

Baptiste Souillard

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French citizen, Belgian resident
26 years old (October 10, 1994)

Education

2017-	PhD in Economics , Université Libre de Bruxelles, advisor: Prof. Mathieu Parenti
2015-2017	Engineering degree in Statistics , ENSAE Paris, <i>summa cum laude</i>
2016-2017	MRes in Economics (2nd year), École Polytechnique, ENSAE Paris, HEC, Université Paris-Saclay, <i>magna cum laude</i>
2014-2015	MRes in Economics (1st year), Paris School of Economics, Université Paris 1 Panthéon-Sorbonne, <i>summa cum laude</i> and <i>valedictorian</i>
2011-2014	BSc in Econometrics , Université Paris 1 Panthéon-Sorbonne, <i>summa cum laude</i>

Research fields

Primary	International and public economics, corporate tax avoidance
Secondary	Financial and labor economics, industrial organization

Positions

2019-2023	Research fellow, Fund for Scientific Research-FNRS
2020	Visiting researcher, Université du Québec à Montréal
2019	Research assistant, French Council of Economic Analysis
2017	Research assistant, Université Libre de Bruxelles
2016	Research assistant, CERDI

Awards and grants

2021	Award for Best Research Work on Investment and Development, United Nations Conference on Trade and Development (UNCTAD) and Academy of International Business (AIB)
2020	International Mobility Grant, Fund for Scientific Research-FNRS
2019	Aspirant Grant (2+2 years), Fund for Scientific Research-FNRS E.G. de Bary Award, Fund for Scientific Research-FNRS
2018	Hans Raupach Award, European Association for Comparative Economic Studies (EACES) New Economic Talent Finalist, Center for Economic Research and Graduate Education-Economics Institute (CERGE-EI)
2016	Excellence Scholarship, Groupe des Écoles Nationales d'Économie et Statistique (GENES)
2014	Excellence Scholarship, French Ministry of Higher Education, Research and Innovation

Working papers and work in progress

- **The Indirect Effect of Import Competition on Corporate Tax Avoidance**

The role of competition in corporate tax avoidance is theoretically unclear in the existing literature. This paper empirically examines this role, with a focus on import competition. I exploit financial statements to measure tax avoidance of US-listed firms and the conferral of Permanent Normal Trade Relations status on China as a quasi-natural experiment to establish causality. The results reveal that import competition fosters corporate tax avoidance. However, the effect is heterogeneous across firms. The average effect is driven by multinational enterprises, and more specifically by those implanted in tax havens. In response to the China shock, these firms invested in intangible assets to escape competition, but these intangibles also allowed them to intensify their profit shifting activities. These findings shed light on the determinants of corporate tax avoidance. More generally, they help understand the decline in the average effective tax rate of US-listed firms, the current backlash against large corporations and globalization, and the calls for reform of the international tax system.

- **Profit Shifting, Employee Pay, and Inequalities: Evidence from US-Listed Companies**

Corporate tax avoidance has become a salient policy issue and has regularly been accused of aggravating income inequalities. However, systematic evidence on this issue remains lacking. I empirically explore in this paper the effect of profit shifting activities of multinational enterprises on employee pay. Using a rich database on executives, foreign subsidiaries, and financial statements of US-listed companies, I find that this effect substantially varies across occupations. Chief executive officers and chief financial officers receive higher compensations when their firm enters tax havens. Non-executive employees, if anything, see their wages fall. Furthermore, the inequality-deepening effect is more pronounced in firms rewarding executives on an after-tax basis and intensive in intangible assets. These new empirical findings cast light on the distributional consequences of profit shifting, the evolution of income inequalities, and the recent outcry against globalization.

- **Intra-Industry Diffusion of Profit Shifting Strategies**

Does tax knowledge spill over across firms? Using data on US-listed firms and an event study, I provide systematic evidence that profit shifting practices spread across companies. An enterprise is more likely to own a subsidiary in a specific tax haven once another enterprise operating in the same sector enters this tax haven. Several exercises attest to the robustness of the results, while a battery of fixed effects and the absence of pre-trends allow a causal interpretation of the results. In addition, the pattern varies across sectors. This finding suggests that firms replicate the tax avoidance schemes of their peers and carries policy implications.

- **Learning the Ropes? Executive Experience and Location Choices of Multinational Firms**

What makes firms invest in foreign countries? In this paper, I show that beyond country- and firm-specific characteristics, experience of executives is crucial to understand multinational enterprises' location choices. Using a dataset on executives and subsidiaries of S&P 1500 firms, I find that hiring an executive having previously worked for a company that had at least one subsidiary in a given country increases the average probability to own subsidiaries in this country by 14 percent after three years. Moreover, I observe a similar effect at the intensive margin and a wage premium for experience in managing multinational activities. A causal interpretation of the results is possible by using movements due to unexpected events as sources of exogenous shocks (e.g., death of incumbent executives) and by exploiting the conferral of Permanent Normal Trade Relations status on China as a quasi-natural experiment. Altogether, the findings suggest that executives develop country-specific knowledge, a valuable asset in the labor market that helps companies intensify their presence abroad. Because they notably hold for tax havens, they also shed light on the mechanisms whereby profit shifting activities spread across multinational corporations and imply that tracking executives could help public authorities detect aggressive tax planning.

- **Quantifying the Effects of International Tax Reforms** (with S. Laffitte, M. Parenti, and F. Toubal)

Multinational enterprises exploit legal technicalities to avoid taxes and shift profits to low- or no-tax jurisdictions. These activities affect firms' location decisions and countries' tax revenues and attractiveness. In this paper, we develop a flexible and parsimonious quantitative general equilibrium model of multinational activity embedding corporate taxation and profit shifting. Firms may change their location and profit shifting decisions after a reform, unlike in existing models. Also, we introduce two different tax elasticities for real activity and profit shifting. The model guides the calibration of bilateral profit shifting for which we provide a new methodology. It allows us to simulate the impact of various reforms of the international tax system. We simulate various tax reforms aimed at curbing tax-dodging practices of multinationals. We predict their effect on many outcomes, such as countries' tax

revenues and relative attractiveness. We further highlight the real effects of these reforms, as well as their impact on profit shifting and its allocation across tax havens.

