

Tax havens: In a sea of trouble

Published: January 14, 2026, 12:42 am

As the [FT has noted today](#):

Offshore centres continue to face questions about their role in the financial crisis, in what International Financial Centres Forum, a lobby group, says is “a politically expedient distraction from regulatory failures in the major onshore capital markets”. But no one doubts the crisis exposed risks inherent in small countries with big financial sectors. It has also exacerbated hostility to low or zero tax rates, evident in Brussels’ recent scrutiny of the tax systems in Britain’s Crown Dependencies. Charities that believe developing countries lose more to tax havens than they gain in aid are campaigning for more disclosure by multinationals.

Whatever the difficulties of securing a consensus, interest in the role of tax havens at a time of widespread austerity is likely to persist. With Mr Sarkozy at the helm at the November G20 summit in Cannes, they face another turbulent year.

This is the conclusion of a lengthy review of the Cayman Islands, under the above title, by Michael Peel. This was no doubt inspired by Nick Shaxson's new book, [Treasure Islands](#), which has its official launch today.

It's an opinion with which most objective observers will find it hard to disagree, and for good reason.