

Davos needs to get its head around wealth taxation

Published: January 13, 2026, 6:19 am

It's Davos time: the moment in the neoliberal calendar when the high priests of exploitation gather to celebrate their ability to pillage on behalf of the few. Which also means it's that moment when the rhetoric of a world leader or two turns, with a token message, to the issue of tax.

Two years ago it was David Cameron putting corporate tax abuse on the G8 agenda at the same time that he was slashing the UK corporate tax rate, disembowelling our controlled foreign company rules and passing patent box and treasury function legislation to either make the UK a tax haven or encourage the use of tax havens by companies based in this country.

This year it is Barack Obama who, after seven years in the White House and when he has no chance of delivering on the promise [says he wants to tax wealth and banks more heavily](#). The Republicans are, of course, lined up to oppose him saying that taxing the wealthy would reduce the rate of economic growth contrary to all evidence when US growth is now entirely dependent on US state intervention. No doubt, however, they will get their way, for the time being.

But, [as Oxfam point out in a new report today](#), almost 50% of all wealth is now owned by the top 1%, and much of that by the top 0.1% of wealth holders in the world. We live in a time of obscene inequality which has delivered no proven benefit at all to the world at large.

What is more, we will soon have the data we need to tax wealth. The big problem in tackling wealth in the past has been locating it. Capital flight to tax havens was, even five years ago, so easy that any wealth tax was bound to be little more than an honesty box arrangement. That is beginning not to be the case. Automatic information exchange for income taxation purposes has the side effect of supplying significant wealth data to the world's tax authorities. 91 countries are scheduled to take part in such information exchange within 3 years.

There is one notable exception: the USA. Whilst the US has been at the forefront of the

demand for tax data with its FATCA ([Foreign Accounts Tax Compliance Act](#)) it steadfastly refuses to supply information to other country's tax authorities on income earned in the USA - which may well make the US the favoured home for looted funds in the very near future. I am sure there are banks there that will be more than willing to give a home to such funds.

But, the US apart, the world is becoming more transparent. The ability to hide wealth is diminishing. The chance of imposing effective wealth taxes is growing. The design of such taxes is an issue I will be discussing in meetings this week and will, I hope, be a part of my work this year.

Davos will probably ignore the issue and throw up its hands in horror at the idea. But Piketty, automatic information exchange, and the obscenity of the current world wealth allocation all demand it. So too does economic growth demand it, and the demand for healthcare, education and a decent standard of living for all require it: we know that wealth concentration is an obstacle to all these things.

Obama may be flying kites on this issue, but that, I have to admit, is better than nothing. He's showing which way the wind is blowing. And widespread wealth taxation will be a reality within a decade, I am sure.

Now who's going to say so at this year's election?