

ville wrote in his *Essay on Charity and Charity Schools*, “in a free nation where slaves are not allowed of, the surest wealth consists in a multitude of laborious poor. . . . To make the society happy and people easy under the meanest circumstances, it is requisite that great numbers of them should be ignorant as well as poor. Knowledge both enlarges and multiplies our desires, and the fewer things a man wishes for, the more easily his necessities may be supply’d.”

### Let ‘Dope, Inc.’ rule the world

The economic activities which logically stem from this worldview are those historically identified with the British Empire and its colonial looting policies, elaborated in great theoretical detail by Adam Smith in the 18th century. Today, these constitute the leading edge of the House of Windsor’s offensive against the nation-state: financial speculation, theft, profiteering, drug trafficking, and money laundering. It is these crimes which the Mont Pelerin Society today defends as the “natural” state of affairs.

Intoxicated with their perceived power, these ideologues today manically travel around the world, bragging about their success in promoting “economic freedom,” to anyone who will listen. One such “success” that they take credit for, is Chile, a country which, as the book review in this section documents, became a laboratory experiment run by von Hayek’s followers at the University of Chicago Economics Department following the 1973 coup against socialist President Salvador Allende. It is an achievement Adam Smith would be proud of: All productive activities were thrown out the window to make way for financial speculation, money laundering, and export-oriented and agricultural activities.

The International Center for Pension Reform in Santiago, Chile, founded by Piñera, fraudulently promotes Chile’s pension model as a form of economic salvation for developing and former communist bloc countries. Even U.S. congressmen travel to Santiago to receive Piñera’s pearls of wisdom, with visions of eventually privatizing the U.S. Social Security system along Chilean lines.

Seminars sponsored by the Cato Institute, the Atlas Economic Research Foundation of Virginia, the Reason Foundation, Heritage Foundation, John Locke Institute, and others, proliferate—organized in conjunction with their counterparts in Ibero-America, Asia, and eastern Europe. It was Mexico’s Research Center on Free Enterprise, run by Salinas-León, which organized the Cancún summit. It coordinates with the Washington, D.C.-based Cato Institute, and entities such as the Center for Dissemination of Economic Knowledge in Caracas, Venezuela, and a host of similar think-tanks strategically placed in most Ibero-American countries.

To hear aspiring big-time currency speculator Steve Hanke, whose role model is world class speculator George Soros, one would think these economic fascists already run the world. Following Mexico’s December 1994 devaluation crisis, Hanke threw a public tantrum when Mexico refused his

recommendation to impose a British colonial-style currency board, and attacked the deputy governor of the Banco de México (Mexico’s central bank) for snubbing his proposal.

During an interview with *El Economista*, Hanke proudly handed the reporter a copy of a *Nouvelle Observateur* article which cites Hanke as the leader of a successful speculative attack against the French franc! And in a Dec. 3, 1995 article in *Forbes* magazine, Hanke pointed to the \$20 billion in dollar-bills shipped to Russia in 1994, and the \$100 million per business day in 1995, as “proof” that central banks should be eliminated altogether and replaced with currency boards. Hanke fails to mention that this extreme, privatized dollarization is the result of the rapid takeover of the Russian economy by the mafia, including the drug mafia.

A more recent addition to this collection of criminals is the Group of Latin American Observers (GOL), a secretive, Caracas-based organization which includes many Ibero-American would-be Gingriches, among them Venezuelan opposition figure Oswaldo Alvarez Paz, and Carlos Castillo Per-

## Lord Acton: Britain’s Trojan horse in the Catholic Church

Last year, a curious dispute occurred among Venezuelan neo-liberals linked to the Mont Pelerin Society, one which very clearly reflects the harmonious coexistence within that grouping of free trade advocates of all stripes. The dispute arose as a result of the proposal by existentialist neo-liberal Emeterio Gómez to “recast the market economy” so as to give it a “spirituality” which, he said, neither Adam Smith nor Friedrich von Hayek could offer. That “spirituality,” Gómez said, could be found in the writings of satanic philosophers Friedrich Nietzsche or Martin Heidegger.

For some time, Gómez has worked as academic director at the Center for the Dissemination of Economic Knowledge (Cedice), a think-tank founded by Venezuela’s Mont Pelerin networks. In a May 20, 1995 article in the daily *El Diario de Caracas*, Luis Enrique Ball Martínez, one of Cedice’s founders, attacked Gómez, correctly noting that Nietzsche and Heidegger are the sources of “communism, fascism, racism and existentialism, and the drugs and homosexuality which logically follow from them.” Instead, Ball said, “I prefer Lord Acton as a guide.”

