Who are you listening to?
Our Mission

The RAND Corporation is a nonprofit institution that helps improve policy and decisionmaking through research and analysis.
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At the heart of RAND’s work is a belief that fact-based analysis can make individuals and communities safer and more secure, healthier and more prosperous. In 2012, demand for our expertise made clear that decisionmakers, thoughtleaders, and policy-minded individuals throughout the world crave our research and analysis as they look to take on the challenges before them and get ahead of those still to come.

How do we know? We worked for more clients and on more projects. We received more gifts from more donors who share our commitment to public service. Media coverage of RAND analysis and people was up more than 25 percent, and published commentary bringing our research and expertise to unfolding policy debates more than doubled. The new RAND Blog, weekly Policy Currents e-newsletter, and our first iPhone app have expanded our online audience. By year’s end, our research products were downloaded more than 5.5 million times and more than 18,000 people were following RAND on Twitter.

Amidst all the noise and static of today’s policy debates, people are listening to RAND. As we build upon our accomplishments from the past year, we thank you for supporting our people and ideas.

Paul G. Kaminski
Chairman, RAND Board of Trustees

Michael D. Rich
President and Chief Executive Officer
Extreme events, both natural and man-made, demonstrate the extent to which people are—or are not—prepared to handle crises. RAND’s deep bench of expertise in emergency preparedness continues to help individuals and communities contend with future disasters.
Emergency Preparedness

Since the terrorist attacks of September 11, 2001, and catastrophes that followed such as hurricanes Katrina and Rita in 2005, the U.S. government and many nongovernmental organizations have sought to boost citizen preparedness for disasters. After years of campaigns and countless household surveys that track the preparedness activities of individuals and households, one thing has become clear: Existing messages are not influencing behavior. Several community resilience experts at RAND who are engaged in efforts to help people better survive disasters have concluded that communications on preparedness will be more effective only when we rely less on conventional wisdom and more on empirical data about which aspects of bystander response are most helpful and which may be counterproductive. “Evidence and measurement,” says policy researcher Lori Uscher-Pines, “combined with a critical examination of long-held assumptions, offer us the surest path to preparedness.”

The preparedness of hospitals and other health care facilities came into stark relief in November 2012 in the wake of Superstorm Sandy. In a post-storm commentary, Arthur Kellermann recounts that many experts considered New York City a national leader in disaster preparedness, but when Sandy’s storm surge swept through areas of lower Manhattan, two hospitals shut down because critical components of both hospitals’ backup power supplies were submerged in their basements. Likewise, a nursing home in Queens was disabled when a backup generator on its first floor was destroyed. Ultimately, the problem was not mechanical failure but a failure to even anticipate that a storm of Katrina’s magnitude could land in such a different part of the country and cause such destruction.

“A health care facility can muddle along with limited supplies and a short-handed staff for several days, but it cannot function without power. No city can absorb a hit as massive as those inflicted by Hurricanes Katrina and Sandy without sustaining serious damage. But with proper foresight, communities can take important steps, in advance, to limit the consequences and swiftly bounce back. This includes assuring that essential facilities, such as hospitals, nursing homes, and gas stations have a reliable and survivable source of emergency power.”

Arthur L. Kellermann, Paul O’Neill Alcoa Chair in Policy Analysis, The RAND Blog
Trauma and Gun Violence

After the Sandy Hook Elementary School massacre in Newtown, Connecticut, in which twenty children and six adult staff members were fatally shot, clinical psychologist Lisa Jaycox wrote in a RAND.org commentary, “We’ve come a long way since 2001, when there were few resources and little public recognition on how children react to trauma and grieve.” Jaycox was instrumental in the creation of the Cognitive-Behavioral Intervention for Trauma in Schools (CBITS) program. CBITS helps detect youth with symptoms of post-traumatic stress disorder (PTSD) that may or may not be recognized by parents and teachers and reduce symptoms of anxiety, depression, and PTSD. The program also helps mobilize resilience factors (like peer and parent support) to allow children to function more adaptively at school, at home, and socially. CBITS has been implemented with great success in the Los Angeles Unified School District and in New Orleans–area schools, and can help students in communities like Newtown.

Arthur Kellermann, the Paul O’Neill Alcoa Chair in Policy Analysis, is a thoughtleader in the ongoing conversation on reducing U.S. gun violence. In the Journal of the American Medical Association, he identifies specific federal and state laws that have sharply reduced support for firearm injury research since the late ’90s. He argues that the U.S. might today be in a better position to respond to these increasing incidents of gun violence if medical and public health researchers had been funded to study the issue as they had been between 1985 and 1997. And at healthaffairs.org, Kellermann urged decisionmakers to not judge the feasibility of various policy options through the lens of a single event. “Just because an intervention doesn’t work 100 percent of the time doesn’t mean it can’t—or won’t—decrease the frequency or severity of gun violence,” he wrote. “Over the last 20 years, the number of Americans dying in motor vehicle crashes has declined by 31 percent. Deaths from fires and from drowning have fallen even more. This progress was achieved without banning automobiles, swimming pools, or matches.”
Louisiana Coastal Master Plan

In the aftermath of hurricanes Katrina and Rita in 2005, RAND created the Gulf States Policy Institute to support hurricane recovery and long-term economic development in Louisiana, Mississippi, and Alabama.

This year, innovative research and analysis led by RAND researchers Jordan Fischbach and David Groves—both alumni of the Pardee RAND Graduate School—helped Louisiana adopt a long-range master plan for a sustainable coast. To guide the state’s investments and help its coastal citizens plan for the future, RAND developed a new hurricane flood risk model to assess effects of projects designed to reduce damage from flooding, as well as a planning framework and decision support model to develop and compare different coast-wide groupings of risk reduction and restoration projects. The Louisiana legislature unanimously approved the master plan in May 2012 after months of public comment and review.

These modeling efforts stand at the forefront of work on the topic of coastal restoration and sustainability. They have had a major impact on Gulf State infrastructure planning, with implications for mitigating damage from disasters elsewhere in the United States and abroad.

Lynn E. Davis is a senior political scientist and director of RAND’s Washington office. Her current research focuses on citizen preparedness, strategic planning, terrorism, and defense strategy and force structure issues. Davis’ commentary has appeared in *U.S. News & World Report* (“Changing World Climate Requires a Dynamic Foreign Policy”) and at cnn.com (“Quake a Disaster ‘Drill’ D.C. Flunked”) and her RAND publications include *Public Health Preparedness and Response to Chemical and Radiological Incidents* (2009) and *Hurricane Katrina: Lessons for Army Planning and Operations* (2007).
Our clients in the public sector rely on RAND to help them better allocate resources, foresee and mitigate risks, and analyze alternatives. RAND is continually engaged in studies that aim to cut costs without sacrificing effectiveness or safety, freeing up scarce resources for other vital needs.
Air Attack Against Wildfires

Wildfire suppression costs have increased dramatically since 2000, currently averaging about $1.65 billion per year. This is because residential development has expanded into areas that were previously wilderness, and may also be due to changes in weather and the accumulation of burnable wood and grasslands created by years of aggressive wildland fire suppression.

