Letter From the Chair

In my first full year as Chair of the Carnegie Endowment, I have had the privilege of working with our leadership and our board to define a new vision for our institution that meets the challenges of the new era unfolding before us. Change in institutions is rarely as neat as imagined on paper; but I’ve never seen an organization renew itself so comprehensively and put into practice our collective vision so quickly.

The sense of purpose and urgency resonates throughout our global network. Whether in my travels to Carnegie centers in Beijing and New Delhi, my reading of our sharp, relevant, and creative content, or my participation in its endlessly rich programming, I have seen firsthand Carnegie’s true commitment to quality, independence, and impact.

It is no surprise, therefore, that Carnegie has attracted an extraordinary group of new trustees from around the world, with distinguished careers in the highest levels of the private and public sectors. And it’s no surprise that Carnegie has received historic levels of philanthropic support for its renewed mission.

I am grateful that Steve Denning has volunteered to take over for Mohamed El-Erian as vice chair of the board and to all my fellow trustees for everything they do to keep the cause of peace alive in these trying times.

Sincerely,

Penny Pritzker
Letter From the President

As global winds continue to batter and bruise the international landscape, Carnegie is determined to meet this moment with the energy, wisdom, and determination that it demands.

With 140 scholars spread across twenty countries and six global centers, we provide sophisticated regionally based analyses of the societal, economic, security, and political forces fueling competition and conflict, and bring our global network together to find pathways to conflict mitigation and resolution.

Together with governments and other organizations around the globe, we are working to strengthen and sharpen the ways in which outside actors can more effectively support civil societies and democracies that are under unprecedented strain. In too many places, the compacts between state and society are far too brittle, and ideas on how to enliven them are far too stale.

We are working to help the development of international norms and rules of the road catch up to the pace of technological innovation—seeking to maximize the promise of new technologies while minimizing their disruptions.

And we are building a mix of world-class economists and strategists, to help executives from situation rooms to board rooms rethink the critical intersection of economics and national security—ensuring that our international relations contribute to the renewal of our own societies.

Andrew Carnegie’s legacy and this perilous moment have inspired philanthropists for peace to rise to the challenge before us. I am deeply indebted to our board, our funders, and our partners around the world for their generosity and support, and honored to lead this remarkable institution.

Sincerely,

Bill Burns
Board of Trustees

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Why did you join the Carnegie Board?

I was deeply impressed by the leadership of Bill Burns, the strength of the Carnegie team, the caliber of the trustees, the mission, and current strategic direction of the institution.

I also believed that Carnegie—with its commitment to a global, independent outlook—was uniquely positioned to not only revitalize the conversation, but to generate powerful new ideas about the challenges before us, whether that is adaptation necessary for the artificial intelligence-driven digital era, the rise of China, or the shift of great power rivalries.

What global trend most concerns you and what contribution do you think institutions like Carnegie can make to address it?

The most concerning trend in my view is the denigration and disruption of the liberal world order. I have never seen a moment with so much dramatic, disruptive change in so many aspects of international affairs, from geopolitics to economics to governance. I am concerned about the capacity of our own country to adapt, as well as the capacity of the overall international system to manage this transformative transition.

That is why I think Carnegie has such an important and distinctive role to play—its global reach and perspective can help illuminate how these trends are changing key countries and regions, and how best to mitigate the most destabilizing aspects of this transition, and, most importantly, how to capitalize upon the enormous opportunities ahead of us.

You are chair of a global business with fourteen offices across five regions. How critical has your global reach been to understanding and navigating a changing business environment?

We may be a large global growth equity firm, but we are operating locally in different political environments, economic systems, and country cultures. Understanding that and making it a core part of our business decisionmaking is essential to our success as a global firm. The question we should be asking now is not how to decouple ourselves from China, but how do we coexist and find a positive-sum way to cooperate and collaborate, with boundaries and constraints, despite our very different political and economic systems. Carnegie is one of the few think tanks that is globally focused, has a truly global footprint, and is strategically positioned to address global issues from a variety of local perspectives. Globalization emanates from every region and country in the world, and reflecting this in our thinking and policy is essential to crafting a constructive and sustainable means of building the world order and improving the human condition.
Carnegie Welcomes New Trustees

Carnegie’s Board of Trustees is global—composed of leading minds from the business, political, academic, and philanthropic worlds.

Anne Finucane is vice chairman at Bank of America and also serves as chairman of the board of Bank of America Merrill Lynch Europe. As a member of the executive management team, Finucane is responsible for the strategic positioning of Bank of America and leads the company’s environmental, social, and governance (ESG), capital deployment, and public policy efforts.

Ngozi Okonjo-Iweala served twice as Nigeria’s finance minister and briefly as foreign minister, the first woman to hold either position. She is now chair of the board of Gavi, the Vaccine Alliance, and chair of African Risk Capacity.

Deven J. Parekh is a managing director at Insight Partners, a New York City–based global venture capital and private equity firm investing in high-growth technology and software companies. He works with investments in the United States, Europe, China, and Latin America. Parekh was nominated in 2016 by then president Barack Obama and confirmed by the U.S. Senate to be on the Overseas Private Investment Corporation Board.

