



**EastWest**  
INSTITUTE

# Annual Report 2013





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# Chairman's Letter



Ross Perot, Jr.

# Chairman's Letter

As tensions rise in the East Asia region, the trust-driven relationships we continue to build with Chinese top leadership have become even more relevant to regional and global security.

The EastWest Institute continues to add to its track record of 33 years as a think-and-action institution that makes a difference on seemingly intractable relationships and issues that threaten peace and stability. We do this through an EastWest process of building strategic trust, bringing together opposing sides who do not normally meet and knowing how to facilitate reframing seemingly unresolvable problems. Our annual report for 2013 proudly presents an overview of our recent work and the women and men around the world who make it happen. My Vice Chairman Armen Sarkissian and I wish to thank the thousands of EastWest family members around the world who contributed to this effort.

As tensions rise in the East Asia region, the trust-driven relationships we continue to build with Chinese top leadership have become even more relevant to regional and global security. The EastWest Institute's relationships deepened in 2013 with a string of major China-U.S.

events designed to build strategic trust and defuse specific areas of tension. The political party-to-party, off-the-record dialogues addressed critical geopolitical issues and included for the first time senior active party leaders from both the U.S. Democratic and Republican Parties. The Sanya Initiative military meetings included two important sessions with Central Military Commission leaders and generated a practical proposal that should benefit Track 1 work in the mil-mil arena. Our China team released the *Taiwan Arms Sales* report, which has garnered worldwide attention. It offers bold new ideas for managing one of the most contentious issues in this bilateral relationship. Former U.S. Secretary of State George Shultz calls it "a bold and path-breaking effort," while former Secretary Henry Kissinger said, "this is a seminal work that should help generate positive movement on this difficult issue."

Our Cooperation in Cyberspace program experienced significant growth and is now

a cornerstone of our global security work. Building on the success of previous summits in New Delhi, London and Dallas, the fourth World Cyberspace Cooperation Summit was held in the heart of the American technology industry—Silicon Valley. More than 360 participants from 37 countries—a group comprised of cyber experts, leaders and practitioners in the private and public sectors—explored solutions to security areas where international policy has failed to make progress. Thought-provoking sessions ranged from preventing hacking through multilateral cooperation to Chinese cyber threats. As an ideas incubator and a hub for frank and open discussions, our cyber summit will continue to expand its influence into 2014 and beyond.

Our Regional Security work is ever more crucial as International Security Assistance Force troops withdraw from Afghanistan. Our series of high-level consultations, also known as the Abu Dhabi Process, are addressing critical economic security issues in

the region. We continue our close cooperation with Russian authorities working in areas such as devising new formulas for dealing with Afghan narcotic trafficking.

Our board continues to be deeply invested in the work of the institute. Last May the EastWest board traveled to Beijing, China, for our spring directors meeting. We are grateful to the International Department of the Central Committee of the Communist Party of China (IDCPC), the China Institute of International Studies (CIIS) and China Association for International Friendly Contact (CAIFC), who provided instrumental assistance in planning our visit. The board gained valuable insight on Chinese politics and contemporary issues through meetings with senior officials, furthering their understanding of how China interacts with the world.

At our fall board meeting in Washington, we combined committee sessions with presentations on global opportunities and challenges that EastWest will work to in-

fluence going forward—from current events in the Middle East to international Food-Water-Energy Nexus issues. This year’s annual awards dinner with the theme “Advancing Solutions for Stability, Growth and Sustainability” was held in conjunction with the board meeting. Our honorees for EWI’s 2013 Lifetime Achievement Award were the Organization of Islamic Cooperation Secretary General Ekmeleddin Ihsanoglu and Secretary William Cohen, former U.S. Secretary of Defense and now Chairman and CEO of The Cohen Group.

We were pleased to welcome three new board members in 2013: Matt Bross, Kevin Taweel and Ralph Isham. Each brings a wealth of experience from the private and public sectors, globally. At the same time, we express appreciation to our colleagues who finished their service as directors. Special thanks are paid to Mark Chandler, Bud Smith, Kevin McGovern and Angela Chen for their time, effort and resources. We also wish to express our deepest

sympathy to the families of two great EastWest pillars—former Chairman of the Board Berthold Beitz and Dr. Kathryn W. Davis. Their leadership and contributions to this institution are legendary, and their spirit and accomplishments will be long remembered.

2014 is already shaping up as a challenging and productive year with new realities appearing in the Middle East and the former Soviet Union. This is an opportunity for us all—board members, staff, fellows and our wide range of supporters and colleagues—to continue to build on our rich history of accomplishments. Our children and grandchildren deserve nothing less.



**Ross Perot, Jr.**  
Chairman of the Board

2014 is already shaping up as a challenging and productive year with new realities appearing in the Middle East and the former Soviet Union. This is an opportunity for us all—board members, staff, fellows and our wide range of supporters and colleagues—to continue to build on our rich history of accomplishments.



John Edwin Mroz



# President's Report

# President's Report

The institute's mission is to prevent conflicts while building trust, and reframe seemingly intractable issues in ways that help lead to solutions. We will continue to bridge East and West in all weather conditions.

**T**oday's global system is held together in a fragile and worrisome manner. The "system" relies on multitudes of treaties, agreements, understandings and countless channels of communication and negotiations aimed to prevent or address conflicts and to enable global economic growth. The world in 2013 was relatively peaceful—albeit with an alarming rise in small acts of violence across the globe.

The Ukraine crisis of winter 2014 vividly demonstrated the core fragility of this system, and the danger of what can happen if the major powers decide to stop cooperating and move to confrontation. The EastWest Institute's long-term decision to devote so many of its resources to improving relations between the major powers is clear. This approach does not stop when things get tough, as evidenced in our ongoing work

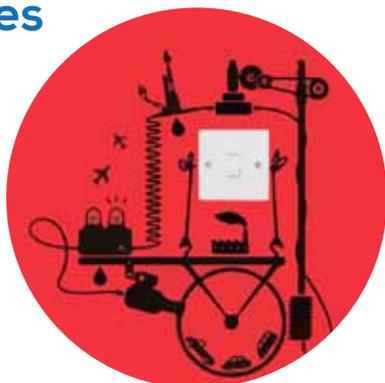
with the Russian Federation's Federal Drug Control Service in a closely followed Track 1.5 on countering Afghan narcotics trafficking. When the Crimean events took place, the Track 1 U.S.-Russia Bilateral Presidential Commission Counternarcotics Working Group was stopped along with so much other vital work. Despite select sanctions, the EastWest Institute continued its commitments with Russia for our highly recognized work on this subject. We will continue to bridge East and West in all weather conditions.

The institute's mission is to prevent conflicts while building trust, and reframe seemingly intractable issues in ways that help lead to solutions. Whereas we must still focus on traditional great-power relations, we have undertaken to make the EastWest Institute a major player in bringing the developed (West) and developing (East)

worlds together on the most serious new issues, which pose enormous threats to stability and growth around the world over the next three decades—namely, food, water, energy and cyberspace security.

From Africa to the Middle East, it is increasingly clear that contention over scarce natural resources will be a central driver of conflict. Thanks to the generosity of the Amon Carter Foundation, we were able to hire Michele Ferez to direct our Food-Water-Energy Nexus Program. Her thoughtful leadership, ability to form partnerships and sheer determination quickly propelled EWI from an outsider to a leader in the economic security field. In August 2013, EWI joined a select group of leading NGOs, nation states and UN organizations on the International Steering Committee supporting a series of high level

## Milestones 2013



Afghanistan Reconnected  
April



U.S.-Russia Joint Threat Assessment  
May



Women, Peace and Security  
May

gatherings on international water cooperation hosted by the government of Tajikistan.

Technology has given individuals power that, previously, only states had—for good or for bad. EWI has expanded the scope of our Global Cooperation in Cyberspace program, now recognized globally as a cornerstone of EWI's work. Under the leadership of our Senior Vice President Bruce McConnell, a widely-respected leader in cyber policy, we have initiated a shift to focus on addressing anticipated threats to economic growth and political stability. Our cyber work in 2013 gained international attention and praise, as seen in a May 2013 *New York Times* editorial, which urged Presidents Barack Obama and Xi Jinping to consider EWI's recommendations on fighting spam as a model for China-U.S. cooperation. The authors pointed to our rela-

tionships with both the U.S. and Chinese governments, and our part in developing ground rules for protecting digital infrastructure.

Our chairman in his letter acknowledges the significance of our report on Taiwan arms sales. Vice President David Firestein and China Program Director Piin-Fen Kok did the impossible on threading the needle on that toughest of issues. The praise being garnered by important Chinese and Americans and a number of Taiwanese is rewarding.

As we look to navigate the ever-changing landscape of global threats, it becomes clear that many problems are beyond the scope of governments to solve on their own. It is imperative that private investors, multinational corporations and international organizations work with governments to tackle challenges crucial

to the future of developing countries.

Our Regional Security Initiative, under the leadership of Vice President Ambassador Beate Maeder-Metcalf, continues its remarkable push towards collaboration of business and public sectors from Southwest and South Asia and the developed nations. The recent convening in New Delhi, the third of its kind of our Abu Dhabi Process regional policy action forum, "Afghanistan Reconnected," highlighted Afghanistan's enormous investment potential, including the energy sector. High-level representatives from Afghanistan, India, Pakistan, Iran and the surrounding region explored opportunities in trans-Afghanistan mining, energy and transport corridors. Participants, including several members of our Parliamentarians Network for Conflict Prevention, recognized Afghani-

It is clear that the East and West must work more closely with one another to address issues that affect us all, and establish a new world order that reflects current economic, military and political realities. We have recently seen the dangers when this does not happen.



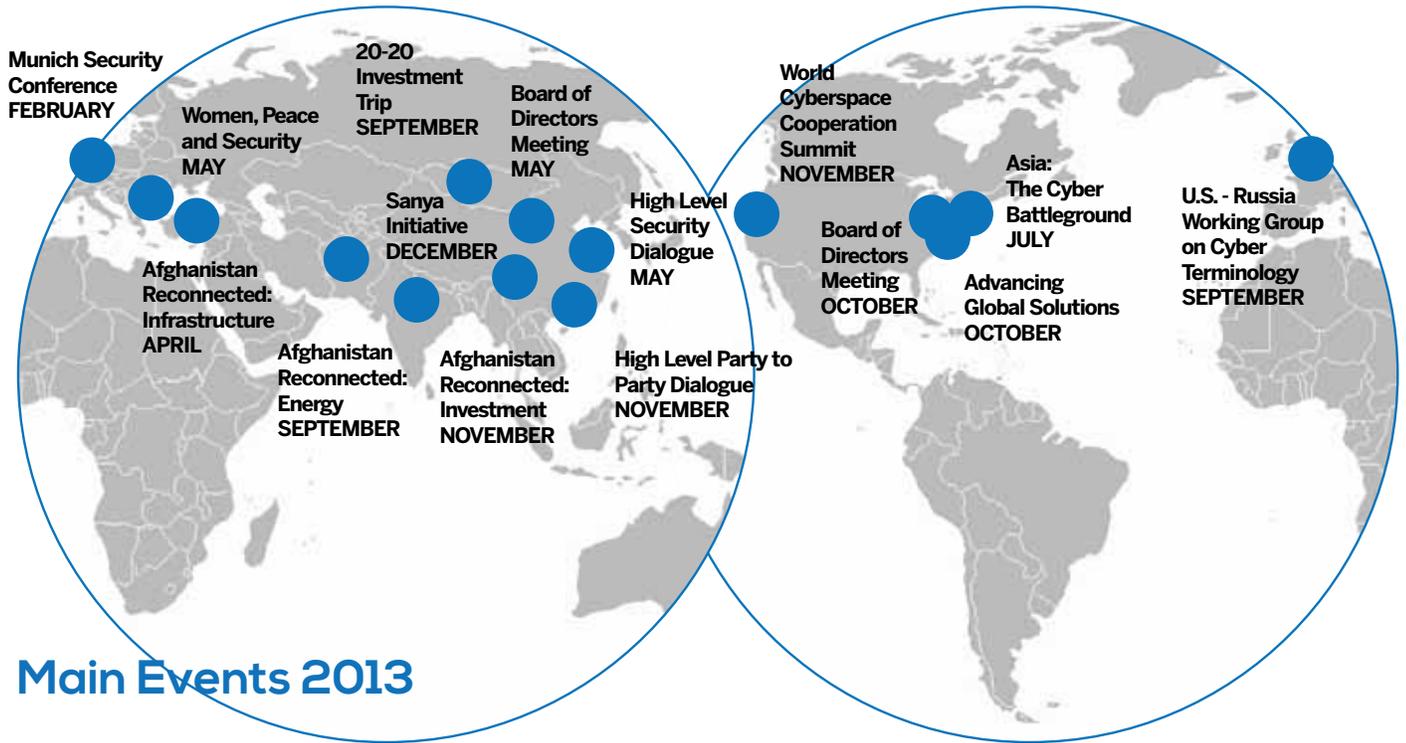
New proposals on Taiwan arms sales  
September



World Cyberspace Cooperation Summit IV  
November



New website  
December



## Main Events 2013

stan's potential for business, trade and investment after the U.S. withdrawal in 2014, and highlighted the importance of avoiding a reversal of economic gains won over the last decade. The meeting demonstrated EWI's increased focus on the role of economic development to stem conflicts.

