On November 16, 2006, the Atlas Economic Research Foundation held its annual Freedom Dinner at the Willard InterContinental Hotel in Washington, DC to celebrate World Freedom Day and also Atlas’s 25th Anniversary.

We are not going to achieve the next great movement toward liberty by promising tax cuts. We are not going to do it by promising higher economic growth rates. We are not going to do it by economic arguments, period. Rather, we are going to do it by convincing people that what is true of their own lives is also true of others’ lives.

– Charles Murray, November 2006

The dinner program began with “Toasts to Friedman and to Freedom” by Edwin Feulner (The Heritage Foundation), Edward Crane (Cato Institute), and Michael Walker (The Fraser Institute). Each used this opportunity to share poignant tributes to Milton Friedman, recalling his great life and work.

The evening also included the presentation of the 2006 Freda Utley Prize for Advancing Liberty to the New Economic School (NES) of the Republic of Georgia.

The evening concluded with Charles Murray, Senior Fellow at the American Enterprise Institute, giving a riveting speech about the battle for freedom in the next 25 years. (Turn to page 14 to read the full text of Murray’s speech.)
At Atlas

Atlas's Leonard Liggio Named Recipient of 2007 Adam Smith Award

Each year since 1984, The Association of Private Enterprise Education (APEE) has recognized a world-class scholar with its highest honor, the Adam Smith Award: the recipient for 2007 is Prof. Leonard P. Liggio.

The Adam Smith Award is the highest honor bestowed by APEE. It is given each year to recognize an individual who has made a sustained and lasting contribution to the perpetuation of the ideals of a free market economy as first laid out in Adam Smith’s Wealth of Nations. The recipient of this award must be an individual who has acquired an international reputation as an eloquent scholar and advocate of free enterprise and the system of entrepreneurship, which underlies it. In searching for a recipient, APEE looks for someone who through his/her writing, speaking, and professional life, has focused attention upon the fundamental principles which are the bulwark of their organization.

Previous winners have included Nobel Laureates James Buchanan, Douglas North, and Vernon Smith, as well as Alan Greenspan, Senator Phil Gramm, Congressman Dick Armey, and Publisher Steve Forbes. The award will be bestowed upon Leonard Liggio on April 8, 2007 as the keynote event of the annual conference of the Association in Cancun, Mexico.

Atlas Co-Sponsors Gulf Cooperation Council Leadership Conference in Oman

From November 11 to 12, 2006, Atlas and International Republican Institute (Washington, D.C.) co-sponsored the Second Gulf Cooperation Council Leadership Conference in Muscat, Oman. Hosted by the International Research Foundation (Oman), the event included 45 attendees from seven different countries in the Middle East.

Mara-Michelle Batlin, a strategic consultant who had been working in the field for over 20 years, led discussions and training on creating a public policy think tank and advancing sound policy solutions. The audience consisted of mainly young intellectual entrepreneurs who either had their own think tanks and NGOs or were seriously considering starting new ones. Participant Zineb Benalla from Morocco found the conference “inspiring to me enabled participants to get hands-on experience at some of their projects and to-do steps. After the conference, Riyad Hammad of the United Arab Emirates thanked Atlas, writing to Sajid, “Thank you, Atlas, for the great opportunity that you offered for the young people in Middle East. . . . Now I have a dream that I wish will become true – to start my own free market / economic think tank.”

During the two full-day sessions, Batlin covered the basics of strategic planning, fundraising, and strategic communication. There was an interactive session upon the conclusion of the event that enabled participants to get hands-on experience at some of their projects and to-do steps. After the conference, Riyad Hammad of the United Arab Emirates thanked Atlas, writing to Sajid, “Thank you, Atlas, for the great opportunity that you offered for the young people in Middle East. . . . Now I have a dream that I wish will become true – to start my own free market / economic think tank.”

Atlas Welcomes New Staff

Allegra Hewell is the new Office Manager here at Atlas. She studied at Virginia Commonwealth University in Richmond, VA. She graduated in 2006 with a bachelors degree in International Relations and a concentration in Global Studies. Allegra speaks fluent Spanish and is planning to get her master’s in Latin American Economic Development. Prior to joining Atlas, Allegra interned at the Inter-American Development Bank for the director of Haiti and Argentina.
Remembering Milton Friedman

Milton Friedman dies at 94

by Alejandro A. Chafuen, President & CEO

On November 16, I arrived at my office and received the news that our wonderful friend and mentor Milton Friedman had left us. This was also the day of Atlas’s 2006 Freedom Dinner, our major event celebrating the victories of freedom over totalitarianism.

Unless my memory fails, I met Milton Friedman for the first time in 1980 during the Mont Pèlerin Society meeting at Stanford University. I knew about Friedman’s academic contributions as his works were required reading at my university, Argentine Catholic University. My first glimpse into his personality and my exposure to his talent as an educator was through the TV screen. I was so attracted by the clarity with which he explained the ideas of liberty that I organized in 1981 the purchase of the Spanish rights for his famous Free to Choose TV educational series.

During my first years as a member of the Mont Pèlerin Society, I used to gather groups of young members and guests, and asked Milton for a private meeting with them. He was always very generous and a superb teacher. We all cherished those conversations and will carry them in our memories.

Milton lived in the same apartment building as Antony Fisher at the time when Fisher was launching the Atlas Economic Research Foundation. When I moved to San Francisco in 1985, Milton was one of the first persons that I visited to seek advice. I joined Atlas a few weeks after that meeting. When I became much more aware of how valuable his time was, I was hesitant to ask him for more favors. Nevertheless, whenever I asked, he responded favorably. He volunteered his time and sent us wonderful endorsements of Atlas’s efforts to disseminate the principles of the free society around the world.

The entire Atlas family was extremely honored to have him join Atlas’s 20th and 25th anniversary celebrations in San Francisco.

He left us with a wonderful biography, Two Lucky People, written (as was Free to Choose) with Rose, his wife, colleague, and friend. They took a very generous step in the founding of the Milton and Rose Friedman Foundation. I know that they contemplated devoting the Foundation to several different, important philanthropic efforts (including orphanages), before settling on the goal to help improve human life by expanding freedom of choice in education. Several close friends of Atlas joined as founders or leaders of his foundation, including Gordon St. Angelo, Michael Walker, Sam Husbands, and former Atlas trustee Chuck Brunie.

To speak about Milton Friedman is to speak about ideas of freedom, so I want to finish this short tribute with one of the last lessons he shared with us. After playing a key role in helping increase monetary understanding, Milton stressed for a while that developing countries needed to do three things to become prosperous: privatize, privatize, privatize. During these last years – as a result of Milton’s continued learning and studying of empirical data – he switched the message, saying that developing countries need three things: rule of law, rule of law, and rule of law.

I know that Atlas has taken his advice and will continue to carry on his legacy.

Turn to page 21 to read tributes to Milton Friedman at the Freedom Dinner.
Freedom of Expression in Turkey

By Prof. Dr. Atilla Yayla, president of the Association for Liberal Thinking (Turkey) and professor at Gazi University in Ankara

What is the critical line between a civilized and an uncivilized country? Well, after events I have experienced since November 19, I can certainly say that it is the lack or existence of freedom of expression. A civilized country is one in which freedom of expression lives.

I am an academic and a university professor, dedicated to studying politics, political philosophy, and political economy. In this capacity, I gave a speech on November 18 as part of a discussion panel in the western coastal city Izmir. The panel was organized by the local branch of the governing Justice and Development Party (AKP). In my speech I said I have a paradigm called the “common civilization paradigm.” This paradigm includes the elements of private property; free exchange; limited and responsible government; freedom of expression; religious freedom, including minorities and non-believers; the absence or narrowness of political crimes; the legitimacy of political opposition; rule of law; and widespread horizontal, instead of vertical, social relations.

I expressed that for this paradigm to have any analytical use it should be employed to evaluate different countries, including Turkey. And in evaluating Turkey we should avoid the mistake of treating the history of the Turkish Republic as a whole. The Turkish Republic’s history consists of at least two main periods: first, the single-party system era (1925-45), and second, the multi-party system era (from 1950 onwards). Using my paradigm, I can state that the first period was not as progressive as claimed, despite widespread official propaganda. It was even, in some respects, backward. So, Kemalism, the local ideology named for Kemal Ataturk and created during the single-party era, and which has gained official status in Turkey, appears backward rather than progressive.

Freedom of expression is important for everybody. But for academics like me it is a matter of life or death. To take my freedom of expression away is equal to attacking my right to life. ...No matter how much they try to suppress me, I will defend my ideas. Because I love Turkey and I want it to be a civilized country. If there is a price on my part to pay for that, I am ready.

This was the essence of my speech. Among the panel participants was a female journalist from a local newspaper. She asked whether she had misheard my statement that Kemalism was somehow backward. I replied that she did not misunderstand me. And I went on: We need to discuss these issues without swearing at each other or treating one another in a cold manner. If Turkey is to become a member of the EU there will be more issues to debate. For example, the official propaganda that “the Republic saved us from the darkness of the Middle Ages” does not make sense for two reasons. First, recent academic studies have proved that the Middle Ages were not that dark; in contrast, the foundations of the progress Europe made in the new age had been prepared between the sixth and eleventh centuries, especially by reforms of the six popes, Gregory I to VI. Second, even if it is true, it does not mean anything for the Islamic world, which has a different historical story than that of Western Europe. I added, in EU membership, Europeans who come to Turkey may or will ask: “Why is there everywhere this (same) man’s pictures and busts?” I ended with this: I would like to have reasonable replies to my views from Kemalists, but I was doubtful that I would receive such replies.

I was proved right the following day. The journalist left the meeting in a hurry. I expected to see a bad headline the next day in her newspaper. But it surpassed my expectation. I was declared a traitor who “sweared at and insulted Ataturk heavily.” This was the beginning of a media defamation campaign against me. I have never experienced anything like this. Some newspapers and television stations were judging and hanging me. For four days I tried to resist. I appeared on TV shows to reply to their accusations. It was an impossible mission. They were biased. Their intention was not to discover the truth but to destroy me. For four days I struggled and could not eat or sleep. Before a TV discussion program on the evening of November 23, my body collapsed and I was hospitalized.

Gazi University, where I work, also took action against me instead of defending academic freedom. It decided to kick me out of my classes and started to investigate me for leaving Ankara without official permission.

This was unbelievable, I thought that I was in a dream. Later I came to realize the reasons behind the defamation campaign of these newspapers and TV channels.
I am a well-known classical liberal. I openly defend human rights for everybody. That naturally includes the rights of Kurds and the conservative Muslim masses. The Kemalists hate my attitude but they are not able to challenge and refute my ideas. Whenever I speak or write I completely destroy their arguments and put them in an undefendable position. My recent challenge was against the general director of one of the biggest and best-selling dailies. In an open letter, I questioned his arguments with respect to the reflections of negative freedom in social life. He could not reply even in a word. I think that step tipped the scale. I had the feeling that they would look for opportunities to take revenge. The opportunity came with this event.

