this respect, as the BWS institutions were limited and weak, I show that the Marshall Plan along with changing background conditions, i.e. the arrival of the Cold War and continuation of the Keynesian policy revolution, would be central to the generation of these thinner forms. On top of this, I argue that ideas mattered for the emergence of thinner forms because shared cognitive backgrounds surrounding recent historical memories would be equally important in further supporting commitment towards global financial and monetary stability as well as the continued promulgation of the Keynesian policy revolution.

Second, I focus on the path that was not taken in the form of the Keynes Plan and posit some reasons as to why this was the case. I concentrate on obstacles related to the creation of: a global central bank, a supranational global reserve currency and the notion of permanent capital controls. I highlight some of the major objections that arise from US policymakers and financial sector actors, which subsequently stifles this path and further diminishes the actual BWS. In addition, I portray how the Keynes Plan was more representative of thicker forms of liberal cosmopolitanism in practice. This is because the arrangements: would create a fairer system for debtor/deficit political economies during the adjustment process; would not permit global monetary policy to be linked solely to US preferences and it provided a tool to address the destabilising impact of short-term capital flows. In this section, I also expand on the challenges faced by the BWS, including the Triffin Dilemma, which suggests that a national currency is not a well-suited global reserve currency, and the emergence of the Eurodollar market, which allowed for the further circumvention of capital controls. In this respect, I then draw upon the concept of the 'Tobin Tax' that, towards the end of the BWS, emerges as a possible solution to address free capital mobility and this is linked to one of the central ideas

underlying the EUFTT project. Third, I offer some concluding remarks that tie the chapter together and reiterate the key lessons applicable to the EUFTT project.

4.2: The Bretton Woods Conference: Pursuing the Wrong Path

4.2.1: The US Dollar as the Global Reserve Currency

Sustaining a global economy, as the BWS intended to achieve, would require a global medium of exchange and store of value – i.e. a global money, or reserve currency – that could be made available in ample quantities when necessary and be reliably exchanged for tangible goods, services or assets on demand (Rodrik, 2011: 99). From an historical standpoint, while a plethora of commodity standards have existed, gold was the primarily favoured commodity that had played this role. Thus, a variety of different types of gold standards have appeared across time to guide international monetary relations by linking paper currency/money to gold in different ways (Bernanke 2013: 10-15; Rodrik, 2011: 95-100; Cesarano, 2009: Woods, 2006: 19-20). Yet, although White and Keynes agreed that gold would once again play a key role in the system, they diverged significantly when it came to setting out their plans for this relationship as well as the actual form the global reserve currency would take.

Whereas Keynes supplied an idea for a truly supranational global reserve currency – called the Bancor – which was to be linked to gold and used by governments to purchase imports (see section 4.3.2), White, along with US policymakers, ‘did away’ with this, instead endorsing the usage of the US dollar and other national currencies (Eichengreen, 2011: 46-47). White and others in the US administration are depicted in the literature as creating a plan that was still tantamount to a form of gold exchange standard, even though the term ‘Unitas’ – supposedly representing some type of supranational global reserve currency – had been mentioned during the discussions and negotiations with other representatives (Cesarano, 2009: 148; 145-153). Indeed, during the negotiations White was not entirely transparent in this undertaking as there was a tremendous amount of political manoeuvring on his part (Andrews, 2005: 91). For example:

‘While Keynes still believed that Unitas represented a truly supra-national reserve currency, White had already secretly replaced the term Unitas with the term...[US]...dollar in those versions of his documents that were submitted to the US Treasury, while still using the Unitas-versions in the negotiations with the British’ (Jaeger, Haas and Töpfer, 2013: 17).

This indicates that although White did seem supportive of a truly supranational global reserve currency, this was not the case in practice because the vision of US policymakers, including White, remained entrenched in a conventional understanding of international monetary arrangements that allowed the continued usage of multiple national currencies for the purposes of global trade (Andrews, 2005: 91). In other words, by applying a gold exchange standard similar to the inter-war period, global liquidity would still consist primarily of national stocks of gold or national currencies convertible, directly or indirectly, into gold (Cesarano, 2009: 145-153; Cohen, 2002: 96). Already, this departs from a ‘thicker’ liberal cosmopolitan conceptualisation because the White plan does not produce a fair, equitable and equal system, but rather, one that is reliant on US policies. To elaborate, by employing the US dollar as the global reserve currency, other political economies would be subservient to the monetary preferences of the US Federal Reserve (US central bank), rather than being supervised by a global central bank in the form of the Union, which would issue its own global reserve currency and set out ‘fairer’ rules for the terms of trade (see section 4.3).

Having said this, unlike the inter-war period, the White Plan ‘...placed the [US] dollar and its ties to gold at the center of the international monetary system, in the belief that it would provide a stable anchor for policies conducive to growth’ (Boughton, 1998). As Rodrik puts it, under the BWS the US ‘...dollar became effectively the global currency’ as it served as the reserve asset of choice for central banks across the globe and derived this confidence from its peg to gold at a fixed value of \$35 per ounce (Rodrik, 2011: 99). As such, the US dollar would have a distinct status in this variation of gold exchange standard, as it was the only national currency directly convertible into gold. In turn, the US dollar emerged as the accepted form of vehicle currency and ‘private international money’, as well as the official central bank reserve currency that would play a ‘fundamental role as an intervention currency’ to maintain fixed exchange rates (Bordo, 1993: 47-49). In this way, the BWS ‘...rested on the

commitment of the United States to provide two reserve assets, gold and dollars, both at a fixed price' (Eichengreen, 2011: 50).

Thus, global flows of US dollars, rather than strictly just gold, were central to the operation of the international monetary system created under the aegis of the White plan (Woods, 2006: 33). For some, this arrangement reflected US dominance at the end of the war, whereby the country possessed over 65% of the world's gold, emerged as the strongest and richest power as it controlled global trade and payments, and was able to forgo the extensive post-war reconstruction faced by the other combatants (Eichengreen, 2008: 133; Lundestad, 2005: 28-33; Bordo, 1993: 31-32). Due to this dominant position, Eichengreen highlights that: 'In post-World War II Europe it was the dollar, the currency of the only major economy still standing, that people in all countries wanted' (Eichengreen, 2011: 1). Similarly, Bordo argues that many people in Europe believed there to be a permanent shortage of gold and US dollars because of their '...immediate postwar experience of massive payments deficits and depleted international reserves' (Bordo, 1993: 41). From this type of perspective, as Keohane points out, US power and dominance were essential for the construction and maintenance of the early post-war regimes established at Bretton Woods (Keohane, 1984: 8-9).

Yet, to take this analysis further, the key point is that US policymakers, especially New Dealers and Keynesians, understood that others in the Roosevelt administration, as well as those across the aisle, were apprehensive towards the idea that the US would be sponsoring the eventual BWS by providing the most money. Therefore, '...the only way Congress would approve the necessary legislation was to build in safeguards on how it would be used' (Boughton, 2002: 20). As such, to direct lending, US policymakers would guarantee themselves veto powers within the Bretton Woods institutions (Peet, 2003: 51-52; Helleiner, 1996: 52; Block, 1977: 54). Equally, Cesarano raises the point that the eventual White Plan would align to the viewpoint of US policymakers and international bankers that wanted to see the US dollar become the global currency of the future. This indicated that other proposals, if not centred on the US dollar, risked rejection and could result in collapsing the negotiations (Cesarano, 2009: 161-164). In this way, to avoid a collapse in negotiations and to obtain an agreement in the first instance, a number of concessions and accommodations were made in favour of US policymakers.

Aside from veto privileges as well as limiting contributions given to the International Monetary Fund and applying types of conditionality to lending (see section 4.2.2), the main concession and safeguard here was to be the usage of the US dollar as the global reserve currency. This is because, through monetary policy choices, US policymakers believed that they could apply some guidance, direction and, at times, control, over the policies pursued by other governments (Frieden, 2019: 20-21; Cesarano, 2006: 151-152). In this way, it is fair to say that the BWS elevated the US dollar above all other national currencies, creating a regime dominated by US policymakers and producing outcomes that are out of sync with a 'thicker' liberal cosmopolitan project. Here, it should be noted that the creation of the Bancor and a global central bank with a somewhat democratic governing body would have been more aligned to thicker liberal cosmopolitan values and policies (see section 4.3).

Having said this, 'thinner' forms of liberal cosmopolitanism, i.e. the creation of global multilateral institutions, the possibility of maintaining a stable global monetary policy for an extended period of time, restoring global trade and, importantly, allowing room for national policy autonomy to obtain full employment, could all be achieved through the use of the US dollar as the global reserve currency. As Rodrik indicates, this was the case as the BWS 'transcended narrow national interests' and although White, Keynes and other policymakers and negotiators were not '...motivated purely by cosmopolitan considerations' they still agreed that '...a delicate compromise animated the new regime'. Here, shared understandings of the need to avoid another global conflict as well as the economic catastrophes witnessed across the inter-war years would mean that the BWS was based upon achieving social and economic needs at home while allowing enough international discipline and generating steps towards trade liberalisation (Rodrik, 2011: 69-71).

In this light, adoption of the US dollar as the global reserve currency would guarantee two things. First, it would produce short-term global monetary stability, thereby preventing the recurrence of events like the Great Depression and the Wall Street Crash that were still fresh in the minds of wider audiences. Second, a global reserve currency based on the US dollar would enable all governments party to the agreement to pursue independent Keynesian economic policies in the long-run (Rodrik, 2011: 95-98; Cesarano, 2009: 12-20; Woods, 2006: 21-22; Ikenberry, 1993: 161-164). In this respect, the accepted economic 'instruction sheet' used by policymakers and central bankers throughout the BWS was

definitively Keynesian and this was not an exception within the US (Blyth, 2013: 152-154). As Cesarano notes, nearly all negotiators at Bretton Woods, along with the wider policy and academic community, had a shared vision, cognitive background and theoretical approach based on Keynes' *General Theory*, whereby domestic employment objectives and independent economic policy were the overriding target for policymakers. In this fashion, Cesarano finds that focusing solely on US dominance during the conference '...disregards the momentous impact of the *General Theory*' on cognitive backgrounds, as many negotiators, policymakers, government departments, economists and other academics were surrounded by '...an intellectual climate dominated by the Keynesian paradigm' (Cesarano, 2009: 18-20; 163-165).

As such, an assessment based solely on power politics can be extended because the BWS and post-war era signalled a deeper revival of American internationalism that was to be founded on economic ideas along Keynesian lines and New Deal values (Boughton, 2019: 77-79; Steil, 2013; Ikenberry, 1993: 163). In other words, there was a commitment among some US policymakers to endorse global Keynesianism and a New Deal for a new world (Steil, 2013: 1-2), by providing the global reserve currency '...so as to allow governments to pursue multilateral and expansionary solutions to capital and trade imbalances' (Ikenberry, 1993: 162). Moreover, this was in the interests of not only the policymaking communities represented at Bretton Woods, but also extensive swathes of the public at large and various special interest groups.

When focusing on the role of Keynesian economic ideas, for Ngaire Woods the negotiations along with settlement reached at Bretton Woods embodied '...large-scale new ideas about international economic governance, which were perceived as necessary and attractive not just by individual statesmen but by the war-weary public they were serving' (Woods, 2006: 21-22). In this way, the governments represented at Bretton Woods all faced similar background conditions at home, including contending with recent memories of the war as well as accounting for the continued formation of a range of influential social groups and trends towards further democratisation. Here, far more special interest groups representing farmers, workers, trade unions and social movements were at the centre of politics embracing new economic ideas and demanding protectionist measures, full employment policies and the extension of social welfare/protection, which, in turn, departed

from historical conventions whereby the cost of adjustment was imposed without political and ideational opposition (Frieden, 2017: 5-9). As such, the establishment of the BWS based on the US dollar still represented an incipient thinner liberal cosmopolitan compromise, as it must be understood in conjunction with memories of the inter-war period, the need to avoid future global conflict, the ongoing Keynesian policy revolution, the rise in prominence of various special interest groups and the emergence of mass democracies.

In this respect, two observations related to the EUFTT project are of note. First, the viability of the BWS rested on the leadership of US policymakers to ensure global price stability and to maintain cooperation between other policymakers, including leaders, key officials and central bankers (Cesarano, 2009: 196). At the same time, although national policymakers and negotiators granted the US substantial concessions through these new monetary arrangements, there seems to have been an understanding amongst these actors that US policymakers would be guided by shared historical experiences, Keynesian economic ideas and New Deal values (Rodrik, 2011; Cesarano, 2009; Woods, 2006; Ikenberry, 1993). Here, the implication for the EUFTT project is that leadership is likely to be required on the part of policymakers from the EU member-states with the most economic and political clout, as well as from other EU organs and institutions. By promoting the EUFTT project, these actors provide the leadership necessary to guide the process through the long negotiation and implementation process that may ensue. Without strong leadership at the core that translates into a high degree of commitment towards a broader vision, the EUFTT project might falter or be watered-down and scaled-back as other national imperatives could impede progress (see Chapter 5). As such, for the EUFTT negotiations to move forward other policy actors might need to be given continued assurances and pledges from those in a leadership position, while at the same time, they may also need to consider the practical trade-offs and concessions they are willing to make (see Chapter 6).

Second, and as a concomitant, this leadership role was enabled by a range of special interest groups that were, to some degree or another, invested in these 'new' economic and policy ideas based upon a post-war Keynesian consensus and the compromise of 'embedded liberalism' (Ruggie, 1982: 393-398). In part then, the role of ideas were central to the so-called 'genius' of the BWS, insofar as it created a regime of 'shallow multilateralism' based on the US dollar which allowed policymakers to independently focus '...on domestic social and

employment needs while enabling global trade to recover and flourish' (Rodrik, 2011: xvii). In this manner, regardless of perceived weaknesses the BWS seemingly generated strategic compromises alongside a delicate and fine balance between various interests. With this in mind, proponents of the EUFTT project might have to present a wider economic vision through forms of shallow multilateralism as a starting point that engages with (reformed) current neoliberal economics and understandings. In essence, to establish a wider consensus that displays a far deeper resonance with the preferences of various policymakers and special interest groups, proponents of the EUFTT project should consider various paths, which may in fact depart from a broader measure and display some resonance with neoliberal approaches. Although this may not be ideal, as not all of the objectives will be addressed, the prompt implementation of a narrow/shallow form, which can be amended in the future, nonetheless potentially enables early strategic compromises to emerge, primary objectives to be achieved in the short-term and for thinner liberal cosmopolitan outcomes to prevail (see Chapter 5 and 6). Having said this, beyond a short-term time horizon it is likely that global projects will encounter issues. The problem with using the US dollar as the global reserve currency, for example, had already been identified from the outset of the negotiations, and this subject is returned to in section 3.3.2. For now, I turn to an exploration into the central institution at the core of the White Plan.

4.2.2: A Stabilisation Fund, not a Central Bank

The White Plan revolved around the idea of a small International Stabilisation Fund (the Fund), subsequently christened, with some minor alterations, as the International Monetary Fund (IMF) – which Keynes helped to name (Steil, 2013: 176). The proposed Fund, among other things, aimed to: stabilise exchange rates through the provision of offsetting loans, release money into the system that had been 'blocked' due to the war, improve balance of payments positions and reduce restrictive protectionist trade measures (Andrews, 2011: 6-12; Woods, 2006: 7; Bordo, 1993: 5). All of these aims set out to accomplish the overriding goal of achieving full employment by balancing national policy autonomy with a commitment to global cooperation. Nevertheless, upon considering how to achieve these broader aims, as well as the role that this global central institution was to play, again both White and Keynes

had very dissimilar plans (Eichengreen, 2011: 32-36; Rodrik, 2011: 68-70). In contrast to Keynes' version of a global central bank, whereby lending would be automatic and supported by a vast resource base, White's '...Fund would have to ration its scarce resources by imposing conditions on their use [and, as a result] it could not realistically fill the function of a lender of last resort' (Boughton, 2002: 17).

A lender of last resort, traditionally a function played by a national central bank, stands ready to provide liquidity to help stabilise the financial system and calm markets during times of panic and crisis (Bernanke, 2013: 4). In Keynes' opinion, the IMF should have become the global central bank, and thus the global lender of last resort. This is because governments should know in advance that the IMF's resources would be available to them when necessary, as long as they were willing to pay an appropriate interest rate (Boughton, 2002: 16; see Keynes, 1943 cited in Johnson and Moggridge, XXV, 1980: 333). However, by applying conditions to lending, the IMF placed the entire burden of adjustment on the debtor country thereby departing from key features of Keynes' Union (see section 4.3.1), as well as evading liberal cosmopolitan values such as equality, fairness, sustainability and justice in the process (see Chapter 2). In turn, this left the traditional process of adjustment witnessed during preceding eras fundamentally unchanged (Skidelsky, 2002: 148-149).

When turning to the resource base, Keynes had suggested that the IMF should have access to around \$19 billion - or roughly 40% of global trade (defined as exports + imports) at pre-war levels, while White was in favour of a noticeably smaller amount of \$5 billion (Boughton, 2002: 17). Eventually, a compromise was reached, still at less than half the amount that Keynes had sought after, at \$8.8 billion (Ibid). However, due to a reassessment of the volume of global trade after the war and because the Soviet Union did not ratify the Bretton Woods agreement, by 1947 the IMF could only draw upon \$7.5 billion, which amounted to only 7.5% of global trade at that time (Ibid). In this regard, the IMF did not possess the sufficient resources required to act as an effective lender of last resort and would not be able to cope with the emerging balance of payment difficulties faced by the vast majority of political economies in the immediate post-war era (Cohen, 2002: 97). As a result, due to the acceptance of the White Plan, the IMF faced an almost insurmountable challenge once it began its operations in 1947. Concomitantly, to assist in the much-needed post-war reconstruction effort, the conference created an addendum to the IMF in the form of the

International Bank for Reconstruction and Development (IBRD), part of the World Bank today, and its operations commenced in 1947 as well. However, like the IMF, its resources were also inadequate in meeting the world's financial needs (Engel, 2010: 37-38).

Thus, after a short burst of activity, lending from both institutions was eclipsed by long-term loans and grants provided directly by US policymakers through the Marshall Plan and other related aid programs (Cohen, 2002: 97). The magnitude of the Marshall Plan alone, which amounted to over \$13 billion between the years 1948-1952 (Strange, 2001: 119; Bordo, 1993: 41), overshadowed the resources of the IMF (see above) and evidently outweighed those committed by the IBRD which stood at just \$497 million by late 1948 (Engel, 2010: 38; Sargent, 2008: 99). As Woods puts it, '...the World Bank never became the central force for reconstruction in Western Europe after the war' as the Marshall Plan side-lined this institution along with the IMF (Woods, 2006: 7; 33). Therefore, the role of the IMF and World Bank in the immediate post-war era was extremely limited or could even be characterised as irrelevant, and in practice the BWS quickly became dominated by a global monetary regime centred on the US dollar and US policy decisions (Andrews, 2005: 94; Cohen, 2002: 98).

As such, James argues that these US aid programs certainly bolstered the ineffectual lending capacity of the Bretton Woods institutions for the purposes of post-war recovery, trade, investment and reconstruction (James, 1996: 72-75). In this light, conventional wisdom illustrates that US aid, in what has been described as an 'extraordinary act of generosity' on the part of US policymakers, 'saved' the BWS by providing '...dollars to finance the imported inputs needed to get exports going again' (Eichengreen, 2011: 48-49). Thus, this viewpoint indicates that because a global lender of last resort was not present and the resources of the Bretton Woods institutions had to be supplemented by US aid programs, the global economy would become even more reliant on the policies and actions of US policymakers. At the same time, the wider literature illustrates that a large proportion of the loans and grants were earmarked for US military spending abroad due to the onset of the Cold War and the need to contain the further spread of communism (Sargent, 2008: 99-100; Skidelsky, 2002: 126; James, 1996: 58-60). With the arrival of the Cold War, US policymakers now believed it was even more vital to promote the economic recovery of Europe and Japan, which the watered-down BWS institutions could not fully address (Cohen, 2002: 98).

As such, Woods demonstrates that the ‘...Marshall Plan was used to rapidly build up that region’s economies and strengthen political alliances with the United States’ (Woods, 2006: 33). Again, to buttress these European and Japanese alliances, and ensure their strength and longevity, US policymakers believed in the provision of generous sums of money to support Keynesian demand management and independent full employment policies (see section 4.2.1). In line with this reasoning, Susan Strange highlights that during the Cold War era, US policymakers would commit to covering all European security and defence expenditures, while at the same time, allowing the Marshall Plan to permit a relatively high degree of national policy autonomy. As such, this provided the ‘conditions’ for many national governments to practise the ‘Keynesian logic’ of demand management (Strange, 2001: 5-6; 90-91; 95). In this regard, the role of ideas was also important as the Marshall Plan, coupled with the persuasiveness and relative simplicity of Keynesianism, had been viewed as solutions that were linked to recent memories of policy failures surrounding the Wall Street Crash, the Great Depression and the World Wars (Abdelal, Blyth and Parsons, 2005). Here, US isolationism, a breakdown in global cooperation and the prevalence of austerity policies, were all remembered to be systemic issues in the lead up to the Bretton Woods negotiations and throughout the disbursement of Marshall Plan funds.

Therefore, the emergence of the Cold War – alongside the need to avoid repeating historical policy mistakes or entering into another global conflict – all led to a stronger revival of internationalism within the US, a clear reversal of the isolationist trends witnessed in the country during the preceding decades (Rodrik, 2011: 70; Ikenberry, 1993: 163; 176). US internationalism would take a number of guises, including the possibility of generating political internationalism, whereby US policymakers would spread global Keynesianism and New Deal values across the world (Steil, 2013; Ikenberry, 1993: 163-165). Additionally, this Keynesian policy revolution was not restricted to policymakers within institutional settings, as a ‘loose transnational and transgovernmental alliance’ emerged. This consisted of a ‘large collection of economists and policy specialists’ located not only in the British and American Treasury Departments, but also other government offices, as well as a number of universities and policy groups (Ikenberry, 1993: 157; 161-164).

Moreover, trends encouraging ‘American commercial expansion’ (Rodrik, 2011: 70) and the extension of US business and financial internationalism were equally important

during this era (Woods, 2006: 21-22; Ikenberry, 1993: 168). In this regard, the initiation of the Marshall Plan allowed US banks and firms to extend their preferred form of internationalism thereby establishing a further foothold in European markets as the US aid provided to these governments was to be spent on US exports (Patomäki, 2008: 132-133; Panitch and Gindin 2005: 50-55). Sassen supports this, as she indicates that the core of the Marshall Plan contained bilateral measures designed to open up the European economies to US firms, while also instituting more market-dictated and less state-directed development (Sassen, 2008: 165-166). Yet, as Strange highlights, even though the Marshall Plan ‘...opened up new business for US firms in Europe, both as exporters and as foreign investors in offshore production’ she nonetheless defends the move on the part of US policymakers:

‘[as a]...classic demonstration of Keynesian logic and the effectiveness of a large programme of foreign aid in boosting confidence and setting in motion the processes of economic reform’ (Strange, 2001: 118-120).

Again, US aid as an addendum to the BWS allowed all governments the room and independence to pursue full employment policies and, in the process, once productive capacities had returned this enabled European and Asian firms to freely export to the US market. In this sense, US bilateralism would favour US interests, but it would nonetheless still foster and support the development of European and Asian productive capacities, while also generating the background conditions required for the establishment of full employment policies (Rodrik, 2011; Woods, 2006; Strange, 2001).

When turning to the EUFTT project, the first key lesson to raise surrounds the presence of a particular historical and geopolitical context, which differs from today, in that the alternative project of communism – which informed as well as threatened the BWS – has faltered to a significant degree due to the end of the Cold War. Therefore, the generosity witnessed on the part of US policymakers is not guaranteed to be as forthcoming or extensive as it was in the immediate post-World War II era. In this way, although the Bretton Woods agreement was demonstrative of many weaknesses, the provision of the Marshall Plan enabled the BWS to come into existence and, more importantly, facilitated the Keynesian policy revolution to continue. As such, US policies allowed for a broadly shared common vision to exist among most policy actors, which was further fostered through intergovernmental cooperation, as well as deeper cross-border cooperation with the

emergence of a transnational policy expert community engaging with policymakers. Even though this would generate a range of complementary, but also opposing, viewpoints and positions, the primary policy objective of the BWS – to maintain full employment – would be achieved through the provision of the Marshall Plan. With this in mind, whereas multiple visions for an EUFTT may exist, there might need to be steps towards establishing some common acceptance and convergence among a range of actors when it comes to the main aim of the policy proposal more narrowly defined. With the BWS, full employment policies became the overriding aim for the large majority of actors and therefore other weaknesses would be permitted. This is something to keep in mind for the EUFTT negotiations as a broad measure with a multitude of aims might face far greater opposition from a range of actors, even from some of the proponents of such projects. Therefore, this should be taken into account through the production of persuasive counter-narratives, as well as the provision of other solutions and strategic compromises that can be posited as practical alternative paths (see Chapter 5).

Second, other events and crisis moments, such as the intensification of the Cold War, could occur and lead to the reassessment and re-evaluation of policies, institutions and systems like those created and endorsed at Bretton Woods. Concomitantly, crisis moments may be prolonged but they should not last forever, which means that cognitive backgrounds and memories might also fade with the passage of time (see Chapter 5). In this respect, the speed of implementation – regardless of perceived weaknesses – and the establishment of an early general acceptability among a wide range of actors is important in the first instance as other developments may constrain the EUFTT project down the line. This includes not only new visible crisis moments, but also the changing preferences, coalitions, economic ideas and viewpoints that result. As such, thicker liberal cosmopolitan policy ideas might carry more weight during crisis moments as this leads to a deeper questioning of the prevailing paradigm and mainstream narratives more generally. Yet, if quick implementation of a thicker path is not achieved during the windows of opportunity presented by crisis moments, then proponents need to endorse thinner routes as alternative short-term measures. This can bring about some immediate reform and could allow for further socialisation and persuasion to occur among actors, which might lead to thicker outcomes in the future (see Chapter 6 and Chapter 7). Nevertheless, no matter how deep and extensive a crisis moment may be, there

could still be significant pushback on the part of vested interests which will need to be managed, remedied and addressed by reformers. As the next section goes on to display, this was exactly the case when it came to discussions surrounding the usage of capital controls, as these were strongly opposed by financial sector actors throughout the negotiations.

4.2.3: Promoting the Use of Capital Controls

The plans put forward by both Keynes and White, to varying degrees, supported the use of capital controls in the post-war era (Joshi and Skidelsky, 2010: 175; Boughton, 2002: 11; 1998; Helleiner, 1996: 33). In 1942, Keynes had already emphasised that: 'It is widely held that control of capital movements, both inward and outward, should be a permanent feature of the post-war system' (Keynes, 1942 cited in Horsefield, 1981: 13). In addition, Keynes highlighted that capital '...control, if it is to be effective, probably requires the machinery of exchange control for all transactions', i.e. those comprising the current and capital account (Keynes, 1943 cited in Horsefield, 1981: 31). In a similar vein, more than a decade before the conference White had claimed in 1933 that '...some measure of the intelligent control of the volume and direction of foreign investments is desirable' (White, 1933: 311-312). He then went further in his 1942 blueprint for the Fund, stating that '...there are situations in which many countries frequently find themselves, and which all countries occasionally meet, that make inevitable the adoption of controls of one character or another' (White, 1942 cited in Horsefield, 1981: 63).

Yet, at a press conference held towards the back-end of the Bretton Woods negotiations, White had indicated that although other political economies were permitted to use capital controls, 'the United States does not wish to have them' (Helleiner, 1996: 49; Van Dormael, 1978: 185). Nevertheless, this does not imply that White conceived a world free of capital controls, but rather, they would not be applied in a universal manner, and thus US policymakers would be free to decide over any future implementation (Helleiner, 2006: 960). Hence, it can be acknowledged that whereas White would tolerate the occasional use of capital controls and thought they were a temporary solution to post-war economic problems, Keynes regarded them to be an essential as well as permanent feature of the future global

financial system (Cesarano, 2009: 143-144; Obstfeld and Taylor, 2005: 149; Boughton, 2002: 10).

Nonetheless, even under the Keynes plan, all global capital flows were not necessarily viewed in a negative light because it was well-understood that these flows would be required for the operations of the central institution, global trade and post-war reconstruction to take place. What Keynes did envisage, however, was a situation in which a clear differentiation needed to be made between capital movements that were directed towards long-term productive trade/investment and those engaged in short-term speculative or unproductive trade. He argued that capital controls should be capable:

‘...of distinguishing long-term loans by creditor countries, which help to maintain equilibrium and develop the world's resources, from movements of funds out of debtor countries which lack the means to finance them; and...of controlling short-term speculative movements or flights of currency whether out of debtor countries or from one creditor country to another’ (Keynes, 1943 cited in Horsefield, 1981: 32).

Even White had agreed in his earlier plans that a distinction had to be made between long-term productive and short-term unproductive capital flows (Andrews, 2005: 84-85; De Cecco, 1979: 1-2; White, 1942 cited in Horsefield, 1981: 66-67). However, on this occasion the full extent of White's input would not guide US negotiators and policymakers, and neither would the Keynesian economic ideas and New Deal values which still penetrated other aspects of the agreement. As Eichengreen illustrates, the eventual ‘...White Plan...foresaw a world free of [capital] controls’ (Eichengreen, 2008: 94; 96). Indeed, the wider literature highlights that the White Plan was influenced by a range of objections stemming from the major banking centres of New York and London, objections that were eventually taken seriously by the Roosevelt administration and British parliament (Andrews, 2005: 92; Helleiner, 1996: 39-50). Here, the usage of capital controls set out in both initial plans were deemed to be serious issues that ‘...evoked immediate objections, principally from international financiers and elements of the central banking community’ which eventually ‘gained traction within the Roosevelt administration’, particularly after Republican gains were made after the 1942 congressional elections (Andrews, 2005: 85; 92).

Moreover, Helleiner shows that Roosevelt's New Deal reforms – that went on to guide US foreign financial policy across the 1930s and 1940s – would result in '...three-way tensions between the Treasury Department, the board of governors of the Federal Reserve system, and the Federal Reserve Bank of New York', which would not be fully resolved leading up to, during or after the Bretton Woods conference (Helleiner, 2016: 37; 119-132; 260-266). Whereas New Deal values and Keynesian economics were prominent within the US Treasury Department and broad swathes of the US Federal Reserve System, most notably at its head with Chairman of the Federal Reserve Marriner Eccles being a strong proponent; these attitudes foundered to a large extent when it came to other central bankers, the US banking and financial community, as well as, importantly, the US State Department led by Cordell Hull (Helleiner, 2016: 94-95; 1996: 30; Andrews, 2011: 4-; Ikenberry, 1993: 164-165). The principle objections emanating from financial sector actors and the US State Department rested on two intertwining arguments. First, both plans were viewed to underestimate the difficulty of differentiating between various types of capital movements. Here, it was held that it would be impossible to distinguish between short-term productive and speculative capital flows, or for that matter even to separate out those transactions aimed at financing trade, i.e. current from capital account transactions (Andrews, 2005: 92; Helleiner, 1996: 41).

Second, financial sector actors recalled recent memories and understood that short-term speculative capital flows could cause political economies severe devastation, as had happened during the 1930s. Thus, they agreed that some capital controls would be necessary, but only on a temporary basis, restricted to a transition period (Helleiner, 1996: 39-40). At the same time, US policymakers, especially those in the State Department, wanted to diminish the idea of permanent capital controls and keep capital markets open to foreign investment so that US banks could play a major role in clearing international payments, thereby eclipsing operations in the City of London (Helleiner, 2016: 260). On top of this, permanent capital controls would mean that the financial interests of individuals and firms would be hostage to national policies both at home and abroad, which, particularly within the US, was nearly inconceivable due to specific 'liberal' cognitive backgrounds and cultural identity traits (Andrews, 2005: 92).

As a result, this opposition was cemented in April 1945, when Roosevelt passed away and the Truman administration took over. Under the new administration, permanent capital

controls became almost unthinkable as the US financial sector actors that had challenged both plans as well as the eventual agreement were propelled into prominent positions within the US government and at the BWS institutions (Helleiner, 2016: 260-265; 1994: 52). Eventually, with the backing of the Bank of England as well as the promise of more international loans and US aid, this was also the position taken by the British government (Andrews, 2005: 93; Peet, 2003: 51-52; Bordo and Schwartz, 1997: 21-22). As a result, the idea of permanent capital controls proved a highly contentious issue and as section 4.3.3 further illustrates, this would not be resolved in a full and complete manner.

When turning to the EUFTT, three key points come to the fore. First, even though capital controls were not the centrepiece of the negotiations, some attempt was made to regulate cross-border movements, at least in the short-run. This is because recent memories of speculative attacks, and problems associated with capital outflows in general, were a part of wider cognitive backgrounds, and therefore, some type of short-term measure would need to be introduced to quell these concerns. The potential lesson for the EUFTT negotiations is that policy measures of this sort might not have to be presented as complete, all-encompassing projects for the long-term. Instead, they could be framed as short-term or temporary solutions that have an immediate remedial impact, and which can be altered in the future to address prevailing memories, background conditions and ideas that may be subject to change. In this way, far more flexibility should be granted towards the design as well as application of such measures.

Second, unlike propositions for achieving full employment, a confluence of viewpoints did not exist when it came to implementing universal capital controls, particularly in the long-run. This relates to the EUFTT insofar as a general convergence around specific design features, like applicability, coverage and rates, might need to be decided upon before the negotiations can proceed in a tangible manner. For instance, even though the counter-narrative endorsing permanent capital controls was quelled prior to and following the creation of the BWS, this, nonetheless, did not prevent the national implementation usage of capital controls on a temporary basis and even for extended periods. Indeed, Eichengreen notes that for some political economies this extended period of time has been interpreted as 'indefinite', because controls on capital account transactions have been maintained by these policymakers throughout the BWS and up to the present (Eichengreen, 2008: 10).

Finally, financial sector actors may quite understandably be hostile to measures that constrain their business operations and therefore it is important to consider how to alleviate or address the concerns that arise from this group. As parts of this chapter already show, financial sector actors extracted many concessions during and following the negotiations, yet they still failed in completely diminishing the BWS along with broader ideas supporting the Keynesian post-war consensus that emerged in this era. However, the present day size and scale of operations of financial sector actors is something to keep in mind when assessing the EUFTT, as far greater pushback may manifest itself on the part of these agents than was witnessed in the past. As such, regulatory measures targeting the global financial system, like the EUFTT, might require extensive and repeated consultation and engagement with financial sector actors (and others) to determine where key compromises may be found, and to ensure voices, positions and practical/pragmatic paths do not go unheard (see Chapter 7). At the same time, if certain activities and behaviours are considered to be detrimental and/or if global cooperation is not forthcoming, direct measures targeting specific aspects of the financial industry might be warranted (see Chapter 5).

4.3: The Bretton Woods System: 'A Path Not Taken'

In this section, I now explore the path not taken at the Bretton Woods negotiations in the form of the Keynes Plan. I argue that the Keynes Plan would have been more representative of thicker versions of liberal cosmopolitanism in practice for a number of reasons. Namely, the Keynes Plan would create more equality between creditor/debtors countries, allow for the usage of capital controls in a more extensive fashion and generate a system that was not heavily reliant on US policies. This discussion is relevant for the thesis and builds on the forgoing analysis by identifying a number of key lessons that could be applicable to the construction of other (future) intergovernmental policy measures, like the EUFTT. This includes an assessment of the (anticipated) issues and problems concerning the White Plan and, subsequently, the operation of the BWS. In particular, my analysis focuses on the notion of a global central bank, as well as problems associated with the Triffin Dilemma and the emergence of the Eurodollar market.

4.3.1: The International Clearing Union as a Global Central Bank

In contrast to the White Plan, Keynes recommended the creation of a global central bank in the form of an International Clearing Union, also presented as an International Currency/Credit Union or International Clearing Bank – hereafter the Union, to be at the core of the global economy (Eichengreen, 2011: 45-46; Woods, 2006: 16; Bordo, 1993: 32-33; also see Keynes, 1943 cited in Johnson and Moggridge, XXV, 1980: 44). The Union would provide a platform for borrowing and then keep the payments 'score' of trading in goods and services between political economies (Davidson, 2009: 136) or, put another way, it would be the intermediary that records their current account transactions (Cencini, 1997: 140). In addition, lending from the Union would be dependent on creditworthiness (i.e. the volume of trade) and not dictated solely by the preferences, (counter-)narratives and ideologies of its leading members or other special interest groups (James, 1995: 98-100; Moggridge, 1992: 729).

By ensuring the generous provision of international liquidity, the Union was intended to be a large supranational institution with its own Governing Board. This was to be far more representative than anything in the White Plan, and it would act as the global central bank to the participating member governments, national central banks and other appropriate authorities (IMF, 1996; Bordo, 1993: 32-33). As the global central bank, the Union would become the monopoly note/currency issuer for current account transactions between political economies and would be their lender of last resort. As is explored in the following section, under the Keynes Plan the Union would be able to create and issue its own global reserve currency called the Bancor (see section 4.3.2). In this way, by having the ability to create trade credit and acting as a global lender of last resort, Keynes believed that lending from the Union should be virtually automatic or unconditional, i.e. at the demand of members that faced a temporary difficulty during the adjustment process (Cesarano, 2006: 137-138; Woods, 2006: 16).

To discourage trade imbalances, some safeguards were built in, as penalty fees (or interest charges) of up to 10% were in place against both exorbitant debts as well as excessive hoarding by surplus countries (Hess, 2012: 6; Joshi and Skidelsky, 2010: 174-175; Ikenberry, 1993: 173-174). As such, the idea guiding the Union was that the burden of adjustment should shift away from the debtor country because creditor countries should take a 'greater

involvement' in the adjustment process, however 'supple' this may be (Cesarano, 2006: 135-143). Indeed, '...while Keynes wanted to design a symmetrical system, White was intent on imposing more stringent rules on debtors' (Ibid: 149). In this way, the Keynes Plan would enable policymakers from 'smaller' political economies, particularly the poorest most indebted ones, to have a larger say during adjustment thereby generating a fairer system in the process. By distributing penalties between debtor/creditor political economies in a more even-handed fashion, it is evident that liberal cosmopolitan values such as fairness, sustainability, justice and equality are being upheld to a thicker degree than under the White Plan, which created an IMF that pursued the conventional blame the victim approach that persists to this day (Stiglitz, 2016: 21-32). However, by not taking the path put forward by Keynes, the immediate problem with the White Plan was that by acting as a type of central fund, rather than central bank, the resources of the IMF were to be dependent on subscriptions provided by members. Hence, lending was to be conditional and undertaken 'only out of subscribed capital', i.e. the Fund would not have the power to 'create' credit or loans, and lending would not be automatic (Turnell and Harcourt, 2004: 242; Skidelsky, 2002: 148).

For Blyth, from its creation the IMF would view the behaviour of debtor countries through '...a set of classical liberal assumptions', and would therefore endorse austerity policies and other structural adjustments, which were to be borne solely by the debtor country, as the central conditions to any assistance (Blyth, 2013: 164). Ngaire Woods chimes in, highlighting that the White Plan would create an IMF, whereby from its first operation, '...conditionality was held up as necessary to safeguard the short-term use of the institution's resources'. Thus, '...to increase the probability of swift repayment', some US policymakers and 'key agencies' like members of the US Federal Reserve and the National Advisory Council on International Monetary and Financial Problems felt '...that the idea of automatic lending needed to be 'vanquished' and 'defeated' (Woods, 2006: 7; 25). In this sense, a focus on power politics indicates that '...the strength of American economic and political power' would exclusively shape the designs of the IMF and World Bank (Boughton, 1998), and, according to Eichengreen, 'everyone' realised that the charges and penalties at the core of Keynes' Union 'were targeted at the United States'. Therefore, US policymakers inevitably rejected all paths that led towards implementing the Keynes Plan (Eichengreen, 2011: 46).

With this said, while US policymakers rejected Keynes' Union, wider scholarship indicates that financial sector actors, especially those based in the US, were against the creation of any type of global institution that would provide a '...substitute lender to indebted nations', because this would encroach on the lending traditionally undertaken by US banks and other global financial sector and banking interests (Schonhardt-Bailey, Bannerman, and Bailey, 2019: 5). This line of argument is supported by others that illustrate the objections raised by US financial sector interests, especially in regards to Keynes' Union, were ultimately allayed, as the final agreement was a significant departure from the vision endorsed by the Keynes Plan (Andrews, 2005: 92; Peet, 2003: 51-52; Helleiner, 1996: 52). However, this analysis can be taken further, particularly when one considers the role of ideas and the Keynesian economic policy revolution that engulfed the negotiations.

Here, Ikenberry illustrates that although the design of the central institution was contested, an emerging consensus was established between American and British economists and policy specialists, particularly located in their Treasury Departments. This consensus also extended to those in other government offices, universities and policy institutions, as they all shared a commitment to the 'Keynesian policy revolution' and the ongoing evolution in professional economic thought that this entailed (Ikenberry, 1991: 161-163). As Ikenberry goes on to state, the post-war Keynesian economic consensus that was based on a commitment towards promoting full employment and social welfare generated '...new attitudes [which] contrasted sharply with those [held] after the First World War...[as]...a remarkable sense of economic possibility and social purpose infused the thinking' of American and British planners, along with the larger international community of policymakers, businesses, policy advisors, economists and other academics (Ikenberry, 1993: 163-164; 167). This is corroborated with other scholarship that concentrates on the impact of Keynesian economics and policies on altering the cognitive background of policymakers and negotiators, as well as a range of actors, interests and groups (Blyth, 2013: 152-154; Cesarano, 2009: 18-20; Woods, 2006: 21-22).

For instance, Frieden notes that by the 1940s '...democratisation had brought workers, farmers, and the middle classes into the center of politics, including electoral politics', meaning that the agreements reached at Bretton Woods would need to be legitimised among wider domestic audiences (Frieden, 2017: 7). As Frieden goes on to show, the acceptance of

Keynesian policies, along with: 'The enfranchisement and empowerment of labour, farmers, and the middle classes meant that governments could no longer impose major adjustment costs on these groups without facing political opposition – in many cases, opposition that could not be overcome in a democracy' (Ibid: 8; 9-13). As such, the further formation of social democratic/socialist parties, the broad acceptance of Keynesianism, as well the ongoing organisation of social groups and special interests, all influenced the Bretton Woods conference (Frieden, 2017: 7-12; Rodrik, 2011; Strange, 2001: 95-120), especially in changing the thinking of: '..Political leaders and social groups across the political spectrum to envisage a postwar economic order where multiple (and previously competing) objectives could be met simultaneously' (Ikenberry, 1993: 175). In turn, this would result in some type of common vision and convergence between those that held classical liberal and laissez-faire ideas, and those more inclined towards forms of interventionism (Stiglitz, 2016; Blyth, 2013). In this respect, the construction of the Bretton Woods institutions should be heralded as a '...a truly unique historical creation [that] embodied a distinctive blend of laissez-faire and interventionism' (Ikenberry, 1993: 158) and was '...an amazing piece of institutional engineering' (Rodrik, 2011: 69) which still allowed a thin liberal cosmopolitan compromise to come to fruition.

Yet, this analysis produces two implications in relation to achieving a thicker liberal cosmopolitan compromise, and by extension a thicker version of the EUFTT. First, although a plethora of actors seemingly shared a common vision this would nonetheless be constrained and watered-down by power politics as well as the ideas and preferences of certain interests. The implication is that large and powerful actors also need to be heavily committed to and invested in thicker liberal cosmopolitan projects like a broad EUFTT for such a measure to be able to flourish. Therefore, by considering the global financial system as a whole, a convergence of ideas that creates a fine balance between the largest players involved needs to be achieved, with the view that it is in all their interests to ensure the stability, sustainability and longevity of the system (see Chapter 5).

Second, a more extensive paradigm shift may have been required as the Keynesian policy revolution was relatively short-lived because perceived cracks appeared by the 1960s due to a combined rise in inflation and unemployment (something unforeseen in Keynesian theory), thus other economic ideas and paradigms would prevail by the mid to late 1970s

(Bernanke, 2013: 31-34; Rodrik, 2011: 101). In the 1960s, whereas the source of inflation was thought to have emanated from balance of payments disparities, by the 1970s, Keynesian policies, '...technological obsolescence, the social limits to growth, money supply excess, and government largess were all to blame' (Abdelal, Blyth and Parsons, 2005: 40). At this time, a counter-revolution launched and supported by Milton Friedman and others, would displace global Keynesianism and lead to another alteration of the economic instruction sheet, but on this occasion towards ideas supportive of price stability, austerity, laissez-faire, monetarism and free market fundamentalism (Blyth, 2013). However, this 'new' economic instruction sheet would also be continually questioned, as by the 1980s, labour market rigidities were to blame for high inflation and high unemployment, while the villain of the 1990s was thought to be '...a lack of financial market credibility' (Abdelal, Blyth and Parsons, 2005: 40). As such, thinking around the sources of inflation and unemployment, as well as other aspects of the economic instruction sheet, can be understood and comprehended in different ways by different people.

In this respect, the lesson for the EUFTT project is that a policy revolution needs to be supplemented with continued evolution, especially when novel and untested measures are put forward. This is required to persuade and socialise other actors to endorse these types of projects as well as, more broadly, support, reinvigorate and develop the economic instruction sheet if problems arise. At the same time, FTT proponents need to be prepared to counter the pushback that might emanate from academics, as well as special interests who could be undermined by liberal cosmopolitan projects of this kind. In this way, an ongoing policy evolution and paradigm shift needs to be continually guided and reinforced by a range of FTT proponents, not limited to just policymakers. This needs to also include policy experts, social movements, CSOs, financial sector actors, academics, etc., with this in turn generating thicker transnational relations and transnational communities in the process. In this sense, it is important to understand how mainstream narratives and strong counter-narratives shape and construct shared transnational cognitive backgrounds during the policy process, and whether this has an impact on the paths that are taken as a result (see Chapter 6 and Chapter 7).

4.3.2: The Bancor as the Global Reserve Currency:

When considering the global reserve currency at the centre of the system, Keynes suggested that this should not be based on one particular national currency, but rather, he envisaged the creation of a truly supranational global reserve currency called the Bancor (Keynes, 1942 cited in Horsefield, 1981: 3). The intention was for the Bancor to be exchangeable with national currencies or gold at fixed rates, but with some room for adjustment at the discretion of the Governing Board of the Union. In this manner, the Bancor would supplement the limited supply of US dollars and gold in the system, thereby maintaining confidence in the post-war financial architecture, particularly in regard to global trade (Boughton, 2002: 16). This would create a situation whereby national currencies were primarily used at the domestic level, and in turn, the Bancor was only to be used to settle current account transactions with other central banks (which could then be converted back into the national currency). This indicates that the Bancor was to be a form of 'outside' money that would circulate in a closed economy limited to national central banks (Ibid: 16), and would be the unit of account for trade between political economies as well as a measure of trade deficits and surpluses (Hess, 2012: 5; Eichengreen, 2011: 46).

National central banks would pay a subscription to the Union, allowing them to borrow an initial reserve of Bancor and set up a corresponding quota of overdraft facilities for the purpose of subsequent borrowing (Cesarano, 2009: 142-143). In effect, liquidity to conduct global trade would be created via overdrafts available to each government based on their volume of trade, not reserve currency holdings (Turnell and Harcourt, 2004: 242). With this account at the Union, governments did not need to shore up their reserves through buying and selling gold or each other's national currencies, instead they could borrow the Bancor in times of need and lend it when they ran a trade surplus (Klaffenböck, 2008: 36; Turnell and Harcourt, 2004: 242). In addition, '...Keynes aimed to eventually decouple Bancor from gold by introducing an asymmetric scheme: Gold buys Bancor, but not the other way around' (Jaeger, Haas and Töpfer, 2013: 15). This meant that once created, Bancor balances could be exchanged for the national currency, but could not be redeemed for gold on demand from the Union. If the Bancor was not converted into the national currency, then it would be

cancelled automatically when the government in question repaid its Bancor credits, or achieved an equilibrium balance of trade (Boughton, 2002: 16).

However, the Bancor was not seriously considered under the White Plan, and instead by linking the US dollar to gold in a form of gold-exchange standard (see section 4.2.1), problems beset the BWS from inception. As Keynes had anticipated during the conference (Klaffenböck, 2008: 36; Boughton, 2002: 16) and as Robert Triffin aptly demonstrated in a 1947 study for the US Federal Reserve Board (Eichengreen, 2011: 50), the dollar-gold exchange standard was fundamentally flawed from birth because a national currency is not suited to be a global reserve currency. Ultimately, this would be to the detriment of the US economy as issuer for two interrelated reasons. First, if US policymakers chose not to deliver global liquidity – i.e. an unlimited supply of US dollars to lubricate global growth and trade – then ‘...trade would stagnate and growth would be stifled’. Yet, by providing unlimited global liquidity, confidence in the US commitment to maintain its peg to gold would be ‘eroded’, leading to ‘...a run on U.S. gold stocks’ (Eichengreen, 2011: 50). Second, if the US balance of trade moved from a surplus to a deficit, i.e. it became a debtor country, ‘...with continuous deficits, [then] U.S. monetary gold reserves would decline both absolutely and relatively to outstanding dollar liabilities until an eventual convertibility crisis’ (Bordo, 1993: 61). Therefore, in the words of Triffin the problem was that:

‘...if the United States corrected its persistent balance-of-payments deficits, the growth of world reserves could not be fed adequately by gold production at \$35 an ounce, but that if the United States continued to run deficits, its foreign liabilities would inevitably come to exceed by far its ability to convert dollars into gold upon demand and would bring about a “gold and dollar crisis”’ (Triffin, 1978: 2).

This so-called ‘Triffin Dilemma’, highlighted that the US would not only run continual balance-of-payments deficits by providing the global reserve currency, but in doing so, it also needed to provide a stable inflation rate to the system by finding a balance between both its national and global objectives (Alessandrini and Fratianni, 2008: 3-4). As Rodrik illustrates: ‘As long as the rest of the world was happy absorbing U.S. dollars as part of their global money supply, there was no problem...[and, therefore the Triffin Dilemma was]... largely irrelevant for U.S. policy makers until the late 1950s’ (Rodrik, 2011: 99-100). However, by this time the ‘dollar shortage’ had been alleviated as the current accounts of Western European political

economies were now generally in surplus, while full convertibility of the major industrial countries currencies was achieved at the end of 1958 (Bordo, 1993: 37-41). These developments began posing problems for the system, which became further amplified in the 1960s as US policymakers were committed to an expansionary monetary policy due to rising costs associated with the Vietnam War, increased spending on social programs and an overall reluctance to raise taxes or cut expenditures (Rodrik, 2011: 99-100; Bordo, 1993: 70; 74-76; Strange, 1989: 67-68).

Due to these developments, the BWS would come under increasing strain and begin to unravel because policymakers, especially those in France and other European governments, felt that the US commanded an 'exorbitant privilege', i.e. the '...ability to purchase foreign goods and companies using resources conjured out of thin air' (Eichengreen, 2011: 40). So, although European governments wished to continue to attain growing prosperity through this arrangement, they would, at the same time, still demand the right to complain about the injustices of a system which allowed the US to enjoy special privileges from other countries holding the US dollar as a reserve asset (Strange, 1989: 6-7).

In other words, European policymakers questioned the special privileges that arose from these arrangements, as they allowed their US counterparts to: A) embark upon expansionist policies without suffering a balance of payments crisis or high rates of inflation; B) continue to print the money required to pay for imports; C) earn seigniorage on all bank notes even though they were not all circulating in the US domestic economy (Alessandrini and Fratianni, 2008: 4; Klaffenböck, 2008: 67; Smith, 2003: 23). In this fashion, the adoption of a national currency as the global reserve currency tends to privilege the issuing political economy in the global market at the expense of others, at least in the short-run. Although this arrangement would initially benefit the US, it proves to be unsustainable because eventually the Triffin Dilemma becomes the fatal flaw of the system, a flaw that would not exist with the use of a supranational global reserve currency (Boughton, 1998).

By identifying these problems, the key lessons for ambitious thicker liberal cosmopolitan policy ideas, such as the Bancor or EUFTT, is twofold. First, leadership cannot solely be based upon coercion as there is a degree of trust, faith and general acceptance on the part of others when considering projects of this kind (Stiglitz, 2016; Blyth, 2013). From this view, the (counter-)narratives proffered by policy actors (as well as other forces) are

integral to furthering ambitious projects as they can assist in building consensus and coalitions with others, while at the same time, they also present the reasoning and rationale behind the choice of certain paths over others (see Chapter 6 and 7). Second, the problems related to the Triffin Dilemma had been identified at an early stage of the negotiations and were repeated across the BWS era. Yet, this flaw remained unresolved for much of the period under question. Thus, the key lesson for the EUFTT project is that flagged issues and ostensible problems should perhaps be addressed from the beginning, particularly in relation to contested design features and primary objectives (see Chapter 5).

4.3.3: Capital Controls and The Eurodollar Market:

Under the IMF's Articles of Agreement, a distinction was drawn for the use of capital controls between current account transactions (that is, trade in goods and services) and capital account transactions (namely, foreign direct investment, reserve holdings as well as portfolio and other investment) (Tenney and Humphreys, 2011: 82). Article VI. (Capital Transfers) states that after a transition period '(m)embers may exercise such controls as are necessary to regulate international capital movements, but no member may exercise these controls in a manner which will restrict payments for current transactions' (IMF, 1944 cited in Horsefield, 1981: 194). As such, after an approved transition period no restrictions were to be placed on capital flows concerning current account transactions. This ended up being from the end of the war to December 1958 for fourteen European countries, including Britain, France and Germany, and until 1964 for Japan (Patomäki, 2008: 133; Garber, 1993: 465). Thus, the BWS as envisioned under full convertibility only operated for just over nine years, from the end of December 1958 to the middle of March 1968 (Bordo, 1993: 4; Garber, 1993: 461-462).

Yet, even before the arrival of full convertibility, circumvention of capital controls plagued the BWS from its earliest stages. Primarily, financial sector actors were assisted by trading firms to avoid capital controls by means of leads and lags (Obstfeld and Taylor, 2005: 154-155; Bordo, 1993: 44-45). In other words, to bypass controls on outflows, importers paid early for imports (leads), in exchange for a discount, and exporters allow delayed payments for their goods (lags), in return for a higher payment. The opposite applied for controls on

inflows: importers delayed payments while exporters demanded accelerated payments. Through this, trading firms could effectively lend or borrow money to different markets across the globe and by doing so circumvented capital controls with ease. In essence, capital account transactions 'were kept unregulated' and 'capital controls would not be mandatory' (Widmaier, 2011: 143). Leads and lags, therefore, provided the opportunity to evade controls and turned trade credit into the perfect substitute for short-term capital flows, thereby assisting financial sector actors engaging in short-term speculative activity (Widmaier, 2011: 143; Neely, 1999: 27).

Much short-term speculative activity focused on currency devaluation, which turned out to be another issue that plagued the BWS from the outset. Many countries required currency devaluations against the US dollar to further alleviate their dollar shortages, make their exports more competitive and to reduce their balance of payments deficits with the US (Skidelsky, 2002; Bordo and Schwartz, 1997; Bordo, 1993). For Britain, an early devaluation seemed likely as the post-war era witnessed an increased global demand for US dollars, as opposed to pounds sterling, due to the dominance of US goods on global markets. Concomitantly, although emerging victorious from the war, Britain was saddled with huge wartime debts that were owed to the US and the Empire/Commonwealth, therefore questions were raised as to whether Britain could honour its' global commitments including the maintenance of a closed sterling area at pre-war parities (Best, 2005; Patomäki, 2008; Helleiner, 1996). In this respect, before the 1949 devaluation, many non-resident holders of inconvertible sterling already had an incentive to bypass controls by front running an expected devaluation on the part of the British government through 'illicitly' selling sterling for US dollars at a lower rate of exchange than the official one. They could then use the proceeds to buy US dollar goods, which in turn could be sold at a profit (Bordo and Schwartz, 1997: 22).

At the same time, due to a combination of the abovementioned factors, early devaluations seemed likely for other political economies as well, and this finally came to fruition by 1949 with wholesale devaluations of up to 30% witnessed across 23 political economies, including Britain, France and West Germany (Best, 2005: 71; Skidelsky, 2002: 126; Bordo, 1993: 45). The problem with the BWS in this respect was that by allowing changes in parity only in the event of 'fundamental disequilibrium', the system encouraged governments

to delay adjustment (currency devaluation or appreciation) until they were sure it was necessary – by which stage financial sector actors and others would also be sure (Bordo and Schwartz, 1997: 22; Bordo, 1993: 45). This had serious implications for global monetary cooperation, because the competitive devaluations endemic during the inter-war years (1914-1939) had not been overcome as the same policy prescriptions were being applied. These early problems were intensified with the arrival of full convertibility in late 1958. By this time, the abundance of US dollars across the globe reflected the rundown in US and the build-up of European and Japanese reserves (Skidelsky, 2002: 126). This reserve reversal generated the Triffin Dilemma (see above), as over the next decade more than 65% of the US deficit was transferred in the form of gold, as compared to less than 10% prior to 1958 (Cohen, 2002: 99). At the same time, the US dollar ‘glut’ created the perfect conditions and incentives for more financial innovation as capital controls were further circumvented through the emergence of the Eurodollar market. Eurodollars are US dollar-denominated deposit liabilities of banks located outside of the US (Fowler, 2014: 825).

Ever since the end of the war, British policymakers, treasury officials, central bankers along with financial sector actors were keen for the City of London to regain its pre-eminent position as a global financial centre – which it again began moving towards in the late 1940s and early 1950s for the closed sterling bloc of the Empire/Commonwealth (Patomäki, 2008: 132; Helleiner, 1996: 84). However, by the mid to late 1950s, the viability of this bloc came into question and all interested parties soon concluded that London’s global position as a financial centre would be better preserved if it emerged as the offshore capital of the Eurodollar market (Tax Justice Network, 2020: 1-5; Doyran, 2011: 51; Patomäki, 2008: 132). Initially using capital control loopholes, British banks set up US dollar accounts for Soviet-bloc and Arab states that were wary of banking in New York. Then, once convertibility had arrived British banks completely switched their global operations from sterling to the US dollar to take advantage of the relaxation of capital controls in Japan and Europe at the end of the 1950s and early 1960s (Panitch and Gindin 2005: 54; Helleiner, 1996: 81-82).

Therefore, in the post-war period, the first instance of a significant global financial market was the Eurodollar market, in which London hosted a large group of foreign banks and their subsidiaries (including US ones) for the purposes of short and long term lending (Doyran, 2011: 51; Sassen, 2001: 65). In addition, large US corporations and firms – along with those

headquartered in other countries - assisted in the rapid development as well as further progression of the Eurodollar market by depositing their funds and profits in these offshore entities and jurisdictions (Patomäki, 2008: 133; Sassen, 2001: 65). Especially from the 1950s onwards, many corporations were attracted to other offshore Eurodollar jurisdictions to avoid national regulations, obtain guarantees of secrecy and gain exemptions from taxes (Tax Justice Network, 2020: 3-5; Patomäki, 2008: 132). In a similar vein, banks – especially those based in the US – found London to be extremely profitable because they could escape a range of US regulations (Doyran, 2011: 51; Panitch and Gindin 2005: 54). To add, national authorities and policymakers, most notably those in Britain and the US, continued to tolerate and, in fact, allow this activity to blossom (Rodrik, 2011: 102; Patomäki, 2008: 132; Helleiner, 1996: 83-91). Indeed, British policymakers ‘restricted’ the convertibility of sterling for non-trade use, but they chose not to do so on cross-border banking in US dollars, and US authorities tolerated the existence of the Eurodollar market by allowing onshore settlement of offshore transactions (IMF, 2014: 61).

Thus, the emergence of the Eurodollar market brings to light another weakness with the BWS as capital controls could be circumvented even more so than they had been during the inconvertibility years. Whereas the liberalisation of global finance is usually dated from the early 1980s onwards, this process actually begins much earlier as the emergence of the Eurodollar market illustrates. This would be problematic for the BWS because whenever foreign holdings of US dollars increased, they caused a massive drain on US gold reserves, exposing the US dollar to the Triffin Dilemma and further speculation (Doyran, 2011: 51). With confidence in the US dollar faltering, the gold window was closed unilaterally by President Richard Nixon in 1971, in what became known as the ‘Nixon Shock’, whereby gold convertibility was ended, and then by 1973, the fixed exchange rate regime was completely abandoned, leading to floating exchange rates for most developed political economies (Cohen, 2002: 100-101). The above highlights some of the key failures in the immediate history of the BWS, as capital controls proved to be highly porous (Obstfeld and Taylor, 2005: 155) and ‘quite ineffective’ (Helleiner, 1996: 56). From this analysis, two lessons can be drawn which are directly applicable to the EUFTT project.

First, the experience of the BWS illustrates that capital controls must, to some degree, be universal in application. Along these lines, and especially with the re-emergence of floating

or flexible exchange rates, economist James Tobin prescribed limiting the excessive global mobility of financial capital as governments cannot adjust to massive movements of funds across borders without facing real hardship and significant sacrifices (Tobin, 1978. 153-154). Tobin argued that policymakers needed ‘...to throw some sand in the wheels of our excessively efficient international money markets’ by implementing an ‘internationally uniform tax on all spot conversions of one currency into another, proportional to the size of the transaction’ (Ibid: 154-155). Due to further financial innovations and the inordinate rise of global finance, the so-called ‘Tobin Tax’ would eventually become encapsulated by the EUFTT project, which in turn, might need to expand its scope of uniformity to a range of financial actors, instruments and markets in a broad or narrow universal manner. In other words, to prevent the circumvention of the EUFTT, a clear set of design features need to be agreed upon and included within any final agreement, which take into account the historical issues surrounding the regulation of global capital mobility and the specific aspects that need to be addressed (see Chapter 5).

Second, as a descendent of the Tobin Tax and other similar policy ideas, the EUFTT project is based on the notion that regulating capital movements will ‘...restore to national economies and governments some fraction of the short-run autonomy they enjoyed before currency convertibility became so easy’ (Tobin, 1978: 159). In this respect, even though the EUFTT project necessitates cooperation between policymakers, a ‘go it alone’ form of Tobin Tax or national FTT can still be implemented unilaterally. Again, national policymakers are subject to existing as well as changing background conditions and cognitive structures, which may influence their perceptions when it comes to the alternative paths that can be taken when considering FTTs. As such, later chapters explore why some policymakers have displayed more commitment towards regulating their financial markets in the wake of the 2008 global financial crisis, and how, for some, the direction of travel seems to be heading towards the implementation of types of FTT and Tobin Tax on a national basis (see Chapter 6 and Chapter 7).

4.4: Conclusion

In conclusion, I have analysed the two main paths that could have been taken during the Bretton Woods conference and I present an exploration into the objections, challenges and obstacles that arose when it came to implementation. In addition, I have illuminated a number of immediate problems that beset the BWS, including the weakness of its central institutions, the Triffin Dilemma and the Eurodollar Market. Although the White Plan would dominate the outcome and inform the BWS, I have shown how this plan was watered-down by some US policymakers and financial sector actors. Having said this, there was still a broadly shared cognitive background and common vision that was promulgated and presented at the conference, i.e. achieving full employment and further spreading the Keynesian policy revolution. In this respect, the amended White Plan would still generate a shallow multilateralism and limited forms of thinner liberal cosmopolitanism in practice. Yet, thicker liberal cosmopolitan outcomes could have been produced if the Keynes Plan, or aspects of it, had been at the centre of the path that was taken. On top of this, even though the Keynesian economic policy revolution was an important factor, this – under an accepted Keynes plan – could have been further bolstered as an ongoing evolution of these policy ideas may have continued in a far stronger fashion and not been displaced by other economic ideas during the mid to late 1970s (see below and Chapter 2).

Moreover, my analysis has identified a range of potential key lessons for the EUFTT project, which can be summarised as follows. First, there is a clear need for leadership on the part of policymakers, and potentially other actors, to not only allow multilateralism to emerge, but also to reinforce, support and guide it through various stages and passages of time. Without sufficient leadership, global/intergovernmental projects – especially the thicker liberal cosmopolitan kind – might face far more obstacles to implementation due to existing power imbalances between actors, meaning that proposals could be noticeably watered-down even if there is some type of general agreement. In this regard, pushback and strong objections from vested special interest groups may arise and therefore large concessions and compromises will possibly need to be granted, and this may be necessary to not completely stifle the emergence of alternative thinner projects as pragmatic practical paths. As agreement on thicker measures may be difficult to achieve, especially in the short-term,

policymakers and proponents should prepare a range of designs and alternative paths that could prove to be the pragmatic compromise and more agreeable path in practice. This helps to ensure that thin liberal cosmopolitan outcomes can be achieved in the first instance, and then, through further advocacy, persuasion and socialisation, as well as the arrival of 'new' crisis moments that provide supplementary windows of opportunity for innovative ideas to prevail, these can lead to thicker outcomes at a later stage. Equally, leadership is necessary when setting out mainstream narratives and a broader common vision as it allows a range of actors and stakeholders to develop faith and trust in the project, on the basis that leadership will provide stability and some degree of predictability.

Second, and following on from the above, a broad agreement can encapsulate a wider common vision that sets out an over-riding aim or central objective, which can subsequently be used as the glue or rallying call to bind a diverse coalition of actors together. In this sense, short-term temporary solutions, which might be thinner to start with in that they put forward one or two central aims, should not be dismissed as they can be enhanced at a later date and they represent early compromises which set in motion deeper deliberation, debate, socialisation and the potential for further consensus-building among a range of actors. In turn, this allows for the formation of persuasive (counter-)narratives, which not only challenge existing ideas, but can also lead to deeper paradigm shifts and policy revolutions which can produce steps towards the thicker reforms initially conceptualised. However, this process is not self-fulfilling and therefore it requires strong transnational relations to emerge between a plethora of actors for this policy evolution to be sustained and carried forward. In practice, this was very difficult to achieve especially as the Keynes Plan was not implemented – which somewhat restricted the development of Keynesian ideas – and because competing economic ideas in the form of the so-called neoliberal policy revolution seemed to address BWS failures and solve issues of stagflation that appeared in the 1970s (Bernanke, 2013; Rodrik, 2011).

Third, agreement and implementation of thick and thin projects alike seem most prospective during crisis moments, or in their immediate wake, so it is important for proponents to not miss, overlook or downplay these windows of opportunity for reform. Thus, speed of implementation and achieving a somewhat broad agreement at an early stage of negotiations are equally important. Here, rapid implementation may be warranted as new crisis moments are bound to arise, leading actors to potentially alter their interests,

preferences and identities due to newly prevailing cognitive structures and background conditions. In this way, achieving an early agreement, even if this only leads to thin liberal cosmopolitan outcomes, is nonetheless essential for reform agendas to be furthered in practice. Again, the arrival of other crisis moments, as well as deeper persuasion and socialisation among actors, can lead to thicker liberal cosmopolitan outcomes and forms being realised later down the line, but an initial watered-down agreement can be an integral stepping-stone towards this thicker path.

In the next chapter, by drawing on my empirical data, I fully explore why a thicker liberal cosmopolitan regulatory path was not taken during the EUFTT project and process. I posit a number of reasons highlighting why this was the case, including the fact that fading memories of the 2008 global financial crisis and the arrival of new crisis moments altered the cognitive backgrounds, preferences and viewpoints of many actors involved. In addition, I demonstrate that divisive agendas, mixed messaging and existing national market specialisations, as well as actors choosing to pursue divergent and/or alternative paths, all had an impact on the way the project proceeded.

Chapter 5

Designing the EUFTT: A Regulatory Path Not Taken

5.1: Introduction

This chapter addresses the fourth and fifth key research questions. These are reiterated below:

- 4) What are the representative attitudes and positions of civil society organisations, policymakers and businesses towards an (EU)FTT? How have these differed within, between and across groups? Why have particular stances, viewpoints and paths been endorsed?
- 5) When mapping-out the EUFTT negotiations and process, how have hurdles and contestation points been overcome or compromised upon? What key lessons can be drawn for other (future) global, regional and national policy initiatives?

As such, I explore the representative positions and viewpoints taken towards the EUFTT project by a range of actors and I map out how the process unravelled across the period under investigation (2008-2018). By drawing on original insights from my interview data, I argue that at least five visible hurdles blocked the path to implementation of the EUFTT. First, the 2008 global financial crisis signalled a window of opportunity and was the foremost vehicle that some national/EU policymakers, alongside non-state actors (like CSOs and academics), utilised to set the agenda by questioning and delegitimising the prevailing neoclassical paradigm, as well as guiding broader policy direction and public sentiment, towards the financial sector and future role of government. However, while the crisis moment enabled early norm carriers to emerge, especially at the European Commission (EC), 2008 would nonetheless become a distant and forgotten memory as other events/shocks occurred. Principally, the Eurozone Sovereign Debt Crisis (hereafter Eurozone Crisis) beginning in late 2009 displaced the 2008 moment. In turn, most of the regulatory benefits associated with FTTs, and as a corollary, thicker liberal cosmopolitan conceptualisations (see Chapter 2), were

departed from once most policymakers honed in on the revenue-raising potential of the measure.