Of course, none of our work would be possible without the loyal support and wide-ranging expertise of our staff, directors and donors under the forward-thinking leadership of Ross Perot, Jr., Armen Sarkissian, Bill Ide, and the recipient of the 2013 Director of the Year, John Hurley. We are blessed with a dedicated and talented staff, from our senior team members including Jim Creighton, chief operating officer; Greg Austin, head of our Policy Innovation Unit; to the winners of the 2013 President's Award for Excellence Jeremy Hébert and Andrew Yu. We are grateful to the China-United States Exchange Foundation (CUSEF)

for supporting our China work; Ambassador Yousef Al Otaiba and the United Arab Emirates government for our Abu Dhabi Process work; John and Cynthia Gunn; and one of our newest directors—Kevin Taweel and the Taweel Family Fund. Addison Fischer, Cindy Mercer and Sheila Johnson also provided invaluable guidance and funding throughout the Food-Water-Energy Nexus Program's launch process. The President's Advisory Group continues to be instrumental in guiding me on specific challenges and helping to keep the institute a leader in our field.

As I reflect on the past year, I am further amazed at the radical transformations taking place around the world. The Middle East faces yet another reshaping of important developments to take place in the Gulf as war rages on in Syria. Emerging economies such as China, India and Brazil seek a larger role in international institutions to reflect their growing pow-

er. The "rules of the road" implemented after 1945, throughout the Cold War, and even in the past decade are severely strained in the face of our rapidly changing and increasingly complex world. As these changes take shape, how do we move forward and engage in new realities of a world with fewer armed conflicts, and yet, pervasive violence? It is clear that the East and West must work more closely with one another to address issues that affect us all, and establish a new world order that reflects current economic, military and political realities. We have recently seen the dangers when this does not happen.

All of us at EWI—board, staff, fellows—are committed to doing just that and encourage you to join us.

**John Edwin Mroz**  
President and CEO

## 2013 in Numbers

190

opinion  
pieces by  
EWI experts

500+

meetings with  
decision makers  
around the globe

32

major events on  
three continents

112

original pieces on  
nextgen, EWI's  
platform for  
young voices

290,  
000

hits: the busiest  
day on EWI's  
Facebook page

640,  
000

unique visitors  
on EWI websites

9

breakthrough  
policy reports

70+

appearances in  
major international  
media outlets



# Who We Are



The EastWest Institute seeks to make the world a safer place by addressing the seemingly intractable problems that threaten regional and global stability. Founded in 1980, EWI is an international, non-partisan organization with five offices on two continents. Our staff comes from 17 countries and speaks 25 languages. EWI's track record has made it a global go-to place for building trust, influencing policies and delivering solutions.

For more than three decades, EWI has been an independent trusted player providing thought leadership and mobilizing resources to address some of the most critical issues facing the world. The institute brings together key leaders, policy makers and groundbreaking innovators to develop new solutions to today's daunting challenges—everything from promoting cooperation in cyberspace and securing a stable post-2014 Afghanistan to navigating the evolving relationships between major powers such as the United States, China and Russia.

In 2013, for example, EWI coordinated a series of meetings, the sixth of this kind, between high-level officials from the Communist Party of China (CPC) and senior Democrats and Republicans, as well as American private sector leaders in Beijing and Nanjing, China. Our recent World Cyberspace Cooperation Summit

IV, the EastWest Institute's first cyber event in Silicon Valley welcomed more than 360 participants from 37 countries. Minister Cai Mingzhao of China's State Council Information Office opened the fourth summit by calling for strengthened international cooperation on cybersecurity measures. Our Parliamentarian's Network for Conflict Prevention continued its partnership with Women's Action for New Direction (WAND), forging ties between women leaders around the globe. This year, significant meetings took place in Turkey and in Washington, D.C., creating lasting bonds to empower women.

Through back-channel diplomacy that takes place around the world and helps build the trust necessary to find common ground between countries with different interests and agendas, EWI strives to navigate the ever-changing landscape of global risks and threats.

Just as we recognized the growing importance of cybersecurity to both the public and private sectors, establishing the institute as a thought leader on the subject, we are now forging new international ties in the Food-Water-Energy Nexus Program. This growing initiative aims to mitigate conflict risks associated with the allocation and management of scarce natural resources, and in the process, contributes to future regional and global security.

Trust-building is at the core of what EWI is all about. Building relationships across borders are key elements for progress in all areas. Although the world has changed dramatically since EWI was founded, what has remained the same is the institute's commitment to serving as a global change agent network, forging solutions and strengthening the relationships that are most critical to peace and growth.

# Building Trust, Delivering Solutions

## The **EastWest** Process:



EWI strives to navigate the ever-changing landscape of global risks and threats by **convening unofficial Track 2 and semi-official Track 1.5 meetings**, which take place around the world and help build the trust necessary to find common ground between countries with different interests and agendas.

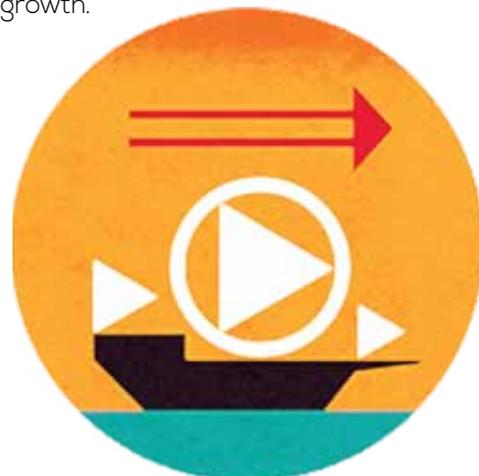


The institute also provides **a platform for public discourse**, always emphasizing the need for international cooperation even in—and especially in—periods dominated by intense friction.



Although the world has changed dramatically over the last 30-plus years, what has remained the same is the institute's commitment to serving as **a global change agent network**. It both seeks to forge solutions to seemingly intractable problems and to strengthen the relationships that are most critical to peace and growth.

**Trust-building is at the heart of what EWI is all about.** Building relationships across borders are key elements for progress in all areas.





# Strategic Trust-Building



In 2013, we saw both hopeful and worrisome developments in the United States' relationships with China and Russia. In June, Presidents Barack Obama and Xi Jinping met at a historic summit that struck a new tone for high-level engagement between the two countries. In November, China's leaders announced a sweeping program of reforms that may greatly impact China's relationship with the U.S. Meanwhile, disputes in the East and South China Seas as well as disagreements over the U.S. rebalancing strategy exposed the persistent fault lines that afflict U.S.-China relations. While issues such as Syria and Iran fostered close cooperation between the U.S. and Russia, Edward Snowden, the NSA leaks and other flashpoints highlighted the significant ongoing differences between the two countries. Against this ever-shifting backdrop, EWI's Strategic Trust-Building Initiative (STBI) seeks to meet these evolving challenges and continue to build trust and bridge divides.

### China, East Asia and United States Program

EWI's ongoing efforts to build strategic trust between the United States, China and other East Asian players focused on assessing the prospects for U.S.-China relations under Presidents Obama and Xi Jinping, while exploring ways to manage differences over such critical issues as Taiwan, cybersecurity and regional tensions in Asia.

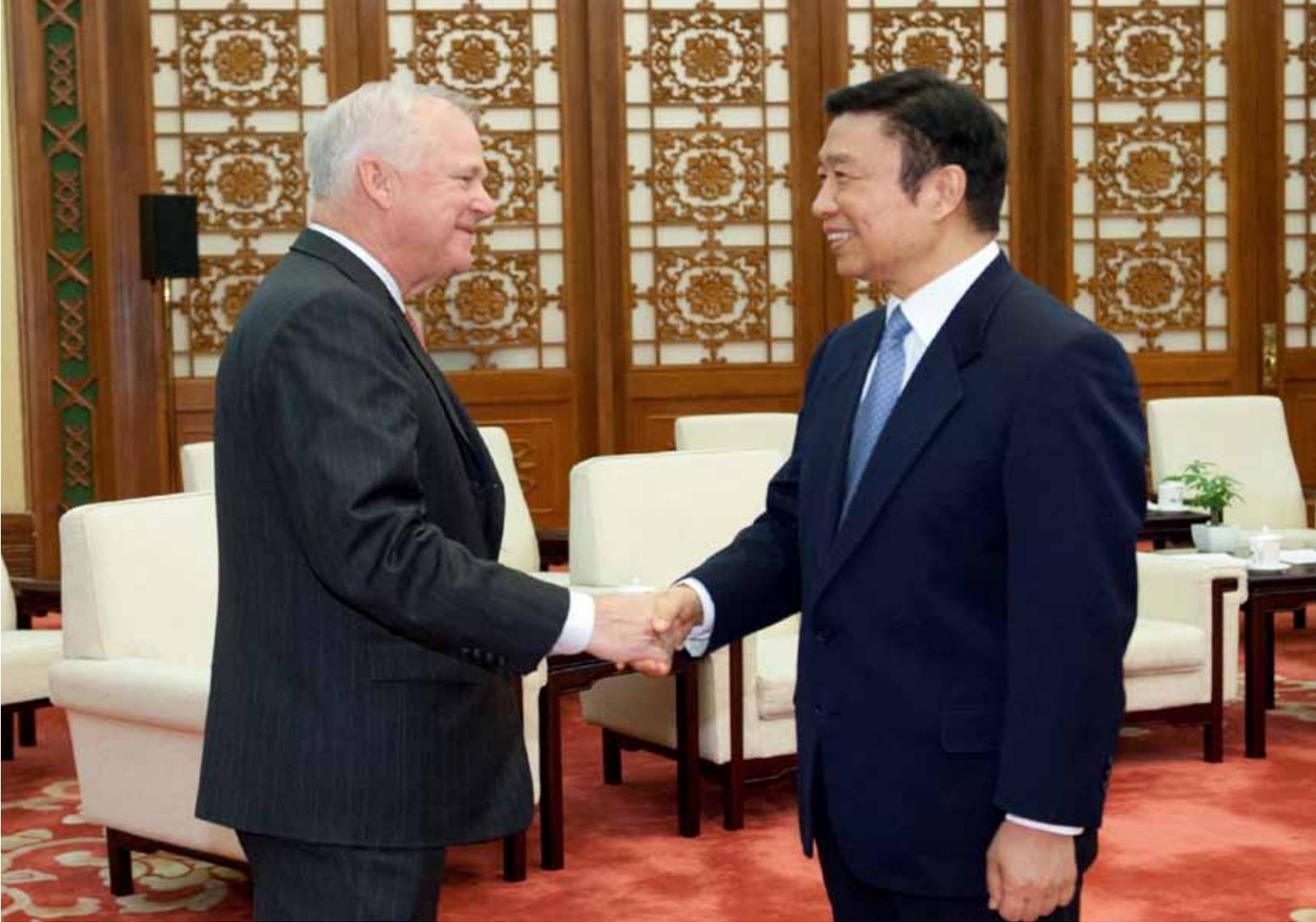
In September 2013, EWI published a major policy report, *Threading the Needle: Proposals for U.S. and Chinese Actions on Arms Sales to Taiwan*. The report recom-

mends ways for the United States and China to reduce tensions over the contentious issue of U.S. arms sales to Taiwan and, correspondingly, China's military force posture across the Taiwan Strait (see sidebar).

The institute's U.S.-China high-level dialogues continued to break new ground. The 6th U.S.-China High-Level Political Party Leaders Dialogue in Beijing and Jiangsu brought together, for the first time, sitting officials from the Communist Party of China (CPC) and the U.S. Democratic and Republican National Committees. The dialogue was the highest level of engagement between the three parties ever convened. This visit occurred

days after major reforms were announced at the third plenum of the CPC's 18th central committee, and the discussions placed special emphasis on those reforms and their implications for China's future development. The U.S. delegation also met with China's Vice President Li Yuanchao for two hours.

On the military-to-military front, EWI organized two visits to China under the auspices of the U.S.-China Sanya Initiative, bringing together retired U.S. and Chinese flag officers. During these two visits, the delegates held three meetings with two members of China's top military decision-making body, the Central Military Commission, including its



vice chairman, General Xu Qiliang. Discussions focused on Taiwan, Northeast Asia security and cyberspace cooperation.

EWI also convened its 7th U.S.-China High-Level Security Dialogue in Beijing, where American and Chinese scholars, military experts and officials engaged in talks on bilateral and regional concerns.

## Russia and United States Program

In 2013, three critical issues of cooperation between Russia and the U.S. were prioritized: joint efforts in countering Afghan narcotics trafficking (see sidebar), cyber

and information security diplomacy, and tackling global economic security issues in the framework of G20.

