

# 40th Anniversary ♦ 1972 - 2012



*The German Marshall Fund of the United States (GMF) strengthens transatlantic cooperation on regional, national, and global challenges and opportunities in the spirit of the Marshall Plan.*

*GMF does this by supporting individuals and institutions working in the transatlantic sphere, by convening leaders and members of the policy and business communities, by contributing research and analysis on transatlantic topics, and by providing exchange opportunities to foster renewed commitment to the transatlantic relationship.*

*In addition, GMF supports a number of initiatives to strengthen democracies. Founded in 1972 as a non-partisan, non-profit organization through a gift from Germany as a permanent memorial to Marshall Plan assistance, GMF maintains a strong presence on both sides of the Atlantic. In addition to its headquarters in Washington, DC, GMF has offices in Berlin, Paris, Brussels, Belgrade, Ankara, Bucharest, Warsaw, and Tunis. GMF also has smaller representations in Bratislava, Turin, and Stockholm.*

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# Letter from the President

In 1972, the year GMF was created, the Soviet Union was a global force matched only by the United States, and China was just starting to open itself up to capitalism and the West. Democracy was largely limited to North America and Europe, but those countries were beginning to feel the influence that energy-rich Middle East countries could exert on our economies and our security.

Over the past 40 years, GMF has adjusted to the significant developments in global politics. Whether it was opening up to Central and Eastern Europe soon after the Berlin Wall fell, identifying Turkey as an important regional power, or addressing the rise of Asia with programming on China, India, and Japan, we have stuck to our core mission of promoting transatlantic cooperation based on the assumption that the United States and Europe will continue to be the closest of allies.

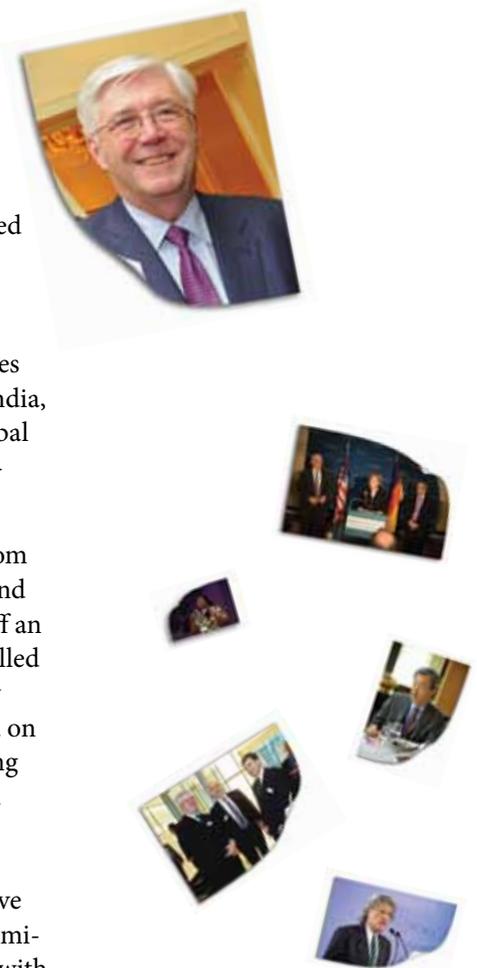
As I look ahead, I see four major developments that will affect the international community.

First, new discoveries in North and South America and Africa and new technologies are changing the supply and demand for energy on a global scale. This revolution in energy should reduce prices and, equally important, reduce the power and importance of traditional suppliers in the Middle East and Russia. GMF has developed programming that looks at how new supplies of gas and the development of renewables is fostering a shift away from coal, that examines the regional impacts of gas and oil discoveries in the Eastern Mediterranean and Central Europe, and that researches the economic and political consequences of new oil and gas discoveries in the Atlantic Basin.

Second, global power is becoming increasingly decentralized as countries in Asia, Africa, and Latin America have emerged as new economic and political players. These new actors have different aspirations and capacities, but they have a common interest in reworking international institutions so that power and influence more accurately reflects their role in the world. GMF

has been following this development closely. Six years ago, we established the Stockholm Forum on China, and this semi-annual meeting continues to be an important meeting place for Americans and Europeans focused on this important Asian power. We have created similar forums on India and Turkey. We are also co-leading the Global Swing States project to examine how Brazil, India, Indonesia, and Turkey shape global politics and international institutions.

Third, immigration is shifting from problem to opportunity. Aging and declining populations have set off an international competition for skilled workers. At the same time, many developing countries are focused on convincing talented émigrés living in Europe, the United States, and Middle East to bring their skills and capital home and contribute to economic growth in their native lands. GMF has had an active immigration program for years. Now, with a partner institution in Europe, we will undertake a closer look at this



emerging competition for talent and the instruments that are being used to attract and retain human capital. This will complement our existing projects on immigration, integration, and global development.

