

FREEMAN SPOGLI INSTITUTE  
FOR INTERNATIONAL STUDIES  
STANFORD UNIVERSITY

ANNUAL REPORT 2005



SECURITY



GOVERNANCE



WELL-BEING

FREEMAN SPOGLI INSTITUTE  
FOR INTERNATIONAL STUDIES

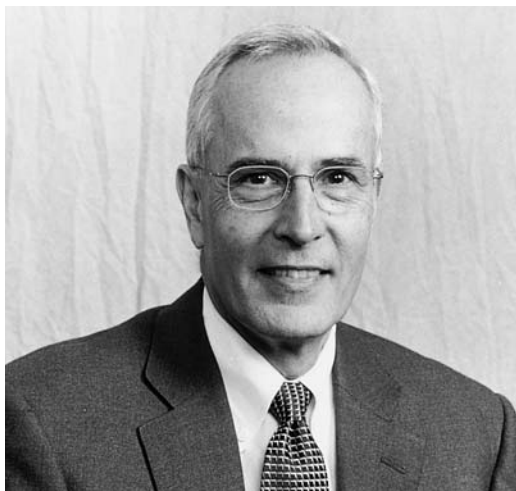


**FSI**  
STANFORD

# FREEMAN SPOGLI INSTITUTE FOR INTERNATIONAL STUDIES

ON SEPTEMBER 1, 2005, THE STANFORD INSTITUTE FOR INTERNATIONAL STUDIES (SIIS) BECAME THE FREEMAN SPOGLI INSTITUTE FOR INTERNATIONAL STUDIES (FSI) AT STANFORD UNIVERSITY. THE NAME CHANGE IS IN RECOGNITION OF A \$50 MILLION GIFT FROM STANFORD ALUMNI BRADFORD FREEMAN ('64) AND RONALD SPOGLI ('70) TO THE INSTITUTE AND STANFORD UNIVERSITY'S INTERNATIONAL INITIATIVE. FREEMAN AND SPOGLI ARE FOUNDING PARTNERS OF THE LOS ANGELES-BASED INVESTMENT FIRM FREEMAN SPOGLI & CO.

THE **FREEMAN SPOGLI INSTITUTE FOR INTERNATIONAL STUDIES** IS STANFORD UNIVERSITY'S PRIMARY FORUM FOR INTERDISCIPLINARY RESEARCH ON KEY INTERNATIONAL ISSUES AND CHALLENGES. ITS GOALS ARE TO INFLUENCE INTERNATIONAL PUBLIC POLICY WITH ITS SCHOLARSHIP AND ANALYSIS; TO TRANSCEND TRADITIONAL ACADEMIC BOUNDARIES AND CREATE NEW PARTNERSHIPS; TO MAKE ITS RESEARCH AVAILABLE TO A WIDE AUDIENCE; AND TO ENRICH THE EDUCATIONAL EXPERIENCE OF ALL MEMBERS OF THE STANFORD COMMUNITY.



THE MOMENTOUS DEVELOPMENTS AND EVENTS during the past academic year qualify it as a singular year in the Institute's history. Of the many things that took place, allow me to draw your attention to two that have significant, long-term implications for the Institute. The first is the Institute's designation as the catalyst for a major University-wide initiative in international studies. The second was Stanford's first-ever "International Day," held on May 6, 2005.

On April 28, the University launched the International Initiative, one of four initiatives created to fulfill President Hennessy's vision to transform research and education at Stanford. One important aim of the International Initiative is to promote methods of teaching and study that mirror the way global problems present themselves—as complex challenges with many facets and dimensions. Such problems demand sophisticated answers; they must be investigated from many directions in an integrated fashion if we are ever to contribute in a meaningful way to their resolution.

The Institute will lead the University's efforts to examine the most relevant global problems by focusing on three overarching issues: pursuing security in an insecure world; reforming and

improving governance at all levels of society; and advancing human health and well-being.

To carry out the objectives of the International Initiative, the University and the Institute have, together, attracted gifts totaling some \$100 million. A single, spectacular gift by Bradford Freeman ('64), longtime member of the Stanford Board of Trustees, and Ronald Spogli ('70), former member of the Institute's Board of Visitors and now U.S. Ambassador to Italy, is being honored by renaming SIIS the Freeman Spogli Institute for International Studies (FSI) at Stanford University. The name change went into effect on September 1, 2005. Brad's and Ron's gift will help create up to 10 interdisciplinary professorships and endow the Institute's directorship. It will also support the work of the Institute's centers and programs and significantly advance cooperation among the Institute, Stanford's seven schools, and the Hoover Institution.

As part of the International Initiative, the Office of the President and the Institute will contribute \$3 million toward the creation of an intellectual venture-capital fund to support innovative programs in international studies by teams of Stanford faculty.

The University has secured additional, important gifts that will help us to meet other priorities of the International Initiative.

Craig McCaw ('73) and Susan McCaw ('84) will provide critical, need-based scholarship support for international undergraduate students. An anonymous donor is supporting collaborative work by the Institute and the Center for Global Business and the Economy at the Graduate School of Business. A gift from Susan Ford Dorsey will expand substantially and endow the International Policy Studies master's program, a joint venture between the Institute and the School of Humanities and Sciences. And veteran Stanford supporter Walter Shorenstein has endowed the Asia-Pacific Research Center, which has been renamed the Walter H. Shorenstein Asia-Pacific Research Center in his honor.

The focal event of the past academic year was the Institute's first International Day on May 6. The success of *Challenges in a New Era* exceeded our expectations, attracting some 350 participants to the Arrillaga Alumni Center for a full day of activities focusing on topics such as the prospects for a new nuclear arms race, governance and democracy, U.N. reform, energy futures, climate change, the spread of infectious diseases, and U.S. relations with Europe and on the Korean Peninsula.

Lead speakers were Hans Blix, former U.N. chief weapons inspector in Iraq; Philip Zelikow, counselor for the U.S. Department of State; Paul Collier, professor of economics at Oxford University; and Samuel "Sandy" Berger, former national security advisor under Bill Clinton. Participating Stanford faculty included William Perry, Donald Kennedy, Scott Sagan, Christopher Chyba, John McMillan, Larry Diamond, Steve Stedman, David Victor, Allen Weiner, Amir Eshel, Gi-Wook Shin, Kathryn Stoner-Weiss, and Alan Garber.

We plan to build on the success of this conference with our second International Day in November 2006, and annually thereafter. Our objective is to make this event one of the world's pre-eminent conferences of its kind on international issues.

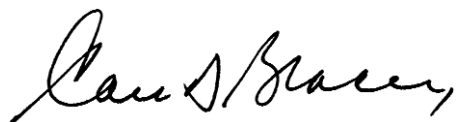
Meanwhile, there was "business as usual" with scores of guest lectures, seminars, and workshops. The Payne lecturers this past academic year were Peter Eigen, of Transparency International, who spoke on combating corruption worldwide, and Christopher Patten, chancellor of Oxford University, who spoke on the state of U.S. and European relations. In the aftermath of the tsunami in the Indian Ocean, the Institute hosted a panel discussion, *Implications of a Catastrophe*.

Each of the Centers had its own highlights, including: CISAC's annual Drell Lecture given by Mohamed ElBaradei, director-general of the International Atomic Energy Agency; CESP's Whole Earth Systems Symposium, which focused on climate change with a keynote by Teresa

Heinz Kerry; and CDDRL's new Summer Fellows Program on Democracy and Development, which hosted policymakers and democracy activists from 25 different countries.

As always, the academic year brought personnel changes. SIIS Deputy Director Stephen D. Krasner took a leave of absence to join his former colleague Condoleezza Rice at the U.S. Department of State as director of policy planning. Stephen Stedman extended his stay at the U.N. for a year as special assistant to Secretary-General Kofi Annan after the High-Level Panel on Threat, Challenges, and Change published its report, *A More Secure World: Our Shared Responsibility*. Stedman had served as the panel's research director. Law Professor Mariano-Florentino Cuéllar has succeeded Stedman as director of the CISAC Honors Program. Gi-Wook Shin, head of our flourishing Korean Studies Program, succeeded Andrew Walder as director of APARC on September 1, 2005. Michael McFaul, professor of political science and senior fellow at the Hoover Institution, has taken the reins at CDDRL. And Christopher Chyba, professor of geological and environmental sciences and co-director of CISAC, departed Stanford to assume a joint appointment in the Woodrow Wilson School of Public and International Affairs and the Department of Astrophysics at Princeton University.

