





FINAL REPORT V GENERAL ASSEMBLY AND ANNUAL  
CONFERENCE OF THE CLUB OF MADRID:

**THE CHALLENGES OF ENERGY AND  
DEMOCRATIC LEADERSHIP**

**Madrid 19-21 October 2006**



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## **Letter from Ricardo Lagos,**

**President of the Club of Madrid and former President of the Republic of Chile**

January 2007

On 20th-21st October 2006, Members of the Club of Madrid – democratic former Heads of State and Government – met in Madrid with renowned scholars, representatives of international organizations and leaders from industry and civil society, to formulate practical responses to the challenges that energy poses to our collective future. The V Annual Conference was thus an important watershed for the Club of Madrid as its Members resolved to use their unique global leadership to focus on this increasingly formidable challenge to democratic governance. This sense of urgency and commitment is evident in the Final Statement emanating from the Conference, which is included here as part of this report.

In underlining the significance of this conference for the Club of Madrid, it is also incumbent upon me to express my profound appreciation of the outstanding expertise and spirit of open engagement which invited participants brought to the proceedings.

In a truly globalized world, international cooperation is an essential *sine qua non* to dealing effectively with the key energy concerns addressed during the V Annual Conference of the Club of Madrid - energy security, resource mismanagement, the development and exchange of alternative fuel technology and the alleviation of energy poverty. Four Working Groups were convened during the Conference to focus on each of these key areas and, in each Working Group, Members of the Club of Madrid shared their own political experience in dealing with these issues with other participants who approached them from notably different perspectives, those of industry, civil society and government.

On behalf of the Club of Madrid, I would like to thank the Conference Content Coordinator Dr. Robert Skinner for preparing this important report on the proceedings of our V Annual Conference. His knowledge and experience of these issues is evident throughout his analysis, as it was in his guidance during the organization of the Conference. Crucially he asks the right questions and concisely sets out the recommendations identified at the conference to meet energy-related problems that affect both consolidated and transitional democracies.

Dr. Skinner does not try to conceal the magnitude or the complexity of successfully overcoming global energy challenges, nor does he suggest that the conclusions and recommendations of our V Annual Conference constitute a panacea for meeting them. Rather, drawing upon the deliberations, he offers us an excellent basis through which the Club of Madrid can further international action – expanding upon and implementing these recommendations and thereby demonstrating that democratic leadership can meet these challenges and actively promote the adoption of far-sighted policies to secure a sustainable future.

A consistent point of concern raised by participants at the Annual Conference was the need for urgent adjustment to meet the threat of climate change. In responding to this key priority, I am pleased to currently chair, in partnership with the President of the UN Foundation, Timothy E. Wirth, a High Level Task Force on Climate Change (HLTFCC), consisting of 12 Members of the Club of Madrid and 10 Eminent Persons, which will engage the G8 process, specifically the G8 Gleneagles Dialogue on Climate Change to promote and facilitate the establishment of a framework for an international agreement post-**2012**. Members of the Club of Madrid will also

begin work to establish a series of guidelines on how energy poverty can be addressed within democracies in the developing world.

In his report, Dr. Skinner concurs with the IEA prognosis that “we face a future where energy supply will be dirty, costly and insecure.” Rising costs of energy will also maintain the global *status quo* where the poorest have no access to electricity. “The world is on an energy treadmill and it is both speeding up and getting much steeper.” It is now time to step off. We must get to work on establishing a new energy equilibrium.

A handwritten signature in black ink, appearing to read 'Ricardo Lagos', with a horizontal line underneath it.

Ricardo Lagos  
President of the Club of Madrid  
Former President of Chile



# **Final Statement of the Club of Madrid V General Assembly:**

## **‘The Challenges of Energy and Democratic Leadership’**

We, Members of the Club de Madrid, all democratic former Heads of State and Government, came to Madrid to discuss the urgent challenges the world faces regarding energy security, equity, and sustainability and to consider next steps for advancing our common agenda to promote democracy that delivers. Drawing on our personal experiences as political leaders and the insights of leading experts from governments, international organizations, academia, civil society and the private sector, we sought to identify the most critical energy issues facing democracies and to offer practical recommendations to advance an agenda of sustainable, affordable, secure energy for all.

## **The Coming Crisis and Present Urgency**

The vulnerabilities of energy supply, the dramatic growth of energy demand, the indisputable phenomenon of global warming caused by human activity and the unacceptable levels of energy poverty combine to force us to reach a fundamental conclusion: we have reached a tipping point for humanity. We learned during our meetings about the diagnoses of these problems and a range of concrete responses to address them now and in the future. What is lacking is the political will of leaders and citizens to face up to these truths and take action.

We urge in the strongest possible terms that all responsible actors – leaders from politics, business, civil society, science and technology, finance and academia, as well as citizens from around the world – join forces now to construct a new energy vision for the survival of our planet.

## **How Democracies Can Deliver Sound Energy Policies**

We are convinced that the ability of democracies to deliver a minimum quality of life for their citizens depends on an understanding that energy is a public good. As such, it is a central issue for democratic politics. It must be approached on the public agenda in an inclusive way, recognizing that we are all mutually dependent on the air we breathe, the water we drink and the energy we consume to survive.

Democratic leadership requires managing risks in a transparent and accountable way. It also demands strengthening checks and balances, operating within the rule of law, encouraging open debate and building consensus, all hallmarks of a democratic system. Democracies also value and practice dialogue and negotiation and therefore need leaders with the capacity to listen, to learn, and as necessary to change our point of view for the common good. These are the operating principles that lead to productive energy policies, stable and stronger economic growth, and a better life for our citizens and our environment.

## *Energy Security and International Governance*

At current trends, the world’s energy system is unsustainable. We face a range of vulnerabilities to energy supply and demand. If current policies do not change, non-renewable fossil fuels, the main

contributor to global warming, will constitute 90% of the increase in energy demand between now and 2030. Supply is increasingly under the control of state authorities that do not operate with transparency or accountability.

As oil and gas prices rise, political leaders are tempted to abuse the additional resources they control to suppress democratic development in their own countries and externally. We condemn this trend and call on democratic leaders to act with courage to support defenders of democracy and human rights in authoritarian societies.

While much progress has been made in advancing international dialogue among the main energy consumers and producers, much more work is needed to achieve common understandings and action. Specifically, we call on all countries to increase transparency of energy finance and revenues, strengthen the rule of law, diversify and liberalize energy markets, and develop a road map to enhance the predictability of energy supply and demand. Ratifying the Energy Charter Treaty and concluding negotiations for its Transit Protocol are key steps all eligible countries should take in this direction.

#### *Managing Energy Resources Wisely*

One of the greatest challenges all resource-rich countries face is how to manage their natural resources to ensure that the benefits reach all sectors of society. Too many governments and private companies have fallen into a trap of corruption and mismanagement, depriving citizens of the benefits of resource wealth instead of fighting poverty. Strong democratic institutions, a vibrant civil society and checks and balances are the best ways to address this problem.

We commend the establishment of the Extractive Industries Transparency Initiative as a positive example of cooperation among governments, civil society and the private sector and we call on all states to endorse and implement its standards as quickly as possible. We recognize that experiences of resource revenue management for the common good may differ according to the level of political and economic development. We believe that the establishment of an international mechanism to develop best practices for institutionalizing transparency and monitoring of resource revenue is an important next step in this field.

#### *Alternative Energy and Climate Change*

Given the reality of current trends of climate change and the increasing dependence on fossil fuels, we believe the world faces a stark choice: to act now to transform our energy systems or suffer the consequences of run-away global warming including massive flooding, catastrophic storms and spreading disease. This impending crisis demands bold political leadership and immediate action.

Since energy is a common good, governments have a unique role to play in designing incentives to encourage energy efficiency and dramatically scale up development of renewable energy, such as biofuels, hydropower, solar and wind energy. We acknowledge the need for greater public debate about the costs and benefits that nuclear energy offers to address future energy demands. As new energy systems are developed, it is essential to mainstream energy efficiency standards and thereby leapfrog to a more environmentally responsible energy system.

#### *Access to Energy for All*

Over 1.6 billion people in the world have no access to electricity. About 1.3 million people die each year from smoke-related sources of biomass energy for cooking and heating. This is an unacceptable

situation and demands urgent attention to ensure that hundreds of millions of people can obtain affordable and clean energy in the next ten years. Sound public policies designed to provide appropriate subsidies, energy safety nets, local job creation, and stable investment frameworks are desperately needed. A significant infusion of new development aid and private investment is also required to bring energy to the hundreds of millions of people deprived of the basic elements so vital to human dignity.

Finally, we express our conviction that, while all of us are responsible for addressing our common energy challenges, a special responsibility falls to the highest consuming countries, most of which are democracies. It is time for exceptional political leadership, a serious public debate and concerted action to bring energy supply and consumption into a sustainable balance for the sake of our common humanity. The Club of Madrid intends to dedicate its own leadership capacities to call attention to these urgent problems and press for reforms at the national and international levels.

Madrid, October 21, 2006



# ‘Energy and Democracy: the Political Framework’

*By Jorge I. Domínguez, Rapporteur*

The mission of the Club of Madrid (CoM) is to foster democracies that deliver. From that mission, two broad topics deserve emphasis to understand the relationship between energy policies and practices and democratic politics; in what way does energy policy matter for an effective democracy, and in what way is democracy good for a sound energy policy?

I do not aim to retell what the CoM conference has discussed. Rather, I shall attempt to interpret and synthesize the very eloquent remarks of so many at the conference to help to give form and movement to achieve the mission of the CoM. These paragraphs deliberately emphasize that portion of the conference’s discussion that focused on democracy rather than the particulars of the energy industry.

