

GLOBAL DEVELOPMENT POLICY CENTER ANNUAL REPORT





GDP Center Director Kevin P. Gallagher discusses multilateral approaches to development with Jin Liqun (CAS'88), President of the Asian Infrastructure Investment Bank, at the Howard Eichenbaum Colloquium Room in October 2019.



GDP**CENTER**

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WHO WE ARE

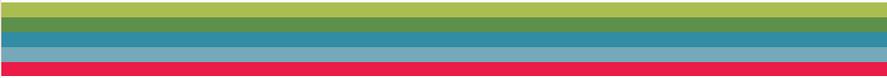
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MESSAGE FROM THE DIRECTOR

BOSTON UNIVERSITY GLOBAL DEVELOPMENT POLICY CENTER



Dear Friends of the GDP Center,

Please allow us to share with you highlights from our third academic year of activity. Founded in July of 2017, the GDP Center is a Boston University-wide center that is a partnership between the Office of Research and the Pardee School of Global studies. The mission of the GDP Center is to advance policy-oriented research for financial stability, human well-being, and environmental sustainability across the globe.

Like all of you, we at the GDP Center have been impacted by the COVID-19 pandemic. Given the profound ramifications of the COVID-19 crisis for the health and development prospects of people in the developing world, the GDP Center has risen to the occasion and has redoubled our efforts, albeit while working remotely.

As you will learn more about in the pages of this year's annual report, Mahesh Karra, one of the associate directors of the GDP Center's new Human Capital Initiative, has launched two successive COVID-19 behavioral surveys. GDP Center researchers in the Global Economic Governance Initiative (GEGI) are focusing on monitoring and calibrating the global economic response to the financial turbulence that the pandemic has unleashed across the world.

The launch of GDP Center's Human Capital Initiative (HCI) was a major highlight during our third year. HCI's mission is to advance interdisciplinary research on the role of human capital in human development to inform policy solutions to global challenges including poverty, women's empowerment, and sustainable economic growth through investments in education and health. The core research group of HCI consists of faculty from the School of Public Health, the Questrom School of Business, the Pardee School of Global Studies, and the Department of Economics in the College of Arts and Sciences.

Other developments of note include the formation of a new educational initiative, a surge in scientific papers published by GDP Center faculty and researchers, and a significant expansion of financial support from foundations and government agencies. The GDP Center is also proud to have established an alumni advisory board, consisting of alumni from across the world who engage with and provide guidance to the GDP Center as it moves forward.

The GDP Center and its core faculty hosted and presented a total of 69 events in the U.S. and abroad attended by nearly 1,200 guests. Events ranged from high-level policy workshops to weekly research seminars. We hosted 24 public lectures and events, 13 workshops and conferences, and 29 seminars; 11 of these were virtual events due to COVID-19 and 8 were live streamed to the global community. These events provided students, the community at-large, and

high-level officials the opportunity to engage in meaningful, policy-forward dialogue in a variety of forums.

One of the event highlights during our third year was the public event the Center hosted on campus with guest speaker Jin Lique, the inaugural President and Chair of the Board of Directors of the Asian Infrastructure Investment Bank (AIIB) and a former Hubert Humphrey fellow at Boston University.

During the 2019-2020 academic year, GDP Center researchers published 80 journal articles, working papers, and reports; and 12 policy briefs. We released these publications and presentations at strategic times to targeted audiences to increase our policy impact. Researchers and faculty presented at conferences and/or conducted research in 25 countries across the globe. They presented their work in numerous policy-oriented venues, such as the T20, the United Nations Conference on Trade and Development, the Chinese Academy of Social Sciences, the Inter-American Development Bank, the Woodrow Wilson Center, the Carter Center, and the Institute of New Structural Economics. The Center received 51 media mentions in the Financial Times, The Economist, TIME, Americas Quarterly, Bloomberg, NPR, Science Direct, Dialogo Chino, Radio China International, and others.

The GDP Center provided abounding opportunities for students to engage in experiential learning over the course of the year. The center supported 42 student employees, 35 graduate research fellows, 7 pre/post-doctoral fellows that were part of the Global China Fellows Program and the Human Capital Initiative, and a Hubert Humphrey Fellow. These fellows, which included PhD candidates from Boston University, Harvard University, Michigan State University, the University of Colorado, and Johns Hopkins University, conducted research on various aspects of China's global involvement as GCI fellows and on the role of human capital in human development across the globe as HCI fellows. Due to COVID-19, the Center's 2020 Summer in the Field program was postponed.

We look forward to working with you to help us achieve our mission.

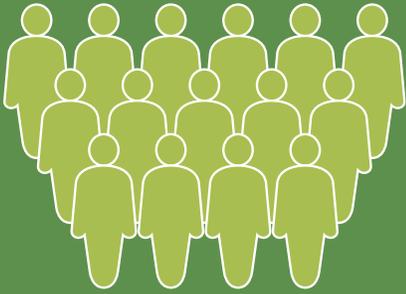
Sincerely,

Kevin P. Gallagher
Professor, Frederick S. Pardee School of Global Studies
Director, Global Development Policy Center

GDP CENTER

YEAR IN REVIEW

\$2,022,305
TOTAL BUDGET



69

Number of Events

1200

Number of Attendees

117,599

Website Views

36% increase in FY20

1,346

Twitter Followers

74% increase in FY20

51

Media Mentions

3

Interactive Databases

92

Working Papers, Journals,
Articles, Reports, Policy Briefs

19

Book Chapters

2

Books Published

6

Teaching Modules

42

Student Employees

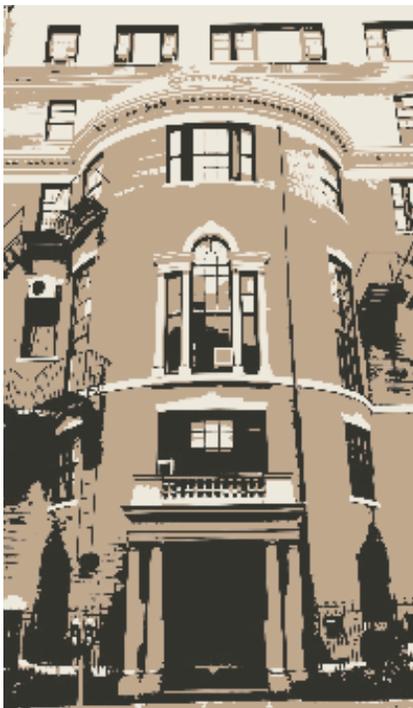
25

Countries Visited

GDP CENTER STRATEGY & MISSION

◆
Global Development Policy Center

Our mission is to advance policy-relevant knowledge for financial stability, human well-being, and environmental sustainability.



The Global Development Policy (GDP) Center is a university-wide research center in partnership with the Frederick S. Pardee School for Global Studies and the Office of Research at Boston University.

The ambition of the GDP Center is to be recognized for its intellectual leadership and global engagement. The GDP Center's strategic plan is outlined into five pillars for our first five-year plan. The five pillars are segmented by color and are reflected in the color tabs marked on each spread of this annual report.

