

DECEMBER 2016



## Less than charitable

If this year is remembered beyond Pokemon Go, Klopp's revival of the Reds, the passing of rock legends, the Queen's 90th, or Usain Bolt's "triple, triple," it may be for the populist politics that helped sway public perception worldwide.

Commentators ascribe Brexit's bombshell to this 2016 phenomenon, as well as Donald Trump's ascendancy to the White House. Whether the outcome affects us positively or adversely, these socio-political shifts will have an impact on our country, no matter which side of the respective political fence—or wall—we may find ourselves.

Our international business sector is particularly sensitive to such changing agendas—whether those of Capitol Hill, Brussels decision-makers or Theresa May's UK Cabinet. No man—and no business—is an island these days. And, despite the physical nature of our archipelago, even our little island isn't an island in geo-political and globalisation terms. Irrespective of our geographic independence, Bermuda's economic destiny is firmly connected to whether the rest of the world



wants to do business with us. This makes global perception important. And that's where we all need to play an active role as gatekeepers of our nation's blue-chip reputation.

This month's Oxfam assault sought to unravel our hard work in a perfect example of our new era of "post-truth" (announced, incidentally, as the Oxford Dictionary's word of the year this month). In a concocted manipulation of facts and figures appealing to public emotion over intellect, the British charity argued that Bermuda topped its list of "tax havens"—guilty of depriving onshore countries of tax revenue that would otherwise be spent on philanthropy or social infrastructure in the developing world.

Its notion is diametrically opposed to the Bermuda market's actual value and highly cooperative role in the global community. One BBC Radio interviewer pushed back against the hyperbole of Oxfam's Oliver Pearce, steering him to admit he was actually talking about "a perfectly legal mechanism that companies use to reduce their tax bills."

As irritating as the ill-informed attack was, the good that came out of such injustice for Bermuda was heartening to witness.

The episode activated a quick and contagious collaboration between the BDA, our Ministry of Finance, the government's London office, and stalwart industry ambassadors like the Association of Bermuda Insurers & Reinsurers (ABIR) and our own new BDA Board member, Stephen Weinstein, of RenaissanceRe—all of whom helped put forth facts vs fiction to set the international record straight.

We were able to present compelling stats proving our business community raises capital rather than hides it.

In a combined response of [press releases](#), statements and [interviews](#), we spoke about Bermuda's stellar regulatory system, our country's transparency and treaties, our commitment to BEPS initiatives, our robust regulatory framework, our historic beneficial ownership registry—and, most of all, Bermuda companies' massive global economic contribution via trade, pension-fund investment, employee-benefits coverage, onshore job creation and reinsurance—the latter upholding some of the exact regions Oxfam accused us of threatening.

Most heartening, perhaps, was the unison brought about in Bermuda by Oxfam's mud-slinging. On this issue, both the island's political parties proved in total agreement, with PLP Senator and Shadow Economic Development Minister Kim Wilkerson condemning the charity for its "[alarming under-researched report](#)."

My fellow Bernews columnist Larry Burchall also eloquently laid out the best antidote to the current penchant for "fake news"—a fulsome, evidence-based argument that detailed "[Why Bermuda is unique, not a tax haven](#)" that ended rather aptly with the seasonal zinger, "Oxfam are being naughty and that's not 'nice.'"



Touché, Larry, we couldn't agree more.

**ABOUT VIEWPOINT**

A monthly blog by BDA CEO Ross Webber, with commentary on industries, issues and influencers affecting Bermuda as a global financial centre. Comments and feedback can be sent to [ross@bda.bm](mailto:ross@bda.bm)

**ABOUT BERMUDA BUSINESS DEVELOPMENT AGENCY (BDA)**

The BDA encourages direct investment and helps companies start up, re-locate or expand their operations in our premier jurisdiction. An independent, public-private partnership, we connect prospective companies to industry professionals, regulatory officials, and key contacts in the Bermuda government to facilitate domicile decisions. Our goal? To make doing business in Bermuda straightforward and beneficial.

