

Would Iceland have crashed if there'd been no tax have...

Published: January 14, 2026, 2:57 am

[Viking raider has days to lift veil on tax haven assets - Times Online](#).

As we all know Iceland is in a mess. A profound mess. A mess, none the less, caused by a few people, but for which the country as a whole is paying the price.

One of those who helped bring Iceland down is Jon Asgeir Johannesson. He was the man behind Baugur, the collapsed retail investment firm. As The Times reports, he has just five days to lift the lid on the international network of companies that bankrolled his lavish lifestyle after being accused of “looting” \$2 billion (£1.4 billion) from Glitnir, one of Iceland’s failed banks, in a New York lawsuit.

As the Times notes:

The bank’s winding up committee alleges he abused his position as Glitnir’s biggest shareholder to lead a “sweeping conspiracy” that drained the bank of funds.

In a separate filing at the High Court in London, the bank has hit Johannesson with an international freezing order on his assets.

He now has until the end of the week to produce a sworn affidavit detailing everything he owns. It is understood that Johannesson’s empire of companies stretches from Iceland to Panama, the Cayman Islands, Luxembourg, Switzerland, the Netherlands and Britain.

It's appropriate to note that Johannesson denies the claims but the bank’s legal case has been based on a 14-month investigation by Kroll, the forensic investigation agency.

I hope they recover cash as a result.

But that's not the main point here. The main point is a much more important one. Look where Johannesson is alleged to have his money: all secrecy jurisdictions, without exception.

Then ask the obvious question: could he have built his empire without the deception that secrecy jurisdictions permit?

My suggestion is he could not. And if that is the case - and I'm sure it is - then Iceland and its people would not now be in the mess they are but for the existence of secrecy jurisdictions.

The conclusion is obvious: secrecy jurisdictions undermine the stability of world finance. They are the Achilles heel in capitalism - as Raymond Baker argued in 2005. And they are the greatest threat to globalisation there is, with our civilisation not far behind in the order of risk.

No society can survive extreme chaos. Secrecy jurisdictions exist to create chaos through the supply of asymmetrical information. That is why they threaten the well being of all of us. Johannesson's case is not one of a bad apple: he did what the secrecy jurisdiction system was designed to do. The price is one we will all bear unless secrecy jurisdictions are brought to heel, and soon.