At this point, it should be noted that there was a tension between and within FTT proponent and opponent groups, concerning whether the EUFTT could be designed as revenue-raising measure, a path to regulate financial sector behaviour, or to do both. The issue here is that vast revenue generation is dependent on the continuation of high volumes of trading activity on financial markets, whereas a regulatory approach seeks to limit or expel certain trading strategies and encourage a longer-term investment outlook. At the same time, FTTs could provide a dual-function and do both, but this would be related to the endorsement of specific design features that targeted undesirable activity with high rates (e.g. 5%) and other areas with much lower rates (e.g. 0.001%). As explored below, FTTs can be constructed in a multitude of ways to achieve certain objectives, but most FTT proponents and opponents seemed to agree that generating revenues, as opposed to producing regulatory change, would be the most likely (and desired) outcome of the project/measure (see also section 5.3). Therefore, early challenges for the EUFTT included the speed of implementation due to the occurrence of additional crisis moments and, in particular, the re-acceptance of modified neoclassical economic ideas among most policymaking communities when dealing with the Eurozone crisis, which meant that the EUFTT would be heralded for its revenue-raising potential as a possible solution to increasing government debt.

Second, I argue that the three objectives at the core of the EC proposal were not, on the most part, equally focused upon by EU level policy actors, or, when this did occur, it resulted in mixed messaging surrounding paths towards a deeper regulatory turn and the discovery of new revenue streams. On top of this, with most EU/national policy actors leaning towards revenue generation, the financial industry added their weight to narratives by confirming that the measure could produce substantial revenue, but also highlighting that regulatory benefits would be non-existent, as FTTs cannot remedy behavioural issues associated with the 2008 crisis or subsequent Eurozone Crisis. As such, this was a hurdle to implementation because early entrepreneurship/innovation at the EC was mostly diminished, as the three objectives were departed from and the sub-EU level measure mainly placed attention on revenue potential. Third, I argue that other FTT proponents like CSOs, academics and bottom-up forces were equally divided over the main purpose of FTTs. Most FTT

proponents honed in on revenue generation, which deepened divisions among other (regulatory) FTT proponents, leading to the pursuit of diverse conceptualisations, strategies, campaigns and portrayals. This became an obstacle to implementation as FTT proponents did not endorse the measure with a unified voice or front, which intensified the confusion and mixed messaging that engulfed the measure.

Fourth, I demonstrate that once the primary objective of the FTT became revenue generation, many FTT proponents embraced the EC's innovative 'Triple-A' approach (i.e. coverage of all actors, all markets and all instruments) with the view that a broad measure produces the most revenue – €400 billion euros annually (European Commission, 2011c). Nevertheless, the Triple-A approach was in-and-of itself divisive and a challenge to implementation, as some member-states bore a much higher tax burden due to market specialisations, leading national policy actors to pursue various FTT exemptions. This is related to discussions in later chapters, where I draw on the concept of market identities to partly explain the behaviour of national policymakers (see Chapter 6) and non-state actors operating within specific national political economies (see Chapter 7). Here, the key challenge and policy lesson is that a broad 'Triple-A' FTT faced objections from nearly all financial market actors and many policymakers that house specific activities within their jurisdictions. Therefore, when contemplating liberal cosmopolitan projects, I argue that narrower conceptions are required as common starting points to establish greater agreement in the early stages, which, through acts of persuasion and socialisation, can then lead to a broader measure/project.

Finally, I posit that if the main objective of the EUFTT was to obtain a fair and substantial contribution from the financial sector, then alternative paths – like direct fines – could be considered instead of, or in conjunction with, increasing financial sector taxation/regulation. Here, in the post-crisis era (2008-2018), financial sector actors across the globe have paid fines in excess of \$320 billion, however policymakers in the US and the UK, rather than those from Eurozone governments, have obtained the lion's share of revenue (Chaikovska, 2019; Busetto, Gardó and Klaus, 2019; Macartney and Calcagno, 2019; The Boston Consulting Group, 2017). In this way, by stepping away from the EUFTT, UK policymakers demonstrated that national measures still result in some thinner liberal cosmopolitan outcomes being achieved in the form of increased social investment and redistributive justice (Macartney and Calcagno, 2019: 657; Civil Society News, 2016; Third

Sector, 2016; BBC, 2013). With this said, overall I demonstrate that the entire EUFTT process has revealed why post-crisis cooperation around implementing measures of a thick liberal cosmopolitan nature in the real-world of policymaking – however laudable – are particularly difficult due to a host of reasons. From an ACC reading, this not only includes the manner by which crisis moments are constructed for wider audiences, but also how divisions around constructed perceptions, agendas and interests influence policy processes and outcomes. In this sense, policy actors and norm carriers need to account for these factors when considering overcoming divisions, which FTT avenues/paths are feasible, and whether alternative paths may exist that generate similar or better outcomes.

Following this introduction, I have structured this chapter into four parts. First, I discuss the role played by the 2008 crisis in bringing the (EU)FTT on to the policy agenda and analyse how EC policymakers would become key norm carriers of the idea. In this section, I also explore the way in which the Eurozone Crisis displaced the 2008 crisis, and how this influenced the EUFTT process by convincing most policy actors to refocus attention on the revenue side of the equation. Second, I highlight that FTT proponents were divided over the main objectives of the measure, which, especially on the part of EU/national policymakers, led to confusion and mixed messaging when they attempted to sell the EUFTT to wider audiences. Equally, other FTT proponents were divided over whether the measure was to be designed as a revenue-raising tool or as contributing to a deeper regulatory turn. Further to this, I show that the Triple-A approach intensified divergences and differences among national policymakers during the enhanced cooperation procedure (ECP) process. Third, I outline that alternative paths to the EUFTT existed in the form of direct national measures like fining the financial sector. I argue that if the focus was on revenue generation and for the financial sector to pay its' fair share, then directly fining financial sector actors was the more prudent and pragmatic path to pursue. Finally, I present some concluding remarks that builds upon the main findings and sets out implications for liberal cosmopolitan scholarship more broadly.

5.2: The 2008 Global Financial Crisis: A Vehicle for Change or a Forgotten Memory?

In this section, I argue that the 2008 crisis presented an array of actors, namely FTT proponents, with a brief window of opportunity to not only seriously push the FTT idea on to the global/regional/national policy agenda, but equally, further viewpoints that departed from mainstream neoclassical economics and the preceding forty years of policymaking. Namely, policy actors at the EC reacted to this altered atmosphere by becoming early norm carriers of the FTT idea as they displayed innovation and entrepreneurship through features included within their concrete proposals. However, I argue that proponents of FTTs did not fully capitalise on the window of opportunity presented by the 2008 crisis moment and this occurred for two key reasons. First, policymakers at the EC – although displaying ideational leadership and being early norm carriers – did not push for the swift implementation of either a broad or narrow form of the measure. This meant that once the 2008 crisis dissipated and (was) transformed into a Eurozone sovereign debt crisis, mainstream narratives continued to be based on neoclassical views, at least on the part of policymakers and regulators, especially those at the European Central Bank (ECB), which purported austerity, balanced budgets and a host of other EU level measures as solutions.

Second, partly as a result of the evolution of the Eurozone Crisis, (EU)FTT proponents were divided, with the majority generally focusing on the revenue-raising capacity of the measure rather than a regulatory turn that addressed some of the problematic features associated with the 2008 crisis. At the same time, many FTT opponents suggested that the tax was misplaced as it did not target issues related to the 2008 crisis or Eurozone Crisis, meaning that mainstream neoclassical economic views held sway among most policy actors as they pursued alternative regulatory and revenue-raising paths. As such, by not fully endorsing a broad or narrow measure which could have (with immediate effect and/or over time) resonated with forms of thick and thin liberal cosmopolitan theorisation, a brief window of opportunity to raise revenues, produce further convergence as well as encourage a regulatory turn at the EU level was missed by proponents. In turn, the above divisions, alongside others, would permeate the perspectives and viewpoints advocated by FTT

proponents, which, as displayed across the following sections, would further impede paths to implementation.

5.2.1: Early Norm Carriers and Constructing New Paths: The Time for FTTs and the 2008 Crisis Moment

All 46 interviewees illustrated that the 2008 crisis presented a key moment whereby Tobin Taxes/FTTs forcefully re-emerged on the European policy agenda. Equally, they suggested that the 2008 moment produced a broader vehicle for change, insofar as accepted mainstream narratives based on neoclassical economics began to be questioned by larger numbers of policymakers, regulators and academics, in a far more meaningful way than prior to 2008. For example, some interviewees indicate that the EUFTT became a part of the policy agenda due to ‘...*the political climate created by the global financial crisis*’ (EU policymaker 4), because the causes were attributed to the general practices of the banking and financial sectors (Zourek; Henderson; Ötsch; Christensen; CSO Campaigner 1 and Pietikäinen Interviews). In turn, the crisis moment visibly uncovered problematic features associated with the global financial system which ‘...*dipped into the anger of the population at large towards the financial sector*’ (CSO Campaigner 1 Interview), thereby mobilising public support in favour of more regulatory measures, including forms of FTTs and Tobin Taxes (see among others: Dodds; Berès; Henderson; Schulmeister; Griffith-Jones; Hillman Interviews).

In this respect, *Eurobarometer* public opinion data illustrates that between 2010-2013, more than 80% of respondents consistently backed financial reforms such as financial taxes (like the EUFTT), tougher rules on tax avoidance and tax havens, taxing bank profits and regulating financial sector wages and bonuses (Eurobarometer, Spring 2013: 31). Specifically, public support for the EUFTT would peak in Spring 2011, whereby 65% of respondents polled were in favour of implementation (Eurobarometer, Autumn 2011: 18-19). Since then, favourable attitudes towards the project have been consistently reported within polling data, and even though there has been a gradual decline in endorsement, 46% still support the measure as of Autumn 2017 (Eurobarometer, Autumn 2017: 197-198).

Thus, in the post-crisis era, policymakers and well-known academics have continued to question notions of market efficiency, self-regulation, inflation targeting and the prevailing neoclassical/neoliberal economic models that were unwaveringly accepted before 2008 (Stiglitz, 2019; 2016: 145-155: 12-35; Blyth, 2013: 40-50; Rodrik, 2011: 233-251; Krugman, 2008; UN Commission, 2009). Furthermore, others expound that due to the 2008 crisis, the ‘...paradigm of efficient financial markets is dead’ (Schäfer, 2012: 76), and ‘...for the first time in over 30 years, serious efforts are under way to “reimagine” the financial sector’ (McCulloch, 2011: 112). Chiefly, this includes the manner in which ‘...taxation of the financial sector has forcefully re-emerged on the EU political agenda’ (Van Vooren, 2011: 7) and the way that ‘...new taxes on banks now form part of the broader debate on regulatory reform’ (Irvin et al, 2013: 65).

Due in part to these intellectual underpinnings, FTT proponents – namely CSOs (see also Chapter 7) and policy actors – enlisted the support of economists as key carriers of the FTT idea, with the UK based *RobinHoodTax* stating that over 1000 economists have supported the measure and/or joined the broad campaign coalition (TheRobinHoodTax, 2018b). Comparable trends are on display across France and Germany, where CSOs in favour of FTTs would draw upon expertise provided by economists, and academics more broadly (Welt Ethos Institute, 2017; Steuer Gegen Armut, 2016; CSOs, 2009). Similarly, policy actors drew upon think tanks and academic experts, who played a role in supporting FTT proponents by backing the tax and legitimising the idea among other academics and policy actors in the process (Irvin et al, 2013: 65-71; Rodrik, 2011: 129-130; Darvas and Weizsäcker, 2010: 1-20; Krugman, 2009; The Warwick Commission, 2009: 7-8). Hence, FTTs became increasingly popular since the 2008 crisis (Zuluaga, 2020), particularly among CSOs, academics and policy actors, including norm carriers at the EU level. This is made apparent by the fact that:

‘...the EC made its proposals increasingly radical despite political and technocratic opposition from financial actors, international financial organizations, the European Central Bank and governments of the opposing Member States’ (Gabor, 2013: 9).

Indeed, policy actors from the ECB did not back the EUFTT and hardly departed from understandings and perceptions engrained in the neoclassical instruction sheet (Stiglitz, 2016: 24-28; Blyth, 2013: 54-55; 87-93; 174-176). For example, ECB President Jean-Claude Trichet (2003-2011) repeatedly urged EU/national policymakers to drop plans for the FTT project at

the EU level. He objected as banks and financial trading activities would flee elsewhere, thereby framing one key mainstream narrative based on the notion that an FTT must be global to work (City A.M, 2011; Malta Independent, 2010; EU Observer, 2010a; Politico, 2009). Trichet's successor at the ECB, Mario Draghi (2011-2019), reiterated this type of narrative by illuminating that the EUFTT is not a good idea as Eurozone policies need to encourage the return of foreign investors (Politico, 2012). Thus, although those at the ECB share the objectives of the measure 'in principle', Draghi nonetheless identified '...many undesirable implications for our monetary policy' and indicates that the ECB is working with the EC to '...repair these aspects of the FTT' (Corporate Europe Observatory, 2013). Yet, regardless of this opposition, a majority at the EC and EP continued to back the tax by offering a range of counter-narratives that national policymakers utilised during wider debates to legitimise the idea (see Chapter 6).

To add, 33 out of 48 interviewees point out that many policy actors/officials working at the EC and other EU institutions were clearly early carriers of the idea, which would, in turn, be integral in persuading and socialising others to support the EUFTT project (see among others: Persaud; Henderson; Jones, Tudor, Cliggott Interviews). These claims are confirmed by wider scholarship which demonstrates that the EP '...sought to stimulate this idea' (Van Vooren, 2011: 7), with a host of MEPs across the political spectrum throwing their support behind the measure (Hemmelgarn et al, 2016: 225-227; Gabor, 2013: 9; House of Lords, 2012: 10-14). To complement this, other supranational policy actors at the EC have simultaneously carried the FTT idea forward, resulting in favourable perceptions and a general acceptability around the idea among some other national/EU policy actors (McCulloch, 2011: 109-110; Schulmeister, 2015; Van Vooren, 2011: 9). For instance, Hodson highlights that President of the EC, Jose Manuel Barroso (2004-2014), was an initial supporter and key carrier of the idea, as he had endorsed the EUFTT as early as April 2010, alongside a 'pro-regulation approach' and broader 'regulatory activism' towards global financial actors (Hodson, 2013: 310-313).

Moreover, EC publications illustrate that in parallel to pursuing an EU path '...the Commission has explored ways to introduce a financial transaction tax at global level since 2009 with its international partners in the G20' (European Commission, 2011c), and it '...strongly supports the introduction of a global FTT on the basis of its own proposal' (DG TAXUD, 2011). Again, the important point here is that much of the early innovative intellectual

work was undertaken within the EC, which is of course aided by a range of academics, but nonetheless EC policy actors, officials and bureaucrats played a key role in further persuading and socialising other actors – namely national policymakers – to endorse the idea. This is corroborated with the wider literature, as Manfred Bergmann, the EC Director for Indirect Taxation and Tax Administration in the Directorate General on Taxes and Customs Union (DG TAXUD) (2011-2016), became known as ‘Mr. FTT’ for his efforts. Indeed, Bergmann was credited with constructing the intellectual foundations of the initial EC proposal as well as convincing others to lend their support (Gabor, 2013: 5; International Tax Review, 2012; European Movement International, 2012; Bergmann, 2011). On top of this, Gabor notes that other officials at the DG TAXUD supported the EUFTT and displayed ‘...less ideational overlaps with the financial industry’ as they crafted ‘...persuasive analytical stories’ that encouraged cognitive movement ‘...away from the ‘market efficiency’ concepts previously governing financial regulation in Europe’ (Gabor, 2013: 14-15).

Furthermore, as Beck and Huizinga illustrate, EC officials in general would take the lead in normalising the idea that ‘...new taxes on banks now form part of the broader debate on regulatory reform’ and thus, they framed the (EU)FTT to be a viable policy choice in this regard (Beck and Huizinga, 2011: 65). Hence, EC policy actors like Barroso, Bergmann and others, as well as economists/academics normalised the FTT idea among wider audiences and, to some extent, brought it into the mainstream. Concurrently, they also moved the debate beyond the simple and conventional application of a Tobin Tax, covering foreign-exchange currency trading transactions, by also including other financial instruments, markets and actors under the remit of an FTT (Schulmeister, 2015: 29-30; Kitromilides and González, 2013: 313-314; Gabor, 2012: 3; Griffith-Jones and Persaud, 2012: 7-11). Consequently, this impacted the way the EUFTT would be designed moving forward, especially by lending credence to the Triple-A approach (all actors, all markets, all instruments) constructed by EC policymakers (see Section 5.3.3), as well as other innovative features like the usage of the enhanced cooperation procedure (ECP) (see Chapter 1).

As such, policy actors at the EC portrayed ‘entrepreneurial action’ (Abdelal, Blyth and Parsons, 2005: 31), ideational leadership and added more impetus to the negotiations among willing policymakers from EU member-states. They did so by presenting an innovative path to implementation, which although novel, was nonetheless a clear path to pursue in fostering

further cooperation and partially extending EU integration (Schulmeister, 2015: 38-49; Fabbrini, 2014: 162-165; Gabor, 2013: 13). Here, many EC policymakers provided intellectual support and ideational leadership for the EUFTT project by turning to the ECP process to overcome simple obstacles to implementation – i.e. unanimity among all EU member-states (Nerudová and Dvořáková, 2014: 453-454; Englisch, Vella and Yevgenyeva, 2013: 223-224). Moreover, by including the usage of extraterritorial features in the form of the residence and issuance principles, EC policy actors displayed further innovation, entrepreneurship and leadership. The application of the residence principle would mean that:

‘...the tax will be due if any party to the transaction is established in a participating Member State, regardless of where the transaction takes place [, or if] a financial institution engaged in the transaction is, itself, established in the FTT-zone, or if it is acting on behalf of a party established in that jurisdiction’ (European Commission, 2013b).

To add, as the EC goes on to show, their proposal would also incorporate an issuance principle, which further safeguarded against avoidance and relocation. The inclusion of this principle would mean that ‘...financial instruments issued in the 11 Member States will be taxed when traded, even if those trading them are not established within the FTT-zone’ (Ibid). Therefore, when moving forward with the ECP, EC policymakers supported the notion that if the EUFTT was designed in a similar way to their initial proposal then the tax could, in part, be applied globally by utilising extraterritorial features.

Essentially, both the residence and issuance principles could complement one another by making it ‘...less advantageous to relocate activities’ (The European Commission, 2013c: 5). Other scholarship highlights that EC policy actors gave legal credence to the EUFTT as they consistently argued that the measure is in line the EU treaties and will not affect the rights of non-participating member-states (Kalaitzake, 2017: 713; Hemmelgarn et al, 2016: 226-227; Fabbrini, 2014: 155). Hence, once a global, international and EU-wide FTT were seemingly off the agenda, policy actors within EU institutions continued to give life to the EUFTT project and display ideational leadership, support and innovation. As Heinz Zourek, the Director-General (2012-2015) in the EC’s DG TAXUD, notes, once the EUFTT became limited to the ECP process, this turned out to be ‘...*Plan D*...[after]...*Plans A to C* [i.e. global, international or EU-wide FTT] *did not materialise*’. Yet, this did not deter those at the EC, as they would still ‘...*push*

ahead with a group of willing member-states' by offering technical assistance, providing the legal basis and presenting a range of arguments in favour (Zourek Interview).

By visibly and vociferously offering their support, most EU (especially EC) policy actors had some impact on altering the shared cognitive understandings that informed other EU/national policymakers and regulators, as well as wider audiences in Europe. Namely, the deeper legitimisation of the FTT idea represented a shift in attitudes and viewpoints, at least to the extent that the policy measure was deemed to be a viable path that policymakers could pursue, a notable contrast when compared to the atmosphere prior to 2008. From an ACC reading, crisis moments are important as the responses constructed by policy actors are informed by not only the engrained understandings and cognitive backgrounds of actors, but also their perceptions of the proximate causes and evolving nature of crises. In this respect, EU policymakers along with an array of academics would all prove to be early carriers of the FTT idea as well as the broader liberal cosmopolitan values associated with the measure. Thus, policymakers at the EU level – particularly those located at the EC and EP – stimulated the initiation of the entire project through the construction of a detailed, innovative and concrete EUFTT proposal. To a certain degree, this process was unique as EU policymakers included a number of innovative design features and embraced the rarely used ECP to further integration among a subset of EU member-states by promoting notions of multi-speed EU integration (see Chapter 1).

Moreover, the EUFTT proposal, along with general theorisation on FTTs, went well-beyond Keynes' FTT idea (Keynes, 1936), as well as conceptualisations for a Tobin Tax (Tobin, 1978). This was witnessed through a range of innovations such as the Triple-A approach (which covered an array of actors, instruments and markets), utilising the ECP to foster international cooperation and the inclusion of extraterritorial features to increase the global scope of the measure. In this vein, most EC policy actors, through the construction and dissemination of their EUFTT proposals, played an early role in legitimising the idea among other national/EU policymakers, particularly those in Germany and France (see Chapter 6), as well as wider audiences across the EU in general (Eurobarometer, Autumn 2017: 197-198). Overall, this brought the FTT idea out from the shadows and into the mainstream, insofar as mainstream narratives purported by most policy actors would now need to engage with and address the policy proposal. On top of this, the EUFTT, and financial reform more broadly,

would become a part of the policy agenda because the 2008 crisis led to public outrage towards financial/banking sector practices and therefore policymakers would need to take some steps to address these and other concerns. Yet, even though the 2008 crisis was partly viewed as a vehicle for change, the EUFTT – especially as the ECP negotiations proceeded – faced an array of obstacles that are discussed in detail in the sections and chapters that follow, beginning with the commencement of the Eurozone Crisis that I now turn to.

5.2.2: Fading Memories and New Crises: The Emergence of the Eurozone Crisis

One clear obstacle concerned temporal issues associated with fading memories of the 2008 crisis and the occurrence of subsequent crises. Together, this detracted attention away from the EUFTT as well as altered understandings and perceptions among most FTT proponents. In this respect, 35 out of 46 interviewees illustrated that forgetting the 2008 crisis, particularly the manner by which systemic issues and regulatory failures slipped into past memories, alongside the length of time it would take to negotiate implementing the measure, would be key stumbling blocks when moving forward. For instance, some note that *'...timing is always a problem when other things are getting in the way, like the continued Eurozone crisis, Greek crisis, European migration crisis and all that sort of stuff'* (Tudor Interview), because this results in wider audiences and *'...the public forgetting about the last crisis'* (Henderson Interview).

Others find that memories of 2008, alongside linkages to the EUFTT, were forgotten and replaced by *'...bigger ticket items that were now on the agenda, like Brexit and the reform of Europe due to the Eurozone debt crisis'* (Financial Sector Professional 1). Therefore, these events along with other crisis moments and 'newer' issues associated with financial/banking sector practices that dominated media headlines (Klinz; Cliggott; Griffith-Jones; Hillman; Henderson Interviews), would end up *'...stalling progress among the group of the willing'* (Turbeville Interview) while also *'...presenting more immediate challenges to deal with'* (EU Policymaker 3 Interview). In this way, a number of crisis moments emerged in the post-2008 era, particularly when one considers the period under investigation (2008-2018). While I

consider the British exit from the EU (i.e. Brexit) in Chapter 6 and focus on the Eurozone Crisis below, the main point to raise here is that crisis moments in general seemingly change the priorities of policy actors at the national and EU levels, as they re-evaluate and re-construct their beliefs, interests and preferences.

This occurs because what actually constitutes a crisis as a crisis is not self-apparent; crisis moments as well as uncertain times are both diagnosed and constructed. In this sense, before collective action is possible agents ‘...must argue over, diagnose, proselytise, and impose on others their notion of what a crisis actually is’ (Blyth, 2002: 9-10). As the wider literature illustrates, the 2008 crisis was replaced by other crisis moments which, although arguably inseparable from 2008 (Stiglitz, 2016: 10 Blyth, 2013: 59-74), were constructed very differently and framed as a crisis of public debt, a crisis of growth and a state crisis, rather than an ongoing financial crisis (Hay, 2016: 528). Here, once 2008 (was) transformed into the Eurozone Crisis, whereby ‘... private-sector debt problems were rechristened as “the Debt” generated by “out of control” public spending [when] only Greece was in any meaningful sense profligate’ (Blyth, 2013: 73), EU/national agendas focused on this new crisis, rather than practices leading up to 2008 (Stiglitz, 2016; Blyth, 2013; Irvin et al, 2013).

This is confirmed by EC publications which illuminate that the EUFTT ‘...debate takes place in a general context of fiscal consolidation in the EU [which has] significant budgetary implications [so] new revenue sources should be explored further’ (European Commission, 2010: 3-4). In this sense, as the Eurozone Crisis unfolded and further intensified, most EU/national policymakers fixed their attention ‘...on the design failures of the Eurozone and the practicalities of having a monetary union without the accompanying integration of the fiscal side’ (Warren, 2018: 8). Yet, the Eurozone Crisis instilled the idea whereby many did not believe the EU to be a transfer union – or in fact want it to become one. Here, many European policy actors, especially those in Germany, as well as those at the ECB, repeatedly rejected Eurozone expansionary policies unless deficit member-states knuckled down and accepted bailout conditions (Bonefeld, 2019: 996-1000; Stiglitz, 2016: 22; 155-156). As such, the EUFTT started to be framed as a ‘new’ revenue source to extend the EU budget and government budgets more generally (Hudetz et al, 2017; Kalaitzake, 2017: 1653-1656; Nerudová and Dvořáková, 2014: 453-454). Thus, the Eurozone Crisis switched most EU/national policymaker attention, especially those that were EUFTT proponents, towards the revenue side of the

EUFTT equation, as financial support from EU institutions, especially the ECB, was conditional and not readily available.

When considering how the EUFTT was framed once the Eurozone Crisis unfolded in 2009, it becomes clear that the measure would shift towards being presented as a revenue stream that could assist in filling the hole left in government budgets across the EU. At the same time, even though FTT opponents agreed with proponents that substantial revenues could be raised (see below), they also framed the measure as being antithetical towards economic growth and the recovery of the Eurozone in general. In this sense, opponents as well as proponents seemingly converged around the view that the EUFTT would become a policy tool that could generate vast revenues rather than one that produced a deeper regulatory turn. As is demonstrated in Section 5.3, most FTT proponents like CSOs, but also EU/national policymakers more generally, honed in on the revenue-raising potential of the measure thereby illustrating at least two things to wider audiences. First, the measure can raise substantial revenue which could help alleviate the Eurozone Crisis, as well as be allocated to a host of local, national, regional, international and global causes. This basic claim, regardless of accuracy – as specified by FTT opponents (Omahen et al, 2013: 1; Folkerts-Landau, 2013: 1-2; Vella, 2012: 90-95; Beck and Huizinga, 2011: 65-71) – nonetheless contributed in framing the EUFTT as a bountiful revenue source that could benefit a plethora of actors, alongside EU/Eurozone citizens in the main (Schratzstaller and Krenek, 2019: 171-177; Schäfer, 2015: 4-5; 21; Griffith-Jones and Persaud, 2012: 6). Here, an EU austerity agenda, coupled with the emergence of other crises, resulted in many FTT proponents concentrating on revenue potential. Yet, in doing so, most proponents departed from promoting the regulatory benefits associated with the measure meaning that addressing problematic features concerning the global financial system fell out of scope for the EUFTT.

Second, the EC's concrete EUFTT proposal normalised the idea among wider audiences by not only portraying the measure as being completely feasible and as contributing significant revenue, but by also suggesting that the general direction of travel after 2008 would involve the creation of more financial governance mechanisms and regulatory measures at the EU level (Patomäki, 2012). As such, the EUFTT was framed as a part of the wider EU policy package, which was aligned to liberal cosmopolitan concerns and complemented steps towards a regulatory turn, however minimal, market friendly or

neoclassical these might turn out to be in practice. Yet, EU policymakers would not frame the EUFTT as the central mechanism that might produce a deep regulatory turn, as all regulatory benefits would be deemed to be welcomed side effects to the main aim of revenue generation (European Commission, 2013a: 11). Consequently, as opposed to encouraging systemic overhaul and a sweeping regulatory turn as envisaged in the immediate aftermath of the 2008 crisis, the EUFTT was framed in neoclassical terms and based on a compensatory logic (see Chapter 1 and Chapter 2).

With the onset of the Eurozone Crisis, neoclassical solutions and policy positions regained prominence, meaning that most policymakers reverted to cognitive backgrounds, perceptions and understandings that were accepted prior to 2008. As such, the Eurozone Crisis, especially fears of becoming Greece (Warren, 2018: 9-10; Blyth, 2013: 72), resulted in ‘...across-the-board public spending cuts’ being normalised, as a high proportion of the European ‘...popular press seems to think that a drastic cutback in public sector spending is not just inevitable, but highly desirable’ (Irvin et al, 2013: 6; 11). Counteracting the Eurozone Crisis by spending more, bailing out other EU member-states and increasing taxation, did not resonate with wider audiences as other leading political parties in these countries honed in on the same profligacy narratives associated with Greece, and applied them to their own cases as well as the rest of the EU. This framing of the Eurozone Crisis has led to a return to and general (re-)acceptance of the neoclassical instruction sheet among most policy actors, which in turn, has partly diminished the regulatory aspects of the EUFTT. Principally, this is because the EUFTT was portrayed as a source of revenue that could be deployed to assuage the Eurozone Crisis.

Thus, crisis moments are key vehicles in de-legitimising accepted ideas and mainstream narratives. This is important as the crisis moment provided FTT proponents, along with others seeking reform, a window of opportunity to further their causes, interests and agendas. However, other crisis moments along with political, economic and/or social events/shocks can arise which detract attention away from previous crises, leading to fading memories as well as the formation of new and/or evolving perceptions. This means that the timing and speed of implementation are vital for thick and thin liberal cosmopolitan projects, like forms of the EUFTT, to come into existence because the alteration of priorities, perceptions and understandings – especially as a result of new crisis moments and events –

can stall progress as divisions are accentuated and a range of obstacles come to the fore (see Chapter 8). With this said, this section has demonstrated that even though the emergence and construction of the Eurozone Crisis signalled a return to an acceptance of a (modified) neoclassical understanding among most policymakers, this, nonetheless, did not completely diminish the EUFTT – but rather – played a role in framing the measure differently. As such, the Eurozone Crisis played a role in altering policy actor and public perceptions, at least to the extent that most FTT proponents would focus on the revenue side of the equation due to shrinking government budgets and the essential need to discover new sources of government revenue. However, as the next section goes on to show, many divisions continued to arise within and between both proponents and opponents of FTTs.

5.3: Divergent Paths and Muddling Through: Divisions over Design

In this section, I argue that most EU(FTT) proponents were divided over the main aim of the policy idea, which, in turn, translated into mixed messaging, diverse engagement, an ambiguous portrayal and varying commitment to liberal cosmopolitan outcomes. Specifically, those advocating for the measure were split into two broad camps. These either: A) focused on the potential revenue that could be raised if the financial sector paid their fair share (most CSOs and, eventually, most policy actors); or, B) in line with Tobin's argument, concentrated on regulatory aspects which could improve, reform and stabilise the functioning of (global) financial markets. This latter group included some CSOs, some policy actors and some financial sector actors – like long-term, ethical, environmental and social investors as well as those that felt their activities were not associated with, or responsible for, the 2008 crisis. In addition, other proponents, namely policy actors at the national and most prominently at the EU level, but also some CSOs and a cohort of financial sector actors (principally those with a long-term investment outlook), stressed that any well-designed FTT could play a dual function. Therefore, divisive agendas, incoherent messaging and a lack of unity formed the basis of mainstream narratives, and a range of counter-narratives, with both playing a role in stalling tangible progress at the EU level.

Further to this, I argue that once a large grouping of proponents coalesced around the potential revenue that could be derived from the measure, another division emerged in terms

of allocation of said revenue. In this respect, most policy actors from EU institutions favoured the extension of supranational funds, i.e. towards the EU budget and/or creation of an EC budget, which could be designated towards a range of EU projects, policy concerns and investments (21 out of 46 interviews). On the other hand, national policymakers focused on increasing their national budgets, while CSOs mainly concentrated on raising expenditures for official development assistance (ODA), either through national or EU (European Development Fund) means, and a host of other issue specific interests like countering climate change, solving environmental problems and reversing austerity measures (31 out of 46 interviews). As a result, while the yet to be implemented measure was still in the design-phase, (EU)FTT proponents would, in the main, depart from pursuing arguments initiating a regulatory turn and instead hone in on a compensatory/redistributive (counter-)narrative. Thus, even though most FTT proponents were unified insofar as they concentrated upon the revenue side of the equation and a compensatory logic, which increased the weight of their argument, they nonetheless remained divided over revenue allocation.

Finally, I maintain that the 'Triple-A' approach underlying the EC proposal was highly ambitious and would inevitably be watered down after several rounds of negotiations. This is because the existence of significant differences between financial markets across EU member-states would be influential in challenging the idea of a Triple-A approach, as national political economies would be impacted in markedly different ways. Therefore, specific cognitive backgrounds and social representations influenced national policymakers, leading to varying levels of commitment towards liberal cosmopolitan outcomes. For example, the UK housed the world's largest banking sector meaning that policymakers displayed a clear aversion towards financial regulations, especially those emanating from supranational and global entities. To add to this, French policymakers, along with others, would actively lobby for exemptions to apply to certain types of derivatives transactions, as this type of financial instrument is a speciality of French banks. In this sense, further obstacles to implementation revolved around forms of market specialisation, which in turn, leads to a questioning of the universality of liberal cosmopolitan projects.

5.3.1: Mixed Messaging and the Primary Objective: Regulatory Turn or Revenue Stream?

When considering the broadest conceptualisation of the EUFTT project, all 46 interviewees illustrated that the EC proposal was initially constructed as a policy response that attempted to address some of the problematic features associated with the global financial system. The 2008 crisis had shone light on financial sector excesses as well as issues surrounding systemic risk, short-termism, deregulation, bank/financial institution failures and public sector bailouts of the global financial sector commencing in 2008 (see among others: Griffith-Jones; Schulmeister; Fullerton; Henderson; Turbeville and Persaud Interviews). Early discussions at the EC, therefore, centred around altering the behaviour of financial sector actors and establishing how they could be made to pay their fair share in recovering some of the costs inflicted during, and in the aftermath of, the global financial crisis. In this fashion, both proponents as well as opponents of the EUFTT highlighted that the measure was initially portrayed as providing ‘...two solutions’ (Klinz Interview) and ‘...a double pay-off’ (Financial Sector Professional 4 Interview) or ‘...double dividend’ (Financial Sector Professional 2 Interview).

This is because the EUFTT ‘...begins to address issues with financial markets, like short-term speculation...[and]...systemic risk, while raising revenue in the process’ (EU Policymaker 3 Interview) and, in short, the FTTs could play a dual function of being a regulatory tool and revenue-raising solution (see among others: Pietikäinen; Berès; Jones; Schulmeister; Turbeville Interviews). To reiterate, once formulated in September 2011, the original EC proposal for an EUFTT comprised at least three broad aims:

‘First, it will strengthen the Single Market by reducing the number of divergent national approaches to financial transaction taxation. Secondly, it will ensure that the financial sector makes a fair and substantial contribution to public revenues. Finally, the FTT will support regulatory measures in encouraging the financial sector to engage in more responsible activities, geared towards the real economy’ (European Commission, 2013a).

The resonance between these objectives and liberal cosmopolitan theorisation is discussed at length in earlier chapters. Here, the main point is that when the EC published their original

Impact Assessment in September 2011, the focus of the proposal was as much set on changing the behaviour of financial sector actors as well as underlining potential revenues, thereby encouraging steps towards thicker liberal cosmopolitan conceptualisations (European Commission, 2011a). Hence, the mainstream narrative purported by EU policymakers – some supportive national policy actors – and other proponents more broadly, centred on the idea that the EUFTT could be utilised as a regulatory tool that complemented other existing and evolving policy measures (Hudetz et al, 2017: 609-613; House of Lords, 2013: 11; 14; 16-17; Schäfer, 2012: 76-77; 82-83; Buckley, 2012: 99-103). In this fashion, EC publications indicate that:

‘...even though many assume that taxes could indeed generate a 'double dividend' by raising revenue and creating positive behavioural incentives...[t]he basic idea is that taxes could improve financial sector stability and the functioning of the market’ (European Commission, 2011a: 15).

Here, EC policymakers are demonstrating that the EUFTT is to be primarily designed as a regulatory tool, aiming ‘...to curb speculation, noise trading and technical trade’ (Ibid: 52), and ‘...to reduce Automated Trading, and notably its subset of High-Frequency-Trading’ (Ibid: 36). In addition, when summarising their consultation process with EU citizens, stakeholders and other bottom-up forces, within the European Economic and Social Committee (EESC), DG TAXUD indicate that the objective of the EUFTT is to discourage:

‘...high risk activities of the financial sector [especially] certain highly-leveraged derivatives and some high-frequency automated trading’ (DG TAXUD, 2011).

Therefore, the initial EC proposal, combined with the work undertaken by EU policymakers, enabled the EUFTT to be primarily framed as a regulatory measure which improves, reforms and stabilises financial markets, and only secondarily as a revenue-raising tool. Of course, as noted by the EC, during the EESC consultation process those from the business sector, especially representatives of the financial industry, would attempt to diminish the regulatory aspects of the tax as well as oppose ‘...any and all types of additional tax burden on the financial sector or financial markets in general’ (European Commission, 2011d: 2). This was understandable and expected, as any additional financial taxation would have an adverse impact on the business models, activities and operations of these types of

firms. Indeed, the initial EC proposal suggests that between ‘EUR 16.4 billion and EUR 400 billion’ could be raised per annum (European Commission, 2011b). On top of this, industry-led research outlined that projections concerning the activities for just 42 global banks would exceed EUR 170 billion a year, based on the level of their financial transactions carried out in 2012 (Omahen et al, 2013: 1).

These material implications of the EUFTT, i.e. revenue estimations and all this entails, are equally important when factoring in ideational considerations. Here, two points become integral when accounting for the manner in which the EUFTT was framed and how the process unfolded. First, as all of the revenue would derive from those operating on financial markets, these estimates were influential in solidifying pushback and resistance towards the measure. This was especially the case for most actors emanating from the business sector, i.e. the intended targets of the tax, and policymakers whose jurisdictions would be most impacted, i.e. those from the UK and others housing large financial centres. Furthermore, the financial sector, along with some policymakers, contributed to mainstream narratives based on the idea that the EUFTT cannot play a dual role in regulating market behaviour as well as raising revenue in the process, because other measures – aside from taxes – are required to achieve the former (see below and Section 5.4).

Second, revenue estimations also played a role in unifying most FTT proponents, like EU/national policy actors and CSOs (see Section 5.3.2), around the vast sums that could be generated. Yet, consequently, FTT proponents were further divided over future revenue allocation. In this respect, once both EU and national policymakers primarily focused on and became more inclined towards the revenue potential of the measure, as opposed to the regulatory benefits, this intensified confusion surrounding an FTTs dual function, and led to an increased questioning of viability in general. For example, initial ideas included the creation of an EC budget and for additional resources to flow into an extended EU budget, but these notions proved to be highly unpopular among some national and EU policy actors alike (European Parliament, 2015; Hodson, 2013: 311-312). In addition, Patomäki demonstrates, EC discussions surrounding revenue distribution were ‘...a disappointment for the global justice movement and alter-globalisers: far from providing resources for development and poverty eradication, the Commission is looking for an alternative to national contributions for financing the EU budget’ (Patomäki, 2012). Thus, creating/extending supranational budgets

did not garner unanimous agreement, and instead, divisions, confusion and mixed messaging continued to engulf the EUFTT process. By December 2014, the Council displayed as much, by showing that national ‘...delegations could not yet agree on the solution of revenue distribution that would be acceptable to all of them’, thereby presenting negotiators with a key obstacle that prevented achieving the initially set implementation deadline (European Council, 2014a: 15).

Moreover, almost simultaneously, most actors emanating from the business sector equally questioned an FTTs viability as a regulatory measure in the first place, hence contributing to and shaping mainstream narratives in the process. Here, some opine that the EUFTT will not ‘...contribute alongside ongoing regulatory and supervisory measures to avoid future crises in the financial services sector’ (PWC, 2014: 4). This is because FTTs do not ‘...directly address systemic risk to reduce the probability and impact (i.e. costs) of crises, despite one of the key objectives stated being “complementing regulatory measures to avoid future crises”’ (Deloitte, 2014: 28). As such, the general message put forth by most business sector actors is encapsulated by a key industry-led study which states that: ‘Finance does need reform, but the FTT is the wrong solution...[as it] is misguided, counterproductive and badly designed’ (Folkerts-Landau, 2013: 1-2).

From this, an early counter-narrative posited by many actors emanating from the business sector, as well as other FTT opponents like economists and academics more broadly, rested on the idea that regulatory measures are warranted, but the EUFTT is the wrong path for policymakers to pursue in attempting to achieve this objective (Beck and Huizinga, 2011: 68; McCulloch, 2011: 111). Here, these actors coalesced around a position that forcefully questioned the way the EC objectives were postulated, particularly the idea that the EUFTT could play a dual function. While this did not gain immediate traction with EU and national policy actors, the counter-narrative would eventually form the basis of mainstream narratives. For example, this influenced the way that policymakers (and proponents – see below) would go about endorsing and designing the measure when moving forward. At the EC level, this is shown in a footnote in the second EC Impact Assessment published in 2013:

‘These disincentives through taxing certain activities and transactions are intended to reinforce the effectiveness of regulatory initiatives presently under preparation or

having recently been implemented...For the FTT initiative exercising such disincentives has more the character of welcome side effects' (European Commission, 2013a: 11).

As such, from being a key objective of the original 2011 EC proposal, by 2013, changing the behaviour of financial sector actors was side-lined to the realm of 'welcome side effects', and thus a regulatory path would not be pursued in a forceful way through the EUFTT measure. Here, encouraging behavioural change among financial sector actors would result in a vast reduction in the volume of financial transactions, which in turn, meant that less revenue could be obtained. Therefore, most FTT proponents, like EC policymakers, as well as others (see also below), shifted their focus towards revenue raising benefits of the measure. This type of shift is confirmed by a 2017 EC publication, which departs from messaging concerning a regulatory turn and hones in on the notion that the EUFTT '...will ensure that the financial sector makes a fair and substantial contribution to public revenues' (European Commission, 2017a). To add, European Commissioner for Economic and Financial Affairs, Taxation and Customs, Pierre Moscovici (2014-2019), also distanced himself from the initial regulatory message, as he notes that 'It is not again about sanctioning a sector' but financing government budgets and a range of necessary projects (Ibid). Moreover, aside from financial sector lobbying or fears that a vast reduction in financial transactions would lead to diminished revenues, another key challenge here was somewhat clarified during an interview with an EU policymaker in January 2017, when they stated that:

'...our proposal does not aim at curbing speculation, simply because it is impossible to distinguish between hedging and speculation...We need speculation in order to have hedging, so we are not making an ideological battle against speculation' (EU Policymaker 6 Interview).

In this way, the mainstream narrative purported by most policy actors at the EU level would eventually revolve around the idea that using an FTT to reduce trading volumes or to differentiate between hedging strategies and speculative trading (especially short-term) was not only impossible, but also undesirable. Thus, from an initial proposal that concentrated on producing a deeper regulatory turn and changing the behaviour of financial sector actors, the EUFTT seemed to be framed solely as a revenue-raising measure. Having said this, when consulting other more recent policy sources, a clear contradiction arises in relation to EU

policy documents as well as the interview data. The Council, in their latest ECOFIN report still indicate that ‘...the objectives of this Commission proposal are the same as those of the proposal of 28 September 2011’ (European Council, 2018: 47). In addition, the same contradictions are mentioned in recent EU press releases, where the measure would target the financial sector and ‘...encourage it to engage in more responsible activities in support of the real economy’ (European Union, 2017).

In this regard, mixed messaging and confusion continued to engulf the EUFTT process throughout the period under investigation. Here, a combination of factors must be taken into account when explaining why this turned out to be the case. To begin, it is evident that financial sector lobbying played a role in diminishing the regulatory aspects of the tax, but overall, this equally confirmed that FTTs could generate substantial revenue – a somewhat positive result for FTT proponents. As such, at a very early stage during the FTT negotiations, the financial sector lobby seemed aware that an FTT – configured in the way suggested by the EC – could not play a dual-role, with this doubt shared among opponents, and, as shown in the following section, even most proponents of the tax. Thus, strong opposition would lead to some re-evaluation of mainstream narratives on the part of a number of EU/national policymakers (see also Chapter 6 and Chapter 7). When considering liberal cosmopolitan projects, whereas Chapter 4 argues that financial sector lobbying was somewhat overcome and managed, as meaningful thin liberal cosmopolitan outcomes flourished in the aftermath of World War II, it seems that this situation would be different following 2008.

As such, when compared to the past, those endorsing liberal cosmopolitan projects need to be aware of the increased power and influence of financial sector actors to manipulate mainstream narratives through material resources but also their authority, expertise, experience and positionality. This suggests that even in light of the 2008 crisis, ideas emanating from the financial sector still carries significant weight with policymakers, as these well-placed actors are deemed to better understand the workings of global financial markets and the impact of regulation. This is due to the instrumental and structural power of finance, as shared cognitive backgrounds and understandings surrounding basic mainstream neoclassical ideas seem to hold sway between many policymakers and financial sector actors. With this in mind, FTT proponents and those aligned to the liberal cosmopolitan agenda, need to focus on constantly delegitimising ideas associated with 2008, and other (financial) crisis

moments. This can be undertaken by continually persuading and socialising other actors to buy into different understandings and counter-narratives surrounding global financial markets, and by obtaining more allies from within the financial sector, particularly long-term, ethical, environmental and social investors, as this increases the weight of the argument. In addition, a unified counter-narrative is seemingly required to simplify messaging, reduce divergence and strengthen support. Again, pushback will be difficult to counteract, so compromises are required and a protracted process towards change should be expected.

A second factor revolves around the mixed messaging that stemmed from the EU, especially EC policy actors, as there was a lack of clarity surrounding the main objectives of the policy measure. Although the initial EC proposal portrayed the EUFTT as being able to perform a dual-role of regulating financial sector behaviour and raising revenue in the process, subsequent EC publications and the viewpoints of EC policymakers contradicted this message by only honing in on one of these objectives. On the most part, narratives endorsed by EU level policy actors concentrated on making the financial sector pay their fair share and thus, the revenue side of the EUFTT equation. As such, the thicker liberal cosmopolitan characteristics of the measure seemed to have been dramatically scaled-back once the control on capital and regulatory aspect of the EUFTT began to be abandoned. Having said this, other liberal cosmopolitan notions, such as accountability, transparency, fairness, justice and cooperation can still be witnessed through some design features and the ongoing compromises achieved under the ECP process. For example, thinner liberal cosmopolitan outcomes can be realised through an agreement that creates some (sub-)EU regulatory convergence around certain instruments/actors, allows revenues to be allocated towards solving global/regional/national problems and if more long-term investment outlooks are encouraged.

Given the above, a final factor relates to the point that the EUFTT negotiations are ongoing and the process is far from finalised. Therefore, mixed messaging, confusion and ambivalence, should all be expected as the measure is still subject to not only the constant forces of social construction such as persuasion, socialisation and manipulation, but also other developments and moments that can alter perceptions, understanding and viewpoints. For example, while both the 2008 crisis and the Eurozone Crisis changed perceptions concerning FTTs, other moments, events and developments can also occur. This includes

policymakers going it alone and implementing national measures (see Chapter 6) or CSOs strictly endorsing national paths (see Chapter 7) and focusing on revenue generation (see Section 5.3.2), all of which can equally play a role in altering perceptions, agendas and interests, and therefore the direction of travel for the FTT idea. With this said, as this section has shown, by designing the EUFTT as a revenue-raiser rather than a regulatory measure, divergent conceptualisations emerged and further divisions would arise as a direct result. Following on from this, as the next part of this chapter displays, differences and conflicts surrounding the EUFTT also afflicted proponents of the measure, and consequently further aided in diminishing the regulatory benefits of the project.

5.3.2: Deepening Divisions among FTT Proponents: The Revenue Objective

19 out of 46 interviewees highlighted that the role played by most other FTT proponents, i.e. those from the CSO sector, equally diminished the regulatory aspects of the EUFTT (see among others: EU Policymaker 1 and 2, Tsuda; Jones; Uemura; Christensen and Turbeville Interviews). According to one interview participant, John Christensen, the Director and Chair of the Board at *Tax Justice Network*, all of the EC objectives were not clearly conveyed or equally focused upon by proponents during the campaign. Instead, most promoted their own organisational agendas and they were primarily interested in raising revenue to further these causes. Christensen highlights that it was ‘*wrong*’ for proponents to present the measure as a revenue source attached to developmental, environmental, social and other objectives, because ‘*...the real selling point is the need to move financial markets away from short-term activity, towards long-term investment*’ (Christensen Interview). Owen Tudor, the Head of European Union and International Relations Department at the UK based *Trade Union Confederation* (TUC), supports this by demonstrating that: ‘*From the TUC’s point of view...the actual revenue raised is not the critical issue in our support for the tax. We are more interested in the impact it would have on market behaviour*’ (Tudor Interview).

Here, Christensen and Tudor reveal that the CSO sector and other proponents (especially policy actors), were far from unified over the actual purpose of the measure. This discord translated into the way campaigning activities were conducted and how counter-narratives were conveyed to the wider public, policymakers and other actors. This counter-

narrative remained largely the same, as many proponents focused on potential revenues, and subsequently, where these could be allocated. A high emphasis on generating revenue is confirmed by the way that most FTT proponents only mentioned regulatory features as passing comments.

One example of this is presented by a leading CSO in the campaign, as they highlight that ‘*Oxfam* supports an FTT firstly because of the money it would raise, but its role in curbing excessive risk-taking should not be overlooked’ (Oxfam, 2011: Q3). Another instance is witnessed through the *European Public Services Union* [EPSU], an organisation comprised of over 250 trade unions across the EU. They demonstrate that the measure is ‘...a tax to finance social and development policies...where the need for funding is the most pressing, in the context of the ongoing social crisis and spending cuts’ (European Public Services Union, 2011: 2). Here, the *EPSU* put forward a broader counter-narrative which is concerned with reversing the austerity agenda that engulfed many national political economies, especially those in the Eurozone and EU more generally (see section 5.2.2 and Chapter 6).

Other proponents, such as the UK based *TheRobinHoodTax* campaign, display equivalent trends, as their CSO coalition - comprised of more than 115 organisations – are categorised into three campaign types: Domestic (reversal of austerity measures, increased social expenditure, fairer tax system, etc.), Green (environmental projects, technologies, offsetting climate change, etc.) and International Development (ODA, poverty alleviation, address world hunger, etc.) which in turn becomes the focal point, or main motivation, when persuading and convincing others to support implementing an FTT (The Robin Hood Tax, 2018). Moreover, campaign materials highlight that ‘...25% of revenues could equate to as much as \$100 billion for climate-related causes’ (TheRobinHoodTax, 2010: 2), and the report continues by hypothecating estimated tax income towards specific social, environmental and developmental projects across the globe (Ibid: 3). Similarly, *UNITAID*, a global health initiative non-governmental organisation (NGO), commissioned a report, highlighting the need to implement domestic FTTs ‘...to allocate the revenue raised to a common purpose: meeting the world’s greatest challenges, including pandemics, hunger, mass illiteracy, and climate change’ (UNITAID, 2011: 8).

Here, like others from the CSO sector, *UNITAID* and *TheRobinHoodTax* campaign in the UK, move beyond the idea of applying a global, multilateral or intergovernmental FTT, thereby

foregoing transnational advocacy for a common measure, EU-wide or otherwise (see Chapter 7). Nonetheless, the key lesson drawn from this experience is that the sole focus of many campaign groups and proponents centred on the obtainment of future revenues. Other instances are repeated across most CSO campaign and lobbying strategies, which continue to state that the measure can raise an enormous amount of revenue to be allocated to various causes (see among others: The Robin Hood Tax, 2014; 2016; Oxfam 2016; UNITAID, 2013). This is even witnessed across the Atlantic, where the lead organisation in the US, also named *TheRobinHoodTax*, highlights that revenues from an FTT on Wall Street ‘...will kickstart the economy by funding ‘College For All’, creating jobs, and strengthening public services like healthcare, education, and infrastructure at home — while tackling AIDS, global health, poverty, and climate challenges around the world’ (The Robin Hood Tax USA, 2018).

Having said this, 28 out of 46 interviewees also highlighted that campaigns will naturally be intertwined with the agenda of any given organisation alongside contextual factors (see among others: Christensen; Wahl; Jones; Hillman Interviews). One German CSO campaigner raised an essential point in relation to this by explaining that:

‘...originally, we called the whole thing ‘tax against poverty’ because [we want to] spend this tax revenue on national and international poverty alleviation, environmental projects and climate change measures’ (CSO Campaigner 1 Interview).

This demonstrates that the German campaign, and others across Europe, were not conducted in a way to promote Tobin’s regulatory argument as such, but framed instead as a ‘tax against poverty’ in the German case, a ‘Robin Hood’ tax in the UK and a source of funding to solve a plethora of issues for CSOs elsewhere. However, here the notable exception is the case of France, where a visible, public and embedded campaign has been ongoing for many years and, as a result, the idea of ‘disarming markets’ is already a part of the cognitive background of larger audiences in this national political economy (see Chapter 7).

With this said, the majority of FTT proponents departed from the initial EC proposal and were split into two camps that either focused on the revenue side of the equation or the regulatory benefits. Yet, the former would take priority among most proponents and here the Tobin notion, ‘...to throw some sand in the wheels of our excessively efficient international money markets’ (Tobin, 1978: 154) and now global financial markets, was somewhat

abandoned. Even as early as 2010, according to an IMF report this is because the attention of the intellectual community that support FTTs ‘...has largely shifted from financial market regulation to revenue-raising; however, a therapeutic effect from curbing market excesses is sometimes still sought even from a very low-rate tax’ (Matheson 2011: 12).

Nevertheless, from an ACC reading, to gain as broad a coalition as possible, lead CSOs garnered support from a diverse set of ‘issue specific’ campaign organisations and special interest groups. In this way, the coalition grew larger and was unified on the basis that the potential revenues would be distributed to these groups, and, as a result, assist them in achieving their particular organisational agendas. As Van Vooren highlights, the strategy of pursuing ‘a Robin Hood argument’, i.e. ‘...to finance development and the environment through the FTT...is likely to gain more support’, because finance is organised globally and has an impact on all, therefore ‘...no-one is immune, and the preservation of global public goods [is] an equal responsibility for all’ (Van Vooren, 2011: 16). Put another way, framing the (counter-)narrative in terms of financing global public goods and solving global common challenges through a small tax on an incredibly large global financial market was sold as a simplistic solution that could gain greater purchase among wider audiences (see also Chapter 8).

Equally, the inference drawn here is that by being split on the actual purpose of the EUFTT, the campaign and lobbying strategies of proponents, along with the counter-narratives they delivered, were very vague once the surface of their arguments had been scratched. In this regard, the broad coalition in favour of the EUFTT did not mobilise support in a way that promoted all 3 EC objectives equally (see Section 5.3.1), thereby also playing a role in diminishing visions of a regulatory path and contributing in not framing the measure as a part of a broader EU regulatory turn. This does not mean that CSOs were oblivious to the regulatory aspect of the FTT, as various campaign groups in favour of the EUFTT mobilised the support of economists and ex-financial professionals to provide the regulatory ‘rationale’ for the measure. However, CSOs would be selective when they went about constructing their counter-narratives surrounding the EUFTT, which appreciated regulatory arguments, but expressly honed in on the vast revenue potential of the measure in the first instance.

Moreover, although economists in favour of FTTs did focus on revenue generation as well, they also, more compellingly, insisted that the regulatory benefits outweighed any

potential revenues obtained (see for instance: Schäfer, 2012: 76-78; Buckley, 2012: 100; Darvas and Weizsäcker, 2010: 2-4; The Warwick Commission, 2009: 7-8; 36). As such, many economists and financial professionals that were supportive of the measure focused on the regulatory aspects of the tax and, in contradiction to the 2010 IMF report, this went far beyond therapeutic effects (see among others: Persaud, 2017; Schäfer, 2015; Schulmeister, 2015: 15-22; Patomäki, 2012). In this way, policymakers and CSOs were the actors most concerned with the revenues that could be raised. Again, the overall message here is that proponents and campaigners in favour of FTTs still created an atmosphere shrouded in confusion due to a muddled campaign strategy and variegated approach among proponents in general.

While liberal cosmopolitan scholars assume that CSOs are the purveyors of the values and ideas that arise from their approach (see Chapter 2), it seems that the regulatory policy objective – along with associated thicker cosmopolitan theorisation surrounding global finance – were not directly transmitted through most of the campaigns supportive of the EUFTT. Subsequently, this aspect of the measure did not form the mainstay of counter-narratives originating from the CSO sector and it disappeared from public debates in the process. Yet, even though this analysis has illustrated that proponents of the measure were greatly divided over the main objective(s) of FTTs in general, their arguments would nonetheless permeate each sector of society and continue to influence constructions of the EUFTT (see Chapter 6 and Chapter 7). However, beyond these findings, deeper divisions would arise within and between EUFTT proponent/opponent camps, particularly regarding coverage and the innovative Triple-A approach the chapter now goes on to explore.

5.3.3: Departing from the ‘Triple-A’ Approach and Constructing a Path Towards Baseline Convergence: Accounting for Exemptions based on Market Specialisations.

This section illuminates that additional obstacles to implementation would centre on the idea of a Triple-A approach and reconciling this with specific social representations as well as national background conditions, cognitive features, market specialisations, agendas, interests and perceptions (see also Chapter 6). To recall, the initial EC proposal took a Triple-

A approach, ‘...i.e. the tax should apply to all markets (such as regulated markets or over-the-counter transactions), all instruments (shares, bonds, derivatives etc.) and all actors (banks, shadow banks, asset managers, etc.)’ (European Commission, 2014). Put simply, as postulated by Manfred Bergmann from the EC, the EUFTT would set out a Triple-A approach that covered ‘...all markets, all actors and all products’ (The New York Times, 2013). The rationale for this approach, as posited by the EC, was linked to minimising ‘...potential distortions across different market segments and [to] reduce the risk of tax-planning, substitution and relocation’ (European Commission, 2014).

Furthermore, most EC policymakers outlined their take on a Triple-A or broad based FTT, which ‘...covers bond and derivative transactions on exchanges as well as over-the-counter (OTC) traded instruments which include derivative transactions as well as foreign exchange spot transactions’ (European Commission, 2010: 4). In this vein, those at the EC displayed innovation and entrepreneurship by not only targeting foreign exchange transactions like a traditional Tobin Tax proposal, but also going far beyond this in terms of covering OTC markets, bonds and derivatives more generally – which were not included under the scope of FTTs in existence prior to 2008 (BNY Mellon, 2018). Again, this reiterates the view that most policymakers at the EC, and EU more broadly, were early norm carriers of the FTT idea as they would shape and inform the unique, pioneering and distinctive design features of the eventual proposal (see section 5.2.1).

However, when evaluating the innovative Triple-A approach postulated by EC policymakers, 30 out of 46 interviewees deemed this path to be questionable from the outset, specifically due to basic dissimilarities between the financial sectors of EU member-states. In this way, my interview data challenges the extant literature as well as the viewpoints endorsed at the EC. For instance, some highlight that due to differences across EU member-states, it is ‘...*difficult to find solutions that meet everybody’s concerns about the technical nature of the tax*’ (Tudor Interview), because financial markets in most national political economies vary in size and display specific types of market specialisation towards certain activities and actors (see among others: Clemente, Walker, Neidle, Schweizer Interviews). This is illustrated by the enormous disparities that exist between EU member-states in terms of the size of their financial sectors as well as overall financial structure, which means that they

‘may respond differently to shocks and policy measures’, including an EUFTT (World Savings Banks Institute and European Savings Banks Group, 2015: 3).

To add, a *Bank of England Quarterly Bulletin* highlights that as a share of gross domestic product (GDP) on a residency basis (nationally-owned banks’ national assets and the (national) assets of foreign banks’ national subsidiaries and branches), the UK banking sector amounts to 450% of nominal GDP in 2013, making it ‘...the largest banking sector out of Japan, the United States and the ten largest EU economies’ (Bush and Knott, 2014: 387). As the report goes on to show, even though France and the Netherlands are approaching banking sector sizes of 400% of nominal GDP, and Germany and Italy stand around the 250% mark, the UK is representative of one of the largest banking sectors around the world, on this residency measure and others (Ibid: 385-388). Furthermore, an arguably defining feature of the UK includes the way that ‘...foreign banks are a particularly large part of the UK banking system’ and nearly 20% of global banking activity is booked through this jurisdiction (Ibid: 386).

In this respect, significant differences between the type of financial market structure and banking system, as well as the size of financial sector activity and scale of operations across various EU member-states, would all be influential factors that challenged the idea of a Triple-A approach, as national political economies would be impacted in markedly different ways. This line of argument is linked to discussions surrounding market identity that are taken up in later chapters (see Chapter 6 and Chapter 7). For now, it is clear that the scale of operations, structure and size of financial sectors across different jurisdictions needs to be taken into account when assessing political opposition to an FTT project, particularly one like the EUFTT, which portrayed the generic Triple-A approach as a universal solution. Here, a question is raised over the ‘fairness’ of the tax, as the financial sectors of member-states that specialise in certain instruments, or are of a certain size, or even dominated by particular actors, are unfairly targeted. Therefore, exemptions along the lines of market specialisation have proven to stall progress towards implementation, and these types of obstacles have continued to persist during the ECP stage.

Further supporting evidence regarding this obstacle is provided by Commissioner Moscovici, when, in March 2017 he stated that although ‘incessant’ lobbying from financial sectors across the globe has been one primary obstacle, another is the ‘obstruction practiced

by certain member-states' and their finance ministries as they seek exemptions (Euractiv, 2017b). On top of this, EU documents indicate that a host of exemptions, including those for most derivatives transactions, certain market makers, pension funds, central banks, debt instruments and others, have resulted after several rounds of negotiation during the ECP (The Council of the European Union, 2016b: 3-6). From this, it is clear that the Triple-A approach was portrayed by those at the EC to be a universal solution, but in doing so, this stoked up much resistance among policymaking communities as the proposal was deemed to interfere with nearly every national market specialisation. As such, by outlining this type of narrative, i.e. pursuing a Triple-A approach targeting every actor, all jurisdictions and all financial market activity, EC policymakers provoked resistance from nearly every corner of the business sector, especially the financial industry (see among others: Kastner, 2018: 1648-1652; Kalaitzake, 2017: 709; Schulmeister, 2015: 40-46; Gabor, 2013: 2-5). Therefore, in a combined and unified manner, different forms of multi-level policy actor and business sector lobbying would play a role in diminishing the Triple-A approach.

Thus, the implications for a thick liberal cosmopolitan approach to global finance are apparent. A one-size-fits-all model and universal solution as presented by the EC's proposed Triple-A approach was questionable from the outset due to the well-known financial sector differences between EU members. Here, EU policy actors, especially those at the EC, had realised this at an early stage of the process. However, they continued to endorse this approach as they believed that by targeting all actors, markets and instruments the tax would not be viewed as taking aim at a single (or smaller group) of EU member-states, but all of them (EU Policymaker 4, 5 and 6 Interviews). Nevertheless, I argue that the Triple-A approach needs to be abandoned, or at least radically scaled back, for it to be possible to achieve some type of baseline agreement and implement, at the very least, a thinner model of liberal cosmopolitanism in practice through a narrower EUFTT.

This is because accepting a watered down version of the tax, however limited, could still have the effect of creating an EU-wide tax in the first instance, which covered other non-EU-11 member-states, including the UK, regardless of their initial opposition. On top of this, a narrow FTT can still lead to some thick liberal cosmopolitan outcomes and the measure can be broadened, if necessary, at a later stage. Other scholarship also supports the idea of implementing a narrow based FTT first, with the view that this would be far more acceptable

for nearly all EU policymakers as well as others outside this grouping, thereby heightening prospects for a wider intergovernmental FTT (see for instance: Hudetz et al, 2017: 609-613; Schratzenstaller, 2013: 301-305; Van Vooren, 2011). Furthermore, as Persaud notes, *'...moving ahead by making exemptions still demonstrates something can work and you can always tighten it (the FTT) up later'* if this is warranted in response to other financial developments or the arrival of crisis moments (Persaud Interview). In this regard, a narrow FTT can be the most fruitful path to pursue in the first instance, and, as French President Macron shows in September 2017: 'There are two countries in Europe that have an FTT, the UK and France. I propose that all 28 countries adopt one or the other' (Euractiv, 2017c).

Both versions contain an array of exemptions, but still generate revenues, however modest, and they both play a role, however little, in altering some investor behaviour. In this way, a watered down or narrow measure can prove to be a real-life example or model of thin liberal cosmopolitanism in practice, because it nonetheless creates a common approach to FTTs and provides additional tax revenue which can be allocated towards furthering liberal cosmopolitan concerns. The best way forward is to create an EU-wide tax, which is inclusive of the UK, by being modelled on the existing UK FTT (Stamp Duty on shares). A second best option, which still results in an EU(27)-wide tax, is following the French version. Either option is still very much a possibility as policymakers entered into the ECP without agreeing on the actual substance of the measure (EU Policymaker 6 Interview). To add to this, German Finance Minister Olaf Scholz (2018-2021), and now Chancellor (2021-present), also supports President Macron's notion of applying the UK FTT or French FTT on an EU-wide basis (Der Spiegel, 2018).

Thus, the case for baseline convergence is threefold. First, although revenues estimations will fall short of a broader based FTT, in that the measure will only raise 'between 5 and 7 billion euros' (Reiermann and Sauga, 2018), this nonetheless displays that some form of (sub-)EU-wide FTT is workable and implementable. In turn, this could provide the ideational and empirical support for a wider intergovernmental FTT to come into existence, as the FTT idea will become normalised, engrained within cognitive backgrounds, and by being put in place in practice, this will provide some pushback against the arguments postulated by FTT opponents.

Second, while revenues are of high importance, reaching some sort of agreement is seemingly equally important. Here, President Macron has continued his support for the measure up to the point of analysis as he is pressuring German Chancellor Angela Merkel

2005-2021) and other German policymakers, to 'live up to their responsibilities' making good on Eurozone reform policies, such as the EUFTT (Financial Times, 2018a). In this regard, if prominent high-profile policymakers from Germany and France established a degree of convergence around the FTT idea, for instance support for a UK or French style FTT, then this would prove to be a key moment displaying that financial sector taxes, especially on an EU basis, have become a legitimate and normal part of financial market operations. As such, key norm carriers, particularly national policymakers, need to depart from their visions of a broader measure at the EU level and instead demonstrate leadership in the first instance by coalescing others around a common project, which still allows for thin liberal cosmopolitan outcomes. Here, further entrepreneurship and innovation around the FTT idea should be considered at a later stage, once the measure has been established and is perceived by wider audiences as working well.

Third, and following on from the above, once an EUFTT is implemented then these foundations can subsequently be built upon over time, being broadened when necessary and, in turn, be associated with a thicker model of liberal cosmopolitanism in the process. In this sense, when required, FTTs can be altered to address changing circumstances, 'new' crisis moments and the evolving nature of capitalism in general. However, a practical and pragmatic starting point is to implement a measure that garners a high level of agreement and does not stoke up as much opposition as a broad based FTT. By constructing a narrow FTT, this means that as an idea the policy measure becomes tangible and displays visible impacts (revenue generation/regulatory benefits), and in turn, begins to be perceived as far less controversial and is generally accepted by wider audiences. The point of note is that if early efforts to construct a thicker agreement during windows of opportunity fail, then a second course of action should include trying to swiftly implement a policy measure based on an early consensus, however weak and narrow in practice, as this nonetheless creates change. Subsequently, after implementation, norm carriers and entrepreneurial actors can then further develop the measure as the FTT project will permeate broader policy discussions, can foster further (mainstream) academic innovation, become a part of general governmental and EU debates as well as be engaged with more easily and readily by wider audiences.

Again, by not implementing a measure with speed this led to greater FTT opposition to manifest itself and also allowed for a range of abstractions concerning FTT designs to be formed, meaning that perceptions of the tangibility and practicality of the EUFTT would be

lessened over time, when this need not have been the case. As the following chapters demonstrate, a small window of opportunity for baseline convergence existed in the aftermath of the 2008 crisis when UK Prime Minister Gordon Brown briefly endorsed a global Tobin Tax (see Chapter 6), and similar calls for global agreement, on this occasion around the UK FTT, have also been raised by a range of business sector actors, policymakers and CSOs (see Chapter 7). Thus, while baseline convergence may be demonstrative of a weaker, narrower and limited FTT, this starting point still accounts for the myriad of differences between EU member-states, and by extension other national political economies, by seriously considering financial market size, structure and specialisation. With this said, as the next section goes on to show, due to the fact that FTTs were framed by most proponents as revenue-raising tools, I argue that directly fining parts of the financial sector would have been a better path to pursue when aiming to raise vast revenues.

5.4: Constructing Alternative Paths: Paying their Fair Share and Fining the Financial Sector Directly

In this section, I argue that alternative paths to the EUFTT, and FTTs in general, were also on offer during the period under investigation and measures of this sort would be more effective when considering revenue generation. In this sense, in the wake of the 2008 crisis directly fining the financial sector was another path pursued by policymakers and this would be a visible move that made the financial sector start to pay their 'fair' share. This would be the case especially in the UK and US, where large fines were levied, and to a lesser extent across other EU member-states.

