



ANNUAL REPORT 2010





On the cover: the Wind Rose seen from the Monument of the Discoveries, Lisbon, Portugal

ANNUAL REPORT 2010



CONTENTS

Letter from the Co-Chairs	05
President's Report	06
Who We Are	08
EWI's 30 th Anniversary	11
Strategic Trust-Building	16
Preventive Diplomacy & Regional Security	22
Worldwide Security	28
Publications and Outreach	34
The Year in Pictures	36
The Year in Numbers	43
Our Donors	44
Our Board	45
Our Staff	50
Our Staff - Then and Now	52



Francis Finlay; Ross Perot, Jr.

LETTER FROM THE CO-CHAIRS

As we celebrate the 30th anniversary of the EastWest Institute this year, it is appropriate to reflect on the institute's original goals while we look to the future. We do so against the background of a significantly changed and rapidly evolving geopolitical landscape, to which the events of the early months of 2011 add further uncertainty. In 1980 global security issues were defined by the Cold War. The initial objective, simply put yet difficult to accomplish, was to improve relations between the Soviet Union and the West in the hope of reducing the risk of conflict. To work towards this end, John Mroz staffed his new venture with security and policy experts.

The momentous and unpredictable developments over the ensuing decades inspired a highly responsive and flexible approach to the evolving issues, and EWI changed accordingly. For example, in the 1990s as we worked to help Eastern and Central European countries achieve their political and economic transformations, Donald M. Kendall, one of our extraordinary predecessors, kept our primary focus on a newly emerging Russia.

Today the broad mission of EWI is unchanged: to make the world a safer and better place. In 2010, the year under review, EWI tackled significant challenges. These ranged from our cybersecurity initiative to trust-building between Afghanistan and Pakistan and other preventive diplomacy activities, while continuing to catalyze joint actions between the U.S., China and Russia on security challenges.

The spectrum of these activities is reflected in the broader experience of our senior staff, which includes not only skilled diplomats, such as Ambassador Guenter Overfeld and David Firestein, and experienced global policy experts like Greg Austin, but also engi-

neers like Karl Rauscher, the Chief Technology Officer of our Worldwide Cybersecurity Initiative. Of particular note is the breadth of skills of our younger staff, many with multiple degrees from both East and West. Along with Russian and other European languages, staffers now speak Mandarin, Arabic and Urdu.

But the spirit and values of EWI remain the same. John Mroz continues to exercise his visionary leadership with exceptional energy, time and time again inspiring his team to respond to the newest, toughest security challenges. They have produced results far exceeding normal expectations from the relatively small cohort of fifty individuals. The continuing engagement of EWI fellows, such as General (ret.) T. Michael "Buzz" Moseley, broadens and deepens our work. Finally, we have been particularly gratified to see the alumni become increasingly involved with EWI, allowing the current staff to benefit from their varied experiences and passionate commitment to the institute.

We have both been privileged to be directly involved in EWI's efforts this year, traveling with special delegations or on specific projects to Beijing, Moscow, Abu Dhabi, Turkey, Northern Iraq, and several cities in Europe. These trips, together with active participation at major EWI conferences in Brussels and Dallas, have allowed us to see the "EWI process" in action, making connections and building trust between a wide variety of people who would not otherwise have the opportunity to work with each other. In this way, the institute continues to add to its legacy of trust and its reputation for achieving positive results. We look forward to further great achievements on the path towards the next milestone, our 50th anniversary.



FRANCIS FINLAY ROSS PEROT, JR.
CO-CHAIRMEN

PRESIDENT'S REPORT

EWI's "think and do" formula has remained consistent for three decades. We focus on bringing together those who do not normally work together to build trust and help address the world's most significant security challenges. Our goal is always to "move the ball down the field"—rather than to be yet another entity "describing the ball." The global community is in a profound state of change, with decision-makers overwhelmed by the hyperactive pace and connectivity of issues, trends and events. Today, the private sector, civil society and social media users must be at the table with the policy community to get things done. There is no more business as usual in addressing security challenges.

The emerging East and the established West are now awkwardly co-creating a new way of governing and interacting. While technological advances continue to present previously unimaginable opportunities in medicine, science and information writ large, they are also exploited by criminals, terrorists and some countries in very disturbing and dangerous ways. This report encapsulates the story of how a carefully constructed international network of disparate women and men, with a proud history of accomplishment over three decades, is able to continue racking up accomplishments in addressing critical security concerns. We do this in measurable ways, which are appreciated by those who have the responsibility to govern.

We are pleased with the progress made during 2010 in all three of our programmatic areas: building strategic trust between the major powers—with particular emphasis on Russia-U.S. and China-U.S.; regional security and conflict prevention, with particular emphasis on Southwest Asia; and worldwide security, with particular emphasis on cybersecurity and economic security. Much of EWI's work for three decades has been at the Track 1.5 or Track 2 level—below-the-surface conversations or private diplomacy, which can-

not be reported upon publicly. Wherever possible, this report includes references to those processes, along with key lessons learned and anticipated next steps.

Over the past five years, EWI has carefully targeted issues where international trust is low and the "EWI process" can help accelerate the search for solutions. There are intentional strong synergies between our three programmatic areas. Take, for example, the path-breaking bilateral cybersecurity accomplishments between Russia and the United States, and between China and the United States that were unveiled in early 2011. These were largely negotiated by top teams of private and public experts from the three countries during 2010. I am repeatedly told in Moscow, Washington and Beijing that, while the work with private and public sector leaders on specific problems is highly valuable, the process of building trust between the major powers has been of equal value.

Similarly, our Abu Dhabi Process in Afghanistan and Pakistan has brought a broad array of leaders from those two societies together with those of neighboring states and the international community, thus blending our work on regional and worldwide security.

I want to express my deepest gratitude to the women and men of the EWI family: our dedicated Directors, the talented and highly productive staff and fellows, our donors, the members of the President's Advisory Group and our network of alumni, along with thousands of colleagues spanning the globe. Our vice presidents and their teams are able to deliver the impact we do because of this remarkable network led by EWI's own alumni and friends around the world who volunteer their time and expertise. Over thirty years, EWI has been blessed to attract the best and brightest women and men from many countries who are dedicated to the mission of building a safer and better world. They constitute the heart of EWI's "bench" and are unusually forthcoming about volunteering and networking with today's team. Time after time, they step in and help us move the ball

EWI President and CEO
John Edwin Mroz



down the field. Their creativity, experience and passion are a major factor in our ability to go where others do not go and deliver results that matter.

Leadership is a precious thing. Our Director and former Chairman George Russell made a remarkable and unexpected challenge gift in the spring of 2010. His generosity and that of the EWI Directors and friends who met his challenge made an enormous difference in tough economic times. The China-U.S. Exchange Foundation (CUSEF) and former Hong Kong Chief Executive C. H. Tung have given EWI's China program the financial wherewithal to build strategic trust between China and the United States in truly unprecedented ways over a sustained period of at least five years. First-time support from the Government of Abu Dhabi enabled us to add important new dimension to our work with Afghanistan and its neighbors. Strong financial support from the private sector for our cybersecurity work — including Microsoft, AT&T, Deloitte, Goldman Sachs, Huawei, Juniper and other key players — has helped EWI

become the leading champion of international cooperation on cybersecurity issues.

Congratulations to Armen Sarkissian who was voted Director of the Year by our staff. And special thanks to our Co-Chairmen Francis Finlay and Ross Perot, Jr. for their strong leadership. We are on target with respect to our strategic plan and are humbled by the acceptance and encouragement of critical players around the world, as evidenced by the testimonials included in this report. Special thanks to all who participated and helped in 2010. We would warmly encourage new partners and friends to join the EWI family today and in the months to come. There is much to do.

Sincerely yours,

JOHN EDWIN MROZ
PRESIDENT AND CEO

WHO WE ARE

EWI mobilizes forward thinking and action on critical security challenges of global significance. Thanks to our extensive network and 30-year track record, EWI convenes leaders from government, business and civil society to discuss the world's most intractable problems. Our purpose is to build trust, influence policy and deliver innovative solutions.

This year, EWI celebrates its 30th anniversary. Founded by John E. Mroz and Ira Wallach at the height of the Cold War, EWI initially worked to build bridges between Russia and the United States. After the fall of the Berlin Wall, EWI sought to foster economic stability in the region, encouraging cross-border cooperation and helping prepare a new generation of leaders. In the past decade, EWI's operations have expanded to China, Southwest Asia and the Middle East, and our work areas encompass everything from traditional weapons of mass destruction to cybersecurity. Still, we retain our focus on building bridges among key global powers, including Russia and the United States.

One of EWI's greatest strengths is our responsiveness to world events and willingness to undertake the newest - and toughest - security problems. As Board Director Maria Cattai put it, "Daring to do what others shy away from is at the root of what I admire about EWI."

In 2010, EWI took steps to help end the long-standing distrust between Afghanistan and Pakistan through a discreet series of meetings in Abu Dhabi and Kabul. We encouraged Chinese and American political leaders to talk frankly about the tough issues in high-level dialogues in Beijing and Washington D.C. We launched a truly worldwide cybersecurity initiative, bringing together top private sector, government and technical experts from over 40 countries to develop new, practical solutions for protecting our shared digital infrastructure.

Over the past 30 years, EWI has honed a method of building trust and generating conversations that leads to real solutions. In Track 1 diplomatic meetings, participants are often constrained by their official roles and scripted presentations; people talk past each other rather than to each other. At Track 2 EWI meetings where participants speak unofficially, we create a safe forum for real discussion, introduce a common problem and



reframe it as an opportunity for meaningful policy change.

At EWI, our great strength lies in our people, starting with our deeply-committed board of directors, management and staff. With our broad global network, we are able to build private-public partnerships that get the job done. We are able to reach new constituencies quickly in countries like Afghanistan, which allows us to tackle problems that other groups see as impossible. We are able to engage not just executive leaders, but the ministry and government staff whose core work is crafting the laws and policies that help keep our world secure. This year, EWI opened a new office in Washington, facilitating our outreach to the diplomatic community, the Hill and key government representatives.

A big part of what makes our work possible is the trust that we have earned over the years, from facilitating the most delicate military-to-military conversations during the Cold War to our recent cutting-edge initiatives in cybersecurity. In the past 30 years, the world has changed dramatically but one thing has remained the same: the EastWest Institute's commitment to making the world a safer and better place – and our ability to make a difference. EWI's work includes:

Strategic Trust-Building

We seek to foster joint actions among China, Russia, and the United States on key strategic issues, such as arms control, ballistic missile defense, global flashpoints and economic priorities. All of our programs aim to measurably increase trust between these key global players.

Regional Security

We aim to defuse regional tensions and increase trust through preventive diplomacy, with a special emphasis on Afghanistan, Pakistan and their neighbors. Our work in the region includes empowering Afghan women lawmakers, forging cross-border cooperation on water resources, and encouraging dialogue between Afghan and Pakistani leaders.

