

OUR UPCOMING MEETING



Professor Staking joined the College of Business at Colorado State University in January 2008. He concentrates on Risk Management and Insurance and risks associated with emerging financial markets. He served as a finance professor at INSEAD (France), and has taught at the University of Lausanne (Switzerland), John Hopkins University and The Wharton School of the University of Pennsylvania. He spent several years working overseas in international banking and insurance, served as a financial economist at the U.S. General Accounting Office followed by 18 years at the Inter-American Development Bank in Washington, D.C. Professor Staking holds a Ph.D. in Risk Management and Insurance, The Wharton School, University of Pennsylvania, a M.B.A. in Finance and International Business, University of California at Berkeley, and a B.A. in Economics, Brigham Young University.

FINANCING THE PREVENTION OF AND RECOVERY FROM NATURAL DISASTERS

KIM STAKING

**Professor, College of Business,
Colorado State University**

**TIME/PLACE: Tuesday, January 20, 2009, 2008,
7:30 PM, Mount Vernon Country Club**

During his career at the Inter-American Development Bank, he was responsible for Bank policies and provision of technical support in the development of financial markets, concentrating on non-banking markets (insurance, pensions, capital and derivative markets), information disclosure and risk management. He was involved in the creation of a political risk reinsur-

ance facility, and was lead financial economist in the management of financial crises in numerous countries. He was also the principal author of the Financial Market Strategy for the Inter-American Development Bank and authored several books and monographs on accounting/auditing standards, financial risk management, derivatives and insurance. The last two years at the Bank he served as principal country economist for Colombia and Peru and headed a task force on the development of financial and risk management strategies to cope with the natural disaster risk.

Fluent in Spanish and English, his academic publications have appeared in the Journal of Finance and in the Journal of Risk and Insurance. His work has also been published in Bests Review (A.M. Best) and in the Financial Institutions Review (Goldman Sachs). He is a fellow at the National Academy of Social Insurance. He has consulted on insurance and financial risk for a number of clients including the World Bank, the Bill and Melinda Gates Foundation, Continental Insurance and the Economist Conference Unit. ■

NOVEMBER MEETING REVIEW

By Taylor McGregor, Junior Guest
Editor, Golden High School



Healthcare Throughout the Industrialized World

Mr. T.R. Reid who was Bureau Chief for the Washington Post in Europe and East Asia, and is well known for his books and documentaries, spoke on the topic of global healthcare. Mr.

Reid studied this issue firsthand as he traveled the world looking at the healthcare systems of nine free market democracies. Mr. Reid felt the most poignant question was why the U.S. has not addressed the ethical issue of healthcare for everyone, regardless of their ability to pay. Mr. Reid argued that our system developed over time, and that there has never been a systematic approach yielding a sound model, but rather a cross section of many different models.

During his travels, he learned that every other developed, non-communist country in the world provides healthcare to its citizens, and spends half as much as the United States in the process. The U.S. has to get over what Mr. Reid termed "exceptionalism", the notion that America is unique and admit that we don't have adequate healthcare for all people. If we are to address this issue, there is a lot that can be learned from other countries. Currently in the U.S., 20,000 people per year die of treatable diseases because they can't afford care, and nearly 700,000 people face financial ruin as the result of medical bills.

The attitude that permeates American politics is that universal healthcare is equivalent to socialism and socialized medicine is unacceptable. This is not true at all. In Britain, the government is the provider, but the payer is private. In Canada, payment is through the government, but the providers are private. In

Germany and France, both payment and providers are private. Mr. Reid argued that our Medicare system is semi-socialized, because the government is the payer. Popular opinion in the U.S. would also have you believe that the waiting time for healthcare in these other countries is astronomical. While it can be true in certain circumstances, the fact is most of these countries have less waiting time than the U.S. Additionally, the U.S. has the least efficient insurance system, with 25% of all revenue going to administrative costs, while the other countries pay less than 5%. The U.S. has layers of billing and collection offices intent not to pay claims, and won't sell insurance to people that need it most. They are free to do so by virtue of the "pre-existing condition" umbrella. Perhaps the most bothersome fact about the U.S. healthcare system is that it pays a profit to investors. No other country in the world does this.

