Capital Controls: GDAE research echoed at the G20

In the run-up to the recent G20 meetings GDAE researchers produced timely research and commentary on the need to regulate cross-border flows of speculative capital. During the meetings the G20 made landmark pronouncements that reflect the perspectives of GDAE and many of its collaborators. GDAE Senior Researcher Kevin P. Gallagher (pictured below) summarizes the G20 contributions in a recent article for The Guardian, "The IMF must heed G20 decisions". Essentially, the G20 endorsed a statement saying that nations should regulate speculative capital flows as they see fit and not after considering a "one size fits all" hierarchy recommended by the IMF.

This approach echoes the recommendations of a GDAE co-sponsored expert task force that was convened in September on managing global capital flows. Indeed, the co-chairs of the task force, Jose Antonio Ocampo, Stephany Griffith-Jones, and Gallagher published a policy brief, "Capital Account Regulations for Stability and Development: A New Approach," and opinion article in Project Syndicate, "The G20's Helpful Silence on Capital Controls" (published in nine languages) that synthesized the recommendations for policy-makers at the G20 and beyond.

GDAE Releases Marlin Mine Report in Guatemala, Canada, and the US

GDAE presented its recent report, "Searching for Gold in the Highlands of Guatemala: Economic Benefits and Environmental Risks of the Marlin Mine," in a series of policy meetings that drew media coverage and added to the calls for Goldcorp, the Canadian company that runs the mine, to suspend operations. Co-author Leonardo Stanley (pictured above, left) presented the report in Guatemala October 3rd-7th, meeting with government officials, activists, reporters, NGOs, and citizens of San Miguel Ixtahuacan, the local community most severely affected by the mine. The report...
the local community most severely affected by the mine. The report finds that the economic benefits to Guatemala from wages and royalties are small while the long-term environmental risks of the mine are very high. The events received extensive coverage in the Guatemalan Press, including in *Prensa Libre* and *La Vanguardia*. (Visit our website to view full coverage of the Guatemala events.)

Lead author Lyuba Zarsky presented the report in Ottawa Oct. 27-8, then in Washington Oct. 31-Nov.1 with GDAE’s Policy Research Director Timothy A. Wise. In Ottawa, Zarsky met with the Canadian government officials along with labor and civil society groups, adding to the widespread calls for Goldcorp to suspend operations. In Washington, Zarsky and Wise presented the report at the Carnegie Endowment and debated a representative from Goldcorp. Zarsky also presented the report on Capitol Hill as part of a congressional briefing on Guatemala’s human rights record hosted by Rep. Schakowsky. Zarsky was also interviewed by the Real News Network and MiningWatch Canada.

**New Research on Latin America**

GDAE’s Kevin P. Gallagher and Ann Helwege recently contributed to the Frederick S. Pardee Center report, “*Latin America 2060: Consolidation or Crisis?*” Gallagher’s and Helwege’s chapters are available on our website. Helwege, a GDAE Research Fellow, wrote on the implications of the commodity boom for Latin American development, a topic she later presented at the annual conference of the New England Council on Latin American Studies in November.

GDAE Researcher Leonardo Stanley has released two new publications on capital flows and financial regulation for GDAE’s Working Group on Development and Environment in the Americas. Read his latest articles, “Smoke but do not inhale: Capital Inflows, Financial Markets and Institutions, a Tale from Three Emerging Giants” and “Capital inflows, bank deregulation and financial institutions: from repression to crash? Argentina and South Korea compared.”

**GDAE to Award 2012 Leontief Prize to Michael Lipton and C. Peter Timmer**

GDAE is pleased to announce that Michael Lipton and C. Peter Timmer will accept the 2012 Leontief Prize for Advancing the Frontiers of Economic Thought. The 2012 Prize, titled, “The Global Food Crisis and the Future of Agriculture,” recognizes that contributions these scholars have made to the world of food and agriculture research. The award ceremony will be held in April at Tufts University’s Medford campus. Visit our website for more details.
GDAE, Triple Crisis Blog put Spotlight on G20

The Triple Crisis Blog’s Spotlight G20 series featured excellent analysis of the G20 meetings in Cannes and heard from prominent guest bloggers. Bloggers covered a range of G20-related issues, including a financial transactions tax, capital flows, austerity policies, the eurozone debt crisis, and more. Several bloggers, including Ilene Grabel, Kevin Gallagher, Gerald Epstein, and Jayati Ghosh, were interviewed by the Real News Network about the G20. View our Spotlight G20 series for more information. GDAE’s Timothy A Wise and Triple Crisis blogger Jennifer Clapp were interviewed by the Real News Network about what Wise called “the G20’s incredible shrinking food security agenda.” Both Wise and Clapp published Triple Crisis posts on the issue. Triple Crisis Blog is now featuring “Spotlight Durban,” with analysis of current climate negotiations.