Another reason for the defamation campaign against me was that the speech took place in the governing Justice and Development Party (AKP) meeting. The Kemalists hate the AKP. Since the AKP came to power in November 2002, the Kemalists have been living in a trauma. And the coming presidential election in April 2007 has intensified their trauma. This is why they severely assaulted me. They wanted to weaken the AKP by using my ideas, for which I am fully responsible.

Now, I am not a politician addressing thousands of people. I usually speak to academic circles numbering from the tens to the hundreds. In the panel on November 18, I made a scientific analysis. True, it was critical of Kemalism. But I am a scientist — to doubt, criticize, and evaluate is my job. And everything I said falls under freedom of expression. Nobody can play God. Nobody holds the eternal truth in her/his hands. What is needed is a free competition of ideas and of paradigms. The Kemalist circles attacked my personality and tried to change my criticism of Kemalism into an insult against Ataturk, since it was the only method they could use to harm me.

On the other hand, this experience had some positive consequences. The extraordinary reaction of the media and the university mobilized those who value freedom of expression from all around the country. I have received hundreds of e-mails and calls to support me either just in principle for freedom of expression or to support my criticisms as well. Via the incredible amount of media coverage of my speech, many people, such as from very far eastern or rural parts of the country or from very popular segments of the society have heard about liberal ideas and the Association for Liberal Thinking (ALT) for the first time and they looked for new ideas on how to contribute promoting a freedom in Turkey. My colleagues at ALT and myself tried to turn this experience to an opportunity for the better understanding of ideas of a free society. This event offered us the possibility to expand our network. In addition to that, the case urged all intellectuals to give a hand to freedom. Almost all columnists in the Turkish press defended my cause in more than 100 columns be it ALT sympathizer or not. More than 200 prominent academics from various circles signed a petition for freedom of expression.

Freedom of expression is important for everybody. But for academics like me it is a matter of life or death. To take my freedom of expression away is equal to attacking my right to life. But these unethical assaults make me quite determined. I declare that I am a student of Voltaire and J. S. Mill and until my ideas are refuted scientifically I stand behind them. No matter how much they try to suppress me, I will defend my ideas. Because I love Turkey and I want it to be a civilized country. If there is a price on my part to pay for that, I am ready.

A shorter version of this article appeared in the International Herald Tribune on November 19, 2006.

2006 Atlas Essay Contest Winners
Atlas announced the winners of its recent essay competition on the challenge of freedom in the West and in the Muslim world at its conference on the same topic on November 14-15 at McGill University in Montreal, Canada. This essay contest sought to increase the dialogue between the two cultures and to create a greater understanding among young students on the issues of political and economic liberties. The contest was launched in North America (Canada and the U.S.) and in the Middle East. Atlas awarded three $1,000 prizes and four $500 prizes. The top three winning essays are:

The Struggle for Freedom in the Muslim World
by Mirwais Hadel (Afghanistan)

The Challenges of Freedom in Western and Islamic Countries
by Katayoon Beshkar-Dana (Iran)

Democracy in the Desert: Encouraging Democracy in the Middle East
by Matthew Baker (USA)
New Strategies for Promoting Liberty
From Tbilisi to Tinseltown, Intellectual Entrepreneurs Are Determined to Spread the Freedom Philosophy

By Brad Lips, Chief Operating Officer

At Atlas, we are constantly looking for new partners and new strategies for improving the public understanding of freedom. Recently, I had exciting opportunities to participate in meetings held in Baku, Azerbaijan; Tbilisi in the Republic of Georgia; and then, back on this side of the world, in Hollywood, California.

Let’s begin our story in Azerbaijan, where a rough stretch of road links the airport to downtown Baku. Dust clouds your vision as you navigate the road’s potholes; the smell of oil permeates the air; and there’s no shortage of crazy drivers, veering into your lane from the opposite direction.

It’s an appropriate introduction to Azerbaijan, as the path ahead toward greater freedom for this formerly Soviet state is also full of bumps and obstacles. Ranked as “mostly unfree” in the Fraser Institute’s Economic Freedom of the World report, Azerbaijan strangles its would-be entrepreneurs with overregulation. While the rise in oil prices over recent years has injected wealth into the Azeri economy, layers of state control and pervasive corruption are reducing private-sector dynamism.

If this is to change, it will require hard work from principled, courageous individuals who share a vision of a free and prosperous Azerbaijan. Happily, this is what I found in Baku: scores of idealistic young people, working together as the Free Minds Association (FMA) and the Azerbaijan Liberal Youth Association, learning about and spreading the ideas of liberty.

They do this within the limits of a hostile media environment. On the day I left Baku, Voice of America, BBC and other Western radio outlets were being silenced. As of November 1, broadcasting licenses would be revoked for any local stations that continued to air such programming. Because of the prevalence of satellite TV in the country, the ban is unlikely to have a significant impact; Azerbaijanis will still be able to access independent news sources. But the move is symbolic of how fragile are freedoms in this former Soviet Republic.

That’s something Tural Veliyev and other FMA members would like to change. Atlas first got to know Tural when he was a summer intern at the Cato Institute (Washington, D.C.). After finishing his schooling and landing a job at British Petroleum, Tural began to institutionalize his love of freedom, so more of his peers could get the enlightenment he received at Cato: “The people of Azerbaijan are in an ideological vacuum, without access to any alternatives. FMA’s objective is to educate people and give them basic intellectual ‘tools’ for self-reliance and determination. We strongly rely on the power of ideas, because it is more likely to have a long-term impact on the future of Azerbaijan than the influx of petro-dollars backed up by the government.”

FMA is not exactly a think tank, since undertaking traditional activities like publishing policy critiques and seeking media attention do not seem prudent at this stage. Instead, FMA is an informal network of individualistic young people with a hunger for new ideas. Tural and colleagues such as Tabriz Jabbarov and Rashid Shirinov help identify students for educational programs hosted by the Friedrich Naumann Foundation and have helped other FMA members land visiting fellowships at the Association for Liberal Thinking (Turkey).

The Association communicates almost exclusively through “text-messaging” on cell phones, which are omnipresent among this younger generation in Baku. During my visit, a blast

Tural Veliyev (left) and Tabriz Jabbarov (right) are two of the organizers of the Free Minds Association of Azerbaijan. Atlas Chief Operating Officer Brad Lips traveled to Baku, Azerbaijan in late October 2006 to give lectures to members of FMA and meet with its organizers.
of text messages went out to announce that I’d be giving a lecture on entrepreneurship and the spirit of free enterprise. About forty people showed up late on a Sunday afternoon to listen and ask good questions. I don’t know if we could pull that off here in D.C.!

It’s tremendously heartening to learn of good, innovative initiatives to spread the ideas of freedom where the government would prefer they be silenced. In one totalitarian country, our friends are unable to publicly advertise educational meetings. But if you visit, you will find that there is a peculiarly high number of “birthday parties” being organized, where discussions of Austrian economics break out! Though it is increasingly difficult for an independent think tank to operate in Russia, some of Atlas’s donors have united to help us continue funding Russian translations of important scholarly works like Hernando De Soto’s The Other Path, by working with market-oriented publishing houses there.

While at a conference in Tbilisi that Atlas co-organized with Cato Institute and the New Economic School (Republic of Georgia), I met representatives of other young think tanks from parts of the former Soviet Union. I’ll just mention two.

The Kiev Economic Institute (Ukraine, est. 2005) is a market-oriented think tank that advocates fundamental reforms to improve the climate for business and entrepreneurship in the Ukraine. Many of the economists at the KEI also teach at the EERC-Kiev, a two-year Master’s program in economics. Together these initiatives are creating a base of good economists and a platform for publishing important research to foster economic freedom. Senior economist Valentin Zelenyuk explains, “After getting my Ph.D. in the U.S., I returned to Kiev with a strong desire to help our country make the transition to a freer economy that would provide opportunity and improve living conditions for all Ukrainians. The living and research conditions here are, of course, not as developed as in the U.S. or Western Europe, but I feel that the same contribution I could do over there makes a much greater impact here, in my country. I am very glad I am not alone in such thinking: more and more specialists trained in the West return and together we shall help make the dreams of regular Ukrainians come true.”

Uluk Kydyrbaev is the executive director of the Bishkek Business Club (Kyrgyz Republic, est. 2002), an association of business leaders who unite to take public stances on key policy issues. The Club commissions experts to draft policy studies and specific proposals, which it can market to government leaders to produce positive reform. The Club recently celebrated a major victory with the approval of a new constitution for its country. “The Kyrgyz people now have greater individual rights and can form a more representative government, thanks to the new Constitution’s limitations on executive power,” says Kydyrbaev. “The Bishkek Business Club is proud to have played a key role, from convening the first Constitutional Council meeting in April 2005 to the involvement of our members in protests that brought this reform to fruition.” These organizations are hopeful that they can turn their home countries into positive examples of how the

**New Economic School of Georgia Wins 2006 Freda Utley Prize**

On October 26, 2006, the Atlas Economic Research Foundation presented the New Economic School (NES) of Tbilisi, Republic of Georgia with the 2006 Freda Utley Prize for Advancing Liberty. A leading voice to strengthen freedom and prosperity throughout the Southern Caucasus, the NES focuses on teaching high school and university students about the benefits of peace, open borders, free trade, and the freedom of movement and investment.

Named for the late Freda Utley, an outspoken writer and commentator against totalitarian regimes like the Soviet Union and China, this $10,000 prize rewards the efforts of think tanks in difficult parts of the world that are most effective in disseminating the ideas of freedom or have a substantial impact on opinion-makers, so that concepts relating to freedom become better understood.

In announcing the award at an NES event in Tbilisi on October 26th, Atlas Chief Operating Officer Brad Lips remarked, “The NES recognizes that the long-term health of Georgia depends on cultivating leaders who respect the principles of individual liberty, free enterprise, and limited government constrained by the rule of law. The organization has played a heroic role in building a network of bright young people in Georgia and the Southern Caucasus who are dedicated to these fundamental ideals.”

The Freda Utley Foundation decided to establish this prize program at Atlas because, in the words of Jon Utley, “Atlas’s core beliefs are very much in tune with Freda Utley’s: namely, concern for human poverty and misery, and the belief that peoples of all nations have similar aspirations and can learn the universal lessons of freedom and prosperity.”

The formal presentation of the Utley Prize occurred at Atlas’s Freedom Dinner in Washington DC on November 16, 2006. For more information about New Economic School, please visit http://www.nesgeorgia.org. The 2006 Freda Utley Prize attracted 81 applications from 40 countries this year.