The first topic is: in what way does energy matter for democratic policies and politicians? During the plenary sessions, we heard four different ways in which energy policy matters for democracy. One was identified in a straight-forward way by the former Prime Minister of Spain, Felipe González; namely, it is the impact of energy on economic performance, and the impact of the economy’s performance on democratic stability and the capacity of democracies to deliver or not. The other three ways are very important but less commonly discussed.

The second way energy policy may matter for democratic politics is that energy may be considered a public good. People expect that their rights as citizens will ensure them access to sufficient, affordable and reliable energy. Public goods means goods that are not excludable between persons — goods whose enjoyment by you does not diminish my own enjoyment of those goods. Democracy is precisely about non-excludability between citizens; democracy is about inclusion and about widespread participation. That way of thinking makes energy not just one more issue, but also a public good central for the success of democratic politics. In that way, energy policy is an unavoidable part of the democratic agenda.

Thirdly, energy is also more directly a public good than just this general characterization. One example of a public good is the air that we breathe because it is non-excludable between persons, that is, your enjoyment does not deprive me of my enjoyment. In every working group during the conference that I visited, participants affirmed that the environment is a central concern linked to energy and an equally unavoidable topic on any country’s political agenda.

Finally, during the opening plenary session Fatih Birol of the International Energy Agency addressed and emphasized the question of the affordability of energy. He reminded us of the statistic regarding energy poverty: 1.6 billion people in different countries lack access to commercial energy. Those who lack access to energy also lack access to many other things that can empower human beings to pursue their own legitimate goals. Many of these energy-poor live in the countries from which Members of the CoM come. Democratic politics cannot afford the exclusion of the poor. Democratic politics is about addressing the absence of access to energy of all our citizens. Democracy must, therefore, focus also on access to, and affordability of, energy.

The second broad topic to be highlighted is: in what ways may democracy matter for a good energy policy? Let us think of democracy, not just as an item of consumption, important as that is, because we value it for itself, but let us consider democracy as an essential factor of production.

Democracy works best when those who govern us do so transparently and with accountability. That has practical consequences; it is not just an abstract idea. Jannik Lindbaek of Statoil in his remarks during the plenary made the important point that corruption undermines the proper functioning of markets. Because of corruption, business enterprises perform less effectively in advancing their interests or in serving the rest of us. Democracies are not free from corruption, but democracies indeed outperform dictatorships in the likelihood of controlling and reducing corruption. Peter Eigen and his colleagues at Transparency International make the case that the sun shines more effectively in democratic countries than in autocracies. Because they can be more transparent and may display a greater likelihood to control corruption, democracies can be a production factor because they can reduce the cost of doing business.

A second aspect of the same broad topic is how can democracies be productive to give us a sound energy policy. Guillermo de la Dehesa of the Aviva Group expressed scepticism that there could be absolute security of supply with regard not just to energy but any commodity. His and other observations may be rephrased in terms of the management of risk. Democratic politicians are very good at managing risks. Democratic politicians must face the risk that they may be defeated in the next election or that their party may be defeated in the next election. No one is better than a democratic politician in terms of thinking about risk in democracies. Democratic politicians have a greater capacity to inform and educate the public because dictators do not like to engage in such communication and only rarely develop good records with regard to education. Dictators prefer to dictate, not to educate. Democracy values and emphasizes the importance of public debate, including debate about risks and the choices before citizens no matter what they may be. Nuclear power or other matters highlighted during our discussions lend themselves quite well to such public debate about opportunities and risks.

Thirdly, democracy's procedures may also be productive for a sound energy policy. Paul Collier of Oxford University brought this concern to our attention in his remarks regarding the importance of checks and balances for good performance in energy policy and, more generally, in macro-economic management. I will label it the value of democratic constitutionalism, which empowers governments to make choices and politicians and civil society to prevent governments from committing abuses or making choices that the public detests.

The procedures of democracy are superior to the procedures of authoritarian regimes because democracies can commit the many, including political parties, coalitions and politicians — not just the word of a dictator. Any energy company will trust us more if it can rely not just on my word, but on our word, on the word of those who act to make politics possible and effective. Decisions in democracies are to be made slowly, as democracies often proceed, because democracies seek to engage all the potential vital players and are more likely to do that precisely because they are more inclusive. Thus two of our Members, President Frei and President Lagos, can tell you that under democratic politics Chile outperformed the economic growth rates achieved under the Pinochet dictatorship thanks to democracy's superior procedures, namely, the long-term credibility provided by the large governing democratic coalition was more likely to be believable to those outside of the country and to Chilean citizens themselves than the personal dictates of a dictator.

Democracies outperform dictatorships in the same countries because democratic procedures are productive for growth. Democratic politicians at their best choose the wise restraints that make us free in order to liberate the wise actions of economic agents.

Fourth, as Andrei Konoplyanik of the Energy Charter Secretariat argued at our conference, the procedures of democracy emphasize the rule of law, a hallmark of democratic politics at its best, even if democracies sometimes violate the rule of law. Reliable, consistent, transparent rules make it more likely that there will be long-term energy investments, enforceable rules, secure property rights, and courts of law that make those rights valid and defensible. Those are democratic answers toward the best energy policy. You should believe these arguments not just because some energy companies may favour them, but mainly you should believe these arguments because democratic citizens want them.

Finally, the procedures of democracy that are most productive were mentioned from the very start by Ricardo Lagos in his opening of the conference plenary. He addressed the values of dialogue and negotiation, concepts that are consistent with the understanding of democracy as a public good. Dialogue and negotiation are non-excludable because they are intrinsically inclusive of citizens, business enterprises, and civil society. Dialogue and negotiation preclude imposition of views; they mean the capacity to listen, to work, to change our point of view as we engage and connect with others in our countries and in our societies. The capacity to exchange and to negotiate depends on the belief that agreements among many are superior to depending on the will of just one dictator.

Therefore, I conclude by asserting that energy policy matters for democracy, that democracy can be productive for a good energy policy, and that this conference has already delivered for the CoM to empower its Members as democrats to help deliver better performance and how to do so.

Let me cite again Antonio Gutiérrez, former Prime Minister of Portugal, who compared the utopia of the dreamers and the utopia of the pragmatists.

Let then this conference authorize and inform the CoM to dream of pragmatic responses.

Let then this conference empower democrats everywhere to act pragmatically to deliver on the dreams of citizens everywhere, dreams that were articulated long ago in the American Declaration of Independence, which I cite because they are one way to capture what we have discussed, namely, the dreams of life, liberty, and the pursuit of happiness.

*Jorge I. Domínguez*

*Vice-Provost for International Affairs, Harvard University*

Fall 2006





# **‘Global Energy Security, Governance and Equality in a Changing Climate: Democracy’s Challenge’**

## **Executive Summary**

On October 20th and 21st 2006 the Club of Madrid (CoM) – former Heads of State and Government of democratic countries – met in Madrid, Spain, with experts from around the world to discuss the relationship of energy and democratic governance. CoM Members concluded that energy will increasingly be a priority for democratic governments and a key element of their international relations. The CoM has resolved to use its unique leadership capacities to bring attention to the urgent dual problems posed by energy security and climate change and to advocate practical political reforms to meet these challenges.

Drawing on the experience of eight Members who presented country cases, CoM Members addressed the ‘energy challenge’ in Working Groups, namely: Energy Security, Escaping the Resource Curse, Alternative Energies and Climate Change and Energy Access for All.

### **Energy Security**

With demand for energy continuing to grow unabated, based predominantly on fossil fuels, with most oil and gas reserves in politically unstable, undemocratic countries, while consumption is dominated by democratic countries and with supply costs rising, CoM Members view energy security as an urgent public policy issue. Governments need to put in place the framework conditions that foster investment in the necessary energy infrastructure and systems while paying particular attention to accelerating improvements all along the energy supply, transport and demand chain.

In addition to diversifying supply, both in terms of fuels and sources, greater international cooperation is needed to strengthen international mechanisms to respond to supply interruptions. CoM Members specifically recommended that the International Energy Agency’s (IEA) coordinated response mechanisms be extended to include at least Brazil, Russia, India and China.

Dialogue among producers and consumers is critical and the Riyadh-based International Energy Forum (IEF) plays a vital role in this regard.

CoM Members also emphasised the importance of transparency in energy trade and investment and again urged expanded dialogue as a means of avoiding misunderstandings.

### **Managing Energy Resources**

The marked decline in recent years of standards of governance and resource mismanagement in many energy-exporting countries is weakening energy security while eroding the prospects for democracy in these countries. As a means of arresting this trend of diminishing standards of governance, the

CoM Members strongly advocated support for the Extractive Industries Transparency Initiative and encouraged the efforts of Non-Governmental Organisations (NGOs) in holding multinational companies and producing-country governments to account.

CoM Members also urged the development of a handbook of best practices on resource governance and management, accountability and checks and balances.

### **Promoting Alternative Energy and Combating Climate Change**

Current trends for the consumption of fossil fuels are unsustainable and could prove economically and environmentally ruinous in the long term if energy policies are not changed.

To date there has been a marked deficiency of the necessary political leadership and resolve to tackle climate change effectively. A combination of responses is required to reduce greenhouse gas emissions, including accelerated improvements in energy efficiency and the development of non-carbon based fuels. Greater public debate is also needed on the capacity of nuclear energy to reduce carbon emissions.

All countries must commit to finding ways to reduce global warming, but it is also important to take into account the capability of developing countries to implement them.

### **Energy Access**

CoM Members viewed the provision of basic electricity service to the 1.6 billion people currently lacking any access to electricity as an essential element of national development policies and the Millenium Development Goals.

CoM Members concluded that access to energy is a basic right of any citizen and that the International Financial Institutions (IFIs) should increasingly focus on this as an urgent priority.