As director of the Freeman Spogli Institute for International Studies, I am, indeed, privileged to lead the faculty and staff in forging new paths and building new programs for the Institute and the University at this momentous time. To all of you who have supported us during the past year, thank you. We very much hope that you will stay involved and we look forward to your continued support.



Coit D. Blacker, *Director*



*Photos: (Above) Stanford President John Hennessy welcoming participants to the SIIIS International Day conference on May 6, 2005. (Following spread, left) Bradford Freeman and Ronald Spogli. (Following spread, right) Former National Security Advisor Samuel Berger, CISAC Co-director Scott Sagan, and FSI Board of Visitors members Susan Rice and Walter Shorenstein.*

## STANFORD'S INTERNATIONAL INITIATIVE

*“What we have before us are some breathtaking opportunities disguised as insoluble problems.”*

JOHN GARDNER, 1965

Stanford University's International Initiative will address some of the most daunting global issues of the century by harnessing the unique strengths of the University in fundamentally new ways. Recognizing that the world's problems come to us not in the tidy form of academic disciplines but rather as complex global challenges that defy traditional rubrics, President John Hennessy has placed the Freeman Spogli Institute for International Studies (FSI) at the forefront of this new interdisciplinary initiative. FSI has a 15-year history of promoting collaboration across the University in teaching and research on international issues. Its evolution provides a model for a dramatic shift that President Hennessy has envisioned, one that places interdisciplinary learning and collaboration and the goal of contributing to the resolution of pressing world problems at the heart of a university education.

Alongside companion initiatives on the environment, human health, and the arts, the International Initiative will contribute to a transformation of the educational enterprise,

as Stanford strengthens its mission to provide new knowledge and the tools to translate that knowledge into viable global solutions.

Initiative leaders have identified three research themes that will characterize Stanford's International Initiative:

- 1) Pursuing peace and security, including addressing such challenges as catastrophic terrorism, proliferation of weapons of mass destruction, ethnic conflicts and civil wars, and interstate rivalries.
- 2) Reforming governance at all levels, including existing international institutions no longer equipped to cope with contemporary demands, the problem of failing and failed nation states, and the challenges of democracy and effective governance.
- 3) Advancing human well-being, including the overlapping issues of economic development and global health and educational reform and equity.

Focusing on these themes, the initiative will explore how globalization, technological



change, and cultural diversity are affecting societies and our ability to secure peace and prosperity for all.

FSI brings particular strengths to this leadership role. In its capacity as the University's primary collaborative forum for international studies, the Institute draws together faculty and students from each of Stanford's seven schools into a rich intellectual dialogue on international research questions that have policy implications and has a track record for coordinating and seeding new interdisciplinary programs and centers of activity.

Terrorist threats to international security are key concerns of the Institute's Center for International Security and Cooperation (CISAC, see p. 13), which pursues research and policy recommendations on preventive defense strategies. Together with the Shorenstein Asia-Pacific Research Center (S-APARC, see p. 20), it treats such urgent challenges as the threat of nuclear proliferation on the Korean Peninsula. The Program on Energy and Sustainable Development (PESD) of the Center for Environmental Science and Policy (CESP, see p. 23) investigates the interaction of political, legal, and economic forces involved in the consumption and production of energy. The Center on Democracy, Development, and the Rule of Law (CDDRL,

see p. 16) works to illuminate the causes of government failure and understand how development, democracy, and the rule of law can be promoted. Questions of comparative access to health care, globally, are key to the research agenda of the Institute's Center for Health Policy (CHP, see p. 18).

Under FSI leadership, the International Initiative will evolve and continue to build networks of collaborative activity, developing new programs on such key topics as global justice and human rights, the application of risk analysis to threats to national security, and the intersection of infectious disease and economic and political development.

#### LEAD DONORS RENAME THE INSTITUTE

The lead gift of \$50 million that Stanford alumni and longtime business partners Brad Freeman and Ron Spogli have committed to the University's International Initiative has the potential to profoundly affect the course and direction of international studies at Stanford. Brad Freeman and Ron Spogli made their gift after several months of consultation with President John Hennessy and Institute Director Coit Blacker, designing it to stimulate interdisciplinary linkages throughout the University, as well as to strengthen the leadership role of



the Institute. In recognition of their extraordinary generosity and foresight, the Institute has been renamed the Freeman Spogli Institute for International Studies at Stanford University (FSI).

The Freeman Spogli gift will endow the Institute's directorship and provide the director with the discretionary ability to support the constituent FSI centers at critical junctures and, in particular, to provide crucial bridging funds to encourage the development of promising new programs—both within FSI and in partnership with Stanford's seven schools and the Hoover Institution. Combined with matching support from the Office of the President, their gift will also create an intellectual venture capital fund that will provide seed funding for innovative interdisciplinary international research projects and teaching activities across the University.

Freeman and Spogli have additionally provided base funding for the creation of up to 10 endowed interdisciplinary professorships, which will lay the groundwork for transforming international studies. Under the auspices of the International Initiative, the University will seek matching gifts to complete these professorships. The professorships will uniquely not reside in a single department or school, but will be held by the provost and will be allocated in consultation with the Institute's director and the

faculty committee of the International Initiative. Initiative leaders anticipate that Stanford will be able to draw as candidates for the Freeman Spogli professorships uniquely talented new faculty whose expertise spans disciplines—for example, economic development and medicine, or international law and business, or risk analysis in earth sciences and engineering.

With its lead gift in place, the International Initiative has a head start along its path to strengthen the Freeman Spogli Institute for International Studies as one of the country's premier institutions in international studies, with its commitment to enhancing international scholarship, training the next generation of leaders, and affecting public policy. In thanking the donors, President Hennessy praised their leadership: "Brad and Ron are true friends of the University. Their philanthropy stands for much more, however, than loyalty to their alma mater. It recognizes the magnitude of what is at stake and acknowledges the responsibility Stanford must assume to advance knowledge in the area of international affairs."

## “CHALLENGES IN A NEW ERA” SIIS INTERNATIONAL DAY

*The major SIIS event during the past academic year was SIIS International Day, held on May 6, 2005, at the Arrillaga Alumni Center on the Stanford University campus.*

Under the theme, “Challenges in a New Era,” the one-day conference attracted some 400 participants, from the Stanford campus community as well as beyond, to take part in wide-ranging global discussions on the important international issues of the day.

The International Day was the first-ever event of its kind hosted by SIIS. The plan is to hold a similar conference every year.

The idea behind the SIIS International Day, which after the name change on September 1, 2005, will be called the FSI International Day, is to gather the Stanford community and leading international experts and voices from beyond the campus for a day of serious discussion and debate. With time, the hope is that this annual conference will develop into one of the pre-eminent conferences of its kind on international issues.

Stanford University President John Hennessy opened the May 6 conference followed by introductory remarks by SIIS director, Coit D. Blacker, and former Secretary of Defense and SIIS senior fellow, William J. Perry.

“My hope is,” said President Hennessy, “that Stanford will play an even more important role in the future in helping to find solutions to and educate leaders for the complex problems we face around the world.”

Many other Stanford faculty members played important roles in making the International Day a success. They included Donald Kennedy, former Stanford University president; Alan Garber, MD; Russia specialist Michael McFaul; democracy expert Larry Diamond; director of the Korean Studies Program, Gi-Wook Shin; international law professor Allen Weiner; CISAC co-directors, Scott Sagan and Christopher Chyba; energy specialist David Victor; and Steve Stedman, on leave to help lead the efforts to reform the United Nations.



