



**Letter from the Chairman, no 17**

**Stockholm January 25<sup>th</sup> 2016**

Dear members and friends of the World Taxpayers Associations!

A New Year – it has started with one of the biggest first weeks drops in the financial markets in many years. The oil price has kept falling and is now back to levels not seen since 2003. What initially looked like a Saudi-US strategy to put pressure on the Russian, Iranian and Syrian governments now looks more like a Saudi attack on the US and Canadian fracking and oil sands exploration. And it seems to be succeeding. The number of working drill rigs in the two major major US fracking fields (Bakken and Eagle Ford) have dropped from 450 in the beginning of 2015 to 150 at the end of the year. And it is possible that the oil production from fracking in the US reached a peak in April 2015 not to be reached again. Since then production has dropped over 20%, so far, and the production from each drilled hole is fairly short lived.

Part of the uncertainty also goes back to the Chinese economy, though growth especially in the consumer field is quite robust at around 10%. But the over investment in industry and housing means a set back for companies everywhere who see the expansion slowing. As an example, the Chinese car industry now has an over capacity of 8 million cars per year!

To keep financing the generous benefits to its population, the Saudi government would need an oil price of \$85 per barrel. To fill the gap, they have to use of their capital, including selling off from their large holdings in the major world financial markets. Some analysts predict that we will start seeing an increase in the oil prices after the summer to perhaps \$40-50 per barrel, which

is where we were as recently as last October-November.

The new “peace” between the US and Iran gives hope for some kind of solution in the Syrian and Middle Eastern conflict. The US and President Obama are pushing for a relative normalization in the relationship with Iran, which history might record as one of Obama’s major achievements. The election year in the US will add to uncertainty. Currently, it seems the Americans are favouring outsiders with more radical views, reacting against the “established” politicians. Few so far believe we will see US Senator Bernie Sanders against Donald Trump in the election – but the odds are increasing!

In Sweden, we are having a minor scandal around a well-situated apartment offered by one of the large trade unions to our internationally well-known foreign minister and previous EU Commissioner, Margot Wallstrom. There are other issues as well, but it brings out the limits to what should be accepted by public officials before it can be called bribery. A court might now decide this, but a good reference is a British set of seven principles established in 1994 after the benefits to parliamentarians had escalated to a jungle-like situation. The principles were arrived at by a commission under Lord Nolan, and were widely discussed and finally accepted. The headlines were: ***Unselfishness, Integrity, Objectivity, Responsibility, Openness, Honesty and finally Leadership***. We are putting a longer document on our web pages with explanations to the arguments for each of these principles. You can get it [here](#). It might be a good reference in your local situation!

**Marketing and fundraising:** Just a reminder – remember your members and donors early in the year. The thank yous and visions ahead should be a part of your kick-off for the year. That is the way many think and expect your communications. Also celebrate your achievements and highlight them.

I picked up an interesting thought from a TV program about how to write a TV or film script even for a comedy or entertaining movie. The rule was: Always start with the drama –the humour or light touches can always be added later! Think of this when you build your letters or arguments – the drama building is the core

even in a general letter or even a thank you note!

### **World Taxpayers Conference 2016**

We are now only eight weeks from our 2016 conference in Berlin. We are looking forward to seeing many of you there. The organizers are reminding us to book hotel rooms and register soon. There is a limit to the number of hotel rooms, which are filling up fast. All the details and a way to register is on the official web page for the conference, [www.taxpayers.events](http://www.taxpayers.events).

### **Use our web page!**

Our web page, [www.worldtaxpayers.org](http://www.worldtaxpayers.org), has an increasing amount of information. We are improving the access in the members' section to make it easier to get to the kind of questions you might have. And we would like to add many more success stories and good ideas from all of you! Our search function is of course also a very practical tool.

Here are a few links as examples of what you can find:

[Doing Business 2016 \(new on the web\)](#) – a long World Bank Flag Ship Report on trade issues around the world. A heavy document, but with interesting facts and details when comparing your country's situation with others.

**Taxpayers Leaders Forum** – the newsletter with tax news from around the world. <http://worldtaxpayers.org/members-area/resources/taxpayer-leaders-forum/>

**Good ideas about starting a taxpayers group** – of use also for established groups  
<http://worldtaxpayers.org/members-area/resources/how-to-start-a-group/>

**Tax Facts** – OECD comparison of tax pressure and our unique list of countries with flat tax rates, the levels and when established.

<http://worldtaxpayers.org/members-area/resources/tax-facts/>

I am much looking forward to seeing you in Berlin! We hope to have representatives from at least six African nations and also from several Asian countries including Nepal and Mongolia who will add interesting perspectives to the conference!

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