Fourth, city and regional governments have become engines of development. Amid a national downturn in the Spanish economy, for example, Bilbao and the Basque region are thriving and attracting new investors and new visitors to this revived metropolitan area. GMF has grown our Urban and Regional Policy program in order to share the best strategies and practices used in cities and metropolitan areas in Europe and the United States. Our Marshall Memorial Fellowship program is also part of this effort since many of the young political and civic leaders who participate in this program are focused on making their home cities and regions better able to compete in a globalized world.

There are also three long-standing issues that continue to be central to our work.

First, from North Africa to Asia, there are zones of conflict and turmoil that challenge U.S. and European policymakers to think more rigorously and creatively about

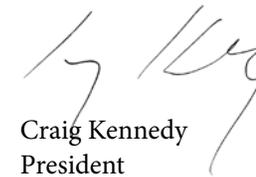
how to respond. GMF has initiated a new Transatlantic Security Task Force focused on these challenges. We are also doing more research on the implications of drone warfare, cyber terrorism, and other security developments.

Second, the financial and economic troubles of Europe and the United States continue to be a major concern. Reductions in spending on hard and soft power as a result of tightened budgets have complicated the ability of the transatlantic community to respond to global problems such as turmoil in the Sahel, human rights abuses in Syria, and nuclear threats in Iran. Maybe more importantly, the transatlantic economic and political model has lost some of its standing in the international community. Last year, GMF initiated the EuroFuture Project, which is examining Europe's choices as it confronts its financial and governance difficulties.

Third, governance has become a pressing problem in democracies. Citizens have become disillusioned with political processes due to corruption, ineffectiveness, and unresponsiveness by public officials. GMF's regional trusts concentrate most of their resources on building

civil society and the capacity of citizens to monitor public officials and hold them accountable. Our newest trust, the MENA Partnership for Democracy and Development, will support NGOs in North Africa and, eventually, the entire Middle East. We recognize that our modest resources will not be sufficient alone to create strong and vibrant civil societies. But we do believe that our funding of model organizations helps to set a high standard for the growth of civil society.

For 40 years, GMF has concentrated on the opportunities and challenges that define the transatlantic relationship. We have tried to keep our eye on the core issues while still remaining flexible and open to new developments. The following annual report shows the efforts we have made toward those ends over the last year, and it is a guide to the breadth and depth of research, publishing, and programming we will continue to pursue in the coming years.



Craig Kennedy  
President



# January



## EuroFuture Project Policy Briefs

On January 19, GMF’s EuroFuture Project, which explores the economic, governance, and geostrategic dimensions of the euro crisis from a transatlantic perspective, published the first of 16 policy briefs, “The Limits of German Power” by Thomas Kleine-Brockhoff and Hanns W. Maull. The project addresses the impact, implications, and ripple effects of the crisis through a combination of initiatives on both sides of the Atlantic.



## The Danish EU Presidency

In a discussion on January 24 at GMF’s Washington headquarters, João Vale de Almeida, European Union ambassador to the United States, and Danish Ambassador to the United States Peter Taksoe-Jensen spoke about Denmark’s commitment to achieving a “responsible, dynamic, green, and safe Europe” during its EU Presidency. Noting the contrast to Denmark’s narrow focus during its 2002 EU Presidency, Taksoe-Jensen explained that the EU is facing a range of critical issues that are among the greatest in the history of the European Union.



## Congress Bundestag Forum

The Ninth Annual Congress-Bundestag Forum, a partnership with the Robert Bosch Stiftung, took place January 28-31 in Delray Beach, Florida, and Washington, DC. Eight members of the German Bundestag, including Gisela Piltz (left), and four members of the U.S. House of Representatives, including Alcee Hastings (right), participated in roundtable discussions in Florida that focused on economic growth, power shifts in international politics, and cyber security. The German participants then traveled to Washington and met with officials at the U.S. Department of State and the Pentagon.



# February



## ***Iran and the West: How Does it End?***

On February 2, the GMF Brussels office hosted Ambassador Dennis Ross (left) to discuss Iran's nuclear ambitions based on his recent experience leading Iran policy in the Obama Administration. The event was moderated by Sir Michael Leigh (right), GMF senior advisor. According to Ross, the Iranian regime has begun to lose its leverage in the region and has never found itself so isolated before.