The four main speakers of the day were the following:

**Samuel R. Berger**, chairman of Stonebridge International LLC and former national security advisor in the Clinton administration, who spoke at dinner on *U.S. Foreign Policy: The Road Ahead*;

**Hans Blix**, chairman of the International Commission on Weapons of Mass Destruction and former head of the weapons inspections program in Iraq, who spoke on *Looking Ahead: A New Nuclear Arms Race?*;

**Paul Collier**, professor of economics at Oxford University and founding editor of the *Journal of African Economies*, who spoke on *Looking Ahead: Democracy and Development*; and

**Philip Zelikow**, counselor of the U.S. Department of State and former executive director of the 9/11 Commission, who spoke during lunch on *The United States and the World*.

While the morning sessions with Blix and Collier, respectively, were held in the plenary hall, the eight panel sessions were held in smaller rooms, presenting challenges for the attendees as to which session to attend.

Conference themes included U.N. reform; the futures of energy; international responses to infectious diseases; Russia; the U.S. role on the Korean Peninsula; international criminal justice; climate change; and the future of relations between the United States and Europe.

A member of the Stanford faculty headed each session, while the panelists came from beyond Stanford. They included two State Department officials; a deputy U.N. ambassador; two former ambassadors; journalists from *The Economist* and the *Financial Times*; several academics; and a health expert from the World Health Organization.

"I am very pleased with how things have gone," said SIIS Director Coit D. Blacker after the International Day, adding that there will be a second annual International Day in November 2006.

For a full account of SIIS International Day with transcripts and the agenda, please visit our web site at <http://fsi.stanford.edu>.

*Photos: (Clockwise) Hans Blix, former head of U.N. Weapons Inspections. Philip Zelikow, counselor of the U.S. Department of State. The Economist's Vijay Vaitheeswaran and FSI's David Victor. Samuel Berger (center) with former Secretary of State Warren Christopher (left) and former Secretary of Defense William Perry (right).*

## SELECT CONFERENCES/WORKSHOPS

*In the Aftermath of the Tsunami: Implications of a Catastrophe*

In January 2005, leading Stanford faculty discussed the various implications of the tsunami disaster in the Indian Ocean. The panel discussion, held in Encina Hall's Bechtel Conference Center, included Stanford professors Donald Kennedy, Don Emmerson, and Eric A. Weiss, and visiting fellow Lizanne McBride from the International Rescue Committee. It was moderated by SIIS deputy director Stephen D. Krasner.

*U.S. Policy Toward the Korean Peninsula*

In March 2005, in Seoul, Korea, a conference co-sponsored by The Institute of Foreign Affairs and National Security (IFANS) and the Stanford Institute for International Studies (SIIS), was held to discuss U.S. Foreign Policy Toward the Korean Peninsula. Coit Blacker, director of SIIS, William Perry, senior fellow of SIIS, Gi-Wook Shin, director of the Korean Studies Program and Dan Okimoto, director emeritus of APARC, were key presenters.

*North Korea 2005 and Beyond*

In May 2005, an APARC-sponsored conference on North Korea attempted to take stock of what is happening in North Korea as of 2005 and to get a snapshot of how the United States, South Korea, and other interested parties now view this particularly enigmatic and problematic country.

The conference brought together specialists in security, economics, politics, and human rights to encourage a broad-based inquiry as well as facilitate a sharing of ideas among those who may not normally come into contact with each other.

*Global Jurisprudence Colloquium*

Stanford Law School, the Stanford Rule of Law Program, the Center on Democracy, Development, and the Rule of Law, Santa Clara University School of Law, and the Santa Clara Institute of International and Comparative Law hosted a Global Jurisprudence Colloquium at Stanford University on March 17–18, 2005, on the theme of "Decisions of International Legal Institutions: Compliance and Enforcement." The colloquium provided leading judges from a number of key international courts and tribunals with an opportunity to interact and share with the Stanford community and the public their insights into issues presented by the growing use of international courts to promote the rule of law.

*Conservation Incentives that Work for People on the Land*

A conference with participants that included the two largest conservation organizations in the world, The Nature Conservancy and World Wildlife Fund, corporate executives, private landowners, government officials, and academics was held in May 2005. The event was co-sponsored by, among others, the Center for Environmental Science and Policy (CESP). The overarching objectives of the meeting were to expand the focus of conservation efforts to include human-dominated land and to create and deploy a new generation of approaches that align economic incentives with conservation.

*Globalization of Services*

Hosted by APARC, the June 2005 conference discussed the offshoring of services as rapidly becoming the next stage of globalization. As in any new emerging trend, there are new business and investment opportunities emerging. However, remarkably little is known about the scope of the phenomenon and what is happening in the leading corporations and the new business models entrepreneurs are introducing.

*EU Constitution*

A workshop on the EU Constitution was held in June 2005, just a few days after the French and Dutch referenda on, and no votes to, the European Constitution. The participants in the workshop, hosted by the European Forum, discussed the consequences of the (non-) ratification of the Constitution.

*Electricity Market Reform in India*

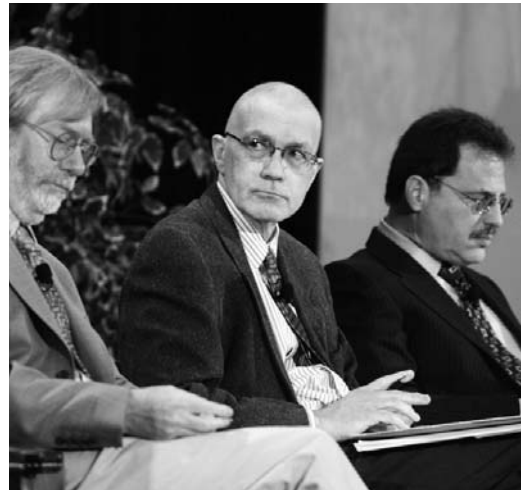
With partners at the Indian Institute of Management (Ahmedabad), the Program on Energy and Sustainable Development (PESD) hosted a conference on September 23–24, 2004, in New Delhi that focused on electricity market reform in India and its effects on technologies and the environment.

*Electricity and the Human Prospect Conference*

The December 2004 workshop, hosted by the Program on Energy and Sustainable Development (PESD) discussed the implications of global electrification. The participants tried to assemble a fresh picture of visions for electrification, its trends in time and space, and selected implications for health, environment, and social and economic organization. Global electrification is far advanced and may be nearly complete in the coming decades. What will it take, and what may result?

*Democratic Accountability and the Rule of Law in Mexico*

In October 2004, an international conference sponsored by CDDRL's Rule of Law Program and the



Stanford University School of Law was held with participants that included lawmakers, judges, and analysts from Mexico as well as from the Stanford community.

#### *Promoting Democracy and the Rule of Law: EU and U.S. Strategies*

The workshop, held in October 2004, focused on the strategies used by the United States and the European Union in promoting democracy and the rule of law in the developing world. Participants included Laurence Whitehead of Oxford University, Peter Eigen, chairman of Transparency International, Carl Gershman, president of the National Endowment of Democracy, as well as scholars from the CDDRL community.

#### LECTURES

##### *Payne Lecturers*

In October 2004, Peter Eigen, founder and chairman of Transparency International, spoke on “Chasing Corruption Around the World: How Civil Society Strengthens Global Governance.”

In April 2005, the Rt. Honorable Lord Patten of Barnes, Christopher Patten, chancellor of Oxford University and former governor of Hong Kong and external affairs commissioner of the European Union, spoke about the state of U.S.-European relations under the title “The Trans-Atlantic Family—Counseling, Mediation or Divorce.”

The Payne Lectureship is named for Frank E. Payne and Arthur W. Payne, two brothers who gained an appreciation for global problems through their international business operations.

##### *Oksenberg Lecturer*

In March 2005, the Honorable Zbigniew Brzezinski, former National Security Advisor and a professor of American Foreign Policy at Johns Hopkins University, gave this academic year’s Oksenberg Lecture titled “America and the New Asia.”

The Oksenberg Lecture honors the legacy of Professor Michel Oksenberg (1938–2001) longtime member of APARC, senior fellow at the Stanford Institute for International Studies, and an authority on China.

##### *Drell Lecturer*

In November 2004, Dr. Mohamed ElBaradei, director-general of the International Atomic Energy Agency (IAEA) in Vienna, spoke about “Nuclear Non-Proliferation and Arms Control: The Road Ahead.”

