

A Taxing Journey:

How civic actors influence tax policy

Lessons from seven case studies on civil society engagement

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EXECUTIVE SUMMARY

This paper synthesizes the findings from what, to our knowledge, is the first set of in-depth case studies on civil society engagement in tax reform. In these cases, we look at campaigns promoted by civic actors in seven countries that either proposed and pushed for specific tax reforms or opposed reforms that had been introduced by the government.

Regular citizens and civic actors have historically played a very limited role in the formulation of tax policies. In recent years, however, interest in the role that civil society can play in tax reform has been growing steadily, driven by the domestic resource mobilization (DRM) agenda linked to the Sustainable Development Goals (SDGs) and by recent efforts of international non-governmental organizations (NGOs)—in collaboration with country-level groups—to reform the rules of international taxation.

To document successful examples of civic tax advocacy and generate useful lessons for other organizations interested in this work, we commissioned in-depth case studies of the Yellow Vests movement in France, tax administration reforms in Guatemala, the invalidation of a double taxation agreement between Kenya and Mauritius, the fight against opacity of tax amnesties in Mexico, the increasing of “sin taxes” and oil excise taxes in the Philippines, opposition to new taxes on mobile money transfers and social media in Uganda, and advocacy of higher income taxes on wealthy individuals in three US states. Evidence from these case studies also help fill a gap in the existing literature on the political economy of tax reform, which does not cover the role of civic actors in any level of detail.

The cases show that civil society engagement in tax reform can play a role in making tax systems fairer and more equitable while generating revenues to finance important public services. More importantly, they help us to understand the types of strategies and tactics that very different organizations and movements use to engage with very different types of tax reform. Not all our cases are unqualified successes: what they demonstrate, rather, is that tax reform is a longer-term process defined by a mix of failures and partial successes, as well as more resounding victories. These cases help us to think about tax reform over time, rather than as a single moment, and therefore nuance our understanding of the role of civil society and the meaning of successful tax advocacy.

How did civil society groups across these cases engage with tax reform? The evidence we gathered highlights five themes, which also point to useful lessons for other tax advocacy initiatives:

Narratives, messaging and media. Tax reform is a battle of ideas. It requires tax advocates to craft narratives about the need for changes in tax policy and to be able to communicate them effectively by using different media in a strategic way. These narratives need to be powerful and convincing enough to counter and neutralize those

used by opposing actors, such as the argument that low taxes are vital for economic growth. The first narrative that was used in the campaigns we cover is about promoting fairness and equity, arguing that the burden of taxation should be distributed fairly and that those that have more should pay more (or at least pay everything that they owe). The second narrative is related to the idea that governments need sufficient resources to adequately fund public services, either through direct earmarking or through an increase in general revenue collection. A third narrative—used by a smaller number of groups—is linked to the need for more transparency and for clear anti-corruption measures in tax administration. These narratives helped CSOs frame issues to win the policy argument and galvanize supporters and were more often used conjointly as complementary arguments, rather than in isolation. Beyond crafting narratives, though, civic actors need to be able to disseminate and amplify their messages through different types of media to make sure they reach their intended audience.

Choosing the right strategy. Our case studies find civic actors exploiting a wide array of venues for advocacy, from working directly with the executive, to lobbying legislators, to trying to influence public opinion through organizing events and working with the media, to taking governments to court. The most successful organizations use multiple strategies, rather than rely on just one. Successful cases seem to deploy a mix of “insider” and “outsider” strategies, supporting and lobbying governments directly on reforms, but also applying external pressure on them through mobilization, protest, lawsuits, and media campaigns. Not all strategies are available in all contexts, of course, but civic actors should start with the assumption that they must diversify their strategies and pursue multiple approaches, knowing that only some of them may eventually succeed.

Building effective coalitions. A critical strategic consideration in tax reform is to identify both allies and opponents. The key to success is building coalitions with allies that are powerful enough to overcome resistance from opponents. To confront reform resistance—coming mostly from governments and the business sector—civic actors in our cases built coalitions with a wide range of actors. Some built relationships with parts of government or business, taking advantage of splits within these actors. Others appealed to civic actors or movements that were not specifically interested in tax policy but were mobilized around a broader vision of government and public services. In some cases, civic actors were able to galvanize support from both these directions.

Capacity, capacity, capacity. Engaging in tax reform debates often requires high levels of technical capacity—both in the economic and legal spheres. However, technical capacity is only one of three different types of capacity that are important for successful tax advocacy. Based on our case studies, civil society groups also use political capacity to engage with various actors both within and outside government, and communications capacity to effectively disseminate research findings and reform proposals, and to craft forceful narratives and relay key messages to target audiences. In cases where not all types of capacities are available within a single organization, as will very often be the case, partnerships and coalitions can help address important gaps. Most of our cases indicate that successful organizations engage in long-term advocacy agendas involving significant learning and capacity

augmentation over time. At any given moment, therefore, a capacity to learn and adapt may be as important as other kinds of capacity.

Political opportunities. Advances in policy reform often occur at specific points in time when unanticipated changes shift the balance of power and relative influence of key policy actors, alter public perceptions and affect government priorities; these key moments open up opportunities for advocates to step in and push for change. Some of these changes may come from the ballot box, or when corruption scandals hit the headlines. When opportunities arise, civil society must be prepared, or risk having to wait a considerable time for another window to open. This means working over the longer-term to build capacity, media networks and potential coalition partnerships that can be mobilized at opportune moments. Our cases suggest that it is those civic actors who make such long-term investments that are best situated to make progress when the right moment for reform arrives.

Tax advocacy is a long-term endeavor, requiring significant commitment over time from civic actors—and accordingly, sustained support. Success may come only after repeated failures, but those failures can help navigate to more effective pathways and ultimate success.

We hope that these findings and lessons from pioneering groups—and the much richer evidence in the full write-up of their cases—will provide other civic actors with inspiration and the motivation to pursue tax advocacy across different country contexts and ensure that citizens across the world have the voice that they deserve in shaping government tax policies.

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1. INTRODUCTION

Taxation has been a pervasive—and controversial—feature of collective life ever since human societies have organized themselves for the provision of public goods, from defending borders to building infrastructure and delivering basic services. Over the centuries, citizens have suffered, protested and tried to influence the ways in which governments collect and spend public resources. Yet, more often than not, decision making about taxes has been shielded from public scrutiny, negotiated among a small group of policymakers and elite actors, including rich and influential individuals and businesses. Regular citizens and civic actors have historically played a very limited role in the formulation of tax policies, especially in low- and middle-income countries (LMICs).

But this landscape may be changing. In recent years, interest in the role that civil society can play in tax reform has been growing steadily. This is partly related to the increasing focus by the international community on the need for LMICs to mobilize additional resources through domestic taxation in support of the Sustainable Development Goals. It has also been stimulated by recent efforts of international non-governmental organizations (NGOs)—in collaboration with country-level groups—to reform the rules of international taxation to ensure that multinational corporations pay their fair share of taxes. And a growing number of civil society groups in LMICs are taking an interest in tax, advocating for more equitable and effective tax systems that can better address persistent poverty and rising inequality.

When we set up the new Tax Equity Initiative at the International Budget Partnership in 2019, we wanted to understand how civil society organizations (CSOs) have contributed to tax reform in the past.¹ We were also concerned that international efforts to promote domestic resource mobilization (DRM) were narrowly focused on increasing revenue collection and did not place enough emphasis on equity.² Therefore, we set out to test the hypothesis that civic actors can play an important role in pushing for more equitable taxation—or resisting inequitable taxation.

We quickly realized, however, that there were no existing in-depth studies of the role of civil society in tax reform that we could draw on to guide our strategy. This project is an effort to fill that gap. Our main objectives are: (a) to document a variety of cases of CSO advocacy on tax reform that were at least partially successful; (b) to generate useful lessons for other CSOs interested in getting involved in tax issues; (c) to contribute to the emerging field of civil society tax work, and to the broader literature on the political economy of tax reform; and (d) to inform IBP's own approach in supporting CSO tax advocacy.

¹ See <https://www.internationalbudget.org/issues-lab/tax-equity-initiative/>.

² See <https://www.ictd.ac/blog/tax-finance-sdgs-equity/>.

The in-depth case studies that were commissioned as part of this project cover a number of tax reform campaigns promoted by civic actors across a broad range of countries: France, Guatemala, Kenya, Mexico, the Philippines, Uganda, and the United States. While most of the central actors in our case studies are professional CSOs, we sometimes use the broader term “civic actors” to highlight the fact that these CSOs often worked with a constellation of other groups in the civic sphere, from grassroots organizations to trade unions, and from business associations to the media. And despite our focus on LMICs, we decided to include two cases from high-income countries: the US and France. This was due to the limited number of cases of successful civic advocacy around tax that we could find in LMICs but was also meant to add insights that could enrich the universe of possibility for citizen engagement with tax.

All in all, these cases illustrate that civil society can play a meaningful role in making tax systems fairer and more equitable while generating revenues to finance important public services. From their examples, we find that effective tax advocacy usually relies on multiple strategies that engage a diverse set of actors, from public officials and legislators, to the media and broader civic coalitions. Moreover, progress relies on building powerful and convincing narratives around the need for tax reform and deploying different kinds of capacities—for technical analysis, political engagement and compelling communications. Ultimate success often builds on past failures. In this sense, civil society tax advocacy by nature is a long haul endeavor, one which requires organizations to have a long-term vision, and to learn and adapt along the way.

To best mine the experiences of our case studies and highlight important aspects for others, our paper is organized as follows: **Section 2** provides a summary of key points from the existing literature on the politics of tax reform and reflects on its relevance for our project; **Section 3** summarizes our case studies and discusses their significant features; **Section 4** analyzes the key findings through five emerging themes: the narratives, strategies, coalitions, capacities and political opportunities that civic actors used in their campaigns; and **Section 5** concludes by highlighting key lessons for other civic actors interested in engaging with tax reform.