Continues on page 16
Institute Profile: Libérté Chérée (France)

By Vincent Ginocchio, President of Libérté Chérée

Libérté Chérée means “beloved freedom” in French. One might think that the French are already free and need not fight for their freedom. But it is not that simple. Yes, we are free in the sense that we have freedom of speech (on most topics) and freedom of choice as consumers (when the market is not confronted by a public monopoly, etc.). Overall, our property is essentially well-protected, at least once the State has helped itself. However, whereas almost every one of our European partners is reducing state interventionism in their countries, France is still engaged on the “Road to Serfdom.”

Despite the fact that many of our politicians know that economic freedom would be the solution to endemic unemployment and purchasing power stagnation, France is not so free economically. There is one big problem: the unions. In terms of unionization, the French unions only represent 8 percent of the French workers, since their communist and/or confrontational ideology does not allow workers to recognize themselves or even to gain benefit from joining them. Indeed, most of the unions struggle to keep special privileges for their local leaders, but are always ready to block a factory until it closes its doors instead of making compromises with the top management.

Their huge power derives from their control of the public monopolies of transportation and electricity, the “free” health-care system, the welfare system, public hospitals and public schools, and, to a large extent, the fiscal system. In addition, they are quite popular in the media, which is 94 percent left-leaning according to a recent survey. The unions even control part of the media since many TV and radio stations are still public, and the press distribution sector is a quasi-monopoly.

Whenever the government wants to reform anything, the unions go on strike, spread their hostile anti-reform propaganda, and activate their networks in the media and other leftist or statist organizations in order to set off a demonstration. The unions are very successful at creating demonstrations: in March 2006, they managed to bring one million protesters in the streets against the First Job Contract – a small labor reform.

In May 2006, some of the members of Libérté Chérée visited Atlas. From left to right are: Atlas’s Cindy Cerquitella, Eliott Maidenburg, Guillaume Vuillemy, Christophe Maillard, Atlas’s Colleen Dyble, Vincent Poncet, and Vincent Ginocchio.

Now, Libérté Chérée has more than 21,000 supporters and is capable of quick reaction when the unions go on strike, which happens quite often, especially in the national railway company. We also organize frequent educational events in twenty major cities, so as to spread classical liberal ideas through public meetings from twenty people (in downtown cafes) to 1,000 people (Liberty Day in Paris, or political conventions near the National Assembly). Our reputation now allows us to invite famous speakers – economists, philosophers, politicians – who attract journalists.

At the end of March 2006, Libérté Chérée joined with a number of organizations to counter the protests by French students that were angered by the introduction of a bill that made firing first-time employees easier.

In May 2006, some of the members of Libérté Chérée visited Atlas. From left to right are: Atlas’s Cindy Cerquitella, Eliott Maidenburg, Guillaume Vuillemy, Christophe Maillard, Atlas’s Colleen Dyble, Vincent Poncet, and Vincent Ginocchio.
Hints from Liberté Chérie to Emerging Think Thanks

Bring people together

First, you cannot do anything alone. More importantly, you are NOT alone! There are plenty of friendly organizations which have already set themselves up well, developed a network, organized events, etc. When you want to set off a demonstration or any massive event, you must find partners, who might not necessarily share the exact same point of view as yours, but will participate in the particular event because the topic is important to them. Even better, you can be the one who galvanizes them into action if they are not used to organizing anything else than pompous conferences or political lobbying.

For example, in 2003, Liberté Chérie teamed with Contribuables Associés (Taxpayers’ Alliance), Sauvegarde retraites (Save our pensions), and SOS Education. These organizations have their own supporters, networks of partners, and media contacts, which can often boost the impact of our common actions. We gathered 80,000 people in downtown Paris to support a pension reform and got our first huge media success. Since then, we have worked consistently with Contribuables Associés when we set off demonstrations, joining together our grassroots activism and their bigger budget. Please note that you cannot only rely on others to fund demonstrations, because they will not pay for everything you do.

Be careful with the way you communicate

For a long time, Liberté Chérie invested a lot on leaflet distribution, with uneven results. We figured out that communicating without targeting the audience was a waste of time. You have to make sure that the message you want to convey is compatible with the people you are targeting. For example, do not give a leaflet with “Are you happy with the heavy taxes and the growing deficits?” as the title to students who are coming out of their classroom. Failure is guaranteed! Instead, give students a leaflet saying “Are you happy with your working conditions?” “Do you agree with educational choices in this school?” “Do you feel well-prepared for finding a good job?”

The title and content of your message must be concise and punchy, to catch the attention of the reader. If you make something too long or vague, it will not be read. And most important: each and every time you communicate, you must give the reader the opportunity to know more about your movement. In fact, you can have a short explanation in your leaflet or e-mail, but you must include a link to the relevant page of your website, an e-mail address, AND a phone number, so that people who are interested will contact you.

Do not hesitate to invest in a dynamic and aesthetic website that you update every two or three days with new information, articles, etc. It is the best way to make your organization live day after day without necessarily being active on the ground. Also, when you prepare to set off demonstrations or diverse events, you should prepare a dedicated homepage, so that members and newcomers are automatically aware of the upcoming events when going to your website. Make sure that your partners include information on their homepages and in their newsletters, and don’t forget to mention “forward to all your contacts” to create a snowball effect – it is remarkably efficient!

And what about the media?

In order to catch the attention of the media, the key word is “originality.” In itself, a free-market demonstration is a curious thing. But if you add elements of originality, your chances of success are multiplied. For instance, in 2004, in response to a confederation of farmers who illegally grew genetically modified (GMO) plants, Liberté Chérie decided to publicly plant some (fake) GMO plants in front of the Eiffel Tower. One of our best operations that received media coverage was the counter-demonstration in Marseille, where the unions had blocked the bus and metro system for more than a month. We only rallied 1,000 people, but thanks to incessant phone calls to TV and radio channels, the demonstration was widely reported during the peak viewing time on the evening news on multiple TV channels. Here, the success was due to our tenacity, to our politically incorrect message, and to the fact that the media wanted something new and original to report.

We also became aware of the fact that journalists do not read press releases, merely because they get too much of them! If you want to be in the media, you have to sympathize personally with journalists of your political tack, by having lunch with them and calling them from time to time. And when you organize something, go to the office of the local newspapers and distribute some booklets to catch the attention of the journalists.

Hopefully these hints will help you get started! Please send us some feedback about what worked the best for you and what did not work at all; it is always interesting to share experiences.

Vincent Ginocchio
President of the Federation
Liberté Chérie
vincent.ginocchio@liberte-cherie.com

In late June 2006, Liberte Cherie held its Fête de la Liberté to highlight current French Classical Liberal writers and advocates and to educate individuals and provide a voice for people advocating the principles of a free society.
Some Lessons from the Engine Room about Managing an Institute

By Michael Walker, Senior Fellow, The Fraser Institute (Canada)

I am very pleased to have the opportunity to share with the Atlas network some of the lessons I learned about managing an institute during my thirty-one years in the engine room of the Fraser Institute (Canada).

I think the first thing that needs to be said is that the management style which is appropriate to a newly formed institute is very different than the model which can be applied when it has fifty or more employees with three regional offices and extensive international connections.

In their early stages, most small enterprises are “cults of personality,” since the organization is closely identified with one individual. This early phase is the “Mike’s Grill” stage. Everybody knows Mike and either likes Mike’s food or hates Mike’s food and patronizes the business accordingly. Of course there may be an equally well-known Millie or Moe at the till, but it’s the Mike at the grill that draws people in.

The inside workings of the “Mike’s Grill” stage is essentially that of a hierarchical autocracy. Everybody expects the decisions to be made at the top and for the most part that is where they are made. Communications up and down the line of command keep the organization on mission and one or a few people at the top drive the organization.

The real strength of such an organization structure is that it is relatively cheap to operate. Transaction costs in terms of meetings, consultations, etc. are minimized and the organization can respond quickly to changes in the perception of the CEO as to the opportunities and threats that the organization faces. There are, however, distinct weaknesses.

The first is that it is often difficult for the person at the top of such a hierarchy to encourage within the organization the development of individuals who could potentially replace the CEO. Often the personality surrounded by the cult won’t tolerate potential successors, but even if they do, good people leave because of the lack of upper mobility in such a hierarchy. Therefore this sort of organization is vulnerable to succession difficulties. How will “Mike’s Grill” do when Maurice is at the grill and nobody knows Maurice?

In the think tank world, “difficult leadership transition” has been the rule rather than the exception. In my assessment of the record of think tank succession, I concluded that the problem was the nature of the organizational structure used by the organizations. That inference, whether correct or not, greatly influenced my thinking about how the structure of the Fraser Institute should evolve.

As a side note, it is also the case that a small organization may not have any choice but to stick with the cult of personality model. If the organization only has enough resources to pay one higher-priced individual, then it is also going to have to face the “Mike’s Grill” transition problems. Happily, there are some spin-offs of a positive sort that emerge from this situation.

For example, at the Fraser Institute, my colleague for seventeen years, Sally Pipes, grew in ability, capacity, and appetite for independence to an extent that the Institute could not afford to retain her. She could have run the Fraser Institute by herself. She knew that and eventually left to become the president of the Pacific Research Institute (California), where she has been one of the most successful think tank CEOs in the business.

The second weakness of the single personality model is that it is not well adapted for expansions that may require different kinds of centers of excellence or different geographic locations.

As the Fraser Institute has grown, its organizational structure has been changed to accommodate the challenges posed by increased size and to actively encourage further growth. One of the earliest changes was the adoption of a collegial model for the determination of programs and projects. In such a model the strategic plan in general terms and over a five-year horizon is determined by the CEO while the project detail, including the development of new program ideas, is evolved collaboratively by the researchers. Collegiality encourages ownership, and ownership induces higher productivity and more reliable innovation.

While the collegial model allows more individual initiative in the selection and execution of projects, its
In their early stages, most enterprises are "cults of personality," since the organization is closely identified with one individual. This early phase is the "Mike's Grill" stage.

essential structure is "socialist" in nature. While decisions are made collaboratively, and researchers have control over the project agenda, the consequences are experienced collectively. In such a situation individuals don’t benefit when they make good choices and don’t bear costs when they make poor decisions.

Not surprisingly, in the collaborative model some of the problems of socialist organization are experienced. The most important of these is that people are not incentivized to make good choices and avoid poor choices. A related issue is that it is more difficult as a practical matter to structure an efficient compensation program when inputs and outputs are collectivized.

In 1995 I began a program to restructure the Institute to place more power and responsibility in the hands of department heads. The bookkeeping system in the Institute was disaggregated so that costs and income could be tracked by department. Department heads were given the task of devising their own operating plan together with the financial implications.

