



Highlights

A Quarterly Newsletter for the Atlas Network / Fall 2002

A Week of Freedom in Spain



Mario Vargas Llosa giving inaugural address for the new Fundación Internacional para la Libertad in Madrid, Spain on October 14.

Atlas co-hosted and sponsored a series of events in Spain for a *Week of Freedom* (October 10-15). A common theme of the meetings was the need for transatlantic cooperation in advancing the free society. With more than 50 institute and academic leaders from the Americas and Europe participating, the events of this special week made important strides toward this goal.

One of the week's highlights was the inauguration of the new **Fundación Internacional para la Libertad (FIL)**, a tri-axial umbrella organization for friends of freedom based in Spain, the U.S. and Latin America. Spain's Secretary of Foreign Affairs and more than 250 guests helped the Peruvian novelist and political activist, Mario Vargas Llosa, celebrate the opening of FIL, of which he is the first president. Vargas Llosa's stirring inaugural speech on the challenges to freedom in the Americas was followed by a reception at Madrid's famous Palacio de Linares.

In addition to the launching of FIL, Atlas co-hosted or helped to sponsor three other events involving Madrid-based institutes: **Círculo de Empresarios**, **Fundación Iberoamérica Europa**, and **Fundación para el Análisis y los Estudios Sociales (FAES)**.

Also, during the weekend of October 12-13, Atlas organized a special tour of Toledo, Spain's royal capital for several hundred

years, to explore the country's rich cultural and philosophical heritage.

Toledo is especially interesting for its history of co-existence among its Christian, Jewish and Muslim populations. Four participants were treated to a special introduction by Atlas President Alex Chafuen, who once lived for six months in Toledo to study the intellectual contributions of Spain's Salamanca School to modern classical liberalism. Atlas's Executive Vice President, Professor Leonard P. Liggio, provided a historical overview of Spain's creation and Toledo's prominent role in Spanish history, with a particular emphasis on the influence of Spain's legal and monetary institutions throughout the Americas.

The 35-person tour group

spent the afternoon with a private guide, visiting the historic cathedral and synagogue, among the city's other treasures. In the evening, Spanish scholar José María Marco, editor and contributor *The Genealogy of Spanish Liberalism, 1759-1931* (FAES, 1995; English edition, 2001), shared thoughts on the history and current state of Spanish classical liberalism.



The first scheduled event of the *Week of Freedom* was the annual meeting on economic freedom in the world, hosted by the **Economic Freedom Network (EFN)** and organized by **The Fraser Institute** (Canada) and **Círculo de Empresarios** (Spain). EFN is made up of pub-

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A panel discussion at a workshop co-hosted with Fundación para el Análisis y los Estudios Sociales includes (from left to right): Cristián Larroulet (Instituto Libertad y Desarrollo, Chile), Juan Soler-España Gallo (FAES, Spain), Juan Luis Bour (FIEL, Argentina), José María Marco (FAES, Spain).



Atlas Economic Research Foundation

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

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4084 University Drive, Suite 103
 Fairfax, Virginia 22030-6812
 703-934-6969 – Phone
 703-352-7530 – Fax
www.atlasUSA.org
atlas@atlasUSA.org

Atlas News

Leonard Liggio Named President of Mont Pèlerin Society

On October 10, 2002, the **Mont Pèlerin Society** selected Atlas's Leonard P. Liggio to be its President for the 2002-2004 term. The Mont Pèlerin Society was formed in 1947 to facilitate an exchange of ideas between like-minded scholars in the hope of strengthening the principles and practice of a free society. Leonard joins such distinguished figures as Friedrich von Hayek, Wilhelm Röpke, Bruno Leoni, Milton Friedman, James Buchanan, and Edwin Feulner, among others who have served the Society as its President in the past. Long-time Atlas colleagues John Blundell (former Atlas president and current trustee), Hannes Gissurarson (University of Iceland), Alberto Benegas-Lynch, Jr. (**Fundación Friedrich A. von Hayek**, Argentina), and Richard Wong (**Hong Kong Centre for Economic Research**) were elected as Vice Presidents. Christian Watrin (a judge of the Sir Antony Fisher International Memorial Awards) serves as MPS Senior Vice President.

Jo Kwong Wins Thomas Roe Award

Atlas Director of Institute Relations, Jo Kwong, along with Gary Palmer (**Alabama Public Policy Institute**) were presented on October 19, 2002, with The Roe Award, which celebrates and recognizes effective think tank leadership, innovation, and accomplishment in promoting sound public policy at the state and local level, at the **State Policy Network's** annual meeting in Indianapolis. In 1992, SPN established the Roe Award, which is named for the late Thomas A. Roe, Jr., a founding board member of SPN and trustee of Atlas.

University Courses on Freedom Have Continuing Impact



Atlas is happy to note that Sir John Templeton (pictured at left) is celebrating his 90th birthday this month. This legendary investor, philosopher and philanthropist has been a great friend and ally to Atlas. In 1999, Atlas began administering the Freedom Project, an initiative of the John Templeton Foundation, which has developed 68 courses on freedom taught at universities in the U.S. and 26 other countries. More than half of these courses have been perpetuated by the host universities (despite the fact that they are no longer eligible for Freedom Project funding). Already the courses have reached more than 1500 students directly; the courses will multiply these numbers in future years.

