CENTER FOR LATIN AND ERICA Annual Report 2019



Atlas Network's Center for Latin America promotes peace, justice and opportunity for all in a region in the midst of volatile change.

Our strategy is to empower local think tanks and civil society organizations that share our belief in economic freedom to develop and implement homegrown solutions to local policy challenges.

Founded in 2018 and led by renowned economist Dr. Roberto Salinas León, the Center for Latin America works with 95 partners in 19 countries throughout the region. We strengthen this network through:

- The Atlas Leadership Academy's **world-class leadership training programs**, which build capacity for our partners.
- **Grant and prize opportunities** that focus on addressing poverty and other pernicious challenges.
- Major conferences and high-level academic forums that foster new ideas and new collaborations.
- A dynamic communications outreach agenda that seizes the moral high ground for the ideas of liberty.

The Center for Latin America, a project of Atlas Network, is supported entirely by voluntary donations by individuals and philanthropies that share our commitment to the free society. Atlas Network is a public 501(c)(3) charity based in the United States, with four decades of experience in promoting individual freedom and removing barriers to human flourishing.







Poverty & Freedom Latin America photos on pages 2 and 20 by Rodrigo Abd/Atlas Network



From the Director

IN LATE 2019, Nobel Laureate Mario Vargas Llosa described the current state of affairs in Latin America as "absolutely perplexing." What started as a year of hope, with the apparent end of Venezuela's disastrous experiment in authoritarian socialism, ended with a sense of dismay. The return of Peronism in Argentina was greeted with cheer by illiberal populists, caudillos and would-be socialist intellectuals. Chile—for so many years, the shining empirical example of how economic freedom leads to long-term prosperity was beset by riots and demonized as an example of capitalist oppression.

In this volatile environment, the work of the Center for Latin America is more relevant than ever. As winds of populism and socialism blow across our region, now is the time for champions of free markets to unmask the false hope proffered by advocates of socialist utopia. Now is the time to advocate for liberty, and to demonstrate how these principles generate an inclusive prosperity.

Atlas Network has an outstanding asset, developed over nearly four decades, in our network of 95 independent Latin American partners that are leading change from the bottom-up. In our first full year of operation, the Center for Latin America has leveraged this asset to achieve real victories for good public policy, to educate vast numbers of young people about the importance of liberty, and to begin to correct misperceptions about capitalism.

We deliver a hopeful message that living standards can rise if we trust the dignity of all people and secure their rights. We reinforce wise words once offered by former Mexican President Benito Juárez (interestingly, a hero of current president Andrés Manuel López Obrador who we hope will heed the message): "el respeto al derecho ajeno es la paz," which means "respect for the rights of others is peace."

As we enter 2020, we welcome your involvement in our efforts to scale up the work of the Center, and to restore and preserve free institutions across the hemisphere. We know that freedom is the only way to ensure a future of peace and prosperity.

Roberto Salinas León Director, Center for Latin America January 2020 **Brazil**



Livres' Magno Karl at the 2019 Lights, Camera, Liberty film workshop

IN A YEAR in which much of Latin America seemed to turn dangerously toward socialism, it was a pleasant surprise to see a counter-veiling trend emerging in key countries along the Atlantic, anchored especially by Brazil.

Economists have long joked, "Brazil is the country of the future – and it always will be." But something profound has changed to bring the country's long-awaited future forward to the present. During the Operation Car Wash scandal, Brazil's judicial system proved admirably independent and held the powerful to account. By economic necessity, the administration that followed Rousseff's impeachment needed to clamp down on government spending and meddling in the economy.

Jair Bolsonaro won Brazil's presidency using a classic populist formula—and attimes ugly rhetoric that wins no fans among the classical liberal community. To his credit, however, his economic team has been superb in advancing pension reform, unleashing economic growth through deregulation, and privatizing Eletrobras, Latin America's largest utility. Part of the credit goes to institutions like the Instituto de **Estudios Empresariais** (IEE) that have developed the so many free-market experts now playing influential roles in Brazilian society; they are now complemented by other energetic leaders of a youthful freedom movement in Brazil.

Brazil's student activists are focused on economic liberalization and improvement of the country's political institutions. **Clube Farroupilha** hosted nearly 1,000 students at a symposium in Minas Gerais, and **Instituto de Formação de Lideres de Belo Horizonte** held the 10th annual Liberty and Democracy Forum, attracting nearly 2,000 young people and generating thousands of social media mentions.

