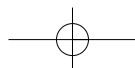
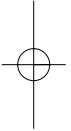
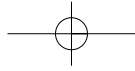
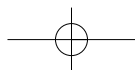
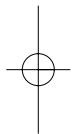
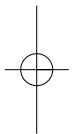


LIBERÁLNÍ INSTITUT
expresses its gratitude to
Unipetrol, a.s.
for making this project possible.





Mega print



**THE
LIBERAL ECONOMIST
GRIGORY YAVLINSKY**

Dan Šťastný (ed.)



Dan Šťastný (ed.)
The Liberal Economist Grigory Yavlinsky
Prague 2001

Published by:
Liberální Institut
Spálená 51, 110 00 Praha 1, Czech Republic

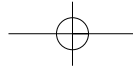
Publishing services by:
MegaPrint Praha
K Nouzovu 2131/7, 143 00 Praha 4, Czech Republic

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording, or any information storage and retrieval system, without permission in writing from the publisher, except for the quotation of brief passages in criticism.

Copyright © 2001 Liberální Institut
Translation © Adéla Mlčáková, Dan Šťastný
Proofreading © Walter Chen, Adéla Mlčáková, Viktoria Kish
Foreword © Dr. Jiří Schwarz
Photo © Karel Cudlín
Cover Design © Daniel Purmann, Radovan Kačín
Typesetting and Layout: Radovan Kačín (MegaPrint Praha)

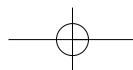
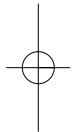
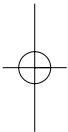
The text of this book is composed in typefaces Century, Suisse and Time.
Manufactured in the Czech Republic. First Edition

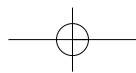
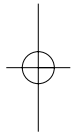
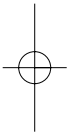
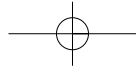
ISBN 80-86389-11-1



Contents

Foreword (Jiří Schwarz).....	7
The Liberální Institut Annual Lecture 2000	
“Russia: A Thorny Way to Freedom and to the Rule of Law”	11
Questions and Answers	23
Press Conference.....	37
Biography.....	45
About the Liberální Institut.....	49





Foreword

Grigory Yavlinsky

After entering politics, most people give up their ideals and principles in the name of “reaching the possible.” The everyday political routine, pragmatism and the desire for reelection often prevail over ideology, long held opinions and the “circle of old friends.” Even famous liberals that entered politics were unable to resist the temptation of state power, popularity and adoration. One of the few exceptions is Grigory Yavlinsky.

He is primarily known to the Czech public because of his candidacy in the Russian presidential elections. In 1996, the year of Boris Yeltsin’s triumph, he ended up fourth in the race. Four years later, in 2000, he ended up third. The Russian daily *Kommersant* described the victory of Vladimir Putin as follows: “Russia has a new president, but nobody knows what kind of president. But after all, that is precisely why he was elected.” That is why Grigory Yavlinsky, whose unpopular, but consistent opinions on issues are well known to the Russian public, “could not” be elected.

Yavlinsky’s political career is supported by the liberal movement Yabloko, of which he is the co-founder and current director. He first became famous in the spring of 1990, when he introduced the very first program of market reform in the history of Soviet Union, which he called “500 days.”

Since its foundation, the liberal movement Yabloko has endorsed classical liberal values even when it is not publicly or politically beneficial. Yavlinsky was the only prominent Russian politician who criticized the involvement of the federal military

in the Chechen War. He holds peace as a constant value, one he does not doubt even in times of nationalist passions, to which most of the silent population succumbs. Yavlinsky, however, does not remain silent – he is not on the side of the comfortable majority, and that is why he does not receive electoral votes.

However, during debates about the extension of NATO to the East, which was passionately opposed by most Russian politicians, Yavlinsky was quiet. He supported the rights of nations to freely determine their membership in any organization, even though the process of extending NATO is unpleasant for Russia, since most of the citizens cannot come to terms with the weakening position of the former superpower.

Yavlinsky's principled opinions and consistent behavior have earned him the reputation of an honorable politician, who has never been implicated in any of the scandals that have plagued Russia on a regular basis over the last decade.

In the Russian Duma, Yavlinsky, as an economist, tries to push through institutional change, the enforcement and protection of real private property rights, demonopolization, deregulation and the creation of an environment favorable to competition. He views competition not only as an irreplaceable means of cultivating the behavior of producers, but also as the most effective means of protecting the consumer. So long as competition does not exist, the market is monopolistic, oligarchic and criminal. According to Yavlinsky, the absence of the rule of law and the weak enforcement of the law have made Russia into the greatest money laundry in the world.

He no longer considers the Communists to be Russia's greatest threat; instead he views the "incestuous relationship" between power and money, which is ubiquitous, as the problem. Korean *Chaebols* or Indonesian *Chukas* are transparent economic organizations in comparison to Russian business structures.

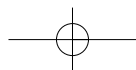
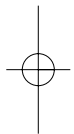
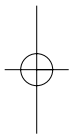
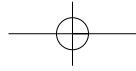
Yavlinsky believes that a shadow economy forms 70% of the Russian economy. That is why he demands a radical decrease in taxes: 10% for individuals, 20% for industrial firms, 15% for agri-

cultural firms and the so called 2% amnesty tax for Russian citizens who transfer their tax domicile to Russia, or who submit information about their unreported income. Yavlinsky also demands the decrease of spending on bureaucracy, because an increase in the number of state officials increases the danger of corruption, which remains an essential part of the Russian society even at the end of the twentieth century.

According to him, corruption permeates even the relationship between the IMF and Russia. The wasteful investment of the IMF into the unreformed Russian economy not only creates a moral hazard, but it also delays and prevents the realization of a radical reform. This has devastating effects not only on the economy, but also on the morals of the Russian society.

Grigory Yavlinsky and his team from EPIcenter had the opportunity to implement their own limited reform program in the city of Nizhny Novgorod. The positive changes in this third largest city in Russia (formerly Gorky) were so evident, that they catapulted Yavlinsky's close colleague Boris Nemcov into the seat of the vice-premier of the Russian government. The region of Nizhny Novgorod remains probably the most attractive region for foreign investment. Even the inhabitants of the region are conscious of the positive effects of foreign investment. Let us hope that in the future, the liberal politician Grigory Yavlinsky will have more opportunities to prove that his political program is not only consistent and principled, but also effective and successful.

Jiří Schwarz
October 2000



The Liberální Institut Annual Lecture 2000

“Russia: A Thorny Way to Freedom and to the Rule of Law”

Grigory Yavlinsky

Thank you very much for giving me this incredible opportunity to speak to such a distinguished audience in central Europe. I feel deeply honored to receive such a prize while still alive. I am really very grateful.

After listening to the speech by President Schwarz, I would like to say that I felt as if my life were coming to an end, because it is very hard to listen to such a speech about one's accomplishments. Now I can understand how those people no longer with us must feel when we continue to speak about their qualities and life achievements.

I am also extremely grateful for the opportunity to speak in Prague. Prague and the Czech Republic are special to me. In 1972, it was the first foreign country I had ever visited in my life. I was here as a student. As you can imagine, it was a very unusual time after 1968. I had very heated debates with other students about the events here and in the Soviet Union, which certainly influenced me. On my return to Moscow, I had my first confrontation with the Soviet political system. I was accused by some individuals – students and colleagues who were with me in Prague – of anti-Soviet propaganda. So that was the beginning. That is why it is so important for me to be on stage now in the middle of this city and to make this contribution to the liberal world and to freedom.

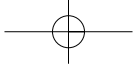
Liberalism – the Solution for the World's Problems

I am very pleased because I think it is wonderful that a central European country such as the Czech Republic is developing a tradition of awarding a prize for liberal thinking, liberal practice and fighting for freedom and the rule of law. It is especially important that a country which is neither the largest in the world nor the strongest militarily can be a center where people such as Milton Friedman can receive this prize. This constitutes real evidence of the changes in your country, in Europe and in the world over the past ten years. And with these words, I would like to congratulate the Czech civic society for all the important things that it is doing for your country and for the world.

I would like to stress that my achievements are certainly incomparable to those of Milton Friedman or Gary Becker. But I want to thank you on behalf of all the people living in Russia, who have been fighting for freedom for many decades and maybe centuries. I perceive this prize as an epitome of your acceptance of the efforts of millions and millions of people in my country in trying to establish democracy, open society, freedom and the market economy. I am very grateful to everybody who acknowledges Russia's contribution to the world civilization, especially in culture, science and development of mankind's values. I am very grateful to everybody who understands the real role of Russia in Europe.

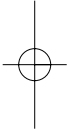
Today, I have come here to speak to you about my view of the most recent developments in Russia, in Europe and perhaps in the world. The last century has shown us that one of the main priorities, imperatives and goals of humanity was and remains to be the creation of a new society that is based – and should be based – on human values, freedom and law.

Liberal society has already undoubtedly won its fight against totalitarianism. It won twice in this century: firstly, in open battle during the Second World War and then recently when it was revealed that the open free world is much stronger than the

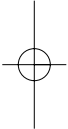


Soviet totalitarian system. Liberal society showed its benefits even at a time when the nature of Stalin's and Hitler's regimes was not so obvious to everyone in the world. It would be wrong to believe that at the very beginning or even in the middle of the century, it was well known or widely accepted that the liberal paradigm, and the concept of human rights, would become the strongest and most constructive paradigm of this century. In my view, liberal society, the society of human rights and freedom, proved without a doubt that this type of social organization is much more flexible, productive and constructive, and that the rules adopted by such a society are much better adjusted to a normal human life than any other system that people have ever tried to implement. This type of system also proved that it could be tough, self-regulated, and that it has one main advantage: it can improve itself – it is evolutionary. No other system in the world has been able to do this.

Only a society built on human rights and freedom is capable of striking a real balance between stability and the ability to modernize itself in the long run.