5.4.1: Direct Fines and Targeted Compensation

35 out of 46 interviewees suggested that targeted compensation and directly fining specific financial sector actors would be a far more profitable and practical path to pursue, particularly if policymakers were primarily concerned with making the industry pay their fair share and to raise substantial revenue. For example, interviewees highlight that '*...there*

should be direct measures targeting specific behaviour' linked to financial sector misconduct during the 2008 crisis and subsequent Eurozone crisis (Klinz Interview). Others display that directly *'...fining the financial industry is an alternative...that raises large revenues'* (Christensen Interview), thus it was argued that direct measures like fines can also contribute to behavioural change and increased revenues (see among others: Dodds, EU Policy Advisor 1; Auerback and Turbeville Interviews). Therefore, alongside FTTs, interviewees stressed that there needs to be a broader regulatory turn which includes applying fines that target specific financial industry practices and behaviour deemed to be problematic (see among others: Griffith-Jones; Persuad; Cliggott; Johnson; Wahl; Schulmeister; Schmidt Interviews).

Moreover, 35 out of 46 interviewees focused on the fact that financial sector actors are not a homogenous group as many *'...engage in different trading strategies, like pursuing long-term investments...[and]...are involved with a range of financial assets, instruments and markets'* (Financial Sector Professional 4 Interview). This can include forms of ethical and social investments (Henderson; Fullerton; Pehrson Interviews), and other types of activity that did not play a prominent role in contributing to the 2008 crisis or the subsequent Eurozone Crisis (see among others: Klinz; Walker; Neidle; EU Policymaker 1; Financial Sector Professional 2 Interviews). As such, it was suggested that *'...it is unfair to target all market participants'* (EU Policymaker 1 Interview), and rather than utilising FTTs to generate revenue, better options and paths exist, like directly fining sectoral misconduct (Fullerton; Pehrson; Henderson; Persaud; Johnson Interviews) which in turn provides a simple and *'...straightforward collection mechanism'* (Financial Sector Professional 1 Interview).

In this way, the (EU)FTT, in conjunction with other measures emerging from and continuing to evolve during the post-crisis era – especially directly fining the financial sector – would be framed by policymakers and regulators (as well as most FTT proponents) as paths that can also lead to the acquirement of substantial amounts of revenue from the financial industry. This not only presented a mainstream narrative depicting policy actors as visibly recuperating the costs of the bailouts associated with the crisis, but equally, it would also ensure that some of the big players and well-known names from the financial sector paid their fair share to some degree or another (Macartney and Calcagno, 2019: 629-632; Köster and Pelster, 2017: 62; The Boston Consulting Group, 2017; Plato-Shinar and Borenstein-Nativ, 2017: 495-496).

This situation transpired because previously accepted mainstream narratives were delegitimated and disrupted by the 2008 crisis, and an array of problematic features associated with financial sector practices became a part of the public debate. This meant that policymakers began to view financial regulation as politically salient as they re-examined the bounds of legitimate practices and re-assessed their preferences through their interpretations of their experience (Gabor, 2013: 7-9; Adelal, 2009: 71). As such, even if EU efforts towards a supranational regulatory turn and the creation of an EUFTT were not viewed to be attractive for all national policymakers, these actors would still attempt to visibly display that they were taking action and responding to the 2008 crisis and its proximate causes. Specifically, national policymakers positioned themselves ‘...as defenders of the general public against profligate financiers’ who had undermined the legitimacy and belief in the system. Therefore, a major objective for national policymakers, especially through fining the banking/financial sector, ‘...was to send a political message to their electorates...[that]...(b)ank bailouts, the bonus culture and the austerity drive’ would be counteracted by a range of policy responses, including the enforcement of direct measures (Macartney and Calcagno, 2019: 631; 656).

Furthermore, these types of ‘enforcement actions...against financial institutions are powerful tools’ that allow regulators and supervisory authorities to levy fines as a ‘deterrent’ against misconduct and ‘...to intervene in a bank’s operations to restore and/or ensure safety and soundness’ (Götz and Tröger, 2017: 8). In addition, fines were applied retroactively and ‘...levied on the basis of past behaviour’ (The Boston Consulting Group, 2017: 16). Hence, if the policy objective of the EUFTT was to substantially increase revenue, then policymakers and regulators, at both the supranational and national levels, could have been better served by direct measures as immediate solutions. This is the case because directly imposing financial penalties on financial sector actors and obtaining targeted compensation was deemed to be:

‘One of the most high-profile strategies aimed at improving conduct – curbing excessive risk-taking, tackling unethical practices such as dealing with sanctioned countries and reducing sales pressures that led to mis-selling’ (Macartney and Calcagno, 2019: 630).

Moreover, Pixley shows that ‘...politicians were keen to show they were doing anything, at a time when the public was disgusted with governments and banks’ (Pixley, 2018: 15). In this respect, from 2008 through to the end of 2016, cumulative financial penalties equated to about \$321 billion which have been mostly imposed by US regulators who are portrayed as remaining the ‘most active’ in retrieving compensation from the global financial sector (The Boston Consulting Group, 2017: 16). This is supported by Macartney and Calcagno, as they illustrate that policymakers/regulators from the US and the UK have imposed financial penalties totalling around \$326 billion on global financial sector actors operating within their jurisdictions since the 2008 crisis started (Macartney and Calcagno, 2019: 630-631; 639-640).

As such, Chaikovska opines that although a range of tools and post-crisis initiatives emerged in Europe, Asia and the US respectively, it was the latter that would become ‘...the homeland of banking enforcement action in post-crisis years’ (Chaikovska, 2019: 111). Indeed, when considering the total amount of targeted compensation and fines applied across the global financial sector, existing research expounds that between 2009-2016, around 60%-70% of all fines have been levied by US regulators (Chaikovska, 2019, 110-111; The Boston Consulting Group, 2017: 16). In addition, researchers at the ECB demonstrate that across the period 2008-2018, misconduct costs and fines applied by EU regulators were far lower (about \$20 billion) – when compared to other estimates for regulators in the US (\$183 billion), the UK (\$80 billion) and Switzerland (\$30 billion) (Busetto, Gardó and Klaus, 2019).

From this, it is evident that policymakers and regulators in the UK (and US) reacted differently when compared to their counterparts on the continent, including those within EU institutions. As Zuluaga argues, one key reason for this is that UK policymakers, along with some other opponents of the EUFTT, feared: ‘...for their competitive position [and] had no interest in sharing their tax base with other countries’, while those in Germany and France ‘...called for curbing “socially useless” financial market activity and [their] politicians looked for retribution against the financial services industry’ (Zuluaga, 2020). In this respect, this has also contributed to the broader narrative suggesting that taxes and fines need to be administered nationally, and this, in turn, fuelled a deeper resentment towards furthering EU integration.

Here, for policy actors in the UK then, and even other member-states, the issue concerns the potential perceived ‘threat’ posed by further EU integration on ‘...territorial –

primarily national – identities’ and the ‘distinctiveness of national politics’ that still exists in member-states (Kanthak and Spies, 2017: 10). As is displayed in later chapters, Brexit and narratives surrounding the loss of sovereignty to the EU would play a role in the way that both UK policymakers (see Chapter 6) and UK CSOs/bottom-up forces (see Chapter 7) presented the measure to wider audiences and framed their viewpoints towards the EUFTT. This contrasts efforts in Germany, France and within EU member-states as well as EU institutions more broadly, where commitment towards a supranational approach was far stronger and more forthcoming – meaning that both national and EU measures are equally on the agenda and form part of the wider public debate. To add, the general attitude among UK policymakers – including most from the Labour Party and Liberal Democrats – seemed to coalesce around a narrative purporting that the FTT project is only feasible at the global level (see Chapter 6). In this respect, policy actors and regulators based in the UK (and the US), constructed narratives that focused on implementing direct measures at the national level – like fining the financial industry – with revenue allocation subsequently linked to social investments. In the UK, revenue derived from financial sector fines were allocated towards targeted funding for national charitable organisations and international/global projects chosen and supported by the Conservative government (Macartney and Calcagno, 2019: 657; Civil Society News, 2016; Third Sector, 2016; BBC, 2013).

Moreover, due to differing cognitive backgrounds and social representations, policymakers and regulators located in different national political economies would have difficulty in establishing baseline convergence and a common framework that draws a line between acceptable and unacceptable practices. Here, French and German policymakers would blame practices associated with Anglo-Saxon shareholder capitalism, which are adopted in the UK and the US, for causing the 2008 crisis (Hall, 2014: 1243-1244). Yet, those in the UK and US, as well as elsewhere, disagreed with this viewpoint as a host of problems were identified for causing the 2008 crisis – not all of which were necessarily linked to shareholder capitalism (see above). Consequently, there was a high degree of divergence among national policymakers when it came to constructing policy paths and responses that would ensure the financial sector made a fair and substantial contribution.

In this regard, from a liberal cosmopolitan standpoint, policymakers and regulators – in conjunction with financial sector actors and those from the CSO sector – need to establish

a common framework that draws a line between acceptable and unacceptable practices. Retrospectively, these actors need to consider and agree upon which aspects of the 2008 crisis – and subsequent Eurozone Crisis – were the most problematic features that need to be addressed through regulation. Yet, more practically, and when moving forward, other liberal cosmopolitan outcomes and values can still be furthered by national measures, especially those that raise significant revenue – like directly fining the financial sector – with proceeds being allocated to national and global re-distributive justice and poverty alleviation. The important point here is that even if the EUFTT revenue estimates produced by the EC are substantial, they are probably less likely to raise as much revenue as direct measures do, such as fining future and retrospective irresponsible financial sector behaviour and misconduct. Thus, the key lesson for policymakers is that national measures, which can be tailored to suit specific institutional configurations, are the best paths to pursue in the first instance to not only portray that immediate change is afoot but to also raise much needed revenue at a faster pace to promptly address issues created and intensified by a crisis moment.

In this fashion, financial markets accepted, and adjusted to, the new normal as they ‘...rapidly priced in the likelihood of fines’. Therefore, even though ‘...the volume of fines, the size of each penalty and the vast range of financial institutions to be hit, is [and will continue to be] unprecedented’, financial sector actors have become somewhat desensitised and have assumed this will be another cost of doing business (Macartney and Calcagno, 2019: 641). As such, by creating acceptability around directly fining the sector and normalising the idea in the short-run, the major lesson for policymakers is that innovative and entrepreneurial solutions to address behavioural issues concerning global market actors and forces can also emerge at the national level. In turn, these can also lead to thick and/or thin liberal cosmopolitan values being achieved in practice. At the same time, in the long-run, commitment towards supranational and global measures should also be forthcoming on the part of policy actors, as some issues must be addressed at these levels. However, as the preceding and subsequent pages demonstrate, this process can be protracted and therefore immediate solutions in the short-run might be a more practical step to allow for some thinner liberal cosmopolitan outcomes flourish in the first instance, before thicker forms become acceptable to policymaking communities and wider audiences.

5.5: Conclusion

In conclusion, I have shown that most policy actors from the EC, and at the EU level more generally, were early norm carriers of the EUFTT idea as they persuaded and socialised other national policymaking communities to support the measure. Primarily, EC policymakers displayed ideational leadership through the creation of an innovative/entrepreneurial EUFTT proposal, which fostered further theoretical development, activated broader debates and normalised the idea among wider audiences. Hence, by producing a concrete proposal, EC policymakers brought the idea of the EUFTT into the mainstream and demonstrated that the project was not only feasible, but also legitimate. The legitimacy of the EUFTT was tied to the fact that the ideas endorsed by most financial sector actors and policymakers in the lead up to the 2008 crisis had now been delegitimised, thereby allowing a window of opportunity to open for other measures and alternative paths to be seriously considered. As such, the highly ambitious EUFTT proposal went far beyond theorisations formulated by Keynes/Tobin and others, as well as any form of FTT in existence, which was demonstrative of the innovation, enterprise and entrepreneurship of EC policy actors. This was clearly on display, as the inclusion of extraterritorial features, the application of a Triple-A approach, the coverage of OTC derivatives and the usage of the ECP were all pioneering steps.

However, I have also illustrated that the EUFTT faced at least five interrelated obstacles to implementation and these continue to afflict the negotiation process at the point of analysis. Thus, when considering liberal cosmopolitan theorisation, two key insights can be drawn. First, early norm carriers that display innovation/entrepreneurship are required for thick/thin liberal cosmopolitan projects to emerge on to the policy agenda and to be taken seriously by (other) policymaking communities. This is important because norm carriers offer ideational leadership by persuading/socialising others to endorse certain viewpoints and cognitive understandings, which may indeed depart from accepted and taken-for-granted knowledge and mainstream narratives. When considering the EUFTT, a myriad of challenges arose across the period under investigation and continued to stall implementation. This means that norm carriers and FTT proponents need to support one another by coalescing around a simple message or a unified (counter-)narrative that can gain more purchase among wider audiences. Moreover, other key figures, especially national policymakers, can be

central to this process because if they become norm carriers they can have an impact on specific social representations and cognitive backgrounds embraced by those in certain national political economies. As such, the role played by national policymakers is further explored in Chapter 6.

A second key lesson for policymakers, and by extension liberal cosmopolitan scholars, is that broad multilateral measures will not necessarily garner strong support across different national political economies and policymaking communities, thus they should not be proposed as a first step, especially if one of the primary objectives is to produce a common EU approach. In this regard, the original EC proposal was overly ambitious and it did not necessarily need to be as all actors agreed that transactions involving shares should be covered by the tax. Hence, a far better approach to creating a common EU-wide tax, enshrined in the principle of multilateralism and with the capability of extending other liberal cosmopolitan values into the realm of global finance, would have been to base the design of EUFTT on an existing, already very workable tax that covered shares (e.g. the UK FTT or French FTT). In this sense, comprehending where simple lines of agreement can be drawn and how baseline convergence might be achieved are far more important than constructing the broadest measure that is possible between a smaller subset.

Although this would be viewed to be a watered down and narrow FTT, it would nonetheless arguably have been implemented much quicker than the current process, would have garnered much wider support and legitimisation across EU policymaking communities, and could have provided the stepping stones for a broader FTT and deeper regulatory turn to emerge in the future. By adopting a workable narrow measure first, this could lead to a broader FTT through further advocacy on the part of proponents as they persuade/socialise others around regulatory/revenue-raising benefits that could be produced by extensions and as they demonstrate how the tax can correspond to solving novel financial developments and new crisis moments. Moreover, if revenue was of primary concern for the coalition of willing policymakers, then over this negotiation period they have missed out on collecting any potential revenue that would derive from a narrow tax.

In the next chapter, I draw on the concept of market identities to make the case that different institutional arrangements, social representations and cognitive backgrounds all

played a role in the way that different national policymakers framed narratives around the EUFTT project and how this led them to pursue divergent paths.

Chapter 6

Framing Mainstream Narratives: Policymaking Communities and Market Identities.

6.1: Introduction

This chapter builds upon the findings of Chapter 5 by further exploring how notions of national market specialisation, along with other differences between EU member-states, have an impact on the EUFTT project and process. In this way, I continue to address the fourth and fifth key research questions by exploring how representative attitudes have differed within and between national policymaking groupings, and by continuing to map out contestation points and highlight central lessons for future policy initiatives. In addition, I start to explore the sixth key research question, as listed below:

- 6) How have national/EU policymakers been constrained and enabled during the EUFTT process? Which paths to reform have, and have not, been taken?

Hence, in this chapter I assess how national policymakers have been constrained and/or enabled during the EUFTT process by uncovering the chosen paths to reform and the (counter-)narratives that emerged within the interview data. Here, I argue that these narratives are shaped differently across EU member-states, due to diverse cognitive backgrounds and social representations, with this divergence extending into the realm of those constructing counter-narratives, i.e. the proponents of the EUFTT, including non-state actors. In this respect, this chapter complements the analysis presented in Chapter 7, as here I concentrate on more elite based actors (i.e. policymakers), whereas the next focuses on bottom-up forces and other non-state actors (including some that might be considered to be elite).

From this, I suggest that many national policymakers are presenting an accepted mainstream narrative, based upon forms of neoclassical/neoliberal economics, but these are conceptualised, understood and operationalised differently across national political

economies. As such, the differing narratives put forward in relation to the EUFTT revolve around four key ideas: 1) legality, 2) economic growth, 3) tax burden, and 4) market regulation. In turn, as policy actors bestride the landscape with the above as well as other ideas, they have a tangible impact on the progression of the EUFTT, as well as any other projects that resonate with liberal cosmopolitanism. However, this does not mean that select policy actors have completely monopolised these spaces or that they view neoliberalism to be the same thing. Instead, and on the other side of the (EU)FTT argument, counter-narratives are emerging from a range of national policymakers (including supposedly neoliberal ones) that are challenging the accepted narrative, as well as neoclassical economics, by constructing their own understandings of the four key economic ideas presented above in very different fashions. As such, although not completely departing from neoclassical/neoliberal readings in all instances, some national policymakers are nonetheless putting forward economic ideas and policies that question mainstream narratives and align with ideas associated with forms of (neo-)Keynesianism, ordoliberalism, embedded liberalism and social democratic viewpoints.

Therefore, my analysis complements liberal cosmopolitan theorisation by considering the role of ideas in constructing existing specificities and unique institutional arrangements/configurations, thereby presenting a deeper account of agency for national policymakers. At the same time, by taking an ACC approach I make further contributions to the GPE and Varieties of Capitalism (VoC) literature by concentrating on ideas-based explanatory factors and delving into the input mechanisms of social construction. Here, I demonstrate that the acts of persuasion, socialisation and manipulation have an impact on the construction of mainstream narratives, to the extent that certain ideas, propositions and policies seem to become taken-for-granted and are broadly accepted by policymaking communities and, in part, wider audiences (Abdelal, Blyth and Parsons, 2005). However, these acts, along with the presence of norm carriers, also play a role in delegitimising and discrediting mainstream narratives and ideas, which indicates that specific social representations and cognitive backgrounds can change and adjust.

As outlined and justified earlier (see Chapter 1), this chapter and the one that follows, focuses on policymakers and non-state actors operating within the UK, Germany and France. In the UK, I argue that policymaking communities are guided by an Anglo-Saxon shareholder version of capitalism and this leads to a specific type of British social democracy and British

neoliberalism that departs from other forms in theory and practice. In this respect, and in contrast, policymakers in France and Germany seemingly take a very different stance when it comes to their perceptions and viewpoints towards capitalism as these are guided by state-influenced values in the former, and a stakeholder Rhenish version in the latter. As such, different path dependencies and structural conditions/power lead to diverse and dissimilar constructions of actor perception, interests and agendas, which in turn, has an impact on conceptualisations of the EUFTT. At the same time, much diversity exists within national political economies and communities, thus specific market identities, cognitive backgrounds and path dependencies should not be viewed as fully determinate or openly accepted by the whole national population. Instead, these generalisations are useful as national narratives, especially those espoused by policy actors, are framed in relation to these specificities, meaning that wider audiences are constantly barraged with certain unique viewpoints, which can, in turn, lead to a deeper familiarity, awareness, resonance and even acceptance of these omnipresent ideas. As such, it should be appreciated that market identities and national specificities in general can lead to a high degree of national difference and divergence when it comes to thinking about, conceptualising and imagining capitalism.

Following this introduction, the chapter is structured into three parts. First, I briefly outline some key market identity traits presented in the VoC literature and demonstrate that most liberal cosmopolitan theorisation can, to some extent, benefit from the insights of this approach. In short, I argue that the institutional differences between EU member-states and the way in which capitalism is conceived by key policy actors suggests that ideas such as neoliberalism and social democracy will be evaluated, interpreted and eventually purported to wider audiences in very different ways across each case. Therefore, wider audiences and electorates will conceptualise and view ideas like the EUFTT through specific social representations, deep-seated values as well as engrained perceptions and not just rational self-interest (although this remains important in the form of embedded rationality – see Chapter 4).

The second part provides an analysis of the construction of (counter-)narratives across the three cases at hand by focusing on how policy actors engage with the idea of an EUFTT in different ways due to specific cognitive backgrounds and social representations. I illustrate that this influences how their conceptualisations are transmitted into society through political messaging involving persuasion, socialisation and manipulation, which in turn, has an impact

on modifying and adjusting cognitive backgrounds and social representations. Nonetheless, I argue that when policy actors interpret economic policy ideas this still seems to be heavily informed and shaped by historical/cultural institutional arrangements, values and market identity traits. As a result, very different narratives are emerging among policymakers within the UK, Germany and France, which questions how far the universalisation can go and how liberal cosmopolitan projects ('thick' or 'thin') should be conceptualised to begin with.

Finally, I present some concluding remarks that provide an illustration of the key findings. Here, it is evident that in the post-crisis era policymakers in each case have constructed competing (counter-)narratives that not only led to confusion throughout the EUFTT debate, but also highlighted the difficulty policymakers from EU member-states face when taking a common approach. In this way, to further liberal cosmopolitan projects, a lowest common denominator or baseline convergence approach should be endorsed in the first instance, which, through subsequent interactions, advocacy, debates and discussions may lead to a re-evaluation of national priorities, agendas and perceptions when moving forward. In this sense, establishing baseline convergence can be an important first step that might be required for thicker liberal cosmopolitan projects to be instantiated, especially if windows of opportunity begin to close or deep national divergences continue blocking paths to implementation.

6.2: Accounting for Varieties of Capitalism: Diverse Market Identities

This section revisits the VoC literature and suggests that the comparative institutional advantages between national political economies do have an impact upon the market identities embraced by policymakers. I indicate that the engagement with economic ideas, and the actual construction of, as well as the precise form that social democracy and/or neoliberalism takes in practice remains highly contested between French, German and UK policymakers. Consequently, policymakers '...think about capitalism in different terms' (Hall, 2014: 1244), and will have differing viewpoints, conceptualisations and understandings when contemplating liberal cosmopolitan projects like the EUFTT. This means that policymakers might pursue various paths, leading to further divergence rather than convergence. When assessing these dynamics, I draw on the concept of market identity, which is a combination

of state and national identities (see Chapter 3). In brief, the market identity traits embraced by policy actors across the three cases, are summarised below.

The UK: shareholder values, low tax, low to medium social protection, very high personal debt.

Germany: stakeholder values, medium tax, medium to high social protection, medium personal debt.

France: state-influenced values, very high tax, high social protection, medium personal debt.

6.2.1: Financial Markets, Capital Allocation and Corporate Governance: Shareholder versus Stakeholder versus State-holder Models

39 out of 46 interviewees highlighted that subtle and wide-ranging differences between the three cases at hand, in terms of financial market structure, how capital is allocated and the corporate governance values adopted by policymakers, are key to understanding why national policymaking communities have approached the idea of an EUFTT in dissimilar ways (see among others: Klinz; Fullerton; Zourek; Neidle; Walker; Henderson; Griffith-Jones; Hale; Clemente; EU Policymaker 5 and 6 interviews; see also Section 5.3.3).

Scholarship illustrates that most UK policymakers have constructed a shareholder model referred to as an Anglo-Saxon form of capitalism which concentrates decision-making power and authority in the hands of shareholders (Oren and Blyth, 2018: 1-5; Konzelmann, 2011: 1-3; Hyman, 2008: 4-7; Hall and Soskice, 2001: 59-62). This promotes a competitive capital market system where a multitude of global investors coordinate business activity, as policymakers take an arm's length approach towards regulation (Schmidt, 2016: 14; Hall and Gingerich, 2004: 8; Hall and Soskice, 2001: 18-19). UK policymakers are limited to managing markets, '...setting rules and settling conflicts, often leaving the administration of the rules to self-regulating bodies or to regulatory agencies' (Schmidt, 2016: 14). As such, policymaking communities engage with ideas and policy positions that promote '...free market solutions to economic problems' (Campbell and Pedersen, 2001: 5) in which '...deregulation is often the most effective way to improve coordination' (Hall and Soskice, 2001: 49).

Moreover, Oren and Blyth expound that UK policymakers have adopted a finance-led growth regime, i.e. turning to financial markets to solve growth problems, meaning that they generally prioritise finance and shut off alternative paths to growth (Oren and Blyth, 2018: 2). In this sense, it could be said that UK policymakers and the UK public at large are more aware that its financial sector is on some measures the world's largest and therefore this remains key to global competitiveness, economic growth and job creation (see also Chapter 5). Thus, capital markets and shareholders are in control of the allocation of capital within the economy, unless the government of the day chooses to 'make' firms and markets direct capital towards specific industries.

In contrast, policymakers and other actors in Germany play an 'enabling' role (Schmidt, 2016: 14), that constructs '...higher levels of non-market coordination' (Hall and Soskice, 2001: 18-19). This means that firms have to engage in '...more strategic interaction with trade unions, suppliers of finance, and other actors' (Ibid: 8). Hence, far more 'socioeconomic actors' (Schmidt, 2016: 4), along with social and political institutions (representatives of regional governments, local councils, consumer associations, trade/labour unions, environmental groups, and so on), engage in the construction of non-market coordination practices, values and norms, thereby directly shaping economic action (Piketty, 2014: 144-145; Hall, 2007: 46-48; Crouch, 2005: 442; Rhodes, 2005: 368). Therefore, '...corporate governance tends to be more driven by "stakeholder" values rather than "shareholder" ones' (Schmidt, 2016: 4) and non-market institutions prove to be an alternative check on competitive markets (Kitschelt et al, 2003: 448).

The literature refers to the coordinated stakeholder model and the historically engrained German approach as a form of 'Rhenish capitalism' (Piketty, 2014: 140-146; Hodges and Woolcock, 2007: 329-331; Crouch, 2005: 440; Albert and Gonenc, 1996: 184-185). In this sense, private sector actors in Germany are far more open to consensual styles of decision-making and codetermination, in which strong workforce and stakeholder representation along with deep business networks create an environment whereby unilateral action by top managers is rarely, if ever, witnessed (Silvia, 2013: 43-60; Addison, 2009: 5-25; Hall and Gingerich, 2004: 10; Hall and Soskice, 2001: 24). In turn, rather than always relying on strongly-driven carriers like managers and high-profile individuals, this leads to norms and ideas spreading among different groups through repeated interaction and socialisation in a

way that is more decentralised, collective and consensual (Abdelal, Blyth and Parsons, 2005: 35).

In addition, Germany has a credit-based and bank-oriented financial system, which means that firms and enterprises – large, medium and small – are less reliant on capital markets (Schmid, 2018: 137; Vitols, 2004: 1-7; Quack and Hildebrandt, 1995: 3). Although policymakers allow German actors to access and play a role in global capital markets, they also encourage ‘Hausbank relationships’ whereby German industry and regional banks are intertwined in collaborative networks that focus on long-term investment (Hall and Gingerich, 2006: 10; Hall and Soskice, 2001: 61-62). On top of this, specific non-publicly traded debt instruments called the ‘Schuldschein’ can be used to raise capital, which continues to recreate the traditional Hausbank model (European Commission, 2019: 36-37; Wardrop, 2019: 19-20; Kraemer-Eis et al, 2014: 14-17; Becker, 2008: 158-159).

Moreover, groups of regionally organised state owned German banks (the Landesbanken) are now more synonymous with supporting small and medium sized enterprises, as well as ‘hidden champions’ in what has become known as the latest brand of Mittelstand firms (Schmid, 2018: 137-138). Here, Mittelstand firms are often owned outright/backed by family consortiums, the Landesbanken, or other major German conglomerates, and they are also supported by business associations and trade unions (Parella and Hernández, 2018: 11-15; Menz, 2005: 55-57; Audretsch and Elston, 1997: 102-104). More recently, Mittelstand firms have grown in size and scope, are less dependent on individual families and can – if they choose to – enjoy more access to external capital, in the form of global capital markets (Schmid, 2018: 137). Yet, as the latest evidence demonstrates most Mittelstand firms continue to favour the Schuldschein, and importantly, also defend their independence and are still characterised by an underlying family spirit and common set of values/management practices (Berghoff and Köhler, 2019: 99-138; Wardrop, 2019: 13-31; Schmid, 2018: 137). A key point here, is that these German firms would not be subject to the EUFTT as many have chosen not to be directly tied to capital markets (i.e. not publicly listed), unlike the situation for many firms in the UK (Parella and Hernández, 2018: 16; Venohr, Fear and Witt, 2015: 7; Vitols, 2004: 19-20; Audretsch and Elston, 1997: 97-100).

When regarding the cases above, a good way to conceptualise the French model is to pursue Vivien Schmidt’s view that policymaking communities and ‘...the state plays and has

played a much more active role' than in either the UK or Germany (Schmidt, 2016: 5). To expand, she illustrates that French policymakers are 'influencing' because they intervene where they see fit and wider audiences acknowledge the existence of '...a more influential state and a more state-driven or hierarchical logic of interaction between firms, labour, and the state' than is the situation in the above cases (Ibid: 15-16). Other scholars suggest that cultural and historical legacies with ideas surrounding 'dirigisme', strong state supervision over markets, Keynesian economics and the benefits of having a deep interpenetration between state actors and the economic elites, have held sway over the narratives presented in policy circles (Arsenault, 2017: 18; Piketty, 2014: 136-137; Ferar, 2013: 68-69; Hancké, Rhodes and Thatcher, 2009: 291; Hancké, 2001: 333).

In this way, French policymakers have continued to intervene when they consider '...the interests of the national economy and/or the polity to be at stake', and in this way have '...weathered the different phases of neo-liberal reform without giving up on a central role for the state' (Schmidt, 2016: 18). In earlier works, Schmidt notes that French policymakers adopt identities associated with state-influenced market economies, insofar as they accept the idea that:

'...the state continues to influence business and labour by intervening where and when it sees fit—something that is taken as a right by state officials and is accepted as legitimate by the public and even those most affected, even when they contest the actions' (Schmidt, 2012: 162).

Thus, the French variety of capitalism has been labelled to be a 'state-influenced' market economy model (Schmidt, 2016: 5-15; 2012: 157-163; 2007: 1-7), as opposed to the Anglo-Saxon shareholder model of the UK, and the Rhenish coordinated stakeholder variety of Germany. Having said this, like the situation in Germany, French policymakers also construct 'iron triangles' between various actors (industry, legislature, and the regulating bureaucracy) at both the EU and member-state level (Sattich and Inderberg, 2016: 5-6). Therefore, policymaking communities in both Germany and France seem to be more inclined towards 'patient capital', which anticipates future shocks and embraces a longer term investment outlook (Piketty, 2014: 359; Vitols, 2004: 7-8; Hall and Soskice, 2001: 22-34).

It is true that French policymakers liberalised capital movements during the 1980s, adopted some Anglo-Saxon practices and choose to further integrate with global capital markets (Schmidt, 2016: 11-12; Hancké, 2007: 71-73; 2002: 52). However, this path towards ‘liberalisation’, integration and distinct interpretation of neoclassical/neoliberal ideas, was based on a particular configuration and mode of coordination, which included complex systems of elite networks and cross-shareholdings between policymakers, banks, and large firms (Ferar, 2013: 64-67; Schmidt, 2012: 162-163; Hancké: 2001: 311-313). In addition, family ownership patterns remained common among the largest French corporations, while shares in firms continue to be offered to the workforce and households (stakeholders) on exceptionally favourable terms (Schmidt, 2016: 16-19; Poulain-Rehm and Lepers, 2013: 325-328; Fulton, 2007: 19-26; Hancké, 2002: 54; 2001: 331). Contrastingly, the governance regime in the UK is distinct from the above cases, as shareholder values and financial returns seemingly trump all other concerns – including those raised by stakeholders (Hyman, 2008: 4).

From this, unique historical legacies alongside divergent constructions of national interest and market identities all impact national policymakers when they consider steps towards national, intergovernmental, regional and global financial regulation/governance. With the EUFTT in mind, this indicates that UK policymakers will display the greatest aversion to the measure and financial taxation more generally. On top of this, most UK business sector actors will also view the (EU)FTT in a negative light due to their exposure to global capital markets. Yet, as Section 6.3.1 argues, UK Prime Minister Gordon Brown was an early advocate and norm carrier for a global FTT, which contradicts this VoC reading. Equally, non-state actors may not necessarily be fully guided by specific market identities (see Chapter 7). As such, while market identities remain important in shaping the paths policymakers pursue, there is also room for a potential change in perceptions and interests to occur.

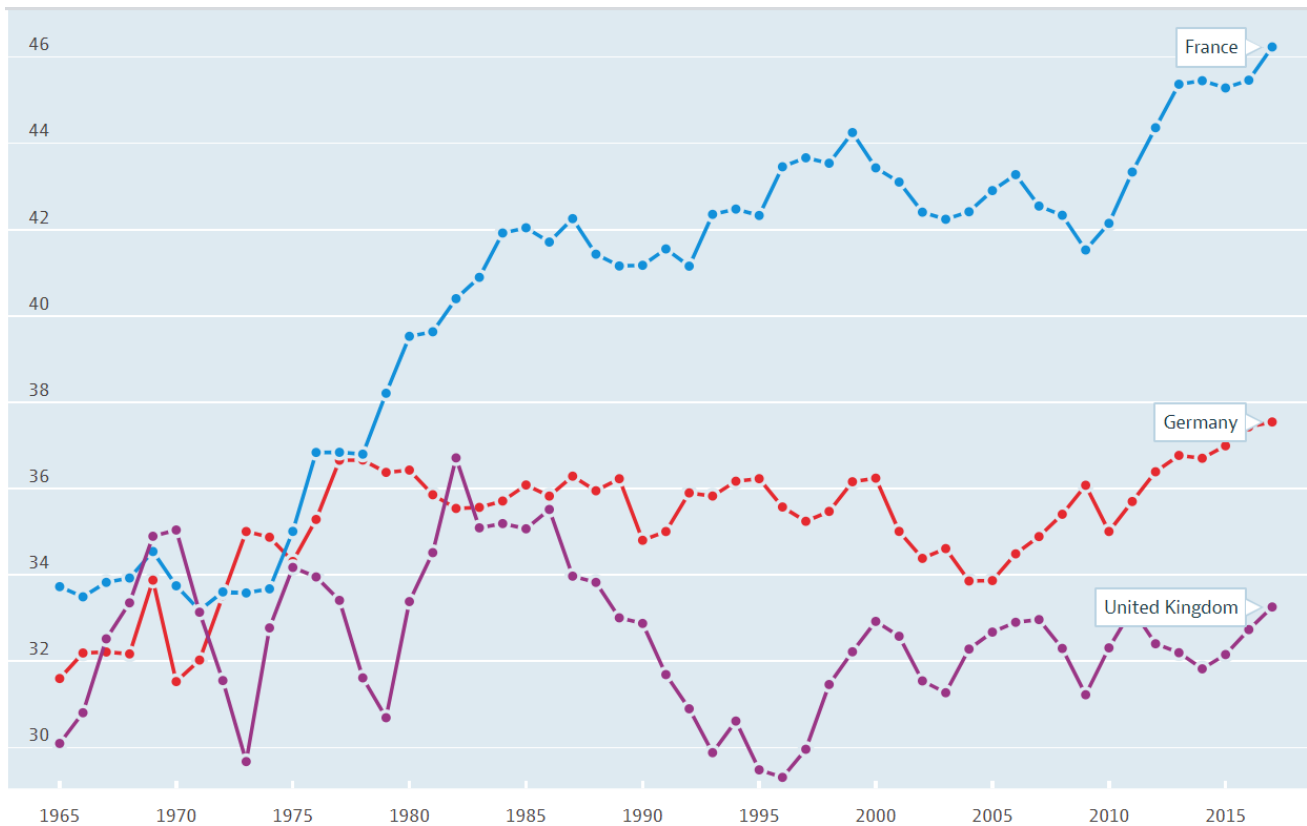
6.2.2: Tax Market Identity and Levels of Social Protection

35 out of 46 interviewees illustrated that within the EU there are many differences between national policymakers when they construct narratives and policies associated with

taxation and social protection. For example, interviewees focused on the proportion of national tax revenue that is collected and how this has been historically redistributed (see among others: Zourek; Schmidt; Griffith-Jones; Henderson; Berès; Johnson; Financial Sector Professional 1 and 3 Interviews) as well as the differences in construction of the respective taxation arrangements across EU member-states (see among others: Klinz; Pietikäinen; Turbeville; Christensen; Fullerton; Koch Interviews). By taking an historical view of tax revenue as a percentage of GDP in each case, this indicates the types of attitudes embraced by policymakers concerning ideas of taxation over a near 50-year period. From an ACC reading, these types of attitudes remain engrained in the imaginations and ideational realms of national policymaking communities, which in turn characterises fiscal policy arrangements and the market identity formation process in these political economies (Schulz, 2019: 231; Carstensen and Schmidt, 2016: 320-325; Saurugger, 2018: 19-22; 2015: 73-75; 2013: 898). This indicates that ‘...historically specific structures of meaning or the institutional setup of a polity or a policy area enhances or diminishes the ability of actors to promote their ideas’ (Carstensen and Schmidt, 2016: 323). As Figure 6.1 illustrates, in 2017 the French government collected over 46% of GDP in the form of taxation, while, Germany and the UK received just over 37% and 33% respectively.

All three national political economies display very similar tax to GDP ratios in 1965 (30%-34% of GDP), but during the next two decades, noticeable deviations are witnessed. France exhibits a ‘very high tax’ market identity, as authorities have collected at least over 40% of GDP in taxation for the past 35 years. On the other hand, the UK seems representative of embracing a ‘low tax’ market identity, as authorities have only collected over 37% in tax revenue as a share of GDP at one stage, which occurred in 1983, and on all other occasions obtained less in comparison to France and Germany. In fact, from 1986 when tax revenue stood at around 35% of GDP (a similar level to that of Germany at the time), the UK government implemented a series of tax cuts and by 1995-1996 tax revenue had decreased to just over 29% of GDP. In the case of Germany, tax revenue as a share of GDP has remained very constant over the same period and even longer, as only small fluctuations are on display between 1975 and 2017. Germany can thus be ascribed a ‘medium tax’ market identity as authorities have continually collected between 34%-37% of tax revenue as a share of GDP.

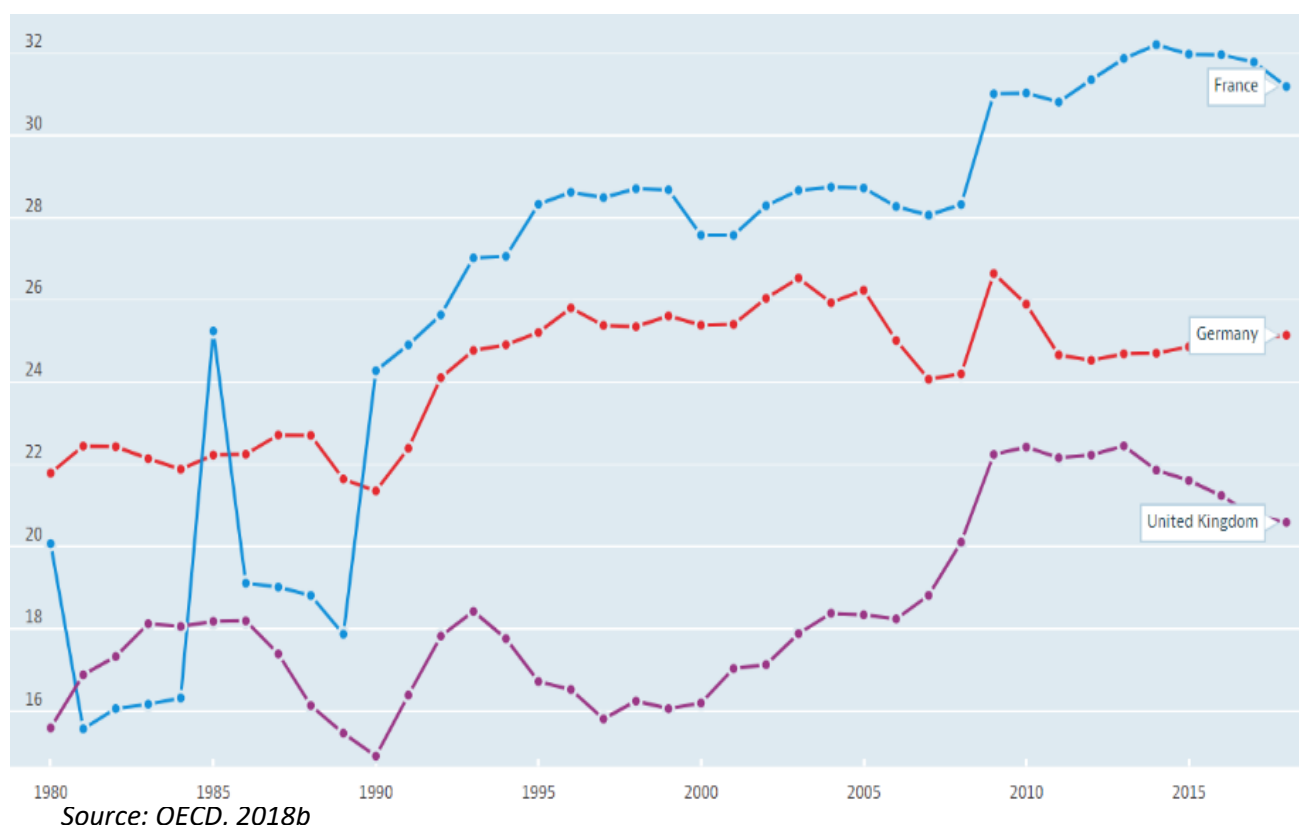
Figure 6.1: Tax revenue Total, % of GDP (1965 – 2017)



Source: OECD, 2018a

When considering levels of social protection in terms of public social spending as a percentage of GDP, particularistic trends are on display once again. Figure 6.2 indicates that when compared to levels recorded in 1980, total public social spending as a percentage of GDP has increased in all three cases. Yet, aside from this commonality, the paths pursued by policymakers are not demonstrative of convergence whatsoever. In 1980, as a percentage of GDP, public social spending stood at around 16% in the UK, 20% in France and 22% in West Germany. Yet, when consulting historical trends, the UK has provided less social protection (as a % of GDP) than is the case in either Germany or France for over 30 years. By 2018, this stood at under 21% of GDP. As such, a ‘low to medium level of social protection’ is applicable to the UK’s market identity. In comparison, as of 2018, France allocated 31% of GDP to public social spending, being representative of a market identity that embraces a ‘high level of social protection’, while Germany allocated around 25% of GDP, thereby embodying a market identity providing a ‘medium level of social protection’.

Figure 6.2: Public Social spending, % of GDP (1980 – 2018).



When turning to the wider literature, UK policymakers have, at least since the Thatcher years, emboldened a narrative suggesting that society needs to embrace ‘...tax cuts in order to stimulate economic growth’ (Cooper, 2012: 100) and that deregulatory shifts would lead to ‘better’ economic and social policies (Arsenault, 2013: 103; Irvin et al, 2013: 26-35; Snape, 2011: 112-123; Schmidt, 2007: 5). Here, the narrative emboldened by most UK policymakers is based on the notion that free markets may create large economic inequalities, but these are inconsequential, ‘...as long as people with determination and ability rise to positions that fit their capacities’ (Giddens, 2003: 12) and that ‘...the poor needed to pull themselves up out of poverty, and that given the right incentives (often punitive ones), they would do so’ (Sutcliffe-Braithwaite, 2012: 510). Yet, even with a change of government to the UK Labour Party – leadership under Tony Blair and the rebranding of ‘New Labour’, still professed an ‘individualist, pro-market, low-tax neoliberal approach’ (Corbett and Walker, 2018: 3). In turn, this could not be classified as analogous to the policies of a ‘centre-left’ government, at least in the continental ‘European’ sense, e.g. those pursued in France and Germany, but also elsewhere across Europe (Wincott, 2003: 288-289). Having said this, Yergin

and Stanislaw find that during the 1980s and 1990s nearly all traditional social democratic political parties across Europe were reimagining the welfare state, economic ideas and social democracy very differently across borders (Yergin and Stanislaw, 2002: 333).

In this respect, Tony Blair and New Labour created a British style of social democracy that was deemed to be highly distinct from other social democratic parties across Europe, namely policies emanating in Germany and France (Ibid: 330-331). This is the case because, as some argue, the generation that ‘came of age’ under New Labour displayed an even greater conservative and ‘rightward’ shift in social values than had occurred under previous generations or across continental Europe – especially ‘...with respect to attitudes to redistribution, welfare and crime’ (Grasso et al, 2017: 17-18). Thus, neoliberalism became more than just an economic mantra in the UK, as it led to the construction of a system of social values, that included a culture of individualism emphasising self-interest, individual responsibility and self-reliance, coupled with hostility to ‘big’ government (Corbett and Walker, 2018: 5; Aveyard, Corthorn and O’Connell, 2018: 226; Giddens, 2003: 11). As such, the neoliberal project in the UK suggested that state interference and the post-war structures created ‘dependency-inducing benefit systems’ that undermined ‘Victorian virtues’ like hard work and thrift (Sutcliffe-Braithwaite, 2012: 512). Since this time, the mainstream narratives embraced in the UK continue to portray ‘...negative attitudes about the benefits system, the unemployed, benefit recipients and the welfare system more generally’ (Grasso et al, 2017: 30), together ‘...with an overarching governmental preference for market solutions to welfare issues, residual social protection, and minimal, often means-tested support’ (Corbett and Walker, 2018: 3).

In stark contrast, narratives promulgating an ‘anti-globalisation’ message as well as negative portrayals of the way policymakers within Anglo-Saxon political economies interpret neoclassical/neoliberal ideas and economic policies have been vibrant in French society since the early 1990s (Ferar, 2013: 77). For example, the wider literature illustrates that French society accepts the highest tax burden in Europe, because of the deeply entrenched and traditional French values of universalism, social solidarity, and the Republican vision of the state as the actor that is ultimately responsible in ensuring the inclusion and welfare of all citizens (Hall, 2014: 1244; Ferar, 2013: 233; Schmidt, 2012; 2007). Due to the persistence and cultural approval within French society of a dirigiste legacy, Schmidt highlights that the

‘...post-war state ideal lives on in peoples’ minds, as the most legitimate way of governing the political economy’ (Schmidt, 2016: 20).

The latest form of dirigisme means that French CSOs/trade unions and employee associations extend their role to ‘...detailed engagement in the formulation of public welfare and labour market policy and the administration of social benefits’ (Hyman, 2008: 8), which in turn continues to justify ‘high rates of taxation and spending’ (Ferar, 2013: 69). Therefore, when it comes to the ideational realm of policy actors, the historic complementarities in France between taxation, social protection systems and production regimes allow for the unique construction of economic ideas and policies through deliberation with various actors that produce reinforcing feedback effects, and in turn can generate institutional change (Rhodes, 2005: 363). This indicates that it cannot be assumed that French policymakers will engage with neoliberal or social democratic ideas in the same way as those across the Channel, as a diverse range of actors are involved in persuading and socialising others towards their viewpoints during the policy process. In addition, French policy actors have historically embraced ideas based on ‘...a dirigiste tradition that goes back to the influence of Keynesian views’ (Hall, 2014: 21), and is linked to the ‘Trente Glorieuses’ (roughly 1950-1980), a period in which the ‘...country was rebuilt and economic growth was...stronger than at any other time in the nation’s history’ (Piketty, 2014: 138). As such, ‘...the market economy is allowed to function, but under the strong supervision of the state’ (Ferar, 2013: 68-69). This type of interventionism in France leads to high levels of social protection, which is coupled with a very high tax market identity.

A similar notion can be applied to the German case. Here, small and progressive taxes are not contrary to the market identity embraced by German society (Wandel, 2019: 30; Muresan, 2014: 128; Streit and Wohlgemuth, 2000: 251). This generalisation can hold, considering the relationship between policymakers, firms and CSOs like trade unions, labour organisations and environmental groups, etc., that result in further ‘private’ social protection provision through non-market coordination policies (which is not accounted for in Figure 6.2). These include wage-bargaining, the promotion of industry specific skills and increased education in general (Hodges and Woolcock, 2007: 329-330; Crouch, 2005: 444; Hall and Gingerich, 2004: 7). From this, social protection in Germany is not purely based on the redistribution of wealth, as in the case in the UK, but it is also tied to job security in the form

of firms having to engage in long term investment outlooks (see above), and the use of other non-market coordination tools. Here, German policy actors display a deeper commitment to re-training/re-skilling their labour force, with the view that this increases job security and allows social mobility to occur, albeit within the same firm. In addition, German policymakers – through an ordoliberal understanding – are shown to be committed to ideas linked to order, rule based behaviour, long-term goals, a ‘stability culture’ of governance and a market shaping regulatory paradigm (Carstensen and Schmidt, 2016: 332; Schmidt, 2016: 20; Hillebrand, 2015: 6-7; Hall, 2014: 1243).

Ordoliberalism, a unique German interpretation of neoclassical/neoliberal economics and social democracy (as well as aspects of Keynesian economics), indicates that governments are ‘...not to intervene directly into markets but must only...enforce and whenever necessary adapt the restrictive rules and regulations so competition based on performance can flourish and the price mechanism can function properly’ (Biebricher and Vogelmann, 2017: 4-5). At the centre of ordoliberal theorisation and understanding is the concept of the ‘social market economy’ (see among others: Dardot and Laval, 77-91; Blyth, 2013: 92-154; Yergin and Stanislaw, 2002: 16-19). As such, the narratives purveyed by most German policy actors indicate that capitalism is ‘...an instrument used by the state to fulfil its sometimes unwritten, but silently accepted, mission of taking care of all its citizens’ (Muresan, 2014: 128) and ‘the market economy had to become social’ as the stability and security of workers became a prerequisite of its functioning (Blyth, 2013: 138).

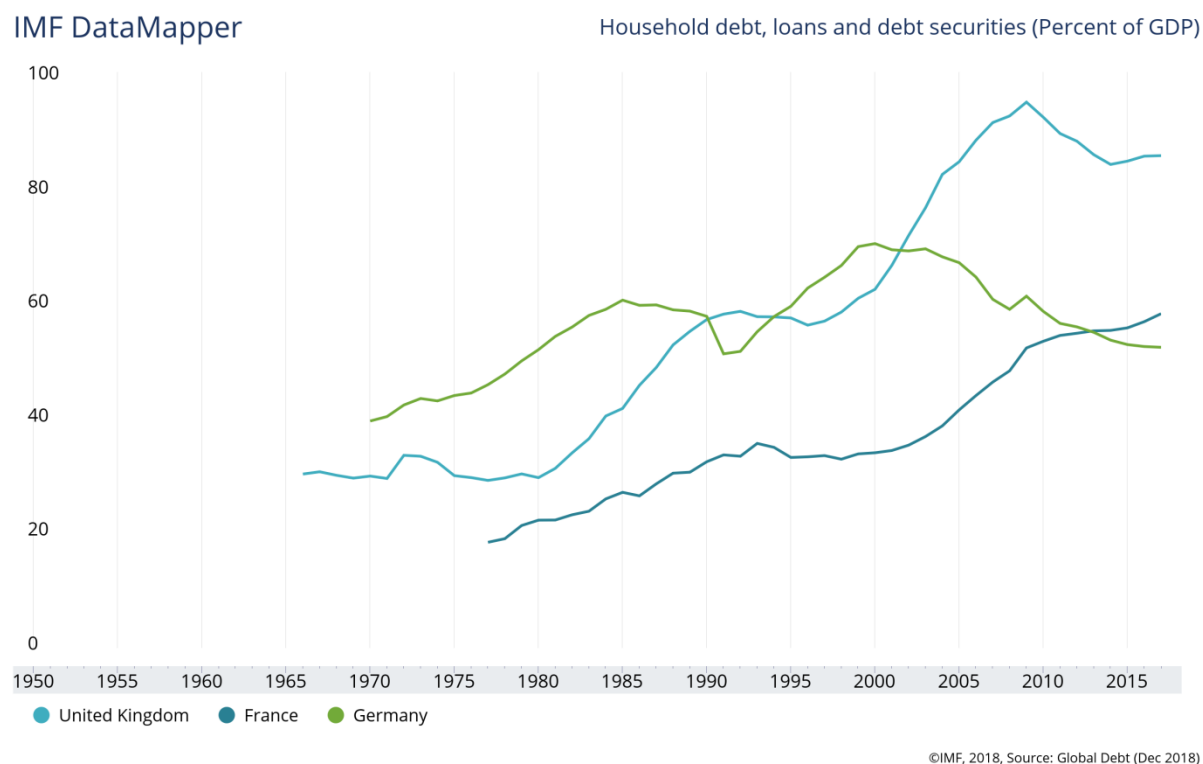
Thus, in the ordoliberal view, a strong state had to proactively establish ‘...the institutions that would produce and sustain a properly working market pricing mechanism’ (Reinhoudt and Audier, 2018: 24), which involved a mixture of ‘social’ and ‘market’ principles which manifested itself in on-going compacts with trade unions, corporate intermediation and participatory work councils (Giersch, Paqué and Schmieding, 1992: 71-74). In this way, much of the wider literature shows that ordoliberalism and the social market economy have led to a ‘corporatist’, as opposed to social democratic, welfare state in the post-war era which is linked to the peculiar and particularistic patterns of German history (see among others: Reinhoudt and Audier, 2018: 18-19; Goodin et al, 2003: 71-79; Giersch, Paqué and Schmieding, 1992: 26-44).

Therefore, across the three cases at hand, policymakers have interpreted economic ideas and subsequently reacted to changes/shifts (global, national or otherwise) in very different ways due to specific cultural outlooks, cognitive backgrounds and market identities. This has serious implications for an EUFTT, and by extension liberal cosmopolitanism, because policymaking communities across EU member-states are accustomed to unique historical institutional arrangements and configurations for taxation and social protection systems which can, in turn, guide conceptualisations and understandings of potential measures in the future, especially at the regional and global levels.

6.2.3: Levels of Personal/Household Debt

A final noteworthy difference alluded to by over half of interviewees related to levels of personal/household debt that are taken on board across the three cases (see among others: Ötsch; Berès; Pehrson; Schweizer; Turbeville; Financial Sector Professional 3 and 6 Interviews). As Figure 6.3 illustrates, levels of personal debt have, in each case, diverged significantly over the past 40 years, with the UK displaying a greater increase in the amount of household debt (as a % of GDP) since the early 2000s. Here, actor perception surrounding the EUFTT is also subject to this market identity formation process, as individuals across the three societies have differing relationships to debt, and thus varying conceptualisations when it comes to economic ideas and policies, including notions of an (EU)FTT, and liberal cosmopolitan projects in general.

Figure 6.3: Household debt, loans and debt securities, % of GDP (1965-2017)



Source: IMF, 2018.

In the UK, this vast divergence is linked to the fact that British households are intimately tied into the success and failure of financial markets (see also Chapter 5). This is due to increasing levels of investment as well as debt, which – since the Thatcherism of the 1980s – is based upon a key narrative engrained within the British ideational realm. Here, the accepted narrative in British society, at least among policymakers, revolves around the notion that the expansion of credit markets, an enterprise culture and higher levels of homeownership, creates a property owner’s democracy that replaces a welfare society with a share owner’s society (Oren and Blyth, 2018: 4; Aveyard, Corthorn and O’Connell, 2018: 222). Again, this strikes a chord with the presentation of the Anglo-Saxon shareholder model of capitalism (see Section 6.2.1), and as Oren and Blyth go on to show, for successive UK governments since the 1980s:

‘...each policy selection from Lawson to Brown, put the interests of the financial sector first, deepened the dependency of the economy on credit growth, on short-term

liquidity [and] to market forces [as] the belief [was] that these policies were the only possible policies' (Oren and Blyth, 2018: 8).

This narrative is central to the influence that neoclassical economic ideas and neoliberal social values have within the UK, but similar trends are also on display in France and Germany, although to a lesser extent. As Garon illustrates, the key difference is that policymakers from the 'thrifty' continental economies, like France and Germany, do not simply promote saving, they often restrain credit fuelled growth and did not experience the same 'revolution in consumer credit' that took place in the US and the UK after 1980 (Garon, 2012: 365). Contrastingly, for over 30 years UK policymakers have actively encouraged '...low-to-medium income families to borrow extensively' (Oren and Blyth, 2018: 13), thus the UK can be ascribed a 'very high personal debt' market identity.

When turning to France, perceptions of consumer credit as an extension of 'welfare' and social protection were not readily received by French society as it had been by larger cohorts in both the US and the UK (Trumball, 2014: 50-75; Packman, 2014: 123). In addition, French policymakers took '...greater caution towards neoliberal models of regulation and liberalised consumer credit' (Aveyard, Corthorn and O'Connell, 2018: 226), thus high levels of regulation were in place until the 1980s (Trumball, 2014: 74-75). Even once policymakers permitted banking/financial liberalisation, all major political parties in France pursued a narrative purveying easy credit as leading households to reduce saving and assuming unsustainable levels of debt that would become a trap from which one never escapes (Garon, 2012: 366). Scholars note that among other factors, personal/household debt is lower in France and Germany, when compared to the UK, due to '...cultural differences in the social acceptance of indebtedness [as well as]...the regional history of financial regulation' (Badarinza, Campbell and Ramadorai 2016: 6). In this respect, by the end of the 1980s French policymakers re-regulated and put restrictions on consumer credit markets (Trumball, 2014: 74; Garon, 2012: 367), and then, as a result of the 2008 crisis any shifts towards adopting the Anglo-Saxon model were further reversed or dismissed (Aveyard, Corthorn and O'Connell, 2018: 228). As such, France is viewed as embracing a 'medium personal debt' market identity.

In Germany, policymakers and academics have been deeply influenced by ordoliberal ideas and the Freiburg school of economics, which focuses on monetary stability and displays a clear aversion to an expansive monetary policy (Pottier and Delette, 2019: 61; Hall, 2014:

1243). This aversion to inflation as well as expanding the money supply is tied to: 'Germany's collective historical neuralgia over inflation of the 1920s', which has resulted in German policymakers assuming an ordoliberal identity, above all, in monetary matters (Blyth, 2013: 56, 142). In this sense, Germans are uncomfortable with the concept of regular credit expansions, debt fuelled growth and of borrowing money at the personal/household level in general, as they prefer to live within their own means.

This is encapsulated in German Chancellor Angela Merkel's (2005-2021) repeated pronouncements of the values of the 'Swabian housewife' – of saving, avoiding debt and living within her budget. For Merkel, and many other German policymakers, this comparison is valid because the accepted view is that one cannot live beyond their own means and behaving like the Swabian housewife is therefore the best course of action to pursue for national political economies and individuals alike (Stiglitz, 2016: 186; 245; Blyth, 2013: 52; 115; Skidelsky, 2013). On top of this, levels of homeownership are particularly low in Germany '...a country in which renting is famously more common' (Badarinza, Campbell and Ramadorai 2016: 3-6). In this vein, German households are not as intimately tied to market forces, changes in interest rates and the terms of borrowing when compared to the case of the UK and to a lesser extent, France. From this, a 'medium personal debt' market identity is also applicable in the case of Germany.

Again, the key point is that personal/household debt is perceived very differently across the three cases, and therefore a narrow as well as broad EUFTT, would be understood in dissimilar ways across these societies due to the relationships that individuals have with consumer credit (debt) as well as financial markets more generally. As the following sections demonstrate, in the UK, the mainstream narrative centred on the view that UK consumers would face the brunt of the EUFTT (see Section 6.3.1), whereas this was not as relevant in France (see Section 6.3.2) or Germany (see Section 6.3.3).

6.3: National Policymaker Engagement and Transmission

In section 6.3, I utilise an ACC approach to analyse the empirical material by considering the role of ideas as well as actors, interests and power. I focus on the (EU)FTT (counter-)narratives that are constructed by national policymaking communities and argue that these are engrained within particular market identities, specific cultural/social representations and unique historical patterns. This means that policy actors are operating under different varieties/models of capitalism, which indicates that their conceptualisations, understandings, memories/experiences and interests diverge, as these are filtered through the abovementioned factors. Therefore, when national policymakers transmit narratives to wider audiences these must resonate with specificities associated with the national political economy in question. To add, especially important here is the differentiated abilities for actors to set agendas due to specific institutional arrangements, idiosyncratic democratic political systems and wider national affinities towards certain market identity traits.

In this sense, the consideration of the relative permanence of path dependencies are important when assessing (supra-)national policy processes, and by extension liberal cosmopolitan projects, as actor preference is guided and informed by existing cultural specificities and embedded rationalities (see also Chapter 7). With this said, by taking a multi-level/multi-actor approach, an ACC reading also allows for the identification of entrepreneurial, innovative norm carriers that display strong political will and leadership by increasing the visibility and legitimacy of the (EU)FTT project, and liberal cosmopolitan concerns in general. As such, norm carriers play a role in producing change by delegitimising previously accepted ideas and understandings through persuasion, socialisation and manipulation. In this light, particular market identities and other peculiarities are not static as these are open to change, however incremental, through input mechanisms of social construction (see Chapter 3).

6.3.1: The United Kingdom

Brown's Idea for a Global Tobin Tax: A Small Window of Opportunity

The UK is an intriguing case because 35 out of 46 interviewees indicated that, aside from financial sector actors (see Chapter 5 and Chapter 7), the principal opposition towards the EUFTT, and forms of FTT in general, emanated from key UK policymakers namely from the UK Conservative Party, but also those from the UK Labour Party (see among others: Jones; Pehrson; Wahl; Schulmeister; EU Policymaker 1, 2 and 3 Interviews). When consulting the VoC literature, it seems understandable that UK policymakers displayed greater aversion towards the EUFTT, and FTTs/Tobin taxes in general, as a shareholder model of capitalism and specific market identity traits dominate the construction of accepted mainstream narratives in the UK (see Section 6.2). However, importantly, a negative reception towards the idea had not always prevailed in the UK, especially in the immediate post-2008 crisis years under the premiership of Gordon Brown (UK Labour Party), as a shift away from these market identity traits seemed to be on display. For example, Griffith-Jones, highlights that: *'positives'* can be drawn from the experience, as Brown had shown an *'...impulse for financial regulation in the UK after the crisis...[which was]...required for the FTT to gain purchase'* among wider audiences and become a possible agenda item. As such, Brown was an integral figure as he *'...pushed the idea of the Tobin Tax very early at G-20 meetings'* (Griffith-Jones Interview). Thus, the early drive for a global FTT, counter-intuitively, emanated from UK governmental actors, particularly under the leadership of Prime Minister Gordon Brown (2007-2010).

Brown was a key entrepreneurial norm carrier as he persuaded other policymakers to endorse his viewpoints and, by initially furthering the idea, he fostered more discussion and theorisation to take place, which led to a deeper socialisation around the acceptability of FTTs (see among others: Griffith-Jones; Dodds; Persaud and Jones interviews). This is supported by the wider literature, as by the November 2009 G-20 meeting, Brown became the *'...most prominent proponent of the tax'* (US Congressional Oversight Panel, 2010: 104-105), and a key *'defender'* of the idea by actively *'...looking for allies to help him implement'* the measure at the global level (Pleyers, 2010: 10; 229). Others, suggest that Brown *'...shocked his G-20 colleagues by raising the possibility of a Tobin Tax...[and,]...(d)espite scepticism from the Bank of England, British officials then began to privately lobby the IMF to come out in favour'*

(Chwieroth, 2011: 23). Once other policymakers displayed support for such an initiative, and the International Monetary Fund (IMF) had 'dropped' its opposition to the tax (Irvin, 2013: 34), Brown then had a platform to push the idea at subsequent G-20 meetings, which he did vociferously during 2009-2010 (McCulloch, 2011: 109-110; Financial Times, 2010a; BBC, 2009; The Telegraph, 2009a; 2009b; Guardian, 2009). In this way, Brown had a positive impact on the FTT debate as he augmented global discussions, thereby advancing the idea, in part, on to the agendas of other national policymakers and those at the EU level. At the same time, McCulloch notes that as a direct result of Brown's calls for a global Tobin Tax, this normalised the idea among wider audiences and '...stimulated several significant pieces of policy analysis on the issue' (McCulloch, 2011: 109). This should not understate the roles played by German and French policymakers, as shown in subsequent sections, but it is clear that Brown is one key figure that had led the charge.

On top of this, other Labour Party figures also stood with Brown at this time, like MP David Anderson (UK Parliament, 2009a), MP Michael Meacher (House of Commons, 2009: 751-752), MP Frank Dobson (UK Parliament 2009b) and Foreign Minister (2007-2010) David Miliband (The Guardian, 2009c). Moreover, Lord Adair Turner - Chairman of the Financial Services Authority (FSA) – the former UK regulator for the financial services industry – was fully behind the measure, even in the face of severe backlash from US and other policymakers – including some from EU member-states (Snape, 2011: 111-112; Irvin et al, 2013: 25; Financial Times, 2009a). In addition, the farther flung left-wing of the Labour Party, especially backbenchers like MP Jeremy Corbyn and MP John McDonnell, had also historically shown their support for Tobin Taxes and continued to do so under Brown's premiership, although they became somewhat lukewarm once they were in leadership positions (Financial Times, 2015; see below and also Chapter 7). Nonetheless, in the immediate post-crisis years the UK government, led by Brown, endorsed a global approach to Tobin Taxes/FTTs and attempted to attain broad support among partners, which extended beyond just EU member-states (Guardian, 2010a). However, Brown – through his engagement with ideas emanating from the IMF and other policymaking communities (see below) – seems to have concluded that if a global route were unviable, then strategically it would not be wise for the UK, or even the EU, to move alone on the FTT (Pixley, 2018: 15-16; Chwieroth, 2011: 7-9; Snape, 2011: 118-123; The Telegraph, 2009a).

In this fashion, during the 2010 election campaign the mainstream narrative in the UK, put forward by policy actors from the Labour Party, the Conservative Party and, the UK's third largest political party, the Liberal Democrats (Lib-Dems), had shifted focus away from considering FTTs as a policy solution. Instead, the response UK policymakers would take against financial sector actors in general now honed in on other forms of taxation and regulatory measures, namely fining financial sector actors and applying a bank levy. As such, the narrative in the UK altered in such a way that the ambitious global Tobin Tax, and subsequent EUFTT, were both relegated down the policy agenda. This was not only because UK policymakers questioned the viability of a global tax and thus returned to engrained ideas, but also because of a narrative change, that instead focused on the merits of other measures – such as a bank levy (i.e. tax on banking bonuses or balance sheets). This shift is noticeable when considering other prominent Labour Party figures, such as Chancellor of the Exchequer Alistair Darling (2007-2010), who ‘...shied away from the populist "Robin Hood tax" on banks that pressure groups had demanded’ (The Independent, 2010c). Instead, Darling showed more support for types of bank levy (Financial Times, 2010b) most forcefully, the IMF's new plan for a ‘super tax’ on banks’ excess profit (The Telegraph, 2010a). Furthermore, Darling already introduced a bankers’ bonus tax at the national level in 2009 (Irvin et al, 2013: 34), and continued to improve this and endorse other forms of bank levy at the global level, rather than focusing on the FTT (Snape, 2011: 111-120).

Therefore, during the 2010 UK General Election campaign, the Labour Party – led by Brown – stood on a manifesto which pledged to reform banking and supported the introduction of an internationally-agreed or global levy on banks, rather than an international/global Tobin Tax, applying extensions to the UK FTT or joining the EUFTT process (Gabor, 2012: 9; Snape, 2011: 118-123; The Guardian 2010a; BBC 2010). This is also applicable to policymakers from the Conservative Party, as their manifesto pledges honed in on direct fines, and following a hung-parliament as a result of the 2010 election, the newly formed Conservative/Lib-Dem ‘coalition’ government pushed ahead with measures like the IMF proposed bank levy (BBC, 2011a). Thus, the change in direction in 2010 was not only (or directly) related to financial sector lobbying activities, but rather Brown and other UK policymakers had bought into different policy ideas that were deemed to be – in the eyes of the IMF, some CSOs and other policymakers – as more realistic and viable options. The wider

literature illustrates that although Brown joined ‘...the growing chorus in favour of an international tax on financial transactions...He immediately got his wrist slapped by the US Treasury, the European Central Bank and Dominique Strauss-Kahn, head of the IMF’ (George, 2010). Here, Kahn and the US Treasury Secretary Timothy Geithner were ‘...against Brown’s idea’ as they both presented ‘political-technical opposition’ toward the measure by questioning feasibility and raising concerns that the tax would be passed on to customers and the rest of society, as opposed to the financial sector (Pixley, 2018: 15-16).

Furthermore, policymakers from the Conservative Party consistently challenged Brown over the Tobin Tax as well as ‘...marginalise[d] any ideas associated with Lord Turner, the legitimacy of whose supervisory jurisdiction in relation to the banks (as Financial Services Authority chair), the Conservatives regarded as having been eviscerated by the events of 2007-08’ (Snape, 2011: 122-123, see also below). Therefore, when it came to a global Tobin Tax, Brown faced much internal and external pressure from a range of policymakers and this would play a role in influencing his standpoint towards the measure. While Brown attempted to reposition ‘...himself as the scourge of unfettered capitalism’ (Chwieroth, 2011: 8), he nonetheless stepped away from the global Tobin Tax and did not expressly step towards the EUFTT either (Pixley, 2018: 14-16; Snape, 2011: 118-123). Other policy actors accustomed to forms of the Anglo-Saxon shareholder model, especially those in the US, also portrayed both measures in a negative light, furthering notions that the tax is unworkable – particularly at the EU level – which may have influenced Brown when he considered whether to continue his support for a global path or buy into the EUFTT.

Yet, the more interesting question is why Brown changed his mind on the Tobin Tax in the first place. The measure was marginal to mainstream policy/academic debates prior to 2008, and the removal of FTTs was the general direction of travel before the crisis struck as many policymakers sought to make their capital markets more competitive (Zuluaga, 2020; Matheson, 2011: 1-9; Benn, 2009: 5). As the wider literature highlights, Brown supported the measure as a revenue-raising tool to finance a global insurance fund, meaning that future bailouts would not solely be derived from governments/central banks, but could also be sourced from this fund (Chwieroth, 2011: 23; McCulloch, 2011: 109-113; Buckley and Howarth, 2010: 133; The Times, 2009; The Wall Street Journal, 2009). As such, rather than promoting a regulatory turn, Brown focused on revenue potential and how this could be

allocated to a global fund to assist global financial markets during (future) systemic panics. This said Brown still played a key role in normalising and legitimising the idea among other national/supranational policymakers and wider audiences in general. With this in mind, Richards argues that Brown was in fact ‘...three-quarters social democratic’ and during his time in government he ‘...believed that it was possible to extend social democracy by stealth’ through discretionary increases in public spending whereby he ‘quietly redistributed’ (Richards, 2015). In support, Benn highlights that measures like FTTs and the Tobin Tax ‘...chimes with Brown’s deeper radical instincts’ (Benn, 2009), while others note that his tax and welfare policies in general ‘...have been notably redistributive, particularly with regard to the poorest groups’ (Gray, 2004: 39).

