



HARVARD Kennedy School
MOSSAVAR-RAHMANI CENTER
 for Business and Government **30** YEARS

CREATING PUBLIC VALUE BY
 ENGAGING BUSINESS AND
 GOVERNMENT

September 2012

Floors 3-5, Belfer Building

M-RCBG CELEBRATES ITS 30TH ANNIVERSARY

This year, we are celebrating the 30th anniversary of the Center's founding. In 1982, Ronald Reagan was in the second year of his presidency, the first CD player was sold in Japan, and the Dow Jones reached a high of 1,072. Closer to home at Harvard, Win Knowlton became the first director of the Center for Business & Government. "For the past 30 years, M-RCBG has worked to create public value through applied research, teaching and active engagement of the business and government sectors. We provide a neutral space in which key players from government, business



A momentous groundbreaking

A generous gift from Frank and Denie Weil established Weil Hall to house the Center for Business & Government in the Belfer building, dedicated in 1984. Frank Weil is pictured above, second from left, at the ground-breaking of the Belfer Building. Also pictured, (l to r), are Robert A. Belfer, Graham Allison, Renee Belfer, and Frank Stanton.

and civil society can come together, understand each other's perspectives, and seek consensus and insights with help from our faculty and researchers. Today, our work touches on every aspect of the business-government intersection, and its focus is global as well as national," said Center Director Lawrence Summers.

The Center would like to thank the many students, faculty, fellows, staff, donors and visitors who support and lead our activities and who make our work possible. We are grateful for your many efforts and contributions, and we look forward to your continued engagement as we seek new ways to add value to our changing world.

HKS AND M-RCBG WELCOME CARMEN REINHART

Carmen M. Reinhart, one of the world's leading experts on international finance, has been named the Minos A. Zombanakis Professor of the International Financial System at HKS. Her appointment began on July 1. She is also an M-RCBG faculty affiliate. "Professor Reinhart is an exciting addition to the School and to M-RCBG's group of faculty affiliates," said M-RCBG co-director John Haigh. "She is a leading researcher on global financial crises and will deepen our teaching and research in the critical areas of markets, business and government."



Reinhart was previously the Dennis Weatherstone Senior Fellow at the Peterson Institute for International Economics and Professor of Economics and Director of the Center for International Economics at the University of Maryland. She has also held positions as Chief Economist and Vice President at the investment bank Bear Sterns and spent several years at the International Monetary Fund.

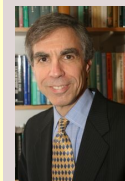
Reinhart is co-author of the best-selling 2009 book *This Time is Different: Eight Centuries of Financial Folly*, and has written several other books, articles and papers on exchange rates, banking and sovereign debt crises, currency crashes, and contagion. "I am thrilled with the opportunity to come to Harvard Kennedy School. I look forward to working closely with other faculty, scholars and researchers on some of the most pressing policy challenges of our lifetime," said Reinhart. "This is a very exciting and interesting place to be."

Reinhart earned her bachelor's degree from Florida International University and two master's degrees from Columbia University where she also earned her PhD.

Seminars & Events

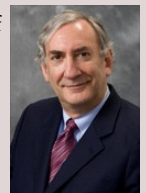
M-RCBG has over 30 seminars and events scheduled for the fall semester. Below is a small selection. Please see our website (www.hks.harvard.edu/centers/mrcbg) for a complete listing.

M-RCBG's Annual Open House. Please come and learn more about our programs, faculty and student activities. Bell Hall, September 11, 12-1pm.



Robert Stavins, Harvard Kennedy School. *The SO2 Allowance Trading System: The Ironic History of a Grand Experiment in Market-Based Environmental Policy.* Bell Hall, September 13, 11:45-1pm.

David Vogel, University of California, Berkeley. *The Politics of Precaution.* Fainsod. September 20, 11:45-1pm.



Michael Spindelegger, Austrian Foreign Minister. *Responding to European and International Challenges: Austria's Foreign Policy.* Bell Hall, September 24, 4-5pm.

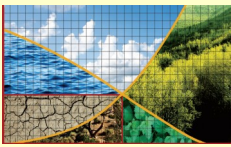
Jim Hammitt, Harvard School of Public Health. *Positive versus Normative Justification for Benefit-Cost Analysis.* Allison Dining Room, September 27, 11:45-1pm.



Several of M-RCBG's seminars are now videos accessible for viewing via Vimeo. To access, visit: vimeo.com/mrcbg

PROGRAM UPDATES

HEEP awards paper prizes



The Harvard Environmental Economics Program (HEEP) has awarded three prizes to Harvard University students for the best research papers addressing a topic in environmental, energy, or resource economics—one prize each for a senior thesis (Eric Lu), master's student paper (Tim Marlowe and Francis Choi), and doctoral student paper (Robyn Meeks). Each prize was accompanied by a monetary award, and two were released as HEEP discussion papers.

