

The Fight for Freedom in Spain

Javier Fernández-Lasquetty

KEY TAKEAWAYS

A spontaneous order, generated by the preferences and free decisions of individuals, is morally preferable to (always coercive and unsuccessful) economic planning.

Politicians who govern as classical liberals, in addition to benefiting the economy, are important for the inspiration they give. And they win elections!

Economic freedom is the freedom to live and work as one prefers and not as one is ordered or incentivized.

These are words of thanks. Thanks to all of you for coming this morning to join me.

Friends with whom I have worked—people who, whether in business, in academia, or in politics—share the certainty that liberalism¹ has brought each individual greater opportunities, not only to live better, but to make his life his own, the one he has chosen, not the one that others have forced him to live.

Thanks to my family, in which some, being liberal in the European sense, still fancy liberalism understood in its American sense.

Appreciation to the University Francisco de Vitoria, which today welcomes us, and in whose classrooms there are excellent professors who can speak about freedom and do so in freedom.

And gratitude, above all, to The Heritage Foundation for the undeserved honor it has done me by awarding me this prize.

This paper, in its entirety, can be found at <http://report.heritage.org/hl1337>

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Thanks to the president of Heritage, Dr. Kevin Roberts, for coming to Madrid to personally present the award. It is an honor to receive it from his hands and to have the privilege of listening to his words.

Thanks to James Carafano, Vice President; Nile Gardiner, Director of the Margaret Thatcher Center for Freedom; and Mike Gonzalez, Senior Fellow. Their friendship and their desire to see Spain turn toward freedom, not socialism, far outweigh my limited merits in the decision to give me this award.

Thanks to Mr. Steven M. Sass for his generosity in establishing this award and for his kindness in coming to Madrid for its presentation. Mr. Sass has shown throughout his life his commitment to the ideas of freedom. He has also shown something that should be a lesson to us all: that it is in the nature of wise people to effectively support the ideas of freedom to grow, to strengthen, and to generate proposals and programs that make a positive impact.

The Value of Inspiration

The Heritage Foundation was created in 1973 with a clear mission: to formulate and promote public policy based on the principles of free enterprise, limited government, individual liberty, traditional American values, and a strong national defense. It has more than half a million members and is the think tank with the greatest significant impact on public policy, as ranked by the University of Pennsylvania.

Heritage Foundation has, among other things, the value of inspiration. I'm one of the millions of people who have been inspired by Heritage's papers, analyses, and reports, most especially the *Index of Economic Freedom*. I started following their activity in the early 1990s, when the Internet didn't even exist, and therefore there was no immediate online access to all their products. I remember that it was Esperanza Aguirre who gave them to me in photocopies. They served me since then, like many millions of other people around the world, to better understand how it is possible that a spontaneous order, generated by the preferences and free and responsible decisions of each individual, is not only morally preferable but has incomparably better results than all the experiences of economic planning, always coercive, always liberticide, and which also always fails.

That is why receiving this award, which recognizes economic freedom, is the best that someone like me, who has learned from reading Adam Smith, Jean-Baptiste Say, Friedrich Hayek, Ludwig von Mises, Milton Friedman—and who knows that at the origin of all this thinking was Juan de Mariana and a large and talented group of 16th-century Spaniards, grouped in the School of Salamanca—can aspire to.

Previous Award Recipients. I do not pretend to be at the level of the previous recipients of this award. Marcin Nowacki in 2022, active as an entrepreneur, as a business leader, and as an expert who advocates the elimination of regulatory barriers, fighting against monopolies, and favoring competition. All this in Poland, one of the countries that demonstrates that—to use Isabel Díaz Ayuso’s expression—communism can be overcome, but this requires moral clarity and enormous determination.

Something similar can be said of the 2021 laureate, the recently passed away Daniel Doron, leader and creator of Israel’s most influential think tank in favor of free-market economics. He rightly said that Israel’s experience serves as a lesson that globalization, that is, the increase in world trade, benefits precisely the developing countries, as Israel was at the time.

Inspiring Leaders. It was an incredible coincidence that led Heritage to present me with this Economic Freedom Award exactly three days after I left of my own free will the Regional Government presided by Isabel Díaz Ayuso. My intention, as you all know, is to leave active politics permanently.

