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# HOUSTON'S BUSINESS INSIDER

# Expanding Portfolio

BAKER INSTITUTE'S EDWARD DJEREJIAN ON ENERGY, MEDICINE AND HOUSTON'S ROLE IN SHAPING POLICY

TOMLINSON TODAY'S ENERGY INNOVATION FEELS VERY FAMILIAR INSIGHT SUBURBAN GROWTH SPURS WAVE OF RETAIL PROJECTS

#### **C-SUITE INSIDER**

### THOUGHT LEADER

Baker Institute's Edward Djerejian on medical expertise, energy and Houston's place in shaping policy

BY DANNY KING CORRESPONDENT

hile the status of Rice University's
Baker Institute of
Public Policy has never been higher, neither have the stakes been in regard to the Houston-based think tank's areas of focus. Earlier this year, the Baker Institute was ranked the No. 1 university-affiliated think tank in the world, according to the 2020 Global Go To Think Tank Index Report.

Since its inception in 1993, the institute has been led by Ambassador Edward Djerejian, 82, who filled foreign service roles through eight presidential administrations, commencing under John F. Kennedy and continuing through his role as U.S. ambassador to Israel under Bill Clinton.

Ambassador Djerejian discussed foreign policy, energy dependence and pandemic response with the Houston Chronicle. The interview has been edited for clarity and length.

Q: You wrote an op-ed last May for the Chronicle in which you made a series of recommendations on how to best address the pandemic. Could you have imagined at the time that the U.S. would approach 600,000 COVID deaths?

A: Never. I could've never foreseen that COVID deaths would surpass the number of deaths from all of the recent wars we've fought. And in my eyes, it underscored the deficiencies of our public health system and our lack of a resilient supplychain infrastructure that I hope will not be lost once the vaccines take their effect and we get some semblance of herd immunity. It cannot be business as usual. We have to invest in our critical infrastructure. And if this isn't a wake-up call to make structural reforms in our socioeconomic system, I don't know what is.

## Q: What are some of the recommendations the Baker Institute is making to the Biden administration?

A: Dr. Peter Hotez, who's a Baker Institute Fellow in vaccine policy, is one of the most public proponents of vaccines, and has become an ambassador for vaccine diplomacy in the Middle East. He has a child who's autistic, and he breaks the perception that vaccines will somehow harm you and not help you. (Baker Institute Fellow) Dr. Quianta Moore has written reports about how to protect children's health, which is akin to education reform. The future of our country depends on the viability of the younger generations' health and education, and we're defective in both areas. There are social justice and infrastructural issues. She's advocated ameliorating equality barriers.