Nevertheless, Brown held ‘...the assumption that a Labour government had to be seen to be close to the thriving financial sector’ (Richards, 2015) and appreciated that power imbalances existed between governments and markets (see Chapter 5). Therefore, major contradictions emerged within Brown’s approach as he was concerned with alleviating poverty, while at the same time, wanted to be ‘...the best friend of banks and an ardent supporter of a light regulatory regime for the City’ (Richards, 2010: 3). As such, an ACC reading indicates that specific social representations unique to the UK, such as a low tax market identity, deregulatory tendencies and high levels of debt, as well as an acceptance of the power of finance, were very much endorsed by Brown in the lead up to the 2008 crisis during his time as Chancellor of the Exchequer. Consequently, for all the social democratic values/projects espoused by Brown and New Labour, the wider literature argues that greater steps were taken towards establishing a British version of a neoliberal society and implementing policy reforms in line with neoclassical economics that increased the power of finance (Martell, 2018a: 14-15; Corbett and Walker, 2018: 3; Carstensen and Matthijs, 2016: 22-23; Kitson and Wilkinson, 2007: 807-808; Newsinger, 2007: 30-34).

Additionally, most UK policymakers turned away from the Tobin Tax/EUFTT in favour of a bank levy, because the latter was an alternative, and even a potentially more fruitful, avenue to pursue in ensuring the financial sector would make a fair and substantial contribution to public revenues (see also Chapter 5). This approach still targeted the financial sector – thus appeasing public outrage – but also allowed the City of London, under a somewhat more stringent national regulatory framework, to return to high profitability. In

this manner, as the next section goes on to show, UK policymakers started to suggest that one of the central aims of the EUFTT, i.e. obtaining ‘a fair and substantial contribution’ from the financial sector, could equally be achieved through the implementation of a national bank levy. Therefore, after initially ‘championing’ the measure, Brown and other Labour Party figures – in contrast to their policymaking counterparts in Germany and France (see Section 6.3.2 onwards) – did not include the FTT within their manifesto pledge, and by 2010, decided to choose an alternative avenue i.e. a more comprehensive bank levy than proposed by the Conservative Party.

Cross-Party Rejection and Divergence

Once Labour suffered defeat in the 2010 General Election and Brown stepped down as leader, other Labour Party figures were now primarily concerned with increasing the rate of the recently implemented bank levy, rather than pushing ahead with the EUFTT or proposing a broader national FTT in general. During the post-Brown era, prominent Labour policymakers were viewed by 19 out of 46 interviewees as giving the EUFTT very lukewarm support by not seriously considering this path to be applicable and not forcefully raising it on to the policy agenda (see among others: Griffith-Jones; Christensen; Schulmeister; Hillman; Dodds; Henderson; Jones Interviews). For instance, even though the new leader of the Labour Party, Ed Miliband (2010-2015), indicated his broad sympathies for introducing the tax (TheRobinHoodTax, 2011) and that it was supposedly a key tenet to his vision when he called for fairness and social justice (Left Foot Forward, 2010), he did little to stimulate the debate in the UK or EU.

Moreover, at the 2011 *Labour Party Annual Conference* although Miliband showed firm support for an EU-wide measure as a starting point if a global path was not possible, he then backtracked on this less than a year later, by limiting his support to a universal global solution (Goes, 2016: 85-86). On top of this, Ed Miliband and Ed Balls (Shadow Chancellor of the Exchequer) were called out by UK based FTT proponents for not being vocal enough in their support for the global Tobin Tax, national/global FTTs and the EUFTT (TheRobinHoodTax, 2011; Griffith-Jones interview). As such, Tobin Taxes/FTTs and the EUFTT disappeared from the UK political agenda because the largest party in opposition agreed with the mainstream narrative that suggested these measures, unless applied globally, would – in the words of

Balls – create ‘real damage to the City’ (The Evening Standard, 2011a). Miliband, Balls, and the rest of the shadow cabinet did little to question this narrative beyond highlighting that it would not be feasible unless policymakers from other major financial centres also agreed to adopt the measure. Even once the leadership passed on to Jeremy Corbyn (2015-2020), the situation remained unchanged, as the Labour Party and Shadow Cabinet still gave the EUFTT ‘...a lukewarm reception’ (Griffith-Jones Interview), viewing it with ‘...mixed feelings’, and as of April 2016 ‘...the Labour position is still awaiting formal confirmation through the National Policy Forum’ (Dodds Interview). Although Corbyn signalled some support for the EU measure in 2015 (City A.M, 2015: CNBC, 2015), it was not until May 2017 that the official Labour Party position changed.

However, rather than joining the EU initiative or furthering EU discussions, Labour’s 2017 manifesto pledge advocated for the creation of a broader national FTT by extending the existing UK Stamp Duty on shares to other financial instruments (see Chapter 7). To some extent, this change in stance was related to ongoing debates regarding the UK referendum on leaving the EU in 2016 (Brexit), with this centring on re-gaining national sovereignty and ‘...disentangling the UK from the rules and regulatory authority of the EU’ (Agnew, 2019: 2). Overall, Brexit influenced UK policy actors when it came to not endorsing or joining new emerging EU measures (Ringeisen-Biardeaud, 2017: 2-10; Gee and Young, 2016: 131-139; Springford and Whyte, 2014: 3-7). At the same time, Corbyn attempted to shift the Labour Party (and the country) away from Anglo-Saxon shareholder models, neoclassical ideas and market identity traits endorsing both low taxation and low levels of social protection (Bassett, 2019: 1-7; Martell, 2018a: 15; 2018b: 5-6; Seymour, 2017: 78-84; Rustin, 2017: 7-8). Therefore, putting forward extensions to the UK FTT fitted the type of leftward shift that Corbyn was trying to achieve, while it simultaneously allowed him to distance the Labour Party from the EU measure, as this was more controversial for wider audiences in the UK to accept (see below and Chapter 5). When considering the role of ideas, on the most part UK policymaking communities are afflicted by and committed to finance-led growth, as well as a UK style neoliberal economic mantra and set of social values. This means that neoliberal viewpoints and assumptions have influenced the British style of social democracy, i.e. the form postulated by New Labour under the leadership of Blair, with Brown by his side.

Therefore, an ACC reading highlights that when compared to the traditions emanating in continental Europe, constructions of social democracy are very different in the UK. In this sense, while Corbyn, McDonnell and others advanced their visions of socialist/social democratic readings that are closely aligned to continental European trends, including engagement with the FTT idea, many Blairites and Brownites, as well as others adopting a neoclassical reading (the right-wing of the Labour Party), were only committed to a global version. This is because Labour's relatively recent electoral successes (1997-2007), and British style social democracy, is linked to and informed by neoclassical ideas like financial self-regulation, open capital markets, an independent central bank, notions of a property-owning democracy and individualism. During this time, Labour also endorsed mainstream narratives suggesting Britain's future success, and by extension its citizens', is tied to global financial markets and supporting a strong banking and financial sector (Blyth, 2013; Yergin and Stanislaw, 2002). For many Labour figures then, it seems that these ideas and narratives hold larger sway among wider audiences in the UK; therefore, it is difficult to shift away from these toward continental European trends, at least in an immediate fashion, as this lacks deeper resonance with voters and risks electoral failure. On top of this, financial sector actors use their power to persuade, socialise and manipulate wider audiences to accept similar narratives by focusing on the importance of finance-led growth for the UK. This is undertaken through instrumental and structural power, as wider audiences in the UK are influenced by the ideas emanating from financial sector lobbying, alongside the construction of broader understandings involving the UK's position in the global economy due to specific market specialisations and a reliance on global investors (see also Chapter 5 and Chapter 7).

Moreover, 18 out of 46 interviewees suggested that in the UK, other political figures from the Lib Dems, such as Vince Cable and Baroness Shirley Williams, displayed greater support for the measure than policymakers from either Labour or the Conservatives (see below), because implementing a global FTT became a clear manifesto pledge in 2010 (Liberal Democrats, 2010: 62). To add, these policymakers actively engaged with CSOs and had shown interest in adopting Tobin Taxes/FTTs in both the run-up to, and in the aftermath of, the 2008 crisis (see among other: Griffith-Jones; Henderson; Tudor and Financial Sector Professional 1 Interviews). Here, an important Lib Dem of note is Williams, who vociferously raised the FTT/Tobin Tax on to the political agenda, and did so in various ways, for many years (Tax

Journal, 2011; Brassett, 2009: 463; BBC Radio 4, 2009; The Guardian, 2005). Yet, Cable confirmed the official party position in the lead up to the 2010 UK General Election highlighting ‘...it's essential that any Tobin tax is introduced on a multilateral basis with the support of the US, EU and Switzerland’ (Financial News, 2010). As Cable’s words illustrate, while the FTT became a manifesto pledge, prominent figures from the Lib Dems still bought into and sold the narrative that the tax must be applied globally, with at least the support of other jurisdictions housing large financial sectors (Liberal Democrats, 2010: 62).

Thus, most UK policymakers – aside from raising calls for a global FTT – diminished the FTT project, particularly at an EU level, from being a serious policy proposal. For the Labour Party, the FTT was not an agenda item or policy/manifesto pledge between 2010-2015, at which time the Labour leadership rested with the centre and right-wing of the party. Moreover, direct fines and discussions concerning a form of national bank levy emerged as the ‘new’ policy solutions, thus, these dominated the UK mainstream narrative in the post-crisis era (see Chapter 5). This is because, as policymakers from other EU member-states and EC officials pushed ahead, the EUFTT was framed as ‘unfair’ by most UK policymakers (27 out of 46 interviews). This is corroborated with the words of Conservative MP Mark Hoban (Financial Secretary to the Treasury 2010-2012), who emphasises that: ‘...the Government...estimates that over 50% of revenues...would derive from activity in the UK’, which leads to questions around the fairness of the tax (Seely, 2014: 16). In the same vein, as George Osborne – now as Chancellor of the Exchequer (2010-2016) puts it: ‘Proposals for a Europe-only Financial Transactions Tax are a bullet aimed at the heart of London...The EU should be coming forward with new ideas to promote growth, not undermine it’ (The Telegraph, 2011b). Again, the narrative constructed here demonstrates that the EUFTT is inconsistent with ideas surrounding the importance of economic growth and, due to certain design characteristics, would unfairly impact the UK economy (The Telegraph, 2013a).

Furthermore, Osborne purported narratives denigrating the EUFTT on grounds that capital can easily relocate, so all major global trading centres/jurisdictions need to sign up, not just EU member-states (The Guardian, 2011b; EU Observer, 2010b). Osborne compounds this negative portrayal by suggesting that savers, pensioners, retail investors and the general public in the UK would bear the cost of the tax (BBC, 2014) as: ‘...There is not a single banker in this world who is going to pay this tax’ (The Guardian, 2011a). As such, the UK government

(2010 onwards) put forward several narratives that challenged the EUFTT based on legality, negative impacts caused by the relocation of business activities, tax burden not falling on banks, and the decrease in both efficiency and growth (33 out of 46 interviews). Further documents confirm that other Conservative figures also perceived the EUFTT in this light and purported one or more of the above narratives to the wider public (see Seely, 2014). The UK Prime Minister David Cameron (2010-2016) added his influence to the narrative, suggesting that the City of London ‘...is under constant attack through Brussels directives’ (BBC, 2011b), as well as describing the tax as ‘Sheer madness’ and a declaration of economic war against Britain (The Telegraph, 2013b).

In other remarks, Cameron stated that a solitary EU-wide measure was not sensible and he had vowed to block it because it would increase unemployment, lead to a relocation of financial activity as well as a vast reduction in tax revenues (Reuters, 2012a). On top of this, the Lib Dems, in a similar fashion to actors from the Labour Party (until 2017), were relatively silent in supporting the measure beyond calls for a global agreement (see above). Therefore, during this period leading UK policymakers were demonstrably against the EUFTT as well as extending national FTTs as they put forward a number of competing narratives against both measures. Perhaps the most important narrative purported here regarded the framing of the EUFTT as disproportionately ‘unfair’ on the UK, as thereafter the measure evaporated from political debates and policy discussions. This was also linked to broader issues surrounding Brexit, and therefore a general hesitancy existed among UK policymakers across the political divide when it came to embracing new EU level measures (see among others Schulmeister; Persaud; Koch; Griffith-Jones; Financial Sector Professional 2, 3 and 5 interviews).

Thus, to understand this particularism in the UK, one could indicate that from an ACC reading, actors are engrained within certain social representations, cultural traits and market identities. Here, the majority of UK policymakers denigrated the idea of the EUFTT by invoking traditions based on neoclassical readings, an historically low tax market identity (at least in the short-run, since the 1980s) and negative portrayals of the ‘big’ government narrative, which an organisation like the EU could easily be perceived to represent. Even for figures like Corbyn – who was more aligned to continental European currents of social democracy and socialism – there was still a clear difficulty in shifting other UK policy actors and wider audiences to support his messages and counter-narratives. Furthermore, to attain electoral

success all mainstream political parties put forward narratives focusing on targeting banks through direct fines and a new bank levy, rather than any form of FTT, EU or otherwise. In addition, the aversion of UK policymakers to embrace the EUFTT and forcefully target the financial industry relates to several other specificities. Here, very high levels of household/personal debt indicate that the UK public are intimately tied to the logic and success of financial markets, and are thus subject to changing market conditions far more so than people in Germany and France, who have not taken on anywhere near these levels of debt. Relatedly, due to the institutional configuration in the UK nearly all firms utilise capital markets to access finance, meaning that measures like the EUFTT would increase the cost of capital for most UK businesses. To take this a step further, Anglo-Saxon shareholder values dominate the UK landscape and this includes narratives that embrace the creation of a shareowner society, through an increase in individual property ownership (see section 6.2).

As such, to achieve electoral success policymakers have historically had to deploy narratives that invoke engrained market identity traits based on particular value systems. Again, the problem with most liberal cosmopolitan theorisation is that the divergent conceptualisations held by policy actors and wider audiences are not engaged with in enough detail, especially when theorising how these can be overcome to reach a global agreement. This includes consideration of diverse and idiosyncratic forms of social democracy and neoliberalism, alongside meaningful differences exhibited across national institutional arrangements in practice (see also Chapter 8). As a result, when constructing pathways that are global/regional, liberal cosmopolitans need to stress that noticeable and nuanced differences exist, but these might be overcome by taking a lowest common denominator or baseline convergence approach (see Chapter 5 and Chapter 7). Additionally, by drawing on an ACC reading, the role of ideas and the way in which policymakers use these strategically to persuade, socialise and manipulate other actors, this means that newer understandings and perceptions can materialise if innovative entrepreneurial norm carriers – like Brown or Corbyn – can emerge to present counter-narratives that can displace and delegitimise mainstream positions. In turn, this suggests that market identities are not as rigid as one might expect because policy actor perception is more likely to change and adjust in light of new information and evidence of the workings of FTTs alongside deeper reassessments of global trends, capitalist relations and institutional configurations. Nevertheless, this section

has demonstrated that this type of move seemed distant due to the framing of the EUFTT in the UK, which is in high contrast to the situations in France and Germany where strong norm carriers of the FTT idea, as well as other forms of non-shareholder capitalism, are far more visible.

6.3.2: France

Commitment Towards the EUFTT and Going-It-Alone with a National FTT

30 out of 46 interviewees suggested that key French policymakers had also supported a global FTT in the immediate post-2008 crisis years – much akin to the situation in the UK. For instance, French President Nicholas Sarkozy (2007-2012) was described by interviewees as ‘...*playing a central role in keeping the FTT on the agenda at G20 meetings*’ (EU Policymaker 2 Interview). Furthermore, once this did not prove to be fruitful, his influence continued at both the national and EU levels (see among others: Schulmeister; Griffith-Jones; Henderson; Tudor; EU Policymaker 1 and 3 Interviews). This was identified as a key difference between the approaches taken by Sarkozy and Brown. As Tudor demonstrates, German policy actors and Sarkozy as well as others from ‘...*the French government are absolutely crucial...because they are the ones with the weight to push along EU negotiating procedures*’ (Tudor Interview). Others illuminated that Sarkozy, alongside Merkel (see Section 6.3.3), were both ‘...*integral in pushing the [European] Commission [on the] proposal*’ (Financial Sector Professional 2 interview) and keeping up pressure on amending the EC proposal once an EU-wide measure was no longer on the table (see among others: Tudor; EU Policymaker 4; EU Policymaker 5; Schulmeister; and Wahl Interviews). Further evidence indicates that Sarkozy maintained this support and favourable attitude towards FTTs throughout 2010 and 2011 (Gabor, 2012: 11-12; McCulloch, 2011: 109; Reuters, 2011; Snape, 2011: 122-123).

As discussions surrounding a global measure subsided, Sarkozy then pursued a narrative favouring an FTT at both the national and the EU level. Hence, the post-2008 era witnessed narratives spearheaded, in part, by French policymakers, on a cross-party basis (see below), and at various policy levels – global, EU, international and national. In this way, by implementing a national measure first, Sarkozy was deemed to be showing world leaders that

he had the political will to go forward at the national level, in the hope of encouraging a commitment among policymakers to do the same and eventually proceed at the EU/global level (Johnson; Tsuda; Henderson; EU Policymaker 1 and 3 Interviews). However, many experts consider Sarkozy's favourable FTT position to be a 'political move' as he found himself trailing in opinion polls against Francois Hollande ahead of the French presidential elections (The Guardian, 2012). This is because Hollande had included pushing for an EUFTT in his Socialist Party manifesto (BBC, 2012), and in this sense, '*...the EUFTT became one of Hollande's flagship policies*' (Berés Interview). In addition, most figures and MPs from the Socialist Party supported the measure, especially as they pledged to increase taxes and viewed the EUFTT as a new way to finance the government budget and wider EU expenditure (BBC, 2012; The New York Times, 2012a; German CSO Campaigner 1 Interview).

Therefore, prior to the 2012 French Presidential Election as well as before the proposed usage of the Enhanced Cooperation Procedure (ECP) in the EP (October 2012), Sarkozy launched his counter-strike and introduced a unilateral French FTT in January 2012, which would not enter into force until August of the same year (note, after the election in June 2012). As such, in early 2012, perhaps as a way to counteract calls for the adoption of a broad FTT or an EUFTT, French policymakers – led by Sarkozy – unilaterally implemented their own narrower national FTT (Koch; Schulmeister; Turbeville; Ötsch and Henderson Interviews). This national approach was viewed to produce a limited measure in terms of coverage as well as being weaker than the UK Stamp Duty as the application of a lower rate would mean that revenues would also be reduced (see Chapter 1). Nevertheless, the idea of the Tobin Tax, national FTT as well as EUFTT were all seemingly omnipresent among wider audiences in France because, unlike the case of the UK, political and wider public debate centred on these discussions (see among others: Berés; Hillman; Tsuda; Christensen and Wahl Interviews). Here, CSOs and other interest groups in favour of implementing the Tobin Tax, had linked their campaigns to increasing the French governments' ODA commitments prior to the 2008 crisis, and thus the idea of an FTT was already engrained within the imaginations of wider audiences in France, than was the case in either the UK or Germany (see Chapter 7). On top of this, a key difference of note in the French case is that policymakers from various French political parties (even those that found themselves in opposition) still had an impact on the overall mainstream narrative. This is in contrast to the situation in the UK, because a large

cohort of French policymakers alongside an array of bottom-up forces had vociferously raised the issue on to the agenda and had strongly backed both national and EU efforts (18 out of 46 Interviews).

In this way, the measure was not only eventually supported by a broad cohort of MPs from Sarkozy's *Union for a Popular Movement (UMP)* Party, but also by those from the *Parti Socialiste (PS)* – the French Socialist Party – as well as other political parties. This included, *Europe Ecology The Greens (Europe Écologie Les Verts, EELV)* – the French Green Party – and 'Parti radical de gauche' (*PRG*) – *The Radical Party of the Left* in France (La Dépêche, 2012; SlateAfrique, 2012; Le Monde, 2011; Capital, 2010; Libération, 2009a; 2009b). The wider literature confirms these trends as a range of French policy actors and political parties had displayed support for Tobin Taxes and FTTs, especially even more prominently in the wake of the 2008 crisis (see among others: Loon, 2021a: 208-212; Strezhneva, 2018: 705-710; Eichfelder and Lau, 2017: 3-9). Therefore, policymakers in France had to engage with the FTT debate as it was already on the political agenda and they did not want to risk becoming unpopular for not promoting, or engaging with, the issue. Furthermore, French policymakers seemingly embrace a 'very high' tax market identity meaning that additional taxes do not generally stir up as much resistance among wider audiences as witnessed in the case of the UK (see Section 6.2). Hence, even though partly supportive of Sarkozy's national proposal as an idea, in the months and years to come French policy actors would continue to argue – within and between political parties - for further national extensions and, importantly, not to diminish hopes for an EU project either.

In this fashion, after Sarkozy was defeated in 2012 and the French Socialists led by President Hollande were in government, the narrative in France began to represent a far more favourable atmosphere for the EUFTT project (Le Point, 2012). Yet, the case could be made that even though a significant amount of political support was mounting, and had been prior to the 2008 crisis, a change in government would not necessarily lead to a shift in policy or the construction of an EUFTT which satisfied all interested groups (see among others: Hillman; Wahl; Umera; Schulmeister; Turbeville; Tsuda and Henderson Interviews). For example, French Finance Minister Pierre Moscovici (2012-2014) had signalled that he supported the EUFTT in a joint letter with German Finance Minister Wolfgang Schäuble, which urged other EU member-states to choose the 'right' side and join the project (Le Figaro, 2012). In this way,

Moscovici played an enhancing and legitimising role by insinuating that others should join the project, or at least commit to constructing a measure that could suit all interested parties (Gabor, 2013: 13). Yet, towards the end of his term and before leaving the role to pursue his new career in the EC as European Commissioner for Economic and Financial Affairs, Taxation and Customs, Moscovici altered his stance (Ötsch; Berés; Schulmeister and Persaud Interviews). This notable change in position is reported in *Le Monde*, which illustrates that Moscovici has ‘flip-flopped’ around the idea of the EUFTT, as he initially stated that going ahead was an ‘historic’ decision to then describing the measure as ‘excessive’ due to its coverage of all derivatives transactions (*Le Monde*, 2013a).

In addition, Moscovici, and the Hollande administration as a whole, presented ‘...the first and most decisive setback’ to the EUFTT process with their ‘...sudden U-turn’ in pursuit of ‘...alterations to the Commission’s broad scope FTT proposal’ (Kalaitzake, 2017: 721-722). This is because Moscovici still perceived derivatives to be a specialty of French banks and central to the industrial future of Paris, so he raised multiple requests for their exemption, thereby blocking negotiations (*Monde Diplomatique*, 2016; *Le Monde*, 2013b). In this way, prior to taking up his new position at the EC, Moscovici was decidedly against a broad EUFTT and was only interested in the inclusion of certain derivatives transactions, but not all, thereby distancing himself from the Triple-A approach (*Le Monde*, 2013a; *Le Monde*, 2013c). Moscovici’s role within the EC, as well as the Triple-A approach is further explored in Chapter 5, but here it is clear that French policymakers – primarily Moscovici, but also the French Finance Ministry in general – were deemed to be ‘sabotaging’ the EUFTT process (*Le Monde*, 2014a). Even once Moscovici departed, his replacement – Michel Sapin (2014-2017) – was identified by 21 out of 46 interviewees as diminishing the ambition of the project and as being another large obstacle to implementation as he played an insurmountable role in causing further divisions between the EU-11 and stalling tangible progress (see among others: Ötsch; Schulmeister; Hillman; Wahl; German CSO Campaigner 1 and Turbeville Interviews).

In this respect, Sapin illustrated that he will not accept ‘...a project that would be unbalanced for our financial centre’ (*Le Monde Diplomatique*, 2016), and he believed that the EUFTT should only apply to equity markets (shares), with the coverage of derivatives and other financial instruments to be agreed upon in ‘a second stage’ of negotiations (*L'Express*, 2014). Furthermore, Sapin, supposedly against the wishes of Hollande, did not advocate for a

‘...more ambitious FTT that could be used as a financing tool for the fight against climate change’ (Strezhneva, 2018: 708), and he ‘...was pushing for a complete departure from the EU Commission’s concept for a comprehensive taxation of financial instruments’ (Schäfer, 2015: 40). However, for others Sapin ‘...adopted a pragmatic stance’ as he sought a narrower measure that would be easier to implement, ‘...rather than a super idea but left up in the clouds’ (Capelle-Blancard et al, 2017: 19). Nonetheless, as the EUFTT negotiations progressed to the ECP stage, Finance Ministers like Moscovici, and then Sapin, have continued to dominate the narrative surrounding the measure, and put forward arguments that raise concerns for growth, efficiency, practicality and the notion that the measure would be unfair. Together, these arguments produced a narrative that was very much along the same lines as the one constructed in the UK (see above).

In addition, within the national arena, Sapin rejected all forms of Triple-A approach and continued to argue against extensions applying to the French FTT that covered ‘intra-day’ trading (high frequency trading - HFT), until the EU version was decided upon (Les Echos, 2016; L'Express, 2016; Reuters, 2015a). This further protracted the EU level discussions, as new exemptions were now tabled, including for HFT – but also for specific financial sector actors such as short-term investors as well as pension funds and hedge funds that specialised in this activity within certain EU-11 jurisdictions (namely France and Belgium). By 2017, Sapin continued to portray a similar message to other EU policymakers and tried to convince them to include exemptions for pension funds for the sake of growth and efficiency – a narrative which gained purchase among some delegations (Euractiv, 2017a). Following Sapin’s departure, a broad EUFTT remains contested and the Macron administration continues to construct a similar narrative that is, at the point of analysis, indicating the EUFTT should be based upon the UK or now existing French version (see Chapter 5).

From the above, three things become apparent through an ACC reading, which in turn, proves to be highly relevant for liberal cosmopolitan theorisation. First, wider audiences in France have adopted specific market identity traits that favour a high degree of state intervention due to an affinity with dirigiste legacies and the view that the state should have strong supervision over markets. In addition to adopting a state-influencing market identity, French society is portrayed as being subject to other traits such as a very high tax market identity and high levels of social protection. This type of make-up of specific cultural

understandings cannot be omitted from liberal cosmopolitan theorisation because, notwithstanding the weaknesses of the French national FTT, and the lack of progress at the EU level, this debate and constructions of a favourable narrative have also forcefully emerged from French policy actors. From this, when constructing paths to bring about the return of forms of social democracy and supporting projects like the EUFTT as one instrument that can do so – liberal cosmopolitan scholars must appreciate that engrained market identity traits and social representations can differ widely among the societies of liberal democracies, even within the EU.

Second, high-profile French policy actors have all attempted to play a leadership role in constructing policy narratives at the EU level. Here, it is apparent that Sarkozy, Hollande and Macron – although in dissimilar ways – continued to push the idea of the EUFTT among their EU partners. At the same time, over the period under investigation, various French Finance Ministries have all portrayed their visions of an EUFTT in different, but still favourable ways, which nonetheless supports implementation at the EU level. The importance of this should not be understated, because as has been witnessed in the case of the UK, by not actively discussing the policy proposal or making wider audiences aware of the benefits of such an approach, the FTT disappeared from the political debate across much of the period under investigation. Instead, various constructions of the FTT – as a national and EU level measure – continue to occur within French policy circles and within public imaginations, even after a ‘go it alone’ approach has been taken (see Chapter 7).

Finally, structural peculiarities in France mean that non-state actors like CSOs, labour unions, pressure groups, etc. are all an active part of the policy process. This results in the French policymaking community, much akin to the situation in Germany, having to engage with various interest groups. In this way, coalitions between policymakers and CSOs in France linked the Tobin Tax/FTTs to increasing ODA commitments, well before the onset of the 2008 crisis. This already indicates that policy commitments and manifesto pledges do emerge, in part, from non-state actors like CSOs in a far more tangible way than is the case in the UK. When considering liberal cosmopolitanism, these cultural and structural differences need to be taken into account as they can lead policymakers down unique pathways that construct measures like the EUFTT in distinctive and divergent ways. With this in mind, French policy actors, along with non-state actors involved in the policy process, could more easily persuade

and socialise wider audiences around the acceptability of the FTT idea, which in turn allowed for a go-it-alone path to emerge, while simultaneously also permitting commitment to an EU measure to be forthcoming. This differs from the situation in the UK whereby the EUFTT was off the agenda for most policymakers, and a go-it-alone path did not emerge until 2017 (see also Chapter 7). However, as this chapter now goes on to show, far more comparison can be drawn between the French and German cases.

6.3.3: Germany

In a similar fashion to the cases presented above, the German leader – Chancellor Merkel (2005-2021) – was viewed by 28 out of 46 interviewees to also be a key figure in the EUFTT process (see among others: Schulmeister; Hillman; Klinz; Otsch; Christensen, CSO Campaigner 1; Fullerton Interviews). Once Brown departed office in the UK, Merkel, along with Sarkozy, became the new entrepreneurial, enterprising and innovative norm carriers at the global level as they pushed the idea of an FTT, as a regulatory tool and revenue raiser, on to the agenda of other policymaking communities at the G20 in 2011 (Die Zeit, 2011; Le Monde Diplomatique, 2016). In addition, Merkel, along with most other policymakers in Germany, continued to extend their support towards the measure especially at the EU level (Loon, 2021a: 212; Schulmeister, 2015: 33-34; Buckley and North, 2012: 748; 782-786). The key difference here, especially regarding the approach taken by Brown, was that Merkel spearheaded appeals for an EUFTT, once a global measure was out-of-sight (McCulloch, 2011: 101; Van Vooren, 2011: 28-29; Focus, 2010b). Concomitantly, Merkel and others from her ‘black-yellow coalition’ (black for the ‘conservative’ Christian Democratic Union/Christian Social Union - CDU/CSU, and yellow for the ‘liberal’ Free Democratic Party - FDP), were central in bringing the EUFTT on to the German political agenda and fostering engagement with wider audiences. Although Merkel could not immediately move all of her coalition partners in the FDP to support the measure, this position began to shift due to the onset of the Eurozone Crisis (Der Tagesspiegel, 2010a; Die Welt, 2010; The Hamburger Abendblatt, 2010; see also Chapter 5).

This is because German policymakers had to react to both the 2008 financial crisis, and the subsequent Eurozone Crisis beginning in late 2009, in a far more direct way than their

counterparts in the UK, and to some extent in France. One reason for this was due to the fact that by belonging to the largest economy in the Eurozone, German policy actors in the national parliament, but also at the ECB, would have to sign off and agree on all (future) bailouts associated with the sovereign debt crisis (Stiglitz, 2016; Blyth, 2013). Here, EU level sovereign bailout programmes needed to be applied to several Eurozone members by mid-2010 and this led Merkel – as well as others in German policy circles – to float ideas of increasing EU tax cooperation, pooling taxes and even creating a fiscal union (see among others: Zourek; Griffith-Jones; Henderson; Wahl; Schulmeister; Klinz; EU Policymaker 3 and 6 Interviews). This is confirmed by the wider literature, as figures from the CDU/CSU and FDP concentrated on positing EU level solutions, including calls for an EUFTT, to extend supranational budgets and Eurozone bailout funds (Loon, 2021b: 74- 76; Degner and Leuffen, 2020: 497-501; Zimmermann, 2014: 331-332; Dullien and Guérot, 2012: 2-7). Hence, rather than concentrating on a regulatory path, supranational revenue generation, especially in light of the emerging Eurozone Crisis, would instead become the primary EUFTT objective of the Merkel government. This was particularly the case for ordoliberal German policy actors that disagreed with notions of the EU becoming a transfer union at the expense of the German taxpayers (Howarth and Schlid, 2021: 210-213; 220; Bonefeld, 2019: 996-1000; Zimmermann, 2014: 328-332).

Furthermore, 24 out of 46 interviewees illuminated that policymakers across the Eurozone looked to German policymakers, due in part to their economic influence and resilient national institutional arrangements, to construct new ideas and policies at the EU level. This included measures that could increase public revenues, ameliorate the impact of Eurozone Crisis and target financial sector actors in making them pay their fair share (see among others: Henderson; Griffith-Jones; Klinz; Schulmeister; Christensen; EU Policymaker 5 and Tudor Interviews). In this way, a number of narratives emerged within German policy circles, including the need for more regulation of financial sector actors at the EU level, alongside ideas of EU harmonisation, integration and convergence. For instance, in 2011 Merkel already targeted financial sector actors by calling for clearer EU rules for financial markets and implementing a national measure banning the speculative short-selling of EU member-state sovereign debt/government bonds. In turn, she strongly suggested that a ban on short-selling should be applied at a supranational level or at least by other Eurozone

jurisdictions (Howell, 2016: 11-12; T-Online, 2011; Clark, Cameron and Sawyer, 2010: 13). In this sense, Merkel endorsed a range of national and EU regulatory solutions, while she linked her support for an EUFTT to increased tax cooperation and the generation of supranational revenue to address the Eurozone crisis (German CSO Campaigner 1; Schulmeister; Klinz and Wahl Interviews). Yet, when Merkel transmitted this narrative of further EU tax cooperation and integration to other EU leaders, reports suggest that she clashed with UK leader David Cameron in late 2011 when a common position around the EUFTT was impossible to reach (Wirtschafts Woche, 2011).

Nevertheless, regardless of this opposition, Merkel continued to garner support for the EUFTT elsewhere in Europe, especially with the onset of the Eurozone crisis (26 out of 46 Interviews). As the crisis worsened, she repeated that financial sector behaviour needed to be regulated at an EU level through an array of measures, and she promoted the idea that the financial industry had to be the servant of the social market economy, not the other way around (Le Monde Diplomatique, 2016; Die Zeit, 2011; T-Online, 2011; Der Tagesspiegel, 2010a; Focus, 2010a; 2010b;). Merkel was also joined by other prominent CDU figures, such as Finance Minister Wolfgang Schäuble, who indicated that he was ‘...in favour of introducing a financial transaction tax, if not worldwide and throughout Europe, at least in the Eurozone or nationally’ (Augsburger Allgemeine, 2011). Schäuble critiqued suggestions that the measure had to be global, stating: ‘that’s just an excuse for doing nothing...we will wait 20 years before doing anything if we wait for the last island on this planet’ (The Guardian, 2011a). Other figures from the CDU, like Heiner Geißler – also a prominent *German ATTAC* member (see Chapter 7) – indicated that it would be best for any tax increases to fall on financial sector actors, starting with the introduction of an international/EUFTT (Die Tageszeitung, 2010).

Moreover, 37 out of 46 interviewees illustrated that the EUFTT remained on the German political agenda due to the influence of parties in opposition, again diverging from the situation in the UK. For instance, Zourek notes that social democratic parties, the Greens and those on the ‘Left’ had vociferously raised the issue in the EP, which made national policymaking communities all over the EU – especially those in the German and French administrations – to take the idea seriously and continue the project at the EU level (Zourek Interview). Equally, others demonstrate that policy actors from *the* Social Democratic Party of Germany (SPD), the Left Party (Die Linke) and the Greens (Bündnis 90/Die Grünen), were

integral in keeping the measure on the agenda as well as allowing for favourable EUFTT counter-narratives to be constructed (see among others: Ötsch; Wahl; Klinz; Hillman; and EU Policymaker 4 and 6 Interviews). Therefore, a number of German policymakers and political parties in opposition to the Merkel-led government continued to display support for the EUFTT (Zimmermann, 2014: 322-329; Wahl, 2014: 5-7; 10). In turn, this occurred alongside broader societal discussions that highlighted a distrust for Anglo-Saxon capitalism and questioned 'Germany's "neo-classical" mainstream' (Dullien and Guérot, 2012: 2) and movement towards UK/US style neoliberal tendencies in general (Dostal, 2017: 232-239; Degner and Leuffen, 2016: 1142-1145; Streeck, 2014). In contrast to the UK, these types of counter-narratives had a deep, extensive impact on wider audiences in Germany as neoclassical ideas, linked to the 2008 and Eurozone crises, faced regular cross-party critique in the post-2008 era.

Moreover, key figures from the SPD persuaded other German MPs to reject plans for a Greek bailout unless Merkel could move her coalition partner (the FDP) to support FTTs (Die Welt, 2010). Indeed, SPD Secretary General, Andrea Nahles, insisted that formal reference to the EUFTT is not sufficient without the political will to back it up, so the SPD will tie their parliamentary voting behaviour to a commitment to the introduction of the EUFTT (Der Tagesspiegel, 2010a). Furthermore, the SPD party leader Sigmar Gabriel (2009-2017) and parliamentary leader Frank-Walter Steinmeier (2009-2013) both campaigned for abstentions on Eurozone rescue packages unless the coalition government produced a written commitment supporting the EUFTT (Focus, 2010c). Additionally, when tangible progress on implementing the EUFTT still seemed distant by 2012, the SPD, along with the Greens, launched a different strategy that changed the narrative in Germany even further, as they put forward an ultimatum against the Merkel led government. Here, in the German Parliament the SPD and Greens tied their approval of the EU fiscal compact – the 'common' austerity package for the Eurozone conceived by the Merkel government – which required a two-thirds majority for ratification, to the implementation of the EUFTT (Die Zeit, 2012; Godoy, 2012; European Union Center of North Carolina, 2012: 5). In this respect, the SPD and other 'progressive' political parties utilised a quid pro quo strategy when it came to the EUFTT, as Merkel required cross-party support to implement her vision for the Eurozone. Therefore, the EUFTT not only remained on the agenda, but did so very visibly, as it was also tied to Eurozone

reforms and bailouts (Degner and Leuffen, 2020: 497-502; Wahl, 2016: 213-215; PWC, 2013: 1-3; DW, 2010).

Hence, the narrative shifted in Germany, as wider audiences became aware of this 'political' compromise, and now it was expected that the CDU/CSU would fully support the EUFTT. Therefore, unlike the situation in the UK, it is clear that in Germany the largest party in opposition, the SPD, continued to contribute to the counter-narrative, meaning that the mainstream narrative – based on a type of neoclassical understanding of economics – was continually being challenged. In this way, FTT proponents within the SPD, as well as other opposition parties, were also key innovative and entrepreneurial norm carriers, especially as the EUFTT negotiations proceeded over time and implementation seemed distant. This begins to explain why the Merkel government had to continue to be supportive of the EUFTT, because strategically it would be unpopular not to be, and if they reneged on the compromise over the fiscal compact, trust would be lost. Therefore, before the Council of the EU approved the usage of the ECP in early 2013, it is evident that the EUFTT was already part-and-parcel of the political debate in Germany. Here, policymakers from all political parties in Germany had to engage with the idea of the EUFTT as this was tied to the fiscal compact and broader political discussions.

Furthermore, 30 out of 46 interviewees indicated that most political parties in Germany (aside from the FDP and Alternative für Deutschland -AfD) had subscribed to implementing an EUFTT as was indicative of their manifesto pledges and campaign promises (see among others: Klinz; Hillman; EU Policymaker 6; Griffith-Jones; Henderson; Ötsch; Wahl Interviews). This is confirmed by Herbert Reul, the CDU's lead negotiator on Europe, when he stated that the narrative had altered in Germany, to the extent that: 'What's new is that three big parties in a grand coalition are going to put this on the agenda and give it a push' (Irish Times, 2013). Thus, following the compromise over the fiscal compact in 2012, the CDU/CSU, SPD and Greens continued to keep the EUFTT on the political agenda, included it within their 2013 election manifestos and all visibly campaigned in favour of implementation (Konrad-Adenauer-Stiftung, 2014: 41; Der Westen, 2013; Die Welt, 2013; Global Counsel, 2013: 19; The Süddeutsche Zeitung, 2013).

Regardless of the actual level of commitment towards the measure, especially on the part of the Merkel government, most German policymakers across the political divide have

nonetheless played a central role in keeping the EUFTT on the agenda, further engaging with the idea and, in the process, they are constructing counter-narratives against neoclassical economics. This latter point again illustrates that ordoliberal interpretations and legacies still have an impact upon German policymakers as they have constructed a unique understanding of neoclassical economics. In this sense, German policy actors still pursued a path that distrusted the Anglo-Saxon model, particularly with regard to the regulatory environment governments like the UK and US constructed in the lead up to the 2008 crisis (see Chapter 7). At the point of analysis, the situation in Germany seems unchanged as the EUFTT is still on the agenda, while media coverage and policy actor communication continue to strengthen around the project (Vorwärts, 2017; Landeszeitung, 2016; Neue Osnabrücker Zeitung, 2016; Die Welt, 2015; Die Zeit, 2015). This remains evident by late 2018, even after another General Election in Germany (2017), as policymakers are still championing the measure. For example, the German Finance Minister (2018-2021), and future Chancellor (2021-present), Olaf Scholz, indicates that: 'There is a joint German and French path prepared, about which we will try to convince as many as possible...We'll have to work a bit more but I believe it's at least within sight how that could work' (Bloomberg, 2018).

From the above, three key observations can be drawn in relation to the ACC and VoC literature and how this ties into liberal cosmopolitan theorisation. First, there are visible structural differences between the Rhenish/stakeholder model of capitalism and the Anglo-Saxon shareholder version 'embraced' by UK policymakers. Within the Rhenish model, policymaker and business engagement with bottom-up forces is a norm not replicated in the UK, at least to a similar degree when compared to the situation in Germany. Here, non-market coordination plays an important role and therefore more stakeholders are involved in constructing policies in Germany. In addition, with the existence of the Mittelstand, Hausbank relationships and the Schuldschein debt instrument, many economic actors would remain insulated against any form of EUFTT. As this is the case, an ACC analysis indicates that German policymakers could garner the support of wider audiences, especially economic actors, in ways not possible in the UK, and to some extent France. As a result, even though the Tobin Tax/FTT campaign was not engrained within German society in the same way as in France, and to some extent the UK, most German policy actors nonetheless largely bought into the EUFTT and purported narratives depicting the idea in a favourable light. In turn, wider

audiences were continuously reminded of the project, and this increased awareness could lead larger proportions of the German public to buy into the idea.

Second, German policymakers have constructed a medium tax market identity alongside medium to high levels of social protection, which indicates that wider audiences are less averse to tax increases than is the case in the UK. Again, it could be suggested that the high level of German support for the EUFTT is related to the way in which ideas promoting the European Social Market Economy, ordoliberalism, further EU tax cooperation (i.e. steps towards fiscal union), alongside social democratic concerns, have allowed for the construction of narratives that deem the tax to be a common sense approach. From a German standpoint, the EUFTT would alter some financial sector behaviour and, importantly, raise revenue in the process to alleviate the impact of the 2008 crisis and subsequent Eurozone Crisis. To take this a step further, Germans have taken on far less debt than their UK counterparts, meaning that narratives suggesting that the costs of the measure would be passed on to consumers and end-users holds less sway in Germany. Again, by taking an ACC approach, these pronounced differences and specific market identity traits can be accounted for within liberal cosmopolitan scholarship.

Third, within the Eurozone (and perhaps even the EU), German policymakers are still viewed to take on a leadership role (alongside, in some respects, French policy actors), as has been colourfully displayed throughout the post-crises era (Stiglitz, 2016; Blyth, 2013). In terms of the EUFTT, many German policymakers are key norm carriers as they have constantly engaged with the idea, supported further discussions at the EU level and continued to push the idea on to the agendas of other Eurozone members. From an ACC reading, it is true that opposition political parties in Germany such as the SPD and Greens have vociferously raised the EUFTT on to the agenda, but equally the role played by the Merkel administration cannot be understated. Here, one clear observation is that, Merkel, Schäuble and other CDU/CSU figures are not those who are conventionally associated with 'progressive' liberal cosmopolitan policies or traditional social democratic inclinations – and yet, these policy actors are certainly key norm carriers at the centre of the debate as they continued to purport narratives that were favourable towards the measure. This differs greatly from the situation in the UK, in that Conservative figures had diminished the EU level project almost immediately and continually attempted to stall progress as the process went on. In this respect, some

leadership qualities are on display in Germany because policymakers in positions of power are challenging mainstream narratives, which, in turn, influences the perceptions of wider audiences.

6.4: Conclusion

This chapter has made significant contributions to liberal cosmopolitan theorisation through the identification of three key findings. First, by focusing on patterns from the interview data related to notions of difference, I drew upon the VoC literature to exemplify how specific market identity traits influence actors from the three cases under examination. Here, narratives emerging from national policymaking communities were engrained within particular market identities and social representations. This impacted the way these actors conceptualised the idea of the EUFTT, how they went about designing it, and subsequently, how they communicated (counter-)narratives associated with FTTs in general. From an ACC reading, key actors are therefore transmitting dissimilar messages when it comes to the EUFTT due to their various constructions of knowledge but also because they are situating the idea in relation to their national audience. In this way, when considering liberal cosmopolitan ideas, like social democratic globalisation, a key observation comes to the fore. Policymakers along with wider audiences understand ideas like neoliberalism and social democracy in diverse ways, which is not accounted for in most liberal cosmopolitan scholarship.

More recently, some academics have taken steps in the right direction as they have combined cosmopolitan theorisation with insights emanating from the varieties of capitalism approach (Favell and Reimer, 2021; Archibugi, 2016). Nonetheless, as Chapter 2 demonstrates, most liberal cosmopolitans still suggest that Western nation-states and the EU have converged upon a single model of neoliberal capitalism, and thus a return to an updated version of the post-war consensus, based upon social democracy is the warranted response. Yet, this perspective takes-for-granted the subtle as well as wide-ranging differences between the national political economies at hand, EU member-states and nation-states more generally. Here, specific cultural understandings and engrained historical patterns have a clear impact upon the way policymaking communities interpret ideas like the EUFTT, and by

extension other policies/projects – liberal cosmopolitan or otherwise. Again, this indicates that more than one model of capitalism, and by extension neoliberalism and social democracy, exists, as actors interpret economic ideas through differing lenses, understandings, memories/experiences and interpretations. Even though divisions are on display within national political economies (see also Chapter 7), the largest divergences by far are between these entities. This questions whether a universal liberal cosmopolitan model – social democratic or otherwise – can really emerge when considering the different approaches taken by policymakers from various liberal democracies towards taxation, social protection systems, ‘societal values’, and debt relations, among other specific market identity traits.

Second, when considering the models of capitalism embraced by policymakers across the three cases, it is clear that this factor has created very different outcomes for the EUFTT process due to varying levels of institutional access and the way (counter-)narratives have been constructed and then purported. For liberal cosmopolitan theorisation, the integral points are that deliberative democracy and notions of greater inclusiveness over decision-making processes are far more akin to the situations occurring in Germany and France, than it is for the UK. This is important when conceptualising liberal cosmopolitan projects, as CSOs and other non-state actors display a larger degree of agency in Germany and France, as they can readily access political debates as well as shape and have a tangible impact on the way narratives are constructed by policymakers (see Chapter 7). Relatedly, as policy actors – as well as business interests – have to consider the perspectives of bottom-up forces, it becomes clear that liberal cosmopolitan projects like the EUFTT can remain on the agenda for an extended period of time, without displaying a collapse in support, or in fact, any ‘real’ movement forward. Here, the take away message is that German and French policymakers have to engage with the idea of the EUFTT, regardless of whether they have fully bought into the project or not, because strategically not to do so could mean electoral failure. On top of this, many political parties in Germany and France have enshrined the EUFTT within their manifesto pledges once more proving to be key norm carriers for wider audiences. Therefore, the EUFTT will likely remain on the political agenda in both cases as strong political participation concerning this issue means that wider audiences have now been frequently engaging with the idea for over 10 years in Germany, and even longer in France.

Third, the 2008 crisis and subsequent Eurozone Crisis were both central in elevating the EUFTT on to the policy agenda (see also Chapter 5). In Chapter 4, I have argued that crisis moments can provide the impetus for wide-ranging reform to occur, as witnessed through the construction of the BWS in the post-World War II era. However, unlike during the BWS negotiations, where the further spread of communism, among other things, posed a significant threat to powerful elites, and, more broadly, the capitalist economic system, this was not the case in the years following the 2008 crisis. In this way, the lack of endorsement and adoption of a more ambitious EUFTT could be related to the fact that the 2008 crisis was not deep enough. In effect, it was not a type of perfect storm event as presented in the post-war era, whereby the crisis would be associated with addressing: post-war devastation, the containment of communism, a return to global financial and monetary stability, the restoration of global trade and the enactment of full employment policies.

Therefore, beyond considering ‘crisis moments’ as the integral factor resulting in change, it seems that alongside this, strong political will/leadership are required for projects of this kind. During the EUFTT process, once Brown waned on the UK’s behalf, French and German policymakers led the charge and became key entrepreneurial norm carriers, and, at the point of analysis, continued to construct a favourable narrative surrounding an EU measure. This increased the visibility and legitimacy of the project, helped the measure progress to the ECP stage and allowed the EUFTT to become a part of the political agenda across several EU member-states. In this light, liberal cosmopolitan scholarship should focus on differences between leading norm carrying policymaking communities as it seems that although policy actors in Germany and France remain committed to the EUFTT, their conceptualisations surrounding the way the measure should look in practice still diverges quite considerably.

As such, in terms of theorisations surrounding thicker liberal cosmopolitanism, it is true that leaders/policymakers engrained within the Rhenish model of capitalism or French state-influencing approach could be assumed to be more supportive of projects of this nature, far more so than those under the Anglo-Saxon shareholder model. This is because the former models have constructed deeper compromises between the business sector and CSO sector, or more broadly between diverse sets and groups of actors. Thus, the French and German ideational realms are far more open to various perspectives, interests and values, as well as

a more regulatory stance towards capitalism. However, convergence between the French and German models is distant, as the interests/understandings of policymakers, wider audiences and non-state actors across these two cases deviate significantly. Therefore, I argue that non-state actors, such as CSOs or those from the financial sector, are also partly influenced by specific market identities, which in turn, relates to the way they interpret and conceptualise ideas like the EUFTT. Thus, this chapter has shown that specific market identities do have an impact upon policymaking communities and as such, the investigation now turns to whether a similar claim can be applied to non-state actors.

Chapter 7

Contested Agency: Non-State Actors and the Construction of Divergent Paths - Facilitating or Constraining Global Approaches Towards the Regulation and Governance of the Financial Industry?

7.1: Introduction

In this chapter, by drawing on my interview data, I analyse the impact that non-state actors – like CSOs and those emanating from the business sector – had on the EUFTT project and process. Here, I investigate how non-state actor agency has been both enabled and constrained, and how this varied across the cases under examination: the UK, France and Germany (see Chapter 1). In this respect, I answer the seventh key research question, as listed below:

- 7) In what way have non-state actors engaged with the EUFTT process, and how have they been constrained and enabled when doing so?

Here, I focus on the roles played by non-state actors during the EUFTT process to provide a deeper multi-actor and multi-level analysis that addresses the notorious lacuna of agency, which afflicts most liberal cosmopolitan scholarship. In this way, I identify other key norm carriers of ideas associated with the EUFTT and liberal cosmopolitan values more generally, and bring to light unheard aspects of the project and process (Saurugger, 2018; Hassenteufel and Saurugger, 2016; Abdelal, Blyth and Parsons, 2011; 2005). By considering the policy environments and background conditions prevailing in the three national political economies at hand, I argue that particularistic market identity traits play a central role in the construction of mainstream ideas that influence non-state actors when they engage with debates, formulate strategies as well as pursue campaign and lobbying activities within these arenas and beyond. In this vein, while many non-state actors are deemed to be ‘transnational’, insofar as their activities, coalition building (with other actors), institutions, processes or

actors cross at least one national border (Hale and Held, 2012: 8-10; 15), they are nonetheless still enabled and constrained by national peculiarities, market identities and cultural traits embraced by policymakers, governments and (EU/global) institutions.

In Chapter 5, I illustrated that at the EU level, policymakers from the EC and EP were early norm carriers of the EUFTT idea and, although agendas were not unified, they were supported by a range of actors emanating from the CSO sector. However, I explore a number of challenges and obstacles that constrained the EUFTT project and process, including: temporal issues and the occurrence of new crisis moments; divisions between an array of actors over design features of the measure; and the endorsement of divergent paths. Here, differences between EU member-states like market specialisations proved to be one of the foremost hurdles to implementation. Moreover, Chapter 6 demonstrates that national policymaking communities are, to some degree, constrained by market identity traits, which in turn guides conceptualisations around the EUFTT and shapes the types of (mainstream/counter-) narratives that are conveyed to wider audiences. The market identities for each case at hand are reiterated below:

The UK: shareholder values, low tax, low to medium social protection, high personal debt.

Germany: stakeholder values, medium tax, medium to high social protection, medium personal debt.

France: state-holder values, very high tax, high social protection, medium personal debt.

In this respect, the alternative paths and types of (EU)FTT that could be constructed are illuminated by differences in national debates taking place across the three national political economies. In turn, national debates are framed in particular ways that not only limits the terms on which the debate is undertaken, but also constrains the type of (counter-)narrative that can be constructed (Stiglitz, 2017: 11-15; Saurugger and Hassenteufel, 2016: 11-14). As a result, when CSOs, those from the business sector and others attempt to persuade national policymaking communities to pursue certain goals, they do so under the aura of specific social representations that resonate with wider audiences in the given national political economy. To illustrate this, I draw on a pervasive pattern that emerges from

the interview data that exemplifies these divisions: non-state actor differences regarding the feasibility of global and/or international (intergovernmental) measures versus national arrangements.

As Chapter 2 demonstrates, this is relevant for liberal cosmopolitan theorisation because CSOs and 'economic' actors are usually treated as somewhat 'homogenous' groupings within this literature, which means that tensions, divergence over interests/preferences and unheard voices within and between these (groups of) actors, especially across borders, are not fully explored. On top of this, I clarify why liberal cosmopolitans need to move beyond conceptualisations of an imagined homogenous political landscape, even within the EU, and consider, uneven starting points, particular market identities, cultural features and affiliations, specific social representations, idiosyncrasies and unique socio-historical trends – as these all seemingly have an impact on non-state actors as well as policymaking communities. Furthermore, I argue that thick and thin liberal cosmopolitan values and outcomes can emerge through national, intergovernmental, regional and global pathways, meaning that scholars can promote various avenues and do not need to focus exclusively on levels above the national arena.

Thus, I contribute to liberal cosmopolitan debates by investigating how various paths can lead to outcomes that resonate with this perspective and by presenting a fuller, more comprehensive and deeper account of agency. I argue that non-state actors – like national policymaking communities – are also highly influenced by specific social representations and market identity traits that lead to key national differences with regard to the way debates and (counter-)narratives surrounding the EUFTT have been framed as well as engaged with. Yet, these market identities are not fixed and in fact a range of forces, crisis moments and events can shape and influence existing identities, leading to varying degrees of change. As such, paths are not fixed as changing attitudes, crisis moments, power relations, events, alongside the input mechanisms of social construction (persuasion, socialisation and manipulation); all play a role in altering specific social representations and cognitive background conditions. Therefore, I argue that path dependency has relative permanence, meaning that existing market identities, the embeddedness of the state in certain cultural terrains, differentiated abilities of actors to set the agenda and the methods of institutional access, whilst not fully determinant, still constrains and enables agency in various ways.

Following this introduction, the chapter is structured into four parts. First, I address the case of the UK, where for most of the period under investigation (2008-2018) UK CSOs have been constrained by a lack of access to post-2008 crisis political debates. This was the case as close links to policymakers were not prevalent and because existing instrumental and structural power relations meant that neoclassical economics were core to accepted mainstream narratives, as opposed to Keynesian or other economic ideas endorsed by some CSOs/bottom-up forces. On top of this, I show that most UK CSOs were committed to a national path as they viewed the implementation of a global measure to be unrealistic from the start and therefore they did not endorse the potential global path promoted by Gordon Brown (see also Chapter 6). To add, as the EUFTT process continued, UK CSOs were not successful in spreading their key aims amongst policymakers or in shifting the UK Labour Party away from ideas associated with neoclassical economics, which suggested that anything other than a global FTT would be a disaster for the UK economy. In 2017, this changed to some degree as the Labour Party adopted one of the primary counter-narratives purported by the UK CSO campaign into their manifesto, namely that a national path was possible. In this regard, and quite notably, UK CSOs pursued a path that forewent transnational cooperation with other CSOs as they strictly endorsed a national approach, with this being an important unheard aspect of the EUFTT campaign. Another equally important, underrepresented and obscured feature of the UK debate is the convergence between some CSOs and financial sector interests in terms of implementing a narrow global measure based upon the already existing UK Stamp Duty/FTT. Here, I make it clear that a key lesson for liberal cosmopolitan scholars and policymakers is that when considering global/regional policy projects it is important to establish where compromises, agreement and baseline convergence may lay between various interests, to achieve swift implementation.

Second, I turn to France, where an ongoing and engrained Tobin Tax/FTT campaign meant that the policy idea was already embedded within the cognitive background of wider audiences, thus a national approach was somewhat on the agenda prior to the 2008 crisis. On top of this, as policymakers were already engaging with the idea, this enabled French CSOs as they could shape post-crisis political debates and could also spread their counter-narratives among policy actors due to favourable institutional access. Once a national FTT had been implemented, French CSOs lobbied to extend the measure while also pursuing a transnational

path at the EU level. Here, a key difference in comparison to the UK is that French CSOs displayed more affinity to the overall EU project and they were committed to transnational cooperation with other CSOs and a regulatory turn at the EU level. However, instrumental and structural power relations challenged this favourable cognitive background, as other mainstream narratives were shaped by a convergence of interests between financial sector actors and French policymakers. Namely, French policymaker understandings around market specialisation and state-based competition seemed to trump the construction of a broad FTT at the national and/or EU level, as well as wider visions for global cooperation.

Third, in the case of Germany, CSOs have benefitted from a favourable environment due the close relationship between policymakers and stakeholders, an ordoliberal economic reading and 'pro-regulation' attitudes. Moreover, financial sector actors were constrained by an atmosphere of distrust as they were deemed to have adopted problematic practices associated with 'Anglo-Saxon' capitalism and therefore EUFTT counter-narratives gained more purchase within this national political economy. However, CSOs were also constrained as German non-financial corporations and some policymakers targeted these counter-narratives as well as one leading FTT CSO, *Attac Germany*, more directly. As a result, towards the end of 2018, the German FTT campaign was further constrained by power relations and the main CSO network *Steuer Gegen Armut* disbanded as it ended its campaign activities. Finally, I present some concluding remarks tying the chapter together and reiterating the key lessons for liberal cosmopolitan scholarship.

7.2: The UK

In the UK, an ACC reading suggests that because close links between policymakers and stakeholders are not as prominent as is the case under the German Rhenish stakeholder and French state-influencing models, respectively, it was difficult for UK CSOs to utilise the post-2008 crisis political debate surrounding financial taxation and regulation as a vehicle to launch most of their counter-narratives. On top of this, UK CSOs were primarily interested in a national FTT path, with the view to raise more national revenue that could be allocated to address an array of national and global issues. By focusing on extending the existing UK FTT to cover other financial instruments/actors, UK CSOs challenged UK mainstream narratives, on the basis that the inclusion of extraterritorial features can make the measure global in scope. In turn, with this argument central to counter-narratives, most UK CSOs offered limited support for a global, regional and intergovernmental path, because a national measure could be global in scope as witnessed through the UK FTT. In this sense, there was far less transnational cooperation between UK CSOs and CSOs/FTT proponents operating elsewhere. To add, while national measures, like directly fining the financial sector were welcomed by most UK CSOs (see Chapter 5), here, specific market identity traits and the instrumental/structural power of finance, nonetheless limited most UK CSOs when it came to pursuing a national FTT pathway. As such, for most of the period under investigation, UK CSOs lacked access to political figures and their counter-narratives did not gain purchase with policymakers or resonate with wider UK audiences (until perhaps 2017).

Again, the cognitive background in the UK means that there are broader accepted understandings indicating that UK economic growth is reliant upon the financial sector, and the benefits of having very open capital markets that provide favourable conditions for global investors, outweighs the costs. Therefore, UK CSOs were constrained as they could not persuade or socialise wider audiences, because the need for open capital markets and the importance of the UK financial sector for economic growth are engrained in the public imagination. Thus, UK CSOs would have little influence on mainstream narratives that suggested only a global path would work. Even once they gained some headway with the UK Labour Party, the latter had already made compromises with the financial industry. As such, when moving forward, if implemented, the UK FTT project would most likely be subject to

manipulation, in the form of the instrumental and structural power of global finance, thereby further constraining the visions of UK CSOs/FTT proponents. Nevertheless, in this section I also demonstrate that an unheard aspect of the EUFTT process revolved around a form of agreement and baseline convergence concerning a narrow global FTT that seemed to exist between most actors operating in the UK. Again, this global path was not forcefully pursued by most UK CSOs and FTT proponents, and therefore it would not feature prominently when the FTT was mentioned in UK debates. In this respect, this was an early and ongoing missed opportunity to not only increase the amount of revenue that could be derived from the financial industry, thereby making them more visibly pay their fair share, but it could have created a global measure which might – through further persuasion, socialisation and manipulation – become a broader measure in the future.

7.2.1: Constructing a Global Path Through the Extension of National Arrangements?

In contrast to the situation in both France and Germany, the interview data depicts a clear difference in the case of the UK, with 28 out of 46 interviewees suggesting that most CSOs and FTT proponents operating within this national political economy were far more supportive of a national approach, rather than a global or EU path. For example, David Hillman – a key figure of the UK *TheRobinHoodTax* campaign - illustrated that, of the 40 FTTs to come into existence, all have been implemented on a *'unilateral basis'*. Therefore, this *'...provides the empirical evidence that you do not need the FTT to be global to work...[and that]... it puts a lie to what critics say, which is that unless it is introduced globally it will fail'* (Hillman Interview). Along similar lines, when discussing the situation in the UK, other interviewees indicate that *'...an FTT does not require any international regulation or cooperation...the UK already has its own version'* (Persaud Interview). Hence, *'...if they wanted to do so, UK authorities could act alone and change the coverage of Stamp Duty...and even implement the EUFTT once the political will exists'* (Christensen Interview).

This counter-narrative is put forward by most UK CSOs, with campaign publications illustrating that: 'International agreement would be great, but it's not vital. In Europe, countries are negotiating to reach consensus on introducing an FTT. But in the meantime,

individual countries can act alone' (The Robin Hood Tax, 2019a). In addition, other leading UK CSOs confirm this trend, stating that: 'While a global FTT is ideal, individual countries can and should be encouraged to implement an FTT even if all countries are not ready' (Action Aid, 2011: 6). Thus, the bottom line for most UK CSOs is that '...FTTs do not have to be global to work...both the French and the South Korean governments have recently imposed new financial transaction taxes' (Friends of the Earth, 2012), so it is '...perfectly possible for the [UK] government to introduce its own...transaction tax' (War on Want, 2019).

Therefore, CSOs and proponents based in the UK pursued strategies that questioned the framing of the FTT in global or regional terms, because in the words of Hillman, '*...global is short hand for "no way in hell"*' and the project does not necessarily need to be EU-based either. Hillman goes on to state, '*...that's why in all of our literature you won't see the word global, we use the word 'international' because that's how we see it. We see a grouping of countries doing it...[but]...the point to remember is that an FTT on a national basis is completely feasible and that's what we are arguing for*' (Hillman Interview). On top of this, when UK Prime Minister Gordon Brown had supported a global path in early 2010 (see Chapter 6), most UK CSOs – although somewhat satisfied by the endorsement – nonetheless felt that Brown's commitment lacked any real weight and was unrealistic to start with (see among others: Hillman; Christensen; Jones; Wahl; Turbeville; Fullerton Interviews).

In this regard, a common inclination among 32 out of 46 interviewees, especially when concerning the activities of FTT proponents operating in the UK, demonstrated that notions of implementing a global or an international measure – however well-intentioned – were nevertheless deemed to generate unviable paths due to other past campaign experiences and memories around protracted policy processes leading to non-implementation. As a result, despite the globalism/internationalism of UK CSO's aims and objectives (see below), their strategies to spread social democratic concerns and liberal cosmopolitan values were viewed as arguably requiring a nationally scaled articulation at first to persuade and socialise national policymakers (see among others: Hillman; Auerback; Cliggott; Turbeville; Financial Sector Professional 5; Johnson; Jones; MEP 3; Henderson; Griffith-Jones Interviews). Thus, when considering the manner in which the debate and counter-narrative has been framed, most UK CSOs tried to dispel the mainstream narrative postulated by UK policymakers across the political divide as well as financial sector interests, advocating that 'only a global approach

will work' (see Chapter 6). Instead, UK CSOs suggested that a global path was unnecessary as long as an FTT included extraterritorial features (see Chapter 5).

As a result, nearly all UK CSOs were united when it came to the inclusion of extraterritorial features as these were deemed to be part of a highly innovative strategy to achieve a form of global approach at either the EU, sub-EU or national level. Relatedly, by embracing an extraterritorial path, UK CSOs questioned the grounds on which the UK government had raised its legal challenge in the European Court of Justice, as the existing UK measure already included extraterritorial features. As the wider literature demonstrates: 'The extra-territorial provisions of the FTT have been a central battleground' (Fryer and Trotter, 2018). This is because the UK government and most financial sector actors have deemed the EUFTT to be contrary to EU law and public international law (Fahey, 2017: 45-46; KPMG, 2014: 1; PricewaterhouseCoopers LLP, 2013: 18; Englisch, Vella and Yevgenyeva, 2013: 236-259). Yet, for those under *TheRobinHoodTax* banner, the UK legal challenge was critiqued for being '[an]...increasingly desperate attempt' by UK policymakers to block EU proposals on the basis that they included extraterritorial aspects (The Robin Hood Tax, 2013a).

Similarly, Oxfam indicates: 'The UK is guilty of rank hypocrisy – its own stamp duty on shares applies to trades involving European Banks even if they take place in Europe' (Oxfam International, 2013). In addition, others highlight that '...in the case of the UK it is estimated that 40% of the Stamp Duty Reserve Tax on UK equities is paid by non-UK-residents' (Griffith-Jones and Persuad, 2012: 9). Thus, UK proponents stressed that the government move was 'breathtakingly hypocritical' as the UK stamp duty is collected '...wherever UK shares are traded and regardless of who is trading them' (BBC, 2013a). In this way, proponents put forth the view that extraterritorial features are central to all '...well-designed FTTs, including the UK's stamp duty on share purchases. This is very hard to avoid because...If the tax is not paid, the purchaser does not legally acquire the shares' (Dolphin, 2013: 16). Hence, most UK FTT proponents posited counter-narratives attempting to convince UK policymakers that a national path, which includes aspects of extraterritoriality, can lead to the construction of a policy response that is global in scope (like the existing UK Stamp Duty). In turn, due to the outdated nature of the UK Stamp Duty, it was suggested that this should be extended across different asset-classes to cover other financial instruments and actors beyond the ownership

of shares (see among others: Hillman; Christensen; Henderson; Jones; Dodds; Persaud; Griffith-Jones Interviews).

This strategy pursued by most UK CSOs has enabled, but at the same time, also restricted the EUFTT project and process. UK CSOs have enabled further steps at the EU level by potentially discounting the validity of the legal challenge made by the UK government in the European Court of Justice, thereby, in part, fostering more progress at the EU level among other member-state governments. Yet, because the counter-narrative placed a high degree of emphasis on the design of the FTT, namely the inclusion of extraterritorial features, this obviated the need for a global, regional (EU-wide) and/or inter-governmental (sub-EU) path, as a national approach was deemed to be completely viable. When considering liberal cosmopolitan scholarship, this questions whether a global, international or inter-governmental approach is actually warranted when it comes to FTTs and other financial regulations. A key difference in the case of the UK is that CSOs did not lobby UK policymakers to re-join EU efforts, but instead focused on counter-narratives endorsing a national path. This internal dynamic is an unheard aspect of the transnational campaign, as UK CSOs – although somewhat supportive – did not wholly converge on the counter-narratives that were constructed by CSOs in Germany and France (see Section 7.3 and Section 7.4). In this vein, although UK CSOs shared some ideas and campaign materials with counterparts, i.e. ‘...fact sheets, sign on letters, background papers and studies etc.’ (Wahl, 2014: 12), they played a minimal role in directly advancing the transnational campaign and lobbying at the EU level.

Most UK CSOs focused on persuading UK policy actors to extend the existing UK Stamp Duty, with the view that this would increase the amount of revenue that could be collected, and subsequently allocated to the broad aims and objectives of those united under the UK *RobinHoodTax* banner (The Robin Hood Tax, 2015a: 5). As Chapter 5 has shown, although most UK CSOs were unified when it came to the revenue-raising objective of FTTs, their broader aims diverged as they honed in on specific national/global issues that required more funding. This encompassed an array of interests, ranging from addressing climate change, environmental problems and ecological disasters to alleviating global poverty, extending human rights, solving migration issues and reversing the national austerity agenda, among other things. As such, rather than focusing on promoting a national, EU or global ‘regulatory turn’, the counter-narrative put forward by most leading UK CSOs relates to the amount of

revenue that can be derived from a larger global tax base, i.e. from all of the market players that operate within UK financial markets, once the existing measure is extended. In this sense, insights from the interview data highlight that most UK CSOs diverged from their counterparts in France and Germany as they indicated that they should not be viewed as social forces that are ‘anti-capitalist’, ‘anti-neoliberal globalisation’ and/or ‘anti-markets’. This is because they were solely interested in raising more revenue to increase the level of funding provided by the UK government towards certain national/global projects and causes that they had an interest in (see among others: Hillman; Jones; Turbeville; Griffith-Jones and Henderson Interviews).

