

NORGLOBAL - 212210/H30

Tittel	Systems of Tax Evasion and Laundering (STEAL): Locating Global Wealth Chains in the International Political Economy
Prosjektansvarlig	NORSK UTENRIKSPOLITISK INSTITUTT
Prosjektleder	Leonard Seabrooke
Prosjektperiode	31.12.11 - 31.12.15

År	Søkt beløp	Bevilgning fra Norges forskningsråd
2011	0	0
2012	1 283 000	1 310 000
2013	1 383 000	1 910 000
2014	1 188 000	1 780 000
2015	1 143 000	1 400 000
Sum:	4 997 000	6 400 000

Målsetning

Our primary aim is to identify the Global Wealth Chains that are the articulation of organized activities between individuals or international entities, developed countries, developing countries, and tax havens. The project investigates and specifies how capital moves between developing countries and offshore jurisdictions, and how microstates might transform their role while preserving strategic capacity.

STEAL has four targets, or secondary aims:

First, we provide a comprehensive taxonomy of the Global Wealth Chains that facilitate capital flows between tax havens, developing countries, and developed countries.

Second, we investigate the variety of ways that developing countries are linked to tax havens.

Third, we will analyze the impact of anti-money laundering regulations on developing countries.

Fourth, we evaluate the impact of on-going regulatory initiatives and regulatory changes upon tax havens and developing.

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Prosjektsammendrag

STEAL identifies Global Wealth Chains that articulate activities and relations between individuals or international entities, developed countries, developing countries, and tax havens. To locate and identify the links in Global Wealth Chains, the research question for the project is:

(RQ): What governance mechanisms and economic relationships determine the articulation of Global Wealth Chains?

The response to the research question will proceed via an assessment of five hypotheses. They are as follows:

(H1 MARKET) GWCs are more likely to be located in jurisdictions highly compliant with international law rather than in those simply offering low tax and secrecy in a regulatory race to the bottom.

(H2 MODULAR) If GWCs are to be maintained, offshore providers must increasingly customise services for particular market segments (High Net Worth Individuals, for example).

(H3 RELATIONAL) GWCs are more likely to follow the geography of colonial relationships, involving long-established trust networks which constrain microstates' development strategies.

(H4 CAPTURED) If GWCs are to be maintained, investors must place less focus on capturing the regulatory process and focus more on the corporate innovation process.

(H5 HIERARCHY) If regulation focuses on the legal profession, it is likely to interrupt processes of legal innovation and the influence of this group on international rule-making to trace and regulate GWCs.

These hypotheses and the key research question will be assessed through an investigation of six cases that are divided up among the research team. The division of work among the researchers is based on four regions and two cases: Europe (Seabrooke and Wigan); East Asia (Palan and Ali), East Africa (De Carvalho and Waris), and Western Hemisphere (Sharman and Marshall). The cases are: Anti-Money Laundering and Tax Evasion (Tsingou); Mapping GWCs and Offshore Financial Innovation (Rafferty and Wigan).

NORGLOBAL - 212213/H30

Tittel	The Role of Tax Havens: In Global Governance and Regulation; In the External Financial Equation for Economic Development
Prosjektansvarlig	SAMFUNNS- OG NÆRINGSLIVSFORSKNING AS
Prosjektleder	Guttorm Schjelderup
Prosjektperiode	01.10.11 - 30.09.15

År	Søkt beløp	Bevilgning fra Norges forskningsråd
2011	312 000	0
2012	1 960 000	2 162 000
2013	1 325 000	1 380 000
2014	1 125 000	1 180 000
2015	278 000	278 000
Sum:	5 000 000	5 000 000

Målsetning

Drawing the serious attention of economic, political, and academic communities to the harmful impact of tax havens on global governance and development concerns, through exacting economic analysis of financial flows, and thorough policy analysis of a broad range of damaging effects. Advancing the movement toward greater transparency in the global financial system, particularly for the benefit of developing countries. Influencing actions in the World Bank, IMF, UN, OECD, FATF, G20, and G8. Analyzing arguments that tax havens are benign accumulators and allocators of global capital. Publishing two analytical papers in respected journals and a third paper prepared specifically for the UN Conference on Millennium Development Goals in 2015. Solidifying ongoing research linkages with four institutes in Latin America, Africa, India, and the United States.

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Prosjektsammendrag

This project focuses precisely on analysis of the relationships between tax havens, global governance, capital flows, and developing countries. It will comprise two parts. First, it will produce a macro analysis of the impact of tax havens on a range of governance issues. Second it will appraise the volume of financial flows between developing countries and tax havens, and similarly appraise the percentage that tax havens account for in the volume of financial flows between developing countries and the rest of the world. Better economic data, the second part of the project, is required in order to address the problem posed by tax havens to major governance issues, the first part of the project, for countries constituting some 80 percent of global population. This project is the first seeking to produce highly credible analyses of the sum of financial interactions between developing countries, tax havens, and the world and translate this economic analysis into a careful study of how such flows affect a broad array of major global concerns.

NORGLOBAL - 217200/H30

Tittel	Sustainable tax governance in developing countries through global tax transparency
Prosjektansvarlig	DET JURIDISKE FAKULTET
Prosjektleder	Ulf Stridbeck
Prosjektperiode	01.06.12 - 30.06.16

År	Søkt beløp	Bevilgning fra Norges forskningsråd
2012	1 005 000	930 000
2013	1 509 000	1 095 000
2014	1 431 000	1 176 000
2015	1 026 000	1 096 000
2016	29 000	703 000
Sum:	5 000 000	5 000 000

Målsetning

The primary object of the project is to study sustainable tax governance in developing countries in the era of global fiscal transparency, also taking into account problems involving capital flight to tax havens. In short, what sustainable tax governance means, how it is achieved and how can tax treaties with exchange of information clauses be turned into legal instruments to secure it, thus protecting the tax base and enhancing tax revenue of developing countries. Further, the project will study global fiscal transparency from the perspective of developing countries, considering it as an essential supplement to sustainable tax governance and the effects of tax treaties to developing countries. A secondary objective is to stimulate academic research in this field in all the collaborating countries.