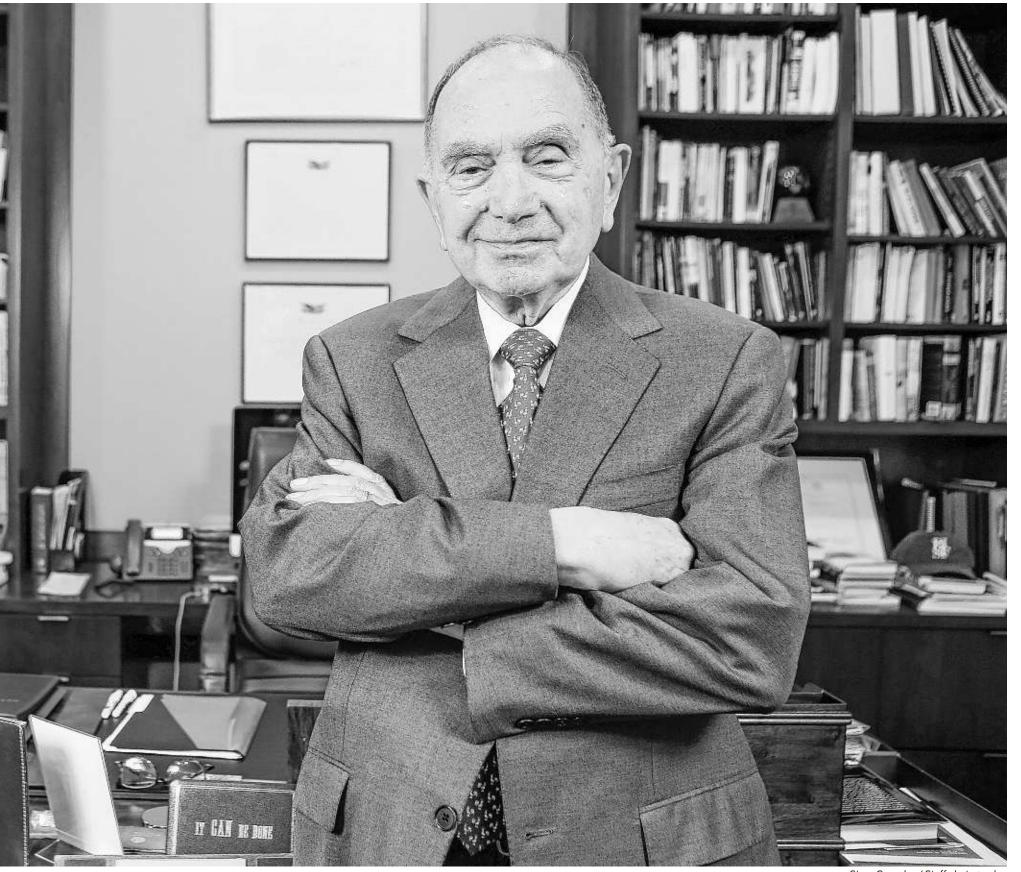
But with all the stimulus packages coming out, the Biden administration has to take a hard look at addressing the huge national debt. We're telling the Biden administration that the current fiscal path is unsustainable. Right now, people feel comfortable with it because of the low interest rate and low inflation rate in comparison to

Djerejian continues on B10

Since its inception in 1993, the Baker Institute has been led by Ambassador Edward Djerejian, who filled foreign service roles for decades.



#### SINC.



Steve Gonzales / Staff photographer

#### TEXASINC.

## "It cannot be business as usual. We have to invest in our critical infrastructure. And if (the pademic) isn't a wake-up call to make structural reforms in our socioeconomic system, I don't know what is."

**Djerejian from page B8** previous years. But it's there, and it's an 800-pound gorilla.

He's also got a real opportunity to negotiate a robust, bipartisan energy policy. The private sector is already moving towards an ESG (environmental, social, governance) agenda, but you're going to need a bipartisan initiative for regulatory certainty for investors.

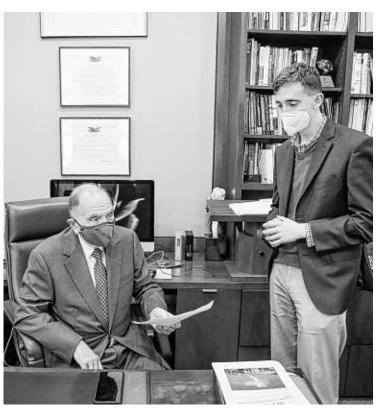
#### Q: Is that realistic?

A: We think it's possible. He could use the bully pulpit. Maybe he can get five to 10 Republicans. It can get very ugly, but if he can come out with climate-focused legislation, he'd make a historic contribution.

# Q: Much of the local economy is impacted by oil supply from the Middle East, and dependence may be lessened by more renewable-energy production. Will renewables have a meaningful impact on domestic energy consumption anytime soon?

A: Those who talk about peak oil demand have been so often proven wrong. Fossil fuels will be with us for a while - a couple of decades at least. But the issue of emerging technologies is now being addressed much more seriously and is becoming part of the DNA of energy corporations and research centers. Another focus that's very noteworthy is low-carbon fuels. We're also working on plastics and advancing recycling efforts. So it's not just fossil fuels and wind and nuclear power - it's a combination of energy, climate change and how we deal with waste management.

