

# A Beacon of Freedom

By CARLOS A. BALL

Last night, Lady Thatcher delivered the keynote speech at the 50th anniversary celebration of the Foundation for Economic Education, at New York's Waldorf-Astoria Hotel. Practically all the world's key supporters of free markets, property rights, and individual freedom have been at least indirectly influenced by the pioneering work of Leonard Read (1898-1983) and of FEE, the institution he established in 1946 to promote freedom, increase public understanding of market economics, and recognize the evils of government intervention.

Read, born on a Michigan farm, claimed that his economic training started when he was eight years old: "My father started me milking cows when I was still a small boy. I learned the relationship between hard work and a quart of milk. All else in economics is but an embellishment of this primary lesson."

When Read was general manager of the largest Chamber of Commerce in the country, in Los Angeles, he invited Prof. Ludwig von Mises to give lectures there in 1944. Mises believed that what "really matters is the outcome of the intellectual combat between the supporters of socialism and those of capitalism." In October 1946, Mises became a staff member of FEE, giving annual lectures to teachers, journalists, and students at its Irvington-on-Hudson, N.Y., headquarters.

Freedom is always a casualty of war. "Reconstruction" was then being centrally planned by the new international bureaucrats; the wisdom of welfarism, the Marshall Plan, price and wage controls was being passionately debated. My first trip to the U.S. took place in 1945; besides the Empire State building, what surprised me most was that my mother could not buy shoes without a government voucher and that my father's coffee was served with only a minute bag of sugar. I was too young to realize that shortages are the inevitable outcome of strict government controls on the economy.

The year before, Friedrich von Hayek had published "The Road to Serfdom," showing that barbarism is the unintended consequence of fascism, communism and social democracy. It marked the revival of classical liberalism, and Hayek's book had great influence in the U.S., condensed by Reader's Digest and featured by the Book of the Month Club.

Leonard Read was one of a select group of intellectuals invited by Hayek to meet in the Swiss village of Mont Pelerin, in April 1947, where a society to combine the efforts of isolated libertarians in the revival of freedom was launched. Six FEE members attended that historic meeting and became frequent contributors to FEE's monthly magazine, *The Freeman*. One, Henry Hazlitt, started his journalistic career at this newspaper and for 25 years wrote a weekly column for *Newsweek*, which upon his retirement was taken over by Milton Friedman.

Read and FEE had extraordinary influ-

ence in the work of libertarians throughout our hemisphere, particularly in Argentina, Mexico and Guatemala. Alberto Benegas-Lynch, president of the Buenos Aires Chamber of Commerce, met with Read, Hayek and Mises during a trip to New York in 1950. In Argentina, Mr. Benegas-Lynch, now 86-years-old and still an indefatigable freedom fighter, founded the Center for Study of Liberty and launched a monthly magazine, *Ideas on Liberty*. Mr. Benegas-Lynch's son, Alberto Jr., received in 1968 a FEE scholarship to work on his doctoral dissertation in the U.S. Alberto Jr., now dean at Buenos Aires's Graduate School of Economics and Administration, was but one of many Argentine recipients now prominent in government, industry and higher education.

A recipient who got married and remained in the U.S., Alejandro Chafuen, then met Sir Antony Fisher, the founder of London's Institute of Economic Affairs, the think tank that made possible the Thatcher revolution. Sir Antony had first visited FEE in 1952 and was impressed with its popularizing of market economics

through educational programs; he later attended the 1954 Mont Pelerin Society meeting. After starting what today is the Manhattan Institute, Sir Antony launched the Atlas Economic Research Foundation, based in Fairfax, Va., to help develop and support libertarian think tanks throughout the world, bringing together their leaders at semiannual workshops. Mr. Chafuen is now president of Atlas.

FEE was also the model for Mexico's Institute of Social and Economic Research, mostly funded by Hugo Salinas-Rocha. His grandson, Roberto Salinas-Leon, is now the executive director of the CISLE think tank, and earlier this year organized the first Mont Pelerin Society meeting in Mexico.

For the past half-century, FEE has changed our lives by boosting freedom in our hemisphere and beyond.

*Mr. Ball, a Mont Pelerin Society member, directs the Foundation Francisco Marroquin's Foro Latinoamericano, which promotes free-market conferences in Latin America.*

## Latin America's New Brain Trust

By DAVID ASMAN

After the main course of my first luncheon with Manuel Ayau, in October 1983, the distinguished but disheveled Guatemalan pulled out a small pocket knife and began using the folding scissors to snip bits of his hair. "I prefer to cut my own hair, but I never have the patience to do it in one sitting. It takes me quite awhile snipping a few bits here and there. But after about a month, I've finished both sides and am ready to start all over."

It's that kind of stubborn independence but methodical persistence that has helped "Muso," as his friends call him, in his quest to uproot Latin America's stultifying status quo. A man who could easily blend in with the ruling elite, Muso has always operated just on the fringe. Neither his friends nor his enemies can pin him down ideologically. He just as quickly attacks so-called conservatives in his native Guatemala for their adherence to mercantilist policies as he attacks Communists for their rejection of pluralism. He has defended leftist radicals when they were on right-wing death lists, so strong is his love for open debate.

But it's not merely for his Quixotic commitments to free markets and free minds that Muso was honored at the Foundation for Economic Education's anniversary dinner in New York last night. It was for his capacity to turn these ideals into reality, through his indefatigable energy and perseverance. That spirit led to the creation of the Universidad de Francisco Marroquin, in which all students must demonstrate through course work an understanding of how a free society works. "Even if they end up disagreeing with it," says Muso, "they must show us they understand how it works."

Since its founding in 1972, Muso's university has educated thousands of Latin Americans, creating a new intellectual elite grounded in the principles of open competition, rather than the socialist or

even Marxist course work that usually prevails there. The quality of the professors and the variety of degrees (including medicine, architecture, theology) was so impressive that Francisco Marroquin soon became the premier educational institution in Central America. And in a country often accused of bigotry by a ruling Spanish minority against an Indian majority, Francisco Marroquin has made extra efforts to include Indians in its programs.

So why is Guatemala still controlled largely by the old-fashioned protection-

ists Mr. Ayau's intellectual brain trust was supposed to smash? "In other Latin countries that have liberalized their markets, the protectionist business classes were caught by surprise," says Muso. "Here, they were too well informed, partly because of our work at

the University. They headed us off at the pass. But eventually they'll have to yield to the pressure of markets opening up around us. And as our graduates begin to run for office, we'll win the battle."

Manuel Ayau's message may be directed toward Latin America. But the U.S. could stand a dose, as well: "How well you succeed should depend on how well you please consumers by fighting it out in the marketplace, not on how well you please the government. I'm trying to break up this system of privilege. Those who have it are fighting with every breath to keep it. The job of people who love liberty is to fight that privilege with every ounce of their breath."

*Mr. Asman is the Journal's editorial features editor.*



Leonard Read



Manuel Ayau