



Highlights

A Quarterly Newsletter for the Atlas Network / Summer 2005

Atlas's International Thursdays: A Forum for Ideas and Networking

By Elena Ziebarth
Atlas Assoc. Director of Public Affairs



Alvaro Vargas Llosa, senior fellow at the Independent Institute (California), spoke at the August International Thursday about Independent's new Center for Global Prosperity, which works to bring together the intellectual, moral, and practical analyses necessary to shed light on the viability of market-based solutions.

As part of Atlas's ongoing efforts to integrate the friends of freedom around the world and to strengthen and grow the international network of free market think tanks, we launched our International Thursday meetings in April 2005. One Thursday each month we provide people and groups local to the Washington, DC area and our overseas visitors a forum to exchange ideas and give updates on their latest projects.

Atlas took the model of **American for Tax Reform's** Wednesday meetings and adapted it to fit our own purposes. Atlas President Alex Chafuen, who moderates each meeting, explains, "Seeing the paucity of efforts serving the international "free society" community, we decided to create the International Thursday meetings as a forum where American policy experts and business leaders and their overseas counterparts can exchange ideas."

Once Atlas moved to Arlington, Virginia, just minutes away from the US capital, we have had more visitors from our international network than ever before. These International Thursday meetings help us capitalize on the talent that comes through our doors each month. We are able to provide our think tank leaders, policy experts, business people and academics with a venue where they can exchange useful, compet-

ing ideas in an atmosphere of shared common beliefs. Sally McNamara (**American Legislative Exchange Council**, Washington, DC) attends our meetings because "Atlas's forum allows D.C. analysts to hear from leading experts from across the world, as well as engage in debate about how we can best achieve our shared vision of a society based upon individual liberty, limited government and free markets."

The meetings normally have 4 or 5 presenters, who are given the floor for five minutes to talk about their country, company, organization or initiative. We have given the floor to: Lida Noory of the **Independent Women's Forum** (Washington, DC), an organization which seeks to promote women's well being by advancing the principles of self-reliance, political freedom, economic liberty, and personal responsibility; Young Howard of **Liberty Union**, a South Korean group that works to spread the ideas of the freedom in South Korea; Todd Lofgren of USAID on the priorities of its Global Alliance Initiative. We also have time for other participants to announce events, publications or important current issues.

Although the formal program ends at 11:30, we encourage all of the speakers and guests to stay for coffee and networking. Often the topics covered create opportunities for groups to collaborate with one another or to launch new initiatives. One participant, Kerry Halferty Hardy (**American Institute for Con-**

temporary German Studies) commented, "Atlas International Thursdays' combination of intelligence briefing, idea forum and networking are a highly useful way for me to keep a finger on the pulse of the global movement for liberty."



Three of the speakers featured during the June International Thursday were (from left to right) Sabine Herold of Liberté Chérie (France), Liu Kin Ming of Hong Kong's Apple Daily newspaper, and Jamal Barzinji of the International Institute of Islamic Thought (Virginia).

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UPCOMING INTERNATIONAL THURSDAYS

All of Atlas's International Thursday meetings take place from 10:00-11:30AM in the conference room of the Atlas offices at 2000 N. 14th Street, Suite 550 in Arlington Virginia.

- October 20th
 - November 17th
 - December 15th
 - January 19th*
 - February 16th *
- *tentative

We encourage anyone who is interested in attending or presenting at an International Thursday meeting to contact Atlas at events@atlasUSA.org



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 non-profit 501(c)(3) organization that is supported solely by donations from individuals, foundations and corporations.

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At Atlas

Atlas's Colleen Dyble Speaks in Prague

From July 7-29, 2005, Colleen Dyble traveled to Prague, Czech Republic, with the **Fund for American Studies** (Washington, DC) to participate as a teaching assistant for the economics component of their American Institute on Political and Economic Systems (AIPES) program. The Fund for American Studies has been educating young leaders on the values of freedom, democracy, and free market economies since 1967. This year's program, in collaboration with Charles University (Prague, Czech Republic) and Georgetown University (Washington, DC), attracted 118 students from more than 25 countries. Colleen also had the opportunity to give a guest lecture about the international think tank network and was delighted to discover so much interest among students in getting involved in think tanks. Colleen also enjoyed connecting with existing think tanks in Prague, including the **Centrum Pro Ekonomiku A Politiku** and the **Liberalni Institut**.



At one reception, Colleen Dyble had the chance to meet US Ambassador to the Czech Republic William J. Cabaniss. Picture from left to right are: Scott Bailey, Amb. Cabaniss, Professor Mike Veseth and Colleen.

Andrea Millen Rich Joins the Atlas Board of Directors



During the 2005 Liberty Forum in Miami, new Atlas Board member Andrea Rich (center) caught up with two 2005 Templeton Freedom Award Grant winners – James Shikwati (Inter Region Economic Network, Kenya) at left and Thompson Ayodele (Institute for Public Policy Analysis, Nigeria) at right.

The Atlas Board and Staff are delighted to welcome Andrea Millen Rich as a new board member. Atlas's Chairman of the Board William O. Sumner commented, "Andrea Rich is the Hippolyta of the free market movement, and we are delighted to welcome her to the Atlas board!" Jo Kwong, Director of Institute Relations at Atlas, seconds Sumner's enthusiasm saying, "For countless years, Andrea has been helping Atlas with her immeasurable knowledge about the books of liberty. Our international colleagues have benefited terrifically from her expertise and friendship." Prior to joining the Atlas Board, Rich was the president of Laissez Faire Books, an online and mail order store for classical liberal books.

