

**Invitation to Participate in a Workshop on
EROSION OF PUBLIC FINANCES IN DEVELOPING COUNTRIES:
ILLICIT FLOWS AND COMMERCIAL CORRUPTION**

National Autonomous University of Mexico, September 2009

In 2006 developing countries lost somewhere between US\$858.6 billion to US\$1.06 trillion in illicit financial outflows. The majority of these outflows arose from mispriced international trade. And the scale of the problem is getting worse: research by **Global Financial Integrity** (www.gfip.org) suggests that the volume of these flows has increased on average by 18.2 per cent annually between 2002 and 2006. Transfer pricing guidelines have proved ineffective in tackling the problem. At the same time, faced with a massive downturn in cross-border investment and international lending linked to the current financial crisis, developing countries have come under increased pressure to further erode their tax bases through tax cuts, exemptions and holidays. Faced with dramatically worsening budget deficits and the likelihood of cuts in aid flows, developing countries must take urgent action to halt this erosion of their public finances.

The challenge of combating illicit financial flows and commercial corruption will be the theme of the seventh annual research workshop in the current series jointly organised by the **Association for Accountancy & Business Affairs** and the **Tax Justice Network**. On this occasion the workshop will be hosted by the **Instituto de Investigaciones Económicas** (<http://www.iiiec.unam.mx>) at the **National Autonomous University of Mexico (UNAM)**.

This Workshop will bring together researchers, academics, journalists, policy staff of civil society organisations, consultants and professionals, elected politicians and/or their researchers, and government or international organisation officials. The purpose of the workshop will be to facilitate research through open-minded debate and discussion, and to generate ideas and proposals to inform and shape the political initiatives and campaigns already under way.

There will be a small charge for attendance at the Workshop. Accommodation will be available at modest cost. Participants are expected to finance their own travel, though a **small travel and accommodation bursary will be paid to researchers from the South whose papers are selected for inclusion in the workshop programme**. Anyone interested in participating should provide details of the nature of their interest, affiliations and any relevant research or publications, to:

Matti Kohonen - email matti@taxjustice.net

Offers of papers within the broad theme of ***Erosion of Public Finances in Developing Countries: Illicit Flows and Commercial Corruption*** are welcome and will be actively considered by the **organising committee** which comprises:

John Christensen (Tax Justice Network), **Jo Marie Griesgraber** (New Rules for Global Finance), **Matti Kohonen** (Tax Justice Network); **Richard Murphy** (Tax Research LLP), **Sol Picciotto** (Lancaster University), **Prem Sikka** (Essex University), **Oscar Ugarteche** (National Autonomous University of Mexico)