

Vince Cable's halo is horribly tarnished as he lays out...

Published: January 14, 2026, 10:16 am

Vince Cable [has a rather shabby article in the Observer today](#). Superficially it reads well, starting:

The G8 summit is a real chance to clean up the mess that is international tax law.

Public faith in tax system has been seriously dented by the actions of a few top companies — which say they are just following the rules politicians make. So it's now up to politicians at the G8 summit to remake those rules.

But Cable shows his neoliberal roots when he says:

I get two opposite reactions from business. Some are outraged. They operate in the UK, make money in difficult conditions, pay tax on their profits, and know that if they don't the taxman will knock. But they see some big companies, often their competitors, getting away with ridiculously low levels of tax on what appear to be healthy profits.

But there is a counter argument: that these accusations are unfair and, even, "anti-business". Google, for example, says: we just follow the rules the politicians create — blame them. Moreover, governments try to tempt investors with lower tax rates and complex tax breaks, so why criticise companies that use them? A manager who aimed to be tax-inefficient would be considered negligent by the shareholders.

Inconveniently, both sides have a case.

No they don't: he should know as business secretary [that there is no \(I mean no\) obligation in UK law to avoid tax](#) and no grounds for a shareholder to bring a case for negligence on that basis. If he doesn't he should resign now. He's simply got this argument wrong.

As he does this one:

In truth, taxing company profits is not ideal. All taxes are ultimately paid by people. We should tax people when they receive the benefits of profitable companies.

That's the right wing ideologues mantra but it ignores the fact that we do not know who the owners of companies are, how long they own the company, where they own the company and often what benefit they get. So to even pander to that line is to simply play into the tax abusers' hands.

As he does as well when he says this:

There are serious limits to national action, however. The underlying problem is a messy patchwork of international tax rules, some almost a century old. The summit is an opportunity to give strong support to addressing weaknesses in those rules.

This is so wrong it's absurd. [I've just suggested a reform that Cable as Business Secretary could do](#). He could ensure that Companies House, for which he is responsible does its job properly and collects all the data due to it, prosecutes when it does not, and has the powers to deliver the transparency we need. He could start by doing that. But there's no hint he intends to do any such thing. So to say action has to be international is wrong. It doesn't. It starts at home. It starts in Vince Cable's department. I'll deliver a whole long list of things he could do this week.

But instead Vince is already setting out shabby neoliberal excises for inaction. And that's just not good enough.

How the halo tarnished.