



# Highlights

A Quarterly Newsletter for the Atlas Network / Summer 2002

## Addressing the Crisis in Latin America

On July 10-12, 2002, Bolivia's **Fundación Libertad Democracia y Desarrollo** (FULIDED) celebrated its 10th anniversary with a workshop that addressed *The Crisis in Latin America* and provided practical lessons in how think tanks can operate more effectively to make a difference. The well-attended event was co-sponsored by Atlas, Franklin Covey, Foundation Francisco Marroquín, Konrad-Adenauer-Stiftung, and the Universidad Privada de Santa Cruz de la Sierra among others.

With so much of South America currently in turmoil, revisiting the accomplishments of FULIDED gives needed perspective. Fifteen years ago, Bolivia was the most underdeveloped country of the region with a long history of hyperinflation and political instability. In 1986, President Victor Paz Estenssoro reversed these dangerous trends. Advised by Juan L. Cariaga and Gonzalo Sánchez de Lozada (newly elected president of Bolivia, and previously president of Bolivia between 1993-1997), Paz Estenssoro took strong steps to cut inflation and reform state spending. Since that time, Bolivia has enjoyed steady improvement in its standards of living, but there remains much confusion about free market ideas. The “neo-liberal” label



*Lorenzo Bernaldo de Quiroz (Fundación Iberoamérica, Spain) and Atlas's Alex Chafuen participate in a workshop in Bolivia, hosted by FULIDED.*

has been applied to many policies of “state capitalism” that no true classical liberal would advocate.

To the extent that free markets are effectively understood, FULIDED is largely to thank. Its anniversary celebration united much of Atlas's Latin American network to discuss why the continent has fared so badly in recent years. Cristian Larroulet from **Instituto Libertad y Desarrollo** (Chile) noted that his home country was the only one that, to date has been immune to the crises enveloping Argentina and Brazil. The Chilean lesson suggests that free trade and fiscal discipline is the key for keeping the economy stable.

Also making this point, Carlos Sabino of **CEDICE** (Venezuela) asserted that many market-ori-

ented reforms were undertaken in Latin America for the wrong reasons, and therefore were implemented poorly. Privatizations were effective in raising revenue for the state, but not for creating a competitive private sector, since the privatized entities remained protected by extensive regulation. Governments of Latin America avoided facing the need to cut the size of the public sector.

Ricardo López Murphy served as Argentina's Minister of Defense for more than a year, but only lasted two weeks as the Minister of Finance in 2001, because he was outspoken about the need to make tough choices and did not seek scapegoats for the looming financial crisis. At the Bolivian workshop, López Murphy

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## Atlas Economic Research Foundation

The Atlas Economic Research Foundation works with think tanks and individuals around the world to advance a vision of a society of free and responsible individuals, based upon private property rights, limited government under the rule of law and the market order. Atlas is a nonprofit 501(c)(3) organization that is supported solely by donations from individuals, foundations and corporations.

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# Atlas News

## Atlas Makes Major Improvements in its Web site

The Atlas Web site has been redesigned, so that it is frequently updated with news from the international network of market-oriented think tanks. The Management Toolkit now is full of links to articles and resources valuable for think tank leaders. Also, the most useful interactive features – the *directory* of think tanks, *calendar* of events, and *classifieds* section for advertising think tanks' products and needs – are both more prominent and user-friendly.

*Highlights* will continue to serve as a quarterly summary of activities at Atlas and throughout the think tank network, but for up-to-the-minute information, seeking grants and offering your services, *please get in the habit of visiting* [www.atlasUSA.org](http://www.atlasUSA.org).

We want to give special recognition to our partners at Lexicom, a Canadian Web development firm that serves a growing number of think tank clients. If you want to tap their expertise at serving the think tank world, send them an email at [solutions@lexi.net](mailto:solutions@lexi.net)



## Staff News

Atlas's Director of Academic Programs, Nikolai Wenzel, is beginning an evening PhD program in economics at George Mason University, while continuing his work to expand Atlas's activities in the academy. Nikolai plans to focus on public choice theory, constitutional economics, the rule of law, and the institutions that foster freedom and development.

## Bolivia, continued from p. 1

cautioned: "The countries embracing populism will face the same costs as Argentina and are marching toward the 'sea of happiness' of the Castro dictatorship."

Enrique Ghersi (**Centro de Investigación y Estudios Legales**, Peru) suggested that the underlying problem for South America is its tradition of "Republican Caesarism," where transfers of political power are accompanied by rewriting constitutions to grant powers to the government, rather than restrain it to ensure the freedom of the people. He quoted former Peruvian President Oscar R. Benavides who said, "For my friends, everything; for my enemies, the law." Rather than being an instrument to defend individual rights, the law in much of Latin America is seen as an instrument to coerce others.

Thankfully, there are some brighter spots, such as El Salvador in Central America, which has emerged from bloody civil war in the 1980s to become one of the world's freest economies today. Bolivia itself provides an example of a stable democracy. At the time of the workshop, there was uncer-

tainty about who would prevail as its next president (because no candidate won a majority of the votes, the decision went to the legislature). The political situation prevented market-oriented allies, outgoing president Jorge Quiroga Ramírez and now newly elected Gonzalo Sánchez de Lozada, from attending FULIDED's event. But the fact that both accepted invitations speaks to FULIDED's reputation as a maker of ideas with important influence on the direction of the country.

After the policy sessions of the workshop, a special management session was held on the afternoon of July 12 with Pablo Carter of Franklin Covey, the training and consulting firm that developed from the book, *Seven Habits of Highly Effective People*. The management session focused on how regional think tank leaders can manage their time more efficiently and improve as leaders. The event drew a large crowd of 140 people, including many from the private sector and non-profits who were not previously involved with think tanks.

