CRITICA / REVIEW


‘Bye, ‘bye, Marx! And Welcome to Our Andes and Our Tropics, Herr Doktor von Hayek!

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As a labor of intellect, the value of this volume is close to nil. As a document in the history of mass ideology, however, it is exemplary. In a sense this is not a book at all, but a pamphlet spread out over 300 pages, a set of battlefield slogans posing as thought. For the sake of brevity, I’ll be referring to it as “the Idiot book.”

First, some information on the trio of authors. Plinio Apuleio Mendoza is a roving journalist somewhere in his seventies, a former leftist and at one time a close friend and comrade of none other than Gabriel García Márquez. Carlos Alberto Montaner is a sixtyish emigré Cuban novelist and anti-Castro activist who lives in Spain. Alvaro Vargas Llosa, a son of novelist Mario, is the youngest of the three; he had his leftist phase in the 1980s, later did an about-face by getting steeped in free-market theories and in the process becoming a believer in pure, uncontrolled capitalism. Sometimes I will refer to the authors as “the anti-Idiot trio,” sometimes as “the threesome,” and sometimes by the composite name, “Memollosa.” Translation is by Michaela Lajda Ames, a Slovak-American commercial interpreter.
The book comes with an introduction by Mario Vargas Llosa, who still remains a great novelist, but who has gradually evolved from left-winger in the 1960s, to self-styled centrist in the 1970s, to conservative candidate for the Peruvian presidency in 1990. Following that electoral defeat, he morphed into a hard-line libertarian, in the U.S. sense, and has become a vocal publicist for that position. Among his activities in that regard is a biweekly op-ed column in the prestigious Madrid daily *El País*, in which he regularly lets fly against trade unions, state pensions, and government regulations, and sings the glories of free trade, labor “flexibility,” and unfettered capital.

The volume itself is a total, relentless, fulminating broadside against the arguments, actions, solutions, and concerns of the Latin American left, “the caviar left,” as it states more than once. The Idiot of the title is a blanket term that lumps together all leftists, social democrats, progressive reformers, nationalists, and other forces that have written or done battle against the social structure of that region and who have opposed foreign imperialisms. There is probably not a single page of text on which the word “Idiot” does not appear. That Greek noun is the linchpin of the book’s rhetoric, roughly equivalent to the phrases “running dogs” or “lackeys of imperialism” in, respectively, Maoist and Stalinist phraseology.

There are thirteen chapters, starting out with a generic, invidious biographical sketch of the Idiot, followed by a brief and more or less objective historical look at the origins of the Latin American left. The rest consist of attacks, with one target per chapter, these being: Eduardo Galeano’s *Open Veins of Latin America* (a book that obsesses the trio), dependency theory, government solutions, guerrilla movements, Cuba, Liberation Theology, anti-Yankeeism, nationalist attitudes, journalistic and religious supporters of the left, and (that malignant, oppressive force) the European welfare state. The final chapter is entitled, “Ten Books That
Shook the Latin American Idiot,” among which one finds the usual suspects: Galeano again, Fanon’s *The Wretched of the Earth*, Dorfman’s *How to Read Donald Duck*, plus Régis Débray, Herbert Marcuse, Henrique Cardoso, and Gustavo Gutiérrez’s *Toward a Liberation Theology*, among others.

The volume concludes with an “Index Expurgatorius Latinamericanus,” an alphabetically arranged collection of allegedly silly quotes by assorted leftists and progressives. Many of them are indeed silly. Others seem unexceptionable. One, from Amnesty International, states that free market changes have exacerbated social tensions in Colombia. Well, many middle-class Latin Americans will tell you exactly that; the anecdotes of small entrepreneurs being driven out of business by U.S and Asian imports and investments are legion. My favorite specimen among their silly quotes comes out of the Colombian Constitution of 1991, which reads, “Todos los colombianos tienen el derecho a una vivienda digna (Sp. 384; Eng. 211).” Most idiotic, my dear readers. Homeless people the world over should rejoice at not having to be victims of left-wing idiocy.

