



Panama Papers: Top China leaders tied to offshore companies

Dinis Gusmão

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Months of forensic reporting conducted by the International Consortium of Investigative Journalists (ICIJ) had uncovered evidence that families of at least eight former or current members of the Chinese Politburo Standing Committee-the now seven-man clique that runs the country-had set up shadowy **offshore** companies that could be used to muddy the origins of their wealth.

More than £100million worth of land and properties in Peterborough is owned by **offshore** companies it has been revealed.

The Panama Papers are an unprecedented leak of 11.5m files from the database of the world's fourth biggest **offshore** law **firm**, Mossack Fonseca.

United States President Barack Obama said wealthy individuals and corporations were "gaming the system" by making use of tax code loopholes to which average taxpayers had no access. The resignation of the Iceland prime minister is the first prominent political fallout after **the leak** of documents from a secretive Panamanian law **firm** about **offshore** shell companies and tax shelters.

Indeed, as Mark Hays, senior adviser of Global Witness (a non-profit organisation that acts as watchdog against worldwide corruption) told worldwide *Business Times*: "What is surprising is that this is just one law **firm** involved in this practice, but there are thousands of companies involved in orchestrating these schemes..." But shell companies and **offshore** accounts can be used to hide the real origin of money and can be used for money laundering. "They used Nuix's named entity extraction and other analytical tools to identify and cross-reference the names of **Mossack Fonseca** clients through millions of documents", Nuix says on its website. China has been **Mossack Fonseca's** **most** important market. Now, several of them are shown by the Panama Papers to be linked with **offshore firms**.

The OECD said the JITSIC is a network of tax administration officials with responsibility for responding to global compliance risks through active collaboration and fast and effective information exchange with other tax administrations.

In a statement to CNN, the **firm** denied that numerous people named by the reports were its clients.

While **the leaked** documents also revealed hidden dealings by politicians in Western-style democracies, Xi is shielded from the kinds of scrutiny his Western counterparts must contend with.

At this year's FreedomFest, don't miss the session with Dan Mitchell and Richard Rahn, the Cato Institute's experts on tax havens, talking about the **Panama Papers**.

The **Panama Papers** disclose that Hong Kong plays a key role in the **offshore** tax havens. Probably to save money since it's likely cheaper to take the cheaters' money than the underfunded government agency battling the best tax lawyers money can buy through years of hearings and appeals.

"In **Panama**, there is a law that sets out retaliation measures against countries that include **Panama** in "grey lists", Mr Alvaro Aleman, the Minister for the Presidency, warned France during a news conference. President Juan Carlos Varela has promised to improve transparency in **Panama**, which he said is not a tax haven but "dignified, respectful and open to dialogue", according to The Local.