

## Conflict, Ideology and Hope in Central America\*

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IN THE face of the ongoing collapse of rigid Marxism-Leninism-Stalinism, it is intriguing to return to the concepts of the Hegelian dialectic. Hegel taught that history evolves via the emergence of apparent 'syntheses' of thought or action that arise out of contests between initiating concepts or 'theses' and contrary concepts or 'antitheses'.<sup>1</sup>

Marx turned this mental process, this contest between great philosophies, into a materialistic clash between economic classes, wherein the final 'synthesis' would arise out of the victorious struggle by the working class (antithesis) against the ruling capitalist class or bourgeoisie (thesis). The Marxist 'synthesis' would be rule by the working class, or 'dictatorship of the proletariat' as Lenin, Stalin, and their successors described it. This would conclude the materialist dialectic, and would terminate all such theses and antitheses.

Now we know that this glorious Marxist synthesis, the final conclusion of all class struggle ('freeman and slave, patrician and plebian, lord and serf, guildmaster and journeyman, in a word, oppressor and oppressed') was nothing of the sort.<sup>2</sup> Rather, it produced a fantastic concentration of power in the hands of a small, self-appointed ruling élite; and under the surface of dogmatic propaganda and brutality, there boiled a seething hatred against fanatic

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ideologues who uprooted whole social systems, families, beliefs and entire populations, in an incredible zeal to achieve goals they thought had been set by their revelation of absolute truth.

Is it conceivable that classical social theory, especially that of an almost forgotten eighteenth century French physiocracy as further refined at the hands of Henry George (which I shall call geocracy), might fill a doctrinal gap and be suitable both for the preservation of freedom and for the resolution of human travail?<sup>3</sup>

Geocracy is not related to the materialistic Marxist interpretation of the Hegelian dialectic. It is very much related to, and a part of, the contest of ideas which was at the heart of the Hegelian concept. With this dissolution of Marxism as a viable doctrine for much of the world, could geocracy become a major conceptual antithesis to a reign of unprincipled self-aggrandizement into which the world might otherwise descend?

To help us find at least a partial answer to this question, we can devise a case study out of the profound dilemmas of Central America.

During most of its history both before and after independence from the Spanish colonial system in 1821 and Mexico in 1823, Central America has been plagued by socio-political adversity. This has included internal conflict, lawless dictatorships, foreign intervention, and prevalence of social systems and doctrines inimical to the rational solution of its problems.

The appalling economic and social travails of most of Central America are well known, or at least have been reported thoroughly by scholars and other observers.<sup>4</sup> Therefore, this paper will not undertake detailed description of these features, significant though they may be to an understanding of the persistent Central American malaise.

However, it is important to note here that Costa Rica has been, since the very earliest days of its history, a partial exception to this pattern of unremitting misery. This has to do with a wider distribution of land and therefore of other property than is the norm in Central America — factors that arose out of lack of mineral resources, struggles with Indians who refused to be enslaved, and almost total lack of interest on the part of Spanish *conquistadores* and exploiters.<sup>5</sup>

Also, it is not a disconnected coincidence that by comparison with the other four Central American republics (Guatemala, El Salvador, Honduras, Nicaragua), Costa Rica has been the least subject to internal or external violence, or to ideological extremism.<sup>6</sup>

In the remaining four countries, large majorities of their populations have been afflicted by inadequate health care, poor or no housing, massive unemployment or underemployment, and low levels of educational opportunity including widespread illiteracy — all in sharp contrast to conspicuous opulence enjoyed by tiny but influential minorities;<sup>7</sup> and governments have been too often marked by callous political repression and brutality, persistent domination by uncouth military elements, corruption and violence.

Central America, like the rest of Latin America, was settled by Spain (or in the case of Brazil, by Portugal) in the fifteenth and sixteenth centuries. When the British landed on the New England coasts in 1607 (Jamestown) and 1620 (Plymouth), the Spanish had already been in the Americas over a century; and Spain herself did not fully emerge out of medievalism and authoritarianism until modern times.