Now Available! Biography of Atlas Founder

In *Antony Fisher: Champion of Liberty* (London, Profile Books, 2002), Gerald Frost recounts the fascinating story of Antony Fisher: RAF pilot in the Battle of Britain, successful business entrepreneur, and think tank visionary. His founding of the **Institute of Economic Affairs** (UK) inspired the creation of many think tanks around the world. In 1981, he established Atlas to streamline his work in assisting new think tank leaders. Of special interest to Atlas readers, examples of Antony's and Atlas's success in developing new institutes are detailed in the *Appendix: Free-market Think Tanks around the World*, compiled by Linda Whetstone, Sir Antony's daughter and Atlas trustee. This hardback book (268 pages) may be ordered directly from Atlas, at a price of \$25 per copy. Discounts of 10% are available for orders of 20 or more. Buyer pays actual costs of shipping. A review of the book by Leonard Liggio – originally written for the "Year in Review" edition of the *Atlas Investor Report* is available online at: http://www.atlasusa.org/reports/liiggio_fisherbio.php.

Atlas 2002 Year in Review Available Online

As a special issue of its donor newsletter, *Atlas Investor Report*, Atlas has published a "Year in Review" edition, which looks back on highlights from the past twelve months. This special issue of the *Investor Report* is available as a PDF document on the Atlas Web site: <http://www.atlasusa.org/pdf/2002yearinreview.pdf>. To regularly receive the *Atlas Investor Report*, you may join with donors by contributing to Atlas, either online or using the postage-paid envelope enclosed.

Think Tanks Turn Tables on Leftist NGO's in Johannesburg

Advance expectations for the recent World Summit for Sustainable Development in Johannesburg were gloomy among friends of freedom. As Ronald Bailey, science correspondent of *Reason* magazine, put it on August 26, while “[the Summit is] supposed to be aimed at eradicating global poverty... many of the measures favored by negotiators and activists would increase poverty, not alleviate it.”

But after the Summit, it was the radical environmentalists that were complaining. World leaders gave much more attention than expected to the positive role economic growth will play in the long-term rise of living and environmental standards for developing countries.

A media offensive was launched by advocates of prosperity from the developing world itself. Perhaps for the first time at one of these international summits, the moral high ground was not monopolized by bureaucrats and extreme militant pressure groups.

Atlas was extremely proud to see think tanks such as the **Liberty Institute** (India) and Kenya's new **Inter Region Economic Network** (IREN), playing such an important role and collaborating with allies like Leon Louw of the **Free Market Foundation of Southern Africa** (South Africa). IREN's James Shikwati authored an article, “I Do Not Need Any White NGO's Representing Me,” in the *London Times* (9/3/02). He wrote:

“...As the First World delegates sat in conference halls and debated, African and Indian farmers hit the streets of Johannesburg to tell the world what they really want and need – not sustainable development but economic growth. The contrast is stark between many developed country NGOs and the people they claim to represent: wealthy countries want the Earth to be

green, the underdeveloped want the Earth fed.”

For more than a decade, Atlas and some of our pioneering allies such as the **Competitive Enterprise Institute** (Washington DC), and more recently the **International Policy Network** (UK), have sought to increase the presence of think tank leaders at major international meetings to counter-balance the leftist NGOs that focus so much energy here. We have been more successful fundraising in respect to events affecting Latin America, where we regularly hold meetings to overlap with those concerning the Free Trade Area of the Americas.

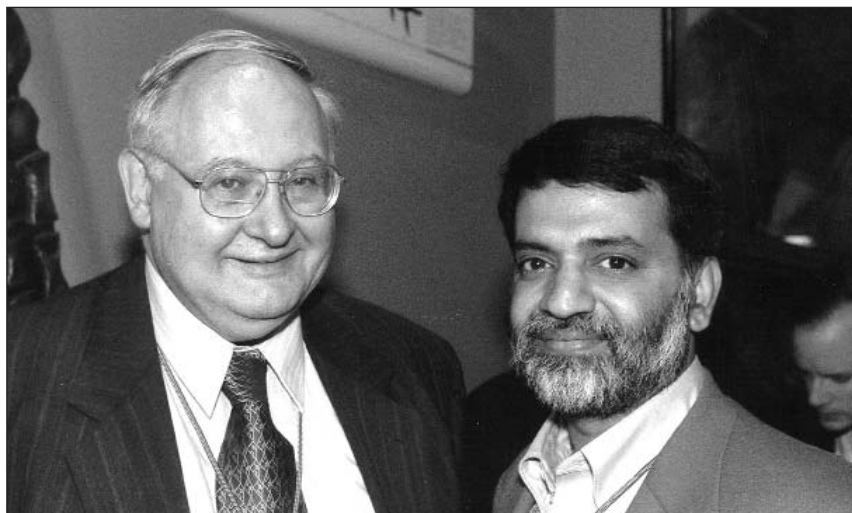
In 1999, however, we sent a delegation – including think tank leaders from the U.S., Philippines, India, and Latin America – to Seattle for the World Trade Organization meeting. While overshadowed by the violence of anti-globalization protesters, the Atlas delegation received press coverage in *The Wall Street Journal Europe* and elsewhere. Some of us are satisfied with the objective issues of sound science, but the population at large sometimes prefers emotional

appeals and some of our allies are also trying that road. In Johannesburg, Barun Mitra (Liberty Institute, India) announced the winner of a “BS Award for Sustaining Poverty” to an audience of more than one hundred. Vandana Shiva, who seeks to prohibit modern agricultural techniques in India, was given the dubious honor. A plaque mounted with cow manure read: “In a closely run race, the winner was chosen for her important contributions to sustaining poverty around the world, in her role as a mouthpiece of western eco-imperialism.” Here we see think tank entrepreneurs at work, staging creative events that highlight the disconnect between the concerns of international bureaucrats and the real needs of the poor worldwide.

The Atlas model of helping develop think tanks, which produce credible local spokespersons for economic freedom, certainly contributed to a different Summit.