There are two aspects of the GDP Center that make it unique among development-oriented centers across other academic institutions. First and foremost, the GDP Center recognizes that the development process is a complex one and thus we are accordingly interdisciplinary in our approach. To that end, we have assembled a faculty steering committee from the schools of law, engineering, business, public health, earth and environmental studies, economics, and global studies at Boston University.

Second, the GDP Center puts a premium on global engagement—generating concrete policy lessons from rigorous research and advancing such lessons into the global discourse.

The GDP Center strives to not only be a university-based *think* tank, but also a *do* tank.

5 STRATEGIC PILLARS



1. Foster a global development policy **community at Boston University**.
2. Advance **scholarly knowledge** of global development policy.
3. Engage in global **policy dialogue**.
4. Support **student research & experiential learning**.
5. Build a **global support base**.



GDP CENTER LEADERSHIP



**Vice President and Associate
Provost for Research**

Gloria Waters



**Inaugural Dean, Frederick S. Pardee School
of Global Studies; Professor of International
Relations and Earth & Environment**

Adil Najam



**Director, Global Development
Policy Center; Professor of
Global Development Policy**

Kevin P. Gallagher

OPERATIONS & FINANCE



Assistant Director

William N. Kring



**Assistant Director,
Finance & Administration**

Victoria Puyat

ALUMNI ADVISORY BOARD



Lamin Barrow



Brittany Baumann



John Bush



Ana Maria Carrasquilla



Danielle De La Fuente



Sylvia Delafield



Jean Pierre Dupui



Neva Goodwin



Weiqiang Han



Sunil Kanoria



Michael Kalavritinos



Kimberly Smith



FOSTERING **COMMUNITY AT BOSTON UNIVERSITY**

In our third year, we are again proud to expand our team. We have built a core constituency that works collaboratively to research, engage, and envision solutions to the most pressing issues facing our world. Our faculty come to us from a wide array of disciplines spanning 16 schools and departments across BU including the College of Arts & Sciences (CAS), College of Communications, Metropolitan College (MET), School of Social Work (STW), School of Public Health (SPH), LAW School, Questrom School of Business, and College of Engineering.



26 Core Faculty

25 Affiliated Faculty

7 Faculty Steering Committee Members

16 Schools & Departments



Multilateral Approaches to Development (October 2019)

Jin Liqun (CAS'88), President of the Asian Infrastructure Investment Bank, meets with Boston University 2019-2020 Hubert H. Humphrey Fellows prior to his speech.

4 RESEARCH AND EDUCATIONAL INITIATIVES

NEW Educational Initiative

ECI

Economics in Context Initiative

The goal of the Economics in Context Initiative (ECI) is to advance theory, teaching, and the application of economics to serve the essential goals of humanity—goals that must include fostering societies in sustainable ecological surroundings.

GCI

Global China Initiative

The Global China Initiative (GCI) examines the extent to which Chinese overseas development finance can help trigger a transformation toward a greener and more socially inclusive world.

HCI

Human Capital Initiative

The Human Capital Initiative (HCI) advances interdisciplinary research on the role of human capital in human development to inform policy for global challenges such as poverty, gender equality, and sustainable economic growth.

GEGI

Global Economic Governance Initiative

The Global Economic Governance Initiative (GEGI) examines the extent to which international economic institutions can foster financial stability and sustainable development.

NEW FACULTY SPOTLIGHT



Rachel Brulé

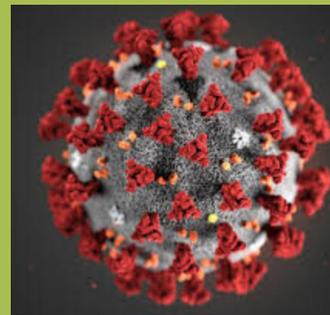
Core Faculty Member of HCI

Rachel Brulé, PhD is an Assistant Professor of Global Development Policy at the Frederick S. Pardee School of Global Studies and a Core Faculty member of the Human Capital Initiative. Her research interests are broadly in comparative politics, international development, political economy, and gender, with a geographical focus on South Asia. Specifically, she studies the relationship between political representation and inequality in social and economic domains across democratic and hybrid political regimes. Her book, *Women's Representation and Resistance* (Cambridge University Press, forthcoming), shows that women's political representation catalyzes effective claims to fundamental economic rights, particularly in land inheritance. Brulé obtained her PhD from Stanford University.

GDP CENTER CONFRONTS COVID-19

Various projects at the GDP Center have sought to confront the COVID-19 pandemic.

HCI researcher Professor Mahesh Karra developed a survey project to gather information on the prevalence of COVID-19 symptoms and social distancing behavior from the general U.S. population. The results from this survey will only be used for academic research in order to help public health specialists and policy makers recommend effective measures. Additionally, HCI researcher Professor Rachel Brule is launching surveys on the impact of the COVID-19 and climate change shocks on women in Bangladesh, and on political participation in India.



**JOIN THE
FIGHT
AGAINST
COVID-19**

*Help us by filling
out a 5-minute
survey.*

A joint project of the Program on the Global Demography of Aging (PGDA) at Harvard University and the Global Development Policy Center (GDP Center) at Boston University.



WEBINAR: THE GLOBAL ECONOMIC RESPONSE TO THE COVID-19 CRISIS

The GDP Center and the United Nations Conference on Trade and Development (UNCTAD) co-hosted a global webinar attended by more than 300 people on the global economic response necessary to confront the COVID-19 crisis. While high income countries have done well to backstop their financial systems and advance bold stimulus packages for recovery, emerging markets and developing countries lack the wherewithal for such a response and, worse, they are experiencing flight of portfolio capital like no other period in time. Panelists were Haihong Gao (Chinese Academy of Social Sciences Institute for World Economic and Politics), Jose Antonio Ocampo (Columbia's School of International and Public Affairs), Nelson Barbosa (former Finance Minister of Brazil), Winnie Byanyima (Executive Director of UNAIDS), and others.

INTERACTIVE DATASET: GLOBAL FINANCIAL SAFETY NET TRACKER

In collaboration with colleagues at the Latin American Institute at Freie Universität Berlin, Barbara Fritz and Laurissa Mühlich, GDP Center Assistant Director William N. Kring developed an interactive dataset, entitled the Global Financial Safety Net Tracker, that depicts the amount of financing that each country could potentially access to combat the economic effects of COVID-19. In partnership with UNCTAD, the GDP Center is poised to track the use of these facilities as the crisis continues to unfold.





