



DEBATE

Susan LIAUTAUD, Vice Chair of the Court of Governors of the London School of Economics and Political Science, Founder, Susan Liautaud & Associates Limited (SLA)

We welcome questions and comments from all of you and if you would like to direct your question to any particular panelist, then please do let us know.

From the floor

Thank you, Susan. I am from Japan and I am a former Vice Minister for International Affairs of the Ministry of Economy and Trade and Industry. I have a question for Mari Kiviniemi, Deputy Secretary of the OECD. Before that, I would like to say I am very glad to be here in Doha, because I participated in the 2001 Doha round. Although, we have not been able to accomplish all the results yet, during that time at the WTO, we worked to create the Information Technology Agreement (ITA), the so-called trade in e-commerce, to enforce all the trade in e-commerce without tariff, zero tariff, to encourage this digital, internet, and communications based trade. That was one way we tried to promote globalization, but now the OECD is concentrating on BEPS and all the tax issues and I think that is the right way to go, through consideration of the ethics etc. However, I have two questions. You said it is about 20 countries – and I am very impressed – that the BEPS are discussed amongst global corporations, in the United States mainly, I think, but not so much in Japan, I am sorry to say, I do not hear so much in the media etc. That is one thing: what kind of discussion is going on among the 20 countries? The second issue, is what do you analyze in e-commerce with zero tariff, which has expanded still further? What kind of relationships, implications do you think there in the taxation and tariff issues?

Susan LIAUTAUD, Vice Chair of the Court of Governors of the London School of Economics and Political Science, Founder, Susan Liautaud & Associates Limited (SLA)

We are quite short on time so we are going to be brief on the answers and perhaps follow-up with you after.

Mari KIVINIEMI, Deputy Secretary-General, OECD, former Prime Minister of Finland

Thank you for those very good questions. When it comes to this BEPS work, I must say that we at the OECD are very pleased that so many countries have committed in and are ready to implement those guidelines. As I said in the beginning, more countries are needed for this instrument to be multilateral so that all the countries where multinational enterprises work are on board. That would make this a 100% efficient tool to make sure that taxes are paid at the right address. When it comes to e-commerce, that is one of the issues on the agenda for the WTO and at the OECD, we are also working to understand that world better and how it affects the global value chains. The discussion going on right now at the OECD is very much about the direction of globalization and protectionism. So many countries have implemented new protectionist measures, small rather than huge ones, so we are afraid. We are doing everything we can to convince policy makers about the good sides of free trade, that is needed to improve national incomes in all the participating countries. Also, flanking policies are needed in order to make growth more inclusive.

Susan LIAUTAUD, Vice Chair of the Court of Governors of the London School of Economics and Political Science, Founder, Susan Liautaud & Associates Limited (SLA)

Thank you, Mari. I am afraid we are out of time. We will take one more question, from the distinguished gentleman in front. Please, sir.



Mohamed LAICHOUBI, Former Minister of Labor and Social protection and Minister of Youths and Sports, Algeria

Je vous remercie, je suis ancien ministre algérien, académicien et chercheur. J'ai très longtemps travaillé sur les espaces de pauvreté. J'avais proposé une méthode et une démarche qui a été adoptée par la Banque mondiale, le FMI et le PNUD et c'est donc au-delà de cette caractéristique que je voudrais poser une question qui est en même temps une réflexion, c'est la question de la cohérence, c'est-à-dire entre la gestion de la gouvernance au niveau politique, la relation avec le monde de l'entreprise et le monde de la recherche. Je suis tout à fait d'accord avec l'intervention qui me semble tout à fait pertinente en disant que la question d'éthique recoupe en réalité les priorités politiques, c'est-à-dire que si les priorités politiques s'orientent vers les besoins de la société, la réduction de la pauvreté, veiller à une plus grande cohérence et une meilleure harmonie, il est clair que l'entreprise elle-même se retrouvera avec la signification d'autres priorités mais la première remarque [...]

Susan LIAUTAUD, Vice Chair of the Court of Governors of the London School of Economics and Political Science, Founder, Susan Liautaud & Associates Limited (SLA)

Excuse me, your question please, because we truly are out of time. If you would like to finish your remarks sir.

Mohamed LAICHOUBI, Former Minister of Labor and Social protection and Minister of Youths and Sports, Algeria

[...] Est-ce qu'il n'y a pas une cohérence à mettre en place ? Par exemple le Japon a décidé d'orienter sa recherche vers les besoins de la société, l'entreprise à l'échelle mondiale n'a fait qu'une exception, elle est soumise à des pressions sur les questions environnementales mais sur les autres questions, il n'y a pas de priorité parce qu'au fond il n'y a pas de contrepoids alors que le politique lui-même a plutôt subi l'entreprise et maintenant sa relation avec la société est une relation contestée. Est-ce que dans ce paysage, tel que je le décris - de la façon la plus réductrice à cause du temps - est-ce qu'il ne mérite pas une autre réflexion et une obligation de cohérence ? Merci.

Susan LIAUTAUD, Vice Chair of the Court of Governors of the London School of Economics and Political Science, Founder, Susan Liautaud & Associates Limited (SLA)

Thank you very much. Bruno, would you like to comment on that?

Bruno LAFONT, Co-chairman of the Board of Directors, LafargeHolcim

Je suis assez d'accord avec le commentaire qui a été fait. On recherche toujours des cohérences. Je parlais d'alignement tout à l'heure mais c'est vrai que plus les États ont une vision plus les entreprises savent se comporter et plus les entreprises se comportent bien et plus les États sont justifiés à travailler avec elles. Ce qu'il faut c'est arriver à trouver le progrès continu dans tous les domaines et c'est pour cela que je dis : la mesure, la transparence. Une entreprise qui crée des emplois, une entreprise qui trouve des solutions, une entreprise qui s'occupe au segment du *bottom of the pyramid*, effectivement cela fait partie des contributions qu'elle doit faire de plus en plus.

Susan LIAUTAUD, Vice Chair of the Court of Governors of the London School of Economics and Political Science, Founder, Susan Liautaud & Associates Limited (SLA)

Thank you very much. I am afraid that we truly are out of time. Please join me in thanking our distinguished panelists.