As is explored below, some of the lead CSOs in both Germany and France had presented themselves as exactly this type of social force and thus, to a large degree their counter-narratives converged. In addition, *Attac Germany* and *Attac France* had formed a transnational CSO network in the early 2000s, but an ‘*Attac* chapter’ did not exist in the UK until 2014, when *Global Justice Now* joined the network and stated their ‘...work had many common areas’ (Global Justice Now, 2019a). Yet, these ‘common areas’ did not go as far as the counter-narratives endorsed by the *Attac International* network which maintained a far deeper anti-markets perspective (Global Justice Now, 2019b; The Robin Hood Tax, 2019b; Hillman Interview). Thus, the FTT was not framed to bring about systemic change or as a regulatory measure to change financial sector behaviour, but rather as a source of revenue (see also Chapter 5). Hence, most UK CSOs seemingly embrace a counter-narrative that endorses a deeper compensatory logic and not some type of reform agenda targeting the financial sector. Furthermore, once the Labour Party had started to promote the counter-narrative purporting a national path to be feasible, the deeper ‘anti-markets’ critique and regulatory turn presented by French and German CSOs, as well as some UK CSOs, had largely escaped the political debate. For example, the interview data indicates that some UK CSOs, like *Tax Justice Network* (TJN) and the *Trade Union Congress* (TUC), were the exceptions here, as they were far more interested in utilising an FTT to bring about regulatory, behavioural and systemic changes for the financial sector, rather than raising revenue. However, their insights did not gain traction with any policymakers (even those within the Labour Party), or, more broadly, other CSOs based in the UK (Christensen and Tudor Interviews; see also Chapter 5). In this light, other UK CSOs illustrate that the main aim and thrust of the campaign was to

focus on ‘innovative’ sources of revenue to reverse UK austerity measures as well as increase development expenditures, and to thus make policymakers ‘...fully aware of the appetite for change among the British public’ (Oxfam, 2012: 18).

As Chapter 6 has demonstrated, due to certain market identity traits such as institutional arrangements under the Anglo-Saxon model of capitalism as well as policymaker and wider societal affinity to neoclassical economics, this strategy was largely unsuccessful until perhaps 2015, or even much later in 2017 (see below). With this said, at the point of analysis very little movement has been witnessed in terms of extending the UK FTT or furthering the debate in general, which is indicative of the constraints faced by UK FTT proponents. Through an ACC reading involving power and manipulation, it could be argued that while financial sector lobbying was important in terms of instrumental power (see below and Chapter 5), equally, these types of actors also displayed structural power insofar as the UK economy, due to its very open capital market system, depends on global investors. To add, high levels of homeownership along with high levels of household debt means that wider audiences in the UK understand the role of financial markets differently when compared to those in the other cases under investigation. In this sense, the counter-narratives purported by most UK CSOs were constrained to the degree that they did not seriously incorporate an anti-markets or regulatory message, as it was well understood that these viewpoints would not resonate with wider UK audiences (see among others: Hillman; Jones; Cliggott; Auerback and Schulmeister Interviews). For instance, FTT opponents framed the implementation of the EUFTT, and even extensions to the UK FTT, as almost certain to lead to increased costs for consumers of financial services, including UK homeowners with mortgages (Copenhagen Economics, 2021; House of Lords, 2011).

On top of this, in the UK, close links between policymakers and stakeholders are not prominent and therefore CSOs/bottom-up forces attain far less political access, especially in terms of lobbying and shaping mainstream narratives. In contrast, a number of policymakers and political parties had actively endorsed and/or joined CSO networks in both Germany and France, which resulted in increased exposure and intermingling of (counter-)narratives. Moreover, due to favourable institutional arrangements for CSOs in these political economies, there was far greater access to political debates and key decision-makers (see sections 7.3 and 7.4). As mainstream narratives were based upon neoclassical economic ideas/policies and

an awareness of the reliance on finance for economic growth, UK CSOs found themselves increasingly constrained until the Labour Party leadership had passed on to Jeremy Corbyn. This was the case as Corbyn attempted to shift the party and wider audiences away from these neoclassical ideas as well as market identity traits endorsing both low taxation and social protection (Bassett, 2019: 1-7; Martell, 2018a: 15; 2018b: 5-6; Seymour, 2017: 78-84; Rustin, 2017: 7-8). Since this point, CSO agency was enabled, to some degree, as *TheRobinHoodTax* campaign moved beyond 'fringe meetings' at Labour Party conferences in 2014 and 2015 (The Robin Hood Tax, 2014a; 2015b) to being 'backed' by both Labour leadership candidates in 2016. At this point, Corbyn proposed that '...the UK should introduce the policy without waiting on the USA to do the same' (The Robin Hood Tax, 2016a).

Again, this is in stark contrast to his predecessors and other wings of the Labour Party, who would only support a global path (see Chapter 6). Concomitantly, Shadow Chancellor John McDonnell announced that after the party had reviewed its position on the FTT during 2015-2016, they concluded that '...it's an idea whose time has come' (The Robin Hood Tax, 2016b). This shift towards endorsing a counter-narrative suggesting that a national path is completely viable is captured in the 2017 Labour Party manifesto, which states: '...we will extend existing Stamp Duty Reserve Tax to cover a wider range of assets, ensuring that the public gets a fairer share of financial system profits' (UK Labour Party, 2017: 16). For *TheRobinHoodTax* campaign, 'The Labour Party's backing...represented a sea change in the progress of our campaign...we were delighted with the positive reception. Robin has made it into the mainstream!' (The Robin Hood Tax, 2017a). However, by 2018, although the Labour Party continued to support the FTT, McDonnell added a new caveat: 'In return...a Labour government would offer the finance sector a chance to influence policies [as well as] a seat at the policymaking table' (Reuters, 2018a). Therefore, structural power considerations once again guided policymaker understandings and, in turn, this further limited CSO agency, as the counter-narratives they purported would be influenced, even more so, by the persuasion and socialisation conducted at the policymaking table.

As such, after a long period of campaigning it was not until 2017 that the FTT, loosely based on the designs put forward by most UK proponents (Persaud, 2017), entered into the Labour Party's manifesto pledges. Yet, this breakthrough was limited and over most of the period under investigation, the UK FTT campaign has been constrained by power relations

and because UK CSOs could not form strong links with policymakers, therefore lacking the required political support from major political parties to push the measure ahead. In turn, this translated into limited access to post-crisis political debates to impact mainstream narratives. Therefore, most UK CSOs have pursued a strategy that focused on changing the narrative in the UK so that policymakers (primarily those in the Labour Party) and wider audiences conceptualised the FTT as a national project that was entirely feasible. This was partly successful once Corbyn became the leader of the Labour Party and attempted to shift the party away from an understanding based purely upon neoclassical economics.

In this regard, Corbyn, along with McDonnell, highlighted the need to increase public revenues, and as a corollary public spending, by taxing derivatives transactions through extensions to the UK FTT (Reuters, 2017; The Guardian, 2017). Factions of the Labour Party viewed derivatives transactions as an untapped and under-taxed resource that could solve a host of budgetary and social issues (Financial Times, 2017; The Independent, 2017b; Dodds; Griffith-Jones and Persaud Interview). They argued that extensions to the UK FTT would raise at least an extra £5 billion a year and this could be used to counter austerity measures, increase the provision of social protection and fund national projects that had been neglected under the Conservative government (Financial Times, 2018b; 2017; The Guardian, 2017; The Independent, 2017a). In this way, a national path could also lead to varying degrees of thick and/or thin liberal cosmopolitan outcomes in practice (see Chapter 8). However, while some UK policy actors deemed a national path to be feasible, the majority still had an affinity towards neoclassical notions of market efficiency, the need to apply lighter-touch regulation (in the form of other measures) and, more generally, to continue to rely on global investors to achieve higher levels of economic growth in the UK (see Chapter 6). As these sentiments prevailed among most UK policymakers, FTT proponents like some parts of the Labour Party and UK CSOs, were the only actors championing a national path, or even an FTT measure at all.

Yet, by questioning a key narrative at the heart of the debate, i.e. whether FTTs need to be implemented on a global basis, UK proponents have partly enabled, but also simultaneously constrained the EUFTT process, and other potential paths at the global level. By constructing a counter-narrative against the UK legal challenge, this enabled CSO agency across EU member-states that decided to push ahead with the ECP process and were most

supportive of the EUFTT. However, more importantly, the strategy pursued by UK CSOs has also constrained the EUFTT, a global path and an intergovernmental solution in general, because it is suggested that the inclusion of extraterritorial features obviates the need for an EU or global approach altogether, as national arrangements should be deemed completely viable. In turn, this has constrained the EUFTT, as transnational cooperation among CSOs was not as forthcoming in the case of the UK when compared to Germany, and more importantly France, where both national and EU paths were pursued simultaneously. In this light, UK CSOs did not advocate for the Labour Party to pursue a dual strategy of implementing the measure at the national level first and then progressing with an EU path. One reason for this can be linked to the results of the 'Brexit' referendum, whereby mainstream narratives and wider public debates concerned the EU infringing upon the UK's national sovereignty, which was associated with ideas questioning the role of big government and this resonated with audiences in the UK (see Chapter 6).

This became even more evident by late 2016, when the UK Labour Party – due also in part to CSO lobbying and reaching compromises with financial sector actors – decided to seriously engage with the FTT idea once again, but on this occasion by strictly endorsing a national path. This is important for liberal cosmopolitan scholarship because the case of the UK illustrates that thick and/or thin projects can still emerge through national paths, which means that scholars and policymakers can focus on a range of options that do not necessarily have to be global, regional or intergovernmental. On top of this, the unheard aspect of the overall EUFTT campaign was that UK CSOs did not engage in much transnational cooperation with CSOs in Germany or France, as their aims and goals differed, and they did not perceive the measure in the same manner. This path is associated to specific market identity traits, as most UK CSOs did not carry a counter-narrative geared towards systemic or regulatory change, but rather, they focused on revenue potential and framed the FTT along compensatory lines and as a redistributive solution. In this sense, financial sector actor manipulation, through the usage of both instrumental and structural power, was important as this guided the construction of most counter-narratives presented by most UK CSOs. Nevertheless, as the next section goes on to argue, financial sector actors did display some convergence with FTT proponents, and by extension, paths towards thin liberal cosmopolitan outcomes.

7.2.2: Unheard Voices: Non-State Actor Convergence & Signs of a Thin Liberal Cosmopolitan Path?

When turning to the business sector, like actors from the financial industry, 42 out of 46 interviewees – implicitly as well as explicitly – indicated that these entities played an immense role in lobbying policymakers to diminish both an EU and national path (see among others: Financial Sector Professional 1, 4, 5; Christensen; Wahl; MEP 2, 3; Griffith-Jones; Dodds; German Policy Advisor 1 Interviews). This pushback and resistance is of course understandable as FTTs can have a considerable impact on the business models of these actors (see Chapter 5). From an ACC reading, UK policymakers and wider audiences are also attuned to these concerns, as they have subscribed to mainstream narratives surrounding the benefits of open capital markets, economic growth based upon neoclassical/neoliberal economics and an Anglo-Saxon shareholder model of capitalism. Therefore, instrumental and structural power relations have seemingly afflicted policymaking communities as they have continued to construct a favourable environment for financial sector actors. At the same time, liberal cosmopolitan scholarship is interested in providing richer accounts of how compromises could be reached and where the potential for convergence may lay between the multitude of actors involved in the policy/governance process (Held, 2010: 218-219; Brassett and Smith, 2010: 421).

In this vein, some financial sector interests display steps towards convergence with UK CSOs, as progressive and dissenting voices have emanated from the sector, including: many long-term investors and market actors inclined towards social, ethical and environmental concerns (Bharadia and Boughey, 2019: 24; Irvin et al, 2013: 25; The New York Times, 2011; Benn, 2009: 5; The Economist, 2009). Again, these actors are representative of innovative entrepreneurial norm carriers that loudly voice their concerns and delegitimise accepted understandings and practices in the process (Saurugger and Hassenteufel, 2016; Abdelal, Blyth and Parsons, 2005). This convergence revolves around the idea of implementing a global measure based on the existing design of the UK FTT, with the view to raise more revenue for governments across the globe. As such, when further exploring the viability of the existing UK FTT/Stamp Duty as a model of compromise for other national political economies to follow, herein lies an important and unheard aspect of the counter-narrative posited in the UK.

In this light, 28 out of 46 interviewees indicated that broad agreement exists between global financial sector actors as the UK measure, along with some other national FTTs, which focus exclusively on share ownership and are applied extraterritorially, are not questioned or critiqued in a meaningful way (see among others: Financial Sector Professional 2, 3 and 4; Hillman; Persaud; Wahl; Schulmeister; Griffith-Jones and Koch Interviews). Here, many financial sector actors illustrated that unlike formulations concerning the EUFTT, the UK FTT was already well designed, tried and tested and did not significantly deter global investors from operating in the UK. Hence, this could be a narrow global or regional measure that many financial sector actors might be prepared to support or at least not obstruct (see among others: KPMG, 2014; Folkerts-Landau, 2013; Omahen et al, 2013; PricewaterhouseCoopers LLP, 2013; Walker; Neidle; Financial Sector Professional 1, 5 and 6 Interviews)

Therefore, financial sector actors operating in the UK have not lobbied against the inclusion of shares, as the UK Stamp Duty already covers these transactions and instead they focus on reducing the ambition of a 'broader' measure that includes other transactions (namely derivatives – see also Chapter 5). Some UK campaigners, like Max Lawson from *Oxfam*, suggest that: '...this compromise would still set a major precedent and raise significant revenue...and this is one form of FTT that the UK could not oppose' (Lawson, 2011). Again, it is evident that financial sector actors and most UK policymakers had portrayed a national/regional approach to be unfeasible because the framing of a broad FTT encompassed the coverage of more actors, instruments and markets, and therefore it would supposedly have to be agreed upon at the global level. However, alternative paths can be pursued when trying to achieve thick and thin liberal cosmopolitan outcomes, so this unheard aspect of the debate is important in that some type of compromise could have been constructed between actors across the three sectors of society, i.e. policymaking communities, business/financial sector interests and CSOs, at least in the UK. In essence, steps towards an FTT which resembles a model of liberal cosmopolitanism could start with the global or regional implementation of a 'narrow' measure based on an existing tax – like the UK Stamp Duty. This is because, as one CSO stresses, '...it could be applied to shares first and derivatives later [because] Member states seem to agree on a stamp duty tax' (Better Finance, 2016). In this respect, while other paths could be followed, if an agreement around the coverage of shares

can be reached, and if this leads to some thick and/or thin liberal cosmopolitan outcomes, then advocates should attempt to implement a narrow global measure as a first step.

Equally, 16 out of 19 interviewees representing the business sector demonstrated that the UK Stamp Duty is a well-designed tax, which other national political economies should emulate, instead of considering a broad FTT. On top of this, they noted that the direction of travel for policymakers is heading towards the implementation of narrow FTTs that at a minimum cover shares, rather than no transactions at all (see among others: Walker; Neidle; Fullerton; Financial Sector Professional 4, 5, 6 and 7 Interviews). To this end, even at a rate of 0.5%, which could be perceived to discourage global investors, the revenue from the UK FTT has nevertheless remained relatively stable over the years (Zuluaga, 2020; Persaud, 2017; Seely, 2014; Bijlsma, 2012). Over the period under investigation (2008-2018), the UK FTT has raised over £30 billion, or on average, £3 billion per year (UK Government, 2021). Furthermore, since 2008, policymakers from Belgium, Brazil, China, Egypt, France, Italy, Greece, Hungary, South Africa and Venezuela, among others, have implemented new FTTs or extending existing ones, illustrating that the direction of travel is heading towards a wider acceptability of FTTs (BNY Mellon, 2018). This demonstrates that some EU member-states and others outside this regional grouping have, albeit in somewhat diverse ways, implemented similar taxes to the UK Stamp Duty by at a minimum targeting transactions involving shares (Fine, 2019: 3-4; BNY Mellon, 2018; Chaudhry, Mullineux and Agarwal, 2014: 16-19; PricewaterhouseCoopers LLP, 2013: 3).

From this, it is clear that there is some form of convergence around the idea that transactions involving the ownership of shares would not escape any new proposals for a national, international, regional or global path. This is because ‘...concerns that traders would flee to jurisdictions that do not impose the tax ignore the fact that the UK’s 0.5% stamp duty has not sent investors scrambling off-shore’ (Corkerry and Zornada, 2012: 6). To reiterate, campaigners in the UK had already established that ‘...the most likely compromise is around a tax on share transactions (STT), or Stamp Duty’ (Lawson, 2011) and if a design based on the UK version could be applied at the global level, it could raise \$225 billion annually (World Basic Income, 2019). Other estimations suggest that ‘...an equivalent of the UK FTT, extended to the world’s main countries, would raise \$100 billion a year, despite its many exemptions’ (Capelle-Blanchard, et al. 2017: 3). To add to this, other types of global FTT – even when

accounting for a narrow scope across certain activities as well as evasion and relocation – could amount to \$418.84 billion annually (Pekanov and Schratzenstaller, 2019: 46). These revenue estimations are not insignificant, as ODA in 2017 reached \$146.6 billion (OECD, 2018), while it totalled \$153.0 billion in 2018 (OECD, 2019), meaning that any additional contributions from a global FTT would be very noticeable.

Further evidence confirms that in the case of the EU process, it ‘...seems likely that [it] will end up as a narrow-based FTT, similar to the UK Stamp Duty Reserve Tax’ (Kastner, 2015). This is the case because, ‘...as negotiations on the FTT continued to stall, in June 2018, France and Germany decided to introduce a new impetus’ (KPMG, 2019) by reverting back to the UK Stamp Duty and/or French FTT as the models to implement going forward (Reuters, 2018b; Euractiv, 2018; Bloomberg, 2018; Chaudhry, Mullineux and Agarwal, 2014: 17). Again, this highlights that proponents of the measure, especially those focusing on increasing tax revenue for ODA and additional public funding, like most UK CSOs, missed another important window of opportunity for change. Here, they could have converged on the perceptions put forward by some UK financial sector interests and other FTT proponents at an earlier stage of the process so as not to forgo the potential revenue that could have been raised since 2010.

In addition, by not engaging in a transnational campaign with other CSOs (see section 7.2.1) and not actively trying to promote the UK version at either the EU or global level, there seems to be a missed opportunity on display because strong global cooperation existed in the post-2008 crisis era. The wider literature highlights that despite industry lobbying and ‘...success in watering-down the proposed FTT’, it was clear that at an early stage these entities had given up on shares and could not ‘...affect the policy agenda in line with their preferences’ in this regard (Kastner, 2015). Therefore, when considering the construction of a global path for the FTT, CSOs and other FTT proponents should consider a strategy whereby they advocate for the global implementation of an existing, tried and tested national FTT in the first instance, and then engage in a second stage of advocacy to strengthen and broaden the measure (Fine, 2019; Persaud Interview).

From an ACC reading, signs of convergence seemingly emerged between some financial sector actors and some FTT proponents. Here, a narrow global FTT, which could promote forms of thick and, certainly thin, liberal cosmopolitan outcomes, should have been constructed in the immediate aftermath of the global financial crisis, as the UK FTT design had

been tried and tested in practice. The quick implementation of a narrow measure should have been an easy compromise to reach as it was already accepted by the largest global investors/financial market actors and policymakers hosting these entities, therefore it could have become a part of mainstream narratives and specific market identities. In this way, instrumental and structural power relations were less relevant when it came to (counter-)narratives surrounding shares as there was little pushback and a high degree of acceptability. Thus, as an initial step, UK CSOs and FTT proponents should have proposed the global (or even regional) implementation of the UK FTT and then ‘improved’ upon the measure later, within a deliberative setting based in the EU or elsewhere. In terms of improvements, advocates could still pursue national paths at a later stage, but in the short-term, addressing the revenue objective seemed to be the central unifying goal (see Chapter 5).

Moreover, as the primary focus of most UK CSOs had been on increasing revenue for ODA purposes and the alleviation of global poverty more broadly, a global FTT would have been a better path to pursue. A global measure, even if demonstrably narrow in design, would still have raised significantly more revenue than a national approach, and could even have allowed for direct local redistribution to take place as aid ‘recipient’ governments (or local CSOs), which would obtain some of the global FTT revenue, could take charge of allocation and disbursement. At the same time, recipient governments could still utilise non-domestic CSOs for specific projects by directing funding towards them, while other recipient governments/institutions could further disburse funding to be made available for a range of national and global projects. In this light, convergence between larger groups of non-state actors on both sides of the FTT argument and divide was not unimaginable and could have led to a global FTT path. Again, this became an unheard aspect of the UK FTT campaign and in hindsight – especially considering the current state of affairs surrounding the EUFTT project – proponents should have attempted to garner further convergence around this move. As such, a number of proponents and opponents of FTTs did converge on a counter-narrative, which, if it had not gone unheard, could have provided the stepping-stones towards a concrete global project and raised significant revenue for a range of redistributive purposes aligned to liberal cosmopolitan concerns.

7.3: France

An ACC reading indicates that in France, wider audiences were already aware of the Tobin Tax/FTT measure and a number of the earlier counter-narratives associated with it, thus as a policy idea it remained on the agenda, and was a readily available response to the 2008 crisis. On top of this, as Chapter 6 has argued, a very high tax culture and the view that the measure was a 'common sense' response, became linked to mainstream narratives purported by key French policymakers along with CSOs, meaning the idea was no longer on the fringes and continued to gain purchase. In addition, the French state-influencing model has historically shown that the electorate expect French policy actors to undertake the fast implementation of policies, which partly explains why the French went ahead with a national measure first. Moreover, strong connections and coalitions existed between policymakers and bottom-up forces meaning that there was much more access for CSOs within political institutional settings. Due to these favourable institutional arrangements and social representations, French CSO agency was enabled far more so than in the cases of their counterparts.

Yet, once a national FTT was implemented, French policymakers and CSOs diverged over revenue allocation, with the latter losing out as they could not influence mainstream narratives towards their ODA policy asks. In addition, the instrumental and structural power of global finance played a role in further limiting CSO agency, as other mainstream narratives emboldened notions of market specialisation and attaining a competitive edge over the UK financial sector. As such, liberal cosmopolitan notions of establishing global/intergovernmental measures faced a clear challenge, as some French mainstream narratives centred on national state-based competition outweighing any possible global/international vision. Nonetheless, along with their national campaign, French CSOs launched a transnational strategy (unlike most UK CSOs), which meant that they formed cross-border coalitions with CSOs, lobbied actors within EU institutions and their counter-narratives penetrated EU level discussions. In this respect, French CSOs, alongside their German counterparts (see Section 7.4), were entrepreneurial innovative norm carriers as they attempted to extend their influence to national and EU settings.

7.3.1: Cognitive Background, Coalitions and Global Competitiveness: Enabling and Constraining Pathways

33 out of 46 interviewees illuminated that the key difference in the case of France was that the Tobin Tax/FTT debate had been engrained within the cognitive backgrounds of large cohorts of French society well before the 2008 crisis occurred. This was due to the early work undertaken by *Attac France* (Association for the Taxation of financial Transactions and Aid to Citizens), a CSO created in 1998 to promote the Tobin Tax. In addition, French CSOs in general had historically tied the Tobin Tax to raising revenue to meet ODA targets that successive French governments had failed to do across the 2000s. To this end, French policymakers and CSOs had already formed visible coalitions and networks that promoted the idea of a form of FTT for nearly a decade before 2008 (see among others: Berès; Pietikäinen; Ötsch; Hillman; Jones; Henderson; Wahl; Schulmeister; Financial Sector Professionals 2,3 and 6 interviews). As a result, there was a heightened awareness among wider audiences of the early counter-narratives portraying the measure in a favourable light.

Kastner cements the importance of this point, as by 2012, public opinion polls in France showed that only 12% of respondents had not heard of the Tobin Tax/FTT, which is substantially lower in comparison to the UK (37%) as well as Germany (30%) (Kastner, 2018: 1655-1656). As the wider literature indicates, the FTT, along with some of the other early counter-narratives purported by *Attac France*, began to become part and parcel of some political debates in France from as early as 1999 when 60 MPs ‘...all of them leftists and greens – created a parliamentary section of the organisation’ (Uggla, 2006: 172-174). Moreover, as Uggla goes on to show, by 2001 the Tobin Tax/FTT had become a part of mainstream narratives and political debates as ‘...all the major contenders for the presidency expressed their sympathy for...the Tobin tax’ (Ibid: 172-174). To add to this, President Chirac continued to display support across 2004-2005, and, even if this support was not tangible in the form of a concrete measure, it nevertheless generated further public debate and greater awareness around the idea as it was a part of the mainstream narrative (Wahl, 2014: 3; Patomäki, 2009: 6-7; Knapp and Wright, 2006: 37-38).

Others highlight that *Attac France*, from inception to 2005, ‘...managed to influence the political agenda by...framing the public [debate] on neoliberalisation and forcing political

parties and the government to respond to its claims...[which]...was solicited by politicians not only of the left but also of the center-right' (Stockemer, 2013: 87). In this regard, *Attac France* continued to influence the framing of mainstream narratives and the political debate through earlier counter-narratives that generated a 'common diagnosis...[critiquing]...financial globalisation' (Petithomme, 2012: 253), and by enjoying wider general popularity which enabled them to make significant inroads into the political elite (Knapp and Wright, 2006: 37). Thus, those at *Attac France* were innovative norm carriers, especially in the French context, as they proposed the implementation of a global Tobin Tax in response to global developments like the deeper liberalisation of financial markets, which began in the late 1990s, alongside the spread of UK/US style neoliberalism and Anglo-Saxon shareholder capitalism (Attac International, 2019a). Although at times engaging contentiously with policy actors, workers, trade unions and even their own members, the leadership at *Attac France* have nonetheless continued to mingle fruitfully with mainstream political parties and politicians, as well as formed significant ties to national governments (Gautney, 2010: 106-107; Uggla, 2006; Ancelovici, 2002).

By 2001 it was reported that 125 MPs for the French National Assembly were members of *Attac France*, while a number of villages and regions, (i.e. local politicians/political organisations) had also joined the network (Uggla, 2006: 173-174). In addition, the 'founders' of *Attac France* are themselves 'connected to political parties' such as the French Communist Party (Parti communiste français – PCF) and the Trotskyite Party LCR (Ligue communiste révolutionnaire) – with Jacques Nikonoff, president of *Attac France* (2002-2006) being a member of the PCF executive committee until 2001 (Haeringer, 2008: 51). Furthermore, others demonstrate that *Attac France* has ties to the Parti Socialiste (PS) – the French Socialist Party (Gautney, 2010: 106-107), and it plays a role in revitalising and reviving '...older left radical traditions and marginal parties' (Crespy, 2007: 8). Moreover, even if policy actors did not become 'members' of *Attac France* or other FTT proponent CSOs – they could still actively support campaign messages, (counter-)narratives, policy asks and other CSO activity. In addition, since formation *Attac France* and its central FTT message garnered, in comparison to the other cases at hand, a far larger national media presence (Ancelovici, 2008: 84). This is because the founding members of *Attac France* include nine newspapers/reviews (Haeringer, 2008: 47; 52) with some scholars honing in on the

‘...important role of *Le Monde diplomatique*, one of the leading newspapers of the French Left’ as key to furthering the aims of French CSOs (Ancelovici, 2002: 438).

To this end, *Attac France* continues to present a counter-narrative that seeks to ‘Disarm the markets’ and is described to be an ‘alter-globalization movement...that opposes neo-liberal globalization’ (Attac International, 2019a). From an ACC perspective, *Attac France* is offering a counter-narrative against US style financial globalisation and types of Anglo-Saxon shareholder capitalism which departs from the messages, (counter-)narratives and arguments endorsed by most UK CSOs. On top of this, French policymakers and by extension, other French societal actors, have – ever since the end of the Second World War – been highly reluctant to blindly follow US policymakers and their Anglo-Saxon economic policies, while they also seem to endorse far more anti-US rhetoric when compared to the other cases (see Chapter 3). In this manner, the interests of *Attac France* centre on altering the instrumental and structural power of global finance as well as regulating/restricting short-term financial speculation strategies more generally. To supplement this, along with other French CSOs, *Attac France* also supported notions that the revenue raised through the measure should be funnelled towards ODA. Again, in the UK, as the government had met ODA targets since 2013, the FTT was less associated with ODA, and rather the need to substantially increase funding of a range of global projects (see also Chapter 5).

Due to these factors, before the 2008 crisis, French CSOs had been enabled by this favourable environment, as the ideas of *Attac France*, including promoting the FTT, had become engrained within the cognitive background of wider audiences due to visible links with policymakers as well as a robust presence in the French media. In the post-2008 era, this pattern has not altered significantly, as *Attac France* and other French CSOs have maintained close relationships with policymakers. At a minimum, this indicates that the idea of an FTT will attain wider coverage, more inclusion in political debates as well as parliamentary proceedings, and remain a part of mainstream narratives and cognitive backgrounds. To add to this, Kastner highlights that media coverage surrounding the FTT in French newspapers had reached over 900 articles for 2011, and peaked at just under 1400 articles in 2012 alone, which is in stark contrast to the numbers recorded in the UK, and to a lesser extent Germany (Kastner, 2018: 1655). Moreover, *Attac France* has hundreds of local committees spread across the country and over 10,000 members (Attac France, 2018a), which includes other

CSOs – most prominently French development CSOs – that have tied the idea of the FTT to increasing ODA funding, and continued to promote FTTs during the 2000s and even more forcefully after 2008 (Wahl, 2014: 2-4). Therefore, in the post-2008 era:

‘More than 15 bills related to the FTT were presented by French MPs. An important number of them were (co-)written by the French FTT coalition...[Then, CSOs in the coalition]...met the MPs who signed the bill before the vote and the coalition (co)wrote the bill and the final text included their arguments and sentences’ (Oxfam, 2012: 23).

As such, French CSOs were key norm carriers that influenced the political debate in a tangible manner and continued to do so across the period under investigation, at both the national and EU level (see below). By being involved in the national legislative process, French CSOs have been able to present counter-narratives portraying the FTT idea in a positive light, with this influencing some mainstream narratives and design features of the French FTT.

As Chapter 6 displayed, French policymakers implemented a national FTT in 2012 and had decided to allocate some of the revenue to meeting ODA targets. However, policymakers started to suggest that revenues ‘...would only benefit a European growth plan or debt reduction’ (Oxfam France, 2011) and in the fiscal year of 2013, only 3.75% of tax revenue had been planned to be allocated to ODA, which left French CSOs feeling ‘outraged’ (Coalition Plus, 2012a). Hence, as the interests of French policymakers diverged from French CSOs, this left the latter constrained, even though early campaign successes had suggested that a broader FTT, along the lines of the EC Triple A approach (see Chapter 5), would be constructed to ensure that revenues were substantial. In this way, 24 interviewees indicated that although French policymakers had pushed ahead with a national measure, this was deemed extremely narrow, watered-down and weak, due to limited coverage and the generation of insufficient revenue (see among others: Financial Sector Professional 1, 4 and 5; Wahl; Hillman; Griffith-Jones; Cliggott Interviews).

Moreover, the wider literature illustrates that although the French measure targeted some derivatives, it did so in a non-extraterritorial manner and provided a number of loopholes to escape the tax, especially for high frequency traders, which resulted in hardly any revenue collected from these actors (Schäfer, 2015: 7; Hemmelgarn et al, 2016: 234;

Haferkorn and Zimmermann, 2013: 9). Therefore, most French CSOs have lobbied national policymakers to strengthen the newly implemented measure in terms of increasing rates as well as coverage to other instruments/financial actors, while also ensuring the French government allocates at least 25% of revenue to ODA (Cappelle-Blanchard et al, 2017: 22; Wahl, 2014: 9; ONE France, 2016; 2014). However, these efforts were constrained, as equally important here, from an ACC reading, is the instrumental and structural power of global finance. Here, 26 out of 46 interviewees illustrated that financial sector interests had persuaded French policymakers to pursue a 'competitive' path, so as to challenge the UK as the financial hub of Europe (see among others: Financial Sector Professional 2, 4 and 5; Tsuda; Wahl; Griffith-Jones; Turbeville; Persaud Interviews). As such, although the cognitive background was favourable for the FTT project, power relations also afflicted the perceptions of policymakers. For example, even though President Hollande had, at times, been a strong advocate of the FTT (see Chapter 6), he nevertheless reneged on a variety of FTT promises, as he accepted that:

'...derivative transactions [which] were explicitly identified by MEDEF and Paris Europlace...[were deemed to be]...crucial for maintaining the global competitiveness of French banks who were leaders in this area of financial trading...[Therefore,]... the French government had come to the view that certain derivatives should be exempt from taxation, despite the fact that the majority of expected revenue came from these instruments' (Kalaitzake, 2017: 720).

Additionally, due to affinities toward certain market specialisations, various French Finance Ministers had repeatedly tried to put the brakes on the EUFTT process and attempted to derail the initially conceived path (see Chapter 5 and Chapter 6). For instance, Kastner highlights that having introduced their national measure in 2012, French policymakers exclusively '...started to promote their versions of the tax at EU level' (Kastner, 2018: 1653). However, this was problematic for other French CSOs as their hopes are for '...the European FTT, unlike the French FTT...[to]...really apply to high frequency transactions which, as professionals in the sector recognise, have a destructive impact on the financial markets' (Coalition Plus, 2013). Therefore, this is not the end of the story for French CSOs and FTT proponents, as they remained committed to an EU level approach and thereby supported both national and intergovernmental pathways. This is another key difference when

regarding the case of the UK, where CSOs did not fully engage in transnational cooperation with their counterparts on the continent (see section 7.2). Here, to somewhat transcend national constraints French CSOs would actively purport their counter-narratives at the EU level, initially within the European Economic and Social Committee (EESC) consultation process, but also in other EU level lobbying efforts throughout the period under investigation (EU Wahl; Schulmeister; Henderson; EU Policymaker 2, 4, 5 and 6 Interviews). In this vein, French CSOs were key entrepreneurial norm carriers, as they did not forgo transnational advocacy and cooperation, especially with German CSOs, once a national measure was implemented.

For instance, Wahl indicates that once the French government ‘...seemed to stagger’ on an EU path in 2013, French and German CSOs issued a common statement which the French Finance ministry ‘...saw itself obliged to react with a denial, confirming that it would stick to its initial positions’ (Wahl, 2014: 12). Similarly, in 2014 French and German CSOs met with parliamentarians across EU member-states to analyse ‘...the challenges of the current Franco-German negotiations...[and to]...express their concerns about the pressure from the banking lobby which wants to reduce the base of the tax to the bare minimum’ (Attac France, 2014b). In addition, leading French CSOs like *Attac France*, *Oxfam France*, *AIDES*, *Coalition Plus* alongside others, lobbied all French candidates standing in the 2014 European elections to support ‘...an ambitious and united transaction tax...between the 11 European states’ and they also provided contact details for the potential MEPs so that individual voters could voice their opinions directly (Attac France, 2014a). Again, this portrays a transnational strategy in that French CSOs wanted their supporters to lobby French MEPs to push ahead with an EU path.

As such, even though they initially supported a national path, French CSOs have equally favoured an EU path and have lobbied for the construction of a broader FTT than is currently implemented within France. Alongside this, after many years of campaigning, French CSOs rejected a ‘limited’ common EU approach – proposed by President Macron – that was based on the design of the French and/or UK versions of the tax as these either contained exemptions for most derivatives (French FTT) or did not even consider taxing them (UK version) (Attac France, 2017a; 2017b). In this light, at both the national and EU level, French CSOs would continue to put forward a counter-narrative portraying the EUFTT as not

only potentially generating vast revenues, but also contributing to a deeper regional/intergovernmental regulatory turn, which could potentially lead to a global one.

Thus, the French case highlights a number of enabling as well as constraining factors for non-state actor agency. As the FTT was engrained within the cognitive background of wider audiences for a long period, it was far easier for CSOs to (re-)launch their campaign and gain early political leverage in the aftermath of the 2008 crisis. Policymakers were accustomed to the idea, appreciated its popularity and therefore a national FTT was already a likely first step. In addition, *Attac France* had played a substantial role in engraining the idea and since inception had been closely affiliated with a number of political parties. Once other CSOs became actively involved in the FTT campaign, this pattern continued as a number of links between policy actors and CSOs remained visible. As such, the policy measure - in a far broader form - would remain on the agenda, even once a national path was taken. This is because most French CSOs were also committed to an EU approach and had engaged in far more transnational lobbying and campaign activities with most counterparts across borders (with the notable exception being UK CSOs). In this vein, CSO agency was further enabled as one of their key campaign counter-narratives was that an intergovernmental approach was feasible and the EU must push ahead.

From a liberal cosmopolitan standpoint, the relevance of specific market identity traits indicates that these differences need to be accounted for within broader theorisations. When considering the concrete example of the EUFTT, although actors in both France and the UK have pursued a national path, those in the former have also committed to a regional/intergovernmental route. However, this favourable institutional environment was only a part of the picture, as CSO agency has been limited by other mainstream narratives emerging from financial sector interests and policymakers. In this manner, French financial sector interests have also been enabled, as policymakers are susceptible to instrumental and structural power relations, meaning that there is a shared perception of Paris's role as competing with London as the financial capital of Europe. In this sense market specialisation and positionality in the global economy is also of concern for policymakers (see also Chapter 5). Therefore, when considering liberal cosmopolitan projects, barriers to change will include mainstream narratives based on nationally inscribed state-based competition trumping global visions of cooperation.

7.4: Germany

In Germany, an ACC perspective highlights that due to the Rhenish model of capitalism, institutional access for CSOs and stakeholders were highly favourable, especially when compared to the situation in the UK. Although *Attac Germany* was an early norm carrier of the FTT idea and they made some political in-roads, their counter-narratives did not gain widespread purchase among most policymaking communities, other CSOs and wider audiences. However, in light of the 2008 crisis, and once *Steuer Gegen Armut* became the new key norm carrier and framed the FTT idea as a ‘tax against poverty’, rather than ‘disarming markets’, this led to far more policy buy-in on the part of policymakers and CSOs. As such, an extensive German CSO network existed and this created strong broad coalitions with a range of German policymakers. This allowed for a greater increase in institutional access for most German CSOs and led to a higher level of awareness of the (EU)FTT among wider audiences in Germany through persuasion and socialisation. Yet, by heavily involving policymakers in the FTT campaign, these actors co-opted (counter-)narratives by shaping them towards their interests and perceptions, while departing from the policy asks of German CSOs. Therefore, German CSOs were enabled, but at the same time restricted, which resulted in *Steuer Gegen Armut* disbanding the broad CSO network in 2018 as German policymakers were exclusively pursuing their own paths.

With this said, following the 2008 crisis, pro-regulation attitudes and an atmosphere of distrust towards the financial sector influenced cognitive backgrounds in Germany. This was coupled with an ordoliberal market identity and ideas promoting the social market economy that deemed regulatory measures as the appropriate policy response. As such, CSO agency was enabled, while German financial sector actors were constrained as they were viewed to have adopted problematic neoclassical/Anglo-Saxon practices and models prior to the 2008 crisis, and were continually embroiled in scandals thereafter. However, manipulation, in the form of the instrumental and structural power of global finance was also evident, as the German financial sector passed on the baton to German non-financial corporations and FTT opponent policymakers, with these latter actors influencing mainstream narratives and the viewpoints of some initial FTT proponents. On top of this, some German policymakers targeted *Attac Germany* by labelling the CSO a ‘political organisation’ thereby

removing its tax-exempt status, which meant that funding was severely circumscribed. Nonetheless, the EUFTT project remains on the German political agenda, and even though some CSOs have been constrained, others, whose interests align with policymakers, have been enabled to some degree.

7.4.1. Institutional Arrangements and the Conditions for a ‘Thicker Liberal Cosmopolitan Path’

When turning to Germany, as with the cases presented above, 28 out of 46 interviewees highlighted that, a broad coalition existed between various CSOs and other FTT proponents. This coalition was headed by *Attac Germany*, the *Steuer Gegen Armut* (Tax Against Poverty) campaign, *WEED* (World Economy, Ecology & Development Association) and a number of other German CSOs (Wahl; Ötsch and Schulmeister Interviews; see also *Steuer Gegen Armut*, 2013a: 2). However, prior to the 2008 crisis, an extensive CSO coalition or campaign did not exist as the key norm carriers of the FTT/Tobin Tax idea were only *Attac Germany*, which, in turn, had little success and was restricted due to a lack of access to policymakers as well as the limited visibility of their counter-narratives in pre-2008 political debates. Shortly after the 1998 formation of *Attac France*, *Attac Germany* was created in 2000, and had exclusively led the campaign and CSO network in this national political economy for most of the decade. Yet, it ‘...*did not attract that many* [German] *politicians*’ (Wahl interview) and/or policymakers to join the campaign before 2008 (Schulmeister; CSO Campaigner 1; Ötsch; German Policy Advisor 1 and MEP 2 Interviews).

This is reflected in the fact that only policymakers from the Left Party (Die Linke) (*Attac Germany*, 2019a; 2019b), along with some counterparts representing the Greens (*Attac Germany*, 2019g), had joined *Attac Germany* before 2008. In terms of the Social Democratic Party of Germany (SPD), only one district – Hessen-South – had actively endorsed *Attac Germany* and joined the CSO network (Ibid). On top of this, one Christian Democratic Union (CDU) politician – the late Heiner Geissler – had joined *Attac Germany* in 2007 and made important contributions in bringing ideas of ‘globalisation critique’ into public debates and had been explicitly involved in putting forward alternatives, like social and ecological globalisation (*Attac Germany*, 2017a; *Der Spiegel*, 2007). Yet, the point to stress is that most

policymakers from the CDU as well as SPD, i.e. the mainstream political parties in Germany, did not join or support the German FTT campaign before 2008 (see Chapter 6).

In addition, *Attac Germany* had formed regional networks spread across the national political economy, by establishing nearly 100 local groups (Attac Germany, 2019c), and had created a relatively large CSO network, somewhat comparable to the situation in France (Attac Germany, 2019g). However, 19 interviewees suggest that the counter-narratives being purveyed by this CSO resulted in limited political support (see among others: Klinz; Wahl; Ötsch; MEP 2; Berès; Henderson; Tsuda Interviews). As had been the case in France, the counter-narratives put forward by *Attac Germany* were based on an anti-neoliberal globalisation agenda (Attac Germany, 2019d; 2019e; Attac International, 2019a) and ideas that were deemed to be ‘...critical of capitalism’, supportive of declaring ‘...democratic control of financial markets’ (Attac Germany, 2019f) as well as in favour of the notion of ‘disarming the markets’ (Schulmeister; Wahl; Turbeville; German Policy Advisor 1; Financial Sector Professional 5 Interviews). Already, the above is not typical of the types of (counter-)narrative that one would expect to gain purchase among most ordoliberal policy actors from ‘mainstream’ political parties in Germany like the CDU and the SPD (see Chapter 6).

As such, it seems clear that *Attac Germany* would not obtain as much traction with the CDU and SPD when compared to other parties, due to the explicit ‘anti-capitalist’ critique and counter-narrative that was being endorsed (Teune and Yang, 2008: 77). Yet, a further reason that can be offered is that this counter-narrative is quite focused on a ‘single issue’ (albeit quite a large one), that nonetheless, other CSOs and a wider range of stakeholders had not bought into during the early stages of the campaign. Here, it is important to recognise market identity traits specific to Germany, such as institutional arrangements applicable under the Rhenish model of capitalism and a non-majoritarian political system, which generally leads to the formation of coalition governments, dual legislative majorities and territorial distribution of powers (Dyson and Padgett, 2005: 120-121). In this regard, policymakers aim to ‘broker’ an agreement between different interests and are thus more predisposed to account for the views posited by broad coalitions of stakeholders, which encompasses a multitude of groupings and a diverse range of CSOs as well as socioeconomic actors (Schmidt, 2016: 4; Piketty, 2014: 140-146; Hyman, 2008: 4; Dyson and Padgett, 2005: 120).

In this way, by 2009 with the launch of the *Steuer Gegen Armut* campaign by Jesuit Priest Jörg Alt (and others), and with the creation of a much broader coalition (which included far more trade/labour unions, 'religious' groups and other former affiliates of Alt), this CSO network initiated discussions on the FTT in the German parliament. This commenced with an 'open letter' lobbying the Merkel led government to continue their FTT support and introduce the measure (Steuer Gegen Armut, 2019a; 2019b). Even though *Attac Germany* had joined the network, the *Steuer Gegen Armut* campaign framed the counter-narrative as a 'tax against poverty' rather than one of 'disarming the markets', and also focused on an FTT which could contribute to 'greater stability in financial markets' and for proceeds of the tax to be used for 'global poverty reduction' (Steuer Gegen Armut, 2009a). Again, as Chapter 5 demonstrates, on the main FTT proponents and CSOs were generally divided over the primary objectives of FTTs and therefore the campaign was far from unified and some viewpoints would not make it on to the agenda.

The important point here is that the counter-narrative being expressed by the German EUFTT campaign, particularly once the *Steuer Gegen Armut* network was the key entrepreneurial norm carriers at the helm, was not as '*...far-reaching as the initial ideas*' being put forward by *Attac Germany* and *WEED*. Nevertheless '*...this meant that more organisations joined the campaign as the message was not as radical when compared to the past*' (CSO Campaigner 1 Interview). In this light, the *Steuer Gegen Armut* campaign and network shifted the counter-narrative surrounding the EUFTT towards reasoning based on an ordoliberal reading of order, stability and rules-based behaviour. This is relevant for liberal cosmopolitan scholarship because the above analysis illustrates the internal dynamics of the CSO debate in Germany, whereby it becomes evident that there was disagreement and competition over the way in which the counter-narrative should be framed in order to establish a more extensive CSO coalition network. This once again questions whether CSOs can be presented as homogenous 'ethical agents' – as divergence within and between the CSO network/campaign, particularly in terms of aims and goals, was clearly on display (see Chapter 2 and Chapter 5).

At the same time, although this restricted the counter-narrative purported by some CSOs – namely *Attac Germany* – the broader coalition, established in 2009, was nevertheless enabled due to its density as well as the ordoliberal counter-narrative it now carried. Thus,

German policymakers across the entire political divide were far more amenable to the EUFTT idea or, at a minimum, were willing to engage in discussions with the CSO network. In this vein, 30 out of 46 interviewees indicated that the environment in Germany has been far more favourable towards CSOs, as well as proponents of FTTs more generally, as these entities have (eventually) established stronger links with policymakers, political parties and other actors. For instance, interview participants highlight that the EUFTT coalition in Germany consisted of ‘...*not just the politicians on the [political] Left, but traditional Conservatives and others from the [political] Right as well*’ (Ötsch Interview). This resulted in ‘...*cross-party support in parliament...[and]...heightened public awareness*’ (German Policy Advisor 1 interview) because more political debates centred on the EUFTT (CSO Campaigner 1 Interview; Wahl; Schulmeister; Klinz; Henderson; Financial Sector Professional 5; German Policy Advisor 1; MEP 2 Interviews).

Furthermore, many policymakers belonging to parties in opposition – namely the SPD, the Left Party and the Greens – had become members of the *Steuer Gegen Armut* campaign shortly after its launch in 2009 (Attac Germany, 2016). Since then, prominent SPD policymakers have actively endorsed as well as joined *Steuer Gegen Armut* and the larger EUFTT campaign (Steuer Gegen Armut, 2019a). On top of this, *Oxfam Germany* expounds that at least 23 SPD MPs had referred to the *Steuer Gegen Armut* campaign during early parliamentary discussions (2009-2010) and it is shown that by June 2011 ‘...a petition for the introduction of the FTT in Europe by the SPD explicitly references the *Steuer Gegen Armut* campaign’ (Oxfam, 2012: 24). To add to this, it is evident that the SPD, alongside other political parties, like the Left Party and the Greens, were key proponents of an intergovernmental/regional path and therefore they subscribed to the proposed FTT on this basis as well (Steuer Gegen Armut, 2019a; Dullien and Guérot, 2012).

Moreover, some Bavarian policymakers from the Christian Social Union (CSU) – the ‘counterpart’ to the larger Christian Democratic Union (CDU) which operates across the rest of Germany (excluding Bavaria) – had also joined *Steuer Gegen Armut* soon after the initial launch (Steuer Gegen Armut, 2019a; Die Welt, 2012). Here, the central point to note is that policy actors from the CSU were supportive of both a national and EU path, which again presented the idea favourably to wider audiences (CSU, 2013). As shown above, Geissler had initially stood alone in joining the campaign and supporting an FTT, but with the onset of the

2008 crisis it was reported that the attitude of others in the CDU as a whole had changed (Die Welt, 2011; Süddeutsche Zeitung, 2011). Other sources as well as Chapter 6 illustrate that, at the point of analysis, there is a large amount of CDU support for the EUFTT, even if political figures did not directly join the campaign (Attac France, 2014c; Handelsblatt, 2013; Oxfam, 2012: 17). Yet, as the EUFTT debate meandered along amongst policymakers in Germany and elsewhere (see Chapter 5 and Chapter 6), by 2018 most German CSOs suddenly found themselves in an interesting predicament as an ECP agreement, based on the French FTT, had now been reached between the German and French finance ministries (Bloomberg, 2018; Euractiv, 2018).

Although German CSOs had been supportive of an EU approach, most were not impressed with this outcome. As German policymakers have discussed various broader constructions of the EUFTT, and as the debate has proceeded over the period under investigation, it seems that CSOs within the German network became disillusioned with the process and the end-result. Further evidence for this is provided by the fact that the *Steuer Gegen Armut* campaign network has, as of December 2018, decided to suspend its campaign activities. They state that this decision has been reached as they oppose the SPD/CDU agreement with the French government to push ahead with an EUFTT based upon the narrow French version. This is because: ‘...That has nothing to do with what we fought for...We cannot approve of that...[and]...do not want to participate anymore...The next financial and banking crisis will surely come, and then we will make a fresh start’ (Steuer Gegen Armut, 2018). In this sense, as German policymakers continued to vocalise their support for the EUFTT, this led to an interesting situation for the German CSO network as a whole. By allowing policy actors to join or at least actively endorse the campaign and FTT messages, this has enabled but at the same time constrained CSO agency in Germany as policymakers have co-opted the idea, become norm carriers and applied their own interpretations.

Therefore, specific institutional arrangements in Germany have enabled the CSO campaign in two clear ways. First, the EUFTT has remained on the national and EU agenda for an extended period due to the close links between the broad CSO coalition and German policy actors, which resulted in cross-party support. Under the Rhenish model of capitalism, policymakers aim to broker agreements between CSOs/stakeholders and those representing ‘other’ interests (i.e. economic non-state actors). In other words, a compromise or ‘balance

of power between capital and labour' is viewed to be the norm under this model (Hassenteufel and Saurugger, 2016: 6). As the CSO coalition grew to be more extensive and encompassed a deeper range of viewpoints, including those of the policy actors that had joined the network, policymakers in Germany, as a whole, had to engage in the debate in a more tangible manner due to the popularity of the measure among wider audiences. This is a key difference when compared to the UK, and to a lesser extent France (see above), in that the German CSOs that comprised the broad network had targeted political actors across the spectrum and had formed strong bonds as well connections in the process. As a result, German CSOs were key innovative entrepreneurial norm carriers as they displayed greater influence over the direction of the debate and had more success when trying to displace mainstream narratives with counter-narratives portraying the EUFTT in a positive light.

This leads on to the second point regarding CSO and policymaker convergence surrounding the sub-EU/regional path that should be pursued by German policy actors. Like the CSO network, German policymakers, along with larger cohorts of society, are very supportive of a regional approach as they view the EU to be an indispensable 'agent of change' and believe the FTT should be pursued at the EU level. In this respect, actor perception converges on the notion that Germany should take on a leadership role in the EU, as the belief is that other member-states will follow its lead (Schweiger, 2018: 218-219). Again, due to this favourable environment, German CSOs along with their French counterparts (see section 7.3) have continuously lobbied policymakers across borders, including those from a variety of EU member-states (beyond the EU-11) as well as key figures from EU institutions. This is in stark contrast to the strategy pursued by most UK CSOs, which although somewhat supportive of the EU measure, are nonetheless primarily focused on a national path (see section 7.2). On top of this, in the UK, the EUFTT debate coincided with narratives surrounding Brexit and ideas around the UK losing sovereignty to the EU, which meant that the regional measure lacked wider popularity (see Chapter 6).

At the same time, the German CSO campaign has been restricted in terms of the type of counter-narrative that was generated and associated with the EUFTT. Although German CSOs have had an impact on the terms of debate with regard to some parts of the EUFTT, when considering other aspects, it is clear that the 'anti-capitalist' and 'anti-neoliberal globalisation' counter-narratives endorsed by *Attac Germany* and others have largely been

ignored. When relating this to German peculiarities such as an affinity to ordoliberal market identity traits, ‘mainstream’ politicians and other societal actors were far more amenable to the counter-narrative that framed the EUFTT as a redistributive policy in the form of a ‘tax against poverty’ and a way to stabilise financial markets. In other words, even though German policymakers were seemingly supportive of the EUFTT, the counter-narrative they endorsed on the most part would not be based on the idea of ‘disarming the markets’. Thus, due to Rhenish institutional arrangements that force policymakers to ‘broker’ a compromise between various sections of society, as well as by allowing more policymakers to join the *Steuer Gegen Armut* campaign/coalition network, the EUFTT has been constrained insofar as policymakers have seized the counter-narrative and shaped it according to their perceptions and preferences. In this way, even the *Steuer Gegen Armut* network, which had witnessed a vast alteration in the way the counter-narrative was now framed, had been constrained to such an extent that it chose to cease campaign activities at the end of 2018. Mainly, the *Steuer Gegen Armut* network were against German policymakers going ahead with a narrow EUFTT as they wanted to see some, if not many, derivatives transactions to be covered under the scope of the measure, as these instruments were deemed to be under-regulated and problematic for financial markets (Steuer Gegen Armut, 2018).

7.4.2: An Atmosphere of Distrust: Passing on the Baton.

In some ways, institutional arrangements in Germany were central in fostering deeper discussions around implementing an EUFTT, as close links between CSOs and policymaking communities were a visible driving force in, at a minimum, keeping the EUFTT on the agenda. However, the terms of the debate and the subject of the counter-narratives being purported were further tied to an ‘atmosphere of distrust’, which engulfed German financial sector actors, especially in the aftermath of the 2008 crisis. 26 out of 46 interviewees indicated that post-2008, conditions in Germany allowed for the construction of counter-narratives that displayed the EUFTT in a far more favourable light than was the case in the UK, and to some extent France. This was the case because most Germans had adopted pro-regulation attitudes and a distaste for self-regulation, while they also openly questioned neoclassical economic

assumptions/models (see among others: Ötsch; Fullerton; Henderson; Pehrson; Schulmeister; Wahl; Griffith-Jones; German CSO Campaigner 1; German Policy Advisor 1; MEP 2 and Klinz Interviews). This atmosphere of distrust was compounded by the fact that since 2008, German banks had continually been embroiled in a number of scandals illustrating that *'...despite all the rules even they [German banks] cheat magnificently'* (Financial Sector Professional interview 5), which the public are *'...sick and tired of reading about in the news'* (Klinz interview).

Therefore, German banks and financial sector actors found themselves restricted insofar as the mainstream narrative had changed and *'...singled out the irresponsible and greed-fuelled culture of unregulated US liberal capitalism [Anglo-Saxon capitalism]'* as being the root cause of the 2008 crisis because German financial sector actors had adopted behaviours and practices germane to this model (Schweiger, 2018: 216). Others support this, by indicating that the regulatory environment changed after 2008, at least from the point of view that policymakers actively *'...started to call industry groups' expertise into question'* (Kastner, 2018: 1656) and this validated the *'market-shaping'* regulatory approach put forward by policymakers in countries like Germany (Quaglia, 2012: 519-520). In essence, as Blyth highlights, an ordoliberal market identity already means that economic ideas and measures are attuned towards notions that *'...limit unproductive speculation through taxation and other policy instruments'* (Blyth, 2013: 57).

This was manifest in Germany because policymakers made it clear that the era of self-regulation was over and that the German banks and financial sector actors that required government bailouts would have to adhere to *'...a stricter regulatory framework'* going forward (Liebig and Wider, 2013: 50-51). In addition, German policymakers produced unambiguous distinctions between what they labelled as *'...Anglo-American "predator capitalism" ...[and]...Germany's ordoliberal culture of state-regulated capitalism...[as well as a]...social market economy as a model of "tamed capitalism"'* which German financial sector actors needed to return to (Schweiger, 2018: 216). One point of note here is that in response, the German financial industry *'...chose not to organise joint campaigns with US- and UK-based financial firms'* because there was a perception that their *'expertise and credibility [had been] discredited by the crisis'* and their now delegitimised arguments would be *'counterproductive'* (Kastner, 2018: 1659).

Therefore, the high level of distrust towards the financial sector in Germany stemmed from a combination of taxpayer bailouts, an aversion to practices/behaviours associated with Anglo-Saxon shareholder models, a distaste for unproductive speculation and the unearthing of banking scandals. This is very different from the situation in the UK, where although the practices of financial sector actors have been questioned (and to some extent continue to be questioned), the main FTT policy drive emerging from UK CSOs has been to increase revenues by including more financial instruments/actors within the scope of the existing national measure (see section 7.2). Contrastingly, in Germany, CSOs go well beyond this counter-narrative, as the EUFTT is not only viewed to be a source of revenue, but also a much needed regional/intergovernmental regulatory solution to alter the behaviour of financial sector actors and address some of the aforementioned issues.

Yet, although CSOs and other proponents of FTTs have been enabled through Rhenish institutional arrangements as well as the atmosphere of distrust that has engulfed German financial sector actors since 2008, they have equally been constrained in other ways. Due to the negative perceptions around 'trust', 21 out of 46 interviewees explained that German financial sector actors had passed on the baton to non-financial corporations operating in Germany as well as some supportive policymakers to carry forward the narrative opposing the EUFTT (see among others: Henderson; Wahl; Financial Sector Professional 3; Ötsch; German Policy Advisor 1; Tsuda and Umera Interviews). Other sources confirm this trend, as Kastner demonstrates that German financial industry groups '...formed coalitions with...[and]...tied their interests to...other private sector groups...[and]...non-financial groups within the business community'. This was to espouse a narrative portraying the introduction of an EUFTT as creating '...damaging consequences for growth and corporate activity...[for]...companies and the export-oriented German economy' (Kastner, 2018: 1660-1662).

This is corroborated by the *Financial Times*, as they report that large industrial companies and non-financial corporations based in Germany have denigrated the idea of the EUFTT by raising warnings around increases to business costs and reiterating the negative impact on employee pension schemes (Financial Times, 2013a; 2013b). On top of this, other German non-financial corporations highlight that the EUFTT creates a host of unwanted side-effects, including a vast reduction in innovation, competitiveness and profitability, all of which

negatively impact the German economy (Euractiv, 2015; Börsen-Zeitung, 2013; Der Tagesspiegel, 2013a). As such, much the same way as financial sector actors in the UK purported a narrative concerning the negative impact of the EUFTT on growth, jobs and investment, this same narrative was carried forward by the German industrial sector. Thus, the instrumental and structural power of German companies also played a role in constraining German CSO agency and (counter-)narratives associated with the EUFTT.

Furthermore, some policymakers, in line with the reasoning posited by German financial sector interests, have also constrained the campaign. For example, Hesse's Prime Minister Volker Bouffier (CDU) and his FDP deputy Jörg-Uwe Hahn, said that a '...solo effort by the Eurozone...[and]...Forgoing the inclusion of the London financial centre in such a tax would burden (the banking city) Frankfurt unilaterally and jeopardise jobs' (Focus, 2012a). Moreover, in 2014 the local tax office in Frankfurt declared that *Attac Germany's* 'public-benefit' (charity) status had been revoked on the grounds that it was '...engaged in political activities in contravention of relevant German tax law' (European Parliament, 2016: 57), such as '...campaigns for financial market regulations, a tax on financial transactions (the so-called Tobin Tax), and a capital levy' (Poppe and Wolff, 2017). Although German CSOs are relatively free to set their own agendas, the case of *Attac Germany* – which is not an isolated incident – means a legal 'grey area' exists which can constrain the activities of heavily involved CSOs (Gilbert et al, 2018: 13-14).

By revoking *Attac Germany's* charity status, donations and membership fees – accounting for 90% of the organisation's revenue – would no longer be deemed to be tax deductible contributions (Poppe and Wolff, 2017). This decision was challenged by *Attac Germany*, and in 2016 the Hessian Tax Court in Kassel ruled in favour of the CSO (Poppe and Wolff, 2017; European Parliament, 2016: 57). However, the Federal Ministry of Finance then launched an appeal against this decision, which is ongoing at the point of analysis, and means that *Attac Germany's* charity status remains suspended (Gilbert et al, 2018: 14). As such, by characterising *Attac Germany* as a political organisation, some German policymakers and tax authorities have further constrained the EUFTT campaign by diminishing the financial resources available to the CSO. In turn, although an atmosphere of distrust surrounded financial sector actors, this was somewhat dampened by instrumental/structural power relations and the above activities, which confirm that close links also existed between

policymaking communities and the financial industry – another key characteristic of Rhenish/stakeholder model embraced by German policy actors (see also Chapter 6).

When considering the role of ideas from an ACC perspective, this cognitive background has enhanced and enabled CSO agency, while simultaneously limiting German financial sector interests. The atmosphere of distrust, which stemmed from the 2008 crisis, and continues to pervade debates and counter-narratives in Germany, has had a profound influence in allowing the EUFTT to remain on the agenda. Due to this atmosphere of distrust, non-state actors such as those from the financial sector have been far less effective in Germany when it comes to dominating the narrative surrounding the EUFTT. This distrust was coupled with pro-regulation attitudes and a greater questioning of the practices at the heart of Anglo-Saxon shareholder capitalism – like self-regulation and short-term speculation – all of which have entered into mainstream narratives and debates. On top of this, policy actors challenged neoclassical assumptions and models through an ordoliberal reading, which further constrained the financial sector, and enabled CSO agency, as their counter-narratives surrounding a regulatory turn gained more purchase. Further to this end, across the period under investigation German banks have been involved in a number of scandals, which have been disapprovingly reported on in the media and linked to Anglo-Saxon practices. This seemingly created a very favourable environment for German CSOs to carry forward their counter-narratives and further curtail financial sector interests.

However, this did not completely stifle the German financial sector as they passed on the baton to non-financial corporations and some policymakers to carry forward other mainstream narratives dismissing the feasibility of the EUFTT. In this sense, financial sector actors utilised instrumental and structural power, as large German industrial groups and blue chip companies along with some policymaking communities bought into and then sold mainstream narratives based upon the negative impacts to growth, jobs and investment that an EUFTT would bring. This constrained the German CSO network, as some members of the campaign – especially labour groups and trade unions – would be less amenable to the EUFTT idea if this influenced their livelihoods. Moreover, *Attac Germany* has been particularly limited, in that policymakers have questioned their tax-exempt charity status, which has resulted in a significant reduction in funding for the CSO. As the German Finance Ministry has launched an appeal against a ruling in favour of *Attac Germany*, this has meant that the CSO

cannot access 90% of its financial resources until a decision is reached. Needless to say, this has hampered the counter-narratives purported by *Attac Germany* and the CSO played a far less visible role as the EUFTT process continued.

7.5: Conclusion

To conclude, this chapter has illustrated that due to specific market identities and the existence of different versions of capitalism, non-state actors have been enabled/constrained, in various ways across the cases at hand. This has led to some unheard voices emerging through the analysis, which displays diversity/disagreement among as well as across different types of non-state actors. This is important for liberal cosmopolitan debates, as assessing the internal dynamics of policy debates, and the (counter-)narratives that are endorsed by non-state actors during these, usually go unheard (see Chapter 2). To add, I have shown that policymakers across different national political economies have constructed various market identities and institutional arrangements, which present non-state actors with differentiated abilities in terms of setting the agenda, achieving political access and the type of influence they can exert on mainstream narratives. Therefore, liberal cosmopolitan scholarship must consider internal dynamics, the differentiated abilities of non-state actors and instrumental as well as structural power, when assessing how to further liberal cosmopolitan projects.

Here, a key takeaway point for liberal cosmopolitan scholarship is that different models of capitalism, even those found within liberal democracies, can mean that CSOs and bottom-up forces have varying degrees of access to policy actors and mainstream political debates. Moreover, specificities, idiosyncratic varieties of capitalism and various conceptualisations lead FTT proponents to pursue of different paths to reform (i.e. national, intergovernmental, regional, global, etc.), meaning that transnational advocacy, lobbying and cooperation is not a given. Here, it should be noted that national paths can still produce outcomes and values that are associated with thick and thin aspects of liberal cosmopolitanism. In this sense, the general direction of travel has been the implementation of national FTTs, thus an alternative route for reformers and FTT proponents could be to initiate steps towards or seek extensions for (existing) national measures. Again, this could play a regulatory and/or revenue raising role(s), which can be linked to liberal cosmopolitan

theorisation. Further to this, another key issue for liberal cosmopolitan projects is the existence of nationally inscribed state-based competition overriding global visions of cooperation, which in turn, have an impact on the strategies of CSOs that are a part of the broader coalition and network (see also Chapter 8).

Nonetheless, I have also argued that a central unheard aspect of the FTT debate concerned constructing baseline convergence in the form of a global measure based on the UK FTT that solely covered transactions involving shares. This compromise could create a global agreement and raise substantial revenue that can be allocated towards a range of liberal cosmopolitan projects, concerns and issue areas. This is relevant for liberal cosmopolitan scholarship, as I have shown that a global path should be modelled upon existing measures that have a proven record of accomplishment in practice (see also Chapter 5). In this fashion, multiple paths can be pursued when considering how to achieve thick and thin liberal cosmopolitan outcomes. Therefore, while a narrow global measure is warranted in the short-term to address the most pressing needs through increased revenue generation, equally, FTT proponents can still conduct a second stage of advocacy that attempts to persuade and socialise others around the benefits of a broader and more encapsulating FTT measure. This could occur due to the arrival of new crisis moments, through a realisation of the need to utilise FTTs to generate a regulatory turn/more revenue and/or as necessitated by a wider change in conditions and economic ideas more generally.

In the next chapter, I present my overall conclusions, including: a summary of the key findings, the theoretical implications of the thesis, the central lessons for policymakers and non-state actors surrounding the EUFTT project and process, and how the study can inform future research.

Chapter 8

Conclusion

Over a decade has passed since the 2008 global financial crisis occurred; therefore, this provides space to consider the progression of reform agendas concerning the global financial system. Clearly, there has been a general shift among policymaking communities across different political economies towards comprehending the need for some sort of regulatory turn to address issues thrown up by global financial markets (Mitchell, 2022). As opposed to the preceding decades, this type of narrative and messaging now prevails in the mainstream, and evidently, the media and wider audiences display a deeper resonance with such sentiments (Stiglitz, 2016; Blyth, 2013). In this respect, many paths to global/regional financial reform and governance have been taken in the post-crisis era. For instance, at the global level, great strides towards universalising capital adequacy requirements for the largest global banks have been made through Basel III (Commain, 2021; Soenen and Vennet, 2021). Furthermore, as I expound in section 8.3, at the EU level, regulatory measures have been implemented that apply to over-the-counter (OTC) derivatives and a range of other instruments, actors and markets.

However, when considering the global/regional FTT agenda, little progress has been witnessed, discussions remain limited and the EU negotiations seem to have stalled. Having said this, national paths are on the rise, as a number of domestic FTTs have been implemented and academic, as well as some political, debates still concern the measure. Nonetheless, mainstream economic ideas based on a (re-)modified neoclassical instruction sheet still prevail, and thus FTTs have mainly been conceptualised as compensatory and redistributive mechanisms. As such, most of the (counter-)narratives purported by FTT proponents hone in on the revenue-raising benefits of FTTs, as opposed to employing the measure as a regulatory tool. Therefore, while thicker forms of liberal cosmopolitanism seem elusive at this point, some other thick and thin outcomes can still be achieved by implementing narrow/broad national, intergovernmental, regional and/or global FTTs. In this fashion, multiple FTT paths can lead to varying degrees of thick and thin liberal cosmopolitan values and outcomes being

realised. Again, this can come to fruition through further advocacy and, with the view that another financial crisis and/or pressing need for market regulation and/or revenue generation, will arise, the FTT should not be considered as dead in the water, but a measure that can return to the political agenda due to its relevance, versatility and multiple applications.

Following these introductory remarks, this conclusion is structured into five parts. First, I postulate a number of key insights and lessons that are relevant for liberal cosmopolitan scholarship and theorisation. Second, I focus on the central lessons that are applicable to EU/national policymakers and a range of non-state actors. Third, I demonstrate the relevance of the thesis to other scholarship and future research agendas. Fourth, in going beyond the period under investigation, I briefly note some of the latest developments that have taken place with regard to the EUFTT project. Finally, I present a summary of the key contributions made by the thesis.

8.1: Key Insights and Lessons for Liberal Cosmopolitan Scholarship: Going Beyond Abstract Theorisation and Re-formulating the Perspective

In this section, I present an answer to the eighth key research question, which is re-stated below:

8) In light of the investigation, how can liberal cosmopolitanism be re-evaluated and re-formulated when considering the regulation and governance of the financial sector?