YEAR THREE HIGHLIGHTS

Our Third Year

1



HCI Core Faculty and Assistant Professor Economics Samuel Bazzi wins NSF Career Grant

2



Launch of the Human Capital Initiative

3

BOSTON UNIVERSITY Global Development Policy Center



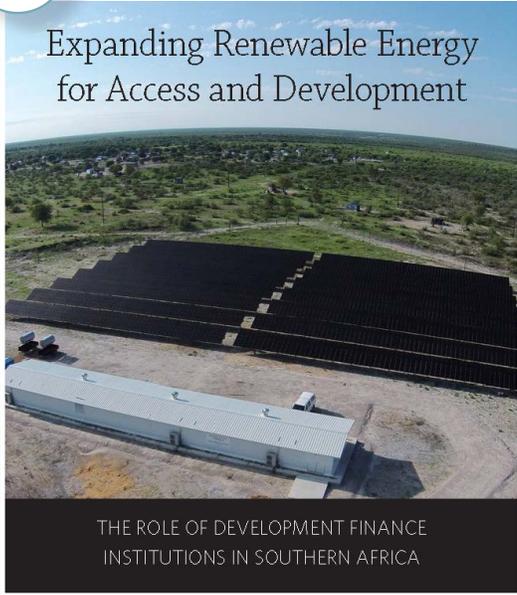
GDP Center launches Global Working Group on Trade, Investment Treaties, and Access to Medicines

4



Jin Liqun (CAS'88), President of the Asian Infrastructure Investment Bank, Lecture on Multilateralism

5



Expanding Renewable Energy for Access and Development

THE ROLE OF DEVELOPMENT FINANCE INSTITUTIONS IN SOUTHERN AFRICA

Policy Report with research centers in Africa

7



BU Research sponsored a 'Research on Tap' on human capital research across BU

Workshop on Population Health Science

6



HCI Co-Associate Director and Questrom Professor Patricia Cortes appointed to National Bureau of Economic Research (NBER)

8



China-West Dialogue with Former Prime Minister of Canada Paul Martin

9





GLOBAL ECONOMIC GOVERNANCE INITIATIVE

RESEARCH FOCUS:

TRADE AND ACCESS TO MEDICINES WORKING GROUP

The GDP Center's Global Economic Governance Initiative (GEGI) seeks to advance policy-relevant knowledge about governance for financial stability, human development, and the environment. To this end, GEGI researches the performance of the 'international economic architecture'—the various international financial, trade, and development institutions created in the aftermath of World War II that play a leading role in global economic governance to this day.

This year we highlight GEGI's 'Trade and Access to Medicines Working Group,' which explores the extent to which international trade and investment treaties can enable affordable access to medicines in developing countries. This is a unique research group consisting of faculty and PhD student pharmacologists, legal scholars, and economists from across Boston University. To date, the group has engaged in three interdisciplinary studies that examine the impacts of trade and investment treaties on access to medicines. What is more,

the GDP Center group has formed a global working group of scholars active in this area to coordinate research agendas and to collaborate to ensure that the policy discourse on these matters is evidence-based.

The core Boston University research group consists of Veronika Wirtz and Warren Kaplan of Boston University's School of Public Health, Rachel Trasher a researcher at the GDP Center and graduate of the BU School of Law and Pardee School of Global Studies joint program in law and global affairs, and a number of PhD students in BU's Department of Econom-

THE HILL

'Big Pharma' is the big winner of the USMCA

BY VERONIKA J. WIRTZ, WARREN A. KAPLAN AND KEVIN GALLAGHER — 06/23/19 09:00 AM EDT
THE VIEWS EXPRESSED BY CONTRIBUTORS ARE THEIR OWN AND NOT THE VIEW OF THE HILL

392 SHARES

Just In...

- Two women say they didn't know their naturalization ceremony would be used at GOP convention CAMPAIGN — 6M 22H AGO
- Milwaukee Bucks demand Wisconsin legislature reconvene after boycott STATE WATCH — 16M 13S AGO
- Navarro slams Canada in book interview: 'What's good about Canada?' INTERNATIONAL — 24M 10S AGO
- Wisconsin officials identify officer in Jacob Blake shooting STATE WATCH — 58M 37S AGO

The long-standing debate in the United States on its sky-high prescription drug prices and access to health care is raging where you might least expect it — within the pages of President Trump's new trade deal: the U.S.-Mexico-Canada Agreement (USMCA).

Op-ed in The Hill by Veronika Wirtz, Warren Kaplan, Kevin Gallagher

Islam et al. Globalization and Health (2019) 15:88
https://doi.org/10.1186/s12959-019-0528-0

Globalization and Health

REVIEW Open Access

Impacts of intellectual property provisions in trade treaties on access to medicine in low and middle income countries: a systematic review

Md. Deen Islam¹, Warren A. Kaplan^{2,3}, Danielle Trachtenberg^{1,4}, Rachel Thrasher¹, Kevin P. Gallagher¹ and Veronika J. Wirtz^{2,3}

Abstract

Background: We present a systematic review describing ex-ante and ex-post evaluations of the impacts of intellectual property provisions in trade treaties on access to medicine in low and middle income countries. These evaluations focused on multilateral and bilateral trade agreements. We ascertained which IP provisions impacting access to medicines were the focus of these evaluations. We provide a further research agenda related to investigating the effect of trade agreement's intellectual property provisions on access to medicines.

We followed systematic review guidelines with 7 different databases to identify post-2000 ex-ante and ex-post evaluations of trade treaties on access to medicines in low and middle-income countries. We included only quantitative ex-ante studies that used structural modeling and simulations to derive quantitative predictions and ex-post studies that utilized empirical data and econometric techniques to quantify the effects of intellectual property provisions in free trade agreements on host country's pharmaceutical industry. The search strategy identified 744 titles after removal of duplicates. We identified 14 studies that fulfilled all eligibility; 7 studies are ex-ante and 7 are ex-post. The studies looked at medicine price and cost, affordability, welfare effects and speed of medicine market launch. Changes in intellectual property policy due to the implementation of trade agreements affect price, medicines expenditure and sales, consumer welfare, and ultimately the affordability of medicines. The direction and magnitude of the price effects differ between ex-ante and ex-post studies. Further, the reported impacts of policy changes due to trade agreements on medicine access seem clearly multifactorial.

Conclusion: Both ex-ante and ex-post methods have advantages and limitations and, on balance, both types report, for the most part, an increase in price and a decrease in consumer welfare with imposition of intellectual property protection in trade agreements. The main differences between these studies are in the magnitude of the changes. There is a gap in our empirical understanding of the mechanisms through which such changes affect access to medicines and which outcomes relevant to access are most affected by which type of changes in intellectual property policy and law.

Keywords: Access to medicines, Trade treaties, Low and middle income countries, Intellectual property, Systematic review

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Trades and Medicines paper published in Globalization and Health by M.D. Deen Islam, Warren Kaplan, Danielle Trachtenberg, Rachel Thrasher, Kevin Gallagher, and Veronika Wirtz



GEGI'S Trade and Access to Medicines Working Group meets in Washington, D.C.
Trade & Medicines Workshop: "Rethinking Trade Treaties and Access to Medicines: Toward a Policy Oriented Research Agenda for the Sustainable Development Goals" held at Boston University's Washington, D.C. campus.

ics. To date, the group has published studies that examine the impact of previous trade and investment treaties on access to the price of biologics in Chile. The group found that more stringent intellectual property rules in Chile's trade and investment treaties expanded the access of biologics to Chilean, albeit at higher prices. The paper was published in the *Journal of Globalization and Development* and BU researchers shared the results in various forums surrounding the United State-Mexico-Canada Agreement that had similar measures. The group has also published research in the journal *Globalization and Health*, and has a new study on the impacts of trade rules on insulin prices in Bangladesh under review.