Zeid Ra’ad Al Hussein served as the United Nations high commissioner for human rights from 2014 to 2018—the first Asian, Muslim, and Arab to hold the position. He was twice Jordan’s permanent representative to the United Nations, once Jordan’s ambassador to the United States, and a political officer for the United Nations Protection Force in the former Yugoslavia.

C. K. Birla, a member of Carnegie India’s Founders Committee, is chairman of CK Birla Group, which operates in industries including infrastructure, automotive technology, healthcare, education, and information technology. He is chairman of the board of governors of the Birla Institute of Technology, Mesra, and a member of the national council of the Confederation of Indian Industry.

Anne Finucane

Ngozi Okonjo-Iweala

Deven J. Parekh

Zeid Ra’ad Al Hussein

C. K. Birla

2019 ANNUAL REPORT
TOP
Former secretary of state Hillary Clinton (left) and Bill Burns (right) discuss the future of diplomacy. (Photo courtesy of Georgetown University’s School of Foreign Service)

CENTER
Carolyn Forché (left) discusses her memoir, What You Have Heard Is True, with the Washington Post’s Karen DeYoung (right).

BOTTOM LEFT
U.S. Senator Bob Menendez (D-NJ), ranking member of the Senate Foreign Relations Committee, speaks about how U.S. foreign policy should respond to challenges facing the liberal international order.

BOTTOM CENTER
Carnegie Trustee Bill Bradley (second from left) with several of the Carnegie–Tsinghua Center’s young ambassadors.

BOTTOM RIGHT
The Washington Post’s executive editor, Marty Baron, speaks to the Carnegie Board of Trustees on free press in the age of populism.
We are 140 thinkers and doers from diverse disciplines and perspectives spread across more than twenty countries and six global centers working together as one network to advance international peace.
Saskia Brechenmacher, a fellow in the Democracy, Conflict, and Governance Program, is a rising star in her field. A native of Germany and an expert on civil society, women’s political inclusion, and transparent and accountable governance, her research has taken her from Tunisia and northeastern Nigeria to Burkina Faso and South Africa.

Brechenmacher is at the forefront of scholarship and policy work that is shifting how the world’s biggest and most influential development organizations invest billions of dollars in fragile democracies and postconflict states. In her words, “We have to stop trying to apply strictly technical solutions to problems that are inherently political. Facing political realities in development work can be sensitive and difficult, but it’s essential to achieving good results.”

She started her career as a junior fellow with Carnegie before moving on to graduate studies at the Fletcher School of Law and Diplomacy at Tufts University and research work at the World Peace Foundation.

Yasmine Farouk, a visiting fellow in the Middle East Program, is an expert on the Gulf. She has chronicled how changes in the domestic affairs of key states in the region impact their foreign policies, and the essential prerequisites for an effective regional security architecture. Her perspective and insight on Saudi Arabia’s transformation under Crown Prince Mohammed bin Salman and the changing U.S.-Saudi relations has been in high demand in Washington and the region.

Before Carnegie, Farouk taught political science at Cairo University and worked in the office of the Egyptian prime minister after the 2011 revolution. In that role, she supported civil society participation in the national dialogue and constitution-making processes. From 2016 to 2017, she led the research team at a think tank in Cairo that dealt with conflict resolution, peacekeeping, and peacebuilding.

Jon Bateman joined the Technology and International Affairs Program. He has worked at the forefront of the cyber challenge in numerous roles in the defense and intelligence communities. He was special assistant to the chairman of the Joint Chiefs of Staff, General Joseph F. Dunford, Jr. At the Office of the U.S. Secretary of Defense, he developed the first comprehensive policy for military cyber operations and helped to establish a unified Cyber Command. Bateman co-founded the secretary’s Principal Cyber Adviser Staff, which is the central oversight element for all the department’s cyber activities. An intelligence officer by training, Bateman has also worked as a senior intelligence analyst for Iran at the Defense Intelligence Agency.

Jon Bateman, Yasmine Farouk, and Saskia Brechenmacher (left to right).
Carnegie India’s New Scholars

Rajesh Bansal is head of the Technology and Society Program. His research focuses on financial technologies.

Anirudh Burman is an associate fellow in the Political Economy Program. He also leads the center’s work on data privacy and localization.

Suyash Rai is a fellow in the Political Economy Program focusing on the political economy of economic reforms and the performance of public institutions in India.

Srinath Raghavan is a senior fellow in the Security Studies Program, and also works as a professor of international relations and history at Ashoka University.

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Nandan Nilekani (left), Infosys co-founder, discusses digital identities and payments with Srinath Raghavan (right) at Carnegie India’s Global Technology Summit in Bengaluru, India.
Carnegie’s global network seeks to inject local perspectives into policy debates; prevent and mitigate collisions of global consequence; speed up the global policy response to technological, political, and economic transformations; and support new thought leaders in international affairs.
China’s rise is the most consequential geopolitical development of the twenty-first century. Carnegie is leveraging its global network to look at the implications from the perspective of other capitals and to examine the important policy choices they face.

In 2019, Carnegie launched a multiyear effort to study China’s strategic approach to Russia and Eurasia, which could have major implications for regional and global security. In addition, this region is proving to be an important testing ground for Chinese technological and financial innovations—including 5G telecommunications networks and state-backed payment systems that provide alternatives to Western-led standards and institutions.

