



HARVARD Kennedy School

MOSSAVAR-RAHMANI CENTER
for Business and Government

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CREATING PUBLIC VALUE BY ENGAGING BUSINESS AND GOVERNMENT

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M-RCBG Director Larry Summers on a jobs guarantee



The impulse behind the latest “big” progressive idea of creating a federal job guarantee is entirely valid. Studies show that those without jobs are much more likely to be dissatisfied with their lives, to become addicted to alcohol or drugs and to be abusive within their families than even those working at low wages they find inadequate.

On this point, the U.S. economy is falling short of its potential. The fraction of the adult population between ages 25 and 54 that is working or seeking work has declined over the past 20 years. Despite America’s vaunted labor-market flexibility, the chance that a 25- to 54-year-old man will be out of work is much greater than it is in France and not very different than what it is in Spain. And in sharp contrast to the rest of the world, the fraction of adult women working in the United States has been declining since 1999.

“Despite America’s vaunted labor-market flexibility, the chance that a 25-54-year-old man will be out of work is much greater than it is in France and not very different than what it is in Spain.”

These trends are important causes of the increasingly bitter nature of U.S. politics and of resistance to technological change and overseas trade.

President Trump received dispro-

portionate support in parts of the country where joblessness increased most.

If the United States could guarantee jobs in even a modestly efficient manner and in a way that significantly increased employment, it would be a very good thing...But right now, I am inclined to think that the idea of a jobs guarantee should be taken seriously but not literally. A combination of wage subsidies, targeted government spending, support for workers with dependents, and increased training and job-matching programs represent a more viable strategy for meeting demand for guaranteed employment.

*This is an excerpt from a 7/2/18 Financial Times column written by M-RCBG Director **Larry Summers**. To read the op-ed in its entirety, visit www.larrysummers.com.*

SEMINARS AND EVENTS

M-RCBG has over 80 seminars and events scheduled each semester. Below are a few of the upcoming events. For a complete listing, visit www.mrcbg.org.



HOW THE RISE OF PPPs IS CHANGING INTERNATIONAL GOVERNANCE

Liliana Andonova, The Graduate Institute Geneva
Sept. 13, 11:45am–1pm
Bell Hall



PRESIDENT CARTER: THE WHITE HOUSE YEARS

Stuart E. Eizenstat, author
Sept. 13, 11:45am–1pm
Bell Hall



MANAGING RISK, UNCERTAINTY, AND TECHNOLOGY IN COOPERATIVE FEDERALISM

Heidi King, Deputy Administrator, NHTSA
Sept. 27, 11:45am–1pm
Bell Hall



MANAGERIAL CONTROL AND EXECUTIVE COMPENSATION

F.M. Scherer, HKS
Oct. 4, 11:45am–1pm
Bell Hall



ANNUAL GLAUBER LECTURE

Sir Paul Tucker, Chair of the Systemic Risk Council
Oct. 24, 6-7pm
JFK Jr. Forum

M-RCBG welcomes five new senior fellows

The Senior Fellows Program is designed to strengthen the connection between theory and practice as the center examines and develops policies at the intersection of business and government. Every senior fellow is sponsored by a Harvard faculty member and during their time at M-RCBG, they undertake a substantial research project and offer study groups for students. This fall, the Center welcomes five new senior fellows to join the existing nine. “We welcome these new colleagues, and look forward to their effective interaction with our faculty, our students, and others engaged with the work of the center,” said John Haigh, M-RCBG Co-Director.

Incoming fellows include:



Steve Johnson, a technologist, entrepreneur, private investor, and philanthropist for thirty years, who professionally specializes in building innovative technologies into successful enterprises, with a personal and philanthropic focus on education, climate change awareness, the arts, and gay rights equality. As a senior fellow, his research is entitled *The First Amendment and the Internet: Choice, Transparency, and Reach, How A.I. Can Advance and Protect Free Speech*.



Jean-Pierre Landau is an Associate Professor of Economics at Sciences Po - Paris and a former senior official at the French Treasury and Central Bank. He has served as Deputy Governor of the Banque de France, Executive Director for France at the International Monetary Fund (IMF), the World Bank (Washington, DC) and the European Bank for Reconstruction and Development (London). His main fields of interest include money and international economics, areas where he has direct and extensive experience. As a senior fellow, he will be conducting research on the future of money in a digital world.



Scott C. Ratzan has three decades of pioneering accomplishments in the U.S. and globally in health communication, health literacy and strategic diplomacy. He is the founding Editor-in-Chief of the *Journal of Health Communication: International Perspectives*, established in 1995. Over the last five years at Anheuser-Busch InBev, he was the architect of a ground-breaking approach to help reduce harmful drinking. As senior fellow, his research project is titled “Advancing health sustainably: ‘Inspiring Smart Choices’ to achieve societal well-being.”



