



THE CASE FOR SECURING FREEDOM

Discovering and Investing in the Human Capital of Global Security, Intelligence and Defense.

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TALKING POINTS

1. A functioning rule of law needs secure institutions that protect people and property and provide defense from internal and external aggression. Many countries are facing great risk due to a lack of effective security institutions and consequently a weak rule of law.

2. Many in the profession of promoting economic freedom neglected the field of security and defense, which has opened the door for “experts” with little to no knowledge of economics and/or the philosophy of freedom to assert their influence into this arena. This gap in the marketplace of ideas has allowed governments to monopolize the research and analysis of security issues throughout most of the world.

3. With the global economic crisis ensuing, along with the rise of political and social turmoil around the world, there is a demand within the international security community to examine the linkage between security and economic development. By investing in global efforts with a security impact and engaging the best minds on defense issues—we invest in the future of freedom.

INTRODUCTION

The market order can be defined as the free movement of goods, capital and labor across borders. In order to operate effectively, this “free” movement needs a legal framework that is respectful of private property and human dignity. The development of this legal framework was on the mind of the greatest thinkers within the freedom philosophy who wrote extensively about the need for a rule of law—which is a body of general abstract laws that apply to everyone without prejudice or persecution.

A functioning rule of law needs secure institutions that protect people and property and provide defense from internal and external aggression. There is no country that enjoys perfect economic freedom; however, many countries are facing great risk due to a lack of effective security institutions and a weak rule of law.

Imagine a society in which free markets are vibrant, individual liberty is respected, and the government has limited itself to the protection of life, liberty and property. Yes, quite the ideal society, but in conjuring up this image you must realize that this can all be taken away in a heartbeat by those who would not respect these freedoms.

Whether it is terrorists attacking an urban center, pirates seizing oil shipments, or narco-cartels with more firepower and wealth than armies and governments, many freedom champions around the world continue to face prevailing security challenges that inhibit the market order and disintegrate the rule of law.



Ludwig von Mises (bottom) as an artilleryman in the Austro-Hungarian Army during World War I. F.A. Hayek (top) as a Lieutenant in the Austro-Hungarian Army during World War I.

ANTONY FISHER, A PIONEER FOR FREEDOM AND SECURITY



Questions about defense from external aggression figured high in the minds of freedom champions during the early to mid twentieth century. The founder

of the Atlas Economic Research Foundation, Antony Fisher, was a good example, as he was active within the movement to win the cold war and with the leaders of “The League to Save Carthage.”

Fisher understood that in order for a free society to prevail it must be protected from those who wish to use violence to restrict political and economic freedoms. His service during World War II as a fighter pilot in the Hurricane Squadron III of the British Royal Air Force made him painfully aware of the importance of security and defense. It does not require much speculation to conclude that Fisher’s life and ideology were very much affected by war as he lost his father in Gallipoli to a Turkish sniper’s bullet when he was only two years old. Later Fisher would lose his younger brother, Basil, while fighting German bombers during the “Battle of Britain.”²

Coupled with post-war collectivism in Britain; these experiences strengthened Fisher’s conviction towards viewing security, defense and freedom as mutually beneficial. In Fisher’s important book: “Must History Repeat Itself,” he encouraged reduced spending in all areas of government but recommended increased spending in national security and defense.³

While Fisher believed in the symbiotic relationship between security and freedom, he focused most of his life’s work on promoting economic freedom. Developing prosperous and free economies around totalitarian countries was his way to defeat them. Following the advice of Nobel Laureate, F.A. Hayek, Fisher championed the notion of populating societies around the world with market-oriented think tanks.

Fisher’s more direct role in establishing think tanks was in England and North America, many of which now have centers or experts specializing in security and defense. The rest of the world, unfortunately, has not caught up. There is a lack of independent research and educational centers abroad that focus on security and defense and its importance for a free society.

¹ David M. Abshire; “Winning the Cold War” Trib Total Media—Pittsburgh, PA; http://www.pittsburghlive.com/x/pittsburghtrib/opinion/columnists/guests/s_646153.html

² Gerald Frost; Antony Fisher: Champion of Liberty; Profile Books 2002

³ Fisher won the Air Force Cross for inventing a new device that improved the accuracy of shooters.

WHY HAS SECURITY BEEN NEGLECTED BY FREEDOM CHAMPIONS?

After the “fall” of the Berlin Wall, many freedom champions neglected to educate themselves about defense, and consequently did little to promote or produce research on security. Moreover, some organizations that was once a mainstay in the market of security research and education lost their mission and focus. Yet, toward the end of the 20th century, new threats started to emerge and we were reminded that the same freedoms that are essential to move goods, capital and labor across borders, could be used, and were used, by enemies to attack the free society.

In 2006, Instituto Libertade, a Brazilian free market think tank, commented about how extra-legal commercial zones that were initially developed to avoid burdensome government regulation and tariffs, such as the Ciudad del

Este, are now being used by radical Islamists to launder money and channel funds to terrorist organizations in the Middle East.