The average cost of a large wildfire—costs associated with destroyed property and fire suppression—is $3.3 million but some fires near urban areas are much more costly. The U.S. Forest Service—with an aging fleet of contracted fixed-wing airtankers—asked RAND what mix of airtankers, scoopers, and helicopters would minimize the total costs of wildfires and of the aircraft used to fight them. The research team developed two separate but complementary models to estimate the optimal portfolio of “initial-attack aircraft”; that is, aircraft that support on-the-ground firefighters in containing a potentially costly fire while it is still small. Both models favor a fleet mix dominated by water-carrying scoopers, with a niche role for retardant-carrying airtankers. Although scoopers require proximity to an accessible body of water, they have two advantages: shorter cycle times to drop water and lower cost.

This analysis provides a framework for the Forest Service to rebuild its fleet, and is also helping fire agencies across the western United States learn from the Forest Service experience. Mutual assistance is a hallmark of fire suppression, and governments at all levels—federal, state, and local—have a role to play.

Savings in the Military Personnel Budget

Budgetary pressures to reduce the federal deficit have raised the question of whether the U.S. Department of Defense can realize savings in the military personnel budget without jeopardizing the nation’s ability to sustain a high-quality all-volunteer force. A RAND National Defense Research Institute project answering that question points to two favorable trends. First, manpower demand will decrease, by some 72,000 soldiers and 20,000 marines, as the drawdown in Afghanistan continues. Second, the factors influencing supply are also favorable: Military pay has grown greatly relative to civilian pay in the past decade, the services’ active and reserve components have met or exceeded their numerical recruiting goals over the past few years, and at the same time recruit quality has been increasing. The evidence indicates that the nation has taken care to pay its service members well, compared with civilian benchmarks, and that some easing of the growth in compensation could occur without putting force management at risk. RAND proposed several options for slowing the rate of increase, e.g., temporarily dropping the increase rate below that of civilian compensation, or freezing basic pay for a year; such changes could produce cost savings totaling $5 billion to $17 billion over ten years.
Reorganizing the Air Force Materiel Command

Spending cuts imposed by the Budget Control Act of 2011 resulted in the need to significantly reduce civilian authorizations at the U.S. Air Force Materiel Command. The command’s leadership responded with a major reorganization to reduce staff functions while implementing the Office of the Secretary of Defense product support business model, which keeps cradle-to-grave weapon system program management under the Service Acquisition Executive. Several members of Congress had concerns about how the reorganization might affect weapon system sustainment and, through the National Defense Authorization Act for 2012, directed the Secretary of the Air Force to have a federally funded research and development center review the proposed reorganization. In January 2012, RAND Project AIR FORCE (PAF) was tasked to conduct this review, which included an analysis of proposed manpower savings and an assessment of the impact on weapon system life cycle management and support to the warfighter. PAF verified manpower savings of approximately $100 million per year resulting from the reorganization and recommended process enhancements that, if implemented as part of the reorganization, would have the potential to enhance support to warfighters and further improve efficiencies. These recommendations are under consideration by the Air Force.

Robert S. Tripp is a senior management scientist with more than 35 years of experience in the areas of military logistics systems design, development, management, and evaluation. At RAND, Tripp has led U.S. Army and U.S. Air Force research projects that have evaluated the cost-effectiveness of alternative support postures, several of which have led to changes in support system designs. He currently leads projects that evaluate how support policy, practice, and technology options impact the effectiveness and efficiency of Air and Space Expeditionary Forces. In industry, Tripp has held corporate officer positions, supervising business development activities and managing several logistics information system development projects. During his Air Force career, he held several logistics positions, including program manager for two large logistics information systems that are still in use today. He has also served as an ad hoc logistics advisor to the Air Force Scientific Advisory Board.
Aircraft and Airspace Modernization

The aim of legal mandates for airspace modernization, certification requirements, and minimum aircraft capability and equipment standards is to improve the efficiency and safety of air traffic. Mandates drive improvements in technical and operational standards but can also result in restricted or denied access to premium altitudes, routing, and even airports for noncompliant aircraft.

Aircraft modernization ensures continued access to fuel-efficient cruising altitudes and congested airspace, but these future benefits require an upfront investment in avionics upgrade programs. In a fiscally constrained environment, decisionmakers must weigh the quantifiable future costs that would be avoided by upgrades against the costs of modernization.

Building on expertise in the cost-effectiveness of modernizing the U.S. Air Force’s KC-10 aerial refueling tanker, RAND extended the analysis to the C-5, C-17, C-130, and KC-135 fleets, evaluating the cost-effectiveness of modernizing these aircraft for compliance with forthcoming communication, navigation, and surveillance/air traffic management mandates.

RAND found that the Air Force can avoid nearly $6 billion in operating costs by modernizing the C-5, C-17, and KC-135 fleets to comply with a forthcoming surveillance mandate known as ADS-B Out. For the C-130, such modernization will be cost-effective only if the upgrade can be accomplished for no more than $1.5 million for the C-130 and $1.3 million for the C-130J, or if fuel prices increase to $3.50 or $4.00 per gallon, respectively.
Upon bin Laden’s death in 2011, many thoughtleaders were proclaiming the imminent defeat of al Qaeda. But as U.S. and allied forces prepare to withdraw from Afghanistan, al Qaeda affiliates are resurgent throughout the Muslim world.
**Leaving Afghanistan**

A spate of attacks by Afghan police and military forces on their coalition partners and advisors in 2012 heightened concerns among stakeholders about the capabilities, loyalty, and staying power of the Afghan National Security Forces. Olga Oliker suggests that the Afghan forces are more capable than one might expect. In an October 2012 commentary, “What the Soviets Can Teach Us About Leaving Afghanistan,” Oliker reflects on some of the similarities between the Soviet experience in Afghanistan two decades ago and that of today’s NATO-led International Security Assistance Force. She points to evidence that Soviet advisors significantly underestimated what their Afghan partners could do but that, in fact, the government of then-President Mohammad Najibullah did not immediately descend into total chaos when the Soviets left.

There are, however, two things we can take from the Soviet experience that are crucial to the future of Afghanistan and somewhat less encouraging. First, the capability of the Afghan security forces and their ultimate success remains heavily dependent on foreign financial support and armaments. And second, Afghanistan needs a central government with enough strength, support, and willpower to maintain control of the bulk of its forces.

“The 2014 Afghan election will be an important bellwether: How well the security forces keep order leading up to, during, and after that election will tell far more than any number of International Security Assistance Force evaluations about their capabilities. But even more important than how the Afghan forces perform will be what candidates are fielded and what sort of support they get. Because without a genuine government to report to, there is no reason to expect the Afghan security forces—regardless of their capabilities—to do much good at all.”

Olga Oliker, associate director, RAND International Security and Defense Policy Center, *U.S. News & World Report*
Disengaging from Terrorist Groups

In 2012, Emma Disley and her colleagues in RAND Europe examined individual disengagement from al Qaeda–influenced terrorist groups. They sought to answer two questions: (1) What are the psychological, social, and physical factors associated with leaving terrorist groups? and (2) What interventions have been employed to encourage individuals to leave terrorist groups, and is there any evidence of their effectiveness? Researchers found evidence that ties to family and friends outside the group and changing personal priorities are associated with the process of disengagement. But because little research on leaving such terrorist groups exists, researchers conducted a second assessment—this time of the factors involved in leaving other groups, such as street gangs, religious cults, right-wing extremist groups, and organized crime groups—in the hope of identifying potentially applicable lessons. The Office for Security and Counter-Terrorism in the UK Home Office is using RAND’s work to inform its terrorism-prevention policy and practice.
al Qaeda in Africa

African leaders are concerned that the western part of the continent will become overtaken by terrorists, including al Qaeda affiliates. Political scientists Stephanie Pezard and Michael Shurkin note that Mali is cause for concern because the nation’s social structure appears to be falling apart, leaving openings for terrorists to exploit. Drawing from their ongoing research, they offer four observations to find the best way forward.