2. WHAT DO WE ALREADY KNOW? A SUMMARY OF THE EXISTING LITERATURE

The literature on the politics of tax reform is extensive, but also has some major gaps, including quite limited evidence on the role played by civic actors. This very brief overview of that literature is extracted from a much longer literature review which was carried out alongside this case study project.³

³ The longer review, which identifies claims, hypotheses and gaps that our case studies speak to, is available at <https://www.internationalbudget.org/publications/the-politics-of-tax-reform-in-low-and-middle-income-countries/>.

2.1 KEY ACTORS

Tax reform involves a number of actors: various state institutions, the business sector, civic actors, international donors and ordinary taxpayers, among others. In this brief review, we first look at the role played by states, business and civic actors—the most relevant actors in our case studies. We then consider certain important aspects of tax reform (e.g., how visible a tax is, or who pays it) and of how tax reforms are framed (e.g., through narratives, media) that can be expected to shape the politics of reform.

STATES

States generally seek revenue but vary in the degree to which they must rely on taxation, as opposed to other sources of revenue such as royalties from resource extraction, ownership of productive assets, borrowing or foreign aid (Tilly, 1990, 2009). The more states must rely on tax revenue, the more likely they are to engage in some form of tax bargaining with the public about what taxpayers are willing to pay, and in exchange for what (Prichard, 2015).

States are not monolithic. Ministries of finance might prefer more revenue to finance spending and reduce deficits but may also want to use tax exemptions to pursue other policy goals, such as increasing economic growth or reducing the tax burden on different groups. In the short-term, they may also prefer to increase debt financing rather than raise taxes and prefer general revenue rather than restricted forms of revenue that reduce flexibility during budget implementation. Revenue agencies often focus primarily on increasing revenue collection and may be less interested in promoting equity. In some cases, revenue officers can also be compromised by their closeness to taxpayers, favoring private enrichment over enhanced revenue collection (Fjeldstad, 2003). Line ministries have still other interests: they may be less concerned about overall revenue than earmarked revenues (say, for health or roads), or in their ability to collect and hold revenue from fees and charges. They may also want to provide tax breaks and incentives to private business, especially to promote investment in their sectors (Fjeldstad & Heggstad, 2011). Such incentives might also be provided as part of corrupt arrangements between public and private sector actors, or to increase political support at election time (Juil, 2006; Therkildsen & Bak, 2019).

Legislators are important actors in tax policy in many countries, though not all. In some countries, legislators have little power to change tax policy. In others, they are able to provide input into tax policy directly and must approve major reforms. Because legislators can benefit from extra government spending on projects for their constituents, while pushing off the costs through borrowing funded by everyone, they tend to prefer more spending with higher deficits and lower taxes (Lienert, 2010). This is representative of a general collective action problem related to tax: everyone wishes to have more spending, but generally wants someone else to pay for it.

In theory, legislators should exercise oversight of tax exemptions provided by the executive (Posner & Park, 2007). However, they also have incentives to create more such exemptions in response to lobbying by interest groups, such as the tobacco industry (Profeta, 2017).⁴ The role of legislators is also mediated by political parties and the partisan composition of the legislature. Where the same party controls the executive and the legislature, for example, there may be less potential for oversight of executive tax policy than where the legislature is controlled by the opposition or is more fragmented. The impact of legislative influence on tax policy with respect to equity is ambiguous. In some cases, legislators might enhance equity by ensuring that marginalized regions or groups pay less taxes or receive more benefits, but this depends in part on how well poorer areas of the country are represented in the legislature, and on levels and patterns of clientelism and patronage (Ardanaz & Scartascini, 2011).

BUSINESS

Business is a key player in tax reform. Businesses generally prefer lower taxation, particularly lower business taxes (Thorndike 2009; Fairfield 2010; Hassan and Prichard 2013; Madore A, Rosenberg J, and Weintraub R 2015). This does not necessarily take the form of opposition to tax or to high tax rates; it may well operate more indirectly through opposition to reforms to the tax collection authority and its enforcement capabilities (Hassan & Prichard, 2013). Business associations are certainly more active on matters of tax administration than other civic actors (Sharp & Sweet, 2019). Business may also focus primarily on seeking exemptions from broad tax policy, investing less in influencing these policies than on carving out preferences within them (Brownlee, 2009; Christians, 2017; Hassan & Prichard, 2013). In general, in capitalist economies, business is able to influence tax policy both directly through its “instrumental power” of lobby as described above, but also more indirectly through its “structural power” of threatened disinvestment when policy is at odds with its preferences (Fairfield, 2010).

There is debate about the role of cohesive, organized business associations in tax policy. While some research suggests that greater cohesion may create obstacles to progressive reform, unified business associations with partisan linkages can also create the conditions for tax bargaining—a willingness to pay in exchange for services—which is more difficult when business organizations are fragmented (Everest-Phillips, 2010; Fairfield, 2010; Joshi & Ayee, 2008; Weyland, 1997).

Businesses do not care only about the level of tax; they also prize policy certainty and they may be interested in tax-financed services that provide a favorable investment climate. There is at least some empirical evidence that corporations value high government investment in education more than low taxes (Gelleny & McCoy, 2001; James,

⁴ See for example: [Tobacco industry accused of 'intimidation and interference' in Kenya](#) and [Uganda – BAT's tactics to undermine the tobacco control bill](#).

2014). Business also frequently divides along sectoral lines, with agriculture, manufacturing and service sectors each pursuing different interests, creating opportunities to form coalitions with other actors seeking tax reform (Ascher, 1989).

CIVIC ACTORS

The literature on the role of civic actors – including non-governmental organizations, labor unions, faith-based organizations, social movements, and so on – in tax reform is scanty. IBP’s global scan of work on taxation by civic actors also suggests that there is more civil society tax work happening than what is captured in the existing literature.⁵ This section draws heavily on two studies released in 2019 that provided a window into civil society tax work, one by the Overseas Development Institute and another from Save the Children (Sharp & Sweet, 2019; Wainer, 2019).

The extant literature indicates that non-governmental actors in low- and middle-income countries typically act *defensively* on tax reform, reacting to government proposals rather than promoting their own (Ascher, 1989; Sharp & Sweet, 2019). Some work supported by international NGOs (e.g., Oxfam) might be more proactive in nature, drawing on global campaigns rather than reacting to local policy proposals, but much of this work is either incipient or is only documented in cursory terms (Sherri & Mason, 2016).

Currently, civil society organizations focused on tax in low- and middle-income countries lean toward work around international tax issues, taxes on extractives, and taxes on specific goods and services (e.g., excise taxes on alcohol/tobacco, charges on social media, etc.) (Sharp & Sweet, 2019). The latter includes advocacy to call for exemptions or zero-rating of certain essential goods, such as food, fuel or female sanitary towels.⁶ IBP’s recent scan also finds that a large number of civil society organizations globally work on the issue of tax exemptions and argue for curtailing those that are inequitable and ineffective.⁷

Generally, there is less work by CSOs on the big national taxes like VAT, income tax, or tax administration, though in some countries, such as Kenya, Zambia and Uganda, civic actors do engage in the annual tax and budget process at the national level. Civil society organizations have had some success working with government champions around tax reforms, particularly those related to international tax and excise taxes, where alliances can be formed with parts of the government committed to increasing revenue (Sharp & Sweet, 2019). At the local level, they have also worked with governments to help facilitate tax bargaining by connecting the demand for services from

⁵ See <https://www.internationalbudget.org/global-scan-of-civil-society-work-on-taxation/>.

⁶ See <https://www.thenewhumanitarian.org/report/48694/kenya-women-praise-kibakis-directive-drop-tax-sanitary-towels>.

⁷ See, for example, the International Budget Partnership’s [Latin America Tax Expenditure Research, Advocacy, and Learning Project](#).

government to the need to pay taxes, increasing compliance and participation in local policymaking (Wainer, 2019).

2.2 KEY ASPECTS AND FRAMING OF TAX REFORM

The nature of tax reform—including the types of taxes involved—also has an impact on the politics of tax, and this may be a product of the actual characteristics of the tax system, as well as more subjective perceptions and values.

Some taxes are more visible than others, such as those people pay directly, and an increase in these can excite more opposition. Excise taxes on specific products, like fuels, electricity or mobile phone usage, may also be highly visible. Increases in taxes that affect a broad base, such as VAT, can also elicit broad opposition, though often these include exemptions to limit that (Fairfield, 2013; Gloppen & Rakner, 2002). On the other hand, taxes that affect narrow but powerful interests can sometimes lead to narrower but more powerful opposition, because it is easier for such groups to solve collective action problems and use their resources to exercise influence over policymakers (Mucciaroni, 1990; Olson, 1971).

Another important aspect of tax reform across contexts is the extent to which changes to taxation are tied to some specific service or activity on the part of government. This kind of “earmarking,” whether direct and rigid, or more notional and flexible, can play a role in increasing support for tax increases (Khan, 2001; Madore A et al., 2015; Prichard, 2015; Saunders, 2019). When taxes are directly earmarked for services, this is a policy choice, but when there is no direct earmark, this is more a matter of framing revenue decisions in terms of their impact on expenditure. In addition to focusing on services, there is evidence that moral appeals and framing taxes in terms of fairness or equity can help build support for reform (Fairfield, 2013; Moore, Prichard, & Fjeldstadt, 2018).

Perceived fairness is not only a matter of tax policy, but also of tax administration. Indeed, policies may be progressive, but the differential ability of some to evade taxes may lead to the belief that the system is inequitable and thus to greater tax resistance (Engel, Mittone, & Morreale, 2019). Perceptions of corruption in tax administration, common in low- and middle-income countries, also depress willingness to pay tax (Gangl, Kirchler, Lorenz, & Torgler, 2017; Isbell, 2017).