Over the past 50–100 years, only a liberal, democratic system, which I would call – together with Karl Popper – an “open society”, has demonstrated an ability to resolve problems that no one could correct a hundred years ago. It resolved the conflict between wealth and poverty, the conflict between illiteracy and education. It showed the whole world how to handle the so-called worker's problem or worker's issue, the question of women and all sorts of other social questions, which were the main problems of humanity in the last century. The liberal approach indicated a way to resolve them. Today, we can say with confidence that such basic concepts, such as the right to be elected and to take part in elections, or the right to establish unions for workers' protection, are deeply rooted in the concept of human rights and freedom.



Russian Reform – a *Nomenklatura* Coup d’etat

I am also going to explain how I view the main problems that Russia faces today. I want to share with you my vision of how the main problems of our country can be resolved by applying the principles of liberalism and freedom. My first question is the most important: why were the ten years of reforms in Poland, the Czech Republic, Hungary and other central European countries so successful? Maybe not very successful, but your situation is much better than ours, and, compared to Russian reforms, they were tremendously successful, both economically and politically. Why were the same reforms not successful in Russia? This is perhaps the main question of the last ten years. Let me offer you my answer to it.

I think the reason is that a democratic revolution happened in Poland, in your country, in Hungary and other European countries ten years ago, while in Russia, only a *nomenklatura* revolution – i. e. what Gorbachev called *Perestroika* – took place: what happened was not a real revolution that changes people, their priorities and values. The high class of the former communist party of the Soviet Union did not perish, it only changed its jackets and symbols. At the end of the 1980’s, these people were talking widely about Lenin, socialism and five-year plans. Now, ten years later, the same people are using words like reform, democracy and market. The most sophisticated ones have even memorized the English equivalents of these words. Today, Russia is at a crossroads, and it is therefore necessary to learn a lesson from those last ten years.

First of all, only real political change, not simply a recreation of the previous communist elite, can change the country. We have also learned that the party *nomenklatura* was transformed through the changes in the economy into the criminal *nomenklatura*. This is the reason why Russia has such a high rate of crime today. But we have also learned another, very important economic lesson. Maybe you remember the words of a famous author who wrote a book called *The Open Society and Its*

Enemies. Karl Popper wrote that an open society has at least two enemies: fascism and communism. Russian experience over the past ten years has shown that capitalism which is not limited by law, capitalism that is based simply on huge monopolies and rights for a limited number of people, capitalism in a country where you have no justice, no civic society, no independent judicial system, no system of laws, no civic institutions and no political parties, is simply a wild animal fighting an open society. Moreover, since the reforms over the last 10 years were made in the name of Russia's so-called first democratic President and young liberal reformers, and since at the same time these reforms brought the country two wars, bombing of the Parliament, hyperinflation and two default crises all within ten years, then one can only be surprised to see the Russian people still prepared to take part in democratic elections. Millions and millions of these people still vote for democracy, freedom, private property and market economy. Right now, it is very hard to convince the people that not all the developments in Russia over the past ten years are the work of democrats or liberals, but of the post Soviet way of thinking and the inadequate Soviet approach to development.

Private Property – a Key to Success

Now I would like to briefly touch on the economic reforms needed in Russia today. First of all, I am absolutely convinced that a workable market economy must be based on a strict enforcement of human rights in the country. The country's policy must be based on a clear understanding of human rights, where private property rights are one of the key elements. Without protection of such fundamental rights, you cannot establish a workable market economy.

Second, after such a basic statement, my next comment may seem a bit strange. I think that every human being in Russia – including students and children – has a clear vision of what

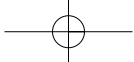
needs to be done for the economy. This is very simple: Russia needs lower taxes, privatization of land, a transparent and workable banking system, de-monopolization, protection of investors, an independent judicial system etc. There are no questions about what program Russia needs. The real question is who has the political will to implement such a program? Who will dare start fighting the oligarchs whose interests are at odds with the goals that the Russian economy must pursue? This is the key question for the future of Russian economy.

We can certainly discuss the policy of the IMF towards Russia. There is the political aspect of the problem: it would be much better for every country, including Russia, if we came to the IMF with our program, explaining what Russia needs and convincing the IMF of our needs and then asking them whether they want to help. If not, we would continue our reforms, as they are in our vital interest and in the interests of our people. It is in the interest of all our citizens, and it is they who would reap the fruits and bear the cost of such reforms. They therefore have to be responsible for picking the reform strategy. They should not passively rely on what the experts from Washington or elsewhere tell them to do. Next, there is the theoretical aspect of the question: Russian economy was not damaged by central planning like the economies of Poland, Hungary, your country and Eastern Germany. The Russian economy was *created* by central planning, and it is therefore a different species. And this species needs a different policy. That is why I think that institutional change is the main priority for the Russian economy. A macroeconomic stabilization can occur only after deep institutional changes – after the implementation of private property, competition and all the main market institutions – are carried out. As you can see, the basic values of liberalism and open society – a low level of taxation, competition, de-monopolization and private property rights – are and will be the key issue in all debates about Russian economic policy for next ten, twenty years. I am absolutely convinced that reforms along these lines represent the only serious way forward for Russia, and I am ready to defend and propound

such ideas. Of course, the key issue is, as I have mentioned already, whether anyone is politically prepared to implement such a reform in Russia.

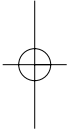
Chechen War – Mass Killing Sanctioned by Politicians

I will now discuss the political problem which concerns the war in the Northern Caucasus. The Northern Caucasus may well be one of the most dangerous and unstable regions in the world. It is necessary to state openly and seriously that there is a real threat of terrorism, slavery and ethnic cleansing, and not only there. I would recommend to anyone who is interested in international politics to look more carefully at the developments in Central Asia and the former Soviet republics. Extremists, terrorists, fundamentalists and extreme fundamentalists are putting their ideas into action very openly and very seriously, and this is a real problem that Russia must solve. I would not underestimate it under any circumstances. At the same time, I have to say that the methods used by the Russian government to confront these threats are completely wrong. Here in Prague, I would like to repeat once again that what has been happening in this region since November last year has never been an anti-terrorist operation, but a full-scale war against all the people of the Northern Caucasus. It is a war that has no future and will never yield any positive results. It is a senseless bloodshed, a tragedy for the people, involving 300,000 refugees and thousands of people killed. There is only one way forward, and it is a one-way road: to start political negotiations. What should be the conditions of these political negotiations? They must be organized on three basic principles. First of all, they must include those people on the Chechen side who are ready to accept the Russian constitution and the current situation in Russian law. Second, only those who were not personally involved in slavery, killing people, cleansing and terrorist actions should be present. And thirdly,

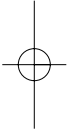


they must be those on the Chechen side who were elected in 1997 under the control of international organizations. This is my answer to the argument claiming that there is no room for negotiations. There is room, and we need to exploit it in order to stop the military conflict in the Northern Caucasus before it turns into complete genocide. The negotiations must start as soon as possible. My party and I have been making this demand since the first days of November, when this full-scale war started. Certainly, a political solution will be very difficult and may take a long time, but there is no other alternative.

Russia as a Part of Europe



Let us now turn to the issue of Russia *and* Europe. It is one of the key issues that I find most interesting. I often repeat that within 20 to 25 years, Russia must become a European country. Not in the sense of the bureaucrats in Brussels, but rather in the sense of values, the rule of law, type of economy, human relations, level of understanding and security system. The alternative is isolation, extreme internal conflicts, instability and unpredictable development. That is why relations with Europe are so important.



What, then, needs to be done in this area? I think that the approach of Western politicians who focus on the Russian political elite, such as Yeltsin, is utterly wrong and needs to be changed. The meeting with the new Russian president is certainly a positive sign, but it is not sufficient. It is always necessary to make sure that the meeting between Russian and Western leaders is not transformed into something similar to the Yalta negotiations. Consequently, actions and priorities must be changed. The main focus must be on relations among people, professionals, citizens, different political parties, non-governmental organizations, students and cities. These relationships govern the future development of Russian-European relations. If such relations, not just symbolic visits by leaders of states, were to

develop, then it would mark a new step forward in the development of democracy, open society and human rights.

I would also like to emphasize the role of information exchange and media for the Russian people in general. Let me provide one small example. Currently, we receive European news in almost all languages, even in languages of people who are not members of the European Union. Yet there is not a single worldwide television broadcast in the Russian language, even though Russia has about three hundred and fifty million people. The ability of the Russian people, for instance, in Siberia to watch *Euronews* in Russian would be an extremely important step. This would contribute to Russia's future, democracy and stability much more than two or three visits by the President of the United States, which can be described with only a little exaggeration by the following exchange:

"Mr. Yeltsin, how are you doing?"

"I'm doing well, Mr. Clinton. How are you?"

"I'm fine. What are you up to now?"

"I'm doing reforms."

"What kind of reforms?"

"Radical ones!"

"Wonderful! How admirable."

Kisses, hugs and shaking of hands are not exactly what Russia needs most. It would be much better if the people in Russia could read European newspapers in print and watch the television broadcasts in Russian, in their own language. Then the debates about NATO and many other issues would be on an entirely different level.

Evils of Visa Policy

The visa issue is a very important topic that deserves our attention. In order to obtain a visa, Russian citizens have to stand in front of the embassies in lines for weeks. Let me assure you that no criminals can be found standing in the lines. The

leaders of the Russian Mafia get their visas by other means, I do not know how, but they always manage it somehow. Oddly enough, the lines are made up of ordinary people from the whole country who spend twelve out of their twenty days of vacation standing in those lines. They come from all of Russia only to live on the street in Moscow to obtain a visa. How can we then develop a democracy? How can we expect a change in the people's thinking if they have never seen how others live in Europe? Surely, they heard something about democracy, but that is not enough.