On the flip side, restrictions to prevent the recurrence of these types of threats can (and have) been used to further protectionist interests, or increase the role of government in society.

Regrettably, many in the profession of promoting economic freedom neglected the field of security and defense, which has opened the door for “experts” with little to no knowledge of economics and/or the philosophy of freedom to assert their influence into this arena.

Robert Poole, the co-founder of the libertarian Reason Foundation, discussed this problem during his presentation at the 2010 Atlas Experience in Miami, Florida. Poole analyzed the inefficiencies of the Transportation Security Administration, and commented on how U.S. airport security has failed to make us more secure since 9/11.

So what is the right balance of security, defense and freedom for champions of the free society?

Unfortunately, there is no perfect answer; as the late Arthur Seldon pointed out when he asked—what should be the “archetypical public good defense” of an ideal government? The answer—“We cannot tell,” because “decision-making by elected government seems to be the only feasible way for defense, a

public good.”⁴

Given the complexity of these issues, there is a compelling need for serious academics, policy-makers and champions of the free society to explore the nexus between economic freedom and security, intelligence and defense.

GAP ANALYSIS & THE BIRTH OF A NEW PROGRAM – SECURE FREE SOCIETY (SFS)

In the United States most major think tanks have centers, or experts focusing on security and/or defense. Some focus solely on security and defense. In the United Kingdom, defense-oriented think tanks go back at least to the 19th century. In most other countries; however, freedom champions have neglected this area.

At Atlas, we believe that a government monopoly in this field can be as dangerous, or even more dangerous, than in other fields. At the turn of the century, and even more so after the 9/11 attacks, we began encouraging think tanks to develop capabilities in the field where economics intersects with security, intelligence, and defense.

Inspired by an effort in the Czech Republic, which was initially developed by the Civic Institute in Prague, we began to explore our options to create a new program. This effort spun off into the Prague Security Studies Institute (PSSI), which has continued to add value to the world of public policy. As



From left to right - Roger Pardomaure (former Deputy Asst. Sec. of Defense for Western Hemisphere), Curtin Winsor, Jr. (former Amb. of Costa Rica), Gen. Freddy Padilla de León (former Commander of the Armed Forces of Colombia), Alejandro Chafuen (President of IFEF), and Major Gen. John Thompson (National Defense University).

⁴ Seldon, Tullock, Brady; Government Failure: A Primer in Public Choice; Cato Institute, May 2002

evidence, its former Program Director, Jiri Schneider, is now the acting Deputy Minister of Foreign Affairs of the Czech Republic, and another former staffer, Jan Havranek now works at the Ministry of Defense.

Modeling after PSSI, Atlas developed a plan for a new security venture and consulted with about half a dozen individuals before making our initial investments.

The first step was to discover institutes in the Atlas network that had top talent, or an opportunity to attract top talent, within the realm of security and defense. As part of this initial effort, Atlas commissioned and evaluated research papers on a diversity of security topics. The results were mixed—one third was very good, another third was average, and the final third was unsatisfactory. We continue to work with approximately half of those who conducted original research during the initial stage of the project.

Aside from research, Atlas was also able to tap into its network to organize small meetings in the Americas and Europe, where these new “security experts” could meet each other and share experiences and best practices. Thus far we have conducted events in Lisbon, Prague, New York, Buenos Aires, Bogota, and a number of other cities around the world.

One of the most memorable events took place in Dallas, Texas in 2008 as we teamed up with the National Center for Policy Analysis (NCPA) to co-host a two-day conference on “Risk in the Free Society.” At this event, we brought together renowned security experts, such as Sebastian Gorka from the Institute for Transitional Democracy and International Security in Hungary (and now with the National Defense University in the US), Roman Ortiz formerly of the Fundación Ideas para la Paz (and now with a consultancy called Decisive Point) in Colombia, and teamed them up with top economic analysts, such as Mike Walker from the Fraser Institute.

The keynote speaker of NCPA's gala dinner, which followed our conference, was former USCENTCOM commander—Gen (ret) Tommy Franks—who has now joined the Board of NCPA.

As the years passed, we began to include more security and defense topics in Atlas flagship events around the world. We would increasingly invite experts to speak on panels

to discuss security and defense issues that are essential for the preservation of a free society. Issues ranged from terrorism to port security, from traditional communist threats to new asymmetrical threats, all in an effort to strongly encourage our partners and peers in the Atlas network to engage the issue of security and defense as it relates to freedom.

While the program grew, we began to search for a senior staffer who understood both the principles of economic freedom as well as its relationship to security and defense. Thanks to the recommendation of noted economist

Walter Williams, we hired Joseph Humire to begin to formalize this security venture.

Joseph has experience in defense by way of his seven-year tenure with the United States Marine

Corps, and is educated in economics through his degree from George Mason University, which is renowned for the quality of its free market education. Joseph, like Antony Fisher, has experience in confronting the enemy through military combat but also has an interest in engaging the “battle of ideas.”

