

CONTENTS

Acknowledgments page ix

Introduction 1

1	Dilemmas of Tax Policy in a Globalized Economy	12
1.1	Income Tax Policy in a Closed Economy	15
1.2	Tax Competition	23
1.3	How Tax Competition Reshapes National Tax Policy	31
2	Global Planners and Strategic Players	43
2.1	The League of Nations Solution: Allocating Rights	44
2.2	Solutions at the National Level: Attempted Neutrality	50
2.3	Taxing Strategically	60
3	The Tax Treaties Myth	72
3.1	The Conventional Story	73
3.2	The Interaction between National Policies	80
3.3	The Reality of Tax Treaties	98
3.4	Winners and Losers	110
3.5	Conclusion	118
4	Costs of Multilateral Cooperation	120
4.1	The Costs of Tax Competition	121
4.2	The Problems with Coordination	130
4.3	Conclusion	139
5	Cooperation and Its Discontents	142
5.1	A Brief History of International Tax Cooperation	146
5.2	Why (Some) Actors Cooperate Against Their Better Interests	166
5.3	Game-Makers and Game-Changers	180
5.4	Conclusion	183

6	International Tax and Global Justice	185
6.1	The Global Justice Debate in Political Philosophy	189
6.2	The Lost State	193
6.3	Where Are We Headed?	203
7	Perfecting the International Tax Market	213
7.1	Market Failures	216
7.2	Distributive Justice	221
7.3	Undermining the Political Sphere	222
7.4	A Possible Road Ahead?	223
7.5	Two Possible Objections	225
7.6	Perfecting Tax Competition	229
7.7	Conclusion	244
	<i>Index</i>	246