Atlas in the News

During the summer Atlas's Alex Chafuen had two columns placed in major publications: "Hooray for Bollywood" (*Washington Examiner*, 6/6/2005), which focuses on labor regulations in India; and "Toward a Community of Democracies" (*The Washington Times*, 8/22/2005), which comments on how policy institutes worldwide in the Atlas network are more effectively building democracy in their home countries than their governments or supra-governmental organizations.

Atlas was also featured in the August 11th *Frankfurter Allgemeine Zeitung* article by Karen Horn, entitled "Die wirtschaftlichen Freigeister stellen sich auf die Hinterbeine" ("The Economically Free-Spirited Take a Stand"). Horn wrote about the growing number of think tanks worldwide, and how Atlas has contributed to that expansion.

Nepal: Open to New Ideas

by Doug Bandow,
Atlas International Freedom Corps Scout and Cato Institute Senior Fellow

I have long been interested in international issues and have traveled extensively, so when my friends at the Atlas Foundation suggested that I visit Nepal to work with local free market advocates centered around *the Boss* magazine, I seized the chance. Nepal's freedom environment is difficult. It is relatively poor, but there seems to be little political commitment to undertake the inevitably painful reform process. Indeed, many Nepalese see no one to champion their cause. The Maoists, who dominate many villages in the countryside, offer a dismal future based on the failed past.

Since there is no established liberal political or intellectual movement in Nepal, even a soft voice raised for freedom can get a hearing. Shalini and Rakesh Wadhwa have attempted to fill this gap. *The Boss* magazine, edited by Shalini, has of necessity become the center of Nepalese liberal thinking. Even if continuing regulatory barriers prevent creation of a formal think tank, the Boss can operate as an informal think tank, hosting events and spreading ideas.



One particularly notable meeting took place outside of Kathmandu in Pokhara, where political discussions are rarely held. The panelists from left to right are: Rajendra Lalchan, Anil Chitrakar, Doug Bandow, Ashok Palikhe, and Rakesh Wadhwa.

My time in Nepal was extremely productive. We had events almost every day, where I addressed audiences ranging from students to public officials about the ideas of liberty. By

and large people were open to the message of liberty; we all hope that we've started a debate that will continue in coming months and years.

During my first meeting with *the Boss* magazine staff, I went over the principles of economic freedom and how they led to economic growth. I consulted with editors on article ideas and suggested responses to specific objections from readers and critics. The writers and editors obviously were bright, interested, and committed to making their nation a freer (and thus better) place.

We also held several public sessions in both Kathmandu and Pokhara. One meeting focused on business leaders and former government economic and financial officials. (They all are former because the king has suspended democratic governance.) Some businessmen and politicians would argue that Nepal is free economically, based on limited liberalization achieved during the 1990s. But Rakesh and other entrepreneurs would point to pervasive government incompetence, inefficiency, and corruption, which prevent the nation from developing.

Some academic participants in the seminars appeared to support the principles of individual liberty. A couple noted that universities should encourage a similar debate. Students have been in the forefront of recent pro-democracy demonstrations and seem particularly aware that their futures depend on achieving a more open society.

Finally, the media demonstrated an interest in my visit, which, hopefully, has increased its willingness to cover future freedom-oriented activities.

To some degree, though, the lack

of apparent options today leaves fertile ground for additional Atlas activities. The public's frustration with the current political players creates an opening for new ideas.



Among the attendees at the final dinner were the U.S. ambassador to Nepal James F. Moriarty, former Nepalese government ministers, a members of the local business community, journalists from daily newspapers and business publications, academic leaders, and students. Bandow (right), Amb. Moriarty (center), and Sulo Shrestha Shah speak during a reception.

Despite the difficulties currently facing Nepal, there is no reason that Nepalese could not take advantage of greater freedom to build a prosperous and ultimately peaceful society. Indeed, Nepal is nestled between two very large nations, China and India, that are now transitioning from statism to markets with great success. If China can escape the ravages of Maoism, Nepal can avoid the Siren call of a gaggle of Maoist insurgents. If India can drop a dirigiste economic strategy dating back to Nehru, Nepal can set aside today's ruling collectivist nostrums.

But Nepal is unlikely to find its way toward a freer future based solely on the efforts of businessmen or politicians. The vested interests remain strong. Thus, Nepalese must change their way of thinking. And that is most likely to occur through the efforts of the Boss and others who are not only committed to classical liberalism, but willing to sacrifice in order to turn Nepal into a free society.

FSSO Rewards Individual Initiative and Achievement

by William C. Dennis, Ph.D.
Atlas Senior Fellow

Millions of unknown people, pursuing their own interests, intending nothing more than their own advancement, each have contributed in small ways to produce the design of the institutions than we see around us today. Many of the institutions that define human culture and provide the setting for human flourishing—language, property, money, customs, and mores—have arisen through human intention, but not human design. This theory of spontaneous orders stems from the Eighteenth Century Scottish Enlightenment and has been expanded and embellished by a number of contemporary philosophers and economists, notably those of the Austrian school as exemplified in the writings of Ludwig von Mises and F. A. Hayek.

Emphasizing the importance of individual initiative and achievement, the need for secure and well-defined rights to property, and the inefficacy of central economic plan-

ning, the theory of spontaneous orders provides a powerful argument in defense of liberty. An important contribution to spreading free institutions is to encourage scholarship outside of areas of traditional economic research through an understanding of the development of spontaneous orders, particularly in the areas of anthropology, sociology, philosophy, and political theory.

In 2001, an anonymous donor created Fund for the Study of Spontaneous Orders (FSSO) at the Atlas Economic Research Foundation to encourage academic exploration of the theory through conferences and a prize program. The donor housed the Fund at Atlas in acknowledgment of his admiration for Atlas's effective world-wide work in promoting the development of the institutions of liberty and in its encouraging of scholarly study and practical activism on behalf of the classical liberal order through the Teach Freedom Initiative and to draw upon the wide-ranging knowledge of the Atlas staff, in particular, the unparalleled knowledge of Leonard P. Liggio.