The text is more or less equal parts ideological drum-beating and selective historical factoid presentation. Many of the micro-details are accurate, and familiar enough to all of us. It is the megapicture, by contrast, that is skewed with gaps, prevarication, and even falsehood beyond measure, something I’ll get to shortly. Reading the book, I was reminded of Ortega y Gasset’s fruitful distinction between *usos y abusos*, between those who criticize only the abuses of a movement or a system, and those who reject its very uses. The Idiot book, then, takes on the uses of anti-capitalism, not the abuses.

A word is in order about the high-decibel language of the Idiot guide. It’s a clangorous, white-hot prose, an almost constant fortissimo, oozing bile by the truckload and filled with *mala*
leche. The anger is non-stop, and recalls to me the sermons that punctuate Ayn Rand’s horrendous novel *Atlas Shrugged* or the joyless didacticism of Mr. Grandgrind in Dickens’s *Hard Times*. The text further bristles with cheap shots, debates with strawmen, ad hominem attacks, and of course name-calling, starting with the title. Sarcasm also carries the day, which some might think of as humor. Here is a representative sample: “Para los ‘progresistas,’ [el Fondo Monetario Internacional] se convirtió, en los ochenta, en lo que fue la United Fruit un par de décadas antes: el buque insignia del imperialismo. No sólo la pobreza: también los terremotos, las inundaciones, los ciclones, son hijos de la premeditación fondomonetarista, una conspiración glacial y perfecta del gerente general de dicha institución. ¿A alguna desgracia es ajeno el FMI? Quizás a alguna derrota sudamericana en una Copa Mundial de Fútbol. Pero no podría uno poner las manos en el fuego” (Sp. 120; Eng. 58). And so on. Very funny.

On occasion, the anti-Idiot threesome take a break from their scorched-earth tactics and state what they believe in politically and ethically. A key quote: “El mercado, con sus ganadores y perdedores ... es la única justicia económica posible” (Sp. 62). Incidentally, in Michaela Ames’s translation this passage has been neutered as, “the only economic impartiality possible,” which is quite a shift away from “justicia.” (Eng. 26; Again: “El concepto clase no existe” (67), Englished even more drastically as “Classes don’t really exist” (29). As the trio sees it, “el capitalismo es una palabra que simplemente describe un clima de libertad en el que todos los miembros de una comunidad se dedican a perseguir voluntariamente sus propios objetivos económicos” (Sp. 223, Eng. 118). Very simple, no doubt: the inheritors of the grape farm voluntarily pursue their economic objectives in their air-conditioned office, even as their Chicano and Filipino grape pickers voluntarily pursue their own objectives out in the California sun. And the familiar axiom: “que no es el Estado sino los particulares los que crean la riqueza”
(Sp. 319; Eng. 175). Turning to their yearned-for model, the U.S. of A.: Do the threesome really believe that it is private individuals who have created such capital wealth as the massive interstate highway system, the airports, the NASA satellites in space, the ubiquitous Internet, and the massive waterworks that irrigate farms in Southern California? (Just a reminder: many U.S. airports were built by the New Deal, and they are owned and run by the Federal Government.)

This leads me to the problem of constant ideological blindness, not to mention the outright dishonesty pervading this book. A case in point is their discussion of U.S. imperialism, a force they portray as bumbling and ineffective. I quote: “The only thing our patriots forget is that the U.S. interventionist mistakes and defeats have probably been more significant than its victories” (Sp. 124; Eng. 60). If you relied solely on Memollosa, you’d never learn about the literally dozens of armed interventions and occupations conducted by the U.S. Marines across the Caribbean lake before 1933, or the direct U.S. support for right-wing Latin American dictators that continued well into the 1980s. The threesome simply ridicule the critics of the nineteenth-century U.S. expansion, and they manage not to make a single mention of the Indian Wars. (Race, in fact, is a subject that is conspicuous by its absence in the Idiot book.)