The extent to which countries in the region embrace these tools could ultimately influence China’s strategic approach to other regions and help shape the way the central geopolitical plotline of our time unfolds. Carnegie’s team—composed of leading experts on China and Russia, and seasoned policy practitioners from Washington, Moscow, and beyond—is shedding light on these hugely important developments and helping decisionmakers craft more thoughtful policies.

Promoting Dialogue

In May and July 2019, at the height of the U.S.-China trade war, the Carnegie-Tsinghua Center brought together current and former policymakers from Washington and Beijing to discuss and debate critical bilateral issues and identify potential pathways to reduce tensions and resolve differences. Part of Carnegie-Tsinghua’s flagship track 1.5 dialogue program, this off-the-record exchange aims to reduce misperceptions and keep channels of communication open even at moments of pronounced tensions in the relationship.

Fu Ying (right), former Chinese vice minister of foreign affairs, speaks at Carnegie’s track 1.5 dialogue in Beijing.
Congressional Trip to China

In November, a bipartisan group of seventeen senior congressional staff traveled to the Carnegie–Tsinghua Center, in partnership with the Aspen Institute. Over the course of a week, they spoke with Chinese academics and government officials and met with U.S. business leaders and journalists working in Beijing. The delegation probed challenges and opportunities during a time of increasing tensions. Trade, technology, and security dominated the conversations, which were expertly facilitated by Maurice R. Greenberg Chair Paul Haenle, the center’s director. One participant remarked, “This was the most informative and enriching experience I have had in ten years working on foreign policy in Washington.”

Asia Local/Global

Too often, policy analysts focus on aggregate statistics or diplomatic relations between capitals. But companies, laboratories, and people—often located far away from capitals—do the work. In today’s world, what is “local” and “global” often blur together. Crafting smart and sustainable policies requires understanding not just the high-table of geopolitics but what’s happening on Main Street as well.

Carnegie’s Asia Program has launched a new stream of work on these subnational dynamics: what makes economies innovative, how communities connect to one another, and whether and how governments can shape national policies that reflect realities and imperatives in provinces, prefectures, states, cities, and regions. Asia Local/Global uses research and multimedia to reach into places like America’s industrial Midwest or India’s states to inject new perspectives and ideas grounded in the realities of constituents, not just abstract theories of statecraft.

A bipartisan group of senior congressional staff tour the Great Wall of China with Paul Haenle (far right) and Douglas Farrar (second from right, bottom row).

Evan Feigenbaum (left) and former Michigan governor Rick Snyder (right) on the U.S.-China tech war and its impact on states and local businesses.
In January 2019, Evan Feigenbaum joined Carnegie’s leadership team as vice president for studies, overseeing research in and on the Asia Pacific region. This new role integrates all Asia-related programming across Carnegie’s global platform, including the Asia and South Asia Programs in Washington and Carnegie’s centers in Beijing and New Delhi.

Three core themes animate work on the region and its connections with other parts of Carnegie’s global network: disruptive security risks from competition among the big powers; disruptive governance risks from weak institutions, uneven state capacity, and insufficiently inclusive growth; and disruptive economic and technological risks from new innovations, regulatory diversity, and competing standards.

Before joining Carnegie, Feigenbaum served as vice chairman of the Paulson Institute at the University of Chicago, where he co-founded MacroPolo, a digital venture that seeks to decode China’s economic arrival through macroeconomic analysis and interactive data dives. Between 2001 and 2009, Feigenbaum served at the U.S. State Department, including as deputy assistant secretary of state for South Asia, deputy assistant secretary of state for Central Asia, and a member of the secretary of state’s policy planning staff with principal responsibility for East Asia and the Pacific.

Fluent in Mandarin, Feigenbaum first studied in China in 1985, traveling the breadth of the country by rail in between classes while Deng Xiaoping’s reforms began to kick into high gear.
**Carnegie–Tsinghua Global Dialogue Series**

As China’s international reach continues to grow, capitals around the world are taking note. The Carnegie–Tsinghua Center is uniquely positioned to facilitate dialogue between experts and policymakers from different parts of the world.

*Dmitri Trenin (left) speaks at the Global Dialogue Series in Beijing.*

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**Grand Tamasha Podcast**

In February 2019, ahead of India’s spring general elections, Milan Vaishnav launched Grand Tamasha, a new podcast partnership with the *Hindustan Times*, to shed light on the fractious, divided, and fascinating politics of the world’s largest democracy. The podcast aimed to meet demand for incisive political analysis in the run-up to the biggest democratic exercise ever undertaken.

Vaishnav interviewed a range of guests including India’s former chief economic adviser Arvind Subramanian, Congress parliamentarian Shashi Tharoor, journalist Snigdha Poonam, and comedian Hasan Minhaj. In March 2019, the Indian news website Scroll.in recognized Grand Tamasha as one of the best politics podcasts in India. Given the success of the show’s first season, Vaishnav inaugurated a second season in August.

*Milan Vaishnav (bottom photo) in the studio to tape Grand Tamasha.*
Political polarization is tearing at the seams of democracies around the world—from Brazil, India, and Kenya to Poland, Turkey, and the United States.