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Prosjektsammendrag

The project will focus upon sustainable tax governance and the prevention of capital flight from developing countries to tax havens. The era of global transparency driven by the OECD is completely changing the international legal and tax framework, thus urgently requiring research aimed at determining the implications for developing countries. Global fiscal transparency can turn tax treaties with exchange of information clauses into legal instruments for enhancing tax compliance and securing the effectiveness of the levying of taxes in the tax jurisdictions of developing countries, thus protecting them from capital flight. Accordingly, fiscal transparency is important also for developing countries. Possible difficulties for developing countries to enter into such treaties and to implement and comply with them will be studied. The project will also aim at providing an empirical backing to the chiefly prescriptive top-down policy documents that have been issued so far on the subject, in particular through establishing contact with tax administrations in three South American and two African countries. On this basis, an ambition is to establish a set of best practices for tax administrations in developing countries. The project will be carried out by North and South research units, working on a commonly agreed pattern. The two North units are respectively based the University of Oslo (including a doctoral student) and at the WU Vienna University of Economics and Business. The South units are five antennae based in Brazil, Colombia, South Africa and Uganda and Uruguay. The output will be compared and discussed at yearly seminars. The research group aims at publishing the results of its research in different languages in specialized tax journals and other publications around the world. Further, research results will be communicated to Ministries of Finance in the participating countries.

NORGLOBAL - 233823/H30

Tittel	Follow the money: the role of cross-border networks in natural resource extraction, stolen assets recovery and tax havens and capital flows
Prosjektansvarlig	NORSK UTENRIKSPOLITISK INSTITUTT
Prosjektleder	Morten Bøås
Prosjektperiode	31.12.14 - 31.12.17

År	Søkt beløp	Bevilgning fra Norges forskningsråd
2014	3 765 000	0
2015	3 940 000	2 811 000
2016	3 970 000	2 185 000
2017	3 279 000	2 204 000
Sum:	14 954 000	7 200 000

Målsetning

The primary objective is to illuminate and characterise the role of cross border networks capital flight and natural resource extraction in order to understand how they operate with regard to the state as well as the forces of international capital and commerce.

The secondary objective is to tease out what kind of policy implications this have for attempts to regulate extractive industries and prevent illicit cross-border flows of capital and resources.

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Prosjektsammendrag

African countries seeking to regulate extractive industries and prevent illicit flows through cross-border networks therefore face the combined challenges of constraints on administrative capacity and the prospects of rent-seeking behaviour among political elites. However, the scholarly literature still contains little research on the interactions between national and international economic actors that reinforce these challenges. The proposed research will therefore examine the formal and informal regulation of cross border flows of natural resource wealth, with a particular emphasis on the cross-border networks that are at the heart of much of the illicit flows in and from the continent. The proposed research will be organised in the three following work packages (WP). 1) Cross-border networks and minerals trade in Eastern DR Congo; 2) Stolen assets recovery and the role of cross-border networks, and 3) Capital flights to tax havens in East Africa.

NORGLOBAL - 233889/H30

Tittel	Taxation, Institutions and Participation (TIP): The Dynamics of Capital Flows from Angola, Tanzania and Zambia
Prosjektansvarlig	CHR MICHELSENS INSTITUTT FOR VIDENSKAP OG ÅNDSFRIHET
Prosjektleder	Odd-Helge Fjeldstad
Prosjektperiode	01.01.14 - 31.12.16

År	Søkt beløp	Bevilgning fra Norges forskningsråd
2014	4 560 000	2 460 000
2015	5 445 000	6 445 000
2016	4 995 000	6 095 000
Sum:	15 000 000	15 000 000

Målsetning

The primary objective of the project is to generate new, contextualized evidence on the effects of tax havens on the domestic revenue system, institutions and citizen participation in African countries, with a particular focus on Angola, Tanzania and Zambia.

Secondary objectives:

- a) Collect data and perform analyses on capital flows to tax havens, domestic tax policies and practices, and institutions
- b) Write articles for submission to international journals
- c) Build research capacity within the institutions on these topics, including recruitment of a Post-doc at CMI and a PhD student at CEIC, Angola
- d) Contribute to a multidisciplinary research cluster on taxation and development in Bergen
- e) Communicate implications of the findings for decision makers in Norway and in developing countries
- f) Create broader citizen engagement and public debates on issues related to tax havens, in collaboration with Tax Justice Network-Norway and Norwegian Church Aid country offices

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Prosjektsammendrag

The Taxation, Institutions and Participation (TIP) project investigates the effects of tax havens on the domestic revenue system, institutions and citizen participation in African countries, with a particular focus on Angola, Tanzania and Zambia. The project aims to generate new, contextualized evidence on the political economy of domestic revenue mobilisation, institutional development and state legitimacy in countries exposed to large scale capital flows. Key questions are: How is the taxpaying behavior of domestic taxpayers affected by the elites and transnational companies use of tax havens? How do large scale (illicit) capital flows affect domestic tax policies and practices, and what role do international accounting firms play in this process? How do tax havens affect institutions in developing countries, government accountability, citizen participation and their views of the state? By making these questions the overarching research concern, the project will produce new, contextualised and policy-relevant insights. In this way, the project will provide an evidence base for policies at country levels to complement current international initiatives.