In addition to the GDP Center's own research in this area, we established a 'Trade and Access to Medicines Working Group' consisting of economists, legal scholars, and political scientists from other universities in the United States, Europe, China, India, Brazil and South Africa. The group held a workshop at BU's Washington DC offices that produced a report titled, *'Researching Trade Treaties and Access to Medicines: Toward a Policy Oriented Research Agenda,'* that summarizes the scholarly evidence to date, identifies research gaps, and outlines an agenda for filling those gaps and engaging with the policy community to ensure they make evidence based decisions on these matters. Moving forward, the group will focus on the salience of these issues in the wake of the COVID-19 crises.


Global Development Policy Center

Rethinking Trade Treaties & Access to Medicines:

Toward a Policy-Oriented Research Agenda



Report by the Working Group on Trade, Investment Treaties & Access to Medicines



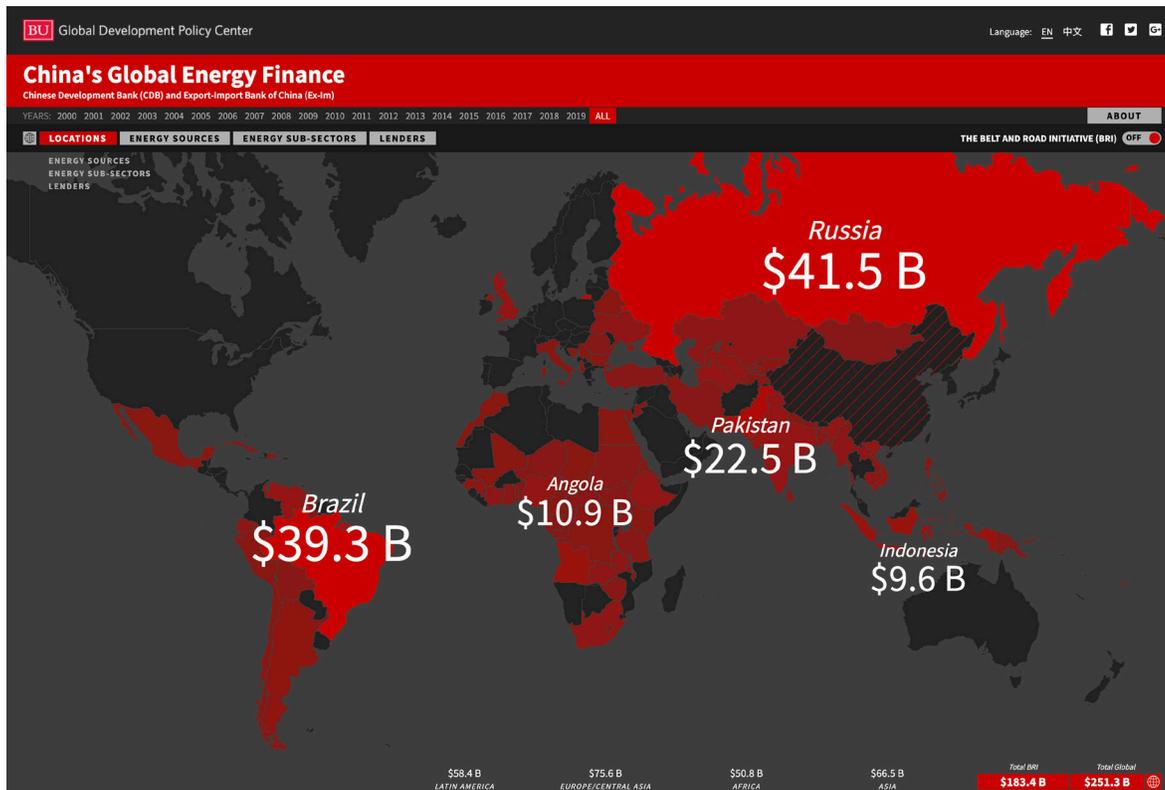
GLOBAL CHINA INITIATIVE

RESEARCH FOCUS: GENERATING SPATIAL DATASETS OF CHINA'S OVERSEAS INVESTMENT

The GDP Center's Global China Initiative (GCI) examines the extent to which Chinese overseas economic activity and engagement with international institutions fosters a more stable, socially inclusive, and environmentally sustainable world economy. GCI builds and maintains big datasets on Chinese overseas economic activity; conducts collaborative research with institutes in China, the Andes, Southern Africa, and South Asia; and hosts a China Global Fellows Program

that brings pre and post-doctoral students to the GDP Center for a semester or more to engage in our policy oriented research and to be supported in their own research.

The GDP Center is excited to have embarked on a major new big data project that will spatially locate projects financed by China's global development finance institutions and the World Bank to analyze the extent to which these projects



China's Global Energy Finance Database
An interactive data project that exhibits financing for global energy projects by China's two global policy banks—the China Development Bank and the Export-Import Bank of China



BOSTON UNIVERSITY Global Development Policy Center GCI WORKING PAPER 009 - 01/2020

GLOBAL CHINA INITIATIVE

Chinese development finance for solar and wind power abroad

BO KONG, KEVIN GALLAGHER

ABSTRACT

This study seeks to shed light on a puzzle about China's role in global energy finance. The past two decades have witnessed China's rise as the world's leading provider of official development finance (ODF) to energy. However, the overwhelming majority of the Chinese ODF has flown to fossil fuels projects, with solar and wind power representing 2.6% of the total for electric power worldwide and 11% of the total for all forms of energy combined. This is puzzling because China has maintained its global leadership in solar and wind energy investment, manufacturing, and deployment since 2008. Its two policy banks have been tasked to promote the global expansion of the Chinese renewable industry under its international development strategy, and the investment potential for solar and wind power worldwide is gargantuan. To understand why China has recently mobilized such a small fraction of its ODF for solar and wind power worldwide, this study examines both the push factors inside China and the pull factors in the countries that have received Chinese ODF for their solar and wind power projects. It finds that the direct push from the central government in China for its two policy banks, i.e., China Development Bank (CDB) and China Export and Import Bank (CEXIM), to finance solar and wind power overseas has had a limited impact. On the contrary, the two policy banks have responded to the pull factors in the recipient countries of Chinese ODF: the financed solar and wind power projects there to promote the global expansion of Chinese renewable firms and the export of Chinese renewable energy equipment and products, which is also consistent with what the two policy banks are mandated to do. In this sense, Chinese ODF for solar and wind power worldwide is a byproduct of an indirect push from the Chinese government and pull from overseas. The minuscule proportionality of solar and wind power out of the aggregate Chinese ODF for energy worldwide has to do with the following three factors—the policy banks' reservations about solar and wind projects overseas, the setback CDB encountered in Europe, and the required government-to-government involvement that makes it difficult for solar and wind power projects overseas to secure Chinese ODF.

Bo Kong is the Croun Phillips Research Professor of Chinese and Asian Studies and Associate Professor at the University of Oklahoma's College of International Studies.

Kevin Gallagher is a professor of global development policy at Boston University's Ph.D. and M.A. Institute School of Global Studies, where he directs the Global Development Policy Center.

