

# Financing the European New Deal

The necessary resources and means to finance the European New Deal are there, the only question is how we as a society wish to distribute them. For this we need **democratically legitimated, political will** at the European level.

To finance the European New Deal of DiEM25 it will generate the following income, to be managed by a **European Equity Depository (EED)**:

## **A. Use European Central Bank profits for the common good:**

1. Financial assets held by the central banks of Europe: During the financial crisis, the central banks of Europe bought up financial assets (government bonds, mortgages, etc.). The income from these investments will be used to finance the European New Deal.
2. European Central Bank (ECB) seigniorage: The ECB is a public institution that generates interest gains through its day-to-day work (lending money to private banks). This so-called "seigniorage" should be used to finance the European New Deal.

## **B. Socialisation of private monopoly profits:**

Supposedly new capital and intellectual property are created through the processing of existing knowledge and government-funded research programs. Major corporations such as Google, Bayer, Facebook and Volkswagen are privatising profits that have come from the commons.

1. Shares of each IPO and capital increase: DiEM25 therefore demands that a proportion of all new shares issued on the stock exchange flows into the EED so that society can participate in such profits.
2. Fees/charges on intellectual property rights: DiEM25 requires large companies to pay a special levy on monopoly profits currently protected by copyright for 70 years. The original inventors are exempted from this levy.

[see Infosheet (7/9): *The Universal Basic Dividend*]

## **C. An environmentally and socially responsible tax system**

1. Common European Inheritance Tax: DiEM25 calls for a common European inheritance tax to severely limit the inheritance of social inequality in Europe.
2. Pan European CO<sub>2</sub> tax: In order to ensure a fair distribution to all European countries, a progressive reference CO<sub>2</sub> price is planned. This tax takes into account both the living standard of a country and the amount of CO<sub>2</sub> emitted.

[see Infosheet (5/9): *The Green Investment Program for Europe*]