##### *Guest Lecturer*

Also in November 2004, Oxford historian Timothy Garton Ash gave a lecture, sponsored by the European Forum, titled “A New Beginning? What the United States Can Do with Europe Now.” It took place on the 15th anniversary of the fall of the Berlin Wall and the election of the 44th President of the United States.

*Photos: (Above left) William J. Perry, FSI senior fellow and 19th Secretary of Defense. (Above right) Paul Collier, Oxford University professor (left), John McMillan, FSI senior fellow and professor, economics (center), and Larry Diamond, Hoover senior fellow and director of CDDRL’s Democracy Project.*



*Photo: Officials work in the control center of the TOPOFF 3 (Top Officials 3) exercise April 4, 2005, in Arlington, Va. CISAC researchers critiqued the five-day counter-terrorism exercise designed to strengthen the U.S. ability to deal with international terrorism (Getty Images/Alex Wong).*

## CENTER FOR INTERNATIONAL SECURITY AND COOPERATION (CISAC)

*CISAC's research on terrorism prevention and response informs policymakers in Congress and the Department of Homeland Security as they address a wide range of new threats to the United States. The best defense requires constant innovation to reduce vulnerabilities and improve emergency-response capabilities.*

### KNOWLEDGE TO REDUCE THE THREAT OF TERRORISM

Nuclear, biological, chemical, or radiological weapons are commonly called weapons of mass destruction because they pose tremendous danger to human life. They also generate some of the greatest worries about terrorism. But not all weapons of mass destruction are equal.

“Weapons of mass destruction is a terribly misleading term,” according to former CISAC Co-Director Christopher F. Chyba. “It has the effect of conflating all these weapons together as if they are somehow different versions of the same thing.” In reality, Chyba said, “the biological challenge is very different from the nuclear challenge.”

“We’re entering a world where there is an exponential growth of biotechnology, and it is spreading for very good reasons around the world, reasons of public health and food security,” Chyba explained. “The technology is unstoppable, but it brings with it the ability

to manipulate microorganisms in a way that can make them terribly deadly.”

The spread of biotechnology poses different challenges than does the spread of nuclear weapons. For biological security “you need to think in different terms,” Chyba said. “You need to emphasize defense”—primarily prevention, early detection, and rapid response to diseases.

Overall, thinking about counterterrorism resembles the biological security case more than the nuclear case. Providing security against an evolving threat from a virtually endless array of sources requires a commitment to continually renewed thinking—a task CISAC is helping U.S. policymakers accomplish.

In summer 2004, the Center began an 18-month research program funded by the Department of Homeland Security (DHS). An anonymous private donation to CISAC will support future homeland security research beyond the DHS-funded program.



Corey Gruber, the policy director for the DHS Office of State and Local Government Coordination and Preparedness, and Gruber's assistant, 2001 CISAC Honors Graduate Dan Noble, visited Stanford in spring 2005 for briefings on the Center's ongoing research. They returned to Washington with a paper by CISAC Fellows Dara Kay Cohen and Jacob N. Shapiro that critiques the familiar color-coded Homeland Security Alert System. Cohen and Shapiro point out that the alerts fail to motivate people to take protective measures, perpetuating a cycle of eroding credibility in the system. The researchers analyze problems these failures would cause in a dire emergency, or "red-alert" situation.

Cohen and Shapiro propose an alternative alert system, coordinated with private industry and different levels of government, which would allow faster, more accurate and effective emergency responses from federal and local agencies. As a professional journal considered their article for publication, the authors' ideas were already informing homeland security policymakers.

"These are things that immediately influence what we're doing at DHS," Gruber told a CISAC seminar, referring to the Center's counterterrorism projects. "Your work will shape how we prepare for today's threats and future challenges."

Lynn Eden, CISAC associate director for research, and CISAC Fellows Shapiro and Margaret E. Kosal lent additional expertise to DHS as observers of the third Top Officials exercise (TOPOFF 3) of federal and local terrorism-response systems. More than 10,000 officials from 27 federal and 200 other government agencies participated. "The point of the exercise is not only for each of us to test our own preparedness and response but to work as a whole to coordinate our entire effort and to see how that coordination and collaboration works," said Secretary of Homeland Security Michael Chertoff.

Kosal, a CISAC science fellow, critiqued officials' response to a simulated chemical attack in New London, Conn. "My observations started with a literal bang," she said, "when ATF agents detonated explosives packed into an overturned bus to simulate a suicide bombing" that released imaginary sulfur mustard, a blister agent that burns skin and mucous membranes and causes lung damage, blindness and cancer. Meanwhile, Shapiro viewed a simulated biological attack in New Jersey that in a few days spread "pneumonic plague" to several U.S. cities, and Eden observed operations at an exercise control center in Washington, D.C.



CISAC's observers critiqued the exercise's assumptions about effects of chemical and biological agents, terrorists' actions and public responses, and they assessed the efficacy of emergency-response actions and systems. Their report to DHS also, however, noted improvements over 2003's TOPOFF 2 (which CISAC likewise observed) and provided recommendations for the next exercise.

Professor Lawrence M. Wein, a CISAC faculty member at Stanford's Graduate School of Business, testified before the U.S. House of Representatives' Select Committee on Homeland Security on findings from fingerprint-system research he conducted with CISAC Fellow Manas Baveja. Using computational analysis, Wein and Baveja found that the 2-fingerprint system used by the U.S.-VISIT border security program is far less reliable than the 10-fingerprint system used by the FBI. Two fingerprints provide 95 percent probability of detecting a watch-list identity, as long as the prints are of good quality. But with poor-quality prints, the system's reliability decreases—a vulnerability that terrorists could exploit, the researchers warned.

“The use of more than two fingers for low-quality images can achieve a detection probability of 95 percent,” Wein told Congress. “Although switching from a 2-fingerprint to a

10-fingerprint system may be costly and disruptive, there is no excuse for a \$10 billion program to settle for performance below this level,” he said. In July, Chertoff announced DHS would switch to a 10-fingerprint system in its U.S.-VISIT program.

These are just a few examples of CISAC's efforts to help U.S. policymakers devise smart strategies to prevent and respond to terrorism. In its seminar series and research programs, the Center convenes some of the best-informed experts from the United States and abroad to tackle complex, evolving security threats.

*Photos: (Left) Jacob Shapiro, CISAC fellow. (Above) Dara Cohen (center), CISAC fellow.*

## CENTER ON DEMOCRACY, DEVELOPMENT, AND THE RULE OF LAW (CDDRL)

*CDDRL seeks to promote innovative and practical research to assist developing and transitioning countries design and implement policies that will foster democracy, promote balanced and sustainable growth, and advance the rule of law. The Center harbors four research programs on democracy, economic performance, rule of law, and sovereignty. It supports specialized teaching, training, and outreach to assist countries struggling with political, economic, and judicial reform, constitutional design, economic performance, and corruption.*

### STANFORD SUMMER FELLOWS ON DEMOCRACY AND DEVELOPMENT

This summer marked the start of a bold new initiative at the Freeman Spogli Institute for International Studies at Stanford. FSI's Center on Democracy, Development, and the Rule of Law began its first, and hopefully annual, Stanford Summer Fellows on Democracy and Development program. The idea of the program is to bring together CDDRL-affiliated faculty and research staff actively engaged in research and writing on democracy promotion, economic development, and establishment of the rule of law with policymakers and civic activists from countries in various stages of economic and political transition.

Based on the highly successful Stanford Executive Program run by Stanford's Graduate School of Business, Stanford summer fellows

spent three full weeks on campus, living in graduate student housing, and taking "classes" with Stanford faculty from the law school, business school, humanities and sciences, and the Hoover Institution. In the afternoons, the fellows then led the class sessions, sharing insights into how reform progressed (or failed to progress) in their home countries and exchanging ideas on how to better advance positive change in their respective societies. The program's all-volunteer faculty included some of the best and brightest at Stanford: CDDRL Director Michael McFaul, Stanford President (emeritus) Gerhard Casper, Larry Diamond, Avner Greif, Thomas Heller, and John McMillan, among others. In addition, the curriculum was supplemented with visits by Carl Gershman, chairman of the U.S. National Endowment for Democracy, and other high-



profile visitors, as well as field trips to local business and government offices.

