PUBLIC FINANCE AND HUMAN RIGHTS: THE TAX STATE AS A TOOL FOR PROMOTING SOCIAL JUSTICE

FINANÇAS PÚBLICAS E DIREITOS HUMANOS: O ESTADO TRIBUTO COMO INSTRUMENTO DE PROMOÇÃO DA JUSTIÇA SOCIAL

FINANZAS PÚBLICAS Y DERECHOS HUMANOS: EL ESTADO TRIBUTO COMO INSTRUMENTO DE PROMOCIÓN DE LA JUSTICIA SOCIAL

Bruno Vilarinho Pires[1]

ABSTRACT

This work analyzes the relationship between public finance and human rights. Starting from the formation of the Tax State and understanding that public finances reflect the behaviors of a society and can transform social relations, we seek to understand the historical evolution of human rights and how the debate between the ideas of the existential minimum and material equality unfolded throughout the 20th and 21st centuries. Although human rights movements initially manifested as a language aimed at guaranteeing individual rights and combating their violation, it is worth reflecting on whether this behavior is static or if this language can expand, bringing under its scope—in a positive and explicit way—the ideals of social justice, seeking to holistically realize the rights of human beings as both individuals and social beings. We observe that there has recently been an expansion of human rights language, encompassing the ideals of social justice within its field of debate, which reflects an expansion of international consciousness; however, to effectively provide social changes that move toward global social justice, effective solutions to act upon the foundations of the capitalist system must be adopted.
Keywords: Public finance. Human Rights. Fiscal sociology. Existential minimum. Material equality.

[1] State Tax Auditor of the State of Maranhão, currently serving as a First-Instance Adjudicating Authority at the Administrative Tax Appeals Court (TARF). Holds a Master's degree in Human Rights from the Federal University of Goiás. Specialist in Public Administration (2018). Holds a Bachelor of Laws (LL.B.) degree from the Federal University of Goiás (2022) and a Bachelor's degree in Electrical Engineering from the same institution (2012). Contact e-mail: brunovilarinhopires@discente.ufg.br. CV: http://lattes.cnpq.br/8116041483571423. ORCID: https://orcid.org/0009-0007-7478-1486.

Journal of Socio-Environmental Law
Dossier "Human Rights in Brazil: Policies, Practices, and Structural Challenges".
jan./jul. 2026

How to cite this article:

PIRES, Bruno Vilarinho. Public finance and human rights: the tax state as a tool for promoting social justice. **Journal of Socio-Environmental Law - REDIS**, Morrinhos, Brasil, v. 04, n. 01, jan./jul. 2026, p. 95-113.

Submission date: 29/03/2026

Approval date: 10/05/2026

RESUMO

Este trabalho analisa a relação entre finanças públicas e direitos humanos. Partindo da formação do Estado Tributo e compreendendo que as finanças públicas retratam os comportamentos de uma sociedade e podem transformar as relações socias, buscamos compreender a evolução histórica dos direitos humanos e como se deu o debate entre ideias de mínimo existencial e igualdade material ao longo do século XX e XXI. Embora os movimentos de direito humanos tenham se manifestado inicialmente como linguagem voltada para a garantia de direitos individuais e para o combate a violação desses direitos, cabe refletir sobre se esse comportamento é estático ou se essa linguagem pode se expandir, trazendo sob sua alçada, de modo positivo e explícito, os ideais da justiça social, com busca a efetivar, de forma holística, os direitos dos seres humanos, enquanto indivíduos e seres sociais. Constatamos que recentemente há uma expansão da linguagem dos direitos humanos abrangendo em seu campo de debate os ideais da justiça social, que reflete uma expansão da consciência internacional, mas que para proporcionar de fato mudanças sociais que caminhem em direção a justiça social de forma global soluções efetivas para atuar nas bases do sistema capitalista devem ser adotadas.
Palavras-chave: Finanças públicas. Direitos Humanos. Sociologia fiscal. Mínimo existencial. Igualdade material.

RESUMEN

Este trabajo analiza la relación entre las finanzas públicas y los derechos humanos. Partiendo de la formación del Estado Tributo y comprendiendo que las finanzas públicas reflejan los comportamientos de una sociedad y pueden transformar las relaciones sociales, buscamos comprender la evolución histórica de los derechos humanos y cómo se desarrolló el debate entre las ideas del mínimo existencial y la igualdad material a lo largo de los siglos XX y XXI. Aunque los movimientos de derechos humanos se manifestaron inicialmente como un lenguaje orientado a la garantía de los derechos individuales y al combate de la violación de esos derechos, cabe reflexionar sobre si este comportamiento es estático o si este lenguaje puede expandirse, incorporando bajo su alcance —de modo positivo y explícito— los ideales de la justicia social, con el fin de hacer efectivos, de forma holística, los derechos de los seres humanos como individuos y seres sociales. Constatamos que recientemente existe una expansión del lenguaje de los derechos humanos que abarca en su campo de debate los ideales de la justicia social, lo que refleja una expansión de la conciencia internacional; sin embargo, para proporcionar efectivamente cambios sociales que caminen hacia la justicia social de forma global, se deben adoptar soluciones efectivas que actúen sobre las bases del sistema capitalista.
Palabras clave: Finanzas públicas. Derechos Humanos. Sociología fiscal. Mínimo existencial. Igualdad material.