Q: How can either the local or state economy capitalize on that?



Steve Gonzales / Staff photographer

Ambassador Edward Djerejian, seen with Colton Cox, policy assistant to the ambassador, pins the institute's success on its data-driven, nonpartisan think-tank model.

A: We can employ carboncapture measures. Texas has significant economies of scale in carbon capture. We're creating a carbon hub at Rice University.

Q: In the wake of February's cold-weather power outages, Gov. Abbott and other political leaders put some of the blame on the failure of renewable-energy sources. Is that legitimate?

A: No, it's been disproven.
This is political debate. Natural
gas played a big role, as well as
the fact that we didn't weatherize for an event like this, that
there wasn't sufficient regulation
of our power infrastructure in

the state of Texas, and that we depended too much on just-in-time delivery to power customers instead of putting into place redundant capacity. These are fundamental errors that have to be addressed. I hope the people of Texas don't forget the suffering they endured, and that they hold responsible the leaders in the corporate sector and the leaders in the government that are responsible for providing the fundamentals to people for power.

Q: Why do you think the Baker Institute has such a strong reputation among the world's university-affiliated think tanks?

A: We created a model of producing intellectual content that is data-driven, nonpartisan and relevant to busy decisionmakers in C-suites and in the public sector that's proven to be quite effective. The other factor is the principal of comparative advantage. Houston is the energy capital of the world, and that's such a major public-policy issue. The other thing is that we're right across the street from the Texas Medical Center, and public health is a critical issue. And NASA is just to the south of us. So our faculty and experts have been quite effective at bringing our policy recommendations to Washington.

Q: President Biden just announced that he wants to withdraw U.S. troops from Afghanistan by Sept. 11, the 20th anniversary of the 9/11 attacks on the U.S. Do you think this is advisable?

A: That's a big decision that's highly contentious, but look how long we've been there. When George W. Bush invaded Afghanistan, that was a just war. Our homeland was attacked. We went in to address that issue and did it successfully at the beginning. But then it became one of those endless wars. The key thing in my eyes is blood and treasure. So much blood has been shed, and we're talking billions of dollars of taxpayer money that has gone into these endless wars. We have critical issues to resolve in our country. American foreign policy is only as strong as we are domestically strong.

Q: You've advocated for a two-state solution for Israel and the Palestinians. Did the

Trump administration make that more or less attainable?

A: Less. (The Trump administration) underscored the Abraham Accords, which aren't peace accords, they're transactional agreements. Between the Jordan River and Mediterranean Sea, there are 6 million Arabs and 6 million Jews. Neither are going away. The only solution is a two-state solution along the 1967 lines, however they're modified. The status quo can blow up in our faces at any time. If it's one state with equal rights, it's not a Democratic Jewish state. If it's one state with unequal rights where Israeli Jews have primary rights, some would call that apartheid. So basically, the only political solution that's viable is a two-state solution.

Q: How else would you advise the Biden administration on Middle East issues?

A: Biden's administration has made it very clear that they want to reinstate the JCPOA (the 2015 Joint Comprehensive Plan of Action was signed by Iran and the five permanent members of the United Nations Security Council, including the U.S., outlining conditions for Iran's nuclear program), and I think the focus on nuclear proliferation in the Middle East is the right focus. But it's wholly unrealistic that some umbrella agreement with Iran can be reached on its regional policies impacting Iraq, Syria, Lebanon and Israel. The Middle East is a very troubled region. Lebanon is on the edge of becoming a failed state, Syria's a humanitarian disaster, there's Israel and the Palestinians, Iraq's in a delicate situation, and Libva is still in turmoil. There's no umbrella solution. This is going to take focused diplomacy, and not just from the U.S.