



May/June 2016

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**M-RCBG WELCOMES NEW HEALTHCARE POLICY PROGRAM  
 FOCUSED ON INNOVATION, ACCESS AND  
 DELIVERY SYSTEM REFORM**



L to R: HKS Dean Doug Elmendorf, Margaret Hamburg, Foreign Secretary of the National Academy of Medicine, and Healthcare Policy Program Faculty Chair Amitabh Chandra.

How can the U.S. pay for medical breakthroughs while also ensuring that resulting treatments are accessible to the public? Development of new medicines and medical devices depends on streamlined regulation and pricing that rewards that innovation, while access depends on generous public programs, strategic tax policies, and controlling the cost of delivering care. This poses a chal-

lenge for Medicare and Medicaid which are the largest payers for healthcare. Under the leadership of Faculty Chair **Amitabh Chandra**, the Healthcare Policy Program is looking for answers to how the U.S. can balance innovation with access by exploring solutions that emphasize competition, value-based pricing, and improvements in the productivity of the delivery system.

The Program has three aims: research, on *access, innovation, and delivery systems reform*; establishing *conversations* between researchers, government, and industry; and preparing *future generations of leaders* through educational programs.

To build an ongoing dialogue with business and government, the program is planning a series of roundtables. The first of these was held on April 22 and focused on the role that regulation plays in shaping innovation. HKS Dean Douglas Elmendorf started the day with a discussion on federal subsidies for health insurance.

*continued on pg. 2.*

**RUGGIE RELEASES REPORT ON FIFA AND HUMAN RIGHTS**

An independent report issued on April 14 by **John Ruggie**, Berthold Beitz Professor in Human Rights and International Affairs at Harvard Kennedy School, and former top United Nations official on business and human rights, recommends how FIFA - the global governing body of football - needs to manage the far-reaching human rights risks associated with its activities and relationships. Risks include the displacement of communities to make way for stadiums, risks to workers building tournament infrastructure or manufacturing FIFA-branded goods, and systemic challenges such as gender discrimination throughout association football.

Ruggie agreed to review FIFA's existing policies and processes to manage human rights risks at FIFA's request, following its mid-2015 announcement that

*continued on pg. 3.*

**Seminars & Events**

M-RCBG has over 80 seminars and events scheduled each semester. Many of them are recorded. To listen to recent seminar podcasts, visit [www.mrcbg.org](http://www.mrcbg.org) and click on the SoundCloud or iTunes links. Below is a sampling:

*Homeland Security in the Global Age*; **Alan Bersin, U.S. Department of Homeland Security.**

*Transforming New York City's Economy*; **Robert Steel, Former New York City Deputy Mayor for Economic Development.**

*Protecting the U.S. and International Financial Systems*; **Paul Tucker, Chair of the Systemic Risk Council.**

*OSHA: Job Killer or Stopping Jobs that Kill?* **David Levine, Univ. of California Berkeley.**

*Retiree Healthcare: The Elephant in the Room.* **Robert Pozen, MIT Sloan School of Management.**

*What Really Caused the World's Worst Financial Crisis and Why It Could Happen Again.* **Peter Wallison, American Enterprise Institute.**



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## *M-RCBG fellows reunite in April*

M-RCBG fellows from as far back as 1988 gathered at the end of last month in Malkin Penthouse for an evening of celebration and renewing old connections.



Former senior fellow Lisa Robinson and current fellow Chris Staorianou.



L to R: Former senior fellow Joisa Saraiva, former M-RCBG Associate Director Jennifer Nash, former senior fellow Annmarie Sasdi and former senior fellow Deedee Phillips.