## ***Task Force Encourages New Approach to U.S.-EU Trade Relations***

In mid-February, GMF launched a report from the Transatlantic Task Force on Trade and Investment, "A New Era for Transatlantic Trade Leadership" with events in Paris, Brussels, Berlin, and Washington. Task Force ideas and recommendations encouraged new thinking about this relationship, possibly in the form of a "free trade zone" that transcends customary free trade agreement conventions. The Transatlantic Task Force on Trade and Investment is a joint initiative by GMF and the European Center for International Political Economy.



## ***Balkan Peer Exchange***

From February 21-23, the first Balkan Peer Exchange provided a space for 100 representatives of think tanks and advocacy organizations with established track records in policy-relevant research to share best practices and to brainstorm about innovative approaches to common challenges. The regional event, co-organized and supported by the Balkan Trust for Democracy, enhanced analysis and research-based advocacy in an era of open data through facilitating exchanges between a representative group of think tanks, advocacy organizations, and donors active in the Western Balkan region.

# March

 I JUST WANTED TO CONGRATULATE YOU ON THE EXCELLENT QUALITY OF THE DISCUSSIONS AND THE HIGH LEVEL OF THE PROGRAMME. THIS WAS AN UNFORGETTABLE EXPERIENCE.  
MARCUS V. FREITAS



## YTN Celebrates Fifth Anniversary

On March 8, GMF celebrated the fifth anniversary of the Young Transatlantic Network (YTN) with a reception in Brussels, in cooperation with the U.S. Mission to the EU. YTN was created five years ago with the support of the U.S. Mission to the EU as a platform for young professionals in the world of politics, business, and policy and has been expanded to Berlin and Warsaw. In a keynote address, William E. Kennard, the U.S. ambassador to the EU, expressed a high level of optimism for the transatlantic relationship.



## Brussels Forum

From March 23-25, GMF held the seventh Brussels Forum, an annual high-level meeting of North American and European political, corporate, and intellectual leaders to address the pressing challenges facing the United States and Europe. Notable speakers included Anders Fogh Rasmussen, NATO secretary general; Carl Bildt, Swedish minister for foreign affairs; and the members of a congressional delegation led by U.S. Sen. Jeanne Shaheen. The conference addressed topics ranging from the euro crisis to Iran, from food security to energy security.



## On Turkey Series

On March 30, GMF's Ankara office published two more installments of its *On Turkey* policy briefs series, one by Ilter Turan discussing French and Turkish relations and the other by Joshua Walker on sectarianism in the Turkish government. *On Turkey* is an ongoing series of analysis briefs about Turkey's current political situation and its future. GMF provides regular analysis briefs by leading Turkish, European, and U.S. writers, with a focus on dispatches from on-the-ground Turkish observers. A total of 38 of these briefs were published in 2012.



# April

LOOKING FRWD TO THE FORUM TODAY AT @GMFUS W/ HIGH REPRESENTATIVE ASHTON; INTERESTED IN TO KNOW EU'S STAND ON #KOSOVO'S RECENT DEVELOPMENTS.  
@SHQIPE\_NEZIRI



## Conversation with Baroness Catherine Ashton

On April 10, Baroness Catherine Ashton, high representative of the European Union for foreign affairs and security policy, spoke at GMF Washington on a range of topics including the Arab Spring, the intersection between economics and foreign policy, women in conflicts, and Ashton's own understanding of the concept of "deep democracy," which she said must be established in the Arab Spring countries.



## Global Europe: Game Over?

On April 13, GMF's Washington office hosted a conversation with Toomas Hendrik Ilves, president of the Republic of Estonia. The event, "Global Europe: Game Over?," was centered around the current and future state of affairs in Europe, future prospects for the European Union as a whole, and the increasingly diverse relations between the EU states, both internally and externally. Ilves placed a major emphasis on the need for the EU to address the growing divide between Eastern and Western states within the union, adding that German leadership would be decisive going forward on this issue. Later in the year, on July 3, Ilves spoke at GMF's Berlin office on "Austerity vs. Growth."

@GMFUS, CAN'T WAIT FOR TOMORROW NIGHT'S MARSHALL FORUM ON TRANSATLANTIC AFFAIRS! ANOTHER GREAT WAY 2 SPEND THE EVENING.  
HTTP://BIT.LY/IMQHIQ  
@JOHNEROPER



## Marshall Forum

From April 26-29, the 2012 Marshall Forum gathered more than 100 Marshall Memorial Fellowship alumni in Dallas, Texas, for a weekend of discussions focused on "The New Economy: A New Reality." Five keynote discussions included Allison Cerra, director of marketing at Alcatel Lucent, and former U.S. Ambassador to Saudi Arabia Robert Jordan. There were also eight in-depth panel discussions including conversations on energy, defense policy, and social media; and 10 tours across Dallas, from museums and stadiums to historic sites and areas of economic revitalization.

