



# **2012 ANNUAL REPORT**

July 1, 2011 - June 30, 2012

850 Seventh Avenue, Suite 1101  
New York, NY 10019  
(212) 582-1870 tel  
(212) 586-3291 fax  
[www.network2020.org](http://www.network2020.org)

# Contents

3	Mission Statement
4	2011-12 Board of Directors and Staff
5	Committees
6	Letter from the President
8	Lecture Series Program
11	Entrepreneurial Diplomacy Program
17	Financial Report
27	Contributors



## **Bringing Tomorrow's Global Leaders Together Today**

*Ten years from now, when business leaders and policy makers from the United States and countries of pivotal concern for global peace sit down at the negotiating table, will they meet as strangers or as colleagues with a history of cooperation?*

Network 20/20 is an educational organization that mobilizes a network of young, private sector leaders in the U.S. to build bridges with their counterparts overseas to develop viable solutions for global security challenges.

Its mission is to foster the new energy and talent needed to confront unprecedented global and transnational security concerns, and promote a sustainable, interdependent world through cross-border problem-solving and entrepreneurial diplomacy.

Network 20/20 members are a talented, diverse, and multilingual group; they come from business, the law, the media, the arts, NGOs, think tanks, government, and academia; two-thirds have advanced degrees. What draws them together is that they are all "thinking," motivated individuals who are volunteering significant time and energy in furthering America's positive engagement with the world. They are emerging leaders from all sectors of society.

With a growing network of Network 20/20 counterparts in Turkey, Poland, Iran, and Pakistan, Network 20/20's reputation for grassroots connections in countries of geopolitical importance has grown speedily. Network 20/20 has established a critical mass of dynamic next generation leaders who will impact global affairs over the coming decades. As a result of these unique linkages overseas, Network 20/20 has been able to interview leaders from different sectors of society, summarize their views for U.S. policy makers, and become a valuable purveyor of information not available through official channels.

**Network 20/20  
Board of Directors  
2011-12**

Anne Mai, Board Chair

Kemal Askar

George Billard

Mary S. Cross

Seth M. Ginns

Patricia S. Huntington

Anne E. Impellizzeri

Geraldine S. Kunstadter

Sylvia L. Rodman

Lena Sene

Dennis P. Sheahan

M. Sava B. Thomas

**Network 20/20  
Staff**

Dr. Patricia S. Huntington  
President

Minjae Kim  
Program Coordinator

Jennifer Boram Lee  
Bookkeeper

Jim Rizzolo  
Operations/Executive Assistant

Filip Sasic  
Lectures, Membership,  
and Benefit Assistant

## Committees

### *Advisory Council*

Rachel Bronson  
Sydney M. Cone III  
Lee Cullum  
Ambassador April H. Foley  
Leslie H. Gelb  
Rita Hauser  
Bernard A. Haykel  
Colonel Paul D. Hughes  
Ambassador Andrew  
Jacovides  
Priscilla Lewis  
Wm. Shaw McDermott  
Vali Nasr  
Duncan L. Neiderhauer  
Riordan J.A. Roett  
H. Onno Ruding  
Arthur B. Sculley  
Frances Fragos Townsend

### *Committee of Twenty*

Geraldine S. Kunstadter,  
*Chairman*  
Malek Abedin  
Liza Bailey  
Elizabeth Beim  
Cornelia Eland  
Barbara Evans-Butler  
Helena Finn  
Olivia J. Fussell  
Marjorie Hart  
Mary Heller  
Marianne E. Hendrix  
Julie Johnson  
Peter H. and Joan M. Kaskell  
Jane P. Klein  
Vivianne C. Lake  
Philip Levine  
Penny Levy  
Michael J. Manning  
Hatice U. Morrissey  
Anne Cook Murphy, Emeritus  
Jessie K. Palmer, Emeritus  
Pamela Day Pelletreau  
Linda Perkin  
Josée Rebol  
Roberta Schneiderman  
Deborah K. Solbert

Tara Stack  
Stephanie Stokes  
Claudia Thompson  
Marcelline Thomson  
Elena Toth  
Zibby Tozer  
Elizabeth von Habsburg  
Ellen Warner  
Hope Winthrop  
Jane P. Wittmann  
Gilda Wray

### *International Committee*

Geraldine S. Kunstadter,  
*Chairman*  
Lale Apakan  
Remedios Fe Cabactulan  
Patricia Chua  
Irina Churkina  
Cristina Tortorelli de  
Errázuriz  
Rocío Fernández  
Mía Grauls  
Ambassador Gréta  
Gunnarsdóttir  
Mansoor Hassan-Ayub  
Pamela Jacovides  
Mounia Loulichki  
Lady Lyall Grant  
Joy Mahfood  
Elisabeth Mayr-Harting  
Zoe Markella Mitsialis  
Edit Móra  
Keiko Nishida  
Kasia Parham  
Muna Rihani  
Jeannette Portillo Tinco  
Rishchynski  
Renée Ruding  
Colette Seger-Schneiter  
Nataliya Sergeyeva  
Iwona Janina Sobków  
Marijcke Anne Thomson  
Penny Tósilas  
Stela Vasić  
Irmeli Viinanen  
Maria-Theresia von  
Alvensleben

Vivian Voss-Schaper  
Huberta von Voss-Wittig  
Maryam Zarif  
Princess Sarah Zeid