The Joint U.S.-Russia Working Group on Afghan Narcotraf-ficking—the working group of U.S. and Russian experts on Afghan narcotraf-ficking—brought together with the generous support of the Carnegie Corporation of New York, continued its work in 2013. There were serious concerns over stalled efforts between the United States and Afghanistan to establish clear parameters for U.S. military support in Afghanistan after 2014 and an UNO-DC report of a 36 percent rise in opium poppy cultivation in the country. In spring 2013, the working group

released its first publication, *Afghan Narcotraf-ficking: A Joint Threat Assessment*. In the fall, the group began its second phase of work, which hones in on finding ways to address specific challenges contributing to the larger problem of narcotics coming from Afghanistan. The working group held its first meeting of the second phase and fourth overall meeting in Brussels, where discussions focused on the issue of security at Afghanistan's borders.

Another crucial area of work in this program involves the Russia-U.S. Cybersecurity Bilateral Group. The group, which was created in 2010 in partnership with the Institute for Information Security

Treasurer of the Republican National Committee  
Anthony W. Parker and Chinese Vice President Li Yuanchao at the 6th U.S.-China High-Level Political Party Leaders Dialogue in Beijing.



Issues (IISI) of Moscow State University, is composed of Russian and American cyber experts. It met in Brussels in September to finalize the report, *Critical Terminology Foundations 2*. Highly appreciated by officials of both governments as well as the international expert community, this cyber and information security glossary contains 40 basic terms in English and Russian. It was presented at the International Information Security Consortium meeting in Baku, Azerbaijan in October and at EWI's World Cyberspace Cooperation Summit in Silicon Valley in

November. The report fed into the recently established U.S.-Russia Presidential Commission Sub-Group on the Use of ICTs (agreed upon in the Joint Statement by Presidents Putin and Obama on June 17, 2013), which had its first meeting in Washington, D.C. in November.

In 2010, STBI Vice President David Firestein first proposed the idea of setting up a U.S.-Russia Cyber Risk Reduction Center based on the existing Nuclear Risk Reduction Center mechanism. In 2012, Obama and Putin agreed to do just that. As the *Washington Post*

reported on June 17, 2013, "The United States and Russia have signed a landmark agreement to reduce the risk of conflict in cyberspace through real-time communications about incidents of national security concern."

EWI has also played a role in enhancing Russia's role in global economic governance. EWI contributed to international civil society expert groups on Financial Inclusion and International Financial Architecture Reform established in the framework of Russia's G20 Presidency in 2013. EWI presented recommendations at the G20

# New Proposals on Taiwan Arms Sales

**W**ith U.S. and Taiwan Presidents Barack Obama and Ma Ying-jeou in their second terms, and Chinese President Xi Jinping at the start of an expected 10-year term, a unique but narrow political window has presented itself for all three sides to ease tensions over U.S. arms sales to Taiwan and cross-Strait military relations.

EWI's policy report, *Threading the Needle: Proposals for U.S. and Chinese Actions on Arms Sales to Taiwan*, recommends a set of unique measures

that the United States and China can take to manage their differences in a manner that simultaneously conforms to U.S. law and policy, respects China's interests and maintains or enhances Taiwan's net security position. The report argues that there is a way to "thread the needle," so to speak, among all three objectives under the existing policy architecture.

Specifically, the report suggests the following concurrent but unilateral actions by the United States and China: The United States should cap its annual arms deliveries at an

inflation-adjusted level that complies with the key stipulation of the U.S.-China Joint Communiqué of August 17, 1982. (In the communiqué, the United States had agreed that its arms sales to Taiwan would not exceed the levels supplied since the establishment of U.S.-China diplomatic relations in 1979, as long as China remained committed to a peaceful policy toward Taiwan.) Meanwhile, China should remove one of its five short-range missile brigades aimed at Taiwan and dismantle the underlying infrastructure.

Former U.S. Secretary of State George Shultz has called the report "bold and pathbreaking." The report has also received praise from key experts in the United States, China and Taiwan, including former U.S. National Security Advisor, General (ret.) James L. Jones; Ambassador Ma Zhengang, President of the China Arms Control and Disarmament Association; and Ambassador Stephen S.F. Chen, convener of the National Security Division at Taiwan's National Policy Foundation.

"A significant and bold reframing of an important and long-standing issue...this study merits serious high-level attention."

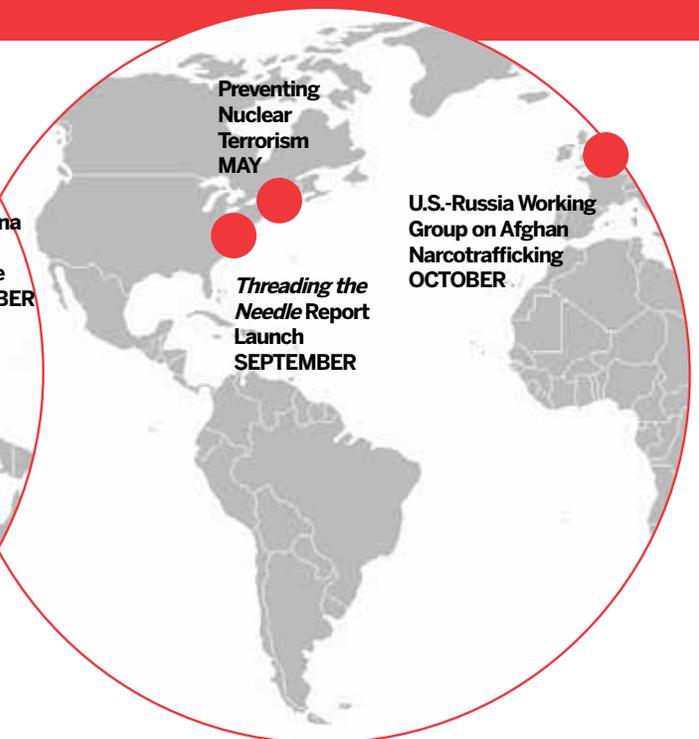
**General (ret.)  
James L. Jones**  
FORMER U.S.  
NATIONAL SECURITY  
ADVISOR



# Working Together to Counter Narcotrafficking

In April 2013, the U.S.-Russia working group on Afghan narcotrafficking released its first report. *Afghan Narcotrafficking: A Joint Threat Assessment* spells out a common and comprehensive understanding by U.S. and Russian experts on the nature of the threat posed by the trafficking of narcotics from Afghanistan. The report concludes, among other findings, that the U.S. and Russia share a number of concerns related to Afghan opiates, despite differences in the type and scale of those threats. It also issues a clear warning: "As NATO and U.S. troops prepare to

withdraw from Afghanistan, which is still struggling with a highly volatile security situation, weak governance, and major social and economic problems, the size of the opium economy and opiate trafficking are likely to increase and pose an even greater challenge to regional and international security." Widely distributed in the Washington and Moscow policy communities, this joint threat assessment will be followed in 2014 by reports with specific recommendations for bilateral U.S.-Russian and multilateral solutions to curb the flow of narcotics from Afghanistan.



## Main Events 2013

## Main Reports 2013



*Afghan Narcotraf-ficking: A Joint Threat Assessment* outlines serious threats that both the U.S. and Russia face from Afghanistan's flow of illicit drugs, as well as the drug trade's corrosive impact within Afghanistan.



*The Path to Zero* highlights the findings of the second annual Nuclear Discussion Forum (NDF), drawing on discussions among representatives of 45 UN Member States.



*Threading the Needle* addresses one of the most contentious points in the bilateral relationship between the U.S. and China. "This report should be required reading in Washington, Beijing and Taipei," remarked Dan Slane, commissioner of the U.S.-China Economic and Security Review Commission.



Summit in St. Petersburg in September, helping shape Russia's G20 strategic agenda in the area of mitigating global economic shocks.

### Weapons of Mass Destruction

In August 2013, EWI published *The Path to Zero: Opportunities and Challenges in Disarmament and Non-proliferation*, a policy report

that highlights the findings of the second annual Nuclear Discussion Forum (NDF). Hosted in partnership with the Permanent Mission of Kazakhstan, the NDF is a series of off-the-record meetings that has earned praise for bringing UN representatives together to exchange innovative ideas, bridge divides and develop practical recommendations that informs the work of the United Nations First Committee.

The report on the NDF set the stage for the first High-Level Meeting (HLM) of the UN General Assembly on Nuclear Disarmament that was held less than a month after the report's publication. In order to capitalize on this renewed focus on nuclear disarmament, NDF members underscored the need for the continuation of NDF sessions. As a result, the third round of NDF sessions will be held in 2014.

# Regional Security





**T**hroughout 2013, EWI's Regional Security Program, based in the Brussels Center, convened a series of high-level consultations on the economic transition in Afghanistan post-2014. A smooth economic shift in Afghanistan is critical to sustaining its security, development and political gains. At the moment, the country is still largely dependent on foreign aid and the presence of foreign troops. Its future economic prospects will depend increasingly on its connections to its neighbors. A connected Afghanistan will allow greater trade between Central and South Asia, leading to better economic integration, stability and growth for the countries involved.

## Afghanistan Reconnected

The aim of EWI's consultations, known as the Abu Dhabi Process because of the generous support of the United Arab Emirates, is twofold. First, it is to review and highlight the pivotal role Afghanistan can play in regional security as an economic partner and key transit country for resources and trade in the region. Second, it is to tackle issues such as regional connectivity through transport infrastructure development, the role of Afghanistan as a transit route for energy and trade, and the potential for regional and international investment in Afghanistan.