Worldwide Security and Cybersecurity

We raise awareness of the growing threat to cyberspace, create private-public sector initiatives to tackle specific problems, and regularly convene leaders and experts from the Cyber40, the world's most digitally-advanced nations. We also work to counter traditional security threats, like weapons of mass destruction, and economic security issues, like resource scarcity and other consequences of environmental change.

EWI's First World-wide Cybersecurity Summit in Dallas: Table discussion during a Summit working group session

TESTIMONIALS

“The EastWest Institute is challenging each of us to rethink our international security priorities in order to get things moving again. You know, as we do, that we need specific actions, not words. As your slogan so aptly puts it, you are a ‘think and do tank.’”

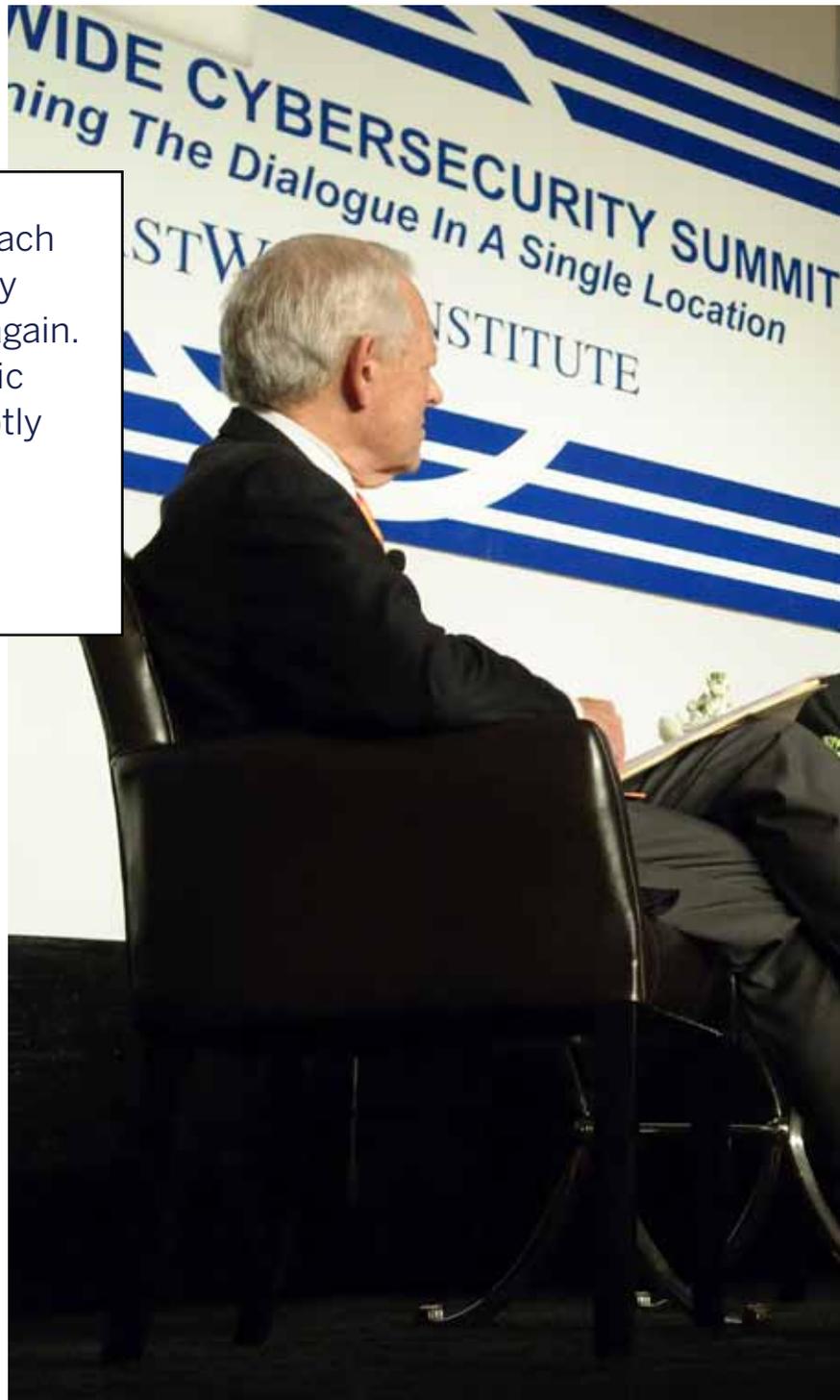
BAN KI-MOON
SECRETARY GENERAL OF THE UNITED NATIONS

“The EastWest Institute is one of the most renowned think tanks on international affairs.”

RENÉ OBERMANN
CEO OF DEUTSCHE TELEKOM

“Compared to the very formal, scripted world of international negotiations, I found the EastWest Institute’s talks to be amazingly refreshing. You can roll up your sleeves, show emotion and speak very directly. I am a big fan of the EastWest Institute; I consider it to be a national asset.”

JAMES L. JONES, JR.
FORMER U.S. NATIONAL
SECURITY ADVISOR



“I marvel at how the EastWest Institute is able to make a difference, consistently. EWI acts as a tugboat frequently called upon by governments and powerful institutions to facilitate communications, mobilize resources and help find solutions. ”

MARTTI AHTISAARI
NOBEL LAUREATE; FORMER PRESIDENT OF FINLAND



EWI's Cybersecurity Awareness and Education Dinner in Dallas. From left to right: Moderator Bob Schieffer, Chief Washington Correspondent, CBS News; Kamlesh Bajaj, Chief Executive Officer, Data Security Council of India; Howard A. Schmidt, Special Assistant to the President and Cybersecurity Coordinator; Udo Helmbrecht, Executive Director, European Network and Information Security Agency (ENISA)

“The time is urgent for the world’s technical and policy leaders to cooperate together to solve the challenges of cyberspace. The EastWest Institute’s cybersecurity initiative provides a special opportunity for this cooperation.”

BYEONG GI LEE
PRESIDENT OF IEEE
COMMUNICATIONS
SOCIETY

“This Institute is distinguished by its effective multinational dialogue work as well as its success in integrating business in the public policy debate. Over the years, EWI has developed a penchant for thoughtful risk taking both in thinking about issues and bringing together those who disagree. The results achieved since 1980 speak for themselves.”

CONDOLEEZZA RICE
FORMER U.S. SECRETARY OF STATE

THREE DECADES OF MAKING THE WORLD A SAFER AND BETTER PLACE

EWI Celebrates Its 30th Anniversary

In early October, there was a flurry of articles about Afghan and Pakistani political leaders meeting in Kabul. CNN and other media reported that the talks were organized by the EastWest Institute, part of a larger process aimed at rebuilding trust between the two countries. Who attended the meetings and what did they say? Those details were not reported.

For thirty years, the EastWest Institute has done groundbreaking, but often below-the-radar diplomatic work. As Founder and President John Edwin Mroz explains, “Leaders we work with tell us that what draws them to EWI is our ability to work discreetly.” Mroz says leaders also appreciate that EWI focuses not only on publishing reports, but also on spurring actions designed to produce concrete results.

“The EastWest Institute is challenging each of us to rethink our international security priorities in order to get things moving again,” says UN Secretary General Ban Ki-moon. “As your slogan so aptly puts it, you are a ‘think and do tank.’”

Mroz and Ira Wallach founded EWI as an independent nonprofit dedicated “to making the world a safer and better place.” Over the years, EWI has attracted a diverse array of women and men from around the world as staff, fellows, directors and donors.

During the Cold War, the institute’s underlying premise was that the two sides – the United States and its Western allies, and the Soviet Union and the rest of the Eastern bloc – should at least be talking with each other about how to defuse potential flashpoints.





The 80s

ENDING THE COLD WAR

We were there when the Wall stood. A fiercely independent organization with strong links to policymakers, EWI built trust between leaders on both sides of the Iron Curtain. In 1984 EWI hosted the first ever military-to-military dialogue meetings between NATO and the Warsaw Pact countries, among other steps to help end the Cold War.



Clockwise from top left: EWI's founding board members: John Edwin Mroz, Barbara Thomas, Ira Wallach, Michael Neiditch, Mitchell I. Sonkin, Harold Saunders, Charles Muller, Allen Thomas; EWI's Founding Chairman Ira Wallach and John Edwin Mroz; EWI's Potsdam Conference, 1988, including Deputy Secretary of State John Whitehead and East German Foreign Minister Oskar Fischer; Hans-Dietrich Genscher



EWI Board members with the Former President of the Czech Republic Vaclav Havel



The 90s

REBUILDING SOCIETIES

We were there when the Wall fell, and localized conflicts erupted across Eastern Europe. From the Balkans to Russia, EWI worked to bring economic stability, foster entrepreneurship, and establish cross border initiatives to promote regional cooperation. From Kaliningrad to Belgrade, several of our strongest initiatives became independent NGOs that still operate today.

To that end, EWI hosted the first ever military-to-military discussions between the NATO and Warsaw Pact countries in 1984. These talks paved the way for an agreement requiring each side to alert the other of troop movements, reducing the risk of war.

After the fall of the Berlin Wall and the eruption of local conflicts in Eastern Europe, EWI worked to foster economic stability in the region, encouraging cross-border cooperation and helping prepare a new generation of leaders. In the past ten years, EWI's operations have expanded geographically to China, Southwest Asia and the Middle East, focusing on issues like economic security, countering violent extremism and cybersecurity.

All EWI programs aim to build trust and make an impact. In May 2009, for example, EWI released a Joint Threat Assessment on Iran, produced by senior U.S. and Russian experts convened by the institute. According to *The Wall Street Journal*, it helped inform the Obama administration's decision to scrap the missile defense plan proposed by the Bush administration, replacing it with a new ballistic missile defense plan tailored more closely to counter any potential threat from Iran. This led to a breakthrough in U.S.-Russia relations that helped spur the "reset" process.

It's difficult to predict the newspaper stories of tomorrow, but chances are that they will include news from Kabul, where EWI will continue building trust between Pakistan and Afghanistan. And Beijing, where EWI is convening party-to-party talks with representatives of both the Republican and Democratic Party from the United States. And Moscow, where EWI is bringing together technical and policy experts from Russia and the United States to study Afghan drug trafficking, with the larger aim of improving the countries' relationship.