At the same time, Atlas sponsored Ronald Bailey's trip to Johannesburg

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Atlas's Leonard P. Liggio, who was recently named president of the Mont Pèlerin Society, and Barun Mitra (Liberty Institute, India) are pictured here at the recent Mont Pèlerin Society General Meeting in London.

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lic policy institutes and academics from around the world, who are dedicated to the study and advancement of economic freedom. Every year, it publishes a report titled *Economic Freedom in the World*, which has established strong correlations between economic freedom and economic growth.

Speakers during the two-day event included: James Gwartney (Florida State University), Robert Lawson (Capital University, Ohio), Neil Emerick (**Free Market Foundation**, South Africa), Gabriele Guggiola

(**Centro Einaudi**, Italy), Fred McMahon (The Fraser Institute, Canada), Lu Wang and Otto Davis (Carnegie Mellon University, Pennsylvania), John Goodman (**National Center for Policy Analysis**, Texas), and Manuel Vega-Gordillo and José Álvarez-Arce (Círculo de Empresarios, Spain).



After returning from the weekend in Toledo, guests participated in a one-day conference co-sponsored by Atlas

and the Fundación Iberoamérica Europa, a Madrid-based institute that promotes transatlantic cooperation between Spain and her former colonies in Latin America.

The event, attended by almost 100 participants, featured a series of panels that examined policy topics and operational challenges important for think tanks seeking to advance freedom in the Americas – namely, “The Role of Universities in Generating Public Policy Ideas,” “Public Policy Institutes and their Influence on Economic,

Organizations represented at the Week of Freedom in Spain

Institutes

- Asociación Nacional de Fomento Económico, Costa Rica
- Cato Institute, USA
- CEDICE, Venezuela
- Centro de Estudios en Economía y Educación, Mexico
- Centro Einaudi, Italy
- CEPPEPRO, Paraguay
- Centro de Investigaciones Económicas Nacionales, Guatemala
- Círculo de Empresarios, Spain
- Centre pour la Libre Entreprise et la Democratie, Haiti
- Fundación para el Análisis y los Estudios Sociales, Spain
- Fundación de Investigaciones

- Económicas Latinoamericanas, Argentina
- Fondazione Bruno Leoni, Italy
- Fraser Institute, Canada
- Free Market Foundation, South Africa
- FULIDED, Bolivia
- Fundación Atlas para una Sociedad Libre, Argentina
- Fundación Iberoamérica Europa, Spain
- Fundación Internacional para la Libertad
- Fundación Libertad, Argentina
- Fundación Libertad, Panama
- HACER, USA
- Heritage Foundation, USA

- Instituto Ecuatoriano de Economía Política, Ecuador
- Instituto Liberal-RJ, Brazil
- Instituto Liberal-RS, Brazil
- Instituto Libertad y Desarrollo, Chile
- National Center for Policy Analysis, USA
- Timbro, Sweden

Universities

- Florida State University, USA
- Universidad Andrés Bello, Chile
- Universidad de los Andes, Chile
- Universidad Francisco Marroquín, Guatemala
- Universidad Juan Carlos I, Spain



From left to right: Juan Irazo (Instituto de Estudios Económicos, Spain), René Scull (Atlas trustee, Spain), John Goodman (National Center for Policy Analysis, Texas), and Cristián Larroulet (Instituto Libertad y Desarrollo, Chile) discussed the best ways for think tanks to influence public policy during their panel, “Public Policy Institutes and their Influence on Economic, Political and Social Reforms,” on October 14th.





From left to right: Gerardo Bongiovanni (*Fundación Libertad, Argentina*), Ian Vasquez (*Cato Institute, Washington DC*), Gonzalo Torrico Flores, Mario Vargas Llosa, Lorenzo Bernaldo de Quirós (*Fundación Iberoamérica Europa, Spain*), Enrique Gherzi (*CITEL, Peru*), Jacobo Rodríguez (*Cato Institute*), José María Marco (*FAES, Spain*).

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Political and Social Reforms,” and “Latin America: Between Modernity and Neo-Populism.”

The panelists discussed the current woes affecting Latin America, in particular, and the huge agenda for change – institutional and economic development, debt reduction, attracting foreign investment, and utilizing the continent’s special relationship with Spain – facing policy actors in this arena. Most speakers called for patience regarding policy and more emphasis on long-term educational outreach. Mario Vargas Llosa expressed this best when he stated that the world is indeed hurting, but never before have there been so many tools to combat poverty and injustice.

On the final day of the *Week of Freedom*, Atlas and FAES co-hosted a morning workshop on the role of think tanks in Latin America’s current crisis. Approximately 50 people attended this shorter morning program. Speakers on two panels commented on the proceedings from the day before and offered their thoughts on the current troubles plaguing various countries of Latin America.

Peruvian author Mario Vargas Llosa speaks on the challenges to freedom in Latin America

On October 14, 2002, **Fundación Internacional para la Libertad** (FIL, Spain) was launched at an event in Madrid with Peruvian novelist and activist Mario Vargas Llosa as its President. Gerardo Bongiovanni (**Fundación Libertad**, Argentina) played an instrumental role in helping organize FIL, which has the mission to promote freedom from a wider perspective in all the Latin American countries and to strengthen ties between free market organizations in Europe, the U.S. and Latin America.

Vargas Llosa gave the keynote address (the translated title of which was “Why Latin America Failed”) which was transcribed by the Fundación Atlas Para Una Sociedad Libre (Argentina) and posted on the Atlas Web site (see http://www.atlasusa.org/reports/vargas_llosa_2002_1014.doc).

