
Manuel Ayau: Guatemala's Liberal Searcher

BY DONALD J. BOUDREAUX

Driving to my hotel from the Guatemala City airport on my first trip to Guatemala in January 2000, I commented to my host that I was pleasantly surprised to find no customs agents ransacking people's luggage. In fact, once my fellow fliers and I had our passports stamped by the passport-control officials, the airport was refreshingly clear of the usual swarms of harassing government officials.

My host smiled and said, "I pushed for that. For years I pushed for that. Finally I won." He spoke these words not boastfully, just matter-of-factly.

Normally I would have been skeptical of such a claim. But in this case I immediately knew it to be true. My host, you see, was Manuel F. Ayau, whom I'd known for several years. He was a valued member of the board of trustees of FEE during my presidency of that indispensable organization. I knew that Muso—as he is affectionately called—possesses an almost superhuman ability to get things done, to make good things happen, to move matters forward.

He continued to explain his motives for ridding the airport of routine customs checks. "When I first brought Mises to Guatemala back in the '60s, I of course met his flight when it landed. I was standing next to him as a customs agent searched the contents of his luggage. Mises leaned over to me and remarked, 'They're making sure that I'm bringing no wealth into your country.' I determined then and there that I would work to put an end to that nonsense."

It took over three decades, but Muso eventually succeeded. No officials today patrol against wealth brought to Guatemala by passengers flying into its capital city.

What a remarkable achievement.

Remarkable achievements are often the result of remarkable individuals. Muso is remarkable.

Muso was born in Guatemala in 1925 and celebrates his 80th birthday this month. Although his parents were Guatemalan, they had spent much time in the United States. His father attended Cornell University and even fought with the U.S. Expeditionary Forces in World War I. Unfortunately, his father died when Muso was only five.

Perhaps the added family responsibilities that soon fell on Muso as a young boy help explain his nickname. Rumor has it that little Manuel was always eager while at play to take commanding lead of his siblings and cousins, so much so that—helped by a Mussolini costume (!) that a relative bought for him—a family member one day remarked that Manuel was indeed much like the Italian strongman.

While it's true that Muso is a leader, it's more than ironic that he is nicknamed after a dictator. No man is more averse to autocratic rule, and no man has labored with more diligence and single-mindedness on behalf of free markets and the rule of law than Manuel Ayau. Regardless, though, the nickname stuck.

Following the wishes of his late father, Ayau studied in the United States. He attended high school in California and earned his degree in mechanical engineering from Louisiana State University. During this time, in the midst of World War II, he also volunteered for a stint in the Royal Canadian Air Force. Muso then returned to his native Guatemala to manage a family firm that produced industrial gases.

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Soon encountering burdensome regulations, corrupt bureaucrats, and absurd taxes, he joined with other Guatemalan businessmen seeking to free consumers and producers from the then-dominant command-and-control regulatory regime that was suffocating commerce. But as Muso once recalled to me, "I quickly became disillusioned. Even when we won a battle now and then, we continued to lose the war against statism. I realized that we would make no real progress unless we changed the underlying *ideas* of the people. We had to take a long-run perspective. I learned that freedom must triumph in people's minds and hearts before it can make any headway in politics."

So in 1958 he and six like-minded friends founded the Center for Economic-Social Studies, better known by the Spanish acronym "CEES." As Muso writes in an unpublished memoir, "CEES's goal was to study and disseminate the ethical, economic and legal principles of the free society."

CEES embarked on an ambitious program of translating into Spanish classic works of economics, political philosophy, and law that were not then available in Spanish—works such as Mises's *Theory and History* and Frédéric Bastiat's *The Law*. And not only translating and distributing them, but also reading and studying them. In addition to running his business and helping to administer CEES, this effective doer is also a deep thinker. He and his CEES associates studied and discussed the works of Mill, Mises, and Hayek, among others. In this way they became impressively self-taught in the social sciences.

As CEES's reputation grew, other Latin American liberals took notice. In 1959 the people at Mexico's Institute of Economic and Social Research introduced Muso and his CEES colleagues to FEE. FEE and its founding president, Leonard Read, in turn introduced Muso and his fellow Guatemalans to Mises, Henry Hazlitt, Ben Rogge, Dean Russell, Israel Kirzner, Hans Sennholz, and other prominent liberals active in the United States.

Over the years CEES sponsored talks and seminars in Guatemala by these and other liberals. In addition, CEES produced a weekly radio program, wrote and distributed

thousands of op-eds, and even created a few television programs explaining liberalism. Note that these efforts were not those of businessmen seeking merely to lobby the government for favorable policy changes *today*. Even those who disagree with CEES's goals cannot help but be impressed with its long-run, principled focus.

Still, for Muso and some of his closest friends, especially Ulysses Dent, CEES was not enough. They believed that the best hope for liberalism's long-term health in Guatemala was a high-quality, private university immune to ideological fads du jour—a university committed to scholarship, to open and rational discourse, and to basic principles of human dignity and freedom.

The Achievement of a Lifetime



Manuel F. Ayau
Courtesy of UFM

Opening a university is no easy chore. The problem isn't so much the cost. While brick-and-mortar buildings, competent administrators, and committed and capable faculty are all expensive, Muso and his friends were accustomed to securing and investing large sums of money. But in the past their investments were in profit-seeking enterprises designed to start returning financial gains within, at most, four or five years.

A university is different. Its goal was not to earn financial profit but to change the climate of ideas over the course of generations. Although students would be charged tuition, the university's expected cash flow would never cover all expenses. Personal resources and fundraising efforts were necessary at the start and would remain necessary for as long as the university operated.