“First, the Malian Army requires complete reformation—a narrow focus on counterterrorism capabilities will not help what is a hollow institution. Second, Mali needs to make progress toward effective leadership and transition back to constitutional order. Third, the democratization and decentralization processes initiated in the 1990s and ultimately embraced by the northern communities had flaws—which help explain the current crisis—yet the basic process and underlying theory remains sound. And fourth, only a sound Malian state can address the long-term socioeconomic grievances that have prompted the northern rebellion in the first place.”

Stephanie Pezard and Michael Shurkin, U.S. News & World Report

“As the United States prepares to withdraw its combat forces from Afghanistan in 2014, it should encourage India to fill any potential security vacuum that might thereby arise by adopting a more robust political, economic, and security stance toward Kabul.”

Larry Hanauer and Peter Chalk, in the 2012 RAND report India’s and Pakistan’s Strategies in Afghanistan

Listen in on our December 2012 media conference call on the crisis in Mali.
Military Well-Being

As extended and repeated deployments, physical injuries, and mental health problems continue to affect troops, veterans, and their families, RAND researchers are examining ways to best help those who have served in the U.S. armed forces.
Wounded Warriors Returning to Work

More than 2.5 million service members have deployed to Iraq and Afghanistan since 2001. As both wars end, RAND researchers are examining the types of return-to-work resources available to help wounded warriors obtain and retain gainful employment and to understand the effectiveness of these programs. In doing so, RAND is helping the U.S. departments of Defense and Veterans Affairs understand which programs are most effective, which provide a return on investment, and what strategies are needed to encourage service members and veterans to utilize them.

“Injured military personnel are returning to the United States with multiple injuries and are surviving them at rates higher than ever before. These rates present a unique challenge to the country, especially given that large numbers of the wounded warriors are young, and thus face challenges in returning to work.”


Senior social scientist Margaret Harrell directs the Army Health Program within the RAND Arroyo Center. The program conducts research and analysis to inform the Army’s effort to improve readiness, save lives, and advance wellness for Army service members and families. Harrell’s expertise is in manpower and personnel, military families, military quality of life, systems dynamics simulation modeling, and qualitative research methods. Her current and recent projects address military health issues, veteran employment and wellness, the management and assignment of general and flag officers, how best to support military families from both the active and reserve components, the assignment of Army women, how sexual assault cases are processed in the military, and exemplary research methods for lessons-learned scenarios.

In 2011, Harrell left RAND to lead the policy research for the White House’s Joining Forces initiative, a comprehensive national effort to provide opportunities to support U.S. service members, veterans, and their families. She returned to RAND in 2012.
Preventing Military Suicides

U.S. Army suicides hit a single-month high in July 2012, when 38 active and reserve-duty soldiers died by their own hands. And the end-of-year news was equally sobering when the Pentagon confirmed a record-high annual total of 349 suicides among active-duty troops across branches—nearly half of them carried out with privately owned firearms.

U.S. Senator Patty Murray, chairman of the Senate Veterans’ Affairs Committee, credited The War Within: Preventing Suicide in the U.S. Military, a 2011 RAND report by Rajeev Ramchand et al., with demonstrating serious gaps and a lack of consistency in military services’ suicide prevention programs. RAND recommendations were integrated into an amendment sponsored by Senator Murray requiring the Pentagon to implement a standardized and comprehensive suicide prevention program. The amendment passed the Senate in December 2012 and is now part of the National Defense Authorization Act for fiscal year 2013.

“Since firearms are a common method of suicide in the military, a focus on firearm safety is an important part of any military suicide prevention strategy. We recognize the seemingly contradictory nature of this policy within the military, but the importance of suicide prevention and preponderance of evidence supporting means reductions suggest that these strategies should warrant serious attention.”

Lisa Jaycox, senior behavioral scientist, Policy Currents

“RAND has made several recommendations to prevent military suicides, but two need to be highlighted. First, remove the barriers, including negative career consequences, that obstruct service members from accessing care when they need it. Second, think about creative and occupationally appropriate ways to restrict access to lethal means.”

Rajeev Ramchand, behavioral scientist, The RAND Blog
Labor Market Earnings of Injured Veterans and of Surviving Family Members

RAND is investigating how combat injury or death has affected the economic well-being of Iraq and Afghanistan veterans and their surviving spouses and children.

In one project for the Office of the Secretary of Defense (OSD), RAND researchers laid out how injury sustained by active component and reserve component service members affects their subsequent labor market earnings. Their work demonstrates how retirement and disability payments received from the U.S. departments of Defense and Veterans Affairs as well as the Social Security Administration compensate for injury. They found that earnings losses attributable to injury increase with injury severity and that disability payments on average more than compensate for these lost earnings. Because of disability compensation, the income of those with serious injuries is on average about 36 percent higher four years after deployment than it would have been had they not been injured, indicating that the U.S. government is doing a good job of compensating injured veterans.

Another project for OSD demonstrated that household earnings losses after the combat death of a household member are both large and persistent over time. The drop in annual household earnings over the first four years following a fatality usually exceeds $60,000, and about 10 percent of this drop reflects lost earnings of the surviving spouse. However, for the average household, survivor benefit payments along with one-time payments through a U.S. Department of Defense life insurance program will likely be sufficient to fully offset lost earnings for 20 years or more.
Defusing Iran

The prospect of a nuclear-armed Iran has fueled tensions around the world, as has Iranian support for terrorism across the Middle East and North Africa. However, a military strike aimed at preventing Iran’s production of nuclear weapons could have the opposite effect, argue several top policy experts at RAND.

Threat Assessment

In July 2012, Brian Michael Jenkins, terrorism expert and a senior advisor to the RAND president, provided testimony to the U.S. Senate Committee on Homeland Security and Governmental Affairs on “New Challenges to U.S. Counterterrorism Efforts: An Assessment of the Current Terrorist Threat.” Jenkins described an escalation of Iranian-sponsored terrorist activity over the previous 12 months, including a plot to assassinate a Saudi ambassador in Washington; plots or attempts targeting Israeli diplomats in India, Georgia, and Thailand; the arrest of 22 Azerbaijani citizens who had been hired and trained by Iran to carry out terrorist attacks on the American and Israeli embassies, as well as Western companies; and a plot uncovered by Kenyan authorities to attack Israeli, British, American, or Saudi targets in Mombasa.

Jenkins told the committee: “The United States must recalibrate Tehran’s willingness to take risks.... Iran may feel obliged to retaliate for what it sees as Israeli and American efforts to slow its nuclear program, not only through sanctions but also through sabotage of its facilities and assassinations of its nuclear scientists. To the extent that Iran’s leaders perceive these efforts as a campaign aimed not just at preventing the country from developing nuclear weapons but, rather, at bringing down the Islamic Republic, they may reckon that they have little to lose.... [Tensions] could escalate further if Iran thinks military attack by either Israel or the United States is inevitable and imminent or, obviously, if hostilities begin.”
The United States should be highlighting human rights abuses in Iran ... Emphasizing human rights will demonstrate to the Iranian people that the United States cares for their future. Threats of military action and war with Iran will only convince the Iranian opposition that America is a hostile power that supports regime change for its own narrow purposes.”