Vargas Llosa stressed that the apparent failure of “free markets” in Latin America is due to incomplete

reforms, which in several cases mocked the true spirit of what it means to have a free market economy. He focused on the importance of decency and ethics, so that major reforms are not hijacked by corrupt individuals for personal gain. He also asserted that democracy must be a cornerstone for future reforms. The difficulty of implementing market-oriented ideas tempts some to believe that hope resides only in another strongman to implement market-oriented ideas as happened in Chile under Pinochet, but Vargas Llosa correctly noted that dictatorships have a record of not respecting freedom in Latin America. He pointed out that Chile’s successful reforms are in part due to their ingrained respect for legal institutions and traditions that were prominent in the 19th century. FIL plans to begin organizing workshops early in 2003, and we will continue to see their work unveiled in the following months.

Contrasting Regional and State-based Think Tanks



By Jake Haulk

In preparing our "Institute Spotlight" on the Allegheny Institute for Public Policy (see page 8), we realized that Allegheny's President and Director Jake Haulk has a unique perspective as a leader of a think tank that takes on issues at the county level. We asked him to share his thoughts about the relative advantages and disadvantages of regional think tanks, as compared with the more usual state-based model.

As a regional – or more specifically, a county and metro-area focused – think tank, the Allegheny Institute has unique advantages and challenges as compared to state-based think tanks.

Fundraising

A regional think tank will face more difficulties, at least initially, because the number of prospective contributors is smaller than a statewide think tank will have. Part of the problem lies in the fact that a think tank probably has to have a minimum size in order to be viable and effective. Therefore, the budget of a regional organization cannot necessarily be just a third or a half that of statewide think tank.

On the plus side, there might well be a relatively large number of potential contributors who care more about local issues and therefore are easier to persuade to offer support. Obviously, there can be no general rule about this. Situations will vary widely. Then too, because the geographic area is smaller, travel and visiting with potential donors is easier and takes up less of the top executive's time.

The key is to have commitments from a core group of contributors at the outset. Otherwise, too much time and too many resources will be used in simply trying to stay afloat. It is important to have early successes in order to retain the initial funders and to have a convincing story to tell prospective contributors.

In a sufficiently large county or

metro area, it is possible to use lunch and dinner speeches by prominent individuals to bring potential donors into the think tank's circle of support. Unless the state think tank is located in a city with a large population, this method of fundraising and relationship building would be much harder.

In sum, while regional and state think tanks have relative advantages and disadvantages in fundraising, the fundamentals are the same: have an impact on policy, and keep selling to as many people as possible.

Policy topics and impact

From my perspective, a regional think tank has a major advantage over state think tanks in the range of policy issues that can be addressed with a strong probability of having an impact.

State think tanks are, for the most part, focused on statewide issues and their work tends to be directed toward state legislatures and governors' offices. The big issues of tax and spending policies, education, environment and health care seem to dominate the agenda.

At a narrower geographic level, a regional think tank can address economic development strategies, eminent domain abuse, living wage laws, property tax assessment problems, local education issues, regulatory red tape, transportation and infrastructure, mass transit, parking, and a host of other key policy issues. In each case, because the problems are of direct and immediate importance to many local residents, it is relatively

simple to get media coverage and public attention for the research and education efforts. Thus, it is much easier to have an influence on policy decisions. In many cases, local lawmakers are closer to and more responsive to the voters and are more likely to be influenced when those voters can be persuaded by good arguments from the regional think tank.

On regional referendum questions, a concentrated local education campaign can be mounted by a regional think tank at lower cost and with more effectiveness than a state think tank can take on a statewide referendum, especially in large states. The logistics are simpler, and the message can be more narrowly defined for specific audiences.

In general, the advantages of a regional think tank relative to a state think tank are inherent to what each does and the scope of problems addressed. By the same token, a regional think tank has no comparative advantage vis-à-vis state think tanks on the broader topics they work on.

Cooperation with State Think Tanks

Given the different missions and policy issues regional and state tanks are focused on, there are many opportunities for possible cooperation. However, there are also sources of potential conflict. The key is for the executives of the two groups to meet and talk regularly to ensure that each knows what the other is doing, in order to avoid duplication and the

possibility of working at cross-purposes. Depending on the level of cooperation and trust, there can be positive reinforcement for each, or in the worst-case scenario, open hostility, which can redound negatively to the reputations and fundraising ability of both.

In Pennsylvania, we are fortunate that it is open dialogue and cooperation that governs the relationship of the Allegheny Institute and **The Commonwealth Foundation**. But that has not always been the case. It takes commitment by both organization's leaders and forbearance on the part of each to maintain trust and cooperation.

It is important to lend each other support when needed and to find areas where a cooperative effort makes sense. A genuine, mutually held regard for the other leader and his organization enhances the capability of the groups' combined efforts.

Regional Model in Other States

Regional think tanks could be successful in other states. I expect they would have a better chance of being viable and effective in a fairly large area, probably a million or more people. Funding opportunities and the range of issues to work on must be great enough to make a think tank viable. Regional think tanks will create competition for attention and financial support for an existing state think tank, possibly to the detriment of both. That is not to say that competition should be avoided, but it must be a consideration since many funders might question the need for both efforts.

More than likely, unless there is a deep-pocket founding contributor who will commit enough time and

resources to give the think tank a chance to prove itself, the odds of a successful venture are dim. It is also likely that existing state think tanks will have serious reservations about a newcomer and might be unwilling to be cooperative, especially at a time of very scarce resource availability.

That said, there are a number of areas where a regional think tank would have a good chance to flourish and complement state think tanks. In Florida, Texas, and Ohio, for example, there are several large metro areas that could benefit greatly from a local organization.