### *Entrepreneurial Diplomacy*

Lena Sene, *Chairman*  
George Billard

### *Legal*

Meme Peponis  
Cleary Gottlieb Steen &  
Hamilton

### *Membership*

Omeed Malik, *Co-Chairman*  
Caroline Thomas, *Co-Chairman*  
Kayhan Civelek  
Jackie Didier  
Cornelia Ercklentz  
Helena Finn  
Juliana Garcia  
Krisztina Geosits  
Leigh Harrington  
Mansoor Hassan-Ayub  
Soo Kim  
Ryan Lee  
Gary Limjuco  
Mounia Loulichki  
Omeed Malik  
Megan McGrath  
Deborah McWilliams  
Robert Meulmeester  
Margot Michalski  
Aphrodite Navab  
Towson Rimmel  
Sylvia Rodman  
Tara Stack  
Stephanie Stokes  
Patricia Suh  
Geoff Swerdlin  
Laura Temel  
Caroline Thomas  
Christiaan van den Hout  
Elizabeth von Habsburg  
Nicola Walter  
Jane Wittman

## Letter from the President

The global realities confronting the United States today are ominous and increasingly lie beyond the control of any one nation state. Today's unprecedented transnational peace and security concerns are dominated by civil war in Syria which could devolve into a regional ethnic and religious conflict; European economic crises threatening the future of the Eurozone; widespread refusal among nations to reduce carbon emissions, notwithstanding dire warnings from a broad range of climate scientists; and a political environment in Washington D.C. in which decision making is subjugated to election cycles and special interests. There are also concerns about how a large fiscal deficit and high unemployment at home may affect the international role of the United States.

To confront these challenges, we are in need of leaders who can bring fresh thinking and offer imaginative solutions. We are in need of Network 20/20: an innovative organization that conducts lectures here at home and field research overseas in order to educate and develop a critical mass of dynamic next generation leaders who will impact global affairs over the coming decades.

This year, our well-attended lectures, roundtables, and briefings included *Mexico and the United States: Security, Trade, Migration, and Beyond*; *European Financial Crisis: Scenarios of Survival*; *Egypt After Tahrir: Military Rule versus Civil Democracy*; *When International Law Works: Realistic Idealism after 9/11 and the Global Recession*; *A Single Roll of the Dice – Obama's Diplomacy with Iran*; and *U.S. Foreign Policy in the Persian Gulf in 2020: Saudi Arabia's Geostrategic Role*. Highlights included Former President of Chile and first Under-Secretary-General and Executive Director of UN Women, Michelle Bachelet Jeria; author, policy analyst and Dean of the Johns Hopkins School of Advanced International Studies in Washington, D.C., Vali Nasr; and Senior Advisor to the United Nations Foundation, Gillian Sorensen.

The centerpiece of our foreign policy lecture series was a conversation with Pulitzer Prize winning journalist and President Emeritus, Council on Foreign Relations, Dr. Leslie H. Gelb. In his talk on *Truth and Lies in U.S. Foreign Policy*, Dr. Gelb cautioned that foreign policy today is shaped by business interests rather than by traditional policy makers and think tanks.

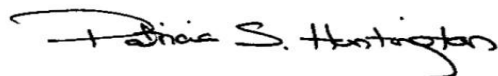
During the past year, Network 20/20's Entrepreneurial Diplomacy Program maintained a high level of interest in Iran by working with Network 20/20 members from Tehran who are studying and working in the U.S., those who have dual passports, and Iranian visitors to the U.S. Relying primarily on these sources, Network 20/20 is actively pioneering ways to build bridges with Iranian counterparts at the grassroots level and to reframe perceptions of Iran here at home.

Also in the past year Network 20/20 engaged in research and development for an Entrepreneurial Diplomacy Project in Turkey including a field visit in the fall of 2011. This project, *Talking Turkey II: Foreign Policy and Business*, seeks to further understanding of Turkey for leaders in the U.S' public and private sectors and foster international peace. A stable economic power in a volatile region, Turkey is geopolitically positioned as a "bridge" between the United States, Europe and various countries in the broader Middle East. The complexity and variation of relations between these countries and the U.S., ranging from troubled to overtly hostile (including Syria, Pakistan, Egypt, Iraq and Iran), has put Turkey in a unique position. Turkey's influence is broad, stretching from the Middle East to the Caucasus, from North Africa to the Balkans. With its secular government rooted in Islamic tradition, Turkey remains committed to democracy, free enterprise, and good relations with Europe and the United States, representing the dreams of millions living through the turbulent Arab Spring. To this end, U.S. decision makers will greatly benefit from a new kind of alliance with Turkey, by deepening their understanding of its real strength in the region: its growing business sectors that help inform its current foreign policy and serve as agents of change for the country's future.

In the coming year our lecture series will address topics like *The Euro and the Future of European Integration* with the German Economic Minister in Washington DC, Peter Fischer; *The Impossible State: North Korea, Past and Future* with CSIS Korea Chair, Georgetown's Victor Cha; *Confront of Conceal: Obama's Secret Wars and Surprising Use of American Powers* with *New York Times'* David Sanger; and *A Vision of a Continental North American Future* with the UN Canadian Ambassador H.E. Mr. Guillermo E. Rishchynski. Upcoming briefings also include non-traditional topics such as *Energy Innovation and Entrepreneurship*; *Transitions in Afghanistan*; *The Dispensable Nation: American Foreign Policy in the Age of Obama*, and *China's Growing Trade and Turkey's Role*.

