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In 2009 I was asked to undertake some research on secrecy jurisdictions by the World Bank. As a consequence I wrote a Tax Research Briefing on the role of the Big 4 accountants. In the light of my discussion this morning on tax evasion taking place by de facto consent, with a blind eye turned, I thought it worth referring to it again. This is what the summary has to say:

This paper considers the role of the Big 4 firms of accountants — PricewaterhouseCoopers (PWC), Deloitte, Ernst & Young (E&Y) and KPMG — in the creation of the offshore secrecy space.

Part 1 of the paper shows that secrecy jurisdictions deliberately create opacity with regard to financial data and that multinational corporations appear to exploit this opportunity to create opacity in their financial reporting. As a consequence it is clear that there are far too many companies incorporated in these places than local need or normal commercial opportunities could possibly justify. The conclusion drawn is that these places do, as the definition of them used in this paper (page 3) suggests likely, exist to provide services to persons who are not resident within them and who do not actually undertake trade there, but who wish to avail themselves of the veil of secrecy these locations facilitate for those making use of their services.

In the second part of the paper the concept of the, 'secrecy space' which combines the opacity of secrecy jurisdictions with the opacity found inside group consolidated accounts of multinational corporations is developed. It is suggesting that this secrecy space might facilitate transfer mispricing.

In the third part of the paper the role of the Big 4 firms of accountants in this process is questioned. It is shown that they act as auditors and advisers to almost all multinational corporations. It is shown that they have prevalence in secrecy jurisdictions that cannot be explained by local commercial need. It is shown that those places in which they are present have much higher incomes per head of population than is to be found in those where they are not present. It is suggested that this is not the result of local characteristics of the places in which they are located but is the result of income being transferred into these locations for accounting purposes, a process which their presence would assist whether directly or indirectly.

So what might be concluded from this? Causal links cannot, of course, be proven by mere association. Nothing noted here alters that fact. However, the associations noted in this paper are so abundantly clear it is suggested that they are not mere chance. Nor does it matter which caused what first: over many years the association between opacity, secrecy jurisdictions, transfer mispricing and other commercial tax abuse by multinational corporations and the existence of the Big 4 as auditors of those corporations and suppliers of services to them in secrecy jurisdictions in which those Big 4 firms are also major economic participants and without whose presence many of those secrecy jurisdiction could not supply such services, have become a tangled and connect web which imposes on the world those costs noted in the introduction to this paper.

And as that introduction notes, until such time as this situation changes we have the right to ask the reasonable question — wherefore art thou? (and any reasonable variation on the theme) until such time as we secure the transparency society needs so ensure that effective markets can operate, economic resources are allocated efficiently and tax compliance exists — where tax compliance is defined as seeking to pay the right amount of tax (but no more) in the right place at the right time where right means that the economic substance of the transactions undertaken coincides with the place and form in which they are reported for taxation purposes.

We know these firms oppose the transparency needed to beat tax abuse - whether it be country-by-country reporting or automatic information exchange or disclosure of beneficial ownership of companies and trusts. In the process they wittingly or unwittingly assist the massive flows of funds out of developing countries that the OECD is rightly troubled about today.

It's my suggestion that this is not chance. The Big 4 play a vital role in stripping developing countries of their assets and birthright. In that sense they are major post colonial agencies for economic abuse, and indeed, the most prevalent in many ways in the world.

At the same time they are also one of the biggest threats to democracy. After all, their tax haven operations are deliberately set up to undermine the tax revenues of democratically elected governments; they can have no other explanation for them. Undermining democratic governments is in my view - especially when the problem threatens to destabilise democratic choice as it has in places like Greece and Italy - is a pretty serious act. But that's what they do.

And I stress, that's not by chance. That's by design.