# May



## **Preview of the Chicago NATO Summit**

On May 3, GMF's Berlin office hosted U.S. Assistant Secretary of State Philip Gordon for a breakfast discussion entitled "Transatlantic Security in a Changing World: A Countdown to the Chicago NATO Summit." Gordon reaffirmed the United States' choice of Europe as its "partner of first resort" corresponding to a need for strong partners that share its values and interests. He also spoke of a "deliberate and conscious effort" to strengthen the transatlantic partnership.



## **Energy Transition Forum**

On May 13-15, GMF convened the first meeting of the Energy Transition Forum (ETF). The ETF brings together a select group of high-level policymakers and business leaders in an annual dialogue on the transition to a more secure, affordable, and low-carbon energy system in the United States and Europe. The ETF works to produce new thinking around the key challenges facing the energy system, including more integrated thinking in systems design, grid optimization and security, and promoting innovation.



## **Inaugural Asmus Fellows and Seminar**

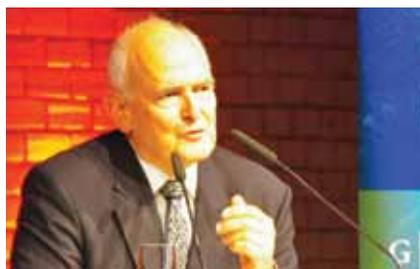
On May 24-25, GMF held the first Ron Asmus Policy Entrepreneur seminar at Schloss Elmau, an hour southwest of Munich. The gathering included a number of European and U.S. political, policy, and academic figures who played a role in the life of Ron Asmus, GMF's former Brussels office executive director, who died in 2011. At the off-the-record seminar, the inaugural Ron Asmus Policy Entrepreneur Fellows — Nora Fisher Onar, Merle Maigre, and Mark Simakovsky — presented their topic proposals for consideration, conversation, and critique by the gathered experts, who included Estonian President Toomas Ilves, Swedish Foreign Minister Carl Bildt, and Latvian Foreign Minister Edgars Rinkevics.



# May - 40<sup>th</sup> Anniversary

On May 22, GMF marked its 40<sup>th</sup> anniversary with a gala in Berlin for more than 130 members of the political, diplomatic, academic, think tank, business, and media communities of Berlin.

The idea for GMF was launched in early 1970 when Guido Goldman, then the executive director of West European studies at Harvard University, asked the West German government to consider a gift to Harvard on the upcoming 25<sup>th</sup> anniversary of the announcement of the Marshall Plan. In response, Alex Möller, West German minister for finance, indicated that the West German government would most likely act only if the gift were significantly larger than \$50,000 originally requested and



Guido Goldman



were designed to create an altogether new organization. This organization became GMF.

In a June 5, 1972, speech at Harvard, West German Chancellor Willy Brandt announced that his government would give 150 million marks [\$47 million] to establish GMF as a permanent memorial to the Marshall Plan assistance the United States delivered to Western Europe.

This and many other tales of GMF were told at the anniversary gala, an event that also marked Goldman's retirement from the GMF Board. "GMF would not exist if it were not for the efforts of Guido Goldman," said GMF President Craig Kennedy. "He has been a steadfast guardian of the organization from inception until today." In a decision the day before,

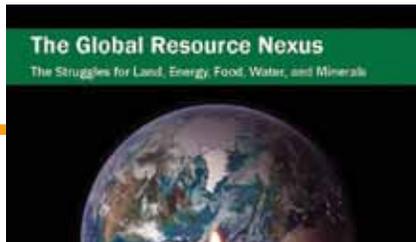
J. Robinson West was elected co-chair of the GMF Board of Trustees, replacing Goldman, who was named founder and chairman emeritus.

West and fellow co-chair Marc Leland will continue Goldman's vision of an organization that works to build bridges between North America and Europe, bringing together thousands of the top policymakers and thinkers to focus on their common issues and challenges, including everything from arms control to economic policy to waste disposal, which was addressed in one of GMF's first grants.

And through new programs such as the Wider Atlantic and Asia programs and the MENA Partnership for Democracy & Development, GMF is helping Europe and the United States share their experiences with — and learn from — the rest of the world.



@GMFUS HAPPY ANNIVERSARY FROM THE EUROPEAN UNION! @EU\_EEAS @EUINTHEUS



## The Global Resource Nexus

On June 1, the GMF Brussels office and the German Institute for International and Security Affairs hosted a roundtable workshop on the transatlantic governance of resource risks. This event also served as the European launch of a major new report by the Transatlantic Academy, *The Global Resource Nexus – The Struggles for Land, Energy, Food, Water and Minerals*. This report reveals that severe market disruptions and violent conflict at the interstate and local level in many global hotspots are increasingly likely unless the transatlantic community takes the lead in addressing the challenges of unprecedented global demand for resources.