On other occasions they parrot, in their baroque prose, the official U.S. line. For example, they pretty much accept the textbook myth that the Spanish-American War of 1898 grew out of a generous U.S. desire to free the suffering Cubans from the yoke of colonial Spain. For the Cold War period, they justify the 1954 CIA coup in Guatemala and buy into the view that the democratically elected government of Jacobo Arbenz represented a communist threat. To explain the 100,000 Guatemalans who died over the next three decades, their triple finger points not at the Guatemalan military but at the guerrillas, who somehow provoked this disproportionate bloodbath.
(Going by this logic, the German massacre at Lidice was caused by those idiotic Czech partisan guerrillas who dared to assassinate Nazi Gauleiter Reynhard Heydrich.) Regarding the Sandinista regime, the threesome dwell repeatedly on the supposed disasters of that government’s policies, yet miraculously exclude any reference whatsoever to the bloody Contra war that killed tens of thousands and laid the countryside to waste. From their heated rhetoric you would never guess that the average Nicaraguan is worse off today than he or she was in the 1980s. The same goes for their gloating about the alleged failures of the democratically elected Allende government, where they speak not once of CIA destabilization or the illegal coup by Gen. Pinochet. The 1965 Marine landing in the Dominican Republic isn’t mentioned either.

Underlying these lacunae is a larger blind spot that is characteristic of market fundamentalists: to wit, their conception of the state as an adversary, rather than as an entity that, historically, has helped foster capitalist development and has also regularly done battle against threats from capitalism’s class enemies. In a dramatic instance, they extol Japan and the so-called “Asian little tigers”—South Korea, Taiwan, and Singapore—as models to emulate, citing their “apertura hacia los mercados internacionales” and their “respeto a la ley y a la libertad” (Sp. 136; Eng. 66). The trio’s ignorance or disingenuousness here is astounding. Free trade, let us remind them, is not and has never been a central feature of those nations’ economic strategy. As any U.S. businessman will tell you, those countries have pursued an extremely protectionist path. (Remember that old whipping-boy, “Japan, Inc.”?) The governments of Japan, South Korea, et al. have encouraged their export-oriented domestic industries precisely by keeping out foreign competition—much as the United States, incidentally, was wont to do in its first century and a half of existence.
Similarly, the trio speak of “respect for law and liberty” within those little tigers, somehow eliding the fact that, until recently, South Korea and Taiwan were barracks dictatorships, and that Singapore remains an authoritarian state. Moreover, you would never know from their flamboyant hosannas that Japan, South Korea, and Taiwan went through major agrarian reform projects in the post-War period, during which large landholdings were broken up and redistributed, tenant farming was brought to an end, and the entire basis of food production radically shifted. This is precisely the sort of measure that has been advocated by many a fabled Latin American idiot, and that the anti-Idiot trio presumably reject as an example of “redistributive justice” and a violation of property rights. Finally, I wonder if the threesome have ever pondered a peculiar dynamic: namely, that those miracle export economies grew out of a dialectical challenge of threat from and rivalry with socialism in China and North Korea, and that it was in the broad interest of U.S. policy makers to foment capitalist growth among their direct allies by opening up U.S. markets to their products. (Perhaps, as an initial solution, half of Latin America could go Communist, as a result of which the United States will welcome imports from the other, capitalist half. A few years later, the “enemy” bloc could follow suit.)

Here are a few other, select misconceptions that I’d like to cite. The trio claim that there never has been a free market in Latin America. This is simply a case of willful denial. As any historian will tell you, free trade was exactly the policy that more or less prevailed there from 1870 through 1930, during which period the local moneyed classes freely chose to be exporters of raw materials and importers of finished goods. Or again: “En vez de corregir desigualdades, el Estado las intensifica ciegamente” (Sp. 129; Eng. 63). Well, tell that to the millions of Social Security pensioners in the United States whose government checks have made the difference between grinding poverty and decent survival. On another note, the anti-Idiots make much of
recent prostitution in Cuba, somehow implying that such social vices exist only on that island and that they’re the result of communism. We may infer, I suppose, that sex tourism in Thailand is an instance of attractive, young, peasant women “voluntarily pursuing their own economic objectives,” to echo an earlier phrase by the threesome. Similarly, they suggest that Cuba is the only country in Latin America with a record of army repression, or the worst such instance, and not, say, Guatemala, or the Southern Cone dictatorships of the 1970s and ‘80s. And they pooh-pooh the notion that Cubans flee their country for the same motive that Haitians, Mexicans, and Dominicans flee theirs: namely, to escape economic hardship. Incidentally, one-third of the Puerto Rican population lives in El Norte, presumably proof of the failure of that free-enterprise showcase.