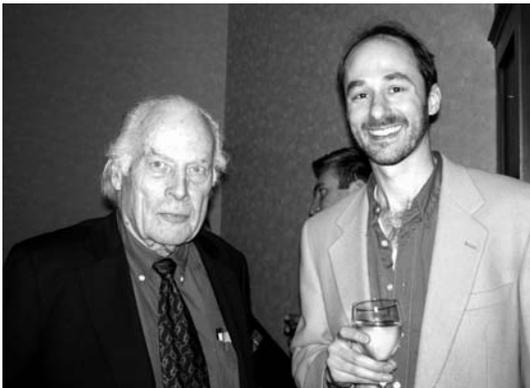
Since its inception the Fund has conducted several academic conferences concerning spontaneous orders. Its main activity, however, has been the awarding of a number of prizes. The Fund has awarded two lifetime achievement prizes of \$25,000 each to Vincent and Elinor Ostrom, and eight prizes of \$10,000 each to scholars whose work exemplifies the interests of the Fund. These latter prizes are not awarded for particular scholarly publications, but acknowledge the significance of the recipient's overall intellectual accomplishment in the

area of spontaneous order studies. Thus the first four prizes went to Pierre Desrochers for his studies on the geography of liberty, to Daniel B. Klein for his work on reputation and the nature of our inner selves, to Augustus diZerega for his theory of spontaneous orders and the development of democratic institutions, and to Paul Dragos Aligica for his work on Hayekian institutions and for his study of the intellectual achievements of Vincent Ostrom.

During the spring and summer of 2005 the Fund awarded a second group of four prizes that have previously been announced on the Atlas web page. With enthusiasm, the Fund and the Atlas Economic Research Foundation salutes the work of David Prychitko, Virgil Henry Storr, David Ciepley, and James R. Otteson.

David Prychitko's scholarship is rooted in the work of the 18th century moral philosophers of the Scottish enlightenment. He visualizes a radical reform of social thought, away from neoclassical marginality theory and mathematical modeling in economics, towards a broader, philosophically based understanding of all human action. He combines a commitment to methodological individualism with an understanding of the practical significance of the reality of collective wholes. More information about Prychitko's writing is included in the *Spring 2005 Highlights* on Page 12.

Virgil Storr, who received his doctorate from George Mason University (Virginia), has combined work in Austrian economics with cultural anthropology, especially in his study of Caribbean cultures, most notably in his *Enterprising Slaves & Master Pirates: Under-*



Recent prize winner David Ciepley (right), Lecturer in Political Philosophy, Policy, and Law at the University of Virginia, is a historian and political scientist, with a doctorate from the Committee on Social Thought at the University of Chicago (where F. A. Hayek himself once taught). He is pictured with Richard Cornuelle during the January 2005 Spontaneous Orders conference.

standing Economic Life in the Bahamas. Storr demonstrates that since the settlement of the Bahamas by pirates and Puritan farmers in the 17th century, two ideal types of entrepreneurs have dominated the country's economic and cultural life producing a unique combination of the ethos of the enterprising slave (success through hard work) and that of the master pirate (success through cunning and deception) to produce the richest independent country in the Caribbean. Storr's diverse intellectual interests are also demonstrated through his professional skills in information technology as seen in his recent paper, "The Refinement of Our Instruments of Interpretation in the Knowledge Economy: On the significance of XML and Web Services."

David Ciepley has wide-ranging, cross disciplinary academic interests, including work on the Scottish Enlightenment, the commercial society, the nature of the firm, democratic theory, urban planning,

the "New World Order" and American foreign policy. Of special interest is Ciepley's study in *Critical Review*, "Authority in the Firm (And the Attempt to Theorize it Away)." Here Ciepley points out many of the difficulties in assimilating the hierarchically organized firm to any theory of market exchange and individual liberty. The Fund will hold a conference related to this topic in January 2006.

The Fund's most recent prize goes to James R. Otteson, a student of the philosophy of the 18th Century Scottish Enlightenment, particularly the work of David Hume and Adam Smith. In *Adam Smith's Market Place of Life*, he shows Smith to be an important moral philosopher, and demonstrates how Smith's "market place of morality" ties together in a coherent whole Smith's *Theory of Moral Sentiments* with his more famous *The Wealth of Nations*. In a number of his writings, Otteson argues that the insights of the 18th century philosophers have undiminished rel-



James R. Otteson (right), Associate Professor of Philosophy and current Chairman of the Department at the University of Alabama, is pictured with Loren Lomasky (left) and Pauline Dixon (center) during the January 2005 Spontaneous Orders conference.

evance in our own day. In "Conflict and Social Order: the Contribution of the Adam Smith and the Scottish Enlightenment," he explains Smith's importance to current debates in game theory and evolutionary psychology on how systems of morality might emerge out of interactions among rationally self-interested, competitive individuals.



APPLY NOW for the 2006 Templeton Freedom Award Program

Think tanks around the world are increasingly playing a substantial role in the public policy process. In order to highlight some of the most innovative work being done by this growing group of organizations, the Atlas Economic Research Foundation launched in 2003 the Templeton Freedom Awards Program to recognize the recent achievements and future promise of independent think tanks.

Win a **\$10,000 operating grant** by applying for the **2006 Templeton Freedom Award Grants for Institute of Excellence!** Simply complete the online Institute Survey at <https://survey.atlasusa.org/login.php> by **November 15, 2005**. If you completed last year's survey, then you must only check and update your institute's information.