Network 20/20 plans to continue using technology to improve connections and stimulate a vigorous dialogue among members, their international counterparts, and the interested public. Additionally, since our program has increased dramatically in our nine years of operation, we plan to expand our dedicated and talented staff to help us better serve our multiple constituencies.

My warm thanks go to our Board of Directors and to our new Board Chair, Anne Mai, whose vision, sound judgment and unwavering faith in our future has brought us to this extraordinary point as we enter our 10<sup>th</sup> year. Thanks as well to the Committee of Twenty and International Committees for helping us in multiple, creative ways to further our mission.



Patricia S. Huntington, Ed.D.  
President  
October 2012

## Lecture Series Program

Network 20/20 events include off-the-record briefings by leading experts on international affairs, conversations with seasoned analysts, breakfasts and dinners with diplomats and public officials, one-on-one sessions with civic leaders, roundtables on sustained topics including preparation for international trips, and networking events among its members. Briefings in FY 2011-12 included:

Monday, September 19 – Residence of Ambassador Richard and Anne Murphy

**Bernard Haykel**, Professor of Near Eastern Studies, Princeton University; Network 20/20 Advisory Council member, on ***Making Sense of the Revolutions in the Middle East***

*Hosted by Ambassador Richard Murphy and founding Committee of Twenty Member Anne Cook Murphy*

Tuesday, September 27 – Thompson Residence

**Gillian Sorensen**, Senior Advisor United Nations Foundation, on ***The United States and the United Nations-- What's at Stake and Why it Matters***

*Hosted by Network 20/20 Committee of Twenty Member Claudia Thompson*

Monday, October 17 – Cleary Gottlieb, Steen and Hamilton

**Qubad J. Talabani**, Kurdistan Regional Government Representative to the United States, on ***The Road to a Unified Iraq: Kurds, Sunnis and Shi'as***

*Hosted by Cleary Gottlieb, Steen and Hamilton*

Tuesday, October 25 – Morgan Stanley Investment Management

**Michelle Bachelet Jeria**, Former President of Chile; first Under-Secretary-General and Executive Director of UN Women, on ***Women's Empowerment in Times of Economic Crisis***

*Hosted by Network 20/20 Member James Upton and Morgan Stanley Investment Management*

Monday, November 7 – WilmerHale

**Vali Nasr**, Professor at International Politics at Tufts Fletcher of Law and Diplomacy and former Advisor to US Presidential Envoy Richard Holbrooke, on ***Entering the Arab Winter: Economics, Trade, Identity, and Strategy***

*Hosted by WilmerHale LLC*

Friday, January 13 – The British Consulate General

**Sally Bedell Smith**, New York Times Bestselling Author, on ***Elizabeth the Queen: The Life of a Modern Monarch***

*Hosted by the British Consulate General*



Tuesday, January 17 – Cleary Gottlieb, Steen & Hamilton LLP  
**Tai- Heng Cheng**, Professor of Law & Co-Director, Institute for Global Law, Justice & Policy, New York Law School, on ***When International Law Works: Realistic Idealism After 9/11 and the Global Recession***  
*Hosted by Cleary Gottlieb, Steen & Hamilton LLP*

Tuesday, January 31 – The University Club  
**Onno Ruding**, Former Finance Minister of The Netherlands, former Director and Chairman of Citicorp and Citibank, and former Director of the International Monetary Fund, on ***Europe's Financial Crisis: Scenarios of Survival***  
*Hosted by Network 20/20 Founding Board Chairman Geraldine Kunstadter*

Friday, February 3 – Pera Mediterranean Brasserie  
**Dr. Riordan Roett**, Director, Western Hemisphere Studies and Latin American Studies Program, School of Advanced International Studies, Johns Hopkins University, on ***The New Brazil: From Backwater to BRIC***  
*Hosted by Network 20/20 Member Martin Trautmann*

Wednesday, February 8 – Goldman Sachs  
**Dr. Eckart Woertz**, Visiting Fellow at Princeton University's Environmental Institute, on ***Middle East Food Security: Sustainability and International Agro Investments***  
*Hosted by Network 20/20 Member Jeffery Ziglar and John F.W. Rogers*

Monday, February 13 – Eland Residence  
**Ambassador Robert P. Finn**, Associate Research Scholar at Princeton University, Former United States Ambassador to Afghanistan, on ***Turkey: Bridging Foreign Policy between East and West***  
*Hosted by Network 20/20 Committee of Twenty Member Cornelia and Timothy Eland*

Tuesday, February 28 – Mai Residence  
**Trita Parsi**, Founder and President of the National Iranian American Council, on ***A Single Roll of the Dice - Obama's Diplomacy with Iran***  
*Hosted by Network 20/20 Board Chair Anne H. Mai and Vincent A. Mai*

Tuesday, March 6 – Toth Residence  
**Dr. Andrew Selee**, Director of the Woodrow Wilson Center's Mexico Institute, on ***Mexico and the United States: Security, Trade, Migration, and Beyond***  
*Hosted by Network 20/20 Committee of Twenty Member Elena and Dr. Miklos Toth*

Tuesday, March 22 – WilmerHale

**Dr. Steven Cook**, Hasib J. Sabbagh Senior Fellow for Middle Eastern Studies, Council on Foreign Relations, on *Egypt After Tahrir: Military Rule versus Civil Democracy*