Contemporary Spanish socio-economic structures have little if any similarity to those of the nation that conquered a large part of the Americas — and established its authoritarian system of land monopoly, serfdom in the guise of the *encomienda* and peonage, and hierarchical domination in her realms in this hemisphere.<sup>8</sup>

Thus, the whole period of modern democracy, market economy, and liberty of persons and beliefs, simply passed by the old Spanish colonies. To this day, and no matter how called, a pervasive monopoly of land and power by tiny minorities of exploitive elements still is a characteristic feature of a large part of Latin America.<sup>9</sup> In several major cities, however, capitalism has evolved as a significant economic element; and concepts of market economy, in a crude sort of piratical form, is taking shape in the heads of politicians in Argentina, Brazil, Chile, Peru and elsewhere, including Central America.

### The United States and Central America

Also, the causes of unfortunate Central American conditions go very far back to the period of the Spanish conquest, long before the United States existed. It is of course true that individual U.S. commercial enterprises have taken advantage of prevailing patterns of wages and working conditions as they found them, though in many instances improving on them; but awful economic conditions have long prevailed in Central America, with or without involvement by U.S. corporate elements. Nor is it accurate to contend that U.S. relations with all Central American republics have always been marked by insensitivity bordering on arrogance, heavy-handed 'diplomatic' intrusions and even direct armed interventions.

In greater or lesser degree, however, all the countries have experienced episodes of heavy pressure imposed by U.S. diplomatic representatives, or intrusions by secret agents, which in some instances have resulted in changes of governments. In 1954, for example, the CIA played a significant rôle in the overthrow of the Marxist-leaning régime of Jacobo Arbenz by Guatemalan dissidents under command of Colonel Carlos Castillo Armas.<sup>10</sup> Costa Rica and El Salvador were relatively free of excessive U.S. influence until the last decades, but are now being especially sensitized to the presence of the North American giant — Costa Rica, because of massive U.S. economic aid, and El Salvador as a consequence of large doses of both economic aid and military assistance and advice.<sup>11</sup> Honduras must now undergo ubiquitous U.S. presence in the form of airstrips, radar installations, training camps and personnel to man them — to say nothing of thousands of uprooted *contras*, most of whom were until recently fighting against the *sandinistas* of Nicaragua.<sup>12</sup>

Of the Central American republics, Nicaragua has had the most direct experience of various forms of United States intervention.

During 1856-57, a band of filibusterers under command of William Walker invaded the country upon invitation by Nicaraguan dissidents, and for a short time Walker even had himself set up as the English-speaking *presidente de la república*. It took the combined armed forces of Central America, led by Costa Rica and with financial help from William Vanderbilt, to throw out the intruders. The Walker episode, inspired by pro-slavery sentiment and a wild

plan to set up some kind of slave territory in Central America, occurred without official connivance of the U.S. government; but, it is understandable that Central Americans think of it as having been an American invasion. Anti-U.S. elements do nothing to dissuade them from this notion.

Because of political instability that threatened economic interests, the U.S. marines were landed in Nicaragua in 1912; and with one brief interruption remained until 1933, when the commander of the National Guard, Anastasio Somoza, was on his way to power. In February of 1934, an early order of business for the emerging Somoza dictatorship was to assassinate the nationalist revolutionary, Augusto César Sandino.

Until the Carter administration decided at the last minute that the time had come to sever connections with the unsavory family dictatorship, most U.S. diplomacy in Nicaragua carried on an unusually cozy relationship with the successive Somoza régimes. In this respect, the most notorious U.S. ambassador was Thomas Whelan, who during 1951-63 made the United States synonymous in most Nicaraguan minds with the Somozas themselves. Whelan's period was exceptional in terms of the degree to which U.S. diplomacy and a hated dictatorship became indistinguishable from each other; but other U.S. ambassadors, before and after Whelan, differed from him only in the degree to which they carried on their friendly dealings with a dynasty whose stability was thought to be good for U.S. investments and national interest.

Of course news about the U.S.-Somoza affair was not confined to Nicaragua, but spread throughout Central America, into Mexico, and southward to the far reaches of Latin America.

