

ICRICT open letter to G20 leaders: it's time for a global asset register to target hidden wealth.

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Since the beginning of the pandemic, [the world's 10 richest men have doubled their fortunes](#), while a new billionaire has emerged every 26 hours. However, it is often impossible to know where much of this wealth is, as it is often hidden through elaborate structures either to avoid paying taxes or to hide money generated by corruption and illegal activities. The case of the Russian oligarchs speaks for itself. According to some estimates, they hold at least [\\$1 trillion in wealth abroad](#), often concealed in offshore companies whose true ownership is hard to determine. On this wall of opacity, the efforts of the countries that want to sanction these are now stumbling.

Tax havens hinder the ability of governments to impose sanctions, and this inability hinders the international rule of law which enables our countries to coexist. Everywhere, populations are exhausted after two years of the Covid-19 pandemic and its dramatic economic and social consequences. Russia's invasion of Ukraine has aggravated this already-worrisome context, with soaring energy and food prices, the return of an arms race, and the fear that the confrontation will become even more destructive.

As leaders of the planet's most important countries, you have a responsibility to make urgent decisions to prevent the world from sliding into chaos. And you also have a golden opportunity to do so. The pandemic and the war in Ukraine showed our economies' lack of resilience, in both emerging and developed economies. They also revealed to the world the extent of inequality and wealth hidden in tax havens by the richest in our societies. This extreme wealth concentration is undermining our democratic principles. When some of those ultra-rich use their power to evade their tax obligations, they deprive states of precious resources and impoverish the rest of society.

The issue is obviously not limited to Russian billionaires. Too much wealth is hidden in tax havens, using bank accounts, companies, and trusts that aim to keep their true beneficiaries unidentifiable. Global finance allows tax abuses, corruption, and money laundering to flourish. These illicit

wealth hidden from the tax authorities and the public in general and hidden in jurisdictions with high levels of financial opacity. Although there has been some progress in recent years, including the introduction of multilateral, automatic exchange of financial account information, and national beneficial ownership registries, there is much more to do to fix the broken international financial system that presently is skewed in favour of wealthy tax abusers—and others who want to hide their ill-begotten gains. What we have done so far falls far short of a true mechanism to track, disclose, and reveal wealth everywhere. There is a long way to go to achieve even the modicum of

transparency that would be required to discourage tax avoidance and evasion and illicit activities by the ultra-wealthy, including, but not limited to the oligarchs.

We now have a unique opportunity to make progress on the implementation [of a global asset registry \(GAR\)](#), to link all types of assets, companies, and other legal structures not to the legal owner, which is often only a facade, but to the beneficial owner, the person who really owns them. Fortunately, we aren't starting from scratch: despite the scale of hidden wealth, the existing data-collection infrastructure includes potentially powerful tools for transparency.

It is technically possible. What is missing is the political will to tackle tax and secrecy havens once and for all, both onshore and offshore. The idea is simple, it requires creating a network interconnecting all national asset registries of all the different forms of wealth that an individual can own where they already exist while encouraging all countries that have not yet created comprehensive asset registries to do so. What kind of assets? In addition to real estate, bank accounts, safe deposit boxes, trusts, and other types of legal arrangements, it could include financial securities, crypto assets, artworks, jewelry, yachts, planes, other luxury items, and even intangible assets such as intellectual property and trademarks. Information that can be collected first at a national level, then regional, then global. Coordination planning at the European Union level could pave the way through the creation of a [European Asset Registry as suggested by the EU Tax Observatory and the World Inequality Lab](#).

Such a global asset registry is critical in breaking the wall of opacity that impedes the enforcement not just of tax laws, but also those attempting to circumscribe a range of illicit activities. But it would do more: by providing a centralized global resource detailing who owns what, and where they own it, a Global Asset Registry would provide a means to record, measure, and understand the distribution of global wealth and thereby empower governments and citizens with a thorough and detailed understanding of global inequality.

We, therefore, call on G-20 leaders, and interested partners, to convene an urgent international summit to address offshore wealth, the toxic role of tax and secrecy havens, and develop and deploy a fast plan to implement a Global Asset Registry. No more excuses, no more pandemics, no more wars to justify lack of action. To preserve democracy, end spiraling inequality, and rebuild the social contract.

NEXT

Lettre ouverte de l'ICRICT aux dirigeants du G20 : il est temps de
créer un registre mondial des actifs pour cibler les richesses
cachées.

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