INTRODUCTION

Public finance permeates public debate daily, guiding and subsidizing governmental decisions; it is the subject of analysis and journalistic texts, and the means to materialize public actions, from current expenditures to the execution of public policies.

In line with the work of Austrian economist Joseph Schumpeter, *The Crisis of the Tax State*, which laid the foundations for the interdisciplinary field of fiscal sociology, our study addresses how the fiscal history of a society portrays the essence of its general history, in which public finance plays a primary role in investigating a society and its political life. In this realm, we also address the formation of the modern state based on the institution of taxes, referred to as the Tax State.

Continuing the historical and social analysis, from the perspective of Samuel Moyn's works *The Last Utopia: Human Rights in History* and *Not Enough: Human Rights in an Unequal World*, we seek to understand how the ideological debate between the existential minimum and material equity occurred in the conception of the welfare state projected by the Universal Declaration of Human Rights. We also examine how, from the 1970s onward—with the advent of neoliberalism, which has its intellectual roots in the Mont Pèlerin Society and elevates the ideals of the free market, private property, and the limitation of the State in the economy to prophetic dogmas—human rights became compatible with the idea of the existential minimum and gained universalist traction, being understood as a *lingua franca*, while the ideal of material equity was silenced or even omitted.

As the objective of this study, and supported by the work *Tax, Inequality and Human Rights* edited by Philip Alston and Nikki Reisch, we seek to understand how public finance relates to human rights both through the organizational mode of the tax system and the financing of public policies, which can and must pursue the realization of social rights.

For a better grasp of the object of study, we combine documentary research with a literature review, utilizing a qualitative approach, as this work seeks the interpretation of phenomena—that is, the apprehension of the meanings of human relations and their actions.

Under an analysis of recent movements carried out by international institutions and national governments, we seek to understand whether the language of human rights is expanding and absorbing the ideals of social justice—that is, fighting for social transformations capable of guaranteeing dignity to all human beings, encompassing both their nature as individuals and as social beings—or if the domination of the idea that the existential minimum is sufficient remains, with the consequent silencing of the ideals of building a society founded on material equality, a reflection of neoliberal hegemony.

1 O ESTADO TRIBUTO E A SOCIOLOGIA FISCAL

In mid-1918, within the context of the final period of World War I—which would result in the fall of the Austro-Hungarian Empire and the Second Reich, and the formation of the First Austrian Republic and the Weimar Republic—Austrian economist Joseph Schumpeter presented a study titled

Die Krise des Steuerstaats, translated from German into English as *The Crisis of the Tax State*. In this work, he reflects on the fiscal problems to be faced as a result of the war, even anticipating scenarios he would deal with the following year during his brief tenure as the Minister of Finance of the Austrian Republic.

Schumpeter (1991) expresses concern regarding the economic paths that would be taken due to the war and the possible bankruptcy of what he called the *Steuerstaates*, translated by Wolfgang F. Stolper and Richard A. Musgrave in 1954 as the Tax State. In his study, he seeks to answer what the nature of the Tax State is, how its formation occurred, what its bankruptcy would entail, and, in particular, how the facts contained in budget documents encompass the social processes of a society. We understand that the term *Tax State* (or *Estado Tributo* in Portuguese) is appropriate because taxation is at the genesis of the formation of the modern state, best portraying the essence of the author's concept.

Highlighting the merit of Austrian sociologist Rudolf Goldscheid, who was the first to give due emphasis to the subject, Schumpeter (1991) observes that the fiscal history of a society portrays the essence of its general history, in which public finance plays a primary role in investigating a society and its political life, thus laying the foundations for the interdisciplinary field of fiscal sociology.

From Schumpeter's thought across his various works, it is noted that the thinker is dedicated to understanding the future paths that society may take, delving into the inner workings of the capitalist and socialist systems, as well as the possibilities arising from these systems. Analyzing the path traveled up to that point was fundamental to identifying the problems that lay ahead.

Another striking feature of Schumpeter's thought is that crises transform the system of social relations, resulting in a different stage of the system, or even a new system altogether. It is from this perspective that the Austrian economist seeks to understand how the formation of the Tax State occurred from the crisis of the feudal social relations that preceded it, addressing German and Austrian society from the 14th to the 16th centuries.