Thus, in this as in so many other instances, the United States must carry a heavy load of historical baggage.<sup>13</sup>

### **The Marxist Theoretical Message**

Under the conditions prevailing in Central America, and in the light of such limited experience with contemporary alternative theories, the Central American environment would be hard to beat for spreading strong support for Marxism. First, there is the terrible poverty, often coupled with brazen human exploitation by powerful

monopolists of both land and capital (both fused in the uninformed mind as 'capital'), which can be utilized by Marxist ideologues to promote their doctrine. Secondly, political power, whether civilian or military, is often rightly seen outside Costa Rica as a creature of the same exploitive elements. Thirdly, and most significantly in Central America, the great 'capitalist Yankee' power is perceived by influential opinion-makers to have both worked in close collusion with oppressive, anti-popular régimes, and to have offended Central American sensibilities by intruding into their internal affairs, even to the extent of establishing unwanted régimes and occupying their republics with *yanqui* armed forces.

The scene was made for emergence of Marxist revolutionary leadership, and that is exactly what happened. There was no other visible social message, so the advocates of radical change took the only route they knew.

In Guatemala, this has been true of the Guatemalan Labor Party, the Armed Revolutionary Forces, the Guerrilla Army of the People, and the Organization of the Armed People. Until recently it was true in Honduras, where the persistent presence of U.S. armed forces and *contras* put new life into the Morazán Front for National Liberation; as also in El Salvador, where the Farabundo Martí National Liberation Front (FMLN) derives its name from a Communist insurrectionist executed in 1932, combines five different Marxist armies and parties (including the Communist party of El Salvador), and the hammer and sickle emblazon its banners. Until recently, it was conceivable that the FMLN could take over the country, and turn it into a slaughterhouse reminiscent of Pol Pot's regime in Cambodia.

It would be odd if the *sandinistas* of Nicaragua, the republic most abused by U.S. interventionist activities, should be an exception to this rule, and they were not. Begun by young students of the 1950s who knew no other doctrine of social change except Marxism, the FSLN (Frente Sandinista de Liberación Nacional; Sandinist Front for National Liberation) was overwhelmingly Marxist-Leninist from the start. At least five of its major leaders had already studied or consulted in Cuba, the U.S.S.R., or Eastern European satellite states before the 1979 overthrow of the Somoza regime.<sup>14</sup>

Two years prior to overthrow of the last Somoza, the FSLN Military-Political Platform of 1977 proclaimed *sandinista* goals to be

'inseparably linked to the Marxist-Leninist cause'. On September 17, 1979, exactly two months after the *sandinistas* came to power, a first order of diplomatic business was to hold an immense public rally in adulation of visiting Vietnam Premier Pham Van Dang. On September 1 and October 1 of the same year, the new revolutionary régime sent the first plane-loads of teenagers to study in Cuba; and on November 22, the first of many contingents of Cuban teachers arrived in Nicaragua. In March, 1980, leaders of the *sandinista* Directorate (ruling committee of the FSLN, a sort of politburo) visited Moscow to enter into an agreement calling for close collaboration between the Communist Party of the U.S.S.R. and the Sandinista Front.<sup>15</sup>

Now, of course, after a decade of *sandinista* rule in Nicaragua, the rest is history. The background is understandable and the consequences probably inevitable.

### Soviet Involvement

Of course the U.S.S.R. was not the first outside power to involve itself in Central America. The British and French were active in Central America and Panama during the nineteenth century, much to the annoyance of the United States; and indeed, the Monroe Doctrine of 1823 addressed itself precisely to the perceived menace of European intrusion into the affairs of any part of Latin America.

There is little point in debating the chicken-egg question of which came first, negative U.S. reaction to the *sandinista* revolution or *sandinista* determination to gravitate into the Soviet orbit. Chronologically, the *sandinista* pro-Soviet moves began almost immediately after the overthrow of Anastasio Somoza Debayle on July 17, 1979, and continued without interruption at the same time that the Carter administration was offering friendly overtures and economic aid to the new régime; but it can be argued that the past Nicaraguan experiences with the United States induced the *sandinistas* to seek out other friends around the world.

Nor is it necessary to determine whether the Nicaraguan revolution was instigated by the Soviets, which apparently it was not.

Regardless of these chronological questions, which are still debated uselessly in some quarters, it should be easy to understand that

régimes tend to gravitate toward others that share their own perspectives. Governments founded on Judeo-Christian and Western values tend to associate with each other. Moslem nations find it easy to ally with others of similar orientation. Among the Moslems, Shiites collaborate with Shiites more easily than with Sunnis, and vice versa; and Unitarians tend to mingle more with Unitarians than with holy rollers. Simply put, birds of a feather hang together. Nations and people with similar cultures, languages, political or religious values tend to hobnob with each other.