# 'Global Energy Security, Governance and Equality in a Changing Climate: Democracy's Challenge'

*A Report by Dr. Robert Skinner, Associate Fellow of Chatham House*

## **Introduction**

With the tripling of oil prices since 2003, rising concern about climate change and its link to mankind's dependence on fossil fuels, energy has again become a critical issue for governments. Drawing on their experience as political leaders, Members of the Club of Madrid (CoM) met in Madrid on October 20th and 21<sup>st</sup> 2006 to debate how democratic leadership can accelerate the implementation of policies to improve energy security, reduce mismanagement of natural resources, accelerate the deployment of alternative energy technologies and policies to address climate change, and redress 'fuel poverty', the shameful inequitable access to basic energy needs.

The following paper examines this set of issues, encapsulated as the 'energy challenge', as debated by Members together with the many international experts they convened in Madrid, and draws upon many of their views, proposals and recommendations. As former leaders of both transitional and mature democracies, the CoM Members focused on how democratic leadership can address the global energy challenge and identify actions and paths that they believe should be pursued.

The views here do not necessarily represent those of all CoM Members or of the various experts and organizations who participated in the discussions. The political framework for debating energy and democracy was set out by Jorge I. Domínguez of Harvard University who served as the rapporteur in the final plenary session.

## **Four Facets of the Energy Challenge**

The first decade of the 21<sup>st</sup> Century has been marked by rising commodity prices, deteriorating if not collapsing governance in several significant petroleum economies, and the growing realization that humanity's exploitation of the globe's store of natural resources, in particular the means and the rate at which we extract, transform and utilize most of our fuels for energy increasingly appears to be unsustainable.

Energy has therefore once again captured the international political agenda. The G8 and other major international bodies are focusing on energy security and climate change; all express concern about the volatility of energy prices, especially of oil and the consequential impact on poor, oil-importing developing countries. Oil shocks are not new. In the wake of earlier shocks, consumer governments embraced a mixed economy approach and intervened directly in the energy sector. In retrospect,

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- The opinions expressed by the author(s) in this document, and others distributed, are their exclusive responsibility, and do not necessarily express the views of the Club of Madrid or its Members.
  - The author would like to acknowledge the significant support and advice received from Jorge Domínguez of Harvard University, Marianne Haug of Forum für Zukunftsenergien and the Secretariat of the Club of Madrid, during the preparation and writing of this report.

while some policies such as efficiency standards helped, structural change in industry and commerce accounted for most of the ensuing reduction in energy intensity of most economies. Following the counter-shock in 1986, when there was excess capacity in most fuel sectors, governments, confident that prices would fall, deregulated energy markets, privatized and restructured industries and placed an emphasis on market forces to determine prices, technology and fuel choice. As a consequence of these economic reforms, the scope today for government intervention is somewhat circumscribed to market-based mechanisms rather than command-and-control measures.

Since the mid-nineties, addressing climate change has served as the proxy for energy policy in most developed economies. But little progress has been made in reducing emissions from transportation and power generation, the major sources of greenhouse gas emissions. With the post-2000 oil price increase, governments confront a more complex challenge: finding the optimal balance between the roles of the state and of markets to enhance energy security, reduce greenhouse gas emissions and yet sustain economic growth. Higher energy prices should induce efficiency, but this takes time; meanwhile, they exacerbate the problem of fuel poverty, an enduring social facet of the energy challenge.

After nearly two decades of inadequate investment during a period of surpluses, with the post-2000 surge in demand, capacity has tightened all along the energy supply chain. This is not only the case for oil where strikes, wars and terrorist attacks have removed the cushion of spare capacity, it applies also to natural gas, uranium and other major commodities such as metals, important to expanding the energy supply system. Besides additions to refining capacity, many governments are confronting the need to approve and construct new power capacity, new power transmission and pipelines, LNG terminals and connecting infrastructure. Yet, in many places—notably in democracies—important energy infrastructure project proposals, irrespective of their supposed technical and economic merits, have failed to meet the test of public acceptability. Debate, the essence of democracy, is often placing far greater importance on individual concerns than on what society in general might need.

In the early seventies the controversial idea of ‘limits to growth’, while flawed in some ways, spelled out a challenge not unlike that of today: “How to bring about a society that is materially sufficient, socially equitable, and ecologically sustainable, and one that is more satisfying in human terms than the growth-obsessed society of today”<sup>1</sup>. With two billion more inhabitants and an equivalent number just beginning to transform their increasing incomes into consumption of commercial fuels, we are now entering a period when growth may be constrained; not by inadequate energy resources, but by the lack of access to easy, low cost resources, particularly oil and gas. In time higher costs and resulting higher prices will induce further structural change and bring on new, more efficient technologies, which could reduce the growth of demand. But the production of future liquid fuels for example, based on biomass, oil sands, coal and shale will consume ever-increasing amounts of energy and other resources to transform these difficult feedstocks into usable fuels such as gasoline and aviation fuel and, with the exception of most biofuels, result in significantly greater emissions of CO<sub>2</sub> versus conventional hydrocarbons. Thus, we are not headed towards some abrupt limit to growth, but to a new era of increasingly costly growth; the world is on an energy treadmill and it is both speeding up and getting much steeper.

This picture is further complicated by geopolitics, which go to the heart of energy security concerns. Most oil and gas reserves are far removed from the major consuming regions in countries where many governments are increasingly unstable and often undemocratic and corrupt. Some petroleum-rich countries are currently afflicted by civil wars where the ‘spoils’ are oil rents. Others are in the grip of regimes led by populist, charismatic leaders, a reaction to the failure of past leaders to ensure socially equitable distribution of the benefits of natural resource extraction.

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<sup>1</sup> Meadows, D. H., et al, 1992, “Beyond the Limits to Growth”, In Context, Summer 1992.

We gain some appreciation of the challenges of the path forward when we consider in more detail just a few features of the energy landscape before us:

- The world's annual GDP of \$43 trillion uses 11 billion tonnes of oil equivalent (Gtoe) in primary energy input.
- At current growth rates the world's energy demand increases every year by an amount nearly equal to all the energy consumed on the African continent. Given current trends there will still be 1.4 billion people in 2030 without access to electricity.
- Fossil fuels account for 85% of primary energy; oil accounts for over a third and will remain for the foreseeable future the single most important fuel; two-thirds of the growth in demand for oil will be in the transport sector.
- More than 80% of mankind's greenhouse gas emissions result from burning fossil fuels. If annual emissions remain at their current level, greenhouse emissions will rise to more than treble the pre-industrial level leading to an increase of world temperatures by at least 3° Celsius by 2100, which would have devastating environmental and economic consequences.
- The leading market democracies represented in the Organization of Economic Cooperation and Development (OECD), India and China account for 80% of the globe's economic output and consume more than 70% of the world's energy, yet hold less than 10% of the world's oil and gas reserves. The wealthiest billion people consume half of the world's energy while the poorest billion consume less than 5%.
- The world's largest military power, the U.S., consuming over one fifth of the world's oil, eclipses by more than three times the next largest oil consumer, China; however, China accounts for more than one third of the world's annual net growth in oil demand. China's coal consumption and the U.S.'s oil consumption, nearly a Gtoe each, constitute a daunting conflation of the twin challenges of energy security and climate change.
- Democratic India, the world's largest democracy, with 600 million citizens without electricity, contrasts with autocratic China where 98% of its people enjoy access to electricity.
- The future geopolitics of energy are defined by the geographic mismatch of markets and resources:
  - ➔ 90% of the world's oil reserves are in countries with non-democratic, authoritarian or 'hybrid'<sup>2</sup> regimes, mostly in the Middle East and North Africa (MENA); countries whose economies overwhelmingly depend on oil exports, whose governments are non-transparent, some unstable or where a tenuous stability is bought with resource rent.
  - ➔ Of major oil supply disruptions (>2 mb/d) since the Suez Crisis a half century ago, all but one (Venezuelan strike, 2002/3) occurred in the Middle East. One-third of the world's sea borne oil passes through the Straits of Hormuz.
  - ➔ Two thirds of the world's natural gas reserves are in Russia and MENA.

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<sup>2</sup> The terms, 'hybrid regimes', 'authoritarian' and 'flawed' are as defined by The Economist's democracy index.

- ➔ The OECD and China have less than 7% of the world's gas reserves yet consume 55% of the world's current supply. North America, consuming a third, is no longer self-sufficient.
- ➔ To underscore the relevance of this mismatch to the climate change challenge, over half of the world's coal reserves are in the U.S., China and India. Together they account for 44% of energy-derived greenhouse gas emissions; in 2005 their burning of coal increased by 7%.

Incomes will grow and with rising incomes energy demand will increase and in the absence of policies to influence choices that can reduce use of fossil fuels, energy-derived greenhouse gas emissions will increase. New technologies continue to improve our access to resources and the efficiency of their extraction, transformation and use. And as noted above, higher prices help to drive these improvements. But the geographical market/resource mismatch, which is the starting point for the political dimension of energy—central to concerns about energy's security of supply—is immutable. It is not a supposition but an inescapable fact that increasing shares of the world's energy requirements will have to come from countries that are undemocratic, in some cases, despotic, mostly unstable or even in the grip of civil war, often over the rents from hydrocarbon development

This is an image of a world stumbling into the dark. It is a prospect summarized by the International Energy Agency in its most recent World Energy Outlook, previewed for the CoM. Namely, unless the world's governments change the policy framework governing energy, we face a future where energy supply will be dirty, costly and insecure.