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BOSTON UNIVERSITY Global Development Policy Center GCI WORKING PAPER 010 - 02/2020

GLOBAL CHINA INITIATIVE

From Politics to Business: How a state-led fund is investing in Africa?

The case of the China-Africa Development Fund

HANGWEI LI

ABSTRACT

Chinese development and finance in Africa has been increasing constantly, with president Xi Jinping announcing 60 billion U.S. dollars of financing and aid to Africa at the Forum on China-Africa Cooperation (FOCAC) in 2018. Meanwhile, state-owned and state-led funds, especially bilateral and multilateral cooperation funds have flourished in the past decade, while no literature has examined these funds. As the Asian giant becomes an increasingly important political and economic actor on the continent, this paper explores how a state-led fund is investing in Africa. In particular, the paper looks at the investment of the China-Africa Development Fund (CAD Fund), an equity investment fund focusing on investment in Africa. This paper first and foremost attempts to understand the investment motives for the CAD Fund through analyzing its governance structure and investment strategies, specifically by looking at how the Fund facilitates industrial alliances, its platform model in the infrastructure sector, and its involvement in agriculture. It argues that the CAD Fund is neither entirely state-controlled nor fully market-led in its motivation, incentives and daily operations. Nevertheless, even though the fund is oriented towards development-related sectors, the primary driver of CAD Fund's investments is the combination of state interest and market forces, rather than the development of Africa. Moreover, with its more diversified and relatively flexible investment approaches, the fund, along with other government-led funds, such as Silk Road Fund, China-Latin America and Caribbean Industrial Investment and Cooperation Fund, has the potential of filling the gap between official grants and loan under the traditional model, which carries the possibility to transform the shape of global development finance.

Hangwei Li is a researcher at the Global Development Policy Center, Boston University. She is also a PhD candidate in politics and international studies at SOAS, University of London and a visiting scholar at Harvard Kennedy School. Prior to her current job, she worked as a journalist and researcher for three years in Africa (mainly in Ghana, Zambia and Tanzania). She also has working experience with the United Nations Information Centre, Council of Europe and the University of Zambia.

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BOSTON UNIVERSITY Global Development Policy Center GCI ECONOMIC BULLETIN - 2020 EDITION

CHINA-LATIN AMERICAN ECONOMIC BULLETIN, 2020 Edition

BY REBECCA RAY AND PEDRO HENRIQUE BATISTA BARBOSA

EXECUTIVE SUMMARY

In 2019, infrastructure continued to form the backbone of the relationship between China and Latin America and the Caribbean (LAC). It provided the majority of both development finance and investment. These are among the findings of this year's China-Latin America Economic Bulletin, the sixth annual note summarizing and synthesizing trends in the burgeoning China-Latin America economic relationship. The goal of the bulletin is to provide analysts and observers a handy reference to the ever-changing landscape of China-Latin America economic relations, a landscape where data is not always as readily accessible. Highlights from this year's edition include:

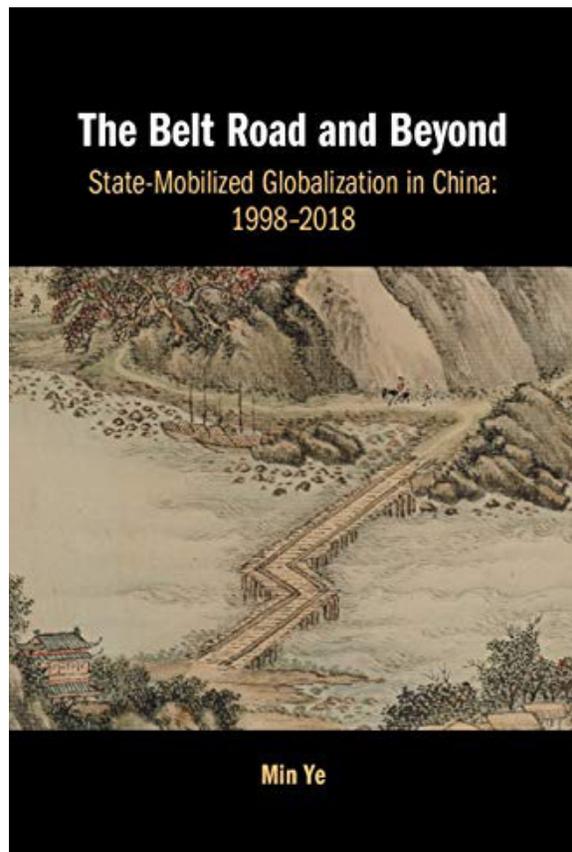
- LAC trade with China hit record levels in 2019, as the region exported \$145.5 billion in goods (2.7% of regional GDP) to China and imported \$16.7 billion (31% of regional GDP) in Chinese goods. Since both exports and imports rose at about the same rate, the resulting merchandise trade deficit, 0.4% of regional GDP, held steady from 2018.
- LAC exports to China continue to be concentrated in a few raw commodities, particularly soybeans, copper, petroleum, and iron. Thus, countries that export these commodities saw continued merchandise trade surpluses with China, while other LAC countries saw growing merchandise trade deficits. For soybeans in particular, the China-US trade dispute of the last few years has caused a major South American boom, particularly in Argentina, Brazil, and Uruguay, as Chinese importers substituted away from US producers.
- LAC development finance from the China Development Bank and the Export-Import Bank of China fell to \$11 billion, its lowest level in over a decade, as Ecuador, Brazil, and Venezuela ceased borrowing.
- New announcements of Chinese investment boomed for rene "greenfield" projects, with \$12 billion in new announcements, while mergers and acquisitions fell for the second consecutive year to just \$4.3 billion. In each sense, infrastructure investments—particularly ports and hydroelectric dams—dominated.
- In economic diplomacy, Ecuador became LAC's first full member of the Asian Infrastructure Investment Bank. Seven additional countries are prospective members. Jamaica and Peru joined the Belt and Road Initiative, bringing the total number of LAC BRIC countries to 19.

www.bu.edu/gdp

GCI working papers released 2019-2020

are impacting biodiversity and indigenous lands across the world. The project engaged professors Christoph Nolte and Suchi Gopal from the Earth and Environment Department and has three post-doctoral fellows in economics, ecological modeling, and geography. The group's first task has been to develop the spatial database, which was completed in mid-2020. Moving forward, the group will deploy remote sensing and spatial econometrics to pinpoint the impacts of Chinese and World Bank infrastructure projects on various indicators of biodiversity and indigenous lands—working with research partners in Brazil and Indonesia. This work is well timed given that China hosts the 2021 Conference of the Parties for the Convention on Biological Diversity treaty, and will be poised to take action that amplifies good practice and discourages negative impacts.

Other highlights for GCI this year are the publication of *The Belt Road and Beyond: State-Mobilized Globalization in China: 1998-2018* (Cambridge University Press). This path breaking book untangles the domestic political factors that have shaped China's signature foreign economic policy. The GCI has also started new projects between the School of Public Health and the Earth and Environment Department that model the social costs of Chinese coal plants in Pakistan; and projects with the School of Communications and Computer Science to create a global index of media sentiments of the Chinese Economy.