Therefore, it should be no mystery that (at least before Gorbachëv), Marxist-Leninist régimes found more in common with other Marxist-Leninist régimes than with 'reactionary imperialist' capitalist ones; and the Marxist-Leninist *sandinistas* of Nicaragua were no exception. Whatever the friendly or obnoxious behavior of the United States, the *sandinistas* would have followed this universal rule, and as quickly as possible climbed into the Cuban-Soviet orbit — though as has been pointed out above, the *previous behaviour* of the U.S. probably helped to instigate Marxist radicalism in Nicaragua.

From the standpoint of U.S. national interest, the results were considered in many American circles to be intolerable, and led to a closing of the circle from which there seemed to be no escape.

### **The Negative U.S. Reaction**

Stripped down to these fundamental considerations, the negative U.S. reaction to the *sandinista* régime does not defy explanation. Any part of Central America is closer to New Orleans (1350 miles from Costa Rica, 1200 from Nicaragua) than Philadelphia is to Oklahoma City (1368 miles) or to San Antonio, Texas (1692 miles). Soviet-Cuban military emplacements, including airfields for long-range bombers and potential missile bases, could not be viewed by the United States without concern. Anyone who does not understand this should reflect on the Cuban missile crisis of October, 1962. Also, there is the question of control over critical sea lines of communication throughout the whole Caribbean area, with a pro-Soviet régime already in place in Cuba.<sup>16</sup>

The Monroe Doctrine may or may not be regarded as a daily guide



to contemporary American foreign policy; but it conveyed a central theme that in this semi-anarchic world is a part of the conceived national interest of any nation anywhere: '... the American continents are henceforth not to be considered as subjects for future colonization by European powers.' Though in excessively brutal forms, the pre-Gorbachëv U.S.S.R. understood this when the Hungarian revolutionaries of 1956 appealed for help from the West, and when the Czechs attempted their 'spring revolution' in 1968. Now, of course, new conditions prevail in Eastern Europe; but, it is doubtful that the Soviet Union would stand idly by while some powerful opponent took over its neighbors.

Thus, awful socio-political conditions combined with irreversible historical clashes between the United States and Central America to set the stage for entrance upon it by Marxism-Leninism. Since this development led inevitably to intervention in Central America by members of the Cuban-Soviet bloc, the United States perceived that its national security, if not its ultimate survival, required that it halt the march of communism in the region, by doing what it could to turn back the governments and movements that espoused it.

Of course there were other factors, including economic interest, that prompted the United States to react negatively to the forward march of Marxism-Leninism in Central America; but in the realm of foreign policy, considerations of national security are and should be controlling. Therefore, there is no point in taking space to reflect on considerations of economic interest or other factors behind the anti-Marxist reaction of the United States insofar as Central America is concerned.

### **Is There No Way Out?**

Thus, Central Americans have been entrapped by their seemingly endless social, economic and political travails on the one hand, and stereotyped ideological responses as well as foreign intrusions on the other — none of which have offered anything but intensifications of their adversities and suffering.

Now, however, dramatic events in the U.S.S.R. and Central Europe, Nicaragua, and undoubtedly more to come in Cuba, are dissolving the deceptive lures of Marxism-Leninism. Its mask removed, the doctrine that cried for 'ownership and operation of the

means of production and distribution' by the 'workers and peasants' is more clearly seen as a program for a most extraordinary concentration of all power in the hands of self-appointed ideologues.

So, the hypnotic appeal of Marxism-Leninism may diminish, and for that reason the foreign interventions in Central America may recede. If these things come to pass, Central America may be granted an era of respite that she has not known in recent years; but by itself that will offer little relief from the endemic poverty and authoritarianism that have afflicted her people since the days of the 16th century when the *conquista* brought land monopoly, class domination and rule by force into the region.