This feudal social relationship was marked by interdependence and hierarchical stratification between the prince and the nobility, and by the division of territorial domain. There was a certain proximity between the prince and other nobles with characteristics of subordination; as the prince gradually moved away from dependence on the Emperor and the Reich, a degree of sovereignty emerged, which was the beginning of what would become state power. However, one cannot think of this feudal social relationship in terms of the elements that compose the modern state, with a clear separation between the private and the public. There was no distinction between these spheres; thus, the prince disposed of his rights and positions for his own benefit. Consequently, the prince had to bear the expenses of any policy he chose to pursue, including the funding of wars. To meet these expenses, the prince had a series of rights and revenues: income from his peasant-serfs, the obligation of vassals to provide military service, donations from vassals, and contributions from the church, among others. However, these did not result from any state power and, therefore, there was no institution of taxes (Schumpeter, 1991).

It is important to emphasize that Schumpeter (1991) refers to crises as an underlying social process of change—not merely as isolated obstacles, but as ruptures that result in a structural change of social relations. Thus, in the case of feudal social relations, the fiscal crisis of that economy resulted in the formation of the Tax State. The high costs of maintaining the court, the mismanagement of resources, and, primarily, the constant and massive increase in war expenditures led to exorbitant and unsustainable debt for the princes, leading them to insolvency. Rooted in the argument that wars were not merely personal matters but a common concern, the conception emerged that everyone's contribution was necessary to cover such costs. This paradigm shift marks the process of the formation of the Tax State through the institution of taxes on property, which gradually reached the various strata of that society.

This slow process of forming the Tax State is marked by the interaction and dispute between the nobles—who formed a group of families exercising domain over properties—and the prince himself. The former had significant influence over the allocation of the resources collected, even integrating into the bureaucracy that administered these taxes. Thus, the purpose of the collected resources ceased to be solely the prince's will, and the State acquired a solid structure, becoming an autonomous power. As a result of this dispute and conflictual relationship, the prince managed to command the state machine, but this process resulted in the transfer of attributes, rights, and positions from the prince to the State (Schumpeter, 1991).

We understand that the imposition of tax demands reflects a nuclear aspect of the formation of the modern state, being both a cause and a consequence of changes in social relations. In this perspective, regarding the families that compose society, there was a tendency for the individual economy of each family to become the center of its existence, delimiting a private sphere that would result in a market economy. Regarding the Tax State, the circulation of resources within its own organs allowed for its maturation, such that the fiscal system functioned as the engine for the development of the state structure and the refinement of state functions over time. Thus, the private economy and state finances became increasingly intense and inseparable, reverberating through the circulation of money (Schumpeter, 1991).

The Tax State developed over time and remains in full operation today. In essence, the State collects resources from the private economy and redirects them to activities of common interest.

These resources are reintroduced into the economy, perpetuating a cyclical movement that induces social phenomena. The determination of *how*, *from whom*, and with *what intensity* these resources are captured, as well as the establishment of *where*, *how*, and with *what intensity* they are applied, influences all of society. Furthermore, the way these definitions are made arises from the socio-state structure agreed upon by that society. It should be noted that such phenomena are essentially conflictual and result from the clash of interests among the various social classes that make up that society.

In this described mechanism, public finance—encompassing both taxation and fiscal policy—is a field of study intimately linked to the sociological approach of a population. It can be instrumentalized to alter social relations within a nation-state and also to achieve and realize rights, or conversely, to suppress or limit them.

The Tax State represents the reading of a social transformation. It is an abstract concept, not limited to specific forms of state, systems, or forms of government. The entire arrangement resulting from the combination of these distinct elements is covered by the mechanism of the Tax State, precisely because it is an analysis of the essence of the social relationship between the State and the individual through taxation and its functional mechanisms.

Seeking to understand if the Tax State would go bankrupt, Schumpeter (1991) analyzes that collapses were frequent but not disruptive to the system, surviving the various wars that occurred between the 17th and mid-20th centuries. At the time of his analysis, World War I was near its end; however, World War II was yet to come, and with it, a series of structural changes in the international relations of sovereign states, as well as the creation of international institutions aimed at preventing new global wars and creating a system of universal rights guarantees for human beings.

2 EXISTENTIAL MINIMUM VS. MATERIAL EQUALITY

In the late 1920s, in a world still marked by neocolonialism, the Great Depression profoundly impacted the global economy. The Crisis of '29 was a crisis of the capitalist system that generated mass unemployment, deflation, and a sharp, significant drop in the world Gross Domestic Product (GDP).

British economist John Maynard Keynes introduced ideas and theories that shifted the perspective of economic thought, laying the foundations of macroeconomics. He demonstrated the role of governments in inducing markets and fostering economic growth in society, countering the then-dominant neoclassical economic ideas, which argued that employment levels adjusted automatically in free-market economies as long as wages could fluctuate freely. Thus, the Tax State, through its fiscal policy, became the instrument for the recovery of the global economy in the post-Great Depression period.