The key is to find the founding contributors who will take the lead and the right person to head up the organization. In both cases, it requires people of enormous commitment and dedication to the cause of classical liberal ideas and who, seeing them under attack in their community, are moved to take dramatic action. The problem in most places will be that those with adequate resources are more likely to worry about national or state policies and don't see the necessity of a local effort. At the same time, it is also true that is very hard to find the leadership for an organization with the right combination of ideological persuasion, research savvy, local knowledge and contacts, along with writing, communication and management skills.

Getting the potential founding contributors and the right leader together is a daunting challenge. One solution would be for an outside organization with the appropriate contacts among potential funders and talented individuals to play matchmaker. That, in turn, will necessitate a commitment to an extensive effort to seek out and nurture the best opportunities.

Summit, *continued from p.3*

where he wrote daily dispatches from a free market, sound science perspective. Written for *Reason*, we showcased these columns on the Atlas Web site and received the rights to have them translated into Spanish.

We had the translations posted to the Web site of our sister organization, the **Hispanic American Center for Economic Research** (www.hacer.org), as well as the **Cato Institute's** Spanish site (www.elcato.org). These currently rank as the two most frequently visited Spanish language Web sites on free market ideas.

We also distributed the reports to Latin American newspapers through the organization **Agencia Interamericana de Prensa Económica** (Florida) and to other Latin American institutes in our network for republishing. For instance, the **Fundación Atlas para una Sociedad Libre** (Argentina) posted some of the reports on its Web site, which is currently ranked as the most-visited free market site in Latin America. In this way, we helped advance media coverage of Johannesburg that did more than repeat the talking points of the leftist NGOs at the meeting.

We suspect that some of the self-congratulation about Johannesburg among friends of free enterprise is premature. In *The Wall Street Journal*, James Glassman wrote: "[The Summit] may be looked back on as a watershed event, the place where world leaders penned the epitaph to extravagant, unworkable and often damaging multilateral agreements." But we know that the argument between advocates of economic freedom and worldwide planning will not end anytime soon.

The good news is that a growing number of think tanks in the developing world are finally getting in the ring to counter the myths spread by those on the Left side of the debate.

Atlas is now accepting nominations for the
**2003 Sir Antony Fisher Memorial Awards
for Public Policy Institutes**

For more information, visit www.atlasUSA.org
All nominations must be received by FEBRUARY 1, 2003.
The 2003 winners will be announced at the 3rd annual
Atlas Liberty Forum, April 23, 2003 in New Orleans.

Allegheny Institute for Public Policy

Institute Spotlight

The Allegheny Institute for Public Policy breaks from the mold of most public policy think tanks, which attempt to affect change at the national or state level. Allegheny Institute was founded in 1995 to provide policy research and education relevant to the issues facing Allegheny County and its principal city of Pittsburgh. This industrial region had long been dominated by a “New Deal” mindset, and needed a new voice for classical liberal and traditional American ideas such as free market capitalism, individual freedom and responsibility, property rights and limited government.

The Institute has had no problem finding issues of crucial importance, on which it can have an impact on public debate. Early in its history, under the leadership of Jerry Bowyer, the Institute gained recognition for its concerted, principled opposition to taxpayer-funded stadiums for professional sports teams. Indeed, one of the Allegheny Institute’s crowning achievements was in leading the effort to stop a sales tax increase to pay for new stadiums. The referendum resulted in an overwhelming defeat for tax hike proponents.

The Institute has been heavily committed to an effort to promote competitive contracting and outsourcing of government services. Several privatizations across the state were implemented successfully with guidance from the research and advocacy efforts of the Institute.

Another important topic in western Pennsylvania has been reform of electricity policy. The Allegheny Institute developed research and publications, and gave testimony before the legislature, on the topic of market choice in electricity. Pennsylvania now has what is perhaps the nation’s most successful system of consumer choice in electricity.

Institute researchers also have studied the uses of Tax Increment Financing (TIF) as a development tool, pointing out the appropriate and inappropriate ways TIF’s have been used in Pittsburgh. The Institute’s seminal report spells out clearly the criteria of a good TIF deal. This work and follow-up short reports have had an important impact in local and other communi-

defending property owners against eminent domain abuse, fighting tax increases, and helping entrepreneurs in their struggle with government bureaucracies. As a result, residents and local businesses call the Institute frequently for help when government threatens their basic rights.

This recounting of some key Allegheny Institute successes represents a sampling of the many highlights of the first seven years of the Institute’s existence. Their overall success stems largely from its founders’ insight about the need

and timing of a serious, high-quality, free market public policy research organization in Pittsburgh. Also of key importance has been the incredibly hard work and dedication of the managers, staff and many board members over the years.

Jake Haulk reiterates that Allegheny Institute’s strength comes from staying true to the mission and values of the organization: “We have been and remain committed to excellence and accuracy in our research and education efforts. Anything less would undermine us totally in the hostile environment in which we operate. We are very fortunate to have the support of dedicated funders who have given the Institute the ability to take on the political and civic establishment, as well as the corporate community in our region, without having to be concerned about possible repercussions.”



ALLEGHENY INSTITUTE
FOR PUBLIC POLICY

ties, helping to stop poorly-conceived misuses of TIF.

Of late, Allegheny Institute has been focused on local education issues, pointing out the poor academic performance of many of Pittsburgh’s schools, despite egregiously high levels of spending on education. “Our incessant drumbeat was a factor in the Mayor’s appointing a task force to study and make recommendations to improve the massive failure that is the Pittsburgh school district,” remarks President Jake Haulk. The Institute plans to stay involved, pushing for parental choice, no excuses approaches to education and accountability to taxpayers.

