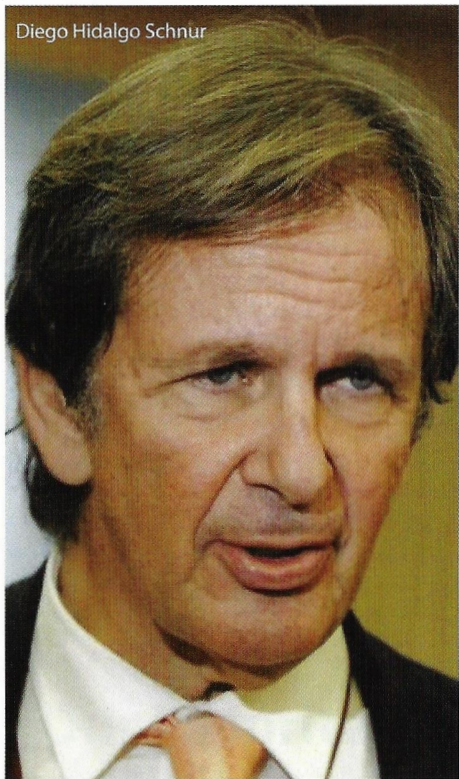


Diego Hidalgo Schnur

A Man of Principle, A Man for All Seasons

by John Whitman



Mr. Hidalgo with former UN Secretary General Kofi Annan

Diego Hidalgo Schnur is a man of many accomplishments. From his impact on the publishing world in Spain, to his work to strengthen democracy and promote peace around the world, to his significant philanthropic work in Spain and elsewhere, it is indeed an honor for the Spain-U.S. Chamber of Commerce to welcome Mr. Hidalgo to our annual gala dinner.

His founding and strong support of organizations such as the Club of Madrid, FRIDE, and the University of the Middle East Project are having an impact on a global scale. *Spain: The Business Link* sat down with Mr. Hidalgo in September to chat about what's going on with the Club of Madrid, the Global Leadership for Climate Action, and the Clinton Global Initiative.

LINK *While you're in New York for the Spain-U.S. Chamber of Commerce's annual gala dinner, I understand that you'll also be attending another important event over the same time period—the Clinton Global Initiative (CGI). What is your role in the CGI, and what do you hope to see accomplished there at its September meeting?*

HIDALGO The CGI's goal is to assemble about a thousand of the most influential people in the world, including heads of state and government, other politicians, businessmen, and philanthropists and get them to present projects in the areas of poverty eradication, climate change, health, and conflict resolution and make commitments to carry them through. My role as founder of FRIDE, Club of Madrid, CITPax, DARA, and other important international nongovernmental organizations is to present our commitments, coordinate with others, and contribute our relevant expertise at the CGI's working sessions.

LINK *Are there other members of FRIDE or the Club of Madrid, or other Spaniards, who will be attending the Clinton Global Initiative? If so, who?*

HIDALGO Many of the more than seventy former heads of state and government who are members of the Club of Madrid (including President Clinton, who is its honorary co-chairman, President Lagos, and Vice President Mary Robinson) are attending the CGI. In addition, President José María Figueres, CEO of our group, and Silvia Hidalgo, head of DARA, who will be presenting the Humanitarian Response Index, will attend. I know that María del Pino and Amadeo Petitbó, heads of Fundación del Pino, will also be there.

LINK *You are the president of the Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE). Could you tell us a little bit about the organization? What are some of its important projects that it is carrying out right now?*

HIDALGO FRIDE is a European think tank based in Madrid, directed by Pierre Schori, an outstanding former Swedish minister of cooperation and most recently head of the 14,000-member UN peacekeeping mission in the Ivory Coast. FRIDE deals with global problems: democratization and human rights, peace, conflict prevention and resolution, and humanitarian and development aid. Although FRIDE is a think tank, it creates "action tanks" such as the Club of Madrid to strengthen democracy and CITPax to prevent and solve conflicts, presently operating mainly in the Middle East and in Colombia. A FRIDE project jointly with OSI and other prominent Europeans is the imminent launching of a European Council on Foreign Relations (ECFR) that aims to strengthen Europe's values throughout the world.

