

# Heritage Lectures

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## Latin America: An Agenda for Freedom

*The Honorable José Marià Aznar*

**DR. KIM R. HOLMES:** Freedom is at the core of all we do at The Heritage Foundation. It is the foundation for our work—from fighting for free trade and greater economic and political rights to calling governments to task for walking back on freedom.

One of the greatest champions of the worldwide campaign for liberty is our guest speaker today: the Honorable José Marià Aznar, the former President of Spain.

Tolstoy tells us in his classic *Anna Karenina* that while happy families are all alike, every unhappy family is unhappy in its own way. Well, all great leaders are “great” in their own way, too; but they do have two things in common: They have courage and they are deeply committed to their cause.

President Aznar was so committed to his cause that he left the idyllic life of the think tank and entered politics. Throughout his political career, he displayed a burning determination not only to win elections but to change his country and the world for the better.

As for courage, I can point to the fact that he braved terrorist attacks to stand up for what he believed. He also had the political courage to stand with the United States and the United Kingdom during the early stages of the Iraq war, even though it was politically unpopular at home.

That kind of political courage reminds me very much of Margaret Thatcher and Ronald Reagan, two leaders who pressed ahead despite criticism because

### Talking Points

- Latin America has to make a decision between two roads. One leads to openness to the world, democracy, respect for individual rights and freedoms, and a solid rule of law. The other road leads away from an open, free, and prosperous society toward “21st century socialism.”
- The time has come for Latin America to use the power of ideas to choose the first path: the one that leads to prosperity, freedom, and democracy.
- In view of the world’s present threats, anchoring Latin America firmly in the West is crucial to the survival of our values and freedom.
- Trade is a wonderful tool for freedom and progress. It is time to establish a free-trade Atlantic Area of Prosperity between the Americas and Europe, and open to the rest of the world.

This paper, in its entirety, can be found at:  
[www.heritage.org/Research/LatinAmerica/hl1025.cfm](http://www.heritage.org/Research/LatinAmerica/hl1025.cfm)

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they, too, had a vision of liberty and the fortitude to defend it.

Like Thatcher and Reagan, President Aznar produced real, tangible results. When he became the President of Spain in 1996, he inherited an economy paralyzed by unemployment and a deficit that stood at 6 percent of GDP. After he finished implementing reforms that included a tax cut, the economy took off.

Over his eight-year term, 5 million jobs were created, GNP grew by 68 percent, and the deficit steadily fell. In 2002, he was able to balance the budget, and Spain became the world's eighth largest economy.

Worldwide, he earned a title that should make him near and dear to the hearts of this audience—that of “free market revolutionary.”

Since leaving office in 2004, President Aznar has dedicated himself to the global struggle for freedom. He returned to the Foundation for Social Studies and Analysis, the think tank he founded to put forth free market proposals. Through it, President Aznar has developed a series of strategic proposals for advancing the community of freedom around the world.

One of them calls for strengthening the NATO alliance and creating an “Atlantic Prosperity Area” for free trade between America and the European Union. Another is a series of proposals for breaking down barriers between the U.S. and Latin America.

President Aznar believes, rightly so in my opinion, that Latin America should be approached *not* as a separate region, but as part of the West, which is more than a geographical expression. It is a system of common values and heritage based on the principle of freedom.

President Aznar is a Distinguished Scholar at Georgetown University, where he teaches contemporary European politics. And he remains active in politics. He is Chairman of the Christian Democrat and People's Parties International and President of *Partido Popular*.

Ladies and Gentlemen, please join me in welcoming José Marià Aznar.

—Kim R. Holmes, Ph.D., is Vice President for Foreign and Defense Policy and Director of the Kathryn and Shelby Cullom Davis Institute for International Studies at The Heritage Foundation.

**HON. JOSÉ MARIÀ AZNAR:** Some day I plan to publish my memoirs. I will not tell you much about them today. (I still hope to sell some copies.) But when that day comes, you can be sure that the name of Heritage will be there.

When FAES (the Foundation for Social Studies and Analysis, [www.fundacionfaes.org](http://www.fundacionfaes.org)) was created back in 1989, its model was this great foundation: The Heritage Foundation. The persons who helped me design an electoral program based on ideas had *Mandate for Leadership* as an inspiration. And I can assure you that during our eight years in government, we knew that the hopes of millions of Spaniards for a better nation could not be deceived.