By 1998 this organizational structure had evolved into a decentralized planning and management system involving a compensation program under which every employee in the Institute received a portion of their pay as a performance-related bonus. The coupling of compensation to the performance monitoring program transformed the collective, collegial model into a market-like incentive program which guides participants' behavior. At the same time, department heads were made responsible for raising funds for the research projects within their department, as well as to contribute toward the general operating expenses of the Institute. The service departments, like publications and communications, but also the infrastructure departments, like accounting, are dependent on the other departments for their budgets for the most part. This ensures that the program departments have a keen interest in the efficiency of the service departments and the service and infrastructure departments are as responsive as they can be to the needs of the program departments.

In effect the "Mike's Grill" model has been transformed into the "Mike's Shopping Mall" model, where each of the stores (departments) can grow at its own pace as long as it contributes its "rent" to the mall. Each of the departments within the Institute is like a mini Institute, with each of the departmental directors setting out and achieving their own performance targets. The Fraser Institute’s CEO acts like the conductor in an orchestra to ensure that the Institute can "collectivize" when inputs and outputs are closely identified with one individual. This early phase is the "Mike's Grill" stage.

Walker’s Laws for Creating and Working with a Board of Directors

The selection of a Board of Directors is a crucial step for a new think tank. The new CEO needs a board which is active enough to provide advice and guidance based on business experience but not so active as to interfere with the independence of the researchers and the research agenda of the organization. If the think tank is to be successful it must be independent of its sources of financing and the CEO must be the principal shield that guards the researchers from any influence. Ideally the Board of Directors would only be involved in an oversight function regarding the financial affairs of the institute and not at all involved in setting the research agenda.

While I realize that frequently the Board of Directors are involved in the creation of an institute and in the provision of its initial funding, it is very important that the new CEO work diligently to build a funding base which is not reliant on the Board of Directors. Walker’s Law is that, “the independence of the researchers and the research agenda is inversely proportional to the percentage of the budget raised by the Board of Directors.” Directors who raise a lot of money for an organization will want to have influence over the projects on which the money is spent and may have firm opinions about what the studies should conclude.

I have never subscribed to the rule that is often applied to directors of not-for-profit organizations that they should “give, get, or get off.” Directors should be chosen on the basis of their experience, their track record of success, and their knowledge that good directors advise, not manage. It is also important to pick directors who have a day job so that their hobby doesn’t become an inclination to meddle in the internal affairs of the institute.

During my thirty years of experience at the Fraser Institute, I was very fortunate to have directors who clearly understood the foregoing. They were very helpful with business advice, often very helpful with fundraising advice, and in providing some funding. But once the rules of engagement were settled, they never interfered with the projects or the research work of the Institute.
Atlas’s Third Annual Asian Liberty Forum Explores

By Colleen Dyble, Director of Coalition Relations

In the heart of Kuala Lumpur, one of the most advanced and vibrant cities in Southeast Asia and home of the world’s largest twin towers (Petronas Twin Towers), Atlas collaborated with the Friedrich Naumann Foundation to organize the Third Annual Asian Liberty Forum on September 11, 2006. The Forum was followed by the Eighth Annual Economic Freedom Network conference (September 12-13), which was organized by the Friedrich Naumann Foundation and the Malaysian Institute of Economic Research (MIER). Malaysia is the U.S.’s largest trading partner in Southeast Asia and its tenth-largest trading partner in the world, and is currently negotiating a free-trade agreement with the U.S. This environment provided a perfect backdrop for discussions on the pathways to liberty and free markets in Asia.

Atlas’s Asian Liberty Forum brought together think tank entrepreneurs and other colleagues in Asia to explore opportunities for developing a stronger network of free-market public policy leaders. The Forum attracted 59 participants from 16 countries across Asia and the world who are living in environments where freedom is deeply compromised.

What makes the global free-market network of individuals and think tanks so invigorating? The individuals involved. They are catalysts of change in their countries. They are succeeding in creating momentum for the adoption of classical liberal ideas by decision makers at every level of civil society. For example, the activities of

The Asian Liberty Forum offers Atlas staff the opportunity to have in depth discussions with intellectual entrepreneurs and think tank leaders. Atlas Director of Coalition Relations Colleen Dyble speaks with Japanese for Tax Reform founder Masaru Uchiyama and Institute for Public Sector Accounting director Hiroshi Yoshida.

the Action Research in Community Health and Development (India) are focused on the grassroots level, working to get a bill passed in the parliament that respects property rights for tribal peoples, while the Japanese for Tax Reform and the Institute of Public Sector Accounting (Japan) are working with the Leadership Institute Japan to influence policy makers directly by spreading the ideas of limited government and individual and economic freedom to candidates of the 2,400 mayoral and prefectural elections that will take place in April 2007.

The capacity of these think tanks to promote classical liberal policies on behalf of a variety of target audiences and to influence key decision makers continues to grow exponentially.

The obstacles to a free society that these individuals face are extensive: in China, current policies ban the right of individual citizens to associate, much less run a free-market think tank; in Sri Lanka, talks with Tamil Tiger rebels continue to break down; and in Nepal, Maoists continue to infiltrate the country. The importance of what these think tanks are doing is becoming increasingly more significant as our world becomes progressively more interconnected.

What I find amazing is the ability of these think tanks to respond to contemporary policy battles with sound philosophical solutions despite the obstacles of operating in extremely challenging environments. New think tank efforts are underway in Mongolia and Sri Lanka, and classical liberal ideas are being shared with students – the next generation of leaders – in Cambodia and South Korea. Atlas is optimistic about the long-term potential for change in the climate of ideas in Asia, and Atlas’s dream of having a
free-market think tank in every Asian country is becoming more and more of a reality as this network continues to expand.

In just three short years, Atlas has seen how bringing together Asian think tanks is useful not only for sharing techniques and facilitating networking, but for taking advantage of the synergies that happen when the network convenes in one room. Within minutes after the news about Hong Kong’s elimination of the non-interventionist policy broke on September 12, 2006, the Lion Rock Institute (Hong Kong) sprung into action. LRI’s executive director and co-founder, Andrew Work, writes, “Being in the same time and place as so many respected think tank leaders enabled us to capture the front page of the biggest English and Chinese papers in Hong Kong when an issue of vital interest to the global free market community arose. Our access to people like Mark Mullins and Bob Lawson enabled us to displace Krugman commentary to get our message out on the front page of Hong Kong papers!” This is just one example of many that reinforce the power of the network when it works together and how the expertise and influence of a few individuals can be leveraged to make the ideas for a free society all that more influential and widespread.

Asian think tank leaders are increasingly taking ownership of the network and utilizing what they have learned in these meetings to reach out to others in their countries. Nonoy Oplas has taken leadership in expanding the Asian Yahoo! group that was started after the second annual Asian Liberty Forum in Phuket, Thailand, last year, and the list continues to grow. The Yahoo! group has become a message board where members can publicize their activities or ask questions and give advice. The forum in Phuket also spurred Kang Chandarot of the Cambodian Institute for Development Studies (Cambodia) to organize a similar seminar for students to discuss Hayek’s principles on economic freedom. The list of forum outcomes goes on and on.

At this year’s forum, leaders from top American and Asian think tanks shared their expertise on fundraising, communications, and techniques for operating think tanks in challenging environments and encouraged participants in their efforts to bring freedom to their countries. Speakers included past Atlas Templeton Award and Prize winners: Kris Mauren (Acton Institute for the Study of Religion & Liberty, Michigan), Melinda Quintos de Jesus (Center for Media Freedom and Responsibility, Philippines), Ozlem Calgar-Yilmaz (Association for Liberal Thinking, Turkey), Dr. Lutfi Assyaukanie (Freedom Institute, Indonesia), and Barun Mitra (Liberty Institute, India).

Participants also heard from Robin Sitoula, a former Atlas fellow, who spoke on his experience training young people in the ideas of liberty despite Maoist threats. Charu Rizal, who is an editor at the boss and several business travel and management magazines in Nepal and India, shared her experiences in conveying the ideas of liberty to the media during times of political turmoil. Nonoy Oplas, who founded Minimal Government (Philippines) two years ago, discussed the obstacles to free trade in the Philippines. New think tank leader Chris Derry, who started the Bluegrass Institute for Public Policy Solutions (Kentucky) shared his insight from running a state-based think tank. LRI’s Andrew Work shared his insights on creating an effective public relations campaign, based on LRI’s freedom-to-trade campaign during the WTO meetings in Hong Kong in 2005. Grover Norquist, president of Americans for Tax Reform (Washington, D.C.), presented strategies for organizing coalition meetings.

Atlas is already discussing ideas for the next forum with our partners at the Friedrich Naumann Foundation and within the Asian think tank network. We are anticipating a wide range of participation by classical liberals and think tank leaders from all across Asia. I hope that you will be able to join us and be a part of a growing and influential network!


For more information on the Eighth Annual Economic Freedom Network meeting: http://www.fnfasia.org/efn/conferences/8thEFN/program.htm
Being invited to address the Freedom Dinner, and on the twenty-fifth anniversary of the Atlas Economic Research Foundation, is a great honor. Antony Fisher’s idea for the Atlas Economic Research Foundation was brilliant. Its leadership under Fisher, then John Blundell, and since 1991 under Alex Chafuen, has been inspired. The Atlas Economic Research Foundation’s impact has been both global and incalculable. All we can know for sure is that its impact has been huge.

But I have to admit that I wondered exactly why Alex decided on me when there are so many attractive choices, some of whom have been at this podium tonight. Then I realized that Alex knew that the Freedom Dinner would take place just one week after the mid-term elections and Alex, knowing what was going to happen in that election, knew that the last thing he wanted for this celebration was a dinner speaker who would spend a funereal half hour dissecting the election results and prescribing practical next steps. And Alex, having read my books over many years, knew that I barely register that a real world of politics even exists, and that, above all, I don’t do practical. But regarding the elections, I can’t resist stealing the line that a great friend of liberty, Antonio Martino, used at the Mont Pelerin Society meeting in Guatemala last week. Reflecting on his recent tenure as Italy’s Minister of Defense, Antonio said, “After five years in government, I now have the same respect for politicians that the pigeons of Rome have for statues.” Think about the way the late lamented political campaign was conducted, on both sides, and I think you’ll see the relevance of that remark. This evening I am not going to think back one week, but twenty-five years. And I am not going to think forward to the 2008 election cycle, but to 2031, twenty-five years into the future.

Twenty-five years ago this very date, November 16, here was the New York Times on Ronald Reagan under the headline, “Does the Emperor Know?:

More and more people are looking past the smile and worrying about the substance of issues. And more and more are asking whether the President is able to deal with substance. . . . The evidence of chaos in both foreign and domestic policy-making has been so overwhelming lately that solid Republicans are voicing their concern. ... It is this context of growing doubt about Mr. Reagan’s grip on events that makes the Stockman affair so awkward politically. For people are bound to start wondering whether the President understands what his Budget Director has so dramatically admitted, that the economic miracle he promised does not exist and never will.