Win a **\$10,000 cash prize** by applying for the **Templeton Freedom Prizes for Excellence in Promoting Liberty** in the categories: Free Market Solutions to Poverty, Social Entrepreneurship, Ethics & Values, and Student Outreach. Complete the 600 word application and send supporting materials by **December 1, 2005** to be considered for a Templeton Freedom Prize. The application form is located at: http://www.atlasusa.org/programs/tfa/tfa_prize_application.dot

Please contact the TFA Program Manager Ms. YiQiao Xu at yiqiao.xu@atlasUSA.org, if you have questions about this program or how to apply.

Institute for Strategic Studies and Prognoses

One-on-One with Veselin Vukotic, President

Veselin Vukotic is the president and one of the founders of the Institute for Strategic Studies and Prognoses in Montenegro. He is also the Dean of the Graduate School of Economics at the University of Montenegro. Atlas's Elena Ziebarth spoke with Vukotic to gain his insights on establishing think tanks and spurring people to turn their ideas into action.

EZ: How was the Institute for Strategic Studies and Prognoses created? What was the political/cultural/economic climate in your country like at that time?

VV: The founding of the **Institute for Strategic Studies and Prognoses (ISSP)** was the logical consequence of all my previous activities aimed at promoting human capital and transforming the way of thinking in Montenegro and at the same time changing the way economics was understood at the time. Establishing the Postgraduate Studies "Entrepreneurial Economy" (PSEE) at the University of Montenegro in 1992, putting free market principles into the curricula at the School of Economics at the University of Montenegro in 1996, and creating the **Center for Entrepreneurship and Economic Development (CEED)** in 1996, all prepared me and my colleagues for the creation of ISSP.

When the reform forces won the presidential elections in Montenegro, which was still part of the Federal Republic of Yugoslavia at the time, the new government ran away from Milosevic and his command economy, towards an open economy, the free market, and state independence. All these conditions created a favorable environment for development of ISSP in 1998.

E: What is the objective of your organization and the principles that inform it?

V: I'll be honest saying that with ISSP I wanted that small group of young economists and students, who were influenced by Smith, Mises, Hayek and Friedman, to have the possibility to work and research together and thereby develop the ideas of the open market economy in Montenegro. That was the only way to keep the best students in Montenegro, or give them something attractive enough to stay. The goal was to create public opinion

and influence government to accept our ideas and implement them. New ideas and expert knowledge in the form of "transition prescription" are not enough! It is not easy to overcome the resistance of the politicians to the new ideas! You have to have experience from working in the government, and need to know the local culture, customs, center of powers, interest groups ... My students already held many important positions in the government, business sector, and other organizations. We felt that it was the right time to set the foundations for a new economic system in Montenegro.

E: What have been your institute's greatest achievements over the past years?

V: In my opinion, our greatest achievement is the strong criticism that ISSP is facing. No one in Montenegro is indifferent to the ISSP. A person either strongly supports us, or criticizes us even more! We are being accused of creating the "too liberal" and free-market oriented economic system that Montenegro has now; we are also "guilty" of the high level of the economic freedom in Montenegro. Opponents say our 'Montenegrin School of Economic Thought' destroyed their "big socialist companies" (80% of the economy has been privatized). While criticizing "bad things" no one mentions first measurable results like: GDP growth rate of 5%; inflation rate of 2.9%; budget deficit less than 3%

In my opinion one of the ISSP's first studies, "Conceptual basis of new economic system in Montenegro," was



Many of the employees at ISSP are former students of Veselin Vukotic. He is pictured with the students from his International Freedom Project (IFP) course, "Freedom and Development." IFP, an educational initiative that supported courses that taught the ideas of freedom, ran at Atlas from 1999-2002. These investments continue to be nurtured through Atlas's Teach Freedom Initiative.

crucial for Montenegro to take over from the federal level decision making for its economy and to start building an economic system independent from Serbia. From replacing the Yugoslav "dinar" as legal tender with the Deutsch Mark to privatization, ISSP has played a significant role in the reform processes. . . . **In a nutshell, the ISSP is the reform incubator in Montenegro.**

E: As Dean of the Graduate School of Economics, how has the growth of your institute been based upon the yearly graduation of students from the graduate economics school of which you are the dean?

V: Postgraduate Studies "Entrepreneurial Economy" (PSEE) played and still plays a crucial role in the development of the economic thought in Montenegro. In 1992, the year when old Yugoslavia fell apart, the year when war and hyperinflation started, I presented the concept of PSEE to the Dean of the School of Economics who told me: "You are crazy! Who will think about graduate studies right now? How many people will enroll them, if any? Who is willing to pay for the studies now?" But, he helped me a lot to get

“permission” to work. At the Dean was happy that he was wrong: 21 students enrolled in PSEE at its inception. This year, the seventh generation of students will graduate from PSEE, which makes about 220 graduated students by now. Almost all employees at ISSP have graduated at the PSEE (www.psee.edu.cg.yu).

E: How has your institute benefited from visiting professors lecturing to your graduate students? (Enrico Colombatto, Steve Pejovich, John Moore, etc.)

V: Without considerable professional and personal help of four men: Steve Pejovich, Leonard Liggio, John Moore, and Enrico Colombatto, we would hardly have succeeded! They didn't just provide their knowledge, but they put their hearts into it! Their contribution is immeasurable! All four of them are great professors, but even greater persons. Students like and respect them immensely! They have been coming to Montenegro for the last 10 years, even when everyone was escaping from Montenegro. They gave lectures, influenced students' way of thinking, encouraged them, and helped many of them get scholarships to study abroad. You could hear a joke in Montenegro that these four people are best Montenegrin professors of economics. . . . Lately, Professor John Blundell (Institute of Economic Affairs, United Kingdom) is very popular among our students, especially because of his attitude towards EU.