Keynes profoundly influenced the establishment of the world economic order from the 1930s until the mid-1970s, serving as a protagonist in leading the work in July 1944 that resulted in the Bretton Woods agreements. These agreements were marked by the application of the gold-dollar standard, which established fixed exchange rates for signatory countries based on the dollar and gold, and the creation of the International Monetary Fund (IMF) and the World Bank.

In 1941, within the context of nearly two years of war—in which the United States had not yet officially entered—the Atlantic Charter was signed. It outlined intentions for a new establishment in subsequent years, aimed at directing limits on the impulses of the Axis powers, recognizing the principle of self-determination of peoples, establishing the bases for freedom of navigation, pointing toward the removal of trade barriers, and indicating global economic cooperation for the advancement of social welfare.

As a fruit of the aspirations for social rights, in January 1944, President Roosevelt proposed the Second Bill of Rights, also known as the Bill of Economic Rights, from the perspective that political and individual rights provided by the Constitution were insufficient to ensure citizens' equality in the pursuit of happiness. Thus, a series of economic and social rights were listed, establishing the foundations for the construction of the American welfare state.

This social conception reflects, in part, the consequences of the unrestricted application of neoclassical economic ideas, which contributed to the outbreak of the Great Depression. Furthermore, it was influenced by the political context of the time, marked by contrasting ideologies that gained strength on the global stage. On one side, the Russian Revolution propagated ideals of material equality inspired by Marxism-Leninism. On the other, Nazi-fascist movements, with their ultranationalist essence, spread hate speech and attributed the blame for the socioeconomic crises of the period to specific groups.

As a result of the movements initiated by the Atlantic Charter, in the post-World War II context, the United Nations (UN) was created, formally established by the Charter of the United Nations (1945). Article 1 of the Charter establishes the organization's purposes, among which we highlight: maintaining international peace and security; achieving international cooperation to solve international problems of an economic, social, cultural, or humanitarian character, and to promote and encourage respect for human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion; and being a center for harmonizing the actions of nations in the attainment of these common ends.

Under the aegis of the then-newly created organization, the Universal Declaration of Human Rights (1948) was drafted, listing individual, collective, and social rights as prerogatives of the human being. In a study on the rise of human rights and its relationship with the ideals of the existential minimum and material equity, Samuel Moyn (2018) understands that, in the context of its publication, the Universal Declaration of Human Rights served primarily as a model for a welfare state to be followed, projected as being national in scope—that is, to be implemented and conducted within the limits of the nation.

The welfare states of that period were established in the Global North and were, in essence, the imperial forces themselves; thus, the Universal Declaration was conceived in a way that its reading was neither conflicting nor incompatible with the geopolitical and neocolonial reality in full force at the time. It did not include the principle of self-determination of peoples, which the Atlantic Charter had addressed, even though, at its signing in 1941, the focus of such a provision was to confront the expansionist movements of the Axis powers (Moyn, 2018).

Although the welfare state that prevailed in the North Atlantic countries in the mid-20th century promoted a better distribution of income, established a certain level of taxation on wealth, and pursued a degree of sufficiency—raising the parameters of the existential minimum without setting aside the ideal of material equality—the primary beneficiaries of this model were white working-class men, not the poor, nor the minoritized majorities, while married white women benefited to some degree indirectly from the increase in the family wage (Moyn, 2018), a characteristic reflection of capitalism, where the wealth produced by many is appropriated by few.

During this period known as the Golden Age, there was the conception of a necessary relationship between sufficiency, through the elevation of existential minimum parameters, and the pursuit of equal distribution. Thus, if the floor of social protection rose, the wealthy would necessarily be forced to pay for it through taxation, lowering the ceiling of inequality and reducing social disparities.

As a consequence of the post-World War II era, anti-colonial movements, rooted in the principle of self-determination of peoples found in the Atlantic Charter, gained traction. The resulting decolonization process embraced the ideals of social and economic rights provided by the Universal Declaration of Human Rights, globalizing the national welfare state project, even while maintaining exclusionary aspects related to gender, race, and social minorities.

The creation of organizations and the strengthening of international relations, both economically and politically—even if material conditions of hierarchy remained present despite sovereignty as an attribute and principle—developed a kind of global consciousness, though it was often marked by conflicts over which direction should be followed.

The UN became the environment for dialogue and negotiations for newly emancipated nations. As a result of the decolonization process, the International Covenant on Civil and Political Rights (1966) and the International Covenant on Economic, Social and Cultural Rights (1966) were signed, both providing similarly in their first articles that all peoples have the right to self-determination. This principle was closely associated with the ideal of material equality, which in turn was understood through the perspective of distributive justice (Moyn, 2018).