Ambassador James Dobbins and Alireza Nader, foreignaffairs.com

“An Israeli strike on Iran’s nuclear facilities, a U.S.-Iranian clash in the Gulf, or sudden Iranian moves toward nuclear weaponization could spark a much larger conflict between the United States and Iran. Tehran has prepared for this contingency the best way it can: by burying and hardening its nuclear facilities, expanding its naval capabilities, and building hundreds of missiles that can hit U.S. military assets in the Middle East.”

Alireza Nader, senior international policy analyst, The New York Times

“Many Israeli leaders ... aren’t bluffing about an attack on Iran. They understand that threats begin to lose their credibility if they aren’t acted upon, and they believe that the benefits of a strike outweigh the risks, even if much of the military and security establishment opposes an attack.”

Dalia Dassa Kaye, director, RAND Center for Middle East Public Policy, The Atlantic
Recent unrest in the Middle East is not an indictment of the promise of democracy, but rather an indictment of the dictators, their weak, corrupt governments, and the resentments they repressed. A body of RAND analyses suggests that although progress might take time, the possibility of democracy is not dead.
Many transitions to democracy that ultimately succeeded were tumultuous. Portugal had six provisional governments in its first 27 months after exiting the authoritarian fold. Many countries have experienced military coup attempts during transitions. Creating democracies from the ashes of autocratic regimes is a long, hard slog. It requires changing political culture and rules of the game, building civil society, and many technical reforms.”

Laurel Miller, senior political scientist, on findings from the 2012 RAND report *Democratization in the Arab World: Prospects and Lessons from Around the Globe*

“The longer this war drags on, the more radicalized become the insurgents, the more brutalized the population, the more inflamed the sectarian passions, and the more destabilized neighboring societies. The post-Assad situation will be truly messy, but the longer his fall is delayed the more unmanageable its aftermath will become.”

Ambassador James Dobbins, director, RAND International Security and Defense Policy Center, *Financial Times*
Laurel Miller is a senior political scientist whose research focuses on national security and foreign policy issues. Before coming to RAND in 2009, she was a senior expert at the U.S. Institute of Peace, where she focused on constitutional issues and rule of law development in countries emerging from conflict, and on international justice issues. During previous government service, she was involved in conflict resolution and post-conflict stabilization, including as senior advisor to the U.S. special envoy for the Balkans, senior advisor to the assistant secretary of state for European affairs, and deputy to the ambassador-at-large for war crimes issues. She also served as director for western hemisphere affairs at the National Security Council.

Watch Laurel Miller and Jeffrey Martini discuss steps the international community can take to support democratization in the Arab world.

Iraq

Tensions among Arabs, Kurds, and Turkomen in northern Iraq have the potential to escalate into intercommunal violence that draws Iraq back into civil war, leads the Kurdistan Region to secede, and topples Iraq’s nascent political structures. Of all the issues that could spark violence between these groups, none is more explosive than the political and legal status of the city of Kirkuk—that is, whether or not it should be incorporated into the Kurdistan Region. In a 2012 report, Resolving Kirkuk, senior international policy analyst Larry Hanauer and senior political scientist Laurel Miller explore what lessons can be learned from case studies of other ethno-territorial disputes and what obstacles hinder power-sharing in multiethnic territories. They suggest ways the United States, the UN, and others in the international community can create an environment conducive to negotiations and directly facilitate Arab-Kurd talks—as well as steps Iraqi and Kurdish leaders can take to reduce ethnic tensions and engage in substantive discussions that promote a peaceful resolution of the city’s status.
Middle East analyst Jeffrey Martini studies political reform in the Arab world, with a specific focus on North Africa. He has published on civil-military relations in Egypt, generational divides within the Muslim Brotherhood, changes in the regional security environment, and prospects for democratization in the Arab Spring countries. He spent four years living in the Arab world, including three as a Peace Corps volunteer in Morocco and one in Cairo, Egypt, where he was a 2007–08 fellow in the CASA Arabic language program. He speaks, reads, and writes modern standard Arabic and speaks Moroccan and Egyptian colloquial.

“The Brotherhood really believes it is putting the national interest first in pushing the country as quickly as possible through the remaining wickets of the transition. However, in doing so, the Brotherhood is far more interested in outcomes than the process by which they get there, and that raises questions as to the depth of their commitment to democracy. And the secular liberals, despite the pretense of upholding democratic principles, really are rooting for the Brotherhood’s administration to fail so they can reap the political windfall. It is this political positioning that is really driving the battle playing out on the streets of Egypt today.”

Christopher Chivvis, senior political scientist and lead author of the 2012 report Libya’s Post-Qaddafi Transition: The Nation-Building Challenge

Libya

More than a year after the death of ousted leader Muammar Qaddafi, Libya’s postwar transition still faces many challenges: no constitution, a limited economy, and an ill-trained civil service. But until security is stabilized, progress on other fronts will be difficult. The disarming of militias is paramount, and it will be best achieved through incentives and negotiations, with force reserved for only the most extreme cases.

“The vast majority of Libya’s militias are likely concerned primarily with their security and economic futures and should be amenable to demobilization through a combination of financial rewards, promise of adequate social standing, and above all, assurances that laying down their arms will not jeopardize their safety or that of their community.”

Jeffrey Martini, GlobalSecurity.org
Trends in Health

RAND addresses trends in health throughout the world, explores ways to improve public health and enhance service delivery, and offers policymakers approaches to assess the likely impacts of an array of policy options.
HIV in the U.S. Gulf States

HIV and AIDS are on the rise in the American South, and in three of the five American cities most affected by new cases—Jackson, Mississippi, and Baton Rouge and New Orleans, Louisiana—the high rates of infection disproportionately affect African-Americans and men having sex with men, suggesting that prevention efforts for these populations are insufficient and that more targeted efforts may be required. And in some rural areas, HIV specialists are in short supply and access to care is limited, which is especially problematic because early treatment can improve outcomes and reduce the spread of HIV.

The RAND Gulf States Policy Institute is helping to improve HIV prevention and treatment programs in the region by

- conducting community-based research that engages faith-based organizations in HIV prevention;
- testing models of integrated care for HIV patients with comorbid conditions such as homelessness, serious mental illness, and substance abuse—conditions that often prevent patients from seeking and receiving treatment, or adhering to treatment even when it is available; and
- addressing social barriers—such as HIV stigma, racism, and homophobia—to HIV testing and care.

“Improving HIV prevention and medical care delivery to persons living with HIV/AIDS should be a collaborative effort, particularly in the Gulf States region, where resources are limited but the epidemic is expanding. Prioritizing the region for such efforts would be a good step toward reducing the HIV epidemic and its effects on the nation as a whole.”