Carnegie’s Thomas Carothers and James C. Gaither Junior Fellow Andrew O’Donohue have mobilized a team of experts from around the world to examine political polarization across Africa, Asia, Europe, Latin America, the Middle East, and North America. Their new book, *Democracies Divided: The Global Challenge of Political Polarization*, sheds light on a series of timely and important questions: Why has polarization come to a boil in so many places in recent years? What are its consequences? And, most importantly, once democracies have become deeply divided, what can they do to restore at least some national consensus?

The book's comparative lens yields surprising and sobering discoveries. For example, although one might expect that a growing economy will ease polarization, in some places, like India, vigorous growth has actually intensified the problem. While ethnically or religiously diverse nations seem ripe for extreme polarization, the potential for harmful partisan conflict exists even in countries like Poland that are relatively homogeneous.

Particularly concerning is the lasting damage that polarization causes. Polarization tends to escalate quickly, often in the span of just a few years, but then entrenches itself—and endures for decades. It corrodes legislative processes, undermines judicial independence, shatters basic democratic norms of compromise and mutual acceptance, and triggers alarming increases in hate crimes and violence.

Through workshops and presentations in many countries, Carothers and O’Donohue are bringing their findings directly to policymakers, philanthropists, political activists, and others in both established and new democracies concerned with the dangers of political polarization.
After the Protests

In the past ten years, a startling wave of large-scale citizen protests has washed over the political life of every region of the world. But translating protest energy into sustained policy engagement and reform is difficult. Until recently, little attention has been paid to what happens after protests die down.

Richard Youngs brought together twelve scholars and activists from around the world to share their experiences in a compilation titled “After Protest: Pathways Beyond Mass Mobilization.” With contributions on countries as diverse as Armenia, Brazil, Thailand, and Zimbabwe, this collection provides a realistic assessment of life after protests and chronicles the essential ingredients for sustained reform and the common traps.
Carnegie Moscow Center Podcasts and Videos

The Carnegie Moscow Center is one of the pioneers in Russia’s nascent podcasting and video-explainer markets. The center’s politics podcast, hosted by Carnegie scholar Alexander Baunov, was named by Apple’s iTunes as one of the country’s best Russian-language podcasts in its annual rankings. Short videos featured on the center’s Facebook page have become must-sees for devotees of Russian political developments and younger audiences, who access the content largely on mobile devices.

U.S. Foreign Policy for the Middle Class

President Donald Trump and nearly all aspirants for the White House have pledged to root American foreign policy in the needs and imperatives of America’s middle class. What would that look like? And what are the tradeoffs?

Carnegie’s Salman Ahmed has convened a bipartisan task force to find out. The distinguished group includes a former U.S. trade representative, a three-star general, intelligence officials, senior officials from the White House, Treasury and State Departments, and more.

Working together—Republicans and Democrats, strategists and economists—they have provided the foreign policy community with critical ground truths as it begins to grapple with one of the most consequential challenges facing the United States today: forging a new compact that reinforces the connection between leadership abroad and rejuvenation at home.

Together, the team has taken a closer look at how trade, foreign direct investment, defense spending, energy policy, and other foreign policy issues affect the prospects for America’s middle class. Working with university researchers, this group has gathered on-the-ground data in three heartland states—Ohio, Colorado, and Nebraska—to both inform foreign policy practitioners and provide recommendations to the next administration.
Over the course of more than three decades as a U.S. diplomat, Carnegie President **Bill Burns** played a central role in the most consequential diplomatic episodes of his time—from the bloodless end of the Cold War to the collapse of post–Cold War relations with Putin’s Russia, from the tumult in the Middle East following September 11 to the secret nuclear talks with Iran.

In *The Back Channel*, Burns recounts, with novelistic detail and incisive analysis, some of the seminal moments of his career. Drawing on a trove of newly declassified cables and memos, he gives readers a rare inside look at U.S. diplomacy in action and a powerful reminder of its enduring importance. Carnegie’s website hosts 100 of these declassified documents from Burns’s career, offering a sample of his imperfect efforts to provide ground truths, strategic advice, and—on occasion—disciplined dissent.

Since the publication of his best-selling memoir, Burns has done more than five dozen events in over twenty cities throughout the United States, Europe, and India. He has made more than forty television and radio appearances, recorded more than twenty podcasts, given seven extended print or online interviews, and published seven pieces in outlets including the *New York Times*, the *Washington Post*, the *Financial Times*, the *Atlantic*, *Politico*, and *Foreign Affairs*. He also spoke to students at a dozen universities.
Non-nuclear technologies, such as cyber weapons and conventional munitions, are becoming increasingly entangled with nuclear weapons and their support systems, such as communication satellites and early-warning radars. These interactions create a potentially catastrophic danger.

If the United States and one of its nuclear-armed adversaries, for example, were engaged in a conventional war, the adversary might attack American communication satellites to interfere with the operations of U.S. non-nuclear forces. But because some of those same satellites are also part of the U.S. nuclear command-and-control system, American leaders might misinterpret the attack as the precursor to a nuclear strike. In response, and consistent with U.S. policy, the president might use nuclear weapons, potentially leading to untold global devastation.