## BTD Awards 1,000<sup>th</sup> Grant

The Balkan Trust for Democracy (BTD) awarded its 1,000<sup>th</sup> grant in June with a \$24,900 grant to Internews Kosova. BTD is a 10-year, \$36-million grantmaking initiative that supports democracy, good governance, and Euroatlantic integration in Southeastern Europe. Internews Kosova, a media development organization, will use the grant to finance its operations in monitoring the performance of the police and judicial bodies in Kosovo. The grant will also aid the non-profit organization in researching and televising regular debates and reports on the effectiveness of police and judicial institutions based on those monitoring efforts.



## Muslim Communities Outreach: A Conversation with Farah Pandith

GMF Brussels hosted a lunchtime discussion with Farah Pandith, U.S. Special Representative to Muslim Communities, on June 19. Pandith provided a frank overview of the U.S. administration's motivation behind creating her position at the Department of State, and what its vision for "engagement" with Muslims around the globe means. She explained why her work focuses on people under the age of 30 and how she utilizes social media to achieve her goals. She also outlined the particular challenges that our increasingly connected and digitalized communities can pose.



# July



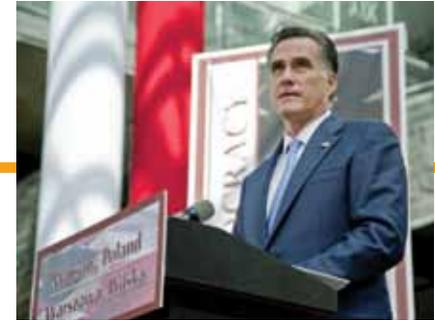
## ***The International Forum on Border Security***

On July 10-11, GMF Bucharest hosted the second International Forum on Border Security in partnership with the presidential administration of the Republic of Romania. The forum brought together 40 senior policymakers and experts from Europe, the United States, and Israel to discuss the unprecedented political and operational challenges in the area of border security and to build consensus on solutions to internal and external border challenges, including terrorism, transnational organized crime, illegal immigration, and threats to commerce.



## ***Implications of Gas Discoveries in the Eastern Mediterranean***

GMF published a series of eight policy briefs discussing the geopolitical implications of significant natural gas discoveries in the Eastern Mediterranean. On July 11, Sir Michael Leigh (left), GMF senior advisor; Toula Onoufriou (right), Vice Rector for Academic Affairs of the Cyprus University of Technology; and other experts took these publications to a briefing at the U.S. Capitol and explained to members of Congress and their staff how this issue is sure to impact the region.



## ***Romney: The United States and Poland Face the Future "with Solidarity"***

In a public address co-organized by the Polish Institute of International Affairs, GMF's Warsaw office, and the Lech Walesa Institute on July 31, Mitt Romney, the Republican nominee for U.S. president, said the values of peace and liberty have marked the strong relationship between the United States and Poland. "I, and my fellow Americans, are inspired by the path of freedom tread by the people of Poland," Romney said to an audience of more than 700 people, including dignitaries, members of the public, and press gathered at the University of Warsaw Library.

# August



## On Wider Europe Policy Briefs

GMF released four *On Wider Europe* briefs in August, covering topics ranging from proposed trade corridors between Eastern Europe and Central Asia to the rise of radical Islam in Russia's Volga Ural region. The *On Wider Europe* series focuses on key intellectual and policy debates regarding Western policy toward Wider Europe that otherwise might receive insufficient attention. The series included 19 different policy briefs in 2012, covering Russia, Ukraine, and Central Asian nations.



## Transatlantic Forum on Migration and Integration

The fifth Transatlantic Forum on Migration and Integration (TFMI) meeting, titled “Learning from Canada and Recapturing Five Years of TFMI: Best Practices in Immigration and Integration Management,” took place from August 8-12 in Toronto, Canada. Topics discussed included integration, citizenship, multiculturalism, and national identity, with site visits in the Toronto area. Established in 2008 in partnership with the Robert Bosch Stiftung, TFMI brings together young leaders from business, government, media, academia, and the nonprofit sector from around the world to discuss the challenges and opportunities presented by ongoing migration.



## Marshall Memorial Fellows

During 2012, 50 U.S. and 54 European young leaders participated in the Marshall Memorial Fellowship. Travelling to five cities in groups of 15-20 participants for 24 days in spring, summer, and fall cohorts, Fellows were given the opportunity to explore each other's politics, businesses, innovations, and cultures. Upon their return, Fellows on both sides of the Atlantic have developed ideas inspired by their travels, from international dinner circles in California and a Native-American community store in Colorado to a transatlantic media forum and an MMF charitable giving circle.