*Hosted by WilmerHale LLC*

Thursday, April 26 – Racquet & Tennis Club

**Ninth Annual Foreign Policy Lecture and Spring Benefit**

Keynote Address by Dr. Leslie Gelb, Pulitzer Prize winning journalist, Council on Foreign Relations President Emeritus, on *Truth and Lies in U.S. Foreign Policy*

*The Racquet and Tennis Club*

Monday, May 14 – Bailey Residence

**Karen Elliott House**, Former Senior Vice President of Dow Jones & Company and Publisher of the *Wall Street Journal*, on *U.S. Foreign Policy in the Persian Gulf in 2020: Saudi Arabia's Geostrategic Role*

*Hosted by Network 20/20 Committee of Twenty Member Liza Bailey*

Monday, May 21 – Princeton Club of New York

**Dr. Martin Wolf**, Chief Economics Commentator at the *Financial Times*, on *Causes and Consequences of the Euro Crisis*

*Hosted by Network 20/20 Committee of Twenty Member Jane Wittmann*

Wednesday, June 6 – Residence of Ambassador Richard and Anne Murphy

**Roger Cohen**, Columnist for *The New York Times* and *International Herald Tribune*, on *The Iran Talks: Possibility or Peril?*

*Hosted by Ambassador Richard Murphy and Founding Committee of Twenty Member Anne Cook Murphy*

# Entrepreneurial Diplomacy Program

The global realities confronting the United States today are ominous, lying beyond the control of any one nation state. Unprecedented transnational concerns include nuclear non-proliferation, economic recession, violent drug cartels, flu pandemics, environmental degradation, and climate change.

To meet these challenges we need private sector leaders who can bring fresh thinking and offer imaginative solutions. Network 20/20's **Entrepreneurial Diplomacy Program** pursues this goal through study, dialogue, and field research in regions of global security importance. We have had a special interest in building bridges with our peers in the Islamic world. Our mission is to build a broad, influential network of private citizens that will generate concrete, actionable ideas aimed at enhancing international security and prosperity.

Since its founding in 2004, Network 20/20 has fielded three member delegations to Turkey, two member delegations to Pakistan and two to Iran as well as a delegation to Poland. Recommendations and findings from these pioneering trips were compiled into a series of widely circulated field research reports that have become "must reads" for public and private sector policy makers. Our reports are available on our website, [www.network2020.org](http://www.network2020.org)

## Turkey 2011

Due to the shifting dynamics in the Middle East and the restructuring of U.S. foreign policy, Network 20/20 decided to revisit Turkey in the spring of 2011 as a potentially critical player in the future of U.S. foreign policy in the region. With a damaged reputation and exhausted resources from costly wars in Iraq and Afghanistan, and concerns about its longstanding support for autocratic governments, the U.S. was in need of developing a more peaceful and sustainable foreign policy. The success of the new policy would depend on American policy makers' ability to strengthen ties with strategic allies with the capacity to develop peaceful and stable relationships in a turbulent time. Network 20/20 has been exploring the extent to which Turkey is uniquely positioned to carry out such a task. In the spring of 2011, Network 20/20 researched and identified more than 100 leaders of all sectors of Turkish society with whom we have been in contact and plan to visit in the coming months. Many of these leaders

represent emerging business, political and social sectors. Network 20/20 conducted field research in the fall of 2011 to better understand what shapes Turkey's foreign policy and its overall direction as a prerequisite for maintaining close bi-lateral relations.

In our research, we found that Turkish business sectors have credibility in countries in which the U.S. has limited or no access, and therefore has the ability to bridge political, religious, social, and cultural boundaries and foster trust and free trade. With its secular government rooted in Islamic tradition, Turkey remains committed to democracy, free enterprise, and good relations with Europe and the United States, representing the dreams of millions living through the turbulent Arab Spring. Like other countries however, Turkey was taken by surprise with the Arab Spring uprisings of 2011 and suffered significant regional trade losses as a result. Responding to this upheaval, Turkey has reached out to its Arab neighbors in order to guide the region back toward stability and re-energize regional trade. To this end, Turkey is playing a major role in economic change within the Middle East, by providing a model for the growth of business and the middle class.

Considering the findings from our research on Turkey this year, Network 20/20 believes that the time is right for American policy makers to harness the opportunity to forge a new relationship with Turkey that transcends our NATO based relationship, and focuses on the drivers of Turkish foreign policy in the last ten years: its rapidly growing business sectors. Our research shows that Turkish export trade rose, in 2010, by almost 30% due in part of a new business-driven foreign policy of "no problems with neighbors" which opened up new markets. Turkish business leaders want countries to be peaceful and "Open for Business." Goldman Sachs predicts that Turkey will be one of the top 10 largest world economies by 2050.

### **Pakistan 2010**

Since Pakistan openly possesses nuclear weapons, there is a risk that failure of the state could result in extremist forces, including al-Qaeda, gaining access to the nuclear arsenal. In response, America launched a \$7.5 billion 5-year non-military aid program in 2010 aimed at fostering social, economic, and political development, and building security in Pakistan: a country where social conditions have inculcated militant fundamentalism.

In furtherance of the U.S. AID program designed to strengthen Pakistan's civil society as a bulwark against Islamist extremist efforts to take over the government, Network 20/20 sent a small delegation to identify local resources that would help prevent corruption and support the new development program. In the spring of 2010, based on our previous visit to Pakistan two years before, Network 20/20 delegates identified a robust group of "best practices" NGOs and local language media to monitor the effectiveness of the new U.S. development program.