Indeed, these negative factors have contributed to underdevelopment, national weakness and foreign interventionism, and can do so in the future. This period of ideological disillusionment, and hopefully of some recession in foreign entanglement, would seem to provide an opportune moment for advocates of an alternative Georgism-physiocracy (which I choose to abbreviate as 'geocracy') to get their views onto the Central American stage. Socialism, in the words of Fred Harrison a 'Millenarian Dream', is ready for replacement, in Central America as elsewhere. If as Richard Noyes contends, Henry George could provide the synthesis in the present dialectic, the oncoming Central American interregnum may provide the ideal time for its propagation.<sup>17</sup>

Physiocracy played a significant rôle in Spain and early Latin American thought before Henry George existed. Indeed, the subject of land reform has long been uppermost in the social concerns of Latin America, including specifically Central America. Essentially all movements of social reform in that part of the world have included some reference, often a leading or dominant one, to the need for land reform.<sup>18</sup> Therefore, it may seem reasonable to suppose that geocratic concepts may emerge to fill the gap left by the recession of Marxism-Leninism from Latin American public support. This also assumes that enough Latin Americans with geocratic convictions will come forth to inform their people of the existence of the alternative message. Nothing of this sort, including Marxism-Leninism, ever came forth automatically without human assistance.

### Obstacles to the Emergence of Geocracy

**Tax Systems.** From the standpoint of a geocratic system, Central American tax patterns present a baffling hurdle. Even in an advanced country such as Costa Rica, direct taxes (on income and property, including cultivated land and lands benefiting from road improvements), take in only about 25 per cent of public revenue.

Remaining government revenue derives from indirect taxes, which bear with special ferocity on the poor. These include customs duties (both import and export!), which provide the most revenue; and food processing taxes, sales taxes, and a multitude of special taxes applied to all sorts of commercial activities. Of course these are paid to tax collectors by business and commercial elements, but are 'indirect' in the sense that they ultimately derive from higher costs which must be paid by the general population.

With the only partial exception of Costa Rica, evasion of all kinds of taxes — especially of such direct taxes as exist — combine with widespread corruption to make such things as income and property taxes, even where they legally exist on paper, largely unknown to most sectors of the population. Especially among the wealthy and powerful segments of Central American societies, such things as property or income taxes impose no burden — except where payments must be made to officials to evade them.

Under such circumstances, the success of a geocratic program would require a monumental transformation in both the tax systems and public attitudes about them.

**Land Reform vs. Agrarian Reform.** Unfortunately, in Central America as throughout the Spanish (or Portuguese) speaking world, the phrase 'land reform' (*reforma de la tierra*, or *reforma territorial*) cannot include the concept of a tax shift from productive labor and capital to unearned land values. The Spanish equivalents of 'land reform' refer to improvement of agricultural land — better fertilization, rotation of crops, prevention of erosion, and so on. For social transformations involving land — e.g., shifts of taxation, divisions of big estates, collectivization, etc. — the phrase is *reforma agraria* — agrarian reform.<sup>19</sup>

Land (Spanish, *terra*; Portuguese, *terra*), insofar as reform or social change is concerned, is in Hispanic thinking, *agrarian* land only.

Argentina, though not in Central America, illustrates this problem. According to urban architect Juan Carlos Zuccotti of Buenos Aires, two major Argentine agricultural cooperatives favor the taxation of land values aside from improvements; but he writes, 'There is never a word about urban land'.<sup>20</sup>

Ironically, this may be partly the fault of eighteenth-century physiocracy, which as a counterpoise to dominant mercantilist theories played such a significant rôle in later French and Spanish thinking. The tax that the physiocrats would have substituted for other impositions of the time (such as customs duties) was to be strictly a tax on *agricultural* land and on mines, on the grounds that these were the ultimate source of all wealth — as to a large extent they were, in those times. No other kind of land value taxation was ever mentioned by physiocratic theorists.

**Corruption.** In connection with Central American tax systems as discussed above, mention has been made of corruption; but a special point has to be made of its pervasion of all society at all levels.

As with systems of land tenure, rule by military force, and domination by privileged classes, this is a system inherited from the Spanish (and Portuguese) colonial systems. In no way does this imply that the Spanish were or are especially corrupt, which they were not and are not. Rather, the Latin American patterns of paying off officials for accomplishment of all sorts of services, arose from entirely different factors.

The Spanish ruled their distant empire through the Council of the Indies, located not in the Americas, but in Sevilla, Spain. To try to effectuate decent treatment of the Indians, controls over commerce, proper conduct of local authorities, and a myriad of other requirements for civilized life as they conceived it, the Council issued multitudinous rules and regulations that were supposed to be applied by their viceroys, captain-generals, and lesser officials.

