

Funding Supranational Institutions



What is the UN's Current Budget?

The total approved budget for the UN Secretariat and peacekeeping for 2024 is approximately **\$3.2 billion**. Does this sound like a lot? Let's quantify this figure.

How much is the UN Budget really?

"With a global population of around 8 billion, the cost per person is about **\$1.25 annually**, roughly the price of **a bag of chips** in New York."

- Farhan Haq, Deputy Spokesman for the Secretary-General

\$3.2 billion is around **10%** of the global potato chip market, valued at \$30 billion.



Did you know that the budget of the European Union (EU) is already around \$200 billion per year?

EU Annual Budget

The EU's 2024 budget includes commitments of approximately \$205.1 billion (€189.4 billion) and planned payments of around \$154.5 billion (€142.6 billion). This translates to an annual EU budget contribution of just over \$326 (€302) per person.



**WORLD FEDERALIST
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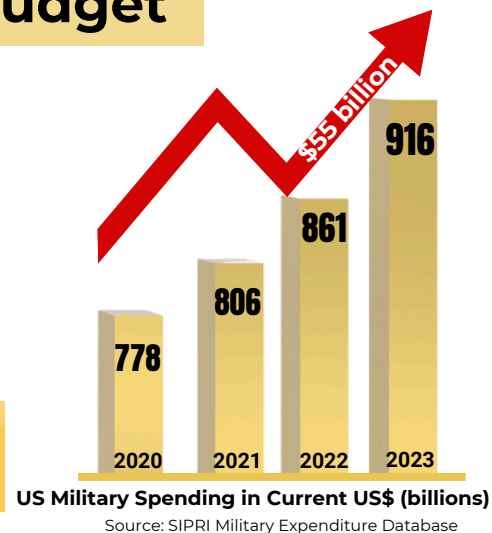
Where is all the Money?



Comparison with Different Value/Budget

Military Spending

In 2023, the United States led global military spending with current **\$916 billion**, an increase of **\$55 billion** from the previous year. This amount surpasses the combined total of the next 9 highest-spending countries.



"The world is over-armed and peace is underfunded"

- Former UN Secretary-General Ban Ki-moon



NOT SO FUN FACT:

Despite this, the **US Department of Defense** has failed its sixth consecutive audit and **has never passed a single annual audit mandated by Congress**, even as its budget nears \$1 trillion.

Wealth of the Richest 1%



Bernard Arnault
\$207 billion



Elon Musk
\$203 billion

The combined wealth of Arnault and Musk totals **\$410 billion**.

This is over **136 times** the annual budget of the United Nations, which is tasked with addressing global challenges like poverty, hunger, and climate change.



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UN Budget & Tobin Tax



James Tobin
American economist

Background

The **Bretton Woods system collapsed** in the 1970s and the world had just *transitioned* to **floating exchange rates**. What followed? A rollercoaster ride of wild **currency fluctuations** and frantic **speculative trading**!



James Tobin's solution was the Tobin Tax, which he presented during a lecture at Princeton University.

Imagine a tiny toll on every **currency exchange**: that's the **Tobin Tax**! By imposing a small tax on all spot conversions of one currency into another, **the Tobin Tax curbs short-term speculative trading**, which has historically contributed to excessive volatility and instability, in the foreign exchange markets.



Implementing the Tobin



The United Nations is regarded as the optimal organization for implementing the Tobin Tax, which requires cooperation among nations. This tax could generate over \$300 billion annually, far exceeding current bilateral aid levels. The Tobin Tax would:



**CURB SPECULATIVE
SPENDING**

**REDUCE UN RELIANCE
ON MEMBER STATES**

**CREATE FUNDING FOR
GLOBAL PUBLIC GOODS**



**PROMOTE GLOBAL
FINANCIAL STABILITY**

**ENHANCE THE UN'S
FINANCIAL INDEPENDENCE**

**SUPPORT HUMAN
DEVELOPMENT PRIORITIES**



The **United Nations Development Programme** (UNDP) has advocated for the Tobin Tax as a major resource to provide stable funding for long-term projects like poverty alleviation and climate change. In practice, it would require international cooperation and transparent fund management.



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