Regulating Brazil's aging infrastructure and questions about the government's allocation of resources are part of **Livres**' policy handbook project, which surveyed young and low-income Brazilians about their priorities for the future and used that information to engage legislators on private sector funding for education. Additionally, their efforts to develop a new framework for water and wastewater regulation was approved by the Brazilian parliament in December.

To help young Brazilians understand the dangers of overregulation, **Students for Liberty Brasil**'s Free Market Revolution campaign created new educational materials about the importance of entrepreneurship, held events for more than 5,000 students, and worked directly with policymakers to create opportunities for small businesses. Through their advocacy, 20 congressmen from seven different parties signed a pledge in favor of a more entrepreneurial Brazil, and President Jair Bolsonaro signed into law the Provisional Measure of Economic Freedom, written by SFL Brasil alumnus Geanluca Lorenzon. The new law is expected to result in almost 4 million private sector jobs. For their efforts, SFL Brasil was honored with Atlas Network's 2019 Smith Student Outreach Award.







Armando Regil of Instituto de Pensamiento Estratégico Ágora addresses the future of think tanks at Latin America Liberty Forum 2019

IN HIS FIRST YEAR as President of Mexico, Andres Manuel López Obrador (popularly known as AMLO), began to rapidly deconstruct many hard-won reforms and checks and balances that had greatly benefited Mexico over the past two decades – a period in which the country emerged as a liberal democracy with a more modern open economy.

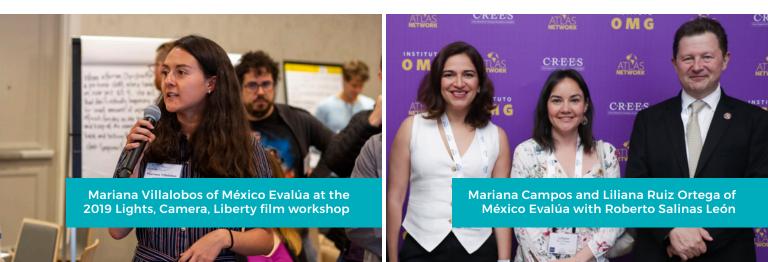
In some ways, AMLO seems to work from the playbook that Hugo Chávez used after securing power in Venezuela in 1999, drawing on anti-globalization sentiment and blaming unresponsive political elites for the country's economic woes. Of course, the fruits of Chavismo are now apparent to all in the impoverished, propaganda-filled streets of Caracas, 2200 miles to the southeast.



Knowing how this story might end, Mexican partners of Atlas Network have responded sharply to AMLO's "Fourth Transformation" with free-market ideas. **Instituto Mexicano para la Competitividad** exposed abuses of public spending via projects such as *Política Comercial de México en el Siglo XXI*, which illustrates the benefits of open markets and transparency. As a result of the renowned Una Vida por la Libertad event and essay contest of **Caminos de la Libertad**, we see strong progress in building a constituency for market-oriented solutions to current problems. Also, Luis Rubio, the board chairman of **Mexico Evalúa**, published *Unmasked: López Obrador and the End of Make-Believe*, a new tract illustrating the deep-seated problems of corruption, insecurity, and violence that have plagued Mexican politics for decades.

In the current political climate it can be risky to celebrate free markets in Mexico, but **Instituto de Pensamiento Estratégico Ágora** has created an educational campaign that demonstrates why liberty, the rule of law, private property, and free enterprise are critical components to achieve economic development. IPEA's weekly op-eds in *El Economista* are also creating new context for market-friendly policies amidst the country's trending populism.

At Mexico's first Latin America LibertyCon, nearly 600 young people converged on Mexico City to hear dynamic speakers, network with fellow travelers, and learn more about the core principles of classical liberalism. Conference organizers **Estudiantes por la Libertad** took home the 2019 Award for Student Outreach in Latin America for their efforts to educate students about the power of free markets and the damaging results of big-government policies.





CENTRAL AMERICAN MIGRATION to the U.S. was the flashpoint for one of 2019's most contentious policy debates. While the debate over U.S. border policies will continue, we see that the root causes of this humanitarian crisis can be addressed by creating greater opportunities for social mobility within Central America's local economies.