In the 1960s and 1970s, there was dissatisfaction on the part of the Global South with the geographical limits of the welfare state. Post-colonial leaders, faced with the difficulty of establishing a welfare state, proposed structural changes in the functioning of the world economy aimed at achieving a degree of material equality, not just on a national scale, but on a global scale, presenting the Call for a New International Economic Order at the UN in 1974.

Considering that the development process is directly linked to industrialization, to develop and reach the means to provide social justice, this movement sought material justice in international relations, as Global South countries were predominantly exporters of primary products, facing disadvantageous terms of trade compared to countries that exported industrialized products.

Material justice, in the economic sense, was not thought of in the way it is currently most disseminated—through the perspective of promoting economic and social rights for the entire population. The proponents aimed for the equality of wealth distribution on a global level through a New International Economic Order. However, neoliberalism—the economic movement that imposed itself in the following periods and presented itself factually as the new economic order—followed a path opposite to this goal.

Moyn (2010) explains that the anti-colonialism movement was not a human rights movement per se. Human rights movements ascend at the moment when this idea of economic justice had already lost traction and the idea of sufficiency, inherent to the ideal of the existential minimum, had established itself as the dominant mechanism of the neoliberal order.

The 1970s and 1980s marked a decisive turning point in the direction of global capitalism, driven by the growing influence of neoliberal ideas. This movement emerged in response to the economic crises that shook Keynesian models, especially stagflation and the oil crises. Fiscal austerity became a central principle of economic policies, aiming to reduce the State's role in the economy, contain public deficits, and deregulate markets. This new paradigm broke with the interventionist logic of the post-war period and consolidated the primacy of the market as the regulator of social and productive relations.

Neoliberalism, however, was not limited to the economic field but became a rationality that permeates various aspects of social life. By shaping subjectivities, this model encouraged the idea of the individual as an "entrepreneur of themselves," promoting values such as meritocracy, competitiveness, and individual responsibility for one's own success or failure. Thus, society underwent a reconfiguration that weakened collective solidarity ties and undermined social protection structures, justifying reforms that reduced labor rights, privatized public services, and deregulated financial markets.

Several historical events marked the consolidation of neoliberalism as a hegemonic force starting in the 1970s. Augusto Pinochet's dictatorship in Chile implemented the ideas of the Chicago School under the guidance of the "Chicago Boys," a group of economists trained by Milton Friedman. On the intellectual plane, the Austrian School gained greater visibility with Friedrich Hayek's Nobel Prize in Economics in 1974. In the political realm, the governments of Margaret Thatcher in the United Kingdom and Ronald Reagan in the United States adopted neoliberal policies of deregulation and privatization. The Washington Consensus, formulated in the 1980s, consolidated these guidelines as the standard recipe for developing countries. Although the 2008 crisis exposed the contradictions of this model, neoliberalism remains materially dominant to the present, adapting to new global dynamics.

In this context of neoliberal hegemony, human rights ascend as a *lingua franca* for discussing justice issues, while references to socialism, in an opposite move, decreased in frequency (Moyn, 2010). This period marks the domination of the idea that the existential minimum is sufficient and, as a consequence, there was a silencing of the ideals of building a society founded on material equality.

Human rights movements rehabilitated the Universal Declaration of Human Rights, but only in relation to its first half; the economic and social rights in the other half, which guided toward a welfare state, were omitted, as if they were not important for even guaranteeing individual rights and guarantees (Moyn, 2018). Until recently, human rights actions and movements manifested as a language that provided a kind of mobilization around combating the violation of individual rights and guarantees, aligning with the idea of sufficiency—a just minimum—but remaining silent regarding the idea of material justice. Such behavior was marked by omission, not negation—that is, human rights movements at the end of the 20th century historically did not deny the importance of the idea of economic equality, but remained inert regarding material inequality.

Asad (2000) argues that human rights, directly related to violations of individual rights and guarantees, became universal as they were widely endorsed by countries, citizens, and non-governmental organizations. However, economic violations, which often produce more devastating social effects than military actions, are not understood as a violation of human rights. This occurs because "the responsibility for ensuring the conditions for the realization of these rights lies exclusively with sovereign States, each of which is defined, in part, by its right to govern 'the national economy'" (Asad, 2000, p. 4).

It is important to highlight that the idea of the existential minimum—of a sufficient provision for human beings—became central to human rights. Moyn (2018) points out that in the neoliberal period, the poorest population may show a higher degree of prosperity even with an increase in wealth concentration among the wealthiest classes, which resulted in an increase in inequality—a fact counterproductive to the idea that as the floor of social protection rose, the ceiling of inequality should lower.

