

Brazilian Organizations Favorable To The Free Economy

Latin America is going bad, very bad. Colombia, with the election of former guerrilla leader Gustavo Petro to the presidency, another of the largest economies of the region seems to have fallen into leftist populism. But the big prize is still to be captured: Brazil.

With almost half of the South American economy and population, and borders with 10 countries, what happens in Brazil is always relevant for the Americas and the world. The two presidential candidates with a strong lead in the polls, Lula and Bolsonaro, have plenty of detractors. Their campaigns and their road to the election are covered and followed by the local and foreign media. What is seldom covered are the players who work from outside the political party system trying to influence the future of Brazil. I will only focus on non-religious organizations of Brazilian civil society that, despite having very different goals, are favorable to a free economy. Their players range from conservative to libertarians, from Christians to Randians (followers of Ayn Rand). I will also mention several influencers. As in the United States, some of the social media players have more impact than many organizations in helping shape policy debates.

Some of the organizations mentioned below have been active at the Estoril Political Forum. On the think tank front, we had representatives from the Instituto de Estudos Empresariais and the Instituto Mises Brasil, from the media we had writers from *Veja* and *Folha de São Paulo*, on the “influencers” side, we had Rodrigo Constantino (now at *Gazeta do Povo* and with over 1.2 million followers on Twitter) and Bruno Garschagen (with over 120 thousand followers in Twitter).

Among Brazilian think tanks, the oldest that I know is the Instituto Liberal in Rio de Janeiro, founded in 1983. I believe I first met the founder, Donald Stewart Jr, in 1987. At the time the goal of the think tank was to plant the seeds of future pro-free-economy policy research by publishing translations of the main works of Ludwig von Mises, F.A. Hayek, and other classics of economics. The think tank still exists but now is one among many players, not the dominant one. It is getting new energy, and new funds, under Salim Mattar. Mattar, who founded a successful car rental company, became minister of privatization (*desestatização*) in the Bolsonaro government and is now mostly devoted to efforts to promote policies favorable to the free society. At their most recent major event, in June 2022, IL went beyond traditional free-market think tanks and circles by inviting two former presidents, each with their legacy and background problems, Michel Temer from Brazil (president between 2016-2018), and Mauricio Macri (2015-2019), from Argentina. On its informative website, IL lists several scholars with very diverse views, who collaborate or have collaborated with them. They range from classical liberals and conservatives to libertarians of different stripes. Being the organization that for a longer time invested more resources promoting Austrian economics, IL can take credit for some of its fruits. The Mises Institute, Brazil, located in São Paulo, now has the leadership in the effort to promote Austrian economics.

The benefits of the free economy are also promoted by some who studied at the University of Chicago under Milton Friedman or other of its market-oriented scholars. The most famous “Chicago boy”, of course, is the current minister of economics Paulo Guedes. Guedes has been associated with the *Instituto Millenium* which began being developed in 2005, and it was

launched with its current name during the 2006 Liberty Forum (*Foro de Liberdade*). The forum is organized by another important player in Brazilian civil society, the *Instituto de Estudos Empresariais* IEE which, as mentioned before, has been present during several of the most recent Estoril Political Forums. The deputy economic minister of Brazil, Roberto Fendt, is also a graduate of the University of Chicago and has had a long history of collaboration with free-market think tanks. *Instituto Millenium* was founded by Patricia Carlos de Andrade, a businesswoman well trained in economics and philosophy who emigrated to the United States. Another who led *Millenium* is Paulo Uebel, who then left IM to finish graduate studies at Columbia University. Uebel returned to occupy important positions in public service, both in the city of São Paulo and then with Salim Mattar as his deputy in the Bolsonaro government.

The role of business leaders

Note that Donald Stewart Jr, Helio Beltrão, Patricia Andrade, and Salim Mattar, were or are all from the business world. Before them, Henry Maksoud (1929-2014) promoted free-market views mostly as an individual (he was not noted for being a team player.)

There was a period of good growth at the Instituto Liberal of São Paulo when it was headed by another businessman, Jorge Simeira Jacob. But when his business ran into trouble during one of the frequent monetary hiccups instigated by Brazilian monetary authorities, the hope for a major expansion of Brazilian free-market think tanks dissipated. The current Instituto Liberal in São Paulo, is a new organization, founded in 2014, and not related to the original.

Another businessman, who I also met first in 1987, Winston Ling, was the key person introducing Paulo Guedes to Bolsonaro, a few years before his election. Winston Ling also studied at the University of Chicago.

Going back to the IEE, it has remained consistently strong and is also dominated by businesspeople, in this case, young entrepreneurs who have been perfecting the way they organize and market their main product, the *Foro de Liberdade*. Their Liberty Forum is the largest pro free economy event in the world. Among the largest Brazilian free-market groups, IEE is perhaps the most influenced by entrepreneurs inspired by Ayn Rand's individualist views on capitalism. But the requirement to be a real-life entrepreneur to be part of IEE made these Randians much less ideological and more pragmatic than their counterparts in other countries. Alan Greenspan and John Allison, the retired chairman of BB&T, are an example of Randians

Before Donald Stewart Jr and Henry Maksoud, Eugenio Gudín (1886-1986) made efforts to bring the ideas of the Mont Pelerin Society to Brazil. According to Odemiro Fonseca, who wrote a book about the Mont Pelerin Society and Brazil, Gudín was a friend of Fritz Machlup (Princeton) and Gottfried Haberler (Harvard) who attended the Mises seminar in New York. Gudín was a Brazilian representative at the Bretton Woods conference, Vice President of the Fundação Getúlio Vargas. The Mackenzie Presbyterian University created an award named after Gudín who also served, for a brief period, as minister of finance (1954-55)

that remind me of many of the young businessmen and businesswomen who have shaped the IEE.