James Acton, who holds the Jessica T. Mathews Chair in the Nuclear Policy Program, and his colleagues have put the danger of entanglement onto the policy agenda with a series of detailed studies, including one published in the prestigious journal, *International Security*. Acton has also briefed key U.S. decisionmakers and their advisers about the risks—and what it would take to mitigate them. The House of Representatives’ version of the annual defense policy bill directs the Pentagon to study some of Acton’s proposals and identify steps it is taking to reduce the likelihood of an inadvertent nuclear war.
Nuclear arms control treaties served as the guardrails to help prevent nuclear Armageddon during the Cold War. With the collapse of the INF Treaty and the risk that New START will expire in 2021, the United States and Russia will be free to return to an arms race without constraints. To reestablish dialogue between the United States and Russia and strengthen nuclear guardrails, Carnegie has facilitated in-depth exchanges between U.S. and Russian experts and on Capitol Hill with a special focus on the newest members and the next generation of experts. Carnegie experts will continue to add to conversations on Capitol Hill, focusing on new members and staff interested in becoming informed on nuclear issues, with an eye toward generating bipartisan interest in nuclear issues at a time when traditional apolitical support for arms control, nuclear modernization, and nuclear policy is crucial.
This year marked the thirtieth anniversary of the Carnegie International Nuclear Policy Conference, the premier global gathering in the field. More than 800 officials, experts, and students attended, representing over forty-eight countries and international organizations, to discuss the most important policy challenges of nuclear deterrence, disarmament, nonproliferation, security, and energy.

For the first time, a digital participation option allowed more than 500 registrants to watch and engage with the conference remotely. The 2019 conference was also the most diverse ever. More than half the panelists were female, and 40 percent of panelists were from countries other than the United States. A specific track for young professionals gave graduate students and those within the first five years of their career the opportunity to network with senior experts in the field.
TOP
Stephen Biegun (right), U.S. special representative for North Korea, with Helene Cooper of the New York Times (left).

CENTER
U.S. Representative Adam Smith (D-WA) (right), chairman of the U.S. House of Representatives Armed Services Committee, with Jen Psaki (left).

BOTTOM LEFT
Andrea Thompson, U.S. under secretary of state for arms control and international security.

BOTTOM RIGHT
Stanton Fellow Mareena Robinson Snowden, Ambassador Bonnie Jenkins, the Stimson Center’s Lovely Umayam, Renee Sonderman of the State Department, and Lauryn Williams (left to right) following a Nuclear Policy Conference panel on the importance of including more women of color in the field. (Photo courtesy of Women of Color Advancing Peace, Security and Conflict Transformation)
The use of artificial intelligence to manipulate the images and voices of public officials to sow conflict and discord is on the rise. So-called deepfakes have been used to mock politicians, but they can have serious impacts. For example, just last year, a fabricated video prompted a military coup attempt in Gabon.

The opportunity to get ahead of this problem is closing quickly. The potential for a major incident that could further erode the public’s trust both in democracy and communications platforms is growing daily. Despite the increased focus on this issue, the world remains unprepared for the serious consequences of this dangerous and widely available technology.

Carnegie’s Technology and International Affairs Program launched an effort out of its Silicon Valley office to reduce the potential for deepfakes to subvert democratic processes, beginning with the 2020 U.S. presidential election. In the past year, Carnegie convened dozens of global experts and representatives from platforms like Google, Microsoft, Twitter, and Facebook. Among other things, the convenings have developed a common understanding of the potential for deepfakes to disrupt the election, generated pragmatic definitions of “inappropriate” election-related deepfakes that have informed platform policies, and equipped platforms with a playbook of effective and ethical responses to deepfakes.
Encryption policy became a hotly contested debate in 2016 when the FBI wanted to access information on the suspect’s mobile phone following the San Bernardino terrorist attack. Apple responded that implementing the FBI’s request raised unacceptable implications for its customers’ privacy and cybersecurity. Ever since, the debate has only deepened, with little movement by either side.

Beginning in 2018, Carnegie and Princeton University convened a small group of experts to try and break the impasse. It includes prominent computer scientists, former senior government officials from the FBI’s general counsel to the White House chief technology officer and homeland security adviser, as well as privacy advocates and industry representatives. The group argued that policymakers should distinguish between the challenge of access to encrypted data when it is in motion (transmitting between devices or a network) and when it is at rest (stored on a phone), and prioritize the latter as the most promising avenue for progress.

### Fourth Global Technology Summit

Held annually in Bengaluru, India’s bustling IT hub, the Global Technology Summit (GTS) convenes policymakers, industry experts, and scholars to debate topics like data privacy, 5G technologies, biotechnology, artificial intelligence, and financial technology in the age of digital globalization. The 2019 summit focused on “the Future of Data,” attracting over 600 attendees from ten countries. It featured forty-seven distinguished speakers, including top Indian government ministers, India’s principal scientific adviser, a former national cyber security coordinator, a former Supreme Court judge, and executives from Bharat Biotech, Biocon, Facebook, and Flipkart, among others. GTS showcases Carnegie India’s unique role at the nexus of policy and technology, which are reshaping India’s ties to the world economy and geopolitics.
Global, independent, and strategic insights and innovative ideas are critical to advancing international peace on today's changing landscape. Philanthropists from around the world are coming together to help Carnegie realize a strategy for a new era.
Over the past four years, the Carnegie Endowment has broken records in new endowment, unrestricted, and program giving.