## *Ruggie to sit on anti-slavery award board*

The Stop Slavery Award is a new initiative from the Thomson Reuters Foundation that will recognize the “best in class” of the corporate sector, companies that are leading the fight against modern slavery in their supply chains and will honor corporations that go above and beyond their peers in the effort to eradicate forced labor, the worst forms of child labor, and other forms of slavery. Winners of the Stop Slavery Award will be selected by a judging board that includes Prof. **John Ruggie**, Berthold Beitz Professor in Human Rights and International Affairs, and Faculty Chair of the Corporate Responsibility Initiative.

The award will help guide consumers’ and customers’ decisions on what goods they decide to buy or use, and raise awareness about the issues of forced labor, child labor, and other forms of modern slavery, inspiring more companies to investigate and improve the working conditions of those at the bottom of their supply chains.

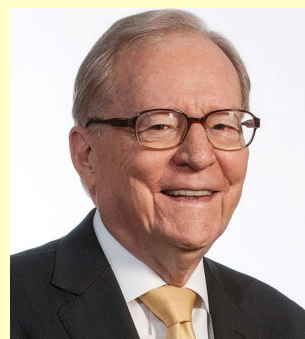
## *Cont. from pg. 1: Healthcare Policy Program*

Academics from Harvard and MIT discussed topics ranging from the extent to which the FDA is too conservative or aggressive to the role of surrogate endpoints in influencing innovation. M-RCBG Director Lawrence Summers spoke on the value derived from BioPharma. The event also featured a discussion with Margaret Hamburg, the Foreign Secretary of the National Academy of Medicine and former Commissioner of the FDA. The next roundtable will focus on a national policy for Alzheimer’s.

To nurture future leaders who will strengthen healthcare delivery, the Program awards two fellowships annually. The Jerome H. Grossman, M.D. Graduate Fellowship was awarded to Laura Ostapenko and Frances Pillsbury. Dr. Ostapenko is a General Surgery Resident at Brigham and Women’s Hospital. She plans to explore how graduate medical education training programs can be more responsive to public health goals by measuring outcomes and encouraging the training of doctors with needed specialties to serve in underserved geographic locations. Ms. Pillsbury is a M.D. candidate at the University of Southern California. She plans to become a pediatric psychiatrist and advocate for mental healthcare in foster homes and the juvenile justice system and to improve the use of electronic medical records and mobile technology.

For more about the Healthcare Policy Program, visit [www.hks.harvard.edu/centers/mrcbg/programs/health](http://www.hks.harvard.edu/centers/mrcbg/programs/health).

## *Jorgenson addresses Japan Prime Minister Abe and Cabinet*



Japan Prime Minister Shinzo Abe and Cabinet ministers met with Professor **Dale Jorgenson** at a March 17 International Finance and Economic Assessment Council meeting. The global economy and finance meeting was organized by the Japanese government as part of their efforts to

evaluate growth strategy.

Jorgenson discussed the following in his address to the council: major issues confronting Japan; three new arrows of Abenomics; a productivity revolution in Japan; implementing a new industrial policy; working-style reform to promote efficiency; adopting a sustainable fiscal policy; and a summary of productivity and Japan’s revitalization. For more detailed information on Jorgenson’s address, visit <http://scholar.harvard.edu/jorgenson>.



### *Cont. from pg. 1: Ruggie releases report on FIFA and human rights*

bids for the 2026 Men's World Cup will have to meet human rights criteria.

Ruggie agreed to review FIFA's existing policies and processes to manage human rights risks at FIFA's request, following its mid-2015 announcement that bids for the 2026 Men's World Cup will have to meet human rights criteria. He undertook the task on the basis that it would result in a public report, subject to his editorial control. The report sets out 25 recommendations for action.

"FIFA governs and supports a global network of over 200 national football associations and is connected through its tournaments to thousands of businesses. As for any international sports organization today, this kind of global footprint brings with it significant risks to people's basic dignity and welfare. And that reality demands a robust and proactive response. FIFA is not solely responsible for solving these problems where the actions of others are the primary cause. But it must use its influence to address these human rights risks as determinedly as it does to pursue its commercial interests," said Ruggie.