Important to the Allegheny Institute’s credibility is its reputation as a protector of the rights of “average citizens.” This has been born from consistent efforts in promoting market-driven economic development,

Atlas 3rd Annual Liberty Forum

April 23-24, 2003 - New Orleans, Louisiana

Atlas’s Annual Liberty Forum will again precede the meetings of the Heritage Resource Bank (April 24-25) and the Philadelphia Society (April 25-27). A block of rooms has been reserved for Atlas Liberty Forum attendees at the Sheraton New Orleans Hotel, 500 Canal Street, at the discounted rate of \$169/night. We encourage you to make your reservations early by calling 1-800-253-6156 and asking for the Atlas room block.

Institute Publications

Studying High-Performing Schools in Low-Income Areas

Low-income, racially diverse schools are succeeding through proven methods and overcoming California's overall low rate of achievement, according to *They Have Overcome: High-Poverty, High-Performing Schools in California*, a new study by the **Pacific Research Institute** (California). The authors sought to discover why certain schools prospered while others with similar demographics failed. Their principals attribute the success to a willingness to buck fashionable trends in favor of practical, effective, and proven methods for improving student achievement.

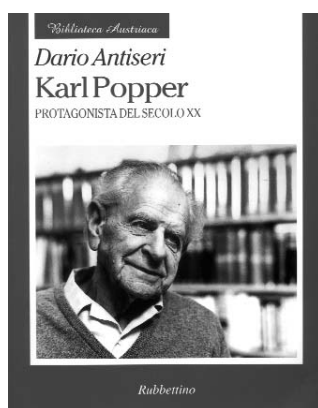
Eminent Domain Abuse in Arizona: The Growing Threat to Private Property

This study from the **Goldwater Institute** (Arizona) offers some general background on private property rights under the U.S. and Arizona constitutions and describes the use and abuse of the power of eminent domain in the state. It then suggests means of political opposition and legal defense for landowners who become victims of eminent domain abuse. The study also lists several means by which municipalities can achieve redevelopment goals without abusing the rights of private property. The study concludes by recommending reforms with regard to private property and redevelopment in Arizona.

The Life and Ideas of Karl Popper Popularized in Italian

Dario Antiseri (**Centro di Metodologia delle Scienze Sociali**, LUISS, Rome), published another volume of the "Austrian Library" this time devoted to Sir Karl Popper. *Karl Popper: Protagonista del Secolo XX*, (Rubbettino Editore, Catanzaro, Italy) is the third of a

series of picture books, inspired by John Raybould's pioneering edition, *Hayek: A Commemorative Album*. The almost 200 pages are profusely illustrated and the scholar-



ly yet accessible text by Antiseri, one of the best-selling philosophers of these past decades, make this a superb educational coffee-table "book."

Il Coraggio della Libertà

Enrico Colombatto, of the **International Centre for Economic Research** (Italy), and Alberto Mingardi of **Fondazione Bruno Leoni** (Italy) have put together and edited a wonderful collection of essays to honor the 75th birthday of Sergio Ricossa, the great libertarian economist. *Il Coraggio della Libertà* (in English, *The Courage of Liberty*) contains many original essays by most of the great champions of Italian market-oriented thought and several international authors.

Health Care Reform in Sweden

Johan Hyertqvist, Director of the **Timbro Health Care Unit** (Sweden), authors *The Health Care Revolution in Stockholm* to explain the systematic change in public health systems being undertaken by the Stockholm City Council. For decades, international fans of the welfare state pointed to Sweden as an operational model; now, the

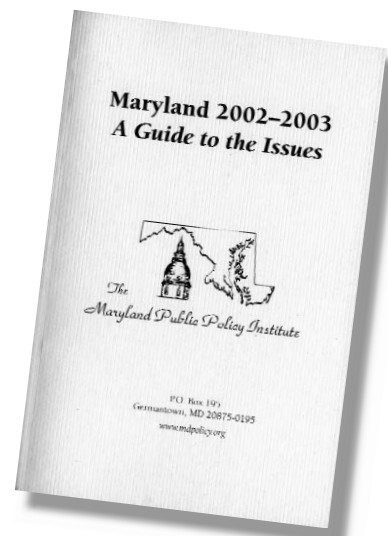
country is trending away from centralized control and toward market incentives.

Two New Books from CIEN (Guatemala)

In the second half of 2002, **Centro de Investigaciones Economicas Nacionales** (Guatemala) has published two important books. The first, *La magnitud y el costo de la violencia en Guatemala*, analyzes the cost and size of violence in Guatemala. The second, *En busca de una agenda de comercio exterior*, explores the feasibility of an external trade agenda for El Salvador, Guatemala, Honduras and Nicaragua as a commercial region.

Maryland Public Policy Institute Releases First Major Publication

On October 28, **Maryland Public Policy Institute** released its first major publication, *Maryland 2002-2003: A Guide to the Issues*. This 120-page booklet was written by some of the region's top policy experts and analyzes key issues that now confront the state: budget crisis, violent crime, health care concerns, and education and child welfare policies. The study was noted in the *Ideas Industry* column of *The Washington Post* on October 29th.



Network News

Dr. Vernon L. Smith Wins 2002 Nobel Memorial Prize in Economic Sciences

On October 9, the Royal Swedish Academy of Sciences awarded the 2002 Nobel Memorial Prize in Economic Sciences to Dr. Vernon L. Smith “for having established laboratory experiments as a tool in empirical economic analysis, especially in the study of alternative market mechanisms.”

Smith pioneered an array of experimental methods, testing economic behavior in a laboratory setting. These real-world tests of economic theories have provided practical insights into problems such as electricity deregulation, airline ticket pricing, water marketing, and pollution reduction.