In a way, the human rights movement proved efficient in what it proposed, raising the banners for the promotion of individual rights and guarantees. However, as long as there are no effective measures in the pursuit of social justice—attacking economic inequalities on a global level—we will be facing a chronic illness being treated with palliative medicines.

From a Marxist conception, we can understand that human rights movements act within the sphere of the superstructure as a dimension of the neoliberal order that establishes the foundations of the infrastructure in the current phase of capitalism. In this direction, Asad (2000, p. 20) presents the following reflection: "when this redemption is complete, rights and capital will be equally universalized. But whether universal capital or universal human rights will bring with them practical equality and the end of all suffering is another matter."

With these considerations, we will address in the next chapter—without the prerogative of exhausting the topic—how public finance is associated with human rights and can be instrumentalized to reduce economic inequalities and seek the realization of a just and egalitarian society.

3 PUBLIC FINANCE AND HUMAN RIGHTS

The neoliberal order is marked by financialization, in which the logic of capital generating capital prevails without passing through the commodity stage. Dowbor (2017, p. 285) explains that "the final allocation of financial resources is no longer organized according to end-uses for the stimulation and orientation of economic and social activities, but rather to obey the purposes of the financial intermediaries themselves."

The basis of wealth accumulation has shifted, such that the flows of financial capitalism drain assets from the real economy and direct them toward a variety of non-investing activities. Thus, the financial sector—previously seen as an intermediary or a "middle area" of the production process—has today become the "end area" of capital allocation, meaning wealth originates predominantly from rentierism.

As a consequence of this process, jobs have become precarious, there is an underutilization of the workforce, and individuals find themselves increasingly submerged in debt, whether from student loans, credit cards, financing, or mortgages. Furthermore, with the digital revolution, the economy is becoming increasingly platform-based and managed by artificial intelligence.

The State, as a tax collector, plays a central role in the process of financialization. Traditionally, it is argued that the State finances its expenses through taxation or public debt, with taxation viewed as the fairest and most effective solution (Piketty, 2014). However, this conception reflects a conventional view of economics that compares the State to a private agent subject to rigid budget constraints.

From the perspective of Modern Monetary Theory (MMT), this approach is limited, as it ignores the fact that a State that issues its own currency does not depend on taxes or debt to finance its spending. In this context, public debt is not a fundraising mechanism, but a monetary policy instrument used to regulate liquidity and influence interest rates. Thus, the true limit of state spending does not lie in tax collection or the issuance of bonds, but rather in the productive capacity of the economy and the control of inflation.

Public debt, remunerated by the base interest rate defined by the monetary authority, becomes a mechanism for capital reproduction for the ruling classes, who exert significant influence over the conduct of public finance. Moreover, a portion of tax revenue is directed toward paying debt interest, becoming another significant drain of resources from the population to the rentier sector. If the State faces difficulties in paying this interest, the debt tends to increase, reinforcing the conventional logic that public spending must be financed by taxes or borrowing. This view, widely disseminated by economic elites, perpetuates financialization and restricts alternative economic policies aimed at the collective interest.

In this macro-spatial and temporal scenario, the way the State is coupled with the structure of resource circulation—as a director and coordinator of capital and monetary flows—directly impacts and influences the functioning of the social system and the realization of human rights. Thus, the prism of fiscality presents itself as an open book for understanding the power relations that permeate the State and society, and for transforming social relations.

Although human rights movements initially manifested as a language focused on guaranteeing individual rights and combating their violation, it is worth reflecting on whether this behavior is static or if this language can expand, bringing under its umbrella, positively and explicitly, the ideals of social justice, seeking to holistically realize the rights of human beings as both individuals and social beings.

In this sense, we highlight that in recent years, alongside movements questioning the neoliberal order, the understanding that social justice is interdependent with the guarantee of individual rights has grown and gained ground in the human rights debate. Philip Alston and Nikki Reisch, aiming to address this theme and demonstrate the synergy between the fields of human rights and fiscality, led the publication of the book *Tax, Inequality and Human Rights* in 2019.

While the responsibilities for conducting social policies and supporting society lie with sovereign States, the current stage of the capitalist mode of production—rooted in transnational corporations—rivals the availability of resources for conducting public policies (Alston et al., 2019). This phenomenon stems from the significant influence that large corporations exert on local governments to reduce their taxation and the directing of financial flows to tax havens. In this way, the sovereign State is impacted both by the loss of a relevant source of revenue with transformative potential and by the overburdening of various other tax sources intended to compensate for that lost revenue.

The coordination of the national economy and the induction of markets functions as a supportive bond for the social body, allowing monetary flows to circulate in a more branched manner, diffusely feeding the extremities of that body. Conversely, the absence of coordination drains resources from the extremities, concatenating them into concentrated capital flows that tend to lose circulatory capacity in the real economy and, consequently, diminish the social body's capacity for self-sustenance.

