

Letter from the Vice Chairman

This is my last letter as vice chairman. During the ten years I've served on the Board, I've tried to make sure the Council focuses on international economics and, specifically, the links between economic issues and foreign policy questions. And though I will be leaving the Board, I'll remain chair of the Advisory Board for the new Center for Geoeconomic Studies, which was formally launched in February with a keynote address by Vice President Dick Cheney. Both the vice president and I share the view that the existence of such a center is an essential step toward bridging the gap between foreign policy studies and economic studies.

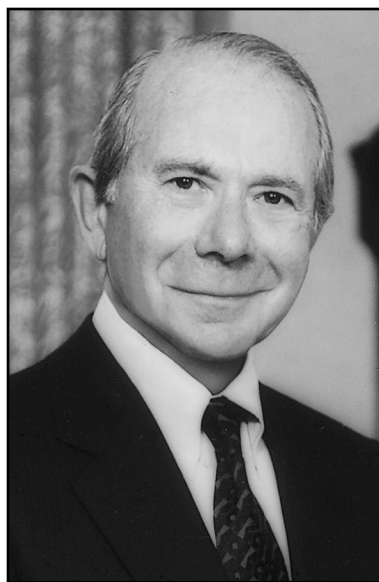
The center's mission is twofold: to conduct policy-related research and to help train future generations of policy experts. Economic considerations cut to the core of relations among nations. The events of this past year have affirmed for me that there is nothing more important the Council could be doing for our nation than conducting policy-relevant research on issues that combine economics and other dimensions of foreign policy: national security, political and regional affairs, science and technology, and new agenda issues such as immigration and the environment. In this way we'll stay one step ahead of events and train the next generation of foreign policy experts to be able to tackle the complicated, multifaceted problems of the new century.

This year I'll be working closely with Les Gelb and the other members of the center's Advisory Board to identify our areas of comparative advantage and to shape the center's agenda accordingly.

Several new fellows who joined the Council this year have added new dimensions to our research staff. Youssef Ibrahim, senior fellow and manager of strategic studies for the Geoeconomic Center, joins us from a career in journalism and media relations in the United States and the Middle East. Philip K. Verleger Jr., our new BP senior fellow in international economics, will analyze energy markets and outline the foreign policy implications of various energy options. Finally, Gene Sperling, former director of the National Economic Council at the White House, will be our senior fellow for economic policy and director of the Center on Universal Education.

These new senior fellows join an existing research team of some of the nation's most brilliant minds on these issues, including Ronald D. Asmus, Caroline Atkinson, Jagdish N. Bhagwati, Morton H. Halperin, Joel Hellman, Roger M. Kubarych, Walter Russell Mead, Adam Segal, Stephen R. Sestanovich, Joe Siegle, Henry Siegman, and Benn Steil, all of whom direct projects for the center.

Les, Pete, and I are excited by this new endeavor and confident we have assembled a team that can make a difference in addressing issues critical to our global economy. The projects already underway include a volume on what's new about globalization; an assessment of the economic, technological, and political factors



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that will shape future Chinese military capabilities; a project cosponsored by the Center for Global Development on the underside of globalization; a study of corruption and economic development, conducted in cooperation with the World Bank; and an examination of the links between democratic regimes and economic development in the aftermath of the Cold War.

In addition to sponsoring research projects, the Center for Geoeconomic Studies runs a seminar series with Columbia University that brings together faculty, students, and policy experts with fellows at the Council to discuss

a broad range of issues and to produce short policy papers. This process provides our fellows with an immediate and educated sounding board for ideas and, by engaging young scholars at the university level, helps us develop the next generation of foreign policy practitioners.

Especially important to me is the center's emphasis on understanding the growing role of business in foreign affairs. Since business is ever more international, and global commerce is (and should be) increasingly and inextricably linked to our nation's foreign policy, the center has made an effort to connect with the corporate world. Our efforts have been aided in large part by Senior Vice President for Corporate Affairs David Kellogg and his team in cultivating corporate members and engaging business leaders in give-and-takes to brainstorm about how the center can facilitate a better working relationship between the foreign policy and business communities. And I am pleased that the Council will be able to engage in some hardheaded research in this area as the result of the new Bernard L. Schwartz senior fel-



Speaker Maurice R. Greenberg, Chairman and Chief Executive Officer, American International Group, and Vice Chairman, Council on Foreign Relations, Presider Andrew Gundlach, Bessie Skoures, and Li Lu at the May 21, 2002, Meeting, "Term Member Leadership Seminar with Maurice R. Greenberg."

lowship in business and foreign policy. This fellowship will permit us to hire a scholar to analyze the current and future impact of business on U.S. foreign policy and of U.S. foreign policy on business.

Given its top-notch research staff, current projects, and institutional relationships, the Center for Geoeconomic Studies is primed to have a major impact. The center will also be able to draw on the Council's good reputation, membership, and broad reach both in the United States and abroad in order to conduct these important studies. I am proud to be chairman of the Advisory Board of what I see as the Council's most critical contribution to our nation.

Finally, I would like to thank Pete Peterson, Les Gelb, and my fellow directors of the Board for making my ten-year tenure so pleasurable. I will remain closely involved in the Council and I look forward to reporting to you on the progress of this great new center.

Maurice R. Greenberg
Vice Chairman of the Board