E: What do you see as the biggest challenges to economic freedom and liberal democracy in your country?

V: In my opinion the largest challenge

that our country has to overcome is the reform of the state and state administration. The ISSP is developing project “Montenegro – Microstate” not only to reduce the costs of state but to break the general opinion that “State” is the god and the largest employer. It is very important that people understand that society is not part of the “State;” on the contrary **the state is just a small part of the society**. A general belief that “state should take care of me and solve all of my problems”, as a long term consequence of some historical events, should be transformed into “every person should take care of her/himself and solve his/her own problems”. This is a mental change that the Balkans need as a region. This is a process that takes time and sometimes a generational change of generation. In response to these challenges ISSP has made proposals for Montenegro, like: reducing public spending from 48% of the GDP to 30-32%; reducing the number of government ministries; abandoning military forces; introducing English as official language; and abolishing all customs and tariff rates.

E: Is there any advice that you have for young institutes (anything to avoid? anything that is an absolute necessity?)

V: My advice would be to avoid the empty intellectualism. You shouldn't be occupied with lifeless topics, myths; you shouldn't copy somebody else's prescriptions! It is a real danger! Every researcher at the ISSP is our Institute's resource. At the same time, the most valuable Institute's property is in the heads of our employees! It is not enough to issue publications, publish books, give interviews, and organize press conferences: if you want to develop and implement your ideas you should step into the ring and fight! You must receive few punches in that fight, but you should attack as well! If your ideas have touched somebody's interests – you are on the right way! I should emphasize that these are experiences from a culturally specific environment

and from the period when capitalism was being created. We can't copy today's picture of mature capitalism. Besides, it is very important to understand that culture matters and that culture broadly influence acceptance of ideas.

E: What do you think are the biggest challenges to the success of your organization?

V: The biggest challenge we are facing now is how best to further invest in our young people – in their courage to change many prejudices and cultural values; in their ability to make decisions. You need to have a strong will to implement your knowledge and take all the risks that go along with it! Cowardly people, no matter how smart they may be, are not changing the world! Only the courageous and entrepreneurial people are changing the world! Talking about ideas at the conferences is one thing, but fighting for their implementation is another! It is not important only to write and to talk! It is much more important to implement ideas, because it is the only way to change the world around you; and to change yourself as well!

E: How can promoting free market ideas in your country help shape the political and economic environment in your region?

V: We have always seen Montenegro as a business platform in the region – similar to platforms for the airplanes in the ocean. A liberal economic system in Montenegro would attract companies outside of Montenegro to register their businesses here and to export its products into the region. It is the process, which, I could proudly say, has already begun: you can establish a company in Montenegro for just 1 EURO. No matter how strong Montenegro is being criticized in the region because of its liberalism and liberal economy, that criticism contributes to the development of free market ideas and economic freedoms in the Balkans. My opinion is that Montenegro will become the Mediterranean tiger similar to the Asian tigers in the Far East.



Marijana Mitrovic, Veselin Vukotic, John Moore and Atlas's Leonard Liggio in December 2003.

New Economic School – Georgia (NESG)

Institute Spotlight

The idea of organizing a free-market think tank in the Republic of Georgia was born in Auburn, Alabama, USA in August of 2001. At that time the two future founders of **New Economic School – Georgia (NESG)**, Paata Sheshelidze and Gia Jandieri were visiting the **Mises Institute**, which inspired them to create an institute in Georgia that facilitates change by educating people.

Before the USSR collapsed, Paata and Gia were co-organizers of the Association of the Young Economists of Georgia (AYEG) in March 1989. One of the main successes of the AYEG was the abolishment of formal Marxian studies in Tbilisi State University in September 1990, which was an unprecedented event not only for Georgia, but also for the whole Soviet Union. Despite the collapse of the Soviet Union, a corrupt state bureaucracy, poverty and moral decline, continued in Georgia. Paata and Gia saw the need to address the political and economic problems in Georgia through an independent educational and research institute, so they founded the New Economic School.

Before NESG was officially registered in April 2003, it had already organized around 30 private seminars with economics students and teachers to introduce the ideas of mainly the Austri-

an school of economics and classical liberalism, together with monetarist, institutionalist, public choice and other market-oriented economic schools. Now NESG holds 20-25 seminars per year with 45 participants on average, including journalists and politicians. They tackle topics ranging from theoretical economics to actual problems of Georgian and international economics.

Aside from these seminars, NESG

New Economic
School
Tbilisi, Republic
of Georgia
www.economic.ge



has launched an e-newsletter that deals with current issues in the Georgian economy and government. The newsletter also contains articles and book chapters in English, in Georgian, or Russian, original works from Georgian authors as well as information about NESG activities. From a readership of just a few hundred, the mailing list has grown to over 3000, which is approximately 5% of all users of internet in Georgia.

Since 2001, NESG has strengthened itself by building partnerships with like minded institutions around the world including Mises Institute, Cato Institute, Heritage Foundation, Atlas Foundation, and Foundation for Economic Education (all based in the US), Hayek Institute (Austria), Fraser Institute (Canada), Naumann Foundation (Germany) etc.

After meeting FEE president Richard Ebeling at Cato's 2004 Moscow conference, NESG and FEE decided to organize a special meeting in Tbilisi, Georgia. In October 2004 a team of lecturers from FEE provided a series of meetings, *Eco-*



At the Cato Institute's Moscow conference in April 2004, Dr. James Gwartney accepted NESG proposal to translate his, Common Sense Economics, which he co-authored with Richard Stroup and Dwight Lee. Gwartney (left) is pictured with NESG President Paata Sheshelidze.

nomics Education: Realities and Alternatives, which included lectures at the Tbilisi State University and the Ministry of Economic Development and an intensive seminar for students and teachers. FEE and NESG will build on the success of these seminars by organizing the same kind of seminars in November 2005.