## Atlas Fellows Find a New Niche in Brazil

*The Atlas office recently played host to three visiting fellows from Brazil's Instituto Liberal: Andre Andrade, Alex Catharino de Souza and Marcia Xavier de Brito. During their stay at Atlas, they learned about the think tank industry and analyzed how best to advance the freedom philosophy in their native country. Below, we share portions of the "market analysis" they produced on Brazil, which inspired them to create a new organization, Centro Interdisciplinar de Etica e Economia Personalista (CIEEP, which translates as "Interdisciplinary Center for Ethics and Economic Personalism"). On July 1, CIEEP gathered 40 people for its inaugural event, with leaders of Brazil's academic, business and religious communities.*

Leftist ideas compose the mainstream in Brazil, no matter if you are talking about the government or the academic world. The most important positions in society are held by people who spread a leftist ideology, such as Fernando Henrique (the current president) and Jose Serra (the "establishment" presidential candidate for election this Fall). Most of the teachers, books, and educational television programs that Brazilian youths encounter have an ideological bias against classical liberal ideas. Even religious institutions are politicized, as the Brazilian Catholic Church is world famous as the fountainhead of leftist "liberation theology."

You might wonder if opponents of the left's ideological domination can make a difference in Brazil. Some examples show us that it is possible. Ubiratan Iorio, a very popular professor who is one of the country's only teachers of Austrian economics, was elected dean of economics at Universidade do Estado do Rio de Janeiro. Although still suffering from the loss of its founder, the late Donald Stewart, the **Instituto Liberal – Rio de Janeiro** will celebrate its 20<sup>th</sup> anniversary next year. Business associations are responsive to free market arguments and can work as partners with think tanks. There are also institutes that belong to political parties that could help spread free market ideas.

When we arrived at Atlas, we were encouraged to look for areas of opportunity to make a difference in Brazil. This process begins with



*CIEEP's founding meeting in July 2002 attracted 40 attendees who learned how it intends to spread free market ideas in the highly religious environment of Brazil.*

understanding who the current actors are in advancing free markets. Although we can find many free-market teachers scattered in the universities throughout our country, we agree that the work of our think tanks are helping to put them together and disseminate a message of Freedom and Prosperity.

The oldest market-oriented Brazilian think tank is Instituto Liberal in Rio de Janeiro, which spawned other independent operations under the IL brand in different parts of the country. Instituto Liberal works mainly on public policy issues and spreading classical liberal ideas through seminars, courses and a huge catalog of publications. Another influential institute is **Instituto Interpolis**. Located in Sao Paulo, this institute promotes the debate of ideas from a free market perspective through large seminars with the major figures of the policy, academic and business worlds.

There are some smaller institutes that are addressing certain issues: the **Instituto Atlantico** (moderniza-

tion), **Instituto Fernand Braudel** (market processes), **Instituto Dan-neman-Siemsen** (intellectual property rights) and the **Instituto de Humanidades** (liberal arts education as a basis for a free society). And we also cannot forget the work of the **Instituto de Estudos Empresariais**. For more than 15 years, it has organized a very successful annual event, "Forum da Liberdade," and focused on forming Brazil's next generation of entrepreneurial leadership.

But despite the hard work of these organizations, the population of Brazil generally has a negative impression of classical liberal ideas. Former president Fernando Collor called himself a liberal, but is remembered for seizing money from the all the deposit accounts owned by the population. The left calls Fernando Henrique, the current president and former member of CEPAL – a fountainhead of statist development ideas in the '70s – a "neo-liberal," although his economic policies (including the regulatory agencies)

See [Brazil](#), p.5

## Intellectual Entrepreneurs from Africa

Some of the greatest rewards of Atlas's work come in supporting intellectual entrepreneurs in "difficult environments" – places where the rule of law, property rights, and free markets are virtually nonexistent.

Earlier this year, we had the pleasure of hosting two such individuals – James Shikwati, founder of the **Inter Region Economic Network** (Kenya) and Thompson Ayodele, founder of the **Institute for Public Policy Analysis** (Nigeria) – for a month-long visit this past Spring.

James and Thompson come from countries where automobiles emit smoke, houses are lit by candles, and the wealthy build fortifications around their homes for security. The rural areas lack paved roads, running water, efficient phone systems, or affordable internet connections.

When we first communicated with James, we learned he was making a 63-kilometer trip to pick up his e-mails at a public internet facility. Once Atlas made the commitment to help him start an institute, we encouraged him to secure e-

mail in his home. His town lacked the infrastructure to support e-mail, so James moved to Nairobi, a nine-hour bus ride from his wife and two children. Thompson essentially works two full-time jobs: one as a journalist to make a living and secondly, he runs his institute during his time off after work.

James and Thompson arrived in time to participate in Atlas's 2nd Annual Liberty Forum in Philadelphia, as well as the annual meetings of The Heritage Foundation's Resource Bank and the Philadelphia Society. Thanks to quick thinking by Atlas trustee, Linda Whetstone, James and Thompson were publicly introduced to Resource Bank audience of approximately 450 participants and instantly embraced as true heroes of the movement.

From that moment on, a broad array of think tank leaders took the time to meet James and Thompson, offering advice and providing a broad glimpse of the diversity and vitality of the U.S. freedom movement. Thompson described this outreach as saying to him: "Welcome! We are solidly appreciative of

what you are doing in your country."

After the Philadelphia meetings, both James and Thompson took advantage of invitations to participate in meetings in the Washington, DC area. Grover Norquist (**Americans for Tax Reform**) invited them to speak at his Wednesday morning meetings; Bridgett Wagner (**The Heritage Foundation**) organized a luncheon; and John Barry and his colleagues at the **America's Future Foundation** reached into their wallets during an AFF happy hour to raise money for a fax machine for Thompson. Likewise, George and Becky Dunlop, in addition to arranging several key meetings, gave donations so James and Thompson could purchase handheld PDAs to use in their work. Ian Vásquez and Jim Dorn from the **Cato Institute** organized a roundtable at which James and Thompson met other Africans including Ambassador Imru Zelleke and George Ayittey of **The Free Africa Foundation**.