Only after the people of Russia see how other people live, after they see with their own eyes a modern way of life, only then will they call more forcibly for reforms leading to that goal. To promote this cause, it is absolutely necessary to build up the infrastructure – roads and telecommunications – and to have newspapers, television and radio bring in independent information from Europe, since reliable and unbiased information will undoubtedly sooner or later change the situation in Russia. This is the first step. It is not so important whether Putin is good or bad. Let us give him a chance. But the key issue is relations among people. Leaders change, but the people remain.

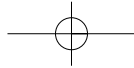
No Fear, No Lies

People frequently ask me what the West should do for Russia. For a long time, it was a very difficult question to answer because – as I said before – I thought that we were making our reforms to cater to our own interests, not the interests of anyone else. But now I know what to say. What we need most of all is that the West makes its policy clear, consistent, open, democratic and honest. Not its policy toward Russia, but its policy toward itself, toward Europe.

At the moment we can see two different political directions in the policy. One is based on human rights, while the other is based on the so-called *realpolitik*. Such a schizophrenic situation

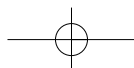
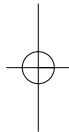
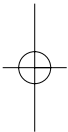
is dangerous, even for the West itself. The voting of the European Parliament is a perfect illustration. The Parliament condemned the Chechen war, but the next day, the Ministers of the European Union said they would like to apologize for the decision of the EU Parliament because it may have been too tough on Russia. This is the difference between human rights and the *realpolitik*. I therefore urge the West to try to make its policy consistent, open and clear, but above all, honest.

Finally, I would like to discuss the opinion widely held in the West that Russians need a strong leader since they do not understand democracy and the market. This kind of comment comes from a person who understands neither democracy nor the market. These people claim that the Russians simply need a strong leader with whom the West should be good friends. This approach, however, will never produce any progress. Surely, Russia's history is different from the history of France, Germany, the United States or the Eastern European countries. However, this fact notwithstanding, we are one civilization. The next century will be the century of civilizations. That is why I insist on making all world politics, especially the politics towards my country, clear and comprehensible, and the politics of equal partners. I want you to criticize us and to tell us the truth, no matter how unpleasant it may be. In that case, we would then have the right to say, for example, that the bombing in Kosovo was a complete disaster. The Chechen conflict is in many ways a result of that bombing in Kosovo, which I perceive to be a clear failure of Western democracies. The solution was to be found neither during the TV show in Rambouillet, nor in Belgrade, but it was to be found in Moscow. It was necessary to convince Moscow to stop supporting Milosevic. The Western countries did finally realize this in May, but it was too late by then.



Prize for the Russian People

To sum up, I would like to say that this prize is a great honour for me, but it does not quite belong just to me. This prize belongs to the many, many millions of my voters. I was third in the last Presidential elections, and I can say that 15 years ago, no one could even imagine that a man expressing my ideas today could come third in a Presidential election and say the very same things in Prague and in every Siberian village. So, this prize goes to the people of Russia. Thank you very much.



Discussion

ANNA SINGEROVÁ, student, Prague School of Economics:

You spoke about the visa policy. As I see it, there are three possibilities to choose from. First, to introduce no visa requirements at all, which contradicts the effort of the Czech Republic to join the EU. Second, to issue visas at the borders, a policy practiced for instance by Hungary. And last, to issue them in Moscow only. Which one of these possibilities would you prefer most?

GRIGORY YAVLINSKY:

First of all, I am no specialist in these matters. I am no government official who knows everything about the process of issuing visas. Second, it does not pertain solely to the Czech Republic. You are now entering NATO and have your own concerns. The visa policy is one of the common policies of the EU. When I was complaining about it earlier, it was not directed against your country. By the way, I do not think there are any particular problems here with respect to the Czech Republic since, as far as I know, it is possible to obtain the visa. The visa requirement is a general problem concerning freedom of man and his rights. Truth be told, this issue is a very complex and contradictory one. But the idea I wanted to express was the following: if we are to find a solution, then some kind of imperative has to be set. I, for instance, can offer my solution that every Russian citizen with a passport is entitled to spend 3 months in Europe. Having a valid passport would thus represent a possibility to spend three months in any European country without any special visa. This is a task for experts to negotiate. However, the task has to be specified first, so that someone can start working on it.

RADOVAN KAČÍN, MegaPrint Praha:

One week or so ago, the Russian newspapers reported on the new advisor to President Putin, a Mr. Larionov. From our point of view, it was quite a good news since the new advisor is said to be very much in favor of reforms, rumors have it that he even recommended some books on liberalism to become mandatory school reading. Furthermore, it was mentioned that President Putin has in his presidential library the works of the Russian-American philosopher Ayn Rand and her opinions are very liberal. Do you think that, given these facts, one is justified in expecting a positive development?

GRIGORY YAVLINSKY:

Soviet political thought certainly has its own rules. For example, I would not be too surprised to find the advisor of the Russian President to be F. A. Hayek and the Prime Minister to be Karl Marx. Now, seriously. First of all, I want you, along with us and all the Russian journalists in particular, to stop thinking about life in Russia in such terms. Let us put an end to this, really, I am tired of it. I am not interested in what is the name of whose advisor. When it concerned the crazy members of the *politbyro*, whose average age was some 200 years, it was clear to me why the people afterwards analyzed what was going on in the Soviet Union by looking at who is around whom and who is whose advisor. Now the President of Russia is a man who is younger than I am. Only by six months, but nevertheless younger than me. Such analyses are not important anymore, only the actual steps, i.e. what he is doing and not what he is saying, are what matters. One day the President may be saying that he is for democracy and liberal economy, and Mr. Larionov may have a portrait of one of the most liberal economists hanging right in his office. The next day, however, he is saying that everybody who keeps relations with former foreigners will be punished. So forget about that. Look at the level of the taxes, the situation with regulations, look at how big the government is, how complicated its procedures are, whether it is possible or not to

open your own business, and whether or not it is possible to protect your business against blackmail from the state. These are the important questions. All the other questions are no longer important, forget about them.

DUŠAN TRÍSKA, CD-F:

In your speech you made a lot of comparisons to Hungary, Czech Republic and Poland. Could you please now make a short comparison to other countries, especially to some ex-Yugoslav and ex-Soviet countries, namely Ukraine and Belarus.

GRIGORY YAVLINSKY:

The key problem is that in Russia the political change takes place very, very slowly. Soviet-type of leadership and rule is deeply rooted, and this holds true for almost all the former Soviet Union republics. The problem is that at the beginning of the 90's, there was no real change in the political system. There was some change in the rhetoric but no change in the political process. For example, in Belarus, Ukraine or in Russia, you cannot find an independent judicial system. It is very hard for the economy to function if the only way to negotiate with your competitor is with the help of a gun, and if you have no ability to speak with anyone by means of law. This applies to all the major former Soviet Union countries...

DUŠAN TRÍSKA:

Could you then assess what country in this region has progressed the most and is the closest to developed western countries in terms of entrepreneurial climate?

GRIGORY YAVLINSKY:

Compared to Russia, I think the Baltic states are much better off. Russia acts like a drug addict in terms of oil and gas. The whole economy is based on oil and gas pipelines. In a sense, the fact that we are rich in these raw materials is a problem for us. And the Ukrainians? They have a different approach. They are

making holes in our pipelines, and they also have a problem. Now all this must change.

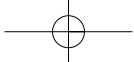
EL. KOLOMIJTSCHENKO,

Radio Free Europe, Russian division:

Mr. Yavlinsky, today you have been awarded the Liberální Institut Prize. But does liberal democracy really solve all of the questions arising in society? We now face a brand new phenomenon. In rich countries such as England, Germany or even the Czech Republic, young people demonstrate on the streets. Such anti-political protests take place in all countries with established liberal democracy. I do not know whether this phenomenon can now be found in Russia, but surely not in such proportions. How do you explain this?

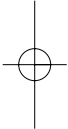
GRIGORY YAVLINSKY:

Briefly, my explanation can be summarized in one word: "life". There is nothing unnatural about that. Along with one set of problems being solved, there are new ones cropping up. In Russia, we can expect the same. The major problem in Russia is poverty and distress. This is being solved by liberal democracy. There will surely be new problems, and we will try to solve them one after another. I am convinced that there is no special Russian way. I am convinced that principles that work in other countries will work in Russia, too, once they are applied there. I am convinced that if you set the income tax at 10 %, people will pay it. If, however, the tax is 80 %, then they will not pay it under any circumstances. In this sense, I cannot see any difference between the USA and Russia. Of course, there are certain differences: in the USA, the sexual scandals of the President are looked into by the prosecutor, in Russia the President looks into the sexual scandals of the prosecutor. There are differences among liberal societies. Differences on such a level are not too surprising since they are the products of different customs. In the Czech Republic, nobody cares about this, and in Paris, such scandals can actually boost the popularity of a politician. I do not know

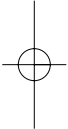


how to explain it. It is just the way it is, it is life. I am not saying that I have a solution for all the problems that mankind faces. I only wish my country were not feared and were a powerful country. In my view, a powerful country is one with world class education, medical care and a modern army able to defend its boundaries. This I would call a superpower. And this can come true by means of liberalism and freedom. Then new problems will appear. There is one Russian saying: "If we only had their problems!" Our problems are much more serious.

JAN ZHRADIL, Member of Parliament:

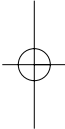
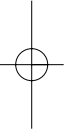
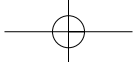


I share many of your views on international policy including your evaluation of the Kosovo war. I think you are quite right in speaking of a double-faced Western policy, but I have a rather different opinion on the Chechen war. I think that on one hand there is certainly an abuse of human rights, but on the other hand there is an attempt at secession by one part of Russia. And I have to tell you that Russia broken up into hundreds of so-called independent regions run by authoritarian rulers is one of my worst nightmares. I think that unless the Chechnya problem is settled in one way or another, this danger is very real. I would like to know whether you share my opinion.