But the challenge is about more than securing the commercial trade of energy, reducing emissions and providing for the energy poor. The stark geographic asymmetry between resources and markets has a growing strategic element as well. Democratic countries' overwhelming reliance for critical oil and gas supplies on non-democratic regimes, whose very stability depends on increasing that reliance, is a fragile co-dependency. It begs the questions; will this co-dependency instil democracy among the undemocratic suppliers or further entrench authoritarian tendencies? Will the scramble for security of supply weaken democracy among the democratic consumers and reduce the likelihood of democracy taking root in resource-starved countries? The world's largest oil consumers show no sign of reducing their deepening dependence on imported oil. Through their respective agents, whether private or state-owned entities, they are increasingly competing over access to resources in third party countries. US legislators recently reported their finding that "China's strategy of securing ownership and control of oil and natural gas assets abroad could substantially affect U.S. energy security..." and "China's energy policies, taken as a whole, are not consistent with the economic or geopolitical behaviour of a responsible stakeholder; they distort markets and destabilize volatile regions"<sup>3</sup>, this latter accusation without the slightest hint of irony. Thus, securing their energy supply is becoming a mercantilist contest between the two largest consumers, a contest that risks undermining global peace and security.

CoM Members discussed this set of issues in four Working Groups. Specifically, Members asked how democratic leadership can accelerate national, regional and global action to address four facets of this 'global energy challenge'; namely,

- Securing international energy trade, especially in hydrocarbons;
- Reducing the resource curse;
- Accelerating the use of renewable fuels, and
- Ensuring access to affordable and appropriate energy for all.

<sup>3</sup> From Section 3 of the 2006 Report of the US – China Economic and Security Review Commission, p 95 at [http://www.ussec.gov/annual\\_report/2006/annual\\_report\\_full\\_06.pdf](http://www.ussec.gov/annual_report/2006/annual_report_full_06.pdf)

## Energy Security

It is taken as a given that food, clean air and water are public goods. CoM Members agreed that energy should also be viewed as a public good. Security of supply of energy can be viewed as equally important to security of supply of food and water. It is of no comfort that democracies do not universally score highly in providing access to these other public goods let alone energy. ***Members agreed that at a minimum, governments must put in place the framework conditions that stimulate investment in the necessary energy infrastructure and systems.*** But they acknowledged that a 'free' market alone does not assure energy security, environmental protection or equality of access to energy.

CoM Members stressed that as a starting point democratic leadership embodies the responsibility of knowledge and the confidence it gives to leaders not to mislead citizens in fearing false enemies and threats and promoting empty solutions to real problems. Leadership is not subscribing to artificial fears. For example, while the era of easily accessible hydrocarbons is probably finished, the world is not about to reach some peak in production to be followed by a precipitous descent into an apocalyptic scramble for the last drop of oil. Certainly oil is becoming more difficult to access as demonstrated by the labour, water, materials and energy-intensive efforts applied to extracting oil from the Alberta oil sands. While current estimates indicate that there are adequate resources to meet projected energy requirements until at least 2030, CoM Members strongly emphasised the necessity of producing and consuming energy with greater efficiency than in the past. Leadership is also not holding out false hopes. For example biofuels can play an important role and they already are in certain countries blessed with the right conditions for their production. But in some circumstances they require almost as much energy to produce as they provide. The response to this reality is not to stop developing biofuels, but to support research aimed at developing more efficient production technologies and feedstocks that are not food crops.

Market forces alone do not generate a margin of spare capacity to respond to supply disruptions. Responsible leadership will therefore ensure sufficient swing capacity in the energy supply system to accommodate upsets and disruptions for whatever reason. ***CoM Members recommended that the International Energy Agency's coordinated mechanisms (notably strategic oil stocks) to respond to interruptions of oil supply include Brazil, Russia, India and China.***

***CoM Members encouraged a continued dialogue between consumers and producers of oil, noting that the Riyadh-based International Energy Forum (IEF) has contributed much to improving understanding of each other's concerns.*** They noted the IEF's formulation of the cooperation as a 'shared responsibility' where security of supply for consumers goes hand in hand with security of demand for producers. Dialogue has contributed to greater transparency of investment in new capacity and cooperation to improve availability and reliability of oil market data. But parties to the dialogue need to guard against any tendency to reject the market's own mechanisms for addressing volatility in some false hope that through dialogue, the elusive goal of 'market predictability and stability' could be achieved, for example by contriving some international mechanism or agreements to manage or 'guide' markets, investment and trade.

A particular energy security concern was triggered by the dispute in early 2006 over the pricing of natural gas supplied by Russia to Ukraine. Because this occurred soon after the Ukraine's 'Orange Revolution', viewed as a resounding success for democracy, the Western media and many politicians were quick to hold Russia entirely responsible, accusing it of using its resources to blackmail. This is an example where the easy - polemics - took precedence over the difficult - dialogue. Democratic leadership failed to acknowledge the technical and economic realities of Russia's energy trade, above all its overwhelming

reliance on exports to Western Europe.<sup>4</sup> *Thus CoM Members, noting that energy trade can only increase, recommended that model agreements to facilitate cross-border energy trade and transit be developed.* They commended the example of the European Energy Charter Treaty and the emphasis on the rule of international law as it embodies both practicality and the democratic principle of universality.

CoM Members acknowledged that the perception of security of energy trade largely depends on the political context of the trading parties' relationship. This, as demonstrated in the case of Russian gas exports, can quickly change. Thus, understanding differing perspectives can assist in improving the political context and thereby strengthen the trade relationship. This again underscores the importance of continued dialogue, multi- and bilateral.

Energy security embodies both an economic concept—supply of a commodity at a price and in quantity—with a feeling, a psychological notion about 'security', which cannot be measured or predetermined. When the majority of governments of source countries of economically strategic oil and, increasingly gas, are perceived to be politically unstable, the feeling of 'insecurity of supply' is compounded. At the root of much of this uncertainty is how resource-rich governments are managing their resource wealth.

### **Managing Energy Resources**

During the major commodity cycle from 1970 to 1989, countries (mostly in the Middle East) with a high share of GDP based on hydrocarbon export revenue recorded low or no net gain in per-capita GDP by the end of the cycle. The CoM Members discussed the results of recent research showing how governance and democracy are often weakened in countries experiencing a sudden surge in resource revenues. While they might enjoy an economic spurt, it tends to be short-lived. Paradoxical as it may seem, having oil can be a curse—bad for democracy, development and transparent governance and many other criteria by which progress is usually measured. Checks and balances on government tend to wane as the political contest to control the receipt and distribution of resource wealth weighs down on the economy. It has become painfully clear that elections do not make democracy and that these alone are not enough to deliver the transformation and growth expected in resource rich, energy exporting developing countries. However it has also become demonstrably clear that electoral competition, checks and balances, transparency and the holding of governments to account can all enhance democracy, the quality of resource allocation and prospects for economic growth.

Civil wars are tending to increase in resource-rich countries where the strife is essentially a contest over the rents from resource extraction. Another phenomenon is the use of resource rent by regimes led by charismatic leaders, draped in grandiose and anti-foreigner rhetoric, which is aimed at solidifying political support among the poor masses. Essentially 'bought off', citizens tend to become complacent and less critical of their leaders' abuses of power. Small, relatively innocuous transgressions soon give way to major abuses. It may be simply a matter of time before the regime interprets its purchased popularity as justification for dispensing with the inconvenience of opposition parties and eventually concluding that elections and checks and balances are superfluous.

Another feature of the curse is resource nationalism, which tends to increase logarithmically with the rise in commodity prices. Resource nationalism can assume several forms. Use of energy as a diplomatic instrument was discussed above. In other cases resource revenues are used to buy other countries' support for particular world-views. Resource nationalism has other expressions such as unilateral changes to royalty and tax regimes and prevention of (or the threat to prevent) foreign state-owned firms from acquiring so-called strategic firms or assets. Western government leaders

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<sup>4</sup> The on-going dispute over gas imports between Russia and Belarus has brought this issue to the fore once again.



are particularly concerned that should foreign state-owned oil companies purchase strategic assets, they could in turn use this asset to exert political leverage. For example, while certain state oil companies pursue oil deals in widely recognized rogue States, the companies' government owners remain reluctant to support UN Security Council resolutions against these odious regimes. Thus the 'resource curse' has many manifestations and not necessarily restricted to developing countries. ***CoM Members voiced their deep concern that politicisation of energy investment scares off private industry, further restricting the playing field to state-owned entities. The overall effect is escalating uncertainty, increased risk and therefore less investment, which only adds to the sense of insecurity of energy supply.***

CoM Members examined the cases of Norway and Sudan. The latter has displayed the classic symptoms of having succumbed to the resource curse: initial flush of wealth, displacement of other sectors, predation on rent, rise of a corrupt governing elite wasting and concealing revenues, and a spiralling decline into factionalism and ultimately civil war. To top it off, private western oil firms operating in Sudan, at least attempting some corporate social responsibility, were chased off, only to be replaced by Asian national oil companies accountable only to their governments who have frustrated attempts in the United Nations to hold the Sudanese regime to account for egregious denial of human rights in Darfur.

While Norway's management of its hydrocarbon endowment has been exemplary, it started with a relatively diverse economy, based on hydroelectricity but above all had a long history of strong, accountable, democratic government. Norway's example does not offer a 'bolt-on' model for developing countries with no such traditions or institutions. In particular Norway's well-known set aside fund is not applicable to countries that need finances today for their development. It is how the revenues are managed and allocated (for example for education and infrastructure) that matters. Nonetheless, energy resources can be a vehicle for the promotion of public welfare and need not be a curse.

There are countries besides Norway that have managed to avoid this problem. Norway, Australia and Canada all started with a strong democratic base, with a history of regulation, transparency and accountability. Resource rent was also never the single dominant source of income in these countries. However there are also positive examples among developing countries. Botswana has managed the development of its diamond industry without succumbing to the resource curse, by applying strict and transparent economic criteria to the implementation and development of investment projects.