To give a broader perspective of the diversity of the U.S. landscape, James and Thompson ended their trip by traveling to America's heartland. At the **Mackinac Center for Public Policy** (Michigan), Larry Reed, Joe Overton, Joe Lehman and the rest of the team shared vital information about how to manage a think tank at their Leadership Conference. Additionally, Larry Reed introduced them to potential donors, some of which now are providing financial support for these new operations.

After being in the U.S., both James and Thompson understood the importance of cooperation among think tanks. In response to people that he met in Philadelphia, Thompson commented, "From their interactions, I deduced that



*Thompson Ayodele (Institute for Public Policy Analysis, Nigeria) left, and James Shikwati (Inter Region Economic Network, Kenya) at a meeting at the Cato Institute.*

even though we are miles apart, we share a common vision and are confronted with the same or similar problems and concerns.” About the free market movement, “Despite the fact that they are from different backgrounds and environments, they seem themselves as one big indissoluble family. They did not see themselves working at cross-purposes.”

Likewise, James recalled learning from George Dunlop that funding is not like a pie to be hoarded from others; the potential for funding grows greater as more people and organizations collaborate towards an important goal. James commented, “This is a major lesson for African intellectual entrepreneurs who waste a lot of time and energy jostling, undercutting each other, and becoming dormant in the process, instead of focusing on issues.”

According to Thompson, “Today, my organization has many links in the U.S., thanks to the trip. When I need some information on any subject, I know whom to contact. The chief benefit that the trip offered is the contacts that I had with some institute leaders across the U.S. and other countries. They were able to chip in lots and lots of advice and strategies to adopt back home and forge ahead. That advice is ingrained in mind and is a valuable recourse for me.”

Back in Nigeria, Thompson has been interviewed on a prestigious TV station in Lagos, has been extended an invitation to attend a program on “Advanced Economics: The State in a Civil Society” at the **Foundation for Economic Education** (New York) and is in the process of organizing a conference on economic development for September.

On his arrival back to Kenya, James told us, “At the airport the

customs people were disappointed to find that the only items of value that I had were books!” Fortunately, he brought other things of value back to Kenya: a wider perspective on liberty that is reflected in his popular op-eds and his talks on Kenyan national radio (on subjects such as foreign aid and social security reform). In July, IREN-Kenya hosted two events: a business forum with Jonathan Campaigne (Promotion of Rural Initiatives and Development Enterprise-Africa) and an economic forum with Jerry Zandstra (**Acton Institute**, Michigan). Future plans include a conference on “Economics for Clergymen,” and a “Biopolicy and Sustainable Development” workshop with Leon Louw (**Free Market Foundation**, South Africa) and Julian Morris (**International Policy Network**, United Kingdom).

The activities of James and Thompson since their return to Africa makes us hopeful that they will make a difference in the understanding of freedom in their countries. Their enthusiasm suggests they are in this for the long haul. In the words of James, “I am interested and willing to play a major role in this as part of changing the general climate of thought in Africa. I am optimistic that this will lead to an African Resource Bank meeting too!”



### Brazil, continued from p.3

have invariably favored government intervention. This confusion in the public mind is very harmful to the efforts of think tanks advancing a true classical liberal agenda.

As there are several think tanks focused on public policy in Brazil and existing pro-business organizations that are quite effective, the best opportunity for making a difference is in improving the fundamental understanding about market economics among those whose opinions influence great numbers of the general public. In Brazil, religious leaders carry such influence. As we noted earlier, leftist ideas were promulgated under the banner of liberation theology. We posit that the climate of ideas in Brazil can be improved by educating the next generation of clergymen about how individual liberty and free enterprise are more consistent with Judeo-Christian ethics than government-forced collectivism.

We are creating CIEEP to fill this important niche. Importantly, CIEEP’s focus also could open up new avenues for funding. As in the U.S., only a tiny fraction of the non-profit sector is composed of public policy efforts, while one of the largest pieces of the philanthropic pie goes to religious initiatives. The religious orientation of CIEEP may appeal to certain donors that have little interest in pure policy work.

Attending the “Towards a Free and Virtuous Society” seminar of the **Acton Institute for the Study of Religion and Liberty** (Michigan) in March gave us a model for programs that could be effective in achieving the mission of CIEEP and producing a more hospitable environment for classical liberal ideas throughout Brazil.

If you would like more information on CIEEP, please e-mail us at: [andre.andrade@amaisb.com.br](mailto:andre.andrade@amaisb.com.br) or [Mpxbrito@aol.com](mailto:Mpxbrito@aol.com)

# Systematic and Persistent Work for Freedom

## One-on-One with Cristian Larroulet



*The country of Chile has avoided many of the policy mistakes made by others on the continent. Much of the country's success is attributable to market reforms implemented in the 1980s by some of founders of Instituto Libertad y Desarrollo (LyD) and to the stability of the Chilean public policy since LyD's founding. In 2000, the institute became the first Latin American think tank to host a general meeting of the Mont Pèlerin Society. We recently asked the organization's Executive Director Cristian Larroulet to discuss the reasons for LyD's success.*

### What led to the creation of Instituto Libertad y Desarrollo?

LyD was created in 1990 by Chile's former Minister of Finance, Hernán Büchi, and other important opinion leaders and professionals such as Carlos F. Cáceres, Lucía Santa Cruz, Hernán Felipe Errázuriz, and Patricia Matte. Some of them actively participated in the design and implementation of the economic and social market-oriented policies undertaken by Chile in the late 70's and 80's. LyD was established as an independent institution that elaborates, proposes and promotes public policies based on a free social order.

### How is LyD's work shaping the public policy environment in Chile?

LyD has programs focused on each of the most important public policy topics, such as economics, social welfare, and the environment. To influence the public policy environment, we use studies, seminars, and publications, and we conduct work and meetings on current issues, as well as long-term policies. Our audiences for these products is a diverse set of opinion leaders and policy makers: legislators, businessmen, media, academics, and students.

### Is political influence a source of trouble or a source of opportunity for LyD?

We see our connections to policy

leaders as a source of opportunity, but this is only possible because we are widely recognized as an academic institution with credibility among legislators, all political parties and the public in general.

