

A Wall Street Speculation Tax:

A Tool for Financial Stability & Economic Recovery

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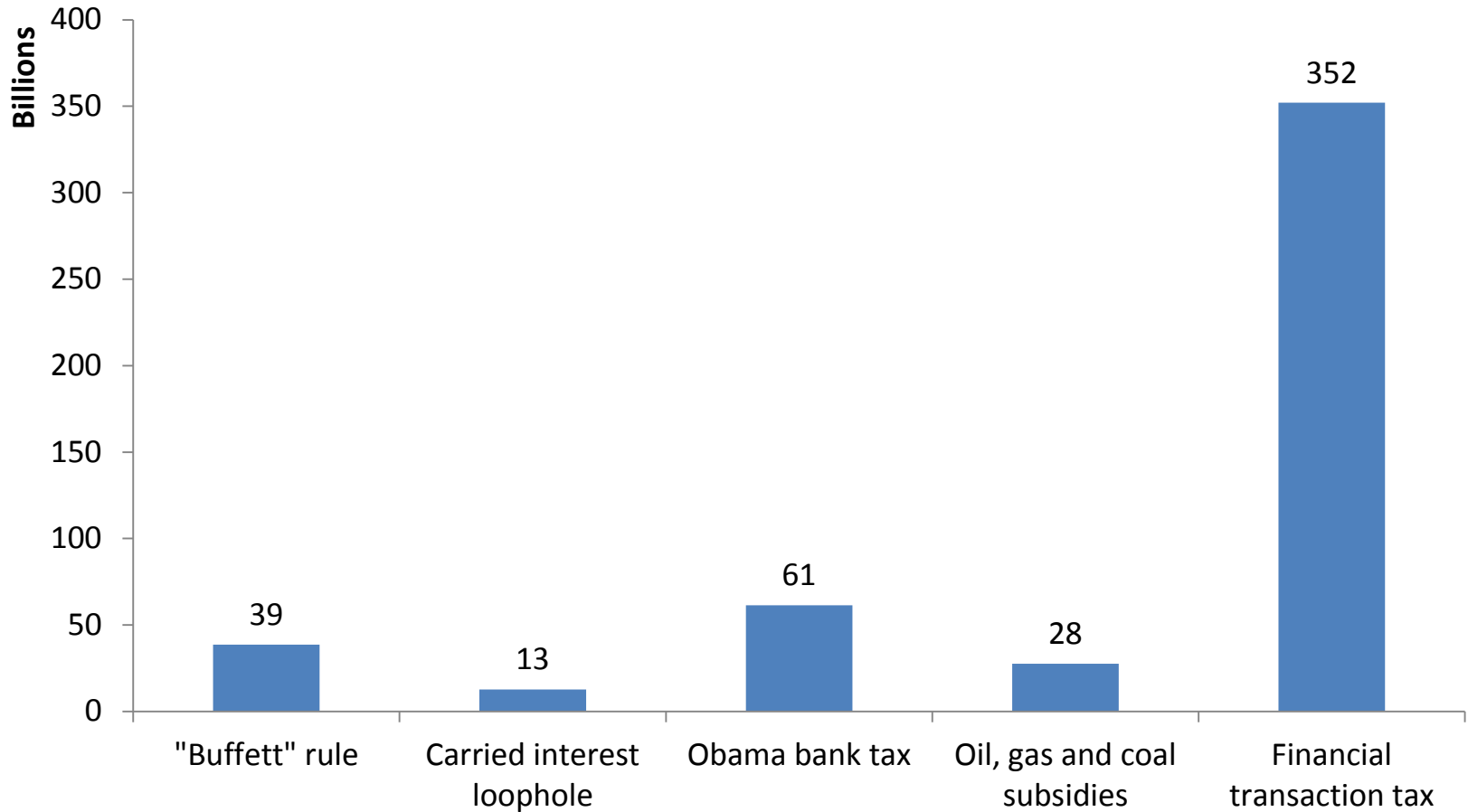
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A Wall Street Speculation Tax: Three Main Points