Academic events

Talks

2021	Academy of International Business Annual Conference (Michigan State University), Annual Conference of the Society of Labor Economists (SOLE), Annual Conference on Finance and Accounting (Prague University of Economics and Business), BICEPS Conference on Corruption, Tax Evasion, and Institutions (Baltic International Centre for Economic Policy Studies), Conference on the Enablers of Economic Crime: Tax, finance and societies (Cambridge University and Copenhagen Business School) Conference on the Shadow Economy, Tax Behaviour and Institutions (Brunel University London), ECARES PhD Seminar (Université Libre de Bruxelles), European Association for Research in Industrial Economics Annual Conference (NHH Norwegian School of Economics), European Association of Labor Economists Annual Conference (University of Padua), European Network for Training in Economic Research Jamboree (UAB Barcelona), European Trade Study Group Annual Conference (Ghent University), Global Economic Policy Group Meeting on Politics, Integration and Trade (FernUniversität and University of Westminster), Human Rights and the 4 “Rs” of Tax Justice (Tax Justice Network), International Workshop for Early Career Economists on Globalization (Johannes Gutenberg-Universität Mainz), International Young Finance Scholar’s Conference (Peking University HSBC Business School), Irish Economic Association Annual Conference (Trinity College Dublin), MaCCI Annual Conference (University of Mannheim and ZEW), Meeting of the European Public Choice Society (Université de Lille), PhD Global Tax Symposium (Leiden University), RGS Doctoral Conference in Economics (Ruhr Graduate School in Economics), Royal Economic Society Annual Conference (Queen’s University), Scottish Economic Society Annual Conference (University of Glasgow), Spring Meeting of Young Economists (University of Bologna), Workshop on Industrial and Public Economics (Universitat Rovira i Virgili)
2020	CEPS Seminar (ENS Paris Saclay), ECARES Internal Seminar (Université Libre de Bruxelles), ECARES PhD Seminar (Université Libre de Bruxelles), Econometric Society European Winter Meeting (University of Nottingham), Econometric Society - Delhi Winter School (Delhi School of Economics), Graduate Student Chinese Economy Workshop (University of International Business and Economics), Graduate Student International Political Economy Workshop (Yale University), ITSG Annual Meeting (Università Politecnica delle Marche), JKU Economics Research Seminar (Johannes Kepler Universität Linz), Seminars in Economic Geography (UCLA and University College Dublin), WIEM Annual Conference (University of Warsaw), Young Economists Symposium (University of Pennsylvania)
2019	DIAL Development Conference (Université Paris Dauphine), Doctoral Workshop in Economics (Université Catholique de Louvain), ECARES PhD Workshop (Université Libre de Bruxelles), ETSG Annual Conference (World Trade Institute), FIW Research Conference (Austrian Institute of Economic Research), INFER Annual Conference (Vrije Universiteit Brussel), RIEF Doctoral Meeting (Aix-Marseille School of Economics)
2018	DG TAXUD Seminar (European Commission), EACES/IOS/APB Workshop Akademie für Politische Bildung), ECARES PhD Workshop (Université Libre de Bruxelles), ETSG Annual Conference (Warsaw School of Economics)

Coordination and organization

2021-	Board member of the European Association of Young Economists (EAYE)
2019-	ECARES PhD Seminars (Université Libre de Bruxelles)
2021	GSIFE Conference on Trade (Graduate Student International Political Economy group)
2020	GSIFE Conference on Aid and Development (Graduate Student International Political Economy group)
2019	24th Spring Meeting of Young Economists (European Association of Young Economists)

Policy notes and media

- **Taxation of Multinationals: Design and Quantification** (with S. Laffitte, J. Martin, M. Parenti, and F. Toubal), *Focus du Conseil d'Analyse Économique*, 2021, 64
- **International Corporate Taxation After Covid-19: Minimum Taxation as the New Normal** (with S. Laffitte, J. Martin, M. Parenti, and F. Toubal), *CEPII Policy Brief*, 2020, 30
- **How Import Competition Contributes to Corporate Tax Avoidance**, *FinReg Blog - Duke University School of Law*, 2020
- **Profit Shifting in France: Evidence from Firm-level Administrative Databases** (with S. Laffitte, M. Parenti, and F. Toubal), *Focus du Conseil d'Analyse Économique*, 2019, 36
- **Quel Reporting Pays par Pays pour les Futures Réformes ?** (with S. Delpeuch, S. Laffitte, H. Paris, M. Parenti, and F. Toubal), *Focus du Conseil d'Analyse Économique*, 2019, 38

Teaching and faculty

Teaching assistantship

2018-2020	Graduate Microeconomics (MRes, Université Libre de Bruxelles)
2018-2019	Advanced Topics International Economics (MSc, Université Libre de Bruxelles)
	International Trade Theory (BSc, Université Libre de Bruxelles)
	Topics in Economic Integration (BSc, Université Libre de Bruxelles)

Faculty

2021-	Representative of the Scientific Staff (Université Libre de Bruxelles)
2018-2021	Member of the examination board of the Admission Exam (Université Libre de Bruxelles)

Other

Languages	French (native), English (fluent), German (basic)
Softwares	Stata, Matlab/Octave, R/RStudio, Dynare, EViews
Document	L ^A T _E X/BibT _E X, L ^A X, Microsoft Office