This Pakistani "AID Watch" group focused on the areas of police reform, health, education, micro-credit, trade policy, and the expansion of democratic processes as well as on the importance of communicating these issues to both Pakistani and American policy makers. Network 20/20 was pleased to perform a facilitating role based on our prior field trip and the network of Pakistani private sector leaders we have established there.

### **Pakistan 2008-9**

In May 2008, Network 20/20 sent a delegation to Pakistan seeking to have candid exchanges and to build bridges with our Pakistani counterparts. We aimed to acquire a better understanding of Pakistan and its views of the fight against terrorism and the danger of nuclear proliferation; gain insight into the impact of the temperamental nature of American-Pakistani bilateral relations; and make concrete recommendations at a time when the U.S. was pledging to strengthen its alliances across Pakistan's society, not just with its military.

In a 10-day trip to Pakistan, flanked by side trips to Afghanistan and India, Network 20/20 conducted more than 60 interviews in Islamabad, Karachi, Lahore, Peshawar, Multan, Rawalpindi, Kabul, and New Delhi. Interviewees represented a cross-section of the Pakistani community, ranging from government officials, members of parliament, military officers, university chancellors, and business executives, to religious leaders, radical Islamists, journalists, non-profit community organizers, scientists, entrepreneurs, and people on the street. Many people spoke English; Network 20/20's Urdu-speaking members conversed with those who did not.

Our resulting report, *A Different Kind of Partner: A Paradigm for Democracy and Counter-Terrorism in Pakistan*, was disseminated to public and private policymakers, diplomats, the media, NGOs, and U.S. presidential candidates. It was the first to highlight the fact that extremist cells are present throughout Pakistan, including in the Punjab, and not simply isolated to the tribal areas. Other findings included that the vast majority of Pakistanis oppose fundamentalism, support democracy, and prioritize economic over security issues (in perceived tension with the

U.S. foreign policy agenda). Network 20/20 concluded that the U.S. must forge alliances with multiple constituencies and address the food and energy crises in Pakistan, in order to stem unrest and help stabilize the government.

An additional impact of the field visit was that Network 20/20 delegate Imtiaz Ali was subsequently invited to accompany Special Envoy Richard Holbrooke when he toured the internal displacement camps of those fleeing the conflict between the Pakistani army and the Taliban in 2009. Holbrooke asked Ali to serve as local language media advisor and translator. When he returned to the U.S., Ali testified before the Senate Foreign Relations Subcommittee on South and Central Asia on the previously unknown realities of internally displaced people in Pakistan. His firsthand reports were well received and emphasized the importance to U.S. policy makers of hearing from Pakistanis themselves. Ali remains a key advisor to the Holbrooke team, especially in regards to improving communication with local Pakistani media.

### **Iran 2006**

In the fall of 2006, Network 20/20 members traveled to Iran to gain firsthand knowledge of, and build relationships with, the people of this important country. We discovered that the desire for increased contact is widespread in Iran, and recognized that more detailed understanding of Iranian politics, history, and current conditions is vitally needed if we are to effectively engage the significant strands of Iranian society that are open to establishing constructive relations with the United States. In two separate 10-day trips to Iran, Network 20/20 conducted more than 50 interviews in six cities and several villages with a broad cross-section of Iranian society. Many interviewees spoke English; Network 20/20's Farsi-speaking members conversed with those who did not.

We found that while nationalist sentiment was shared by Iranians across the political spectrum and was fueled by grievances over past American and British interference in domestic affairs, the interest in better relations with the U.S. remains strong. Iran's nuclear program was largely viewed as a sign of national prestige rather than as a military strategy. While Western analysts saw an insurmountable division between "reformists" and "conservatives," the reality was far more nuanced; alignments and ideology were fluid. For instance, even Iranian Reformists objected to coercive U.S. diplomacy and the threat of military force.

Our unique and unprecedented trip resulted in the groundbreaking report *Reframing Iran: Views from the Field*, which was widely disseminated to private and public sector leaders. Network 20/20 generated specific recommendations for the U.S. government, Congress, NGOs, media, universities, and private citizens. Chief among them was the need to reestablish relations with Iran. It also recommended that the U.S. help Iran accede to the WTO and called for more people-to-people exchanges. More

than 100 copies were sent to members of Congress, on request. Translated into Farsi, the report was also circulated in Iran. To date we have circulated more than 2,000 bound copies of this report.

### **Turkey 2004**

Network 20/20 chose Turkey as its first field study because of the country's pivotal role in global security. Positioned between Europe and Asia, a member of NATO with a secular democratic heritage, close ties with Israel, and an independent foreign policy, Turkey was an apt location for discussions aimed at bridging the current gulf between the Islamic and Western worlds.

By 2004, the American military effort in Iraq had triggered a surge of anti-Americanism in Turkey and strained relations between the two governments. The U.S. invasion had been deeply unpopular among Turks, a third of whom believed that the United States was the world's greatest threat to global peace. In the spring of 2004, Prime Minister Recep Tayyip Erdogan had gone so far as to accuse the U.S. of terrorism in Iraq. In short, after a half century of amicable relations, the ties between Turkey and the United States seemed to be fraying.

A delegation of 10 Network 20/20 members engaged in 10 days of intensive meetings in Istanbul and Ankara with senior government officials, military officers, business leaders, journalists, scholars, Islamist activists, religious leaders and representatives from the nonprofit world. The comprehensive and heterogeneous set of interviews with persons not normally seen by Americans resulted in the report *Talking Turkey: A Private Perspective on Public Diplomacy*. In this report, Network 20/20 made concrete recommendations for improving U.S.-Turkish relations, including the need to build bridges with civil society in Turkey.