There is clearly high demand in the developing world for such a program. In this, the program's inaugural year, CDDRL received more than 800 applications from highly qualified individuals around the world. CDDRL's faculty selected 35 fellows to participate in the program, with 32 ultimately able to attend, making the program harder to get into than many of Stanford's regular academic programs. The highly select group of summer fellows represented more than 20 countries including Afghanistan, Belarus, Egypt, India, Iraq, Kosovo, Kyrgyzstan, Mongolia, Nigeria, Pakistan, the Philippines, Russia, Rwanda, Sierra Leone, Ukraine, and Vietnam, among others. The fellows included former and current prime ministers, attorneys general, and an array of civic, democracy, and human rights activists.

Many of the Stanford summer fellows noted that they felt privileged to be included in the program. One participant later wrote, "The CDDRL program is a one of a kind opportunity. It provided a common platform to so many, and from such diverse regions of the world with varied backgrounds, to share the goals of democracy and representative governance." After returning to her homeland, another fellow

wrote, "The program, brilliantly designed and managed by the IIS faculty, exceeded both my academic and professional expectations. The expertise, level of professionalism, and the faculty's devotion were truly inspirational and made me rethink many aspects of the democracy promotion process in the world. This opportunity to gain and share the knowledge in the course of the summer fellows program was truly unique. I benefited tremendously from the interaction with academics of Stanford University and international fellows from around the world. The real-life experience of my colleagues intertwined with lectures by the outstanding professors at FSI's Center on Democracy, Development, and the Rule of Law created an environment that generated a tremendous amount of new ideas, approaches, and solutions for efficient democracy building and promotion of the rule of law in my country."

*Photo: CDDRL summer fellows participate in a seminar with Professor Larry Diamond.*

## CENTER FOR HEALTH POLICY (CHP)

*CHP conducts innovative, multidisciplinary research on critical issues of health policy and healthcare delivery, producing timely information to guide policy decisions in the United States and abroad. The Center and its faculty—representing diverse fields including medicine, economics, statistics, sociology, business, and law—have access to large bodies of data on healthcare expenditures, utilization rates, mortality, and outcomes. These resources enable the Center to produce new insights into healthcare delivery and outcomes in the United States and other countries.*

### ANTIBIOTICS/VACCINE COMBO IS BEST RESPONSE TO ANTHRAX ATTACK, STUDY FINDS

Anthrax first became a household name for many Americans in September 2001, when 22 cases of bioterrorism-related anthrax, including five deaths, were identified on the East Coast. Although the incidents were relatively isolated, they raised an important question: How should the healthcare system respond to a bioterrorist anthrax attack?

Researchers at the Center for Health Policy/Primary Care and Outcomes Research (or CHP/PCOR)—along with colleagues at the VA Palo Alto Health Care System and the University of Toronto—have made important strides in answering this question. Their study, published in April 2005 in the *Annals of Internal Medicine*, has found that the timely use of both antibiotics and vaccination is the most effective, and most

cost-effective, way to treat people potentially exposed to anthrax.

“Our findings make clear that combination therapy with antibiotics and vaccination is better than either treatment alone. And the best strategy is actually the least expensive,” said Douglas K. Owens, a CHP/PCOR core faculty member and a senior investigator at the VA Palo Alto.

Owens is senior author of the study paper in the *Annals of Internal Medicine*. As he and his co-authors note, their findings highlight “the critical need for distribution systems that can provide prophylaxis and vaccination rapidly for hundreds of thousands, perhaps millions, of exposed people.”

Anthrax is an acute infectious disease caused by the spore-forming bacterium *Bacillus anthracis*. Anthrax spores can be used as a bioterrorist weapon, and the Centers for Disease Control



and Prevention has identified anthrax as one of the few biological agents capable of crippling a developed region through death and disease.

“Anthrax has been weaponized; it’s lethal and it’s available,” said Owens. “As we point out in our paper, a serious anthrax attack could be catastrophic.”

If inhalational anthrax is left untreated, the mortality rate can reach nearly 100 percent. A report from the World Health Organization estimated that the aircraft release of anthrax over a city of 5 million people (just over half the size of New York) would result in 250,000 deaths.

Owens and his colleagues—including CHP/PCOR research associate Dena M. Bravata, Center director Alan M. Garber and adjunct associate Gillian D. Sanders—evaluated the cost-effectiveness of different methods of defending against such an attack. For their study, they simulated a large-scale aerosolized release over a U.S. metropolitan area. They then developed a decision model to compare the costs, harms, and benefits of four post-attack strategies: no vaccination or antibiotics, vaccination alone, antibiotics alone, or vaccination and antibiotics. They also compared two pre-attack strategies: vaccination or no vaccination.

There are no well-established estimates of the probability of an attack or the probability of exposure for any given type of attack, so the

researchers chose estimates based on reviews of literature and expert opinions. They estimated the probability of surviving clinical anthrax from past studies and recent U.S. anthrax cases.

After reviewing several strategies, the researchers found that the combination of vaccination and antibiotics was the most effective option for preventing death and disease and was the least costly. The combination, which cost \$46,099 per person, resulted in a four-month gain of life and savings of \$355 per person when compared with vaccination alone.

“The savings associated with preventing cases of inhalational anthrax offset the cost of using both vaccination and antibiotics,” said lead author Robert Fowler, a former Stanford post-doctoral scholar who is now an assistant professor of medicine at the University of Toronto.

The researchers also determined that widespread pre-attack vaccination was not particularly cost-effective. For a city of 5 million people, assuming a low probability of attack, the incremental cost of a vaccination plan could be between \$500 million and \$1 billion without appreciable health benefits.

The authors emphasized that without an adequate distribution system, no strategy to combat bioterrorism can be effective. “There must be a way to get antibiotics to a very large number of people very rapidly; otherwise you won’t get the benefits that we predict,” said Owens. His hope, he added, is that these findings will help the country get more prepared for a possible bioterrorist attack.

“We hope the findings in our study are never put to the test, and there’s never an attack,” Owens said. “At the same time, if this helps get people more prepared, that would be a very good outcome.”

The study was funded by the Sunnybrook and Women’s College Health Sciences Centre of the University of Toronto; the Homer Laughlin Fund; the Agency for Healthcare Research and Quality; and the U.S. Department of Veterans Affairs. The study findings were covered in news articles in the *Atlanta Journal-Constitution*, ABCNews.com, Reuters Health, and HealthDay News.

## THE WALTER H. SHORENSTEIN ASIA-PACIFIC RESEARCH CENTER (S-APARC)

*S-APARC strives to build on its reputation as a leading research center focused on the study of contemporary Asia. Its mission is to produce and publish Asia-Pacific-focused interdisciplinary research; to educate students, scholars, and corporate and government affiliates; to promote constructive interaction to influence U.S. policy toward the Asia-Pacific; and to guide Asian nations on key foreign relations, government, political economy, technology, and social issues.*

### NEW PROJECT: THE (SOUTH) KOREAN NATIONAL ASSEMBLY PROJECT

(South) Korea, or the Republic of Korea (ROK), has seen significant political changes over the last two decades, especially since its 1987 democratization. The nation has established civilian rule, achieved a peaceful transfer of power, and enacted democratic reform measures. More recently, Korea has witnessed a generational change in the power elite. During the last election, younger liberals replaced many of the National Assembly's conservative stalwarts. This generational change and ideological shift have important implications not only for the nation itself but also for other countries, including the United States. Through the National Assembly Project, Shorenstein Asia-Pacific Research Center (S-APARC) Director Gi-Wook Shin and researchers in the Center's Korean Studies Program aim to better understand such implications.

Researchers are collaborating with various government agencies and media sources to amass a database that encompasses three types of data on the National Assembly and its membership. The first category consists of assembly members' biographies: educational backgrounds, personal relationships, and work histories. The second describes the districts and elections voting them into office. A third type describes members' committee affiliations and voting patterns once in office.

By examining the connections between these categories, Shin and his colleagues hope to explain how generational and ideological change will affect assembly votes on major issues. For instance, many of the new assemblymen were once student activists protesting against Korea's pre-1988 dictatorships. Now that they have attained power, will they continue to advocate liberal agendas, or become more conservative? Do the new assemblymen come from different



walks of life than their predecessors? If so, how will the differences affect their voting patterns? The answers to these questions have important implications for issues ranging from Korean industrial policy to the future of the U.S.-ROK alliance.

