

Sowell, Zakaria highlight San Francisco dinner

De Soto Receives Milton Friedman Prize

Peruvian economist Hernando de Soto is the winner of the 2004 Milton Friedman Prize for Advancing Liberty. De Soto was presented with the prize at a gala dinner in San Francisco on May 6. Fareed Zakaria, a *Newsweek* columnist and a member of the prize's international selection committee, presented the award and credited de Soto with spurring people to think about Third World development in a new way in the 1980s.

Milton Friedman, the Nobel laureate for whom the prize is named, also attended the ceremony. Thomas Sowell, a senior fellow at the Hoover Institution, paid tribute to Friedman, his one-time professor at the University of Chicago. In an on-stage discussion, Friedman and Cato president Ed Crane surveyed the dramatic gains for liberty made over the past half century, for which Friedman deserves no small credit.

In 1980 Hernando de Soto founded the Institute for Liberty and Democracy, where he and his colleagues developed and promoted a simple idea with radical implications: poverty in Peru and other poor countries is largely caused by the lack of formal property rights and the lack of the rule of law. He published two groundbreaking books

making this argument, and he has advised leaders of poor countries around the world on the steps needed to lift the poor out of poverty. His work so infuriated the Marxist Shining Path that they made two attempts on his life.

De Soto's selection generated widespread interest in the media. *Time* magazine included him in the 2004 *Time* 100, a list of the 100 most influential people in the world. The *Wall Street Journal* editorial page praised de Soto's selection, and the prize sparked renewed interest in his work in the United States and around the world.

The Friedman prize is awarded every two years to an individual who has made a substantial contribution to advancing human liberty. Generous earmarked donations have made it possible for the award to include a



Hernando de Soto greets Rose and Milton Friedman at the May 6 dinner for the Milton Friedman Prize for Advancing Liberty.

half million dollar cash prize. In addition to Zakaria, the 2004 selection committee consisted of Anne Applebaum of the *Washington Post* editorial board, John Blundell of the Institute for Economic Affairs, Cato president Ed Crane, author Gurcharan Das, Rose D. Friedman, Russian presidential adviser Andrei Illarionov, Cato senior fellow José Piñera, and FedEx chairman Fred Smith. ■

See more photographs from the Friedman Prize dinner, pages 18–19.

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1. At the gala dinner for the 2004 Milton Friedman Prize for Advancing Liberty, former secretary of state George Shultz (left) greets prize winner Hernando de Soto.
2. Hernando de Soto talks with a group of Latino students from San Francisco State University.
3. John and Meredith Pasquesi, who helped to create the Friedman Prize, talk with Scott Kepner (left) at the dinner.
4. Friedman and Cato president Ed Crane share a laugh during the award ceremony.
5. Ed Crane talks with Cato Board member Howard Rich and William Sumner, chairman of the Atlas Economic Research Foundation.
6. Cato Board member Ted Forstmann greets Milton and Rose Friedman.
7. David Boaz, Cato's executive vice president (left), talks with Bob Chitester, producer of the PBS series *Free to Choose*, and Cato senior fellow Jim Powell.



- 8. Milton and Rose Friedman talk with George and Charlotte Shultz before the dinner.
- 9. Cato chairman William A. Niskanen talks with Cato Club 200 member John Bryan.
- 10. *Wired* magazine founder Louis Rossetto.
- 11. Milton Friedman makes a point.
- 12. Thomas Sowell (center) introduces his wife Mary to Robert McTeer, president of the Federal Reserve Bank of Dallas.
- 13. Harvard economist Robert Barro talks with Cato Club 200 member George Yeager.
- 14. Kristina Crane with former interns John Fund (left), a columnist for *OpinionJournal.com*, and Brian Doherty of *Reason*.