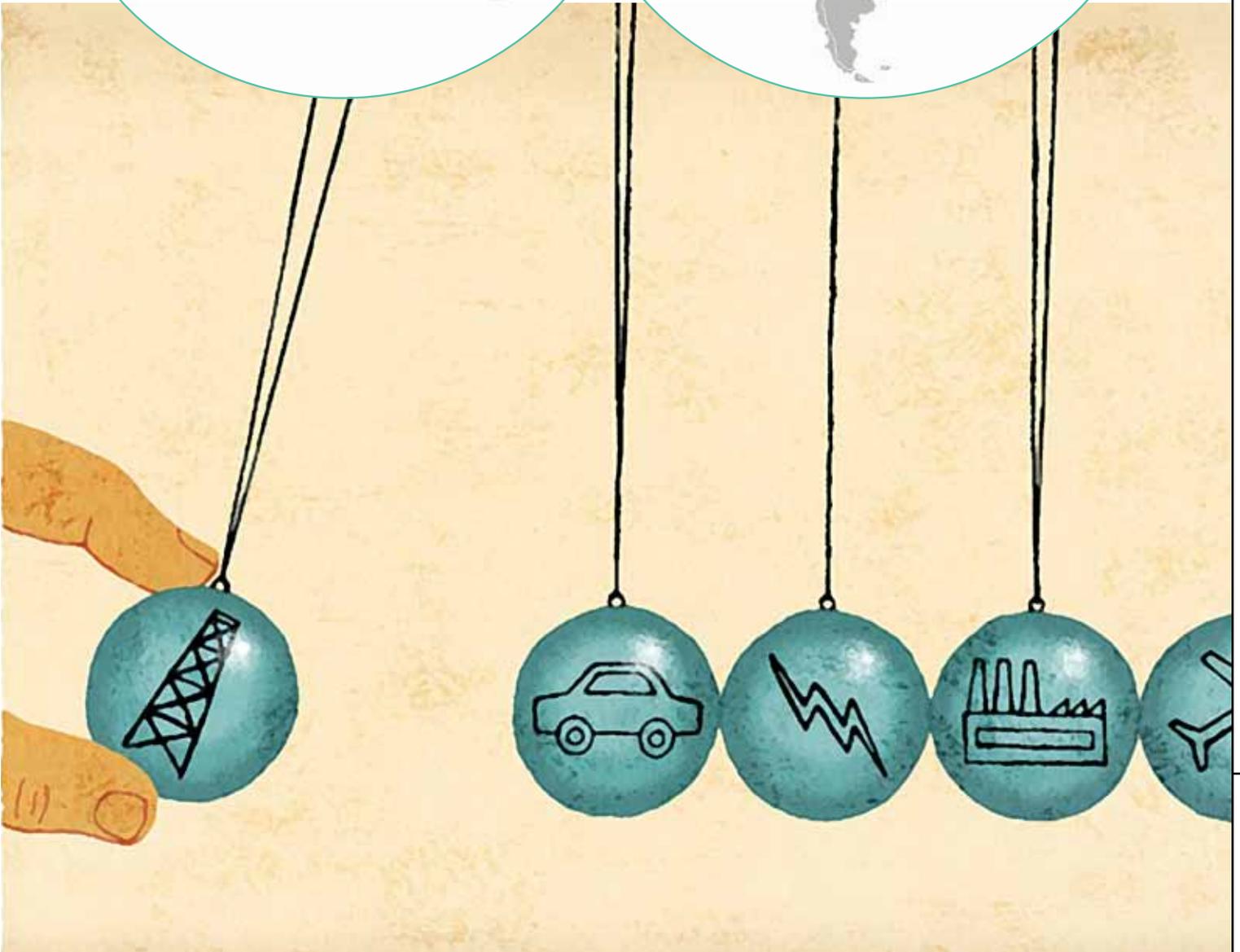
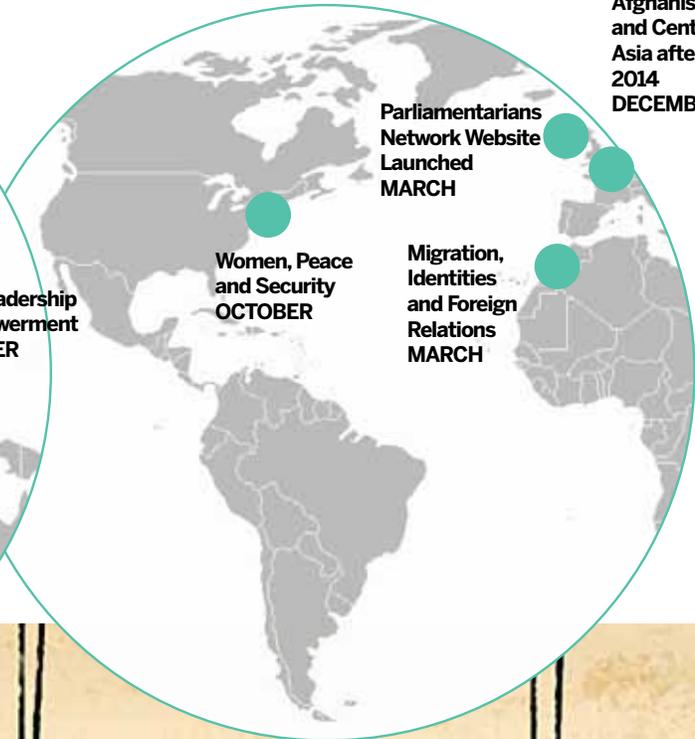
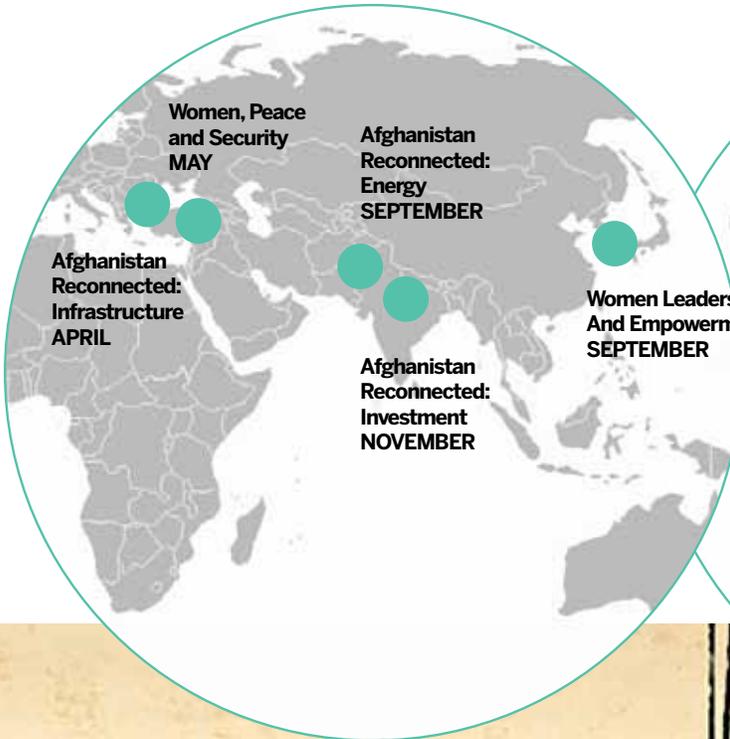
More than 200 senior policy makers and experts participated in these consultations. A broad range of representatives from governments, parliaments and the private sector came from the region and the broader global community. Countries and continents represented included Afghanistan, India, Pakistan, Uzbekistan, Tajikistan, Kyrgyzstan, Turkmenistan, Turkey, China, the United Arab Emirates, the United States and Europe.

With the participation of these officials, a strong consensus for further strengthening economic cooperation has emerged. The Abu Dhabi Process provided a unique platform for progressive trust-building and sustainable partnership

to showcase Afghanistan's economic potential and to explore possibilities of cross-regional collaborative ventures. These consultations have also identified a set of win-win solutions to breach some of the most challenging economic barriers in the region.

Members of parliament from Afghanistan, Pakistan and India played an active role in the Abu Dhabi Process throughout 2013. They committed themselves to advocating for more business-friendly policies within their governmental institutions to forge collective action for regional cooperation. Panelists provided practical recommendations to the governments in the region in the areas of transport

# Main Events 2013



connectivity, trade policy reforms, energy trade and private sector development.

While the focus is on Afghanistan's economic transition, the long-term goal of the Abu Dhabi Process is to develop enduring regional and international economic stakes in the Afghan economy as a means of bringing stability and prosperity to Afghanistan and the greater region.

"The Abu Dhabi Process meetings—not only in Delhi, but also in Istanbul and Islamabad—are very important and effective in indicating challenges and oppor-

tunities that Afghanistan is facing post-2014, as well as Afghanistan's role in connecting Central and South Asian countries. This will strengthen regional cooperation, and may improve trade and economic ties, and result in development in these countries," MP Ramazan Jumazada, a member of the Wolesi Jirga in Afghanistan, explained. "Parliament is playing a very crucial role as a legislative body in elaborating and ratifying good laws, which can facilitate doing business and attracting investment in the countries of the region. We need this to help trade and economic progress."

## EWI's Outreach to MENA

In October 2013, EWI convened an informal two-day consultation that brought together some 25 senior-level policy makers and academics from the region and Europe to identify Middle East and North Africa (MENA) areas of common concern and explore ideas for addressing them. The consultation addressed socio-political issues such as the impact of political transition, the role of political Islam, the democratic process in North Africa and the revival of civil society or-

## Engaging with Iran

The election of President Hassan Rohani and his government's apparent readiness to re-engage with the international community on the nuclear program provides an opportunity to also work with Iran on regional issues in the broader Middle East including Afghanistan, Iraq and Syria. EWI's Regional Security Program has been building a solid network of contacts in Iran and Europe, in preparation for establishing Tracks 1.5 and 2 consultations with key Iranian think tanks on issues of mutual interest.





ganizations. The second day addressed socio-economic challenges, including access to natural resources, social exclusion and unemployment, and the geopolitics of supply and demand for energy.

As a result of the wave of political change that swept across the MENA region in 2011, challenges and threats to security, political stability and economic development remain high on the agenda, both regionally and internationally. Aside from bilateral talks and official development aid, little cooperation has been noted

between the EU and MENA states in transition, notably in the areas of civil society development, good governance, expertise and knowledge sharing and economic growth.

EWI's Regional Security Program has responded to these challenges by reaching out to MENA states in transition. This included contacts with government officials, policy makers, civil society organizations and think tanks, along with their EU counterparts, in order to identify and address some of the major common concerns of the

MENA region and Southern Europe.

EWI's outreach in this area provides the opportunity for new leaders and policy makers from the MENA region to interact with their European counterparts on various socio-political and socio-economic issues. Those include: conflict resolution; good governance and political stability; unemployment and economic development; access to and distribution of natural resources; and regional cooperation on trade.



# Parliamentarians Network for Conflict Prevention Celebrates Five Years

In 2013, the Parliamentarians Network for Conflict Prevention celebrated its fifth anniversary. The network has undergone a significant transformation, which includes a new logo and a new website with improved features for its expanding membership—now some 150 members from 43 different countries—to engage with one another. Through this portal, they have the opportunity to share experiences, under-

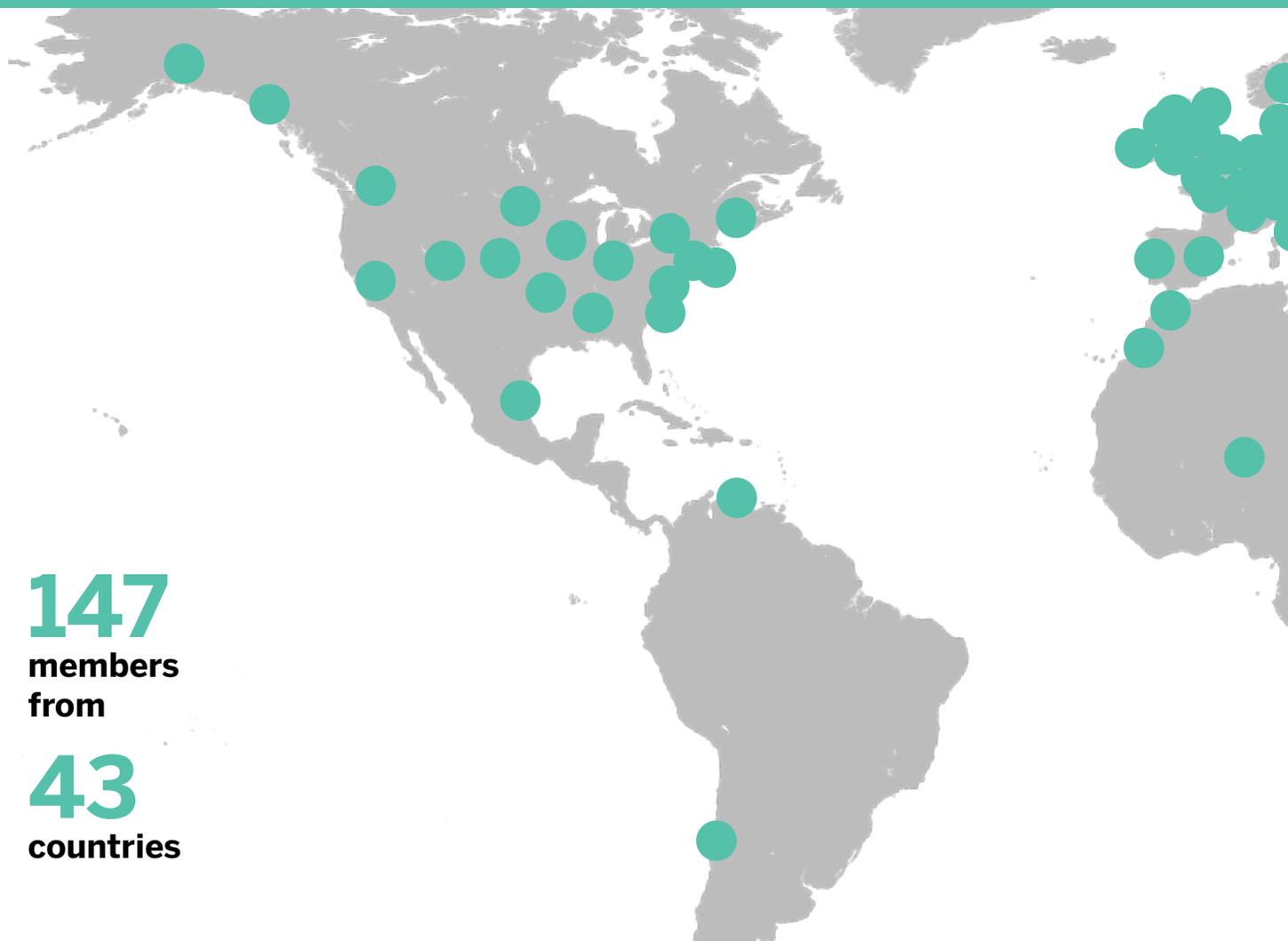
take collaborative parliamentary action and focus global attention on issues close to their hearts.

As the network evolves, so do its members. As elections take place, parties and members take up increasingly important positions. In 2013, the Parliamentarians Network boasted four ministers: Melissa Parke (Australia) as Minister for International Development, Ine Marie Eriksen

Sørreide (Norway) as Minister of Defense, Heidi Hautala (Finland) as Minister for International Development and Simon Hughes (United Kingdom) as Minister of State for Justice. Other members take part in groundbreaking diplomatic efforts as well; Member of the European Parliament Tarja Cronberg (Finland) led the first European Parliament official delegation since 2007 to Iran in December 2013.