### Latin America does not have a strong philanthropic sector as in the U.S. How do you face the challenge of fundraising in this climate?

It is very difficult to obtain resources in a country with a weak philanthropic tradition, restricted tax benefits for charitable giving, and at present, slow economic growth. LyD devotes a great deal of attention to finding new donors and also maintaining their support for the long term. We sell products – mainly publications and seminars – in two ways. First, as “private goods” that are attractive to small and medium-sized businesses and individual donors, which encourages these types of donors to support LyD at different levels of involvement. Then, some donors support our work as a “public good” – that is, they subsidize our work to increase its general availability to the public. In our communications to these different donors, we emphasize that it is during moments like these, where economic conditions are adverse, that we most need to be strong.

### Over the long term, what strategy has proven to be most important in reaching new people and finding new donors?

The most important thing has been to be systematic and independent in our proposals. Our studies and researchers constantly appear in the media giving technical opinions and interviews as often as possible. We distribute our documents, proposals and studies to experts, academics, legislators and policy makers, and we invite them to discuss specific subjects. We have been successful in projecting a solid image of stability, influence and high-level performance

### What management skill do you consider to be the most important for think tanks to develop?

Think tanks depend on people to produce ideas; therefore, knowing how to develop human capital is the most important skill. A think tank has to be a place where new professionals learn and achieve expertise in different subjects. They must be imaginative and willing to learn new subjects through new lines of approach. At LyD, we develop young professionals who have the ability to transmit new ideas, to appear in the media, and to conduct research that is technically sound, conveyed with intellectual clarity, and based on the principles of freedom. Further, their opinions must be independent: they should not know who the donors are and should not be influenced by them.

See Larroulet, p.7

# Polish-American Foundation for Economic Research and Education

One of Atlas's most tireless donor-partners has been Jan Malek. Born in Poland and currently residing in California, Malek has always looked into ways of improving economic education in his home country. With funding and logistical assistance from Malek over the years, Atlas has supported several important Polish translations, such as *The Anti-Capitalistic Mentality* by Ludwig von Mises; *Our Enemy, the State* by Albert Jay Nock, and *Drafting a Constitution for a Nation or Republic Emerging into Freedom* by Bernard S. Siegan.

More recently, Atlas has assisted in establishing an independent organization to streamline and expand these efforts. With Malek at its helm, the **Polish-American Foundation for Economic Research and Education – Pro Publico Bono** (PAFERE) sets out to propagate economic truths and improve the understanding of the economy following a partic-

ular line of thinking that Malek calls the Polish-American School of Economic Thought.

He summarizes, "The Polish-American School of Economic Thought holds that the main basis of a prosperous economy is the compliance by authorities and citizens with the most important economic imperative – Thou shalt not steal – in the broad meaning of this commandment, and with the natural laws of economy."

A more detailed presentation of the economic philosophy being advanced by the work of PAFERE is available online at [www.atlasusa.org/reports/pafere](http://www.atlasusa.org/reports/pafere)

In its first year, PAFERE has commissioned the publication of Polish translations of *The Mainspring of Human Progress* by Henry Grady Weaver (Fijorr Publishing, 2001), *Christians for Liberty, Late Scholastic Economics* by Alejandro Chafuen (Wydawnictwo Arcana, 2002), and *The Mystery of Capital - Why Capitalism Triumphs in the*

*West and Fails Everywhere Else* by Hernando de Soto (Fijorr Publishing, 2002). It also commissioned an original work by Robert Gwiazdowski, *Justice vs. the Effectiveness of Taxation: The Progressive and the Flat Tax*, which was published through the Adam Smith Research Centre.

Prior to the establishment of PAFERE, Atlas partnered with Mr. Malek to facilitate several other Polish translations, including: *The Anti-Capitalistic Mentality, Planned Chaos, and Bureaucracy* by Ludwig von Mises; *Drafting a Constitution for a Nation or Republic Emerging into Freedom* by Bernard S. Siegan; *Our Enemy, the State* by Albert J. Nock; *Cliches of Politics* edited by Mark Spangler; *The Morality of Capitalism* edited by Mark W. Hendrickson; and *Economic Personalism* by Gregory M. A. Gronbacher.

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Larroulet, *continued from p.7*

## **What is the biggest challenge that your institute faces, and what you are doing to overcome that challenge?**

We want to increase our influence among the next generation, so they are prepared to cope with new problems and develop principled, innovative solutions. We have special programs for young professionals and university students such as a year-round internship program; an award

for an outstanding university thesis; and a group of about 40 senior university students, who assist with a series of student conferences.

## **What do you think Latin American think tanks should do to win the war of ideas?**

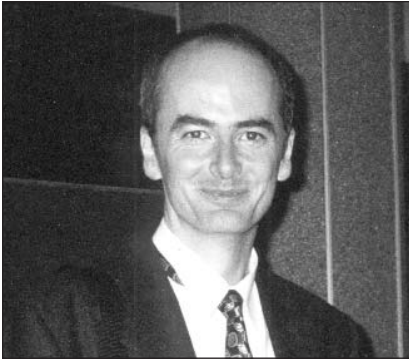
Work hard, be systematic and persistent in presenting our ideas and always stay independent.

## **How do you see the future of Latin American think tanks?**

Think tanks in Latin America have a hugely important role in changing the climate of ideas, especially in societies with institutional weaknesses. During this past year, LyD has worked with other think tanks to help each other in many ways by sharing our knowledge and activities. We have a huge responsibility in the future of our countries.

# Ludwig von Mises Institute – Romania

## Institute Spotlight



*Christian Comanescu, founding president of the Ludwig von Mises Institute – Romania, at last year's Atlas workshop in Slovakia.*

In 1994, Dan Cristian Comanescu began organizing private seminars on the teaching of celebrated Austrian economist, Ludwig von Mises. As these seminars grew through the years, it became evident that establishing a private think tank could help accelerate the trend toward free markets and a free society in Romania. Thus was born the **Ludwig von Mises Institute – Romania** in October 2001 with Comanescu as its founding president and Tudor Smirna as Executive Director.