2.3 GAPS IN THE LITERATURE

As is evident, there is little detailed case study work on the role of civic actors in tax. Most of what we know comes from the grey literature cited above, largely based on desk reviews of existing literature rather than original research. This literature tends to lump all tax reform advocacy together (such as reforms to increase revenue,

enhance progressivity or change tax administration), so we know little about the role of civic actors in different types of reform.

Although media clearly plays a role in shaping how people understand taxation reform, there is very little written about the role of the media in tax reform. This seems a glaring omission in light of recent media-driven scandals, such as the *Panama Papers*⁸, that have clearly influenced political dynamics around the world. It seems likely that media helps the public to define its own interests around taxation, and to understand data and narratives that support or oppose tax reforms. Media outlets' ownership may also have an influence on which tax issues are covered, and how.

While the existing literature has something to say about states, the state actors discussed in the literature, such as executives and legislators, are not sufficiently differentiated to allow us to understand which agencies and officials, under what conditions, are more or less likely to support tax reform. There is also relatively little in the literature on the role played by supreme audit institutions or the judiciary in tax reform, though the courts are an increasingly important venue for both promoting and challenging tax reform (Lakin, 2020).

3. OVERVIEW OF THE CASE STUDIES

The cases included in this project were selected based on conversations with IBP's network of partners and others active in the field, and on reports and publications by other international NGOs and researchers. It was immediately clear that there were only a small number of potential cases that satisfied many of the characteristics that we were looking for, which included a focus on domestic aspects of taxation, a certain degree of success or impact, and involved campaign activity that was recent enough to allow for the collection of primary research data, such as interviews with relevant players. Luckily, the set of case studies we ended up with was quite diverse in terms of country contexts, geographic spread, tax topics, and types of organizations and coalitions. While this variety inevitably limits direct comparability, it generates a wealth of useful evidence that can inform other work and suggest avenues for further research.

3.1 CASE STUDIES IN BRIEF⁹

In [France](#), our case study documents the protests organized by the Yellow Vests (*gilets jaunes*) movement in late 2018 and early 2019. Initially spurred by an increase in fuel prices due to higher taxes introduced by the Macron government, the movement soon began demanding the reintroduction of wealth taxation and the organization of

⁸ See <https://www.icij.org/investigations/panama-papers/>.

⁹ A longer summary of each case study is hyperlinked to the country name at the beginning of each paragraph in this section. Full case study reports are available upon request at info@internationalbudget.org.

citizen referenda to inform future policy choices and became a catalyst for lower income citizens to vent their anger at what they perceived to be an unfair system. Although the movement was able to halt the implementation of the additional taxes on fuel, many of their further demands went unheeded, due to the combined impact of a lack of internal organization, acts of violence associated with some of their protests that discredited the movement, and successful strategic maneuvering by the government. While the movement never became institutionalized and does not resemble the types of civil society organizations in our other cases, the ways in which it was able to harness social media—and get the attention of traditional media—highlight the potential and pitfalls of alternative forms of organizing around tax reform.

In [Guatemala](#), we looked at how the Central American Institute for Fiscal Studies (*Instituto Centroamericano de Estudios Fiscales*, ICEFI)—a well-regarded think-tank which counts a number of former senior government officials among its staff—took advantage of a major corruption scandal to influence the introduction of new legislation to enhance accountability of the country’s revenue administration agency, the *Superintendencia de Administración Tributaria* (SAT), regarded as opaque and ineffective. Soon after the “La Línea” scandal broke out in April 2015, involving and leading to the resignation and arrest of both the president and vice-president, ICEFI launched a series of proposals to reform the SAT, and gathered support from a broad variety of actors, ranging from business associations to peasants’ groups. As a result of the campaign, Congress eventually adopted a new law whose main innovations were those proposed by ICEFI. Although the reforms did not deliver on all their promises in subsequent years, the case shows how technical and political acumen can lead to successful civil society advocacy for tax administration reforms.

In [Kenya](#), we tell the story of how the Tax Justice Network Africa (TJNA), a Pan-African research and advocacy organization, took the government to court to prevent the Kenya/Mauritius Double Taxation Avoidance Agreement (DTAA) from going into effect in 2015. After failing to successfully lobby parliamentarians and to generate sufficient support among other CSOs, TJNA opted for public interest litigation. TJNA argued that the government did not follow the correct legal process in approving the DTAA—including a lack of consultation with Parliament and with the public at large—and that the agreement itself was vulnerable to tax treaty abuse, potentially leading to significant and unnecessary loss of revenues for the Kenyan government. After five years, Kenya’s High Court nullified the DTAA on procedural grounds, but a few months later, Kenya’s president signed another similar treaty with Mauritius. TJNA’s achievement, however, goes beyond successfully litigating the DTAA, by showing the potential of civic actors using the courts to promote more effective and equitable tax systems.

The [Mexico](#) case study details a decade-long campaign by Fundar, a civil society organization promoting democracy, social justice and human rights, to render tax amnesties more transparent. Tax amnesties were periodically used by the Mexican government to pardon and cancel tax debts after a new government came to power, as a measure to collect overdue revenue. No information was made available, however, on the

beneficiaries of those amnesties. Using multiple advocacy strategies, including a long battle through the courts, Fundar was able to eventually get the government to publish the names of the beneficiaries of these “fiscal privileges” (*privilegios fiscales*), revealing that many were well-known public figures and large corporations. This generated a public outcry, which in turn led incoming president Lopez Obrador to ban all future amnesties in 2019, and to an eventual constitutional amendment with the same purpose. This case represents a clear victory not only for tax transparency, but also a step toward greater tax justice.

In the [Philippines](#), our research followed a group called [Action for Economic Reforms \(AER\)](#) that engaged in various rounds of reforms of so-called “sin taxes”—excise taxes paid on alcohol and tobacco products—between 2012 and 2019, and in oil excise reforms proposed by the Duterte government in 2019. AER used a multi-pronged strategy, working directly with government, lobbying and coordinating with members of Congress, mobilizing civil society coalitions and working with the media to help bring about a substantial increase in sin taxes that were used to expand health coverage, overcoming the political influence of private sector lobbies. AER’s involvement in increasing oil excise taxes—a major revenue source that was meant to also fund cash transfers to low-income families—was more controversial. While revenues increased, the reform was rushed through without adequate preparation for the cash transfers, generating a political backlash. Overall, however, AER’s experience demonstrates the multiple skills necessary to be an effective “tax reform entrepreneur.”

In [Uganda](#), we document a campaign coordinated by [SEATINI \(Southern and Eastern Africa, Trade Information and Negotiations Institute\)](#) for the Tax Justice Alliance Uganda (TJAU) to get the government to repeal the introduction of two controversial and regressive new taxes in 2018, one on mobile money transfers—increasingly used as a form of payment especially by rural people—and the other on the use of social media, sponsored by President Museveni to curb political “gossip”. Civil society mounted a host of efforts, from petitions to awareness campaigns, and from organizing public protests to instituting court processes against the taxes. The campaign was only partially successful. The tax on mobile money transfers was reduced by half, while the one on social media remained untouched, and is in place until today.

Finally, in the [United States](#), we looked at efforts by different civil society coalitions to introduce higher taxes on the wealthy in three US states (Maine, Massachusetts and Minnesota) over the course of the past decade. In all these cases, the campaigns focused on the need to reverse years of declining revenues and deteriorating public services, and to increase funding for sectors like education and infrastructure. Their strategies differed: [Raise Up Massachusetts](#) advocates pursued a constitutional amendment, [Stand Up for Students Coalition](#) in Maine, a ballot initiative, and the [Invest in Minnesota Coalition](#), a regular state law. Their success was mixed. In Massachusetts and Maine, the campaigns did not achieve their main tax objectives, even though they did build popular support through grassroots advocacy for future tax reforms. In Minnesota, thanks to a new Democratic governor coming to power in 2013, the tax reform was fully implemented.

3.2 A FIRST LOOK AT OUR CASES: SIMILARITIES AND CONTRASTS

Each case summarized above features strong civic actors and attempts to influence tax reform, but the nature of the actors involved—and of the reforms pursued—are quite different. Before diving into the important themes emerging from these studies, we consider significant similarities and differences among them.

WHAT KINDS OF CIVIC ACTORS ARE INVOLVED?

For the most part, the campaigns described in our cases are led by well-established domestic civil society organizations with a solid track record in policy analysis and policy advocacy, and a thematic focus on tax and budget work. However, they represent quite a broad range of institutional types. Some of them are sophisticated think tanks with a long history of working on fiscal issues, like ICEFI in Guatemala or AER in the Philippines, and possess advanced technical analysis skills, a strong media profile and deep political experience and connections with current or former government officials. Fundar in Mexico is also a sophisticated organization with a somewhat similar profile, although it has stronger legal expertise, a more explicit human rights focus and relatively weaker political connections around fiscal issues.

SEATINI in Uganda came into tax work later, from an original focus on trade policies and is still sharpening its technical abilities. It works mostly through a broader CSO alliance—which it leads—but has developed good relationships with both government and the media. TJNA in Kenya stands out as an example of a regional network acting as a domestic CSO on a particular campaign, with strong technical credentials on international tax matters but more limited connections on domestic taxation issues.

In the U.S., the three state coalitions bring together a variety of actors, from trade unions to community groups and think tanks, with various capacities and perspectives that align around specific reform initiatives. The French case is unique in our sample: the Yellow Vests are not a civic “organization” in the traditional sense, but rather a loose network of individuals connected by social media and by a loosely shared agenda; they reject ties to both government and to other organized groups like unions and political parties.

WHAT KINDS OF TAX REFORMS (AND WHY)?