It has raised more than $60 million in new endowment. Carnegie secured the largest nonfoundation endowment gift as well as the biggest individual endowment gift since Andrew Carnegie’s $10 million founding donation more than a century ago. It has also endowed, for the first time, three vice president for studies chairs and the first center director chair. Eighteen new trustees have been recruited, constituting more than half of the current board and resulting in record amounts of unrestricted board gifts. Carnegie has reached new heights year after year in grants raised from the world’s leading foundations, governments, and corporate donors, including a record $16 million in 2019.

In support of Carnegie’s new strategic plan, Carnegie received transformative gifts from its board and closest supporters.

Board Chair Penny Pritzker’s $11 million pledge is the single largest individual gift in the Carnegie Endowment’s history.

Carnegie Board Chair Penny Pritzker at the Carnegie-Tsinghua Center.

Aso Tavitian, one of Carnegie’s longest-tenured trustees, made a $4 million commitment to endow the Aso Tavitian Chair for Russia and Eurasia.

Carnegie Trustee Aso Tavitian (left) and James Family Chair Andrew Weiss (right).
Trustee **Pat House** made a $5 million endowment commitment. The commitment will endow the Harvey V. Fineberg Chair for Democracy Studies, in honor of Carnegie’s former board chair and in recognition of Carnegie’s leading role in the field at a moment of testing for democracy worldwide. Other donors include Harvey Fineberg, Steve Kay, Scott Malkin, Richard Menschel, and Penny Pritzker.

Trustee **Cathy Paglia** and the James family made a $10 million commitment, on top of the endowed James Family Chair in the Russia and Eurasia Program.

Since 2010, the Carnegie Endowment has housed a Stanton Nuclear Security Fellow, sponsored by the **Stanton Foundation** to develop leaders in scholarship or policymaking on nuclear security. This year, the Stanton Foundation created an endowed fellowship at Carnegie, securing Carnegie’s role as the leading incubator of the next generation of thinkers and doers in the nuclear policy space.

Carnegie Trustees Pat House, Harvey Fineberg, and Cathy Paglia (left to right).

**Stanton Fellow Mareena Robinson Snowden speaks at Carnegie’s International Nuclear Policy Conference.**
Key Initiatives

1. Our track 2 Iran dialogue was supported by the Carnegie Corporation of New York, the John D. and Catherine T. MacArthur Foundation, the Ploughshares Fund, the Norwegian Ministry of Foreign Affairs, the Open Society Foundations, and the Rockefeller Brothers Fund.

2. Our Global Russia project was made possible with grants from the United States European Command, the Carnegie Corporation of New York, CS Capital, the Open Society Foundations, the Finnish Ministry of Foreign Affairs, and the Norwegian Ministry of Foreign Affairs.

3. Our work on protecting the integrity of the global financial system from cyber attacks was supported by Bank of America, the Commonwealth Bank of Australia, JP Morgan Chase, the SWIFT Institute, Standard Chartered, the Ministry of Foreign Affairs of the Netherlands, and the William and Flora Hewlett Foundation.

4. The work on the new social contract in the Arab world was funded by the Ford Foundation.

5. The Nuclear Policy Program received support from the John D. and Catherine T. MacArthur Foundation and the Skoll Foundation.

6. The UK Department for International Development continued its support of our Democracy, Conflict, and Governance Program.

Member Programs

Carnegie’s 140 experts in twenty countries and six centers around the world engage with our global members through a variety of channels, from global calls on breaking news and flagship conferences to intimate, off-the-record salons and individual briefings. We have two tailored programs for individuals and corporations.

GLOBAL COUNCIL

The Global Council brings together globally minded individuals looking to understand the world around them and connect with others, including C-suite executives, philanthropists, and investors.

CORPORATE CIRCLE

The Corporate Circle is for leading companies who value Carnegie’s independent, deep, and nuanced analysis that can help them make decisions. Members span many sectors, including finance, technology, aerospace, consumer products, manufacturing, and transportation.
TOP LEFT
Trustee Robert Zoellick, former World Bank president, at a Carnegie trustee dinner in Washington, DC.

TOP RIGHT
German Ambassador to the U.S. Emily Haber, Trustee Elizabeth Bagley, and Mustafa Suleyman, a co-founder of DeepMind (left to right), at a Carnegie trustee dinner in Washington, DC.

CENTER
Carnegie Trustee Sunil Mittal, Bill Burns, and the Hindu’s Suhasini Haider at a Carnegie India salon in New Delhi.

BOTTOM LEFT
Bill Burns (center) with Carnegie–Tsinghua Center staff, scholars, and young ambassadors.

BOTTOM RIGHT
Indra Nooyi, former CEO of Pepsi, speaks at a Carnegie board meeting on the changing role of business in society.
## Financial Statements