“We are mostly interested in emphasizing Austrian economic theory that can be used to compare various institutional arrangements,” explains Smirna. “The Romanian intellectual environment lacks a strong theoretical foundation. This type of knowledge is needed in order for future generations to defend private property and the Western values and traditions of freedom. But along with the theoretical work, we encourage related policy research programs that are compatible with our mission.”

One of the first accomplishments of the LvMI was the creation of a Web site – [www.MisesRomania.org](http://www.MisesRomania.org) – that already features Romanian translations of writings by Mises, Rothbard, Herbener, Hoppe, Salerno, Schoolland and Skousen. Smirna comments: “We began by posting

the translation of Mises' *Economic Policy: Thoughts for Today and for Tomorrow*, which was soon followed by important shorter writings, like *The Historical Setting of the Austrian School of Economics*, *Economic Calculation in the Socialist Commonwealth* and *Profit and Loss*. Recently, and with the much-appreciated help of Atlas, a steady supporter since our beginning, we started posting the Romanian versions of Mises' *Human Action* (the first three parts are now available online) and *Socialism* (from which the epilogue, also known as *Planned Chaos*, can be read on-line).

Other translations underway include Mises' *Bureaucracy*, Rothbard's *The Ethics of Liberty*, and other pieces by Bettina Bien Greaves, Jesús Huerta de Soto and Ralph Raico.

The website is already beginning to be a recognized tool for the scholars. For example, the latest bestseller by Romania's top conservative writer, Horia-Roman Patapievic, *Omul Recent (The Recent Man*, published by Humanitas, 2002), has several references to materials offered on [MisesRomania.org](http://MisesRomania.org).

To complement the translation projects, the institute also holds seminars for young faculty, graduate students, and key business leaders that trains them in translating and teaching from the classical liberal texts.

One participant reported: “The seminar helped me not only refine and radically change my views on specific economic matters, but also systematically connect this new understanding with areas such as social sciences in general, political philosophy, law, and – not as indirectly as it might seem – ethics... Irrespective of their field, those truly curious about social phenomena may expect to acquire at the seminar an incisive and versatile scientific tool, as well as memorable pleasant moments.”

In the 2001-2002 academic year, the advanced seminar (ten highly

trained participants) discusses Huerta de Soto's *Dinero, Crédito Bancario y Ciclos Económicos*, and the introductory seminar (overbooked at twenty participants) is on Rothbard's *Man, Economy and State*.

Unfortunately, the funding of LvMI has not been able to keep pace with interest in its seminars. Many applicants have been put on waiting lists, waiting for the institute to be able to organize larger scale courses on the principles of Austrian law and economics.

Despite these limitations, we are pleased to report signs of our successful impacts. Some advanced members of the seminar, such as Diana Costea and Marius Spiridon, have been able to take their interests in teaching these subjects to some of the country's top academic institutions, including The Political Science Department of the Bucharest University and The Romanian Academy of Economic Studies. Also, several members of the LvMI are in regular contact with the press. Associate scholar Sorin Cucerai is columnist at *Cotidianul*, an important daily newspaper. Smirna and Spiridon are regularly invited to speak for the BBC-Romania Radio Station among others.

Future goals of the Ludwig von Mises Institute – Romania include:

- creating a public-access library to expose a wider market to free market ideas,
- starting a monthly newsletter to comment on the economic/political events in Romania from an "Austrian," or classical liberal, point of view,
- organizing conferences and lectures that feature famous libertarian thinkers and organizations,
- conducting a public opinion survey in Romania to determine whether libertarian ideas appeal to the general population,
- publishing monographs on key economic issues that impact the Romanian economy (e.g., "Is a

## Network News

### NEA Fined for Violating State Law as Result of EFF Lawsuit

The **Evergreen Freedom Foundation** filed a lawsuit against the National Education Association in April. NEA attorneys missed the June 24 court deadline to respond, causing the Thurston County Superior Court to issue a default judgment in EFF's favor: an \$800,000 fine against the union for what the court said were intentional violations of state law, and a permanent injunction barring the union from collecting any agency fees from Washington teachers.

### CIS in the News

**Centre for Independent Studies** (Australia) was the subject of a fascinating article, profiling the think tank and discussing the think tank movement, in the *Australian Financial Review Magazine* on June 28 (article available only to subscribers). CIS was hailed as "the most influential think tank in the country, its unique brand of social conservatism and neo-classical economics now largely mirrored in Coalition Government policy. Not only is the 25-year-old institution a firm favourite of the Prime Minister, it is increasingly hailed by both sides of politics." In other news from down under, a portrait of CIS's founding president Greg Lindsay by Salvatore Zofrea has been added to the permanent collection of the National Portrait Gallery of Australia.

### A Great Web Portal for News and Resources on Latin America

The **Hispanic American Center for Economic Research** (HACER) — formed by Atlas in 1998 to increase think tank efforts focused on Hispanics in the U.S. and, more broadly, the

interests of Latin America—hosts a Web site that has become an important portal for news articles and Spanish-language resources on economics and the free society.

### New Think Tank in Hawaii

The **Grassroot Institute of Hawaii** was formed to respond to the interventions of the state's government, especially those harming consumers and small business owners. In July, the Grassroot Institute coordinated a special visit of Grover Norquist, President of **Americans for Tax Reform** (ATR).

### Staley to Head Buckeye Institute

Samuel R. Staley, Ph.D., has returned to the organization he founded, Ohio's **Buckeye Institute**, to become its new president. Most recently, Staley had headed the Urban Futures program at **Reason Public Policy Institute** (CA).

### 2002 Index of Leading Environmental Indicators Now Online

The Center for Environmental Studies (CES) at **Pacific Research Institute** (California) reveals the dramatic and long-term trend towards a cleaner, healthier environment in the *2002 Index of Leading Environmental Indicators*. It also examines and promotes the essential ingredients for abundant resources and environmental quality—property rights, markets, local action, and private initiative. The 2002 Index is posted online with local data on all 50 states.