SSP scholar contributes to findings on sustainability certification

Kira Matus, a visiting scholar with The Sustainability Science Program (SSP), was part of a steering committee that has recently released findings on sustainability certification. The final report, *Toward Sustainability: The Roles and Limitations of Certification*, describes what is most important to learn about the performance and potential of voluntary standards and certifications. The committee found substantial evidence of improvements in social, environmental, and economic practices resulting from certification at the site level, as well as some instances of unintended effects, positive and negative. "We've found that sustainability certification has the potential to work with other policies to spread better practice," said Matus. "From a policy perspective, it's a great add-on." For additional information on the steering committee, assessment process and findings, visit www.resolv.org/towardsustainability.



Helping schools become better learning organizations

28 independent school heads from across the country met for a second time at Harvard Kennedy School on July 11 to help their institutions become better learning organizations. Under the direction of **Richard Light**, Carl Pforzheimer Professor of Teaching and Learning and HKS adjunct faculty, participants gathered to share anecdotes as well as data from a year-long survey and interview process. It was part of a multi-year endeavor aimed at helping these schools and eventually their public, large school system counterparts, integrate successful practices for the long-term benefit of students.

Becoming a better learning organization is more than just understanding how to better teach students. According to Light, it's a way that schools can harness what's working well and integrate it into the culture of a school. If one teacher figures out a way to teach a topic effectively, it should be documented and shared so if that teacher leaves, the institution can retain the successes for the benefit of future students.

Last year's planning meeting launched the research phase of the project, and after discussing the first round of data, schools will begin implementing changes as well as conducting similar surveys and



Annie Glosky, dean of studies, Kentucky Country Day School, Louisville, KY and Ryan Hoglund, assistant principal at St. Mark's School, Salt Lake City, UT discuss how to create better learning organizations.

interviews with incoming seniors. From here, Light hopes to roll the project out to public schools in New England over the next two years. "Next year we'll see what each school is choosing to change, and our ultimate goal down the line is to bring this process to as many public schools as possible," Light said.

Former Finland PM named M-RCBG fellow

Esko Aho, former prime minister of Finland and current executive vice president for Corporate Relations and Responsibility at Nokia, has been appointed as an M-RCBG senior fellow. He will pursue research on the changing role of the state in maintaining welfare and global competitiveness.



Aho served as prime minister of Finland from 1991 to 1995. Since 2008, he has led Nokia's government and public affairs function, overseeing the company's global policies and activities regarding sustainable development and social responsibility. He has been a member of the Nokia Leadership Team since 2009. Mr. Aho will continue to represent Nokia and drive the company's governmental affairs as a consultative partner, although he will step down from the Nokia Leadership team, effective August 31, 2012, out of respect for the demands of the Harvard appointment.

"Today's public problems and opportunities increasingly require collaboration between public and private institutions – between business and government," said **John Haigh**, the center's co-director and Executive Dean of Harvard Kennedy School. "Mr. Aho brings a unique perspective on how these different institutions can work together more effectively. He has vast experience in government, particularly as Prime Minister of Finland, and in senior executive roles at Nokia. He can help bridge the perspectives of many sectors, enabling the collaboration necessary to solve some of the most intractable public problems. We are pleased he will be joining us as a Senior Fellow."

Visit www.hks.harvard.edu/centers/mrcbg/about/fellows/srfellows to learn more about the M-RCBG senior fellows program.

CSRI releases company-community dialog videos

The CSR Initiative (CSRI) at the Harvard Kennedy School has released videos on company-community dialogue processes, now available on BASESwiki. *Corporate-Community Dialogue: An Introduction* interweaves three stories about companies and communities that have found themselves in varying degrees of conflict and looked for a way out through dialogue. In each instance, the parties to the conflict used a neutral third-party mediator to help them craft a process through which they could address concerns and progressively resolve their core conflicts. Each story is the subject of a self-standing short film: *Making Monkey Business* involves a hydroelectric power plant and surrounding communities in the Philippines; *Putting Ourselves in Their Shoes*, involves a copper mine and indigenous communities in the Peruvian Andes; *The Only Government We See* involves an oil and gas company and local communities in the Niger Delta. This is the final film in the series produced by the CSRI on behalf of the mandate of the former Special Representative of the UN Secretary-General for Business and Human Rights, Professor **John Ruggie**.

The films were produced with the generous support of the Government of Norway, the Compliance Advisor/Ombudsman of the World Bank Group, the International Bar Association and the Government of Germany. To view them, visit http://baseswiki.org/en/Main_Page.



Caroline Rees, CSRI fellow and president of SHIFT, an independent, non-profit center for business and human rights practice, discusses corporate-community dialog in a recently released video.