Vivian Towe, behavioral scientist, The RAND Blog
Fighting Obesity

While it is conventional wisdom that chain restaurants do not always provide healthy dining options, the RAND research confirming this assumption is staggering. A review of menu nutrition information published in 2012—the largest examination ever on the state of nutrition in U.S. chains—set values on calories, sodium, saturated fat, and other nutritional components for nearly 31,000 menu items. Researchers at RAND and the Pardee RAND Graduate School found that 96 percent of entrees exceed the USDA’s recommended daily limits for calories, sodium, fat, and saturated fat. The study will be used to track how chain restaurants change their menus over time and to help individuals make healthier choices in their efforts to prevent or address a variety of conditions that are linked to unhealthy eating behaviors.

Reproductive Health Care

“For the first time in two generations, contraception is becoming harder to obtain.” So wrote senior sociologist Chloe Bird in a Ms. Magazine Mother’s Day blog post in which she offered a compelling, evidence-based case for making birth control more, not less, accessible to women. Data show that the pill is responsible for the narrowing of the gender wage gap by 10 percent in the 1980s and by 30 percent in the 1990s. In addition, birth control contributes to economic development by reducing women’s risk of dropping out of school; increasing their participation in the labor force; and raising the standard of living of women, children, and families.

Today’s typical American family wants two children; women, who bear most of the out-of-pocket costs for contraception, typically must use reliable contraception for three decades to achieve this goal. Therefore, Bird notes, “the costs of contraception—or of discouraging its use—need to be well understood.”

Featured Expert

Senior sociologist Chloe E. Bird studies gender differences in physical and mental health and social determinants of health. She is principal investigator of a study funded by the National Heart, Lung, and Blood Institute of neighborhood effects on incident cardiovascular disease among women based on data from the Women’s Health Initiative. Bird has published on a range of topics from low health literacy and racial health disparities to improving care for depression.

Read Bird’s commentary “Celebrating Birth Control on Mother’s Day? Not as Counterintuitive as It Sounds.”
Living where there is a higher density of fast food outlets is associated with higher blood pressure and risk of obesity, while a greater density of grocery stores is associated with lower blood pressure and lower risk of obesity. In other words, where you live can affect your weight and your health.”

Chloe Bird and Tamara Dubowitz, “Obesity Is Not All Your Fault,” Girl w/ Pen, July 2012

Obesity rates have skyrocketed. A big reason is that most people underestimate volume, especially for soft drinks and foods that take the shape of their containers. And if people overeat at one meal, they do not naturally compensate by eating less later.”

Deborah Cohen, senior natural scientist, USA Today

“Most people are aware of the risks of unhealthy eating. Likewise, people knew the risks of smoking but they lit up anyway, because smoking was widely accepted in social settings. Over time, following many public health and policy efforts, the status quo shifted on smoking. If we want to make progress on the now-global obesity epidemic, we must challenge the status quo and make unhealthy food the new tobacco.”

Helen Wu, policy analyst, The RAND Blog
Modeling the Effects of the Affordable Care Act

The U.S. Supreme Court decision upholding most of the Affordable Care Act (ACA) ended months of speculation and will likely give up to 27 million uninsured Americans access to health coverage, according to a recent RAND analysis. Now, taxpayers and policymakers alike are scrutinizing the law to better understand its effects.

The Arkansas Center for Health Improvement asked RAND to assess the economic effects of the ACA on the state of Arkansas. The ACA will increase coverage through the expansion of Medicaid and the creation of a health insurance exchange with subsidies. Using COMPARE, a microsimulation model developed at RAND, we found that by 2016 about 400,000 Arkansans will be newly insured, net federal payments to the state will amount to $430 million annually, and the total gross domestic product will be a net increase of $550 million.

“It is important to note that, even with the ACA in place, our model estimates that Arkansas is likely to still have 170,000 people without insurance (down from about 570,000). Many of these people will be Medicaid eligible but not enrolled because they either do not know that they are eligible or find the paperwork and bureaucracy too daunting to enroll. The state may want to consider increased outreach to inform the newly eligible population of their options and to provide assistance to help people enroll in Medicaid.”

Carter Price, mathematician, The RAND Blog

“...The part of the ruling dealing with Medicaid is significant. We don’t know how many states will respond, and it will take thoughtful, quantitative analysis to gain insight into this. Our next challenge will be to analyze the effects of states opting out of Medicaid expansion, and how this might influence insurance coverage, exchange enrollment, and federal spending on subsidies.”

Christine Eibner, economist, special ACA feature at RAND.org
Retail Clinics

In a 2012 article in *Health Affairs*, RAND studies demonstrated that fast-growing retail medical clinics are attracting more older patients and delivering more preventive care, particularly flu shots and other vaccinations. Visits to retail clinics reached 5.97 million in 2009, up from 1.48 million in 2007. Across all retail clinic visits, 44.4 percent in 2007–09 were on the weekend or during weekday hours when physician offices are typically closed.

With more people insured and an increased demand for primary care under the ACA, access to primary care physicians could decrease, creating more demand for retail clinics. On the other hand, online care—or “eVisits”—offered by some health care systems and private companies could emerge to compete with retail clinic visits, thus slowing the growth.

Preventable Deaths

The United States spends twice as much per capita on health care as the average Western European country. Yet rates of amenable mortality—that is, deaths from conditions such as diabetes or acute infection that could potentially have been treated—are higher among Americans than among people in France, Germany, or the U.K. In 2007, for example, U.S. rates of such deaths were almost twice those seen in France, which had the lowest rates of the countries studied.

The research, undertaken by Ellen Nolte in RAND Europe in collaboration with colleagues at the London School of Hygiene and Tropical Medicine, was published in *Health Affairs*. Their findings underscore the importance of improving access to timely and effective health care in the United States.

“Retail medical clinics continue to grow rapidly and attract new segments of users. They remain just a small part of outpatient medical care, but appear to have tapped into patients’ needs. If demand for primary medical care drives longer wait times to see a doctor as it has following health care reform in Massachusetts, then this could drive greater demand for convenient alternatives such as retail clinics.”

Ateev Mehrotra, policy analyst, on a 2012 study published in *Health Affairs*
2012 by the Numbers

People

1,700
Staff
Our people bring a diverse range of professional and educational experiences and cultural backgrounds to their project teams.

59
Languages
Many of our people are multilingual. Languages spoken include Arabic, Chinese, Japanese, Korean, French, German, Russian, and Spanish.

43
Countries
With locations in North America, Europe, and the Arabian Peninsula, RAND attracts top talent from almost four dozen nations.

67%
Ph.D.’s
Well over half our research staff hold one or more doctorates—and another 28 percent hold one or more master’s degrees—in a vast array of disciplines.

Engineering
Psychology
Sociology
Chemistry
Sociology
Epidemiology
Strategic Studies
Teaching
Economics
Policy Analysis
Business
Management Studies
International Studies
Anthropology
Population Studies
Science
Medicine
Business
Mathematics

We performed work for more than 250 clients and grantors, including government agencies, international organizations, foundations, and others.

We address issues that matter, including national security, health, education, sustainability, growth, and development.

$264.8M in Revenue*

- Private sector ($5.9M)
- Universities ($8.9M)
- Other ($18.5M)
- State, local, and other government agencies ($20.6M)
- Other federal agencies ($10.6M)
- U.S. Department of Health and Human Services and related agencies ($50.7M)
- Office of the U.S. Secretary of Defense and other national security agencies ($55.3M)
- U.S. Air Force ($42.1M)
- U.S. Army ($31.8M)
- Philanthropic contributions ($8.3M)
- Foundations ($12.1M)

Expenses

- Staff development, information technology, and other administration (16%)
- Facilities (9%)
- Fundraising expenses (1%)
- Research and analysis (74%)

* FY2012, net of subcontracts and RAND-initiated research.