The Belt Road and Beyond State-Mobilized Globalization in China: 1998–2018 (Cambridge University Press) by Min Ye



HUMAN CAPITAL INITIATIVE

RESEARCH FOCUS:

PROGRAM ON WOMEN'S EMPOWERMENT RESEARCH

The Human Capital Initiative (HCI) conducts rigorous, policy-oriented, social science research on human capital – the productive potential embodied in all people – and its role in development. HCI's research seeks to improve understanding of the social, political, and institutional factors that shape (a) how human capital is formed and (b) how human capital is translated into individual and collective well-being. In doing so, HCI shifts the focus of human capital research from individual production functions toward generating a deeper understanding of collective functions – or the resources, institutions, strategies, and interventions that shape human well-being.

HCI's researchers ask: What specific policy approaches are effective in expanding human capital and in shaping the conditions that give rise to human flourishing? More specifically, HCI's faculty study:

- Interactions between health, education, skills, and other productive capabilities.
- Political and social institutions that affect the accrual and use of human capital.
- The role of human capital in expanding individual and collective agency to help societies thrive.



Professor Sam Bazzi and research assistants conducting research with a focus group of former immigrants in rural West Java.

Sam's preliminary findings were presented to the Indonesian Government Agency for the Placement and Protection of Indonesian Workers Overseas



HCI's Program on Women's Empowerment Research (POWER) was awarded a \$500,000 grant from the William & Flora Hewlett Foundation to support the following activities: 1) field research activities related to the design, implementation and analysis of ongoing and new interventions that aim to promote women's empowerment and well-being in low- and middle-income settings; 2) the dissemination of research and policy findings to local and global stakeholders; and 3) the expansion of existing data collection and policy engagement efforts.

To that end, HCI Co-Associate Director Patricia Cortes, who was recently appointed to the National Bureau of Economic Research (NBER), co-authored a paper entitled "Social Norms, Labor Market Opportunities, and the Marriage Market Penalty for Skilled Women" that was published in the *Review of Economic Studies*. Mahesh Karra, Co-Associate Director of the Human Capital Initiative, co-authored numerous articles in journals such as the *American Journal of Agricultural Economics*, *Population and Development Review*, and the *International Journal*



of Epidemiology. POWER also conducted extensive field site research in India and Malawi. Finally, Rachel Brulé published in the *Journal of Politics* and submitted a book manuscript for publication at Cambridge University Press.



Professor Mahesh Karra conducting field training in Malawi
Mahesh discussing human subjects, confidentiality, and privacy with field researchers in Lilongwe, Malawi



PROVIDING STUDENT RESEARCH & EXPERIENTIAL OPPORTUNITIES



Tanya Z. Recalde

HUBERT H. HUMPHREY FELLOWS

This year, GDP Center Assistant Director William Kring worked closely with Humphrey Fellow Tanya Z. Recalde in researching ASEAN+3 financial integration initiatives. In addition to identifying the current state of

ASEAN+3 regional financial integration, they partnered on a policy brief that explored the benefits of implementing the ASEAN Banking Integration Framework and expanding the ASEAN Bond Market Initiative.

ECI

INTRODUCING THE ECONOMICS IN CONTEXT INITIATIVE (ECI)

The GDP Center's new Economics in Context Initiative (ECI) is focused on producing educational materials that are engaging, relevant, and thoroughly researched. ECI's key goal is to advance the teaching and application of economics to serve the goal of enhancing human well-being by fostering equitable societies in sustainable ecological surroundings. Founded by BU alumnus Dr. Neva R. Goodwin, ECI builds on over two decades of work done by Goodwin and colleagues at the Global Development and Environment Institute (GDAE) at Tufts University.

The "in context" approach means continually recognizing that economic activity takes place in a broader social, historical, political, environmental, and institutional context and integrating these aspects in our analysis of economic processes. This approach emphasizes the need to con-

sider issues of social and environmental sustainability in our understanding of economics, as opposed to the standard mainstream approach that focuses on narrow goals of increasing income and production levels. Pratistha Rajkarnikar serves as the associate director of ECI and pilots the group's educational materials in classes at the Pardee School of Global Studies.

ECI's educational materials include five textbooks on principles of economics (*Microeconomics in Context*, *Macroeconomics in Context*, *Principles of Economics in Context*, *Macroeconomics in Context: A European Perspective*, and *Essentials of Economics in Context*), along with teaching modules, articles, and working papers on various social and environmental issues in economics.



Pratistha Joshi Rajkarnikar, PhD, Associate Director of the Economics in Context Initiative

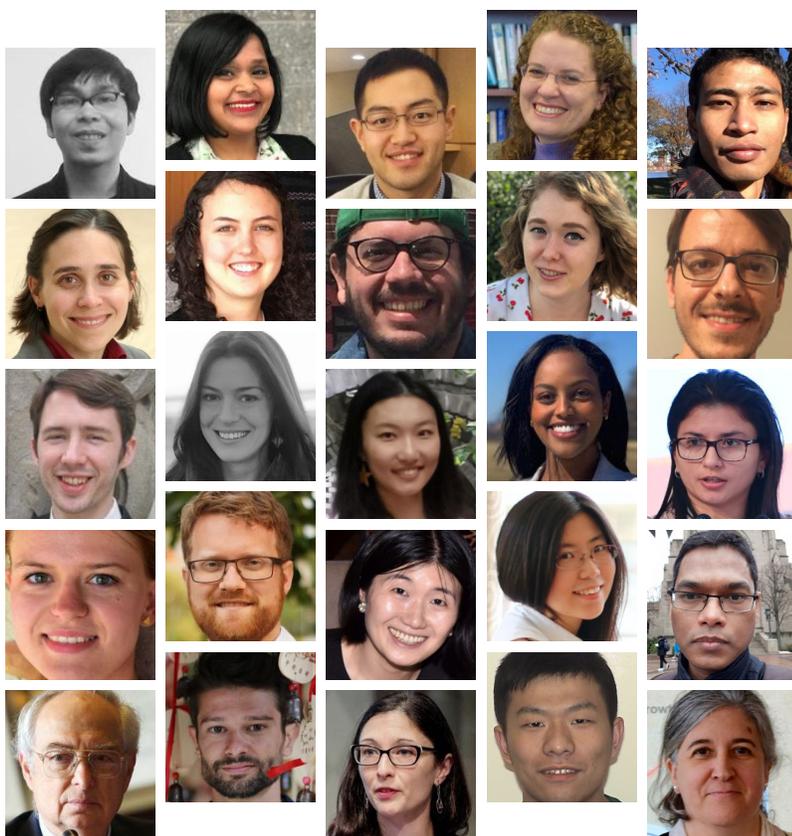
Dr. Pratistha Joshi Rajkarnikar is the Assistant Director of the Economics in Context Initiative at the Global Development Policy Center at Boston University, where she works on developing educational materials including introductory economics textbooks and teaching modules. She is a lecturer at the Frederick S. Pardee School of Global Studies. Pratistha's teaching and research interests broadly focus on economic

development and macroeconomic theory and policy. Her recent research examines the consequences of male labor migration from Nepal on women's empowerment. Her research covers topics on household power relations and the impacts of migration on development. She received a B.A. from Mount Holyoke College (2009) and holds a PhD in Economics from University of Massachusetts Amherst (2017).