Many of the rules, well-intended though they undoubtedly were, were so detailed that they could not be applied in fact to particular circumstances in the Americas. Some, in promotion of the mercantilist doctrines of the time, were absurdly restrictive of trade and commerce, but not out of line with what the Council conceived to be for the welfare of the Empire.

Thus, it transpired that the only way to get a lot of needed things

done was to slip payments to officials who were supposed to enforce the decrees of the Crown, which had been enunciated by the Council of the Indies. Thus, a non-Spanish ship could not unload its cargo without paying off the *oficiales aduanales* (customs officials); or, it is reported, even a builder could not construct a house with local materials without paying an inspector whose rules required he must use certain types of cement or wood or fittings found only in Spain.

The transformation of such practices from provision for the essential needs of life to out-and-out corruption for personal gain was imperceptible and understandable, and has become a way of life in Central America as in most of the rest of Latin America.

In the face of this obstacle, how can a tax reform be put into effect which would provide for (1) fair and equitable assessment, (2) tax collection proportionate to such assessment, and (3) utilization of funds collected, in accordance with the word and intent of the law?

**Workers, Peasants and Intellectual Elites.** Finally, if geocracy in Central America is to be put into effect and implemented, this will be accomplished by intellectual élites, not by workers and peasants. It is an unfortunate fact of life, in Central America and in most other parts of the world, that workers and peasants are likely to be poorly educated if educated at all; and in any event, they are too ground down by work and misery to have time or inclination for such foolishness. Even the Russian revolution for the 'liberation of the toilers from exploitation' was led by representatives of the élite, such as Lenin, Trotsky, Zinoviev, Kamenev, Kirov, Radek and many others including Stalin (a theological student preparing for the priesthood).

The Castro revolt in Cuba was led by young students from the University of Havana, fired with radical ideas picked up from books and professors. Even the murderous *Sendero Luminoso* (Shining Path) of Peru is led by ex-teacher Abimael Guzmán and élitist, middle- and upper-class radicalized students. Almost all the founders and leaders of the *sandinista* movement of Nicaragua were ex-students from the University of Nicaragua or other institutions of higher education, whose origins lay among the leading élite families of the republic.<sup>21</sup> Thus, the Chamorro family produced not only conservative opponents of the Somoza dynasty as well as of the

*sandinista* regime, but also radical young supporters of the Marxist government.<sup>22</sup>

Reformist as well as revolutionary leadership in much of Central America, as in most of Latin America and the world, is in the hands of young people, idealistic students, almost all of them from economically privileged sectors of their societies. Therefore, inconsistent though it may seem, if geocracy is to be put into effect in Central America, these are the people who must know how to do it.

If history is as much on the side of the emergence of geocracy around the world as many of its advocates think it is, these obstacles to the application of it in Latin America may be overcome; but realism requires that its proponents understand the difficulties their proposed reforms are likely to undergo.

### Concluding Note

In a recent article, Michael J. Mazarr, an authority on Cuba who has published a book (*Semper Fidel*) and several articles on the subject, wrote that José Martí, the great Cuban liberator, 'believed firmly in freedom and democracy, and his economic ideal was an enlightened development of classical liberalism, drawing from Henry George's analysis of liberalism and the utopian, democratic system of Edward Bellamy'.<sup>23</sup>

Is there a chance that despite all the obstacles in its path, an enlightened development of classical liberalism, inspired by utopian idealism and illuminated by the thinking of Henry George and physiocracy, might still play a rôle in the future of Central America?

As we have seen, there is a substantial background of physiocratic thought, drawn from pre-Georgist French and Iberian philosophy (see n. 3). The idea of land reform, even though associated only with agrarian land, plays a prominent rôle in Latin American reform movements. As anyone familiar with Central America knows, the monopoly of the earth is central to its endemic human travail, and a vivid consciousness of this fact is widespread.

Today, with the collapse of Marxist ideology around the world, a vacuum, a virtual mental chaos, must prevail in the minds of idealists who were captivated by the simplistic Marxist analysis of class

struggle, workers' revolution and dictatorship of the proletariat.

The geocratic conception rejects all Marxist proposals for ownership and operation by the political state of the means of production and distribution, and insists that most of these must remain in private hands. It perceives human liberty and justice to be central to the advancement of the human condition. Yet, while utterly rejecting almost all the ten planks of the Communist Manifesto — most of them brutal intrusions by the state into human life — it does join with Marx and Engels in at least a part of the first one: '... application of all rents of land to public purposes.'

