



## THE RICHARD J MURPHY YOUTUBE CHANNEL

### DEBATE AMMUNITION

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#### TODAY'S TOPIC

The City of London Corporation Must Be Abolished

#### THE CORE ARGUMENT

The City of London Corporation is not a harmless constitutional relic — it is an active instrument designed to protect capital from democratic accountability, operating as a state within the UK state. Through its privileged access to ministers, its corporate voting rights, and its role as the hub of a global offshore network, it systematically enables wealth to escape taxation and regulation while constraining elected governments. It should be abolished, and the offshore network it anchors should be dismantled through mandatory transparency.

#### THE ARGUMENT STRUCTURE

**Step 1 — The Corporation is a lobbying body wearing civic clothing:** The City of London Corporation looks like local government but isn't: businesses vote in its elections, its Lord Mayor travels abroad with Cabinet-level honours, and it enjoys privileged access to ministers, all in service of financial interests, not the public.

**Step 2 — The offshore network is the real weapon and London is its hub:**

Tax havens are not tropical islands; their epicentre is London. The Corporation connects outward to Crown Dependencies and British Overseas Territories — an integrated system built on secrecy, tax abuse, and regulatory opacity. Richard calls these havens “the aircraft carriers of the anti-democracy movement.”

**Step 3 — Three functions, one purpose: making governments afraid:** The offshore system does three things. It:

- It lets wealth escape taxation
- lets wealth escape regulation through opaque structures, and, most critically
- lets capital credibly threaten to leave, which incapacitates elected governments even when they have no economic reason to be afraid.

**Step 4 — Finance dominance has not served Britain — and the evidence is in plain sight:** Productive investment has declined, regional inequality has deepened, housing became a speculative asset, industrial policy was abandoned, and governments now treat City approval as more important than public well-being — as Starmer’s political situation illustrates directly.

**THEIR ARGUMENT → YOUR REBUTTAL**

They Say	Your Response
<p>“The City generates enormous tax revenues and jobs — attacking it would devastate the UK economy.”</p>	<p>Finance dominance has weakened the productive economy, not strengthened it. The cost in terms of deindustrialisation, regional inequality, and housing unaffordability has been paid by the public, not those who got rich from it. A sector that extracts wealth is not the same as one that creates it.</p>
<p>“Capital is mobile. If you clamp down, it simply moves elsewhere and you lose the revenue anyway.”</p>	<p>That threat is exactly what tax havens exist to manufacture. Governments are not actually powerless; they have been made to believe they are. Automatic information exchange and country-by-country reporting have already shown that the secrecy can be cracked. The threat works because we keep surrendering to it.</p>
<p>“The City of London Corporation is a harmless historical curiosity with no real power over national policy.”</p>	<p>Its Lord Mayor travels abroad with Cabinet-level honours. Businesses vote in its elections. It has privileged access to ministers and has consistently backed deregulation, banking secrecy, and offshore structures. If it had no power, the finance industry wouldn’t spend so much protecting it.</p>
<p>“These transparency reforms are already happening through OECD processes: there is no need for unilateral UK action.”</p>	<p>The automatic information exchange system depends on local regulators to verify it works; regulators who may be captured by the very finance industry they oversee. Multilateral processes provide political cover, not accountability. Sanctions on non-compliant jurisdictions and mandatory</p>

	public registers are the only measures with teeth.
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**THE ONE-LINER**

“The City of London Corporation exists for one reason: to protect capital from the people who elected the government that’s supposed to control it — and it’s time we ended that arrangement.”

**FURTHER READING — FROM THE FUNDING THE FUTURE BLOG**

Post	Date	What it covers
<a href="#">What do 678,000 people do in the City?</a>	30 November 2024	Examines who works in the City, the dominance of foreign-owned firms and speculation over productive activity, and argues it functions as a parasite on the broader economy rather than a powerhouse.
<a href="#">We don’t need the City of London</a>	26 June 2024	Makes the MMT case that the government does not need the City to fund itself — it creates its own money — and that the claim of dependency is a political fiction used to constrain democratic choice.
<a href="#">What does the City of London do for the UK?</a>	20 February 2023	Argues that despite over £60 billion a year in tax reliefs flowing to the sector, the City demonstrably fails the broader UK economy — a damning verdict on the finance-first consensus.
<a href="#">Is the City of London staging a coup against Labour right now?</a>	9 January 2025	Written during the January 2025 gilt sell-off, argues that coordinated bond-market pressure on Labour may be deliberate and politically motivated, and linked to far-right networks.
<a href="#">Do tax havens still matter?</a>	14 June 2025	The most recent statement of Richard’s position: secrecy jurisdictions remain an abomination that threatens economies, democracies, and fair competition, and reform has not gone nearly far enough.

<a href="#">The City of London is at the heart of the UK constitutional crisis</a>	21 September 2014	Traces the City's constitutional privileges back to Magna Carta, showing the rights of the City have been placed above those of ordinary citizens for eight centuries — and that nothing has changed.
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### About Richard Murphy

Richard Murphy is a political economist, emeritus professor of accounting practice at Sheffield University Management School, a former professor of international political economy and, for 42 years, a practising chartered accountant. As a tax justice campaigner, he created country-by-country reporting which is now legally required for multinational corporations' tax reporting in more than 70 countries around the world to tackle tax haven abuse. He is one of the UK's most widely read heterodox economics bloggers. He is the author of the Funding the Future blog and runs the Richard J Murphy YouTube channel, which has more than 365,000 subscribers. He co-founded both the Tax Justice Network and the Green New Deal.

### You can find Richard at:

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