### **Poland 2005**

In addition to field research in the Islamic world, in November 2005 a select group of Network 20/20 members traveled to Poland for 10 days of intensive discussions with senior government officials, journalists, business leaders, academics, and other influential Polish authorities. As has been the case with other field visits, members with local roots arranged for the delegation to meet with a wide variety of leaders not otherwise accessible to groups like Network 20/20.

Members were eager to visit Poland for several reasons including the fact that, based on a recent poll, it was one of only four nations whose population on the whole expressed favorable feelings toward the United States. Moreover, Poland, with its 40 million people, had a growing economy and was becoming the power house of Central Europe as well as a political and economic force in the European Union.

As parliamentary and presidential elections both occurred in the fall of 2005, Network 20/20 visited Poland at a critical moment in the country's political history. Our delegation's findings were summarized in our report, ***Poland Beyond Solidarity: Defining New Priorities for Polish Domestic and Foreign Policy***. This report was well-received by policy makers in the U.S.



**NETWORK 20/20, Inc.**

***Financial Statements***

For the year ended June 30, 2012  
(with comparative totals for June 30, 2011)

Certified Public Accountants  
14 Ridgedale Avenue Suite 255  
Cedar Knolls, New Jersey 07927  
973-984-2600 • Fax 973-539-5741

[sjmorin@simorin-cpa.com](mailto:sjmorin@simorin-cpa.com)  
NY 212-732-5393  
PA 570-775-0490

*INDEPENDENT AUDITOR'S REPORT*

To the Board of Directors  
Network 20/20, Inc.  
850 Seventh Avenue Suite 1101  
New York, New York 10019

We have audited the accompanying statement of financial position of Network 20/20, Inc. (Organization) as of June 30, 2012, the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Network 20/20, Inc. as of June 30, 2012, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

  
STANLEY J. MORIN, CPA, P.C.

August 22, 2012

NETWORK 20/20, INC.

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2012

(WITH COMPARATIVE TOTALS FOR JUNE 30, 2011)

---

	<u>2012</u>	<u>2011</u>
<b><u>ASSETS</u></b>		
Current Assets		
Cash and cash equivalents	\$ 85,783	\$ 141,100
Accounts receivable	38,005	56,850
Prepaid expenses	<u>9,341</u>	<u>22,213</u>
Total Current Assets	<u>133,129</u>	<u>220,163</u>
Other Assets		
Property and equipment – net	586	1,127
Deposits	<u>14,024</u>	<u>14,024</u>
Total Other Assets	<u>14,610</u>	<u>15,151</u>
Total Assets	<u>\$ 147,739</u>	<u>\$ 235,314</u>

**LIABILITIES AND NET ASSETS**

Current Liabilities		
Accounts payable	\$ 7,552	\$ 7,452
Dues paid in advance	<u>7,259</u>	<u>18,713</u>
Total Current Liabilities	<u>14,811</u>	<u>26,165</u>
Net Assets		
Unrestricted	<u>132,928</u>	<u>209,149</u>
Total Net Assets	<u>132,928</u>	<u>209,149</u>
Total Liabilities and Net Assets	<u>\$ 147,739</u>	<u>\$ 235,314</u>

The accompanying notes are an integral part of the financial statements.

NETWORK 20/20, INC.

**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2012**

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2011)

	<u>2012</u>	<u>2011</u>
<b>SUPPORT AND REVENUE</b>		
Support		
Contributions and other gifts	\$ 106,446	\$ 78,019
Special events, net	<u>161,403</u>	<u>187,344</u>
Total Support	<u>267,849</u>	<u>265,363</u>
Revenue		
Membership dues	36,139	32,485
Interest income	212	484
Miscellaneous income	<u>482</u>	<u>7,420</u>
Total Revenue	<u>36,833</u>	<u>40,389</u>
Total Support and Revenue	<u>304,682</u>	<u>305,752</u>
<b>EXPENSES</b>		
Programs		
Entrepreneurial diplomacy	117,220	99,213
Lectures and briefings	<u>191,116</u>	<u>144,409</u>
Total Programs	<u>308,336</u>	<u>243,622</u>
Support Services		
Administrative and general	47,596	41,218
Fund raising	<u>24,971</u>	<u>20,900</u>
Total Support Services	<u>72,567</u>	<u>62,118</u>
Total Expenses	<u>380,903</u>	<u>305,740</u>
CHANGES IN NET ASSETS	(76,221)	12
NET ASSETS AT BEGINNING OF YEAR	<u>209,149</u>	<u>209,137</u>
NET ASSETS AT END OF YEAR	<u>\$ 132,928</u>	<u>\$ 209,149</u>

The accompanying notes are an integral part of the financial statements.