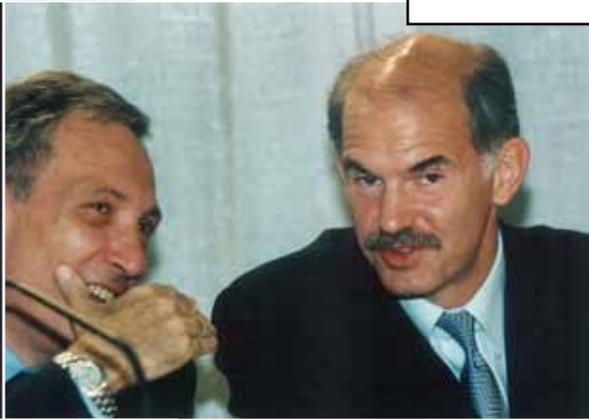
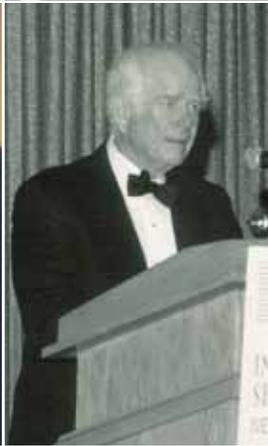
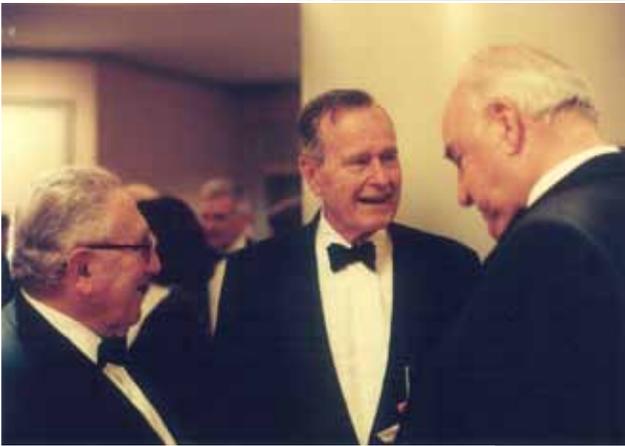
At other times, EWI's behind-the-scenes activities may not be visible at all. But it is determined to continue playing its role as a trusted convener of countries and parties who do not normally cooperate, reframing issues to look for win-win solutions and then mobilizing policy and business leaders to push for their implementation. In other words, it is determined to keep making the world a safer and better place.





The New Millennium
**CONFRONTING
NEW CHALLENGES**

We were there when the towers fell. Extending our geographic engagement, we worked to counter violent extremism, address cybersecurity, and build strategic trust between China, Russia, India and the West. Last June, EWI launched the Abu Dhabi Process on Afghanistan and Pakistan, and mobilized key actors to take preventive action against a growing array of potential conflicts.



From top left: Former Mayor of Berlin Dietrich Stobbe; Martti Ahtisaari and Kofi Annan; Chinese Minister Wang Jiarui, John Mroz and James L. Jones; Henry Kissinger, George H.W. Bush and Helmut Kohl; Donald Kendall; Donald Kendall and Former U.S. Vice President Richard Cheney; Foreign Minister of Turkey Ismail Cem and Foreign Minister of Greece George Papan-dreou; EWI Conference on Economic Security in the Soviet Union, Japan 1991; EWI Awards Dinner in Honor of Kathryn W. Davis; John Edwin Mroz



EWI's 1st U.S.-
China High-Level
Political Party
Leaders Dialogue
in March and April:
U.S. Ambassador
Richard Williamson
and Chinese
Vice President
Xi Jinping

THE STRATEGIC TRUST-BUILDING INITIATIVE

By encouraging constructive dialogue and candid exchange among policymakers, academics, and the business community, STBI programs aim to measurably increase strategic trust among the major world powers.

James Clapper, the U.S. Director of National Intelligence, recently told the Senate Armed Services Committee that China and Russia “represent a mortal threat to the United States.” Just a few months earlier, Walter Isaacson, the Chairman of the Broadcasting Board of Governors that oversees the Voice of America and other public diplomacy outlets, referred to China and Russia as “enemies.” For their part, Chinese leaders have forcefully voiced their ongoing concern about U.S. arms sales to Taiwan, and Russian leaders have done the same in response to U.S.-NATO missile defense plans in Europe. Senior policymakers agree that a significant barrier to full-fledged partnerships among these countries is strategic mistrust.

EWI's Strategic Trust-Building Initiative tackles the root causes of this trust deficit, working to build strategic trust by fostering real conversation and cooperation. In 2010, our U.S.-China High-Level Political Party Leaders Dialogue opened a new diplomatic avenue between the United States and China. In Europe, our new Eminent Persons Group for Euro-Atlantic Security explored solutions for European security threats like ballistic missiles. By encouraging constructive dialogue and candid exchange among policymakers, academics and the business community, STBI programs aim to measurably increase strategic trust among the major world powers.



In 2010, EWI launched the U.S.-China High-Level Political Party Leaders Dialogue between senior representatives from the Chinese Communist Party and prominent U.S. Democrats and Republicans.



China

By any measure, 2010 was a tough year for the United States-China relationship. Tensions ranged from China's outrage over U.S. arms sales to Taiwan to U.S. discontent with China's diplomatic response to the Korean conflict. China and the United States must work together to solve challenges to world security. EWI seeks to create opportunities for the United States and China to work together, building trust by fostering more effective communication.

In 2010, EWI launched the U.S.-China High-Level Political Party Leaders Dialogue between senior representatives from the Chinese Communist Party and prominent U.S. Democrats and Republicans.

This historic process filled a 30-year void in China-U.S. relations by establishing a mechanism for sustained interaction between the political elites of both countries. The first two meetings in Beijing and Washington focused on common challenges in governance, political developments in each country, and foreign policy cooperation.

The China Program also continued its high-level consultations between Chinese and American (and, in one case, European) policy advisors, scholars and business leaders in Beijing and Washington. These consultations identified ways to build political, military and economic trust, and produced policy ideas for strengthening cooperation in areas such as climate change, public diplomacy, strategic stability, space, the Middle East and Afghanistan.

On this page: EWI's 2nd U.S.-China High-Level Political Party Leaders Dialogue. Right page: counter clockwise from top: EWI's Eminent Persons group: Dmitry Rogozin, Hans-Friedrich von Ploetz, Greg Austin; Former Serbian Foreign Minister Goran Svilanovic; Former Polish Foreign Minister Adam Rotfeld, Former Polish Foreign Minister Andrzej Olechowski, Liza Kurukulasuriya, Andrew Nagorski, Former Polish Defense Minister Janusz Onyszkiewicz



In 2010, EWI laid the groundwork for a project to examine the technical feasibility of bilateral cooperation on ballistic missile defense. As one U.S. official recently put it, this is “a potential game-changer” in Russia-West relations.



Russia

In 2010, the United States and Russia continued to work towards the “reset” of relations promised by President Obama and President Medvedev. To build strategic trust between Russia and the West, EWI engaged policy makers, business leaders and experts to improve critical areas of the bilateral relationship.

This year, EWI launched the Eminent Persons Group for Euro-Atlantic Security, which includes eight high-ranking former political and military figures from OSCE countries. The aim is to create new security solutions for a post-Cold War Europe, with a particular emphasis on Russia-NATO cooperative ballistic missile defense in Europe. As one U.S. official recently put it, this is “a potential game-changer” in Russia-West relations. In 2010, EWI laid the groundwork for a project to examine the technical feasibility of bilateral cooperation on ballistic missile defense.

EWI is also working to promote bilateral cooperation on cybersecurity. In 2010, we brought together two U.S.-Russia working groups on cyber threats. The first, in cooperation with Moscow State University, focused on defining key disputed cybersecurity terms to lay the groundwork for future agreements, and the second explored how to extend the guiding principles of the Geneva and Hague Conventions to cyber conflicts.

EWI is leading an effort to support Russia's modernization, building trust through international dialogue about economic policies, technology and science. We held two seminars in cooperation with the Parliamentarians Network for Conflict Prevention and the Leo Gumilev Center in Moscow on the challenges posed by ethnic and religious radicalism for modernization in Russia and other CIS countries.

EWI's U.S. Global Engagement Program is focused on increasing strategic trust between the United States, China, Russia and Europe.



EWI's 2nd U.S.-China High-Level Political Party Leaders Dialogue: Chinese Vice Minister Qian Xiaoqian and EWI Vice President David Firestein

U.S. Global Engagement

In 2010, the United States faced challenges ranging from the financial crisis, to rising global and regional powers, to domestic checks on spending. In this altered economic and geopolitical landscape, the United States cannot as easily project its will as in the past, making it all the more important for the U.S. to work effectively with other powers to resolve security threats. To this end, EWI's U.S. Global Engagement Program is focused on increasing strategic trust between the United States and China, Russia and Europe, as well as laying the groundwork for new outreach on Iran and Turkey.

One of our newest and most innovative efforts at U.S.-Russia trust-building is the Joint U.S.-Russia Working Group on Afghan Narcotraf-ficking, funded with the generous support of the Carnegie Corporation of New York. This

exciting two-year project will bring together technical and policy experts from Russia and the United States to fight Afghan heroin traf-ficking, which has devastating costs for both Russia and the U.S. The group is working to-wards a joint policy assessment, which we see as a way not only to generate concrete policy solutions to decrease Afghan drug production, but also as a unique way to build trust between the United States and Russia.

EWI also tackled climate change, creating a U.S.-China working group on climate change with funding from the Connect U.S. Fund. EWI issued a well-received policy paper on U.S.-China cooperation on climate change, and briefed U.S. and Chinese policymakers as well as the UN community. Focusing on WMD, where the U.S.'s failure to ratify the CTBT represents another critical trust deficit in global non-proliferation efforts, we also released the report *The Comprehensive Test Ban Treaty: New Technology, New Prospects*.

Historic First Visit from China to the United States

In December 2010, EWI coordinated the first ever visit of a delegation from the Communist Party of China (CPC) to the United States, for talks with prominent members of the Democratic and Republican parties.

In off-the-record discussions spanning two days in Washington, the political leaders discussed challenges in the bilateral relationship, including the countries' very different responses to North Korea after its artillery attack on South Korea – a key point of U.S.-China tension in the fall of 2010.

The visit was all the more significant because the leader of the Chinese delegation, Mr. Wang Jiarui, Minister of the International Department of the Central Committee of the CPC (IDCPC), was a key negotiator with the North Korean leadership. Former U.S. Secretary of State Madeleine K. Albright (D) and former U.S. Ambassador to the United Nations Richard S. Williamson (R) led the U.S. delegation.



In the talks, both sides explained their country's foreign and domestic policies. The U.S. delegation interpreted the results of the November 2010 mid-term elections, and the Chinese summarized their 12th Five-Year Plan aimed at domestic development. Both delegations also spoke candidly about other problems in U.S.-China relations, including human rights, trade frictions, and U.S. arms sales to Taiwan.

Members of both delegations pointed out the need for open channels of communications between the United States and China – not just to resolve specific challenges like North Korea, but also to build cooperation and communication in a broader sense.

