
The Incompetence of Luege Tamargo

PANistas Still Live in Maximilian's Shadow

by Rubén Cota Meza

One could still hear the distant echo of the “Ready. Aim. Fire!” that took the life of Hapsburg “Emperor” Maximilian at the Cerro de las Campanas,¹ when a new invasion was being readied in his native Austria, and this time, not just an invasion of Mexico. This new invasion would not be with arms, however, but with ideology. It would not be an invasion of national territory, but of the mind of the Mexican people. Just like the so-called “French invasion,” this too would bear the British stamp. And just like the ancestors of the National Action Party (PAN) who opened the doors to Maximilian at the time, today’s founding sponsors of the PAN have opened the doors wide to the new invasion.

Now, as then, defeating this invasion is a matter of national survival.

If the nation continues to cling to the way of think-

ing that has shaped political and economic decisions of the past 25 years, it will not survive. The case of José Luis Luege Tamargo, former PAN president in Mexico City, Secretary of the Environment in the Vicente Fox administration, and the current director of the National Water Commission (CONAGUA) is merely representative of a more general problem, which is not exclusive to PANistas.

On Aug. 8, 2008, declaring his opposition to the indispensable Northwest Hydarulic Plan (PLHINO), Luege told organizers of the LaRouche Youth Movement (LYM) that the PLHINO “was never evaluated in depth from a cost-benefit viewpoint,” and that “the project” to expand and upgrade areas of irrigation is heading in the future toward growing foods “that use less water” and represent “greater wealth” for the growers. We are proposing, he said, to have a “higher value-added” crop selection. Although Luege didn’t say so explicitly, he was referring to crops which would supposedly yield higher profits: that is, “wealth” and “value” = money. It is this simple formula that lies at the center of the fascist violation of the mind posed by the much more destructive and pernicious ongoing invasion than that of the troops of the British puppet Napoleon III.

The Sickness of Monetarism

The existence of money has been a necessity in any modern economy, and this will be a fact for the foreseeable future. By definition, money as such can be useful, but, contrary to popular and academic belief, money has never had, nor will ever have, any intrinsic value in a modern civilized economy.

The leading source of confusion on this point stems from the belief that money has some sort of intrinsic value that can be “naturally” determined, while eliminating the intervention of government in the economy. This Anglo-Dutch liberal doctrine of money is nothing but an induced belief, to the advantage of a system that formulates and disseminates this illusion to facilitate its looting practices. Although the origin of the doctrine goes back to antiquity, its modern form originates in the fraud of radical positivism.

In his “Principles of Morals and Legislation,” Britain’s Jeremy Bentham discussed 32 “circumstances influencing sensibility” to pleasure and pain which, according to him, is the motor of human behavior and the foundation of the economy.

In analyzing Bentham’s premise, Wesley Clair Mitchell—Milton Friedman’s teacher who also inspired

1. Cerro de las Campanas is the name of the hill in Mexico where Maximilian of Hapsburg was executed by Mexican authorities on June 19, 1867.

the economic thought of today's PANistas—established that Bentham's error lies in his great achievement: "Since these thirty-two circumstances exist in an indefinite number of combinations, it would seem that the felicific calculus can scarcely be applied except individual by individual—a serious limitation."

As such, Bentham's "felicific calculus" becomes a big mess, because 32 sources of pleasure and pain, with seven degrees of intensity (something which Bentham also classifies), produce more than 10^{62} possible combinations for determining the behavior of each individual person. Nonetheless, this did not discourage the monetarists, and so Mitchell writes that, "If then, speaking of the respective quantities of various pains and pleasures and agreeing in the same propositions concerning them, we would annex the same ideas to those propositions, that is, if we would understand one another, we must make use of some common measure. The only common measure the nature of things affords is money. . . ."

Mitchell reports that the British economist Alfred Marshall resolved Bentham's problem: "Money is the center around which economic science clusters . . . it is the one convenient means of measuring human motive on a large scale. . . . The force of a person's motive, not the motives themselves, can be approximately measured by the sum of money which you must give up in order to secure a desired satisfaction; or again by the sum which is just required to induce him to undergo a certain fatigue."

Maximilian's Austrian School

At the same time that their agents of influence were working in England to structure this doctrine, there emerged in Austria what came to be known as the Austrian School of Economics, under the sponsorship of the aristocratic Wittelsbach family (whose military apparatus later became the nucleus of Hitler's SS), and Baron Albert von Rothschild. The Austrian School's representatives, Ludwig von Mises and Friedrich von Hayek, were brought to Mexico beginning in 1942 to foster the current which Luege Tamargo represents today. In 1943, von Mises wrote an essay titled "Economic Problems of Mexico," in which he recommended against the creation of a social security institution.

Earlier, in 1912, von Mises wrote in *The Theory of Money and Credit*: "There is a naive view of production that regards it as the bringing into being of matter that did not previously exist, as creation in the true sense of the word. From this it is easy to derive a contrast be-

tween the creative work of production and the mere transportation of goods. This way of regarding the matter is entirely inadequate. In fact, the role played by man in production always consists solely in combining his personal forces with the forces of nature in such a way that the cooperation leads to some particular desired arrangement of material. No human act of production amounts to more than altering the position of things in space and leaving the rest to nature."

Von Mises got the radical empiricism which he inculcated in the ideology of the PAN from his teacher Carl Menger, and, in turn, from physicist Ernst Mach, who, in his 1883 work, "The Science of Mechanics," proclaims that human thought "has nothing to do with the physical world as such. . . . [T]he world consists only of our sensations, in which case we have knowledge *only* of sensations. . . ." In this case, Mach argues, our perception of the physical universe has no direct connection with the real physical universe. If we perceive a force active at a distance, we call it "gravity" and leave it at that. The nominalism of Mach and his followers in the Austrian School forms the basis for the relaunching of his radical brand of positivism at the beginning of the 20th Century.

The "new invasion of Mexico" was supported by, among others, Luis Montes de Oca, finance secretary under Plutarco Elías Calles and founder, in 1939, of the International Bank (Bital, now known as HSBC), which sponsored the visits to Mexico of Von Mises and Von Hayek to spread Mach's radical positivism in the form of economic doctrine. Montes de Oca's deputy secretary and intimate was Rafael Mancera Ortiz, father of Miguel Mancera Aguayo, who is, in turn, the mentor of current Finance Secretary Agustín Carstens Carstens. Montes de Oca's technical secretary was Manuel Gómez Morín, PAN founder. His clerk and representative to the fascist Mont Pelerin Society was his nephew Gustavo R. Velasco, who was also twice dean of the Free Law School, the *alma mater* of President Felipe Calderón Hinojosa. The recent promotion of Von Mises's speeches in Mexico was carried out by Josefina Vázquez Mota, Calderón's Education Secretary.

These are just a few indications of the seriousness of the "new invasion of Mexico." To expel these invaders of the mind of Mexico will require defeating philosophical positivism. The field of battle this time is the one in which Benito Juárez was defeated: the field of science, and in particular, the science of knowledge, of epistemology.