On top of this, I once again revisit the two claims to originality I set out in Chapter 1. Namely, addressing the lacuna of agency that is present in most liberal cosmopolitan scholarship (see below and section 8.2), and by evaluating liberal cosmopolitanism through a real-world example to explore the tensions between ideas of universalism and national variations, which I turn to now. When going beyond abstract liberal cosmopolitan theorisation and exploring how thick/thin aspects of the perspective can be realised in practice, a key insight surrounds the notion that national policymakers continue to be guided by nationally inscribed state-based competition, which, in turn, overrides steps towards global, regional and intergovernmental cooperation in certain realms.

Furthermore, this was coupled with the fact that differences between national policymaking communities across different EU member-states were found to be key barriers to further EU integration, and by extension, the application of universal global/regional measures and projects in general. This is because different models and varieties of capitalism have led to the construction of specific social representations, market identities and cognitive backgrounds that influence, shape and situate mainstream/counter-narratives within national political economies. In this respect, through an ACC reading, I argued that the problem with most liberal cosmopolitan theorisation is that the divergent conceptualisations held by agents like, policymakers, non-state actors and wider audiences across different national political economies are not engaged with in enough detail, especially when theorising how these differences can be overcome to reach a universal global/regional agreement.

As such, upon analysing the EUFTT process, one central lesson for liberal cosmopolitans is that when forms of baseline convergence seemingly exist between various interests, more needs to be made of these types of instances and the benefits they may herald. The empirical analysis highlights that early agreement emerged among a range of voices that suggested the best FTT path, and the one most likely to be widely agreed upon, was a limited version covering transactions involving shares. Here, calls for the global implementation of the UK Stamp Duty on Shares (or UK FTT) were endorsed by a number of non-state actors, including those from the financial sector, CSOs and academia, as well as, eventually, by some policymaking communities. Additionally, this type of path might not only possibly create further convergence between national political economies, but as existing research highlights, a global FTT based on the UK version could also generate substantial revenues amounting to \$225 billion annually that could be utilised to extend global redistributive justice (World Basic Income, 2019). With the importance of instrumental and structural power evident throughout my analysis, it seemed that most FTT proponents fully comprehended the role that global financial actors and national policymakers would play in watering down any broader form of FTT. As such, achieving baseline convergence was a pragmatic and practical path as it represented an early compromise amongst a range of actors and would result in less push back from vested interests. Again, this relates to liberal cosmopolitan theorisation as compromises and general agreement should be reinforced by the swift implementation of an

actual measure, especially if windows of opportunity for thicker measures are closed at an early stage.

This relates to another key insight, whereby I argued that timing and speed of implementation are integral for liberal cosmopolitan projects, like the EUFTT, to come into existence because new crisis moments and events can alter interests, perceptions and understandings. In turn, fading memories and the occurrence of new crises can stall progress towards implementation, as a larger number of obstacles and challenges become apparent, with these possibly guiding policymakers and non-state actors, as well as gaining more purchase among wider audiences. On top of this, timing and speed are important as crisis moments can detract attention away from initial aims and objectives, whilst divisions between FTT proponents can fully surface and intensify. Thus, the key lesson for liberal cosmopolitans is that thicker paths need to be enacted with immediacy, before a crisis moment alleviates, is forgotten and/or becomes displaced by the rise of a new crisis. At the same time, if the establishment of thicker paths are not forthcoming, then there needs to be movement towards supporting other forms of measure that garner wider acceptance and can be implemented during, or within close proximity to, the crisis moment.

As such, crisis moments, which occur far more frequently than many theoretical assumptions and models account for, are central to the formation and viability of certain ideas and paths. However, while thicker liberal cosmopolitan trajectories can be tied to crisis moments, they can also come to fruition during subsequent stages of advocacy once an initial narrow and baseline measure is instituted in practice, within close proximity to the crisis moment. Hence, although not implementing a thicker measure could be viewed as another path not taken, this move could nonetheless prove to be a step in the right direction towards incremental reform and the starting point for future paths that lead to the 'ideal' thicker liberal cosmopolitan outcomes and substantial reform. Here, future FTT advocacy could be linked to the arrival of new crisis moments, celebrating the success of FTTs as revenue raising tools and expanding coverage to other instruments/actors to reap similar benefits, or by persuading and socialising others around the need for ongoing regulatory solutions for global finance, which this type of measure can be a part of. As such, there is the potential for multiple paths to be constructed in response to crisis moments, and, subsequently, these can allow varying degrees of thick and thin liberal cosmopolitan outcomes to prevail.

In this regard, while a narrow global FTT could display weaknesses, the key point is that some thick and thin liberal cosmopolitan objectives can still be achieved through this type of measure, and, in turn, a second stage of advocacy could proceed later down the line to broaden the FTT and align it more towards even thicker liberal cosmopolitan outcomes. Although this might not be in the interests of all agents, it can nonetheless produce incremental change and allow for shifts in the cognitive backgrounds of wider audiences when considering the legitimacy, workability and practicality of FTTs. In turn, with the development of favourable cognitive backgrounds towards FTTs, it could then be far easier for wider audiences to comprehend advocacy that proposes to improve and upgrade the existing measure. By implementing a narrow global FTT, this could be a first step that produced a somewhat meaningful global regulatory turn, generated vast revenues for the provision of global redistributive justice and played a role in normalising the FTT idea alongside thin liberal cosmopolitan outcomes for wider audiences. Yet, due to the current state of affairs regarding the EUFTT project, I also make the case for another form of baseline convergence, as towards the end of the period under investigation; some policymakers began to endorse the UK and/or French FTT, as the model for the EUFTT going forward. Again, this latter route is another pragmatic and practical path for liberal cosmopolitans to advocate, as this type of measure can lead to sub-regional convergence between the EU-11 and could raise ‘between 5 and 7 billion euros’ (Reiermann and Sauga, 2018). To reiterate, improvements and amendments to increase scope, broaden the measure and aim to generate thicker liberal cosmopolitan outcomes could be realised during subsequent rounds of negotiation, debate and policymaking.

With this said, issues surrounding maintaining national market specialisations and identities, tax sovereignty, democratic politics solely at the national level and independence over policymaking in general are sure to continue to plague the EU/global policymaking process when moving forward. Therefore, although universal common measures might be necessary in certain realms and arenas, national and intergovernmental paths are still required to not only provide timely reform but also to pose as potential examples when designing measures at the EU/global level. This is the case as transnational phenomena and processes, like those thrown up by global financial markets, need to be addressed through a multiple paths and a mixture of national, intergovernmental and global measures, because

some aspects cannot be solely addressed unilaterally, nor can it be expected that a universal regional/global response is always a viable first step. In other words, various effective paths can be constructed at multiple levels and these can lead to varying degrees of thick and thin liberal cosmopolitan outcomes.

Thus, the key insight for liberal cosmopolitans is that universalism might only be warranted in certain areas of activity and that regional, intergovernmental or national approaches are also valid in achieving thick and/or thin outcomes. For example, directly fining actors from the financial sector was another path pursued by policymaking communities in the post-2008 era. This alternative national path, which could also become intergovernmental, and be utilised instead of, or in conjunction with, FTTs, illustrated that direct measures targeting certain problematic features of the global financial system provide a tailored national approach that can reform specific activities, change the behaviour of financial sector actors and obtain revenue in the process. In this way, across the period under investigation, while US (\$183 billion) and UK (\$80 billion) authorities have applied very large fines, those in the rest of the EU have only managed to obtain \$20 billion, which indicates that the latter could have done more in this regard (Busetto, Gardó and Klaus, 2019). Further to this, paths towards the implementation of national FTTs, that were still associated with some liberal cosmopolitan outcomes and values, seemed to rise during the period under investigation and beyond (see section 8.4). In this sense, liberal cosmopolitans must again note that there is more than one way to construct paths towards thick and thin versions of liberal cosmopolitanism in practice.

Therefore, when re-evaluating liberal cosmopolitan approaches towards global financial regulation and governance, as agents can pursue multiple paths to reform, scholarship should not exclusively focus on the global or regional levels, but also consider how thick/thin aspects emerge from national settings and measures. Hence, the regional/global path might not always be the most appropriate one as national policymakers can also construct alternatives by invoking national paths, like directly fining financial sector actors, as was the case in the UK (see Chapter 5), or by swiftly implementing a national FTT, as occurred in France (see Chapter 6). Therefore, studies exploring national pathways, alongside achieving baseline convergence at higher levels (e.g. regional/global), are important steps in bolstering

liberal cosmopolitan theorisation, in terms of spreading values, but also in searching for political community beyond the boundaries of national political economies in general.

In the next section, I fully unearth the key insights for agency and cosmopolitanism by considering lessons that are relevant for policymakers and non-state actors.

8.2: Agency and Liberal Cosmopolitanism: Key Lessons for Policymakers and Non-State Actors

To begin, when considering agency and cosmopolitanism, due to the existence of idiosyncratic versions of capitalism leading to differing levels of institutional access for non-state actors, another central insight for the perspective is that deliberative democracy and notions of greater inclusiveness over decision-making processes were far more akin to the situations occurring in Germany and France, than for the UK. In the former cases, corporate governance mechanisms and institutional arrangements, like the existence of ‘iron triangles’, allowed for higher levels of representation for bottom-up forces within political and economic settings, which resulted in increased interactions between different groups and enabled more persuasion and socialisation to occur. Furthermore, in contrast to the UK, in Germany and France there were more linkages and interconnections between political parties and non-state actors, as policy actors in these political economies had actively endorsed and/or joined FTT campaigns initiated by CSOs. Therefore, liberal cosmopolitan formulations need to consider existing divergences surrounding institutional access, and, in turn, how this leads to differentiated agency in relation to the differing abilities of non-state actors to have an impact on the policy process and the construction of mainstream narratives. Again, the central insight for liberal cosmopolitan approaches is that whilst market identities are indeterminate, they nonetheless have an impact on constraining and enabling policymaker and non-state actor agency across different democratic settings. Thus, scholarship needs to shed more light on these differences and further explore how they enable/constrain various types of policymaker and non-state actor agency in practice. In other words, historically engrained CSO campaigns,

the existence of diverse cognitive backgrounds and the role played by instrumental/structural power relations across different national political economies, should all be considered when assessing the (EU)FTT project, and by extension, liberal cosmopolitan measures in the main.

Moreover, another lesson for liberal cosmopolitan scholarship is that CSOs, and other non-state actor cohorts, like financial sector actors, cannot be treated as homogenous groups, because much variation, dissimilarity and divergence exists. Financial sector actors are diverse insofar as they pursue various investment strategies (e.g. long-term, short-term, high frequency, etc.), are concerned with specific markets, assets and instruments (e.g. shares, bonds, derivatives, etc.), and are not all anti-FTT by default. In this vein, some financial sector actors and industry experts – especially those with a long-term perspective or with a focus on ethical/social/environmental investing – were noticeably highly supportive of global, regional and/or national FTTs. At the same time, there is a clear qualitative difference between various investors, ranging from large global banks/institutional investors, central banks and governments to ethical investors, everyday retail investors and general consumers of financial products. Similarly, when turning to bottom-up forces, while commonalities exist between these actors there is still considerable divergence and variation on display. Here, divisiveness over general aims and objectives, the actual purpose of FTTs, how advocacy should be conducted and where future revenues should be allocated, were all examples of a lack of homogeneity. On top of this, while transnational cooperation and activity was forthcoming to some degree, this was not a broad generalisation or universal truth, as many bottom-up forces, particularly those from the UK, did not engage in this form of advocacy in a full and continuous manner. As such, activities, strategies, intentions, perspectives and operations of different types of non-state actor are multifarious and cannot be taken as given. Therefore, the key lesson for liberal cosmopolitan scholarship revolves around providing deeper accounts of agency and more details on why supposedly similarly placed actors, with seemingly comparable and/or related agendas, goals and perspectives, can behave and act in diverse, unexpected and unique ways.

Policymakers

When considering EU level policy actors, like those based at the EC, EP and the Council, although clearly entrepreneurial innovative norm carriers of the EUFTT idea, their universal one-size-fits-all Triple A approach was overly ambitious as it targeted specific aspects of all national political economies and would also lead to push back from an array of financial market actors. From this experience, three lessons should be drawn by EU policymaking and regulatory communities. First, when setting out a common approach (i.e. global/EU), broad measures should not always be proposed as a first step because they rarely garner strong support across different national political economies and policymaking communities. In this sense, broad measures might be too much to grapple with and comprehend for all national policymakers and vested interests across the EU, meaning that an EU-wide path would already be off the agenda at an early stage.

Therefore, if EU policymakers want to pursue an EU-wide path they need to offer far more support and political investment than was on display, as well as try to actively build and foster a deeper consensus between national policymakers for a broad measure. One way this could occur is by taking a technical lead in designing other broad/narrow versions of the measure to help guide and accelerate discussions between national policymakers. This did not take place in any meaningful sense as full design competence beyond the broad Triple A EUFTT was left to national finance ministries, and this indeed prolonged efforts towards implementation. Therefore, if it becomes evident that applying a broad measure is not feasible on an EU-wide or even EU-11 basis, then alternative paths need to be postulated and further entrepreneurial spirit and innovation will be required at the EU level. This could manifest itself as forms of differentiated integration and a multi-speed EU, as witnessed through the usage of the enhanced cooperation procedure (ECP) or as more limited and narrow measures to ensure EU-wide implementation.

Following on from this, a second key lesson is that if baseline convergence around an FTT design emerges, then EU level policy actors need to demonstrate political buy-in and dynamism by continually supporting efforts towards EU-wide implementation. This is important because by applying a narrow EU-wide measure first, this normalises the EUFTT idea, desensitises opponents, and, in turn, favourably influences the construction of mainstream narratives and the cognitive backgrounds of wider audiences in the process. In turn, broader constructions of the EUFTT could arise at a later stage after further discussions,

deliberation and negotiations. Third, by foregoing an early baseline compromise – however narrow and limited – EU policy actors missed an opportunity to obtain a modest, but constant revenue stream, produce some regulatory benefits, and generate further EU convergence. Thus, the take away insight for EU policymakers (and EU proponents) is that moments of convergence need to be exploited and taken advantage of when attempting to extend the EU project and initiate EU-wide reform. Again, measures can be improved and reformed at a later stage, especially if early agreement exists and there is strong political will for change in light of a crisis moment or other adjustments to understandings.

When turning to the national realm, for most of the period under investigation, UK policymakers would only subscribe to a global path and turned away from the EUFTT project almost immediately, while French policymakers went ahead with a national FTT and continued to support the EUFTT once global discussions had dissipated. To add to this, German policymakers supported calls for a global FTT and while they have not enacted a national measure, they have nonetheless remained committed to an EU path and displayed intergovernmental cooperation with French and other European policy actors when it came to the EUFTT project.

However, one key lesson can be applied directly to German policymakers, as unlike their French counterparts, they did not strongly advocate for the implementation of a national FTT. Therefore, German policymakers missed a window of opportunity to enact immediate national reform, as well as to signal to other policy actors their specific preferred design features of the measure and that ‘Germany’, one of the largest EU member-states, fully subscribed to these financial regulation and taxation efforts. In this respect, even though French policymakers play a leading role within the EU, joint or simultaneous French and German political action would display even more clout and demonstrate to other European leaders that national paths are not only feasible, but also that specific design features from a German and/or French FTT could influence EU versions. In this sense, creating more divergence through the implementation of national FTTs could in fact lead to more convergence in the long-term, as subsequent discussions between EU/national policymakers might attempt to take the best parts of each measure and repackage them into a potential EU-wide/sub-EU FTT. This has been the case for the French and Italian FTTs as these have both informed the EUFTT process and project (see Chapter 6 and below).

A final point to be made in relation to EU/national policymakers, as well as non-state actors more broadly (see below), was that a multitude of divisions existed within and between groups when concerning debating and designing the EUFTT, which led to mixed messaging, confusion and the pursuit of divergent paths and strategies. Here, EU/national policymakers embraced dissimilar (counter-)narratives across the period under investigation as, at times, they either solely honed in on regulatory or revenue generation benefits, and on others, concentrated on the dual-function. Overall, primary objectives were not delineated, (counter-)narratives remained unclear, and various descriptions of FTTs were heralded to bring in vast benefits, when in reality it seemed that only a broad (EU)FTT could satisfy all such demands. Thus, the key lesson for policymakers in favour of the (EU)FTT is that a streamlined and unified vision needs to be put forward that not only reduces ambiguity around the idea but also illustrates how certain broad/narrow designs can best achieve specific desired aims. This means that the purpose(s) of FTTs need to be set out clearly through practical designs, which account for varying interests, diverse understandings and the current state of affairs surrounding the negotiations. This needs to go beyond the initial EC objectives and proposals, to show how different versions of the (EU)FTT can manage particular expectations and allow for certain outcomes to be achieved. As such, EU/national policymakers need to offer as much clarity as possible surrounding the dual-function or revenue raising/ regulatory benefits of FTTs, and these need to be combined with wider policy discussions concerning other EU/national measures which seek to have a similar impact. Thus, although divisions between national policymakers are pervasive throughout my empirical analysis, it is also evident that as the EUFTT is an ongoing process, much can change – including actor positionality and areas of convergence – so room for manoeuvre and space for innovation will be required on the part of proponent policymakers as the project continues to unfold. In turn, this may allow for divisions to be overcome, but as the next section highlights, this can be easier said than done, as agreement over one aspect can, subsequently, lead to further disagreement over other features of the FTT.

When turning to CSOs, to further the (EU)FTT project, and by extension other advocacy and reforms paths, there needs to be far more unity over aims, objectives and the portrayal of (counter-)narratives. As was the case with policymakers, most CSOs and other bottom-up forces were divided over whether the FTT should be designed as a regulatory tool or a source of revenue. With most CSO proponents favouring and promoting the latter, this further diminished regulatory (counter-)narratives from being purveyed in most campaigns and to wider audiences in general. This issue seemed to engulf debates and campaign activities at both national and EU levels. As such, a key lesson here is that while a large CSO coalition can provide the necessary weight for measures to make it on to the national/EU policy agenda, the messages and viewpoints of some proponents might not be central to the main CSO thrust and their influence could be limited. As such, these constrained CSOs need to also invest in promoting alternative regulatory paths beyond FTTs and/or reducing their FTT policy-asks and unifying under a larger CSO coalition agenda.

By limiting regulatory expectations and setting out the likely revenue to be obtained, these CSOs can stress that FTTs will produce some (modest) benefits, but that other measures are also required to increase revenues and enhance reform agendas associated with regulating global finance and beyond. As such, supplementary advocacy and the formation of coalitions with policymakers and other actors around accompanying policy measures and reform agendas will also be required. This will demarcate aspects of the FTT, such as derivatives regulations and producing specific behavioural change among financial sector actors, by associating these issue areas with other policies and measures. In turn, this can allow for the emergence of a larger unified FTT advocacy CSO grouping that focuses exclusively on commonalities and areas of agreement like the coverage of shares, targeting very short-term high frequency strategies and raising revenues (see below).

Nevertheless, most CSOs will be committed to staying true to their original objectives, missions and agendas, therefore achieving these forms of compromise could be quite difficult unless there is some shared understanding. Here, there needs to be a somewhat shared and collective understanding that for policy measures to be acceptable amongst wider audiences and implemented in practice, clear united objectives need to be set out to alleviate mixed messaging and the construction of divergent (counter-)narratives. This is important because these differences divert attention away from crisis moments and windows of opportunity for

reform, while they can also lead to protracted discussions, processes and negotiations. Instead, fast-paced reform should be encouraged to enact immediate change that reaps modest benefits, and these paths should be sold to FTT advocates as a first step that can be improved and built-upon later. In this way, regulatory focused CSOs should join and bolster the larger coalition in the first instance as well as explore/support other regulatory paths, and once an FTT measure is implemented in practice, they could begin a second stage of FTT advocacy that aligns more with their initial perspectives (see above and Chapter 7).

With this said, although there was much disunity between FTT proponents in general, a high proportion did coalesce around the revenue-raising objective. This is a positive sign of CSO convergence and this type of unified agenda can allow for the postulation of a clear objective associated with the FTT project. By concentrating on the revenue side of the debate, CSOs can appeal to wider audiences by framing FTTs as providing solutions for global problems like climate change and environmental issues that have an impact on all humankind. Here, by constructing a clear link between financial taxes and the provision of specific global public goods, there could be more buy-in on the part of wider audiences as the overall objective and policy-ask is relatively straightforward and visible benefits will be witnessed for the environmental/climate change agenda with immediate effect. Nevertheless, revenue allocation led to a deepening of divisions, as CSOs and other proponents (i.e. EU/national policymakers) favoured their own agendas as well as issue-specific interests and projects. Therefore, (counter-)narratives surrounding revenue allocation continually diverged across the period under investigation and most CSOs honed in on issue-specific concerns related to their main interests and areas of campaign activity. This prompts another key lesson for CSOs insofar as reaching agreement on the revenue raising potential of FTTs should be celebrated and utilised to foster more convergence, rather than being subsumed and overshadowed by divisions concerning revenue allocation. Again, there needs to be a clear identification and delineation between the CSO agendas that will garner the most policy-buy among wider audiences (i.e. the provision of global public goods to address global environmental challenges and climate change), from those that might have less broad appeal.

Having said this, a key lesson for CSOs is that they will face different as well as similar challenges within national contexts and therefore must be prepared to display more entrepreneurship by socialising and persuading other actors to understand their perspective

on the FTT (and other agendas/interests). Namely, these CSOs need to continue to draw upon the latest academic research, form coalitions and networks with proponents, influence policymakers and wider audiences through lobbying/campaigns/publications as well as engage more frequently with opponents. To add to this, I argued that for UK CSOs, transnational cooperation with other European CSOs was not on display or heavily invested in, as existing cognitive backgrounds were linked to Brexit debates as well as, importantly, the broader societal acceptance of specific market identity traits (see Chapter 6). As such, the key lesson is that transnational cooperation between CSOs, as well as other actors, might be required to increase the visibility of global/regional paths, highlight that there is an appetite for change beyond the national level and illuminate that a degree of convergence exists across borders meaning that common measures might be the warranted policy response. At the same time, proponent CSOs will need to demonstrate innovation when it comes to addressing problems associated with global finance, which goes beyond FTTs, and includes insights and advocacy for other global, regional, intergovernmental and national responses. In this manner, while supporting FTT efforts, CSO activities and campaigns must also be linked to other initiatives that are tied to specific regulatory responses concerning (global) finance.

Business

Overall, a key lesson for financial sector actors is that large fines have become a normal part of operations and will continue to be applied by policymakers/regulators if these actors do not change their behaviour and reform practices. In this light, if behavioural change is not forthcoming and continues to be deemed as problematic, then financial sector actors in the main will face mounting pressure to reform, including national, regional and global pathways that might possibly re-focus on FTTs. Thus, pre-emptively, those from the financial sector should foster discussions around the possibility of establishing a narrow global FTT, with the view that this generates better relations between actors, and it could be seen as a move that promotes good faith on the part of the sector. Yet, the likelihood of this type of move is questionable unless entrepreneurial norm carriers like long-term investors, ethical/social/environmental focused financial sector actors and/or academics and staff within the research departments of large financial institutions, emerge and support such calls.

Thus, as the business/financial sector is not a homogenous grouping, a key lesson for long-term investors, as well as other FTT proponents, is that they could lead and foster this process by lobbying national/EU policymakers to endorse FTTs as financial market stabilisation tools. In this vein, better financial stability, sustainable economic growth through increased productive investment and reduced market volatility are all selling points associated with the FTT that ethical/social/environmental and long-term investors should hone in on. In this sense, liberal cosmopolitans should place more attention on the differences between agents, especially those that are viewed to behave in particular way as they belong to the same groupings and cohorts.

Moreover, long-term investors and FTT proponents from the financial sector should also form coalitions with other like-minded proponents, such as policymakers, CSOs and other non-state actors that desire a deeper regulatory path for global finance and view FTTs to be one solution. In this sense, networking, coalition building, hosting conferences/meetings alongside engaging in other interactions in general are all important in socialising and persuading others of the regulatory benefits of FTTs, especially regarding specific financial instruments, markets and actors. Thus, proponents within the financial sector need to convince and persuade others from the sector of the benefits of FTTs as regulatory tools and revenue-raising measures. Not doing so could mean that the FTT proponent coalition within the financial sector will not be as great a force or carry significant weight. Again, I have not made a strong case for the notion that FTTs are adequate replacements for direct regulatory measures, but this is something that proponents within the financial sector must do if they seek to establish a regulatory path through FTTs. When returning to large global financial institutions, another key lesson revolves around demonstrating that these entities are making an active and positive contribution to the green, environmental, climate change agenda. Here, revenues obtained from a global FTT can be linked to these objectives and could be used to also offset individual corporate contributions (which are often difficult to obtain).

In other words, instead of targeting specific corporations and/or blaming historical behaviour, another somewhat fairer proposition moving forward can be for large financial sector actors to support a limited global FTT covering shares that can raise vast revenues to be utilised for environmental/climate change projects. In this way, while only some financial activity is targeted by such a measure, coverage will still be on a global basis and this has the

potential to generate vast revenues for the provision of the most pressing global public goods. As such, the largest and most influential global financial sector actors should add their weight to discussions and link FTTs to forming one solution to global environmental issues and climate change. This path should be encouraged by these actors as it can limit exposure to costs for the sector, is a show of good faith and demonstrates a real and immediate commitment to providing solutions to environmental issues and limiting climate change. Again, this resonates with liberal cosmopolitan scholarship as global phenomena and issues require global solutions and responses. In this way, global financial flows will require future regulation that emerges above the national level, but, at the same time, other global problems can be addressed through a narrow global FTT as vast revenue can be derived from these transactions, which can result in an increase to global redistributive justice through solving environmental and climate change challenges. Again, this is just one possible path to reform, however, benefits will be witnessed immediately, and once implemented, a second stage of advocacy can proceed if this is warranted.

8.3: Relevance of the Thesis for Future Research

When reflecting on the construction of liberal cosmopolitan projects in general, future research must continue to search for existing as well as incipient models of the perspective in practice. This could encompass global, regional/EU, intergovernmental and national measures or proposals that display some degree of resonance with liberal cosmopolitan agendas, assumptions, values and outcomes. This endeavour is vital because global issues and problems, like those created by the global financial system as well as other cross-border activity, should be addressed at multiple levels, as various effective paths can be constructed. In this manner, future studies uncovering the views of policymakers and non-state actors operating across all major financial centres could provide the intellectual support (or in fact disparagement) for various versions of the FTT idea, but, nevertheless, this still allows for practical design features to emerge and be disseminated, and in turn, this can foster further

entrepreneurial and innovative activity. In addition, to further extend research on the EUFTT project and process, similar studies should be conducted on an EU-wide basis and/or across other cases inside the ECP process (e.g. Italy, Spain and Belgium) and those on the outside (e.g. The Netherlands, Luxembourg and Ireland).

Moreover, by assessing the ECP process, I have contributed to debates on EU integration, especially notions of differentiated integration and a multi-speed EU. In this manner, future research should also delve into understanding whether EU mechanisms like the ECP could be utilised to further integration in other areas. Equally, focus should be directed towards national pathways, as well as establishing unanimity and EU-wide measures, which has been the conventional route towards EU convergence. Again, a multitude of paths can be pursued to achieve liberal cosmopolitan outcomes and sometimes the global, regional or intergovernmental option may not be warranted. With regard to liberal cosmopolitan debates surrounding global finance and global financial governance and regulation, research could include special attention towards other EU banking/financial measures that have been implemented in practice, are currently in the negotiation stages and/or those that have stalled due to divergent national conceptualisations leading to national pathways. This furthers insights into other potential liberal cosmopolitan empirical cases, presents an exploration into the challenges and obstacles to implementation of other measures, as well as uncovers how different viewpoints and perspectives were represented during the process.

For example, EU/national policymakers have made strides towards EU harmonisation and convergence when considering the implementation of the Markets in Financial Instruments Directive II/Regulation (MiFID II/MiFIR), which sets out common reporting requirements, tests and investor protections across the EU, and does so for a range of instruments beyond shares. Existing empirical research has focused on the influence of some policymaker/non-state actor interest groups during the negotiations (Ferrarini and Maloney, 2012) and how MiFID II/MiFIR provides the potential foundations for deeper EU convergence and the further integration of EU legislation (Fagetan, 2020). Others explore a variety of general ‘teething problems’ following implementation (Yeoh, 2019) or highlight how MiFID II/MiFIR impacts smaller EU member-states and associated political economies like Norway, Switzerland and Iceland (Buttigieg, 2019). However, to build on existing research, added attention could be placed on the role played by bottom-up forces during the process

(Küblböck and Staritz, 2014; Petry, 2014), alongside more illumination of unheard voices as well as areas of disagreement, and how the measure might resonate with liberal cosmopolitan values and outcomes.

Another empirical case study to interrogate liberal cosmopolitanism in practice could include the European Market Infrastructure Regulation (EMIR), which has standardised EU regulations for over-the-counter (OTC) derivatives transactions involving a clearing house, or central counterparty (CCP), the entity that stands between buyer and seller. Existing research suggests that EMIR proposals were amended significantly due to financial sector lobbying, but this did not prevent implementation of an early EU-wide agreement (Buckley, Howarth and Quaglia, 2012), that has, subsequently, been broadened, reformed and improved at later stages (Delivorias and Stamegna, 2020; Delivorias, 2019). On top of this, some scholars have already shown that national/EU policymakers and regulators did not sufficiently coordinate their regulatory approaches when it came to EMIR and the EUFTT, therefore producing isolated regulatory action that reduced coherence between policymakers working on different, but related policy areas (Heber and Sternberg, 2014). As such, future research needs to assess the relationship between different measures that aim to regulate similar areas, as well as how these can become broader over time and how actors involved in these policy processes behave and conduct themselves, in terms of strategies, lobbying efforts and activities in general. At the same time, other incomplete measures like the EU Banking Union or Capital Markets Union highlight that regulatory and supervisory convergence is possible in some areas, but others are difficult to agree upon and remain the remit of national policymaking communities (Epstein and Rhodes, 2018; Henriques, 2018; Maloney, 2016). Here, more details on preference formation of different actors at the national and EU levels (Schäfer, 2016), along with a clearer identification of the actors considered to be innovative norm carriers displaying leadership (Nielsen and Smeets, 2018), is required to expand understandings of the policymaking process, including why certain paths were taken, and others were not.

As such, exploration into examples like these, and others, are possible empirical cases that can be linked to realising liberal cosmopolitan values and outcomes, as well as unearthing how far convergence can or, in fact, needs to be taken. To reiterate, an investigation should be launched into challenges and obstacles to implementation, as well as other alternative

national and/or intergovernmental pathways that emerged as a result. In addition, this develops the liberal cosmopolitan research agenda as it can set out a better multi-layered account by assessing how a range of actors behaved during the policy process and, by taking an ACC approach, researchers can present a deeper exposition of the role played by market identities, specific social representations and idiosyncratic cognitive backgrounds. Finally, as noted at the outset of the thesis, global financial markets are not only enormous in size, but they are highly pervasive due to instrumental/structural power relations. Therefore, research concerning steps towards further global/regional/national financial governance and regulation are warranted to understand acceptability within national settings and beyond, around the basic minimum standards that all actors could abide by, and which (future) measures, in turn, can improve the functioning and stability of global financial markets.

8.4: Latest Developments

As noted in the empirical chapters, France implemented a national FTT in 2012, with this potentially signalling to others that a national pathway was completely feasible. In this regard, several EU member-states, such as Italy (2013), Belgium (2017) and Spain (2021), have also taken national paths while the ECP negotiations continued between the EU-10 (KPMG, 2022; BNY Mellon, 2018). Yet, when going beyond the period under investigation (2008-2018), a number of other developments have taken place and these warrant some comment. To begin, there has been limited movement at the EU level, with some commentators highlighting that a sub-EU measure ‘...languishes at the bottom of a legislative agenda where its progress is periodically reviewed’ (Kapeller, Leitch and Wildauer, 2021: 6). In part, this is due to other negotiations taking precedence, like EMIR and MiFID II/MiFIR (see above), but also the arrival of the COVID-19 pandemic in March 2020, where the issuance of common Eurozone bonds, as opposed to solely national government bonds, returned to the political agenda and dominated debates (Grund, 2020; Issing, 2020; The Wall Street Journal, 2020). Again, more ‘pressing’ policy measures and issues, as well as the emergence of crisis moments like the COVID-19 pandemic, have detracted attention away from the EUFTT project.

With this said, some movement has been witnessed within the ECP negotiations as transactions involving derivatives have been completely removed from the measure, a step

that has been lamented by many proponents (Euractiv, 2020). In this respect, a very narrow EUFTT, to be applied on transactions involving shares of large companies, seems to have been agreed upon by EU-10 policymakers, but significant strides towards implementation have still not occurred (KPMG, 2021; Reuters, 2020). Moreover, with the victory of the SPD in the 2021 German federal election, there seemed to be some hope that the EUFTT project would be reinvigorated, re-evaluated and/or completed, as a range of German policymakers from the SPD, Greens and other political parties had been firm supporters of the measure across the period of investigation. Yet, the 2021 manifesto pledges made by the SPD, alongside their coalition partners (the Greens and FDP), failed to mention the EUFTT or even a national financial taxation pathway (Ålander, Mintel and Rehbaum, 2021; Welt, 2021). Likewise, in France, while President Macron and other French policy actors had shown commitment for the swift implementation of an EUFTT based on the design of the French FTT, these calls are now relatively silent, aside from some discussions surrounding potential revenue sources for the EU budget during the beginning of the COVID-19 Pandemic (France 24, 2020). Finally, in the UK, most CSOs and FTT proponents continue to advocate, campaign and lobby for extensions to the existing UK FTT, especially with regard to covering derivatives transactions so as to increase potential revenue generation (Boughey, Harris and Rozworski, 2021). Yet, most UK policymakers do not share these visions, as they have turned away from extending the existing measure, shown little engagement with the idea and/or endorsed other national taxation pathways. Thus, in the UK, FTT discussions have receded from the political mainstream and wider audiences are not as exposed to the idea when compared to those within the EU.

8.5: Summary of Key Contributions

Overall, I have presented a multi-level and multi-actor (i.e. multi-layered) analysis through an actor centred constructivist (ACC) perspective that has complemented liberal cosmopolitan theorisation surrounding agency. In utilising the ACC approach, I have incorporated actors, (structural/instrumental) power, norm carriers and ideas alongside the input mechanisms of social construction (i.e. persuasion, socialisation and manipulation), into my investigation. By taking an ACC perspective, I address the notorious lacuna of agency that

pervades most liberal cosmopolitan scholarship, as I consider the role played by specific social representations, cognitive backgrounds, market identities, national peculiarities and cultural forms, on the preference formation of actors. As such, I argue that actor rationality is embedded within different varieties of capitalism, meaning that policymakers and non-state actors are enabled, as well as constrained, in diverse ways. Therefore, when considering regional measures like the EUFTT, and by extension global paths in general, it is evident that a key challenge to implementation will be related to the fact that actors are influenced by idiosyncratic forms of capitalism and they are embedded within specific contexts.

In turn, this leads to disagreement over global/regional/intergovernmental pathways, as the diverse construction of economic ideas, (counter-)narratives and policy positions need to resonate with national audiences, as opposed a wider global/regional one. In this sense, I argue that FTT proponents, alongside liberal cosmopolitans, should pursue global/regional paths by establishing baseline convergence around universally accepted aspects. Moreover, by mapping out the EUFTT process, I have shown how liberal cosmopolitan projects, especially those espousing universality, fare through a real-world example. Thus, I go beyond abstract theorisation and explore the key challenges and obstacles faced towards implementing a model of liberal cosmopolitanism in practice. While I make a strong case for constructing baseline convergence at the global/regional level, I nonetheless highlight that actors can go down multiple paths when attempting to regulate and/or raise revenue from the financial sector. In essence, liberal cosmopolitans can endorse a range of alternatives at the national, intergovernmental, regional and global levels, as these paths, depending on design, can all achieve thick and thin liberal cosmopolitan outcomes in practice.

Bibliography

Abdelal, Rawi. and Ruggie, John. (2009). 'The Principles of Embedded Liberalism : Social Legitimacy and Global Capitalism', in Moss, David. and Cisternino, John. (eds.) *New Perspectives on Regulation*. Massachusetts: The Tobin Project, Inc.

Abdelal, Rawi., Blyth, Mark. and Parsons, Craig. (2005). 'Constructivist Political Economy' [online]
https://www.researchgate.net/publication/265158222_Constructivist_Political_Economy
[Accessed: 16/03/2020].

Action Aid. (2011). 'Climate Finance and the G20' [online]
https://www.actionaid.org.uk/sites/default/files/doc_lib/climate_finance_and_the_g20.pdf
[Accessed: 10/10/2019].

Addison, John. (2009). *The Economics of Codetermination: Lessons from the German Experience*. Hampshire: Palgrave Macmillan.

Agnew, John. (2019). 'Taking back control? The myth of territorial sovereignty and the Brexit fiasco', *Territory, Politics, Governance* [online] https://www.researchgate.net/profile/John-Agnew/publication/337979964_Taking_back_control_The_myth_of_territorial_sovereignty_and_the_Brexit_fiasco/links/5dfbe791299bf10bc368d3ca/Taking-back-control-The-myth-of-territorial-sovereignty-and-the-Brexit-fiasco.pdf [Accessed: 11/04/2021].

Ålander, Minna., Mintel, Julina. and Rehbaum, Dominik. (2021). 'How Germany's coalition negotiations could change the EU's political landscape' [online]
<https://blogs.lse.ac.uk/euoppblog/2021/11/12/how-germanys-coalition-negotiations-could-change-the-eus-political-landscape/> [Accessed: 22/03/2022].

Alessandrini, Pietro. and Fratianni, Michele. (2008). *Resurrecting Keynes to Stabilize the International Monetary System*. [online] <<http://docs.dises.univpm.it/web/quaderni/pdfmofir/Mofir001.pdf>> [Accessed: 15/12/2015].

Ancelovici, Marcos. (2008). 'Social Movements and Protest Politics', in Cole, Alistair., le Galès, Patrick. and Levy, Jonah. (eds.) *Developments in French Politics 4*. New York: Palgrave Macmillan.

Ancelovici, Marcos. (2002). 'Organizing against Globalization: The Case of ATTAC in France', *Politics and Society*, 30(3), pp. 427-464.

Andrews, David. (ed.) (2011). *Orderly Change: International Monetary Relations Since Bretton Woods*. London: Cornell University Press.

Andrews, David. (2005). 'The Bretton Woods Agreement as an Invitation to Struggle', in Joerges, Christian., Stråth, Bo. and Wagner, Peter. (eds.) *The Economy as a Polity: The Political Constitution of Contemporary Capitalism*. London: UCL Press.

Appiah, Kwame Anthony. (2007). *Cosmopolitanism: Ethics in a World of Strangers*. London: Penguin Books.

Archibugi, Daniele. (2016). 'Blade Runner economics: Will innovation lead the economic recovery?', *Research Policy*, 46(3), pp. 535-543.

Archibugi, Daniele. (2008). *The Global Commonwealth of Citizens: Toward Cosmopolitan Democracy*. New Jersey: Princeton University Press

Archibugi, Daniele. (2004). 'Cosmopolitan Democracy and its Critics: A Review', *European Journal of International Relations*, 10(3), pp. 437-473.

Archibugi, Daniele (1998). 'Principles of Cosmopolitan Democracy', in Archibugi, Daniele., Held, David. and Köhler, Martin. (eds.). *Re-imagining Political Community: Studies in Cosmopolitan Democracy*. Oxford: Blackwell Publishers.

Archibugi, Daniele., Held, David. and Köhler, Martin. (eds.) (1998). *Re-imagining Political Community: Studies in Cosmopolitan Democracy*. Oxford: Blackwell Publishers.

Archibugi, Daniele and Held, David. (2011). 'Cosmopolitan Democracy: Paths and Agents' [online] Available at: <https://ssrn.com/abstract=1758725> or <http://dx.doi.org/10.2139/ssrn.1758725>

Archibugi, Daniele. and Held, David. (eds.). (1995). *Cosmopolitan Democracy*. Cambridge: Polity Press.

Arsenault, Matthew. (2013). *The Effects of Political Institutions on Varieties of Capitalism*

Attac France. (2017a). 'Sign the appeal: "Mr. Macron, no false promises for the financial transaction tax!"' [online] <https://france.attac.org/actus-et-medias/le-flux/article/signez-l-appel-m-macron-pas-de-fausses-promesses-pour-la-taxe-sur-les> [Accessed: 22/11/19]

Attac France. (2017b). 'Emmanuel Macron's plan to bury the European tax on financial transactions' [online] <https://france.attac.org/actus-et-medias/salle-de-presse/article/le-plan-d-emmanuel-macron-pour-enterrer-la-taxe-europeenne-sur-les-transactions> [Accessed: 22/11/19]

Attac France. (2014a). 'Pact for an ambitious and united European tax on financial transactions' [online] <https://france.attac.org/se-mobiliser/archives-campagnes/taxer-les-transactions-financieres/article/pacte-pour-une-taxe-europeenne-sur-3129> [Accessed: 22/11/19]

- Attac France. (2014b). 'Press conference "For a real European tax on financial transactions"' [online] <https://france.attac.org/actus-et-medias/salle-de-presse/article/conference-de-presse-pour-une> [Accessed: 22/11/19]
- Attac France. (2014c). 'Open letter to Wolfgang Schäuble' [online] <https://france.attac.org/se-mobiliser/archives-campagnes/taxer-les-transactions-financieres/article/lettre-ouverte-a-wolfgang-schauble> [Accessed: 22/11/19]
- Attac France. (2018a). 'Citizen action' [online] <https://france.attac.org/attac/l-action-citoyenne/> [Accessed: 22/11/19]
- Attac Germany. (2019a). 'OSKAR LAFONTAINE' [online] <https://www.attac.de/was-ist-attac/prominente/oskar-lafontaine/> [Accessed: 31/10/19].
- Attac Germany. (2019b). 'SVEN GIEGOLD' [online] <https://www.attac.de/was-ist-attac/prominente/sven-giegold/> [Accessed: 31/10/19].
- Attac Germany. (2019c). 'ATTAC GROUPS ON SITE' [online] <https://www.attac.de/was-ist-attac/strukturen/attac-netzwerk/regionalgruppen/> [Accessed: 31/10/19].
- Attac Germany. (2019d). <https://www.attac.de/was-ist-attac/> [Accessed: 31/10/19].
- Attac Germany. (2019e). <https://www.attac.de/themen/globalisierung/> [Accessed: 31/10/19].
- Attac Germany. (2019f). <https://www.attac.de/was-ist-attac/selbstverstaendnis/> [Accessed: 31/10/19].
- Attac Germany. (2019g). 'MEMBER ORGANIZATIONS' [online] <https://www.attac.de/was-ist-attac/strukturen/attac-netzwerk/mitgliedsorganisationen/> [Accessed: 31/10/19].
- Attac Germany. (2017a). 'HEINER GEISSLER' [online] <https://www.attac.de/was-ist-attac/prominente/heiner-geissler/> [Accessed: 31/10/19].
- Attac Germany. (2016). <https://www.attac.de/kampagnen/finanztransaktions-steuer/pol-lage-fts/> [Accessed: 31/10/19].
- Attac International. (2019a). 'Overview' [online] <https://www.attac.org/en/overview> [Accessed: 31/10/19].
- Audretsch, David and Elston Julie. (1997). 'Financing the German 'Mittelstand'', *Small Business Economics*, 9(2), pp. 97-110.
- Augsburger Allgemeine. (2011). 'Europe is fighting against the debt crisis' <https://www.augsburger-allgemeine.de/politik/Europa-stemmt-sich-gegen-die-Schuldenkrise-id17091371.html> [Accessed: 31/10/19].
- Aveyard, Stuart., Corthorn, Paul. and O'Connell, Sean. (2018). *The Politics of Consumer Credit in the UK, 1938-1992*. Oxford: Oxford University Press.

Avineri, Shlomo. and de-Shalit, Avner. (eds.). (2002). *Communitarianism and Individualism*. Oxford: Oxford University Press.

Badarinza, Cristian., Campbell, John. and Ramadorai, Tarun. (2016). 'INTERNATIONAL COMPARATIVE HOUSEHOLD FINANCE', *NATIONAL BUREAU OF ECONOMIC RESEARCH*, Working Paper 22066 [online] <http://www.nber.org/papers/w22066> [Accessed: 10/03/2021].

Bank for International Settlements. (2019). 'Sizing up global foreign exchange markets' [online] https://www.bis.org/publ/qtrpdf/r_qt1912f.pdf [Accessed: 22/08/21].

Barry, Brian. (1999). 'STATISM AND NATIONALISM: A COSMOPOLITAN CRITIQUE', *Nomos*, 41, pp. 12–66.

Bassett, Lewis. (2019). 'Corbynism: Social Democracy in a New Left Garb', *The Political Quarterly* [online] https://s3.amazonaws.com/academia.edu.documents/60559142/Bassett-2019-The_Political_Quarterly20190911-97338-1fkic4b.pdf?response-content-disposition=inline%3B%20filename%3DCorbynism_Social_Democracy_in_a_New_Left.pdf&X-Amz-Algorithm=AWS4-HMAC-SHA256&X-Amz-Credential=AKIAIWOWYYGZ2Y53UL3A%2F20191212%2Fus-east-1%2Fs3%2Faws4_request&X-Amz-Date=20191212T100856Z&X-Amz-Expires=3600&X-Amz-SignedHeaders=host&X-Amz-Signature=901d10f8600dc870fdb828dde957e83e2811232528f238b28f4c4aec018dc0dc [Accessed: 31/10/19].

BBC. (2014). 'Europe rejects UK's financial transaction tax challenge' [online] <https://www.bbc.co.uk/news/business-27218615> [Accessed: 01/12/2019].

BBC. (2013a). 'Financial transactions tax: UK launches legal challenge' [online] <https://www.bbc.co.uk/news/business-22227019> [Accessed: 31/10/19].

BBC. (2012). 'Sarkozy announces French financial transaction tax' <https://www.bbc.co.uk/news/world-europe-16783520> [Accessed: 28/06/19]

BBC. (2011a) 'Q&A: Bank levy explained' [online] <https://www.bbc.co.uk/news/business-12391532> [Accessed: 01/12/2019].

BBC. (2011b). <https://www.bbc.co.uk/news/uk-politics-15487674> [Accessed: 01/12/2019].

BBC. (2009) 'EU calls for tax on bank transactions' [online] <http://news.bbc.co.uk/1/hi/business/8407439.stm> [Accessed: 21/11/2019].

Bacchi, Carol. 'Poststructuralism, Discourse and Problematization: Implications for Gender Mainstreaming', *Kvinder, Køn & Forskning*, 10 (4), pp. 62-72.

Beardsworth, Richard. (2011). *Cosmopolitanism and International Relations*. Cambridge: Polity Press.

Beck, Thorsten. and Kotz, Hans-Helmut. (eds.) (2017). 'Introduction' Ordoliberalism: A German oddity? <https://ces.fas.harvard.edu/uploads/files/Reports-Articles/Ordoliberalism-A-German-Oddity-By-Hans-Helmut-Kotz.pdf> [Accessed: 31/10/19].

Beck, Thorsten. and Huizinga, Harry. (2011). 'Taxing banks – here we go again!', in Beck, Thorsten. (ed.) *The Future of Banking*. London: Centre for Economic Policy Research [online] https://immagic.com/eLibrary/ARCHIVES/GENERAL/CEPR_UK/V111025B.pdf#page=76 [Accessed: 09/11/2020].

Becker, Claas. (2008). 'Innovations in the German SME securitisation market', *Deutsche Bank AG, Global Securitisation and Structured Finance* [online] http://www.globalsecuritisation.com/08_GBP/GBP_GSSF08_157_160_DB_Germany.pdf [Accessed: 20/05/2020].

Beitz Chalres. (2004). 'COSMOPOLITANISM AND GLOBAL JUSTICE', *The Journal of Ethics*, 9, pp. 11–27.

Beitz, Charles. (1979). *Political Theory and International Relations*. New Jersey: Princeton University Press.

Bell, Daniel. (1996). *Communitarianism and its Critics*. Oxford: Clarendon Press.

Bello, Walden. (2007). 'The Post-Washington Dissensus' [online] <https://archive.globalpolicy.org/globaliz/econ/2007/0917dissensus.htm> [Accessed: 20/09/2021].

Benhabib, Seyla. (2009). 'Cosmopolitanism and Democracy. Affinities and Tensions', *The Hedgehog Review* [online] <https://cpb-us-w2.wpmucdn.com/campuspress.yale.edu/dist/3/949/files/2016/05/Cosmopolitanism-and-Democracy.-Affinities-and-Tensions-16zab68.pdf> [Accessed: 08/02/2022].

Benhabib, Seyla. (1998). 'On European Citizenship: Replies to David Miller', *Dissent*, 45(4) [online] <https://cpb-us-w2.wpmucdn.com/campuspress.yale.edu/dist/3/949/files/2016/05/On-European-Citizenship.-Replies-to-David-Miller-1pxsvm.pdf> [Accessed: 01/11/2020].

Benhabib, Seyla. (1994). 'In Defense of Universalism. Yet Again! A Response to Critics of Situating the Self', *New German Critique*, 62, pp. 173-189.

Benn, Melissa. (2009). 'Gordon's taxing week', *Public Finance* [online] <http://web.b.ebscohost.com.oxfordbrookes.idm.oclc.org/ehost/pdfviewer/pdfviewer?vid=1&sid=50cf57dc-2bd6-47fa-a72b-ea37f53768da%40pdc-v-sessmgr02> [Accessed: 02/09/2021].

Berghoff, Hartmut. and Köhler, Ingo. (2019). 'Family Businesses in Germany and the United States since Industrialisation – A Long-Term Historical Study', *Stiftung Familienunternehmen* [online] https://www.familienunternehmen.de/media/public/pdf/publikationen-studien/studien/Family-Businesses-in-Germany-and-the-United-States-since-Industrialisation_2020_Stiftung-Familienunternehmen.pdf [Accessed: 02/01/2021].

Bergmann, Manfred. (2011). 'The Commission Proposal for a Council Directive on a common system of FTT' [online] https://www.bruegel.org/wp-content/uploads/imported/events/Bruegel_1Dec2011-slides.pdf [Accessed: 22/10/2019].

Bernanke, Ben. (2013). *The Federal Reserve and the Financial Crisis: Lectures by Ben S. Bernanke*. New Jersey. Princeton University Press.

Beroš, Božina Marta. and Beroš Marin. (2013). 'Fairness through regulation? Reflections on a cosmopolitan approach to global finance', *The Journal of Philosophical Economics*, 7(1) [online] <http://jpe.ro/pdf.php?id=4996> [Accessed: 04/03/2019].

Best, Jacqueline. (2005). *The Limits of Transparency: Ambiguity and the History of International Finance*. London: Cornell University Press.

Better Finance. (2016). 'France and Germany looking forward to an "imperfect" FTT' [online] <https://betterfinance.eu/article/france-and-germany-looking-forward-to-an-imperfect-fft/> [Accessed: 31/10/2019].

Bhambra, Gurinder. (2016). 'Whither Europe?: Postcolonial versus Neocolonial Cosmopolitanism', *Interventions: International Journal of Postcolonial Studies*, 18(2), pp. 187-202.

Bharadia, Keval. and Boughey, Laurey. (2019). 'REINFORCING RESILIENCE: Making the UK a citadel of long-term finance', *Intelligence Capital Limited* [online] <https://progressiveeconomyforum.com/wp-content/uploads/2019/09/Reinforcing-Resilience.pdf> [Accessed: 20/12/2020].

Biebricher, Thomas. (2015). *Neoliberalism and Democracy Constellations* 22(2), pp. 255-266.

Bieler, Andreas. (2005). 'Class Struggle over the EU Model of Capitalism: Neo-Gramscian Perspectives and the Analysis of European Integration', *Critical Review of International Social and Political Philosophy*, 8(4), pp. 513-526.

Bieler, Andreas. and Morton, Adam. (2004). 'A critical theory route to hegemony, world order and historical change: neo-Gramscian perspectives in International Relations', *Capital & Class*, 28(1), pp. 85-113.

Bieler, Andreas. and Morton, Adam. (2003). 'Globalisation, the State and Class Struggle: A "Critical Economy" Engagement with Open Marxism', *British Journal of Politics and International Relations*, 5(4) [online]
https://d1wqtxts1xzle7.cloudfront.net/30942125/criticaleconomy6-with-cover-page-v2.pdf?Expires=1662554464&Signature=VUQMARiz8JVZMMlundT1qUrl8YFsMyloft~Y1B1WzquZMXeS0S384la7JGIJdZK-qoaz1RMfiSPnXBlzQcyjYmgvqUZNUStoPEqAMOdM-r7RZZmViyuFhRzMFr6R9FLQjotBK3zHFc2cEy~2sIU4oCUkTAYt8TsaWKCSn-32-QGWCGzSuGRB57cnaGFn8GeWgqSDd5J~v4b6ICi4rIW-efh6Ev~vJflca~h7Z3bbTRdtcFtDjwFH~b9xKTE2BkHXtQFENuH59d3vh6kW0R7TlwzRajQImL18wAnwpKN~J-IQzMpF5JY41WvyDk4SCTi2PV12DOQPQjYErXQ884RPg_&Key-Pair-Id=APKAJLOHF5GGSLRBV4ZA [Accessed: 11/08/2022].

Bijlsma, Michiel. (2012). 'The financial transaction tax: please consider the alternatives', *Bruegel* [online] <https://bruegel.org/2012/03/the-financial-transaction-tax-please-consider-the-alternatives/> [Accessed: 31/10/19].

Birchfield, Vicki. and Freyberg-Inan, Annette. (2004). 'Constructing opposition in the age of globalization: the potential of ATTAC', *Globalizations*, 1(2), pp. 278-304.

Block, Fred. (1977). *The Origins of International Economic Disorder: A Study of United States International Monetary Policy from World War II to the Present*. Los Angeles: California University Press.

Bloomberg. (2018). 'Germany, France Try to Jump-Start EU Financial-Transaction Tax' [online] <https://www.bloomberg.com/news/articles/2018-12-03/germany-france-try-to-jump-start-eu-financial-transaction-tax> [Accessed: 31/10/2019].

Blyth, Mark. (2013). *Austerity: The History of a Dangerous Idea*. Oxford: Oxford University Press.

Blyth, Mark. (2008). 'The Secret Life of Institutions: On the Role of Ideas in Evolving Economic Systems, Entretien avec Mark Blyth', [online] <https://journals.openedition.org/regulation/6043> [Accessed: 01/08/2022].

Blyth, Mark. (2003). 'Structures Do Not Come with an Instruction Sheet: Interests, Ideas, and Progress in Political Science', *Perspectives on Politics*, 1(4), pp. 695-706.

Blyth, Mark. (2002). *Great Transformations: Economic Ideas and Institutional Change in the Twentieth Century*. Cambridge: Cambridge University Press.

BNY Mellon. (2018). 'FINANCIAL TRANSACTION TAXES (FTT): A Global Perspective' [online] <https://www.bnymellon.com/emea/en/locale-assets/pdf/our-thinking/ftt-globalperspective-brochure-03-2018.pdf> [Accessed: 31/10/2019].

- Boettke, Peter., Coyne, Christopher., and Leeson, Peter. (2013). 'Comparative Historical Political Economy', *Journal of Institutional Economics*, 9(3), pp. 285–301.
- Bonefeld, Werner. (2019). 'Ordoliberalism, European Monetary Union and State Power', *Critical Sociology*, 45(7-8), pp. 995–1010.
- Boran, Idil. (2008). 'Do Cosmopolitans Have Reasons to Object to Global Distributive Justice?', *American Philosophical Quarterly*, 45(1), pp. 1-17.
- Bordo, Michael. and Schwartz, Anna. (1997). 'Why Clashes Between Internal and External Stability Goals End in Currency Crises, 1797-1994', in Tavlas, George. (ed.) *The Collapse of Exchange Rate Regimes: Causes, Consequences and Policy Responses*. New York: Springer.
- Bordo, Michael. (1993). 'The Bretton Woods International Monetary System: A Historical Overview' in Bordo, Michael. and Eichengreen, Barry (eds.) *A Retrospective on the Bretton Woods System: Lessons for International Monetary Reform*. Chicago: University of Chicago Press.
- Börsen-Zeitung. (2013). 'Companies complain of discrimination of equity' [online] <https://www.boersen-zeitung.de/index.php?li=1&artid=2013122001> [Accessed: 31/10/19].
- Bouhey, Laurey., Harris, Max. and Rozworski, Michal. (2021). 'THE CASE FOR A COMPREHENSIVE UK FINANCIAL TRANSACTIONS TAX', *Stamp Out Poverty* [online] https://www.robinhoodtax.org.uk/sites/default/files/Case%20for%20Comprehensive%20FTT.final_.Sept_.2021.pdf [Accessed: 05/03/2022].
- Boughton, James. (2019). 'The Universally Keynesian Vision of Bretton Woods', in Lamoreaux, Naomi. and Shapiro, Ian. (eds.) *Bretton Woods Agreements: Together with Scholarly Commentaries and Essential Historical Documents*. London: Yale University Press.
- Boughton, James. (2002). *Why White, Not Keynes? Inventing the Postwar International Monetary System*. [online] <https://www.imf.org/external/pubs/ft/wp/2002/wp0252.pdf> [Accessed: 10/12/2019].
- Boughton, James. (1998). *Harry Dexter White and the International Monetary Fund*. [online] <https://www.imf.org/external/pubs/ft/fandd/1998/09/boughton.htm> [Accessed: 02/12/2020].
- Bowen, Glenn. (2009). 'Document Analysis as a Qualitative Research Method', *Qualitative Research Journal*, 9(2), pp. 27-40.
- Boyatzis, Richard. (1998). *Transforming Qualitative Information: Thematic Analysis and Code Development*. London: SAGE Publications.
- Brassett, James. (2010). *Cosmopolitanism and Global Financial Reform: A Pragmatic Approach to the Tobin Tax*. New York: Routledge/RIPE Series in Global Political Economy.

Brassett, James. (2009). 'A Pragmatic Approach to the Tobin Tax Campaign: The Politics of Sentimental Education', *European Journal of International Relations*, 15(3), pp. 447-476.

Brassett, James. (2006). *Cosmopolitan ethics in global finance? : a pragmatic approach to the Tobin Tax*. PhD thesis, University of Warwick. [online]
http://wrap.warwick.ac.uk/4090/1/WRAP_THESIS_Brassett_2006.pdf [Accessed: 02/03/2018]

Brassett, James. and Smith, William. (2010). 'Deliberation and global civil society: agency, arena, affect', *Review of International Studies*, 36, pp. 413–430.

Brattberg, Erik. (2020). 'The E3, the EU, and the Post-Brexit Diplomatic Landscape', *The Carnegie Endowment for International Peace* [online]
<https://carnegieendowment.org/2020/06/18/e3-eu-and-post-brexit-diplomatic-landscape-pub-82095> [Accessed: 22/07/2021].

Braun, Virginia., Clarke, Victoria. and Weate, Paul. (2016). 'USING THEMATIC ANALYSIS IN SPORT AND EXERCISE RESEARCH' [online] <https://uwe-repository.worktribe.com/OutputFile/3123710> [Accessed: 20/12/2020].

Bray, Daniel. (2011). *Pragmatic Cosmopolitanism: Representation and Leadership in Transnational Democracy*. Basingstoke: Palgrave Macmillan

Bray, Daniel. (2009). 'Pragmatic Cosmopolitanism: A Deweyan Approach to Democracy beyond the Nation-State', *Millennium: Journal of International Studies*, 37(3), pp. 683-719.

Brock, Gillian. (2011). 'International Taxation', in Benatar, Solomon. and Brock, Gillian. (eds.) *Global Health and Global Health Ethics*. Cambridge: Cambridge University Press.

Brock, Gillian. (2009). 'Reforming Our Taxation Arrangements to Promote Global Gender Justice', *Philosophical Topics*, 37(2), pp. 141–60.

Brock, Gillian. (2002). 'Cosmopolitan Democracy and Justice: Held versus Kymlicka', *Studies in East European Thought*, 54(4), pp. 325-347.

Brock, Gillian and Atkinson, Quentin. (2008). 'What can Examining the Psychology of Nationalism Tell Us About Our Prospects for Aiming at the Cosmopolitan Vision?', *Ethical Theory and Moral Practice*, 11(2), pp. 165-179.

Brown, Garrett. and Held, David. (eds.). (2010). *The Cosmopolitanism Reader*. Cambridge: Polity Press.

Buckley, Ross. (2012). 'A Financial Transaction Tax: The One Essential Reform', *Intereconomics*, 47(2), pp. 99-103. [online]
<https://www.econstor.eu/bitstream/10419/68325/1/733917135.pdf> [Accessed: 01/01/2021].

Buckley, Ross. and North, Gill. (2012). 'A FINANCIAL TRANSACTIONS TAX: INEFFICIENT OR NEEDED SYSTEMIC REFORM?' *GEORGETOWN JOURNAL OF INTERNATIONAL LAW* [online] https://www.researchgate.net/profile/Ross-Buckley/publication/228183277_A_Financial_Transactions_Tax_Inefficient_or_Needed_Systemic_Reform/links/0a85e52f49d68b71af000000/A-Financial-Transactions-Tax-Inefficient-or-Needed-Systemic-Reform.pdf [Accessed: 01/01/2021].

Buckley, James., Howarth, David. and Quaglia, Lucia. (2012). 'Internal Market: The Ongoing Struggle to Protect Europe from Its Money Men', *Journal of Common Market Studies*, 50, pp. 99-115.

Buckley, James. and Howarth, David. (2010). 'Internal Market: Gesture Politics? Explaining the EU's Response to the Financial Crisis', *Journal of Common Market Studies*, 48, pp. 119-141.

Burnham, Peter., Lutz, Karin., Grant, Wyn., and Layton-Henry, Zig. (2008). *Research Methods in Politics*. London: Red Globe Press.

Burnham, Peter. (1994). 'Open Marxism and Vulgar International Political Economy', *Review of International Political Economy*, 1(2), pp. 221-231.

Burnham, Peter. (1991). 'Neo-Gramscian Hegemony and the International Order', *Capital & Class*, 15(3), pp. 73-92.

Busetto, Filippo., Gardó, Sándor. and Klaus, Benjamin. (2019). 'Implications of bank misconduct costs for bank equity returns and valuations', European Central Bank - Financial Stability Review, [online] https://www.ecb.europa.eu/pub/financial-stability/fsr/focus/2019/html/ecb.fsrbox201911_03~511ae02cc5.en.html [Accessed: 01/03/2021].

Bush, Oliver. and Knott, Samuel. (2014) 'Why is the UK banking system so big and is that a problem?', *Bank of England Quarterly Bulletin* Q4 [online] <https://www.bankofengland.co.uk/-/media/boe/files/quarterly-bulletin/2014/why-is-the-uk-banking-system-so-big-and-is-that-a-problem.pdf> [Accessed: 05/05/2020].

Buttigieg, Christopher. (2019). 'EU regulation and supervision of securities business: a critical analysis of the challenges faced by the National Competent Authorities of small EU and EEA EFTA Member States', *Law and Financial Markets Review*, 14(1), pp. 5-21.

Callinicos, Alex. (2009). *Imperialism and Global Political Economy*. Cambridge: Polity Press.

Campbell, John. and Pedersen, Ove. (2001). 'THE RISE OF NEOLIBERALISM AND INSTITUTIONAL ANALYSIS' [online] <http://assets.press.princeton.edu/chapters/s7204.pdf> [Accessed: 10/10/2020].

- Capelle-Blancard, Gunther, et al (2017). 'THE FINANCIAL TRANSACTION TAX: A REALLY GOOD IDEA' [online] https://www.amf-france.org/magnoliaPublic/dam/jcr:d9fe690a-fc86-4dc8-827c-28ead3c9617b/201710_Etude_TTF_VA.pdf [Accessed: 31/10/2019].
- Capital. (2010). 'CAN WE REALLY CHARGE THE RICH?' [online] <https://www.capital.fr/economie-politique/peut-on-vraiment-faire-payer-les-riches-533811>
- Carroll, William. (2007). 'Hegemony and Counter-Hegemony in a Global Field', *Studies in Social Justice*, 1(1), pp. 36-66.
- Carstensen, Martin. and Matthijs, Matthias. (2016). 'Of Paradigms and Power: British Economic Policy Making since Thatcher' [online] <https://sais.jhu.edu/sites/default/files/Paradigms%20and%20Power%20-%20Carstensen%20Matthijs%20-%20August%2019%20APSA.pdf> [Accessed: 31/10/2019].
- Carstensen, Martin. and Schmidt, Vivien. (2016) 'Power Through, Over and an Ideas: Conceptualizing Ideational Power in Discursive Institutionalism', *Journal of European Public Policy*, 23(3), pp. 318–337.
- Cassell, Catherine. and Symon, Gillian. (eds.) (1994) *Qualitative Methods in Organizational Research: A Practical Guide*. London: SAGE Publications.
- Catterall, Peter. (2011). 'Democracy, cosmopolitanism and national identity in a 'globalising' world', *National Identities*, 13(4), pp. 329-347.
- Cencini, Alvaro. (1997). *Monetary Theory: National and International*. London: Routledge.
- Cesarano, Filippo. (2006). *Monetary Theory and Bretton Woods: The Construction of an International Monetary Order*. Cambridge: Cambridge University Press.
- Chaikovska, Ivanna. (2019) 'ENFORCEMENT ACTIONS OF BANKING SUPERVISION AUTHORITIES IN EUROPEAN UNION: NON-COMPLIANCE WITH POST-CRISIS BANKING REGULATIONS', *International Journal of Arts & Sciences*, 12(1), pp. 107–112.
- Chambers, Simone. (2004). 'The politics of Critical Theory', in Rush, Fred. (ed.) *The Cambridge Companion to Critical Theory*. Cambridge: Cambridge University Press.
- Chaudhry, Sajid., Mullineux, Andrew., and Agarwal, Natasha. (2014). 'Balancing the Regulation and Taxation of Banking' [online] <http://eprints.bournemouth.ac.uk/21134/1/Balancing%20the%20regulation%20and%20taxation%20of%20banking.pdf> [Accessed: 31/10/2019].

Chwieroth, Jeffrey. (2011). 'The crisis in global finance: political economy perspectives on international financial regulatory change' [online]

[http://eprints.lse.ac.uk/41825/1/The%20crisis%20in%20global%20finance\(lsero\).pdf](http://eprints.lse.ac.uk/41825/1/The%20crisis%20in%20global%20finance(lsero).pdf)

[Accessed: 20/04/2020].

City A.M. (2015). 'Labour's lost it: Jeremy Corbyn's new shadow chancellor John McDonnell wants to seize shares and impose 60 per cent tax rate' [online]

<https://www.cityam.com/labour-s-lost-it/> [Accessed: 02/03/2021].

City A.M. (2011). 'The European Commission's plans for a Tobin Tax would threaten the UK's recovery' [online]

<https://www.cityam.com/the-european-commission-s-plans-tobin-tax-would-threaten-the-uk-s-recovery/> [Accessed: 10/11/2020].

Civil Society News (2016) <https://www.civilsociety.co.uk/news/government-commits-a-further-102m-of-banking-fines-to-charities.html> [Accessed: 10/12/2020].

Clark, Joel., Cameron, Matt., and Sawyer, Nick. (2010). 'Lack of co-ordination contributes to European market sell-off', *Risk*, 23(6) [online]

<https://www.proquest.com/openview/fbdecafb6c65219aefae2a2499d8b7a8/1?pq-origsite=gscholar&cbl=32048> {Accessed: 11/04/2021}.

CNBC. (2011). 'Europeans Split on Financial Transaction Tax' [online]

<https://www.cnn.com/id/44697049> [Accessed: 07/04/2020].

Coalition Plus. (2013) 'Financial Transactions Tax (FTT): NGOs denounce the smoking of the banking lobby' [online]

<http://www.coalitionplus.org/taxe-sur-les-transactions-financieres-ttf-les-ong-denoncent-lenfumage-du-lobby-bancaire/> [Accessed: 31/10/2019].

Coalition Plus. (2012a). 'The French Financial Transactions Tax (FTT): better to play the lottery!' [online]

<http://www.coalitionplus.org/communiqu-de-presse-la-taxe-sur-les-transactions-financieres-ttf-a-la-francaise-mieux-vaut-jouer-au-loto/> [Accessed:

31/10/2019].

Coelho, Maria. (2014). 'Dodging Robin Hood: Responses to France and Italy's Financial Transaction Taxes' [online]

https://www.researchgate.net/profile/Maria_Coelho9/publication/259972831_Dodging_Robin_Hood_Responses_to_France_and_Italy's_Financial_Transaction_Taxes/links/0a85e530409bbe4d1f000000.pdf [Accessed: 28/10/2019].

Cohen, Benjamin. (2002). 'Bretton Woods System', in Jones, Barry. (ed.) *Routledge Encyclopedia of International Political Economy*. London: Routledge.