Shortcomings aside, the Manual del perfecto idiota latinoamericano is no doubt a publishing event in the Hispanic world. Or rather a media event. Still, the book’s intellectual framework and life’s blood do not spring into being from the three authors’ virgin heads. Standing behind them is an entire corpus of libertarian ideology, derived from such right-wing luminaries as Chicago economist Milton Friedman, Harvard philosopher Robert Nozick, and Austrian economists Ludwig von Mises and Friedrich von Hayek. I should like to examine just one of them very briefly, as a means of tracing for you the ideological roots of the Idiot book.

Friedrich von Hayek was born in Austria in 1899 and died in Germany in 1992. At different times in his life he taught at the universities of London, Chicago, and Freiburg. During the 1930s he developed some major theoretical concepts that eventually earned him the 1974 Nobel Prize in Economics. Hayek, though, is far better known for his subsequent non-technical, sometimes polemical works in which he defends the absolute free market and rejects, on principle, any major governmental intervention and redistribution programs. He first drew wide
attention in 1944 with *The Road to Serfdom*. This ominously titled volume caused a major stir when it initially appeared—significantly enough—in the *Reader’s Digest*’s Condensed Book Series. A Book-of-the-Month Club selection, it went on to sell some 600,000 copies. And what will lead us inexorably to “serfdom”? The answer: government economic planning, just like they have in the USSR. Written at the height of World War II, the book interprets fascism as an instance not of directed capitalism, but as socialism. Hayek even goes so far as to suggest that imperialism and modern indoctrination methods are socialist products. As you can see, Hayek has clearly singled out his enemy. Correspondingly, the book makes no mention of the decisive Eastern military front, where the Nazi hordes were being thoroughly whipped by the wartime Ally, the Soviet Union. Hayek’s call to arms, then, is one of the first textual salvoes in the ideological Cold War.

Hayek later went on to expand his critique and his targets. In a more scholarly work, *The Constitution of Liberty* (1959), he rejects such things as labor unions, social security, and socialized medicine as inimical to the market and, by extension, to the entire community. (Curiously, in a book concerned with “liberty” and written during the 1950s in the United States, there is not a single reference to racial segregation in the South.) Subsequently Hayek would go so far as to reject even the ordinary terms “society” and “social” as “weasel words.” One of his major late opuses is a jaundiced treatise with the attention-grabbing title *The Mirage of Social Justice* (1976). Here he systematically lets fly at this very notion. Some typical quotes: “The phrase ‘social justice’ means nothing at all, and to imply it is either thoughtless or fraudulent” (xii). Social justice, says Hayek, is “a superstition,” a “will-o’-the-wisp which has lured men to abandon many of the values which in the past have inspired the development of civilization” (67). Again: “In a society of free men, (sic) the term ‘social justice’ is mostly devoid of meaning.
or content” (96). Another: “The term is intellectually disreputable, the mask of demagogy or cheap journalism, which responsible thinkers ought to be ashamed of to use because, once its vanity is recognized, its use is dishonest” (97). Yet another: “Ideals of social justice are an atavism, a vain attempt to impose upon the Open Society the morals of the tribal society, which, if it prevails, must not only destroy society but would also threaten the survival of large numbers of people” (147). In a more specific passage, Hayek goes so far as to claim that demands of “periodic holidays with pay” are “an absurdity” (105). Thus spake the man whose works, incidentally, were customarily handed out gratis by Margaret Thatcher to her high-level cabinet ministers.