# September

 FINALLY GOT TO READ THE NEW TRANSATLANTIC TRENDS REPORT FROM @GMFUS. SIMPLY THE BEST TRANSAT PUBLICATION OUT THERE.  
@JAYCHITTOORAN



## Transatlantic Trends

The 11<sup>th</sup> annual *Transatlantic Trends* survey revealed that transatlantic majorities still approve of U.S. President Barack Obama's foreign policy, and that Mitt Romney was largely an unknown in Europe. The survey, released on September 12 in conjunction with the Compagnia di San Paolo and several other partners, also showed that despite the economic crisis, 61 percent of Europeans still considered membership in the EU to be a good thing for their economies.



## India Trilateral Forum

On September 14-15, GMF and the Aspen Institute India co-hosted the fifth India Trilateral Forum in Gurgaon, outside New Delhi. The two-day dialogue involved over 50 participants including government officials from India, the United States, Sweden, France, and Germany; scholars from over a dozen universities and think tanks; multinational business representatives from the banking, automotive, pharmaceutical, and IT sectors; and commentators from leading Indian and Western publications. Topics covered included domestic political developments in the United States, Europe, and India; Indian economic reforms and the implications of the global financial crisis; developments in China, Afghanistan, and Myanmar; and maintaining access to space and cyberspace.



## Belgrade Security Forum 2012

The Balkan Trust for Democracy was a partner in the second Belgrade Security Forum, "Coping with the Crisis: Challenges to Democracy and Security," held September 20-22. The forum brought together leading strategic thinkers and policymakers to discuss new and long-standing security issues including human security, new energy partnerships, the crisis of economy and democracy in Europe, the new role of China, models of regional cooperation on foreign and security policy, cyber-crime as a governance challenge, migration, and women's approaches to crisis response.

# September - Atlantic Dialogues

In recognition of significant rebalancing within the Atlantic space, with southern Atlantic partners such as Brazil and Southern and West Africa playing a larger role, GMF extended its convening, networking, and research to Morocco, Brazil, South Africa, and other emerging actors around the Atlantic Basin through a major new conference, The Atlantic Dialogues.



*Len Ishmael, director general of the Organisation of Eastern Caribbean States*

From September 28-30, GMF partnered with the OCP Foundation of Morocco to host the Atlantic Dialogues, a high-level gathering of international public- and private-sector leaders from around the Atlantic Basin. Following the highly

successful Brussels Forum model, more than 250 participants from Africa, Asia, the Caribbean, Europe, and North and South America gathered in Rabat, Morocco, to discuss cross-regional issues. Participants came from the governmental, business, think tank, and media sectors, and from 42 countries. Planned as an annual event, the Atlantic Dialogues encourages a lively and informal exchange of views.



The Atlantic Dialogues agenda examined transatlantic relations from a new perspective, encompassing the voices of Southern Atlantic leaders on cross-regional issues affecting the Atlantic Basin. Topics covered included maritime security, urbanization, opportunities for youth, Asian players in the region, global trade, migration, and terrorism.



Notable speakers in 2012 included Luis Amado, former Portuguese minister for foreign affairs; Dr. Assia Bensaleh Alaoui, Moroccan ambassador at large; Dr. Jorge Castañeda, New York University professor of politics and Latin American and Caribbean studies, and former Mexican minister for foreign affairs; General Carter Ham, U.S. Africa commander; Tatiana Lacerda Prazeres, Brazilian secretary of foreign trade; and Yves Leterme, OECD deputy secretary general and former Belgian prime minister.

 A FANTASTIC 2 DAYS AT #ATLANTICDIALOGUES IS OVER. KUDOS TO @GMFUS AND MOROCCAN HOSTS!! LEARNED A LOT. @AMANMELLES



# October



## Transatlantic Cities Network Annual Meeting

The 2012 Transatlantic Cities Network (TCN) annual meeting took place in Birmingham, U.K., from September 30-October 3. TCN is an ongoing project that provides a framework for sustained exchange of information about innovative urban policies. In total, 16 delegates from the United States and Europe attended the meeting and toured several active construction sites, a science park, and neighborhood planning areas outside the city center. Topics covered during the meetings included the localization and decentralization agenda in the U.K., public investment and city center revitalization, neighborhood planning, and social impact bonds.



