

The CRCE Newsletter

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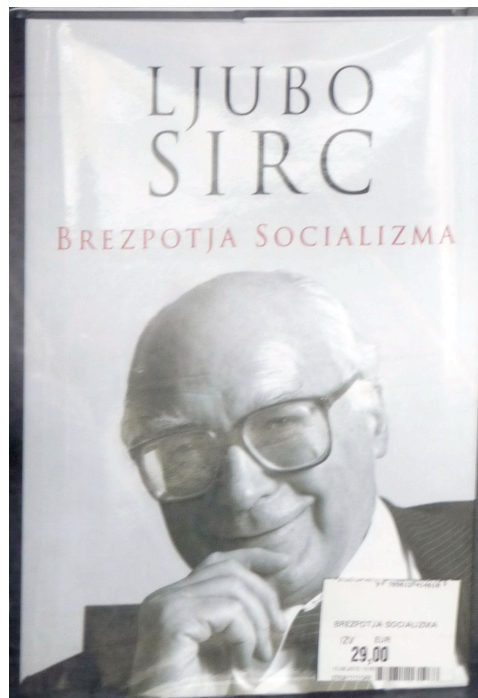
Ljubo Sirc's Russian Award

The Leontief Centre for Social and Economic Research in St Petersburg has awarded Ljubo Sirc, Founder President of the CRCE, the International Leontief Medal For Contribution to Economic Reforms **for his outstanding achievements as a researcher of socialist economies, theorist and practitioner in the field of market reforms in former socialist countries.**

The citation reads: The biography of Ljubo Sirc is unconventional for an economist, a scholar. By some quirk of fate it began from the effective resistance to totalitarian regimes: National Socialism and communism. After the Axis invasion of Yugoslavia he joined the Yugoslav Resistance, but after the outbreak of the internal struggles escaped to Switzerland to seek advice. In 1944, he returned and served in the Yugoslav Army until 1945. After the establishment of the Communist regime he joined other liberals and social democrats who tried to form a legal political opposition to the Regime. In 1947, due to his political activity, he was tried by Tito's regime and sentenced to death. His sentence was ultimately commuted to twenty years in prison.

Ljubo Sirc served seven years and after release he escaped to Italy. The years in confinement turned out to be Sirc's "universities". He spent his time in assiduous reading, and became an expert in Marxist political and economic thought, while he was also able to read the most up-to-date western political and economic literature, provided to him by the Slovenian communists in order to translate it for "internal security purposes".

Sirc reached the United Kingdom, where in time he became a leading expert on socialist economics at Glasgow University. His books include: *Economic Devolution in Eastern Europe* (1969), *Yugoslav Economy Under Self-Management* (1979) and *What Must Gorbachev Do?* (1989) published by CRCE.



In a Ljubljana bookshop - Photograph by John Moore

Ljubo Sirc's Acceptance Speech: "Ladies and Gentlemen, Dear Russian Friends!

The man whom I would most wish to remember is Yegor Gaidar who sadly died just over a year ago. I was introduced to him by Anatoly Chubais, the other leading reformer, whom I met at a seminar on economic reforms in Hungary in 1988.

On their invitation, I travelled to Moscow and St. Petersburg with Lord Harris of High Cross, founder and director of the Institute of Economic Affairs in London - the institute's purpose was to counter the tendencies of planning and government intervention prevailing in Britain after the Second World War. The IEA actively prepared the way for Mrs Thatcher (later, Baroness Thatcher). The task in Russia was not the same, it was much more difficult, but quite a few of us had been wondering in what way communism would come to an end, and how then Russia could return to a normal economic and political system. The initiative for one such discussion was provided by Warren Nutter and Richard Ware of the Earhart Foundation in America. It took the form of annual meetings in

