

If want a fiscal crisis just let your corporations move...

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It seems to me that the US is learning from Europe. [As Reuters report:](#)

The United States is on a "dangerous path" that could lead to a European-style fiscal crisis, warned the Senate's top tax legislator on Monday, while calling for more tax revenue and ending corporate incentives to shift profits and jobs overseas.

Democrat Max Baucus urged fellow lawmakers to resolve by the end of 2012 a host of "crucial spending and tax decisions" that will arise immediately following the Nov. 6 presidential and congressional elections.

He was explicit: tax havens are at the core of this issue as it becomes easier and easier for US corporations to shift their profits into such places, and so reduce their tax bills. The result, he suggested, is EU style fiscal crises.

And he's right to make the link. It's not that this is solely caused by the behaviour of these companies; it clearly isn't. But they pay for, support and endorse the infrastructure used for tax haven abuse, aided by their friends in the Big 4 firms of accountants. And in the process they do something much more pernicious. They suggest that a culture of cheating is acceptable business and social practice.

Worse still, by focussing om engineering these financial returns business has forgotten what it is to invest to make returns from supplying real products and services to consumers.

If we want to get out of our current mess we have to defeat this logic. And high on the list of target organisations whose behaviour has to change are the Big 4 - PWC, KPMG, Ernst & Young and Deloitte. It's that, or see the end of economic and social justice, democracy and our way of life. That's all that they're threatening.