### Consolidated Statements of Financial Position

**June 30, 2019 and June 30, 2018**

<table>
<thead>
<tr>
<th>Assets</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$5,662,463</td>
<td>$8,233,010</td>
</tr>
<tr>
<td>Accounts receivable and prepaid expenses</td>
<td>1,212,771</td>
<td>1,608,845</td>
</tr>
<tr>
<td>Contributions receivable, net of allowance</td>
<td>9,791,827</td>
<td>12,015,904</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>$16,667,061</td>
<td>$21,857,759</td>
</tr>
<tr>
<td><strong>Long-term assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>342,983,934</td>
<td>326,256,600</td>
</tr>
<tr>
<td>Contributions receivable, net of allowance</td>
<td>5,716,749</td>
<td>5,107,722</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>23,862,325</td>
<td>24,391,606</td>
</tr>
<tr>
<td><strong>Total long-term assets</strong></td>
<td>372,563,008</td>
<td>355,755,928</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$389,230,069</td>
<td>$377,613,687</td>
</tr>
</tbody>
</table>

| Liabilities and net assets |            |            |
| Current liabilities |            |            |
| Accounts payable and accrued expenses | $3,288,474 | $3,187,397 |
| Bond interest payable | 136,237 | 135,267 |
| Note payable | 433,799 | - |
| **Total current liabilities** | 3,858,510 | 3,322,664 |
| Long-term liabilities |            |            |
| Note payable, net | 1,655,684 | 2,486,527 |
| Interest rate swap agreement | 10,408,365 | 7,543,377 |
| Bonds payable, net | 32,636,157 | 32,612,872 |
| **Total long-term liabilities** | 44,700,206 | 42,642,776 |
| **Total liabilities** | 48,558,716 | 45,965,440 |

| Commitments and contingencies |            |            |
| Net assets |            |            |
| Without donor restriction | 10,926,865 | 14,017,235 |
| With donor restrictions | 329,744,488 | 317,631,012 |
| **Total net assets** | 340,671,353 | 331,648,247 |
| **Total liabilities and net assets** | $389,230,069 | $377,613,687 |
### Consolidated Statement of Activities

**Year Ended June 30, 2019**

<table>
<thead>
<tr>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating revenue and other support</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$2,688,879</td>
<td>$20,978,193</td>
</tr>
<tr>
<td>Investment distribution to fund operations, net</td>
<td>-</td>
<td>14,802,655</td>
</tr>
<tr>
<td>Rental income</td>
<td>1,753,090</td>
<td>-</td>
</tr>
<tr>
<td>U.S. Government revenue</td>
<td>546,628</td>
<td>-</td>
</tr>
<tr>
<td>Conference center rental income</td>
<td>202,723</td>
<td>-</td>
</tr>
<tr>
<td>Publications</td>
<td>14,672</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>201,905</td>
<td>-</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>31,367,690</td>
<td>(31,367,690)</td>
</tr>
<tr>
<td><strong>Total operating revenue and other support</strong></td>
<td>36,775,587</td>
<td>4,413,158</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td>30,137,229</td>
<td>-</td>
</tr>
<tr>
<td>Supporting services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>4,539,497</td>
<td>-</td>
</tr>
<tr>
<td>Fundraising</td>
<td>2,362,378</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>37,039,104</td>
<td>-</td>
</tr>
<tr>
<td><strong>Change in net assets from operations</strong></td>
<td>(263,517)</td>
<td>4,413,158</td>
</tr>
<tr>
<td><strong>Non-operating revenues and expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment return in excess of spending rate</td>
<td>38,136</td>
<td>7,700,318</td>
</tr>
<tr>
<td>Fair value loss on interest rate swap</td>
<td>(2,864,989)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Change in net assets</strong></td>
<td>(3,090,370)</td>
<td>12,113,476</td>
</tr>
<tr>
<td><strong>Net assets, beginning of year</strong></td>
<td>14,017,235</td>
<td>331,648,247</td>
</tr>
<tr>
<td><strong>Net assets, end of year</strong></td>
<td>$10,926,865</td>
<td>$329,744,488</td>
</tr>
</tbody>
</table>
Donors

The Carnegie Endowment for International Peace relies on the philanthropic support of a diverse group of foundations, corporations, governments, and individuals who invest in our programs and core operations each year.

We are grateful for the generous support of our donors in fiscal year 2019 who encourage our mission to advance the cause of peace. The following list reflects cash contributions received from July 1, 2018, through June 30, 2019.

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Ken Olivier and Angela Nomellini
Open Society Foundations
Pritzker Foundation/The Pritzker Traubert Foundation
The Starr Foundation

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Stephen Schwarzman
Tata Education and Development Trust
United Kingdom Department for International Development

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Anonymous
The Asfari Foundation
Australia Department of Foreign Affairs and Trade
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Japan Ministry of Foreign Affairs
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Netherlands Ministry of Foreign Affairs
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Rockefeller Brothers Fund
Rockefeller Foundation
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The Skoll Foundation
Sweden Ministry for Foreign Affairs
Taipei Economic and Cultural Representative Office
UniKorea Foundation
United Kingdom Foreign and Commonwealth Office
United States Air Force Academy
United States European Command (PACOM)