Paul Sheard was most recently Vice Chairman of S&P Global, after serving as EVP and Chief Economist. Previously, he held chief economist positions at Nomura Securities and at Lehman Brothers, and was Head of Japan Equity Investments at Baring Asset Management. Earlier, Sheard was on the faculty of the Australian National University (ANU) and of Osaka University, and was a visiting assistant professor at Stanford University and foreign visiting scholar at the Bank of Japan. As a senior fellow, he will be researching lessons from the global financial crisis and its aftermath.



Dr. Myriam Assa Sidibe is one of the world’s leading experts of brands that drive health outcomes through mass behavioral change. From within Unilever, she has created a movement to change the handwashing behaviors of one billion people, the single biggest hygiene behavior change program in the world, and conceived and established the multi awards winner UN recognized Global Handwashing Day – now celebrated in over 100 countries. As a senior fellow, she will be researching how brands that have public health ambitions can be better supported in order to enhance their impact in the world.

These individuals join current senior fellows **Rabah Arezki, Camilla Cavendish, Elizabeth Golberg, Deb Gordon, Thomas J. Healey, Philippe Le Corre, Timothy G. Massad, Euvin Naidoo, and Antonio Weiss**.

M-RCBG visits Osaka to discuss US-Japan relations

The Kansai-Harvard Forum, held in July in Osaka, Japan, included members of the Harvard community (pictured below): **Richard Cavanagh**, Elizabeth Altman, and **Roger Porter** (3rd, 5th, and 6th from the left). Topics included US-Japan relations, economic growth, entrepreneurship and innovation. This year’s Doyukai Symposium will be held at Harvard in November.



Healthcare Policy Program announces 2018-2019 Grossman Fellows



2018-2019 Grossman Fellows Jonathan Ng (left) and Mark Herzog (right).

The Healthcare Policy Program at Harvard Kennedy School is pleased to announce that it has named Mark Herzog and Jonathan Ng as the 2018-2019 recipients of the Jerome H. Grossman MD Graduate Fellowship.

The fellowship supports talented physicians and medical students who share Dr. Grossman's commitment and sense of urgency to bring meaningful change to the health care system by enabling them to pursue a two-year master's degree in public policy or public administration at Harvard Kennedy School. Grossman fellows are awarded full tuition, fees, and a living stipend, as well as support to carry out summer internships. The fellowship, made possible by a generous gift from the Grossman family, honors the life and legacy of Dr. Grossman, who dedicated his career to strengthening health care delivery in the United States.

Mark Herzog (MPP class of 2020) is a third-year student at Harvard Medical School, and received his bachelor's degree from Duke University in Public Policy Studies with a concentration on health disparities. Mark has led rural healthcare delivery research projects both domestically and abroad, including preventive screening use in rural Appalachia, cell-phone based delivery of maternal and newborn screenings in rural Kenya, telemedicine based delivery of high-risk prenatal care in Southwest Virginia and perceptions of Medicaid expansion among uninsured patients in Northeast Tennessee.

Jonathan Ng (MPA class of 2020) is currently pursuing an MBA from MIT's Sloan School of Business. He is an MD by training and has worked in global health for 14 years building hospitals in Southeast Asia. His latest venture is a technology company at MIT that is developing software that captures the intuition of physicians during procedures using distributive technologies.

M-RCBG publishes new working papers

Money, Millennials and Human Rights: Sustaining 'Sustainable Investing' (John G. Ruggie and Emily K. Middleton)

As recently as the late 1990s, "there was no recognition that companies had human rights responsibilities," according to Arvind Ganesan, head of business and human rights at Human Rights Watch. Today, that responsibility is increasingly recognized by global firms as well as the transnational regulatory ecosystems in which they operate. According to the Economist, the "watershed event" in gaining recognition for the corporate responsibility to respect human rights was the endorsement by the United Nations in June 2011 of the Guiding Principles on Business and Human Rights (UNGPs). UN High Commissioner for Human Rights, Zeid Ra'ad Al Hussein, calls the UNGPs "the global authoritative standard, providing a blueprint for the steps all states and businesses should take to uphold human rights."

Time to Fix It: Developing Rules for Internet Capitalism (Tom Wheeler)

"Modern technology platforms such as Google, Facebook, Amazon and Apple are even more powerful than most people realize," Eric Schmidt wrote in 2013 when he was Executive Chairman of Google's parent Alphabet, Inc.¹ In the years since, that power and its effects on society has only increased – as has the public's apprehension about the power of technology.