In addition to its educational activities, NESG is actively involved in the public policy debate in Georgia by preparing policy recommendations and drafting laws on social security, pensions, public sector reforms, deregulation of the economy, etc. Many members of NESG advise the current government, including NESG President Paata Sheshelidze, who is a member of the Business Council of the Prime Minister, and NESG Vice President Gia Jandieri, who is a member of 3 different governmental commissions.

Through their work with the Friedrich Naumann Stiftung, NESG has been able to engage in special activities with neighboring countries, Armenia and Azerbaijan, to help them establish free market think tanks and create a Southern Caucasian free market network. NESG is currently broadening this work to include Kyrgyzstan and possibly other states of Central Asia. Two members of NESG were invited to advise the new Kyrgyzstan government in June 2005.

The members of New Economics School of Georgia are very enthusiastic and look toward the future with confidence because they believe *free market ideas work*.



During June 2006, NESG organized international conferences in the Azerbaijani cities Baku and Nabran on the 'Basics of Market Economics' for university students. From roundtable discussions (top photo) to working groups (bottom photo), NESG works to equip the students with a better understanding of free market ideas.

Diving into the World of Freedom

by Debanjana Chatterjee
Research Associate, Centre for Civil Society, India

Last year when I visited the US for the first time as an intern for the **John Locke Foundation**, a conservative think tank in Raleigh, North Carolina, little did I know that I would have a chance to meet the Atlas Economic Research Foundation, which was a turning point in my life.

I visited the Atlas Office during a short trip to Washington, DC to meet with Dr. Jo Kwong. We discussed extensively about property rights, libertarian philosophy and individual freedom as they apply in India. I found a patient listener in Jo who encouraged me to talk about my dreams, aspirations and beliefs.

This brief meeting opened up a whole world of opportunities to me. Atlas recommended me to Parth Shah, the president of the **Centre for Civil Society**, a non-profit free-market think tank in India. Soon after my return to India I got absorbed into one of India's leading free-market think tanks, when CCS

hired me as a research associate for globalization and environment, my exact areas of interest. I never thought that one single meeting would put me on the right track and that I would find a job where my work and interests match and nurture each other.

At CCS, the job of a researcher is to think out of the box, build up a policy framework on how to confer property rights to stakeholders and cut short the red tape. It gives me an opportunity to see a problem from a different angle and provide a feasible solution. It gives me an immense satisfaction to move against the tide and I am always thankful to Atlas for providing me with this opportunity.

My association with Atlas did not end with CCS. Earlier this year I got an email from Jo informing me that Atlas has recommended me for the annual undergraduate seminar of the **Property and Environment Research Centre** (PERC) in Bozeman, Montana as an interna-



Debanjana and the other students at the PERC seminar.

tional student observer. PERC would also sponsor my entire trip from the US to India. This week-long seminar followed by two weeks of research opportunity at the PERC office provided me with great exposure to one of the leading institutes in property rights and environmental research. The comprehensive lectures on property rights, pricing of environmental resources, the viability of the environment's Kuznet's Curve, and the ensuing discussion sessions between the faculty and the students exposed me to different perspectives. It provided a common platform for students from different parts of the world to present their views. We debated on the issues, had verbal fights over topics, and sometimes went mad at each other's arguments, but, at the end of it all, each of us was enriched with each others viewpoints.

Atlas has been instrumental in exposing me to new ideas and new opportunities during the past year. My future endeavors and successes shall be heavily indebted to the exposure that I have received. Thanks to Atlas as it has opened the window to a new world for me and to countless possibilities.



In October 2004, Debanjana Chatterjee (center) visited the Atlas offices with fellow Locke Foundation intern Paul Massino (right). They met with Atlas's Jo Kwong (left).

Institute Publications

Special Pakistan Edition of the Economic Freedom of the World 2004 published by Alternate Solutions Institute

To introduce and promote the concept of economic freedom in Pakistan, the **Alternate Solutions Institute**, Lahore, in collaboration with **Friedrich Naumann Foundation**, Pakistan, recently published a Special Pakistan Edition of the Economic Freedom of the World 2004 Annual Report originally prepared and released by **The Fraser Institute** (Canada). This special Pakistan edition was launched at a hotel in Lahore on July 7, 2005. Sohail Lashari, Senior Vice President of the Lahore Chamber of Commerce and Industry was the guest of honor. Other speakers included Peter-Andreas Bochmann, Resident Representative Friedrich Naumann Foundation, Pakistan, Qaiser Ahmed Sheikh, Chairman Qaiser Group of Companies, Bilal Ahmad, and Dr. Khalil Ahmad. Ms. Gulmina Bilal Project Coordinator Friedrich Naumann Foundation, Pakistan, acted as the moderator.

Is Private Education Good for the Poor? From the E.G. West Centre

Professor James Tooley, Professor of Education Policy at the University of Newcastle and Director of **E.G. West Centre** (United Kingdom), has recently published his research report on private schools for the poor in developing countries. Many believe that the private sector has very little to offer in terms of reaching the Millennium Development Goal of 'education for all' by 2015. Private education is often assumed to be concerned only with serving the elite or middle classes, not the poor. The findings from a two-year in-depth study in Hyderabad, India; Ga District, Ghana; Lagos State, Nigeria; and Nairobi, Kenya, suggest that these conclusions are unwarranted. Private unaided schools, Tooley and his team argue, can play – indeed, already are playing – an important, if unsung role in reaching the poor and satisfying their educational needs. Details can be found on the Centre's website at www.ncl.ac.uk/egwest.