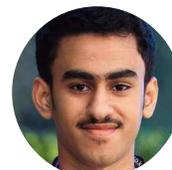
GDP CENTER FELLOWS

- 35 GRADUATE RESEARCH FELLOWS
- 9 COMMUNICATIONS FELLOWS
- 7 PRE/POST-DOCTORAL FELLOWS
- 4 VISITING RESEARCHERS
- 2 RESEARCH FELLOWS
- 1 HUBERT HUMPHREY FELLOW



COMMUNICATIONS FELLOWS

With the rapid growth of the GDP Center, we rely on a team of communications fellows to help with both English and Chinese audience outreach.



Abdulshaheed Alqunber



Maneesha Khlae



Amelia Dangerfield



Maria Santarelli



Mughda Gurram



Xinyan Shen



Bansari Kamdar



Lia Valdez



Isabela Yamaguchi



I found the Global Development Center (GDP) to be a vibrant environment that fosters dialogue between researchers and policy makers to produce research-driven analysis that leads to more meaningful outcomes for developing regions. Being in Boston was an intellectually stimulating

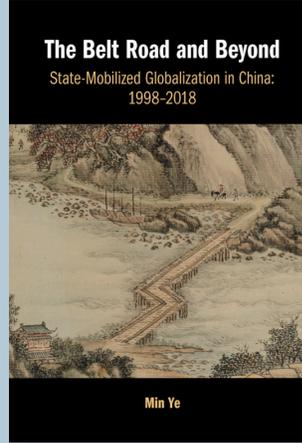
and most pleasant experience. During my time at the GDP, I worked on a project led by Kevin Gallagher that champions innovative ways in which debt-relief programs can support conservation efforts in Ecuador. This fellowship a very valuable and enriching experience."

Nashira Chavez, PhD, GCI Fellow

PUBLICATION HIGHLIGHTS



“Domestic Resource Mobilization and the Trade and Investment Regime: the Need for Policy Coherence”
GDP Center Report



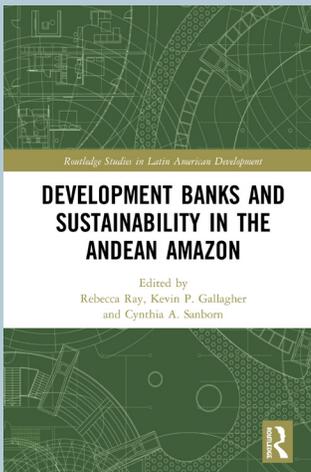
The Belt Road and Beyond
State-Mobilized Globalization in China: 1998-2018
(Cambridge University Press)
by Min Ye



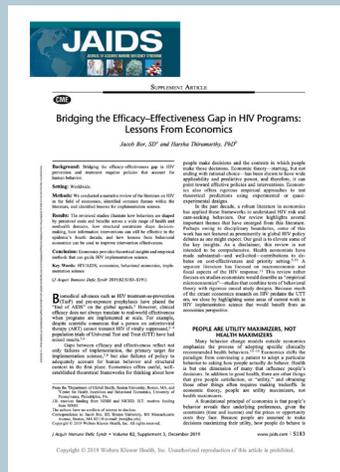
“China's global power: Estimating Chinese foreign direct investment in the electric power sector”
in *Energy Policy* by Zhongshu Li, Kevin Gallagher, and Denis Mauzerall



“Birth Spacing and Child Health Trajectories”
in *Population and Development Review* by Ray Miller and Mahesh Karra



Development Banks and Sustainability in the Andean Amazon (Routledge)
edited by Rebecca Ray, Kevin P. Gallagher, Cynthia A. Sanborn



“Bridging the Efficacy-Effectiveness Gap in HIV Programs: Lesson from Economics”
in *Journal of Acquired Immune Deficiency Syndrome* by Jacob Bor and Harsha Thirumurthy



“The Institutional Foundations of Religious Politics: Evidence from Indonesia”
in *Quarterly Journal of Economics* by Samuel Bazzi, Gabriel Koehler-Derrick, Benjamin Marx



GLOBAL COMMUNICATIONS

This year, we launched the Global Financial Safety Net Tracker (GFSN), an interactive database that tracks and highlights the lending capacity of the IMF and regional financial arrangements. Additionally, the tracker provides historical lending data for 50 emerging markets and developing countries and 20 advanced economies. The fully elaborated GFSN tracker provides insight to policy makers, academia, and others on emergency financing alternatives to the IMF. The Chinese version of the GDP Center website, our Chinese social media channels - WeChat and Weibo - continue to have a strong following internationally, with more than 1600 followers on WeChat and more than 1,000 views to the Chinese language website.

Over the last year, our website received **more than 117,000 views, a 36% increase in website traffic**. Our goal in the next year is to build on last year's work of continuing to make our website a more streamlined resource for internal and external audiences working on global development policy. Our social media accounts are rapidly gaining followers. We now have **1,346 followers on Twitter (an increase of 74% since last fiscal year)**, and more than 3,000 followers on Facebook. Among the resources on our website are our two energy finance databases and a global financial safety net tracker. Our China Global Energy Finance (CGEF) Database, launched the prior fiscal year, continues to be cited across a number of major media outlets including the NYTimes and Financial Times. The CGEF database received more than 5,000 views in the last fiscal year. The Center was mentioned 51 times in major national and international media outlets during FY20.

With both local & international coverage

“

The GDP Center has allowed me to take part in conferences and seminars with speakers from around the world. I am developing a truly global perspective thanks to these events.

I have learned from GDP Center events that although the issues that we face are challenging on a global scale, they are never too big to solve. Instead of feeling overwhelmed, I now find myself asking: what can I do about these issues?”

Maria Santarelli, Pardee M.A. Candidate '21
Communications Fellow

“

The GDP Center has enriched my academic life through its working papers, newsletters and research databases. Reading and interacting with such resources allowed me to further my curiosity regarding pressing global issues and possible sustainable solutions.”

Isabela Yamaguchi, COM'22
Communications Fellow



ENGAGEMENT IN POLICY DIALOGUE

One of the main pillars of the strategic plan for the GDP Center is to engage in policy discourse. With the launch of our new HCI initiative, the GDP Center is becoming an expert resource for data and commentary on women's empowerment research, population health economics, and the political economy of human capital. GDP Center research was featured in the Financial Times, Bloomberg, the Economist, NPR, TIME, Dialogo China, and the Global Times.

This year, we hosted **9 policy workshops** in Boston and abroad with our international partners.



Seminar with Jin Liqun

Jin Liqun (CAS'88), President of the Asian Infrastructure Investment Bank (AIIB), discussed multilateral approaches to development particularly from his perspective as President of the AIIB. "In the family of MDBs, we are learning from our sister institutions," President Jin said. "We don't think we should be a clone to these institutions no matter how wonderfully they are contributing. The most important contribution is to promote a multilateral approach for the 21st century."



