

## **Foreword**

Let me at once put the report that follows into perspective. I have been in Australia on this assignment only a couple of weeks more than two months. There will be people reading the report who have devoted all or most of their adult life to dealing with tax matters in Australia. And there are others who every working day over several years have grappled with issues concerning taxes and the illicit cigarette market, the so-called ‘chop-chop’ phenomenon. There is no way I could learn in the brief time I’ve looked at these matters most of what these people already know very well.

Hopefully, what I have to offer results from the fact that I am an outsider, scrutinising the subject with an outsider’s perspective – undoubtedly at times what will prove to be a naïve perspective, but perhaps at other times a fresh one.

Besides, I’ve brought to this task some fifty years of work on matters of illegal behaviour, most particularly offences that are labelled white-collar crime. I appreciate that longevity need not be an asset: a person can make the same mistakes year after year. But I’d like to believe that along the way I’ve learned things that might render some of the views and ideas in this report worthwhile.

A penultimate preliminary note: I have been greatly impressed by what the excise tax personnel have accomplished during the rather brief time period since the world of domestic tobacco production became part of their domain. To provide a context for this observation I would note that I tend to be grumpily hypercritical of bureaucracies, including those of the academic world in which I have spent virtually all of my adult life. I had not anticipated being impressed by the decency, dedication, and intelligence of the excise people with whom I worked. But I was, and it is a pleasure to have an opportunity to say so.

It needs noting, finally, that the following material represents my own views and does not necessarily reflect the opinions held either by the Centre for Tax System Integrity at the Australian National University or those of the Australian Taxation Office, both of whom very kindly sponsored my work.