Wang called the U.S.-China High-Level Political Party Leaders Dialogue “a historic contribution to the development of U.S.-China relations.”

According to Henry Kissinger, “EWI’s party-to-party talks are the most significant development in U.S.-China relations in a decade.”

The U.S.-China High-Level Political Party Leaders Dialogue will continue in 2011, working to address critical issues facing the bilateral relationship and promote mutual understanding of each country’s political and foreign policy processes. By laying the foundation for an ongoing dialogue between the two political establishments, this first visit was an important step toward forging bilateral strategic trust.

EWI’s 2nd U.S.-China High-Level Political Party Leaders Dialogue: Former U.S. Secretary of State Madeleine Albright and Chinese Minister Wang Jiarui

PREVENTIVE DIPLOMACY & REGIONAL SECURITY

An ongoing series of high-level, confidential meetings funded with the support of the government of the United Arab Emirates, the Abu Dhabi Process is designed to build trust and cooperation between Afghanistan and Pakistan. It is a key part of EWI's regional security initiative, which aims to defuse regional tensions and build trust through preventive diplomacy, with a focus on Southwest Asia.

In October 2010, EWI's work in Kabul started grabbing headlines. Local people talked widely about what they called the Kabul meeting on reconciliation – a meeting that was particularly important because it included Pakistani as well as Afghan leaders. CNN reported, “The talks are part of the so-called Abu Dhabi process, started by the EastWest Institute...”

An ongoing series of high-level, confidential meetings funded with the support of the government of the United Arab Emirates, the Abu Dhabi Process is designed to build trust and cooperation between Afghanistan and Pakistan. It is a key part of EWI's regional security initiative, which aims to defuse regional tensions and build trust through preventive diplomacy, with a focus on Southwest Asia.

The Afghanistan Regional Security Program

In January 2009, EWI launched a multi-year strategic initiative to promote regional security and cooperation in Southwest Asia. The initiative has produced influential publications like *Economic Development and Security for Afghanistan: Opportunities for Regional Cooperation*, which was widely circulated at the London Conference on Afghanistan in January 2010.

On February 17, 2010, EWI facilitated the third in a series of high-level consultations, “Alternative Futures for Afghanistan and the Stability of Southeast Asia,” at the European Parliament in Brussels. There, 75 senior decision-makers and experts explored new policy approaches for stabilizing the Afghanistan region, like how the Afghan armed forces might spearhead reconciliation with the Taliban.



NEW HOPE
An Afghan man
stands next to the
ruins of a tomb as
he looks towards the
horizon during the
final sunset of the
year in Kabul, Dec.
31, 2010. (AP)

Trust-building between Afghanistan and Pakistan: The Abu Dhabi Process

Afghanistan and Pakistan share a contested 1,500 mile border that runs through volatile tribal regions, prime territory for smuggling and a longtime safe haven for Al Qaeda and the Taliban. The War on Terror only exacerbated Afghanistan and Pakistan's longtime distrust – and underscored that world security is intricately tied to this region's stability. But stability cannot be achieved until the border regions are secured and some level of trust achieved between Afghan and Pakistani institutions.

In 2009, EWI began facilitating a series of high-level, Track 2 meetings endorsed by the governments of Afghanistan and Pakistan, with the generous support of the United Arab Emirates government. Bringing together high-level representatives of government and civil society, EWI quickly won local trust and gained credibility as an effective facilitator. President Hamid Karzai has publically endorsed the Abu Dhabi Process.

EWI organized two Abu Dhabi Process meetings in 2010, from June 19-20 in Abu Dhabi and from October 4-6 in Kabul. The June meeting produced concrete recommendations for tackling the trust deficit between Afghanistan and Pakistan, including ideas for new communications practices on three levels: the senior government, the wider bureaucracy and person-to-person contacts. Recognizing that reconciliation with the Taliban is a core security issue for Pakistan as well as Afghanistan, the October meeting sought to create a road map for political settlement, with a meaningful role for Pakistan and tribal leaders from the border regions.

As the Abu Dhabi meetings discuss highly-sensitive aspects of the bilateral relationship, they are governed by the Chatham House Rule, which protects participants' identities but allows their remarks to be shared. To publicize the meetings' often groundbreaking ideas, EWI has created a series of reports titled *Seeking Solutions for Afghanistan*. The Abu Dhabi Process will continue through 2011, with an emphasis on the possibility of an Afghanistan-Pakistan Peace Jirga.

Recognizing that reconciliation with the Taliban is a core security issue for Pakistan as well as Afghanistan, the October meeting sought to create a road map for political settlement.

EWI's first Abu Dhabi Process meeting: A dinner hosted by UAE Minister of Higher Education Sheikh Nahyan bin Mubarak Al Nahyan





The Preventive Diplomacy Initiative

International attention to conflict prevention has increased since the 2004 High-level Panel on Threats, Challenges, and Change and the 2005 World Summit, with the creation of the UN Peacebuilding Commission and the unanimous acceptance by UN member states of the “Responsibility to Protect” principle. Despite this progress, time and again governments and institutions do not muster the political will, resources and coordination needed to stop conflicts before they start.

At EWI, our Preventive Diplomacy Initiative aims to promote conflict prevention as a more regularly applied foreign policy approach. Instead of expensive peacekeeping efforts, the world needs faster, more targeted and cheaper interventions aimed at defusing triggers of violence, like monitoring elections or holding diplomatic talks at just the right moment. In this era of slashed national budgets, EWI is focused on how to “do more with existing resources,” a practical approach that we pursue in meetings, consultations and publications.

To spur international action, EWI is working to create a stronger preventive action community worldwide, to better coordinate and harness the collective resources of the United Nations, regional organizations and govern-

ments. Our activities enjoy longstanding support, cooperation and funding from a range of partners, notably the governments of Germany and Belgium. In 2010, EWI partnered with international organizations such as the U.N., ASEAN, the OSCE, as well as representatives from the EU, U.S., and BRIC countries, to host the First Global Conference on Preventive Action on December 6 and 7 in Brussels.

Two days of intense debates produced a range of substantive recommendations. They include: advocating for the UN to frame preventive action as a high-profile global initiative; encouraging cooperation between the UN and regional organizations; and suggesting concrete ways to improve EU-U.S. cooperation on preventive action. Participants called for the BRIC countries, who are bearing an ever larger share of peacekeeping costs, to champion and invest in conflict prevention, in part through allocating more diplomats to UN political missions.

The concrete recommendations from that conference will shape EWI’s preventive action work from 2011-2013. EWI has been invited to share many of these recommendations in the 2011 U.N. Secretary General’s Report. And the Global Conference on Preventive Action is likely to become a permanent hub for the traditional security community, development policy decision-makers and the conflict prevention community.

EWI’s First Global Conference on Preventive Action: European Parliament, Brussels, Belgium

The Parliamentarians Network for Conflict Prevention and Human Security

The Parliamentarians Network is an integral part of EWI's programmatic work on conflict prevention. Established in 2008 by EWI's International Task Force on Preventive Diplomacy, the Network connects parliamentarians to advocate for conflict prevention and organize joint efforts through diplomatic initiatives. In 2010, the Network grew by over 40%, and now includes over 170 parliamentarians from more than 58 countries. This growth is due in part to the Parliamentarians Network Newsletter which, since 2009, developed into a highly-appreciated information sharing tool. In addition, the Parliamentarians convene for meetings two or three times a year.

Largely due to the efforts of EWI and the Parliamentarians Network, in 2010 the U.K. Parliament agreed to annualize the conflict prevention debate and to formalize conflict prevention as a key policy area in major UK party manifestos. The Parliamentarians Network members also participated in a global call to action to prevent violence in the lead up to the Sudanese elections, held on April 11, 2010. With partners, EWI advocated effectively for better incorporation of conflict prevention in the newly-established European External Action Service.

An important part of the Network's work this year was bringing female lawmakers from Afghanistan, Pakistan and the region together. The aim: to give Afghan women a voice in public affairs, beyond gender specific issues, and to strengthen the legislative capabilities of Afghan women parliamentarians. Network members are convinced that this focus will help protect human rights in Afghanistan, a vital requirement for sustainable conflict prevention in the region.

As a result of their activities within the framework of the Parliamentarians Network in 2010, including an international conference held at the European Parliament on December 7, Pakistani and Afghan female lawmakers have agreed to a mutual dialogue process. Together, they will address concrete topics concerning the bilateral relationship and offer each other mutual assistance in their par-

liamentary work. This effort will contribute to trust-building between political actors in Afghanistan and Pakistan, an essential element of regional peace and stability in South Asia.

Cooperation on Water in Afghanistan and Central Asia

Water is a pressing and delicate security issue in Southwest Asia. Afghanistan lacks the infrastructure to make full use of its water resources, which include five major rivers. After decades of conflict, less than half the land irrigated in 1979 is currently irrigated and less than a third of Afghanistan's households have clean drinking water. With the exception of one problematic bilateral agreement with Iran, Afghanistan is not party to any bilateral or multilateral water agreements on trans-boundary water sharing or cooperation. Downstream neighbors Iran, Pakistan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan, which rely on the rivers for agriculture, fear that as Afghanistan develops, their water supply will diminish. This fear is exacerbated by the growing unreliability of the water supply due to climate change.

Identifying the seeds of possible conflict, EWI is encouraging cooperation on water between Afghanistan and its neighbors. In early research, EWI recognized that there is almost no place for key stakeholders to discuss trans-boundary water issues, create agreements and joint actions and share knowledge. EWI's central achievement in water work in 2010 was the establishment of the Amu Darya Basin Network, an active network linking experts, researchers and policy makers from Central Asia, Afghanistan and Europe.

Partnering with DPRN (Development Policy Review Network), EWI launched the website www.amudaryabasin.net. To connect participants across borders, EWI initiated a series of conference calls linking up 28 participants from Afghanistan, Uzbekistan, Tajikistan and Europe – a simple, affordable way to spur collaboration and generate policy tools. EWI's water work in the region includes advocacy and much-needed research. EWI's *Making the Most of Afghanistan's River Basins: Opportunities for Regional Cooperation* was one of the few publications on water security in Afghanistan.

EWI is working to create a stronger preventive action community worldwide, to better coordinate and harness the collective resources of the UN, regional organizations and governments.

New International Support and Connections for Afghan Women Politicians

On December 7, EWI and the Parliamentarians Network for Conflict Prevention brought together women parliamentarians from Afghanistan and other Muslim countries, as well as Western advocates, at the European Parliament.

The goal: to support Afghan women politicians, who are largely isolated from their counterparts even in countries as close as Pakistan, in their efforts to legislate, advance human rights and work for peace. For many participants, the highlight of the conference was the rare chance to hear women lawmakers from Afghanistan speak directly about their experiences, from the real personal risks they took running for office to the difficulties of making policy in a society traditionally ruled by men.