Hayek, it should be said, is more than just a crude ideologue or a pamphleteer. He is a serious thinker who sets forth some worthy and stimulating arguments about the dynamics of tradition and of knowledge, and especially the rule of law (this latter a favorite notion of the Vargas Llosa trio). And he writes in the sober, rationalistic style of the pure academic he happens to be. There is, on the other hand, something desiccated and scholastic about Hayek’s vision, its nostalgic schemes devised by a learned nobleman in his study, who spins forth Utopian theories meant to explain away massive historical changes that he dislikes on principle. (One can imagine him as a character in Voltaire or Borges, or as one of the arbitristas in Cervantes’s “Coloquio de los perros.”) Some of Hayek’s scattered insights are also nonsensical and border on the crackpot. Regarding the future, he waxes visionary: “Antarctica will enable thousands of miners to earn an ample livelihood” (The Fatal Conceit, 43). And my favorite: “I doubt whether there exists a single great work of literature which we would not possess had the author been unable to obtain an exclusive copyright” (Ibid, 36). Does Hayek actually believe there was copyright in the time of Euripides, or Chaucer, or Shakespeare? Such seems the case,
strangely enough. Moreover, Hayek’s quasi-apocalyptic claims about the destructiveness of the welfare state have simply not been borne out. As my Jim Mahon, my colleague at Williams College, has observed to me, one of the best refutations of the Austrian school of economics is, in fact, post-war Austria, where, until recently, social democracy has created an enviable standard of living and liberal freedoms for all of its citizens, without having had to resort to the tyranny of a Thatcher or a Pinochet. By contrast, if the Western world had adhered to Hayek’s stern beliefs, we would still have Jim Crow laws, starvation wages, fifteen-hour workdays, six-day work weeks, impoverished retirees, and all-male professions—not to mention vacations without pay. Incidentally, in the nineteenth century, the slave states strongly favored free trade as against the protectionist north, a position that, for all I know, redeems the Confederacy in the eyes of Hayek’s acolytes.

I give you this brief and admittedly partial look at Hayek as just one instance of the sources of the anti-Idiot book. In this regard, there is a long history of Latin American intellectuals and leaders looking abroad to Europe and, more recently, to the U.S., for key ideas and inspiration. During the colony, the imported model was Spanish scholasticism. During the first century of so of independence, it was Anglo-French liberalism. In much of the twentieth century, it was socialism and Marxism. The neo-liberalism of the anti-Idiot trio is thus the latest instance of this trend. Outside the Vargas Llosa fold, it should be noted, there are segments of the Latin American intelligentsia that eagerly accept the threesome’s premises, if without the stridency.

The Manual was written and published in the mid-1990s, a low, dishonest decade of deluded triumphalism. Reading it makes one think of Newt Gingrich, or the right-wing militias, or the dot.com fever. Following the horrific events of 11 September and the subsequent waves of
uncertainty and fear, it feels like a period piece. Today, only hard-line ideologues would claim that security in jetliners is best left to the invisible hand of unregulated private greed. After the corporate scandals, the Argentine débacle, and the crash of Nasdaq and the telecom sector, the once-ebullient faith in globalization is under question, and the reports of desperate youths turning to radical Islam and to terrorism in the Middle East pose a dark challenge to those clever hopes of world-wide trickle-down. Meanwhile, the U.S. has vastly expanded its involvement in an ongoing Hundred-Years’ War whose ultimate cause is oil, without which there is no Lexus economy. The Bushito administration, with its own roster of idiots, is bailing out airline companies, violating sacrosanct libertarian theology about the dangers of state intervention in the market. (One wonders: Is this the Road to Serfdom?) As for me, I must confess that studying the Idiot book in preparation for this piece was a far from pleasant exercise, not least because of its own fundamentalist, blanket-bombing fanaticism. Quite frankly, I hope never have to consult its scripture ever again.