## Partnering with WAND for Peace

We have continued and broadened our work on women in peace and security, particularly in countries in transition. Given the 2014 drawdown of troops in Afghanistan, our initial focus of connecting women MPs from Afghanistan and Pakistan needed to be redefined. Having laid the groundwork in late 2012, we partnered with Women's Action



**147**  
members  
from  
**43**  
countries

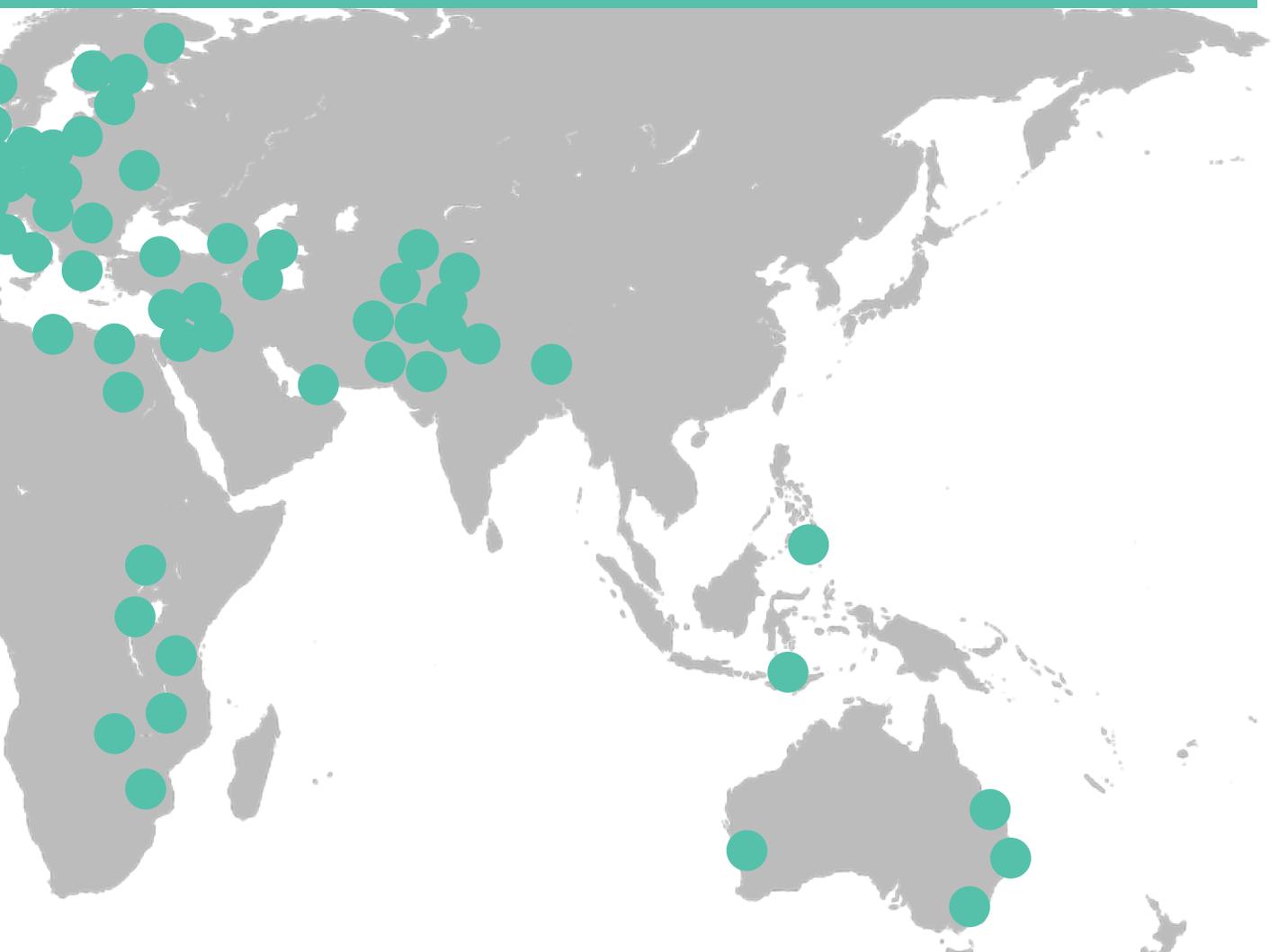


for New Directions (WAND), a U.S.-based organization that seeks to support women's political leadership, with the aim of reducing violence and milita-

rism and redirecting excessive military spending to unmet human and environmental needs. Our partnership bolsters the Women, Peace and Security agenda

as first defined by U.N. Security Council Resolution 1325. The two exchanges we organized in 2013, in Ankara, Turkey and Washington, D.C. brought together and

strengthened ties between nine U.S. state and district legislators and current and former women MPs from Afghanistan, Egypt, Morocco, Pakistan and Tunisia.



# Global Cooperation in Cyberspace





In 2013, EWI repositioned its Global Cooperation in Cyberspace Initiative. Economic growth and international security are increasingly endangered by national policies governing the secure flow of information and the handling of data. To mitigate the negative consequences of global Internet fragmentation, the EastWest Institute has further crafted the aims of this initiative. EWI will help to create institutions, processes and policies that will reduce the pressure driving fragmentation and minimize its negative consequences. Since 2009, the Cooperation in Cyberspace Initiative has been convening and mobilizing governments, private stakeholders and civil society. Below is a road map for further implementation.

## The Challenge

The initiative addresses the three roots of global Internet fragmentation.

- **Political and Economic Concerns:** Trade preferences, concerns about inappropriate or illegal Internet content, and anger about surveillance and privacy create domestic political pressure for the “localization” of products, services and data.
- **Security Concerns:** The digitization and interconnection of society, and in particular

critical infrastructures, increase the risk of accidental or deliberate cyber disruptions, while international cyber criminals go unpunished and a cyber arms race threatens stability.

- **Weak Governance:** National and international cyberspace governance institutions are slow, weak, isolated, or non-existent.

If these influences are not successfully managed, a militarized, fragmented “Splinternet” will emerge to threaten global economic growth and fuel dangerous regional and international

instability. Moreover, these interrelated influences cannot be managed separately. Because the Internet connects everywhere, true cybersecurity will require the participation of all key governments, including the developing world. Private sector operators and suppliers, national and international non-governmental organizations, and the netizens themselves must also participate in shaping a common future.

## The Opportunity

The Splinternet is an Internet whose capacity and effectiveness are weakened by barriers to efficient information transfer, threats to personal and public security



and unresolved conflicts around norms. In 2013, the EastWest Institute moved ahead to help create institutions, processes and policies that will reduce the pressures driving fragmentation and minimize its negative consequences. The initiative focuses on three objectives: economic growth, security and stability, and sound governance.

- **Economic and Political Development:** Enhance global access to secure digital products and services, encourage the flow of information to support education and innovation, and explore limits on
- **Digital Security and Stability:** Work to mitigate cyber risks to critical infrastructure, modernize mutual law enforcement assistance for fighting cyber-enabled crime, and promote measures of restraint in cyber weapons development and deployment.
- **Sound Governance and Management:** Facilitate the design and testing of transparent, accountable, orderly, inclusive and agile management and governance struc-

tures that increase predictability and trustworthiness in cyberspace.

It is no surprise that the work needed to achieve a secure and stable cyber environment aligns with the EastWest Institute's mission. The institute takes on seemingly intractable problems that, if left unsolved, would result in serious conflict among and within nations on a regional or global scale. EWI's cyber collaboration in the last five years has integrated private and public leadership to address numerous challenges in cyberspace. It has worked successfully to catalyze international arrangements to improve communications security, reduce spam, and

Below, from the left: Cai Mingzhao, Minister, State Council Information Office of China; Jean Djoukeng, Deputy Secretary of North American Relations, Ministry of External Relations of Cameroon; Steven Chu, former U.S. Secretary of Energy; Bruce McConnell, Senior Vice President and Latha Reddy, Distinguished Fellow, EastWest Institute; Christopher Painter, Coordinator for Cyber Issues, U.S. Department of State; Dirk Brengelmann, Commissioner for International Cyber Policy, Federal Foreign Office of Germany; Scott Charney, Corporate Vice President, Trustworthy Computing, Microsoft

build bilateral confidence and trust among China, India, Russia and the U.S.

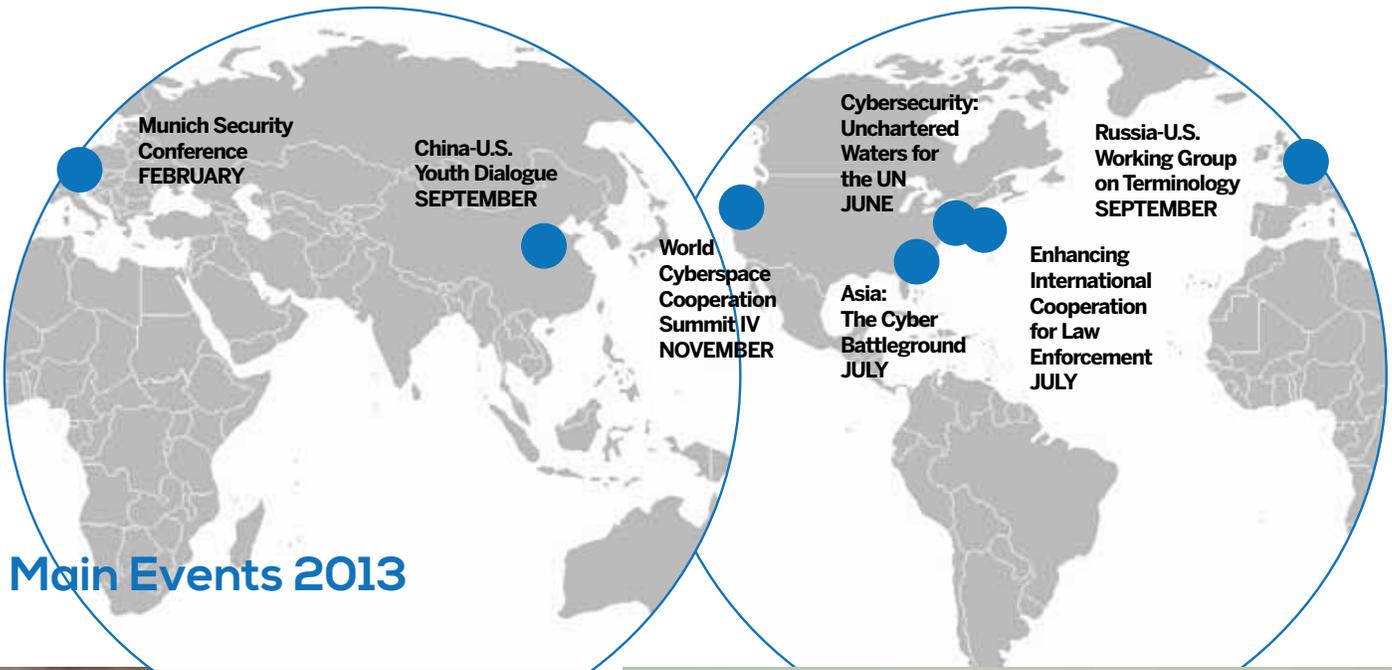
EWI has now begun work to achieve the three objectives critical to the continued use of cyberspace and its benefits. These interrelated programs capitalize on its ability to help top corporate and national leaders around the world see the strategic impact of issues. EWI is utilizing its global network of technology and policy experts and senior officials responsible for cyberspace

in governments and companies. EWI will also use existing partnerships with civil society groups working in this arena and develop new partnerships, so as to maximize effectiveness and efficiency in a resource-constrained environment.

## 2013 World Cyberspace Cooperation Summit, Silicon Valley

In November 2013, the East-West Institute brought its World Cyberspace Cooperation Summit to Silicon Valley. More than 360 experts from 37 countries from business, government, technology, policy and law enforcement came together with the goal of forging clear paths ahead





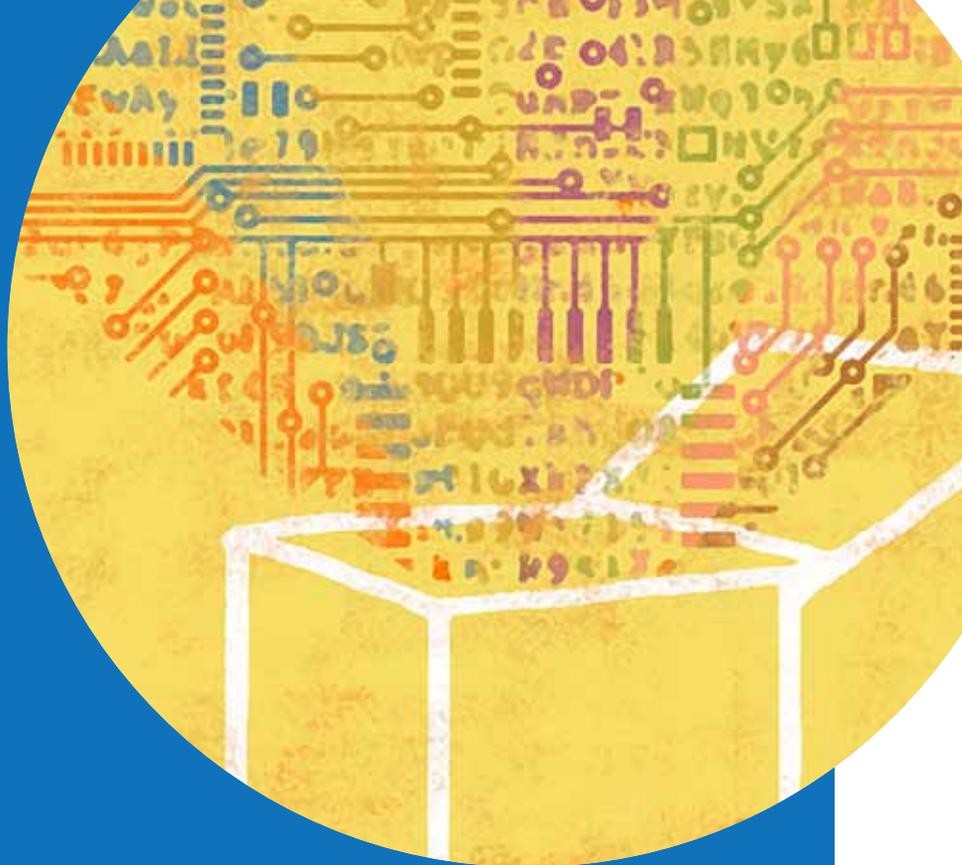
**Main Events 2013**



“Our recommendations offer the means to break through the logjam that prevents effective data collection, analysis and reporting, and such global information and intelligence sharing is critical to bolstering security efforts around the world.”