LINK *I've heard that you and George Soros have been good friends for some time, and Mr. Soros currently serves as an advisor to the Club of Madrid—UN Foundation Global Leadership for Climate Action. Where did you first meet and how did you become friends?*

HIDALGO Our friendship is strong but relatively recent. We met in London a few years ago. I admire his values and agree with his views on how to improve the state of the world. We support jointly the Democracy Coalition Project with offices in Washington, which provides support for a World Community of Democracies. He contributed his intellectual resources (not financially) to the Club of Madrid's 2005 summit on how to confront terrorism, and we are now committed to launch the ECFR I described above.

LINK *When you put together the Club of Madrid, you were able to get an amazing list of heads of state to sign on to the project. What was the key*

to getting such a far flung group of people excited about a new idea and a new organization?

HIDALGO The Club of Madrid was established following a fantastic Conference on Democratic Transition and Consolidation (CDTC) held in Madrid in October 2001. The CDTC was thought out by Professor Jorge Domínguez from Harvard and by me with the support of Mikhail Gorbachev and later on by King Juan Carlos and the Aznar government. Eight groups of the best world experts worked for a year on different aspects of democratization, such as constitutional design, anticorruption measures, political parties, and civil society. Ultimately, they presented their very concrete recommendations to thirty-five heads and former heads of state and government. This outstanding content, and the key support provided by President Clinton and President Cardoso of Brazil, among others, was key to the Club of Madrid's birth and success.

“Democracy should be and is in the interest of business; nobody thrives more than business when democracy works and delivers results.”



Mr. Hidalgo speaks with Lionel Jospin, former prime minister of France



Diego Hidalgo and others pose with the King and Queen of Spain.

LINK *The mission of the Club of Madrid and that of FRIDE is to promote the growth and development of democracy. Do you think that business promotes the strengthening of democracy, and in what ways could chamber members use their businesses to strengthen democracy around the world?*

HIDALGO Democracy should be and is in the interest of business; nobody thrives more than business when democracy works and delivers results. There is a rule of law, a functioning division of powers, an independent judiciary, and good governance. Chamber members can adhere to best practices, support democratic governments, and be wary of undemocratic ones, and follow the recommendations of the experts from the CDTC. I would be very happy if they could also support the most effective organizations promoting democracy, such as FRIDE and the Club of Madrid.

LINK *Our world seems to have grown more polarized as it seeks answers to the issues of our day. What role do you see for the Club of Madrid within this polarized world?*

HIDALGO The Club of Madrid is the best platform that exists today that can be considered neutral for the discussion and debate of issues of democratization, terrorism, climate change, identity, or culture. For example, in September 2005, the Club of Madrid hosted "Terrorism, Security, and America's Purpose: Towards a More Comprehensive Strategy," a bipartisan conference in Washington, DC. Through this forum, the Club of Madrid created a guarantee of neutrality so that people of many political backgrounds and of diverse opinions could come together to discuss the course that America was charting in the war on terror. In response to our efforts and as a demonstration of our neutral character, the U.S. Senate passed a resolution by a vote of 100-0, applauding the Club of Madrid for its work in developing an agenda for fighting terrorism and strengthening democracy.

LINK *The Club of Madrid just released, in conjunction with the UN Foundation, a framework to halt climate change that is being developed by the Global Leadership for Climate Action. What kind of market-based elements are built into the plan to address global warming? What arguments would you make to the business community to gain its support for the initiatives?*

HIDALGO To deliver the greatest climate benefits efficiently and effectively, the Club of Madrid and Global Leadership for Climate Action (GLCA) is convinced that a carbon price should be set

through carbon taxes or trading. This entails establishing a system of harmonized, universal carbon taxes. For a cap-and-trade system, the GLCA believes that well-functioning and financially linked carbon markets need to be developed across the globe, incorporating various national and regional cap-and-trade programs. Emissions allowances should be auctioned, thus raising resources that can be allocated by national governments for other purposes, such as clean energy development and adaptation. Incentives could also be provided to businesses that beat these targets in the form of credits against their future emission targets. All stakeholders need to be engaged, and adaptation should be seen as an economic opportunity rather than an impossible burden. Market-based mechanisms are good at identifying the cheapest mitigation opportunities among existing options and spurring innovations that have immediate cost reductions and that spur economic growth. Public-private partnerships to mitigate climate change need to continue to be developed to realize this important role for the private sector. The benefits of the private sector taking action now are considerable compared with the heavy penalties of postponing action.