GDAE Hosts Ndikumana and Boyce on Africa's Odious Debts

GDAE was pleased to host Léonce Ndikumana and James K. Boyce at Tufts University to present their recently released book, Africa’s Odious Debts: How Foreign Loans and Capital Flight Bled a Continent. The book, released in November, reveals the intimate relationship between foreign loans and capital flight, and the fact that contrary to popular belief, Africa is actually a net creditor to the rest of the world. The book has been called “path-breaking book that should be read by every student, professional and policymaker concerned with the causes of the region's underdevelopment.”

Globalization Program News

GDAE’s Kevin P. Gallagher (pictured above, with Mark Blyth) has presented on topics from Chinese investment in Latin America to financial globalization and investment treaties. Gallagher and fellow Triple Crisis blogger Leonardo Stanley were interviewed by the Real News Network about the G20. Visit the Publications Library for a complete list.

GDAE on Video

Kevin P. Gallagher and Ilene Grabel: Will the G20 Control Hot Money?

Timothy A. Wise and Jennifer Clapp: G20 Ignores Food Security

Lyuba Zarsky: Is Canada's Goldcorp Good for Guatemala? Part I and Part II

Coming Soon

Global Governance in an Era of High and Volatile Food Prices, a GDAE-IATP Report by Timothy A. Wise and Sophia Murphy

Sovereign Debt Restructuring and Investment Agreements, Kevin P. Gallagher

NAFTA’s Uninvited Guest, Kevin P. Gallagher and Enrique Dussels Peters

The Myth of Financial Protectionism, Kevin P. Gallagher


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GDAE’s Globalization and Sustainable Development Program examines the economic, social and environmental impacts of economic integration in developing countries. The goal of the program is to identify policies and international agreements that promote sustainable development.
Triple Crisis blogger Mark Blyth presented at Occupy Boston’s Free School University on financial regulation and international trade. Their presentation was featured in Reuters and CNBC News. Watch the videos of their presentations at Occupy Boston’s Free School University channel. He also gave two presentations on his book, Dragon in the Room: China and the Future of Latin American Industrialization at Harvard University's David Rockefeller Center for Latin American Studies and at the USC-China Institute. In November, he traveled to Rio de Janeiro to present his paper, “The New Vulture Culture: Sovereign Debt Restructuring and Investment Treaties” at a Ford Foundation/BNDES sponsored conference titled “Rethinking Economic Policy and Education after the Crisis: A Brazilian Perspective in a Global Dialogue.” At Colby College in November, Gallagher gave a talk titled, “Has Financial Globalization Gone Too Far?”

Gallagher’s recent publication and presentations were covered extensively in the press. His work on both capital controls and the Obama Administration’s recent free trade deals were quoted by Bloomberg News, “Central Banks don’t have to consider capital flows, IMF says” and “Obama Signs Trade Deals with South Korea, Panama, Colombia."

Timothy A. Wise participated in a G20 Strategy Session hosted by the Heinrich Boell Foundation, which included participants from several civil society and non-governmental organizations. Wise also recently presented on the Triple Crisis Blog at the International Confederation of Associations for Pluralism in Economics (ICAPE) on “Blogging through the Crisis.” This presentation was covered by Nancy Folbre's New York Times Economix Blog, "Occupy Economics." Wise’s work on Cargill and large corporations in agriculture was also quoted by Fortune Magazine in the article, “Cargill: Inside the quiet giant that rules the food business.”

Senior Research Fellow, Ken Shadlen, was in Argentina conducting research for his project on the politics of intellectual property and, while there, gave a seminar in the Department of Political Science at the Universidad di Tella in Buenos Aires. Read his latest book on the subject, Intellectual Property, Pharmaceuticals and Public Health: Access to Drugs in Developing Countries. GDAE Research Fellow Roberto Porzecanski’s recent book, Not on Board: Uruguay and the Prospects for a Free Trade Agreement with the United States, was recently reviewed in Americas Quarterly: Learn more about the book (also available in Spanish) by visiting our website.
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