**Erin Nealy Cox**

EXECUTIVE MANAGING DIRECTOR,  
STROZ FRIEDBERG



## Measuring the Cybersecurity Problem

**T** trillions of dollars of transactions fly across cyberspace daily that are known to be riddled with cybersecurity problems, yet there is no sufficient way to measure their

frequency or impact. The report, *Measuring the Cybersecurity Problem*, highlights this global challenge and offers recommendations that, if implemented, would achieve a breakthrough for much-

needed measurement of cybersecurity breaches. Numerous private sector companies and government agencies have been reluctant to share the data on cybersecurity compromises impacting their operations.

The report proposes that the private sector lead the development of universal benchmarks as well as the establishment of a trusted entity to collect such data.

for practical solutions. The summit was hosted together with the Stanford Institute for Economic Policy Research (SIEPR), IEEE Communications Society, The William and Flora Hewlett Foundation and Palantir.

Minister Cai Mingzhao of the State Council Information Office of China opened the fourth summit by calling for strengthened international cooperation on cybersecurity measures. “The United States and China are

Internet giants,” Cai said. “We share many common interests and there is enormous scope for cooperation.” In subsequent panels and breakthrough groups, top cyber experts pointed to encouraging signs of progress in international cyber cooperation, but stressed that there is still very far to go, pointing to the importance of continued momentum. Plenary sessions focused on the necessity for cooperation in cyberspace; privacy and security; and

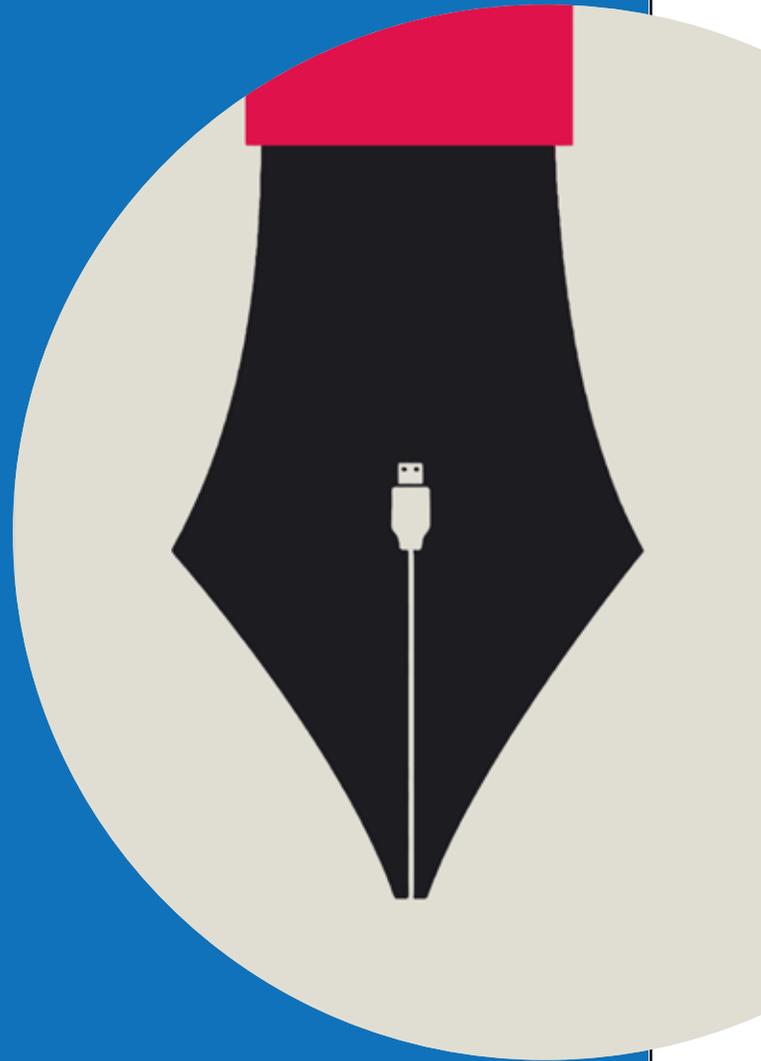
the economic dimensions of securing cyberspace.

The success of EWI’s Global Cooperation in Cyberspace Initiative is measured in part by the policy breakthroughs made in the interactive working sessions, both during the summit meetings and in the on-going activities throughout the year. The following topics emerged as central areas of focus at the Silicon Valley Summit:

# Russia-U.S. Bilateral on Cybersecurity: Critical Terminology Foundations 2

In 2011, the East-West Institute together with the Information Security Institute of Moscow State University defined 20 terms in the cyber and information security realm. By doing so, this international team of science, technology, engineering and mathematics professionals set the fundamental tenets of a common language within the cybersecurity domain. Building on the then-established collaborative relationship, the joint team

continued the work in 2013, to further define critical terms. That set of terms was presented in *Critical Terminology Foundations 2* at the fourth World Cyberspace Cooperation Summit in Silicon Valley in November 2013, as an addendum to the original document. EWI President John Mroz and Information Security Institute Director Vladislav Sherstyuk defined this report “as a small but important step in making the world a safer place for all of us.”



- International Critical Infrastructure Protection
- Emergency Preparedness for the Financial Services Sector for International Crises in Cyberspace
- Acts of Aggression in Cyberspace
- Internet Governance
- Enhancing International Cooperation for Law Enforcement for Cyber Crime
- Collaboration for Enhancing the Stability of Global Connectivity
- Priority International Communications—Staying Connected in Times of Crisis
- Cyberspace Security and Reliability: A German Perspective
- Diplomatic Strategies for Stability in Cyberspace
- Optimizing Policy for Secure Cloud Enablement
- Measuring the Cybersecurity Problem
- Latest Global Threats from Harmful Hacking
- International Cooperation on Fighting Spam and Botnets: Keeping Email and Texting
- Legal Issues in Cybersecurity

## Looking Ahead: Summit 2014

In 2014, the EastWest Institute’s fifth Global Cyberspace Cooperation Summit will be co-hosted by the German Foreign Office in Berlin, Germany, from December 3-5.





# **Economic Security**

**A**s we look to navigate the ever-changing landscape of global risks and threats, EWI is forging new international ties in the Food-Water-Energy Nexus Program. Directed by Michele Ferenz, this program was officially launched in 2013. It aims to mitigate conflict risks associated with the allocation and management of scarce natural resources, and, in the process, contribute to future regional and global security.

### **Food-Water-Energy Nexus Strategic Focus**

The misallocation and scarcity of essential food, water and energy resources is an increasingly central driver of conflict. Given the deep interdependence of agriculture, water and energy systems, efforts to address supply risks must be linked through an integrated approach. To meet the twin objectives of conflict avoidance and sustainable-resource management, EWI plans to conduct a series of Nexus Barrier Breaking Dialogues (NBBD) and Hotspot Conflict Avoidance Dialogues (HCAD), convening high-level public and private decision-makers across sector and national boundaries.

Nexus Barrier Breaking Dialogues will focus on countries that play a strategic leadership role—politically, economically and militarily—in their respective regions. In these countries, the gaps in supply and demand of food, water and energy are so marked as to potentially compromise economic and social development. The dialogues will produce results-oriented policy solution packages, drawing on local and global best practices. They should be country-focused Nexus Blueprints for Action. In one comprehensive framework, these blueprints will include policy and institutional reforms, as well as mechanisms for the deployment of innovative technologies and sources of financing necessary to address high-priority resource challenges.

Topics will include:

- Critical choice points in energy and water infrastructure, as well as land and forest use;
- International trade and investment patterns in agriculture, water and energy;
- Cross-border policy coherence in sustainable resource use.

Hotspot Conflict Avoidance Dialogues will focus on conflict-affected countries where the competition over access to essential resources can decimate livelihoods and perpetuate violence. That, in turn, can destabilize particular countries and trigger significant spillover effects on regional and global security.



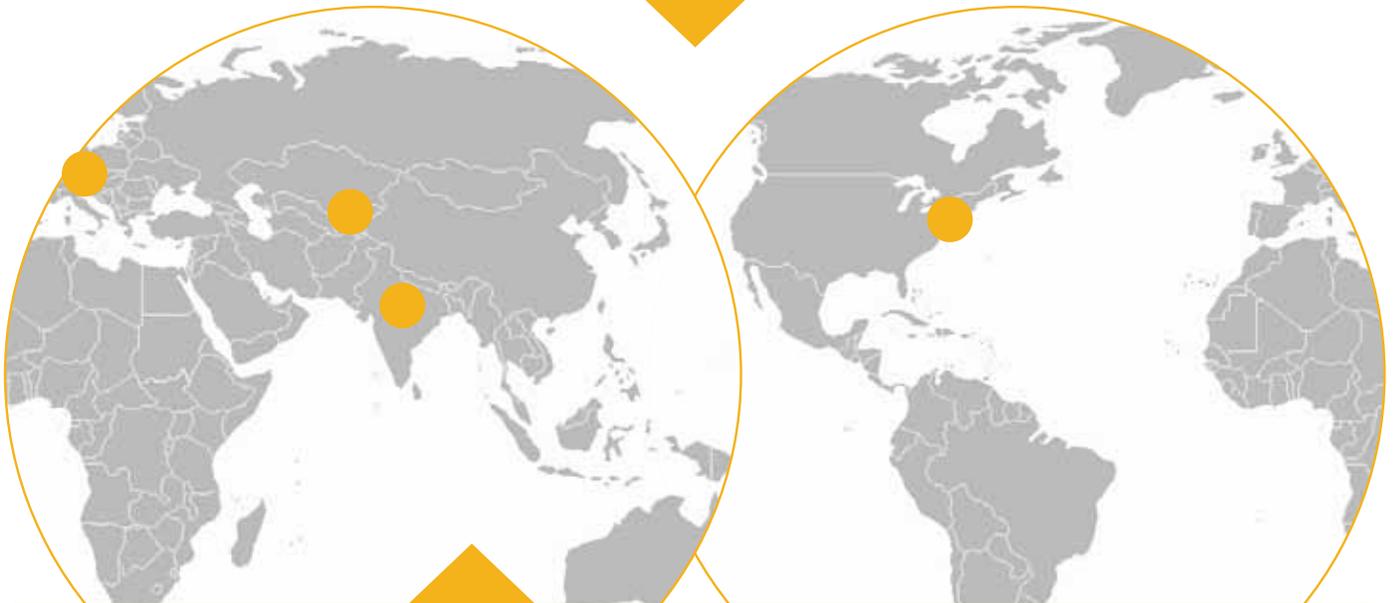
## Main Events 2013

# Crucial Water Meeting in Tajikistan

In August, EWI joined a select group of leading NGOs, nation states and UN

organizations on the International Steering Committee supporting a series of high

level gatherings on international water cooperation hosted by the government of Tajikistan.



# The Water-Energy Nexus in Southeast Asia and the Pacific

**E**WI and the Asian Development Bank (ADB) hosted “The Water-Energy Nexus in Southeast Asia and the Pacific: Promoting Regional Stability and Economic Security,” a roundtable discussion on June 24, 2013, at EWI’s New York Office. ADB’s Stephen Groff, vice

president for Southeast and East Asia Operations, along with high-level UN officials guiding the development of the new post-2015 Sustainable Development Goals, participated as well. The panel pointed to resource shocks as drivers of recent economic and political crises as well as regional tensions.

They noted that water, in particular, will have an increased role in future human security, with governance as a paramount issue.

Panelists offered concrete examples of areas in which progress has been made, including ADB’s integration of climate-resilience

in its infrastructure investments, and change taking place at the local level. The panel stressed the importance of building networks of cooperation within nations and between them, while highlighting operational challenges surrounding a lack of water experts in the developing world.

## International Workshop in Dresden

**F**erenz was a featured speaker at the United Nations University's International Kick-off Workshop on Advanc-

ing the Nexus Approach to the Sustainable Management of Water, Soil and Waste in Dresden, Germany, on November

11-12, 2013. Her presentation on "Nexus Governance in a Multi-Polar World," helped set the stage for crucial next steps.