The former finance minister of El Salvador, Manuel Hinds, gave the keynote address at the Latin America Liberty Forum, drawing from his excellent 2019 book *Facing The Storm*:

"While liberal democracy is not failing, the hitherto liberal societies are weakening in their commitment to it. This is the greatest danger that these societies, and the world at large, have faced in the last two centuries."

The Center for Latin America and our partners are working to strengthen the commitment to the ideas of free and open societies. From our collaborations with Guatemala's remarkable **Universidad Francisco Marroquín**, to our work with Felix Maradiaga, a defender of human rights and the rule of law in Nicaragua who has been targeted and threatened by the Ortega regime, we're committed to helping our partners end systemic violence and achieve free trade, economic growth, and peace throughout the region.

HONDURAS :: The rights of more than 2 million business owners in Honduras are now protected by law, thanks to the work of **Fundación Eléutera**, which was awarded the 2019 Latin America Liberty Award for their work to reform the nation's tax code. When the Honduran government began revising its tax code in 2014, Fundación Eléutera contributed fifteen different reforms that would protect the rights of Hondurans by reducing arbitrary government intervention and that reinforce the rule of law. Before these reforms, a business could be searched and shut down for almost any reason at any time, and the owners had to pay 100 percent of the fines levied against them before they could even have the chance of disputing the charges before a judge. Today, government agencies are required to obtain warrants before searching or suspending a business and strict due process that must be followed.



Manuel Hinds and Roberto Salinas León enjoying Latin America Liberty Forum 2019



Guillermo Peña Panting discussing reform at Latin America Liberty Forum 2019



Emma Garcia-Prieto taking home the top prize at the 2019 Think Tank Shark Tank

EL SALVADOR :: **Emma García-Prieto of Fundación Salvadoreña para el Desarrollo Económico y Social** took home the top prize at the 2019 Think Tank Shark Tank for Latin America for her pitch to launch La Libertad va al Cine (Freedom Goes to the Movies), a film festival dedicated to promoting liberty-oriented content in El Salvador.

"Winning the 2019 Latin America Award tells us the work done by Fundación Eléutera transcends the Honduran borders & gives us the energy to tackle even bigger problems."

– GUILLERMO PEÑA PANTING CHAIRMAN OF THE BOARD, FUNDACIÓN ELÉUTERA



FOR VENEZUELANS who have endured years of hyperinflation, acute scarcity, massive economic depression, rampant crime and violence, and brutal dictatorship, 2019 began with rays of hope. Juan Guaidó stepped forward as interim President of Venezuela, following the fraud that took place in the prior year's election that Maduro claimed to have won. Most of the world joined the U.S. in asserting Guaidó's legitimacy, but 2019 ended with the dictatorship and its allies in the military preserving its stranglehold of the country.

A top priority of the Center has been to work with our allies inside Venezuela to provide a vision for how the institutions of freedom could be restored when the current crisis passes and there is an opportunity for real change.

If 2019 saw early optimism for Venezuela flame out during the year, we had an encouraging turn of events in another part of the Andean region. Welldocumented electoral fraud in Bolivia led to the ousting of authoritarian populist Evo Morales, and the interim administration is seeking to repair his legacy of damaged international relationships. Still, unrest continues to dominate the region, with massive protest movements in Paraguay, Peru, Ecuador, and Colombia drawing attention to widespread issues of corruption, access to education and health care, unemployment, and economic instability. "We have worked for the freedom of Venezuela for 35 years, and we will not stop showing the barbarity that is socialism."

-ROCIO GUIJARRO, CEDICE

CEDICE's Rocio Guijarro was honored at the 2019 Latin America Liberty Forum for her decades of courageous leadership advocating for a free and open Venezuela. The award was presented by Roberto Salinas León (L) and Antonella Marty (R) of the Center for Latin America.



NETWORK HIGHLIGHTS

BOLIVIA :: A tumultuous pro-populist political climate has quieted much local activity in Bolivia, but **Instituto de Ciencia, Economia, Educación y Salud** (**ICEES**) stepped up with a video series based on *Un Siglo Para Juzgar (A Century to Judge)*, which examines the terrible history of socialism. More than 10,000 viewers tuned in to watch, and even more heard the series discussed on "La Voz Universal," a national radio broadcast.

COLOMBIA :: New think tanks, including Centro de **Estudios Libertad y Paz and Centro de Innovación y Liderazgo**, are helping Colombians understand the benefits of free markets. **Corporación Pensamiento Siglo XXI** just launched the Colombia 2022 project, which will use historical narratives, strategic litigation, and leadership trainings to foster understanding of the past, to encourage work in the present, and to prepare for the future.