IBL Helps Italian Newspaper Produce "The Classics of Liberal Thought"

The Instituto Bruno Leoni (IBL) in Italy is collaborating with **Liberio**, an Italian right wing daily paper, to produce a series of books on "The Classics of Liberal Thought." Based on similar productions, the paper's marketing office estimates that each of the books will sell approximately 15,000 copies. IBL helped assemble the collection, which includes an anthology of Thomas Jefferson edited by Marco Bassani, Benjamin Constant's Principles of Politics, Bruno Leoni's Freedom and the Law, Ludwig von Mises's Liberalism, Bastiat's The Law. Carlo Lottieri, Antonio Martino, and IBL founder Alberto Mingardi penned the prefaces to some of the texts. IBL plans to host several events to launch and feature the collection. Mingardi commented, "I'd like to share my excitement about this with you. Never in Italian history has a classical liberal book enjoyed this kind of circulation: we are speaking about Leoni and Mises and Bastiat being in the houses of 15,000 Italian families!"

Network News

CSID Will Open Offices in Jordan and Morocco

The **Center for the Study of Islam and Democracy** (Washington, DC) has worked since 1999 to promote freedom, democracy, dignity, justice, and good governance in the Arab and Muslim world. As part of this initiative, CSID will open two regional offices (one in Amman, Jordan and the other in Casablanca, Morocco). Each office will be staffed by at least two people (an office director and a program officer), who will help establish and strengthen CSID's network in the Middle East and North

African (MENA) region. CSID recently launched its new website www.csidonline.org (in English) or www.csidonline.org/arabic (in Arabic). CSID is also working on a Persian-language website which should be ready soon. Please address any comments or suggestions about the new website to Abdulmajid Biuk at: abdul_biuk@yahoo.com

Mullins Appointed New Executive Director of The Fraser Institute

Mr. R. J. Addington, Chairman of the Board of Trustees, announced the appointment of Dr.

Mark Mullins as Executive Director of **The Fraser Institute** (Canada), effective September 1, 2005. The announcement was made by the Institute's outgoing executive director and co-founder, Dr. Michael Walker, who will become a Senior Research Fellow and President of the newly-established **Fraser Institute Foundation**. "The Board welcomes Mark to his new position with the Institute," said Addington. "We have been in very good hands indeed with Michael Walker for the past 31 years and we are certain the Institute will achieve even greater successes in the years ahead."

New Think Tank Established in Romania

Executive Director Horia Terpe announced with great pride the official launching of the **Center for Institutional Analysis and Development** at the Athenee Palace Hilton Hotel in Bucharest, Romania, on May 30th, 2005. The Center is a research, education and outreach organization, primarily focused on disseminating ideas and principles that advance the institutions and the forms of organization of a free and prosperous society. Please visit its website (www.cadi.ro) for more information about the Center's future research projects and activities. It also hosts two blog sites and an online school.

Mejia Revamps Colombian Institute

On July 5, 2005, a group of influential intellectual and business leaders launched the **Instituto Libertad Y Progreso** (ILP) in Bogotá, Colombia. A free market think tank, its mission is "to promote and defend the basic principles of Western liberal democracy: the rule of law, individual rights and economic liberty. According to its founders, ILP will work hard to contribute to the building of a peaceful, free, open, and modern society, where privileges and restrictions to individual freedom become a thing of the past. For more information, please contact ILP Executive Director Andres Mejia-Vergnaud at andresmejia@cable.net.co.

Nigeria's IPPA Announces Essay Contest Winners

The **Institute of Public Policy Analysis** (Nigeria) announced in July the winners of its 2005 Essay Competition. The purpose of the essay is to help students understand what policy options need to be pursued in

order to have a prosperous country. The theme of the essay competition was "Free Enterprise and Entrepreneurship are Essential Ingredients for Economic Growth and National Development." The first prize winner is Adeleye Adebola, a banking and finance major at Adekunle Ajasin University. Second prize goes to Akwu A. Victor from the University of Agriculture, Makurdi.

Adebola's concludes her essay, "Without doubt, it is the dream of the Nigerian government to have a robust, stable economy and prosperous country. These might be a mere dream if free enterprise and entrepreneurship are discouraged through executive fiat and bureaucracies. However, if officials close their books and open their eyes, they have much to learn from developed countries many of which have embraced free enterprise and entrepreneurship as the foundation where a sound economy can be built."

FIRE Shines New 'Spotlight' on Campus Censorship

On July 26th, Pennsylvania's **Foundation for Individual Rights in Education** (FIRE) officially launched Spotlight: The Campus Freedom Resource. Accessible through www.thefire.org/spotlight, Spotlight organizes FIRE's wealth of information by campus, combining the data on its two previously separate websites, thefire.org and speechcodes.org. With one click, friends of liberty can now see a complete picture of the state of freedom on a given campus: speech codes, FIRE cases, media coverage, posts on FIRE's blog, The Torch, and more.

Prize Opportunities

IREF 2005 Essay Contest on Taxation and Justice

PRIZE: 20,000 € cash award
DEADLINE: December 15, 2005

France's **Institut de Recherches Economiques et Fiscales** (IREF) is accepting submissions for its 2005 essay contest, which invites researchers from all fields to focus on various aspects of taxation policy. This year the focus will be on taxation and justice. For more information about the contest, please visit www.iref-europe.org.

