

Tax Haven UK: Cameron's real agenda

Published: January 12, 2026, 11:29 pm

I had the [following article posted on Comment is Free a few minutes ago](#):

David Cameron is rolling out the red carpet — for tax avoiders. He said this at the [G20 summit in Mexico](#) on Tuesday morning:

"If the French go ahead with a 75% top rate of tax we will roll out the red carpet and welcome more French businesses to Britain and they will pay taxes in Britain and that will pay for our health service, and our schools and everything else."

But hang on a minute. His [chancellor said in March](#), "I regard tax evasion and indeed aggressive tax avoidance as morally repugnant". What's more, [Osborne pronounced himself "shocked"](#) at the amount of tax avoidance in the UK. And yet, here's his boss saying the door's open to all and sundry French tax avoiders who want to set up camp in the UK.

Well, let's stand back for a moment, and recognise that actually Cameron can't refuse any French person the right to live in the UK if they so wish. What is more, I have no doubt that these French tax exiles won't literally have a red carpet rolled out for them. As a result Cameron's words are on this occasion, as on so many others, literally meaningless. In that case it is what Cameron's words imply that matters. Let me note a few more of them in that case:

"Every country sets its own tax rates, but I think in a world of global capital, in a world where we're competing with each other, in a world where we want to send a message that we want you to build businesses, grow businesses and invest, I think it's wrong to have completely uncompetitive top rates of tax."

Now that's really interesting, because this is the language of tax havens. It's places like Jersey, Cayman and the British Virgin Islands who usually talk the language of [tax competition](#) that underpins Cameron's comments.

And, of course, it's tax havens such as Switzerland that exist to roll out the red carpet for tax exiles. They all do it by offering low tax rates — something the UK is also

capable of doing through its generous tax residence rules and domicile rules. Perhaps it's no surprise that Philip Stevens of the Financial Times recently quoted a German official saying that the UK opting out of a European banking union would turn us into a "Greater Guernsey". Could it be that with these comments Cameron has confirmed that "tax haven UK" is the new plan that he and George are hatching?

We have to hope not, for a great many reasons. First, just compare this language with the language of the last British prime minister to appear at a G20 — Gordon Brown. In 2009 Brown led the London G20 to unity in fighting the threat of global meltdown, together. Cameron could not be more different: he's already trying to pick over the carcass of France. No doubt he'll do the same for Spain and Italy too, while Greek ship owners have always had a special place in British tax planning with their [abuse of our domicile rule](#).

That domicile rule ensures that all those not born in the UK enjoy favourable tax treatment if they live here. It's an unfair prejudice and socially divisive. What more could you do to show how dedicated the UK is to increasing inequality by helping the wealthiest immigrants get richer while the rest head ever closer to the economic misery of poverty? And we know that house price inequality caused by wealthy immigrants to the south-east and London are making housing inaccessible to the vast majority in those areas.

As for the businesses these tax exiles own, let me assure Cameron that they will stay put in France, because that's where their markets are and in the days of the internet the business owner does not have to live over the shop — something Cameron and Osborne have not yet noticed. So we won't win there. And that's inevitable — look at the world's tax havens and you'll see that nothing but the pretence of money shuffling occurs in those places.

And yet that's what Cameron seems to want for us. And this on the very same day The Times, which has conducted its own investigation into tax avoidance, said:

"The British tax system is unfair. It charges the vast majority of people the basic rate of income tax, and expects them to pay. It asks a minority to pay higher rates of tax, and then invites them to avoid it."

That's right. And The Times has demanded that the tax system be changed. But if Cameron has his way he'll keep all the prejudice, bias, discrimination and abuse in place, and all for the purpose of undermining our international allies and EU partners in their efforts to balance their books and restore economic wellbeing.

Except it's even worse than that. What he's also said is he'll seek to undermine a decision that the people of France have democratically chosen. That's what tax havens do — they hold democracy in contempt. This all bodes ill for equality and for our hopes of diversifying the UK economy away from a finance industry dedicated to servicing

transient wealth that holds the long-term residents of the UK in contempt.

All we can say in that case is thanks Dave: at least you've set out your true agenda.