## Investing in Afghanistan's Future: Energy and Infrastructure

**E**WI convened "Afghanistan Reconnected," an Abu Dhabi Process Meeting on Afghanistan's investment potential in New Delhi in November 2013. High-level representatives from Afghanistan, India, Pakistan, the U.A.E., Turkey, the U.S., the EU, Central Asia, Iran

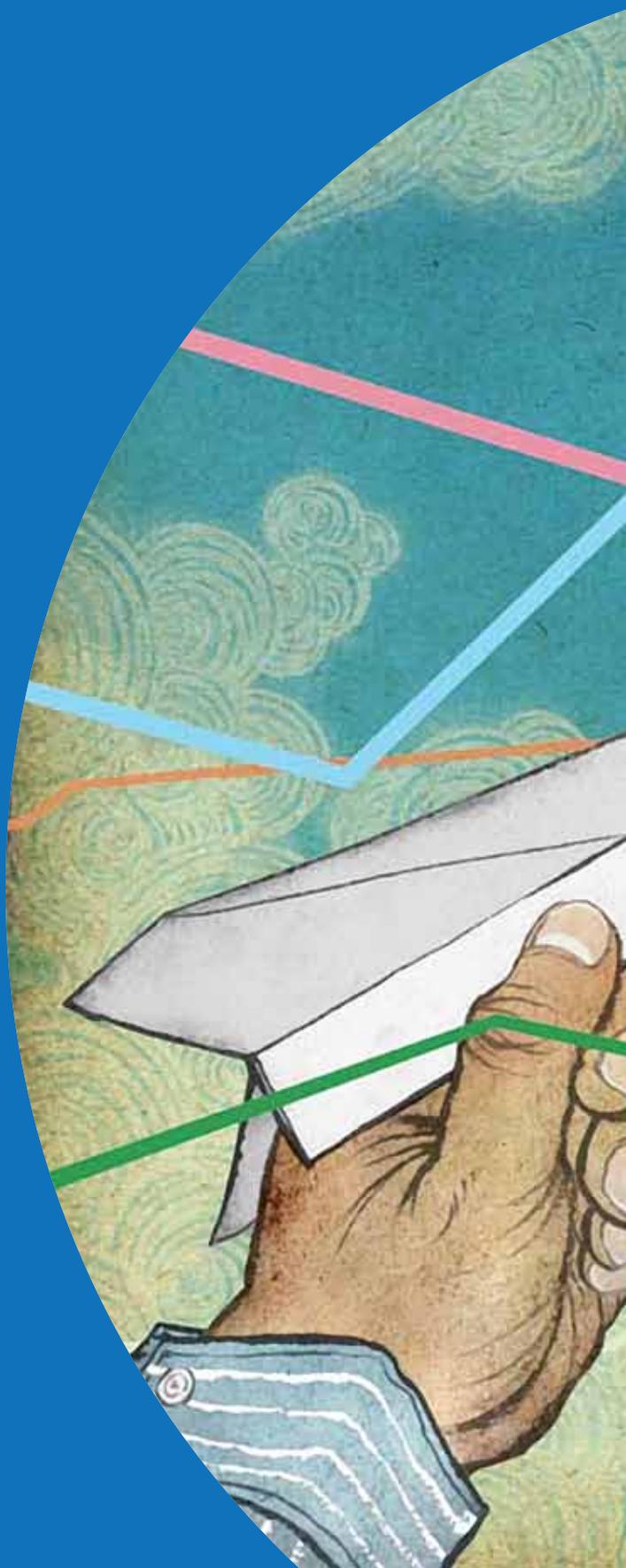
and China explored investment opportunities in the trans-Afghanistan energy and transport corridors, and in the country's mining resources. Recognizing Afghanistan's potential for business, trade and investment after the U.S. withdrawal in 2014, participants highlighted the impor-

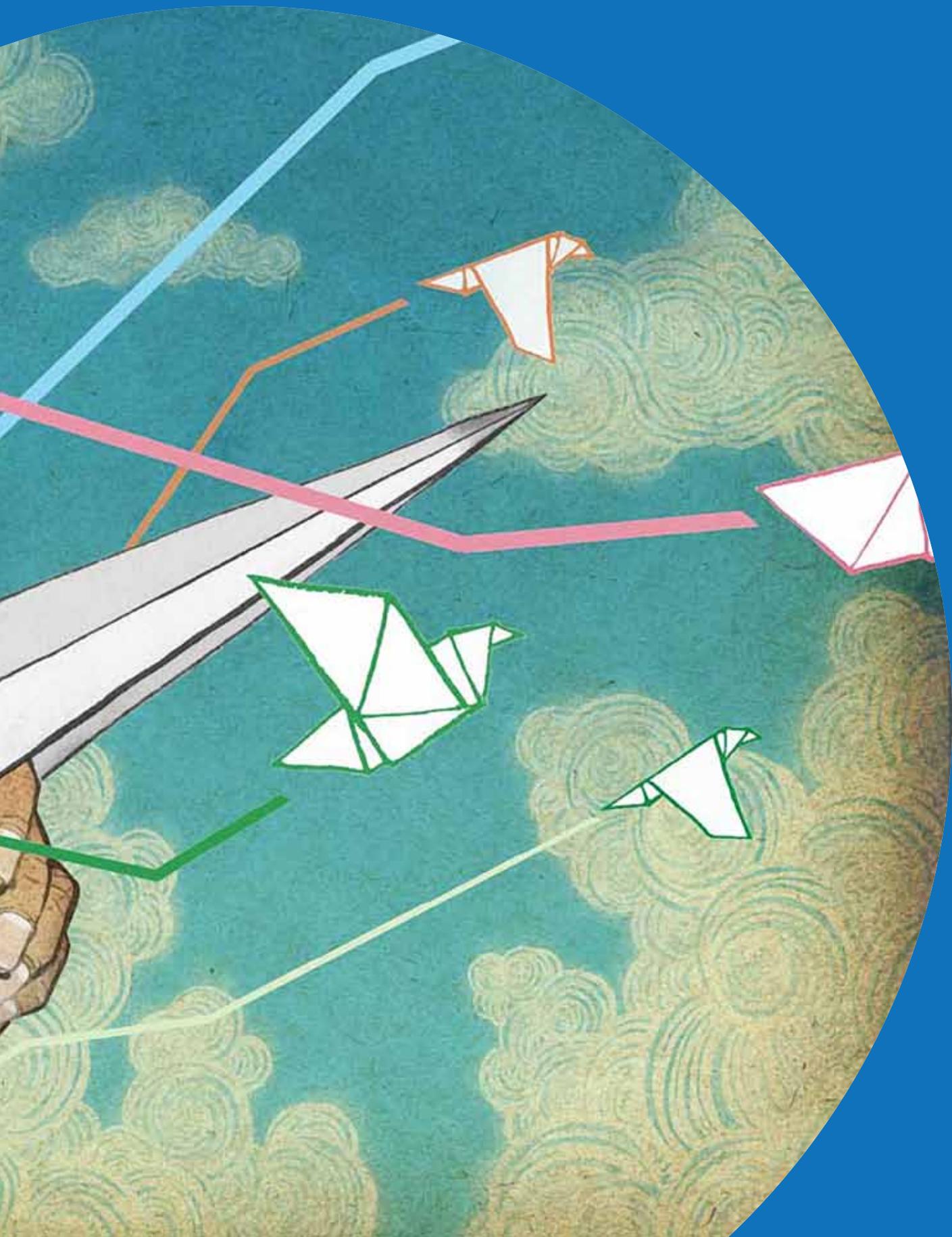
tance of avoiding a recession and the reversal of economic gains won over the last decade. The group acknowledged that Afghanistan's economic potential cannot be fully developed without strong political will, a more efficient regulatory framework and high-quality national institutions.

To mitigate security challenges, a key impediment for investment, they emphasized that the government must engage local stakeholders in economic projects. The local populations should benefit from investments in gas pipelines, electricity transmission grids and mining.



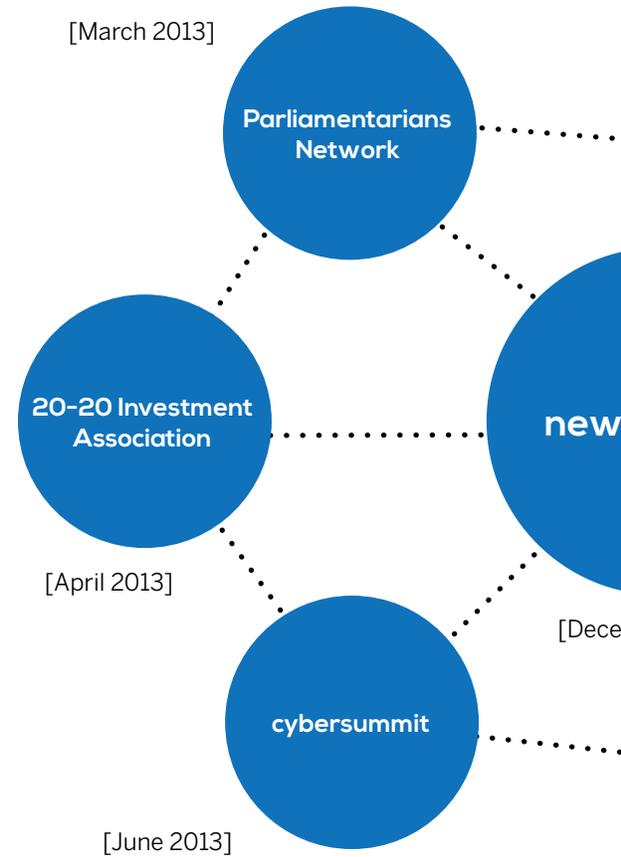
# Communications and Outreach





In 2013, we expanded our global footprint with a new website launch, part of our comprehensive branding rollout reflected in all visual communications. EWI.info now features bright colors, powerful images, interactive content and an easy-to-navigate layout. On the website's home page, users will find EWI Now, a selection of five must-read stories, often reflecting current global events and conflicts. The Ideas section provides a rich resource of EWI's intellectual output, including commentary from our staff, fellows and board members that appears in international news outlets. EWI's new user-friendly website reflects our long-term vision, embraces the next generation of global policy issues, and fulfills our tagline—"Building Trust, Delivering Solutions."

## Websites



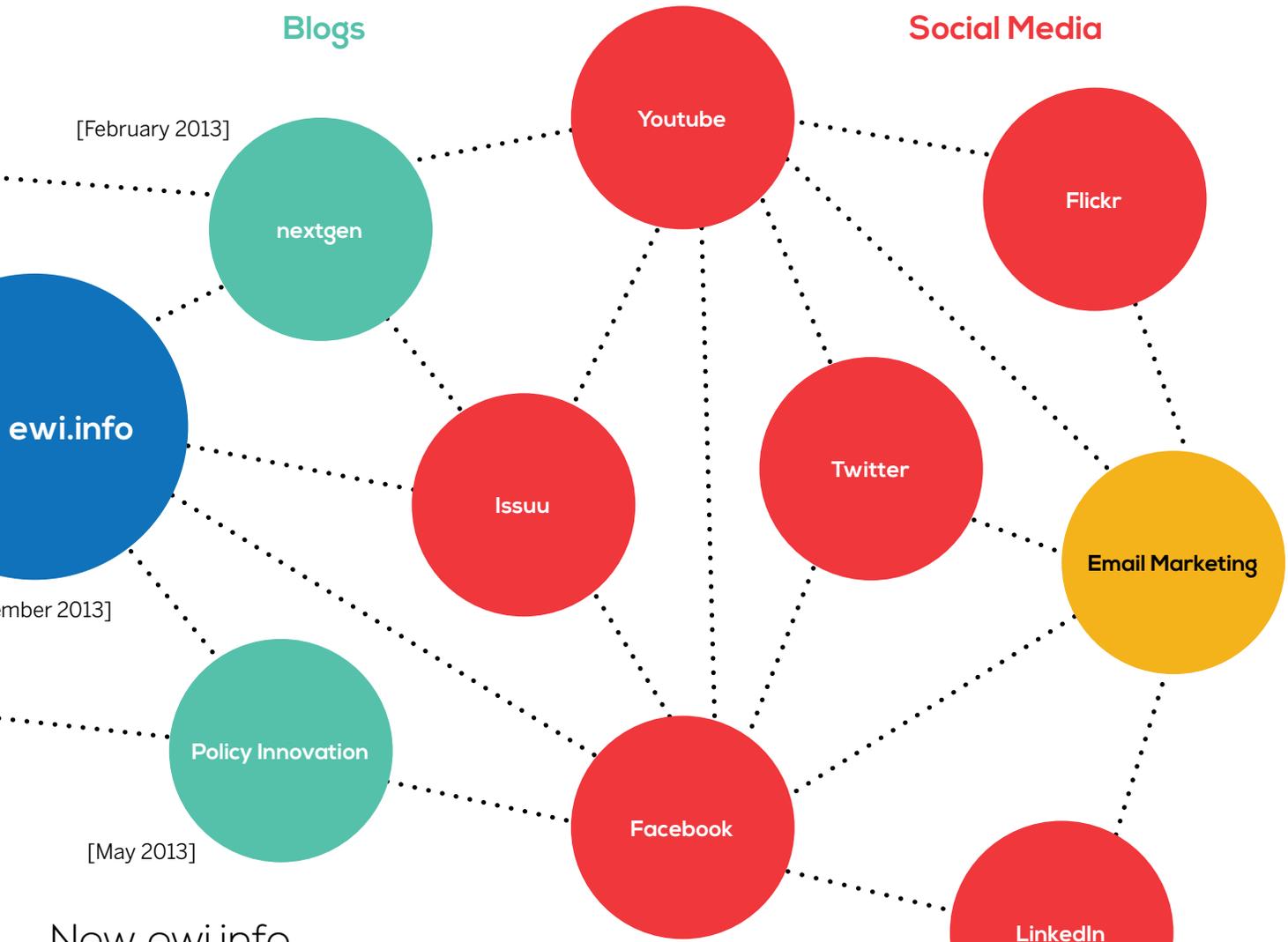
## Another Year for nextgen

In November 2013, EWI held its second nextgen essay competition to highlight writing and ideas from global thinkers under age 35. With "How to Make Cyberspace Safer" as the theme, submissions of 800 words or less were judged on the basis of originality, creativity and viability of ideas, along with the popularity of each entry among EWI's Facebook fans. Svenja Post (age 30) and

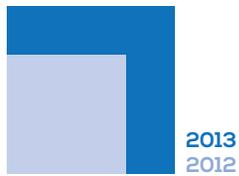
Alexis Below (age 28), both junior research fellows at the Brandenburg Institute for Society and Security (BIGS) coauthored the winning essay, "Towards Closing the Cyber Sanitation Gap—Campaigning for Digital Hygiene." It was also published by the American Institute for Contemporary German Studies (AICGS) at Johns Hopkins University.