A complete copy of RAND’s Financial Statements can be found at www.rand.org/about/financial_statements.
**Staff News**

Gary Cecchine is the new director of research for the RAND Gulf States Policy Institute. His policy research interests include energy and environmental policy, coastal protection, emergency preparedness and response, homeland security, and science policy. As director of research, he also develops and coordinates policy research in health, education, economics, public safety, and regional and strategic planning.

Marla Haims is associate director of the Doha-based RAND-Qatar Policy Institute (RQPI)—a collaboration between the RAND Corporation and the Qatar Foundation. RQPI was established in 2003 to help decisionmakers across the Middle East, North Africa, and South Asia design and implement sound policies for a better and more sustainable future. Haims works alongside director Obaid Younossi on RAND’s activities in the region.

Ted Harshberger is the new vice president and director of RAND Project AIR FORCE (PAF). Harshberger first joined the RAND staff in 1985 and held several leadership positions within PAF and the RAND National Security Research Division. Under the Intergovernment Personnel Act, he served from 1993 to 1995 as special assistant to the director of Modeling, Simulation, and Analysis for the U.S. Air Force. He left RAND in 2006 and held leadership positions at Northrop Grumman and Harman International before returning to RAND in 2012. Harshberger is an alumnus of the Pardee RAND Graduate School.

Paul Heaton is the new director of the RAND Institute for Civil Justice. His areas of expertise include law and economics, applied micro-economics, and criminal justice policy. Recent research projects examine how court funding affects litigation patterns, and the relationship between alcohol policy and crime rates.

Dalia Dassa Kaye is the new director of the RAND Center for Middle East Public Policy. Her 2012 commentary on Iran, Israel, and Syria has appeared in *The Atlantic*, the *Los Angeles Times*, and the *New York Times*, and at cnn.com and ForeignPolicy.com. Before joining RAND in 2005, she was a Council on Foreign Relations international affairs fellow at the Dutch Foreign Ministry and taught political science and international affairs at The George Washington University. She is the recipient of several awards and fellowships, including the John W. Gardner Fellowship for Public Service.

Krishna B. Kumar is the new director of RAND Labor and Population. He also leads the Rosenfeld Program on Asian Development at the Pardee RAND Graduate School, where he teaches a course on economic development, focusing on dynamic models of growth.
Hans Pung is the new president of RAND Europe, overseeing its offices in Cambridge, UK, and Brussels, Belgium. His research has focused on European defense and security issues with an emphasis on industrial base analysis, cost estimation, and defense strategy.

Ambassador Charles Ries is RAND’s first vice president, International, overseeing RAND’s three non-U.S. offices and its growing international base of clients and supporters. Ries joined RAND in February 2009 as a senior fellow, and then took a leave of absence from July 2010 through January 2011 to serve as executive vice president of the Clinton Bush Haiti Fund, where he was responsible for designing and coordinating the fund’s strategy, policy engagement, and programmatic activities. Before joining RAND, he served for more than 30 years as a career foreign service officer. Ries served as the U.S. ambassador to Greece from 2004 to 2007, before taking on oversight of U.S. economic assistance to Iraq at the U.S. Embassy in Baghdad.

Ambassador Richard H. Solomon rejoined RAND in 2012 as a senior fellow. Solomon is an experienced diplomat, policy analyst, author, and respected leader on international affairs. Most recently, he was president of the U.S. Institute of Peace, a nonpartisan, congressionally established organization focused on international conflict management. At RAND, he will be directing a project exploring possibilities for development of a “grand strategy” to guide America in the 21st century.

Jeffrey Wasserman is the new vice president and director of RAND Health. Wasserman served as acting director from August 2012 until his appointment in early 2013. A widely recognized expert on health policy issues and former assistant dean of the Pardee RAND Graduate School, Wasserman is currently leading the National Health Security Strategy project, commissioned by the U.S. Department of Health and Human Services. He was co–principal investigator on RAND’s Comprehensive Assessment of Reform Efforts (COMPARE) initiative and has led numerous other large health policy projects over his many years at RAND.
Outreach

For RAND, the scholarly objectives of expanding knowledge, illuminating issues, and developing new ideas are only a first step in our mission to help improve policy and decisionmaking through research and analysis. We must communicate our findings clearly and strategically to reach decisionmakers and to enrich the quality of public debate.

The RAND App

Our growing audiences of policymakers and decisionmakers, national and international media outlets, supporters, practitioners, researchers, and the public at large can now keep up with the latest policy research and analysis from RAND with our iPhone app, available from the App Store. Read commentary and informed analysis on trending news and events from The RAND Blog, download free RAND reports, find an expert, and stream video and listen to audio podcasts anytime, anywhere. A mobile app for Android will be released in 2013.

Extending Our Reach

With generous donor funding, RAND created its first non-English web presence in 2012: a Chinese-language site—www.rand.org/zh-hans—that offers China-focused research and analysis from RAND in Mandarin. The support has also allowed our researchers to develop original research in and about China and to facilitate dissemination of research through expert participation in international conferences. These initiatives are underwritten by the Tang Institute for U.S.-China Relations, which resides within the RAND Center for Asia Pacific Policy and was endowed with a generous gift from The Cyrus Chung Ying Tang Foundation.
Congressional Briefings

Each year, RAND’s Office of Congressional Relations arranges for experts from RAND to visit Capitol Hill to inform policymakers about research and analysis that is relevant to current legislative debates. Below are some highlights from 2012; video and audio recordings of all are available at www.rand.org/congress.

Cyberdeterrence and Cyberwar
Martin Libicki  |  February 2012

The Affordable Care Act’s Individual Mandate in Play
Christine Eibner  |  March 2012

The Outlook for U.S.-Russian Relations in Putin’s Third Term
Andrew Weiss (moderator)  |  April 2012

Information Sharing for Cyber-Security: Evidence from Europe
Neil Robinson  |  May 2012

The Elementary and Secondary Education Act: Maintaining Accountability and Nurturing Innovation Through a Reauthorized ESEA
V. Darleen Opfer, Susan M. Gates, Laura Hamilton, and Jennifer L. Steele  |  May 2012

How to Defuse Iran’s Nuclear Threat: Bolster Diplomacy, Israeli Security, and the Iranian Citizenry
Lynn Davis, James Dobbins, and Alireza Nader  |  June 2012

Prisoner Reentry and Public Health: Is Your State Ready?
Lois Davis  |  June 2012

Marijuana Legalization: What We Know and What We Don’t
Beau Kilmer  |  July 2012

What Are the Prospects for Democratization in the Arab World?
Laurel Miller and Jeffrey Martini  |  October 2012

Skin in the Game: How Consumer-Directed Health Plans Can Affect the Cost and Use of Health Care
Amelia Haviland  |  December 2012