The term “tax reform” may call to mind sweeping and comprehensive changes to the tax system that only seldom happen. In our work, we used a much broader definition that encompasses any significant changes to specific aspects of tax policy and tax administration, even if they do not substantially shift the structure of the tax system. The types of tax reform that our cases look at are as diverse as the actors advocating for or against them. Three of our cases relate to different kinds of excise taxes, such as those on specific mobile services in Uganda, on fuel in

France and the Philippines, and on alcohol and tobacco products again in the Philippines. These were aimed both at raising additional revenue and at influencing people's behavior. Taxes on wealth or high incomes featured in France and the U.S., in attempts to both address inequities in the tax system and generate additional revenue to fund strapped public services. In Kenya, the campaign focused on the domestic repercussions of reforms of international aspects of taxation, specifically the DTAA with Mauritius, arguing that specific reforms were needed to avoid revenue losses. Finally, in Guatemala and Mexico issues of transparency and accountability in tax administration featured more prominently, either to address corruption or ensure that people did not receive unwarranted fiscal privileges.

It is not always immediately clear how civic actors chose the reforms that were the focus of their campaigns. In some of our cases, civic actors were the main proponents of reforms (e.g., Guatemala, Philippines, the U.S.), while in others, they mainly reacted to government proposals (e.g., Uganda and France). The literature suggests that most civic actors' approach to tax is defensive or reactive. Reactive organizations respond to government actions they perceive to be unfair or unwise, but they do not have a general set of policy proposals around tax or the tax system that they are consistently pushing. If the government does not introduce new policies or change existing ones, a reactive organization tends to be dormant. Proactive organizations, on the other hand, have a broader set of policy positions that they are actively advocating for, though they may do so in different ways at different times. Proactive groups may have to play defense at certain times, but they continue to organize around their core tax objectives.

Our cases support the view that CSOs are often reactive, but they also suggest that for a number of organizations, tax work is a mixture of both proactive and reactive stances, which can play out over long periods of time. Several of our cases demonstrate that organizations can shift from a mainly reactive to a more proactive stance through their policy engagement.

In Mexico, Fundar started by reacting to repeated tax amnesties and demanding transparency around their beneficiaries, but as it collected more information and advanced its work through the courts, it eventually evolved a more proactive stance, pushing for a policy to eliminate these amnesties altogether. In Kenya, TJNA's approach was reactive to the imminent entry into force of Kenya's DTAA with Mauritius, but this turned out to be one of their first steps in developing a more proactive agenda of taking on DTAA's as a general policy stance. Even in the canonical case of reaction to what was perceived as an unfair increase in fuel taxes, the Yellow Vests in France eventually came to a position of proactively promoting procedural reforms to give the public a greater say in tax policy. At the state level in the United States, civil society organizations proactively advocated for increased taxes on higher income residents, building on decades of agenda-building around progressive tax and budget policies at state level (Minnesota organizations started highlighting unfair tax policies as far back as 1989). Over decades,

these state-level civil society organizations in the U.S. pushed for progressive reforms or played defense against regressive policy changes, but they continued to push a proactive progressive agenda throughout.

Whether proactive or reactive in nature, civic actors' initiatives were often dictated by emerging political opportunities and by the nature of the organizations, their capacities and expertise (more on those below).

HOW SUCCESSFUL WERE THE CAMPAIGNS?

In this project, we set out to document mainly examples of success: cases where we might learn something about what civic actors did, what choices they made and why, and what they learned along the way. Methodologically this carries some risks, as we may mistakenly identify as a “success factor” something that could also be present in cases of failure, if we had looked. However, our main interest is not in explaining success so much as it is in describing it, and understanding some of its mechanics: what actions and choices are part of the process of engaging in tax reform advocacy? In other words, this project is not about the overall political economy of the tax reforms that it looks at, but about the role played by a specific set of actors—civic actors—in those reforms, and about how what they did may have contributed to the reform outcomes.¹⁰ This approach positions us to generate further hypotheses rather than rigorous causal claims, and it provides useful descriptive knowledge of how civic activism around tax works.

Nonetheless, most of our cases are *not* complete successes, particularly when we look at them over time, rather than at a single moment. In fact, several involve only partial or short-lived success. In the United States, only one of the three states we assessed was a complete success, while the others were at best partial. In France, the Yellow Vests successfully stopped implementation of a fuel tax but were unable to advance any more proactive agenda. In Uganda, activists managed to pressure government to reduce the rate on the mobile money tax, but not scrap it, and they failed to stop the social media tax. In Kenya, TJNA's court case against the government was successful, but fell short of activists' hopes and was immediately undone by the signing of a new agreement with Mauritius.

The Philippines sin tax case is a clear success story over the entire period covered, despite some short-term setbacks. Activists initially had to sacrifice an increase of taxes on alcohol to get additional tobacco taxes through Congress. As it turns out, this strategy paid off, as they were able to push alcohol taxes up later. Mexico and Guatemala are also success stories. The Mexico case is certainly a success, but it is one that took place over more than a decade, with reversals along the way. Guatemala looks at the adoption of new tax administration legislation

¹⁰ As a result, we do not delve into the roles played by other actors in any level of detail, which would be the approach needed for a more general political economy analysis.

at a specific point in time, which might require some follow-up to effectively judge whether the new law has been successfully implemented and has realized its expected benefits.

It is also important to consider what success and failure mean, especially if we broaden the time horizon beyond the specific tax reform our case studies tackle. In the Philippines, Mexico and Guatemala, for example, successful advocacy was built on a number of previous failures. Sin tax reforms in the Philippines had failed in 1997 and were introduced with a thin one-vote majority in the Senate in 2012, before winning by a landslide in 2019. And ICEFI's roadmap for tax administration reform was based on proposals it had developed over the years, but never managed to successfully advocate for. This highlights the long-term and adaptive nature of tax advocacy work.

Similarly, any particular campaign can also create space for others. It may be that more radical, less organized movements like the Yellow Vests created space for others to push more progressive reforms. As the Maine case from the United States shows, even though the state government ultimately overturned the ballot initiative introducing increased taxes on higher incomes, the fact that the ballot issue forced conservatives into negotiations led to more funding for progressive causes. Thus, a loss in one domain or at a certain moment can still create a win in another area or open future opportunities for reform. In many situations, the way such opportunities emerge can only be appreciated over a longer time period, which our cases do not fully cover.

In summary, while we may have sought out examples of success, we ended up with a much richer set of cases that include within them multiple reform moments over time, and a mix of complete successes, partial successes and failure. This allows us to learn a bit more about potential causality than otherwise. It also forces us to consider what we mean by success and failure, and the way in which our assessment of these is impacted by the timeframe we are considering.

4. HOW DO CIVIC ACTORS ENGAGE IN TAX REFORMS? FIVE THEMES FROM THE CASE STUDIES

4.1 NARRATIVES, MESSAGING AND MEDIA

Taxes and tax reform are highly complex matters that can be difficult to explain in very simple terms. Yet, advocates working on tax reform need to be able to explain not only the rationale for the reform in an easy-to-understand way, but they also need to mobilize different actors in support of the reforms they are proposing (or opposing). As taxes determine who pays what to public coffers, they are about power and influence. But tax reform is also a battle of ideas. This requires proponents of tax reforms to craft narratives about the need for changes in tax policy, for example, and to be able to communicate their ideas using different media in a strategic way. These narratives need to be powerful and convincing enough to counter and neutralize the narratives used by

opposing actors. The main counter-narratives we find in our case studies: that people have a right to keep the wealth they have produced, and that taxing it too heavily will negatively affect investment, growth and job creation.

While the tax reforms proposed by civil society groups in our case studies, as already shown, vary greatly, there are some **common narratives** that were deployed to make the case in favor of certain reforms proposed by CSOs, or against others proposed by governments.

The first—and most common—narrative put forth is about the need to promote some conception of tax justice, or fairer and more equitable tax systems. Across our cases, the idea that the burden of taxation should be distributed fairly, and that those that have more should pay more (or at least pay everything that they owe) is a powerful one that civil society groups have used extensively, arguing that tax systems in many countries make the poor pay too much and the rich too little. Not all claims about fairness are really about the broader equity of the tax system. Some fairness claims are simply about whether people are playing by the rules (as when tax evasion is referred to as “unfair”), or whether people feel particularly burdened by tax increases, regardless of whether these changes make the system more or less equitable overall. Other fairness claims, such as those about whether different groups are paying their “fair share” overall of the tax burden, are more about tax equity.

The organizations in our case studies used a mix of these different ideas in their narratives. Many groups denounced a narrow lack of fairness, while some focused on broader issues of overall tax system equity. In some cases, the unfair tax treatment was very direct and palpable, hitting certain people “in their pockets”, as in the cases of the Yellow Vests in France protesting fuel taxes falling on lower class rural workers, or activists in Uganda arguing against taxes on mobile money transfers from urban workers that provide a lifeline to rural families. In other cases, the lack of fairness had more to do with certain categories of taxpayers not paying what they owed, as with Mexicans complaining about the “fiscal privileges” enjoyed by the rich and famous through tax amnesties.

Equity issues were more explicitly part of the narrative used by civic actors in the U.S. and France. In the U.S., groups argued that the rich should contribute more to the financing of basic public services that were suffering from a lack of resources. While the focus of their narrative was mostly on the need for better services, the tax reforms proposed were framed to get those who could pay more tax to do so. In France, the call for more equitable taxation surfaced when the initial resistance to the fuel tax was eventually paired with a demand to reintroduce the wealth tax. Given how little wealth taxes contribute to government revenue, however, even this framing was more a symbolic appeal than a real push for tax system equity.

The second narrative is related to the idea that governments need sufficient resources to adequately fund public services, either through direct earmarking or through an increase in general revenue collection. The literature on

tax reform puts considerable emphasis on the political importance of earmarking. When the public understands where its taxes are going, it is more likely to support tax increases. Earmarking need not be rigid; it may be simply a notional idea that increasing revenues will allow government to fund specific services, but without any actual ring-fencing of revenues.