PARAGUAY :: With over 140 attendees, **Instituto Fernando de la Mora**'s Libertad Forum explored the theme of "Unmasking Socialism," highlighting the importance of private enterprise and the benefits of economic freedom.

FOR FRIENDS OF AUTHENTIC LIBERALISM, events at the close of 2019 in the Southern Cone of Latin America were particularly discouraging. While Uruguay elected a new president committed to expanding economic freedom, the election of Alberto Fernández in Argentina (with former president Cristina Kirchner as his vice president) validated the enduring popular appeal of Peronist interventionism in this beleaguered country.

Our Argentine partners had expressed worries during the early days of the Macri era that "gradualism" in reform would deplete political capital without



changing economic fundamentals in a positive way. This proved prescient as those favoring freer markets in Argentina now return to playing defense against a paternalist and cronyist state.

Most worrisome, Chile—the region's great example of rising living standards that have been achieved through increases in economic freedom—has been rocked by violent riots and destruction of public places. Putting blame on a "neo-liberal nightmare" (as AMLO has characterized free-market economic development) opponents of economic liberty are placing at risk the region's best example of how free institutions can produce stability and broad opportunity.

If there is a silver lining to these worrisome trends, it is that there is a dynamic ecosystem of civil society organizations in Chile—and in Argentina as well—that remain committed to the principles that need to blossom again to provide hope to this troubled part of Latin America.

ARGENTINA :: As election season heated up and political discourse divided the country, **Libertad y Progreso**'s video on deregulation, which has received more than 70,000 views, helped create context on the need for reforms that support entrepreneurship. **Instituto Acton** hosted a series of colloquia on poverty reduction, featuring screenings of *PovertyCure and Poverty, Inc.*

CHILE :: Deteriorating political conditions have made the work of local freemarket think tanks vital to public discourse. **Fundación para el Progreso** is providing intellectual leadership in critical thinking skills at seminars in Santiago, Valparaiso, and other cities; **Libertad y Desarrollo**'s Observatorio Judicial project is promoting the rule of law via research and seminars; and **Instituto Res Publica** and **Fundación P!ensa** are creating videos that make the case for economic freedom as the answer to poverty.

URUGUAY :: A new entrepreneurship law in Uruguay, supported by Atlas Network partner **Centro de Estudios para el Desarrollo**, received approval from the Chamber of Deputies. The law reduces high costs and the long bureaucratic process involved in starting a business, both of which have prevented entrepreneurs from entering the market.



Smith Fellow Candelaria de Elizalde of Argentina's Libertad y Progreso spent three weeks connecting with freedom champions from the U.S. at Atlas Network's Arlington, Virginia headquarters



Hernán Bonilla of Uruguay's Centro de Estudios para el Desarrollo with Luis Almagro, Secretary-General of the Organization of American States

LEADERSHIP TRAINING FOR A STRONG CIVIL SOCIETY

The Center for Latin America is proud to connect the region's current and rising generation of civil society leaders to the world-class programs of the Atlas Leadership Academy. The Academy's curriculum includes:

- Foundational Trainings online and in-person trainings that provide an orientation to the principles of liberty and the ways think tanks can shape the climate of ideas.
- Skill-based Trainings deep dives into best practices for advancing liberty; for example, our Lights, Camera, Liberty workshop in Hollywood connects Atlas Network partners with film industry professionals to improve messaging and video production.
- Leadership Development facilitated peer-to-peer seminars that push leaders to build their capacities and consider new strategies that will help them achieve greater impact.

More than 100 Latin Americans from our network of 95 partners in the region participated in the Atlas Leadership Academy in 2019.



Human Rights Foundation sent Bolivian activist Jhannise Vaca Daza to our Executive Accelerator training in Fairfax, Virginia.

"The training provided exactly what I needed as I stepped into a leadership role in my organization. The surprise for me was that it also gave me amazing tools to develop not only as a professional but as a person. I did not think so much could be achieved in so little time!"

CEO Summit of the Americas

Leaders from 20 think tanks in North, Central, and South America met in Santo Domingo, Dominican Republic for the first annual CEO Summit of the Americas, which provides top executives an opportunity to solve institutional challenges by tapping the resources of a peer-to-peer network.