“We women are challenged daily in our lives inside and outside the parliament,” said Shinkai Karokhail, a two-term MP. She pointed out that the presence of Afghan women in Parliament, assured in part thanks to a constitutionally-mandated quota, should not be mistaken for political power. Women are rarely decision-makers, she said.

And there’s a real fear that reconciliation with the Taliban, with the political compromises that might entail, could take away Afghan women’s hard-won rights. One of the strongest recommendations to emerge from the conference was the idea of creating a standing regional group to connect Afghan women with women from other Muslim countries.

“We’re a little more familiar with the culture and context of what the Afghan women are facing and we have similar backgrounds, so we’d be able to help them enact the kind of changes that we’ve had in our countries towards women’s empowerment,” said Donya Aziz, an MP from Pakistan.

Another recommendation, which the Parliamentarian Network will pursue in 2011, is an international network connecting Western parliamentarians with Afghan women lawmakers.

Margareta Cederfelt, a MP from Sweden, said that she and her counterparts can offer knowledge and help rebuilding civil society, but that perhaps the most immediate help they can offer is an e-mail address. She explained, “It’s hard to be a politician without a network.”

EWI’s First Global Conference on Preventive Action: EWI and the Parliamentarians Network brought together women parliamentarians from Afghanistan and other Muslim countries



THE WORLDWIDE SECURITY

Nearly every crucial Internet message, from a financial trade to an encoded military communiqué, travels through undersea fiber-optic cables spanning the globe. While generally reliable, the cables are vulnerable: a natural event, like an undersea earthquake, or sabotage could damage a key point where the cables converge, disrupting connectivity for weeks and costing the world economy billions of dollars.

Working with IEEE, EWI is fostering private-public partnerships to protect the cables, which are built and maintained by a handful of companies. In 2010, as a part of our Reliability of Global Undersea Cable Communications Infrastructure (ROGUCCI) program, EWI met with financial and government leaders in New Delhi, Hong Kong, Paris and London to discuss how best to ensure the rapid repair of cables.

As is the case for other security problems facing the Internet, there is no purely national solution for protecting undersea fiber-optic cables. Instead, skilled and dedicated individuals from every country and sector need to work together. This is why EWI created the first truly global forum for protecting our world's digital infrastructure, the Worldwide Cybersecurity Initiative.

The Worldwide Cybersecurity Initiative is a key component of EWI's broader Worldwide Security Initiative, which seeks to anticipate and mobilize solutions to global security problems ranging from weapons of mass destruction to economic security threats posed by resource scarcity, water shortages and other consequences of environmental change.



INITIATIVE

The Worldwide Cybersecurity Initiative is a key component of EWI's broader Worldwide Security Initiative, which seeks to anticipate and mobilize solutions to global security problems ranging from weapons of mass destruction to economic security threats posed by resource scarcity, water shortages and other consequences of environmental change.



Governor Thomas J. Ridge; AT&T CEO and President Randall L. Stephenson; IEEE President and CEO Byeong Gi Lee



Our government partners include Russia, China, the United States, France, Germany, India and Japan, who are all members of an innovative forum known as EWI's Cyber40 Ambassadors group, representing the most digitally advanced countries.

The Worldwide Cybersecurity Initiative

In today's digital world, we are more connected than ever before – and more dependent than ever on those connections. The Internet, which hosts vital communications, financial and military systems, is increasingly vulnerable to sweeping attacks, like the one that nearly paralyzed Estonia in 2007. The proliferation of mobile Internet access devices has proven to be a boon for hackers, and it is becoming harder to track online criminals. Clearly, we need to work together as a global community to secure our digital infrastructure.

To create meaningful discussion on protecting cyberspace, EWI established the Worldwide Cybersecurity Initiative in 2009. Our goals are to:

- Reduce the mistrust among China, Russia, India, the European Union and the United States caused by state-sponsored cyberspace activity and rogue cyber attacks;
- Help shape "rules of the road" to govern cyber conflict and spur international cooperation on fighting cyber crime;
- Set up new private sector leadership models for cybersecurity;
- Create an effective worldwide cyberspace emergency response network.

In 2010, EWI's Worldwide Cybersecurity Initiative engaged more than 1,000 leaders from business, government and civil society. Our government partners include Russia, China, the United States, France, Germany, India and Japan, who are all members of an innovative forum known as EWI's Cyber40 Ambassadors group, representing the most digitally advanced countries. Our corporate partners and supporters include AT&T, De-

loitte, Microsoft, Goldman Sachs, Huawei, Juniper Networks, the Financial Times, Akin Gump, Knightsbridge Cybersystems, Dell Services, the Chertoff Group, Motorola, BNSF Railway and Verisign. From May 3-May 5, 2010 in Dallas, Texas, EWI launched the initiative's public process with The First Worldwide Cybersecurity Summit: Protecting the Digital Economy. The summit brought together over four-hundred technical experts, policy elites and national security officials from the Cyber40 countries. The work of experts at the summit ultimately shaped EWI's cybersecurity agenda.

After the conference, EWI began facilitating Track 2 bilateral processes between the United States and China, and the United States and Russia. To build trust and cooperation, the dialogue focused on topics ranging from safeguarding critical infrastructure and combating spam to defining disputed cybersecurity terms and protecting young Internet users.

To share this work and highlight its recommendations, EWI has released a series of publications, including *Russia, the United States, and Cyber Diplomacy – Opening the Doors*, which makes a compelling call for more rapid progress in U.S.-Russian cooperation on cybersecurity, and a joint paper with the World Federation of Scientists paper, *Rights and Responsibilities in Cyberspace – Balancing the Need for Security and Liberty*. EWI also issued a joint report with the Data Security Council of India, *The Cybersecurity Agenda: Mobilizing for International Action*, which includes recommendations for building the legal, technical and administrative foundations for an international cybersecurity system.

Throughout 2010, EWI and its partners have been preparing for The Second Worldwide Cybersecurity Summit: Mobilizing for International Action, to be held from June 1–2, 2011 in London.

Protecting the Digital Economy

The First Worldwide Cybersecurity Summit was held May 3-5, 2010 in Dallas, Texas

At the summit, EWI brought together more than 400 technical experts, policy elites and national security officials from the Cyber40, including the United States, China, India, Russia and Estonia. Participants worked to identify problems and solutions for seven crucial sectors of the Internet: information and communications technology; financial services; essential government services; energy; transportation; and national security. After the summit, EWI chose which issues to tackle first based on the urgency of the problem, the potential impact of a breakthrough and the feasibility of the solution from a business and policy perspective. This process helped shape EWI's cybersecurity agenda, which is focused on these areas:

Undersea Cables at Risk

To protect vital undersea fiber-optic cables, EWI partnered with IEEE to begin a program of advocacy and mobilization called the Reliability of Global Undersea Cable Communications Infrastructure (ROGUCCI).

International Priority Communications Policy

Even though the equipment and codes exist to fast-track priority information on the Internet, there are no policies in place to assure that the codes are universally recognized. EWI is working to create them.

Cyber Conflict Policy and Rules of Engagement

EWI has established Track 2 bilateral processes with the United States, Russia and other key countries, including private sector stakeholders, to develop "rules of the road" for cyber conflict.

Cybersecurity Breach Information Sharing

If compromised parties, like major retailers, could share information about online security breaches without fear of losing business, we could aggregate strong statistical data. EWI is working to create a trusted environment for stakeholders to report such information.

ICT Development Supply Chain Integrity

EWI is leading an effort to promote international standards for securing the ICT supply chain – a measurable scale like a thermometer that governments and businesses can use to assess the integrity of products.

Worldwide Cyber Emergency Response Coordination Capability

EWI is laying the groundwork for cooperation in case of a major international cyber crisis – an entity to complement existing Cyber Emergency Response Teams (CERTs) with "infrastructure-level emergency response" capabilities.



“Governments and private industry need to work collaboratively to develop the appropriate international framework to secure cyberspace.”

Michael Dell, CEO, Dell

EWI Co-Chairman Francis Finlay delivering a keynote speech for the EWI conference on weapons of mass destruction at the UN; Thomas Graham and Pal Sidhu co-chair a roundtable discussion on WMD



In 2010, EWI worked to build the trust and political will necessary for states and international institutions to take the next concrete steps in disarmament, non-proliferation, and nuclear security.

Weapons of Mass Destruction

The international community made significant progress towards reducing the number of nuclear weapons in 2010. The United States and Russia signed the New START, agreeing to cut the number of delivery vehicles in half. President Obama hosted the first Nuclear Security Summit, bringing together 50 world leaders to discuss how to prevent nuclear terrorism. And at the United Nations, participating countries signed a strong Final Document of the 2010 Review Conference to the Nuclear Non-Proliferation Treaty. But significant levels of mistrust remain, which threatens to hinder future progress.

In 2010, EWI worked to build the trust and political will necessary for states and international institutions to take the next concrete steps in disarmament, nonproliferation, and nuclear security.

In partnership with the Permanent Mission of Kazakhstan to the UN, EWI convened two high-level consultations on how to implement the 64-point Action Plan of the 2010 NPT Review Conference Final Document. At the September consultation, participants

overwhelmingly agreed that the international community should prioritize action point five, which calls for accelerated progress in nuclear disarmament. The October consultation identified practical steps to achieving disarmament, including: decreasing the operational readiness of nuclear weapons, working towards greater transparency, U.S. ratification of the Comprehensive Test-Ban Treaty, and reframing strategic stability in a post-nuclear weapon world.

To build confidence between nuclear weapon states of the UN Security Council, EWI convened a meeting of representatives in June 2010 to discuss strategic stability. The discussions identified the relationship between vulnerability and survivability as a key issue and also noted the role of cyber and nano technologies in ensuring strategic stability. EWI also convened a series of roundtable discussions to immediately address dangerous and timely security issues such as ratification of the Comprehensive Test-Ban Treaty and verifying warhead dismantlement. Speakers included Gary Samore, the White House Coordinator for Arms Control and WMD Proliferation and Terrorism, Laura Holgate of the U.S. National Security Council, Ambassador (ret.)



Thomas Graham, Jr. and Andreas Persbo, Executive Director of VERTIC.

Worldwide Security Conference

Since 2002, EWI has convened the Worldwide Security Conference to identify new global security threats and seek cooperative approaches for solving them, engaging private sector leaders as well as government representatives. On February 18, EWI partnered with the World Customs Organization to host WSC 7, which highlighted pressing issues ranging from the security situation in Pakistan-Afghanistan border regions and cybersecurity to climate security and weapons of mass destruction.