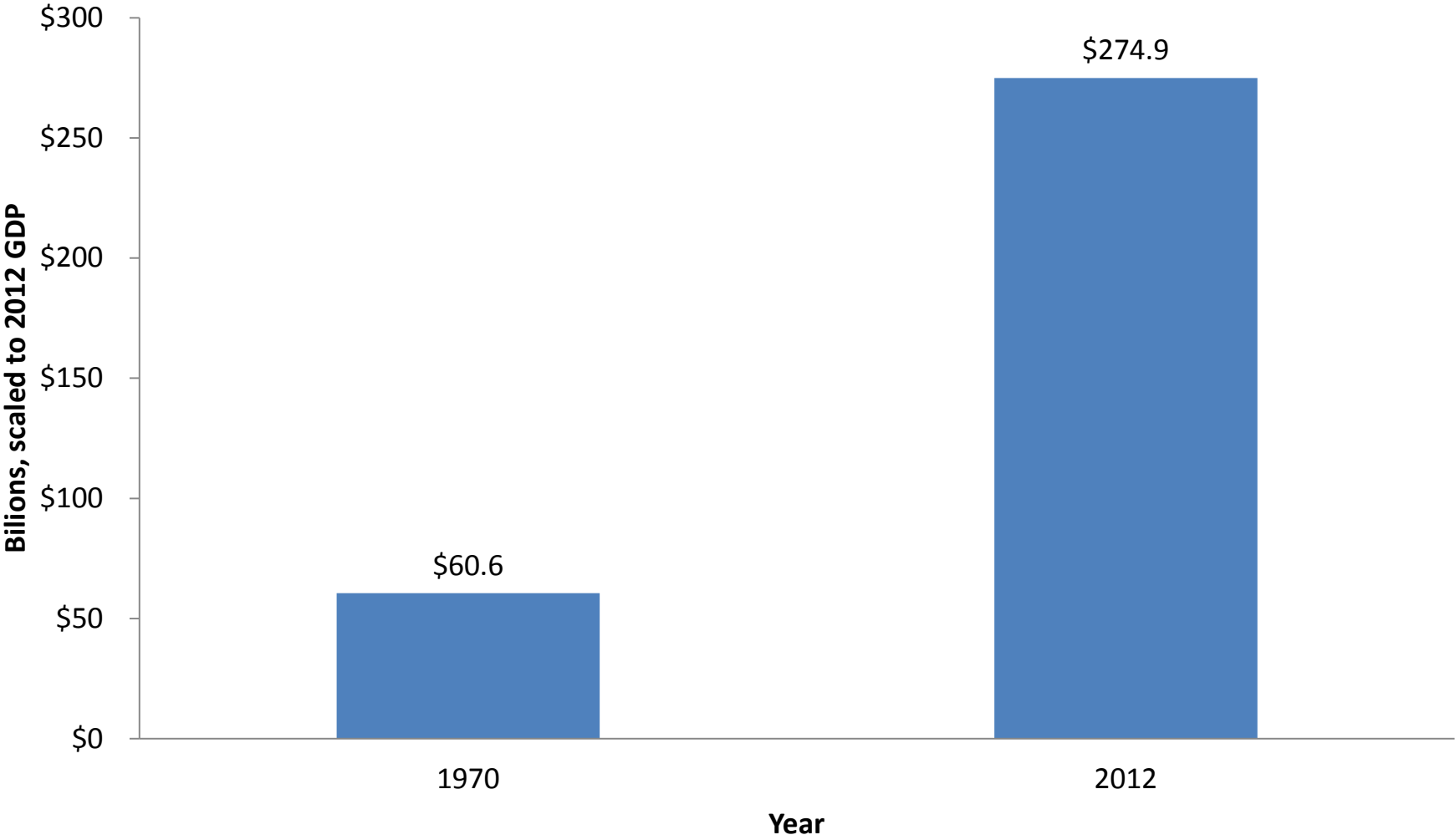
- 1) Financial transaction taxes can raise large amounts of revenue
- 2) The money will come almost entirely at the expense of the financial industry
- 3) It will likely lead to more stable markets