***CoM Members expressed concern that symptoms of the resource curse were on the increase.*** Rising revenues from resource extraction tend to result in reduced taxation, with the attendant risk of paternalism and enfeebling of the fundamental contract of democracy, accountability for taxation. The rise of resource nationalism combined with increased corruption and state theft risked cascading into nationalization of industry by governments without the competent civil administrative capacity to manage and account for the nationalized assets. The less that resource wealth is accounted for, the greater the threat to democracy as the wealth conveys power and once centralized leads ultimately to dictatorial power. ***CoM Members strongly recommended support for the Extractive Industries Transparency Initiative viewing it as a potentially powerful tool to bring greater accountability for the management of resource rent. In this regard they recognized the important role that can be played by non-governmental organizations (NGOs) and civil society in holding countries to account.***

CoM Members, in recognizing the important role that civil society can play as part of the system of checks and balances, cautioned that governments must not abdicate their responsibility and accountability to NGOs alone.

*CoM Members agreed that, as part of the international effort to fight corruption and to foster democratic, transparent and accountable government in resource rich countries, international institutions need to identify best practices for resource governance. They therefore recommended that a handbook be developed identifying the features of a resource management regime with checks and balances such as transparent rules; competent, adequately compensated administration; and clear separation of entities encompassing regulation, policy making and enterprise.*

### **Promoting Alternative Energy and Combating Climate Change**

All energy projections since the early nineties concur that in the absence of major policy changes and the world waits for these changes—primary energy supply will grow at 50 or 60% the rate of GDP growth, that fossil fuels will continue to account for 80% of supply and will account for nearly 90% of the growth (thus projecting not just a fossil fuel future but an *increasingly* fossil fuel future) and that emerging economies, especially Asian, will dominate this growth. This is a future that CoM Members see as unsustainable. ***CoM Members concluded that we have reached a tipping point for humanity but leaders lack the political will to lead and citizens have not confronted the need for change.***

CoM Members began their debate on how democratic leadership can accelerate the use of alternative fuels by reviewing the unique experience of Iceland given its special endowment of hydro and geothermal resources, and of Tanzania as it seeks to move from environmentally destructive reliance on biomass to appropriate forms of commercial energy within a developing country context. The lesson from both is that while all countries must share the global goal of reducing climate altering emissions, each country must develop its own approach based on its particular resource endowment and development circumstances. ***CoM Members agreed that we cannot simply supply our way out of this problem. Of paramount importance is reducing the rate of demand growth through more efficient end-use technologies and by reducing fossil fuel use through new and efficient technologies and alternative fuels. Technologies exist as many studies have shown. The key is for governments to create the framework conditions that accelerate the necessary investment and take-up of low carbon approaches to meeting our energy requirements.*** While this is simply stated, it is implemented with great difficulty.

Global emissions from the energy sector come from three broad end-use sectors: power generation, 42%; transportation, 22%; and direct use by industry and in buildings, 36%. There are many fuels and technologies for generating electricity; the cheapest in many countries is coal, the source of a large share of global greenhouse gases. The best alternative to coal that can provide the same service; namely steady, baseload electricity, is nuclear. ***CoM Members pointed to the need for greater public debate on nuclear energy, including safety and security concerns, and how it might contribute to meeting future energy needs while replacing greenhouse gas-emitting power plants.*** Great strides have been achieved with biomass, combined heat and power, wind power and solar energy. Hydro confronts its own set of environmental and land-use issues. CoM Members stressed that all existing forms of energy are currently needed, but that we also need to actively promote less harmful sources of energy.

It remains the case in every country that, as incomes increase, vehicle ownership and use also increase. There is a need for greater investment in the research and development of viable alternatives to oil to fuel vehicles. Electricity and transport, accounting for two thirds of energy-derived carbon emissions, are at the heart of the politics of energy use. Policies that impede or increase the price of access to the conveniences offered by the former and the freedom associated with personal mobility are politically fraught. The record of policies aimed at increasing the efficiency of electricity use and

of vehicles does not convince us that growth in their demand can be easily reversed. *CoM Members agreed that the increased use of biofuels can contribute to the slowing of emissions from the transport sector, but more must be done by governments to develop mass transit infrastructure and encourage more efficient vehicles.*

In acknowledging that the world must move away from a future dependent on fossil fuels, CoM Members recognized that the alternative path, based on renewable and non-fossil fuels, is a challenge. They therefore recommended that governments give the highest priority to approaches, such as standards, that accelerate the deployment of efficient technologies all along the energy supply and demand chain. International financial institutions (IFIs) and bilateral aid agencies must give greater priority to promoting alternative fuels and energy efficiency. *An international and concerted effort to implement this alternative path is compelling to CoM Members because they believe the world faces the imminent threat of run-away, rapid climate change linked to our reliance on fossil fuels.*

### **Energy Access**

Worldwide, 2.4 billion people rely on traditional biomass (wood, sticks, grass and dung) as their primary source of fuel. Over a million people die each year from smoke-related diseases owing to improper ventilation of smoke from burning biomass for cooking and heating. The IEA estimates that 1.6 billion people do not have access to electricity.

In September 2000, at the United Nations Millennium Summit, world leaders agreed to a set of time-bound and measurable goals and targets for combating poverty, hunger, illiteracy, gender inequality, disease and environmental degradation. These became known as the Millennium Development Goals (MDGs). While no MDG specifically addresses energy, access to energy services is a critical enabling factor for the achievement of all the goals. Providing education, improving the lot of women (in poor countries almost universally burdened with the task of gathering biomass fuel, fetching water or grinding grain by hand), eliminating smoke from cooking fires in homes and storing essential medicines for villages would be possible with simple electricity generating systems. *CoM Members agreed that practical, appropriate energy technologies are needed and barriers to their deployment must be removed.*

If equality of opportunity is a feature of democracies, then equality of access to energy services is surely a pre-requisite. On this score, energy and democracy do not always sit comfortably together. Nearly 600 million people in India, the largest democracy in the world, do not have access to electricity even though the grid is technically within reach of 90% of the population. In China on the other hand, more than 98% of the population has access to electricity. A truly democratic government would not support some of the approaches taken by China to achieve this result. But the key seems to be to subsidise *access*, rather than subsidise consumption. Long before 'market-based policies' came into vogue, many OECD countries launched rural electrification programmes and other schemes designed to provide equality of access to what was generally viewed as a basic right and the state was obliged to provide it as a public service.

CoM Members heard how Romania in making the transition from a Stalinist model to a market-based economy had to confront the need for an 'energy social safety net' to subsidize the cost of energy delivery to the poor. The example of Chile underscored the importance of sound long-term policies and again the fact that each country must develop its own approach to improving access to energy for the poor.

Fuel or energy poverty is not just a developing country issue. Most OECD countries have segments of their populations that suffer from fuel poverty (defined as households having to spend more than

10% of household income on energy needs). The recent rise in energy prices has exacerbated this problem prompting policies such as tax rebates and lifeline tariffs for the energy poor, pensioners and people on fixed incomes.

Most energy poor live in rural areas. It is estimated that by the middle of this century nearly 80% of the world's population will live in urban centres. Migration to urban centres is in part flight from energy poverty. But urbanization has its major environmental and social downsides. For example, urbanization adds to the demand for commercial energy; this has been a significant factor in the increased demand for oil in Asian countries since the early nineties. Therefore providing energy services to rural communities using appropriate clean technologies could have many pay-offs.

The CoM Members noted that Romania and Chile are examples of countries that are successfully confronting energy poverty; they urged that a concerted international effort be made to provide energy to the 1.6 billion persons currently without access to any commercial fuel. Ignored, this energy deficit could challenge democracy's claim to any moral or practical superiority. *They concurred that governments must view an adequate supply of energy as a public good. Public policies must be oriented to ensure access to energy and international financial institutions need to ask themselves how their programmes can be oriented to address this challenge. CoM Members saw access to basic electricity services as critical to alleviating poverty and meeting the Millennium Development Goals.*

## **Conclusion**

The first decade of the twenty-first century has been marked by soaring energy prices and compelling evidence that the world's growing dependence on fossil fuels holds enormous risks for mankind. Thirty years hence, will this decade be regarded as a watershed period—a window of opportunity—when we had a choice of the subsequent path taken? Will we be judged for taking the easy route of maintaining the status quo, increasingly relying on fossil fuels for most of our primary energy? Will their supply have become so fraught in every sense—geopolitically, technically, environmentally—that the global economy is enfeebled? Will our successors therefore condemn democratic leadership because it failed to steer the world onto a different course? Will the blame be placed at the foot of what was believed to be one of democracy's central pillars—the periodic electoral contest of competing political programmes, where the choice of difficult actions with long-term benefits for all consistently lost to the easy actions that preserved short term privilege for the few?

CoM Members recognized that the energy and climate challenges are as urgent and compelling as they are daunting and complex. Addressing them requires knowledgeable and bold leadership.

*They concurred that the four main goals must be to:*

- 1) Improve efficiency all along the energy supply chain;*
- 2) Increase the rate of deployment of non-carbon emitting fuels and technologies, thereby mitigating climate change;*
- 3) Strengthen political accountability and stability of energy producing countries; and*
- 4) Redress the inequitable lack of access to energy for the world's poor.*

*They expressed their conviction that leadership and action must come from the rich, industrialized democracies.*

The challenge for democratic leaders becomes more difficult the longer important policy decisions are put off. The challenge will be with mankind for the foreseeable future; in other words, it is not amenable to some quick-fix, one-term adjustment of fiscal or structural policies; it requires the enduring attention of all leaders and citizens throughout the globe.