I did not have to go searching through the archives looking for a dismissive quote for this speech. I just searched for “Reagan” in the New York Times for November 16, 1981, and bingo. Those of a certain age in this
audience will recall that relentless drumbeat of pressure during the winter of 1981/82 to change course that was being pounded every day, in an era when a few like-minded newspapers and magazines and three television networks dominated what the American people heard and read.

Twenty-five years ago, we were coming off double-digit inflation, Jimmy Carter’s malaise, a conviction among the intelligentsia—including even Henry Kissinger, by the way—that the best we could hope was to delay the inexorable Soviet advance. We lived in an era in which the phrase “free market” was treated as derisively as the word “Reaganomics.”

Think of the change. Think of the night-and-day, world-turned-upside-down change that has occurred since then. The current political mess is trivial in comparison with the transformation that we have witnessed since the year in which the Atlas Economic Research Foundation set up shop.

And in giving thanks for that change, let those of us who have the luxury of ignoring practical politics pay tribute to the two towering practical politicians who made it happen, Ronald Reagan and Margaret Thatcher. Every time I hear it said that large historical forces govern history, I recall that in March of 1981 the ricocheting bullet from John Hinckley’s gun penetrated to within a fraction of an inch of Ronald Reagan’s heart, and I try to imagine what the world would be like today if it had gone one inch farther.

But the large historical forces are important too. It is said that luck is what happens when preparation meets opportunity. Reagan and Thatcher were the opportunity. Hayek and Mises and Friedman, and others like them, were the preparation. And that’s where the Atlas Economic Research Foundation,

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adoption of market-oriented policies leads to prosperity. We know how powerful “good examples” can be.

In fact, the conference in Tbilisi demonstrated that the success of Estonia had galvanized policy leaders to undertake important reforms to make Georgia more competitive. In fact, Mart Laar, former prime minister of Estonia and keynote speaker at Atlas’s 2005 Freedom Dinner, is now advising the Georgian government. According to the World Bank’s “Doing Business” report, Georgia moved dramatically from #112 in its rankings all the way to #37 in just one year. Perhaps in a decade’s time, we will be talking of Georgia as the “Hong Kong” of the Caucasus.

Certainly, that’s the goal of the New Economic School of Georgia, which won Atlas’s 2006 Freda Utley Prize for Advancing Liberty, in recognition of its good work training students to become knowledgeable advocates of the free market.

Of course, the need to “increase our numbers” is something that’s also needed here in the United States. Many who had trusted the Republican Party to limit government find themselves disillusioned, but few hold out hope that Speaker Pelosi promises any steps in the right direction. The truth is that we cannot expect politicians to do more than what is politically convenient, and all of us in the freedom movement need to make it more “convenient” to respect individual liberty. (Charles Murray’s speech at the Atlas Freedom Dinner – starting on page 14 of this Highlights – is a wonderful reminder of how think tanks need to be forward-thinking and not constrained by the conventional wisdom.)

Creating a consensus for our shared principles will require reaching new audiences, and perhaps surprisingly, one solution can be found in Hollywood.

In early November, I attended the third annual Liberty Film Festival (LFF), organized by Govindini Murty and Jason Apuzzo, who both spoke at Atlas’s 2006 Liberty Forum. Murty explains that the LFF aims to recover the film industry’s spirit of “humanism – the spirit that affirms life and individual freedom over politics,” which is so lacking in a Left-leaning popular culture that bubbles with moral relativism. Murty notes that, over three years, the LFF has received 6,500 submissions, demonstrating a pent-up supply of filmmakers sympathetic to the ideas of liberty.

Other friends of Atlas are also exploring the use of more documentaries and films to get out our message. One of Atlas’s Templeton Freedom Prizes recognized the Centre for Civil Society’s Livelihood Documentary Competition, rewarding original films about the struggles of ordinary citizens of India to make a living. At the recent Mont Pelerin Society meeting in Guatemala, Bob Chitester (Free to Choose Media, Pennsylvania) previewed a new film, The Power of Choice: The Life and Ideas of Milton Friedman (coming to PBS in January 2007), and the Acton Institute (Michigan) showed a trailer of its documentary, The Call of the Entrepreneur. On November 17, Atlas partnered with the Moving Picture Institute (New York City) to host the Washington, D.C., screening of Freedom’s Fury about the Hungarian uprising against Soviet occupation in 1956, at an event that included movie star Lucy Liu.

With companies like YouTube revolutionizing the distribution of video, think tanks have new opportunities to reach audiences with the freedom philosophy – and of course, they also face a challenge to get noticed among the clutter. But anyone who doubts that the cause of limited government can be packaged in an entertaining manner should Google “Zucker taxman” to see a political ad produced by famed Naked Gun writer/director, David Zucker.

While the state of world affairs in 2006 certainly has seemed gloomy, I found myself very energized by the new friends and new ideas I encountered in these travels from Tbilisi to Tinseltown. In 2007, I hope you will attend our Liberty Forum or find a chance to see how visiting with members of the worldwide freedom movement is a wonderful cure for pessimism!
Competition in Regulation: A Solution for Urban Planning

By Mark Pennington, Department of Politics, University of London

In the Fatal Conceit, F. A. Hayek argued that a vital challenge for the future of the market order was the development of more complex structures of property rights to cultivate markets in areas, such as environmental protection, where they had not previously been applied.

Much of my work has involved an attempt to answer this challenge with a particular focus on the application of spontaneous order analysis to questions of land use and environmental planning. I have sought to demonstrate that the case for a “free market” approach to such issues does not equate to the unregulated “free for all” that critics of market processes frequently assert. Rather, it is based on an argument for competition between different types of control, or, to put the argument differently, for “competition in regulation.”

In the case of urban land use, for example, in many instances there is a need for institutions that can design and regulate the pattern of development within a particular area in order to minimize the “neighbourhood effects” associated with “mixed-use” developments. What is at issue, however, is the existence of a mechanism that can subject such “regulation” to competitive experimentation and a process that generates profit signals, encouraging the spread of best practices and losses which indicate poor performance. Entrepreneurs can find innovative ways of supplying environmental collective goods.

The experience of both Britain and the United States illustrates that when government refrains from placing obstacles in the path of market solutions, entrepreneurs can find innovative ways of supplying environmental collective goods. In the British case, for example, what are now some of the most sought-after residential developments were the result of private contractual planning conducted in the nineteenth century, using devices such as restrictive covenants. Alas, in both Britain and increasingly in America, policy-makers have adopted a predominantly top-down, “one size fits all” approach. In Britain the right to develop land is nationalized, with even the plans of local authorities subject to the regulatory edicts of London-based environmental bureaucracies. The result has been the blanket adoption of regulations which stifle innovation and prevent experimentation with a variety of land use patterns. With the rise of the so called “smart-growth” movement, similar forces appear now to be gathering momentum in the United States. On both sides of the Atlantic, planners are deluded in the view that they have sufficient knowledge to plan the lives of the people rather than allowing voluntary communities to discover the most conducive living environments, through a process of trial and error competition in which they have the greatest possible scope to plan for themselves.

Pennington Receives Latest FSSO $10,000 Prize

In fall 2006, Atlas’s Fund for the Study of Spontaneous Orders (FSSO) awarded its eleventh $10,000 prize to Dr. Mark Pennington, Senior Lecturer in Political Economy, Department of Politics, Queen Mary College, University of London. In a series of thoughtful and carefully argued articles and books, Pennington has applied the insights of F. A. Hayek to the closely related contemporary problems of land use planning, sustainable development, and deliberative democracy.

Through the conduct of academic conferences and the awarding of additional prizes, the Fund hopes to encourage further use of the Austrian epistemology of methodological individualism to improve our understanding of human activity in areas other than those of economic exchange. Ultimately, the Fund’s ideal is to encourage the reintegration or reunification of social thought itself, moving away from narrow disciplinary concerns to a broad understanding of the nature of human action.

Upon receiving the award, Pennington commented, “I am delighted to have been awarded the Atlas Prize for ‘Contributions to the Understanding of Spontaneous Order.’ Hayek’s ideas and those of the wider Austrian school have had an enormous influence on my thinking, so it is a great honour to have been rewarded for my work in this field. . . . I am about to embark on a new book setting out the implications of a Hayekian perspective to the broader canvas of contemporary political economy. The book will be called Towards the Minimal State: Markets and the Future of Public Policy, and will be published by Edward Elgar in 2008. . . . I sincerely hope that this contribution will continue to justify the faith that Atlas has shown in me with the award of this prize.”
Ayn Rand Revisited and Remembered

By Leonard P. Liggio, Executive Vice President

In December 1980 I was speaking at the Hilton Hotel in Brussels, Belgium, for a conference on European Monetary Competition organized by Michael van Notten of the European Institute and featuring F. A. Hayek, Pascal Salin, Arthur Shenfield, etc. One evening I turned on the TV to see the famous film, The Fountainhead, based on Ayn Rand’s novel, dubbed into Flemish.

The following year I organized a Georgetown Film Society with me as the sole member in order to be able to show films occasionally, and of course, the first one was The Fountainhead. I continued to do so for the final two years of college.

When I read The Fountainhead, I was part of the Students for Taft along with Ralph Raico and George Reisman. After the June 1952 Republican National Convention in Chicago we decided we needed better grounding in economics and began to read Ludwig von Mises’s Human Action (Yale University Press). We began to visit the Foundation for Economic Education (New York). Leonard Read contacted Ludwig von Mises to request he admit Ralph Raico and George Reisman to his New York University Graduate Seminar on Economic Theory. Mises did so after examining them on their German fluency and committing them to translations of Mises’s Liberalism (by Ralph), and of Heinrich Reickett’s Science and History (by George). (Mises was conducting his seminar from his manuscript of Theory and History). I came to the seminar first during a Georgetown break and met Murray Rothbard there.

Murray Rothbard had known Ayn Rand earlier, along with friends from the early days of the Mises seminar, Richard Cornuelle and George Koether. When Rand’s Atlas Shrugged was published in the fall of 1957, Robert Hessen was working at the bookstore at Idlewild Airport (now JFK) and he purchased for Murray, Ralph, George and me copies of Atlas Shrugged. There was wide displeasure when the National Review published a review of the book by Whittaker Chambers which claimed that its spirit was totalitarian. Criticism of Chambers was expressed by Earlham professor E. Merrill Root, author of Collectivism on the Campus, and by John Chamberlain in The Freeman. Murray Rothbard wrote a letter which National Review published challenging the review. He received a letter from Ayn Rand inviting him and his friends to visit her and her friends. A series of meetings occurred starting in early 1958. They were held in the well-appointed apartments of Rand and her husband, Frank O’Connor, and of Barbara and Nathaniel Branden. Rand, like Murray Rothbard, was a night person, so the meetings ran to 2 or 3 a.m. As I was in the midst of my graduate studies, with mornings at the New York Public Library and late afternoons at classes, the hours were not convenient, so I did not continue to attend.