Workshop on expanding renewable energy opportunities in southern Africa

The GDP Center co-sponsored a workshop with the Southern African Development Community's (SADC) Development Finance Research Centre, the SADC Centre for Renewable Energy and Energy Efficiency, and the Centre for Human Rights at the University of Pretoria. The objectives of the workshop were to identify barriers and binding constraints that development finance institutions (DFIs) face for financing renewable and accessible energy in SADC countries, identify and share best practices for DFI engagement in renewable and accessible energy finance in SADC countries, and identify policy interventions that could overcome barriers and scale up renewable and accessible energy in SADC countries.



POLICY ENGAGEMENT



Webinar on the Global Response to COVID-19

The GDP Center and UNCTAD co-sponsored a webinar on the economic response to the COVID-19 crisis featuring Nelson Barbosa, Former Finance Minister of Brazil; Winnie Byanyima, Executive Director of UNAIDS; Jose Antonio Ocampo, UN Committee on Development Policy; and Haihong Gao, Chinese Academy of Social Sciences Institute for World Economics and Policy.



Trade and Development Report 2019: Financing a Global Green New Deal

Richard Kozul-Wright, Director of Globalisation and Development Strategies Division at the United Nations Conference on Trade and Development (UNCTAD) launched the 2019 Trade and Development Report to a U.S. audience in October 2019.



Inés Bustillo, Director of the Washington Office of the Economic Commission for Latin America and the Caribbean (ECLAC), presented ECLAC's economic and social panorama of Latin America and the Caribbean

STATEMENT SUBMITTED TO THE U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEE ON TRADE

BY SANDRA POLASKI¹
sandrapolaski@gmail.com

ENFORCEMENT OF LABOR OBLIGATIONS IN THE USMCA

MAY 22, 2019

Key Points

- Official estimates of the impact of the U.S. Mexico Canada Trade Agreement (USMCA) suggest that its overall effects on GDP, employment and wages will be negligible. Based on experience with NAFTA and other trade agreements the main effect of USMCA is likely to be redistribution rather than growth. Given increasing inequality, stagnant wages and the highly uneven impacts of trade on different U.S. regions, localities and types of workers, the agreement should be evaluated with a view to its redistributive effects.
- When the original NAFTA was negotiated it was recognized that investment in Mexico were likely to encourage U.S. factories to relocate to Mexico, creating losses for U.S. workers. A labor side agreement was negotiated to encourage convergence of labor standards and wages in Mexico. This was not achieved because of active wage repression in Mexico. The current approach to Mexican labor law and institutions.
- While the USMCA appears to strengthen labor obligations in particular, it perpetuates the weak mechanisms of NAFTA and all subsequent U.S. trade agreements. The current approach was forcefully demonstrated



Sandra Polaski appointed to the Labor Oversight Board of the United States-Mexico-Canada Agreement (USMCA)

Sandra Polaski, Senior Research Fellow of the Global Economic Governance Initiative, was appointed to serve on the Labor Oversight Board of the USMCA by Senate Minority Leader Chuck Schumer (D-NY). Last year she testified before the U.S. House of Representatives Ways and Means trade subcommittee on USMCA enforcement rules.



ENGAGING IN GLOBAL POLICY DIALOGUE

2020 GDP Center Footprint: Conferences, Workshops, Seminars & Fieldwork



**Locations of Conferences,
Workshops, Seminars, and
Fieldwork in 2020:**

*Bangladesh, Botswana, Brazil, Canada,
China, Ecuador, Ethiopia, Germany,
India, Indonesia, Italy, Japan, Laos,
Malawi, Malaysia, Mexico, Morocco,
Peru, Philippines, Singapore, South
Africa, Spain, Switzerland, Uganda,
United Kingdom*





THIRD YEAR, FY20

GDP CENTER FINANCES



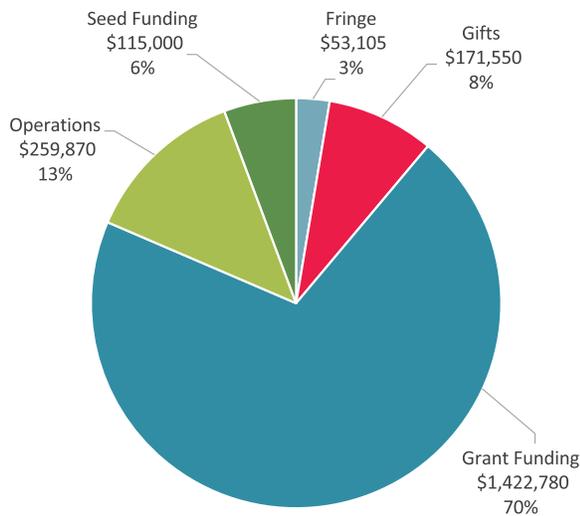
BUILDING A GLOBAL SUPPORT BASE

BUDGET BREAKDOWN

\$2,022,305 USD

TOTAL BUDGET

GDP Center FY20 Budgeted Expenditures - \$2,022,305



The growth that the GDP Center experienced in year three would not have been possible without the increased support of our generous funders. In FY20, the \$259,870 operating budget from BU's Office of Research and the \$115,000 seed funding for new research from BU's Frederick S. Pardee School of Global Studies were both far surpassed by the \$1.42 million in grant funding added to the fiscal year's operating budget. This represents a **30.8% increase** in the Center's operating budget from grants from the prior fiscal year. In addition, the GDP Center received generous gifts from its global community of supporters totalling \$171,550. This brings our total year three expenditure and operating budget from GDP Center-led fundraising and all other sources to \$2,022,305 as shown in the accompanying pie chart. During FY20, the Center again leveraged its seed funding and operating budget to attract a total of **\$2,663,135 in new grant funding**, with 16 new awards applied for and 11 new awards received. Further, the GDP Center's affiliate faculty raised and expended an additional \$4,955,677 in FY20.

CURRENT FUNDERS

Beyond the generous support of the Boston University's Office of Research and the Frederick S. Pardee School of Global Studies, our third year was also made possible from support from our funders.



LOOKING FORWARD

Looking to 2021

OUR VISION

In our third year, we have been proud to continue to build the Global Development Policy Center and to harness our research to help the world combat COVID-19 and its economic effects. Our vision as a center, as with our mission, is future-oriented and helps us to focus on how we can advance policy-oriented research here at Boston University and around the world. Key highlights from this year include the successful launch of the Human Capital Initiative, the establishment of the GDP Center Advisory Board, and an address on multilateral development financial by AIIB President Jin Liqun (CAS'88).

Below are the top five goals that will enable us to move forward and achieve our mission and ensure success in year four:

- 1 To continue to respond to the COVID-19 and associated economic crises in the developing world with evidence-based research and policy engagement.
- 2 To devise and invest in a state-of-the-art communications strategy to help ensure that GDP Center work is recognized and access by a broad variety of audiences.
- 3 To help scale up and resource the GDP Center's new Human Capital Initiative.
- 4 To continue to build a global support base for all of the GDP Center's activities.

We thank you for your support as we continue to create and advance

policy research
for a better world.



**BOSTON UNIVERSITY
GLOBAL DEVELOPMENT
POLICY CENTER**

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