

The futility of tax competition

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The [FT reports this morning that](#):

The UK has lost its top slot in a league table of multinational companies' favourite tax regimes, in spite of George Osborne's flagship policy of cutting taxes to attract business to Britain.

The UK's popularity increased slightly but it was leapfrogged by Ireland, which is expected to be less affected than some rival countries by the international crackdown on tax avoidance, according to a survey by KPMG, professional services group.

All of which only proves the sheer futility of engaging in tax competition. Any supposed 'victory' is short lived and the cost high. I have previously suggested that Osborne's policy on this issue may have cost the UK £10 billion a year.

And who fuels all this? The Big 4, of course, on behalf of their largest clients, who, with their owners, are the only net winners from this despite the nonsense that is said by some economists to the contrary (after all, why would they promote this competition unless they were the winners from it?)