Ruggie's recommendations for FIFA are based on the UN Guiding Principles on Business and Human Rights, the global standard on business and human rights of which he is the author. In its revised Statutes, adopted in February 2016, FIFA introduced a new provision committing it to respect all internationally recognized human rights.

"The key now is implementation. For my report to have the necessary impact, FIFA's top leaders need to follow through on its recommendations. That means resourcing the administration adequately for the task and integrating the results of their work into political decision-making. I met with FIFA's new President Gianni Infantino [on April 13] and valued the opportunity to discuss my findings and necessary changes at FIFA. It is my sincere hope that he will make this work a priority under his leadership," said Ruggie. "FIFA's reputation depends on it."

"FIFA is fully committed to respecting human rights," said FIFA President Gianni Infantino. "I would like to thank Prof. Ruggie for his work in producing this report, which, together with FIFA's own analysis and ongoing work, will guide the way forward. This is an ongoing process and of course challenges remain, but FIFA is committed to playing its part to ensure respect for human rights...in this important area."

The non-profit organization Shift supported Ruggie in the development of the report. Ruggie also spoke on it at the 2016 Asia Regional Forum on Business and Human Rights, convened by the UN Office of the High Commissioner for Human Rights, on April 19-20 in Doha, Qatar.

### *Bilmes leads Applied Learning Lab program*

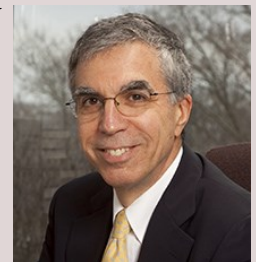
**Linda Bilmes**, Daniel Patrick Moynihan Senior Lecturer in Public Policy, is leading the Greater Boston Applied Learning Lab program this spring at Harvard Kennedy School. Her students are working with the Massachusetts Department of Revenue to improve how it manages accounts receivables and offers-in settlements; with the MBTA on several high profile cost-reduction projects; and with the City of Salem on an aging-in-place initiative. For the first time, fellowships are also being offered to students who wish to continue working on these projects over the summer.

### *Rosengard leads M-RCBG participation in Global Tax Policy Conference*

Following on the success of the inaugural conference in 2013, HKS and the Irish Tax Institute joined together again to host the second Global Tax Policy Conference in Dublin Castle, Ireland in March, titled "New Rules for a New Era." M-RCBG participation was led by Financial Sector Program Director **Jay Rosengard**. Speakers included leading figures from the EU, OECD, U.S., IMF, and treasury departments globally as well as international business organizations, universities, the tax profession, and multinationals. The conference was attended by approximately 350 policymakers, legislators, members of government, revenue authorities, finance ministries, and companies from over 30 countries.

### *Stavins offers Exec Ed program on Climate Change and Energy*

Prof. **Robert Stavins** is the Faculty Chair for a new Executive Education program planned for September 11-16 at HKS. Global climate change is widely recognized by scientists and many policy makers as posing significant risks to the natural environment, society, and the economy. Governments have been attempting to address this challenge since at least 1992 – cooperatively through the United Nations and through national and subnational policy. Many governments are also making plans to adapt to the climate change that is already likely to occur.



*Climate Change and Energy Policy* will convene U.S. and international policymakers and corporate leaders to address the policy solutions and implications of one of the most critical global public policy issues of our time. This state-of-the-art program will provide deep insight into the science, economics, and policy of climate change – and into related topics involving energy production and use. Participants will engage with leading experts and have an opportunity for productive interaction with their peers. For additional information, visit [exed.hks.harvard.edu](http://exed.hks.harvard.edu).

## *Bilmes on Obama's budget in The Boston Globe*



The Republicans' controversial refusal to consider any Supreme Court nominee from President Obama has filled headlines in recent weeks. By contrast, there has been almost no attention to the decision by the Republican-controlled Budget Committee to break a 40-year bipartisan tradition and deny the president a hearing on his fiscal year 2017 budget plan.

