

Why Ed Miliband's tax haven announcement is significant

Published: January 14, 2026, 5:52 pm

Ed Miliband's [announcement on tax havens](#), made last night is significant for a number of reasons.

Firstly, it's significant because after a week of criticism of what he's been saying from business he is making clear that he won't back down on tax. People want to hear that. I sincerely hope this is a 'line in the sand' moment.

Second, the fact that in his interview with the Guardian he has said that this is a pro-business policy is also important: I have long argued that providing business with a level playing field where tax cheating does not distort competition is one of the key features of tax justice. That message has been heard. I am pleased about that.

Third, the threat to make the UK tax havens comply is in itself significant. It challenges one of the long held but wholly untrue claims of these places that they are independent locations that can legislate for themselves. In practice they can legislate but only with the consent of Westminster. In that sense they are like Northern Ireland, Wales and Scotland at present, all of which legislate in parliaments whose existence is subject to Westminster consent. And that consent can be withdrawn: the ending of Stormont rule on occasion and the UK walking into and taking over rule of the Turks & Caicos Islands is evidence of that. The imposition of law on these places, which cannot pass any law in any case without the consent of the UK, is entirely possible.

So the question has to be asked as to whether this is the right issue to fight about? It is a surprising one to pick, and yet with appropriate political and economic significance. The failure of David Cameron to deliver obviously supplies the political significance. The economic one comes from the fact that it is about transparency, tax evasion and the willingness to act to take on the capture of these places and their legislatures by the financial services industry in a way that is a direct threat to democracy itself.

I would, of course, want more. I would want 10% ownership on public record, not 25%. And I would want accounts filed as well. But the battleground has been well chosen and I will settle for that right now.

