

LETTER FROM THE VICE CHAIRMAN

My main goal as vice chairman in the last few years has been to make sure the Council focuses more and more on international economics and the links between economic issues and foreign policy questions. Call it geoeconomics or creating the new foreign policy expert—the point is that the major problems in the international arena almost always have an economic dimension as well as a political, security, technological, or cultural dimension. We need people and activities here at the Council that will continue to bring these combined economic and traditional foreign policy matters together in general meetings, Council-sponsored independent task forces, and in the Studies Department. Council President Les Gelb and I have made this a kind of joint venture along with Board Director Laura D’Andrea Tyson, who chairs the Board Committee on Studies, and Director of Studies Larry Korb.

As many of you know by now, the Council sponsors independent task forces on current policy issues. We bring the best people together for three to six months to see if we can help to solve problems through more creative solutions. And even though I was concerned at the beginning that people might mistake the independent task force reports for a position of the Council itself, this has not occurred. The consumers

of our task force reports seem to understand fully that they are solely the responsibility of the task force members themselves.

More and more of the efforts we have made in the task force realm are about economics. Just this year we had a blue ribbon task force on the future international financial architecture, cochaired by Pete Peterson and Carla Hills, with Morris Goldstein as project director. No other organization could have put together that kind of intellectual horsepower and high-level experience. Their report, I believe, offers a blueprint for practical changes to better manage regional financial crises, a plan that can be followed by a Republican or a Democratic administration. We also set in motion a task force on the economic future of the Balkan states, chaired by Steve Rattner, with Mike Froman as the project director. Everything in that sad part of the world is tied in one way or another to viable and stable economic growth. Without that, it’s hard to imagine any kind of political stability. The task force did a good job of pointing out to governments, as well as to the leaders of the Balkan countries, the hard decisions they have to make in the coming year to give themselves and their people a chance for a better future.

More and more of our Senior Fellows in the Studies Department are working on economic subjects



Maurice R. Greenberg

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Maurice R. Greenberg and Speaker Alan Greenspan, Chairman, Board of Governors of the Federal Reserve System, at the July 12–13, 2000, Corporate Program Conference, "The Next Financial Crisis: Warning Signs, Damage Control, and Impact."

and including economics in their other concerns. We've had two accomplished economists at the Council full time this year—Roger Kubarych and Benn Steil. Roger has done some fine work on gaming financial events worldwide and on tying economic decisions to foreign policy and security decisions. A very interesting conclusion emerged from this exercise: Decision-makers tended to set aside all but the most challenging security matters in favor of financial and economic matters. Benn has been connecting his

work on international financial issues with a whole range of science and technology questions. Beginning this summer, the world-renowned economist Jagdish Bhagwati, professor of economics at Columbia University, will be joining our staff for two years; on a part-time basis, so will Charles Calomiris, professor at Columbia School of Business. Celeste Wallander, who has been an associate professor at Harvard for a number of years, will join our Washington office starting this summer to study Russian political and economic problems. Ron Asmus, formerly the chief NATO expert in the State Department, is working at the Council on Europe's future security problems. But to get at those problems, he'll also be studying European economic growth, the state of European defense industries and technology, and the growing influence of the European Union.

Let me mention one other matter. I have long been convinced that the various foreign policy think tanks need to coordinate and cooperate. This past year we had a breakthrough. Les Gelb, working with my associate at the American International Group and former career diplomat, Frank Wisner, has persuaded most of the other major foreign policy think tanks to meet on a regular basis and look at the possibility of joint studies. Frank is now chairing this group, and we hope it will lead to a real pooling of talent.

Maurice R. Greenberg
Vice Chairman of the Board