Whenever I’m asked what got me interested in politics when I was 16 years old, I always answer the same question as when I’m asked what made me become a liberal. And what I answer is two names: Ronald Reagan and Margaret Thatcher. Earlier I spoke of the value of inspiring: Those were two inspiring leaders, and seeing them in action, contradicting with their decisions all the dogmas of the social democratic consensus, defending the free world against the threat of communism, and being enormously successful in both, gave me the advantage of being a liberal from the very beginning, without having had to waste my time being distracted by the chimeras of socialism.

How important are the leaderships of politicians who are liberal and govern as liberals. I will talk about Isabel Díaz Ayuso later, but in order to do what I have done, it has been very important for me to have worked with President José María Aznar, and with the brilliant group of young liberals who were with him, some of them present in this room today. Aznar took a government that was spending 43 percent of GDP [gross domestic product] and left it at 38 percent. Not even Thatcher and Reagan achieved such a devolution of the people’s ability to decide about their own money. That has always inspired me.

I can say the same about Esperanza Aguirre. Inspiring, enthusiastic, combative, liberal-liberal-liberal...and successful. Very successful. I worked with her for more than 12 years. She has been the one who has taken the first liberal and innovative decisions that have transformed the Comunidad de Madrid and also the axis of political debate. It is not a question of who

intervenes in a more benevolent way, but to stop intervening in the lives and finances of others. Or, as she used to remark at the beginning of the sessions of the Government Councils: “Remember, regional ministers, that we have not come here to regulate, but to deregulate.”

Liberalism excites, and enthusiasm is contagious. That is why the obsession of all anti-liberals is to try to ensure that no one is exposed to the ideas of liberty, but only to the distorted picture of liberalism that they want to convey. The Universidad Francisco Marroquín, where I worked for four years, helped me a lot to understand economic concepts and proposals that I was later able to put into practice in the Community of Madrid. Its then rector—my boss, my friend, Gabriel Calzada, president of the Mont Pelerin Society and also president of Universidad de Las Hespérides (that is now born to discuss and teach the principles that make possible a civilization of free and responsible people)—always says that the most important thing is that people, and especially young people, come into contact with liberal ideas. Simply that they read them and discuss them. Without intermediaries, without misrepresentation. Then it is [that] some—those who freely come to that conclusion—discover that socialism, as Mises said, should not be judged by its intentions, but by its results, because then it is seen that by proclaiming its protection of certain identities, the consequence of socialism is that it worsens the life of individuals, because there is no freedom if one is part of a collective in which others decide what one is and what one should be.

That is why what Isabel Díaz Ayuso is doing now in Madrid, and her impact throughout Spain and Latin America, is so important.

The Regional President has put the political debate at an incredibly attractive level because she is not afraid of the truth. She puts it in front of the people—and let each one make his decision. Freedom or socialism was not an electoral slogan. It was a handwritten sentence with which Isabel Díaz Ayuso wanted to present to the people, in an adult way, without hiding anything, how she understands her government. Every decision means more freedom or less, and freedom has adversaries—it also has enemies—who prefer to take over the freedom and property of others. And then you choose what you prefer.

These years of Isabel Díaz Ayuso’s government show that it is possible to make a liberal policy.

To lower taxes 20 times in four years is to make people freer to decide.

Putting hyper-regulation on the political agenda and repealing or suppressing 205 regulations of the Community of Madrid in two years is to make it possible for entrepreneurs to invest and innovate without having to ask permission from the authorities.

Keeping public spending in line with revenues, being the Spanish region with the lowest public debt, is to respect the citizens of the following years because we have not spent now the money that they will generate in the future.

To pass an Open Market Act is not only to believe in Spain as a unity, but it is also to invite man's best friend, competition—the competition that forces the businessman to strive to better serve the needs of people he does not know if he does not want his rivals to beat him in that virtuous competition.

