

Letter from the Chairman

It is times like these that test the worth of an institution. Since September 11, 2001, the United States has been engaged in one of the most dangerous contests in its history. The mission of the Council on Foreign Relations—increasing America’s understanding of the world and contributing ideas to U.S. foreign policy—has never been more important or more relevant.

The Council met the challenge of responding to a post-September 11 world with genuine creativity. The success of these and many other Council programs was due, in large part, to our departing, and in my view incomparable, president, Leslie H. Gelb. Without Les, the Council would not be what it is today—more widely respected, more widely listened to, and more truly representative of American society in its breadth and diversity than ever before in its history.

Les Gelb, The Incomparable Leader

Let’s look at Les’s record in terms of performance metrics (the new buzzword as you know) that were agreed to by the Board and Les. Let’s start with some financial metrics. In the year just before Les took over, we had a deficit of \$750,000. Under Les, we have always had a surplus. Last year that surplus was over \$2 million. The annual fund has more than quadrupled. In the past ten years, it’s grown to more than \$3.5 million. Les also launched the Harold Pratt Associates program. In 1993 when he took over, we had only nine members who each gave \$10,000 or more to the annual fund. This year, 172 members have donated that amount, and 38 members have given \$25,000 or more. These Harold Pratt Associates contribute about three-fourths of the annual fund. When Les took over, the Council was receiving about \$2 million in foundation and grant support. For the last few years we’ve been getting \$6 million to \$7 million, and the endowment has tripled over the period of his service.

What about the national effort? We’ve had a 50 percent increase in national members, and now more than one-third of our members reside outside of New York and Washington. When Les came, frankly, we didn’t have a real program for national members. We now have a program of study seminars in 9 key cities, and last year we held 50 to 60 seminars. Another of Les’s innovations was the annual National Conference held in June. This year 350 members came from all over the country.

Another metric was a younger membership that was much more active. In the ten years of Les’s reign, the median age has fallen from the high 60s to the mid 50s. The number of term members has doubled. We didn’t have a program for term members and now we have a very full program, including an annual conference. In 2003, we had nearly 300 people come from all over America for that meeting.



Peter G. Peterson

Peter G. Peterson and Leslie H. Gelb at the June 2003 National Conference, "Ten Years after the Cold War: Does the United States Know What It's Doing and Where It's Going?"



The Studies Program is the intellectual heart of this institution. When Les came we had 10 fellows and about 10 visiting fellows. Today, we have 70. When Les came we had 2 endowed chairs; we now have 12, including the new chair in Africa policy studies, which is the first such chair in any foreign policy think tank or school.

The New York Meetings Program: I'll give you just one metric. The current attendance now averages over 130 members per event. It's a stunning increase over what we used to have.

The Washington Program went from about a dozen meetings up to about 100 this year. That program is almost as active as New York's. We went from no fellows in Washington to 23 at the present time. And we now have a much more active program with Congress.

Les has brought so much to this institution that, given the space available here, we could not possibly list everything he's done. *Foreign Affairs* with James F. Hoge Jr. has more impact, in my view, and certainly more advertising, than ever in its history. Les has brought what he called the "outreach mission" to the Council, and I think we're all aware of the extraordinary increase in the Council's visibility. If you watch television at all, you know how the Council's exposure has dramatically increased. But you may not know that the Council's award-nominated website attracts close to half a million visitors per month and is now affiliated with most of the major networks and print media.

And, last but not least, Les instituted Independent Task Forces that have had major impact. Just the recent ones include Iraq, North Korea, public diplomacy, terrorist financing, the Chinese military, homeland security, and so on.

We've honored Les in some ways that are unique to this institution. He's been named the first president emeritus of the Council. He's also been named the first Board fellow, so for five years he'll be able to live his dream of writing at least two books that have been percolating over the last ten grueling years. Stephen M. Kellen, Maurice R. Greenberg, and I were delighted to help make that possible. It is indeed the least the Council could have done for this extraordinary leader.

Many people contributed to this decade of progress and renewal at the Council—too many to list here. But I would like to take this opportunity to thank Michael P. Peters, Janice L. Murray, David Kellogg, and the other vice presidents for their help turning Les's vision into reality. And, of course, my fellow Board colleagues have played a critical and highly constructive role. In particular, William J. McDonough has guided the Council as vice chairman and as chairman of the Finance and Budget Committee, steering us on a steady course through tough and troublesome economic times. Bill's wisdom has kept the Council in a financial situation that has allowed it to maintain and grow its exceptional programs.

Carla A. Hills, who is also vice chairman and leads the Nominating and Governance Committee, helped to ensure that the Council Board would have the best leaders.

But of all the colleagues and partners Les and I have had at the Council, the one that stands out the most is Hank Greenberg. We all know of Hank's record as a global chief executive officer, the remarkable breadth of his international interests, and his unique philanthropic generosity. I think what differentiates Hank is that he digs not only into his pocket but into himself. That has led to a partnership over the past ten years of genuine equality, respect, devotion, and yes, affection. It is one of the most satisfying, productive partnerships I've ever been in. We are delighted Hank will remain active as chairman of the Maurice R. Greenberg Center for Geoeconomic Studies and the Council's first honorary vice chairman.

If great challenges have been met in the last decade, even greater ones lie ahead—for the United States and



Maurice R. Greenberg and Peter G. Peterson at the April 22, 2003, Dinner in honor of Hank Greenberg. Greenberg will remain active as Chairman of the Maurice R. Greenberg Center for Geoeconomic Studies and as the Council's first Honorary Vice Chairman.



Robert E. Rubin and William J. McDonough at the Council.

for the Council on Foreign Relations. Terrorism and the proliferation of weapons of mass destruction pose grave threats to the peace and security of the American people. America's unique global power means that the American people bear enormous responsibilities not only to assure their own peace and prosperity, but to assist and often to lead in the creation of a more just, peaceful, and sustainable world. The Council's mission is more vital now than ever, and under Richard N. Haass, a brilliant mind with an equally brilliant track record, the Council must and will continue to grow, develop, and break new ground.

Peter G. Peterson
Chairman of the Board