The evening discussions centered around Rand’s concern about the continued growth of collectivism, even during the first Republican presidency (Dwight D. Eisenhower) after the New Deal/Fair Deal Democrats. Rand saw the cause as the chaos of modern philosophy, its relativism, and its unhinging from rational thinking. She feared that there was a tendency on the Right toward a lack of principled philosophy. Since Rand recommended Austrian economics, even though she had disagreed with Ludwig von Mises over her defense of individual rights against state conscription, she should be characterized as a classical liberal. The radicalism of her stance attracted a lot of young people. Later, when students of her thought expressed this radicalism publicly, she was concerned. Some members of the Berkeley Free Speech Movement were students of her thought as well as supporters of Senator Barry Goldwater’s 1964 campaign.

Ayn Rand had been born in early twentieth century St. Petersburg, where she was strongly influenced by the Silver Age of Russian literature as well as contemporary European philosophy. She experienced the early years of the Bolshevik tyranny, which she captured in the novel We The Living (later made into a fascinating film in Italy with several future top stars).
She was able to come to America to study and became a film script editor in New York. The head of the Paramount Pictures script department in New York was the wife of Henry Hazlitt, close friend of Mises and author of Economics in One Lesson and The Foundations of Morality. Mrs. Hazlitt encouraged the development of Rand’s talents and introduced her to the social milieu of libertarians such as Ludwig von Mises and Leonard Read. Rand respected the economic work of Mises and of Austrian economics generally.

John Blundell has noted the emergence in the late 1930s of three important female, classical liberal authors: Ayn Rand, Isabel Paterson and Rose Wilder Lane. Rose Wilder Lane wrote Give Me Liberty (1936) and The Discovery of Freedom (1943). (Lane’s mother, Laura Ingalls Wilder, wrote The Little House on the Prairie.) Isabel Paterson, who was a book reviewer for the New York Herald Tribune, wrote The God of the Machine (1943). (See Stephen Cox, The Woman the Dynamo: Isabel Paterson and the Idea of America.) Another woman author less well known was Zora Neale Hurston, who was active in the Harlem Renaissance and who had my attention with her long article, “A Negro Voter Sizes Up Taft” (Saturday Evening Post, December 8, 1951).

Ayn Rand had a large group of close friends such as Barbara and Nathaniel Branden, and Alan Greenspan. (See: Nathaniel and Barbara Branden, Who Is Ayn Rand, 1962.) In the following years, Rand became widely read on college campuses. She began her annual lectures in Boston. At her 1960 lecture at Brooklyn College in New York, the philosopher John Hospers became very interested in her thinking and they arranged an hour for lunch. Hospers says it extended into five hours discussing art and culture. Becoming chairman of the philosophy department at University of Southern California, Hospers became editor of the distinguished journal, The Personalist, in which a number of philosophers interested in reason published. Tibor Machan was a philosophy student at NYU who was impressed by her writings on philosophy, which led to his editing a journal, Reason Papers. Doug Den Uyl and Doug Rasmussen have made important contributions on rights theory initiated by their reading of Rand.

Earlier in Cambridge, Massachusetts, some students at Harvard and MIT began a magazine, Reason, edited by Lanny Friedlander and Mark Frazier. Later it was published in Santa Barbara by Robert Poole, Jr., Manny Klausner and Tibor Machan. Harvard and MIT continued to be centers of interest in the study of Objectivism. Martin Anderson wrote The Federal Bulldozer (1964) before moving to the Hoover Institution. Cambridge was also a center for the Objectivists’ challenge to conscription, and helped to form Republicans Against Conscription. Ayn Rand was a strong opponent of conscription, and her thinking contributed to the Nixon administration’s repeal of conscription on the basis of the arguments of Milton Friedman, George Schulz and Walter Oi.

Ayn Rand’s writings have had important influences around the world. Two examples are the following. A graduate of Tuskegee Institute in Alabama joined the Peace Corps and went to Tanzania. There she found a copy of Atlas Shrugged and returned to the U.S. as a researcher for the Huntley-Brinkley Hour TV news program in New York. Her interest in black intellectuals led her to study for a Ph.D. with Peter Berger. She has been teaching at a major university for a number of years.

In New Delhi, Barun Mitra was a journalist who read Ayn Rand’s works and began to have a booth at the annual book fair featuring her books and those of market economics.

As the result of contact with Atlas, Mitra created the Liberty Institute, presenting market ideas and rational philosophy at conferences and in journalism. Mitra has published important articles in the New York Times, Asian Wall Street Journal, and other regional newspapers.

More recently David Kelley and Edward Hudgins have made an impact with the Objectivist Center. Kelley has been conducting philosophy seminars for a number of years, and Hudgins has been focusing on contemporary issues.
that the performance targets of the different departments are mutually compatible and appropriately supported by the Institute's infrastructure.

Each of the departmental directors is a member of the Institute's management committee, which meets monthly to consider the individual budget performances of the divisions as well as the overall budget performance of the Institute. The management committee serves to internalize externalities which might be produced by one department and affect other departments. The committee also serves as a sounding board for the CEO and a venue in which Institute-wide problems can be solved.

Of course in a think tank the issue of quality control is all-important, and where departmental directors are incentivized to grow their divisions, there may be a trade-off between quality and growth. The peer review process maintained by the Institute guards against such an eventuality. Every research output is subject to a peer review by external as well as internal reviewers. In the event that reviewers find what they regard as a crucial flaw in a paper, an Institute author may only proceed to publication after the flaw has been corrected or if the Editorial Advisory Board of the Institute overrides the external reviewers objection – something which has yet to happen in the thirty-two-year history of the Institute.

In addition to creating a more efficient and effective organization, the approach now used at the Institute produces some additional benefits. Since each of the department heads within the Institute are in effect running a mini Institute, they can grow their activity and their compensation as much as they want. Departmental growth finances itself and contributes to the operating expenses of the Fraser Institute, so there really is no limit to what a department head can achieve. Correspondingly, each of the department heads is a potential Executive Director for the Institute since each has to master all of the skills that are required in running their own departments.

Of course the other great benefit of this market-based management system is that it simultaneously makes the Institute less vulnerable to the loss of the CEO and gives the CEO more opportunity to develop new departments and new activities within the institution instead of simply doing the fundraising or micro-managing the activities at the departmental level.

The main challenge posed by this decentralized power structure is the transition to it from the status quo. It is my experience that the only human being who likes change is a wet baby. The change we must engender in our institutes is not very different than the challenge of the change that we try to encourage in the political system – in each case there is a well-entrenched set of interest groups which will try to stop it.

The way we overcame the status quo was by linking the change in responsibility with the change in the compensation program. By introducing a bonus arrangement linked to the performance assessment program, at the same time as we made the department directors responsible for their budgeting, we provided an opportunity for the change to improve the financial position of each department director. Of course there were still those who preferred the status quo and wanted neither the increased compensation nor the responsibility for the performance that would produce it.

As they say, the proof of the pudding is in the eating, and the Fraser Institute has now transitioned from a CEO who had essentially been in that position for thirty years to a new CEO who is doing very well. The Institute has continued to grow at double-digit rates and it is possible that during the current year the Institute will enjoy its best year ever. Of course this is a tribute to the great skills and abilities of my successor, Mark Mullins, but it also reflects the fact that all of the departments within the Institute are pulling together as they strive to achieve their own objectives, both institutionally and personally.

Of course the biggest bonus is that the transition has provided me with free time to do things like write essays for the Atlas Economic Research Foundation! ☚

Please contact Michael Walker at mawalker@fraserinstitute.ca with questions or comments about this article.
To Friedman and and To Freedom!

At the Freedom Dinner on November 16, 2006, Ed Feulner (Heritage Foundation, Washington, D.C.), Ed Crane (Cato Institute, Washington, D.C.), and Mike Walker (Fraser Institute, Canada) were all asked to give Toasts to Freedom. With the news of the passing of Milton Friedman, these toasts became not only reflections on the fight for freedom and liberty around the world but on Milton Friedman’s integral role in that battle. Here are a few excerpts of their remarks – and as each noted in his own way – “To Friedman and To Freedom!”

ED FEULNER
Allan Meltzer made the very profound observation that in the history of the United States it is very hard to think of any individual, who never held high government office, who had more influence because of his sheer intellect and the power of his ideas on more public policies than Milton Friedman did . . . the man who asked us in Free to Choose the key question that we all should be reflecting on this evening, when he said: “The really important ethical question is what an individual should do with his freedom.”

ED CRANE
Somebody asked me [about Milton’s passing], “Does that create a void?” and I said, “Well, yeah, it creates a hell of a void. But there are number of organizations out there that are just as passionately committed to liberty as he was, and he knew that.” And so let me toast one of the organizations that is right at the top of the list – the Atlas Economic Research Foundation.

MIKE WALKER
We have lost a great star in our firmament – but the energy and the light of Milton Friedman will go on for eternity. So we haven’t really lost Milton Friedman . . . Every time I had a conversation with Milton, I learned something, and every time I had a conversation with Milton, I came away from it realizing what an enormously important person he was for civilization. And I want you all to think of that when you think of Milton Friedman – that he was the same Milton Friedman that I had worked with for forty years and that he did not dim, he just went out.

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Freedom Dinner... (continued from page 15)

and AEI, and Cato and Heritage and Hoover and the dozens of think tanks around the world that Atlas has fostered come in. It is our job to do the preparation for the next great transformational step in the direction of freedom. What are the resources that we have for accomplishing that task? When our successors meet to celebrate Atlas’s fiftieth anniversary in 2031, what will be the counterpart of The Road to Serfdom? What will that book have said?

Here are three themes that I think will play a part in shaping the struggle of ideas: First, a transformation in tools. Second, a coming crisis in the moral foundation of the Left. Third, a shift in the focus of freedom, from markets and economics to freedom as the basis for living a satisfying human life.

The transformation in tools is already upon us. Every change in information technology gives the individual more power over his own life and more independence from centralized institutions, whether those institutions be libraries, the downtown office building, CBS, or the post office. Every change in information technology also undermines the authority of the state. Yes, in one sense the new technology gives the government more potential for keeping us all under closer surveillance than ever before. But in practice, the race between the power of the state and the power of the individual is determined by the computer geeks and nerds, and all the talent works for one side, the individual. Brilliant chip designers and programmers and hackers don’t want to work for the government. So I have no doubt that the government will try to regulate the internet, for example, and am utterly confident that spontaneous revolt in the private sector will foil those attempts in all important respects. When it comes to the action in tools, the government is on the outside looking in.