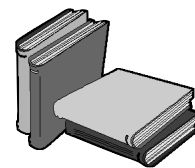
There are four healthcare models around the world:

- 1) The "Beveridge Model" named after Lord William Beveridge, who in 1946 developed a national health service. It is public and free. The government owns the hospitals, pays the doctors and any other bills. Spain, Italy, New Zealand, Hong Kong, and Cuba use this model.
- 2) The "Bismarck Model" named after the first chancellor of Germany. In order to increase loyalty in the newly unified nation, Bismarck established workmen's compensation, pensions, and the first national healthcare system. Health insurance is purchased through employers and the cost split between employer and employee. Participants in the Bismarck model include France, the Netherlands, Switzerland, and approximately 160 million Americans.
- 3) The National Health Insurance Model incorporates private providers (private hospitals and doctors) and public payment. This model is used in Canada, Taiwan, and South Korea. It is also the basis for Medicare.

4) "Out of Pocket" Model. In this model, the rich get treated, while the poor die of treatable illness. The "Out of Pocket" model is the most common in the world and can be found in underdeveloped nations like Nepal.

Major industrialized countries use just one model, but the U.S. has a bit of all four. A single system is cheaper, simpler and fairer and everyone has access to healthcare at the same price. The U.S. has the best doctors, facilities and the best research but a system that does not work for everyone. There are a lot of successful models to copy, but we must be willing to admit that our system is broken, get over our "exceptionalism" and improve the delivery of healthcare to all citizens. ■

About the author: As sophomore at Golden High School, Taylor McGregor is enrolled in Advanced Placement United States History.



NEWS & SUGGESTED READINGS

By Fred Nyland, News Editor

IN THE NEWS

Secret U.S. Mission Hauls Uranium From Iraq (AP, July 5, 2008). "The last major remnant of Saddam Hussein's nuclear program – a huge stockpile of concentrated natural uranium – reached a Canadian port Saturday to complete a secret U.S. operation that included a two-week airlift from Baghdad and a ship voyage crossing two oceans. The removal of 550 metric tons of 'yellowcake' was a significant step toward closing the books on Saddam's nuclear legacy. It also brought relief to U.S. and Iraqi authorities who had worried the cache would reach insurgents or smugglers crossing to Iran to aid its nuclear ambitions." This article stirred up a few conservative commentators who immediately claimed that Bush was right when he said that

NEWS & SUGGESTED READINGS

(Continued from page 1)

Iraq was getting yellowcake from Niger. Their claim was based on a bad assumption. The uranium in question did come from Niger, but in the early 1980's and was discovered after the first Gulf War and duly registered with the IAEA in Vienna. The Iraqi government sold the yellowcake to a Canadian firm. For a complete overview of this saga, see Arms Control Today, September, 2008. (Sources: Associated Press, MSNBC, truthorfiction.com, Arms Control Association, armscontrol.org)

The Obama Withdrawal From Iraq: How Fast? Commentary by Brian Michael Jenkins, National Journal on line, December 16, 2008. The debate over withdrawal of American forces from Iraq has effectively ended: Troops will begin withdrawing in early 2009 and ends somewhere between mid-2010 and the end of

2011, in accord with the expressed determination of the Obama administration and the Iraqi government. If the security situation continues to improve, the withdrawal may accelerate. However, if the security situation sharply deteriorates, the withdrawal is unlikely to be reversed. What is not yet entirely clear is what type of residual American force may remain in Iraq. President-elect Obama's commitment to withdrawal in 16 months refers only to American combat forces, which constitute only about a third of the total force. That still leaves approximately 70,000 or 90,000 troops in Iraq. The residual forces could continue to train and support Iraqi forces in accord with our current long-term strategy, but by their very presence they would bolster democratic institutions. They also might protect Sunni and Kurd minorities, protect Iraq and its Arab neighbors against possible Iranian aggression, and protect Iraq's neighbors against any potential future Iraqi aggression.

SUGGESTED READINGS

Robert Baer, *The Devil We Know, Dealing with the New Iranian Superpower*, Crown Publishers, 2008. Your reviewer's initial reaction to this book was a question, "Do we really know anything about this particular devil?" The author elaborates on the development of Iran, its growth, policies and future strategic aims. Iran is a closed society and a remote enemy. The U.S. has missed how Iran has evolved over the last thirty years. Iran is still riding the wave of Islamic fundamentalism that is sweeping away the last vestiges of a secular Middle East, but at the same time it is now a rational actor, coldly and methodically pursuing its national interests. Iran today has an unshakable belief in its right to be an empire. It means to achieve this through proxy warfare and control over oil supplies. The proxy wars include Hezbollah versus Israel's

Colorado Foothills World Affairs Council

Executive Board
 Walter "Joe" Shaw, President
 Randy Huiting, Vice President
 Bruce Glenn, Treasurer
 Debbie Pearce Secretary