The 2008 financial crisis exposed the weaknesses of neoliberalism. In this regard:

> [In] the ten years following the 2008 financial crisis, the issue of taxation assumed a central role in global debates on poverty, inequality, and economic reform. Concerns about rising wealth and income disparities, the visible social and political impacts of the economic recession, and the costs of austerity measures adopted in response to the crisis focused attention on the role of taxes as both part of the problem and the solution to these trends threatening human rights (Alston et al., 2019, p. 34).

The COVID-19 pandemic further exposed the vulnerabilities of neoliberal orthodoxy and long-standing austerity. At the moment of the collapse of supply and demand, the effective emergency instrument for families and businesses was the State's fiscal policy of direct transfers, economic subsidies, liquidity injection, and market induction through research stimulus and direct purchases (Mazzucato and Skidelsky, 2020).

Non-governmental organizations focused on combating inequality and defending social justice gained ground and contributed to the development of this debate; among them are the Center for Economic and Social Rights (CESR), Tax Justice Network (TJN), Oxfam, ActionAid, and Christian Aid. These institutions played a central role in disseminating within the human rights debate how the tax policies of wealthy countries and the tax evasion and avoidance of their multinationals harm developing countries that need public revenue to implement transformative social policies. They worked to position taxation as an essential issue for the conduct of the 2030 Agenda for Sustainable Development, adopted by all UN members in 2015 (Alston et al., 2019).

It is also noteworthy that in 2015, more than 150 organizations worldwide signed the Lima Declaration on Tax Justice and Human Rights, the result of an international coalition for tax justice. Its goal is to ensure that the wealthy and transnational corporations pay their fair share in taxes, as the current corporate tax system privileges the interests of these corporations and capital holders. In this sense, the Declaration (2015, p. 1) points out that:

> Tax revenues are the most important, reliable, and sustainable instrument for financing human rights in a sufficient, equitable, and accountable manner. The realization of all human rights is, likewise, one of the primary reasons for government. It is through respecting, protecting, and fulfilling civil, political, economic, social, cultural, and environmental rights that the State gains its legitimacy to tax. Taxation also plays a fundamental role in redistributing resources to prevent and correct gender, economic, and other inequalities, and to reduce disparities in the enjoyment of human rights arising therefrom. Furthermore, a fair taxation system can cement the bonds of accountability between the State and its people, promoting a greater responsiveness of governments to the rights and claims of those to whom they are responsible. Tax policies can also counterbalance evident market failures and protect global common goods—especially a healthy environment within planetary boundaries (Declaration, 2015, p. 1).

The Declaration (2015, p. 3) calls upon international institutions "to support the reform of the global tax system by, among other things, integrating human rights standards into how they address corporate tax avoidance and the adverse spillover effects of certain governments' tax policies" and calls upon international financial institutions that advise governments on their fiscal and tax policies to respect those governments' human rights obligations.

In short, this international movement asks for tax rules to be drafted and conceived under the protection of a global fiscal body with the democratic participation of all States based at the UN, to combat the existence of tax havens and ensure that all countries benefit from fair revenues that are currently elided by various fiscal practices.

In 2016, the International Monetary Fund presented a report titled “Neoliberalism: Oversold?” finding that instead of generating growth, some neoliberal policies increased inequality, compromising the long-term expansion of state economies. Also reflecting these global movements, the Bogota Declaration on Tax and Women’s Rights was drafted in 2017 to denounce that regressive tax systems support and create increasing impoverishment and marginalization of women in the global economy.

Given the reverberation of these findings globally and as a reflection of a movement tending to break the inertia of the neoliberal order, in 2016 the Organization for Economic Co-operation and

Development (OECD) and the G20 established an inclusive framework on base erosion and profit shifting by multinationals—the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) Project—allowing interested countries and jurisdictions to participate in the development of standards and the search for effective solutions to combat tax evasion.

In 2021, a two-pillar declaration was drafted to address the challenges arising from the digitalization of the economy: the Statement on a Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalization of the Economy. These pillars aim to establish specific scope-delimitation criteria to cover multinational companies with a minimum tax rate of 15% on their income.

Recently, G20 finance ministers meeting in Rio de Janeiro agreed, for the first time, on a comprehensive and autonomous fiscal declaration, the G20 Ministerial Declaration on International Tax Cooperation, published on July 27, 2024. It commits to "strengthening tax transparency and continuing to promote global dialogue on fair and progressive taxation, while taking into account national circumstances, needs, and priorities, such as the equitable distribution of the tax burden" (G20, 2024, p. 2). Objectively, this Declaration (G20, 2024) emphasizes that:

> It is important that all taxpayers, including ultra-high-net-worth individuals, contribute their fair share of taxes. Tax evasion or aggressive tax avoidance by these individuals can undermine the fairness of tax systems, resulting in a reduction in the effectiveness of progressive taxation. No one should be able to avoid taxation, including through the circumventing of transparency standards. Therefore, additional efforts must be made to ensure full compliance with national tax obligations. Each jurisdiction should also act autonomously or, if necessary, through capacity-building initiatives, to improve the effectiveness of tax collection already applicable based on national legislation (G20, 2024, p. 3).