GRIGORY YAVLINSKY:

First of all, I completely agree that one of the main threats is the disintegration of Russia. This would be a boundless tragedy for the whole of Europe. I would like to mention something I consider very important. Russia has the longest borders with the most unstable and dangerous regions in the world. South and southeast of Russia, there are Afghanistan, Iran, Iraq and Caucasus. The only safe border that my country has at the moment is the western border. On all the other sides, maybe with the exception of the Far East, where there is the Japanese border, we face very real problems. Second, the people who live in Chechnya, for one reason or another, do not believe that they are Russian citizens. You can kill them, you can create a concentra-



tion camp there, you can take the territory and push them away, but you cannot subject them to a federation if these people do not think of themselves as citizens of my country. So that is why the main task for Moscow is to see the people as Russian citizens with human rights and to separate them from terrorists and bandits who have to be fought against. Moscow has not been able to do this so far, they cannot see the difference between the people. They do not see that the number of terrorists is about ten percent of the entire population of the region. And finally, there are procedures in the Russian constitution that give separatists the right to make their ideas reality without using weapons, by way of normal political procedures. I am not going to say that the separatists must be isolated, killed or whatever. I am only saying they must stop the shooting. They have to find a civilized way to implement and practice their ideas. And, to repeat, these mechanisms are guaranteed even by the Russian constitution. Finally, the integrity of Russia depends overwhelmingly on the type of policy adopted by Moscow. The key to preserving the integrity of Russia is to protect human rights. That is the only way to fight the feudalistic practices of various independent rulers who really present a serious danger.

JAROMÍR SEDLÁK, Futurological Society:

What do you think of the current self-criticism of the West, which admits that their experts ill-advised you? And what do you think of the advice you received from this country, which, unfortunately, was not quite right either?

GRIGORY YAVLINSKY:

As far as the advice coming from the Czech Republic is concerned, I do not know anything about it. Maybe it involved some secret advice to the President. I simply do not know.

As for the advice from the West, I say so for the third time: everyone is allowed and welcome to give his advice, but the final decision must be made by us. And if we make a wrong decision, it is our problem, not the problem of the person who gave the

wrong advice. The advice might be perfectly well meant, but it might not be applicable to Russia. After all, why not dispense advice to others if it pays so well?

How can we know whether the advice is right or wrong? First of all, we have to look at whether the person giving advice is prepared to heed the advice himself. And we ask everyone, especially western countries, not to give us any advice that they are not ready to act upon themselves. For example, in April 1996, the G7 came to Moscow to tell the Russian people that they must elect Yeltsin. I had the privilege to meet almost all of them, and I always asked them whether or not they were prepared to have Yeltsin as a President or Chancellor of their own country? My question, of course, always met with a smile. Well if not, why do they give such advice to us? The same happens in other areas as well. Since we cannot rely on advisors, we should create our own knowledge on what to do. And we are very grateful to anyone who sincerely wants to help us, but our reform is our own task, and we have to rely on ourselves.

QUESTION:

As a journalist I would very much like to know your opinion on the ecological situation in your country, a situation I myself had the chance to see for real. I read in the newspapers that unless Russia takes the road towards recovery, in 150 years it could disappear from the face of the Earth.

GRIGORY YAVLINSKY:

We have not only ecological problems, but also very special problems regarding the whole nuclear industry. I mean producing nuclear weapons, having nuclear plants and things like that. We have regions in Russia which were damaged just like Chernobyl during different nuclear tests, and this is certainly a tragedy for us. But the state of our economy, our unstable political situation and the complete poverty in the country do not allow us to take any serious steps in this area. The only visible progress is the fact that the situation is becoming publicly rec-

ognized as a problem. Taking the practical steps is prevented by the limitation of resources and also by the absence of political will.

PETR SADÍLEK, Medical Information Center:

I would like to ask you two questions regarding health care. First, whether one can speak of any reforms in Russia during the last ten years in the field of health care. And second, what is the recipe of your movement for financing medical care, in case you win the elections?

GRIGORY YAVLINSKY:

There were several attempts made in Russia in the last ten years to reform the health care system. The main goal now is to restore the level of the health care system to that at the beginning of the 90's. The system is now in a pretty unhappy situation. During the Yeltsin era, in the last five years, almost nothing happened. There were only endless talks on the subject. In this respect, I would like to remind you that all these different reforms, such as military, housing or health care reform, were part of the "500 Days" reform package.

I will try to explain the situation with the help of a short story about two hunters who decided to go on a hunt. They hired a very small aircraft and went to the woods. When they arrived to the woods, the pilot implored them not to hunt big animals, bears for example, since they would not fit in the aircraft. Upon returning to pick them up, he found the hunters with two giant bears. He asked them why they killed them despite his advice. They replied that he had given them the same advice last time, but for \$100 there were no problems fitting them in the plane. And so they offered \$200 this time, and the pilot began to load the cargo. At the end of the day, he finally managed to stuff the two bears in. Eventually, the hunters squeezed in as well, and after a couple of attempts, the pilot managed to shut the door and took off. After a twenty-minute flight, the plane crashed, but luckily, no one was hurt. Once the hunters crawled out of the wreck, one says to

another: “Do you have any clue what might have happened?” — “No idea.” — “Any idea where we are at least?” — “Don’t know, but I think we might be some two kilometers from the place we crashed last time.” This is quite like our reforms. After a painful experience, we find ourselves on the same spot we set off from.

VLADIMÍR RUDLOVČÁK, Cautor Consulting:

You have compared the situation in the Czech Republic, Poland and Hungary to the situation in Russia. You concluded that the reforms in the former countries were successful after all. We of course understand that Russia was in a different position. What is considered success in Russia, for instance, has to be judged differently in the Czech Republic.

Regarding your suggestions that it is essential to introduce an independent judicial system, I can say that this has been done in the Czech Republic. I do not think it works, however. It simply does not work from time to time. Sometimes its working is even counterproductive. It is not enough to introduce a system, label it somehow and delimit its workings by legislation that resembles, say, anglo-american law. In order for this system to work, certain human relations must be in place. I do not know what you exactly mean by the statement that it is necessary to introduce such a system, but I am not sure this is achievable in Russia. I will give you one more example: our problems with the capital markets, which are connected to the type of privatization scheme we chose. At one point, for instance, it became fashionable to speak of the necessity of securing the full protection of minority stockholders’ rights. Of course it was enacted, but the result is that the minority stockholder is not much better off. The current situation pretty much resembles the situation before. The minority stockholders started terrorizing the entrepreneurs, and so the fact that such stockholders were given rights analogous to rights existing in developed market economies works against the system. Could you please comment on how you imagine implementing such norms in Russia? I think the situation in our countries is, in this respect, comparable.

GRIGORY YAVLINSKY:

I will start by saying that if the success of the reforms in Russia is to be measured by different criteria, then my presence and speech here in this hall is one of the greatest achievements of our reforms. This is evidenced by the attendance of two Russian TV stations, one state and one private, at this event. What I have been saying here will be known in Moscow today, and this is a great thing. I always evaluate reforms horizontally, not vertically. By that I mean that my sons, for instance, will not compare their standard of living to the standard in Russia 20, 30 or 50 years ago, the standard of living of their grandparents' times. I am not saying it is good or bad, it is just the way it is. On the contrary, they will compare their standard of living with the standards of the people of their generation three-hour drive or flight away from them. They will look how their own generation lives in Europe. The success of reforms can be gauged, in my opinion, by the extent to which we move towards, or away from, the situation in which our children and grandchildren would live under the same conditions, would have a comparable status and did not envy anyone. It does not mean we will not face any problems anymore. But it does mean that the fundamental problem of comparing the standards of living would be done away with.

Regarding the independent judicial system, I think it is an ideal that is approached very slowly but that is rarely actually reached. I, for instance, do not like poking into the Clinton–Lewinsky affair, which I was joking about earlier. I am not sure whether this is beneficial or not. But the non-existence of a functioning judicial system leads to unlimited crime. In Russia, the existing judicial system corresponds to our possibilities, and it works in a certain way. In the Czech Republic, if two businessmen get into some kind of dispute, they do not shoot each other, but they go to court. But in Russia, no one goes to court since there is no point in doing so. It is, however, impossible to live like this, it is ignoring the values of the society. We have to deal with it and find a solution. Maybe in Russia, we will find a more effective solution than you did in the Czech Republic.

In order to do so, we would have to search for it, but no one does so in Russia. The Russian Federation has never had a President who would declare private property inviolable and the courts independent of him. What is happening is that Putin decrees that the former President and his close associates shall not be prosecuted. I am not in favor of organizing political trials against Yeltsin. On the other hand, such a decree of Putin's will can only sweep everything under the rug. It is necessary to settle this sensitive issue. It is an enormous problem with many connections. When I talk about this I think of the gradual creation of a civil society. Russia totally lacks such society, and the people in power have even developed a certain distaste for regular political life consisting of political parties, clubs or civil associations. In the old Soviet tradition, this is the nub of our controversies. The truth is that independent people irritate people around them and are therefore suppressed. Of course they are not being killed as in the past, at least not the important ones. Anyway, we are at the beginning of a complex and tedious process.

As far as the minority stockholders issue is concerned, it has to be noted that it is rather a technical problem, one of the many. It is clear that if the working of a company is directed by thousands of people, what you get is a *kolchoz*. It has to be solved by legislation somehow. I do not deal with these questions, but I know that the GDP *per capita* was halved in Russia and doubled in the East European countries. This is the answer to the economic questions.

JOSEF ŠÍMA, Liberální Institut:

Mr. Yavlinsky, my question focuses on the issue of money. You mentioned a couple of hyperinflationary periods in Russia, and you also talked about your experience with various monopolies. I am interested in learning what is your view of the institution that epitomizes both evils – the monopoly producer of money: the central bank. Would you like Russia to have the so called politically independent central bank, or would you go even further and claim that such monopoly is as harmful as any other monopoly?