### Fundación DL Gains Regular Column in Legal Journal

**Fundación DL** (Colombia) now writes a monthly column for *Ambito Jurídico* (*Legal Scope*), a biweekly

legal journal that reaches 90,000 readers in Colombia. The column is devoted to classical liberal legal thinkers and free-market studies dealing with legal issues. Columns to date have discussed excerpts from Bastiat's *The Law* and Montesquieu's *The Spirit of Laws*.

### Canada's Frontier Centre Utilizes Expertise from New Zealand on Farm Topics

As part of its rural policy, the **Frontier Centre for Public Policy** (Canada) hosted Brian Chamberlin, former New Zealand trade negotiator and author of the book, *Farming without Subsidies*, in early May which included media appearances, a university lecture, and meetings with agriculture experts and political leaders. His message: that the end of subsidies benefited his industry in New Zealand. He also criticized the recent U.S. farm bill and stressed the need to have a unified international front against this type of protectionism.

### Great Plains Public Policy Institute Co-Sponsors Breakfast Seminar

GPPPI (South Dakota) held a breakfast seminar titled "The New Community" — a demographic overview of South Dakota and the challenges facing rural communities. The seminar, which was attended by state and local elected officials and community leaders, addressed the decreasing population in rural communities, declining tax base and alternative solutions to providing services. These alternatives dealt with reducing governmental entities and consolidation rather than increasing federal and state funded programs and subsidies.

### LvMI, continued from p.8

currency board appropriate for Romania?").

Please visit the [www.MisesRomania.org](http://www.MisesRomania.org) Web site for more information.

You may also want to subscribe to Atlas's monthly email newsletter, Central and Eastern European Report, for more information about free market

activities in Romania and the rest of the region. Email: [atlas@atlasUSA.org](mailto:atlas@atlasUSA.org) for more information.

## Institute Publications

### Private Schools Serve the Poor in the Philippines

The **E.G. West Centre** (United Kingdom) and **Institute of Political Economy** (Philippines) have published *Private Schools for the Poor* (sponsored by Atlas) finding that private schools in many depressed suburban and rural areas are charging minimal fees and offering quality education. Even low-income families are responding to the perceived inadequate and poorly managed public schools by sending their children to these private schools.

### Coalition of European Think Tanks Addresses Europe's Welfare Burden

The Stockholm Network, a working group of European market-oriented think tanks including **Civitas** (United Kingdom), **Timbro** (Sweden), and **Centre for the New Europe** (Belgium) recently released a new publication on welfare reform. *Europe's Welfare Burden* sets out the case for welfare reform and offers possible strategies, based on American efforts in Wisconsin and New York.

### Capital Controls: A 'Cure' Worse Than The Problem?

In a new title published by the **Institute for Economic Affairs** (United Kingdom), Professor Forrest Capie concludes that capital controls are damaging and that there is no case for reviving them, as some economists have suggested and as anti-globalisers would wish. Capital mobility improves the worldwide allocation of resources, channeling resources to their most productive uses.

### Associazione Bruno Leoni Addresses Questions of Sound Science

The **Associazione Bruno Leoni** (Italy) together with Leonardo Facco is publishing titles on the new tide of regulatory crusades that

often sacrifice science in the process. In *Elettrosmog, un'emergenza creata ad arte*, Professor Franco Battaglia (Rome University) researches the electronic waves of cellular phones rumored to cause cancer. More than 3000 copies have been sold. Later this year, the Associazione will publish an Italian translation of *Murder a Cigarette*, the acclaimed book on smoking hysteria written by Lord Harris of High Cross, as well as *Science Without Sense* by Stephen Milloy, now an adjunct scholar at the **Cato Institute**.

### New Publication of Bastiat Essays

**Institut Économique de Montréal** (Canada) has published several essays by 19th century French economist Frédéric Bastiat in their original French in a new publication, *Frédéric Bastiat: Défenseur du Bon Sens Économique*.

### Czech Translation of Wealth of Nations

Last November, 350 Czech academics, students, economists, politicians and journalists joined the **Liberalni Institut (Czech Republic)** in Prague in a ceremonial presentation of its new translation of *The Wealth of Nations* by Adam Smith. Czech TV covered the presentation together with an interview of Lord Harris, who came to Prague upon the invitation from Liberalni Institut to deliver a speech highlighting the theoretical legacy of Adam Smith. The Institut is also planning on continuing with a translation of Adam Smith's *Theory of Moral Sentiments*.

### Cost of Living Analysis in Chile

The **Centro de Investigación de Empresas y Negocios** (CIEN, Chile) and the Universidad del Desarrollo Department of Economics and Business released their July 2002 publication of *Informe CIEN*. The issue investigates the cost of living that Chilean executives

face when moving from their city of origin to other Chilean cities. This study reveals that the price levels within the national territory can differ up to 20% between the cheapest and the most expensive cities. Country analyses are done so that one is able to see the differences in cost of living prices within various regions and then compare that with their current and past gross incomes.

### Social Affairs Unit Releases Book on the Critics of Globalization

Michael Mosbacher has authored *Marketing The Revolution for Social Affairs Unit* (United Kingdom), finding that the new critics of capitalism present little in the way of analysis of the capitalism they abhor, or an alternative to it. But they are increasingly sophisticated in employing modern PR techniques to increase their influence.

### Two New Publications from Spain's Círculo de Empresarios

**Círculo de Empresarios** recently published two new titles, *Barcelona: Una Oportunidad Para Reconducir Europa* and *La Política Anticíclica Española Dentro del Euro*, both available in PDF format on the organization's Web site.

### A Call to Privatize Kenya's National Social Security Fund

From June 2002, James S. Shikwati of **Inter Region Economic Network** in Kenya explains the virtues of the Chilean model of private accounts to replace Kenya's pay-as-you-go pension system.