He currently leads a team of economists at George Mason University’s Interdisciplinary Center for Economic Science. He is a faculty member of the GMU School of Law and the Department of Economics and a fellow of the **Mercatus Center** (Virginia). Professor Smith is the second George Mason University scholar to receive the Nobel Prize in Economics. (The first was Dr. James M. Buchanan, who was awarded the prize in 1986 for his development of the “public choice” school of economic thought.) He shares the \$1 million prize with Princeton University professor Daniel Kahneman.

Smith will travel to Stockholm University to give his Nobel lecture on Dec. 8, and receive his prize on Dec. 10.



Recent Nobel Laureate, Vernon Smith (right) with Joan Kennedy Taylor (author), H. Tristram Englehart (Texas A & M), and Atlas’s Jo Kwong, in Montana in 1986.

Free Market Critiques of the IMF in Argentina

On July 17, 2002, **Fundación Atlas para una Sociedad Libre** (Argentina) hosted a meeting on “The IMF and the Economic Crisis” in Argentina with sponsorship from Atlas and the **Committee for Monetary Research & Education**. Atlas’s Alex Chafuen was one of its speakers. Afterward he reported, “The event served a very important role. In Argentina, there is little public support for receiving more loans from the IMF or World Bank, except for among those who could profit directly in the short term. Unfortunately, most of the center-right of the political spectrum is seen as agents of the IMF. Hopefully, this event will begin to change some people’s perceptions, so they understand that there are advocates of free market ideas who are sharply critical of the IMF’s interventions, which have enabled further government corruption and distorted market incentives.”

Workshop on “Free Trade, Protectionism, and Economic Development” in Ecuador

In late October, the **Instituto Ecuatoriano de Economía Política** (IEEP, Ecuador) and the Association of Economists of Pichincha organized an international workshop on “Free Trade, Protectionism, and Economic Development,” sponsored by Atlas and the Francisco Marroquín Foundation. Spread over two days and two cities (Guayaquil and Quito), the workshop addressed the subject of

establishing a Free Trade Area of the Americas. As many Ecuadorians presently favor protectionist policies, believing local entrepreneurs are not prepared to compete in a global market, this event conveyed the importance of free trade for economic development. Speakers and participants came from several countries including: Ecuador, Costa Rica, Argentina, and Chile.

Journalists from UK, India Win first Frédéric Bastiat Prize for Journalism

The **International Policy Network** (UK) announced the first winners of its Frédéric Bastiat Prize for Journalism: Senior columnist on political economy for the *Financial Times* (UK), Amity Shlaes, and editorial writer and columnist for the *Economic Times* (India), Sauvik Chakraverti, are to share the \$12,000 first prize. Shlaes and Chakraverti each received an inscribed glass candlestick as well as \$6,000 from Margaret Thatcher at a presentation dinner in London on October 4. Named after the French economist, the Prize was established by IPN as an international writing award to reward journalists who support the institutions of a free society, such as economic liberty and the rule of law, especially in difficult circumstances such as in the developing world, where democratic principles are often difficult to uphold.

Canada Looks Outside Its Borders for Models for Healthcare

On September 26, 2002, the **Institut Économique de Montréal** (Canada) attracted over 100 people to an event entitled, “Universal, Affordable, Quality Healthcare: Ideas from Other Countries,” with Vancouver-based economist, Cynthia Ramsay. Thanks to the IEM, Ramsay met with various officials while in Montreal as well as the Quebec Hospital Association, the Quebec Medical Council, the Cana-

dian Institute of Actuaries and both opposition parties at the provincial legislature: the Quebec Liberal Party and the Democratic Action Party.

Bratislava Workshop Discusses Eastern European Tax Trends

The **F. A. Hayek Foundation** (Slovakia), together with the Slovak Taxpayers Association and World Taxpayers Organization, organized a three-day conference and workshop in Bratislava from September 13-15 on "Recent Trends in Taxation Policies." Representatives of taxpayers associations from 12 European countries – as well as over 40 other domestic and foreign politicians, tax experts and others – took part in the three main sessions of the meeting. The most popular topics for discussion were: tax competition vs. tax harmonization, the Swedish model of welfare state, and introduction of the flat tax.

Transitions to Market Economies Discussed in Montenegro

Veselin Vukotic of the **Institute for Strategic Studies and Prognoses** (Montenegro) reported to Atlas on a successful Economic Forum in Milocer, co-hosted by the Association of Economists of Montenegro and Association of Economists of Serbia from September 18-20, 2002. The program, which addressed different topics from the transitions of the last nine years, examined case studies of successful economic models. This year's Economic Forum attracted over 450 academics and businessmen from all parts of the former Yugoslavia, as well as from Albania and Italy, in addition to representatives of USAID, the EU, World Bank, International Monetary Fund, and the European Bank.

Correction

We would like to correct an error from *Highlights* Summer 2002: The Polish American Foundation for Economic Research and Education 'Pro Publico Bono' helped with, but did not commission, the publication of Robert Gwiazdowski's *Justice vs. the Effectiveness of Taxation*.

Classifieds

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

Health Care Reform Project Seeks Funding – The **Maryland Foundation for Research & Economic Education** (Maryland FREE, a 501(c)(3) organization affiliated with Maryland Business for Responsive Government) is partnering with business, Heritage, the DLC, and legislators to develop private sector alternatives to proposed government-run health care reform. Funding is needed to assist with research & cost of across-the-state forums to stimulate discussion and legislative action.

Washington, DC Public Interest Law Firm Seeks Outreach Director/Coordinator — The nation's leading libertarian public interest law firm seeks a full-time Outreach Director/Coordinator for its Washington, DC, headquarters. The individual will have significant responsibilities at the **Institute for Justice**, whose mission is to litigate to secure economic liberty, school choice, private property rights, freedom of speech and other vital individual liberties, and to restore constitutional limits on the power of government. For more information on desired qualifications, etc., see the online version of this classified ad or contact Patricia Lee, Vice President & National Director of Clinical Programs, at plee@ij.org. The Institute for Justice is an equal opportunity employer.