And if not, is it because you just find it politically impossible, or because you do not think that competition in provision of money is compatible with your conception of human rights and private property? I would be happy to know your answer to these questions.

GRIGORY YAVLINSKY:

Every tough question has its tough answer. Money is an institution that can originate only as a result of competition among independent private economic players. This is the starting point. Thus the Soviet money was no money at all. Equally so, money in the centrally planned economies is not the same kind of institution that one understands under that term in market economies. So as long as there is no competition and no private property, there is no real money either. Russia today finds itself in a state when neither private property nor competition is appropriately developed. This is one of the many reasons why the Russian currency is so unstable. Now the real money will emerge only gradually, as the Russian market is becoming more and more transparent and institutionalized.

After these necessary steps are taken, we can consider your question. I am not saying that the idea you presented in your question is entirely absurd. In some of my works I deal with such problems, too. I describe the money question as a grand dilemma of whether or not it will prove necessary to change the system and de-monopolize the provision of money. In any case, however, it is certainly too early to discuss these things with respect to Russia. I would ask you whether it is necessary to have one central bank for the whole of Europe. I would say this question would be much more interesting and timely since there is already such a bank, and the contrasts among Germany and Spain and Great Britain are much more pronounced than the variance between different regions in Russia. In spite of this, you do have one bank, which presupposes a unified fiscal policy etc. This is a problem that has to be discussed, but I am not going to

express any opinions on European problems since we have enough of our own problems in Russia.

JIŘÍ SCHWARZ:

Let me ask you a similar question that focuses on this issue. What is your opinion on the Euro as an artificial currency, which is only a product of the European politicians' will, and what do you think its future looks like?

GRIGORY YAVLINSKY:

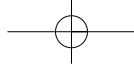
All the answers were part of your question already. Now, seriously, I have to confess that I am not prepared enough to discuss this complicated issue that requires a great deal of knowledge of the preparation process and of its functioning. Moreover, it is a problem that is quite distant from being a burden for today's Russia. The only thing I can say is that for me as an economist, the concept of the common European currency seems very dubious. I cannot imagine that countries so different in their tax systems, culture and stage of economic development can have a common central bank.

JIŘÍ ZEMAN, SEVEN:

I have quite a lot of friends in Russia, but most of them have recently moved, married or gone in search for jobs out of the country. I just wanted to know whether this is considered a major problem, or whether it is just a marginal issue with no substantial political impact, for instance, on your movement.

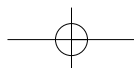
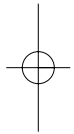
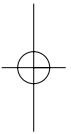
GRIGORY YAVLINSKY:

More and more of my voters do reside abroad, and I would not say it is something that makes me happy. One of the major tasks of my policy is to make all the Russian citizens who left Russia want to return. I know it is very ambitious. I do not want just to become a Russian President. My major resolve is to be able to have a speech for the Liberální Institut here in Prague twenty years from now and say: "As you surely remember, in 2000,



Russia was in a disastrous state. With a dysfunctional economy, high crime rates, corruption and war in the Northern Caucasus, nobody believed we would be able to find a solution. Now, after twenty years, Russia has world class educational system, health system and economy, and we are standing at Europe's door." These are my ambitions. After they are fulfilled, all of my relatives and countrymen will return to Russia.

Thank You.



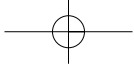
Press Conference

JAROMÍR SEDLÁK, Futurological Society:

Do you really think that liberalism has solved all the problems over the last 150 years? Certainly you cannot ignore the many problems, for example in the United States, concerning the environment or the difference between the poor and the rich. There are certainly things that cannot be solved without the help of a government. I would really like to know what you think about this.

GRIGORY YAVLINSKY:

First of all, allow me to state that when I spoke of solving key questions, I meant the various aspects of the process. I put emphasis on human rights. I said that the most basic thing that must be implemented, and which would also solve many other problems, is the enforcement of human rights. There is no doubt about that. Respect of human rights is the only way to fight poverty. The application of liberalism, as an economic theory, was always implemented by the political process. Liberalism as such has never existed, just as pure iron does not exist in nature. That is why I interpret liberalism as a tendency, for example, toward low taxes or a minimal state. When I state that liberalism is the only way out for Russia today, it is a very pragmatic statement. Why is it a pragmatic solution? Because it is impossible to conceive that we could ever have an incorruptible government. And in this case, the only practical solution (if an incorruptible government is impossible) is the maximal deregulation of the economy, a decrease in taxes and the protection of human rights. They say that if you have nothing to give to a human being, then you should give him/her freedom. That is why I think that in the next twenty years such a liberalized environment could be very

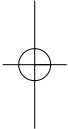


fruitful, because it would finally give people the opportunity to do what they really need to do. Moreover, history shows that the Russian state apparatus has an extremely strong tendency to oppress its citizens. I therefore do not view liberalism as some kind of religion, but as a very practical means of depriving the post-soviet bureaucrats of their power over people and as a means which would allow the country to move forward on its way toward prosperity.

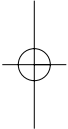
JAROMÍR SEDLÁK:

You are right about the current situation in Russia, but I was referring to more general problems, such as the global regulation of capital. Please do not apply Russian problems to the whole world.

GRIGORY YAVLINSKY:



I am honored by your suggestion that the Russian solution to economic problems could somehow affect the entire world. I do not think that in this sense Russia's position is very important, but since we are talking about regulation, I would like to mention something else. Liberalism is very hard, and I do not mean it in the sense that people who can not work should die of hunger. That is not real liberalism. The hardness refers to the strict and uncompromising enforcement of law. Of course, even the financial market must be regulated by law, and that is why I said in my lecture that capitalism unrestrained by law becomes some kind of a wild animal.



MILAN ROKYTKA, freelance writer:

My question concerns the theory of the minimal state. Precisely this theory, practiced for 200 years by the American administration, has failed. Libertarian economists such as Murray Rothbard and Hans-Hermann Hoppe advocate the introduction of competitive elements into the state security system, which has no competitive feedback. In its absence, a politician such as you can easily become the puppet of the state security

agencies. Have you given any thought to how you could include such a competitive feedback into your political system, which would thus lose the negative aspects of a state monopoly?

GRIGORY YAVLINSKY:

This is a special press conference, it rather resembles a scholarly seminar. I am not sure who your readers are. If they are members of the science academy, then it is certainly suitable to continue in the same spirit. Of course I will try to answer you as best as I can.

We should not go into absolute extremes. When we speak of a small government, or a minimal state, it does not refer to the complete destruction of government, but to the attempt to create a government that is needed in a given country. I could go into great length on this theme, but I will put it differently. The entire Marxist theory was based on a false basic principle, on which everything else was logically based. Today, we can safely say that in Russia, there are many problems for which the government should be responsible; for example, for the creation of a transparent banking system, the elimination of monopolies, correction of privatization, creation of a good social security system, the fair division of wealth etc. Of course, the problem is where to find such a government. But if we decide that we do have such a government, then we can deduce from this fact many responsibilities for the government. But since we do not have such a government at our disposal, we must find other regulatory mechanisms. So that is what it is all about. And the experience of the United States, especially in the economic sphere, shows that the States have resolved this problem pretty well. Of course, every country has many problems, but the U.S. has at least solved its economic problems.

Czech TV:

What can your movement offer to the people now, after Vladimir Putin was elected?

GRIGORY YAVLINSKY:

We are, for example, designing a tax system that would lead to a rapid decrease of taxes so that the income tax of individuals would be flat, not progressive, and would not exceed 10 %, and the corporate tax would not exceed 20 %. Then we are suggesting substantial changes in indirect taxes. Along with taxes, all the social expenses should not exceed 39 %, and companies should be able to use about 80 % of the money they make for their own purposes. And if even then they will be unable to pay the taxes, they will declare bankruptcy. In Russia, the shadow economy is about 40 % of total product, and I am actually offering the shadow businessmen a deal: we will substantially decrease your taxes, and you will leave the shadow economy. I do not see any other solution.

Now I would like to explain to you why I do not like to talk about things on a general level. I am advocating a system where expenses such as medical care would be taken out of the income tax. I will present an example. When someone gets new teeth made, then this expense will be subtracted from his/her tax obligations after presenting the proper receipts. This will prevent what is happening right now in the shadow economy, which is that the dentist work in the shadow and does not pay any taxes. After the patient submits the receipt, we will know about the dentist's work, and he will not be able to hide it. He will then have to pay a low tax, but at least he will pay some tax. And that is how it would be everywhere, for example, companies could subtract food expenses or outside services from their tax obligations, and consequently, such services that would otherwise remain on the black market would be taxed.

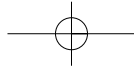
And now you ask me, if anyone listens. The problem is that taxes are so high, because they can at least allow for a balanced budget on the paper, which is necessary in order to get loans from the IMF. Of course, what I am suggesting will lead, at least in the beginning, to a decrease in income and therefore to an imbalance on the paper. Unfortunately, no one is interested in the fact that the budget is balanced only on the paper and that in reality there is no income.

HN (Czech economic newspaper):

At the moment, Communists have lost their strong position in the parliament. Will you therefore cooperate with the Union of the Rightwing Parties in order to foster liberal tendencies in the Russian economy? And is there any danger that such a cooperation could lead to the creation of some kind of hybrid?

GRIGORY YAVLINSKY:

In January, Putin gave the Duma and all the parliamentary committees to the Communists for some reason. This is a strategic question because if they, for example, control the Education Committee or the Resource Committee, or if the nationalists have the chair of the Foreign Affairs Committee, or if Zhirinovskiy is the vice-chair of the parliament, then the situation is such that the Communists may not have won the elections, but they control everything. We want to cooperate with the Union of the Rightwing Parties, even though we have our differences. For example, we have a different opinion on the Chechen War and on certain economic issues, but the main problem is that it is hard to work in the Duma now. In the last half year three new laws were successfully approved, mainly because new people appeared after the elections. Our party, which has seen three administrations, all of a sudden lost half of its seats. I am sure the reason was our opinion of the Chechen War. But the greatest and most important problem is that the government is presenting the parliament with laws that greatly support bureaucrats, which have now generally come alive. For example, according to a new administrative law, if a driver breaks a driving regulation, a policeman can now confiscate his car for 15 days and incarcerate the driver for the same length of time as well. Of course he will not really do this, but the law today allows it. Similarly, there is a large financial range within which the police can give a ticket. There is a twenty-fold financial difference between the minimal and the maximal fine.



