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INSTITUTE FOR INTERNATIONAL ECONOMICS RENAMED IN HONOR OF FOUNDING CHAIRMAN PETER G. PETERSON

Washington—The Institute for International Economics celebrated its 25th anniversary today by renaming itself in honor of the Founding Chairman of its Board of Directors, Peter G. Peterson. It will henceforth be known as the Peter G. Peterson Institute for International Economics or “The Peterson Institute” for short. Mr. Peterson is Senior Chairman of The Blackstone Group, and a former Secretary of Commerce and Assistant to the President for International Economic Affairs.

The Institute also announced the creation of a fully endowed chair in honor of Anthony M. Solomon, former President of the Federal Reserve Bank of New York, Under Secretary of the Treasury for Monetary Affairs and Assistant Secretary of State for Economic Affairs. Dr. Solomon chaired the Executive Committee of the Institute’s Board of Directors from its creation until a year ago. The chair is funded at \$4 million by a number of friends and former colleagues of Dr. Solomon. It will be filled by a Senior Fellow at the Institute.

A third announcement is the renaming of the conference center in the Institute’s headquarters building in Washington in honor of its Director, C. Fred Bergsten. Dr. Bergsten, former Assistant Secretary of the Treasury for International Affairs and Assistant for International Economic Affairs to the National Security Council, has directed the Institute since its creation in 1981. Messrs. Peterson, Solomon and Bergsten have led the development of the Institute throughout its initial quarter century.

The Institute also announced today the successful completion of a capital campaign that raised \$50 million for its Capital Fund. This will roughly quadruple the Fund, which now totals about \$18 million, to about \$70 million and greatly strengthen the financial foundation of the Institute. A list of the major donors to the campaign is attached.

The Institute announced these changes at a Gala Anniversary Dinner in New York that featured a discussion on “The Next 25 Years of Globalization” by a panel comprised of former Federal Reserve Board Chairman Alan Greenspan, former Secretary of the Treasury Robert Rubin,

Governor of the European Central Bank Jean-Claude Trichet and until recently Japanese Minister for Privatization of the Postal Services, Minister for Economic and Fiscal Policy, and Minister for Financial Services Heizo Takenaka, and moderated by NBC Chief Foreign Policy Correspondent Andrea Mitchell. The Institute also celebrated its anniversary with an afternoon seminar at the Ford Foundation, which has been one of its substantial and long-time supporters.

With the name change comes a new Web address for the Institute, www.petersoninstitute.org. Additional information can be found there.

The New Names

Peter G. Peterson has been Chairman of the Board of Directors of the Institute since its creation in 1981. The Board unanimously decided to rename the Institute in his honor “in recognition of his unique mix of intellectual leadership, advice and support throughout its initial quarter century while conducting his own remarkably successful career as businessman, prolific author and advisor to Presidents and many other world leaders.”

Mr. Peterson is Senior Chairman and Co-Founder of The Blackstone Group, a private investment banking firm he co-founded in 1985. He was formerly Chairman and CEO of Lehman Brothers, CEO of Bell and Howell, Chairman of the Federal Reserve Bank of New York, Secretary of Commerce (1972–73) and Assistant to the President for International Economic Affairs (1971–72). He is Chairman of the Council on Foreign Relations and Founding President of the Concord Coalition. His books include *Running on Empty: How the Democratic and Republican Parties Are Bankrupting Our Future and What Americans Can Do About It* and *Gray Dawn: How the Coming Age Wave Will Transform America – and the World*. A full biography is attached.

Anthony M. Solomon played a central role in U.S. foreign economic policy throughout the postwar period as Assistant Secretary of State for Economic Affairs in the 1960s, Under Secretary of the Treasury for Monetary Affairs in the 1970s and President of the Federal Reserve Bank of New York in the 1980s. Upon his retirement as Chairman of the Executive Committee of the Board of Directors in 2005, the Board praised his “24 years of loyal and devoted commitment to making the Institute one of the leading think tanks in the world” and announced the creation of the Anthony M. Solomon Annual Staff Awards to honor members of the research and support staffs for “the most outstanding contribution of the year to achieving the mission of the Institute.” In recognition of his ability as an accomplished sculptor, as well as his service to the Institute, the Board had already named the Anthony M. Solomon Sculpture Garden in the headquarters building for him. The new chair in honor of Dr. Solomon is the Institute’s third, following those created in honor of former GE CEO Reginald Jones and former J.P. Morgan CEO and Chairman Dennis Weatherstone.

