

For those not familiar with transfer pricing, some intr...

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There's [some debate going on around this blog relating to transfer pricing at the moment.](#)

For those not familiar with the subject here's my introductory video on this issue, made some year's ago, but still pretty relevant:

http://www.youtube.com/watch?v=_rK5InIEvmw#t=62

However, in this I only look at the problems, not the answers. For those looking to discuss the answers in a little more depth [the Tax Justice Network page on the issue is worth a look.](#)

A recent discussion by me on unitary [tax is highlighted here.](#)

Sol Picciotto's paper on UT is here, and is well worth reading [as it highlights the whole problem with transfer pricing.](#)

The work of the late Mike McIntyre on this issue is also well worth reading: [try this one.](#)

And then for those who want to put this into context [there's a 2010 paper from Prem Siika - an enormously downloaded paper](#), the abstract of which says:

In conventional accounting literature, ‘—transfer pricing’ is portrayed as a technique for optimal allocation of costs and revenues amongst divisions, subsidiaries and joint ventures within a group of related entities. Such representations of transfer pricing simultaneously acknowledge and occlude how it is deeply implicated in processes of wealth retentiveness that enable companies to avoid taxes and facilitate the flight of capital. A purely technical conception of transfer pricing calculations abstracts them from the politico-economic contexts of their development and use. The context is the modern corporation in an era of globalized trade and its relationship to state tax authorities, shareholders and other possible stakeholders. Transfer pricing practices are responsive to opportunities for determining values in ways that are consequential for enhancing private gains, and thereby contributing to relative

social impoverishment, by avoiding the payment of public taxes. Evidence is provided by examining some of the transfer prices practices used by corporations to avoid taxes in developing and developed economies.

My point is that those who say that the problems within transfer pricing are not documented are wrong; they are, and we have made the case for the alternatives, often.