# MOSSAVAR-RAHMANI CENTER for Business and Government

CREATING PUBLIC VALUE BY ENGAGING BUSINESS AND GOVERNMENT

September 2016

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#### SUMMERS ON THE FUSION OF CIVILIZATIONS



The mood of much of the world is grim these days. Turmoil in the Middle East, causing hundreds of thousands of deaths and millions of refugees; random terrorist attacks across the globe; geopolitical tensions in eastern Europe and Asia; the end of the commodity supercycle; slowing growth in China; and economic stagnation in many countries—all have combined to feed a deep pessimism about the present and, worse, the future.

Historians looking back on this age from the vantage point of later generations, however, are likely to be puzzled by the widespread contemporary feelings of gloom and doom. By most objective

measures of human well-being, the past three decades have been the best in history. More and more people in more and more places are enjoying better lives than ever before. Nor is this an accident — because despite Samuel Huntington's foreboding, what has occurred over recent generations is not a clash of civilizations but a fusion of civilizations. To read M-RCBG Director Lawrence Summers' full op-ed, visit <a href="https://www.larrysummers.com">www.larrysummers.com</a>.

### BILMES RELEASES REPORT ON NATIONAL PARK VALUE

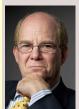
Linda J. Bilmes, Daniel Patrick
Moynihan Senior Lecturer in Public
Policy has co-authored a paper
which represents the first-ever comprehensive estimate of the total economic value of the National Parks
Service. The estimate covers administered lands, waters, and historic
sites as well as NPS programs,
which include protection of natural
landmarks and historic sites, part-



nerships with local communities, recreational activities and educational programs. The study estimates the total economic value to the American public is \$92 billion. Two-thirds of this total (\$62 billion) is for National Park lands, waters and historic sites; the remaining \$30 billion is attributed to NPS Programs. The estimate, which is based on very conservative assumptions, includes not only the value attributed by visitors to the parks, but also a significant "nonuse" or "existence" value. This is the value derived by the public from simply knowing that NPS assets are protected for current and future generations, regardless of whether or not they actually choose to visit. Visit <code>www.mrcbg.org</code> for more info.

## **Seminars & 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.



Five Easy Theses: Commonsense Solutions to America's Greatest Economic Challenges; James Stone, former chair, U.S. Commodity Futures Trading Com-

mission. Bell, Sept. 8. 11:45-1.

Social Innovation in Africa: A Practical Guide for Scaling Impact; Ndidi Nwuneli, African Philanthropy Forum. Bell, Sept. 21. 9-10am.





Handcuffed: What
Holds Policing Back,
and the Keys to Reform.
Malcolm Sparrow,
HKS. Sept. 22,
Fainsod. 11:45-1.

The Right Corporate Approach to Public Policy. Ben Heineman, HKS, HBS. Sept. 29, Bell. 11:45-1.





Search Groups: M-RCBG



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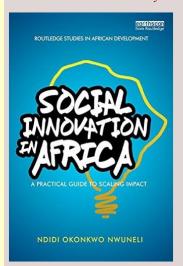
#### Porter honored with teaching excellence award



This past spring, Roger Porter, IBM Professor of Business & Government, received the Levenson Award for Excellence in Teaching given by the Harvard Undergraduate Council. The award is given annually to one faculty member for outstanding academic instruction and intellectual engagement with under-

graduates. Porter's course on The American Presidency, which he inherited from Richard Neustadt, another HKS professor, is jointly listed in the Kennedy School and the Faculty of Arts and Sciences. The course, which examines the U.S. political system from the vantage point of the President, has been one of the most popular courses at Harvard for more than two decades.

#### Former M-RCBG senior fellow publishes book



Encouraged by the emergence and early impact of social innovators on the African Continent, but frustrated by the slow pace of large scale change, former M-RCBG Senior Fellow Ndidi Nwuneli has published a book to fill the knowledge gap for those tackling Africa's serious social problems.

It lays out the required building blocks for

achieving scale at impact, by creating clear mission, vision, and values statements and piloting and rolling out business models that are demand-driven, simple, and low-cost, with compelling measurement and evaluation tools that leverage technology. It also explores the steps for attracting and retaining talent and financing and forming strategic partnerships with the private, public and non-profit sectors to foster scaling. Practical case studies provide inspiration for those who seek to become innovators or to be employed by them.