The National Assembly Project represents an opportunity to answer other longstanding questions about South Korean politics. For instance, school and family ties are particularly important in Korean society. Considering how South Korean political parties have been unstable coalitions built around dominant personalities, how do social networks affect party formation? What are the implications for Korean democracy? Since the project database brings together social and political data, researchers can consider both sides of these issues.

Just as importantly, the database will enable cross-national comparisons between South Korea and other East Asian democracies, particularly Japan and Taiwan. In summer 2005, Shin held a joint workshop with Japan scholars to begin to undertake such comparisons. This long-term project involves graduate students, postdoctoral research fellows, and visiting fellows at Stanford. In the coming year, the team intends to analyze the data and write up key findings as journal articles. A book on political changes in Korea is also planned.

#### INDONESIA IN TRANSITIONS

Indonesian strongman Suharto resigned in May 1998 in the wake of a combined political, economic, and environmental crisis. Since then, it has been conventional to describe the country as being “in transition.” But that begs these questions: Just what are Indonesians transitioning toward? And how will we know when the trip is over? Based on ongoing research into these questions, S-APARC Professor Donald Emmerson offers these answers.

The multiple dimensions of the original crisis imply at least six different national goals. Listed roughly in order, from the most to the least achieved as of August 2005, the six are territorial integrity, functioning democracy, political stability, economic recovery, good governance, and environmental health.

If the chance that Indonesia might break apart had worried foreign and local observers alike in 1999–2000, by 2005 those fears had greatly subsided. Confidence rose as political violence declined. In August 2005, the Aceh Freedom Movement agreed, in effect, not to secede from Indonesia, as part of the peace agreement it signed with the national government. Papua continued to be restive, but mainly within an Indonesian context.

In 2004–05, an unprecedented series of free and peaceful national and local elections erected



a government led by Indonesia's first-ever directly elected president, Susilo Bambang Yudhoyono, known as SBY. His charisma, popularity, and proactive style, evident in Emerson's interviews with him in 2005, bolstered the odds for an improved—more democratic, more stable—political future.

But if by 2005 a political corner had been turned, Indonesia's halting recovery from the Asian financial crisis of 1997–99 remained at risk. Foreign direct investment had begun to return. But in 2005, steeply rising world oil prices swelled politically popular state energy subsidies to fiscally crippling levels. Meanwhile, severe air pollution from illegal fires to clear land—a haze dense and vast enough to have damaged and angered neighboring countries in 1997—had become an almost perennial disaster.

Installing democracy has not assured good governance and the rule of law. The weakest link in the apparatus of reform may be the country's courts. Venal judges can be bought. Violators of human rights have gone unpunished, or underpunished. Legal reform is crucial and overdue. Knowing this, SBY has used the presidency as a bully pulpit to campaign against corruption.

SBY's government is being challenged not only to revive Indonesia's underperforming

economy but also simultaneously to reduce poverty, improve security, enhance efficiency, and abolish impunity. To call this multitasking Herculean is to belabor the obvious. SBY may not succeed. But so far at least he has been trying, with welcome energy and innovation, to make a difference.

Indonesia is not in transition. It is in transitions. The political one has made a reversion to autocracy extremely unlikely. But economic progress has been mixed. Environmental damage and related blights—corruption, mismanagement, and poverty—still urgently need remedy and reform. Eventually these several transitions, proceeding at different speeds, will implicate one another, for better or worse. For in the long run, if democracy is to succeed, it must deliver—more justice and more welfare, a better life and a safer society. That is a heavy burden to place on the shoulders of Indonesia's new president, however refreshingly dynamic and well intentioned he may be.

*Photos: (Page 21) Namdaemun Gate, Seoul, South Korea. (Above) Indonesia's President Yudhoyono visits the injured of Bali's 2005 terrorist attacks.*

## CENTER FOR ENVIRONMENTAL SCIENCE AND POLICY (CESP)

*CESP works to mobilize a network of scholars, students, policymakers, and leaders to understand and help solve international environmental problems through science and policy research. It directs the Goldman Honors Program, an interschool honors program in environmental science, technology and policy. CESP houses the Program on Energy and Sustainable Development (PESD), a global research program on the economic and environmental consequences of global energy consumption.*

Newspapers around the world report daily on the wars and other violent conflicts that typically result in 3,000 deaths per day. These same papers fail to report that 20,000 people die each day of causes related to hunger and extreme poverty. Over a billion people suffer from chronic food insecurity, yet they fail to capture public attention—even though the persistence of hunger and poverty also feeds violent conflict and weakens national and international security. Food insecurity is particularly widespread in agricultural regions where resource scarcity and environmental degradation constrain productivity and income growth. Hunger is the silent killer and moral outrage of our time, and yet there are few university programs in the United States designed to study and solve the problem of global food insecurity.

To address this deficit the Center for Environmental Science and Policy (CESP) has developed a new program on Food Security and the Environment (FSE). FSE aims to generate innovative solutions to the persistent problems of global hunger and environmental damage from agricultural practices worldwide, through a focused research portfolio and an interdisciplinary team of scholars. The program provides the educational foundation for graduate and undergraduate students at Stanford interested in issues of hunger, rural development, global resource and environmental degradation, agricultural technology, climate impacts on food security, and agricultural trade and policy.

FSE also links food and resource issues to security issues more traditionally defined. The program provides direct policy outreach through



international development and aid institutions, the international agricultural research centers (the Consultative Group on International Agricultural Research, or CGIAR), the United Nations Food and Agricultural Organization (FAO), the U.S. Department of Agriculture (USDA), environmental nonprofit organizations, and other groups that play significant roles in the agricultural development and environment arenas.

#### CURRENT RESEARCH ACTIVITIES

FSE seeks to answer these questions that lie at the core of human survival and values. Can rising food demands be met on the existing agriculture land base, or will more native forests, wetlands, and other valuable ecosystems need to be cleared for future production? Can technology be harnessed to increase agricultural yields sufficiently to meet income- and population-driven demand for grains and meat? If so, what will be the cost to regional environments in the form of freshwater depletion, nutrient run-off, “dead zones,” pesticide drift, and lost biodiversity? Will the future success of feeding the world be undermined by global climatic change? The following are examples of ongoing projects that highlight the program goals:

#### 1) Assessing the impacts of climate variability on food security in Asian rice economies.

“El Niño,” a meteorological phenomenon that typically appears every five to seven years in the Pacific Ocean, alters weather patterns all over the world. In the agriculture-dependent societies in Southeast Asia, El Niño events (more formally called El Niño/Southern Oscillation events, or ENSO) are associated with severe drought, which can have devastating impacts on the income and food security of rural populations.

This ongoing project combines the expertise of atmospheric scientists, agricultural economists, and policy analysts to understand and mitigate the adverse effects of El Niño-related climate variability on rice production and food security under current and future global warming conditions. The project focuses on poor regions where households are particularly vulnerable to climate and related price shocks for staple crops. The research is being conducted in China, Indonesia, and the Philippines and involves the direct participation of policymakers, including ministers of trade, agriculture, and planning, as well as regional irrigation and food logistics officials.



## 2) Consequences of increased global meat consumption on the global environment—trade in virtual water and nutrients.

Meat production is projected to double by 2020 due to increased incomes, population growth, and rising per capita global consumption of meat. In order to meet this demand, industrialized animal production systems are proliferating and grain production for feed is expanding. These trends will have major consequences on the global environment— affecting the quality of the atmosphere, water, and soil due to nutrient overloads; impacting marine fisheries both locally and globally through fish meal use; and threatening human health, as, for example, through excessive use of antibiotics.

A team of international scholars, including economists, ecologists, and livestock specialists, are conducting a global accounting of these trends, connections, and projections—focusing specifically on how the global expansion of meat production and trade is affecting “virtual” environmental resources in places widely separated in space.

By developing a global accounting system, they will be able to suggest policies that

ameliorate the negative aspects of these developments and position themselves to address the multiple consequences of industrialized animal production systems. A policy assessment on industrialized animal production has already been accepted and is forthcoming in *Science* magazine.