And what action we are going to see. Eric Schmidt, the CEO of Google, is on record predicting that we are only ten to twenty years away from having hand-held devices that give us instantaneous, searchable internet access to the sum total of human knowledge—not just access to the references, but to the actual text, images, and sound of the information. Sounds crazy. Except that Google right now is in the process of scanning the complete libraries of Harvard, Oxford, Stanford . . . on and on . . . at the rate of several thousand books a week. And that’s just one of a dozen extraordinary applications that will be available ten or twenty years from now, the other eleven of which aren’t even imaginable. I predict that every single one of them will put more power in the hands of individuals, and, in practice, make it more difficult for the government to coerce.

The coming crisis in the moral foundation of the Left is not as obvious. It is even more certain. For the last forty years, the battle cry of the Left has been “equality,” measured and promoted according to this premise: Any differences among groups in the important outcomes of life—income, occupations, health, education, and the like—are the result of bad and/or evil human behavior. Everything that we associate with the phrase “politically correct” eventually comes back to the equality premise. The proliferation of college courses that frame every issue, from the American Revolution to the analysis of Shakespeare’s plays, according to “race, gender, and class” derives from that premise. And at second hand, the penumbra of the equality premise will be visible in just about every legislative proposal that the new Democratic majorities will put forth in the coming session of Congress.

That premise is within a few years of being as discredited as the notion that the Earth rides on the back of a turtle. The explosive growth of genetic knowledge means that within a few years, science will definitively demonstrate precisely how it is that women are different from men, blacks from whites, poor from rich, or, for that matter, the ways in which the Dutch are different from Italians. There is no reason to fear this new knowledge. Differences among groups will cut in many different directions, and everybody will be able to weight the differences so that their group’s advantages turn out to be the most important. Dutch and Italians will both continue to be quietly thankful that they are not the other, as will men and women, blacks and whites, English professors and engineers. But groups of people will turn out to be different from each other, on average, and those differences will also produce group differences in outcomes in life, on average, that are not the product of discrimination and inadequate government regulation, but just the product of human beings behaving as they see fit.

People with whom I discuss this often say to me that the new scientific knowledge won’t make any difference; the Left will just ignore it. I disagree. Over time, new knowledge about the way the world works—hard new knowledge, not a matter of political opinion—changes the premises that people bring to their opinions. Ten
On November 16 during the President’s Reception of the Atlas Freedom Dinner, Atlas awarded the Hellenic Leadership Institute (HLI) based in Athens, Greece with the 2006 Templeton Freedom Prize for Initiative in Public Relations. Established in 2001, the HLI promotes the principles of free enterprise, democracy, individual liberty, and international cooperation through communication campaigns and in-depth research.

This special Prize was created as an additional incentive for the Templeton Freedom Award Grant winners to devote sufficient time and attention to achieve a widespread publicity and a broad dissemination of ideas, publications, and programs, through successful and sustained engagement with the media.

HLI’s mission is to defend the principles of a free society and to formulate policy proposals on current political and economic affairs by reaching influential leaders of the Mediterranean region, particularly in the Arab world. When reviewing HLI’s application, one judge commented, “HLI gets the most credit for linking use of the media to social change and leadership directly to their strategic plan! They’ve also done an outstanding job of subtly wrapping social/policy issues into topics that are acceptable and useful in a part of the world with few free media outlets, very little public discourse, and a very thin marketplace for ideas. They’ve achieved remarkable visibility in credible force in a challenging region of the world for the concept of liberty.” For these efforts, Atlas rewards HLI with a $10,000 cash prize.

The runner-up for the Templeton Freedom Prize for Initiative in Public Relations is IMANI: The Centre for Humane Education based in Accra, Ghana. IMANI receives $5,000 for leveraging its Templeton Freedom Award Grant exceptionally well to gain access to important media sources and to speak at crucial meetings in and outside Ghana. For more information about the Hellenic Leadership Institute, please visit www.hli.gr, and about IMANI, please visit www.imanighana.org.
and the next quarter century.

Most of the great proponents of classical liberalism in the twentieth century were economists. They themselves understood the full ramifications of freedom, just as Adam Smith knew that Wealth of Nations and Theory of Moral Sentiments were really two halves of the same vision. Nonetheless, much of the practical political appeal of classical liberalism has been based on the economic advantages of free markets. So while the people in this room may know all about natural rights and the principled case for freedom, the reason free markets made such dramatic progress over the past quarter century has had mostly to do with the pragmatic fact that giving people at least a certain amount of freedom tends to be associated with faster growth in GDP.

As wealth continues to increase in the advanced West—and it has been doing so with almost mathematical predictability for decades now—the economic incentives to expand freedom lose much of their force. Politicians around the world are getting better and better at doling out the amounts and types of freedom that will keep their economies growing without seriously interfering with the intrusiveness of government. Meanwhile, electorates that are increasingly wealthy are less energized by economic arguments for limited government.

So how is the case for limited government to be made? In thinking about the answer, a good place to start is by thinking about this proposition: The real problem with advanced societies face in the next twenty-five years has nothing to do with the usual list of social problems such as poverty or health care. The real problem is how to live meaningful lives in an age of plenty and security.

Throughout history, much of the meaning of life was linked to the challenge of staying alive. Staying alive required being a contributing part of a community. Staying alive required forming a family and having children to care for you in your old age. The knowledge that sudden death could happen any time required attention to spiritual issues.

Life in an age of plenty and security requires none of those things. Being part of a community is not necessary. Marriage is not necessary. Children are not necessary. Attention to spiritual issues is not necessary. It is not only possible but easy to go through life with a few friends and serial sex partners, earning a good living, having a good time, and dying in old age with no reason to think that one has done anything more significant than while away the time.

Perhaps, as the song says, that’s all there is. That seems to be the attitude of an increasing number of European young adults. Secular, childless, preoccupied with the length of their vacations and the security of their pensions, they appear to have decided that the purpose of life is indeed to while away the time as pleasantly as possible, and that the proper function of government is to enable them to do so with as little effort as possible. Such is the appeal of the extensive welfare state.

I don’t buy it. In the long run, I don’t think any thoughtful person buys it. Life can have transcendental meaning, whether we define “transcendental” according to the great religions or the great philosophers. But that meaning must, by definition, be acquired through our engagement with the world around us. Furthermore, the varieties of engagement are limited. Let me make an ambitious claim, and invite each you to see if you can tell me why I’m wrong.

When all is said and done, there are just four institutions through which human beings imbue their lives with meaning: vocation, family, community, and faith.

It is not necessary for any individual to make use of all four. Some people live deeply fulfilled lives who are in love with their vocation and are indifferent to family, community, and faith. Others live for spouse and children. For others, faith is everything. I do not array the four institutions in a hierarchy. I merely assert that these four are all there are. If the human beings in a society are to pursue happiness, those four institutions must be vital and rich, for it is through them that happiness is pursued. Seen in this light, the purpose of government is to ensure that they are vital and rich.

And here comes the paradox: The only way that government can achieve that goal is leaving those institutions alone—protecting them against predators, yes, but otherwise leaving them alone.

If you want a symbol of what happens when government tries to help, I invite you to drive through rural Sweden, as I did a few years ago. In every town was a beautiful Lutheran church, freshly painted, on meticulously tended grounds, all subsidized by the Swedish government. And the churches are empty. Including on Sundays. Or take a look at the countries with the most extensive networks of child allowances, free day care centers, and generous maternity leaves. You are also looking at countries with fertility rates far below replacement, plunging marriage rates, and soaring illegitimacy.
ratios. Go to countries in which the jobs are most carefully protected by government regulation and mandated benefits are most lavish. You are also looking at countries where work is most often seen as a necessary evil and the proportions of people who say they love their job are the lowest.

The more government tries to help, the feeblest these institutions become. The explanation for the paradox is simple. The real problem with the welfare state is not that it is inefficient in dealing with social needs (though it is), nor that it is ineffectual in dealing with them (though it is), nor even that it exacerbates the very problems it is supposed to solve (as it does). The real problem with the welfare state is that it drains too much of the life from life. Children do not become deep sources of satisfaction despite the difficulties of raising them, but because of them. A vocation does not become a deep source of satisfaction because it is easy, but because it is challenging. A community does not become a deep source of satisfaction because it is subsidized, but because it has responsibilities that only the community can meet.

The modus operandi of the welfare state is to say, “We’ll take the trouble out of that” when “the trouble” it wants to take out is in fact not trouble at all, but the stuff of life—the elemental events associated with birth, death, growing up, raising children, comforting the bereaved, celebrating success, dealing with adversity, applauding the good, and scorning the bad—coping with life as it exists around us in all its richness.

It is no surprise that the advanced world has evolved toward the welfare state. It is human nature, especially in the early stages of life, to take the easy way out if the easy way out is offered. But, thankfully, it is also human nature for adults to think about what constitutes a life well-lived. The clichés of American English reflect the lessons [as] we mature—“nothing worth having comes easily,” “I pull my own weight,” “he’s a stand-up guy,” “you take out what you put into it.” There is a reason clichés become clichés: They express truths. In this case, the truth is that for life to have meaning, one’s life must be spent doing important things, challenging things, and taking responsibility for them.

I do not think that what I have just said falls in the category of an argument that has to be made. It falls in the category of things that all of us instinctively understand. I even think that agreement crosses party lines—that if Nancy Pelosi and I went out for a few drinks and got to talking about this stuff, she and I would find a lot of agreement.

With this proviso: the Nancy Pelosi of the world will agree that these are truths about their own lives, but we can’t expect them to apply to everyone. That it’s okay for people with money and education to live by these principles, but we must make exceptions for the less fortunate.

In response to that objection, advocates of liberty are going to have to adapt to some realities of a world that is growing ever richer. I’m already trying to do my part. Last spring, I published a book entitled In Our Hands, which proposed replacing all transfer payments with, in effect, a guaranteed floor income for every American citizen age twenty-one and older. It’s sort of Milton Friedman’s negative income tax on steroids. Some of my libertarian friends have taken exception to my proposal. My friend Ed Crane, for example, refers to In Our Hands as “that wacko book you wrote.” But I think there are a couple of realities that have to be faced. One reality is that some people really do get the short end of the stick on a variety of dimensions over which they have no control. They are legitimate objects of our concern. And whereas we may be convinced that the best way to respond to their condition does not require the intervention of government, the other reality is that we’re never going to convince a majority of our fellow citizens. Western societies are simply too rich for a political coalition to come to power that proposes doing away with income transfers to people whom everyone agrees really are in need.

If we are to speak persuasively to our fellow citizens, we will have to come up with a grand compromise in one way or another, offering our opponents big government in terms of providing economic resources to the less fortunate if they will offer us small government in terms of the government’s ability to stage-manage peoples lives. I think a universal, no-strings grant is the best way to do that, but I’m open to alternatives.