Yankee Institute Seeks Education Reform Funding — For the last two years **The Yankee Institute for Public Policy, Inc.** (Connecticut) has built a reputation as an innovator in education reform, producing (among other projects) the first study on how special education kids perform in school choice programs around the world. We are now seeking support to develop and advance a version of Florida's McKay Scholarship Bill for learning-disabled kids that will fly in Connecticut and other states, where education is still financed and managed at the town level.

IHS Receptionist — The **Institute for Humane Studies** (Virginia), a non-profit educational organization, seeks a receptionist with poise, composure, self-confidence, and excellent phone and MS Office skills. Duties include greeting visitors, answering a multi-line phone, conference room scheduling, and administrative tasks to be assigned. Candidate must be a self-starter, punctual, and have a friendly-outgoing phone manner. The potential for creating a flexible schedule exists. To apply, please send your resume to: Human Resource Coordinator at ihs@gmu.edu.

IHS Program Assistant — The **Institute for Humane Studies** (Virginia) seeks a Program Assistant to work on all areas of our student programs. Responsibilities may include working on programs, assisting at summer seminars, application processing, providing content for the IHS websites (www.TheIHS.org and www.LibertyGuide.com), student marketing, and more. Ideal candidates should possess excellent writing skills, good communication skills, and the ability to manage multiple tasks. Candidates should also have a good understanding of classical liberal principles of individual rights, free markets, voluntarism, and peace. This is a great opportunity for a bright, motivated recent college graduate. Send your resume to: Human Resource Coordinator at ihs@gmu.edu.

Directory

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

Acton Institute for the Study of Religion and Liberty (www.acton.org)

Agencia Interamericana de Prensa Económica (www.aipenet.com)

Alabama Public Policy Institute (www.alabamapolicy.org)

Allegheny Institute for Public Policy (www.alleghenyinstitute.org)

Cato Institute (www.cato.org); **Spanish site El Cato** (www.elcato.org)

Centro de Investigaciones Económicas Nacionales (www.cien.org.gt)

Centro di Metodologia delle Scienze Sociali

(www.luiss.it/centri/cmss/index.htm)

Circulo de Empresarios (www.circulodeempresarios.org)

Committee for Monetary Research and Education

Competitive Enterprise Institute (www.cei.org)

Economic Freedom Network (www.freetheworld.com)

F.A. Hayek Foundation Slovakia (www.hayek.sk)

Fondazione Bruno Leoni

Free Market Foundation of Southern Africa

(www.freemarketfoundation.com)

Fundación Atlas para una Sociedad Libre (www.atlas.org.ar)

Fundación DL (www.fundaciondl.org)

Fundación Friedrich A. von Hayek (www.hayek.org.ar)

Fundación Iberoamérica Europa (www.cipie.org)

Fundación Internacional para la Libertad (www.fundacionfil.org)

Fundación Libertad – Argentina (www.libertad.org.ar)

Fundación para el Análisis y los Estudios Sociales (www.fundaes.es)

Goldwater Institute – Arizona (www.goldwaterinstitute.org)

Hispanic American Center for Economic Research (www.hacer.org)

Hong Kong Centre for Economic Research (www.hku.hk/hkcer/)

Independence Institute (www.independenceinstitute.org)

Institut Économique de Montréal (www.iedm.org)

Institute for Humane Studies (www.theihs.org)

Institute for Justice (www.ij.org)

Institute for Strategic Studies and Prognoses

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

Instituto Ecuatoriano de Economía Política (www.his.com/~ieep)

Institute Libertad y Desarrollo (www.lyd.com)

Inter Region Economic Network (www.irenkenya.org)

International Centre for Economic Research (www.icer.it)

International Policy Network (www.policynetwork.net)

Liberty Institute (www.libertyindia.org)

Lithuanian Free Market Institute (www.freema.org)

Mackinac Center for Public Policy (www.mackinac.org)

Maryland Foundation for Research & Economic Education

(www.mbrg.org)

Maryland Public Policy Institute (www.mdpolicy.org)

Mercatus Center (www.mercatus.org)

Mont Pèlerin Society (www.montpelerin.org)

National Center for Policy Analysis (www.ncpa.org)

Pacific Research Institute (www.pacificresearch.org)

State Policy Network (www.spn.org)

The Commonwealth Foundation (www.commonwealthfoundation.org)

The Fraser Institute (www.fraserinstitute.ca)

The Yankee Institute for Public Policy, Inc. (www.yankeeinstitute.org)

TIMBRO Health Care Unit (<http://health.timbro.se/>)

Calendar

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

Prospects for a Free Trade Area of the Americas
George Washington University
November 21, 2002
Washington, DC

Think Big: My Adventures in Life & Democracy
The Fraser Institute
November 26, 2002
Toronto, Canada
Unleashing Canada—Luncheon with former Ontario

Premier Mike Harris
Montreal Economic Institute
December 4, 2002
Montreal, Canada

Toward a Free and Virtuous Society
Acton Institute for the Study of Religion and Liberty
December 4-7, 2002
Saltillo, Coahuila, México

18th Annual Founders' Night Dinner
Independence Institute
December 5, 2002
Denver, Colorado

Tax Competition and Competitiveness Program
Lithuanian Free Market Institute
December 5-6, 2002
Vilnius, Lithuania

Atlas 3rd Annual Liberty Forum
Sheraton New Orleans
April 23-24, 2002
New Orleans, Louisiana

2003 Chairman's Club Conference
National Center for Policy Analysis
April 27, 2003
Prague, Czech Republic