- Commain, Sébastien. (2021). 'Don't Crunch My Credit': Member State Governments' Preferences on Bank Capital Requirements', *Reforming the Institutions of Eurozone Governance*, 9(2), [online] <https://www.cogitatiopress.com/politicsandgovernance/article/view/3884> [Accessed: 03/02/2022].
- Corbett, Steve. and Walker, Alan. (2018). 'Between neoliberalism and nationalist populism: What role for the 'European Social Model' and social quality in post-Brexit Europe?' [online] <http://eprints.whiterose.ac.uk/136427/3/SCAW%20Brexit%2013818-1.pdf> [Accessed: 11/11/2019]
- Cooper, James. (2012). *Margaret Thatcher & Ronald Reagan: A Very Political Special Relationship*. Hampshire: Palgrave Macmillan.
- Copenhagen Economics. (2021). 'FINANCIAL TRANSACTION TAX STUDY: Impact on pension savers and the real economy', [online] https://copenhageneconomics.com/wp-content/uploads/2021/12/2021_copenhagen-economics_financial-transaction-tax-study.pdf.pdf [Accessed: 01/01/2022].
- Corkery, Jim. and Zornada, Kristen. (2012). 'High-frequency trading and a financial transactions tax', *Revenue Law Journal*, 22(1) [online] <https://rlj.scholasticahq.com/article/6729.pdf> [Accessed: 28/10/2019].
- Corporate Europe Observatory. (2013). 'Robbing the "Robin Hood" tax: the European Central Bank weighs in' [online] <https://corporateeurope.org/en/financial-lobby/2013/07/robbing-robin-hood-tax-european-central-bank-weighs> [Accessed: 03/11/2020].
- Cox, Robert. (1981). 'Social Forces, States and World Orders: Beyond International Relations Theory', *Millennium: Journal of International Studies*, 10(2), pp. 126-155.
- Crespy, Amandine. (2007). 'Dissent over the European Constitutional Treaty within the French Socialist Party: Between Response to Anti-Globalization Protest and Intra-Party Tactics', *French Politics* [online] <https://link.springer.com/content/pdf/10.1057/palgrave.fp.8200056.pdf> [Accessed: 28/10/2019].
- Crouch, Colin. (2005). 'Models of Capitalism', *New Political Economy*, 10(4), pp. 439-456.
- CSOs. (2009). 'CSO letter to IMF Managing Director Regarding the Request for civil society participation in IMF study on how the financial sector can help pay for the bailouts', *signed by over 80 CSOs* [online] <https://www.imf.org/external/np/vc/2009/pdf/cso111109.pdf> [Accessed: 11/04/2020].

- CSU. (2013). 'The Bayernplan 2013 – 2018' [online] <https://www.csu.de/politik/beschluesse/der-bayernplan-2013-2018/> [Accessed: 31/10/2019].
- Darvas, Zsolt. and Weizsäcker, Jakob von. (2010). 'Financial Transaction Tax: Small is Beautiful', *European Parliament - DIRECTORATE GENERAL FOR INTERNAL POLICIES POLICY DEPARTMENT A: ECONOMIC AND SCIENTIFIC POLICIES: ECONOMIC AND MONETARY AFFAIRS* [online] https://www.bruegel.org/wp-content/uploads/imported/publications/external_FTTParliament_110110.pdf [Accessed: 02/01/2019].
- Day, Allan. (2002). 'The Prospects of a Cosmopolitan World Order: Investigating the 2002 United Nations Finance for Development Conference', *Global Social Policy*, 2(3), pp. 295-318.
- Dardot, Pierre. and Laval, Christian. (2017). *The New Way of the World: On Neoliberal Society*. London. Verso Books.
- Davidson, Paul. (2009). *The Keynes Solution: The Path to Global Economic Prosperity*. New York: Palgrave Macmillan.
- De Cecco, Marcello. (1979). *Origins of the Post-War Payments System*. [online] <http://www.ehu.eus/Jarriola/Docencia/SMFI/Origins%20of%20the%20postwar%20payments%20system.pdf> [Accessed: 12/01/2019].
- Degner, Hanno. and Leuffen, Dirk. (2020). 'Crises and Responsiveness: Analysing German Preference Formation during the Eurozone Crisis', *Political Studies Review*, 18(4), pp. 491-506.
- Degner, Hanno. and Leuffen, Dirk. (2016). 'Keynes, Friedman, or Monnet? Explaining parliamentary voting behaviour on fiscal aid for euro area member states', *West European Politics*, 39(6), pp.1139-1159.
- Delanty, Gerard. (2001). 'Cosmopolitanism and Violence: The Limits of Global Civil Society', *European Journal of Social Theory*, 4(1), pp. 41-52.
- Delivorias, Angelos. and Stamegna, Carla. (2020). 'Review of the European Market Infrastructure Regulation (EMIR): Updated rules on supervision of central counterparties (CCPs)', *European Parliamentary Research Service* [online] <https://policycommons.net/artifacts/1337431/review-of-the-european-market-infrastructure-regulation-emir/1945285/> [Accessed: 14/03/2022].

Delivorias, Angelos. (2019). 'Regulation of OTC derivatives: Amending the European Market Infrastructure Regulation (EMIR)', *European Parliamentary Research Service* [online] <https://policycommons.net/artifacts/1334877/regulation-of-otc-derivatives/1940746/> [Accessed: 13/03/2022].

Deloitte. (2014). 'Implications of a Financial Transaction Tax for the European Regulatory Reform Agenda: SPECIAL INTEREST PAPER CITY OF LONDON CORPORATION' [online] <https://www2.deloitte.com/content/dam/Deloitte/dk/Documents/tax/Implications-of-a-Financial-Transactions-Tax-on-the-Regulatory-Reform-Agenda.pdf> [Accessed: 03/05/2018].

Der Spiegel. (2010). 'Ex-SPD ministers criticize Merkel's crisis management' [online] <https://www.spiegel.de/politik/deutschland/attacke-aus-der-opposition-ex-spd-minister-kritisieren-merkels-krisenmanagement-a-692448.html> [Accessed: 11/03/2020].

Der Spiegel. (2007). 'Heiner Geißler joins Attac' [online] <https://www.spiegel.de/politik/deutschland/g-8-gipfel-heiner-geissler-tritt-attac-bei-a-483275.html> [Accessed: 31/10/2019].

Der Tagesspiegel. (2013a) 'Stock institute: private investors bear the costs' [online] <https://www.tagesspiegel.de/wirtschaft/finanztransaktionssteuer-aktieninstitut-privatanleger-tragen-die-kosten/8517138.html> [Accessed: 28/10/2019].

Der Tagesspiegel. (2010a). 'FDP gives in to the stock exchange tax' [online] <https://www.tagesspiegel.de/politik/praesidiumssitzung-fdp-gibt-bei-der-boersensteuer-nach-/1840710.html> [Accessed: 28/10/2019].

Deutsche Börse Group. (2011). 'Public Hearing at the finance committee of the German Bundestag: Statement of Deutsche Börse Group on the proposal for a Council Directive on a common system of financial transaction tax and amending Directive 2008/7/EC' [online] https://www.deutsche-boerse.com/resource/blob/32062/4b2e73f13f5b5602b09b7c7a4632e403/data/20111219/dbg-statement-on-fft_en.pdf [Accessed: 22/01/2021].

DG TAXUD. (2011). 'Citizens' summary: Proposal for a Financial Transaction Taxation (FTT)', *EUROPEAN COMMISSION DIRECTORATE-GENERAL TAXATION AND CUSTOMS UNION (DG TAXUD)* [online] https://ec.europa.eu/taxation_customs/sites/taxation/files/resources/documents/taxation/other_taxes/financial_sector/fft_citizens_summary_en.pdf [Accessed: 20/10/2017].

Die Tageszeitung. (2010). 'It is not worth living from' [online] <https://taz.de/!5134972/> [Accessed: 28/10/2019].

Die Welt. (2016). 'Is the "tax against poverty" coming now?' [online] <https://www.welt.de/wirtschaft/article158680895/Kommt-jetzt-wirklich-die-Steuer-gegen-Armut.html> [Accessed: 28/10/2019].

Die Welt. (2015). 'Why Europe needs to become a social union' [online] <https://www.welt.de/wirtschaft/article141919414/Warum-Europa-zu-einer-Sozialunion-werden-muss.html> [Accessed: 26/10/2019].

Die Welt. (2013). 'Merkel is approaching investors in financial transaction tax' <https://www.welt.de/newsticker/bloomberg/article117129215/Merkel-geht-bei-Finanztransaktionssteuer-auf-Investoren-zu.html> [Accessed: 28/11/2019].

Die Welt. (2012). 'Söder for solo Germany in financial transaction tax' [online] <https://www.welt.de/newsticker/news3/article106343577/Soeder-fuer-Alleingang-Deutschlands-bei-Finanztransaktionsteuer.html> [Accessed: 28/10/2019].

Die Welt. (2011). 'Suddenly German is spoken in Europe' [online] <https://www.welt.de/politik/deutschland/article13718042/Auf-einmal-wird-in-Europa-Deutsch-gesprochen.html> [Accessed: 31/10/2019].

Die Welt. (2010). 'Merkel calls again the lack of alternatives' [online] <https://www.welt.de/politik/deutschland/article7703633/Merkel-ruft-wieder-die-Alternativlosigkeit-aus.html>

Die Zeit. (2015). 'stock exchange tax would bring Germany up to 45 billion euros' <https://www.zeit.de/wirtschaft/2015-03/finanztransaktionssteuer-studie-einnahmen-deutschland> [Accessed: 28/12/2019].

Die Zeit. (2012). 'coalition seeks the crisis cost compromise' <https://www.zeit.de/politik/deutschland/2012-06/koalition-finanztransaktionssteuer> [Accessed: 28/10/2019].

Die Zeit. (2011). 'The biggest stress test that ever existed' <https://www.zeit.de/politik/deutschland/2011-10/merkel-regierungserklaerung-gipfel> [Accessed: 28/10/2019].

Dolphin, Tony. (2013). 'NEW PRIORITIES FOR BRITISH ECONOMIC POLICY', *Institute for Public Policy Research* [online] http://www.stampoutpoverty.org/live2019/wp-content/uploads/2013/11/new-priorities-economic-policy_Mar2013_10475.pdf [Accessed: 28/10/2019].

Dostal, Jörg Michael. (2017). 'The Crisis of German Social Democracy Revisited', *The Political Quarterly*, 88(2), pp. 230-239.

Doyran, Mine. (2011). *Financial Crisis Management and the Pursuit of Power: American Pre-eminence and the Credit Crunch*. Surrey: Ashgate.

Down, Nathan. (2022). 'Postcolonialism and 'Eurocentric' International Relations', *International Affairs Forum* [online] https://www.ia-forum.org/Content/ViewInternal_Document.cfm?contenttype_id=0&ContentID=8557 [Accessed: 09/09/2022].

Dullien, Sebastian. and Guérot, Ulrike. (2012) 'The Long Shadow of Ordoliberalism', *European Council on Foreign Relations* [online] https://www.ecfr.eu/article/commentary_the_long_shadow_of_ordoliberalism [Accessed: 31/10/2019].

Dyson, Kenneth. and Padgett, Stephen. (2005). 'Introduction: Global, Rhineland or hybrid capitalism?', *German Politics*, 14(2), pp. 115-124.

DW. (2010). 'Berlin agrees on finance sector transaction tax proposal', *Deutsche Welle* [online] <https://www.dw.com/en/berlin-agrees-on-finance-sector-transaction-tax-proposal/a-5584310> [Accessed: 22/03/2021].

Eckersley, Robyn. (2007). 'From Cosmopolitan Nationalism to Cosmopolitan Democracy', *Review of International Studies*, 33(4), pp. 675-692.

Edwards, Rosalind. and Holland, Janet. (2013). *What is qualitative interviewing?* London: Bloomsbury.

Eichengreen, Barry. (2011). *Exorbitant Privilege: The Rise and Fall of the Dollar and the Future of the International Monetary System*. Oxford: Oxford University Press.

Eichengreen, Barry. (2008). *Global Imbalances and the Lessons of Bretton Woods*. London: The MIT Press.

Eichfelder, Sebastian. and Lau, Mona. (2017). 'The Impact of Financial Transaction Taxes on Stock Markets: Timing, Heterogeneity, and Migration' [online] <https://www.ntanet.org/wp-content/uploads/proceedings/2017/NTA2017-55.pdf> [Accessed: 03/05/2021].

Engel, Susan. (2010). *The World Bank and the post-Washington Consensus in Vietnam and Indonesia: Inheritance of Loss*. London: Routledge.

Englisch, Joachim., Vella, John. and Yevgenyeva, Anzhela. (2013). 'The Financial Transaction Tax Proposal Under the Enhanced Cooperation Procedure: Legal and Practical Considerations', *British Tax Review* [online] https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2284733 [Accessed: 20/06/2020].

Eriksen, Erik. (2014). 'Regional cosmopolitanism: the EU in search of its legitimization', *European Journal of Futures Research*, 2(51) [online] <https://link.springer.com/article/10.1007/s40309-014-0051-8#citeas> [Accessed: 08/09/2018].

Epstein Rachel. and Rhodes. Martin. (2018). 'From governance to government: Banking union, capital markets union and the new EU', *Competition & Change*, 22(2), pp. 205-224.

Esping-Andersen, Gøsta. (1990). *The Three Worlds of Welfare Capitalism*. Cambridge: Polity Press.

Euractiv. (2018). 'Germany and France to outline EU financial transaction tax proposal' [online] <https://www.euractiv.com/section/economy-jobs/news/germany-and-france-to-outline-eu-financial-transaction-tax-proposal/> [Accessed: 17/09/2019].

Euractiv. (2017a). 'Belgium told to get off the fence, stop blocking FTT' [online] <https://www.euractiv.com/section/economy-jobs/news/belgium-told-to-get-off-the-fence-stop-blocking-fft/> [Accessed: 03/11/2019].

Euractiv. (2017b). 'FTT blockage illustrates pitfalls of multi-speed Europe' [online] <https://www.euractiv.com/section/economy-jobs/news/fft-blockage-illustrates-pitfalls-of-multi-speed-europe/> [Accessed: 13/02/2020].

Euractiv. (2017c). 'Macron relaunches financial transaction tax project, including the UK' [online] <https://www.euractiv.com/section/future-eu/news/macron-relaunches-financial-transaction-tax-project-including-the-uk/> [Accessed: 11/02/2020].

Euractiv. (2015). 'Debunking the myths about the Tobin tax' [online] <https://www.euractiv.com/section/digital/opinion/debunking-the-myths-about-the-tobin-tax/> [Accessed: 28/10/2019].

EU Observer (2010a). 'Trichet puts dampener on financial transaction tax' [online] <https://euobserver.com/economic/30943> [Accessed: 01/11/2020].

EU Observer. (2010b). 'Finance ministers give green light to EU oversight of national budgets' [online] <https://euobserver.com/economic/30749> [Accessed: 01/11/2020].

European Commission. (2021). 'Taxation of the financial sector' [online] https://ec.europa.eu/taxation_customs/financial-transaction-tax_en [Accessed: 01/08/2021].

European Commission. (2019). 'COMMISSION STAFF WORKING DOCUMENT: Country Report Germany 2019 Including an In-Depth Review on the prevention and correction of macroeconomic imbalances', SWD(2019) 1004 final [online] https://ec.europa.eu/info/sites/default/files/file_import/2019-european-semester-country-report-germany_en.pdf [Accessed: 20/05/2020].

European Commission. (2017a). 'Speech by Commissioner Pierre Moscovici at the Commission's Tax Fairness Conference', [online] https://ec.europa.eu/commission/presscorner/api/files/document/print/en/speech_17_1828/SPEECH_17_1828_EN.pdf [Accessed: 01/01/2019].

European Commission. (2015a). 'Taxation of the financial sector' [online] http://ec.europa.eu/taxation_customs/taxation/other_taxes/financial_sector/index_en.htm [Accessed 20/05/2018].

European Commission. (2014). 'The history of the proposal on Financial Transaction Tax' [online] https://ec.europa.eu/taxation_customs/sites/taxation/files/history-proposal-financial-transaction-tax_en.pdf [Accessed: 05/06/2018].

European Commission. (2013a). 'IMPACT ASSESSMENT: Accompanying the document Proposal for a COUNCIL DIRECTIVE implementing enhanced cooperation in the area of financial transaction tax Analysis of policy options and impacts', *COMMISSION STAFF WORKING PAPER*, {COM(2013) 71 final} {SWD(2013) 29 final} [online] https://ec.europa.eu/taxation_customs/sites/taxation/files/resources/documents/taxation/swd_2013_28_en.pdf [Accessed: 01/05/2020].

European Commission. (2013b). 'Financial Transaction Tax under Enhanced Cooperation: Commission sets out the details', COM(2013) 71 final 2013/0045 (CNS) [online] https://ec.europa.eu/commission/presscorner/detail/en/IP_13_115 [Accessed: 01/02/2020].

European Commission. (2013c). 'Proposal for a COUNCIL DIRECTIVE implementing enhanced cooperation in the area of financial transaction tax' [online] https://ec.europa.eu/taxation_customs/sites/taxation/files/resources/documents/taxation/com_2013_71_en.pdf [Accessed: 01/02/2020].

European Commission. (2011a). 'IMPACT ASSESSMENT: Accompanying the document Proposal for a Council Directive on a common system of financial transaction tax and amending Directive 2008/7/EC', *COMMISSION STAFF WORKING PAPER*, {COM(2011) 594 final} {SEC(2011) 1103 final} [online] https://ec.europa.eu/smart-regulation/impact/ia_carried_out/docs/ia_2011/sec_2011_1102_en.pdf [Accessed: 07/03/2018].

European Commission. (2011b). 'EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT: Accompanying the document Proposal for a Council Directive on a common system of financial transaction tax and amending Directive 2008/7/EC', *COMMISSION STAFF WORKING PAPER*, {COM(2011) 594} {SEC(2011) 1102} [online] https://web.archive.org/web/20111115010948/http://ec.europa.eu/taxation_customs/resources/documents/taxation/other_taxes/financial_sector/summ_impact_assesmt_en.pdf [Accessed: 01/02/2018].

European Commission. (2011c). 'Financial Transaction Tax: Making the financial sector pay its fair share', *European Commission - Press release* [online] https://ec.europa.eu/commission/presscorner/detail/en/IP_11_1085 [Accessed: 11/05/2018].

European Commission. (2011d). 'Position of Stakeholders in General' [online] https://ec.europa.eu/taxation_customs/sites/taxation/files/docs/body/summary_results_en.pdf [Accessed: 05/06/2018].

European Commission. (2010). 'COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS', COM(2010) 549 final {SEC(2010) 1166} [online] <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:0549:FIN:EN:PDF> [Accessed: 03/01/2020].

European Movement International. (2012). 'EMI calls for a Financial Transaction Tax (FTT)' [online] https://europeanmovement.eu/press_release/emi-calls-for-a-financial-transaction-tax-ftt/ [Accessed: 20/03/2018].

European Union Center of North Carolina. (2012). 'The Politics of an EU Financial Transactions Tax' [online] https://europe.unc.edu/wp-content/uploads/sites/314/2016/11/Brief_Politics_EU_Financial_Transactions_Tax_2012.pdf [Accessed: 01/04/2021].

Fabbrini, Federico. (2014). 'Taxing and Spending in the Eurozone: Legal and Political Challenges Related to the Adoption of the Financial Transaction Tax', *European Law Review*, 39 [online] <https://ssrn.com/abstract=2578710> [Accessed: 15/04/2020].

Fabian Society. (2013). 'TACKLING BIG CHALLENGES WITH A FINANCIAL TRANSACTIONS TAX' [online] <https://fabians.org.uk/tackling-big-challenges-with-a-financial-transactions-tax/> [Accessed: 14/11/2019].

Fagetan, Ana. (2020). 'Regulation of Hedge Funds in the EU' [online] https://link.springer.com/chapter/10.1007/978-3-030-63706-4_2 [Accessed: 11/03/2022].

Fahey, Elaine. (2017). *The Global Reach of EU Law*. London: Routledge.

Falk, Richard. (1997). 'Resisting 'globalisation-from-above' through 'globalisation-from-below'', *New Political Economy*, 2(1), pp. 17-24.

Favell, Adrian. and Reimer, David. (2021). 'European Outliers? Rethinking Europeanisation and Euroscepticism in Britain and Denmark', *European Societies*, 23(2), pp. 285-307.

Ferar, Nolan. (2013). 'Neoliberal Ideologies and Cultural Models of Work among Young French and American Business Students and Professionals: A Study in Institutional Change and Cultural Meaning' [online]
https://scholarship.claremont.edu/cgi/viewcontent.cgi?referer=https://www.google.com/&httpsredir=1&article=1091&context=pomona_theses [Accessed 03/03/2019].

Ferrarini, Guido. and Moloney, Niamh. (2019). 'Reshaping Order Execution in the EU and the Role of Interest Groups: From MiFID I to MiFID II', *European Business Organization Law Review*, 13, pp. 557-597.

Financial News. (2010). Q&A with Vince Cable: Lib Dem Treasury spokesman
<https://www.fnlondon.com/articles/vince-cable-interview-20100428> [Accessed: 04/05/2019]

Financial Times. (2018a). 'Merkel sets out views on eurozone reform' [online]
<https://www.ft.com/content/0b0bd67a-6706-11e8-8cf3-0c230fa67aec> [Accessed: 03/05/2020].

Financial Times. (2018b). 'Corbyn's plans to remould UK economy 'risk scaring off investors'', [online] <https://www.ft.com/content/03a9d01e-2b81-11e8-9b4b-bc4b9f08f381> [Accessed: 11/10/2021].

Financial Times. (2017). 'Labour calls for UK financial transaction tax', [online]
<https://www.ft.com/content/c87d3a72-388c-11e7-821a-6027b8a20f23> [Accessed: 11/10/2021].

Financial Times. (2015). 'The orthodoxy has failed: Europe needs a new economic settlement' [online] <https://www.ft.com/content/96380afe-5d34-11e5-9846-de406ccb37f2> [Accessed: 15/10/2020].

Financial Times. (2013a). 'Robin Hood tax: A long shot' [online]
<https://www.ft.com/content/b8cdc3e6-bef9-11e2-87ff-00144feab7de> [Accessed: 17/11/2019].

Financial Times. (2013b). 'German companies weigh in against Tobin tax' [online]
<https://www.ft.com/content/5cb60a60-b7d2-11e2-bd62-00144feabdc0> [Accessed: 17/09/2019].

- Financial Times. (2010a) 'Brown foresees global accord on bank levy' [online]
<https://www.ft.com/content/6b5b92a8-09f0-11df-8b23-00144feabdc0> [Accessed: 17/09/2019].
- Financial Times. (2010b) 'Darling to use Budget to back banks tax' [online]
<https://www.ft.com/content/973d71ea-3397-11df-9223-00144feabdc0> [Accessed: 23/05/2020].
- Financial Times. (2009a). 'Turner stands firm after Tobin tax backlash' [online]
<https://www.ft.com/content/331e7a84-958f-11de-90e0-00144feabdc0> [Accessed: 02/01/2020].
- Financial Times. (2009b). 'FSA backs global tax on transactions' [online]
<https://www.ft.com/content/08943b5a-926a-11de-b63b-00144feabdc0> [Accessed: 01/01/2021]
- Fine, Ben. (2019). 'Domain 4: Financial security and dignified work: Inequality in the capability to achieve financial independence and security, enjoy dignified and fair work, and recognition of unpaid work and care' [online]
<http://sticerd.lse.ac.uk/inequality/resources/media/mif-case-study-2-taxing-financial-transactions.pdf> [Accessed: 17/11/2019].
- Fine, Ben. and Saad-Filho. (2014). 'Politics of Neoliberal Development: Washington Consensus and the post-Washington Consensus' [online]
<https://eprints.soas.ac.uk/19252/1/Politics%20of%20Neoliberal%20Development%20Washington%20Consensus%20and%20the%20post-Washington%20Consensus.pdf> [Accessed: 01/10/2021].
- Fine, Robert. (2011). 'Enlightenment Cosmopolitanism: Western or Universal?', in Adams, David, and Tihanov, Galin. (eds.) *Enlightenment Cosmopolitanism*. New York: Routledge.
- Flick, Uwe., von Kardoff, Ernst., and Steinke, Ines. (2004). 'What is Qualitative Research? An Introduction to the Field', in Flick, Uwe., von Kardoff, Ernst., and Steinke, Ines. (eds.) *A Companion to Qualitative Research*. London: SAGE Publications.
- Flick, Uwe. (2004). 'Triangulation in Qualitative Research', in Flick, Uwe., von Kardoff, Ernst., and Steinke, Ines. (eds.) *A Companion to Qualitative Research*. London: SAGE Publications.
- Fligstein, Neil. (2009). 'Who are the Europeans and how does this matter for politics?', in Checkel, Jeffrey. and Katzenstein, Peter. (eds.) *European Identity*. New York: Cambridge University Press.
- Focus. (2011). 'Gabriel: Merkel bluffing on financial transaction tax' [online]
https://www.focus.de/finanzen/news/eu-gabriel-merkel-blufft-bei-finanztransaktionssteuer_aid_657479.html [Accessed: 01/10/2019].

Focus. (2010a). 'Background: Taxes on Transactions and Activities' [online] https://www.focus.de/politik/deutschland/eu-hintergrund-steuern-auf-transaktionen-und-aktivitaeten_aid_510893.html [Accessed: 01/10/2019].

Focus. (2010b). 'world financial powers quarrel over banking rules' [online] https://www.focus.de/politik/deutschland/eu-weltfinanzmaechte-bei-bankenregeln-zerstritten_aid_510075.html [Accessed: 01/10/2019].

Focus. (2010c). 'SPD denied yes to the euro rescue package' [online] https://www.focus.de/politik/deutschland/bundestag-spd-verweigert-ja-zum-euro-rettungspaket_aid_510553.html [Accessed: 01/10/2019].

Foucault, Michel. (1991). *Discipline and Punish: The Birth of a Prison*. London: Penguin.

Foucault, Michel. (1998). *The History of Sexuality: The Will to Knowledge*, London: Penguin.

Fowler, Stephen. (2014). *The Monetary Fifth Column: The Eurodollar Threat to Financial Stability and Economic Sovereignty* [online] http://www.vanderbilt.edu/jotl/manage/wp-content/uploads/Fowler_The-Monetary-Fifth-Column-The-Eurodollar-Threat-to-Financial-Stability-and-Economic-Sovereignty.pdf [Accessed: 01/08/2018].

Frieden, Jeffry. (2017). 'The Political Economy of the Bretton Woods Agreements' [online] https://scholar.harvard.edu/files/jfrieden/files/frieden_brettonwoods_dec2017.pdf [Accessed: 23/11/2020].

Friends of the Earth. (2012). 'Friends of the Earth and 62 other US groups urge Secretary Clinton to support – not disparage – Robin Hood Tax' [online] <https://foe.org/2012-09-friends-of-the-earth-and-others-urge-secretary-clint/> [Accessed: 13/11/2019].

Fryer, Benjamin. and Trotter, Annabelle. (2018). " [online] <https://www.taxjournal.com/articles/eu-s-financial-transaction-tax-where-are-we-now-05102018> [Accessed: 14/11/2019].

Gabor, Daniela. (2013). "A step too far? The European Financial Transactions Tax and Shadow Banking' [online] https://www.taxjustice-and-poverty.org/fileadmin/Dateien/Kampagnen-Seite/Unterstuetzung_Wissenschaft/2012/Gabor_FTT_Repos_Shadows.pdf [Accessed: 20/09/2018].

Gahir, Bruce. (2016). 'A Critique of Cosmopolitanism in Relation to its Application to Global Ethics Issues', *De Gruyter Open* [online] <http://archive.sciendo.com/CRIS/cris.2016.2016.issue-1/cris-2016-0004/cris-2016-0004.pdf> [Accessed: 07/04/2018].

- Garber, Peter. (1993). *The Collapse of the Bretton Woods Fixed Exchange Rate System*. [online] <http://www.nber.org/chapters/c6876.pdf> [Accessed: 05/01/2018].
- Garon, Sheldon. (2012). *Beyond Our Means: Why America Spends While the World Saves*. New Jersey: Princeton University Press.
- Gautney, Heather. (2010). *Protest and Organization in the Alternative Globalization Era: NGOs, Social Movements, and Political Parties*. New York: Palgrave Macmillan.
- Gee, Graham. and Young, Alison. (2016). 'Regaining Sovereignty? Brexit, the UK Parliament and the Common Law', *European Public Law*, 22(1), pp. 131-147.
- Geller, Laurence. (2018). 'FOLGER LIBRARY – CHURCHILL'S SHAKESPEARE', *International Churchill Society* [online] <https://winstonchurchill.org/resources/in-the-media/churchill-in-the-news/folger-library-churchills-shakespeare/#:~:text=In%20a%201948%20speech%20to> [Accessed: 03/09/2021].
- George, Susan. (2010). *Whose Crisis, Whose Future?: Towards a Greener, Fairer, Richer World*. Cambridge: Polity Press.
- Giersch, Herbert., Paqué, Karl-Heinz., and Schmieding, Holger. (1992). *The Fading Miracle: Four decades of market economy in Germany*. Cambridge: Cambridge University Press.
- Gilbert, Cathal., Firmin, Andrew., Herrick, Liam. and O'Rourke, Maeve. (2018). 'Regulating Political Activity of Civil Society: A COMPARATIVE ANALYSIS OF REGULATION OF CIVIL SOCIETY ORGANISATIONS' 'POLITICAL ACTIVITY' AND INTERNATIONAL FUNDING – IRELAND, NETHERLANDS, GERMANY, FINLAND', *CIVICUS and the Irish Council for Civil Liberties* [online] <https://www.civicus.org/documents/RegulatingPoliticalActivityOfCivilSociety.pdf> [Accessed:]
- Global Justice Now. (2019a). 'ATTAC' <https://www.globaljustice.org.uk/attac> [Accessed: 17/09/2019].
- Global Justice Now. (2019b). 'Who we are' [online] <https://www.globaljustice.org.uk/who-we-are> [Accessed: 17/09/2019].
- Godoy, Julio. (2012). 'Europe Dithering on Tobin Tax' [online] <https://www.globalpolicy.org/global-taxes/currency-transaction-taxes/51769-europe-dithering-on-tobin-tax.html> [Accessed: 17/12/2029].
- Goes, Eunice. (2017). *The Labour Party Under Ed Miliband: Trying But Failing to Renew Social Democracy*. Manchester: Manchester University Press.
- Goodin, Robert., Headey, Bruce., Muffels, Ruud., and Dirven, Henk-Jan. (2003). *The Real Worlds of Welfare Capitalism*. Cambridge: Cambridge University Press.

Gook, Ben. (2018). 'Backdating German neoliberalism: Ordoliberalism, the German model and economic experiments in eastern Germany after 1989', *Journal of Sociology*, 54(1), pp. 33–48.

Götz, Martin. and Tröger, Tobias. (2017). 'Fines for misconduct in the banking sector: What is the situation in the EU?', *Research Center Sustainable Architecture for Finance in Europe*, White Paper, 47, [online] <https://www.econstor.eu/bitstream/10419/168022/1/883584131.pdf> [Accessed: 11/05/2019].

Gramsci, Antonio. (1971). *Selections from the Prison Notebooks*, ed. and trans. Hoare, Quintin. and Nowell-Smith, Geoffrey. London: Lawrence and Wishart.

Grasso, Maria Teresa., Farrall, Stephen., Gray, Emily., Hay, Colin. and Jennings, Will. (2017). 'Thatcher's Children, Blair's Babies, Political Socialization and Trickle-down Value Change: An Age, Period and Cohort Analysis' [online] https://www.cambridge.org/core/services/aop-cambridge-core/content/view/38664695516495C5A6C08BC656EEAB20/S0007123416000375a.pdf/thatchers_children_blairs_babies_political_socialization_and_trickledown_value_change_an_age_period_and_cohort_analysis.pdf [Accessed: 17/06/2020].

Griffith-Jones, Stephany. and Persaud, Avinash. (2012). 'FINANCIAL TRANSACTION TAXES' [online] <https://www.europarl.europa.eu/document/activities/cont/201202/20120208ATT37596/20120208ATT37596EN.pdf> [Accessed: 30/10/2018].

Grund, Sebastian. (2020). 'The Quest for a European Safe Asset—A Comparative Legal Analysis of Sovereign Bond-Backed Securities, E-Bonds, Purple Bonds, and Coronabonds', *Journal of Financial Regulation* [online] <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7454705/> [Accessed: 11/03/2022].

Guest, Greg., MacQueen, Kathleen. and Namey, Emily. (2014). 'Introduction to Applied Thematic Analysis' [online] http://antle.iat.sfu.ca/wp-content/uploads/Guest_2012_AppliedThematicAnlaysis_Ch1.pdf [Accessed: 02/02/2021].

Haeringer, Nicolas. (2008). 'Attac-France and No-Vox', in Della Porta, Donatella. and Rucht, Dieter. (eds.) *Microanalysis of Practices of Deliberative Democracy*. [online] http://cosmos.sns.it/wp-content/uploads/2016/04/6-demos.wp6_finalreport.pdf [Accessed: 17/11/2019].

Haferkorn, Martin. and Zimmermann, Kai. (2013). 'Securities Transaction Tax and Market Quality – The Case of France' [online] <https://efmaefm.org/Oefmameetings/efma%20annual%20meetings/2013-Reading/papers/FTT.pdf> [Accessed: 17/09/2019].

Hagino, Satoru. and Cavieres, Liliana. (2013). 'OECD financial statistics for measuring the structure and size of the shadow banking system', *Bank for International Settlements* [online] <https://www.bis.org/ifc/publ/ifcb36b.pdf> [Accessed: 05/02/2019].

Hale, Thomas. and Held, David. (2012). 'Gridlock and Innovation in Global Governance: The Partial Transnational Solution', *Global Policy*, 3(2), pp. 169-181.

Hall, Peter. (2007). 'The Evolution of Varieties of Capitalism in Europe', in Hancké, Bob, Rhodes, Martin. and Thatcher, Mark. (eds.). *Beyond Varieties of Capitalism: Conflict, Contradictions, and Complementarities in the European Economy*. Oxford: Oxford University Press.

Hall, Peter. and Gingerich, Daniel. (2004). 'Varieties of Capitalism and Institutional Complementarities in the Political Economy: An Empirical Analysis' [online] https://www.researchgate.net/publication/2485542_Varieties_of_Capitalism_and_Institutional_Complementarities_in_the_Political_Economy_An_Empirical_Analysis [Accessed: 12/12/2020].

Hall, Peter and Soskice, David. (2001). *Varieties of Capitalism: The institutional Foundations of Comparative Advantage*. Oxford: Oxford University Press.

Hancké, Bob. (2009). *Large Firms and Institutional Change: Industrial Renewal and Economic Restructuring in France*. Oxford: Oxford University Press.

Hancké, Bob, Rhodes, Martin. and Thatcher, Mark. (2007). *Beyond Varieties of Capitalism: Conflict, Contradictions, and Complementarities in the European Economy*. Oxford: Oxford University Press.

Hancké, Bob (2001). 'Revisiting the French Model: Coordination and Restructuring in French industry', in Hall, Peter and Soskice, David (eds.) *Varieties of Capitalism: The institutional Foundations of Comparative Advantage*. Oxford: Oxford University Press.

Handelsblatt. (2013). 'There can be no end to banking regulation' [online] <https://www.handelsblatt.com/politik/deutschland/wolfgang-schaeuble-es-kann-kein-ende-der-banken-regulierung-geben/9168554.html?ticket=ST-3100844-PqZnDwXP7mz4iOQF7VrT-ap1> [Accessed: 17/11/2019].

Harcourt, Bernard. (2007). 'An Answer to the Question: 'What Is Poststructuralism?''', *University of Chicago Public Law & Legal Theory Working Paper*, 156, [online] https://chicagounbound.uchicago.edu/cgi/viewcontent.cgi?article=1029&context=public_law_and_legal_theory [Accessed: 29/07/2022].

- Hassenteufel, Patrick. and Saurugger, Sabine. (2016). 'Economic crisis and policy change: towards an actor-centred constructivist perspective', *European Consortium for Political Research* [online] <https://ecpr.eu/Filestore/PaperProposal/6994a875-45a7-4427-8e93-2f0c1dda26cf.pdf> [Accessed: 22/10/2018].
- Hawkins, Janice. (2018). 'The Practical Utility and Suitability of Email Interviews in Qualitative Research', *The Qualitative Report*, 23(2), pp. 493-501.
- Hay, Colin and Wincott, Daniel. (2012). *The Political Economy of European Welfare Capitalism*. Basingstoke: Palgrave Macmillan
- Hayden, Patrick. (2005). *Cosmopolitan Global Politics*. London: Routledge.
- Hays, Sharon. (1994). 'Structure and Agency and the Sticky Problem of Culture', *Sociological Theory*, 12(1), pp. 57-72.
- Heber, Caroline. and Sternberg, Christian. (2014). 'Market Infrastructure Regulation and the Financial Transaction Tax', *Working Paper of the Max Planck Institute for Tax Law and Public Finance* [online] <http://dx.doi.org/10.2139/ssrn.2433009> [Accessed: 01/03/2022].
- Heilemann Ullrich and Reinicke, Wolfgang. (1995). 'Together Again: The Fiscal Cost of German Unity', *The Brookings Review*, 13(2), pp. 42-45. [online] <https://www.jstor.org/stable/pdf/20080557.pdf?refreqid=excelsior%3A1ca77b0126fb99575cdd450a4474f933> [Accessed: 01/01/2021].
- Held, David. and Maffettone, Pietro. (2017). 'Moral Cosmopolitanism and Democratic Values', *Global Policy*, 8(S6), pp. 54-64.
- Held, David. (2016). 'Elements of a theory of global governance', *Philosophy and Social Criticism*, 42(9), pp. 837-846.
- Held, David. (2014) 'David Held', *Globalizations*, 11(4), pp 491-502.
- Held, David., Hale, Tom. and Young, Kevin. (2013). *Gridlock: Why Global Cooperation is Failing When We Need it Most*. Massachusetts: Polity Press.
- Held, David. (2011). 'From the American Century to a cosmopolitan order' [online] <https://www.opendemocracy.net/en/from-american-century-to-cosmopolitan-order/> [Accessed: 04/09/2019].
- Held, David. (2010). *Cosmopolitanism: ideals and realities*. London: Polity Press.
- Held David. (2009). 'Restructuring Global Governance: Cosmopolitanism, Democracy and the Global Order', *Millennium: Journal of International Studies*, 37(3), pp. 535-547.

Held, David. and Kaya, Ayse. (eds.) (2007). *Global Inequality: Patterns and Explanations*. Cambridge: Polity Press.

Held, David. and McGrew, Anthony. (2007). *Globalization Theory: Approaches and Controversies*. London: Polity Press.

Held, David. (2006). *Models of Democracy*. Cambridge: Polity Press.

Held, David. and Patomäki, Heikki, (2006). 'Problems of Global Democracy: A Dialogue', *Theory, Culture & Society*, 23(5), pp. 115-133.

Held, David. (2005a). 'Democratic Accountability and Political Effectiveness from a Cosmopolitan Perspective', in Held, David. and Koenig-Archibugi, Mathias. (eds.) *Global Governance and Public Accountability*. Oxford: Blackwell Publishers.

Held, David. (2005b). 'Toward a New Consensus: Answering the Dangers of Globalization', *Harvard International Review*, 27(2), pp. 14-17.

Held, David. (2005c). 'PRINCIPLES OF COSMOPOLITANISM ORDER' [online] <https://revistaseug.ugr.es/index.php/acfs/article/download/1030/1215> [Accessed: 11/01/2019].

Held, David. (2005d). 'At the Global Crossroads: The End of the Washington Consensus and the Rise of Global Social Democracy?', *Globalizations*, 2(1), pp. 95–113.

Held, David. and Koenig-Archibugi, Mathias. (eds.) (2005). *Global Governance and Public Accountability*. Oxford: Blackwell Publishers.

Held, David. and Koenig-Archibugi, Mathias. (eds.) (2004). *American Power in the 21st Century*. Cambridge: Polity Press.

Held, David. (2004). *Global Covenant: The Social Democratic Alternative to the Washington Consensus*. Cambridge: Polity Press.

Held, David. (2003). 'Cosmopolitanism: globalisation tamed?', *Review of International Studies*, 29, pp. 465–480.

Held, David. and McGrew, Anthony. (2002). *Globalisation/Anti-Globalisation*. Massachusetts: Blackwell Publishers.

Held, David. (2002) 'Globalization, Corporate Practice and Cosmopolitan Social Standards', *Contemporary Political Theory*, 1, pp. 59-78.

Held, David. (2001). 'Regulating Globalisation? The Reinvention of Politics', in Giddens, Anthony. (ed.) *The Global Third Way Debate*. Oxford: Blackwell Publishers.

Held, David., McGrew, Anthony., Goldblatt, David., and Perraton, Jonathan (1999a). *Global Transformations: Politics, Economics and Culture*. California: Stanford University Press.

Held, David, McGrew, Anthony., Goldblatt, David., and Perraton, Jonathan. (1999b). 'Globalization', *Global Governance*, 5(4), pp. 483-496.

Held, David. (1995a). 'Cosmopolitan Democracy and the Global Order: Reflections on the 200th Anniversary of Kant's "Perpetual Peace"', *Alternatives: Global, Local, Political*, 20(4). Pp. 415-429.

Held, David. (1995b). *Democracy and the Global Order: From the Modern State to Cosmopolitan Governance*. Oxford: Blackwell Publishers.

Held, David. (1994). 'Sites of Power, Problems of Democracy', *Alternatives: Global, Local, Political*, 19(2), pp. 221-236.

Helleiner, Eric. (2016). *Forgotten Foundations of Bretton Woods: International Development and the Making of the Postwar Order*. London: Cornell University Press.

Helleiner, Eric. (1996). *States and the Reemergence of Global Finance*. Ithaca: Cornell University Press.

Hemmelgarn, Thomas., Nicodème, Gaëtan., Tasnadi, Bogdan. and Vermote, Pol. (2016). 'Financial Transaction Taxes in the European Union', *National Tax Journal*, 69(1), pp. 217–240.

Henriques, Sérgio. (2018). 'The Role of the Capital Markets Union: Towards Regulatory Harmonisation and Supervisory Convergence', *Perspectives on Federalism*, 10(1) [online] <http://dx.doi.org/10.2139/ssrn.2983809> [Accessed: 06/03/2022].

Hess, Ashley. (2012). *Proposals for a European Clearing Union: An Application of Keynes to Regional Monetary Systems*. [online] <<http://wpsa.research.pdx.edu/papers/docs/7%2020%20Hess%20Proposals%20for%20an%20ECU.pdf>> [Accessed: 12/12/2018].

Hillebrand, Rainer. (2015). 'Germany and its Eurozone Crisis Policy: The Impact of the Country's Ordoliberal Heritage', *German Politics and Society*, 33(1). Pp. 6-24.

Hodges, Michael and Woolcock Stephen. (2007). 'Atlantic capitalism versus Rhine capitalism in the European community', pp. 329-344.

Hodson, Dermot. (2013). 'The little engine that wouldn't: supranational entrepreneurship and the Barroso Commission', *Journal of European Integration*, 35(3), pp. 301-314 [online] <https://eprints.bbk.ac.uk/id/eprint/8607/1/The%20Little%20Engine%20that%20Wouldn%E2%80%99t.pdf> [Accessed: 20/12/2018].

Honohan, Patrick. and Yoder, Sean. (2011). 'Financial Transactions Tax: Panacea, Threat or Damp Squib?', *The World Bank Research Observer*, 26(1), pp. 138-161.

House of Lords. (2013). 'House of Lords European Union Committee 7th Report of Session 2013–14: Financial Transaction Tax: Alive and deadly' [online] <https://publications.parliament.uk/pa/ld201314/ldselect/ldeucom/86/86.pdf> [Accessed: 11/04/2019].

House of Lords. (2012). 'House of Lords European Union Committee 29th Report of Session 2010-12: Towards a financial transaction tax?' [online] <https://publications.parliament.uk/pa/ld201012/ldselect/ldeucom/287/287.pdf> [Accessed: 29/01/2019].

House of Lords. (2011). 'EU ECONOMIC AND FINANCIAL AFFAIRS AND INTERNATIONAL TRADE SUB-COMMITTEE: Financial Transaction Tax - Oral and written evidence', [online] <https://www.parliament.uk/globalassets/documents/lords-committees/eu-sub-com-a/FinancialTransactionTax/FTTWrittenandoralevidence.pdf> [Accessed: 02/02/2020].

House of Commons. (2009). 'HOUSE OF COMMONS OFFICIAL REPORT: PARLIAMENTARY DEBATES', *Hansard*, 501(6) [online] <https://publications.parliament.uk/pa/cm200910/cmhansrd/chan6.pdf> [Accessed: 11/02/2019].

Howell, Elizabeth. (2016). 'Short selling restrictions in the EU and the US: a comparative analysis', *Journal of Corporate Law Studies* [online] http://eprints.lse.ac.uk/101746/1/Short_selling_restrictions_in_the_EU_and_the_US.pdf [Accessed: 02/04/2021].

Hudetz, Alexander., Mumford, Ann., Nerudova, Danuse., Schratzenstaller, Margit. (2017). 'Reform needs and options in the EU system of own resources', *Empirica* (44), pp. 609-613 [online] <https://link.springer.com/content/pdf/10.1007/s10663-017-9393-3.pdf> [Accessed: 01/04/2019].

Hyman, Richard. (2008). 'Britain and the European Social Model: Capitalism Against Capitalism?' [online] <https://www.employment-studies.co.uk/system/files/resources/files/wp19.pdf> [Accessed: 14/11/2019].

IFS. (2018). <https://www.ifs.org.uk/uploads/publications/budgets/gb2018/GB8.pdf> [Accessed: 14/11/2019].

Ikenberry, John. (1993). 'The Political Origins of Bretton Woods', in Bordo, Michael. and Eichengreen, Barry (eds.) *A Retrospective on the Bretton Woods System: Lessons for International Monetary Reform*. Chicago: University of Chicago Press.

IMF. (2014). *United Kingdom: Selected Issues*. Washington, D.C: IMF.

IMF. (1996). 'The Keynes Plan' [online] <https://history.elibrary.imf.org/view/IMF071/15395-9781451972511/15395-9781451972511/ch01.xml?redirect=true&redirect=true> [Accessed: 11/11/2019].

IMF. (1944). 'Articles of Agreement of the International Monetary Fund', in Horsefield, Keith. (ed.) (1981). *The International Monetary Fund 1945-1965*. Washington, DC: IMF.

Independent Catholic News, 2009. 'Church challenged to broaden its moral scope' <https://www.indcatholicnews.com/news/15243> [Accessed: 17/09/2019].

Inglis, David. (2015). 'The Clash of Cosmopolitanisms: The European Union from Cosmopolitization to Neo-Liberalization', *Partecipazione & Conflitto*, 8(3), pp. 736-760.

International Tax Review. (2012). 'EC's Manfred Bergmann reveals why the FTT's critics are wrong' [online] <https://www.internationaltaxreview.com/article/b1fbslwm6lyl5n/exclusive-ecs-manfred-bergmann-reveals-why-the-ftts-critics-are-wrong> [Accessed: 02/01/2018].

Irvin, George., Byrne, Dave., Murphy, Richard., Reed, Howard., and Ruane, Sally. (2013) In Place of Cuts: Tax reform to build a fairer society. London: Compass [online] <https://www.compassonline.org.uk/wp-content/uploads/2013/05/Compass-in-place-of-cuts-WEB2.pdf> [Accessed: 18/03/2021].

Issing, Otmar. (2020). 'The COVID-19 crisis: A Hamilton moment for the European Union?', *International Finance*, 23(2), pp. 340-347. [online] <https://www.omfif.org/wp-content/uploads/2020/09/COVID19-crisis-A-Hamilton-moment-for-the-European-Union-International-Finance-2020-Vol23-340347.pdf> [Accessed: 11/03/2020].

Jabko, Nicolas. (2006). *Playing the Market: A Political Strategy for Uniting Europe, 1985–2005*. London: Cornell University Press.

Jaeger, Carlo., Haas, Armin. and Töpfer, Klaus. (2013). *Sustainability, Finance, and a Proposal from China*. [online] <http://www.iasspotsdam.de/sites/default/files/files/working_paper_sustainability_finance_and_a_proposal_from_china_2.pdf> [Accessed: 10/12/2018].

James, Nalita. (2016) 'Using email interviews in qualitative educational research: creating space to think and time to talk', *International Journal of Qualitative Studies in Education*, 29(2), pp. 150-163.

James, Harold. (1996). *International Monetary Cooperation Since Bretton Woods*. Washington D.C: IMF.

James, Harold. (1995). 'The IMF and the Creation of the Bretton Woods System, 1944-58', in Eichengreen, Barry. (ed.) *Europe's Post-War Recovery*. Cambridge: Cambridge University Press.

Joshi, Vijay. and Skidelsky, Robert. (2010). 'Keynes, Global Imbalances, and International Monetary Reform, Today', in Claessens, Stijn., Evenett, Simon. and Hoekman, Bernard. (eds.) *Rebalancing the Global Economy: A Primer for Policymaking*. London: Centre for Economic Policy Research.

Kalaitzake, Manolis. (2017). 'Death by a Thousand Cuts? Financial Political Power and the Case of the European Financial Transaction Tax', *New Political Economy*, 22(6), pp.709-726 [online] <https://www.tandfonline.com/doi/full/10.1080/13563467.2017.1311850> [Accessed: 22/11/2019].

Kaldor, Mary. (2012). *New and Old Wars*. Cambridge: Polity Press.

Kant, Immanuel. (2006). 'Perpetual Peace: A Philosophical Sketch', in Reiss, Hans (ed.). *Kant: Political Writings*. Cambridge: Cambridge University Press.

Kastner, Lisa. (2018). 'Business lobbying under salience – financial industry mobilization against the European financial transaction tax', *Journal of European Public Policy*, 25(11), pp. 1648-1666.

Kastner, Lisa. (2015). 'Delayed Industry Capture: A Lobbying Analysis of the EU Financial Transaction Tax', *The American Institute for Contemporary German Studies, John Hopkins University* [online] <https://www.aicgs.org/publication/delayed-industry-capture/> [Accessed: 17/09/2019].

Keohane, Robert. (1984). *After Hegemony: Cooperation and Discord in the World Political Economy*. New Jersey: Princeton University Press.

Kern, Florian. (2018). 'The Trials and Tribulations of Applied Triangulation: Weighing Different Data Sources' [online] http://repository.essex.ac.uk/19208/1/fkern_jmmr.pdf [Accessed: 10/01/2021].

Keynes, John. (1943). 'Proposals for an International Clearing Union', in Horsefield, Keith. (ed.) (1981). *The International Monetary Fund 1945-1965*. Washington, DC: IMF.

Keynes, John. (1943). 'Activities 1940-1944, Shaping the Post-War World: The Clearing Union', in Johnson, Elizabeth. and Moggridge, Donald (eds.) (1980). *The Collected Writings of John Maynard Keynes Volume XXV*. Cambridge: Cambridge University Press.

Keynes, John. (1942). 'Proposals for an International Currency (or Clearing) Union', in Horsefield, Keith. (ed.) (1981). *The International Monetary Fund 1945-1965*. Washington, DC: IMF.

- Keynes, John. (1942). 'Activities 1940-1944, Shaping the Post-War World: The Clearing Union', in Johnson, Elizabeth. and Moggridge, Donald (eds.) (1980). *The Collected Writings of John Maynard Keynes Volume XXVII*. Cambridge: Cambridge University Press.
- Kitschelt, Herbert., Lange, Peter., Marks, Gary., and Stephens John. (eds.) (2003). *Continuity and Change in Contemporary Capitalism*. Cambridge: Cambridge University Press.
- Kitson, Michael. and Wilkinson, Frank. (2007). 'The economics of New Labour: policy and performance', *Cambridge Journal of Economics*, 31, pp. 805–816.
- Klaffenböck, Paul. (2008). *Reforming the Global Financial Architecture: A Comparison of Different Proposals*. [online]
<http://www.singleglobalcurrency.org/documents/DAREformingtheGlobalFinancialArchitecturehyper.pdf> [Accessed: 12/12/2018].
- Kleingeld, Pauline. and Brown, Eric. (2013). 'Cosmopolitanism', *Stanford Encyclopedia of Philosophy* [online] <https://philpapers.org/rec/KLEC-2> [Accessed: 20/03/2018]
- Knapp, Andrew. and Wright, Vincent. (2006). *The Government and Politics of France*. New York: Routledge.
- Koenig-Archibugi, Mathias. (2005). 'Transnational Corporations and Public Accountability', in Held, David. and Koenig-Archibugi, Mathias. (eds.) *Global Governance and Public Accountability*. Oxford: Blackwell Publishers.
- Konrad-Adenauer-Stiftung. (2014). 'Shaping Germany's Future: Coalition treaty between CDU/CSU and SPD 18th legislative period' https://www.kas.de/c/document_library/get_file?uuid=d58641a0-02ab-935a-c295-1148b45cc426&groupId=252038 [Accessed: 17/09/2020].
- Konzelmann, Sue. (2011). 'Anglo-Saxon Capitalism In Crisis? Models Of Liberal Capitalism And The Preconditions For Financial Stability', *Centre for Business Research, University of Cambridge*, Working Paper No. 422 [online]
https://www.cbr.cam.ac.uk/fileadmin/user_upload/centre-for-business-research/downloads/working-papers/wp422.pdf [Accessed 03/03/2019].
- Köster, Hannes. and Pelster, Matthias. (2017). 'Financial penalties and bank performance', *Journal of Banking and Finance*, 79, pp. 57-73.
- KPMG. (2019). 'ECOFIN discusses Financial Transaction Tax and removes Dominica from the EU blacklist' [online] <https://home.kpmg/xx/en/home/insights/2019/06/etf-406-ecofin-financial-transaction-tax-dominica-eu-blacklist.html> [Accessed: 13/11/2019]
- KPMG. (2014). 'EU Court of Justice rejects UK challenge to EU Financial Transaction Tax on procedural grounds' [online] <https://home.kpmg/content/dam/kpmg/pdf/2014/04/etf-225.pdf> [Accessed: 14/11/2019].

- Kraemer-Eis, Helmut., Battazzi, Francesco., Charrier, Remi., Natoli, Marco., and Squilloni, Matteo. (2014). 'Institutional non-bank lending and the role of Debt Funds', *European Investment Fund* [online] https://www.eif.org/news_centre/publications/eif_wp_25.pdf [Accessed: 21/05/2020].
- Kristensen, Guro. and Ravn, Malin. (2015). 'The voices heard and the voices silenced: recruitment processes in qualitative interview studies', *Qualitative Research*, 15(6), pp. 722-737.
- Krotz, Ulrich. and Schild, Joachim. (2019). 'France and Germany will dominate the EU after Brexit – but they won't go unchallenged' [online] <https://blogs.lse.ac.uk/europpblog/2019/01/30/france-and-germany-will-dominate-the-eu-after-brex-it-but-they-wont-go-unchallenged/> [Accessed: 20/08/2021].
- Krugman, Paul. (2009). 'Taxing the Speculators', *The New York Times* [online] <https://www.nytimes.com/2009/11/27/opinion/27krugman.html> [Accessed: 23/04/2019].
- Küblböck, Karin. and Staritz, Cornelia. (2014). 'Regulation of commodity derivative markets: Critical assessment of reforms in the EU', *Austrian Foundation for Development Research (ÖFSE) Policy Note* [online] <https://www.econstor.eu/bitstream/10419/106403/1/815289383.pdf> [Accessed: 03/03/2022].
- Kutter, Amelie. (2020). 'Construction of the Eurozone crisis: re- and depoliticising European economic integration', *Journal of European Integration*, 42(5), pp. 659-676.
- Kymlicka, Will. (2019). 'The rise and fall of multiculturalism? New debates on inclusion and accommodation in diverse societies', *International Social Science Journal* [online] <https://onlinelibrary.wiley.com/doi/abs/10.1111/issj.12188> [Accessed: 11/05/2018].
- Kymlicka, Will. (2002). 'Liberal individualism and Liberal neutrality', in Avineri, Shlomo. and de-Shalit, Avner. (eds). *Communitarianism and Individualism*. Oxford: Oxford University Press.
- La Dépêche. (2012). 'Sarkozy: campaign vows' [online] <https://www.ladepeche.fr/article/2012/01/01/1251501-sarkozy-des-v-ux-de-campagne.html> [Accessed: 17/09/2019].
- Landeszeitung. (2016). 'Ways out of the pension trap' [online] <https://www.landeszeitung.de/blog/lokales/373263-wege-aus-der-rentenfalle> [Accessed: 11/08/2019].
- Larsson, Oscar. (2018). 'ADVANCING POST-STRUCTURAL INSTITUTIONALISM: DISCOURSES, SUBJECTS, POWER ASYMMETRIES, AND INSTITUTIONAL CHANGE', *Critical Review*, 30(3-4), pp. 325-346.

Lawson, Max. (2011). 'Robin Hood, Robin Hood, dum dum dum de dum: financial transaction tax update from Max Lawson' [online] <https://oxfamblogs.org/fp2p/robin-hood-robin-hood-dum-dum-dum-de-dum-the-financial-transaction-tax-guest-post-from-max-lawson/> [Accessed: 11/09/2019]

Le Figaro. (2012). 'Paris and Berlin relaunch Tobin tax in Europe' <http://www.lefigaro.fr/conjoncture/2012/09/28/20002-20120928ARTFIG00636-paris-et-berlin-relancent-la-taxe-tobin-en-europe.php> [Accessed: 13/07/2019].

Le Monde. (2011). 'The main points of the PS-EELV agreement' [online] https://www.lemonde.fr/politique/article/2011/11/16/les-principaux-points-de-l-accord-ps-eelv_1604266_823448.html [Accessed: 17/09/2019].

Le Monde Diplomatique. (2016). 'En attendant la taxe Tobin' [online] <https://www.monde-diplomatique.fr/2016/05/LEMAIRE/55434> [Accessed: 27/10/2019].

Le Monde. (2013a). From the "historical" decision to the "excessive" measure: how Moscovici changed his mind about the ex-Tobin tax https://www.lemonde.fr/decryptages/article/2013/07/12/de-la-decision-historique-a-la-mesure-excessive-comment-moscovici-a-change-d-avis-sur-l-ex-taxe-tobin_3446850_1668393.html [Accessed: 13/04/2019].

Le Monde. (2013b) 'Moscovici distances himself from the tax on financial transactions' https://www.lemonde.fr/economie/article/2013/07/11/moscovici-critique-la-taxe-sur-les-transactions-financieres_3446409_3234.html [Accessed: 17/09/2019].

Le Monde. (2013c) 'How lobbies unravel the tax on financial transactions' [online] https://www.lemonde.fr/economie/visuel/2013/07/18/comment-les-lobbies-detricotent-la-taxe-sur-les-transactions-financieres_3449160_3234.html#SDJKT73IKduI0SVM.99 [Accessed: 14/08/2019].

Le Monde. (2014a). 'EU agrees on a minimum Tobin tax from 2016' [online] https://www.lemonde.fr/les-decodeurs/article/2014/05/05/est-il-impossible-de-taxer-les-marches-financiers_4411637_4355770.html [Accessed: 10/05/2019].

Le Point. (2012). 'Hollande: 'I had so much more difficult moments'' [online] https://www.lepoint.fr/politique/en-direct-la-conference-de-presse-de-francois-hollande-13-11-2012-1528532_20.php [Accessed: 17/09/2019].

Left Foot Forward. (2010). 'How Ed Miliband can become the Tobin Tax's greatest leader' <https://leftfootforward.org/2010/10/ed-miliband-tobin-tax-nicolas-sarkozy-angela-merkel/>

Les Echos. (2016). 'Brexit-The place de Paris does not admit defeat on the TTF' [online] <https://investir.lesechos.fr/marches/actualites/brexit-la-place-de-paris-ne-s-avoue-pas-vaincue-sur-la-ttf-1598398.php> [Accessed: 17/09/2019].

- Lehne, Stefan. (2012). 'The Big Three in EU Foreign Policy', *Carnegie Endowment for International Peace* [online] https://carnegieendowment.org/files/eu_big_three1.pdf [Accessed: 01/01/2021].
- Lenhart, Otto. (2018). 'More than just the Adoption of Western Capitalism? Time Use Changes in East Germany Following Reunification', *Journal of Labor Research*, 39, pp. 306–328. [online] <https://link.springer.com/content/pdf/10.1007/s12122-018-9268-9.pdf> [Accessed: 04/02/2021].
- L'Express. (2014). 'Financial transaction tax: four limits and one exaggeration' [online] https://lexpansion.lexpress.fr/actualite-economique/taxe-tobin-europeenne-quatre-limites-et-une-exageration_1535793.html [Accessed: 07/01/2020].
- L'Express. (2016). 'Tax on financial transactions: are members going too fast?' [online] https://lexpansion.lexpress.fr/actualite-economique/taxe-sur-les-transactions-financieres-les-deputes-vont-ils-trop-vite_1843184.html [Accessed: 12/08/2019].
- Liberal Democrats. (2010). 'Liberal Democrat Manifesto 2010' [online] <https://www.markpack.org.uk/files/2015/01/Liberal-Democrat-manifesto-2010.pdf> [Accessed: 07/03/2021].
- Libération. (2012). 'I came to talk to you about France, and therefore about the Republic ...' https://www.liberation.fr/france/2012/01/22/je-suis-venu-vous-parler-de-la-france-et-donc-de-la-republique_790244 [Accessed: 19/09/2019].
- Libération. (2009a). 'The PS torn by the alliances' [online] https://www.liberation.fr/france/2009/08/24/le-ps-tiraille-par-les-alliances_577318 [Accessed: 19/09/2019].
- Libération. (2009b). 'Danny Green wants "human bees" to revive the economy' [online] https://www.liberation.fr/france/2009/03/13/danny-le-vert-veut-des-abeilles-humaines-pour-relancer-l-economie_545829 [Accessed: 19/09/2019].
- Liebig, Thilo. and Wider, Sebastian. (2013). 'SIFIs in the Cross Sea: How Are Large German Banks Adjusting to a Rough Economic Environment and a New Regulatory Setting?', in Maltritz Dominik and Berlemann, Michael. (eds.) *Financial Crises, Sovereign Risk and the Role of Institutions*. London: Springer.
- Linklater, Andrew. (2007). 'Critical theory', in Griffiths, Martin. (ed.) *International Relations Theory for the Twenty-First Century: An introduction*. New York: Routledge.
- Lombardo, Emanuela,. Meier, Petra. and Verloo, Mieke. (2012). 'Policymaking and Gender', *Feminist Research Center in Aalborg* [online] https://www.researchgate.net/publication/308783904_Policymaking_and_Gender [Accessed: 09/08/2022].

- Loon, Aukje van. (2021a). 'European Financial Governance: FTT Reform, Controversies and Governments' Responsiveness', *Cogitatio*, 9(2), [online]
<https://www.cogitatiopress.com/politicsandgovernance/article/viewFile/3935/3935>
 [Accessed: 01/06/2021].
- Loon, Aukje van. (2021b). 'Political contestation and domestic politics in EU financial regulation', in Bayer, Markus., Schwarz., Oliver. and Stark, Toralf. (eds.) *Democratic Citizenship in Flux Conceptions of Citizenship in the Light of Political and Social Fragmentation*. Frankfurt: Deutsche Nationalbibliothek
- Lupel, Adam. (2005). 'Tasks of a global civil society: Held, Habermas and democratic legitimacy beyond the nation-state', *Globalizations*, 2(1), pp. 117-133.
- Lundestad, Geir. (2005). *The United States and Western Europe Since 1945*. Oxford: Oxford University Press.
- Macartney, Huw. and Calcagno, Paola. (2019) 'All bark and no bite: the political economy of bank fines in Anglo-America', *Review of International Political Economy*, 26(4), pp. 630-665.
- Mahoney, James. and Goertz, Gary. (2006). 'A Tale of Two Cultures: Contrasting Quantitative and Qualitative Research', *Political Analysis*, 14, pp. 227–249.
- Malta Independent. (2010). 'ECB's Trichet Wary of financial transaction tax' [online]
<https://www.independent.com.mt/articles/2010-10-03/news/ecbs-trichet-wary-of-financial-transaction-tax-281112/> [Accessed: 11/11/2020].
- Martell, Luke. (2018a). 'New Labour and the social democratic alternative', *British Politics Review*, 13(4), pp. 14-15.
- Martell, Luke. (2018b) 'Corbyn, populism and power', *Hard Times* (101), pp. 1-11.
- Matheson, Thornton. (2011). 'Taxing Financial Transactions: Issues and Evidence', *IMF Working Paper*, WP/11/54 [online]
<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.367.6292&rep=rep1&type=pdf>
 [Accessed: 12/12/2018].
- Matin, Kamran. (2013). 'Redeeming the universal: Postcolonialism and the inner life of Eurocentrism', *European Journal of International Relations*, 19(2), pp. 353-377.
- Mayring, Phillip. (2014). 'Qualitative content analysis: theoretical foundation, basic procedures and software solution' [online]
https://www.ssoar.info/ssoar/bitstream/handle/document/39517/ssoar-2014-mayring-Qualitative_content_analysis_theoretical_foundation.pdf [Accessed: 22/03/2018].

- McCulloch, Neil. (2011). 'Tackling Instability in Financial Markets with a Panic Tax', *Institute of Development Studies*, 42(5) [online]
https://opendocs.ids.ac.uk/opendocs/bitstream/handle/20.500.12413/7632/IDSB_42_5_10.1111-j.1759-5436.2011.00261.x.pdf?sequence=1 [Accessed: 17/04/2020].
- McGrew, Anthony. (2004). 'Cosmopolitanism and Global Justice', *Ritsumeikan Annual Review of International Studies*, Vol.3, pp. 1-17 [online]
<https://pdfs.semanticscholar.org/a359/1a4bf605d2d4afac38fc8061acc8775bbf80.pdf> [Accessed: 25/06/2017].
- Meunier, Sophie. (2004). 'Globalization and Europeanization: A Challenge to French Politics', *French Politics*, 2, pp. 125–150. [online]
<https://link.springer.com/content/pdf/10.1057/palgrave.fp.8200056.pdf> [Accessed: 13/11/2019].
- Miller, David. (2005). *Citizenship and National Identity*. Cambridge: Polity Press.
- Miller, David. (1990). *Market, State, and Community: Theoretical Foundations of Market Socialism*. Oxford: Oxford University Press.
- Mitchell, Christopher. (2022). 'The Power of Delay: Banking System Structure and Implementation of the Basel Accords', *Business and Politics*, 24(1), pp. 1-17.
- Moggridge, Donald. (1992). *Maynard Keynes: An Economist's Biography*. London: Routledge.
- Moloney, Niamh. (2016). 'Institutional governance and capital markets union: incrementalism or a 'big bang'?', *European Company and Financial Law Review*, 13(2), pp. 376-423.
- Mulhall, Stephen. and Swift, Adam. (1996). *Liberals & Communitarians*. Oxford: Blackwell.
- Muresan, Stefan. (2014). *Social Market Economy: The Case of Germany*. Berlin: Springer.
- Narayan, John. and Sealey-Huggins, Leon. (2017). 'Whatever happened to the idea of imperialism?', *Third World Quarterly*, 38(11), pp. 2387-2395.
- Neely, Christopher. (1999). *An Introduction to Capital Controls* [online]
<https://research.stlouisfed.org/publications/review/99/11/9911cn.pdf> [Accessed: 07/02/2018].
- Nielsen, Bodil. and Smeets, Sandrino. (2018). 'The role of the EU institutions in establishing the banking union. Collaborative leadership in the EMU reform process', *Journal of European Public Policy*, 25(9), pp. 1233-1256.
- Neue Osnabrücker Zeitung. (2016). 'Gabriel: SPD must be out of social fatigue'
<https://www.noz.de/deutschland-welt/politik/artikel/711132/gabriel-spd-muss-aus-der-sozialen-ermudung-heraus> [Accessed: 16/07/2019].

- Nerudová, Danuše. and Dvořáková, Veronika. (2014). 'Financial Transaction Tax: Can it be sufficient resource of EU budget when introduced through enhanced cooperation?', *Procedia Economics and Finance*, 12, pp. 453 – 461. [online]
<https://www.sciencedirect.com/science/article/pii/S2212567114003670/pdf?md5=ac60f85578f54788c455f08fdf4d40a8&pid=1-s2.0-S2212567114003670-main.pdf&valck=1>
 [Accessed: 05/12/2020].
- Newsinger, John. (2007). 'Gordon Brown: From reformism to neoliberalism', *Variant* [online]
<https://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.738.5067&rep=rep1&type=pdf>
 [Accessed: 03/03/2021].
- Nowell, Lorelli., Norris, Jill., White, Deborah., and Moules, Nancy. (2017). 'Thematic Analysis: Striving to Meet the Trustworthiness Criteria', *International Journal of Qualitative Methods*, 16, pp. 1-13.
- Obstfeld, Maurice. and Taylor, Alan. (2005). *Global Capital Markets: Integration, Crisis, and Growth*. Cambridge: Cambridge University Press.
- OECD. (2019). 'Development aid drops in 2018, especially to neediest countries', [online]
[https://www.oecd.org/development/development-aid-drops-in-2018-especially-to-neediest-countries.htm#:~:text=Official%20development%20assistance%20\(ODA\)%20from,donor%20effort%20in%20development%20loans](https://www.oecd.org/development/development-aid-drops-in-2018-especially-to-neediest-countries.htm#:~:text=Official%20development%20assistance%20(ODA)%20from,donor%20effort%20in%20development%20loans) [Accessed: 11/11/2020].
- OECD. (2018). 'Launch of ODA Figures 2017', [online]
<https://www.oecd.org/development/launch-of-oda-figures-2017-france-april-2018.htm#:~:text=In%202017%2C%20net%20ODA%20%5Bby,intensity%20of%20the%20refugee%20crisis> [Accessed: 11/11/2020].
- Ojala, Markus. and Harjuniemi, Timo. (2016). 'Mediating the German Ideology: Ordoliberal Framing in European Press Coverage of the Eurozone Crisis', *Journal of Contemporary European Studies*, 24(3), pp. 414-430.
- Oliver, Tim., Walshe, Garvan., Barnard, Catherine., Hantrais, Linda., Matthus, Matthias., and Peers, Steven. (2018). 'The Impact of the UK's Withdrawal on EU Integration', *the European Parliament's Committee on Constitutional Affairs: the Policy Department for Citizens' Rights and Constitutional Affairs* [online]
[https://www.europarl.europa.eu/RegData/etudes/STUD/2018/604973/IPOL_STU\(2018\)604973_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2018/604973/IPOL_STU(2018)604973_EN.pdf) [Accessed: 01/07/2021].
- Omahen, Jernej., Turner, Chris., Neuez, Jean-Francois., and De Angelis, Luca. (2013). 'Financial Transaction Tax: How severe?', *The Goldman Sachs Group. Inc.* [online]
https://www.steuer-gegen-armut.org/fileadmin/Dateien/Kampagnen-Seite/Unterstuetzung_Ausland/EU/2013/2013.05_GS_on_Fin_I_Transaction_tax_FTT_-_Bottom_Up_Analysis_Europe.pdf [Accessed: 01/02/2020].