In the Philippines, AER argued in favor of increasing clearly regressive taxes (especially those on alcohol and tobacco, whose consumption takes up a higher share of poor people's incomes), preempting the use of a narrative based on equity. AER's approach was to reassure people that these taxes were more a health measure rather than a revenue measure, discouraging harmful habits while at the same time helping to finance a massive expansion of health coverage, which clearly benefits the poor. A similar argument was used for oil excise, linking it with cash transfers that would benefit the poor directly. Revenue earmarking, although not necessarily ideal from a public financial management perspective, can help increase support for tax reforms. Campaigns in U.S. states also connected increased revenues from "millionaire taxes" to additional funding for education and public infrastructure, either through direct and explicit earmarking, as in Massachusetts, or as a more general argument. This was also the case in Mexico, where Fundar, when speaking to the media, did not dive into the details of tax amnesties, but rather focused on the additional public services that more revenue could fund.

The third narrative—used by a smaller number of groups—is linked to the need for more transparency and for clear anti-corruption measures in tax administration. The most glaring example among our cases is of course Guatemala, where ICEFI took advantage of the *La Línea* corruption scandal to promote reforms aimed at improving transparency and governance in tax administration. Their proposals managed to gain the support of groups like peasants and indigenous people who would not normally have engaged with tax administration issues but were angry about corruption. In Mexico, Fundar's campaign started as a demand to improve tax transparency by publishing the names of beneficiaries of tax amnesties, and only later shifted to include demands to reduce fiscal privileges.

These three narratives helped CSOs frame issues to win the policy argument and galvanize supporters. In fact, each was not used as an alternative, but more often in addition to and as a complementary argument to the others. In the U.S. states, the call for enhancing resources to fund basic services was coupled with an argument that the cost would be borne by the richer strata of the population, and these key messages were tested through opinion polls to ensure they received maximum support. In Guatemala, ICEFI argued that fixing tax administration and making it more transparent and accountable was also a way to ensure that it would be able to gradually increase the revenues it collected. In Mexico, we can see all three narratives at play. Guaranteeing the public's right to know who is benefitting from tax amnesties, in Fundar's framing, is not only a way to ensure that amnesties do not unfairly benefit the rich; reducing those privileges can also generate resources that can be channeled to priority public services.

Nonetheless, framing tax issues in a way that makes them more clear, comprehensible and relevant to various actors is not sufficient, by itself, to generate support for reforms. Civic actors need to be able to disseminate and amplify these messages through different types of media to make sure that they reach their intended audience.

Media engagement and media support played an important role in many of our cases, not just to share messages and build narratives, but also to mobilize allies for collective action and to put pressure on elected officials to pursue the public interest. Our cases include numerous examples of engagement with traditional media outlets such as the mainstream press. For some of the most successful campaigns, groups had strong communications teams supporting their technical staff. This was the result of long-term investment in contacts with journalists covering economic matters, ensuring a regular presence in the media during public debates on fiscal matters. For example, ICEFI built a reputation not only for the quality of its technical work, but for its capacity to engage with the media. This proved to be a great advantage when the public was eager for policy solutions to the problems raised by the *La Línea* corruption scandal.

In the Philippines, AER used the media very effectively to help steer public debate and put pressure on policymakers when the time came for decisions to be made on key reforms. Through such pressure, they were even able to push for changes in the leadership of key parliamentary committees that opposed AER's reforms. This is suggestive of one of the principal virtues of the media: it can put pressure on legislators that may otherwise be impervious to direct lobbying by small civic groups that may be dismissed as unrepresentative.

In Mexico, messaging brainstorming bringing together technical and communications staff within Fundar—for example, deciding to refer to tax amnesties as “fiscal privileges”—were instrumental in generating more media interest in their work. Of course, once information on beneficiaries was published, it included the names of famous singers, footballers, large companies and politicians, which generated a helpful media frenzy around a topic that would otherwise not be considered very “newsworthy.” Similarly, media coverage of discussions around tax avoidance by multinationals increased substantially in both Mexico when reports on the *Panama Papers* started to get published globally, again calling attention to an otherwise obscure debate.

In other cases, the complex nature of tax issues, such as with DTAAAs in Kenya, meant that it was difficult for civic actors to generate media attention and spur broader public debate.¹¹ Still, TJNA might have tried to connect the expected revenue losses from the DTAAAs more closely to narratives around services or fairness as in Mexico, bringing in larger constituencies to tax debates. In Uganda, radio campaigns were particularly effective in rural

¹¹ There are important differences between the Mexico and Kenya cases, however. Fundar was able to directly shame people that had benefited from past amnesties, while TJNA was trying to stop a new policy from being implemented—future beneficiaries are more difficult to shame.

areas to generate discussion about the introduction of taxes on mobile money transfers, getting people who represent the electoral base of the ruling party to put pressure on their representatives in Parliament.

Many groups also used **social media**, some more effectively than others. The case of the Yellow Vests is probably the most striking. Facebook groups became the primary channel through which the movement recruited new participants, discussed issues and organized protests, growing very rapidly in scale and influence. The mainstream media also gave the movement a lot of visibility but tended to focus on the more violent aspects of the protest, contributing eventually to its loss of legitimacy. This was further amplified by the movement's refusal to nominate or recognize any spokesperson who could provide it with a representative voice. Both AER and Fundar also used social media effectively to complement mainstream media engagement. Other organizations were less strategic or intentional about their social media use, and also less successful. ICEFI tried to use Twitter to disseminate and generate buzz around its campaign to demand a more honest SAT (*#exijosathonesta*), but its efforts got very limited traction, while TJNA also developed the *#kenyamauritiusDTA* hashtag on Twitter but did not pursue an active or deliberate strategy for raising its profile.

4.2 CHOOSING THE RIGHT STRATEGY (OR COMBINATION OF STRATEGIES)

In our research, we set out to learn how civic actors make strategic choices about tax advocacy in light of their goals, and about the actors they must work with or against in order to achieve them. Our case studies find civic actors exploiting a wide array of venues for advocacy, from meeting with the executive, to lobbying legislators, to trying to influence public opinion through organizing events and working with the media, to taking governments to court.

A clear trend: the most successful organizations used multiple strategies, not just one. Civic actors seem to understand that no single strategy is likely to be sufficient in the world of tax reform. Successful cases seem to deploy a mix of “outsider” and “insider” strategies. Outsider approaches build support outside of government from movements, unions or other civic actors; use media or the courts; and tend to be more confrontational, deploying street protests. Insider approaches exploit existing opportunities to engage directly with policymakers, and less formal attempts to build support within government from those more sympathetic to reform (e.g., revenue agency officials who may support civil society positions).

Having addressed earlier how civic actors worked with the media to promote different narratives around tax reform, in this section we look at how civic actors engaged with the executive, the legislature, grassroots groups and the judiciary in pursuit of their reform objectives. Of course, not all strategies are equally available to civic actors in different contexts. Whether or not a civic actor can take the government to court depends on the legal

framework in a country, the power and autonomy of the judiciary, and the funding available to civic actors for what is usually a lengthy fight. Alternate strategies were generally available to civic actors in all our cases, but each faced different constraints in using them. For example, the power and independence of the media varied across our cases. In Uganda, civic actors used radio to reach a broad swath of Ugandans but were also constrained by the lack of independence of local radio and its connection to powerful interests.

WORKING WITH THE EXECUTIVE

Attempts to build alliances with the executive branch recur throughout our cases. In some cases, incoming senior government officials introduced reform proposals that civic actors had long endorsed. In these cases, civic actors facilitated reform by working with the executive to help make the case for reforms. In Minnesota, civil society worked to influence the state legislative elections of 2012, clearing a path for the proposals of a new Democratic governor who took power with a progressive tax reform agenda. In the Philippines, civic actors worked closely with the Departments of Health and Finance after the progressive Aquino administration came into office and helped to build ties between the executive branch and the legislature, while also building a broader coalition for reform outside of government that could back the executive branch's proposals.

Civic actors can also provide technical support to executive-led reform processes, as was the case in Guatemala. In Guatemala, ICEFI put forward technical proposals and trained staff of the Ministry of Finance; these activities set the agenda for executive reform, particularly after the election of a new government. In Mexico, Fundar provided technical support to INAI, the agency in charge of access to information, which helped expand the concept of the right of access to fiscal information, ensuring that the information on beneficiaries of tax amnesties would eventually be released.

Even in cases where civic actors sued the government, they still pursued alliances with government agencies. In Kenya, TJNA sought to build support within the Kenya Revenue Authority for scrutinizing tax agreements more keenly. While they were not able to build bridges to the KRA as a whole, they received support and information from sympathetic officials within the revenue agency.

WORKING WITH LEGISLATURES

Legislative engagement was crucial in many of our cases. In fact, there was far more legislative work in our cases than there is literature on the role of legislators in tax reform. Our cases suggest that in many countries, legislators are subject to influence from both powerful interests and civic actors, and that the latter can use the media to provide a counterweight to the power and influence of economic elites. Moreover, our cases demonstrate the

importance of working with political parties when thinking about how civil society organizations engage with legislators.

In both Guatemala and the Philippines, working through the legislature was crucial, though in both cases it was pursued alongside other strategies. In Guatemala, ICEFI worked closely with UNE, the main political party that was untainted by the *La Linea* corruption scandal. ICEFI had close ties to a congressman from UNE on the Finance Committee. Together, they negotiated with the executive over the details of the reform of the tax administration. In the Philippines, AER confronted powerful alcohol and tobacco interests that had deep ties to congressional representatives. They worked closely and directly with the executive, as we saw above, but they also pursued legislative alliances. First, they cultivated allies in congress, including a novice but surprisingly savvy chair of the House Ways and Means Committee. They also provided technical support to legislators and played a brokering role between legislators and the executive, particularly in 2019 when a new presidential administration lacked strong allies for tax reform in congress.