Published three times a year, RAND’s flagship magazine, RAND Review, helps readers stay ahead of the curve on the issues that matter most. Our Fall 2012 issue featured nine essays related to the U.S. presidential election that point toward solutions to pressing national and international problems; the essays exemplify our belief that focusing on facts, not politics, will lead to the best ideas, policies, and outcomes. And our series of articles on defense in an age of austerity in the Winter 2012–2013 issue outlines the strategic and financial alternatives that NATO and U.S. military forces should weigh as they strive to uphold high levels of security while cutting hundreds of billions of dollars from defense budgets over the next decade. These and past issues are available online at www.randreview.org, where you can also subscribe to the digital edition.
Events

RAND hosts events throughout the year to inform and inspire debate on timely policy issues. RAND events reflect our commitment to balance and offer a unique opportunity for intellectual fellowship, community engagement, and high-level deliberation of important policy matters.
Thousands of people attended RAND-hosted events in 2012. Among the RAND leadership and supporters who attended and presented were (clockwise from upper right) Ambassador Frank Baxter, a member of the graduate school’s Dean’s Leadership Circle; Lindsey C. Kozberg, vice president for external affairs; Beau Kilmer, codirector, RAND Drug Policy Research Center; Jeffrey Wasserman, vice president and director, RAND Health; Debra Knopman, vice president and director, RAND Justice, Infrastructure, and Environment; and Jack Riley, vice president, RAND National Security Research Division and director, RAND National Defense Research Institute, with Nancy Spruill from the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics.
Setting Politics Aside

In November 2012, RAND hosted its third Politics Aside event to take an informed and even-handed look at the serious issues facing society in the aftermath of hard-fought political campaigns. A collaboration with media partner Thomson Reuters, the gathering engaged policymakers, business leaders, researchers, television and film producers, and philanthropists in conversation on topics ranging from fiscal austerity and financial regulation to health care and media. Visit www.rand.org/politicsaside to hear podcasts and watch video highlights featuring our distinguished speakers.
Pardee RAND Graduate School

Founded in 1970 as one of eight graduate programs created to train future leaders in public policy, the Pardee RAND Graduate School is the only program specializing exclusively in the Ph.D., and the only one based at a public policy research organization. Our student body represents diversity in work experience; academic training; country of origin; and race, gender, and ethnicity. For both RAND and the Pardee RAND Graduate School, this diversity promotes creativity, deepens understanding of the practical effects of policy, and ensures multiple viewpoints and perspectives are heard in the classroom and beyond.

Thirty-five percent of the incoming class hails from outside the United States, with students from Belgium, Germany, Mexico, Nigeria, Russia, South Africa, Ukraine, and Uzbekistan.
**Be the Answer**

For the Pardee RAND Graduate School to continue to offer students a world-class education—and to extend the impact of its graduates on communities throughout the world—we rely on philanthropic support. Don Rice, former president of RAND and a current trustee and member of the school’s Board of Governors, is leading a major fundraising effort that has come to be known as the Be the Answer campaign.

In 2011, the school kicked off this effort with a generous gift from former RAND trustee and school board member Jim Rothenberg, and his wife, Anne. By the end of 2012, a group of dedicated donors, including current and former members of the school’s board, RAND trustees, and friends and alumni had contributed more than $14 million, and their efforts continue.

Fred Pardee, the namesake of the school through a generous donation he made in 2003, contributed $3.6 million in 2012 to reinforce the school’s endowment and launch the new Frederick S. Pardee Initiative for Global Human Progress. The Pardee Initiative will look at how to solve longer-term multinational and global challenges through creative, innovative approaches—a hallmark of the work done by students and faculty.

As the campaign gathers momentum, the Pardee RAND Graduate School is on its way to strengthening its core student endowment, increasing scholarship and dissertation awards, and expanding faculty and educational support. We recognize the following donors for their groundbreaking support in the critical initial phase of this ongoing effort.

### LEADERSHIP CONTRIBUTORS

**$3.6M**
- Frederick S. Pardee

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- Anne and James F. Rothenberg

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- The Speyer Family Foundation
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- Ann McLaughlin Korologos
- Dana G. Mead
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- John S. and Cynthia Reed Foundation
- Maxine and Eugene S. Rosenfeld
- The SahanDaywi Foundation

“**The Pardee RAND Graduate School—its student body, faculty, alumni, and supporters—is central to RAND’s future. The school has the potential to transform not just the science and art of policy analysis, but by serving as an engine of innovation for the world’s most prominent policy-research institution, the school can help transform the practice of policy analysis.**”

—Michael D. Rich, RAND’s president and CEO, at June 2012 commencement ceremonies
James Q. Wilson (1931–2012): A Legacy of Ideas and Ideals

No one knew better than Jim Wilson that from concentrated study and intellectual freedom come ideas that change the world. In recognition of Jim Wilson’s long-standing dedication to the Pardee RAND Graduate School (including service on the Board of Governors), his inimitable and enduring scholarship, and his lifelong commitment to teaching, we are establishing a $1 million endowment to support dissertation fellowships and a permanent library collection of his books, articles, essays, personal papers, and the scholarship of so many others he inspired.

Kip Hagopian, a member of the Board of Governors and longtime friend of Jim Wilson, launched the fundraising effort and, with Don Rice, reached out to Wilson’s friends and former students. Hagopian and Rice and others who served with Wilson on the Board of Governors and the RAND Board of Trustees celebrated the opening of the James Q. Wilson Collection and the selection of Andrew Hackbarth as the first James Q. Wilson Dissertation Award recipient.

The following individuals contributed generously to create the James Q. Wilson Collection and Dissertation Award:

Ambassador Barbara M. Barrett
Ambassador Frank and Kathy Baxter
Albert and Robin Carnesale
Peter B. Clark
Natalie W. Crawford
Rosalee and John Dilulio
Thomas Epley and Linnae Anderson
Francis Fukuyama
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Hagopian Family Foundation, Mary Ann & Kip Hagopian
Herbert Kaufman
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Michael D. Rich and Debra Granfield
Gene and Maxine Rosenfeld
Anne and James F. Rothenberg
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Joyce and Donald Rumsfeld
The SahanDaywi Foundation
T. C. Schelling
Michael Shires
The Speyer Family Foundation
Paul A. Volcker
Faye Wattleton
Theresa and Charles Wolf, Jr.
With approximately 100 enrolled students, and a faculty-student ratio of 2:1, the Pardee RAND Graduate School offers exceptional training and access to some of the world’s leading policy practitioners. The core curriculum focuses on analytic tools and methodologies including economics, statistics, operations research, and the behavioral and social sciences. Students gain practical experience and earn their fellowships through on-the-job training as members of RAND’s research teams working on policy projects for a global clientele. As a result, our students graduate with an academic and professional portfolio—or, as we say, “Curriculum Plus Vitae.”

Frederick S. Pardee (center) made a transformative gift to the school in 2003—the largest ever made by an individual to RAND and one of the largest gifts ever by an individual to a single Ph.D. program in the United States. A member of the school’s Board of Governors, he is flanked by Pedro José Greer, Jr., who chairs the board, and the school’s dean, Susan Marquis.
Investing in People and Ideas

At a time when creative, crosscutting solutions to complex policy challenges are needed most—yet resources for generating innovative ideas are increasingly hard to come by—our philanthropic supporters enable RAND to continue to take on the biggest questions, apply the long view, and attract and engage the most talented individuals to be a part of that effort.