My point is this: We are not going achieve the next great movement toward liberty by promising tax cuts. We are not going to do it by promising higher economic growth rates. We are not going to do it by economic arguments, period. Rather, we are going to do it by convincing people that what is true of their own lives is also true of others’ lives.

When Nancy Pelosi, after those couple of drinks I was talking about, agrees that her life has been given dignity and meaning by vocation, family, community, and faith, we can’t let her off the hook when she says “but we can’t expect everyone to be like that.” Everybody is like that.

The great task, and the great opportunity, for the advocates of liberty over the next twenty-five years, is to say that we are all truly brothers and sisters under the skin. To say that human dignity is for everyone, a life with meaning is for everyone, and that the route to that dignity and to that meaning is freedom.
Network News

New Study on the Cell Phone Revolution in Kenya

The cell phone revolution in Kenya is an outstanding example of a market at work, not just providing a new product but creating wealth with that tool. The Cell Phone Revolution in Kenya, co-authored by June Arunga and Billy Kahora, shows how lone entrepreneurs and small businesses benefitted hugely from this private market solution, illustrating the effects of competition and the freedom to trade. This is not just a study of new technology but of how markets work, how they benefit the poor most and how quickly they take effect. This study was released in early January by the International Policy Network (United Kingdom) and Istituto Bruno Leoni (Italy). On January 8, BBC News aired a mini-documentary based on this study, which makes the case for liberalization.

JIMS Launches “ECOKIDS” to Bring Free-Market Ideas to Elementary School Children

In collaboration with the Evelina de Rothschild Elementary School in Jerusalem, Israel, the Jerusalem Institute for Market Studies (JIMS) introduced a pilot program, "ECOKIDS," that will teach basic economic principles to their fifth- and sixth-graders.

The economic enrichment program is a new opportunity for young Israelis to learn about market mechanisms and free-market principles. In the first lesson, the students learned about the benefits of free trade through a simulation game. JIMS is encouraging other Israeli elementary schools to join the program.

Privatization under Fire in Pakistan

The process of privatization, and privatization itself, is currently under fire in Pakistan. Groups opposed to privatization are threatening to nationalize everything that has been privatized or that is in private hands, if they come to power. While one can always question the process of privatizing state enterprises, to oppose privatization is something that requires very serious attention. In order to clarify the confusion, and formulate a sound policy regarding both the process of privatization and the principle of privatization, Alternate Solution Institute (Pakistan), in collaboration with Friedrich Naumann Foundation Pakistan, has published the booklet Impetus Papers on Privatization in Pakistan.

Sagamore Institute Appoints New President

Deborah J. Daniels, who became president of the Sagamore Institute for Policy Research (Indiana) on December 1, 2006, is a former United States Attorney and former Executive Director of the Greater Indianapolis Progress Committee, a coalition of public, private, nonprofit and neighborhood leaders that has contributed to the economic health and quality of life of Indianapolis. “Deborah Daniels is a person of outstanding reputation and credibility in the public policy arena,” said Senator Dan Coats. “We are thrilled that she will be taking the helm of the Sagamore Institute at a critical time in its development, and are confident that she will take the organization to the next level in terms of its prominence and effect on public discourse, in Indianapolis, throughout the State of Indiana, and across the country.”

Mackinac Center Launches New Science Magazine

The premier issue of MichiganScience, a quarterly magazine that explores science-related policy matters, was released in early December by the Mackinac Center for Public Policy (Michigan). “MichiganScience helps meet the need for accurate and accessible information about the increasingly complex scientific issues confronting voters and lawmakers," said Diane S. Katz, the Center’s director of science, environment and technology policy. "Informed policy choices require a basic understanding of scientific questions, not just political ones." The debut issue of the high-gloss, four-color magazine features an examination of the environmental trade-offs of renewable energy; the latest findings on the quality of Michigan’s air, water and forests; and guidelines for interpreting science news.

INTER REGION ECONOMIC NETWORK
IREN Hosts First Annual Student Debate Competition

On Saturday, October 14, the Inter Region Economic Network (Kenya) hosted the first annual debate competition for high school students. This competition was held in Kiswahili, a language that is used predominantly in east and central Kenya, and is important to know if students wish to go into business in these regions. The debate covered the topics of corruption, privatization and the role of technology to development.

Copenhagen Institute Launches New Websites

The Copenhagen Institute (Denmark) has recently launched two new websites. The first explores the dangers and negative impacts of the Kyoto
Protocol (http://www.coin.dk/kyoto/). The second is an English version of the Institute’s website (http://www.coin.dk/english).

State Policy Network Annual Meeting

The 2006 Annual Meeting of the State Policy Network (California) was held in Milwaukee, Wisconsin, in early October. The meeting was coupled with the K-12 Education Summit. Groups from the United States and Canada came together to discuss strategy, policy initiatives and new technology. The event was highlighted by keynote speeches from former Secretary of Education Rod Paige, former U.S. Representative Dick Armey, and Cato Institute president Ed Crane.

International Policy Network Announces Bastiat Prize Winners

At a gala event in New York City on November 1, the International Policy Network (United Kingdom) announced this year’s winners of their prestigious Bastiat Prize for Liberty. This prize is awarded every year to writers and journalists who express sound economic principles in effective, educational and simple terms. This year’s awards went to Tim Harford of the Financial Times (UK) and Jamie Whyte, who was published in The Times (London). Third Prize went to Rakesh Wadhwa for his work published in The Himalayan Times (Nepal).

ILP Launches Globalization Course for Undergraduate Study

In October, the Instituto Libertad y Progreso (Colombia) began a two-month course for undergraduate students, entitled “Globalization.” One of the main goals of the course, according to ILP executive director Andres Mejia-Vergnau, is “to show young students an alternative view of globalization: normally, all they hear about this topic is that globalization hurts workers and peasants, destroys the environment, and imposes economic colonialism on the developing world. Our purpose is to present the other view, the case for globalization with all the evidence that supports it, so students can see that globalization, far from being a threat to the poor, is the poor’s greatest hope.” The course had 27 participants.

Eudoxa Hosts Seminar on the New Virtual Frontier

On November 3, Eudoxa (Sweden) held the first ever public policy seminar in Second Life, a 3-D virtual world. Eudoxa’s conference explored the potential of virtual worlds, answering questions such as, “How can public policy groups and activists use the virtual world? Can virtual worlds improve local democracy?” This conference also discussed how this new media could impact daily life, economics, culture, and politics; and how it provides new venues for interaction.

Two Healthcare Proposals for Oregon

The Cascade Policy Institute (Oregon) is in the process of issuing a series of proposals to encourage Oregon to move towards a more affordable and universal healthcare system. Two proposals have been issued thus far: “Bridging the Ideological Divide in Health Care Reform: An Actionable Plan for Oregon,” by Stephen A. Gregg, and “Achieving Universal Health Insurance While Improving the Economy: A Reform Proposal for Oregon,” by Randall J. Pozdena, Ph.D. This series of proposals is meant to broaden the conversation and the possible options for healthcare reform.

Maxim Institute Book on Children and Children’s Rights

From Innocents to Agents: children and children’s rights in New Zealand by Michael Reid is a timely analysis of the rise of children’s rights in New Zealand. Published by the Maxim Institute (New Zealand), it examines the evolution from a nineteenth century understanding of children as ‘innocents’ needing protection within families, and where state involvement was minimal, to a more contemporary view of children as ‘empowered agents’ where the state and its agencies are primary. The author contends that a particular interpretation of international law has impacted domestic legislation and played a significant role in changing the status of children.
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.

Action Research in Community Health and Development (India)
Acton Institute for the Study of Religion and Liberty (www.acton.org)
Alternate Solution Institute (http://asinstitute.org)
American Enterprise Institute (www.aei.org)
Americans for Tax Reform (www.atr.org)
Association for Liberal Thinking (www.liberal-dt.org.tr)
Association of Private Enterprise Education (www.apee.org)
Bishkek Business Club (http://bdk.kg)
Bluegrass Institute for Public Policy (www.bipps.org)
Cambodian Institute for Development Studies
Cascade Policy Institute (www.cascadepolicy.org)
Cato Institute (www.cato.org)
Center for Media Freedom and Responsibility (www.cmfr-phil.org)
Centre for Civil Society (www.ccsindia.org)
Copenhagen Institute (www.coin.dk)
Eudoxa (www.eudoxa.se)
Foundation for Economic Education (www.fee.org)
Fraser Institute (www.fraserinstitute.ca)
Free Minds Association (Azerbaijan)
Free to Choose Media (www.freetochoosemedia.org)
Freedom Institute (www.freedom-institute.org)
Friedrich Naumann Foundation (www.fnst.de)
Hellenic Leadership Institute (www.hli.gr)
Heritage Foundation (www.heritage.org)
Imani: The Centre for Humane Education (www.imanighana.org)
Institute for Public Sector Accounting (Japan)
Instituto Libertad y Progreso (www.ilpy.net)
Inter Region Economic Network (www.irenkenya.org)
International Policy Network (www.policynetwork.net)
International Republican Institute (www.iri.org)
International Research Foundation (Oman)
Istituto Bruno Leoni (www.brunoleoni.it)
Japanese for Tax Reform (www.jtr.gr.jp)
Jerusalem Institute for Market Studies (www.jims-israel.org)
Kiev Economic Institute (www.kei.org.ua)
Leadership Institute Japan
Liberté Chérie (www.liberte-cherie.com)
Liberty Film Festival (www.libertyfilmfestival.com)
Liberty Institute (www.libertyindia.org)
Lion Rock Institute (www.lionrockinstitute.org)
Mackinac Center for Public Policy (www.mackinac.org)
Malaysian Institute for Economic Research (www.mier.org.my)
Maxim Institute (www.maximo.org.nz)
Milton & Rose D. Friedman Foundation (www.friedmanfoundation.org)
Minimal Government-Philippines
Moving Picture Institute (www.thempi.org)
New Economic School-Georgia (www.economic.ge)
Pacific Research Institute (www.pacificresearch.org)
Sagamore Institute for Policy Research (www.sipr.org)
State Policy Network (www.spn.org)

April 24-26 | 2007

The Liberty Forum provides opportunities for improving management skills, learning new ideas, and networking. The event includes sessions on think tank management and current policy challenges and solutions. Atlas will also announce the winner of the 18th Annual Sir Antony Fisher International Memorial Awards and the winners of the 2007 Templeton Freedom Awards Program. John Allison, Chairman & CEO of BB&T Corporation, will be the forum’s keynote speaker.

Please contact Atlas at 703-934-6969 or events@atlasUSA.org with questions. Online registration is available on the Atlas website, www.atlasUSA.org.

A room block has been established at the Loews Hotel Philadelphia at the rate of $189 per night (+ tax). Please call 215-627-1200 and ask for the Atlas room block. The cut-off date for the reduced rate is March 24, 2007.