QUESTION:

Are you prepared to enter the government, if you are offered a position, that is?

GRIGORY YAVLINSKY:

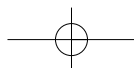
Politics knows no conditionals.

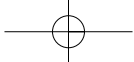
QUESTION:

I am familiar with your opinions on particular issues, such as education or human rights, because I read your books that are published in the West. I would like to ask, however, what specific political mechanisms do you have for the implementation of your opinions, and how do the structure and the inner mechanisms of your party look?

GRIGORY YAVLINSKY:

I think that it is very hard to build liberalism in Russia without good regional party structures. Yabloko has 63 regional organizations. Each is divided into 3 districts, and each district has at least 3 local units. Every year we hold registration. This year, in the first four months, 43 regional organizations were newly registered. We really are building the party from grass roots. You could say that our party is the first truly civil organization in Russia. There are no laws about political parties, and the official bodies are hostile to them. I will not even mention the pressure the governors exert upon them. That is why the process of building civic parties in Russia takes so long. And what is the main mechanism by which I spread my ideas? My 85 kilograms of weight and my 182 centimeters of height. The central television is actually controlled by people to whom such ideas are completely incomprehensible, and the regional televisions are controlled by the governors. However, even in such conditions, we actually have 12 million voters, people who support us. The official number is 5.5 million, but in reality it is about 12 million. Of course, newspapers or television would work the best. The question is why we do not have newspapers. Because there are no



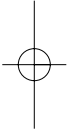


good newspapers in Russia – no one was able to create them. I can tell you what the problem is, if you are interested. It is more of a seminar than a press conference anyway. Russian political culture has significantly decayed in the past 5 years. The Russian television today exerts such strong influence on people that they can hardly resist it. Moreover, there is distinct financial censorship. We once thought that if political censorship is removed, everything will be solved, but now it is becoming clear that financial censorship is even more effective. Newspapers are published in small numbers, and all of them are owned by a group of oligarchs. So the most you can find out from them is what one of these magnates thinks about somebody else in other newspapers. They do not write about anything else. It has nothing to do with the reader nor with the social processes. The building of a civil society in Russia is therefore the hardest and the most important challenge.



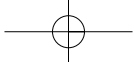
MARTIN TOMČO, ČTK:

I would like to know what is the current state of relationship between Russia and the West, especially the United States, in the light of the last statements made by Kremlin with regard to security agreements. In the beginning of the 1990's, we heard about the end of the cold war, but today western political scientists talk more about the end of the end of the cold war. What is your opinion?

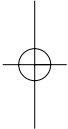


GRIGORY YAVLINSKY:

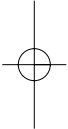
We must realize that the agreement against ballistic missile defense signed in 1972 was an agreement about mutual destruction. This concept of guaranteed mutual destruction played an important role, and it stabilized the world situation. Of course, back then the concept did not include the possibility that specific groups, and not the governments of civilized states, would control nuclear weapons. But today it is correct to suppose that a nuclear attack could be started by terrorists, who have not thousands, but maybe only ten nuclear missiles. This is a danger that



concerns everyone, not only the United States, but also Europe and Russia. Imagine if such a nuclear attack happened. All of a sudden, a missile could hit Great Britain, naturally calling forth a retaliatory attack that could trigger the 3rd world war. Today, Americans can talk about an anti-ballistic missile defense, but so can Europe. I suggest that the 1972 agreement is left alone, and two systems anti-ballistic missile defense are created, one for the United States and one for Europe. If you think about it, there is no way to do this unless Europe includes all of its geographic territory, from Portugal to Ural. Americans can then extend their umbrella over the ocean, so that this system will really cover everything. This would then include the creation of a Russian-European missile defense. This way the Russian technology based on the S300 and S400 anti-ballistic missile weapons tested in Greece, and placed in Cyprus as well, could be utilized, especially because they have turned out to be more precise in target destruction than the American Patriot missiles.



Yes, then we would see a true rapprochement of Russia and Europe, not only on paper, but in a very concrete case that is very important for Russia, for its military-industrial complex, but which is very important for Europe as well. I already spoke about this issue with Yeltsin, Putin, Albright and Senderson because, after all, this is a financial matter. I also wrote about it in Germany and New York Times. I spoke on this issue at the last meeting of the Security Board in Moscow, and I think it is a wonderful solution to the problematic relationship with Americans because the old strategic agreement will remain untouched. As far as the technical application is concerned, it has been worked on for the past four years, and we can already see very good results stemming from the cooperation of Russian, American and European experts.



Biography

Dr. Grigory Alekseevich Yavlinsky is an elected member of the Russian State Duma (parliament) and a former Russian presidential candidate. He is the co-founder and chairman of both the Yabloko party and its Duma faction. He also serves as the chairman of the Board of the Center for Economic and Political Research (EPIcenter), a private, non-governmental research institution based in Moscow.

Over the past decade, Dr. Yavlinsky has been at the heart of Russia's democratic and economic transition. Dr. Yavlinsky formed the Yabloko bloc in 1993 as the leading democratic alternative to the current Russian government. In the December 1993 Duma elections, Yabloko earned 25 seats in the parliament. In the 1995 Duma elections, 43 parties competed to have their representatives elected to the Duma, and Yabloko with its 46 deputies was one of the 4 parties that succeeded in this effort. In the 1999 Duma elections, Yabloko took 22 seats in the parliament. Under Dr. Yavlinsky's leadership, Yabloko has made principled stands endorsing real economic reforms, opposing the war in Chechnya and campaigning against corruption in Russian society.

In 1996, Dr. Yavlinsky ran for the President of Russia on a liberal platform, opposing the Yeltsin government. He placed fourth with over 5.5 million votes.

In 2000, he ran for presidency again and placed third, after Vladimir Putin and Gennady Zyuganov.

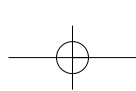
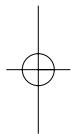
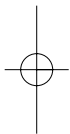
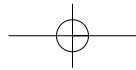
In 1990, prior to being elected to the Duma, Dr. Yavlinsky gained international fame as the co-author of the liberal economic plan – the “500 Days” program – which advocated a means for the Soviet Union to overhaul its economic and political institutions. In 1990, Dr. Yavlinsky served in the first Russian democratic government as Deputy Prime Minister. After the coup in

August 1991, Dr. Yavlinsky became a member of the Political Advisory Council to the President of the USSR. In 1991, Dr. Yavlinsky, working with a team of leading international scholars, also participated in the preparation of the G7 summit in London, where he lobbied for Soviet economic reform and international assistance for the Soviet transition. He then led the Soviet delegation at the annual meetings of the IMF and the World Bank. In 1992, Dr. Yavlinsky and a team from EPIcenter elected to put their economic theories into practice by devising and implementing a reform program – *Nizhegorodsky Prologue: Reforms from below* – for the economy of Nizhny Novgorod, Russia’s third largest city.

Besides the “500 Days” plan, Dr. Yavlinsky participated in devising the *Plan for the cooperation of Russia with the Western countries, IMF and the World Bank* (1991) and the *Agreement for Free Trade and Economic Cooperation between the Former Soviet Union Countries* (1991). As a trained economist, Dr. Yavlinsky has written dozens of books and articles, including: *Incentives and Institutions*, *The Transition to a Market Economy in Russia* (Princeton University Press, 2000), *The Russian Economy: the Heritage and the Possibilities* (1995), *Laissez-faire vs. Policy Led Transformation: Lessons of the Economic Reforms in Russia* (1994) and the *Grand Bargain* (Pantheon, 1991). Dr. Yavlinsky has also published editorials in the *New York Times*, *Financial Times* and other western newspapers.

Dr. Yavlinsky was born in 1952 in Lvov, Ukraine. He received his degree from the Plekhanov Institute of National Economy in Moscow (BS – 1973, Ph.D. in economics – 1978.) He lives with his family in Moscow.

More about Dr. Yavlinsky and his work can be found at
<http://www.eng.yabloko.ru>





<http://www.libinst.cz>

LIBERÁLNÍ INSTITUT

CENTER FOR THE DEVELOPMENT OF INDIVIDUAL FREEDOM, PRIVATE OWNERSHIP, FREE MARKET AND THE RULE OF LAW

The Liberální Institut is an independent, non-profit organization dedicated to the development, dissemination and application of classical liberal ideas and programs.

The Liberální Institut's activities are based on the recognition of the following principles:

- all men are created equal and are endowed by inalienable rights to life, liberty and property;
- individual freedom is the foundation of all other values, provided that it is understood as the negative freedom to protect oneself from external aggression, not as a positive freedom to manipulate others, and provided that freedom and the rule of law are inseparable;
- an individual knows what is in his/her best interest (the principle of utilitarian autonomy);
- freedom is impossible without the institution of private property;
- the rule of law defines the framework for permitted government activities and guarantees the enforcement of voluntarily agreed-upon contracts and promises;
- and the scientific theory of spontaneous market self-regulation and the general benefits of free trade (the principle of *laissez-faire, laissez-passer*).

The Liberální Institut was founded just after the "Velvet Revolution" in the fall of 1989 and became officially registered on February 6th, 1990.

It is funded from the proceeds of its activities, donations from individuals and from private organizations.