Using Zwick Impact Funds, researchers in the RAND Transportation, Space, and Technology Program are addressing an ongoing infrastructure funding crisis in the United States. As part of their effort, they created a primer for state and local decisionmakers on Mileage-Based User Fees for Transportation Funding that presents promising and innovative system designs and strategies for transitioning from fuel taxes to mileage fees. For states or localities just beginning to consider the idea of mileage fees, awareness of these strategies is critical.

**Donor Spotlight**

**Charles Zwick** was a researcher at RAND from 1956 to 1965 and director of the U.S. Office of Management and Budget under President Lyndon B. Johnson. Later, he served as a RAND trustee; today, he remains an advisory trustee. His generous $1 million donation to RAND enabled RAND president Michael D. Rich to create the Zwick Impact Fund, which helps our researchers’ efforts to extend the impact of their policy research.

“Zwick Impact Funds provided a perfect opportunity for RAND to take what we’d learned about mileage fees at the national level and shape it in a way that could really benefit state decisionmakers.”

Paul Sorensen, associate director, RAND Transportation, Space, and Technology Program

Scan the code with your smartphone to watch an introductory video about transportation funding challenges and to read or download the primer.
can help determine whether such a transition merits further consideration. For jurisdictions already engaged in assessments of mileage fees, these concepts can help refine system design, with the ultimate aim of reducing costs and building public support. The work has received praise and interest from individuals in trade associations, the U.S. Department of Transportation, state legislatures, and Congress.

Zwick Impact Funds are also helping researchers in RAND Education extend the impact of their work. At the heart of the effort to improve K–12 education outcomes is the need for accurate measurement; without reliable data generated by proven methods, it’s impossible to tell what strategies hold the most promise for improving student performance. Government agencies, foundations, and private-sector organizations have long relied on RAND to bring fact-based data and rigorous analysis to education policy; with Zwick Impact Funds, our researchers have generated an online resource and a series of fact sheets on *Measuring Teacher Effectiveness* that has attracted the attention of an even broader audience including teachers, administrators, and parents. The web portal was among our most visited web resources in 2012 and the fact sheets were among our top downloads.

“Research is starting to demonstrate that teaching, like all professions, is something that can be learned, continuously improved upon, and subject to the conditions under which it occurs.”

V. Darleen Opfer, director, RAND Education, and distinguished chair in education policy
**Supporting Talent**

Philanthropy supports distinguished chairs for outstanding researchers recognized as world-class among peers. Distinguished chairs—listed below—conduct innovative research, outreach, and mentoring of junior policy analysts.

**Education Policy**

V. Darleen Opfer

**European Security**

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**Policy Analysis**

Susan L. Marquis

**Samueli Institute Chair in Policy for Integrative Medicine**

Ian Coulter

RAND also uses philanthropic support to engage individuals who have recently completed distinguished government or other policy analysis service as fellows who contribute to RAND research activities and the development of our research practices and talent.

**Inspiring Ideas**

Philanthropic contributions, combined with earnings from RAND’s endowment, make possible RAND’s Investment in People and Ideas program, which is used to support innovative research on issues crucial to the policy debate but that reach beyond the boundaries of traditional client funding.

- **Efficient Aviation Security**
  
  Strengthening the Analytic Foundation for Making Air Transportation Security Decisions

- **United States and Mexico**
  
  Ties That Bind, Issues That Divide

- **Prospects for Democratization in the Arab World**

  (available in English and Arabic)

**Featured Title**

**Nuclear Deterrence in the 21st Century: Lessons from the Cold War for a New Era of Strategic Piracy**

A 2012 book by the late French scholar Thérèse Delpech provides a critical review and update of nuclear deterrence theory, focusing a critical eye on nuclear issues during the Cold War, examining the lessons of past nuclear crises, and outlining ways in which these lessons apply to major nuclear powers and nuclear pretenders today.

Prior to her death in early 2012, Delpech was one of the world’s most serious and respected scholars of nuclear weapons, strategy, and policy. In this posthumous volume, she calls for a renewed intellectual effort to reexamine deterrence concepts in a world of multiple nuclear actors, where security analysis must extend to outer space and cyberspace.
Policy Circle

Throughout the year, Policy Circle members enjoy exclusive access to events and intimate briefings with leading RAND researchers, policymakers, and thoughtleaders from around the world. In 2012, Policy Circle programs addressed how to alleviate traffic congestion; options for safely storing spent nuclear fuel; diffusing global threats inherent in an unstable Middle East; and the social and financial impact of a U.S. health care mandate. Their gifts of $1,000 or more support RAND’s investment in people and ideas, allowing us to take on critical issues beyond what RAND’s clients demand.
Gifts—Making a Difference

RAND’s Investment in People and Ideas program combines philanthropic funds from individuals, foundations, and private-sector firms with earnings from RAND’s endowment and operations to support research on issues that reach beyond the scope of traditional client sponsorship.

RAND gratefully acknowledges gifts made by the following donors.

$3,600,000
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Marcia and Frank C. Carlucci
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To find out more about the research and activities highlighted on pages 4–31, see the following.

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U.S. AIR FORCE
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AP IMAGES
AP Photo/Charles Sykes, front cover
A parking lot full of yellow cabs is flooded as a result of Hurricane Sandy in October 2012 in Hoboken, New Jersey.
Ramin Talaie/Corbis/ AP Images, page 4 and back cover
The historic house known as Princess Cottage remains standing after being damaged by Hurricane Sandy in Union Beach, New Jersey. The house is one of over 200 homes that were destroyed or damaged in the area.
AP Photo/Alex Brandon, page 7 (left)
A swamp buggy moves mud around in a coastal restoration project in Little Lake, Louisiana.
AP Photo/Don Ryan, page 8 and front cover
A tanker drops retardant on an Oregon wildfire.

AP Photo/Anja Niedringhaus,
page 12 and back cover
Afghan National Police officers navigate a ropes course during a training session at the police academy in Kabul, Afghanistan. The readiness of Afghanistan’s security forces is central to U.S. and NATO plans to withdraw all forces from the country by the end of 2014.

AP Photo/Alberto Saiz,
page 14 (right)
A police officer examines the balcony of an apartment in Valencia, Spain, after the arrest of a suspected member of al Qaeda who is thought to have been a key to the terror group’s Internet propaganda and recruiting operations.

AP Photo/San Antonio Express-News, Lisa Krantz,
page 16
Army Pfc. Kevin Trimble, 19, adjusts his myoelectric upper limb prosthetic for occupational therapy at the Center for the Intrepid at Brooke Army Medical Center in San Antonio, Texas.

Cal Sport Media via AP Images,
page 19 and back cover
Army’s Wounded Warrior Anthony Robinson with family following the Warrior Games cycling competition at the United States Air Force Academy, Colorado Springs, Colorado.

AP Photo/Vahid Salemi,
page 20
A group of Iranian students prays in front of the Isfahan Uranium Conversion Facility during a gathering in support of Iran’s nuclear program.

AP Photo/Hussein Malla,
page 22 and back cover
A Free Syrian Army soldier looks through a mirror that helps him see Syrian troops from the other side, as he takes his position with his comrade during fighting.

AP Photo/Kevin Frayer,
page 24 (right)
Residents walk through a market next to the Kirkuk Castle in Kirkuk, Iraq.

Larry French/AP Images for AIDS Healthcare Foundation,
page 26

AP Photo/Don Ryan,
back cover
Morning rush-hour traffic heads into downtown Portland, Oregon.
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