Just as important as money, though, was confidence in the power and value of liberal ideas—and patience. When the university was still only a dream, one of Muso's friends initially balked at a request to contribute to the campaign for its founding. This friend remarked that a university is too long-run a project; resources invested today won't bear fruit until two or three decades have passed. Agreeing that his project was indeed long-run, Muso asked his friend to describe a quicker way to fundamentally change ideas. Unable

to think of any quicker way, this friend became a contributor.

But the greatest obstacle for any upstart university is developing the reputation necessary to attract the kinds of students capable of becoming tomorrow's leaders. With four other universities in Guatemala—most of which charged little or no tuition because they were funded generously by the government or the Catholic church—any new university would be at a real disadvantage.

One person's disadvantage, however, is another person's challenge. Muso was aware of the difficulties in starting a university from scratch, but he also realized that a key to its success lay in the very reason he sought to start it—namely, all the existing universities were dens of dogmatic statism, including the then-fashionable liberation theology, in which critical thinking had been supplanted by uncritical emoting.

So Muso came to see that his lack of experience in academia was no handicap. His inexperience in this area, in fact, was likely a plus. Because so many lifelong academics, then as now, seemed irresistibly drawn toward top-down coercive “solutions” to all problems, Muso's nonacademic background might well insulate him and his fledgling university from the statist tendencies that are so prominent in the academy.

Still, by any objective reckoning, the odds were against the success of a new, private university in Guatemala. The odds were wrong.

In January 1972 the Universidad Francisco Marroquín (UFM) opened its halls to students. Muso was its president, a busy position that he held until 1989.

In the three and a half decades since UFM taught its first students, it has established itself as the premier university in Central America—all the while keeping to its original liberal moorings and goals. Offering programs in business, the hard sciences, engineering, liberal arts, architecture, medicine, dentistry, and law, UFM attracts the finest students from throughout Central America. And regardless of any student's chosen concentration, he or she studies the works of Mises, Hayek, and other great expositors of liberalism and market theory.

I've lectured many times at UFM and can personally attest to the impressive high quality of all that it is and all that it does. It's immensely gratifying to walk the

pathways of a beautiful campus and see students carrying their dog-eared copies of *The Constitution of Liberty*, *Human Action*, or *The Wealth of Nations* as they head for study sessions at the Ludwig von Mises Library. Whenever I'm at UFM—a physical and intellectual oasis in the heart of Guatemala City—I cannot help but be amazed at Muso's achievement.

Planners Versus Searchers

In his forthcoming book, economist William Easterly contrasts “planners” with “searchers.” Each planner has Big Plans—a detailed blueprint for achieving in one fell swoop fundamental, large-scale, magnificent change through top-down direction. In contrast, each searcher wisely realizes that Big Plans are hopeless (and fraught with danger). A searcher might desire fundamental, large-scale change as sincerely as any planner does, but the searcher is practical; he judges courses of action not by how fine they sound to romantic ears but rather by their *practicability*.

Muso is a searcher. He aims for what is within his reach. Muso's ultimate goal of making Guatemalans free and prosperous is a grand aspiration, so grand that it cannot be achieved with a Big Plan. Being a searcher, Muso realizes that the best that he (or anyone) can do is to approach this goal step by step—by talking to friends and acquaintances, by translating books, by writing op-eds, by founding a university. Also, Muso possesses two other qualities of the searcher.

First, the searcher understands how to formulate achievable goals so that, once achieved, each one serves as a stepping stone toward the ultimate goal. We might call this “the searcher's vision.” Anyone can easily envision his own version of the good society. But many people let their vision of the ultimate goal turn them into planners longing for a Powerful Authority to implement and enforce the vision.

Such people—Karl Marx is a prime example—are typically honored by being called “visionaries.” But because Big Plans are inevitably dysfunctional, the societies that such “visionaries” envisage as resulting from their Big Plans are just that: images, mirages, fantasies, delusions. The actual awful results of Big Plans are never foreseen. Therefore, planners are never truly visionaries. Instead, they are what we might call

“delusionaries”—people whose delusions blind them to reality.

True visionaries are always searchers, understanding that the ultimate goal and all but the next step or two toward that goal are too distant for anyone here and now to see or predict *in detail*. So the “searcher’s vision,” while keeping the ultimate goal always within the searcher’s sight, focuses his gaze on achievable next steps likely to get him closer to that goal. The searcher, following this vision, takes these steps.

Second, the searcher is patient. He resists urges to leap toward the ultimate goal, for he knows that any such leap would be blind and futile. He’s confident that once today’s best achievable step is taken, his “searcher’s vision” tomorrow will show him the best follow-up step. Compared to taking great leaps through Big Plans toward the ultimate goal, the searcher’s process is often tedious and seldom exhilarating. Its great advantage is that it offers the only likelihood of success.

Although they appear to be mundane, searchers’

qualities are remarkable and too rare. It is only through the patient, wisdom-guided efforts of searchers that humankind achieves goals that are noble and lasting.

In his long and productive life, Muso the Searcher can take pride in genuine achievement—achievement not confined to Guatemala. In addition to his many pressing duties there, he also served as president of the Mont Pelerin Society (1978–80) and trustee of Liberty Fund. But, of course, it is his native country that owes him the greatest debt.

Because of Muso, the community of liberal scholars, journalists, and business professionals in Guatemala today is among the most impressive in the world. Its vitality is contagious. Will it ultimately result in a Guatemala governed by the rule of law and suffused with private property rights, free markets, and prosperity? Only time will tell, but the chances that this dream will one day become a reality are unquestionably much higher because of Manuel Ayau—one of liberalism’s truly great searchers. 

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