*Photos: (Left) Farmer preparing his land in rice paddy plots in Java, Indonesia. (Above) “Chickens raised for meat are crowded by the thousands into factory farm warehouses.” – Farm Sanctuary.*

## STANFORD PROGRAM ON INTERNATIONAL AND CROSS-CULTURAL EDUCATION (SPICE)

*SPICE serves as a bridge between FSI's research centers and K–14 schools across the nation and independent schools abroad by developing multidisciplinary curriculum materials on international themes that reflect FSI scholarship.*

Since the establishment of FSI's newest center, the Center on Democracy, Development, and the Rule of Law (CDDRL), SPICE has been working with CDDRL faculty and researchers to make their scholarship accessible to high schools and community colleges.

The first curriculum unit developed in consultation with CDDRL's former director and senior fellow Stephen Krasner is called *An Introduction to Sovereignty: A Case Study of Taiwan*. The unit examines the key issue of sovereignty and provides an in-depth look at the unique status of Taiwan among nations of the world. Although Taiwan has control over its internal affairs (domestic sovereignty) and is able to keep outsiders from operating within its borders or influencing internal decisions (Westphalian sovereignty), the island does not have international legal sovereignty, which would confirm its status as an independent country. Despite lacking the advantages of having international legal sovereignty—including the ability to negotiate trade agree-

ments and treaties, among others—Taiwan has evolved into an economic powerhouse and has successfully developed and maintained international relations with many independent countries. Taiwan's success in international relations raises the unit's key question: Does Taiwan need international legal sovereignty to successfully exist?

The second curriculum unit developed in consultation with CDDRL fellows J. Alexander Thier and Erik Jensen is called *Democracy-Building in Afghanistan*. The attacks of September 11, 2001, and the U.S. invasion that followed have thrown Afghanistan from the periphery to the center of international affairs. Prior to these events, Americans knew very little about Afghanistan and its history, culture, and politics. This lack of knowledge highlights the need to inform American students about Afghanistan, as it appears that the Central Asian country will be crucial to U.S. foreign policy and international affairs for many years to come.



Using a documentary film, *Afghanistan: Hell of a Nation*, which originally aired on PBS's *Wide Angle*, and a variety of engaging activities, the unit provides students with an understanding of contemporary Afghan politics, the process of creating a new constitution for Afghanistan, and the complexities of democracy-building. The documentary film was directed and produced by Tamara Gould. CDDRL Fellow J. Alexander Thier served as the lead advisor for the documentary. The collaboration between SPICE, the filmmakers, and CDDRL enhances the pedagogical power of the curriculum and facilitates more widespread understanding of contemporary Afghan political issues. According to Thier, *Hell of a Nation* goes to the very core of some of the most important questions facing our world today: Can a poor Muslim nation like Afghanistan become a democracy? Does U.S. involvement make this more or less likely?

According to Gould, "Our goal in making *Hell of a Nation* was to bring the political drama unfolding in Afghanistan to life. Working with SPICE will allow us to reach the classroom with our film in ways that are far more effective than a national broadcast. Through SPICE, teachers will be able to use this curriculum to teach thousands of students

more about Afghanistan, its new constitution, and the process of creating a democracy. This partnership between the filmmakers and SPICE is a win-win for us, and for teachers and students across the country."

*Photo: From the documentary, Afghanistan: Hell of a Nation: "Today is the last day of the elections, and we'll have only one voting round." –Eckart Schiewek, U.N. Assistance Mission in Afghanistan. "Fold it and put it in the box." –Election administrator.*

## PROGRAM ON ENERGY AND SUSTAINABLE DEVELOPMENT (PESD)

*PESD is a multi-year, interdisciplinary program that draws on the fields of political science, law, and economics to investigate how the production and consumption of energy affect sustainable development. It sponsors world-class research on the political, legal, and economic aspects of the world's energy system and it is catalyzing the creation of a funded, worldwide network of researchers working on these issues. PESD research currently focuses on four platforms: the political economy of electricity; the geopolitics of natural gas; the transition from traditional to commercial energy; and global climate change. PESD will soon begin work on a fifth platform: how national oil companies are adapting to changes in the energy market.*

The Kyoto regime is coming unraveled. The United States has pulled out and has yet to offer an alternative strategy for slowing global warming. Canada and Japan have formally joined the Kyoto treaty, but neither nation has yet offered a workable plan for meeting its Kyoto commitments. Only the European Union (EU) is implementing a scheme that will yield compliance with the Kyoto obligations. In practice, however, the EU has also moved beyond Kyoto. The new EU Emission Trading System (ETS) includes provisions that are much more demanding than the EU committed under Kyoto, and in 2005 the EU has already signaled that it will proceed with its own scheme regardless of the fate of the Kyoto negotiations.

While Kyoto formally entered into force as a binding international treaty in February 2005, in practice each major cluster of countries is pursuing, roughly, the measures that would have been adopted even without the Kyoto scheme.

In every corner of the globe, analysts and politicians are looking beyond Kyoto. What next? PESD is working on a book that will answer that question by following two lines of analysis in parallel.

First, building on the literature about international regimes, we will proffer a theory of regime formation that emphasizes the “bottom-up” nature of international legal commitments. Scholarship on international regimes, we argue, has focused on a highly misleading “theory”



of the formation of regimes. That theory, such as it is, has focused on state-to-state bargaining, power, and interests, and it is based on the assumption (often without careful questioning) that regimes are created “top-down.” We suggest that, in fact, most substantive international regimes are created from the bottom-up—and as the stakes and complexity in a regime rise, the character of regime formation becomes increasingly bottom-up. It is simply too difficult to arrive at a workable construction for a regime when international negotiations involve large numbers of actors, complex cross-cutting issues, and vast stakes.

A second line of analysis will focus on climate change itself. This will be a book about climate policy that, along the way, will also critique and offer new theories about the role of international law and institutions in ordering society. Our argument will be that the physical nature of the climate problem—a long-term issue that spans all nations—requires that any credible and effective system that emerges “after Kyoto” must address three interrelated problems. First, it must respectfully and productively engage the real nature of climate policy as it exists on the ground today—namely, the emergence of several major regional approaches, notably in the key industrialized countries where the

public is already willing to pay some non-zero amount for serious policies to address global warming. However, this willingness to pay is not equal across these zones, and the preferred strategies and time horizons are not equal. Thus a set of largely disconnected regional strategies is emerging, not a single top-down system. Second, any serious system must orient itself around the long-term task of decarbonizing the entire energy system. (A lesser task is to reduce greenhouse gas emissions, notably from agriculture and other activities that can lead to unsustainable land uses.) Third, a coherent policy response must address the challenge of limiting emissions in developing countries, where total emissions are rising rapidly and policymakers do not put a priority on collective responses to the threat of global warming.

*Photo: A section of rain forest burns near Pimenta Bueno, Brazil. The Brazilian rain forest is suffering from massive deforestation as ranchers, farmers, and big timber companies slash and burn the region for development and profit.*

## INITIATIVE ON DISTANCE LEARNING (IDL)

*The purpose of the Initiative on Distance Learning is to foster critical thinking skills and global awareness in university students from transitional societies in order to create an intellectually empowered generation of future government, business, and community leaders.*

With the goal of assisting in the rejuvenation of the study of the social sciences in the Russian Federation, the Initiative on Distance Learning (IDL) Program began with a modest pilot project in fall 2000, offering one course in international security to two Russian regional universities. Since that time, the program has expanded to offer five courses in international security issues to ten Russian regional universities. Through collaborative efforts with Stanford and foreign partners, IDL is pushing beyond its traditional borders of Russia to explore possibilities in South Africa, the U.S. business and research community, the Mexican Foreign Ministry, and SPICE, all in the realm of international security curriculum.

In the core Russian program, IDL uses a Distributed Tutored Video Instructional (DTV) distance-learning model, transmitting the courses via CD-ROMs; providing support materials on course websites; incorporating on-line chat sessions and electronic bulletin

boards to maintain interaction with Stanford teaching staff; and, most importantly, working closely with local Russian instructors at each of the participating universities in order to promote face-to-face interaction with the Russian students. Currently the IDL program boasts roughly 600 students per year. Each student receives a certificate for each course successfully completed; several of the students have parlayed their experience with IDL into graduate studies in Moscow, Europe, or the United States.