In Uganda, civic actors lobbied legislators through petitions and, joining with other activists and mobile money dealers, were able to voice their discontent formally in hearings before the Finance Committee in parliament. They also visited and called some MPs directly and encouraged constituents to do the same. Ultimately, they were successful in convincing some ruling party MPs to join them in challenging the mobile money tax. On the other hand, their efforts to work with opposition MPs were less successful, serving mainly to undermine their position with government, a reflection of the one-party dominant system in Uganda. The U.S. is the only one of our cases where well-defined ideological partisanship influenced the nature of legislative work. Civic actors favoring increased taxation in the United States generally have to work through the Democratic Party, as Republicans tend to strongly reject increased taxes. But even some more conservative Democratic legislators in competitive districts needed a push from civic coalitions in favor of higher taxes to join in supporting reform.

Legislative work was largely unsuccessful in Kenya, though at least one opposition MP supported TJNA's position. This was inadequate in a situation where the president and majority in parliament were from the same party, and it was difficult to drive a wedge between the executive and legislature on tax policy. TJNA never gave up on the idea of working with legislators, but the circumstances of the case dictated that they needed a rapid mechanism to stop the Mauritius DTAA from coming into effect (their court filing immediately stayed the implementation of the DTAA). Their experience with parliament convinced them that, at best, it would take much more time to educate and influence parliamentarians than what was available. There were also concerns in Kenya that MPs had economic interests in the Mauritius deal, and were not open to public interest arguments.

WORKING AT GRASSROOTS LEVEL

Mobilizing broad popular support for tax reforms is a challenge that many civic actors face. In the United States, advocates in Maine and Massachusetts carried out extensive grassroots outreach and polling, which was not common across our cases. In Maine, for example, coalition members talked to an estimated 65,000 voters before a ballot initiative on a tax surcharge on high incomes. The U.S. is quite unique in that many states permit ballot initiatives related to tax issues, giving regular citizens the power to directly affect tax reforms. This is obviously not a possible route for civil society in most other countries.

Nevertheless, grassroots mobilization also took place in other countries. In France, it happened largely in an ad hoc way through social media. ICEFI held at least one meeting with indigenous leaders in Guatemala around its revenue administration reform proposal. Their reform campaign benefited significantly from—and in fact may not have been possible without—mass mobilization against corruption, which was not organized by ICEFI. Ugandan activists organized district-level radio programs, pushed voters to contact their representatives through their “Get Hold of Your MP” campaign, and reached out to local cultural leaders.

On the whole, however, our cases suggest that connecting voters to legislators through grassroots campaigning is not as widespread as one might expect. Once again, the relevance of such approaches depends on context, but it remains an open question whether other civic actors could incorporate more grassroots work into their strategies, at least in relatively democratic contexts where it is safe to do so. This is not always easy to do, especially for policy oriented CSOs, but that is why at least some organizations pursue coalitions with others.¹²

WORKING WITH THE JUDICIARY

Several of our cases involve the judiciary, but in most cases, the judiciary was not the main venue for the strategy. The exceptions to this are Mexico and Kenya, where judicial work was central. However, even in these cases, the limitations of an exclusive focus on strategic litigation were evident. First, working through the courts is slow: TJNA spent five years trying to get a verdict on the DTAA with Mauritius, while Fundar began working through the courts in 2009 and did not get even a partial decision in its favor until four years later, with further advances only in 2015. Even then, the court process dragged on with countersuits by business.

In addition to being drawn out, court-centered processes have inherent limitations in politicized areas like tax. To force executives to respect court decisions, there is a need for broader pressure. This was one weakness in the

¹² For some reflections on how policy-oriented civil society organizations can coordinate with mass movements, see <https://carnegieendowment.org/2020/01/07/bridging-elite-grassroots-divide-among-anticorruption-activists-pub-80687>.

Kenyan case, where TJNA's strategy emphasized court action successfully, but the executive immediately turned around and signed another DTAA after the court invalidated the first one. In Mexico, as we have seen, Fundar was able to build several additional layers into its strategy beyond simply the court cases, working with INAI and the media.

Our other cases point to situations where progressive reforms were undermined by the judiciary and where civic actors were not always prepared or able to influence these outcomes. In France, the judiciary discarded a presidential reform designed to maintain property taxes on the rich, while eliminating them for the bottom 80 percent of taxpayers. In the US, the courts threw out a progressive ballot initiative in Massachusetts. And reform opponents used the courts in Mexico to slow reform, though they could not prevent it, in part due to growing political support for reform.

MULTIPLE STRATEGIES: A KEY TO SUCCESS?

As we highlighted at the beginning of this section, possibly the most interesting finding about the strategic choices that civic actors make in pursuing tax reform is that the more successful ones use multiple strategies, working with different actors and across numerous venues to push for changes in tax policy and tax administration. In cases like Guatemala, the Philippines and Mexico, civic actors were active on multiple fronts, from engaging directly with executives to lobbying legislators, and from working with the media to litigating in the courts.

While the pursuit of multiple strategies was an ingredient in successful cases, this was not necessarily because all the strategies that organizations pursued were equally effective. In fact, in some of the cases the success was likely due more to the diversification of approaches: any one approach could fail while others might succeed. And some of the real strategic choices made by civic actors may not have been about which strategies to adopt, but rather which strategy to push at a particular time, as an attempt to maximize their complementarity and collective impact.

With a small sample, we can only speculate about some of the reasons why similar strategies might have performed differently in different contexts. In Uganda, legislative approaches fell short, while they were critical in the Philippines. The courts played some role in advancing CSO agendas around tax reform in Kenya and Mexico, but they weakened equity-enhancing reforms in France and the United States. Ultimately, contextual factors are likely to have shaped the effectiveness of different strategies across our cases. It seems clear enough that (for example) legislative lobbying has limitations in a context of one-party dominant rule, and that strategic litigation is not likely to be very effective in contexts where courts are less independent or the constitutional framework less progressive.

4.3 BUILDING EFFECTIVE COALITIONS

As IBP has argued elsewhere, civic actors rarely bring about change on their own (Larsen, 2016). A critical strategic consideration in tax reform is to identify both allies and opponents. And a key to success requires civic actors to build coalitions with allies that are powerful enough to overcome resistance from opponents.

In our cases, most of the opposition emanated from within the state itself and from the business sector. In France, Kenya and Uganda, it came largely from government. In France, President Macron had a strong personal commitment to both increased environmental taxation and reduced wealth taxation. In Kenya, DTAAAs were part of an overall government strategy for increasing foreign investment. In Uganda, mobile money taxation was seen as key to increasing revenue and bringing more economic activity into the tax net. In all these cases, governments argued that tax reform was needed for broadly economic reasons, whether to reduce reliance on greenhouse gases, increase investment, or to enhance revenue collection. We cannot easily disentangle the ideology of government actors from their personal or commercial interests in most cases, but it seems clear that both were important drivers of government policy.

This does not mean that governments were unanimously supportive of executive policies. In both Kenya and Uganda, there were splits within government. In Kenya, parts of the revenue authority were opposed to government policy promoting tax treaties. In Uganda, the finance ministry stepped back from support for the mobile money tax almost immediately after its announcement, and some ruling party legislators also opposed these taxes, or called for their rates to be reduced.

Other cases reveal the significance of opposition from business. In Mexico, the tax authorities provided the most consistent opposition to Fundar's requests for information about tax amnesties until around 2015, when business leaders began to file lawsuits to protect retrospective release of tax amnesty information. In the United States, opposition to tax increases on higher incomes came from a combination of conservative politicians and organized business. In the Philippines, business led the opposition to sin tax reforms, though pro-business legislators also played a significant role. In Guatemala, on the other hand, opposition was expected from politicians and business, but they were neutralized by the ongoing corruption scandals, which involved large companies bribing tax officials. This is the only case in our set where business was at least partly aligned with reformers.

To confront government and business resistance, civic actors built coalitions with a wide range of actors. Some built relationships with parts of government or business, taking advantage of splits within these actors. Others appealed to civic actors or movements that were not specifically interested in tax policy but were mobilized around a broader vision of government and public services. In some cases, civic actors were able to galvanize support from both these directions.

WORKING WITH PARTS OF THE GOVERNMENT OR THE BUSINESS COMMUNITY

As noted above, ICEFI in Guatemala managed to maintain good relations and support from business leaders, while also drawing support from indigenous and peasant groups, a unique circumstance among our cases. In Uganda, civic actors tried to work to some extent with mobile money dealers, a main source of opposition to the mobile money tax; this coordination was not as strong as it might have been, but points to the potential of working with small businesses around tax, as they often have different interests from larger corporations. In the U.S. state of Minnesota, for example, advocates obtained support from small businesses and labor unions for progressive tax reforms, even as the Chamber of Commerce opposed them.

Ugandan advocates were more successful at mobilizing local cultural leaders, though these leaders were somewhat limited in their willingness and ability to act “politically.” Nevertheless, some local leaders did influence local MPs to oppose tax reform. Given their ties to rural voters, an important constituency for the ruling party, this appears to have been one factor that caused government to partially pull back from the mobile money tax. As discussed above, Fundar in Mexico and TJNA in Kenya also worked with some government agencies (INAI and KRA, respectively), even while suing other offices.

WORKING WITH OTHER CIVIC ACTORS

Most of our cases involved some attempt to work with a range of civic actors not normally focused on tax policy. These coalitions gave the civil society organizations at the center of our cases greater legitimacy, resources, and access to skills and information.

In the U.S., civic actors worked in tandem with unions and community and service-oriented groups to push for reform. Unions provided considerable boots on the ground and funding for polling and sophisticated outreach.¹³ The coalitions in the United States also ensured that policy-oriented civil society groups worked closely with more grassroots oriented groups to complement one another’s strengths in analysis and outreach.