# Programme of Annual Conference

## 'The Challenges of Energy and Democratic Leadership'

### FRIDAY 20 OCTOBER:

09:00 – 09:30

Inaugural Session

**Javier Rojo**, President of the Spanish Senate  
**Ricardo Lagos**, President of the Club of Madrid (CoM)  
**Alberto Ruiz-Gallardón**, Major of the City of Madrid

09:45 – 13:30

Opening Plenary: Setting the Context - Energy Security, Efficiency, Access and Governance

09:45 – 10:50

Government and Intergovernmental Organizations' Perspective:

**Fatih Birol**, *International Energy Agency*  
**Andrei Konoplyanik**, *Energy Charter Secretariat*  
**Arne Walther**, *International Energy Forum*  
**Edmund Daukoru**, *OPEC*  
Moderator: **Robert Skinner**, Former Director, *Oxford Institute for Energy Studies* and Content Coordinator of the Conference  
Discussant: **César Gaviria**, Former President of Colombia

11:00 – 11:50

Industry's Perspective:

**Jannik Lindbaek**, *STATOIL*  
**Guillermo de la Dehesa**, *Goldman Sachs*  
**Antonio Merino**, *Repsol*  
Moderator: **Marianne Haug**, *Forum für Zukunftsenergien*  
Discussant: **Felipe González**, Former Prime Minister of Spain

12:00 – 12:50

Academia and Civil Society's Perspective:

**Paul Collier**, *St. Anthony's College*  
**Peter Eigen**, *Extractive Industries Transparency Initiative (EITI)*  
**Mohamed El-Ashry**, *UN Foundation*  
Moderator: **David Sandalow**, *Environment and Energy Project at the Brookings Institution*  
Discussant: **António Guterres**, *Former Prime Minister of Portugal and UN High Commissioner for Refugees*

Opening Plenary Rapporteur:  
**Jorge Domínguez**, *Harvard University* and CoM Advisor

13:00 – 13:30

Introduction to Working Groups Sessions

**Robert Skinner**, Former Director, Oxford Institute for Energy Studies and Content Coordinator of the Conference

15:45 – 18:15

Working Group Session I: Country Cases from a Topic Stream Perspective

WORKING GROUP I: Energy Security - Supply/Demand Balance, Stability and International Governance

Ecuador: **Oswaldo Hurtado**, Former President of Ecuador and **Abelardo Pachano**, *Produbanco*

Canada: **Kim Campbell**, Former Prime Minister of Canada and **Paul Boothe**, *Institute for Public Economics, University of Alberta*

Moderator: **Valdis Birkavs**, Former Prime Minister of Latvia

Rapporteur: **John Roberts**, *Platts Energy Group*

WORKING GROUP II: Escaping the Resource Curse – Revenue Management for Sustainable Development

Sudan: **Sadig Al Mahdi**, Former Prime Minister of Sudan

Norway: **Kjell Magne Bondevik**, Former Prime Minister of Norway and **Leiv Lunde**, *Norwegian Agency for Development Cooperation (NORAD)*

Moderator: **Cassam Uteem**, Former President of the Republic of Mauritius

Rapporteur: **Rut Diamint**, *University Torcuato Di Tella, Argentine Ministry of Defence*, and CoM Advisor

WORKING GROUP III: Alternative Energies and Climate Change

Iceland: **Vigdís Finnbogadóttir**, Former President of Iceland, and **Grímur Björnsson**, Engineer at *Orkuveita Reykjavíkur*

**Benjamin Mkapa**, Former President of Tanzania, and Hassan Kibelloh, Ministry of Foreign Affairs and International Cooperation of Tanzania

Moderator: **José María Figueres**, Former President of Costa Rica

Rapporteur: **Mohamed El-Ashry**, *UN Foundation*

WORKING GROUP IV: Energy Access for All

Chile: **Ricardo Lagos**, Former President of Chile and

**Genaro Arriagada**, *Universidad de las Américas*

Rumania: **Petre Roman**, Former President of Rumania and

**Virgil Musatescu**, *Romanian Association for Energy Policies*

Moderator: **Jorge Quiroga**, Former President of Bolivia

Rapporteur: **Andrés Rigo**, International Arbitrator and CoM Advisor



## SATURDAY 21 OCTOBER:

09:00 – 11:15

Working Group Session II: Underline “Discussion” and “Recommendations” in “Topic Stream Discussion: Analysis and Recommendations”

WORKING GROUP I: Energy Security - Supply/Demand Balance, Stability and International Governance

Thematic Expert: **Narsi Ghorban**, *International Institute for Caspian Studies*

Thematic Discussant: **John Roberts**, *Platts Energy Group*

WORKING GROUP II: Escaping the Resource Curse – Revenue Management for Sustainable Development

Thematic Expert: **Charles McPherson**, *Oil and Gas Policy Division, World Bank*

Thematic Discussant: **Ana Palacio**, First Vice-President and General Consultant to the World Bank and **Karin Lissakers**, Revenue Watch Service

WORKING GROUP III: Alternative Energies and Climate Change

Thematic Expert: **Olav Kjørven**, *Energy and Environment Group UNDP*

Thematic Discussant: **David Sandalow**, *Environment and Energy Project at the Brookings Institution*

WORKING GROUP IV: Energy Access for All

Thematic Expert: **Fatih Birol**, *International Energy Agency*

Thematic Discussant: **Simon Taylor**, *Global Witness*

11:30 – 12:45

Plenary: Working Group Conclusions

Rapporteurs of:

Inaugural Plenary: **Jorge Domínguez**, *Harvard University* and CoM Advisor

WKG I: **John Roberts**, *Platts Energy Group*

WKG II: **Rut Diamint**, *University Torcuato Di Tella, Argentine Ministry of Defence* and CoM Advisor

WKG III: **Mohamed El-Ashry**, *UN Foundation*

WKG IV: **Andrés Rigo**, International Arbitrator and CoM Advisor

Moderator: **Robert Skinner**, Former Director, Oxford Institute for Energy Studies, Content Coordinator for the Conference and Associate Fellow of Chatham House

Discussant: **Alain Délétré**, *International Crisis Group*

13:00 – 14:00

Closing Round Table: Global Challenges for the XXIst Century - Climate Change, Energy and Democratic Leadership

**Ricardo Lagos**, President of the CoM

**Javier Solana**, EU High Representative for COMMON FOREIGN AND SECURITY OFFICE (CFSP)

**Enrique Iglesias**, Secretary General, *Secretaría General Iberoamericana*  
**Angel Gurría**, Secretaría General Iberoamericana  
**Spencer Weart**, *Center for History of Physics, American Institute of Physics*  
**Feng Gao**, Deputy Executive Secretary, *UNFCCC (UN Framework Convention on Climate Change)*

14:00 – 14:30

Closing Ceremony

**Isidre Molas**, First Vice-President of the Senate  
**Ricardo Lagos**, President of the CoM  
**Kim Campbell**, Secretary General of the CoM

# List of Participants at Annual Conference

## *Members of the Club of Madrid*

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**Lagos, Ricardo**, former President of Chile and President of the Club of Madrid  
**Robinson, Mary**, Former President of Ireland and Vice-President of the Club of Madrid  
**Campbell, Kim**, Former Prime Minister of Canada and Secretary General of the Club of Madrid  
**Alfonsín, Raúl**, Former President of Argentina  
**Al-Mahdi, Sadig**, Former Prime Minister of Sudan  
**Betancur, Belisario**, Former President of Colombia  
**Birkavs, Valdis**, Former Prime Minister of Latvia  
**Bondevik, Kjell Magne**, Former Prime Minister of Norway  
**Dimitrov, Philip**, Former Prime Minister of Bulgaria  
**El-Eryani, Abdul-Kareem**, Former Prime Minister of Yemen  
**Figueres, José María**, Former President of Costa Rica  
**Finnbogadóttir, Vigdís**, Former President of Iceland  
**Frei Ruiz-Tagle, Eduardo**, Former President of Chile  
**Gaviria, César**, Former President of Colombia  
**González Márquez, Felipe**, Former Prime Minister of Spain  
**Guterres, António**, Former Prime Minister of Portugal, High Commissioner UNHCR  
**Hurtado, Osvaldo**, Former President of Ecuador  
**Kučan, Milan**, Former President of Slovenia  
**Lacalle Herrera, Luís Alberto**, Former President of Uruguay  
**Lagumdžija, Zlatko**, Former Prime Minister of Bosnia and Herzegovina  
**Mascarenhas Monteiro, Antonio**, Former President of Cape Verde  
**Meidani, Rexhep**, Former President of Albania  
**Mkapa, Benjamin**, Former President of Tanzania  
**Pastrana, Andrés**, Former President of Colombia  
**Quiroga, Jorge Fernando**, Former President of Bolivia  
**Roman, Petre**, Former Prime Minister of Romania  
**Shipley, Jennifer Mary**, Former Prime Minister of New Zealand  
**Uteem, Cassam**, Former President of Mauritius

## *Members of the Constituent Foundations of the Club of Madrid*

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**Hidalgo, Diego**, President of Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE)  
**Jones, T. Anthony**, Executive Director of the Gorbachev Foundation of North America (GFNA)  
**Matthews, George**, Chairman of the Gorbachev Foundation of North America (GFNA)

**Romero Moreno, José Manuel**, Vice-President of Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE)

*Advisory Committee of the Club of Madrid*

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**Costa, Tarcísio**, Commercial Counselor, Embassy of Brazil in Spain

**Diamint, Rut**, Professor of Political Science, Universidad Torcuato Di Tella, and Argentine Ministry of Defence

**Domínguez, Jorge I.**, Vice-Provost for International Affairs, Harvard University.

**Ekiert, Grzegorz**, Professor of Political Science, Center for European Studies, Harvard University

**Muñoz, Lucinio**, Deputy General Director, State Auditor, Ministry of Economy and Finance of Spain

**Neumann, Peter**, Director of the Centre for Defence Studies of King's College London

**Ottone, Ernesto**, Deputy Executive Secretary, CEPAL

**Rigo, Andrés**, Former Vice President to the General Counsel of the World Bank

*Annual Conference Experts, Panellists, Rapporteurs & Moderators*

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**Arriagada, Genaro**, Former President of the High Council, Universidad de las Américas