### AIMS Takes Fire at Equalization in Canada

**Atlantic Institute for Market Studies** (Canada) released a new publication on the topic that was awarded Atlas's 2002 Sir Antony Fisher International Memorial Award for Innovative Projects. Equalization (the process of taxing richer provinces to subsidize poorer

## Institute Publications

provinces), although noble in intent, actually creates incentives for less-developed provinces to raise taxes and overtax their citizens. AIMS latest report, *Taxing Incentives: How Equalization Distorts Tax Policy in Recipient Provinces* examines the burden of various taxes of both recipient and non-recipient provinces.

### Rio Grande Foundation Advocates Ending Tax on Groceries

A new study, *Lower Taxes - Period: The Right Way to End the Food Tax*, by Harry Messenheimer of the **Rio Grande Foundation** (New Mexico), recommends ending New Mexico's tax on groceries.

**Two New Translations in Italian** **Centro di Metodologia delle Scienze Sociali** (Rome) has published, with Rubbettino Editore, Italian translations of Pascal Salin's *Liberalisme*, as well as *The Economics of Time and Ignorance* by Gerald O'Driscoll and Mario Rizzo.

### IEA - Ghana Examines the Roots of Economic Growth

*Economic Growth: Where does it come from?* is the title of a new Occasional Paper from the **Institute of Economic Affairs-Ghana**, authored by Joe Amoako-Tuffour. This paper explores what public and private institutions can do to cause economic growth, especially for developing economies seeking new direction. You may email the organization to request a copy.



## Classifieds

The classified ads below are a sample of those posted on the online Freedom Classifieds. To post your own ad, or to see more, visit [www.atlasUSA.org/classifieds](http://www.atlasUSA.org/classifieds)

**Free Books (All You Have to Pay is Shipping Costs!)** – The large number of books are available, through the generosity of the **Pacific Research Institute** (California), for donation to other institutes. See the full posting on the Classifieds for the list of titles. Atlas is coordinating the orders. For more information, contact Joyce Schroeder by emailing: [atlas@atlasusa.org](mailto:atlas@atlasusa.org).

**Seeking Speaker on Higher Education – Lithuanian Free Market Institute** (LFMI) is a private think-tank established in 1990 to promote the ideas of economic liberalism based on the principles of individual freedom and responsibility, free markets and limited government. One of our organization's goals is to allow private initiative into higher education and remove entry barriers. LFMI will hold a one-day conference in October in Vilnius to present an overview of the higher education existing system in Lithuania and worldwide. Would an education expert be interested in participating in this conference by presenting new developments worldwide concerning fast-growing private higher education?

**Seeking Funding to Publish *Don't Cry for Me Argentina*** – Josep Vergés analyzed the economic history of Argentina in this study, written for *Mercado Libre* (Number 30, November 2001), which is currently available only on the Internet. Now, **Fundación Atlas para una Sociedad Libre** (Argentina) considers it very important to have a printed version of this issue in English so as to show the world, the true story of the economic crisis in Argentina. In order to print 1,000 issues the Foundation needs US\$ 500. Contact Gabriel Salvia at [atlas@atlas.org.ar](mailto:atlas@atlas.org.ar) or 54-11- 4343-3886.

**Seeking Director for Free Market Project** – The **Media Research Center** (Virginia) is looking for someone who has experience in business, economics and media to lead the Free Market Project. Responsibilities include advocating free market economics and serving as a public liaison. Candidates should demonstrate excellent writing and speaking skills. Contact MRC via [mrc@mediaresearch.org](mailto:mrc@mediaresearch.org) or call 703.683.9733.-

**Commanding Heights Videos for Sale** – The acclaimed new television series *Commanding Heights: the Battle for the World Economy* is now available on video. The six-hour series tells, in narrative form, the story of how the world has “changed its mind” and moved away from government control towards greater confidence in free markets. It underlines the key role of free market thinkers. Among those interviewed are Milton Friedman, Ralph Harris, Gary Becker, George Shultz, Sam Peltzman, Dick Cheney, Lawrence Lindsey, and Lee Kuan Yew. It also includes never-before-seen footage of Margaret Thatcher. Based on the book by Daniel Yergin and Joseph Stanislaw, *Commanding Heights* can be ordered in a 3-VHS set (NTSC format only) for a discounted price of \$34.95 per set through Amazon.com. Amazon is very convenient for orders of one through 10 sets. (Regular price is \$39.95). The series can also be ordered over the phone from WGBH-TV at (800) 949 8670. (To get the Atlas discounted price of \$34.95, use the code word “market” when calling.) For orders of more than 10 sets, contact [heights@cera.com](mailto:heights@cera.com).

## Directory

Below are names of Institutes with Web addresses mentioned in this quarter's *Highlights*. Visit the Freedom Directory at [www.atlasUSA.org](http://www.atlasUSA.org) for more details on the larger network of market-oriented think tanks with which Atlas works.

**America's Future Foundation** ([www.americasfuture.org](http://www.americasfuture.org))

**Atlantic Institute for Market Processes** ([www.aims.ca](http://www.aims.ca))

**Buckeye Institute** ([www.buckeyeinstitute.org](http://www.buckeyeinstitute.org))

**Cato Institute** ([www.cato.org](http://www.cato.org))

**Centre for Independent Studies** ([www.cis.org.au](http://www.cis.org.au))

**Centre for New Europe** ([www.centrefortheneweuropa.org](http://www.centrefortheneweuropa.org))

**Centro de Divulgación del Conocimiento Económico (CEDICE)**  
([www.cedice.org.ve](http://www.cedice.org.ve))

**Centro di Metodologia delle Scienze Sociali** ([www.luiss.it/centri/cmss/](http://www.luiss.it/centri/cmss/))

**Círculo de Empresarios** ([www.circulodeempresarios.org](http://www.circulodeempresarios.org))

**Civitas: Institute for the Study of Civil Society** ([www.civitas.org.uk](http://www.civitas.org.uk))

**E.G. West Centre for Market Solutions in Education**  
([www.ncl.ac.uk/egwest/](http://www.ncl.ac.uk/egwest/))

**Evergreen Freedom Foundation** ([www.ewfa.org](http://www.ewfa.org))

**Foundation for Economic Education** ([www.fee.org](http://www.fee.org))

**Fraser Institute** ([www.fraserinstitute.ca](http://www.fraserinstitute.ca))

**Free Africa Foundation** ([www.freeafrica.org](http://www.freeafrica.org))

**Free Market Foundation of Southern Africa**

([www.freemarketfoundation.com](http://www.freemarketfoundation.com))