Directors
 Dave Evans
 Scott Guberlet
 Jim Robinson
 Errol McGlaughlin
 Beatrice Szadokierski
 Eric Esswein

Standing Committees
Distribution & Mailings Chairperson:
 Ralph Evans
Editorial Committee Chairperson:
 Beatrice Szadokierski
Hospitality Committee Chairpersons:
 Jim and Donna Robinson
House Management Committee Chairperson:
 Harry Ledyard
Membership Committee Chairperson: Vacant
Program Committee Chairperson:
 Randy Huiting
Publicity & Public Relations Committee Chairperson:
 Simone Gutberlet
Web Design & Maintenance:
 George Griffin



CHARLES BARKLEY

January 13th | 7:00 pm |
 Wells Fargo Theatre,
 Convention Center,
 Downtown Denver

This is your chance to see the one, the only "Sir" Charles Barkley, in a unique personal evening. Irreverent, unpredictable, sometimes outrageous and always entertaining, the Straight Talk Express tackles tough questions about sports, politics, education and race.

For tickets and information:
www.insightsspeakers.com 303.893.4100

army in Lebanon (1982 to 2000) where Hezbollah beat the Israelis on the field of battle. Iran's star is rising. Now, with a friendly Shia government in Baghdad, it will rise a lot faster. According to the author, the old Sunni order is edging toward collapse and for the first time Shia domination of Mecca is not unthinkable. Defining Iran's imperial drive is the subject of this book. "We shall better understand Iran's imperial blueprint by looking at Lebanon, Iraq, and Afghanistan rather than Teheran. How Iran got there, where it goes from here, and what the United States should do about it is what this book is about." (Source: Publisher's and author's commentaries.)

Colorado Foothills World Affairs Council
 P.O. Box 1602, Evergreen, CO 80437-1602

The Colorado Foothills World Affairs Council (WAC) is a non-partisan organization and does not endorse any political affiliations. The views and opinions of speakers, members and guests expressed at the Colorado Foothills World Affairs Council presentations as well as the press releases, summaries and reading list included in this newsletter do not necessarily constitute or imply the endorsement, recommendation or favoring of the Colorado Foothills WAC or any of its officers, or contractors acting on its behalf.

Student memberships: \$5; Individual memberships: \$30; Family memberships: \$45; Supporting memberships: \$75; Contributing memberships: \$100; Patron memberships: \$250; Corporate memberships: \$400.



HAVE YOU MOVED? Please let the Colorado Foothills World Affairs Council Treasurer, Bruce Glenn, know about your move so your mailing information can be updated. Send change of address requests to: FIF Treasurer, P.O. Box 1602, Evergreen, CO 80437-1602.

SEND YOUR IDEAS and articles for the newsletter to the Editorial Committee: Beatrice Szadokierski, Editor in Chief, 1923 Parfet Estates Drive, Golden, CO 80401, email: szadokierski@comcast.net or call 303-279-2638.

VISIT OUR WEBSITE AT:
www.ColoradoFoothillsWAC.org

The Colorado Foothills World Affairs Council is a non-profit organization which meets to provide a forum for those in our community wishing to keep abreast of developments in international relations and to discuss them on a regular basis with those having similar interests.

For more information, call Walter "Joe" Shaw 303-979-5927. ALL COLORADO FOOTHILLS WAC MEETINGS ARE FREE AND OPEN TO THE PUBLIC. RESERVATIONS ARE NOT REQUIRED.

DIRECTIONS to Mount Vernon Country Club: Exit I-70 at Genesee Park (Exit #254). Go North on Mount Vernon Country Club Road, Staying on the paved road and curving to the right. The Club entrance will be on your left, 1.1 miles from the I-70 exit.

DINNER AT 6:00 PM in the main dining room at Mount Vernon Country Club is optional. Reservations have to be made no later than the Sunday before the event. Call Mt. Vernon Country Club at 303-526-0616 and ask for seating with the Colorado Foothills WAC. Cost of dinner will be collected by the Club.

TAX DEDUCTIBLE CONTRIBUTIONS, AND MEMBERSHIP DUES: Information can be sent to: Bruce Glenn, P.O. Box 1602, Evergreen, CO 80437-1602.

SEND YOUR IDEAS and articles for the newsletter to the Editorial Committee: Beatrice Szadokierski, Editor in Chief, 1923 Parfet Estates Drive, Golden, CO 80401, email: szadokierski@comcast.net or call 303-279-2638.