THE STANDARD ANNUAL PROGRAM

I. Research

1. Research activity consists of various analyses and research projects
2. Analyses are presented in the form of papers, case studies, articles and commentaries
3. Project presentations take place at discussion fora, colloquia and conferences

II. Educational activities

1. Economics for Leaders (Aug./Sept.)
2. Liberální Institut Summer University (Jun.)
3. A Road to a Free Society (Sept./Oct.)
4. The Gary Becker Prize for the best student paper in economics (May)

III. Cultural events

1. The Liberální Institut Annual Lecture
2. Regular discussion forums on current social and economic issues (monthly)
3. Tax Freedom Day

IV. Publications

1. Presentation of significant books and papers published by the Liberální Institut
2. Publication of significant contributions from discussion fora (monthly)

RESEARCH

The Liberální Institut's research activities at the macroeconomic level are not focused solely on the transformation of Czech society but also on monitoring and analyzing the current situation and ongoing trends in other countries that suffered from totalitarianism based on central planning as well. Moreover, as the transformations of society and economy gradually progress, more attention is being paid to the microeconomic level and to the development of the private sector. Focusing on such aspects requires going beyond economic research and turn attention to issues such as microeconomic public policy, legislation, government regulation and the efficiency of government administration.

OUR RESEARCH ACTIVITIES CONSIST OF ANALYSES AND PROJECTS

Subjects of our analytical and research activities are:

- Macroeconomic framework
- Development in the capital markets
- Privatization
- Development of public finance
- Deregulation

Completed projects:

- The Effects of a Ban on Tobacco Products Advertising in the Czech Republic (2000)
- Competition in the Czech gas industry (1999)
- Competition – the way towards the effective production and consumption of electricity (1998)

Continuing projects:

- Index of economic freedom – macroeconomic analysis and construction, comparison to other countries
- Cohesion of energy markets
- Railways as an integral part of the transportation market

- Competition and privatization in the postal services sector
- Deregulation and competition in telecommunications
- Free market environmentalism
- Tax reform
- Health care reform
- Privatization and deregulation of the water industry
- Education reform

In addition to these projects, the research activities of the Liberální Institut include theoretical research building on the philosophical and methodological heritage of Friedrich August von Hayek. The central role in this particular field is taken up by the project entitled **The Theory of Spontaneous Order**.

The Liberální Institut, in co-operation with other foreign institutes and universities, regularly organizes discussion fora, conferences and colloquia, in which prominent scholars, politicians, and entrepreneurs are invited to participate. The Mont Pelerin Society conference **Search for a Transition to a Free Society**, organized by the Liberální Institut and held in Prague in 1991, remains an unforgettable experience.

The **Hayek colloquium** held in 1999 on Hayek's centenary brought together many prominent scholars and experts who presented a broadly structured view of Hayek's work and legacy. Since this event proved to be very successful, we are preparing an international colloquium called **The 1950's German Social-market Reform and the 1990's Czech Market-without-adjectives Reform**.

EDUCATIONAL ACTIVITIES

After the political changes of 1989, the system of general economic education in the Czech Republic appeared to be at a dead end. In addition to a lack of skilled teachers there were few, if any, good teaching materials. The Liberální Institut played an important role in alleviating this problem. In 1990, a group of people involved with the Institut's activities translated **The Economic Way of Thinking**, a textbook by Paul Heyne, formerly a professor of economics at the University of Washington in Seattle. This famous book became the first standard economics textbook in this country available in the Czech language in almost fifty years, and the supply of 20,000 copies was sold out within a year. The Liberální Institut invited many internationally renowned professors to give lectures, which contributed to raising the standard of economic education in this country. The visits and lectures of Milton Friedman in 1990 and 1997, and Gary S. Becker in 1991 and 1995 were the most popular of all.

The Liberální Institut also supports the progress of economic education in the Czech Republic by awarding **The Gary Becker Prize for student research paper**. This form of financial support to students who demonstrate extraordinary interest in and knowledge of economic science is organized in cooperation with the Faculty of Economics and Public Administration at the Prague University of Economics.

In 1991, in cooperation with the Foundation for Teaching Economics (FTE), the Liberální Institut held its first conference **A Way to Economic Thinking**, which was attended by 310 participants. Since the conference was a great success, a similar conference was held the following year. Since 1993, the Liberální Institut and the FTE have held an annual seven-day seminar called **Economics for Leaders**. Every year thirty high school teachers and thirty high school students are selected to participate from a pool of applicants, which exceeds our capacity many times over.

Every year since 1996, the Liberální Institut and the Center for Liberal Studies have organized an advanced seven-day seminar for university students and early graduates entitled **The Liberální Institut Summer University (LISU)**. Participants are introduced to the theoretical concepts of classical liberalism, especially in the fields of philosophy, economics, history and law through lectures and small discussion groups. By virtue of the fact that the lectures are given by active, well known liberal thinkers from the U.S., Germany, Switzerland, Belgium and Slovakia, and are attended by young students from the Czech Republic as well as from Slovakia and Poland, the LISU is a project with an international character, importance and impact.

A Road to a Free Society is the third, most challenging educational project of the Liberální Institut. It is reserved for Master's degree graduates and PhD students, who present results of their research work.

CULTURAL EVENTS

The Liberální Institut has always publicly voiced its opinion on current political as well as economic issues. Its members and related experts have appeared in domestic and foreign mass media. Authors related to the Liberální Institut address current problems in our publications and their articles and other contributions are published in various newspapers and magazines. Further publications have been and are being published in cooperation with the Center for Liberal Studies. They explore such issues as capital market deregulation, social insurance, schooling system and liberalization of housing market. The Liberální Institut's publications are presented on **discussion fora** (belonging to the Freeman Discussion Club Network) in presence of their author, his/her opponents, government officials, MPs, academics and media.

In March 1995, in the presence of Gary S. Becker, Dr. Laurence Hayek and other renowned personalities, the Liberální Institut celebrated the opening of the **Friedrich A. Hayek library**. The

library contributes to promotion of classical liberal texts among students and improves the research facilities for the Liberální Institut's research fellows.

On the occasion of the Institut's 5th anniversary in 1995, the **Liberální Institut Annual Award “for the contribution to the development of liberal thoughts and for the realization of freedom, private property, competition and rule of law in practice”** was awarded for the first time. The Institut's Board of Trustees decides each year on the recipient of the prize. The laureate is then expected to give the Liberální Institut Annual Lecture.

LAUREATES OF THE LIBERÁLNÍ INSTITUT ANNUAL AWARD (AND THE TITLES OF THEIR LECTURES)

- 1995 Gary S. Becker (1992 Nobel Prize in economic science, professor of economics, University of Chicago)
Human Capital and Economic Growth
- 1997 Milton Friedman (1976 Nobel Prize in economic science, professor of economics, Hoover Institution, Stanford)
Free Market in a Free Society
- 1998 Roger Douglas (former Minister of Finance of New Zealand, author of extensive liberal economic reform – Rogernomics)
The Evaluation Criteria of a Successful Economic Reform
- 1999 Hans Tietmeyer (president of Deutsche Bundesbank, until 1999)
The Impact of European Monetary Union on Transition Economies
- 2000 Grigory Yavlinsky (chairman of the Russian liberal movement Yabloko)
Russia: A Thorny Way to Freedom and to the Rule of Law

The **Tax Freedom Day** represents an abstract divide that breaks each year into two parts. The first part symbolizing the length of time we have to work to earn enough money to pay all taxes (including mandatory social and health insurance), and the

second part symbolizing the length of time spent on making money that we actually get to keep. In other words, the Tax Freedom Day is the day when we begin to make money for ourselves, instead of working only for the government. In this way, the Day would inform the citizens about the tax level in their country. In 2000, the total tax level plus the mandatory insurance was 43 % GDP. Such level of taxation, if expressed in terms of a fraction of one year, corresponds to the period from January 1st through June 5th. The Tax Freedom Day in the Czech Republic was therefore celebrated on June 6th.

PUBLICATIONS

Due to numerous translations and publications, the Liberální Institut has become the most significant champion of liberal ideas, attitudes and theories in the Czech Republic. The Liberální Institut has published or will publish the following works:

- Adam Smith: *Bohatství národů* [*The Wealth of Nations*], 2001
 David Boaz: *Slabikář liberalismu* [*Libertarianism: A Primer*], 2001
 Ján Pavlík: *Teorie spontánního řádu* [*The Theory of Spontaneous Order*], 2001
 Murray Rothbard: *Jak vláda zničila naše peníze* [*What Has Government Done to our Money*], 2001
 Murray Rothbard: *Ekonomie státních zásahů* [*Economics of State Interventionism*], 2001
 Dan Šťastný (ed.): *The Liberal Economist Grigory Yavlinsky*, 2001
 Josef Šíma: *Trh v čase a prostoru* [*Market in Time and Space*], 2000
 Josef Šíma (ed.): *Liberální ekonom Grigorij Javlinskij* [*The Liberal Economist Grigory Yavlinsky*], 2000
 Dominick T. Armentano: *Proč odstranit protimonopolní zákonodárství* [*Antitrust Policy: The Case for Repeal*], 2000