In Guatemala, ICEFI began its work by building support among a broad range of civic and community actors before engaging more directly in government advocacy. This allowed ICEFI to subsequently enter negotiations with elites about tax reform with a high degree of credibility. In Mexico, Fundar worked with NGOs that participated in the country’s Open Government Partnership process. These organizations formed a coalition, *Colectivo por la*

¹³ Only in the U.S. state cases did unions play a significant role, which may suggest something about the different degree to which unions in richer vs. low- and middle-income countries may act as viable progressive allies on areas of reform that are not directly connected to employment.

Transparencia, which played an important role in pushing government to release initial information that allowed Fundar to estimate the scale of the revenue losses from tax amnesties.

In Kenya, TJNA worked closely with NGOs like Katiba Institute that do not generally work on tax, but specializes in constitutional litigation, as well as with other international and domestic NGOs directly involved in tax and budget work. Nonetheless, this case suggests that more could have been done to build a domestic coalition, especially because TJNA was a regional actor playing a more domestic role in this lawsuit; doing so might have helped to raise the profile of the case and to create more awareness of its importance.

UNUSUAL ALLIES?

Our cases also highlight a few less typical alliances that point to potential coalition-building opportunities in other contexts as well. In Minnesota, there was an unusual alliance with religious leaders through the Joint Religious Legislative Coalition, which brings together activists of faith from Christian, Jewish and Muslim communities. This coalition successfully pushed the state government to produce regular analyses of tax incidence for over two decades before the tax reform featured in this case, creating broad public awareness of the need for tax reform. The Fundar case also emphasizes academic allies; here they helped to draw attention to the unfairness of the tax amnesty policy – a potent ally that is not prominent in our other cases.

To the extent that new tax revenue is to be used for specific services, this fact can create unique opportunities for coalition-building. For example, in the Philippines, in part because the sin tax was earmarked for investment in increased health insurance access, AER was able to build a coalition with health professionals, health activists, cancer survivors, and youth groups. The role of teachers and teacher unions was also important in our U.S. cases, because much of the new revenue from taxes on high-income residents would go to education.

Perhaps our main outlier on the matter of coalition-building was the Yellow Vest (YV) movement in France. A defining feature of the YVs in France was the intentional avoidance of institutionalization and formation of real alliances or coalitions, though of course the movement itself was a kind of loose coalition of disaffected individuals that often had no history of political participation. The Yellow Vests specifically avoided working with unions, a powerful political actor in France, or with any other organized political force, and this may have been one reason why they were less successful in pursuing policy advocacy for reforms than they were in halting the fuel tax.

4.4 CAPACITY, CAPACITY, CAPACITY

Engaging in tax reform debates often requires levels of technical capacity—both in the economic and legal spheres—that are beyond what many CSOs have or can afford. Such technical ability is important in its own right

but also as a signal of credibility to policymakers that may otherwise doubt what civic actors can bring to the table around tax reform. However, **technical capacity** is only one of three different types of capacity that are important for successful tax advocacy. Based on our case studies, civil society groups also use **political capacity** to engage with various actors both within and outside government—as already detailed in the previous sections on strategies and coalitions—and **communications capacity** to effectively disseminate research findings and reform proposals, and to craft forceful narratives and relay key messages to target audiences.

ICEFI in Guatemala, Fundar in Mexico and AER in the Philippines are probably the best examples of organizations that possess and effectively deploy the full range of capacities, from technical to political to communications, each of them reinforcing one another.

- The strength of ICEFI’s technical proposals and arguments, its capacity to connect with and influence so many different actors, from grassroots discussions to top-level political negotiations, and the strategies it deployed to keep the issue on the public agenda, combined with a healthy dose of serendipity and opportunism, make ICEFI’s achievements notable.
- Fundar also combined strong technical and legal expertise with political action on multiple fronts—from building relationships with INAI to lobbying Parliament and participating in various civil society coalitions—and effective communications.
- Finally, AER was able not only to contribute sophisticated technical analysis that was highly valued by key players in the finance ministry and in Parliament, but like others they worked strategically with multiple actors, and crafted media messages that were capable of swaying public opinion and influencing policy decisions.

It is worth noting that the strongest civil society organizations not only deploy technical capacity for their own work, but also help build the capacity of government agencies, as ICEFI did with the Ministry of Finance, and Fundar did with INAI.

In cases where not all types of capacities are available within a single organization, as will very often be the case, partnerships and coalitions can help address important gaps. In the U.S. state cases, reform coalitions were made up of groups with different backgrounds and expertise. In Kenya, TJNA worked with several other organizations to bring in the legal expertise that it lacked. Where capacities remained weak even after coalition-building, the lack thereof may have operated as a constraint on influencing tax reform. In Kenya, TJNA’s pleadings in the court case were not as sophisticated as they could have been and failed to effectively state their case in the courts. In Uganda, if their analysis of the government’s tax proposals was more thorough and comprehensive, this might have increased the pressure on government to respond.

These cases suggest that a mix of these three capacities is necessary—even if not sufficient—for successful engagement in tax reform. To some extent, the case of the Yellow Vests challenges this hypothesis. The loose nature of the movement meant that there was no central technical capacity to speak of, and it outright refused to engage with other actors; this did not stop the movement from achieving some of its main goals, mostly through its capacity to communicate effectively through social media, which allowed it to mobilize effectively and garner the media’s attention. While this case might suggest that not all three of the core capacities are necessary to successfully advocate around tax reform, the movement’s failure to achieve its additional proposals (e.g., around the wealth tax) might have been, at least in part, indicative of the limits of relying only on ad hoc communications capacities, combined with weak political and technical abilities.

While capacity is clearly important, our cases say less about where such capacity comes from. It seems clear that high-capacity civic actors like ICEFI or AER did not develop their abilities overnight. Most of the organizations featured in our cases have decades of experience in advocacy. Capacity most likely matures through action and learning on related, or even unrelated, campaigns. Fundar, for example, built capacity over time around strategic litigation on environmental policy and eventually deployed it in its tax work. AER built its communication capacity during the 2012 sin tax reform battle and was then able to deploy health care voices more effectively in the 2019 sin tax campaign.

Capacity is the long-term outcome of adaptive organizations engaging in a range of efforts that may fail as often as they succeed, at least in the short-term. Each failure, however, can breed learning and new capacity for the next effort. On this reading, TJNA started with weak capacity to prosecute a legal case, but their capacity was expanded through their efforts to take on the Mauritius DTAA. While these efforts were only partially successful, in turn they facilitated TJNA’s ability to take the government back to court, which it has done as we write this, suing the Kenyan government in September 2020 over ten similar treaties simultaneously.¹⁴ Most of our cases indicate that successful organizations engage in long-term advocacy agendas involving significant learning and capacity augmentation over time. At any given moment, a capacity to learn and adapt may be as important as technical, political or communications capacity.

4.5 POLITICAL OPPORTUNITIES

The timing of opportunities to advance policy reforms can be very unpredictable. Long periods unconducive to policy change can persist, when suddenly an unexpected shock shifts the balance of power and relative influence of key policy actors, alters public perceptions and beliefs in a significant way and affects government priorities, thereby opening up opportunities for reform initiatives. Tackling tax reform is no exception, and when

¹⁴ See <https://www.orbitax.com/news/archive.php/Tax-Justice-Network-Africa-and-43672>.

opportunities arise, civil society must be ready to step in, or risk having to wait a considerable time for another window to open. On the other hand, when the moment is not ripe to play offense, civil society does not need to sit idle, but can engage in other longer-term agendas, such as shaping narratives and building coalitions.

The importance of being ready to seize political opportunities is most evident in the case of Guatemala, where ICEFI was very quick off the starting line when the *La Línea* corruption scandal broke, taking only a few weeks to produce a detailed roadmap and clear proposals for tax administration reform. Their proposals were put together using ideas and materials they had already developed for past failed attempts at reforming the SAT. When crisis struck, they were able to swing into action with clear policy proposals, a communications push, and coalition-building efforts building on the wave of public resentment. They also managed to take advantage of the electoral process that followed, in which a reformist government was voted into power on the wave of massive popular protests. As soon as the newly elected Parliament took office, ICEFI signed collaboration agreements with two key parliamentary committees, and subsequently pushed for the establishment of a technical working group to discuss SAT reform, gaining a prominent seat at the table once the group was set up. Over the course of less than a year, they adapted their strategy as opportunities arose, mobilizing popular support and making noise in the media in the aftermath of the corruption scandal, and then playing an insider game once the new government took over.

Elections often provide similar openings for reform, especially when they lead to changes in government. In the Philippines, AER took advantage of reform opportunities in two subsequent elections. First, when Benigno Aquino III became president in 2010, they worked with the incoming reformist government to push for the sin tax reforms that had failed to pass a few years before due to strong opposition by industry lobbyists. In 2016, with the surprise election of Rodrigo Duterte, they engaged with the comprehensive tax reform proposals being put forward by the incoming administration to continue pushing their agenda, leading to further sin tax reforms and to the oil excise reforms covered in our case study. While they were criticized by some for working with a populist government with a dismal human rights record, they decided to keep their focus on their tax reform objectives and did not shy away from criticizing the government when it came to human rights abuses. Elections also provided important windows of opportunity in Mexico and in Minnesota, when civil society groups were able to build on their past work, influence policy choices and contribute to equitable tax reforms, thanks to more progressive governments coming to power.

In all these cases, the organizations taking advantage of sudden openings and political opportunities had been hard at work for several years, producing research, establishing a presence in the media, building coalitions—in other words, creating the conditions for their successful campaigns once the occasion presented itself. Again, this speaks to the long-term investments that civic engagement with tax reform might require, and the need to both use a variety of strategies, and to adapt them to ensure that they are best suited to seizing the moment when opportunities for reform arise.

In other, less democratic contexts, similar opportunities may not be as readily available, leaving civil society with far less space to influence policy. Uganda is a case in point, where the party in power does not face any significant political challenge, and dissent is kept under close control. In such contexts, civic actors may need to more carefully exploit opportunities provided by some of the characteristics of the political system. In Uganda, the tax coalition put more effort into trying to repeal the mobile money tax rather than the social media tax. Although the coalition was opposed to both policies, they believed that the politics favored resistance around mobile money tax because it impacted many more Ugandans, and particularly those in rural areas that were the bedrock of support for the ruling party. This may have been the view of politicians as well, who only requested inputs on the mobile money tax, leaving aside the social media tax.