WORDS FROM THE CEO SUMMIT "This group of dynamic leaders from the U.S., Canada, and Latin America are redefining think tank excellence with their innovations, ambitions, and creativity."

-MATT WARNER, PRESIDENT, ATLAS NETWORK

"Having access to my peers' experiences made me redefine my definitions of success, focusing not only in the products and events we offer, but most importantly, in the results we create for real change in the real world."

-RICARDO GOMES, PRESIDENT, RELIAL



Think Tank Essentials in Peru

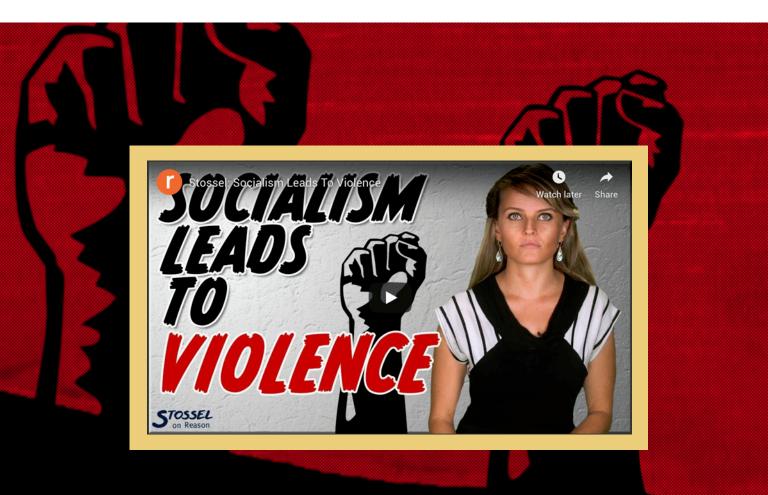
Strategic planning, effective messaging, and a wide variety of practical skills training are at the core of Atlas Network's Think Tank Essentials workshop, which is designed to help emerging leaders create new opportunities for liberty. Held in cooperation with Asociación de Contribuyentes del Peru, the three-day seminar attracted 25 partner staff from 13 countries. Latin American Fellow Gonzalo Schwarz shared his expertise in institution building, while participants built new skills in organizational management, fundraising, and peer-to-peer engagement methods that will help them succeed.

ENERGIZING THE SPREAD OF FREEDOM IN LATIN AMERICA

Successes in one country can inspire new projects in others, and the Center for Latin America is perfectly positioned to spread free-market ideas across the region. Members of our partner network are eager to syndicate content that is effective against populist and socialist dogma. We are proud to raise the profile of serious and dynamic thinkers who are winning new hearts and minds for liberty.

Gloria Álvarez: How Socialism Has Failed

Atlas Network raised funds to have Guatemalan media sensation Gloria Álvarez team up with John Stossel for two **ReasonTV** videos, "Socialism Fails Every Time" and "Socialism Leads to Violence," which generated 150,000 views on YouTube. Gloria wowed the audience at Liberty Forum in New York City in November 2019 with her Cornerstone Talk on being passionate and persuasive about liberty.

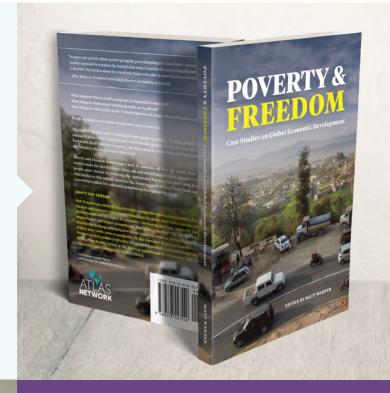


New Books: Conquering Poverty With Freedom

In the closing months of 2019, Antonella Marty published *Capitalismo: Un Antídoto Contra la Pobreza*, and Atlas Network president Matt Warner released the edited collection, *Poverty & Freedom: Case Studies on Global Economic Development*, featuring studies from Peru, Argentina, and Venezuela.

"Matt Warner's new book, *Poverty and Freedom*, uses case studies to show how Atlas Network partners are playing heroic roles in improving living standards. They have the local vision for how to remove barriers and unlock opportunity in their communities. I'm delighted that some of the best stories come from our Latin American friends."