LINK *You are on the board of a very interesting organization, the University of the Middle East (UME) Project. In today's world, the project seems more relevant than ever. Could you tell us a little bit about the organization, its mission, and Spain's role in the project?*

HIDALGO I am supporting both UME, whose goals are to promote excellence in education in the Middle East in a context of regional tolerance and cooperation, as well as to concentrate on teacher training, sustainable development, and governance; and EFE (Education for Employment Foundation), whose goal is to increase employment by creating very practical educational institutions in Arab countries, by recycling educated people to find jobs, and by creating job opportunities throughout the Arab world. Both are outstanding institutions and are working in the United States and Europe with offices in Spain, where UME has organized monthly courses in this decade on governance and sustainable development in cooperation with the Universidad de Castilla-La Mancha.

LINK *As a board member for the organization, what kinds of positive impacts have you seen the UME, whether in Spain or the United States, have over people's lives?*

HIDALGO UME has an extremely active network of some five hundred alumni who not only occupy important positions in Israel,

The University of the Middle East has an extremely active network of some five hundred alumni who not only occupy important positions in Israel, Palestine, and other Arab countries, but who are also committed to achieving peace in the Middle East in their generation instead of leaving it for the future.

Palestine, and other Arab countries, but who are also committed to achieving peace in the Middle East in their generation instead of leaving it for the future. Their influence will not be negligible. EFE is a younger institution with an outstanding potential to create jobs. Studies show that employed people are a factor of stability and against radicalization.

LINK *In your 1996 book El futuro de España, you describe what you think Spain will be like in 2020. Over the past ten years, has that viewpoint changed?*

HIDALGO Spain's economic performance and integration into the European Union has gone much better than I predicted; on the other hand, some of the main problems I analyzed, like lack of competitiveness, weaknesses in the educational system, being laggards in R&D, and the future of the pension system continue. I underestimated the influence of nationalist-conducted education on forces toward separation, particularly in both the Basque Country and

Catalonia. At the global level, I—like many others—tried to refute Samuel Huntington's theory of the Clash of Civilizations; like global warming and regardless of who you blame for it, it is another "inconvenient truth" that the world must face and solve urgently.

LINK *You have been involved with so many organizations and businesses throughout your professional life. Is there any one that stands out as the most rewarding?*

HIDALGO Several. My work in Africa with the World Bank in the 1970s. My modest involvement in the founding of *El País* in Spain; the wonderful success of FRIDE and the institutions it has created since 2000; perhaps the most rewarding, though, is the Fundación Maimona, a fantastic success of regional integration (economic, business, new technologies, cultural, and educational development in Los Santos de Maimona, my and my father's village in the province of Badajoz).

Diego Hidalgo—A Lifetime of Accomplishment

From Harvard to the World Bank to the Club of Madrid, Diego Hidalgo has a C.V. that would make any mother proud. This short list casts a long shadow—one of accomplishment and greatness.

EDUCATION

- Law degree from the Universidad Complutense (1964)
- MBA from Harvard University (1968)
- Doctorate in political science at the City University of New York (2001)

PAST EXPERIENCE

- Managing director and president of Alianza Editorial, Editorial Revista de Occidente, and Editorial Labor (until 1989)
- President of the board of the Universidad de Extremadura (1986–99)
- In 1994, entered into the Fellows Program of the Weatherhead Center of International Affairs at Harvard, where he served as a senior associate of the Center for European Studies from 1996–99.

ORGANIZATIONAL INVOLVEMENT

- Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE) (president)
- Gorbachev Foundation of North America (GFNA) (founding member and senior fellow)
- Club of Madrid (member of executive committee)

- Fund for Research and Investment for the Development of Africa (FRIDA) (founder)
- PRISA/*El País* (cofounder and long-time member of the board)
- Development Finance Corporation (DFC) (president)
- Club of Rome (active member and member of its board of governors)
- Cadena SER (board member)
- Corporación Empresarial de Extremadura (board member)
- Fundación Santillana (board member)
- SOGECABLE (board member)
- Confederación Española de Fundaciones (board member)
- Centro Internacional de Toledo para la Paz (board member)

HONORS

- Dr. Honoris Causa from Northeastern University (2001)
- Received Spain's Gran Cruz de la Orden del Mérito Civil (March 2002)

PUBLISHED WORKS

- *El futuro de España* (Taurus, 1996), which was on the top ten bestsellers list in Spain for 23 weeks
- *Europa, Globalización y Unión Monetaria* (Siddarth Mehta, 1998)