



11350 Random Hills Road, Suite 800, Fairfax, Virginia 22030 Phone (703) 934-6101 Fax (703) 352-3678

fff@fff.org www.fff.org

A Week in a (Sort of) Libertarian Country, Part 1

by Scott McPherson

“Are you a libertarian?” I wasn’t expecting the question, but under the circumstances it made sense.

We were in Costa Rica, in a taxi heading southeast into the heart of San Jose. My wife, Charlotte, and I were on a long-overdue week’s holiday. The kids were staying with some friends in Texas. It had been nine years since we were last alone together on vacation.

After each paying a \$26 “airport tax,” we waited about 15 minutes to clear immigration and then strolled through customs. We exchanged some dollars into colones and maneuvered through the taxi crowd outside, looking for a pay phone. San Jose was sunny and cool. I soon learned that it always feels like spring there. My first impression was that it’s poor, but busy and alive, a little like Budapest or Prague a few years after the Iron Curtain came down.

It was nearing 3 P.M. and we had a 4 o’clock appointment with Otto Guevara, former diputado in the Costa Rican congress and 2002 presidential candidate for Movimiento Libertario (ML), Costa Rica’s libertarian political party, at the party’s headquarters. I had liked Guevara when I met him at the Future of Freedom Foundation during his visit to Washington, D.C., in early 2004 and wanted to speak with him more about Costa Rican politics.

Guevara’s assistant had emailed a few days before to tell us that he would pick us up at 3:30 at our hotel near downtown, but our guidebook, *Lonely Planet*, said getting to ML’s office from the airport would take at least 40 minutes. It made more sense to take a taxi directly to the meeting, and we wanted to let them know what we were doing.

I called the ML number but the secretary didn’t speak English, so I apologized and hung up. About five seconds later a short, chubby Costa Rican (Ticos, they call themselves) walked up and asked if we needed a taxi.

Our libertarian taxi driver

“I need to make a phone call, but I don’t speak Spanish,” I told the man. He pulled out his cell phone and said he’d make the call for us, beckoning towards his car. My wife had read that

tourists should use only government-sanctioned taxis, but we didn't care. We needed a ride, a phone, and an interpreter, and this man was offering us all three. The price was a few dollars above the "official" rate, but it was worth it for the service. Walking across the parking lot, I asked him where his taxi was. "I rent a car and use it as a taxi," he said.

"So you're a capitalist?" I asked, jokingly.

"Yes," he said, smiling back.

"Viva el capitalismo," I said.

The taxi zipped down the highway and into the city, weaving through traffic, stopping and starting abruptly, the horn blaring. "Drivers in San Jose are crazy," Jimmy, our driver, informed us, doing his best to live up to the tradition. Stop signs and lane markings appeared optional. I saw a lot of police cars, but the police ignored the chaos.

I didn't mind. I was excited and couldn't peel my eyes away from all the activity around me. You quickly get the feeling that anything can happen in San Jose. People were going everywhere. The shops were all open, and vendors were doing brisk trade all along the streets (and sometimes literally in the streets: sellers would walk right out into traffic when cars were stopped at traffic lights). I had expected San Jose to look depressing and dull, but instead it looked like bustling Manhattan Island. I fell instantly in love with the city.

I gave Jimmy the phone number to the ML office and asked him to tell the secretary that we were coming directly there. He spoke for a few seconds, then hung up and told me all was understood. "Are you a libertarian?" he asked me then.

"Yes," I said. "Are you?"

He nodded enthusiastically. "Yes, I'm also a libertarian."

"Did you vote for Otto Guevara in the last election?" I asked.

"I did." We talked politics for few minutes and I could tell that he was savvy. "Otto Guevara is my amigo," I told him. He smiled widely.

"Do you plan to vote Movimiento Libertario in next year's election?" I asked.

"Maybe," he said, after a moment.

The ML offices are on the 7th floor of an office building adjoining Mall San Pedro, a huge, American-style shopping mall on the east edge of downtown San Jose and, like everything else in the city, are behind a heavy iron security door. We never would have found the place on our own, but that was okay because Jimmy asked around and took us straight there. The secretary let us in; noticing a stack of issues of *Freedom Daily* on the shelf behind her desk, I felt a surge of pride.

The founder of Movimiento Libertario

Half an hour later Guevara emerged, smiling brightly and waving us back to his office. I had described him to my wife as we waited, and following him she whispered in my ear, "You're right. He *is* good-looking." But not in the cheesy, packaged-for-TV manner typical of American

politicians. Guevara looks young, vibrant, and serious, and exudes both confidence and passion for his cause — achieving a libertarian society in our lifetime.

Guevara helped found Movimiento Libertario in 1994, and was the first ML candidate elected to Costa Rica's 57-seat Asamblea in 1998, thereafter being voted the country's most popular politician for four consecutive years. Costa Rican law limits congressmen to just one term, so in 2002 he ran as the party's presidential candidate and received nearly 2 percent of the vote. In that same election, six members of ML were elected to congress (one would defect from the party shortly thereafter) and the party now controls 13 of the country's 81 counties. Guevara will be on the ballot as ML's presidential candidate again in February 2006. He expects to do quite well and for the party's congressional vote total to jump well above its impressive 10 percent high-water mark.

He's very humble, considering his accomplishments and ambitions. I had expected his office to be lavish, but instead it was small and modestly furnished. His wall has a copy of a past election ballot with ML candidates and framed copies of the party's 1998 and 2002 campaign slogans, which, roughly translated, are, "Where there are monopolies, there is no liberty" (a poke at Costa Rica's many government-owned monopoly industries), a warning that licensing begets corruption, and, finally, their plea for the 2006 election: "No more of the same."

You can't put three libertarians in the same room for long without the conversation's eventually turning to politics and philosophy, but it was particularly interesting how it would come up between us. Guevara asked how the ride to his office had gone, and while we were relating our experience with the "unofficial" taxi a huge smile began to spread across his face.

When we had finished, he exclaimed, "I made that possible!" During Guevara's term in congress the government announced that taxi licenses would not be allowed to exceed 13,500 for the entire country. So he searched the commercial code and found a loophole that allowed unlicensed taxis meeting certain requirements, such as those originating from private property (rentals qualify), to continue to operate. No wonder Jimmy was a libertarian.

Guevara told us of other success stories. The Costa Rican government is trying to pass a "value-added tax" that ML knows will destroy many small businesses, and their congressmen are stalling the VAT despite heavy pressure from big business. ML is also fighting attempts to restrict used-car imports, a restriction that, it is not surprising, meets with the approval of Costa Rica's new-car salesmen. At the same time, ML firmly supports the much-anticipated Central America Free Trade Agreement and is spearheading official demands for fiscal responsibility in the national budget. (*La Nacion*, the country's leading newspaper, has called ML "valiant defenders of the people's money.") Weekly radio and television programs now regularly promote libertarian ideas.

“The hardest thing to get people here to understand,” Guevara said, his expression intensifying,

is that they are living in a socialist country. If you say to someone, “You’re a socialist,” he will deny it. But if you look at all the monopolies and restrictions, it can’t be denied.

In contrast, he said, “We want to create an ownership society.” Listening to Guevara, it is obvious he has studied the great libertarian thinkers. He talks like Bastiat or Mises, not Rush Limbaugh.

Scott McPherson is a policy advisor at The Future of Freedom Foundation.

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