- Roger E. Meiners, Bruce Yandle: *Jak common law chrání životní prostředí* [*The Common Law: How it Protects the Environment*], 2000
- Josef Šíma (ed.): Jerry Jordan: *Změněná úloha centrálních bank v XXI. století* [*The Changed Role of Central Banks in the XXI. Century*], 2000
- Josef Šíma (ed.): *Euro and Countries in Transition*, 2000
- Josef Šíma (ed.): Hans Tietmeyer: *Euro a ekonomiky v transformaci* [*Euro and the Countries in Transition*], 2000
- Josef Šíma (ed.): *Právo a obrana jako zboží na trhu* [*Law and Defense as Private Goods*], 2000
- Ken Schoolland: *Podivuhodná dobrodružství Jonatana Gullibla* [*The Adventures of Jonathan Gullible*], 1999
- F. A. Hayek: *Soukromé peníze aneb potřebujeme centrální banku?* [*Denationalisation of Money*], 1999
- Henry Hazlitt: *Ekonomie v jedné lekci* [*Economics in One Lesson*], 1999
- Israel M. Kirzner: *Jak fungují trhy* [*How Markets Work*], 1998
- Frédéric Bastiat: *Co je vidět a co není vidět* [*What is Seen and What is Not Seen?*], 1998
- Ludwig von Mises: *Liberalismus* [*Liberalism*], 1998
- Ján Pavlík (ed.): *Milton Friedman v Praze* [*Milton Friedman in Prague*], 1997
- Ján Pavlík (ed.): *Milton Friedman in Prague*, 1997
- Gary S. Becker: *Teorie preferencí* [*Accounting for Tastes*], 1997
- Milton Friedman: *Metodologie pozitivní ekonomie* [*The Methodology of Positive Economics*], 1997
- Milton Friedman: *Za vším hledej peníze* [*Money Mischief*], 1997
- Ján Pavlík (ed.): *Gary Becker in Prague*, 1995
- Ján Pavlík (ed.): *Gary Becker v Praze* [*Gary Becker in Prague*], 1995
- Friedrich August von Hayek: *Kontrarevoluce vědy* [*The Counter-Revolution of Science*], 1995
- Robert Holman: *Vývoj ekonomického myšlení* [*The Evolution of Economic Thought*], 1994
- Detmar Doering: *Liberalismus v kostce* [*A Small Anthology of*

- Liberalism*, transl. from the German original *Kleines Lesebuch über den Liberalismus*], 1994
- Milton Friedman: *Kapitalismus a svoboda* [*Capitalism and Freedom*], 1993
- Milton Friedman and Rose Friedman: *Svoboda volby* [*Free to Choose*], 1992
- Paul Heyne: *Ekonomický styl myšlení* [*An Economic Way of Thinking*], 1990 (in co-operation with the Prague University of Economics)

These books appear in editions of three to five thousand copies and are distributed in bookstores not only in the Czech Republic but also in Slovakia. *Free to Choose* by Milton and Rose Friedman became a best seller, much as it did in the United States in the early 80's. All copies were sold within four months.

Our most daring publication is Adam Smith's magnum opus **The Wealth of Nations**, which is going to be published in the Czech Republic for the first time after 42 years. This classical piece will satisfy not only economists, philosophers and historians for its content, but also bibliophiles for its thoroughness.

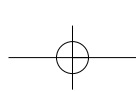
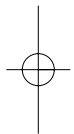
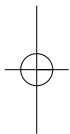
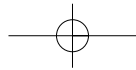
In addition to these books, the Liberální Institut publishes (in cooperation with the Center for Liberální Studies) a **series of separate studies, booklets and public policy papers**:

- M. Ševčík, J. Havel, P. Jílek, M. Ševčík Jr.: *Dopady zákazu reklamy na tabákové výrobky v České republice* [*The Effects of a Ban on Tobacco Products Advertising in the Czech Republic*], 2000
- Miroslav Zajíček: *Konkurence v českém plynárenství* [*Competition within the Czech Gas Industry*], 1999
- Libor Dušek: *Konkurence - cesta k efektivní výrobě a spotřebě elektrické energie* [*Competition - the Way towards the Effective Production and Consumption of Electricity*], 1998
- Círky a stát* [*Churches and the State*], 1998
- Drogy a stát* [*Drugs and the State*], 1998

- J. Schwarz, M. Ševčík, J. Sedláček, L. Štícha, D. Tříška: *Vznikne v ČR fungující kapitálový trh? [Will a Functional Capital Market Arise in the Czech Republic?]*, 1997
- J. Kinkor, O. Dědek, Z. Revenda, P. Zahradník: *Free Banking*, 1997
- Quo vadis, ODS? [Quo Vadis, Civic Democratic Party?]*, 1997
- Quo vadis, sociální demokracie? [Quo Vadis, Social Democracy?]*, 1997
- Walter Hamm: *Nastal čas změn – bytová politika ve střetu požadavků ekonomických a sociálních [A Time for Change – Housing Policy as a Battlefield of Social and Economic Requirements]*, 1996
- Friedrich Naumann: *příspěvky k pochopení osobnosti a díla [Friedrich Naumann: Contributions to the Understanding of His Personality and Work]*, 1996
- Vývoj českého kapitálového trhu ve střednědobém horizontu [Development of the Czech Capital Markets in Medium-term Horizon]*, 1996
- Václav Bělohradský, Jiří Musil, Josef Novák: *Občanská společnost [Civil Society]*, 1996
- Jan Dědič, Dušan Tříška: *Nad novelou obchodního zákoníku [On the Commercial Code Amendment]*, 1996
- Karel Čermák, Václav Kupka, Bohuslav Svoboda: *Profesní komory [Professional Chambers]*, 1996
- J. Staša, Vl. Roskovec, M. Ševčík: *Vysoké školy: samostatnost nebo státní paternalismus? [Universities: Autonomy or State Paternalism?]*, 1996
- Milan Znoj (ed.): *Naše současné spory o liberalismus [Our Contemporary Debates on Liberalism]*, 1995
- Zdeněk Suda, Jiří Musil: *Německo 1995: Bilance a výhledy [Germany 1995: Summary and Outlooks]*, 1995
- J. Šťastný, J. Biskup, J. Pfeiffer, J. Vrbík: *Aplikace individuálních přístupů v péči o zdravotně postižené [The Application of Individual Approaches to Health and Social Care for People With Disabilities]*, 1995
- Randall K. Filer, P. Rychetský, M. Strapec: *Liberalizace trhu s*

- byty v České republice [Liberalization of the Housing Market in the Czech Republic]*, 1995
- O. Schneider, M. Horálek, O. Výborná: *Státní penzijní systémy – časovaná bomba? [State Social Security Systems - Are They a Ponzi Scheme?]*, 1995
- Jiří Vaněk, Danica Slouková: *Hayekova obrana svobody [Hayek's Defense of Freedom]*, 1995
- Martin Hemelík: *De libertate [De libertate]*, 1995
- Robert Holman, Zdeněk Šrein, Michaela Erbenová: *Deregulace v českém hospodářství [Deregulation in the Czech Economy]*, 1995
- Tomáš Ježek: *Peníze [Money]*, 1993
- Ondřej Schneider: *Negativní důchodová daň a její aplikace v české politice [Negative Income Tax and its Application for the Czech Policy]*, 1993
- Ralph Raico: *Klasický liberalismus ve 20. století [Classical Liberalism in the XX. Century]*, 1993
- Ján Pavlík: *Decline and Ascent of the Expected Utility Theory*, 1992
- Ondřej Schneider: *Liberální ekonomie a daňová politika [Liberal economy and Tax Policy]*, 1992
- Jiří Vaněk: *Teleologie Karla Engliša a liberalismus [The Teleology of Karel Engliš and Liberalism]*, 1992
- Jiří Schwarz: *Ronald H. Coase – nositel Nobelovy ceny za ekonomii 1991 [Ronald H. Coase – Nobel Prize Laureate in 1991]*, 1992
- Jiří Schwarz: *Průvodce tržní ekonomikou I. [Market Economy: A Primer]*, 1992
- Ján Pavlík: *K základním předpokladům liberální demokracie [On Principal Prerequisites of a Liberal Democracy]*, 1990

The Liberální Institut and the Center for Liberal Studies have also produced two short documentary films about the visits of Gary S. Becker and Milton Friedman in Prague. Both of these films were broadcast on the Czech television.



PERSONNEL

President:

Dr. Jiří Schwarz
jiri.schwarz@libinst.cz

Director:

Dr. Miroslav Ševčík
miroslav.sevcik@libinst.cz

Editorial Director:

Josef Šíma
josef.sima@libinst.cz

Public Relations Coordinator:

Jana Preuhslerová
jana.preuhslerova@libinst.cz

Resident Research Fellows:

Dan Šťastný
dan.stastny@libinst.cz
Jan Vorlíček
Miroslav Zajíček, MA
mzajicek@libinst.cz

Analysts:

Martina Hábová
Pavel Jílek
pavel.jilek@libinst.cz
Michal Uryč-Gazda
michal.uryc@libinst.cz

Research Fellows:

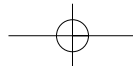
Petr Bartoň
Libor Dušek
Jan Havel
Prof. Thomas W. Hazlett
Radovan Kačín
Tomáš Němčanský
Miroslav Ševčík Jr.
Michael Volný

Academic Advisory Council:

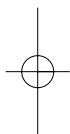
Dr. Boudewijn Bouckaert
Dr. Detmar Doering
Prof. Paul Heyne †
Prof. Hans-Herman Hoppe
Tomáš Hubka
Viktor Korček
Dr. Robert Nef
Dr. Ján Oravec
Dana Pospíchalová
Dr. Ondřej Schneider
Monika Strádalová
Ivan Švejna
Prof. Gary Walton

Administration Staff:

Martina Bartošová *martina.bartosova@libinst.cz*
Helena Havránková *helena.havrankova@libinst.cz*
Petra Vondrová *petra.vondrova@libinst.cz*

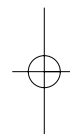


Board of Trustees:
Prof. Ján Pavlík (chairman)
Dr. Jiří Schwarz, Dr. Miroslav Ševčík,
Petr Šíma, Prof. Milan Žák

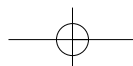


Liberální Institut

Spálená 51
110 00 Praha 1
Czech Republic
Tel.: +420-2-24 93 07 96, 24 93 09 01
Fax: +420-2-24 93 02 03
e-mail: *info@libinst.cz*
http://www.libinst.cz



Bank Account
Account Number: 55 94 88
Bank Address:
CSOB, a.s., obchodni sit IPB
Perlova 5
110 00 Praha 1
Czech Republic
SWIFT Code: INBA CZPP





<http://www.libinst.cz>