Wang Chaoyong

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Aerospace and Defense Systems, IHI Inc.
Amway China
Ayman Asfari
Asan Institute for Policy Studies
BP North America, Inc.
Bill Bradley
The Broder Family Foundation
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David Burke  
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CS Capital  
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Joe Conroy  
Cooley LLP  
The Crown Family  
Cummins China  
Daniel Morgan Graduate School  
Dell International Services India Private Limited  
Dow Chemical Company  
William H. Draper III and Phyllis C. Draper Fund  
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East Office of Finnish Industries  
Embassy of Australia  
Embassy of Finland, Russia  
Embassy of Japan  
ExxonMobil  
Facebook  
Finland Ministry for Foreign Affairs  
Jared Florian  
Kenneth Fong  
Ford Foundation  
Ford Motor Company  
Germany Federal Foreign Office  
Goldman Environmental Foundation  
Benjamin Harburg  
Harman International, India  
Hitachi, Ltd.  
Intel China Limited  
Intel Technology India Private Limited  
Japan Bank for International Cooperation  
Japan External Trade Organization  
JP Morgan Chase  
Government of Karnataka  
Karnataka Biotechnology & Information Technology Services  
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Charles Kaye/The Kaye Family Foundation  
Blake Kleinman  
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Donald McLellan  
Microsoft  
Mitsubishi Corporation  
Mitsubishi Corporation, Russia  
Mitsubishi Heavy Industries America, Inc.  
Sunil Bharti Mittal  
Mozilla Corporation  
MUFG Bank, Ltd.  
Nagasaki University  
Netherlands Organisation for Scientific Research  
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Switzerland Federal Department of Foreign Affairs  
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Tata Sons, Limited  
Aso O. Tavitian/The Tavitian Foundation  
Teck Resources  
Trehan Foundation  
UBS Switzerland AG  
United States Department of State  
United Technologies Corporation  
University College Dublin  
Steve and Laura Wagner  
The Warburg Pincus Foundation  
Rohan S. Weerasinghe  
Robert Zoellick
Civic Activism Unleashed
One of the signal events in recent global politics has been the transformation of political and civic activism. Richard Youngs contends that the rise and spread of new forms of direct-action activism require new understandings of what civil society is and its impact on democracy across the world.

Russia
This concise history of Russia explores why its past constantly changes to suit the purposes and vision of the ruling elite. Yet few would dispute that Russian history is one of extremes. Dmitri Trenin offers a vivid insider’s view of the country, cautioning that Russia stands at a turning point.

The Hermit King
If Kim Jong Un really wants to change North Korea, he will have to dismantle its totalitarian system. In this vivid history of the Kim dynasty, Chung Min Lee describes the potential outcomes: on one hand, a liberal North Korea with international legitimacy; on the other, a crumbled regime.

Owners of the Republic
Following Mohamed Morsi’s fall from power in 2013 and Abdel Fattah el-Sisi’s rise the following year, Egypt’s military has expanded further its control into the domestic economy. Armed with never-before-seen data accumulated over years of research, Yezid Sayigh has delved deep into that changing relationship and its implications in this groundbreaking report.

Salafism in the Maghreb
The Maghreb is an important region that impacts the security and politics of Europe, sub-Saharan Africa, and the broader Middle East. Frederic Wehrey and Anouar Boukhars examine the dynamic relationship between an Islamist movement known as Salafism and the Maghreb’s societies, informed by unparalleled access to Salafi followers, clerics, political figures, and militants.
The BJP in Power
Narendra Modi’s government in India has brought on an upsurge in Hindu nationalism that is reshaping the country’s society, politics, economics, and foreign policy. Milan Vaishnav gathered scholars together to understand the ruling party’s history and how it will shape domestic and foreign policy going forward.

Refocus the European Union
This report edited by Heather Grabbe and Tomáš Valášek explores the path forward for the European Union with regard to three consequential modern changes: climate change, aging populations, and digital revolutions.

Think Peace
Global problems require complex solutions. Thomas de Waal has assembled a diverse array of voices to tackle these tough issues, and he notes that the current growing global disorder makes the case for a reimagined international peace project, albeit different from the one envisaged by Andrew Carnegie a century ago.

New Perspectives on Shared Security
To commemorate the seventieth anniversary of NATO’s founding, Tomáš Valášek edited this thorough volume on how the alliance can best serve its member states’ interests in the future. Despite changes in the transatlantic relationship, a common institution is still necessary to help allies in North America and Europe manage defense.

After Protest
Protests have exploded across the world, often with little warning and sometimes with dramatic outcomes. Richard Youngs gathered contributions by twelve scholars, with the goal of exploring sustainable pathways to political success that activists can follow in the days after the protests.

Global Russia
In 2019, Carnegie expanded its work on “The Return of Global Russia,” a project that explores the Kremlin’s global ambitions, its tools, and options for Western responses. Across eight papers and numerous articles and op-eds this year, the team assessed the impact of the Kremlin’s quest for influence in the Middle East, Africa, and the Balkans.
“I could not think of a more perfect job out of college.... I was working for someone who believed he could make a difference.... I was surrounded by people from whom I could learn a seemingly infinite amount.” This is how Samantha Power described her time as a Carnegie Endowment junior fellow in the early 1990s, working for former Carnegie president Mort Abramowitz. Nearly three decades later, after becoming a distinguished journalist, Pulitzer Prize–winning author, and U.S. ambassador to the United Nations, Power came back to Carnegie as the Mort and Sheppie Abramowitz Lecturer to share her newly published memoir, *The Education of an Idealist*. The lecture series honors Abramowitz and his wife, Sheppie, by highlighting a distinguished voice in human rights and humanitarian policy.

James C. Gaither Junior Fellows Program

Selected from a highly competitive pool of nominees put forward by several hundred universities and colleges, James C. Gaither junior fellows spend one year as a research assistant to a Carnegie scholar, collaborating on the scholar’s in-depth research while developing his or her own professional skills and understanding. For decades, this program has nurtured the next generation of foreign policy talent, who go on to shine in careers at the highest levels of academia, business, and public service.