**Frontier Centre for Public Policy** ([www.fcpp.org](http://www.fcpp.org))

**Fundación Atlas para una Sociedad Libre** (Argentina) ([www.atlas.org.ar](http://www.atlas.org.ar))

**Fundación DL** ([www.fundaciondl.org](http://www.fundaciondl.org))

**Fundación Libertad Democracia y Desarrollo** ([www.fulided.org](http://www.fulided.org))

**Fundación para el Análisis y los Estudios Sociales** ([www.fundaes.es](http://www.fundaes.es))

**Grassroot Institute of Hawaii** ([www.grassrootinstitute.org](http://www.grassrootinstitute.org))

**Great Plains Public Policy Institute** ([www.greatplainsppi.org](http://www.greatplainsppi.org))

**The Heritage Foundation** ([www.heritage.org](http://www.heritage.org))

**Hispanic American Center for Economic Research** ([www.hacer.org](http://www.hacer.org))

**Institut Économique de Montréal** ([www.iedm.org](http://www.iedm.org))

**Institute for Public Policy Analysis** ([www.ippanigeria.org](http://www.ippanigeria.org))

**Institute of Economic Affairs** ([www.iea.org.uk](http://www.iea.org.uk))

**Institute of Political Economy** (Philippines)

([www.uap.edu.ph/schools/ipe.asp](http://www.uap.edu.ph/schools/ipe.asp))

**Instituto Atlántico** ([www.instituto-atlantico.org.br](http://www.instituto-atlantico.org.br))

**Instituto de Estudos Empresariais** ([www.iee.com.br](http://www.iee.com.br))

**Instituto Liberal - Rio de Janeiro** ([www.institutoliberal.org.br](http://www.institutoliberal.org.br))

**Instituto Libertad y Desarrollo** ([www.lyd.com](http://www.lyd.com))

**Inter Region Economic Network - Kenya** ([www.irenkenya.org](http://www.irenkenya.org))

**International Policy Network** ([www.policynetwork.net](http://www.policynetwork.net))

**John Locke Foundation** ([www.johnlocke.org](http://www.johnlocke.org))

**Liberalni Institut** ([www.libinst.cz](http://www.libinst.cz))

**Lithuanian Free Market Institute** ([www.freema.org](http://www.freema.org))

**Ludwig von Mises Institute - Romania** ([www.MisesRomania.org](http://www.MisesRomania.org))

**Ludwig von Mises Institute - USA** ([www.mises.org](http://www.mises.org))

**Maryland Public Policy Institute** ([www.mdpolicy.org](http://www.mdpolicy.org))

**Media Research Center** ([www.mrc.org](http://www.mrc.org))

**Mont Pèlerin Society** ([www.montpelerin.org](http://www.montpelerin.org))

**Pacific Research Institute** ([www.pacificresearch.org](http://www.pacificresearch.org))

**Philanthropy Roundtable** ([www.philanthropyroundtable.org](http://www.philanthropyroundtable.org))

**Reason Public Policy Institute** ([www.reason.org](http://www.reason.org))

**Rio Grande Foundation** ([www.riograndefoundation.org](http://www.riograndefoundation.org))

**Social Affairs Unit** ([www.socialaffairsunit.org.uk](http://www.socialaffairsunit.org.uk))

**State Policy Network** ([www.spn.org](http://www.spn.org))

**The Commonwealth Foundation** ([www.commonwealthfoundation.org](http://www.commonwealthfoundation.org))

**TIMBRO** ([www.timbro.com](http://www.timbro.com))

## Calendar

This is a sample of the event listings available on the Freedom Calendar on the Atlas Web site ([www.atlasUSA.org](http://www.atlasUSA.org)).

Periodismo y Dictadura:  
Teoría y práctica de una  
profesión democrática  
**Fundación Atlas para una  
Sociedad Libre**  
September 25, 2002  
Buenos Aires, Argentina

Third Annual Dinner  
(Speaker: Brett Schundler)  
**The Commonwealth  
Foundation**  
October 1, 2002  
Harrisburg PA, USA

Book Launch: *Antony Fisher*  
- *Champion of Liberty*  
**Institute of Economic  
Affairs**  
October 1, 2002  
London, UK

2002 General Meeting  
**Mont Pèlerin Society**  
October 5-10, 2002  
London, UK

Economic Freedom of the  
World Conference  
**Fraser Institute**  
October 10-11, 2002  
Madrid, Spain

Contributions of Toledo's  
Jews, Muslims and Chris-  
tians to the Free Society  
**Atlas Economic Research  
Foundation**  
October 12-13  
Toledo, Spain

Producing and Implement-  
ing Public Policy Ideas: The  
Role of Think Tanks  
**Fundación Iberoamérica  
Europa**  
October 14, 2002  
Madrid, Spain

Crisis in Latin America  
**Fundación Internacional  
para la Libertad**  
October 14, 2002  
Madrid, Spain

The Role of Think Tanks  
**Fundación para el Análisis  
y los Estudios Sociales**  
October 15, 2002  
Madrid, Spain

Health Care Policy  
Roundtable & Annual  
Meeting  
**State Policy Network**  
October 17-18, 2002  
Indianapolis, IN

The Scholarship of Liberty  
(20th Anniversary Event)  
**Ludwig von Mises  
Institute**  
October 18-19, 2002  
Auburn, AL

11th Annual Meeting  
**Philanthropy Roundtable**  
October 31, 2002  
Amelia Island, FL