Multiple times daily, each of us experiences the benefits offered by these platforms. From the ability to search the world's knowledge, to communicating with friends, to hailing a taxi or ordering a pizza, the digital platforms – enabled by digital networks – have transformed our lives.

At the same time, these digital platforms have aided Russian interference in the electoral process, impacted child development, and propagated disinformation, bigotry, and hateful speech. Economically, these platforms have also devastated the economic underpinnings of quality journalism and established a level of marketplace dominance not seen since the early Industrial Revolution. These results were never imagined in the halcyon early days of "Move Fast and Break Things." Today, such threats are alarmingly manifest.

Things have indeed been broken. The question is what can be done to fix it? More specifically, will the leaders of the technology companies that created this new reality take the lead in resolving these challenges?

Visit www.hks.harvard.edu/centers/mrcbg/publications/working-papers-and-reports to learn more.

Corporate Social Responsibility roundup



Jane Nelson, Director of the Corporate Responsibility Initiative (CRI), recently spoke at the 2018 Rotary International Convention in Toronto, Canada. As one of the event's keynote speakers, she addressed 25,000

Rotarians about partnerships to support community and economic development, in a session that included the Canadian Prime Minister, Justin Trudeau, the former Prime Minister of New Zealand and head of UNDP, Helen Clark, and several former Rotary Fellows.

Nelson also wrote a chapter in a newly published book by Brookings, titled *From Summits to Solutions: Innovations In Implementing the Sustainable Development Goals*. The chapter focuses on the role of the private sector in supporting the SDGs and explores new models of collective action where groups of companies and other organizations are joining forces to achieve systemic change at an industry-level or within specific cities and countries.

In July, at the United Nations High Level Political Forum on the SDGs, Nelson gave a keynote speech at an event hosted by UNAIDS on the role of the private sector in helping to strengthen health systems and moderated a session at the UN's Business and SDG Forum, and CRI Senior Program Fellow, Caroline Rees, spoke about the corporate responsibility to respect human rights as being essential to business engagement in the SDGs. In August, Nelson moderated a panel on development finance at the Brookings Blum Roundtable on "Invigorating U.S. Leadership in Global Development". In September, CRI Faculty Chair **John Ruggie**, will be traveling to Japan to make keynote addresses at the Tokyo Stock Exchange on ESG (Environmental, Social and Governance) Investing and to Japan's leading business association, the Keidanren, on Corporate Social Responsibility, and CRI will be participating in the World Economic Forum's Impact Summit on the SDGs and a variety of side events at the UN General Assembly in New York.

Also in recent months, CRI has produced reports and working papers on sustainable investing, joint policy advocacy for the Sustainable Development Goals (SDGs) between business and civil society organizations, and developing innovative financing models to fund nutrition (forthcoming). To view and download, visit www.hks.harvard.edu/centers/mrcbg/programs/cri.

STUDENT INTERNSHIP REPORT: STEFAN NORGAARD, OECD



This summer I interned with the Organization for Economic Development and Cooperation (OECD) in its "Champion Mayors for Inclusive Growth" initiative. The OECD is working to advance multilateral approaches to governance and public problem-solving, particularly on vexing issues that affect us all: climate change, rising and persistent inequality, and integration of

migrants and refugees. The Champion Mayors initiative, my team at the OECD this summer, organizes a group of 50 Mayors from cities around the world committed to advancing Inclusive Growth in their subnational contexts.

The principle product I produced during my internship was an OECD White Paper for the October 2018 Urban 20 (U20) conference in Buenos Aires. The U20 is a group of Mayors from the largest cities in the world's 20 largest economies; it shadows the G20 and G7 delegations and considers how city leaders can most effectively work together and engage national governments. My White Paper draft highlighted the "state of play" of urban inequality in cities around the world, zooming in on the most recent OECD data on segregation and refugee and migrant integration. In the White Paper, I also took advantage of new OECD research on comparative inequality to examine the role of institutions and social policy in shaping city residents' life outcomes.

A second major deliverable was working with the Champion Mayors team on a grant with Bloomberg Philanthropies. Bloomberg and the OECD joined forces this summer to survey over 100 cities from around the world on their urban innovation practices and approaches, seeking to learn to what extent urban innovation shapes outcomes for residents, firms, and the broader community. Using my HKS MPP econometrics skills, I helped craft multiple drafts of the survey instrument, refined question wording, and even coded responses. The survey results will create useful collective knowledge for academics and practitioners about what, precisely, cities mean when they talk about "urban innovation," the extent to which innovation work is data-driven, and how cities' innovation practices relate to questions of equity and inclusion.



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