

Thank you, Chris, for this solid synopsis and commentary on our tax justice conference. I share your optimism that with the kind of constructive collaboration it exemplifies we can make real progress in terms of the reforms needed to promote domestic resource mobilization in Africa.

Here three brief comments.

The 30% figure I cited is strictly tax evasion. The finding is that the richest 0.01% of Scandinavians - people with more than \$40 million in wealth - are evading (illegally withholding) 30% of the taxes they owe. This is a small group of people, but a large share of taxes due. And if this is the situation in Scandinavia, we must assume that it is worse in many other countries with weaker tax administrations and less of a spirit of inter-class solidarity. My data were cited from Annette Alstadsaeter, Niels Johannesen and Gabriel Zucman, 2018. "Tax Evasion and Inequality." NBER Working Paper available at <https://gabriel-zucman.eu/files/AJZ2017.pdf>.

About your second paragraph in your section "Some Misconceptions." I had a chart showing that a rapidly increasing percentage of US shares are held in tax havens, 9% at last count. I did not mean to suggest that these are held by US corporations. My belief is, rather, that much of this wealth is held by individual tax cheats. In most cases, the listed owner is a shell company (perhaps located in a second tax haven); but if you can trace ownership back to some natural persons, you are likely to find individuals who should be paying taxes on their wealth and/or capital income and aren't doing so. I recognize that there are other reasons to hide one's wealth - some legitimate, others less so. But I also recognize that, once one has hidden one's wealth, it is mighty tempting to forget about any associated taxes owed.

Regarding my point about privatization. I am not against companies trying to make as much money as possible - in fact, I think it's risky to assume that they will do anything else. My point was that we must align what's profitable for them with what is socially valuable. In the water case: we must arrange things so that the water company will not make a lot of money by selling high-margin water to the few but rather gets paid to provide a reliable and ample water flow to all residents. We must put in place a pay-for-performance scheme where performance is defined in moral terms and carefully monitored to forestall gaming. Where this can be done, profit-seeking firms may well perform vastly better than government bureaucracies. If so, they should be preferred over the latter because what ultimately matters is the quality of the service delivered to the people, and to the poorest, most vulnerable, hardest-to-reach people in particular.

Again, many thanks for your insights and contributions!