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Business calls upon the OECD and governments to communicate the benefits of open markets

BIAC strongly advocates open markets and the need to refrain from protectionism. We were therefore encouraged by the conclusion of the recent G20 summit in Hangzhou, which emphasized the need for effective communication of the benefits of trade, cross border investment and open markets.

An open investment climate is an essential prerequisite for economic growth worldwide, yet in light of the widespread and growing anti-globalisation sentiment in many countries, the merits of trade and investment agreements and measures to remove barriers to trade and investment are increasingly being contested.

Misconceptions are insufficiently addressed in the public discourse. Increasingly, the debate about open markets is influenced by populism, rhetoric and emotions as opposed to factual analysis. Business therefore calls upon the OECD to make a strong case for promoting open markets, free trade and cross border investment based on sound data and analysis. We believe that the OECD is particularly well equipped to push for an evidence-based dialogue and communicate its analysis in a way that effectively informs policy discussions and the wider public.

The OECD could draw upon data and analysis illustrating that investment and trade can strongly support the competitiveness of our economies, the efficiency of markets, consumer needs, the potential for innovation, job creation and the quality of employment. Analysis is needed to highlight the fact that severe consequences for productivity would follow if global value chains are compromised or even interrupted.

Much work remains to be done as barriers to free trade and investment prevail and the wider public in some countries becomes increasingly critical of open trade and investment. We are challenged to communicate responsibly on the opportunities that come with open markets. Business reiterates its commitments to responsible business conduct, which goes hand in hand with the need for an open trade and investment environment.

Building on the G20 call, we encourage the OECD to help communicate the benefits of open markets more forcefully and stand ready to support the OECD in this effort.