

Abstract

The role of tax havens in the global issue of tax evasion has been illustrated by numerous studies. In 2009, a major international initiative has been launched by G20 and OECD with a purpose to put an end to offshore tax evasion. Yet the outcomes of this tax haven crackdown are often contested. This thesis brings new findings to the empirical research that has been done on the field of crackdown's evaluation. First, I confirm the results of earlier academic papers and I find a negative impact of information exchange treaties on the value of funds placed in tax havens. Second, I extend the existing research shifting the attention to deposits in non-havens, concluding that also the money from tax havens placed on non-havens' bank accounts disappear after signing a treaty. In the final part of the thesis, I – for the first time in literature – link the data on cross-border deposits with a measure of financial secrecy. I find that a decrease in secrecy score corresponds to a decline in deposits on a sample of all countries and non-havens. All my findings suggest that weakening the financial secrecy is associated with a significant outflow of cross-border deposits.