

Californians Redirect Their Taxes to Build Better Communities

You've never seen people happier to be paying taxes. They were members of the group Northern California War Tax Resistance, smiling because their checks—averaging more than \$1,000 apiece—were not made out to the federal government, but to twenty-seven local groups including the Bay Area Community Land Trust, the Berkeley Food Pantry, the Biketopia Community Workshop, People's Community Medics, and the Sustainable Economies Law Center.

The money came from a war tax resisters' "alternative fund"—the "People's Life Fund"—one of more than a dozen such funds in the United States. The fund accepts deposits from war tax resisters of money they are refusing to pay to the government, and holds the money in alternative financial institutions like credit unions and socially-responsible investments. If the government manages to seize the resisted taxes from the resister, he or she can reclaim that money from the Fund. Meanwhile, any investment returns from the deposits are distributed to local groups.

"Redirection" is an important part of American war tax resistance. Bill Ramsey says it reminds him of Gandhi's "constructive program" that aimed to strengthen grassroots Indian institutions:

The "constructive program" is positive action that builds structures, systems, and processes alongside the obstructive program of direct confrontation to or noncooperation with oppression. When we redirect our war taxes, we invest in imaginative and positive projects in our communities and around the world.

At first, redirection was practiced by individuals in an ad hoc manner. In 1968, war tax resister Irving Hogan stood outside the Federal Building in San Francisco and redirected his federal income tax dollars one at a time by handing them out to passers by. **"I want this money to be used for the delight, not the destruction, of men,"** he said. **"Here: go buy yourself a beer."** But today redirection is frequently coordinated by groups.

One group used its alternative fund to create a scholarship for students who had been barred from government

financial aid because they refused to register for the military draft. Another made an interest-free loan to the legal defense for a group of military draft resisters.

Traditional charity organizations have also received redirected taxes. In 2008, a national "War Tax Boycott" redirected \$325,000 in federal taxes to a health clinic in New Orleans struggling with the aftermath of Hurricane Katrina, and to Direct Aid Iraq, which provided medical care to refugees from the American war.

War tax resisters aren't just redirecting their money. Many resist by lowering their income below the income tax line. They work fewer hours of paid employment and simplify their lives so that they can live on less money. Such resisters no longer have an amount of income tax to redirect, but they can redirect their *time*. One such resister, Clare Hanrahan, wrote: "I believe that redirection of time and presence provides a personal and potent contribution to the common good, a gift of self that has more dimensions than money alone. **I redirect each time I give my time and energy in support of good work within my community.**"

In recent years more ties have developed between American war tax resisters and the grassroots or "solidarity economy"—an approach spearheaded by Spain's "comprehensive disobedience" (*desobediencia integral*) movement..

When war tax resister Erica Weiland delivered the keynote address at an "economic disobedience" workshop in Eugene, Oregon, she said:

When we heard about this work in Spain, it was clear to us that war tax resistance is economic disobedience, the refusal to cooperate in an economic system that is built on war, militarism, and the perpetuation of human suffering. It was also clear to us that a variety of movements that also practice economic disobedience are allied with us in this struggle. When people refuse to pay debts to ruthless debt collectors, resist foreclosure, set up bartering networks that don't report bartering as income, set up gift economies that avoid the IRS bartering regulations, organize lending circles for low-income borrowers, counsel high school students on alternatives to military service, squat abandoned houses, organize tent cities for the homeless regardless of bureaucratic and inhumane regulations, and struggle against corrupt landlords and employers, we are engaging in economic disobedience.

American war tax resisters withdraw from the warfare state and the economic model it enforces and commit themselves with all of their strength and all of their resources to the creation of a more just system in which we can live with dignity. In doing so, they are blazing the trail that leads to this better world we all yearn for.



Bill Ramsey, redirecting taxes

Spanish Activists Fund the Solidarity Economy with Redirected Taxes

Spanish war tax resisters and “Occupy”-style activists have joined forces to organize a sharing economy network and nourish it with redirected taxes.