I thank The Heritage Foundation for this invitation to be with you today. And I take this opportunity to publicly recognize my admiration and gratitude for their work defending the ideas and values of freedom and democracy.

Today we have come together for the presentation of an intensive piece of work. This work is the result of the cooperation of many different people and institutions on both sides of the Atlantic—people and institutions that believe, as we do, that freedom drives progress. All of them are firmly committed to the idea of freedom and to the Western principles and values.

Why does FAES present a report on Latin America precisely now? And why do we present it in Philadelphia, with all our friends gathered here for the 30th annual meeting of The Heritage Foundation's Resource Bank? I shall try to explain it briefly.

We believe in Western values. These are universal values, based on a specific concept of the person as a free and responsible being. His dignity and fundamental rights precede any political system. Democracy, the rule of law, human rights, and individual freedom are the principles that underpin the West.

The West is deeply rooted in the Greco-Roman heritage, in Judeo-Christian tradition. The West has produced the Enlightenment and now prospers thanks to free-market economics. The West is not a geographical expression but a system of values. Those values were born in the West, but they are universal values because they are based on human dignity.

We believe in equality before the law. That is why we criticize affirmative action. Because we firmly believe that women have the same rights as men, we defend their dignity in every country, no matter the religion they profess. We think corruption is unacceptable in our countries. For that reason, we must fight it also in Latin America, because it is one of the main reasons of poverty. We enjoy independent justice, freedom of speech and religion in Philadelphia, London, or Madrid. We must defend it and promote it in Caracas and Havana.

Speaking of Cuba, I would like to make a few remarks. Cuba is an anomaly in this hemisphere. We should never give up our efforts to bring freedom for Cubans. And we should never forget those who struggle for liberty inside the island.

We want a transition to democracy, not a succession in the tyranny. I want for Cuba what I want for my country: freedom, democracy, and progress.

The Berlin Wall was torn down thanks to the courage, determination, and vision of those like Ronald Reagan, Margaret Thatcher, and Pope John Paul II. They are an example that the strength of freedom can tear down walls. That will happen also in Cuba.

## Western Roots

*Latin America, An Agenda for Freedom* is based on a single, clear premise: Latin America is a substantial part of the West.

Today, this truth is being denied by the enemies of open and free societies. There are forces that seek to banish this entire region from the world of progress and try to set it against the rest of the free world. The Western roots of Latin America are also being denied by some in Europe and the United States. This is a dangerous trend that we must fight.

We also believe that ideas are important. We are also convinced that ideas have consequences. *Latin America: An Agenda for Freedom* offers some ideas for tackling the main problems that threaten the region and are hindering its growth.

With the power of freedom and democracy, we believe Latin America has the capacity to take its place amongst the leading democratic and free nations of the world.

If we take into account the world's present threats, anchoring Latin America firmly in the West is crucial to the survival of our values and freedom.

This should be a shared interest and a common goal of both the United States and Europe.

The effective participation of Latin America in the West depends primarily on the will of Latin Americans themselves. However, it is also important that the main allies and partners of the Latin American region contribute to its full insertion in the group of advanced democracies.

## Choosing the Path to Prosperity

History reveals that Latin America is capable of attaining the levels of welfare and freedom that prevail in most developed countries.

Today, Latin America has to make a decision. Two roads are open and the two go in opposite directions.

One leads to openness to the world, democracy, respect for individual rights and freedoms, and a solid rule of law. This is the road traveled by successful countries. This is the way to attract investment, create businesses, generate jobs, and reduce poverty. This way offers opportunities and hope to people. In short, this road leads to success, progress, democracy, and freedom.

The other road drives away from an open, free, and prosperous society. We have seen enough of history to know where it leads. Those who promote this road today follow outdated ideas that created suffering and misery in the 20th century. They want to establish "21st century socialism," the successor of the socialism that generated grief and oppression in the 20th century.

These ideas are surfacing once more in Latin America, even with the endorsement of electoral processes.

I believe that the time has come for Latin America to use the power of ideas to choose the first path: the one that leads to prosperity, freedom, and democracy.

## Solid Institutions and Rule of Law

Latin America needs stable democracies built on stable foundations. In this it is no different from the

rest of the world: the progress of free and prosperous nations relies on basic consensuses that are kept alive over time.

The guarantee of freedom and prosperity lies in a system of strong, solid institutions to which individuals have easy access. To achieve such institutions, basic consensus and clear, stable rules are needed. Authority must be the product of the very rules that everyone has accepted, not the reverse.