This somewhat esoteric dispute is an updated version of the debate which occurred among the various neo-liberal lodges that founded the Mont Pelerin Society in 1947. At that time, “liberal Catholics” proposed that the group be named the “Lord Acton-de Tocqueville Society”; but

eza, president of Mexico's National Action Party (PAN). Originally founded in 1990 to lend public support to the puppet Endara regime installed by George Bush in Panama, following the U.S. invasion of that country, the GOL held two conferences last year, in Mexico City and Bogotá, Colombia, to map out its organizing strategy. Not surprisingly, its membership heavily overlaps that of the Mont Pelerin Society, and of the continental think-tanks affiliated with the Atlas Economic Research Foundation of Fairfax, Virginia.

### Fear of dirigism

But the Mont Pelerinites confess to having a recurring nightmare: that the breakdown crisis which they intend to steer toward fascism, would be seized upon instead by nationalist forces worldwide to establish a dirigist, State-directed economic development perspective, involving national banking of the type which built the United States beginning 200 years ago. Historical parallels to this tradition exist in many countries, and serve as a positive referent for what could be

done. At the mere mention of such names as the United States' Alexander Hamilton or Henry Carey, Russia's Count Sergei Witte, or Germany's Friedrich List, most Mont Pelerinites start to foam at the mouth.

This also explains their nervousness about political leaders such as Mexican President Ernesto Zedillo. Zedillo has imposed the International Monetary Fund's austerity dictates on his country, and has said that he won't break with the City of London and Wall Street, because he sees "no alternative" to their policy. During his Jan. 29-31 visit to Great Britain as part of a European tour, Zedillo went to great lengths to assure London that he is a thoroughly reliable partner. Yet unlike his depraved and corrupt predecessor, Carlos Salinas de Gortari, Zedillo is considered *unreliable* by both London and Wall Street because, under appropriate crisis conditions, they fear he might bolt from the free-market strategy to which he is currently committed.

As well he might, as might an entire world ravaged by IMF and Mont Pelerin policies.

"non-Catholic liberals" disagreed, arguing that the Acton name would give the Society too much of a religious connotation and scare off those who had no interest in mixing the two issues, or who had other religious "inclinations." The latter faction won out, and the organization took the name of the Swiss mountain, Mont Pelerin, near where the founding meeting took place.

Today, the Mont Pelerin Society's allegedly Catholic faction is represented by Michael Novak. During the last century, the leader of that faction within the British liberal movement was Lord Emerich Edward Dalberg-Acton (1834-1902), otherwise known as Lord Acton. But, unlike Novak, who poses as an "adviser" to the Vatican, Lord Acton and his nominally Catholic liberal faction distinguished themselves by their explicit rejection of the concept of papal infallibility.

Born in Naples on Jan. 10, 1834, Lord Acton was educated as a Catholic, first at the Ste. Marie de Oscott School, and later in Munich, under the supervision of Ignaz von Dollinger, a priest who led German opposition to the Vatican. It was Lord Acton's Catholic affiliation which for some time allowed him to serve as the British Empire's Trojan horse within the Catholic Church, for the purpose of attacking the influence of its social doctrine inside the political and social movements of that era.

Nonetheless, Lord Acton was first and foremost a British subject, and as such, subordinate to the Church of England, whose head is the Queen of England. Lord Acton made his political debut when he entered the House of Commons in 1859, under the government of Lord Palmerston. That same year, Palmerston again named William

Gladstone finance minister. Lord Acton established a close working relationship with Gladstone, in the latter's capacity as both prime minister (he had succeeded Palmerston in that post), as well as the leader of British liberalism. In 1861, Lord Acton founded the *Home and Foreign Review*, a publication attacked by Britain's Catholic hierarchy because Acton's aristocratic arrogance led him to believe that Gladstone was more infallible than the pope. Queen Victoria dubbed Acton a "gentleman-in-waiting."

In 1869, Lord Acton traveled to Rome during the Vatican I Council, which was debating the issue of papal infallibility. In Munich the following year, he published an attack, based on the ideas of Dollinger, on the Council's accords ratifying papal infallibility. In 1864, Pope Pius IX included Dollinger's heretical writings in the *Syllabus* of banned books, and, in 1871, the archbishop of Munich excommunicated Dollinger because of his persistent opposition to the Vatican.

Lord Acton's rejection of papal infallibility is not just a theological, but a political issue as well. Lord Acton opposed it at precisely the moment in which the Vatican was developing its social doctrine, which was later presented in systematic form in 1891 by Pope Leo XIII in his encyclical *Rerum Novarum*. In the midst of the last century's political and social struggles in Europe, and the ideological battles among liberals, socialists, anarchists, Mazzinians, and Bonapartists—that is, the many inhabitants of Lord Palmerston's political "zoo"—the Catholic Church's social doctrine offered an alternative in defense of the sovereign nation-state and the rights of all workers and citizens.—David Ramonet