

# Offshore exists because onshore lets it do so

Published: January 14, 2026, 4:37 am

---

There's [a great deal of truth in this](#), even if I am not at all sure I agree with many of the writer's sentiments:

*The important point to remember about offshore financial centers is they exist solely and exclusively to the extent that onshore financial centers permit them. Simply put, they are a convenient way for onshore regulators and tax authorities to turn their back on difficult and knotty problems that they lack the political prowess or conviction to solve directly.*

This to a very large degree is the argument Prof Ronen Palan made in his seminal 2002 book, [The Offshore World](#), and in his book co-authored with me and Christian Chavagneux, [Tax Havens: the true story of globalisation](#).

This is why I do not as yet trust the George Osborne / David Cameron approach to this issue.