Selected Deficit Reduction Options

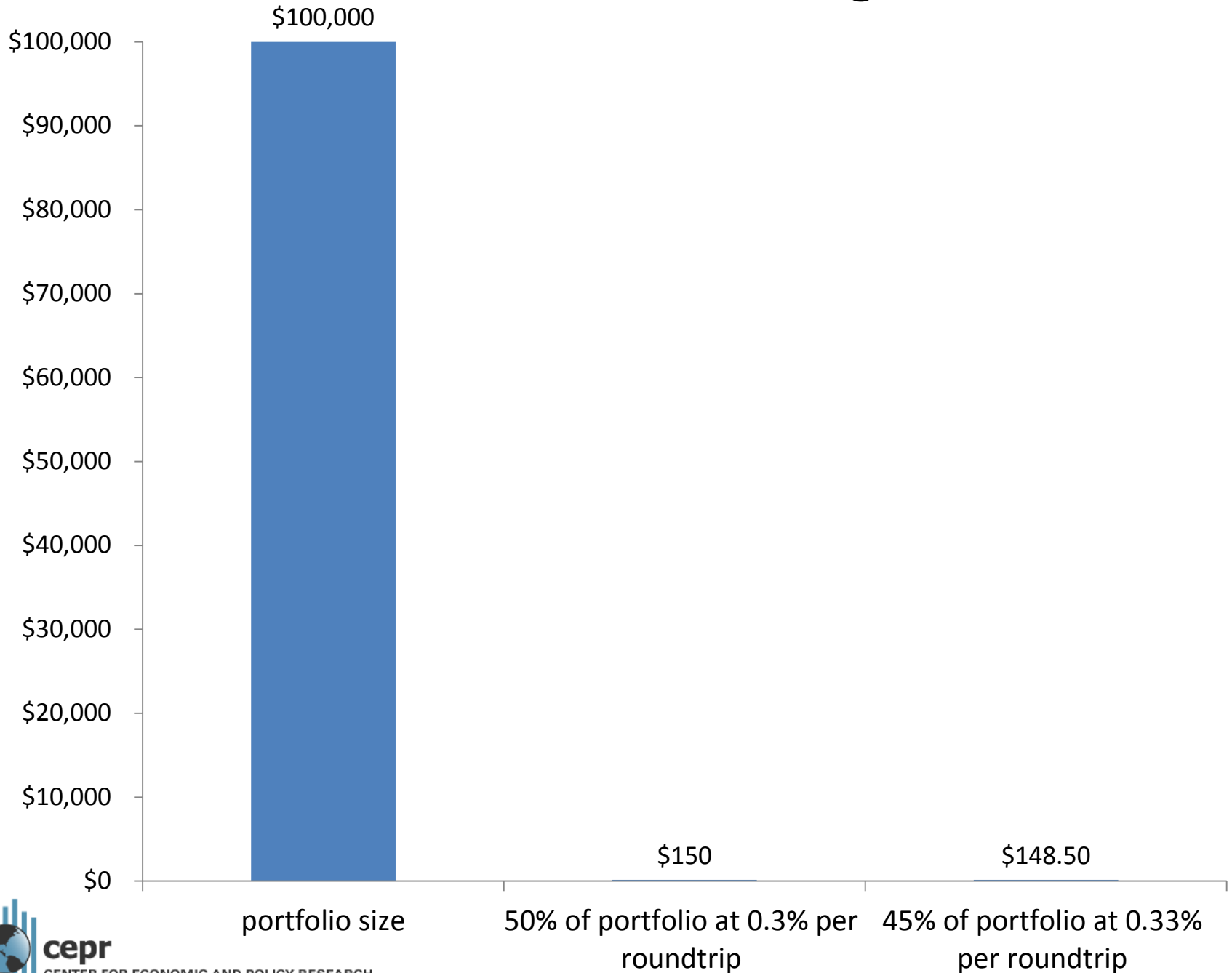
(Nine-Year Estimates in U.S. Dollars)



Size of Narrow Financial Sector



Turnover and Trading Costs



Instances of Extreme Volatility Driven by Computer Trading

- 1) 2010 Flash Crash: Dow Jones dropped by about 1000 points (about 9%)
- 2) 1987 Black Monday: Dow Jones dropped by over 500 points (over 22%)

CEPR Resources on a Wall Street Speculation Tax:

www.cepr.net/index.php/issues/fst/

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