Italy organised by the Centre of Economic-Social Studies of Milan (CESES). The background organisation for such activities was founded immediately after the war by the most prominent classical liberal of the 20th Century, Friedrich von Hayek who, to get away from the Nazis, moved from Vienna to London to Chicago. In 1947, Hayek founded the Mont Pelerin Society at a gathering in Switzerland. The Society was named after the mountain overlooking Lake Geneva where the inaugural meeting was held. It was chosen because the word "liberal" by then was being abused and distorted. Yet the Society succeeded in supporting and spreading fruitful economic ideas. In the United States, its endeavours were strongly favoured and complimented by the work of the Heritage and Atlas Foundations and the CATO Institute. Encouraged by these developments, Lord Harris, Sir Antony Fisher and I founded CRCE, the Centre for Research into Communist (later, Post-Communist) Economies, whose research and advice Hayek himself encouraged by consenting to the Honorary President of its Advisory Council. The Centre organises various events including seminars discussions and an annual conference. It has maintained an extensive publication programme of books and papers, and an academic journal, "Post-Communist Economies". These activities have been expertly handled by Lisl Biggs-Davison, the Executive Director, who has also helped with the Russian contacts. Unfortunately, the Russian developments were far from smooth so that a lot of work remains to be done, but it will doubtlessly be accomplished; the certainty of which one feels reaffirmed by this event in St. Petersburg.

As I am from Slovenia many of CRCE's events have taken place there. Visits from our Russian friends led to the renewal of a more romantic link: during the First World War, an avalanche killed several hundred Russian prisoners of war being held in a camp in the Julian Alps. An Orthodox memorial chapel was built there and is a place of pilgrimage for Russian visitors almost a century later. It was also the obvious place for Orthodox and Catholic delegations to meet, and indeed they did, in - harmony and charity. The chapel is near a mountain road rebuilt by the construction company of Josip Slavec in the 1930s. This family has a continuing interest in the chapel, so visitors from countries just emerged from communist rule were able to learn of private enterprise. There was another link between pre-war Yugoslavia/Slovenia and my own activity after the war. At the Ljubljana Faculty of Law I was taught political economy by Aleksandr Bilimovic and sociology by

Evgenii Spektorski, both refugee professors from Russia. What is more, it turned out that Bilimovic considered himself close to the so-called Austrian School and had a considerable correspondence with Friedrich Hayek. In a way, this shows that the Leontief Medal bestowed on me crowns the work of a number of scholars under whose influence I myself persisted in talking and writing from at least 1940. For this reason, I wish to thank the Leontief Centre and this assembly most warmly for the honour and recognition."

Farewell to fine Friends of Freedom

Shortly before Christmas our dear friend Chris Cviic died. Lisl had the privilege of attending his funeral as did many friends and colleagues. Chris was a great supporter of CRCE and took part in our meetings, sometimes acting as chairman.

In the Daily Telegraph obituary, Robin Harris relates that in the early 90s Chris "became a regular adviser to – and soon friend of – Margaret Thatcher, who had embarked on a lonely crusade to challenge Western complicity in crimes of Slobodan Milosevic. In raised by some news report of what she considered Western (and usually British) feebleness, she would cry: "send for Chris Cviic!"

<http://www.telegraph.co.uk/news/obituaries/politics-obituaries/8228518/Christopher-Cviic.html>

From Croatia, Natasha Srdoc recalls "how he presented a stark difference from the dark Balkan region's figures, exhibiting consistency through his character, civility and intellectualism. While growing up in Rijeka, Croatia, I would on occasion hear his analysis on Croatian broadcaster on HRT, albeit, carefully censored, even after the death of Tito. His insights coming from the West with a deep understanding of the East were a breath of fresh air. In reflecting on a personal correspondence exchange with Mr Cviic, his authenticity and sincerity clearly affirmed his commendable attributes".

<http://www.adriaticinstitute.org/?action=news&id=95>

Lord Monson, CRCE Trustee, died suddenly in February. He was a dear friend to many including Lisl Biggs-Davison and Helen Szamuely, who writes: he was among the most trenchant speakers in all the debates over Maastricht, Amsterdam, Nice, the Constitution and Lisbon. Generally speaking, his approach was from the point of view of individual freedom as a cursory glance through his contributions would show. There are not that many people even in the Lords, let alone the

Commons, who believe in old-fashioned liberal values but Ivan Monson did.

<http://yourfreedomandours.blogspot.com/2011/02/real-liberal.html>