C. Fred Bergsten created the Institute for International Economics in 1981, in response to a proposal from the German Marshall Fund of the United States, and has been its only Director. He had previously coordinated US foreign economic policy as Assistant for International Economic Affairs to Dr. Henry Kissinger at the National Security Council, served as Assistant Secretary of the Treasury for International Affairs, and functioned as well as Under Secretary of the Treasury for Monetary Affairs. Dr. Bergsten has written, coauthored or edited 37 books on a wide variety of international economic issues including most recently *China: The Balance Sheet: What the World Needs to Know Now About the Emerging Superpower* and *The United States and the World Economy: Foreign Economic Policy for the Next Decade*. He has been Chairman of the Eminent Persons Group of the Asia Pacific Economic Cooperation (APEC) forum, the Competitiveness Policy Council created by the US Congress, and Shadow G-8 that advised the G-8 governments on their annual summit meetings. Dr. Bergsten has been the most widely quoted think tank economist in the world since 1997.

The Peter G. Peterson Institute for International Economics

The Peter G. Peterson Institute for International Economics is a private, nonprofit, nonpartisan research institution devoted to the study of international economic policy. It attempts to anticipate emerging issues and develop ideas to inform and shape public debate on these topics. Its staff of 50 includes two dozen senior economists. Its annual budget of about \$8 million is supported by philanthropic foundations, private companies and interested individuals from the United States and around the world, and from earnings from sales of publications and its Capital Fund.

The research program of the Institute emphasizes global macroeconomic issues; international money and finance; trade policy at the multilateral, regional and global levels; international investment; and the international implications of the new technologies. It encompasses all major areas of the world, especially East Asia and Europe as well as the global role of the United States. The Institute's current agenda has a particular focus on China, the international economic imbalances and related currency misalignments centered on the U.S. current account deficit, globalization and the widespread backlash against it in the United States and worldwide, the Doha Round of trade negotiations in the World Trade Organization, free trade agreements between the United States and other countries, and economic prospects in the Middle East.

The Institute has been called "perhaps the most influential think tank in the world." Recent surveys show that it was quoted more widely than any other economics think tank in 2004. Those same surveys reveal that the Institute is one of only two of the 17 leading think tanks viewed by both Congress and the press as "nonpartisan" and "neutral." Former Secretary of the Treasury and President of Harvard University Lawrence Summers has suggested that "There is no institute in

the world that comes close to having the broad impact the Institute for International Economics does in capitals across the world” and former United States Trade Representative Carla Hills has concluded that “the Institute is needed more today than ever before.”

The attached essay on “The Peter G. Peterson Institute for International Economics at 25” describes the history, operating strategy and future plans of the Institute.

Peter G. Peterson



Peter G. Peterson is senior chairman and co-founder of The Blackstone Group. He is founding chairman of the Institute for International Economics, chairman of the Council on Foreign Relations, and founding president of The Concord Coalition. Mr. Peterson was the co-chair of The Conference Board Commission on Public Trust and Private Enterprises (co-chaired by John Snow, former secretary of the treasury). He was also chairman of the Federal Reserve Bank of New York from (2000 2004), chairman and CEO of Lehman Brothers (1973–77), later chairman and CEO of Lehman Brothers, Kuhn, Loeb Inc. (1977–84), and chairman and CEO of Bell and Howell Corporation (1963–71).

In 1971 President Richard Nixon named Mr. Peterson assistant to the president for international economic affairs. He was named secretary of commerce in 1972 and assumed the chairmanship of the National Commission on Productivity and was appointed US chairman of the US-Soviet Commercial Commission. Mr. Peterson was chairman of the US Council of the International Chamber of Commerce in 1978–79. President Ford appointed him chairman of the Quadrennial Commission on Executive, Legislative, and Judicial Salaries in 1976, and in 1994 President Clinton named him as a member of the Bipartisan Commission on Entitlement and Tax Reform.

Mr. Peterson is the author of several books, including *Running on Empty: How the Democratic and Republican Parties Are Bankrupting Our Future and What Americans Can Do About It*; *Gray Dawn: How the Coming Age Wave Will Transform America—and the World; Will America Grow Up Before It Grows Old?*; and *Facing Up: How to Rescue the Economy from Crushing Debt and Restore the American Dream*. His Atlantic Monthly cover article, “The Morning After,” received the National Magazine Award for Best Public Interest Article of the Year in 1987. He has been awarded honorary degrees by Colgate University, Georgetown University, George Washington University, Northwestern University, New School University, the University of Nebraska, the University of Rochester, and Southampton College of Long Island University. He is married to Joan Ganz Cooney, creator of Sesame Street.

**MAJOR DONORS TO CAPITAL CAMPAIGN IN CELEBRATION OF
25th ANNIVERSARY
OF
PETER G. PETERSON
INSTITUTE FOR INTERNATIONAL ECONOMICS**

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