Thus, we observe that various international institutions, together with national governments, have expanded the debate and led movements aimed at establishing an international fiscal policy capable of combating tax evasion and avoidance, restoring public revenue bases, and—in pursuit of global social justice—combating inequalities and promoting the means for the realization of human rights for all.

Regarding human rights movements that initially manifested as a language focused on guaranteeing individual rights and combating their violation, the reflection initially proposed—on whether this behavior would be static or if this language could expand to explicitly include the ideals of social justice and holistically realize the rights of human beings as individuals and social beings—is therefore answered. Since 2008, international debate has increasingly absorbed issues related to inequality and social justice, seeking solutions to transform society.

It should be noted that while there are signs of an expansion of this international consciousness toward social justice, the functional mechanisms of the capitalist system must be materially affected by the proposed solutions; otherwise, the relations of inequality and the exacerbated concentration of resources in the hands of a few will continue to expand, leading the "body" to act contrary to the intention of the "mind."

Furthermore, in the last year, the resurgent rise of far-right leaders, such as Donald Trump and Javier Milei, has imposed significant obstacles to the fulfillment and materialization of international agreements. These leaders have adopted policies of institutional rupture that weaken multilateral cooperation, affecting international stability and representing a profound threat to the advancements identified here.

4 FINAL CONSIDERATIONS

The human being develops their individual characteristics as a social being belonging to a society. These observations are inseparable. The individual does not exist apart from society, just as the human being does not exist without the individual characteristics that define them as part of the whole.

From this perspective, we understand the human trajectory as a process resulting from interactions between various societies throughout history, shaped by the social relations that constitute them. This trajectory does not necessarily follow an evolutionary path, nor does it inevitably lead to development. Furthermore, respect for the conventions that define human rights is not a natural consequence of this process.

Society, depending on its design, is what allows—to a greater or lesser degree—the human being to develop their individuality. In this way, public finance, encompassing both taxation and fiscal policy, is a field of study intimately linked to the sociological approach; it can be instrumentalized to alter the social relations of the nation-state and also to achieve and realize rights. That is, the Tax State can be instrumentalized to promote social justice.

Thus, we understand that human rights, as a language, must portray the essence of human beings in their social and individual dimensions, as they are interdependent and inseparable. Since human rights are grounded in human morality, the understanding of the State's role in the realization of fundamental rights and guarantees through public finance must be reproduced within this language.

Contemporary discussions regarding the financialization of the economy, taxation, and social justice highlight the interdependence between fiscal policies and the fulfillment of human rights. The current stage of capitalism, characterized by increasing digitalization and the dominance of the financial sector, has led to an unprecedented concentration of wealth and the precarization of the population's living conditions. In response to this scenario, international movements and global institutions have sought to strengthen fiscal transparency, combat tax evasion and avoidance, and promote a more equitable distribution of the tax burden. The G20 Ministerial Declaration on International Tax Cooperation represents an advancement in this regard, consolidating a commitment among nations in the pursuit of a fairer and more progressive tax system.

Over recent decades, the convergence between debates on fiscality and human rights has intensified, demonstrating that economic inequality cannot be dissociated from social and political issues. The amplification of this debate reflects the need to move beyond the restricted perspective of human rights as merely individual guarantees, incorporating the collective dimension of social justice. Initiatives such as the *Lima Declaration on Tax Justice and Human Rights* and the *OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting Project* show progress in strengthening global fiscal governance. However, such advancements still face structural challenges imposed by the very functioning of financialized capitalism, which tends to reinforce inequalities and limit State action in promoting social welfare.

The recent rise of far-right leaders, such as Donald Trump and Javier Milei, presents significant obstacles to the materialization of international agreements aimed at fiscal and social justice. Their policies of institutional rupture weaken multilateral cooperation and compromise the stability necessary for the implementation of effective solutions. Thus, although there are signs of greater global awareness regarding the need for structural transformations, these changes depend on concrete political actions capable of confronting the resistance of economic elites and conservative sectors. The struggle for a more equitable tax system and for the fulfillment of human rights will continue to be a central challenge in building a more just and sustainable global order.

We conclude that there has recently been an expansion of human rights language, encompassing the ideals of social justice within its field of debate. This reflects an expansion of international consciousness; however, to effectively provide social changes that move toward global social justice, effective solutions that act upon the foundations of the capitalist system must be adopted.

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This version was originally submitted in Portuguese and translated into English with the assistance of Artificial Intelligence.