The Sydney Morning Herald

Western tax havens slated as corrupt

Duncan Campbell in London September 5, 2006 AdvertisementAdvertisement

BRITAIN, the United States and Switzerland are among the world's most corrupt countries, a tax expert says.

The failure of these and other developed countries to clamp down on offshore tax havens is responsible for more hardship than any corrupt acts by Third World leaders, John Christensen, formerly an adviser to the government of the Channel island of Jersey and now director of the Tax Justice Network, told the Economic Geography Research Group conference on Sunday.

"I would place the United Kingdom high on the list of most corrupt countries," he said, citing its role as a tax haven and a defender of the tax haven role of its overseas territories and dependencies, as well as its "dismal role in undermining the effectiveness" of the European Union's attempts to close tax loopholes.

Mr Christensen said there had been too much emphasis on corruption in the Third World and not enough on the abuse of offshore tax havens by the wealthiest nations.

Transparency International, a pressure group campaigning against corruption, reinforced stereotypes by depicting African nations as the most corrupt, he said.

By contrast, Mr Christensen said, many of the countries the group identified as least corrupt were offshore tax havens, including important centres such as Singapore, Switzerland, Britain, Luxembourg, Hong Kong, the US, and Belgium.

The Guardian