**NETWORK 20/20, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2012**

**(WITH SUMMARIZED TOTALS FOR THE YEAR ENDED JUNE 30, 2011)**

	Programs			Supporting Services			Totals	
	Entrepreneurial Diplomacy	Lectures and Briefings	Total	Administration	Fund Raising	Total	2012	2011
Salaries, fees, and benefits	\$ 75,042	\$ 128,185	\$ 203,227	\$ 17,739	\$ 11,630	\$ 29,369	\$ 232,596	\$ 171,759
Professional fees	-	-	-	19,545	-	19,545	19,545	22,728
Insurance	911	1,316	2,227	177	126	303	2,530	3,322
Occupancy	23,805	34,384	58,189	4,629	3,306	7,935	66,124	61,161
Travel and promotional	1,579	882	2,461	32	1,279	1,311	3,772	3,437
Research and development	2,463	2,463	4,926	-	1,232	1,232	6,158	6,452
Education outreach	6,864	13,236	20,100	-	-	-	20,100	12,736
Printing	50	1,375	1,425	-	5,926	5,926	7,351	7,705
Office supplies and expense	1,087	1,535	2,622	197	140	337	2,959	1,577
Information technology	963	1,390	2,353	187	134	321	2,674	1,974
Minor equipment and rentals	2,008	2,902	4,910	391	279	670	5,580	2,920
Postage and shipping	114	115	229	306	229	535	764	426
Telephone	2,054	2,966	5,020	400	285	685	5,705	5,289
Miscellaneous	85	86	171	3,955	378	4,333	4,504	2,689
Depreciation	195	281	476	38	27	65	541	1,565
<b>Total</b>	<b>\$ 117,220</b>	<b>\$ 191,116</b>	<b>\$ 308,336</b>	<b>\$ 47,596</b>	<b>\$ 24,971</b>	<b>\$ 72,567</b>	<b>\$ 380,903</b>	<b>\$ 305,740</b>

The accompanying notes are an integral part of the financial statements.

**NETWORK 20/20, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2012**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (76,221)	\$ 12
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	541	1,565
Changes in Operating Assets and Liabilities:		
Decrease (increase) in accounts receivable	18,845	(49,420)
Decrease (increase) in prepaid expenses	12,872	(20,142)
Increase (decrease) in accounts payable	100	3,073
Increase (decrease) dues paid in advance	<u>(11,454)</u>	<u>7,730</u>
Net cash (used in) operating activities	<u>(55,317)</u>	<u>(57,182)</u>
NET (DECREASE) IN CASH	(55,317)	(57,182)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>141,100</u>	<u>198,282</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 85,783</u>	<u>\$ 141,100</u>

The accompanying notes are an integral part of the financial statements.

NETWORK 20/20, INC.

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2012

---

NOTE 1. DESCRIPTION OF ORGANIZATION

Network 20/20, Inc, (Organization) was founded to promote and educate the next generation of U.S. leaders about international relations and related United States policy issues, providing a forum for informed and meaningful dialogue on these subjects, and fostering an exchange of ideas and viewpoints between talented young American professionals and their foreign counterparts.

The major support of the Organization is obtained from forums, individual contributions, foundations, corporations, and other fund raising events.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Revenue*

In the absence of donor restrictions, contributions are considered to be available for unrestricted use. Revenue from support activities, membership dues, and other revenue is recognized at the time earned. Donated assets are recorded as contributions at their fair market value at the time of the donation.

*Net Assets*

All financial transactions have been recorded as unrestricted net assets:

- Unrestricted net assets consist of investments and otherwise unrestricted amounts that are available for use in carrying out the mission of the Organization and include those expendable resources which have been designated for special use by the Board.

*Property and Equipment*

The Organization follows the practice of capitalizing all expenditures for property and equipment in excess of \$500 at cost. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

*Use of Estimates*

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

*Allocation of Expenses*

Indirect expenses are allocated to the various program and supporting services based on the ratio of salary and management fee expenses for each respective program or supporting service to total salary and management fees expenses.

*Cash and Cash Equivalents*

The Organization considers all highly liquid debt instruments with an original maturity of six months or less to be cash equivalents.

NETWORK 20/20, INC.

NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2012

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Tax Status*

The Organization is a non-profit voluntary organization exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. Also, the Organization has been designated a publicly supported organization under Section 170(b)(1)(A)(vi) of the same code. Accordingly, contributions qualify for deduction at the maximum allowance of that code.

NOTE 3. PROPERTY AND EQUIPMENT

At June 30, 2012, property and equipment consists of the following:

	<u>Useful Life</u>	
Furniture and equipment	7 years	\$ 12,871
Website	3 years	5,000
Computers	3 years	<u>5,895</u>
		23,766
Less accumulated depreciation		<u>23,180</u>
Net property and equipment		<u>\$ 586</u>

NOTE 4. DONATED SERVICES

The Organization received donated services from a variety of unpaid volunteers. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer effort have not been satisfied.

NOTE 5. SPECIAL EVENTS

During the year, the Organization held a fund-raising event. The gross receipts from this event were \$185,418. Direct expenses consisting of event and related costs of \$24,015 were charged against these receipts leaving net proceeds of \$161,403.

NOTE 6. RELATED PARTY TRANSACTIONS

During the year, Huntington Associates, Inc. charged management fees for program, administrative and general, and fundraising services on behalf of the Organization in the amount of \$92,010. The fee is charged to salary, fees and benefit expenses. The executive director and member of the board of trustees of the Organization is the owner of Huntington Associates, Inc.



**NETWORK 20/20, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2012**

---

NOTE 7. COMMITMENTS

The Organization rents its office space under an operating lease. The lease term expires July 31, 2013. Rent expense for the year ended June 30, 2012, was \$66,124.

The Organization entered into an operating lease for certain office equipment. The lease term expires in June 30, 2016. Lease expense was \$2,532 for the year ended June 30, 2012.