**Birol, Fatih**, Chief Economist and Head of the Economic Analysis Division, International Energy Agency

**Björnsson, Grímur**, Geothermal Reservoir Engineer at Orkuveita Reykjavíkur (Reykjavik Energy)

**Boothe, Paul**, Professor of Economics and Fellow, Institute for Public Economics at the University of Alberta.

**Collier, Paul**, Professor of Economics, St Anthony's College, Oxford University

**Daukoru, Edmund**, OPEC Secretary General and Nigerian Minister of State for Petroleum Resources

**Dehesa de la, Guillermo**, Goldman Sachs

**Déletroz, Alain**, Vice-President Europe, International Crisis Group

**Eigen, Peter**, Former Chairman and Founder of Transparency International

**El-Ashry, Mohamed**, Senior Fellow, United Nations Foundation

**Gao, Feng**, Deputy Executive Secretary, UNFCCC (UN Framework Convention on Climate Change)

**Ghorban, Narsi**, Director, International Institute for Caspian Studies (IICS)

**Gurría, Angel**, Secretary General, OECD

**Haug, Marianne**, Chairman of the Board, Forum für Zukunftsenergien

**Iglesias, Enrique**, Secretary General, Secretaría General Iberoamericana

**Kibelloh, Hassan**, Ambassador of the Republic of Tanzania in France

**Kjørven, Olav**, Director, Energy and Environment Group, UNDP

**Konoplyanik, Andrei**, Deputy Secretary General, Energy Charter Secretariat

**Lindbaek, Jannik**, Chairman of the Board, STATOIL

**Lissakers, Karin**, Executive Director, Revenue Watch Institute

**Lunde, Leiv**, Project Manager, Norwegian Oil for Development Programme, NORAD  
**McPherson Charles**, Senior Advisor Oil and Gas Policy Division, World Bank  
**Merino, Antonio**, Chief Economist, REPSOL  
**Musatescu, Virgil**, President, Romanian Association for Energy Policies  
**Pachano, Abelardo**, President of Produbanco  
**Palacio, Ana**, First Vice-President and General Consultant of the World Bank  
**Roberts, John**, Energy Security Specialist, Platts Energy Group  
**Sandalow, David**, Director of the Environment & Energy Project at the Brookings Institution  
**Sarkissian, Armen**, Former Prime Minister of Armenia and Director of the Eurasia Programme, University of Cambridge  
**Skinner, Robert**, Former Director, Oxford Institute for Energy Studies, Content Coordinator for the Conference and Associate Fellow of Chatham House  
**Solana, Javier**, High Representative for the CFSP  
**Taylor, Simon**, Director, Global Witness  
**Walther, Arne**, Secretary General, International Energy Forum  
**Weart, Spencer**, Center for History of Physics, American Institute of Physics

#### *Other Participants*

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**Albistur, Xavier**, Senadores Nacionalistas Vascos Parliamentary Group  
**Alvarez González, D. Juan Manuel**, Secretary General, Spanish Committee of the World Energy Council  
**Baltasar, Basilio**, Director of Institutional Relations, Grupo PRISA  
**Blakey, Simon**, Senior Director, European Energy, Cambridge Energy Research Associates  
**Bojilov, Svetoslav**, Co-Founder, The Tipping Point Foundation  
**Borislavova, Tzvetelina**, Co-Founder, The Tipping Point Foundation  
**Bravo Angel, Ana María**, Genencor Corporation  
**Burjanadze, Nino**, Chairperson of the Parliament of Georgia  
**Butta, Ryan**, Blue Hackle  
**Caccia, Charles**, Senior Fellow, Institute of Environment, University of Ottawa  
**Casilda Béjar, Ramón**, President of the Commission for Ibero American Relations, Confederación Española de Directivos y Ejecutivos (CEDE)  
**Castro Rabadán, José**, Socialist Senator  
**Díaz, Belén**, Chair of the Programme Bonne Gouvernance/PRSP au Tchad, Internón Oxfam  
**Dunlop, Nicholas**, Secretary-General, E- Parliament  
**Echagüe, Ana**, Junior Researcher, FRIDE  
**Esser, Charles**, Energy Analyst, International Crisis Group  
**Gil Lozano, Jorge**, CEO American Express-España  
**González Arias, Orlando**, ERA España – Fajardo Limited  
**Halling Bernd**, Democracy Advisor to Cecilia Malmström MEP  
**Helgesen, Malin**, Attorney-at-Law, Vinge law firm

**Helgesen, Vidar**, Secretary General, International IDEA

**Hidalgo, Silvia**, Chair and co-founder, DARA

**Hunt, Suzanne**, Project Manager, World Watch Institute

**Isbell, Paul**, Economy and international Trade analyst, Director of the Energy Program, Real Instituto Elcano

**Halling, Bernd**, Democracy Advisor to Minister of EU Affairs, Sweden

**Janning, Josef**, Vice-President, Bertelsmann Stiftung

**Laborda, Juan José**, Former President of the Spanish Senate.

**Lemmers, Jos**, Head of the Democracy Department, Directorate-General of Political Affairs, Council of Europe

**Liswood, Laura**, Secretary General, Council of Women World Leaders

**Litovsky, Alejandro**, Senior Advisor, AccountAbility

**Lowenthal, Abraham F.**, Professor of International Relations, University of Southern California

**Mabey, Nick**, Director, Third Generation Environmentalism (E3G)

**Manzano, Cristina**, Chief Editor, Foreign Policy Spanish Edition

**Martínez-Soliman**, Magdy Executive Head of the United Nations Democracy Fund

**Mayordomo, Yolanda**, Chief, International Relations, IBERDROLA.

**Melchior Navarro, Ricardo**, Senator, Coalición Canaria

**Mendelson Forman, Johanna**, Senior Associate, Center for Strategic and International Studies, and Senior Advisor to the SRSG, UN Mission to Haiti, MINUSTAH

**Mezoui, Hanifa**, Chief, NGO Section, Dept of Economic and Social Affairs, United Nations

**Micó, Plácido**, Secretary General of the main opposition party, Guinea

**Miguel de, Ramón**, Consejero de Iberdrola, President of the European Bioethanol Fuel Association

**Mounzeo, Christian**, President of Rencontre pour la Paix et les droits de l'homme (RPDH)

**Nason, Christopher**, Blue Hackle

**O' Regan, Sean**, Horizontal and Emerging Security Issues, Policy Planning and Early Warning Unit, General Secretariat of the Council of the European Union

**Ortiz Antelo, Oscar**, Senator, Chief PODEMOS, Bolivia

**Ramírez Pomatta**, President of Mutua Madrileña

**Rodríguez, Jesús**, Member of the Argentine Parliament

**Scheuer, Marc**, Director of Political Advice and Cooperation, Council of Europe

**Segrelles García, Jorge**, Director, Fundación REPSOL

**Segui Díaz, José**, Senator, Grupo Popular

**Serra, Narcís**, Former Vice President of the Spanish Government, President of Caixa Catalunya

**Singh, Naresh**, Executive Director High Legal Commission on Legal Empowerment

**Stevens, Paul**, BP Professor of Petroleum Policy, Centre for Energy, Petroleum and Mineral Law and Policy

**Tomowski, Arno**, Director, Environment and Infrastructure, GTZ

**Zaballa, Juan José**, Fundación Empresa y Crecimiento

# CLUB OF MADRID GENERAL

## Information

The Club of Madrid (CoM) was launched following the Conference on Democratic Transition and Consolidation (CDTC), held in Madrid, Spain, in October 2001. At this unprecedented gathering, 35 heads of state and government from Europe, the Americas, Asia and Africa, met with more than 100 of the world's most respected scholars and policy experts to discuss the problems of building democracy from both a theoretical and practical point of view.

The CoM is an independent organization dedicated to strengthening democracy around the world by drawing on the unique experience and resources of its Members – democratic former heads of state and government. In partnership with other organizations and governments that share its democracy-promotion goals, the CoM provides peer to peer counsel, strategic support and technical advice to leaders and institutions working towards democratic transition and consolidation.

The CoM's primary asset is its Membership, which includes 66 distinguished former heads of state and government of democratic nations. The CoM seeks to use as leverage the first-hand experience of its Members to assist countries with critical elements of their democratic transition or consolidation. A distinguished group of scholars, former policy makers and political leaders provides additional advice and assistance on a wide range of issues. The CoM brings three principal resources to its work:

- A unique and extraordinary mix of former Heads of State and Government and leading practitioners and experts in the workings of democratic governance.
- A committed focus on democratic transition and consolidation.
- Programs with a practical approach and measurable results.

The CoM's President is Ricardo Lagos, former President of Chile. The Secretary General is Ambassador Fernando Perpiñá-Robert. The General Secretariat of the organization is based in Madrid, with offices in Brussels and Washington.

Since its creation the CoM has developed projects at the regional and national level in all five continents, with missions in Bolivia, Ecuador, Georgia, Ghana, Mali, Mauritania, Serbia and Montenegro, and Timor-Leste, amongst others. These projects have had the financial backing of various institutions, including the Agencia Española de Cooperación Internacional and the Ministry for Foreign Affairs (Spain), the City and Regional Governments of Madrid, the Corporación Andina de Fomento (CAF), the State Department (USA), Casa Asia (Spain), the European Commission, the Rockefeller Brothers Fund, UNDP and the governments of Sweden, Luxembourg and Norway.