To further enhance the experience of the Russian students, the IDL program offers an annual IDL Student Conference on International Security in Yaroslavl, Russia. For the May 2006 conference, the IDL program is excited to be conducting for the first time a simulation of the Nuclear Non-Proliferation Treaty negotiations under the leadership of Professor Scott D. Sagan, director of CISAC. Thirty-six students from each of the participating Russian



universities, in addition to five Stanford undergraduate students, will be competitively selected to represent the key countries involved in the simulation negotiations.

In addition to the student conference, in August 2005 the IDL program inaugurated, with support from the Carnegie Corporation of New York, what it hopes will be an on-going IDL Instructor Professional Development Workshop at Stanford. The workshop was led by Professor Rachel Lotan, director of the Stanford Teacher Education Project (STEP) of the School of Education. All 17 of the Russian instructors working with the IDL program attended the five-day workshop in order to hone their skills for leading successful seminars, analyzing essays, and teaching for critical thinking; instructors also had the opportunity to interact closely with Stanford faculty members on issues of international security.

IDL continues to collaborate with other organizations. The Stanford Center for Innovations in Learning (SCIL) recently finished a two and a half year evaluation of the IDL program with support from the Andrew W. Mellon Foundation, results of which are soon to be published. IDL has worked closely with SPICE for the past four years to develop K-12 curriculum units based on the IDL courses.

Together with the Stanford Center for Professional Development (SCPD), IDL will offer a certificate program in international security for members of the business community and national laboratories. AllLearn, a consortium of Stanford, Oxford and Yale, approached IDL to offer a course via distance learning to members of the Mexican Foreign Ministry. Lastly, IDL, in collaboration with SCIL, is in the process of exploring offering international security courses to students at the Tshwane University of Technology in Pretoria, South Africa. This program would afford IDL the opportunity to build upon its existing distance learning model by incorporating a wireless technology research component, thereby learning from research already being done in the wireless technology area by colleagues in South Africa.

*Photo: Students at Ural State University in Ekaterinburg, Russia, receiving their Initiative on Distance Learning certificates from Rector Vladimir Tretyakov (center).*



*Photo: Former Secretary of Defense Robert S. McNamara addresses a CISAC dinner.*

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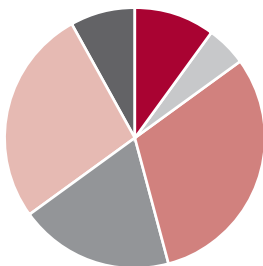
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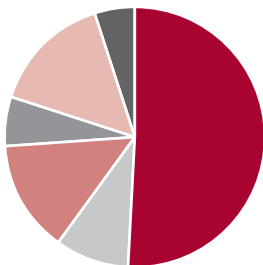
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**REVENUE BY SOURCE OF FUNDS**



%		<i>\$ in thousands</i>
10%	University General Funds	\$ 2,198
5%	University Special Allocations	951
31%	Endowments	6,463
19%	Grants & Contracts	3,949
27%	Gifts	5,753
8%	Affiliates	1,721
100%	Total	\$21,035

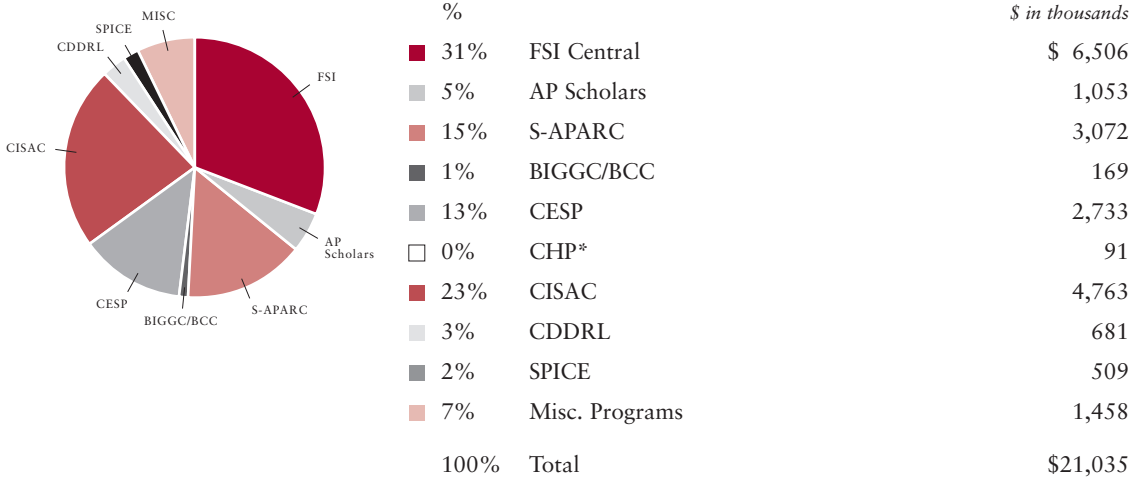
**EXPENSES BY CATEGORY**



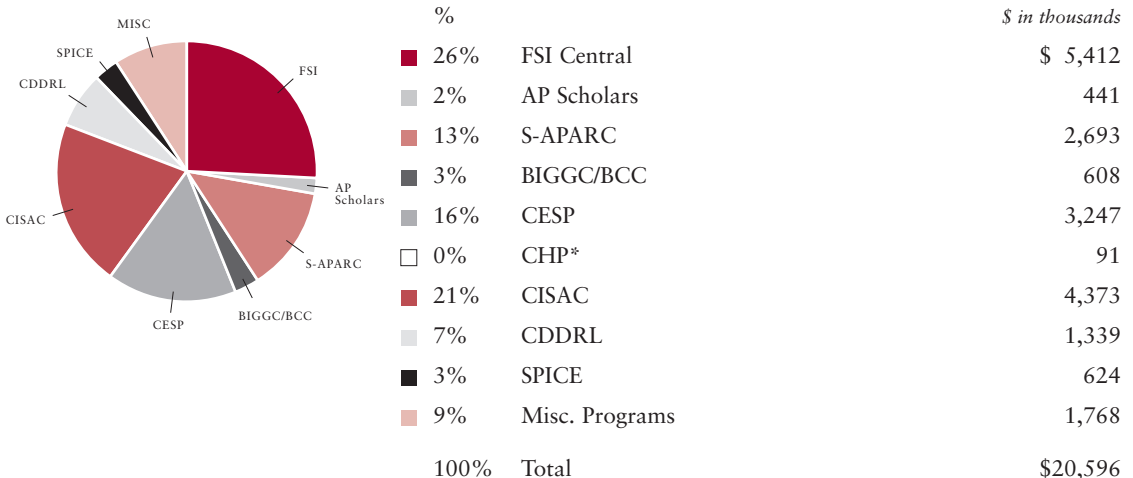
%		<i>\$ in thousands</i>
51%	Faculty, Research & Admin. Salaries & Benefits	\$10,527
9%	Travel	1,824
14%	Seminars, Lectures, Conferences & Events	2,906
6%	Equipment, Materials, Supplies & Maintenance	1,171
15%	Student Aid	3,125
5%	Indirect Costs	1,043
100%	Total	\$20,596

FY 2004–2005

REVENUE BY PROGRAM OR CENTER



EXPENSES BY PROGRAM OR CENTER



Acronym Legend: FSI Central—Freeman Spogli Institute for International Studies central administration; AP Scholars—Asia-Pacific Scholars; S-APARC—The Walter H. Shorenstein Asia-Pacific Research Center; BIGGC—Bechtel Initiative on Global Growth and Change; BCC—Bechtel Conference Center; CDDRL—Center on Democracy, Development, and the Rule of Law; CESP—Center for Environmental Science and Policy; CHP—Center for Health Policy; CISAC—Center for International Security and Cooperation; SPICE—Stanford Program on International and Cross-Cultural Education.

\*Excludes revenue and expenses of PCOR (Primary Care and Outcomes Research), CHP's affiliated organization in the School of Medicine.

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