- ONE France. (2014). 'European FTT - An endless tax' [online] <https://www.one.org/fr/press/ttf-europeenne-une-taxe-sans-finalite/> [Accessed: 13/11/2019]
- ONE France. (2016). 'Budget 2017: The banking lobby must not win the battle of the FTT' [online] <https://www.one.org/fr/press/budget-2017-le-lobby-bancaire-ne-doit-pas-gagner-la-bataille-de-la-ttf/> [Accessed: 11/10/2019]
- Onis, Ziya. and Senses, Filkret. (2005). 'Rethinking the Emerging Post-Washington Consensus', *Development and Change*, 36(2), pp. 263-290.
- Oren, Tami. and Blyth, Mark. (2018). 'From Big Bang to Big Crash: The Early Origins of the UK's Finance-led Growth Model and the Persistence of Bad Policy Ideas', *New Political Economy* [online] https://www.researchgate.net/publication/325272450_From_Big_Bang_to_Big_Crash_The_Early_Origins_of_the_UK's_Finance-led_Growth_Model_and_the_Persistence_of_Bad_Policy_Ideas [Accessed: 11/11/2020].
- Overbeek, Henk. (2004). 'Transnational class formation and concepts of control: towards a genealogy of the Amsterdam Project in international political economy', *Journal of International Relations and Development*, 7, pp. 113–141.
- Oxfam. (2012). 'Financial Transaction Tax campaign: Interim evaluation report' [online] <https://oxfamlibrary.openrepository.com/bitstream/handle/10546/266632/er-fft-evaluation-080712-en.pdf;jsessionid=C97E4395990CAD963732360253DD05FE?sequence=4> [Accessed: 14/11/2019].
- Oxfam France. (2011). 'National Assembly: reaction of Oxfam France to debates on the tax on financial transactions' [online] <https://www.oxfamfrance.org/communiqués-de-presse/assemblee-nationale-reaction-doxfam-france-aux-debats-sur-la-taxe-sur-les-transactions-financieres/> [Accessed: 06/09/2019].
- Oxfam International. (2014). 'France pushes Financial Transaction Tax against brick wall blocking EU deal' [online] <https://www.oxfam.org/en/press-releases/france-pushes-financial-transaction-tax-against-brick-wall-blocking-eu-deal> [Accessed: 06/09/2019].
- Oxfam International . (2013). 'Oxfam response to UK Government's decision to launch legal challenge to plans for a European Financial Transaction Tax' [online] <https://www.oxfam.org/en/press-releases/oxfam-response-uk-governments-decision-launch-legal-challenge-plans-european> [Accessed: 23/11/2019].
- Packman, Carl. (2012). *Payday Lending: Global Growth of the High-Cost Credit Market*. New York: Palgrave Macmillan.

- Panitch, Leo. and Gindin, Sam. (2005). *Finance and American Empire*. [online] <<http://socialistregister.com/index.php/srv/article/viewFile/5825/2721>> [Accessed: 12/02/2018].
- Parella, Jordi. and Hernández, Gemma. (2018). 'The German Business Model: The Role of the Mittelstand', *Journal of Management Policies and Practices*, 6(1), pp. 10-16 [online] http://imppnet.com/journals/impp/Vol_6_No_1_June_2018/3.pdf [Accessed: 11/03/2021].
- Parker, Owen. and Rosamond, Ben. (2013). 'Normative power Europe' meets economic liberalism: Complicating cosmopolitanism inside/outside the EU', *Cooperation and Conflict*, 48(2), pp. 229-246.
- Patomäki, Heikki. (2012). 'The EU Commission Proposal for a Financial Transaction Tax: Problems and Prospects', *United Nations Research Institute for Social Development* [online] <https://www.unrisd.org/80256B3C005BE6B5/search/EB314706E0A240D6C12579AD006117FC> [Accessed: 22/10/2020].
- Patomäki, Heikki. (2009). 'The Tobin Tax and Global Civil Society Organisations: The Aftermath of the 2008-9 Financial Crisis', *Ritsumeikan Annual Review of International Studies*, Vol.8, pp. 1-18 [online] http://www.ritsumei.ac.jp/ir/isaru/assets/file/raris/raris-08-01_Hekki.pdf [Accessed: 22/10/2020].
- Patomäki, Heikki. (2008). *The Political Economy of Global Security: War, Future Crises and Changes in Global Governance*. New York: Routledge.
- Patomäki, Heikki. (2001). *Democratising Globalisation: The Leverage of the Tobin Tax*. London: Zed Books.
- Pattison, James. (2008). 'Humanitarian Intervention and a Cosmopolitan UN Force', *Journal of International Political Theory*, 4(1), pp. 126-145.
- Peet, Richard. (2003). *Unholy Trinity: The IMF, World Bank and WTO*. London: Zed Books.
- Persaud, Avinash. (2017). 'IMPROVING RESILIENCE, INCREASING REVENUE: The case for modernising the UK's Stamp Duty on shares', *INTELLIGENCE CAPITAL* [online] <https://www.stampoutpoverty.org/live2019/wp-content/uploads/2017/03/Improving-resilience-increasing-revenue-May-2017.pdf> [Accessed: 05/12/2019].
- Persaud, Avinash. (2014). 'TAXING TRANSACTIONS IN FINANCIAL DERIVATIVES: PROBLEMS AND SOLUTIONS', *INTELLIGENCE CAPITAL* [online] https://www.steuer-gegen-armut.org/fileadmin/Dateien/Kampagnen-Seite/Unterstuetzung_Wissenschaft/2014-2017/1409_Persaud.pdf [Accessed: 08/08/2019]

- Petithomme, Mathieu. (2012). 'Contesting European policies without being (openly) Eurosceptic? An empirical analysis of the political communication of Attac associations towards European integration (2004–2008)', *Innovation: The European Journal of Social Science Research*, 25:3, pp. 251-267.
- Petry, Johannes. (2014). 'Regulatory Capture, Civil Society & Global Finance in Derivative Regulation: An Analysis of Commodity Derivative Regulation in Europe' [online] <http://dx.doi.org/10.2139/ssrn.2450644> [Accessed: 01/03/2022].
- Piketty, Thomas. (2014). *Capital in the Twenty-First Century*. Massachusetts: The Belknap Press of Harvard University Press
- Pixley, Jocelyn. (2018). 'Introduction', in Pixley, Jocelyn. and Flam, Helena. (eds.) *Critical Junctures in Mobile Capital*. Cambridge: Cambridge University Press.
- Plato-Shinar, Ruth. and Borenstein-Nativ, Keren. (2017). 'Misconduct Costs of Banks — The Meaning Behind the Figures', *BANKING & FINANCE LAW REVIEW*, [online] https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3033472 [Accessed: 20/04/2020].
- Pleyers, Geoffrey. (2010). *Alter-Globalization: Becoming Actors in the Global Age*. Cambridge: Polity Press.
- Pogge, Thomas. (2008). *World Poverty and Human Rights: Cosmopolitan Responsibilities and Reforms*. Cambridge: Polity Press.
- Pogge, Thomas. (2002). *World Poverty and Human Rights: Cosmopolitan Responsibilities and Reforms*. Cambridge: Polity Press.
- Pogge, Thomas. (1989). *Realizing Rawls*. Ithaca: Cornell University Press.
- Politico. (2012). 'MEPs to back EU-wide financial transaction tax: ECB president says FTT might not be a good idea' [online] <https://www.politico.eu/article/meps-to-back-eu-wide-financial-transaction-tax/> [Accessed: 20/11/2020].
- Politico. (2009). 'Trichet backs creation of financial regulator' [online] <https://www.politico.eu/article/trichet-backs-creation-of-financial-regulator/> [Accessed: 02/11/2020].
- Poppe, Annika. and Wolff, Jonas. (2017). 'Germany Sets a Poor Example: The Case of ATTAC in Light of Globally Closing Civic Spaces', Centre for Strategic & International Studies [online] <https://www.csis.org/blogs/international-consortium-closing-civic-space/germany-sets-poor-example-case-attac-light> [Accessed: 22/11/2020].
- Pottier, Christelle. and Delette, Grégoire. (2019). 'Austerity as the Solution to the Eurozone Crisis: Analysing the Ordo-Liberal Pre-Eminence over Contending Framings of the Crisis', *Journal of Contemporary European Research* 15(1), pp. 57-73.

Poulain-Rehm, Thierry. and Lepers, Xavier. (2013). 'Does Employee Ownership Benefit Value Creation? The Case of France (2001—2005)', *Journal of Business Ethics*, 112(2), pp. 325-340.

PricewaterhouseCoopers LLP. (2013). 'Financial Transaction Tax: The Impacts and Arguments - A Literature Review' [online] https://www.pwc.fr/fr/assets/files/pdf/2013/11/pwc_ftt_literature_review.pdf [Accessed: 14/11/2019].

PWC. (2014). 'Financial Transaction Taxes: Basic Materials on the Italian, the French and the European Model of a Financial Transaction Tax', *PricewaterhouseCoopers, Ltd* [online] <https://www.pwc.com/gx/en/financial-services/financial-transaction-taxes/assets/pwc-financial-transaction-taxes.pdf> [Accessed: 11/02/2018].

PWC. (2013). 'EU FTT: the long and winding road to ...?', *PricewaterhouseCoopers, Ltd* [online] <https://www.pwc.com/gx/en/financial-services/financial-transaction-taxes-timeline/assets/pwc-20131213-eu-ftt-global-fs-tax-newsflash.pdf> [Accessed: 05/04/2021].

Quaglia, Lucia. and Howarth, David. (2018). 'The policy narratives of European capital markets union', *Journal of European Public Policy*, 25(7), pp. 990-1009.

Quaglia, Lucia. (2012). 'The 'Old' and 'New' Politics of Financial Services Regulation in the European Union', *New Political Economy*, 17(4), pp. 515-535.

Radice, Hugo. (2008). 'Gramsci and Neo-Gramscianism: To What Purpose?', in Ayers, Alison. (ed) *Gramsci, Political Economy, and International Relations Theory*. New York: Palgrave Macmillan.

Ramesh, Sanjay. (2021). 'Neo-Gramscian interpretations on ideas, institutions, and hegemony', *Berlin Journal of Critical Theory*, 5(2), pp. 99-140.

Rao, Rahul. (2012). 'Postcolonial Cosmopolitanism: Making Place for Nationalism' [online] https://eprints.soas.ac.uk/14839/1/Chapter_06_-_The_Democratic_Predicament.pdf [Accessed: 08/08/2022].

Rawls, John. (1971). *A Theory of Justice*. Massachusetts: Harvard University Press.

Reinhoudt, Jurgen. and Audier, Serge. (2018). *The Walter Lippmann Colloquium: The Birth of Neo-Liberalism*. London: Palgrave Macmillan.

Rendtorff, Jacob. (2011). 'Emergence of a new paradigm: Towards post-crisis cosmopolitanism', *Nordicum – Mediterraneum*, 6(1), pp. 1-10.

Robinson, William. and Harris, Jerry. (2000). 'Towards a Global Ruling Class? Globalization and the Transnational Capitalist Class', *Science & Society*, 64(1), pp. 11–54.

Rodrik, Dani. (2011). *The Globalization Paradox: Why Global Markets, States, and Democracy Can't Coexist*. Oxford: Oxford University Press.

Reuters. (2018a). 'Labour tries new pitch to financiers - higher taxes for some influence' [online] <https://uk.reuters.com/article/uk-britain-politics-labour/labour-tries-new-pitch-to-financiers-higher-taxes-for-some-influence-idUKKBN1HQ11X> [Accessed: 09/10/2020].

Reuters. (2018b). 'Germany's Scholz proposes Europe-wide unemployment insurance scheme' [online] <https://www.reuters.com/article/us-eurozone-germany-scholz/germanys-scholz-proposes-europe-wide-unemployment-insurance-scheme-idUSKCN1J5077> [Accessed: 02/10/2020].

Reuters. (2017). 'Britain's opposition Labour alarms bankers with Robin Hood tax', [online] <https://www.reuters.com/article/us-britain-banks-labour-idUSKBN1AB1JK> [Accessed: 11/12/2020].

Reuters. (2015a). 'Assembly expands financial transaction tax' [online] <https://fr.reuters.com/article/topNews/idFRKCN0SA14U20151016> [Accessed: 02/10/2020].

Reuters. (2012a). [online] <https://uk.reuters.com/article/uk-britain-tax/cameron-vows-to-block-eu-wide-tobin-tax-idUKTRE80707D20120108> [Accessed: 14/11/2020].

Reuters. (2011). 'G20 fails to endorse financial transaction tax' [online] <https://www.reuters.com/article/g20-tax/g20-fails-to-endorse-financial-transaction-tax-idUSN1E7A302520111104> [Accessed: 09/10/2020].

Rhodes, Martin. (2005) 'Varieties of capitalism' and the political economy of European welfare states', *New Political Economy*, 10(3), pp. 363-370.

Richards, Steve. (2015). 'Gordon Brown', in Clarke Charles. and James, Toby. (eds.) *British Labour Leaders*. London: Biteback Publishing.

Richards, Steve. (2010). *Whatever it Takes: The Real Story of Gordon Brown and New Labour*. London: Fourth Estate.

Ringeisen-Biardeaud, Juliette. (2017). "'Let's take back control": Brexit and the Debate on Sovereignty', *French Journal of British Studies* [online] <https://journals.openedition.org/rfcb/1319> [Accessed: 05/03/2021].

Rorty, Richard. (1998). *Truth and Progress: Philosophical Papers*. Cambridge: Cambridge University Press.

Ruggie, John. (2003) 'Taking Embedded Liberalism Global: The Corporate Connection,' in David Held and Mathias Koenig-Archibugi (eds) *Taming Globalization: Frontiers of Governance*. Cambridge: Polity Press.

- Ruggie, John. (1982). 'International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Economic Order', *International Organization*, 36(2), pp. 379-415
- Rumford, Chris. (2005). 'Cosmopolitanism and Europe', *Innovation: The European Journal of Social Sciences*. 18(1), pp.1-9.
- Rupert, Mark. (2007). 'Marxism', in Griffiths, Martin. (ed.) *International Relations Theory for the Twenty-First Century: An introduction*. New York: Routledge.
- Rustin, Michael. (2017). 'Are real changes now possible: where next for Corbyn and Labour?', *Soundings* [online]
https://www.lwbooks.co.uk/sites/default/files/s66_02rustin.pdf [Accessed: 02/10/2020].
- Sadovnik, Alan. (2007). 'Qualitative Research and Public Policy', in Fischer, Frank., Miller, Gerald. and Sidney, Mara. (eds.) *Handbook of Public Policy Analysis: Theory, Politics, and Methods*. London: CRC Press.
- Sánchez-Flores, Mónica. (2010). *Cosmopolitan Liberalism: Expanding the Boundaries of the Individual*. New York: Palgrave Macmillan.
- Sargent, Daniel. (2008). 'Bretton Woods System', in Van Dijk, Ruud. (ed.) *Encyclopedia of the Cold War*. New York: Routledge.
- Sassen, Saskia. (2008). *Territory, Authority, Rights: From Medieval to Global Assemblages*. New Jersey: Princeton University Press.
- Sassen, Saskia. (2001). *The Global City: New York, London, Tokyo*. New Jersey: Princeton University Press.
- Saurugger, Sabine. (2018). 'The constructivist turn in EU public policy approaches', in Heinelt, Hubert. and Münch, Sybille. (eds.) *Handbook of European Policies: Interpretive Approaches to the EU*. Cheltenham: Edward Elgar Publishing.
- Saurugger, Sabine. (2016). 'Sociological Approaches to the European Union in Times of Turmoil', *Journal of Common Markets Studies*, 54(1), pp. 70-86.
- Saurugger, Sabine. (2013). 'Constructivism and public policy approaches in the EU: from ideas to power games', *Journal of European Public Policy*, 20(6), pp. 888-906.
- Schäfer, Dorothea. (2015). 'Fiscal and economic impacts of a limited financial transaction tax', *DIW Berlin* [online] <https://www.diva-portal.org/smash/get/diva2:812925/FULLTEXT01.pdf> [Accessed: 03/02/2021].

Schäfer, Dorothea. (2015). 'Fiscal and economic impacts of a limited financial transaction tax. Final report: Research project conducted on behalf of the parliamentary group of the SPD', *DIW Berlin: Politikberatung kompakt* [online]

<https://www.econstor.eu/bitstream/10419/110631/1/826821286.pdf> [Accessed: 02/05/2020].

Schäfer, Dorothea. (2012). 'Financial Transaction Tax Contributes to More Sustainability in Financial Markets', *Intereconomics*, 47(2), pp. 76-83. [online]

<https://www.econstor.eu/bitstream/10419/68325/1/733917135.pdf> [Accessed: 01/01/2021].

Schäfer, David. (2016). 'A banking union of ideas? The impact of ordoliberalism and the vicious circle on the EU banking union', *Journal of Common Market Studies*, 54(4), pp. 961-980.

Schmid, Stefan. (2018). 'Internationalisation Strategies and Processes of the German Mittelstand' [online]: <https://doi.org/10.1108/S1876-066X20180000034008> [Accessed: 20/10/2020].

Schmidt, Vivien. (2016). 'VARIETIES OF CAPITALISM: A DISTINCT FRENCH MODEL?' [online] https://www.researchgate.net/publication/315730534_VARIETIES_OF_CAPITALISM_A_DISTINCT_FRENCH_MODEL [Accessed: 01/03/2020].

Schmidt, Vivien. (2012). 'What Happened to the State-Influenced Market Economies (SMEs)? France, Italy, and Spain Confront the Crisis as the Good, the Bad, and the Ugly' [online] <https://oxford.universitypressscholarship.com/view/10.1093/acprof:oso/9780199641987.01.0001/acprof-9780199641987-chapter-9?print=pdf> [Accessed: 11/01/2021].

Schmidt, Vivien. (2007). 'Bringing the State Back Into the Varieties of Capitalism and Discourse Back Into the Explanation of Change', *Center for European Studies Working Paper Series*, 152 [online] http://aei.pitt.edu/9006/1/CES_152.pdf [Accessed: 10/10/2020].

Scholte, Jan Aart. (2007). 'Civil Society and the Legitimation of Global Governance', *Journal of Civil Society*, 3(3), pp. 305-326.

Scholvin, Sören. and Wigell, Mikael. (2018). 'Power politics by economic means: Geoeconomics as an analytical approach and foreign policy practice', *Comparative Strategy*, 37(1), pp.73-84.

Schonhardt-Bailey, Cheryl, Bannerman, Gordon and Bailey, Andrew. (2019). *Bretton Woods: the parliamentary debates in the United Kingdom* [online] http://eprints.lse.ac.uk/101240/1/SchonhardtBailey_Bretton_Woods_the_parliamentary_debates_prepub.pdf [Accessed: 01/01/2021].

- Schratzenstaller, Margit. and Krenek, Alexander. (2019). 'Tax-based Own Resources to Finance the EU Budget', *Intereconomics*, 54(3), pp. 171-177. [online] <https://www.econstor.eu/bitstream/10419/213213/1/171-177-Forum-Krenek.pdf> [Accessed: 02/01/2021].
- Schratzenstaller, Margit. (2013) 'International Taxes – Why, What and How?', in, Leaman, Jeremy. and Waris, Attiya. (eds.) *Tax Justice and the Political Economy of Global Capitalism, 1945 to the Present*. Oxford: Berghahn Books.
- Schulmeister, Stephan. (2015). 'THE STRUGGLE OVER THE FINANCIAL TRANSACTIONS TAX: A politico-economic farce', *Revue De L'OFCE*, 141, pp. 15-55 [online] <https://www.cairn.info/revue-de-l-ofce-2015-5-page-15.htm> [Accessed: 10/05/2019].
- Schulz, Daniel. (2019). 'Researching Technocracy: Actor-Centred Methodologies and Empirical Strategies for Studying EU Economic Governance in Hard Times', *Journal of Contemporary European Research*, 15(2), pp. 228-239.
- Schweiger, Christian. (2018). 'The Global Financial Crisis and the Euro Crisis as Contentious Issues in German-American Relations', *German Politics*, 27(2), pp. 214-229.
- Seidman, Irving. (2013). *Interviewing as Qualitative Research: A Guide for Researchers in Education and the Social Sciences*. New York: Teachers College Press.
- Seymour, Richard. (2017). *Corbyn: The Strange Rebirth of Radical Politics*. London: Verso Books.
- Silvia, Stephen. (2013). *Holding the Shop Together: German Industrial Relations in the Postwar Era*. London: Cornell University Press.
- Skidelsky, Robert. (2013). 'Four Fallacies of the Second Great Depression', *Project Syndicate* [online] <https://www.project-syndicate.org/commentary/robert-skidelsky-explains-why-post-2008-economic-policy-has-so-often-missed-the-mark?barrier=accesspaylog> [Accessed: 11/04/2021].
- Skidelsky, Robert. (2002). 'Keynes's Road to Bretton Woods: An Essay in Interpretation', in Flandreau, Marc., Holtfrerich, Carl-Ludwig. and James, Harold. (eds.) *International Financial History in the Twentieth Century: System and Anarchy*. Cambridge: Cambridge University Press.
- Skidelsky, Robert. (1989). 'The Social Market Economy', *The Social Market Foundation Ltd* [online] <https://www.smf.co.uk/wp-content/uploads/1989/01/Publication-The-Social-Market-Economy-Robert-Skidelsky.pdf> [Accessed: 01/10/2020].
- Sklair, Leslie. (2001). *The Transnational Capitalist Class*. Oxford: Blackwell Publishers Ltd.

Skrbis, Zlatko., Kendall, Gavin. and Woodward, Ian. (2004). 'Locating Cosmopolitanism: Between Humanist Ideal and Grounded Social Category', *Theory, Culture & Society*, 21(6), pp. 115-136.

SlateAfrique. (2012). 'Pascal Canfin, the green minister of development' <http://www.slateafrique.com/87447/france-pascal-canfin-ministre-developpement-vert> [Accessed: 02/03/2020].

Smith, William. (2016). 'Law and (Global) Order: Towards a Theory of Cosmopolitan Policing', *Critical Horizons*, 17(1), pp. 135-148.

Smith, William. and Brassett, James. (2008). 'Deliberation and Global Governance: Liberal, Cosmopolitan, and Critical Perspectives', *Ethics & International Affairs*, 22(1), pp. 69-92.

Smith, Tony. (2003). 'Globalisation and Capitalist Property Relations: A Critical Assessment of David Held's Cosmopolitan Theory', *Historical Materialism*, 11(2). Pp. 3-35.

Smith, Anthony. (1996). *Nations and Nationalism in a Global Era*. Massachusetts: Blackwell Publishers Inc.

Snape, John. (2011). 'Tax and the city: the UK's proposals for a bank levy' in, LaBrosse, John., Olivares-Caminal, Rodrigo., and Singh, Dalvinder, (eds.) *Managing Risk in the Financial System*. Cheltenham: Edward Elgar Publishing, Inc.

Snell, Jukka. (2016). 'The Trilemma of European Economic and Monetary Integration, and Its Consequences', *European Law Journal*, 22(2), pp. 157-179.

Soenen, Nicolas. and Vennet, Rudi. (2021). 'Determinants of European banks' default risk', *Finance Research Letters*, [online] <https://www.sciencedirect.com/science/article/abs/pii/S154461232100516X> [Accessed: 02/03/2022].

Springford, John. and Whyte, Philip. (2014). 'The consequences of Brexit for the City of London', *Centre for European Reform* [online] <https://www.peacepalacelibrary.nl/ebooks/files/402339649.pdf> [Accessed: 13/03/2021].

Steil, Benn. (2013). *The Battle of Bretton Woods: John Maynard Keynes, Harry Dexter White, and the Making of a New World Order*. New Jersey: Princeton University Press.

Steuer Gegen Armut. (2019a). Signatories at European and federal level [online] <https://www.steuer-gegen-armut.org/kampagne/traeger-der-kampagne.html> [Accessed: 14/11/2019].

Steuer Gegen Armut. (2019b) 'Staring point' [online] <https://www.steuer-gegen-armut.org/kampagne/ausgangspunkt.html> [Accessed: 14/11/2019].

- Steuer Gegen Armut. (2018). 'Tax against Poverty: The Financial Transaction Tax (FTS)' <https://www.steuer-gegen-armut.org/> [Accessed: 14/11/2019].
- Steuer Gegen Armut. (2016) 'Who is science in our opinion' [online] <https://www.steuer-gegen-armut.org/steuer-gegen-armut/diskussion/wissenschaft.html> [Accessed: 20/04/2020].
- Steuer Gegen Armut. (2013a). 'CAMPAIGN "TAX AGAINST POVERTY - TRANSACTION TAX' [online] https://www.steuer-gegen-armut.org/fileadmin/Dateien/Kampagnen-Seite/Wer_wir_sind/Briefwechsel/130627_Civil_Society.pdf [Accessed: 14/11/2019].
- Steuer Gegen Armut, (2009a). 'Open letter of the campaign ' [online] <https://www.steuer-gegen-armut.org/kampagne/grundlage-der-kampagne.html> [Accessed: 30/10/2019].
- Stevenson, Nick. (2011). 'Cosmopolitan Citizenship', in Rovisco, Maria. And Nowicka, Magdalena. (eds.) *The Ashgate Research Companion to Cosmopolitanism*. Surrey: Ashgate Publishing Limited.
- Stiglitz, Joseph. (2019). 'The End of Neoliberalism and the Rebirth of History', *Columbia Business School* [online] <https://www8.gsb.columbia.edu/articles/chazen-global-insights/end-neoliberalism-and-rebirth-history> [Accessed: 01/01/2021].
- Stiglitz, Joseph. (2016). *The Euro: And its Threat to the Future of Europe: How a Common Currency Threatens the Future of Europe*. New York: W. W. Norton & Company Ltd
- Stiglitz, Joseph. (2010) *Freefall: America, Free Markets, and the Sinking of the World Economy*. New York: W. W. Norton & Company Ltd.
- Stiglitz, Joseph. (2008). 'Is there a Post-Washington Consensus Consensus?' in Serra, Narcís. and Stiglitz, Joseph. (eds.) *The Washington Consensus Reconsidered Towards a New Global Governance*. Oxford: Oxford University Press.
- Stockemer, Daniel. (2013). *The Micro and Meso Levels of Activism: A Comparative Case Study of Attac France and Germany*. New York: Palgrave Macmillan.
- Strange, Susan. (2001). *Mad Money: When Markets Outgrow Governments*. Michigan: University of Michigan Press.
- Strange, Susan. (1989). *Casino Capitalism*. Oxford: Basil Blackwell.
- Streeck, Wolfgang. (2014). 'The SPD Under Angela Merkel' [online] <https://www.jacobinmag.com/2014/06/the-spd-under-angela-merkel> [Accessed: 01/04/2021].

Streit, Manfred. and Wohlgemuth, Michael. (2000). 'The Market Economy and the State. Hayekian and Ordoliberal Conceptions', in Koslowski, Peter. (ed.) *The Theory of Capitalism in the German Economic Tradition: Historism, Ordo-Liberalism, Critical Theory, Solidarity*. Berlin: Springer-Verlag Berlin Heidelberg.

Strezhneva, Marina. (2018). 'The European Union as a Global Actor: The Case of the Financial Transaction Tax', *European Review*, 26(4), pp. 704-720.

Süddeutsche Zeitung. (2011) 'CDU leader Merkel gives up core positions - financial transaction tax' [online] <https://www.sueddeutsche.de/politik/merkels-umstrittener-modernisierungskurs-die-kuehe-sind-heilig-schlachtet-sie-1.1183482-5> [Accessed: 30/10/2019].

Sutcliffe-Braithwaite, Florence. (2012). 'Neo-Liberalism and Morality in the Making of Thatcherite Social Policy', *The Historical Journal*. Pp. 497-520.

Taipei Times (2011). 'Gates backs Tobin tax, G20 wavers' <http://www.taipeitimes.com/News/biz/archives/2011/09/25/2003514095> [Accessed: 02/10/2020].

Tax Journal. (2011). 'Is it time for a Robin Hood Tax?' <https://www.taxjournal.com/articles/it-time-robin-hood-tax-25082> [Accessed: 02/11/2020].

Tax Justice Network. (2020). 'Narrative Report on the United Kingdom' [online] <https://fsi.taxjustice.net/PDF/UnitedKingdom.pdf> [Accessed: 01/04/2021].

Tax Justice Network. (2018). 'Narrative Report on the United Kingdom' [online] <https://mronline.org/wp-content/uploads/2020/01/UnitedKingdom.pdf> [Accessed: 07/07/2020].

Télérama. (2011). 'Interview Yann Moulier Boutang: "Tax all financial transactions!"' [online] <https://www.telerama.fr/idees/yann-moulier-boutang-taxons-toutes-les-transactions-financieres,72654.php> [Accessed: 09/08/2020].

Tenney, Sarah. and Humphreys, Norman. (2011). *Historical Dictionary of the International Monetary Fund*. Toronto: The Scarecrow Press, Inc.

Teune, Simon. and Yang, Mundo. (2008). 'A Close-Up of Global Justice Groups in Germany: Visions and Practices of Democracy of Two Berlin-Based Groups', in Della Porta, Donatella. and Rucht, Dieter. (eds.) *Microanalysis of Practices of Deliberative Democracy*. [online] http://cosmos.sns.it/wp-content/uploads/2016/04/6-demos.wp6_finalreport.pdf [Accessed: 06/09/2019].

The Boston Consulting Group. (2017). 'Global Risk 2017: Staying the Course in Banking' [online] https://image-src.bcg.com/BCG_COM/BCG-Staying-the-Course-in-Banking-Mar-2017_tcm9-146794.pdf [Accessed: 01/02/2019].

The Council of the European Union. (2020a). 'Qualified majority voting' [online] <https://www.consilium.europa.eu/en/council-eu/voting-system/qualified-majority/> [Accessed: 01/08/2021].

The Council of the European Union. (2020b). 'Unanimity' [online] <https://www.consilium.europa.eu/en/council-eu/voting-system/unanimity/> [Accessed: 03/08/2021].

The Council of the European Union. (2016b). 'Note - Interinstitutional File:2013/0045 (CNS)' 9602/16 FISC 90 ECOFIN 522 [online] <https://data.consilium.europa.eu/doc/document/ST-9602-2016-INIT/en/pdf> [Accessed: 04/03/2019].

The Economist. (2009). 'Splitting up banks: Too big to bail out' [online] <https://www.economist.com/britain/2009/10/22/too-big-to-bail-out> [Accessed: 13/01/2021]

The European Central Bank. (2012). 'OPINION OF THE EUROPEAN CENTRAL BANK of 24 July 2012 on the financial transaction tax: (CON/2012/59)' [online] <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52012AB0059&from=EN> [Accessed: 02/01/2021].

The European Parliament. (2021). 'Legislative powers' [online] <https://www.europarl.europa.eu/about-parliament/en/powers-and-procedures/legislative-powers> [Accessed: 02/08/21].

The European Union. (2021). 'How EU decisions are made' [online] https://europa.eu/european-union/law/decision-making/procedures_en [Accessed: 02/02/2021].

The Evening Standard. (2011a). 'Don't cripple the City - London can lead the recovery' [online] <https://www.standard.co.uk/news/dont-cripple-the-city-london-can-lead-the-recovery-6363131.html> [Accessed: 02/10/2020].

The Guardian (2017). 'Labour manifesto 2017: the key points, pledges and analysis', [online] <https://www.theguardian.com/politics/2017/may/16/labour-manifesto-analysis-key-points-pledges> [Accessed: 21/01/2022].

The Guardian (2014). 'George Osborne bristles as EU moves closer to financial transaction tax' [online] <https://www.theguardian.com/politics/2014/may/06/george-osborne-eu-financial-transaction-tax-legal-challenge> [Accessed: 02/12/2020].

The Guardian (2012) 'France plans Tobin tax on financial transactions' [online] <https://www.theguardian.com/business/2012/jan/30/france-tobin-tax-nicolas-sarkozy> [Accessed: 02/03/2021].

The Guardian (2011a) 'Osborne wins wide support in fight against Tobin tax' [online] <https://www.theguardian.com/business/2011/nov/08/tobin-tax-osborne-eu-clash> [Accessed: 22/08/2021].

The Guardian (2011b) 'Could a financial transactions tax work for the UK?' [online] <https://www.theguardian.com/commentisfree/2011/sep/28/financial-transactions-tax-european-commission> [Accessed: 09/03/2021].

The Guardian. (2011c). 'Angela Merkel vows to create 'fiscal union' across eurozone' [online] <https://www.theguardian.com/business/2011/dec/02/angela-merkel-eurozone-fiscal-union> [Accessed: 07/03/2021].

The Guardian. (2010a). 'Gordon Brown to push for 'Tobin tax' after Wall Street crackdown', [online] <https://www.theguardian.com/business/2010/jan/22/gordon-brown-tobin-tax-banking> [Accessed: 02/07/2021].

The Guardian, 2010b). 'General election 2010: Labour manifesto at a glance', [online] <https://www.theguardian.com/politics/2010/apr/12/labour-manifesto-at-a-glance> [Accessed: 22/03/2021].

The Guardian (2009a). 'Financial Services Authority chairman backs tax on 'socially useless' banks', [online] <https://www.theguardian.com/business/2009/aug/27/fsa-bonus-city-banks-tax> [Accessed: 07/11/2021].

The Guardian (2009b). 'Brown takes campaign for Tobin tax to Commonwealth', [online] <https://www.theguardian.com/politics/2009/nov/27/brown-tobin-tax-commonwealth> [Accessed: 02/06/2021].

The Guardian (2009c). 'Miliband supports Tobin tax, claims French foreign minister' <https://www.theguardian.com/business/2009/sep/17/miliband-tobin-tax-french> [Accessed: 12/06/2021].

The Guardian (2009d). 'Brown, a tax convert? Hard to believe, but let's hope so' [online] <https://www.theguardian.com/commentisfree/2009/nov/10/brown-tax-convert-hard-believe> [Accessed: 02/03/2021].

The Guardian (2005) 'Tobin-lite could raise £3bn for third world' [online] <https://www.theguardian.com/business/2005/apr/07/internationalaidanddevelopment.debt1> [Accessed: 22/05/2021].

The Hamburger Abendblatt, 2010). 'Coalition wants to stem speculation through transaction tax' [online] <https://www.abendblatt.de/politik/article106511507/Koalition-will-Spekulationen-durch-Transaktionssteuer-eindaemmen.html> [Accessed: 02/10/2020].

The Independent. (2017a). 'Labour promises to raise £26bn through new 'Robin Hood tax' on trading in City of London', [online] <https://www.independent.co.uk/news/uk/politics/labour-robin-hood-tax-city-financial-traders-shares-fft-general-election-latest-manifesto-a7734566.html> [Accessed: 02/03/2021].

The Independent. (2017b). 'Voters overwhelmingly support Jeremy Corbyn's policy agenda, poll finds', [online] <https://www.independent.co.uk/news/uk/politics/jeremy-corbyn-labour-poll-policies-support-voters-latest-a7949471.html> [Accessed: 10/11/2021].

The Independent. (2012a). 'Ed Balls: 'If Ed and I have a problem, we sort it out between us'', [online] <https://www.independent.co.uk/news/people/profiles/ed-balls-if-ed-and-i-have-a-problem-we-sort-it-out-between-us-8107098.html> [Accessed: 22/05/2021].

The Independent. (2010a). 'Tobin tax on banks has support, claims Brown', [online] <https://www.independent.co.uk/news/business/news/tobin-tax-on-banks-has-support-claims-brown-1878928.html> [Accessed: 22/05/2021].

The Independent. (2010b). 'Cameron to pledge tax on banks', [online] <https://www.independent.co.uk/news/uk/politics/cameron-to-pledge-tax-on-banks-1924487.html> [Accessed: 12/06/2021].

The Independent. (2010c) 'Darling's strategy for power: divide and rule', [online] <https://www.independent.co.uk/news/uk/politics/darlings-strategy-for-power-divide-and-rule-1926970.html> [Accessed: 02/05/2021].

The Independent. (2011). 'Christine Lagarde: 'There should never be too much testosterone in one room', [online] <https://www.independent.co.uk/news/people/profiles/christine-lagarde-there-should-never-be-too-much-testosterone-in-one-room-2206357.html> [Accessed: 02/06/2021].

The New York Times. (2013). 'A Tax That May Change the Trading Game' [online] <https://www.nytimes.com/2013/02/22/business/a-tax-that-could-change-the-trading-game.html> [Accessed: 06/09/2019].

The New York Times (2012a). 'Socialists' Victory in France Buttresses Hollande's Power' [online] <https://www.nytimes.com/2012/06/18/world/europe/french-socialists-win-majority-in-parliament.html> [Accessed: 02/10/2020].

The New York Times. (2011). 'Tiny Tax on Financial Trades Gains Advocates' [online] <https://www.nytimes.com/2011/12/07/business/global/micro-tax-on-financial-trades-gains-advocates.html> [Accessed: 20/10/2020].

The New York Times. (2010) 'At Davos, Sarkozy Calls for Global Finance Rules' <https://www.nytimes.com/2010/01/28/business/global/28davos.html> [Accessed: 02/10/2020].

The Robin Hood Tax (2019a). 'CAN FINANCIAL TRANSACTIONS TAXES REDUCE SPECULATION AND RISKY FINANCIAL ACTIVITY?' [online] <http://robinhoodtax.org.uk/faq> [Accessed: 06/09/2019].

The Robin Hood Tax (2019a). 'Can this work without global agreement?' [online] <http://robinhoodtax.org.uk/faq> [Accessed: 15/10/2019].

The Robin Hood Tax. (2013a). 'ROBIN HOOD TAX OPPONENTS CLUTCH AT LEGAL STRAWS' [online] <https://www.robinhoodtax.org.uk/robin-hood-tax-opponents-clutch-legal-straws> [Accessed: 08/07/2020].

The Robin Hood Tax. (2014a) HOW DO WE FIX BROKEN BANKING? [online] <https://robinhoodtax.org.uk/how-do-we-fix-broken-banking> [Accessed: 30/10/2019]

The Robin Hood Tax. (2015a). 'ROBIN HOOD TAX: FREQUENTLY ASKED QUESTIONS' [online] http://robinhoodtax.org.uk/sites/default/files/RHT%20FAQS_2%20%282%29.pdf [Accessed: 15/10/2019].

The Robin Hood Tax. (2015b). 'LABOUR TURNS TOWARDS ROBIN' [online] <https://robinhoodtax.org.uk/labour-turns-towards-robin> [Accessed: 30/10/2019]

The Robin Hood Tax. (2016a). 'LABOUR LEADERSHIP CANDIDATES RALLY AROUND ROBIN' [online] <https://robinhoodtax.org.uk/labour-leadership-candidates-rally-around-robin> [Accessed: 30/10/2019]

The Robin Hood Tax. (2016b). 'IT'S AN IDEA WHOSE TIME HAS COME' [online] <https://robinhoodtax.org.uk/%E2%80%99Cits-idea-whose-time-has-come%E2%80%9D> [Accessed: 30/10/2019]

The Robin Hood Tax. (2017a) 'ROBIN HOOD AT LABOUR CONFERENCE' [online] <https://robinhoodtax.org.uk/robin-hood-labour-conference> [Accessed: 30/10/2019]

The Robin Hood Tax. (2011). 'MILIBAND AND BALLS NEED TO BE MORE VOCAL IN SUPPORT OF THE ROBIN HOOD TAX' <http://robinhoodtax.org.uk/miliband-and-balls-need-be-more-vocal-support-robin-hood-tax> [Accessed: 02/10/2020].

The Süddeutsche Zeitung. (2013) 'Steinbrück accuses Merkel of scandalous behaviour' <https://www.sueddeutsche.de/politik/debatte-um-finanztransaktionssteuer-steinbrueck-wirft-merkel-skandaloeses-verhalten-vor-1.1743579> [Accessed: 12/06/2020].

The Telegraph. (2009b). 'Gordon Brown says global Tobin tax to curb banks' risky behaviour is 'worth a look' [online] <https://www.telegraph.co.uk/finance/g20-summit/6217173/Gordon-Brown-says-global-Tobin-tax-to-curb-banks-risky-behaviour-is-worth-a-look.html> [Accessed:23/08/2020].

- The Telegraph. (2010a). 'Alistair Darling favours bank 'super tax'' [online]
<https://www.telegraph.co.uk/finance/newsbysector/banksandfinance/7625819/Alistair-Darling-favours-bank-super-tax.html> [Accessed: 09/11/2019].
- The Telegraph. (2013a) 'Osborne warns over 'badly-timed' Tobin tax' [online]
<https://www.telegraph.co.uk/finance/economics/10102566/Osborne-warns-over-badly-timed-Tobin-tax.html> [Accessed: 07/11/2019].
- The Telegraph. (2013b) 'Tobin Tax is madness for Europe, and economic war against Britain'
https://www.telegraph.co.uk/finance/comment/ambroseevans_pritchard/9985673/Tobin-Tax-is-madness-for-Europe-and-economic-war-against-Britain.html [Accessed: 03/12/2019].
- The Telegraph. (2013c) 'Britain launches legal challenge to Financial Transaction Tax' [online]
<https://www.telegraph.co.uk/finance/newsbysector/banksandfinance/10006501/Britain-launches-legal-challenge-to-Financial-Transaction-Tax.html> [Accessed: 01/02/2020].
- The Telegraph. (2009a) 'Gordon Brown: worldwide snub over tax plans'
<https://www.telegraph.co.uk/news/politics/gordon-brown/6521548/Gordon-Brown-worldwide-snub-over-tax-plans.html> [Accessed: 05/02/2020].
- The Telegraph. (2011a). 'Labour Party Conference 2011: highlights'
<https://www.telegraph.co.uk/news/politics/labour/8786395/Conservative-Party-Conference-2011-highlights.html> [Accessed: 01/02/2020].
- The Telegraph. (2011b). 'Chancellor George Osborne reveals paunch during morning jog' [online]
<https://www.telegraph.co.uk/news/politics/georgeosborne/8889820/Chancellor-George-Osborne-reveals-paunch-during-morning-jog.html> [Accessed: 01/02/2020].
- The Times. (2009). 'Gordon Brown sparks fresh row over Tobin tax for banks' [online]
<https://www.thetimes.co.uk/article/gordon-brown-sparks-fresh-row-over-tobin-tax-for-banks-c3gbx98kjd9> [Accessed: 07/10/2020].
- The Wall Street Journal. (2020). 'Why Common Bonds Signal a New Era for Europe' [online]
<https://www.wsj.com/articles/why-common-bonds-signal-a-new-era-for-europe-11595410330> [Accessed: 07/03/2020].
- The Wall Street Journal. (2009). 'Brown Calls for Global Transaction Tax' [online]
<https://www.wsj.com/articles/SB125759369305735965> [Accessed: 09/01/2021].
- The Warwick Commission. (2009). 'The Warwick Commission on International Financial Reform: In Praise of Unlevel Playing Fields' [online]
https://warwick.ac.uk/research/warwickcommission/financialreform/report/uw_warcomm_intfinreform_09.pdf [Accessed: 10/10/2020].

- Third Sector. (2016). 'Treasury to give £45m from banking fines to 30 charities', [online] <https://www.thirdsector.co.uk/treasury-give-45m-banking-fines-30-charities/finance/article/1387742> [Accessed: 01/02/2020].
- T-Online. (2011). 'Merkel calls for a "breakthrough to a new Europe"' [online] https://www.t-online.de/nachrichten/deutschland/parteien/id_51441082/cdu-parteitag-angela-merkel-fordert-einen-durchbruch-zu-neuem-europa-.html [Accessed: 12/02/2020].
- Triffin, Robert. (1978). *Gold and the Dollar Crisis: Yesterday and Tomorrow*. [online] https://www.princeton.edu/~ies/IES_Essays/E132.pdf [Accessed: 15/12/2015].
- Trinity College Chapel. (2010). 'Virtues and Vices: PRUDENCE' [online] <http://trinitycollegechapel.com/media/filestore/sermons/WilliamsPrudence210210.pdf> [Accessed: 09/02/2020].
- Trumbull, Gunnar. (2014). *Consumer Lending in France and America: Credit and Welfare*. New York: Cambridge University Press.
- Tobin, James. (1978). 'A Proposal for International Monetary Reform', *Eastern Economic Journal*, 4(3/4), pp. 153-159.
- Tolay, Juliette. (2021). 'Inadvertent reproduction of Eurocentrism in IR: The politics of critiquing Eurocentrism', *Review of International Studies*, 47(5), pp. 692-713.
- Trepanier, Lee. (2011). 'The Postmodern Condition of Cosmopolitanism', in Trepanier Lee. and Habib, Khalil. (eds.) *Cosmopolitanism in an Age of Globalization: Citizens without States*. Kentucky: University of Kentucky Press.
- Turnell, Sean. and Harcourt, Geoffrey. (2004). 'Some Reflections on Keynes, Policy and the Second World War', in Aspromourgos, Tony. and Lodewijks, John. (eds.) *History and Political Economy: Essays in Honour of P.D. Groenewegen*. New York: Routledge.
- Uggla, Fredrik. (2006). 'Global Demands and National Politics: Attac in France and Sweden', *Comparative Politics*, 38(2), pp. 169-188.
- UK Government. (2021). 'UK Stamp Tax statistics 2020 to 2021 – Tables' [online] <https://www.gov.uk/government/statistics/uk-stamp-tax-statistics> [Accessed: 11/11/2021].
- UK Labour Party. (2017). 'THE LABOUR PARTY MANIFESTO 2017' [online] <https://labour.org.uk/wp-content/uploads/2017/10/labour-manifesto-2017.pdf> [Accessed: 30/10/2019]

UK Parliament (2009a). 'Afghanistan and the EU Council' [online] <https://hansard.parliament.uk/Commons/2009-12-14/debates/0912147000002/AfghanistanAndTheEUCouncil?highlight=tobin%20tax#contribution-0912147000309> [Accessed: 05/06/2020]

UK Parliament (2009b). 'House of Commons debate: Economic Recovery and Welfare' [online] <https://hansard.parliament.uk/Commons/2009-10-19/debates/0910196000001/EconomicRecoveryAndWelfare?highlight=tobin%20tax#contribution-09101928000015> [Accessed: 05/06/2020]

UN Commission. (2009). 'Report of the Commission of Experts of the President of the United Nations General Assembly on Reforms of the International Monetary and Financial System', United Nations [online] https://www.un.org/en/ga/econcrisissummit/docs/FinalReport_CoE.pdf [Accessed: 11/05/2019].

US Congressional Oversight Panel. (2010). *January Oversight Report: Exiting TARP and Unwinding Its Impact on the Financial Markets*. Washington, DC: US Government Printing Office.

Vaismoradi, Mojtaba. and Snelgrove, Sherrill. (2019). 'Theme in Qualitative Content Analysis and Thematic Analysis', 20(3), [online] <https://www.qualitative-research.net/index.php/fqs/article/view/3376/4470> [Accessed: 01/01/2021].

Vaismoradi, Mojtaba., Turunen, Hannele and Bondas, Terese. (2013). 'Content analysis and thematic analysis: Implications for conducting a qualitative descriptive study', *Nursing and Health Sciences*, 15, pp. 398-405.

Van Dormael, Armand. (1978). *Bretton Woods: Birth of a Monetary System*. London: Macmillan.

Van Eeten, Michel. (2007). 'Narrative Policy Analysis', in Fischer, Frank., Miller, Gerald. and Sidney, Mara. (eds.) *Handbook of Public Policy Analysis: Theory, Politics, and Methods*. London: CRC Press.

Van Vooren, Bart. (2013). 'The Proposed Financial Transaction Tax Directive: The Quest to Create Momentum at the G20 Through Internal Legislation', in Van Vooren, Bart., Blockmans, Steven. and Wouters, Jan. (eds.) *The EU's Role in Global Governance: The Legal Dimension*. Oxford: Oxford University Press.

Vella, John. (2012). 'The Financial Transaction Tax Debate: Some Questionable Claims', *Intereconomics*, [online] <https://www.intereconomics.eu/pdf-download/year/2012/number/2/article/the-financial-transaction-tax-boon-or-bane.html> [Accessed: 01/01/2021].

Venohr, Bernd, Fear, Jeffrey, and Witt, Alessa. (2015). 'Best of German Mittelstand - The world market leaders', in Langenscheidt, Florian. and Venohr, Bernd. (eds.) *The Best of German Mittelstand: The World Market Leaders*. Cologne: Deutsche Standards [online] https://www.researchgate.net/profile/Bernd_Venohr/publication/283086094_Best_of_German_Mittelstand_The_world_market_leaders/links/5629ffe08ae04c2aeb14ca1/Best-of-German-Mittelstand-The-world-market-leaders.pdf [Accessed 03/03/2019].

Vitols, Sigurt. (2004). 'Changes in Germany's Bank-Based Financial System: A Varieties of Capitalism Perspective', *Social Science Research Center Berlin* [online] <https://www.econstor.eu/bitstream/10419/51230/1/38574787X.pdf> [Accessed: 05/05/2020].

Vorwärts. (2017). 'Taxes: The SPD wants rich people to do more - the CDU protects assets' [online] <https://www.vorwaerts.de/artikel/steuern-spd-will-reiche-mehr-leisten-cdu-schuetzt-vermoegen> [Accessed: 01/02/2020].

Vromen, Ariadne. (2010). 'Debating Methods: Rediscovering Qualitative Approaches', in Marsh, David. and Stoker, Gerry. (eds.) *Theory and Methods in Political Science*. New York: Palgrave Macmillan.

Wahl, Peter. (2016). 'More Than Just Another Tax: The Thrilling Battle over the Financial Transaction Tax: Background, Progress, and Challenges', in Pogge, Thomas. and Mehta, Krishen. (eds.) *Global Tax Fairness*. Oxford: Oxford University Press.

Wahl, Peter. (2014). 'The European civil society campaign on the financial transaction tax', *Global Labour University*, No. 20 [online] https://www.econstor.eu/bitstream/10419/96399/1/glu-wp_no-20.pdf [Accessed: 01/02/2019].

Wahl, Peter. (2010). 'Fighting Fire with Buckets: A Guide to European Regulation of Financial Markets', *World Economics, Environment & Development* [online] https://www.taxjustice-and-poverty.org/fileadmin/Dateien/Kampagnen-Seite/Unterstuetzung_Inland/Zivilgesellschaft/1010_Guide_to_EU_Regulation.pdf [Accessed: 04/02/2019].

Waks, Leonard. (2009). 'Inquiry, Agency, and Art: John Dewey's Contribution to Pragmatic Cosmopolitanism', *Education and Culture*, 25(2), pp. 115-125.

- Wandel, Jürgen. (2019). 'Prospects for an ordoliberal reform of the European Union' [online] <https://onlinelibrary.wiley.com/doi/10.1111/ecaf.12334> [Accessed: 11/02/2021].
- War on Want. (2019). 'THE ROBIN HOOD TAX' [online] <https://waronwant.org/robin-hood-tax> [Accessed: 30/01/2020]
- Wardrop, Robert. (2019). 'The Role of Trust in the Divergent Development of Alternative Lending Channels in the UK and Germany', PhD Thesis [online] <https://core.ac.uk/download/pdf/237712769.pdf> [Accessed: 01/01/2021].
- Warren, Thomas. (2018). 'Framing the Eurozone Crisis: A Case of Limited Ambition' [online] https://ueaeprints.uea.ac.uk/id/eprint/65699/1/Accepted_manuscript.pdf [Accessed: 02/02/2020].
- Welt Ethos Institute. (2017). 'Wake-up call from the financial sector: 52 financial managers advise introducing the "tax against poverty"' [online] <https://weltethos-institut.org/blog/allgemein/288-experten-fordern-finanztransaktionssteuer/> [Accessed: 11/05/2020].
- Welt. (2021). 'The red-green burial of a project of the century' [online] <https://www.welt.de/finanzen/geldanlage/article235340412/Finanztransaktionssteuer-Vom-grossen-Scholz-Projekt-ist-ploetzlich-keine-Rede-mehr.html> [Accessed: 23/03/2022].
- Wendt, Alexander. (1994). 'Collective Identity Formation and the International State', *The American Political Science Review*, 88(2), pp. 384-396.
- Wendt, Alexander. (1987). 'The Agent-Structure Problem in International Relations Theory', *International Organization*, 41(3), pp. 335-370.
- Went, Robert. (2004). 'Economic Globalization Plus Cosmopolitanism?', *Review of International Political Economy*, 11(2), pp. 337-355.
- Wesley, Jared. (2014). 'The qualitative analysis of policy documents', in Kaal, Bertie., Maks, Isa. and Van Elfrinkhof, Annemarie. (eds.) *From Text to Political Positions: Text analysis across disciplines*. Amsterdam: John Benjamins Publishing Company.
- Wessels, Wolfgang. and Gerards, Carsten. (2018). 'The Implementation of Enhanced Cooperation in the EU', [online] [https://www.europarl.europa.eu/RegData/etudes/STUD/2018/604987/IPOL_STU\(2018\)604987_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2018/604987/IPOL_STU(2018)604987_EN.pdf) [Accessed: 01/05/2019].
- White, Harry. (1942). 'Preliminary Draft Proposal for a United Nations Stabilization Fund and a Bank for Reconstruction and Development of the United and Associated Nations', in Horsefield, Keith. (ed.) (1981). *The International Monetary Fund 1945-1965*. Washington, DC: IMF.
- White, Harry. (1933). *The French International Accounts, 1880-1913*. Massachusetts: Harvard University Press.

Widmaier, Wesley. (2011). 'Incomes Policies and the U.S. Commitment to Fixed Exchange Rates, 1953– 1974', in Andrews, David. (ed.) *Orderly Change: International Monetary Relations Since Bretton Woods*. London: Cornell University Press.

Wincott, Daniel. (2003). 'The Idea of the European Social Model: Limits and Paradoxes of Europeanization' in Featherstone, Kevin and Radaelli, Claudio. (eds.) *The Politics of Europeanization*. Oxford: Oxford University Press.

Woods, Ngaire. (2006). *The Globalizers: The IMF, the World Bank, and Their Borrowers*. London: Cornell University Press.

World Basic Income. (2019). 'HOW WE COULD FUND A WORLD BASIC INCOME' [online] <http://www.worldbasicincome.org.uk/finding-the-money.html#> [Accessed: 06/09/2019].

Worstell, Tim. (2011). 'The case against a financial transactions tax', *The Institute of Economic Affairs* [online] https://iea.org.uk/wp-content/uploads/2016/07/Financial%20Transaction%20Tax_0.pdf [Accessed: 09/11/2019]

Yeoh, Peter. (2019). 'MiFID II key concerns', *Journal of Financial Regulation and Compliance*, 27(1), pp. 110-123. [online] <https://www.emerald.com/insight/content/doi/10.1108/JFRC-04-2018-0062/full/pdf> [Accessed: 09/02/2022].

Yergin, Daniel. and Stanislaw, Joseph. (2002). *The Commanding Heights: The Battle for the World Economy*. New York: Simon & Schuster.

Yin, Robert. (2003). *Case Study Research: Design and Methods*. London: SAGE Publications.

Youngs, Gillian. (2004). 'Feminist International Relations: a contradiction in terms? Or: why women and gender are essential to understanding the world 'we' live in', *International Affairs*, 80(1), pp. 75-87.

Yu, Bin. (2020). 'Neo-imperialism, the Final Stage of Imperialism', *International Critical Thought*, 10(4), pp. 495-518.

Zimmermann, Hubert. (2014). 'A Grand Coalition for the Euro: The Second Merkel Cabinet, the Euro Crisis and the Elections of 2013', *German Politics*, 23(4), pp. 322-336.

Zimmermann, Hubert. (2012). 'No Country for the Market: The Regulation of Finance in Germany after the Crisis', *German Politics*, 21(4), pp. 484-501.

Zuluaga, Diego. (2020). 'Financial Transactions Taxes: Inaccessible and Expensive', *CATO JOURNAL* [online] <https://www.cato.org/cato-journal/fall-2020/financial-transactions-taxes-inaccessible-expensive> [Accessed: 20/01/2021].

Zürn, Michael. (2016). 'Survey Article: Four Models of a Global Order with Cosmopolitan Intent: An Empirical Assessment', *The Journal of Political Philosophy*, 24(1), pp. 88-119.

Appendix 1

List of 46 Interview Participants (in no specific order)

Government (14):

EU Policymaker 1: Anonymous MEP

EU Policymaker 2: Anonymous MEP - *The Alliance of Liberals and Democrats for Europe*

EU Policymaker 3: Anonymous MEP - *The Progressive Alliance of Socialists and Democrats (S&D)*

EU Policymaker 4: Anonymous

EU Policymaker 5: Anonymous

EU Policymaker 6: Anonymous

German Policy Advisor 1: Anonymous

US Senator 1: Anonymous

Dr. Anneliese Dodds: MEP: *The Progressive Alliance of Socialists and Democrats (S&D)*; and *Committee on Economic and Monetary Affairs (ECON Committee)* (UK)

Dr. Wolf Klinz: Former MEP: *The Alliance of Liberals and Democrats for Europe (ALDE)*; Chairman: *The Special Committee on the Financial, Economic and Social Crisis (CRIS)*; and *Committee on Economic and Monetary Affairs (ECON Committee)* (Germany).

Dr. Rainald Ötsch: Scientific Assistant to Axel Troost: *The Left Party* (Germany)

Heinz Zourek: Former European Commission Director General: *Taxation and Customs Union (TAXUD)* (EU)

Pervenche Berès: MEP: *The Progressive Alliance of Socialists and Democrats (S&D)*; and *Committee on Economic and Monetary Affairs (ECON Committee)* (France)

Sirpa Pietikäinen: MEP: *Group of the European People's Party (EPP)*; and *Committee on Economic and Monetary Affairs (ECON Committee)* (Finland)

Business (19):

Financial Sector Professional 1: Anonymous Financial Services Trade Association – Head of EU Policy (UK).

Financial Sector Professional 2: Anonymous Financial Services Trade Association – Policy Advisor (EU).

Financial Sector Professional 3: Anonymous Financial Services Trade Association – Policy Director (EU).

Financial Sector Professional 4: Anonymous Banking Association – Policy Advisor (EU).

Financial Sector Professional 5: Anonymous Financial Services Trade Association – Director General (EU).

Financial Sector Professional 6: Anonymous - Managing Partner in Investment Bank (USA).

Financial Sector Professional 7: Anonymous – Policy Advisor (UK).

Dan Neidle: Partner and specialist in UK finance and corporate tax: *Clifford Chance LLP* (UK).

Douglas Cliggott: Academic: *University of Massachusetts*; former US Equity Strategist: *Credit Suisse* and former Managing Director: *JP Morgan/JP Morgan Chase* (USA).

Dr. Hazel Henderson: Founder: *Ethical Markets Media* (USA).

John Fullerton: Founder and President: *Capital Institute* (USA).

Lars Pehrson: Managing Director: *Merkur Cooperative Bank* (Denmark).

Marshall Auerback: Partner: *Rainmaker LLC* (USA).

Martin Walker: Tax Director and Head of Securities Tax: *Deloitte* (UK).

Paul Hale: Managing Director, Global Head of Tax Affairs: *The Alternative Investment Management Association (AIMA)* (UK).

Enrique Clemente: Tax Analyst: *The Alternative Investment Management Association (AIMA)* (UK).

Professor Avinash Persaud: Chairman: *Intelligence Capital Limited* (UK).

Thilo Schweizer: Policy Advisor: *Institute of International Finance (IIF)* (USA).

Wallace Turbeville: Academic: *Dēmos*; and former Investment Banker: *Goldman Sachs* (USA).

Civil society (13):

German Civil Society Campaigner 1: Anonymous (Germany).

David Hillman: Director: *Stamp out Poverty* (UK).

Dr. Robert Johnson: President: *The Institute for New Economic Thinking*; and Director: *Global Finance Project for the Franklin and Eleanor Roosevelt* (USA).

Dr. Rodney Schmidt: Director of Strategic Analysis and Global Engagement: *The Rights and Resources Initiative* (USA).

Dr. Stephan Schulmeister: Economist: *Austrian Institute of Economic Research* (Austria).

John Christensen: Director: *Tax Justice Network* (UK).

Kumiko Tsuda: Academic: *PhD Candidate Hokkaido University* (Japan).

Lars Koch: Director of Programmes and Influence: *IBIS Oxfam* (Denmark).

Owen Tudor: Head of European Union and International Relations Department: *Trade Union Congress (TUC)* (UK).

Peter Wahl: Board Member: *World Economy, Ecology and Development (WEED)* (Germany).

Polly Jones: Head of Policy and Campaigns: *Global Justice Now* (UK).

Professor Stephany Griffith-Jones: Financial Markets Director: *The Initiative for Policy Dialogue* at *Columbia University* (USA and UK).

Professor Takehiko Uemura: Academic: *Yokohama City University* (Japan).

Appendix 2

Faculty of Humanities and Social Sciences
Department of Social Sciences
Headington Campus, Gipsy Lane, Oxford OX3 0BP
Mr Kavi Thakore
Email: kavi.thakore-2014@brookes.ac.uk
Phone +44 (0) 7535693199

January 2016

The Participant Information Sheet

A 'Cosmopolitan' Financial Transaction Tax

You are being invited to take part in a research study. Before you decide if you would like to take part, it is important for you to understand why the research is being done and what it will involve. Please take time to read the following information carefully.

What is the purpose of the study?

You are being invited to participate in an interview concerning the EU Financial Transaction Tax (EU FTT) negotiations. The research will be used in my PhD thesis, which seeks to investigate the link between the EU FTT and values such as equality, accountability, governance and regulation. This will contribute to the theoretical debates concerning the relationship between finance and the global political economy. With your permission the interview will be in person, recorded on audio and held at a place of your convenience.

Why have I been invited to participate?

You are being invited to be an interview participant for this research because you are (or have been) engaged with the dialogue, debate and campaign concerning the EU FTT. As a result you can offer invaluable insights into the role played by you/your organisation within the negotiations.

From January 2016 onwards, a total 35 interviews will be conducted as part of this research.

Do I have to take part?

Taking part in this research is entirely voluntary and it is up to you to decide if you want to be involved.

If you do decide to take part you will be given this information sheet to keep and be asked to sign a consent form. In addition, if you decide to take part you are still free to withdraw up to the point of analysis (January 2017) and without giving a reason.

What will happen to me if I take part?

Should you wish to participate we will arrange by mutual consent a date, time and venue for the interview. The interview will last approximately one hour. At the point of analysis (from

January 2017), a complete transcript of the interview will be available to you on request and you will have a two-week period after receiving the transcript to check and advise on any corrections you feel should be made.

What are the possible benefits of taking part?

There are no direct benefits to you, but the study will contribute to academic research as well as theoretical debates regarding financial regulation and the global political economy. Having said this, you will be offered a summary of the research, which you may benefit from when considering negotiations on current and future policy initiatives. You are being asked to give approximately one hour of your time for this interview.

Will what I say in this study be kept confidential?

All data collected will be kept strictly confidential. Before the interview you will be given the option to indicate whether you want to remain anonymous in any publications that may result from this work. The interview will be audio recorded and will be immediately backed up onto Google Drive, a data encrypted cloud server, for which the University has a security agreement. The backup process will take place in the field using an encrypted laptop that can only be accessed through fingerprint recognition.

A complete transcript and a summary of the research findings will be made available to you upon request (from January 2017). All data produced in the course of this research will be retained in accordance with Oxford Brookes' policy of academic integrity. All data produced from the interviews will be kept in secure electronic form for ten years after the completion of the research before being destroyed.

What should I do if I want to take part?

You will be contacted by email and will be asked if you wish to participate. If you agree a convenient time and place will be arranged for the interview to take place.

What will happen to the results of the research study?

The research findings will be used in my PhD thesis and will first be displayed to my supervisory team (from January 2016). Subsequently, future dissemination of the data collected will be made in the form of any conference papers that I deliver and any academic publications that I create.

Who is organising and funding the research?

The research is being conducted by PhD student candidate, Mr Kavi Thakore from the Department of Social Sciences at Oxford Brookes University in the UK.

Who has reviewed the study?

This study has been approved by Oxford Brookes University Research Ethics Committee. If you have any concerns about this please contact the Chair of the Oxford Brookes University Research Ethics Committee at ethics@brookes.ac.uk

Contact for Further Information

Please do not hesitate in contacting me with any other questions or queries about this study. My contact details can be found at the top of this letter. Alternatively, you may contact my PhD supervisory team, whose details can be found below.

Dr Stephen Hurt: (Director of Studies)	Phone: 01865 483937	Email: shurt@brookes.ac.uk

Dr Chris Hesketh:	Phone: 01865 483758	Email: chesketh@brookes.ac.uk

Dr Doerthe Rosenow: drosenow@brookes.ac.uk	Phone: 01865 484237	Email:

Thank you for taking the time to read this. This letter is for you to keep.

CONSENT FORM

A 'Cosmopolitan' Financial Transaction Tax

Mr. Kavi Thakore
PhD Candidate in International Relations
Oxford Brookes University
Gipsy Lane
Oxford OX3 0BP
United Kingdom

Please initial box

1. I confirm that I have read and understand the information sheet for the above study and have had the opportunity to ask questions.

☐

2. I understand that my participation is voluntary and that I am free to withdraw at any time, without giving a reason.

☐

3. I agree to take part in the above study.

☐

Please initial box

Yes

No

4. I agree to the interview being audio recorded.

☐☐

5. Please **choose one of the following options** regarding the way in which your interview may be used in the project:

Please initial box

a. I may be identified in any publications.

☐

b. I may not be identified in any publications. My words may be quoted provided that they are anonymised.

☐

Name of Participant

Date

Signature

Name of Researcher

Date

Signature

Appendix 3

All Interview Questions (in no specific order)

Interview Questions:

Note: the researcher is aware that certain questions will not be relevant to all participants.

Stance taken towards the EU FTT:

1. Tell me about the EU FTT negotiations/campaign, particularly the role you/your organisation have played in the process/campaign and why you/your organisation have taken your specific position towards it?
2. Historically, many difficulties surround the achievement of financial cooperation, in this regard, has the EU FTT negotiations been any different and how?
3. Which types of (negotiating) strategies have you/your organisation employed during the discussions/campaign? Have other organisations/campaigners differed in the methods they have adopted?
4. From your point of view, can you explain to me why the negotiations stalled in 2014? And why implementing this policy as quickly as the EU anticipated has not occurred?

Cosmopolitan nature of the EU FTT:

5. Can you tell me what the largest challenges and obstacles have been during the negotiations/campaign? And how these challenges and obstacles were overcome (or compromised upon)?
6. From your experience within the negotiations/campaign, can you explain how the consensus building process has worked? And how greater levels of cooperation were achieved?
7. Do you see the EU FTT as a stepping stone towards a different type of EU?
8. In your opinion, what are the fundamental logics and reasoning behind the EU FTT?

9. Tell me, how does this relate more broadly to the EU project as a whole?
10. Where will (or where should) governments spend the revenue that is to be collected from this tax?
11. Through the types of public spending measures you have just explained, do you believe that the EU FTT will reinvigorate values such as social welfare, equality and democratic accountability?
12. Is an EU FTT really the best way to raise revenue for public spending or do you believe there is a better way?
13. Are (these or) other alternative revenue raising measures being discussed at the EU level? And can these measures work in tandem with the proposed FTT?
14. How does the EU FTT relate to other negotiations regarding the movement of capital in general? Particularly discussions surrounding the proposed Capital Markets Union?

Financial governance and the EU FTT as a regulatory tool:

15. Will the EU FTT limit short-term speculation? And please explain whether or not policies of this nature are desired?
16. Is the regulation of the financial sector necessary? And why?
17. What are the advantages and disadvantages associated with regulatory measures that are based on voluntary versus binding codes of conduct?
18. Expanding upon the information you have provided, why should business activities in general and financial markets in particular be further regulated/deregulated? And how should this be undertaken?
19. In your opinion, do you believe there to be a financial governance gap present within Europe?
20. In light of what you have said, how does the EU FTT relate to financial governance?
21. Other nation-states that are outside of the EU – such as South Africa, Brazil and Argentina – have (at various times) shown an interest in applying some form of FTT. How have the negotiations encapsulated discussions on applying the FTT to other interested nation-states outside of the EU? Are there any specific proposals currently on the table or in the pipeline? How viable do you believe these plans to be?

22. From your standpoint, which positive and/or negative externalities will the EU FTT create?
23. Do you think you can provide me with any other information that you may feel is relevant when considering the EU FTT?
24. Is there anyone else that you can put me in contact with, who you believe I should speak to regarding the EU FTT?