Finally, it outlines the crucial steps for key stakeholders to take in order to support the emergence of more social innovators on the African continent, create an enabling environment for the scaling of high-impact initiatives, and advance collective efforts to build stronger communities for current and future generations.

Nwuneli will give a seminar on this topic on September 21, from 9-10am in Bell Hall.

#### Stavins recognized as top environmental economist

In July, California business, labor and public leaders gathered to honor the work of Prof. **Robert Stavins**, this year's Edmund G. "Pat" Brown Award recipient presented by the California Council for Environmental and Economic Balance (CCEEB). Stavins is also the



director of the Harvard Project on Climate Agreements and the Harvard Environmental Economics Program.

According to CCEEB, Stavins has been a major voice on environmental policies internationally, nationally, and in California. Stavins' research has helped infuse climate negotiations at the United Nations with principles of economic logic, and his book, *Architectures for Agreement: Addressing Global Climate Change in the Post-Kyoto World*, has become the de facto playbook for national delegates, businesses, and non-profits hoping to build an international framework for meaningful climate actions.

"Everybody knows Rob's work," explained CCEEB President Gerald Secundy on this year's award selection. "While we should certainly be proud of our accomplishments in California, it's all pretty meaningless if done in a vacuum. Rob shows us a path towards linking to the wider world, to being more than just the 'Island of California.' That's how we'll ultimately solve the climate problem."

Previous recipients of the Pat Brown Award include State Water Resources Control Board Chair Felicia Marcus, State Air Resources Board Chair Mary Nichols, State Senator Fran Pavley, the late Tom Graff of the Environmental Defense Fund, and Governor Arnold Schwarzenegger. CCEEB is a coalition of business, labor, and public leaders that advances strategies for a sound economy and a healthy environment.



Congratulations to our 2016 John T. Dunlop Undergraduate Thesis Prize winners with M-RCBG Co-Director **John Haigh**. From left: Auden Laurence, Michael Loughlin and Anchisa Pongmanavuth.

## M-RCBG welcomes new Doyukai fellows

Each year, M-RCBG hosts year-long Doyukai fellows in conjunction with our annual one-day Doyukai Symposium, where members share the belief that corporate managers should be key players in a broad range of political, economic, and social issues. Since 1999, one of the Doyukai's missions is to examine critical issues that relate to Japan and the Asia-Pacific region. This year's fellows are:

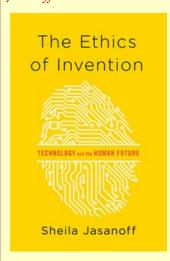


Shinya Kawabe is a 2016-2017 Doyukai Fellow in residence at M-RCBG. He comes to the Center from the Kansai Electric Power Co. Inc., where he is the assistant manager of the LNG Contracting Group, Office of Fossil Fuel. Mr. Kawabe is a graduate of The University of Osaka, Faculty of Law.



Kotaro Nara is a 2016-2017 Doyukai Fellow in residence at M-RCBG. He comes to the Center from the Takenaka Corporation, where he is an engineer, in the Construction and Engineering Department in the Osaka Main Office. Mr. Nara is a graduate of Kobe University with a Master's degree in Engineering.

Jasanoff releases new book



In her new book, The Ethics of Invention, Prof. Sheila Jasanoff dissects the ways in which we delegate power to technological systems and asks how we might regain control. Our embrace of novel technological pathways, Jasanoff shows, leads to a complex interplay among technology, ethics, and human rights. Inventions like pesticides or GMOs can reduce hunger but can also cause unexpected harm to people and the environment. Often,

as in the case of CFCs creating a hole in the ozone layer, it takes decades before we even realize that any damage has been done. Advances in biotechnology, from GMOs to gene editing, have given us tools to tinker with life itself, leading some to worry that human dignity and even human nature are under threat. But despite many reasons for caution, we continue to march heedlessly into ethically troubled waters.

For more information, visit *sts.hks.harvard.edu/research/ publications*.

Thomas Curry of the U.S. Treasury to speak as annual Glauber lecturer



This year's Glauber lecturer is Thomas J. Curry, Comptroller of the Currency. He is the administrator of the federal banking system and chief officer of the Office of the Comptroller of the Currency (OCC). The OCC supervises more than 1,500 national banks and federal savings associations and about 50 federal branches and agencies of for-

eign banks in the United States. These institutions comprise nearly two-thirds of the assets of the commercial banking system. The Comptroller also is a director of the Federal Deposit Insurance Corporation (FDIC).