Makhdoom Shah Mahmood Qureshi, Foreign Minister of Pakistan, delivered WSC 7's opening address, calling for dialogue, development and deterrence to stabilize the Pakistan-Afghanistan border regions. Among the other business and government leaders who attended: Lieutenant General Mohammad Akram, Afghanistan's First Deputy Minister of Defense; Peter Altabef, President of Dell Ser-

vices; Ali Asghar Soltanyeh, Iran's Ambassador to the IAEA; Zhou Yonglin, Deputy Secretary-General of the Internet Society of China; and Stein Schjolberg, former Chairman of the High-Level Experts Group on Cybersecurity and Cybercrime at the International Telecommunication Union.

Climate Security

After the diplomatic failure of the Copenhagen climate summit in December 2009, EWI created the Climate Consensus Policy Advisors Group (PAG), a standing Track 2 process comprised of select government officials, private sector and military leaders from the G20 member states. The goal: to encourage more effective outcomes in climate policy by creating greater public awareness of the underlying issues, thereby building political consensus more rapidly. The group convened for the first time in person on October 29, 2010 in Oxford, United Kingdom in partnership with the Oxford Martin School (Oxford University).

EWI's Seventh Worldwide Security Conference in Brussels: Pakistani Foreign Minister Makhdoom Shah Mahmood Qureshi

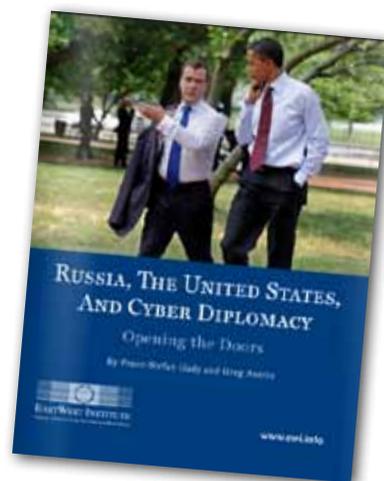
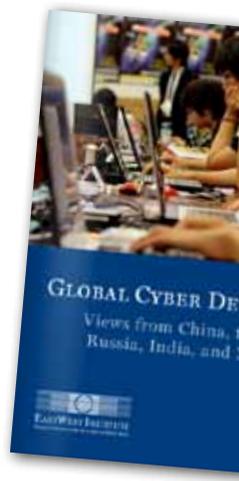
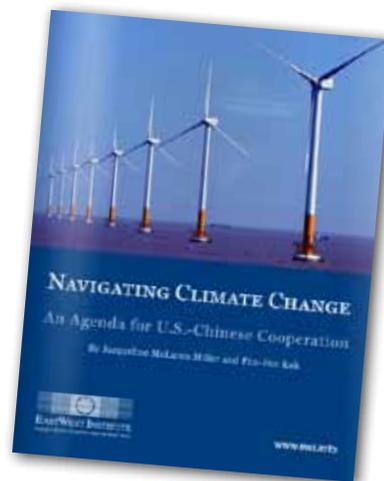
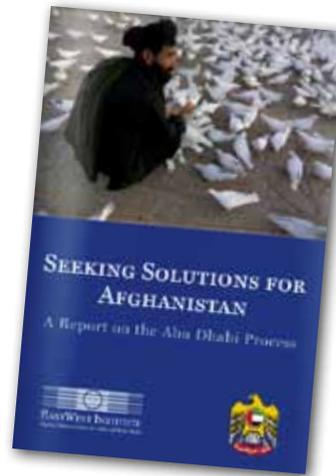
PUBLICATIONS AND OUTREACH

In 2010, EWI broadened its public outreach and communications efforts, with impressive results. Newspapers like the *Washington Post*, *USA Today* and the *Financial Times* covered the First Worldwide Cybersecurity Summit in Dallas, billing it as a major international gathering aimed at finding new ways to protect cyberspace. EWI's talks between Afghan and Pakistani leaders in Kabul also grabbed headlines, even though the meetings were closed and speaker identities protected. Such coverage is due to the fact that EWI programs offer exciting new strategies for tackling some of the world's toughest security challenges.

Our publications often fill a gap in security studies, providing recommendations for action on new or often neglected threats. *Making the Most of Afghanistan's River Basins: Opportunities for Regional Cooperation* was one of the few publications on water security in the Afghanistan region. *Russia, the United States, and Cyber Diplomacy – Opening the Doors* called for more rapid progress in U.S.-Russian cooperation on cybersecurity, and a joint paper with the World Federation of Scientists, *Rights and Responsibilities in Cyberspace – Balancing the Need for Security and Liberty*, explored the complexities of crafting international regulations for cyberspace. *Navigating Climate Change: An Agenda for U.S.-Chinese Cooperation* offered proposals on trade in clean energy technologies.

In 2010, EWI's staff continued to publish regular commentary, with Greg Austin contributing to *New Europe*, Andrew Nagorski to *Newsweek*, and Pal Sidhu to *Mint*, an Indian business newspaper associated with *The Wall Street Journal*. Franz-Stefan Gady published articles in *The Christian Science Monitor* and *foreignpolicy.com*, among others, and David Firestein in *The Moscow Times* and *Austin American-Statesman*. On the EWI website, we were proud to feature commentaries by board members Kanwal Sibal and Ikram Sehgal, who write for Indian and Pakistani newspapers respectively, alongside the thoughtful analyses of Piin-Fen Kok and Jacqueline McLaren Miller.

Thanks to our reports, opinion pieces and growing use of video commentaries, our website traffic jumped by 63 per cent in 2010. We hope more of you will visit us on a regular basis at www.ewi.info and post your comments there as well.



*"A three-day, 40-nation summit on cybersecurity hosted by the non-profit **EastWest Institute** suggested a series of measures that should be taken by defence officers, law enforcement and by the private sector. ...The presence of 500 people, many with significant standing in countries including the US, Russia and China, indicated impatience with the pace of official efforts to combat what many see as a threat to national and economic security."* - FINANCIAL TIMES, May 2010

*"The talks are part of the so-called Abu Dhabi Process, started by the **East West Institute**. ...There is no military solution for the conflict in Afghanistan "* - CNN, October 2010



EWI Board Member Kanwal Sibal is interviewed for television during WSC7

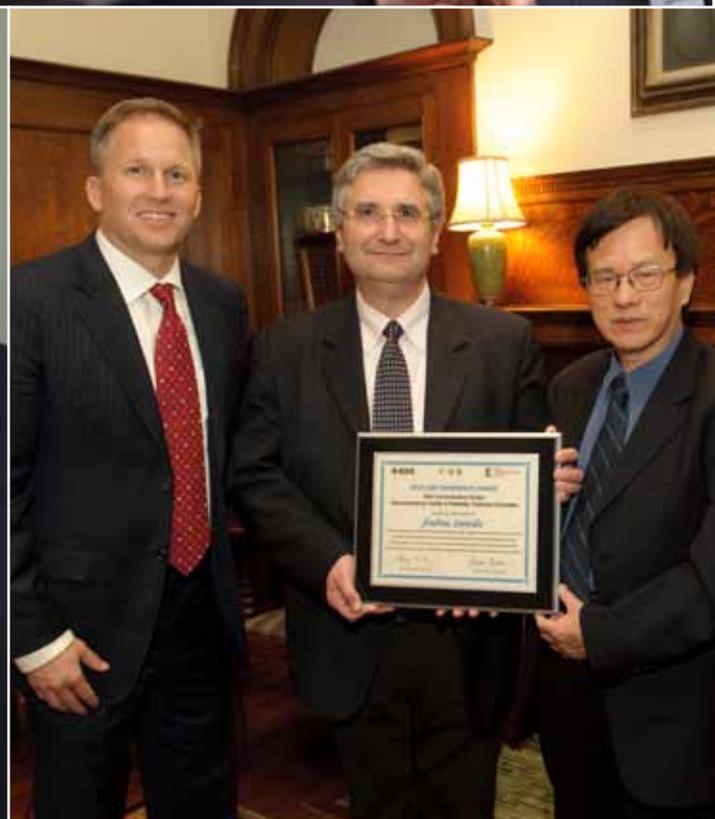
2010 THE YEAR IN PICTURES





Clockwise from top left: Addison Fischer; Ross Perot, Jr., Margot Perot, Francis Finlay, Haifa Al Kaylani, Minister of Foreign Affairs H.H. Sheikh Abdullah bin Zayed and John Edwin Mroz; Perot Distinguished Fellow General T. Michael "Buzz" Moseley; Donald Kendall, Jr.; Armen Sarkissian; Melissa Hathaway; C.H. Tung; Adel Ghazzawi; Maria Livanos Cattau

THE YEAR IN PICTURES





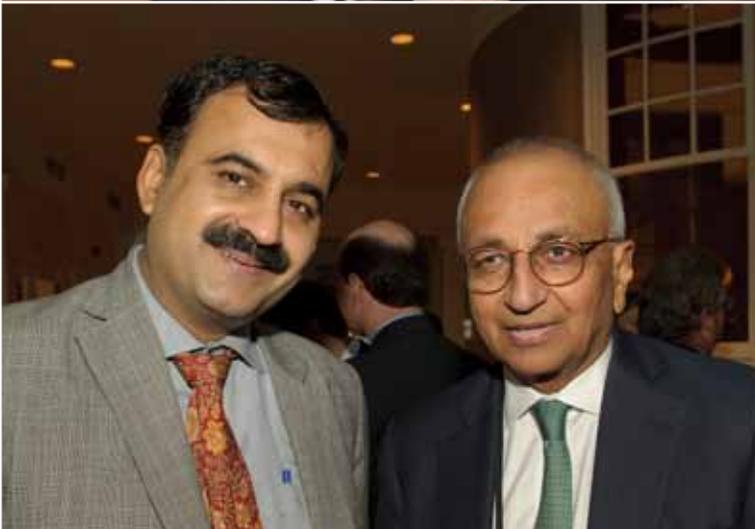
Clockwise from top left: Christine Loh; Mark Chandler and Jerald T. Baldrige; James A. Lash and Karen Lineham Mroz; Thomas and Lynn Meredith; Sarah Perot; Peter Castenfelt; George Sheer; Curtis Siller, Chi-Ming Chen, Andrea Servida and Karl F. Rauscher; David Firestein and Ramzi H. Sanbar



THE YEAR IN PICTURES



Clockwise from left: Henry Kissinger and Chinese Minister Wang Jiarui; Stephen B. Heintz; Louise Richardson; Leo Schenker; Pavan Dugal and Rohit Desai; Michael Chertoff; Bud Smith; George and Dion Russell; John A. Roberts



THE YEAR IN PICTURES

Clockwise from top left: Joel and Geraldine Cowan with granddaughter Leah C. Barnett; Kazakh President Nursultan Nazarbayev; Francis and Dionne Najafi; Yousef and Abeer Al Otaiba, Sarah and Ross Perot, Jr.; Ikram and Shahnaz Sehgal; Hilton Smith, Jr.