There were some noteworthy academics during this “prehistory” of current free society groups. In the field of history one can point at Antonio Paim (1927-2021), in economics Og Leme (1922-2004), who worked side by side with Donald Stewart Jr in helping build IL. Some of those trained in economics, like Roberto Campos (1917-2001), soon entered public service and occupied relevant positions in different Brazilian administrations.

Until recently, I could not find clusters of pro-free-market economists at any university. This began to change in 2015 with the founding of the Center for Economic Freedom at the prestigious Mackenzie Presbyterian University. Unlike most of the work of other think tanks, which are more focused on translations, short articles, and events, the Center produces and publishes research that is well grounded on original micro and macroeconomic studies. Given the academic prestige of the university, the Center can become a valuable source of new talent to the Brazilian policy world. One only hopes that its work will create emulators at other Brazilian universities. The success of one conservative university-based think tank in the United States, the Madison Program at Princeton University, which even libertarians have labeled it as the “Cadillac” of university-based centers, led several philanthropists to start hundreds of centers at US universities. One effort, in particular, the Foundation for Excellence in Higher Education, is focused on creating and supporting these centers at the oldest and most recognized US universities (the *Ivy Leagues*).

Mackenzie was founded in 1870 by graduates of Princeton University. The university has had as students and professors Brazilians from all denominations who have contributed greatly to the free society. Given the importance of the rule of law and the many challenges today, I will just mention Dr. Ives Gandra, the most important figure in the Brazilian legal scene among those who work for the free society. Despite that he is over 90 years old Dr. Gandra is still going strong and has created an important legacy. Angela Gandra, one of his daughters, is the current Deputy Minister for the family. One of his sons is a judge with great expertise in labor law.
Media companies that promote free enterprise

The work of scholars and writers associated with these think tanks and centers receives wider attention thanks to a few media efforts. Gazeta do Povo and BrasilParalelo are the two most relevant. Gazeta has a long history; it was founded over 100 years ago. I think it is very valuable and commendable that they are very clear on what they stand for. Their home page has a link to [“Our vision”](#) where they state the view of the owners of the outlet in 28 different areas, from ethics to economics, to family issues to democracy. Several of their regular authors and contributors have a long history of collaboration with think tanks such as Rodrigo Constantino and Paulo Uebel.

While other efforts for a free society measure their impact in thousands or hundreds of thousands, BrasilParalelo counts it in millions. One of their historical films is approaching 10 million views. On policy issues, their superb film on the Amazons, “Smokescreen” (*Cortina de Fumaça*) already passed two million views. Their newest production, *Entre Lobos*, about crime in Brazil, attracted more than one million views of the hour-long introduction of the upcoming

series. They had similar success with their films about the United States, Argentina, and Venezuela. They also produce several programs that include intellectuals who collaborate with Brazilian think tanks.

Jovem Pan also has some conservative positions, it is one of the largest radio chains in Brazil. For those who know the US scene, some of the Brazilian classical liberals describe it as a “centrist Fox News.” Like in most other countries, however, most of the more established media is little sympathetic to the free economy creating and repeating a false narrative. As an example, a recent long piece in the newspaper Valor Econômico blamed economic liberalism for the lower rates of growth during these last three decades. As we know, Brazil still ranks very low in economic freedom and especially in free trade.

One of the fastest growing segments in the US policy scene are the think tanks and organizations devoted to the legal defense of victims of state intervention. Few countries have such organizations, especially in the conservative and pro-free enterprise camps. The Instituto Brasileiro de Direito Religioso is an exception, it defends religious liberties, an essential aspect of a free society. Its work is similar to that of the Alliance Defending Freedom in the United States. Some of its key players, like Jean Regina, are ADF-associated scholars and even file amicus briefs in the US courts as they did with the recent case which led to reverse Roe vs Wade. The last word goes to groups working with students. This is another of the fastest-growing sectors in the United States. In Brazil, the leadership belongs to Students for Liberty, mostly aligned with libertarian positions. In the United States, conservative student groups far outnumber libertarians they range from the more academic, like the Intercollegiate Studies Institute (founded in 1953) to activists, like TurningPointUSA. The latter is attracting an income of over \$50 million from over fifty thousand donors. It is the largest and fastest-growing conservative organization in the United States. Other student groups in the United States include Young Americas for Freedom, Young Americans for Liberty, and the previously mentioned Students for Liberty.

As an outsider, but as a learned student of non-profit pro-free society efforts, I think that the Brazilian market is ready for more organizations that focus on judicial reform, litigation, and investigations; more academic centers with safeguards for their independence; and more conservative/free-market student groups. I apologize in advance if I left more relevant organizations out of this mapping. If they come to my radar with convincing arguments, I will surely include them in future analyses. Those of us who think that ideas sooner or later shape the world should be grateful to those involved in the organizations mentioned here. Elections are important but, as Ed Feulner, the great builder of The Heritage Foundation, frequently reminds us, in politics, we never have permanent victories or permanent losses. In the long run, the battle of ideas is essential and if Brazil ever finds a more stable road toward freedom and prosperity it will largely be for the efforts of the many intellectual entrepreneurs who have created and invested in these efforts.