Future minimum annual rental and lease commitments as of June 30 are as follows:

2013	\$ 60,424
2014	8,068
2015	3,300
2016	<u>3,300</u>
	<u>\$ 75,092</u>

NOTE 8. UNRESTRICTED NET ASSETS

At June 30, 2012, unrestricted net assets are as follows:

General Operating Net Assets:	
For general operations	\$ 132,342
Property and equipment	<u>586</u>
Total	<u>\$ 132,928</u>

NOTE 9. CONCENTRATIONS OF CREDIT RISK

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash and accounts receivables.

Credit risk with respect to accounts receivable is limited due to the nominal individual amounts due from the Organization's special event. All accounts receivable are deemed collectible.

The Organization maintains its cash and temporary cash investments with a high quality major financial institution. While the Organization attempts to limit credit risk exposure, its deposit balances may, at a time, exceed federally insured limits. The Organization has not experienced any losses on such accounts.

**NETWORK 20/20, INC.**

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2012**

---

**NOTE 10. COMPARATIVE AND SUMMARIZED FINANCIAL INFORMATION**

The financial statements include certain prior year comparative and summarized information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2011, from which the summarized information was derived.

**NOTE 11. INCOME TAXES**

In accordance with Financial Accounting Standard (FASB) Accounting Standard Codification (ASC) 740, the Organization regularly reviews and evaluates its tax positions taken in previously filed information returns and as reflected in its financial statements, with regards to issues affecting its tax exempt status, unrelated business income and related matters. The Organization believes that in the event of an examination by taxing authorities, the Organization's positions would prevail based upon the technical merits of such positions. Therefore, the Organization has concluded that no tax benefits or liabilities are required to be recognized. The Organization's federal information returns are generally subject to examination by the Internal Revenue Service and the State of New York for three years, including the fiscal years ended June 30, 2008, 2009 and 2010.

**NOTE 12. SUBSEQUENT EVENTS**

Management has evaluated subsequent events and transactions occurring through August 22, 2012, the date of the financial statements were available and there were no material subsequent events or transactions requiring disclosure or recognition.

## **Corporate and Foundation Supporters**

Albert Kunstadter Family Foundation  
Carnegie Corporation of New York  
Cleary Gottlieb Steen & Hamilton LLP  
Debevoise & Plimpton LLP  
Fordham University  
Goldman Sachs & Co.  
Hogan Lovells US LLP  
HSBC/Halbis  
JPMorgan Chase  
Kreab & Gavin Anderson  
The Mai Family Foundation  
Mandarin Oriental Hotel Group  
Morgan Stanley Investment Management  
NYSE Euronext  
Ploughshares Fund  
Rockefeller Brothers Fund  
The Rockefeller Foundation  
Stratton Capital  
Taj Hotels Resorts and Palaces  
U.S. Trust, Bank of America Private Wealth Management  
Weil Gotshal & Manges LLP  
Wilmer Cutler Pickering Hale and Dorr LLP

## **Individual Donors**

Network 20/20's valued annual supporters allow us to provide young leaders with the international perspectives and on-the-ground experience necessary to shape sound foreign policy.

### **Pacesetters**

Anastasia Vournas and J. William Uhrig  
The Mai Family Foundation

### **Global Sponsors**

Seth and Jane Ginns

### **Sponsors**

Kemal Askar  
Mary S. Cross  
Lawrence and Caroline Huntington  
Anne E. Impellizzeri  
The Albert Kunstadter Family Foundation  
Ambassador Richard W. and Anne  
Cook Murphy

H. Onno and Reneé Ruding  
Arthur B. Sculley  
Dennis P. Sheahan  
Caroline Thomas  
M. Sava B. and Roger Thomas

### **Benefactors**

Courtney E. Doggart  
Peter H. and Joan M. Kaskell  
Charles, Jane and Libby Klein  
Rebecca Mai and David Mitnick

**Vice-Chairmen**

Malek Abedin and Raashid Malik  
Edward and Frances Barlow  
Elizabeth Beim  
George Billard  
Paula and Vebe Borge  
Peter and Patricia Handal  
Ambassador Andrew Jacovides and  
Pamela Jacovides  
Geraldine S. Kunstadter and Elizabeth  
von Habsburg  
Penny and Gerald D. Levy

Omeed Malik  
Hatice U. and Kevin P. Morrisey  
Daniel and Nancy Paduano  
Jessie K. and Robert Palmer  
Ambassador Robert and Pamela Pelletreau  
Baqir Qureshi  
Sylvia L. and John Rodman  
Riordan J.S. Roett III  
Roberta Schneiderman  
Deborah K. Solbert  
Zibby and W. James Tozer

**Patrons**

J. Dennis and Jo Ann Delafield  
Patricia Cloherty  
Cornelia and Timothy Eland  
William Ettelson  
Ambassador April H. Foley  
Olivia J. Fussell  
Mary Heller  
Frank Huntington

Julie Johnson  
Meme Peponis  
Annabelle Prager  
Anne Beane Rudman  
Lena Sene  
Lynn Syms  
Elena and Miklos Toth  
Gilda Wray

**Mentors**

Elizabeth and Irwin Flinn  
Karen Burke Goulandris  
Shirley Kirkland  
Ayse Komili  
Louisa Lawrence  
Philip Levine  
Christopher Kunstadter  
Stanley Morin

Chelsea Mozen  
Daniel Platz  
Lisa Kunstadter  
Tara Stack  
Nicholas A. Stephens  
Géza von Habsburg  
Hope and Grant Winthrop