THE YEAR IN NUMBERS

Audited Financial Information

Revenue	
Donor contributions	\$ 7,180,452
Grants	\$ 1,526,181
Investment gain	\$ 946,300
In-kind contributions	\$ 88,801
Net revenue from special events	\$ 184,810
Other	\$ 98,510
Total public support and revenue	\$ 10,025,054
Expenses	
Program services	\$ 7,224,634
Management and general expenses	\$ 1,640,422
Fundraising	\$ 660,633
Total operating expenses	\$ 9,525,689
Net Assets	
Change in net assets before foreign translation income	\$ 499,365
Foreign translation gain	\$ 1,713
Net assets at beginning of year	\$ 14,789,228
Net assets, end of year	\$ 15,290,306

OUR DONORS



John A. Gunn, a founding member of EWI's Chairman's Council, has been one of the institute's strongest supporters for the past decade. With their generosity, he and his wife Cynthia continually demonstrate their faith and confidence in EWI's direction and initiatives. Gunn has not only offered valuable advice to EWI, but has also opened his contact networks to the institute, inviting the kind of support that makes EWI's work possible. By his extraordinary example as a business world leader, as well as an active member of his local community, Gunn inspires us at EWI to be persistent and creative in tackling the world's toughest security challenges. At EWI, we are grateful for the involvement and guidance of supporters like Gunn.

Individuals, Foundations and Government

Chairman's Society (\$250,000+)

Carnegie Corporation of New York
China-United States Exchange Foundation
Kathryn W. Davis
Francis Finlay
German Federal Foreign Office
John A. Gunn and Cynthia Fry Gunn
Sarah and Ross Perot, Jr. Foundation
George F. Russell, Jr. and Dion Russell
The Russell Family Foundation
United Arab Emirates Government

President's Society (\$100,000+)

Belgian Federal Ministry of Foreign Affairs
Donald and Sigrid Kendall
Zuhal Kurt
Pivotal Foundation
Planet Heritage Foundation
Near East South Asia (NESAs) Center for Strategic Studies
The Starr Foundation
The Widgeon Point Charitable Foundation

Ambassador's Society (\$50,000+)

Amon Carter Foundation
The Baldrige Foundation
Mark Chandler
Development Policy Review Network
Gerda Henkel Stiftung
The Hurford Foundation
Charles Stewart Mott Foundation
Schenker Family Foundation
Henry J. (Bud) and Jane M. Smith

Diplomat's Society (\$25,000+)

S.D. Bechtel, Jr. Foundation
Amon G. Carter Foundation
Maria Livanos Cattau
Rohit and Katharine Desai Family Foundation

James and Deborah Jones Lash
MFI Foundation
Frank Neuman
Rockefeller Brothers Fund
George F. Sheer
Lewis Van Amerongen
Miriam and Ira D. Wallach
Philanthropic Fund

Peacekeeper's Society (\$10,000+)

Anonymous (1)
Butler Family Foundation
The Connect U.S. Fund
Francis Finlay Foundation
Beverly L. Hamilton
Forrest and Sally Hoglund
Emil Hubinak
The Lodestar Foundation
Margaret McDermott
Don and Sara Nelson
Laurent Roux
Carl Sewell
WEM Foundation
John C. Whitehead

Insider's Circle (up to \$9,999)

Anonymous (2)
Philip Bruder
Joel & Geraldine Cowan Fund
William D. Dearnstye, Jr.
Fenton-May Family Fund
Robert H. Graham
Michael S. Guerrieri
George B. E. Hambleton
Jerry L. and Marilyn J. Hayden
The Per and Astrid Heidenreich
Family Foundation
R. William Ide, III
Lavinia Family Foundation
Legacy Works Foundation
John Edwin and Karen Linehan Mroz
Kingsley H. Murphy
Vladimir Plasil
A. Steven Raab and Ginny Jackson
Raab
Louise M. Richardson
Red Bird Hollow Foundation
John A. Roberts
Diana Davis Spencer Foundation

Walter P. & Elizabeth Stern
Foundation, Inc.
David B. Stewart
Linda S. Vance
Robert Weekley
Robert T. Wise
Cyvia and Melvyn Wolff Family
Foundation
The Jerry and Anita Zucker Family
Foundation Inc.

Corporations

Leader (\$100,000+)

Anonymous (1)
AT&T Inc.
Dell Services
Deloitte
Hillwood Development Company, LLC
Huawei Technologies Co., Ltd.
Microsoft Corporation
The SDC Group, Inc.

Partner (\$50,000+)

Akin, Gump, Strauss, Hauer & Feld, LLP
Anonymous (1)
BNSF Railway Company
Chevron Corporation
The Goldman Sachs Group, Inc.
Juniper Networks, Inc.
Knightsbridge Multimedia
Motorola, Inc.
VeriSign, Inc.

Sponsor (\$25,000+)

Branford Chain, Inc.
Crow Holdings, L.L.C.
ENI S.p.A.
Logomotion

Member (up to \$24,999)

Colliers International
East Bay Company, Ltd.
Fluor Corporation
Guerrieri Venture Partnership L.P.
Haynes and Boone, LLP
Hunt Consolidated, Inc./
Hunt Oil Company
PlainsCapital Corporation

OUR BOARD OF DIRECTORS

OFFICE OF THE CHAIRMEN

Francis Finlay (U.K.)

EWI Co-Chairman
Former Chairman,
Clay Finlay LLC

Ross Perot, Jr. (U.S.)

EWI Co-Chairman
Chairman, Hillwood Development
Company, LLC;
Member of Board of Directors, Dell, Inc.

Armen Sarkissian (Armenia)

EWI Vice-Chairman
Eurasia House International
Former Prime Minister of Armenia

OFFICERS

John Edwin Mroz (U.S.)

President and CEO
EastWest Institute

Mark Maletz (U.S.)

*Chair of the Executive
Committee of EWI
Board of Directors*
Senior Fellow, Harvard
Business School

R. William Ide III (U.S.)

Counsel and Secretary
Partner, McKenna Long
& Aldridge LLP

Leo Schenker (U.S.)

EWI Treasurer
Senior Executive
Vice President, Central
National-Gottesmann, Inc.

MEMBERS

Martti Ahtisaari (Finland)

Former President of Finland

Joel Cowan (U.S.)

Professor
Georgia Institute of Technology

Wolfgang Ischinger (Germany)

Chairman
Munich Security Conference

Jerald T. Baldrige (U.S.)

Chairman
Republic Energy Inc.

Addison Fischer (U.S.)

Chairman and Co-Founder
Planet Heritage Foundation

James L. Jones, Jr. (U.S.)

*Former United States
National Security Advisor*

Thor Bjorgolfsson (Iceland)

Chairman
Novator

Adel Ghazzawi

Founder
CONEKTAS

Haifa Al Kaylani (U.K.)

Founder & Chairperson
Arab International Women's Forum

Peter Castenfelt (U.K.)

Chairman
Archipelago Enterprises, Ltd.

Melissa Hathaway (U.S.)

President
Hathaway Global Strategies, LLC;
*Former Acting Senior
Director for Cyberspace*
U.S. National Security Council

Donald Kendall, Jr. (U.S.)

Chief Executive Officer
High Country Passage L.P.

Maria Livanos Cattai (Switzerland)

Former Secretary-General
International Chamber of Commerce

Mark Chandler (U.S.)

Chairman and CEO
Biophysical

Stephen B. Heintz (U.S.)

President
Rockefeller Brothers Fund

James A. Lash (U.S.)

Chairman
Manchester Principal LLC

Michael Chertoff (U.S.)

Co-founder and Managing Principal
Chertoff Group

Emil Hubinak (Slovak Republic)

Chairman and CEO
Logomotion

Christine Loh (China)

Chief Executive Officer
Civic Exchange, Hong Kong

OUR BOARD



Ma Zhengang (China)

President
China Institute of
International Studies

Michael Maples (U.S.)

Former Executive Vice President
Microsoft Corporation

Francis Najafi (U.S.)

Chief Executive Officer
Pivotal Group

Frank Neuman (U.S.)

President
AM-TAK International

Yousef Al Otaiba (U.A.E.)

Ambassador
Embassy of the United Arab
Emirates in Washington D.C.

Louise Richardson (U.S.)

Principal
University of St Andrews



John R. Robinson (U.S.)

Co-Founder
Natural Resources Defense Council

George F. Russell, Jr. (U.S.)

Chairman Emeritus
Russell Investment Group;
Founder, Russell 20-20

Ramzi H. Sanbar (U.K.)

Chairman
Sanbar Development Corporation, S.A.

Ikram Sehgal (Pakistan)

Chairman
Security and Management Services

Kanwal Sibal (India)

Former Foreign Secretary of India

Henry J. Smith (U.S.)

Chief Executive Officer
Bud Smith Organization, Inc.



Hilton Smith, Jr. (U.S.)

President and CEO
East Bay Co., Ltd.

William Ury (U.S.)

Director
Global Negotiation Project
at Harvard Law School

Pierre Vimont (France)

Ambassador
Embassy of the Republic of
France in the United States

Alexander Voloshin (Russia)

Chairman of the Board of Directors
OJSC Uralkali

Charles F. Wald (U.S.)

Former Deputy Commander
U.S. European Command

Zhou Wenzhong (China)

Secretary-General
Boao Forum for Asia

NON-BOARD COMMITTEE MEMBERS

Marshall Bennett (U.S.)

President
Marshall Bennett Enterprises

John A. Roberts, Jr. (U.S.)

President and CEO
Chilmark Enterprises L.L.C.

J. Dickson Rogers (U.S.)

President
Dickson Partners, L.L.C.

George Sheer (U.S.)

President (retired)
Salamander USA & Canada
Founder & CEO
International Consulting Group, USA

Bengt Westergren (Sweden)

*Senior Vice President for Corporate &
Government Affairs, Europe and C.I.S.*
AIG Companies



CHAIRMEN EMERITI

Berthold Beitz (Germany)

President

Alfried Krupp von Bohlen und Halbach-Stiftung

Ivan T. Berend (Hungary)

Professor

University of California at Los Angeles

Hans-Dietrich Genscher (Germany)

Former Vice Chancellor and Minister of Foreign Affairs of Germany

Donald M. Kendall (U.S.)

Former Chairman & CEO PepsiCo., Inc.

Whitney MacMillan (U.S.)

Former Chairman & CEO Cargill, Inc.

Ira D. Wallach* (U.S.)

EWI Co-Founder

DIRECTORS EMERITI

Jan Krzysztof Bielecki (Poland)

Chief Executive Officer

Bank Polska Kasa Opieki S.A.
Former Prime Minister of Poland

Emil Constantinescu (Romania)

*Institute for Regional Cooperation and Conflict Prevention
Former President of Romania*

William D. Dearstyne (U.S.)