EWI's nextgen program aims to provide a voice for the younger generation in

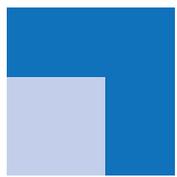
foreign policy, recognizing the importance of their fresh perspective, as well as their unparalleled understanding of how our increasingly interconnected cultures communicate. The nextgen blog welcomes submissions from students and young professionals in international relations and development, focusing on issues that EWI works to influence. Nextgen also serves as a forum to highlight the work of the institute's younger staff and interns around the world.



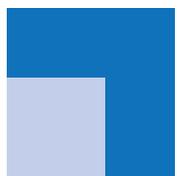
New ewi.info



2x more visitors

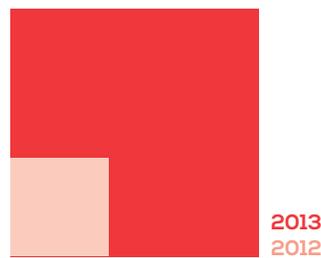


3x more time on site



3x more referrals

Facebook



Best daily reach  
290,000

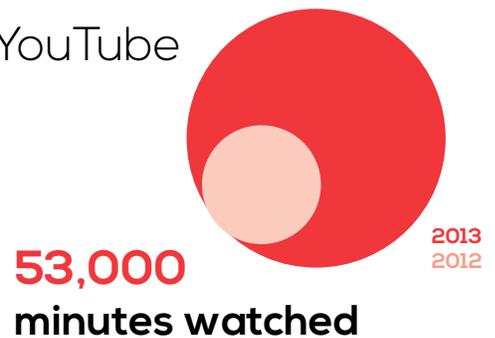
Email

23,500  
active readers of  
newsletters

Issuu

316,000  
unique views of  
publications

YouTube



53,000  
minutes watched

## 2013 Newsfeed

"Governments and businesses spend \$1 trillion a year for global cybersecurity, but unlike wartime casualties or oil spills, there's no clear idea what the total losses are because few will admit they've been compromised. The Cyberspace Cooperation Summit was the fourth annual gathering sponsored in part by the **EastWest Institute**, a global security nonprofit organization. Cybersecurity leaders from more than 40 countries [gathered] at Stanford University [...] to consider tackling that information gap by creating a single, trusted entity that would keep track of how much hackers steal."

**CBS News**

"A New York-based think-tank has proposed a plan to ease tensions between China and Taiwan. The **EastWest Institute** says that, if all parties cooperate, a vicious circle where the U.S. sells arms to Taiwan—which lies under threat by missiles stationed on the coast of mainland China—could be broken, and that the time is ripe for decision-makers to act."

**Radio France International**

"Speaking at the **EastWest Institute's** Cybersecurity Summit in Silicon Valley last month, executives at a number of financial services firms discussed their approach to cybersecurity challenges. As much as 75% of breaches in any given year are the result of low-to-moderate difficulty attacks, according to Ellen Richey, chief enterprise risk officer at Visa Inc. 'There's a lot to be said from an economic view in controlling this risk by doing basic blocking and tackling that's absolutely not being done in many places today,' she said."

**Wall Street Journal**

"We're losing leverage internationally to China, Russia and other countries that want to give more authority to the United Nations and governments,' Hoover Institution professor Abe Sofaer said at the fourth annual meeting on international cybersecurity cooperation held by the **EastWest Institute**."

**The Guardian**

**Reuters**

"The conference at Stanford University drew senior officials, academics and corporate officers from more than 40 countries who are working through the **EastWest Institute** on systems for improving collaboration on Internet security issues.

But on some of the biggest issues, including the appropriate role for international bodies and privacy rights, U.S. officials were on the defensive even from their European counterparts and American company representatives, who said the loss of trust by Internet users and possible Balkanization of the Internet's technological rules could erode economic growth."

“U.S. Think Tank: China Should Reduce 20% of Taiwan-Targeted Missiles, U.S. Should Control Arms Sales to Taiwan.”

***Xinhua***

But before adopting punitive measures, the two nations need to try working together. For example, the **EastWest Institute**, an independent research group, is working with representatives of many governments, including China and the United States, to develop ground rules for protecting the digital infrastructure. The group’s detailed proposal on fighting spam—which carries malware used by hackers—is worth considering by President Obama and President Xi.

***The New York Times Editorial***

“The **EastWest Institute**, a New York City-based think tank, recently submitted to various U.S. foreign policy agencies a policy report called *Thread- ing the Needle*, which advises the U.S. government to maintain the current policy framework toward Taiwan while “finely adjusting the scale of U.S. arms sales to Taiwan.” U.S. and Chinese experts recently gathered at the Wilson Center in Washington, DC to debate the policies addressed in the report, with voices in the affirmative and opposition equally represented.”

***China’s Global Times***

“‘We should, step by step, create a fair and transparent mechanism for the governance of cyberspace,’ Cai said in his keynote address at the **EastWest Institute’s** Worldwide Cyberspace Cooperation Summit in Stanford, California.”

***China Daily***

Adviser to Prime Minister on National Security and Foreign Affairs Sartaj Aziz assured the international community that Pakistan was committed to working with Afghanistan and regional and international partners for the promotion of peace, stability and prosperity in the region and beyond.

Addressing a seminar organized by the **EastWest Institute** titled “Afghanistan Reconnected: Linking energy suppliers to consumers in Asia”, Aziz said a peaceful, stable and prosperous Afghanistan was in Pakistan’s vital national interest.

“We remain committed to supporting efforts for peace and reconciliation in Afghanistan in an inclusive, Afghan-owned and Afghan-led process,” he added.

***Pakistan Today***



EWI board members at the fall board meeting



# The Year in Pictures





## EastWest Change Agents

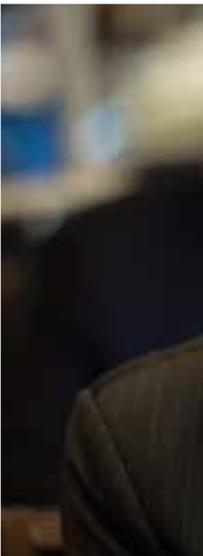
Top row, left to right: Kevin Taweel; Gen. (ret) James L. Jones; Gen. (ret) T. Michael Moseley; Anurag Jain and Matt Bross.  
Middle row, left to right: H.E. Dr. Armen Sarkissian; John A. Gunn; Ross Perot, Jr. and Sarah Perot; Martti Ahtisaari.  
Bottom row, left to right: F. Francis Najafi; John Hurley and James Creighton; Francis Finlay; Alexander Voloshin.





## China 2013

Top row, left to right: David Cohen; Greg Austin and Zuhal Kurt; Amb. Zhang Yesui; Ikram Sehgal and Anurag Jain; Amb. Zhou Wenzhong. Middle row, left to right: Ramzi Sanbar; EWI's 2013 Spring Board Meeting; Amb. Liu Jieyi; Dr. Hu Yuandong; Annie Cowan, Leah C. Barnett and Caroline Barnett. Bottom row, left to right: C.H. Tung and R. William Ide III; Tim Wierzbicki and Peter Bonfield; Karl Rauscher and Robert N. Campbell III; Haifa Al Kaylani



## Advancing Global Solutions

Top row, left to right: Amb. Wolfgang Ischinger; Tewodros Ashenafi; Stephen B. Heintz; Ronald P. O'Hanley; Amb. Yousef Al Otaiba.  
Middle row, left to right: EWI's Fall Awards Dinner; Louise Richardson; Maria Livanos Cattau; Jerald T. Baldrige.  
Bottom row, left to right: Joel Cowan; Amb. Pierre Vimont and Amb. Kanwal Sibal; Ralph Isham; John Rogers.









Top row, left to right: Timothy Stratford, former Assistant U.S. Trade Representative and Wang Jiarui, vice chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC); 6th U.S.-China High-Level Political Party Leaders Dialogue; Bruce McConnell and David Firestein.  
 Middle row, left to right: George F. Russell; Michael Chertoff; Zuhal Kurt, Mehmet Kurt, John Mroz, Omer Faruk Girgin and Allen Collinsworth; John Mroz and Amb. Tsuneo Nishida; Admiral (ret.) William Owens; Michele Ferenz.  
 Bottom row, left to right: Addison Fischer; World Cyberspace Cooperation Summit IV; Najilla Habibiyar, CEO, Export Promotion Agency of Afghanistan; Vasil Hudak and Emil Hubinak; Peter Castenfelt.



# Our Supporters





The generous contributions of our supporters allow us to maintain our signature independence and impartiality. Our funding comes from a diverse group of individuals, foundations and corporations that are all committed to EWI's vision of a more secure, peaceful world. EWI's remarkable achievements would have been impossible without their support. Please help us continue our efforts.

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EWI—an ideal fit for Schenker's philanthropic interests



## The Legacy of Leo Schenker

Leo Schenker recalls his first introduction to the EastWest Institute when, many years ago, John Mroz visited Central National-Gottesman, Inc., the global paper company he helped to lead in various roles since 1949. The two men formed a fast friendship based on a mutual interest in politics and international affairs, and Schenker was naturally drawn to the institute's mission. In 1987, he made his first donation to EWI, and along with his wife, Livia, has remained a loyal champion of our work ever since.

Schenker has lived a remarkable life, both personally and professionally. Born in Vienna, Austria in 1921, he and his family later fled to the United States to escape Nazi persecution, an experience that was documented by the USC Shoah Foundation's Visual History project. Shortly after arriving in the U.S., Schenker applied for an open position at Central National-Gottesman that was advertised in *The New York Times* classified section. He remained with the company for over six decades, rising to various senior management roles, where he consistently

demonstrated his loyalty and dedication. A respected business leader in the paper industry, Schenker has also been an ardent supporter of charitable causes in New York City and elsewhere through his family foundation. EWI was an ideal fit for Schenker's philanthropic interests. He became a mainstay at the institute, serving on the board and playing an integral role in our growth.

By 1999, Leo Schenker was motivated to help secure the institute's future with a larger gesture—a legacy gift to EastWest's endowment.

By pledging a large gift for the future rather than the present, he aimed to positively impact our long-term goals and to set an example for his peers. After Schenker signed the pledge, many other directors followed his lead, providing a substantial investment in EWI. Leo and Livia Schenker's commitment helps strengthen our ability to work towards solving critical global issues. EWI is grateful for their continued friendship and vision of a more safe and secure world.

## Audited Financial Information

<b>Revenue</b>	
Donor contributions	5,533,650
Grants	824,746
Investment gain	1,078,966
In-kind contributions	622,325
Net revenue from special events	212,345
Other	265,772
<b>Total public support and revenue</b>	<b>8,537,804</b>
<b>Expenses</b>	
Program services	6,272,603
Management and general expenses	1,487,948
Fundraising	727,943
<b>Total operating expenses</b>	<b>8,488,494</b>
<b>Net assets</b>	
Change in net assets before foreign translation loss	49,310
Foreign translation loss	(7,866)
Change in net assets	41,444
Net assets, beginning of year	12,476,317
<b>Net assets, end of year</b>	<b>12,517,761</b>

# Our People





The EastWest Institute's achievements would not be possible without the leadership of our board of directors, drawn from leaders of the public and private sectors around the world. Their "collective IQ" and broad network of international contacts have been critical assets for our global team of staff and fellows, based in New York, Brussels, Moscow and Washington.

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The EastWest Institute seeks to make the world a safer place by addressing the seemingly intractable problems that threaten regional and global stability. Founded in 1980, EWI is an international, non-partisan organization with offices in New York, Brussels, Moscow and Washington. EWI's track record has made it a global go-to place for building trust, influencing policies and delivering solutions.

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—

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# Building Trust Delivering Solutions

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