This concept is central to geocracy; and it provides a possibility that young idealists, until recently enamored of Marxist doctrine, may find at least some reason to learn more about the geocratic idea that the earth is rightfully the home of all humankind, and that none may be rejected from it.

In Latin America today, bitter experience with bungling and corrupt state interventionism is driving people into the arms of unbridled market economics and privatization of every conceivable type of state-run enterprise, all to be run solely on the basis of profit and personal gain.

The idea of the special, nature-created rôle of land, or of any kind of tax impositions on unearned land rents, is in no way a part of the 'free market' scheme of things. Using the tool of unbridled private gain as a device to straighten out their state-wrecked economies, administrations in Argentina, Brazil, Peru and Uruguay are trying desperately to save their nations from utter chaos and ruin.

In this scheme of things, it is not inconceivable that geocracy, which already has its old French-Iberian philosophical traditions in parts of Latin America, and its contemporary advocates in Argentina, Colombia, the Dominican Republic and perhaps Costa Rica, could exercise influence on the thinking of both the right and the left.

Almost nothing of a generalized sort can be said about all of Latin America. There are common characteristics and problems, but these differ in degree from country to country. Though in this paper much has been said about obstacles to the adoption of geocratic concepts — current tax systems, stress on agrarian land reform to the exclusion of urban, corruption, obstacles posed by dominant élites

whether of the right or the left — these things are not so true in some Latin American republics as in others.

One can conceive, for example, that geocratic policies might be more effectively adopted in Chile, Venezuela or Uruguay than in Colombia, Peru or Argentina (where they are most desperately needed). By the same token, there is little question that Costa Rica's socio-political system would adapt itself more readily to geocracy than would that of Guatemala; and it is likely that the Dominican Republic could do so far better than Haiti; or, even Ecuador more readily than Paraguay.

Because of rather similar cultural backgrounds, languages (Spanish; Portuguese in Brazil; French-Creole in Haiti), histories, economic and social problems, and geographic propinquity though admittedly over vast distances, the people of Latin America are much interested in events that occur in all parts of their world — whether in South America, Central America, Mexico or the Caribbean. Social policies and political events in one country exert much influence on the thinking of others. Thus, at present, a wave of enthusiasm for unbridled market economies is sweeping much of the region.

In the same manner, a successful experiment with geocracy in one country could stimulate opinion and policies in others. For example, such an event in Uruguay or closer by in Venezuela, could influence the adoption of similar policies in Costa Rica; or, within Central America itself, the impact of a Costa Rican success with geocracy could influence events among her neighbors, including especially Nicaragua.

Until now, no doubt in large part because of historic animosity between the two neighbors, Nicaragua has not borrowed much if anything from her neighbor, Costa Rica; but finally, Nicaraguans are talking about replacing their armed forces with a civilian guard, 'as in Costa Rica'. It is reasonable to speculate that the open democracy, free press and other media, and better material conditions of Costa Rica, may have contributed to the recent Nicaraguan rejection of *sandinista* Marxism-Leninism.

So, let us assume for a moment that Costa Rica, which for various historical reasons already enjoys a wider distribution of landed proprietorship on her central plateau than is characteristic in other Central American countries, would adopt geocratic legislation.



What would happen? She would abolish her import and export taxes, and her international trade would be greatly stimulated. She would lift her internal excise taxes on business and commerce, and her entrepreneurs would feel, as Henry George put it, that 'an immense weight' had been lifted from their shoulders. In brief, to quote George again, 'Imbued with fresh energy, production would start into new life, and trade would receive a stimulus which would be felt to the remotest arteries' (*Progress and Poverty*, p.434).

Income taxes, with all their encouragement to fraud, would be removed; and workers and capitalists would put their increased earnings into savings, improvement, construction, and productive investment.

Costa Rica already levies low taxes on uncultivated agricultural land and lands benefiting from road improvements; to these, it would add, as a measure of compensatory revenue and economic stimulation, the taxation of all unearned land values, urban as well as rural. Urban speculators and slum owners (to be found in Costa Rica — especially San José — as elsewhere in the world), would either improve their properties, or turn them over to new owners who would.