This annual lecture honors **Robert Glauber** and his long record of distinguished contributions to the U.S. and world financial systems, as well as his long and successful scholarship and teaching which have characterized his career at Harvard. Glauber is an Adjunct Lecturer at the Harvard Kennedy School and has been a visiting professor at Harvard Law School in 2007 and 2009. Previously, he served as Chairman and Chief Executive Officer of NASD (now FINRA). Prior to that, he also served as Under Secretary of the Treasury for Finance from 1989 to 1992 and, before that, was a Professor of Finance at the Harvard Business School for 25 years.

Curry served as Chairman of the Federal Financial Institutions Examination Council (FFIEC) for a two-year term from April 2013 until April 2015. Comptroller Curry was the 21st FFIEC Chairman, marking the fifth time the OCC has led the Council. As Comptroller, he most recently served as Chairman of the Neighbor-Works America Board of Directors from March 2014 through June 2016.

The lecture will be held on Thursday, September 15 at 6pm in the JFK Jr. Forum.

## Madrian co-authors financial security report

Aetna Professor of Public Policy and Corporate Management **Brigitte Madrian** has spent the last two years on a Bipartisan Policy Center commission tasked with coming up with recommendations on how to improve the financial security of Americans in retirement. The report was released in early June and can be viewed here: <a href="http://bipartisanpolicy.org/library/retirement-security/">http://bipartisanpolicy.org/library/retirement-security/</a>.

#### Students benefit from Applied Learning Lab program



Recent HKS alums Nick Easley and Devon Maylie outside a Charlie Card ticket counter. Both participated in an MBTA project as part of last spring's Applied Learning Lab.

This past spring, **Linda Bilmes**, Daniel Patrick Moynihan Senior Lecturer in Public Policy, lead the Greater Boston Applied Learning Lab program at HKS. Her students worked 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 pro-jects; and with the City of Salem on an aging -in-place initiative. They then worked in follow-on summer fellowships at the MBTA and at the Boston Redevelopment Authority and were funded by the Rappaport Foundation.

One project addressed the MBTA's use of an honor-based revenue collection system during high volume events at four Green Line stations called Speedy boxes. Analysis of passenger data found these systems are ineffective at collecting all possible revenue. Tasked with finding an alternative, students pilot-tested the viability of using a Charlie-Card van the MBTA already owned and that was stored in a garage to sell pre-loaded CharlieCards before and after Red Sox games at two focal travel points: Riverside and Fenway Stations. The pilot generated 80% more revenue than the average Speedy box collection and significantly reduced the number of paper tickets customers used. They are now producing a strategy to expand this pilot into something more operationally viable in the longer term.

To access many of our seminars and events as podcasts via Soundcloud and iTunes, please visit:

www.mrcbg.org

Rosengard releases study on mobile banking in Kenya

In June 2016, **Jay Rosengard**, Director of M-RCBG's Financial Sector Program, published *A Quantum Leap Over High Hurdles to Financial Inclusion: The Mobile Banking Revolution in Kenya*. This study looks at the impact of mobile banking on financial inclusion in Africa through the lens of Kenya. It reveals that as a result of



mobile banking, Kenya's financial inclusion rates have increased dramatically, but it also warns that Kenya's success may not be easily replicated in other developing countries. This research strives to understand the real impact of technological and business model innovations on levels of financial inclusion and poverty reduction, focusing on mobile banking because it holds the greatest promise in overcoming geographic, demographic, and institutional constraints to financial inclusion. Rosengard previewed his research at the SWIFT Africa Regional Conference in Mauritius in May, and will present it again at SIBOS 2016 in Geneva in September. The research was funded by a grant from the SWIFT Institute.

#### Harvard Project hosts workshop on Paris Agreement

The Harvard Project on Climate Agreements hosted a research workshop at the Harvard Kennedy School on July 14–15, 2016, the purpose of which was to identify options for elaborating and implementing the Paris Agreement—and to identify policies and institutions that might complement or supplement the UNFCCC process. Participants included twenty-one of the world's leading researchers focusing on climatechange policy, representing the disciplines of economics, political science, international relations, and legal scholarship. The Harvard Project on Climate Agreements gratefully acknowledges the Harvard University Climate Change Solutions Fund for major support for this workshop and a larger initiative of which it is part. Support was also provided by the Harvard University Center for the Environment and BP.



Participants, including Prof. **Joseph Aldy** (left) discuss steps forward under the Paris Agreement.