## Screening of The Second Meeting

On October 15, GMF and the Embassy of the Republic of Serbia co-hosted the Washington premiere of *The Second Meeting*, a Serbian film about the reconciliation between U.S. pilot Dale Zelko and Serbian missile officer Zoltan Dani. Zelko and Dani first encountered one another when Dani shot down Zelko's F117A stealth aircraft in March 1999, during the Balkan conflict. Twelve years later, they reunited as friends. *The Second Meeting* traces the emotional journey of two people separated culturally, socially, and geographically, brought together by a random act of war. It was produced in part with funding from GMF's Balkan Trust for Democracy project.



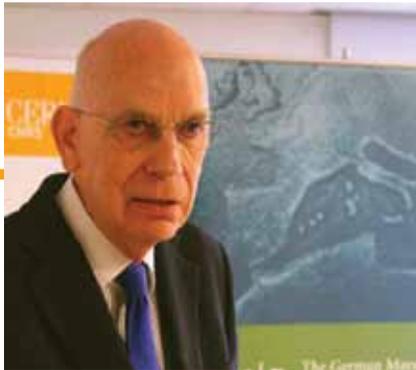
## Ukraine Study Tour

GMF, in partnership with the Center for Independent Journalism in Romania, brought a delegation of four European journalists to Ukraine from October 26-30 for a study tour focused on Ukraine's current problems and progress and the October 28 parliamentary elections. On election day, the delegation traveled 40 kilometers outside Kiev to observe the elections before visiting the campaign headquarters of the opposition UDAR party, where Vitali Klitschko, the party's leader, held a press conference on the exit poll results and his party's plans for the post-electoral period.

# November

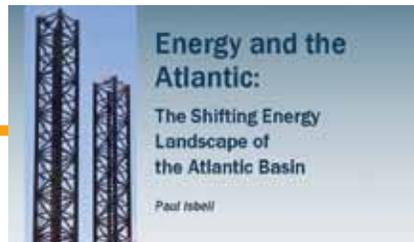


LOOKS FORWARD TO JOINING @XENIADORMANDY HERE IN BERLIN FOR A @GMFUS DEBATE ON THE US PRESIDENTIAL ELECTIONS @F\_TASSINARI



## U.S. Elections Events

GMF's Paris office held an international symposium entitled "U.S. Presidential Elections 2012," which was an opportunity for participants to explore the issues that influenced the campaign and that had a bearing on the November 6 vote. Former U.S. senator and current GMF trustee Robert Bennett was one of several speakers. GMF offices in Berlin, Brussels, and Warsaw also held election-related events before and after U.S. voters went to the polls.



## Wider Atlantic Books

GMF's Wider Atlantic Program has produced major works of research on issues affecting the Atlantic Basin from north to south. In November, three books were published on energy, maritime policy challenges, and new actors in the Atlantic, joining earlier works on Morocco's new geopolitics and food security from an Atlantic perspective.



## Global Swing States Policy Papers Release

GMF and the Center for a New American Security jointly launched a new report, *Global Swing States: Brazil, India, Indonesia, Turkey and the Future of International Order*. Five smaller papers in the same series explored human rights, non-proliferation, finance, trade, and maritime issues. Held on November 27, the launch event featured remarks from U.S. Under Secretary of State Robert D. Hormats on the importance of "global swing states" and why this concept offers a new framework for thinking about these four powers.



# December



## **Stockholm China Forum**

The 11<sup>th</sup> Stockholm China Forum was held for the first time in China, in Beijing, on December 7-8 in partnership with the Swedish Ministry for Foreign Affairs and the China Institute of International Studies. The forum included discussions on strategic stability in the Asia-Pacific; the political and foreign policy implications of China's leadership transition; European, U.S., and Chinese economic outlooks; and the future of U.S.-Europe-China cooperation. Featured speakers included Fu Ying, Chinese vice minister of foreign affairs, and Carl Bildt, Swedish minister for foreign affairs.



## **MENA Partnership for Democracy and Development**

On December 13, U.S. Deputy Secretary of State William Burns announced the creation of the MENA Partnership for Democracy & Development, based in Tunis, Tunisia. This partnership between the U.S. Department of State, GMF, and other funders will function as an international clearinghouse of service providers, donors, experts, and practitioners that civil society organizations and government institutions can draw upon to meet their specific needs in the newly democratic environment of the transformed Arab world. The MENA Partnership will have a particular focus on women's empowerment, democratic advocacy, and economic reform.



## **Mediterranean Policy Papers**

GMF has made a multi-year strategic grant to the Italian Institute for International Affairs to support the work of the Mediterranean Policy Program, and to promote transatlantic research and publication on Mediterranean issues. Three of the resulting papers were published in December: "Southern Europe in Trouble: Domestic and Foreign Policy Challenges of the Financial Crisis," "A Transatlantic Perspective on the European Union and the United States in North Africa," and "The GCC in the Mediterranean in Light of the Arab Spring."