*Former Company Group Chairman
Johnson & Johnson*

John W. Kluge* (U.S.)

*Chairman of the Board
Metromedia International Group*

Maria-Pia Kothbauer (Liechtenstein)

Ambassador

Embassy of Liechtenstein to Austria, the OSCE and the United Nations in Vienna

William E. Murray* (U.S.)

Chairman

The Samuel Freeman Trust

John J. Roberts (U.S.)

Senior Advisor

American International Group (AIG)

Daniel Rose (U.S.)

Chairman

Rose Associates, Inc.

Mitchell I. Sonkin (U.S.)

Managing Director

MBIA Insurance Corporation

Thorvald Stoltenberg (Norway)

Former Minister of Foreign Affairs of Norway

Liener Temerlin (U.S.)

Chairman

Temerlin Consulting

John C. Whitehead (U.S.)

*Former Co-Chairman of Goldman Sachs
Former U.S. Deputy Secretary of State*

From left to right: Charles F. Wald; Zuhair Kurt; William Ide III; Mark Maletz; Emil Hubinak; Wolfgang Ischinger; Alexander Voloshin; Pierre Vimont

* Deceased

IN MEMORIAM



EWI Remembers John W. Kluge

On September 7, 2010, the EWI family was tremendously saddened to lose John W. Kluge, a beloved friend of the institute. After his passing, EWI President John Mroz reflected, "There are perhaps a dozen legends — giants of men who over our thirty-year history have enabled EWI to go where others could not. One of those giants was John W. Kluge."

Kluge offered EWI tremendously generous support, with a decisive gift that anchored the endowment nearly a decade ago. He freely shared his advice and wise counsel. The institute was honored to recognize Kluge with EWI's Corporate Statesman Award, at an event led by Donald Kendall, Sr. and John Whitehead. Kluge was a member of EWI's board, and also chaired a number of EWI's annual awards dinners, opening the institute's doors to other influential and generous supporters.

On his last visit with Mroz, Kluge talked about his son, John Kluge, Jr., who is an indispensable member of EWI's current team. Mroz recalls, "We discussed how proud he was to see his son care so much about changing the world and his pride that this was being done at the EastWest Institute."

John W. Kluge was a rare friend and colleague, and is greatly missed. His legacy and commitment to EWI will always be remembered.

CHAIRMEN'S COUNCIL

Henry A. Crumpton

*Coordinator for Counterterrorism
(2005-2007)
U.S. Department of State*

Valery Gergiev

*General Director
Mariinsky Theater*

John Gunn

*President and Chief Investment Officer
Dodge & Cox*

Charles Timothy "Chuck" Hagel

*Chairman of the Atlantic Council
former United States Senator*

Frances Hesselbein

*Chairman, Board of Governors
Leader to Leader Institute*

Ekmeleddin Ihsanoglu

*Secretary General
Organization of the Islamic
Conference (OIC)*

Lady Barbara Judge

*Former Chair
UK Atomic Energy Authority*

Joseph E. Robert, Jr.

*Chairman
Business Executives for
National Security*

C.H. Tung

*Founding Chairman
China-United States
Exchange Foundation*

Antonio Vitorino

*Former European Commissioner
for Justice and Home Affairs*

Robert Ziff

*Chief Investment Strategist
Ziff Brothers Investment*

PRESIDENT'S ADVISORY GROUP

Salma Abbasi

*Chairperson and CEO
e Worldwide Group*

Michael Ajouz

*Managing Director
New Mountain Capital*

Genk Aydin

*Executive Director
JPMorgan Chase*

Marshall Bennett

*Owner
Marshall Bennett Enterprises*

John Castle

*Chairman and CEO
Castle Harlan, Inc.*

Tullio Cedraschi

*Former President and CEO
CN Investment Division*

William Glynn

*Chairman
ISB Global Ventures*

Lance Lord

*Chief Executive Officer
Astrotech Space Operations*

Cindy Mercer

*Co-Founder
Planet Heritage Foundation*

Peter Maurer

*State Secretary, Head of the
Directorate of Political Affairs
Federal Department of Foreign
Affairs, Switzerland*

Joseph Nye

*University Distinguished
Service Professor
Sultan of Oman Professor of
International Relations
Harvard University*

John O'Neil

*President
Center for Leadership Renewal*

Robert Oxnam

*Former President
The Asia Society*

Vladimir Plasil

*Chairman of the Board of Directors
ALTA, A.S.*

Harry Raduege, Jr.

*Chairman
Deloitte Center for Cyber Innovation*

John Richardson

*Policy Advisor
Madariaga – College of
Europe Foundation*

Laurent Roux

*Founder
Gallatin Wealth Management, LLC*

Leland Russell

*President
GEO Group Strategic Services Inc.*

Fred Teng

*Chief Executive Officer
News China*

Sir Glenn Lester Torpy

*Chief of Air Staff (2006-2009)
RAF*

Lewis Van Amerongen

*President
LVA Enterprises*

Robert Verrue

*Former Director General,
Taxation & Customs Union
European Commission*

Enzo Viscusi

*Senior Vice President
Eni Group*

OUR STAFF

Fellows

General (ret.) T. Michael
"Buzz" Moseley
Perot Distinguished Fellow

Najam Abbas
Danila Bochkarev
Allen Collinsworth
Jonas Hartelius

Hekmat Karzai
Zdzislaw (Ted) Nagengast
Leonid Ryabikhin

Staff

Emina Ajvazoska
Gregory Austin
Angelika Beer
Svetlana Boiko
Brad Brasseur
Irina Bratosin
Angela Chen
Damon Clyde
Eden Collinsworth
Ingo Dean
Allison Doenges
Jean Dumont de Chassart
Matthew Eckford
David Firestein
Franz-Stefan Gady
Margaret Gaon
Vladimir Ivanov
Ellen Jorgensen
Guljamal Jumamuratova
Matthew King
John Kluge, Jr.
Piin-Fen Kok

Ryan Kreider
Alison Kung
Lizeta Kurukulasuriya
Tracy Larsen
Alexander Leitch
Lance Lord
Christine Lynch
Gail Manley
Rebecca Mantey
Samuel McIntire
Jesal Mehta
Jacqueline McLaren Miller
Violeta Mintcheva
Michele Miranda
Terrence Morgan
John Edwin Mroz
Andrew Nagorski
Majken Nørby Nielsen
Klaas Ornelis
Gunter Overfeld
Abigail Rabinowitz
Karl Rauscher

Anneleen Roggeman
Zhanar Seisebayeva
Vartan Sarkissian
Oliver Senft
W. Pal Sidhu
Daniel Skillings
Dragan Stojanovski
Benjamin Sturtewagen
Sarosh Syed
Sarah Terry
Euhwa Tran
Liliya Troshina
Irina Tseminidou
Devon Tucker
Nadine Vansteenbrugge
Konstantin Vidrenko
Nathan Wendt
Robert Wise
Andrew Yu
Jessica Zimmerman
Michael Zumot

Interns

Antoine Barthe
Arjun Bhaduri
Eric Bolton
William Chester
Nikita Chinery
Thijs de Wolff
Emma del Valle
Korneel Delbeke
Micheal Gomes
Lisa Goncharova
Schifteh Hashemi-Gerdehi
Zachary Jaworski
Ahmed Jilani

Raymond Karam
Zalini Khan
Jaya Kollu
Galina Kulikova
Jennifer Lam
Maria Linkova
Thomas Lynch
Kirsten MacDonald
Caitlin Mackaman
Mia Magazin
Jeremy Marshall
Ina Mossin
Blaise Najafi
Lars Philippe Nekarda

Alexander Orleans
Blaise Ortiz
Dorota Osowska
Tyson Reist
Michele Riotta
Adrienne Rosenthal
Rachel Shubert
Elisabeth Tezak
Mariam Topuria
Sem Weemaels
Michael Weston-Murphy
Laura Wicks
Anna Yastrebova

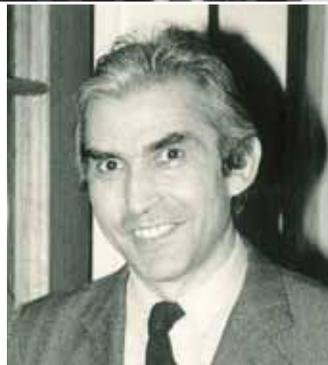
Clockwise from top left: Euhwa Tran and Democratic Staffers; Greg Austin; Piin Fen-Kok; Guenter Overfeld; Jacqueline McLaren Miller; Matthew King; Robert Wise; Vladimir Ivanov



OUR STAFF - THEN AND NOW



EWI STAFFERS IN THE EARLY DAYS
 From top left: EWI Alumni Conference 1988, Talloires, France; EWI Annual Conference 1990, Stockholm; Catharine Edmonds; Kerry S. McNamara; EWI Fellow Ambassador Pierre Renard; EWI fellows at the Staff Party with John Edwin Mroz and Karen Lineham Mroz; Robert Crawford; Adam D. Rotfeld; EWI staff in Potsdam 1988; Margaret Cosentino





Clockwise from top left:
Jamie Venters and Andrew Nagorski; Ryan Kreider and Abby Rabinowitz; Karl F. Rauscher; Salma Abbasi and Rebecca Mantey; Allison Doenges; Gail Manley and Jesal Mehta; Daniel Skillings; Irina Bratosin; John Kluge, Jr.; Irini Tseminidou; Franz-Stefan Gady; Damon Clyde; Tracy Larsen and Sarosh Syed; Margaret Gaon; Vartan Sarkissian



Copyright © 2011 EastWest Institute







Founded in 1980, the EastWest Institute is a global, action-oriented, think-and-do tank. EWI tackles the toughest international problems by:

Convening for discreet conversations representatives of institutions and nations that do not normally cooperate. EWI serves as a trusted global hub for back-channel “Track 2” diplomacy, and also organizes public forums to address peace and security issues.

Reframing issues to look for win-win solutions. Based on our special relations with Russia, China, the United States, Europe, and other powers, EWI brings together disparate viewpoints to promote collaboration for positive change.

Mobilizing networks of key individuals from both the public and private sectors. EWI leverages its access to intellectual entrepreneurs and business and policy leaders around the world to defuse current conflicts and prevent future flare-ups.

The EastWest Institute is a non-partisan, 501(c)(3) non-profit organization with offices in New York, Brussels and Moscow. Our fiercely-guarded independence is ensured by the diversity of our international board of directors and our supporters.

EWI Brussels Center

Rue de Trèves, 59-61
Brussels 1040
Belgium
32-2-743-4610

EWI Moscow Center

Bolshaya Dmitrovka Street
7/5, Building 1, 6th Floor
Moscow, 125009
Russia, +7-495-2347797

EWI New York Center

11 East 26th Street
20th Floor
New York, NY 10010
U.S.A. 1-212-824-4100

www.ewi.info