The City of London (as you've never seen it)

8th June 2013

The Bank of England
Protector of Tax Havens

John Christensen

"But why not go a step further and turn the City into a tax haven for foreigners by allowing investment managers to start exempted funds in London itself for people living abroad?"
“The Big Bang is a sideshow to, indeed almost a by-product of a much Bigger Bang, which has transformed international finance over the last 25 years . . . An extraordinary situation has arisen where the Euromarket, which has no physical embodiment in an exchange building or even a widely recognised set of rules and regulations, is the largest source of capital in the world.”

Tim Congdon, The Spectator (1986)
MEMORANDUM

From: W.G. Hulland, Colonial Office
To: B.E. Bennett, Bank of England
Date: 3rd November 1961
Subject: Financial regulation in the Bahamas

We feel that this (lack of provision of an effective regulatory system) might be a grave omission, since it is notorious that this particular territory, in common with Bermuda, attracts all sorts of financial wizards, some of whose activities we can well believe should be controlled in the public interest.

"We need, therefore, to be quite sure that the possible proliferation of trust companies, banks etc, which in most cases would be no more than brass plates manipulating assets outside the islands, does not get out of hand. There is, of course, no objection to their providing boltholes for non-residents..."
“If we could throw away the stranglehold of the economists’ demand management… (and) extinguish the disease of socialism, we could become a proud people once more.”

Sir George Bolton
Bank of England
Pimlico, Page 578

The spider’s web provides the City of London with three things. First, the tax havens scattered across the world capture passing business and channel it to London . . . Second, it is a storage mechanism for assets, and third, it is a money-laundering filter that lets the City get involved in dirty business while providing it with enough distance to maintain plausible deniability.