# Support

Successful transatlantic relations depend on strong partnerships built over time, across sectors, and between regions of the world. The German Marshall Fund understands the crucial role that partnerships play in affecting and addressing global concerns. By partnering with other organizations, GMF is able to ensure that its projects, programs, and activities bring a unique perspective and provide innovative solutions to transatlantic problems.

GMF is deeply grateful to all of its partners for their contributions to furthering transatlantic cooperation. Below is a list of organizations that supported GMF during 2012.

Airbus Americas, Inc.  
American Council of Learned Societies  
American Israel Education Foundation  
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Audi  
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British Council  
Center for a New American Security  
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German Federal Ministry of Defense  
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Annual gifts from individuals are vital to fulfilling GMF's mission of strengthening transatlantic relationships. Members of GMF are bound by a common interest in transatlantic cooperation and are committed to the value of networking among contemporaries within the global context. For more information, please visit [www.gmfus.org/support](http://www.gmfus.org/support).

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**Honoring Dr. Guido Goldman**  
 To honor his profound contributions to GMF and the greater transatlantic network, GMF has created the Dr. Guido Goldman Directorship of the Marshall Memorial Fellowship Program. The Marshall Memorial Fellowship (MMF) program provides emerging leaders a unique opportunity to explore politics, business, innovation, and culture across the Atlantic through experiential learning. Thirty years after the founding of MMF, nearly 3,000 alumni from more than 35 countries have completed the program. The Goldman Directorship will commemorate his service to GMF and cement the financial security of this critical initiative.

For more information, please contact the Development Department at [development@gmfus.org](mailto:development@gmfus.org).

# Financial Statement

<b>Assets</b>	<b>2012</b>	<b>2011</b>
Cash and Cash Equivalents		
Unrestricted	\$ 5,895,715	\$ 13,472,630
Restricted	5,956,620	10,905,857
Investments	156,604,684	178,570,474
Grants Receivable	8,824,636	6,679,103
Property and Equipment, net	22,658,877	17,008,678
Other Assets	507,914	254,890
Bond Issuance Cost	244,769	261,785
	<b>\$ 200,693,215</b>	<b>\$ 227,153,417</b>

## Liabilities and Net Assets

Liabilities		
Accounts Payable and Accrued Expenses	\$ 4,053,312	\$ 2,280,047
Deferred Revenue	12,060,621	15,567,980
Grants Payable	1,109,719	1,730,194
Bonds Payable	12,000,000	12,000,000
	<b>\$ 29,223,652</b>	<b>\$ 31,578,221</b>
Commitments and Contingencies		
Net Assets		
Unrestricted		
Undesignated	152,434,025	175,097,558
Board Designated	12,548,369	13,333,808
	<b>164,982,394</b>	<b>188,431,366</b>
Temporarily restricted	6,487,169	7,143,830
	<b>171,469,563</b>	<b>195,575,196</b>
	<b>\$ 200,693,215</b>	<b>\$ 227,153,417</b>

## Consolidated Balance Sheet

Year ended May 31, 2012  
(with comparative totals for 2011)





## Consolidated Statement of Activities

Year ended May 31, 2012  
(with comparative totals for 2011)



	2012			2011
	Unrestricted	Temporarily Restricted	Total	
Support and revenue:				
Investment (loss) income	\$ (4,203,899)	\$ -	\$ (4,203,899)	\$ 25,741,383
Non-federal grants and contributions	918,417	14,675,799	15,594,216	18,340,110
Federal grants	3,056,097	-	3,056,097	3,048,313
Other	63,803	-	63,803	77,935
Net assets released from restrictions	15,332,460	(15,332,460)	-	-
<b>Total support and revenue</b>	<b>15,166,878</b>	<b>(656,661)</b>	<b>14,510,217</b>	<b>47,207,741</b>
Expenses:				
Program services:				
Internal projects expense	17,423,305	-	17,423,305	17,812,340
Grant expense	6,413,745	-	6,413,745	8,428,306
Support services:				
Management and general*	14,194,239	-	14,194,239	10,799,710
Fundraising	584,561	-	584,561	478,510
<b>Total expenses</b>	<b>38,615,850</b>	<b>-</b>	<b>38,615,850</b>	<b>37,518,866</b>
<b>Change in net assets</b>	<b>(23,448,972)</b>	<b>(656,661)</b>	<b>(24,105,633)</b>	<b>9,688,875</b>
Net assets:				
Beginning	188,431,366	7,143,830	195,575,196	185,886,321
Ending	\$ 164,982,394	\$ 6,487,169	\$ 171,469,563	\$ 195,575,196

\* FY12 includes loss on foreign currency transactions and the lease of additional space during office renovation.

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