When the financial crisis hit Spain, the finance industry begged for bailouts, just like they did here. But Spain went further, abruptly amending its Constitution to make payments to these financiers the “absolute priority”—higher than any other budget item—and forcing an austerity budget on everyone else.

Meanwhile, Enric Durán carried out a daring bank robbery. He took out loans from 39 banks and fled with the nearly half a million euros. This he invested into anti-capitalist projects, saying he was fighting back against the banking system’s piracy of the Spanish Treasury.

Among the projects this Robin Hood funded was *Derecho de Rebellion* (Right of Rebellion). It encourages people to withdraw their allegiance from the Spanish government and instead “declare ourselves citizens of the popular assemblies and the assemblies of post-capitalist projects in which we participate”:

Tax resistance serves to fund the popular assemblies, and from these, gives “absolute priority” to participatory funding of the resources that we really consider public.

—*Manifesto of a New Rebel Dignity*

They advised people to resist not just military spending (as war tax resisters do) but also payments on the national debt, salaries of legislators, church subsidies, prisons, police, and the monarchy—25% of the budget.

They asked people to redirect their taxes into their local, Occupy-style popular assemblies or into projects launched by those assemblies: like worker-run cooperatives, grassroots job centers, squats in unused buildings and abandoned villages, and self-managed health-care cooperatives.

With the advice of veteran Spanish war tax resisters, the group wrote a tax resisters’ handbook. They opened “offices of economic disobedience” in Madrid, Barcelona, Castellón, and Zaragoza (the first four of what are now at least a dozen such offices), where they teach how to resist taxes and how to set up self-managed businesses and cooperatives.

They also began to link up sharing economy projects—cooperatives, community gardens, free stores, food banks, alternative currencies, debtors’ unions, credit cooperatives, barter networks, housing co-ops, tool libraries, off-the-grid energy generators, soup kitchens, squats, activist affinity groups, and popular assemblies—

hoping that by connecting these projects into local, self-managed networks, they could bypass governmental and financial intermediaries in the economy. They coined the term “*Desobediencia Integral*” (Comprehensive Disobedience) for this strategy:

Comprehensive Disobedience means breaking the social contract with the State of a territory where one lives, in order to **create a new social contract** with a community in which the person is really linked.

The movement’s *Handbook of Economic Disobedience* describes how to take your resources away from big business, big finance, and government, and put those resources at the service of people in your community.

They acknowledge that this is going to be a long process. For some time we have to live in two worlds: the official economy where the rules are set by a privileged few for their own benefit, and the emerging one in which we can participate on an equal basis.

Because big finance and government are tightly linked, the movement augments tax resistance with resistance to foreclosures, defaults on credit card debt, and personal bankruptcy as a way to make such debts uncollectable. They take their money out of banks in favor of credit unions, new “ethical” banks, or microloans that fund alternative economy projects. Some leave money behind entirely and move to barter, alternative currencies, or local exchange trading systems.

And they experiment with ways to use tools of the official economy to subversively build the sharing economy. (Corporate personhood? We can play that game too!)

By experimenting, by building new methods of production and exchange, and by redirecting their resources and loyalty from the government to grassroots community projects, together they are building a new economic system in which people are the highest priority.

How can we in the U.S. learn from this model? We might reach out to the American war tax resistance movement. They have a long-standing tradition of redirecting taxes from the government to more worthwhile projects—it seems a natural fit for them to partner with people who are building the sharing economy. **It could be that all you need to do is extend a hand of friendship in order to find enthusiastic start-up capital for your subversive sharing economy innovation.**

If you’re more daring, you might ask them how you and those around you can redirect your own tax dollars away from Trump administration and into the projects whose benefits you have seen with your own two eyes. Tax resistance may be just as important a part of the new economy here as it is in Spain.