Only countries that have sound institutions achieve economic growth and sustainable development over time. There is no reason why this should not be attained in Latin America too, along with a lean but strong state able to fulfill its main task: to guarantee the rights and freedoms of Latin American citizens.

Poverty can effectively be fought in Latin America. There is no historical curse that condemns Latin America to a lack of wealth and income as well as injustice.

Sustained economic development requires macroeconomic discipline. Latin America enjoys this situation at present, but it is only one of the requirements for prosperity.

Other equally or even more important conditions need to be fulfilled. Legislation guaranteeing property rights and respect for contracts needs to be in place.

The economies of Latin American countries need to be further open to the outside world, as this generates competition, innovation, and efficiency.

Judicial security is a *sine qua non* condition for prosperity. The property rights of all citizens and businesses should be guaranteed, as should the fulfillment of any contract freely signed.

State expropriation acts as an enormous disincentive to investors. If the right kinds of guarantees are not in place, people will not invest their savings in a country where their assets or those of others have been expropriated in the past. Trust is a condition for growth.

The ideal would be to undertake constitutional reforms that incorporate effective mechanisms for respecting property rights and contracts in the “magna carta” itself.

## Working for a Brighter Future

The future of Latin America is without any doubt in the hands of Latin Americans themselves. And together with their friends they must work for a brighter future. This is one of the main objectives of the document that we present today.

People forget that the nation of citizens, the ideal of the democratic nation, is also the ideal of all the nations of Latin America. This is a principle that unites the entire Western World.

For this reason, I am in favor of Latin America establishing even closer links with the United States. I am also in favor of free trade between the Americas and Europe, in an Atlantic Area of Prosperity open to the rest of the world.

Trade is a wonderful tool for freedom and progress. I praise the efforts of President Bush's Administration to strengthen the commercial links with Latin America.

Free trade with Latin America is a goal worthy of investing political capital. Free trade is hated both by Latin American populists and by a part of the left in the United States and Europe. But we know that free trade is a decent policy. It drives progress through freedom of choice.

The United States should be a key partner in guaranteeing the region's economic and democratic progress. The commitment with Latin America, with freedom, democracy and free trade, should be a bipartisan policy in the United States.

Successful policies should be based on successful ideas. I do not know better political ideas than those of freedom.

Ideas that should be backed by effective policies: the policies and ideas of freedom, Western values, America's Christian roots, and the fight against poverty through growth. And, above all, the determination that the model of an open, democratic society should win out against the threat of populism.

The common aim of defeating the “21st century socialism” agenda requires having a sense of responsibility. Emphasis must be placed on what brings together, rather than what sets apart.

In the same way, the political forces of Latin America that share those principles should open up

to new forms of cooperation and increased integration in order to create winning democratic alternatives for governments across the entire region.

If Latin America is an essential part of the West, we cannot afford the luxury of leaving the region in the hands of totalitarian regimes. We must take action and join forces against those who do not believe in the ideas that are embraced by free societies. Europeans and Americans have the moral obligation to support every initiative that brings out the best in democracy.

Colombia is an example of what is at stake in Latin America. Colombia is a democracy with a decent government. Colombian democracy is threatened both by terrorist groups and by narco-guerrillas. Colombia deserves our full support. This is a moral obligation and also in our interest if we want to preserve freedom.

Margaret Thatcher and Ronald Reagan's dream of a transatlantic area that advocates freedom to all humanity is still in force. This dream must encourage us not to forget about Latin America.

In the current context of constant threats and risks, being oblivious to the future of this region would be a mistake of great dimensions. It is impor-

tant that we help to build a network in Latin America of political institutions, parties, and individuals that regard freedom as a supreme value.

If we manage to take on this challenge, success will be guaranteed. History has proved that freedom can be achieved, provided that the appropriate action is taken by the people who truly believe in it.

Latin America is denied nothing. We know that there is still a great deal of work to do and that there are no shortcuts to prosperity. We know that freedom and progress are possible for all Latin America, and that success will come if we persevere in our work toward the ideas of openness, democracy, and freedom.

We are convinced that this project is possible. Our proposals are contained in this small book.

FAES Foundation knows that ideas need committed individuals to carry them out and bear fruit. That is why we are determined to work alongside our friends in Latin America and outside the region, especially The Heritage Foundation, in order to ensure that the ideas of freedom, democracy, and justice triumph throughout the entire American Continent.