-BRAD LIPS, CEO, ATLAS NETWORK





–ANTONELLA MARTY, ASSOCIATE DIRECTOR, CENTER FOR LATIN AMERICA



ENERGIZING THE SPREAD OF FREEDOM IN LATIN AMERICA

Partnerships with Leaders Across the Region

The Center for Latin America is proud to collaborate with other organizations that work across the region. **Fundación Internacional para el Libertad (FIL)**, founded by the great Peruvian novelist Mario Vargas Llosa, co-sponsored and participated in high-prestige events in South America, Mexico, the U.S., and Europe. Atlas Network and FIL now are working together with **Red Liberal para América Latina (RELIAL)** in a joint effort on the policy and intellectual responses required to address the recent turmoil and revolt in the region, particularly in Chile, Argentina, Bolivia and Mexico. The Center also hosted an important session on "Trade Between Mexico and the U.S." at the **Mont Pelerin Society**'s 2019 meeting in Ft. Worth, Texas.



Latin America Liberty Forum co-hosts Ernesto Selman of CREES and Mónika Melo Guerrero, Instituto OMG

"The philosophy of liberty means we can create a society that is truly just. This will give a better quality of life for *all* of us."

- ERNESTO SELMAN CENTRO REGIONAL DE ESTRATEGIAS ECONÓMICAS SOSTENIBLES

Record Attendance at Latin America Liberty Forum

Our fourth annual Latin America Liberty Forum, held in June in Santo Domingo, Dominican Republic in partnership with local allies **Instituto OMG** and **Centro Regional de Estrategias Económicas Sostenibles (CREES)**, attracted a record 243 participants to learn, share and be inspired by one another. Rainbow@Atlas, one of the Center for Latin America's founding supporters, provided generous scholarships that enabled us to engage partners from 23 countries throughout the region. In feedback surveys, 77% of participants indicated they were highly likely (9 or 10 on a 10-point scale) to recommend the conference to others. OPINION | COMMENTARY

Latin America's 'Oasis' Descends Into Chaos

What happened to Chile? Its elites lost confidence in the principles that underlay its success.

By Axel Kaiser Jan. 1, 2020 2:04 pm ET

> Axel Kaiser of Chile's Fundación para el Progreso participated in Latin America Liberty Forum 2019 and Alamos Alliance, and contributed a widely-read editorial on the turmoil in Chile to *The Wall Street Journal*.



Cooking Up an Intellectual Feast at Alamos Alliance

Center for Latin America director Roberto Salinas León has presided as President of **Alamos Alliance** for half of its illustrious 27-year history. Celebrated by the late Milton Friedman as his favorite annual conference, Alamos continues to attract leading scholars such as Ricardo Hausmann, Phil Gramm, Sebastian Edwards, Ann Krueger, Deirdre McCloskey, and Kevin Murphy. In 2019, we inaugurated a new partnership between the Center for Latin America and Alamos Alliance in order to strengthen linkages among the intellectual community and Atlas Network's partner organizations.

Yes 26% 72% Ves 26% Survey RESULTS Cato polls public opini on wealth PAGE 13







FOREIGN POLICY New book on Trump's foreign policy record PAGE 16



AMLO and the "Fourth Transformation" in Mexico

BY ROBERTO SALINAS-LEÓN

ccording to Enrique Krauze, Mexico's prominent classical-liberal intellectual, new "winds of authoritarianism" are sweeping across Latin America, char acterized by all-mighty caudillos who ascend to political power via democratic means, but who then seek to concentrate control over a tightly knit polity of order and moral virtue.

corruption, erase income disparities, and society. Mexico is on the brink of a recession, secure national self-sufficiency. with less than 1 percent growth expected

So far, López Obrador's own wind of authoritarianism reflects an adherence to toxic policy proposals, a disdain for independent checks and balances, and an intolerance to any view that is inconsistent with his preconceived notion of a virtuous society. Mexico is on the brink of a recession, with less than 1 percent growth expected for 2019, along with a slew of credit downgrades and a sudden stop of productive investment. Carlos Urzúa, López Obrador's first minister of finance, tendered his resignation just seven months after assuming *Continued on Net* 6 **Roberto Salinas-León**'s critique of AMLO's first year as president of Mexico was the featured story in the November/ December issue of the influential Cato Policy Report and was cited by Mary O'Grady in The Wall Street Journal. Allies of Atlas Network also published critiques of AMLO's new politicization of Mexican tax authorities in Reforma (Mexico) and The Dallas Morning News.



Our goals are freedom, prosperity, and peace.

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