Acton Institute's Novak Award

PRIZE: \$10,000 cash award
DEADLINE: October 10, 2005 (Nominations) & November 30, 2005 (Submissions)

Michigan's **Acton Institute** is accepting nominations for the Novak Award, named after the theologian Michael Novak, which rewards new outstanding research into the relationship between religion and economic liberty. Acton encourages professors, university faculty members, and other scholars to nominate those who are completing exceptional research into themes relevant to the mission and vision of the Acton Institute. For more information, please visit www.acton.org.

2005 Tech Central Station Latin America Essay Contest

PRIZE: \$2,500 cash award
DEADLINE: October 15, 2005

TechCentralStation.com (TCS) is pleased to announce its 2005 essay contest, which seeks to identify the best and brightest free-market, pro-trade writers and scholars throughout Latin America and beyond. This year's theme is "How Can Free Trade Boost Latin American Economies?" For rules and requirements, visit www.techcentralstation.com.

Atlas's Templeton Freedom Award Grant for Institute Excellence

PRIZE: \$10,000 grant
DEADLINE: November 15, 2005

Templeton Freedom Award Grants for Institute Excellence reward extremely promising think tanks, especially those that are operating in difficult environments. To be considered for an Award Grant, institutes must fill out the online **2005 Atlas Institute Survey**.

Atlas's Templeton Freedom Prizes for Excellence in Promoting Liberty

PRIZE: \$10,000 cash award for first place; \$5,000 cash award for second place
DEADLINE: December 1, 2005

Templeton Freedom Prizes for Excellence in Promoting Liberty recognize outstanding projects within established categories: Free Market Solutions to Poverty, Ethics & Values, Social Entrepreneurship, and Student Outreach. To apply, please fill out the application form on the Atlas website. The same form is used for each Prize category. Be sure to specify the Prize category for which the Project should be considered. Return instructions are printed on the form.

For rules and submission guidelines, please visit www.atlasUSA.org

Directory

Below are names and Web addresses (where applicable) of institutes mentioned in this quarter's Highlights. Visit the Freedom Directory at www.atlasUSA.org for more details on the larger network of market-oriented think tanks with which Atlas works..

Acton Institute for the Study of Religion and Liberty

(www.acton.org)

Alternate Solutions Institute (www.asinstitute.org)

American Enterprise Institute (www.aei.org)

American Institute for Contemporary German Studies

(www.aicgs.org)

American Legislative Exchange Council (www.alec.org)

Americans for Tax Reform (www.atr.org)

Cato Institute (www.cato.org)

Center for Entrepreneurship and Economic Development

(www.visit-ceed.org)

Center for Institutional Analysis and Development

(www.cadi.ro)

Center for the Study of Islam and Democracy

(www.csidonline.org)

Centre for Civil Society (www.ccsindia.org)

Centre for Independent Studies (www.cis.org.au)

Centrum Pro Ekonomiku A Politiku (www.cepin.cz)

E.G. West Centre (<http://www.ncl.ac.uk/egwest/>)

European Resource Bank (www.rbeurope.org)

F.A. von Hayek Institut (www.hayek-institut.at)

Foundation for Economic Education (www.fee.org)

Foundation for Individual Rights in Education

(www.thefire.org)

Fraser Institute (www.fraserinstitute.ca)

Friedrich Naumann Stiftung (www.fnst.org)

Fund for American Studies (www.tfas.org)

Heritage Foundation (www.heritage.org)

Imani: The Centre for Humane Education

(www.imanighana.org)

Independent Institute (www.independent.org)

Independent Women's Forum (www.iwf.org)

Institut de Recherches Economiques et Fiscales

(www.iref-europe.org)

Institute for Public Policy Analysis – Nigeria

(www.ippanigeria.org)

Institute for Strategic Studies and Prognoses

(www.psee.edu.cg.yu/isspm.htm)

Institute of Economic Affairs (www.iea.org.uk)

Instituto Liberdade (www.il-rs.com.br)

Instituto Libertad y Progreso - Colombia

Inter Region Economic Network (www.iren.org)

International Institute of Islamic Thought (www.iiit.org)

Istituto Bruno Leoni (www.brunoleoni.org)

John Lock Foundation (www.johnlocke.org)

Liberalni Institut (www.libinst.cz)

Liberté Chérie (www.liberte-cherie.com)

Liberty Union (www.new-right.com)

Lithuanian Free Market Institute (www.freema.org)

Ludwig von Mises Institute-Alabama (www.mises.org)

New Economic School-Georgia (www.economic.ge)

Prague Security Studies Institute (www.pssi.cz)

Property and Environment Research Centre (www.perc.org)

Sagamore Institute for Policy Research (www.sipr.org)

State Policy Network (www.spn.org)

Calendar

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

13th Annual Meeting
State Policy Network
September 29-October 1,
2005
Charleston, SC, USA

Mises Seminar
Istituto Bruno Leoni
October 7-8, 2005
Rome, Italy

Colloquia Cycle to Under-
stand Brazil - 5th Edition
Instituto Liberdade
October 10, 2005
Porto Alegre, Rio Grande
do Sul, Brazil

Program of Atlantic
Security Studies
**Prague Security Studies
Institute**
October 10-12, 2005
Prague, Czech Republic

The Annual John Bonython
Lecture
**Centre for Independent
Studies**
October 11, 2005
Sydney, Australia

European Resource Bank –
The European “Third
Way”: the Way Forward?
**Lithuanian Free Market
Institute**
October 14-15, 2005
Vilnius, Lithuania

Russia: Today, Tomorrow,
and in 2008
**American Enterprise
Institute**
October 14, 2005
Washington DC, USA

2005 Freedom Dinner
**Atlas Economic Research
Foundation**
November 9, 2005
New York, NY, USA

MOVING and STAYING
in a GLOBAL INDI-
ANAPOLIS
**Sagamore Institute for
Policy Research**
November 9, 2005
Indianapolis, IN, USA