5. CONCLUSIONS AND KEY LESSONS FOR OTHER CSOS

Civic actors can help promote fairer and more equitable tax systems, generate additional revenues to finance public services like health and education, and improve tax transparency and tax administration to tackle tax evasion and outright corruption. This paper summarizes evidence to that effect – i.e., the findings from what, to our knowledge, is the first set of in-depth case studies on CSO engagement in tax reform. In these cases, we documented various campaigns by civic actors in seven countries that either proposed and pushed for specific tax reforms or opposed reforms that had been introduced by the government.

Civic actors use a variety of narratives and advocacy strategies and build different types of coalitions to overcome powerful interests and clear a path for reform. In this paper, we looked at the kinds of capacities deployed in our seven cases, and how they were able to exploit specific political opportunities like elections and corruption scandals. Ultimately, the level of influence that their campaigns were able to achieve depended on some of the constraints posed—and opportunities provided—by the political context in which they were acting, and on their internal characteristics and skills, including technical, political and communications capacities.

The most successful civic actors are those able to work simultaneously on different fronts, producing research, promoting public debate, mobilizing different actors and using their connections with politicians and bureaucrats to push for reform. Not many civic actors can engage in tax reform with the requisite levels of capacity and effort, as these are often developed over long periods of time. While our case studies focus on the strategies around a particular campaign or reform, they also reveal the long history of many of the profiled organizations in building relationships with government and media and burnishing reputations as credible analysts and interlocutors. Groups as varied as Fundar and SEATINI have engaged in analysis and dialogue with legislators or government over many years and are recognized for their professionalism. Some organizations, such as ICEFI and AER, also have high-level political connections to past administrations or current government elites, and this relies on bonds of trust that are not specific to any reform episode.

Long-term investment in civic movement building can be essential for achieving long-term goals. What is referred to by activists as the “coalition infrastructure” in the Minnesota case, which was built over many years, effectively bonded together progressive groups with disparate interests on the expenditure side of the budget and brought them into one common front around increasing revenue for basic services and helping progressive candidates win local positions. This is a reminder that we should avoid attributing too much importance to short-term decisions without considering longer-term ones: tactics pursued at a given moment are often possible only *because* of longer-term investments in reputations and relationships that can be drawn on when the moment is ripe. These longer-term strategic choices are not always as visible when we look at specific reform episodes, but they are no less important. Of course, to be able to make such long-term investments, civil society organizations need to have support from funders that understand that tax reform is a long game.

Our cases begin filling some of the gaps in the literature on tax reform. For one, they provide detailed descriptive accounts of civic engagement on tax reform, of which there is very little in the literature. But they also add insights on the media and on different state actors. It is not surprising to see the media play an important role in our cases, but there is almost no mention of the media as a key actor in the existing literature on tax reform. We find that civic actors use the media in different ways: to amplify messages, disseminate new narratives about tax, shame tax evaders, pressure legislators to modify their stances (and even step down from official positions). We also find that social media can amplify messages around tax unfairness, support organizing of protests, and transmit public opinion to government, though none of this is automatic. Of course, our cases do not fully elucidate the role of the media in tax reform. The media has its own interests and independent role in shaping broader context and narratives as well, beyond the ways in which CSOs engage with them. More research would be needed to shed light on this.

The cases also show the importance of working with both the executive and legislators. The latter hold crucial decision-making power over tax policy in many of our case study countries but are not often discussed in the literature on tax reform. Successful civic actors in our cases engaged in painstaking work to influence the election of certain legislators, the policy agenda of legislators, and their stance on specific tax policy issues. In several of our cases, CSOs went as far as helping to build relationships between the executive and legislators in a way that facilitated reform and that government actors themselves were not able to do on their own. The importance of building and managing relationships within government, and the role that outside actors can play in that, is underappreciated in the literature, but a key feature of several of our cases. Closely related to this is the careful attention that civil society paid to building relationships with political parties in many of our cases. While working directly with political parties can pose dilemmas for non-partisan civic organizations, many of the organizations featured in our cases found ways to simultaneously maintain their independence and to work with parties.

5.1 KEY LESSONS FOR CIVIC ACTORS

One of the main objectives of this project was to provide useful insights for other civil society groups across the world that may be interested in engaging with tax reform. Lessons drawn from the experience of some of the pioneers in this field – i.e., the groups that our case studies looked at – provide hypotheses about how civil society tax reform can be more successful. As we rely on a limited set of cases of partial success, we cannot yet draw any firm conclusions about impact. More research, but also more action by civil society that can be studied and documented, will allow us to confirm and further develop these lessons. Nonetheless, we offer here the main findings from our case studies, structured around the same topics as the themes detailed earlier.

On **narratives**: there are at least three types of narratives that civic actors can consider as a starting point for their work. By and large, each avoids getting into the technical details of tax reform. The first type of narrative is centered on fairness and equity. We find that specific appeals to the fairness or unfairness of a specific tax are somewhat more prevalent than broader appeals to the overall equity of the tax system, which is more complex and abstract. A second prevalent narrative is one that emphasizes specific expenditures and services that will be funded by tax revenue, whether through direct or more notional forms of earmarking. A third narrative focuses on transparency and accountability. There is no recipe for finding the right narrative or mix of narratives, so CSOs should try to test messages that will make tax reforms more "relevant" and "salient" to a wide variety of actors and are more effective than narratives utilized by opponents of progressive reform. This might involve using focus groups, polls, and rapid surveys, but it also demands nimble responses to unexpected opportunities that may arise to link tax reform to other topical matters. Finally, narrative development demands engagement with different types of media to disseminate and target key messages and gauge the responses to them.

On **strategies**: successful civic action around tax reform entails engagement with a very wide set of actors and venues for reform, from executives to legislators and judiciaries. Media work is often crucial, but grassroots mobilization, though under-utilized in our cases, can be critical as well. CSOs with particular influence are able to play both "insider" and "outsider" roles, working with government on reforms, and pressuring government officials through mobilization, protest, lawsuits, and social media campaigns where necessary. Not all strategies are available in all contexts, but civic actors should start with the assumption that they must diversify their strategies, pursuing multiple approaches, only some of which will eventually succeed.

On **coalitions**: civic actors must build coalitions that can overcome powerful opposition to their positions on tax reform. This opposition typically comes from parts of government and parts of the business sector and can be partly overcome by seeking alliances with other parts of government and other elements within the business community. In addition, tax reform generally requires broader coalitions of civic actors, including organizations that may work on tax and budget issues, but also many that do not, but are persuaded of the importance of tax

reform for key services they care about. Tax advocates can also seek ways to better articulate how progressive tax reform can support a broader progressive policy agenda in persuading allies to join hands around tax. Our cases also find that brokering alliances with “unusual suspects,” such as religious organizations and professional associations, may help broaden coalitions sufficiently to confront vested interests.

On **capacities**: three types of capacity are important for tax reform advocacy: technical, political and communications capacities. Influential civic actors either have all three, or they form coalitions to complement their strength accordingly. Not all these capacities are necessary to have an impact on tax reform; mass mobilization alone can yield some influence, as the Yellow Vests case shows. However, if the goal of engaging in tax reform is not merely reactive, but to push for specific changes to make tax systems more progressive and effective, all these capacities are important. Our cases show that such capacities help civic actors to establish themselves as credible interlocutors, creating opportunities for more media coverage of their tax positions, or opening doors to build government capacity that can be leveraged for further policy engagement. Capacities are likely built up along the struggle for reform, so organizations should worry less about having all the capacity they need from the outset and more on ensuring that they are set up to learn from experience and bolster capacities along the way.

On **political opportunities**: as in other areas of reform, opportunities may arise (or disappear) at any time. Elections and scandals reliably provide opportunities for change, but not all elections or scandals will be conducive to progressive tax reform to the same degree, and one cannot predict in advance when the right moments will come. This suggests that civic actors must be ready, working over the longer-term to build capacity, media networks and potential coalition partnerships that can be brought together at opportune moments. Our cases suggest that it is the civic actors who have made long-term investments who are best able to act opportunistically when the moment for reform arrives.

We hope that these lessons—and the much richer evidence in the full case studies—can provide civic actors with inspiration and motivation to pursue tax advocacy across different country contexts. In a world where inequality continues to grow, poverty is persistent, and wealthy individuals and corporations often get away with paying little in taxes, the role that citizens and CSOs can—and should—play in pushing for more equitable tax systems and better funded public services cannot be overstated. The pioneering organizations in our case studies have begun charting a path. Let’s hope many others will follow.

CASE STUDY PAPERS¹⁵

- France:** Alexis Spire, *"The Yellow Vests: A French cry for tax justice."*
- Guatemala:** Gustavo Berganza, *"Reforming Tax Administration in Guatemala: A Civil Society Success Story."*
- Kenya:** Joy Ndubai, *"Petitioning the Double Taxation Avoidance Agreement between Kenya and Mauritius: The Role of Public Interest Litigation as a Tool for Tax Justice Advocacy."*
- Mexico:** Israel Santos Flores, *"Targeting Fiscal Privileges: Fundar's Campaign Against Tax Amnesties in Mexico."*
- Philippines:** Kenneth Isaiah Ibasco Abante, *"Critical Collaboration: The Power and Limits of Civil Society Engagement in Tax Reforms in the Philippines."*
- Uganda:** Solomon Rukundo, *"Civil Society Organizations and tax policy reform: Examining the case of mobile money tax and social media tax in Uganda."*
- USA:** Alan Essig, *"Attempts to Tax the Rich: A Story of Three States."*

¹⁵ The full case study papers are available upon request from the authors of this paper.

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