In March 2005, in commemoration of the terrorist attacks that struck Madrid the year before, the CoM organized an International Summit on Democracy, Terrorism and Security with more than 1,200 participants, amongst them 200 experts, 17 Heads of State and Government, the Secretary General of the United Nations and many other leaders from international organizations

and delegations from more than 70 countries. As a result of the Summit, the Members of the CoM created the Madrid Agenda, together with practical recommendations on how to confront terrorism within a framework of democratic values.

The CoM celebrates annually its General Assembly with the participation of its Members, who also participate in the Annual Conference that is organised in parallel, to analyse in depth an issue relevant to the mandate and objectives of the CoM.

In 2007, following the V General Assembly and Annual Conference on "Energy and Democratic Leadership", the Members of the Club of Madrid established a High Level Task Force on Climate Change (HLTFCC) which will seek to provide the necessary leadership to establish a framework for an international agreement on climate change post-2012, working to engage the G8 process in 2007/2008. The Members also resolved to work on issues relating to energy poverty alleviation, seeking to provide a series of guidelines that will mitigate the drastic effects energy poverty has upon the developing world.



# Past Annual Conferences

## **IV ANNUAL CONFERENCE, 10-12 NOVEMBER 2005, CZECH MINISTRY OF FOREIGN AFFAIRS, PRAGUE**

Under the title “Democracy in the Post Communist World: Unfinished Business. What has been learned and how can it be applied?”, the CoM assessed the trajectories and contrasting outcomes of transitions to democracy in the former communist countries of Central, Eastern and Southern Europe, as well as in post-Soviet Central Asia.

## **III ANNUAL CONFERENCE, 12-13 NOVEMBER 2004, NATIONAL CONGRESS, MADRID**

The III Annual Conference focused on an analysis of the threats that increasingly afflict both emerging and consolidated democratic systems – “Democracies in danger: Diagnoses and Prescriptions”. These threats to democratic governance, both external and internal, were examined in depth and a series of concrete recommendations were formulated towards their mitigation and the application of future preventive measures.

## **II ANNUAL CONFERENCE, 1-2 NOVEMBER 2003, PALACE HOTEL, MADRID**

The theme of the II Annual Conference for discussion was “The role of the International Monetary Fund (IMF) and its Contribution to Democratic Governance”. Participants used the experiences of Brazil, Poland and Korea as case examples in three respective Working Groups, drawing general conclusions from these collective experiences. The recommendations of the Working Groups were analyzed and debated in a Roundtable discussion on the relations of the IMF with the G7 and other developed countries, and their influence on the definition of IMF policies and programs.

## **I ANNUAL CONFERENCE, 26 OCTOBER 2002, PALACE HOTEL, MADRID**

At the first Annual Conference of the Club of Madrid, Members declared their commitment to defend and consolidate democratic practices and institutions, to foster and support transitions to democracy, and to encourage those people for whom democracy remains an aspiration rather than a reality. This commitment remains the *raison d'être* of the Club of Madrid.

# Club of Madrid Members

**ADAMKUS, VALDAS** - (on leave) - President of Lithuania  
**AHO, ESKO** - Former Prime Minister of Finland  
**AHTISAARI, MARTTI**-Former President of Finland  
**ALFONSÍN, RAÚL** - Former President of Argentina  
**AL MAHDI, SADIG** - Former Prime Minister of Sudan  
**ARZÚ, ALVARO** - Former President of Guatemala  
**AYLWIN, PATRICIO** - Former President of Chile  
**AZNAR, JOSÉ MARÍA** - Former Prime Minister of Spain  
**BETANCUR, BELISARIO**- Former President of Colombia  
**BILDT, CARL** - Former Prime Minister of Sweden  
**BIRKAVS, VALDIS** - Former Prime Minister of Latvia  
**BONDEVIK, KJELL MAGNE** - Former Prime Minister of Norway  
**BRUNDTLAND, GRO HARLEM** - Former Prime Minister of Norway  
**CALVO SOTELO, LEOPOLDO** - Former Prime Minister of Spain  
**CAMPBELL, KIM** – Former Prime Minister of Canada<sup>1</sup>  
**CARDOSO, FERNANDO HENRIQUE** - Former President of Brazil  
**CAVACO SILVA, ANÍBAL** (on leave) - President of Portugal  
**CHISSANO, JOAQUIM** - Former President of Mozambique  
**CLINTON, WILLIAM J.** - Former President of the United States of America, Honorary Co-Chair of the Club of Madrid  
**DIMITROV, PHILIP** - Former Prime Minister of Bulgaria  
**EL ERYANI, ABDULKARIM** - Former Prime Minister of Yemen  
**FERNÁNDEZ, LEONEL** (on leave) - President of the Dominican Republic  
**FIGUERES, JOSÉ MARÍA** - Former President of Costa Rica  
**FINNBOGADOTTÍR, VIGDÍS** - Former President of Iceland  
**FREI RUIZ-TAGLE, EDUARDO** - Former President of Chile  
**GAVIRIA, CÉSAR** - Former President of Colombia  
**GONZÁLEZ MÁRQUEZ, FELIPE** - Former Prime Minister of Spain  
**GORBACHEV, MIKHAIL** - Former President of the Soviet Union  
**GUJRAL, INDER KUMAR** - Former Prime Minister of India  
**GUTERRES, ANTÓNIO** - Former Prime Minister of Portugal  
**HAVEL, VÁCLAV** - Former President of Czechoslovakia and of the Czech Republic  
**HURTADO, OSVALDO** - Former President of Ecuador  
**JOSPIN, LIONEL** - Former Prime Minister of France  
**KOHL, HELMUT**- Former Chancellor of Germany  
**KOK, WIM** - Former Prime Minister of the Netherlands  
**KONARE, ALPHA OUMAR** - Former President of Mali  
**KUČAN, MILAN** - Former President of Slovenia

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<sup>1</sup> The Rt. Hon. Kim Campbell was Secretary General of the Club of Madrid during the V Annual Conference. Her term of office came to an end December 31<sup>st</sup> 2006, whereupon she was succeeded by Ambassador Fernando Perpiñá-Robert.

**LACALLE HERRERA, LUIS ALBERTO** - Former President of Uruguay  
**LAGOS, RICARDO** - Former President of Chile, President of the Club of Madrid  
**LAGUMDŽIJA, ZLATKO** - Former Prime Minister of Bosnia and Herzegovina  
**LEE, HONG KOO** - Former Prime Minister of Korea  
**MASCARENHAS MONTEIRO, ANTONIO M.** - Former President of Cape Verde  
**MASIRE, KETUMILE** - Former President of Botswana  
**MAZOWIECKI, TADEUSZ** - Former Prime Minister of Poland  
**MEIDANI, REXHEP** - Former President of the Republic of Albania  
✚ **MERI, LENNART** - Former President of Estonia  
**MKAPA, BENJAMIN** - Former President of Tanzania  
✚ **PANIAGUA, VALENTÍN** - Former President of Peru  
**PANYARACHUN, ANAND** - Former Prime Minister of Thailand  
**PASTRANA, ANDRÉS** - Former President of Colombia  
**PÉREZ DE CUÉLLAR, JAVIER** - Former Prime Minister of Peru  
**PRODI, ROMANO** - (on leave) Prime Minister of Italy  
**QUIROGA, JORGE** - Former President of Bolivia  
**RAMOS, FIDEL VALDES** - Former President of the Republic of the Philippines  
**RASMUSSEN, POUL NYRUP** - Former Prime Minister of Denmark  
**ROBINSON, MARY** - Former President of Ireland, Vice-President of the Club of Madrid  
**ROMAN, PETRE** - Former Prime Minister of Romania  
**SAMPAIO, JORGE FERNANDO BRANCO DE** - Former President of Portugal  
**SÁNCHEZ DE LOZADA, GONZALO** - Former President of Bolivia  
**SANGUINETTI, JULIO MARÍA** - Former President of Uruguay  
**SHIPLEY, JENNIFER MARY** - Former Prime Minister of New Zealand  
**SOARES, MARIO** - Former President of Portugal  
**SUÁREZ, ADOLFO** - Former Prime Minister of Spain  
**SUCHOCKA, HANNA** - Former Prime Minister of Poland  
**UTEEM, CASSAM** - Former President of Mauritius  
**ZEDILLO, ERNESTO** - Former President of Mexico

## **IN MEMORIAM**

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**MERI, LENNART, FERNANDO (1929-2006)** - Former President of Estonia

**PANIAGUA, VALENTÍN (1936-2006)** - Former President of Peru

## **SECRETARY-GENERAL OF THE CLUB OF MADRID**

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**PERPIÑA-ROBERT, FERNANDO**, Former Deputy Secretary of the Ministry of Foreign Affairs of Spain, Former Ambassador of Spain to Germany and Hungary and Former Consul General in Paris.

## **HONORARY MEMBERS**

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**DELORS, JACQUES** - Former President of the European Commission

**CARTER, JIMMY** - Former President of the United States of America

## **INSTITUTIONAL MEMBERS**

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**AGUIRRE, ESPERANZA** - President of the Regional Government of Madrid

**RODRÍGUEZ ZAPATERO, JOSÉ LUIS** - Prime Minister of Spain

**RUIZ-GALLARDÓN, ALBERTO** - Mayor of the City of Madrid

## **MEMBERS OF THE CONSTITUENT FOUNDATIONS**

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**HIDALGO, DIEGO** - President of *Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE)*

**JONES, T. ANTHONY** - Vice - President and Executive Director of the *Gorbachev Foundation of North America*

**MATTHEWS, GEORGE** - Chairman of the *Gorbachev Foundation of North America*

**ROMERO MORENO, JOSÉ MANUEL** - Vice - President of *Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE)*



CLUB DE MADRID