The budget contains many of Obama's big "hope and change" ideas from his first presidential campaign — universal pre-K, major investments in infrastructure and clean energy, federal subsidies for community colleges and minority-serving institutions. True, it is late in the day for the Obama presidency. But the reality is that this is the first year the president's budget team has been able to work unfettered by the need to address short-term crises — whether it be US financial instability, the unemployment rate, veterans funding, or various congressionally manufactured government shutdowns, debt ceiling limits, and sequestrations. And the administration's best minds have labored hard to develop proposals that would translate Obama's vision into reality.

The president's 2017 budget proposes a fundamental change in the way the nation raises and spends taxpayer dollars on domestic programs. It calls for more than \$1 trillion in new investments over the next 10 years, including a \$312 billion increase in infrastructure spending, \$150 billion for universal pre-K and child care, \$60 billion to expand access to higher education in community colleges and minority-serving institutions, \$30 billion to fight climate change, and \$400 billion in new tax breaks for education, "family-friendly" policies, small businesses, and energy research. To celebrate the centennial of America's National Park Service, the cover of the budget, which is usually plain, this year depicts America's tallest mountain — the Alaskan peak that Obama renamed Mount Denali (formerly Mount McKinley).

To pay for these initiatives, the budget proposes to raise taxes on high-earners and corporations and to introduce dedicated new taxes — for example, a \$10 tax per barrel of oil to pay for infrastructure projects. The budget raises the top capital gains and dividend rates, enacts a "Buffett tax" (a 30 percent minimum income tax on the wealthy), hikes the estate tax, imposes a \$110 billion fee on financial institutions, and closes a number of corporate tax loopholes, especially on companies that have failed to repatriate earnings.

To read **Linda Bilmes'** full op-ed in *The Boston Globe*, "Congress should hold hearings on Obama's budget," visit: [www.hks.harvard.edu/centers/mrcbg/news-events/news](http://www.hks.harvard.edu/centers/mrcbg/news-events/news)

## *Summers on global integration in The Washington Post*



Since the end of World War II, a broad consensus in support of global economic integration as a force for peace and prosperity has been a pillar of the international order. From global trade agreements to the European Union project; from the work of the Bretton Woods institutions to the removal of pervasive capital controls; from the vast expansion in foreign direct investment to major increases in the flow of people across borders, the overall direction has been clear. Driven by domestic economic progress, by technologies such as containerized shipping and the Internet that promote integration, and by legislative changes within countries and international agreements between countries, the world has gotten smaller and more closely connected.

This broad program of global integration has been more successful than could reasonably have been hoped. We have not had a war between major powers. Global standards of living have risen faster than at any point in history. And material progress has coincided with even more rapid progress in combating hunger, empowering women, promoting literacy and extending life. A world that will have more smartphones than adults within a few years is a world in which more is possible for more people than ever before.

Yet a revolt against global integration is underway in the West. The four most prominent candidates for president of the United States — Hillary Clinton, Bernie Sanders, Donald Trump and Ted Cruz — all oppose the principal free-trade initiative of this period: the Trans-Pacific Partnership. Trump's proposals to wall off Mexico, abrogate trade agreements and persecute Muslims are far more popular than he is. The Brexit movement in Britain commands substantial support and could prevail. Whenever any aspect of the E.U. project is submitted to a popular referendum, it fails. Under pressure from a large influx of refugees, the European commitment to open borders appears to be crumbling. In large part because of political constraints, the growth of the international financial institutions has not kept pace with the growth of the global economy.

To read M-RCBG Director **Lawrence Summers'** full op-ed in *The Washington Post*, "What's behind the revolt against global integration?", visit: [www.hks.harvard.edu/centers/mrcbg/news-events/news](http://www.hks.harvard.edu/centers/mrcbg/news-events/news)