Showing how 68 billion euros ha[s] been saved in taxes by the people of Madrid since the tax cuts began allows us to see that there is indeed greater economic growth. Since the tax reduction policy began, Madrid has grown at exactly twice the rate of the national average. That is why it has become what it had never been before: the first region in terms of GDP, the economic engine of the country, and one of the most dynamic in Europe. And that helps liberal ideas to broaden their impact and scope because it is proven by data that when they are applied is when people's welfare grows, starting with employment: 368,000 new jobs created by companies in Madrid in the last four years.

Fighting the alleged “tax harmonization” that the socialist government of the nation has sought, without being able to complete it, has meant defending the obvious: that taxing wealth is to seize the savings and investment of its owners. Therefore, it punishes savings and investment. And with less savings and less investment, there will be fewer companies, smaller, with less turnover, and therefore with fewer people employed. As socialism always does, it will result in more poverty. Luckily, even before the Constitutional Court declares the obvious unconstitutionality, it will be repealed by what I hope will be the next government of Spain.

All this has been the fruit of Isabel Díaz Ayuso's first term as president of the Comunidad de Madrid and all that she has already committed to advance further along these lines in the next four years. A hard job will have to be done by Rocío Albert, once again a liberal, a member of the Mont Pelerin Society like me, at the head of the Regional Ministry of Economy, Finance and Employment. She will do it brilliantly, and in doing so she will contribute to a political phenomenon that is little talked about: When you make liberal policy, in addition to applying the principles we believe in, you win elections!

This is something that many political consultants do not see, although the evidence is right in front of their eyes. Here in Madrid, with the electoral victories achieved for more than 20 years, and clearly in the last two elections. As long as people notice that you are not ashamed to make a liberal

policy, nor do you try to hide it. That is the key. That liberals make a liberal policy, in the same way that socialists make a socialist policy.

Upcoming Elections

That is why I am confident that within a month Spain will have a new parliamentary majority, and that Alberto Núñez Feijóo will be elected President of the Government. To repeal the “sanchismo” is to replace sectarian and paralyzing laws with others that leave the field open to the freedom and responsibility of the people.

Without principles, we are adrift, said Hayek in his book, *Individualism: True and False*. And it’s true, at the foundations of political decisions, there are always principles. They can be those of the ruler or those of his adversaries. Because if they are not liberal principles, they will be interventionist principles—therefore socialist. And it will be better if they are liberal principles, as we are already seeing.

More freedom is better. Understanding freedom as a concept that is not only economic—which it is—nor only an expression of tolerance towards those who think differently, which [it] is also.

Freedom to Live and Work as We Wish

I use a quote, and with this I end, from the great writer Vasily Grossman, the first journalist who entered the Auschwitz extermination camp, the first one who entered Berlin when the Nazi tyranny was falling. The writer who wrote one of the best novels of all times—*Life and Fate*—risking his life, because in the Soviet Union one could not even think of anything but total submission to the Communist Party.

Well, in another incredible novel by Vasily Grossman, *Everything Flows*, his protagonist Ivan Grigoryevich, imprisoned in a concentration camp in Siberia, suffering more than one can imagine, thinks and comes to the following conclusion:

I used to think freedom was freedom of speech, freedom of the press, freedom of conscience. But freedom is the whole life of everyone. Here is what it amounts to: you have to have the right to sow what you wish to, to make shoes or coats, to bake into bread the flour ground from the grain you have sown, and to sell it or not sell it as you wish; for the lathe operator, the steelworker, and the artist it’s a matter of being able to live as you wish and work as you wish and not as they order you to.

What a great truth. To live and work as one prefers, and not as one is ordered, or incentivized by a cheating subsidy. That is why economic freedom deserves to be celebrated. That is why freedom is the real source of the wealth of nations. That is why a road to freedom is morally superior to a road to serfdom.

All my gratitude to The Heritage Foundation. And to all of you, thank you very much.

Javier Fernández-Lasquetty is Cabinet Minister of Finance and Civil Service of the Community of Madrid and acting Cabinet Minister of Economy, Employment and Competitiveness. These remarks were delivered at the presentation of The Heritage Foundation's Steven M. Sass Economic Freedom Award at the Francisco de Vitoria University in Madrid, Spain.

Endnote

1. In this speech, the term liberalism is used in its European sense, that is, as equivalent to classical liberalism.