Joseph would take on other roles at Atlas but continued to grow the program, particularly by developing new training initiatives. Partnering with a new effort, the “Consensus of the



Americas,” headed by Alan Manwaring, along with his father Col (ret) Max Manwaring, a distinguished scholar from the Strategic Studies Institute of the U.S. Army War College—we conducted training programs in Colombia, Chile, Guatemala, the Czech Republic, Georgia and other countries.

Through all the aforementioned efforts, we have been able to identify a slew of talented individuals that have increased both the quality and quantity of security research and analysis throughout the world that is committed to the principles of a free society and is independent of government control. This human capital has become the backbone of this program and led to the

birth of the Think Tanks for a Secure Free Society program in 2004, which has now officially become the Center for a Secure Free Society (SFS).

This gap in the marketplace of ideas has allowed governments to monopolize the research and analysis of security issues throughout most of the world.

HUMAN CAPITAL – THE CORE COMPETENCY OF THE SFS PROGRAM

A sign that our efforts are showing dividends around the world is that many contacts and allies of the SFS program, namely individuals that were part of the traditional Atlas network or have a strong background in economics, have gone on to occupy leading positions in intelligence, defense and homeland security.

Our SFS network is currently comprised of over 120 individuals in more than 30 countries, many of which are former heads of intelligence services, former and current defense ministers, former and current chiefs of police, as well as many up-and-coming next generation security leaders.

Considering that this “human element” is our core competency, as we continue to grow the SFS program we are going to increasingly share this human capital with other U.S. organizations that are in the security arena to allow them to have more international exposure.

Moreover, we will also re-structure and segment this human capital into tiers, grouping our core allies in several advisory

roles. Some may even be invited to join a Board of Trustees or a Board of Advisors.



Graduating class of a 2010 Security Training Initiative at the Universidad Francisco Marroquin (UFM) in Guatemala

After a decade of investments in human capital, the SFS program is at a juncture in which it makes sense to spin-off from its parent organization (Atlas Economic Research Foundation) in order to increase its depth and impact. As we transition, we will continue to analyze the market so that our investments add value rather than duplicating the efforts of others.

INVEST INTO THE FUTURE OF INTERNATIONAL SECURITY – A NEW CENTER

Before making the decision to spin-off from Atlas, we conducted a market analysis and explored the idea of hosting the SFS program with the leaders of other organizations. After a thorough analysis of the market the decision was made to work within a small budding non-profit organization called the International Freedom Education Foundation (IFEFF).

Alejandro Chafuen, President of Atlas, who has over 25 years of experience in helping discover, develop and support free market think tanks—founded IFEFF.

IFEFF consists of a Board of Trustees with outstanding credentials and experience in promoting the free society, which includes:

1. **Amb. (ret) Curtin Winsor, Jr.**

U.S. Ambassador to Costa Rica under President Ronald Reagan and serves on the board of the William H. Donner Foundation, amongst many other organizations.

2. **Roger R. Ream**

President of The Fund for American Studies (TFAS) and board member of the Foundation for Economic Education, the U.S. Air Force Academy Foundation, and a trustee of the Philadelphia Society.

3. **Dr. William C. Dennis**

Served many years with Liberty Fun, Inc., and its sister organization the Pierre F. and Enid Goodrich Foundation in various capacities.

4. **René Scull**

International businessman and one of the initial trustees of the Hong Kong Centre for Economic Research, as well as a Venezuelan think tank—CEDICE.

INVEST INTO THE FUTURE OF INTERNATIONAL SECURITY – A NEW CENTER

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Collectively, these individuals have close to 200 years of experience with independent research centers and all have impeccable credentials for integrity and proper stewardship of donor resources.

This spin-off will take effect in 2012, and will include a press release announcing the new Center for a Secure Free Society (SFS). As part of IFEF, this new Center will continue the tradition of investing in the human capital that we have nurtured over the years, as well as discovering top talent around the world that can engage the debate.

Our primary objectives for the Center will be to:	In order to accomplish these objectives the Center will launch three new programs:
Build a new body of knowledge about the importance of providing secure societies for freedom.	A publications program that will have an editorial line that bridges the gap between security and economic freedom.
Develop independent and interdisciplinary thinking on issues where economics intersects with security, intelligence and defense.	A training program that will aggressively discover and develop the next generation of security leaders around the world.
Disseminate this knowledge to friends of the free society.	A media program that exposes our international human capital to a U.S. audience, as well as domestic foreign policy circles.

Our market analysis shows that there is a demand within the international security community to examine the linkage between security and economic development. Given the correlation between the current global economic crisis and the rise of political and social turmoil around the world, we expect this demand to grow.

Efforts promoting a free society have traditionally been separate from work securing a free society; however, in our opinion we believe these efforts go hand in hand.

We hope that you will consider joining and supporting our efforts.



A PROGRAM WITHIN THE INTERNATIONAL FREEDOM EDUCATION FOUNDATION

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The mission of the Center for a Secure Free Society (SFS) is to Discover, Develop and Support a Network of Individuals and Institutions that Engage in the Nexus between Economics, Security, Intelligence and Defense.

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