Parts of some of the big plantations on the Caribbean and Pacific coasts, and of the large ranch holdings on the Guanacaste Peninsula, would be sold to other owners, who would use them for effective production and to take care of the new burst of commerce.

With this new prosperity, and the new income from unearned land values, Costa Rica's immense external debt — as of 1990, some \$4.6 billion, or \$15,000 for every adult and child in the country! — would be reduced; and the republic would no longer be dependent on handouts from abroad to compensate for no longer needed social welfare and public infrastructure maintenance and development.

Can one assume that Nicaragua would in no way be influenced by such events in her neighbor republic? Or even, if such a thing were to occur as far away as Venezuela or even Uruguay or Chile, that it would have no effect in Central America or Mexico?

I hope and think it possible this may be something like the way the present dialectic is resolved, including in Central America. But the resolutions of dialectics, 'battles for the minds of men', if you will, have no automatic or pre-ordained outcomes. In Central America or

elsewhere, that is decided by the active rôles that are played by determined and dedicated human beings.

Then, and then only, do 'syntheses' emerge.

#### NOTES

1. Georg Wilhelm Friedrich Hegel, 1770-1831, author of several philosophic works, including *The Phenomenology of Mind*, 1807; *The Science of Logic*, 1812; *Encyclopedia of the Philosophical Sciences*, 1821; *Lectures on the History of Philosophy*, 1831-36; and *Lectures on the Philosophy of History*, 1837.
2. Karl Marx and Friedrich Engels, *The Communist Manifesto*, 1848 (New York: International Publishers Co., Inc., 100th Anniversary Edition, 1948, p.9. Note: International Publishers was, and as far as I know still is, the publishing arm of the Communist Party, USA, so this is about as official a version as one can get.
3. Founder of the physiocratic school, a reaction to the restrictive mercantilist theories of the time, was François Quesnay (1694-1774) of France; its most prominent advocate was Robert Turgot (1727-1781), minister of finance under Louis XVI. The physiocrats advocated the freeing of trade from all the usual mercantilist restrictions and levies, and the raising of public revenue from a tax to be placed on agricultural and mining land, which they considered to be the source of all wealth — in contrast to the mercantilist notion that in order to have great wealth, nations should store up great quantities of precious metals. Partly as a consequence of the Napoleonic invasion of the Iberian Peninsula in the early 19th century, Spain and Portugal were influenced by physiocratic ideas; but even before that, similar ideas had been propagated in Spain by Juan Luis Vives in the sixteenth century, Pedro de Valencia and Father Juan de Mariana in the seventeenth, Miguel de Caxa de Leruela and the Counts of Floridablanca and Campomanes in the eighteenth and Alvaro Florez Estrada and Canon Francisco Martinez y Mariana in the nineteenth. Several Argentine scholars of the early nineteenth century studied in Spain, where they fell under the influence of French-Spanish physiocracy. The most famous of these would be Bernardino Rivadavia, first president of Argentina (1826-1827), who tried to put the physiocratic land tax into effect; but in those tumultuous times, he was overthrown by land monopolists led by the powerful landlord and *caudillo*, Juan Manuel de Rosas, who was later (1835-53) to become the most ruthless and implacable tyrant in the history of the Argentine republic. T. Lynn Smith, ed., *Agrarian Reform in Latin America* (Alfred A. Knopf, 1965, pp. 67-69), included three essays by

- Antônio P. Figueiredo, Brazilian editor of a reformist Recife newspaper of the 1840s, whose articles bristled with protest against the landed monopoly of northeast Brazil (still a plague to this day), and offered physiocratic solutions to the problem. Today in Spain, physiocratic-Georgist movements are in progress, and there is a persistent geocratic theme in Andalusian movements for autonomy. Geocratic movements are active in Argentina and the Dominican Republic today; and individuals such as Hernán Echavarría Olózaga, ambassador to the United States during 1967-1968, write in support of geocratic proposals.
4. Selected background sources on Central American political, social and economic conditions: Thomas P. Anderson, *Politics in Central America* (Stanford: Hoover Institution Press, 1982); Anderson, *The War of the Dispossessed* (Lincoln: University of Nebraska Press, 1981); Charles T. Brockett, *Land, Power and Poverty* (Winchester, Mass.: Allen & Unwin, 1989); Victor Bulmer-Thomas, *The Political Economy of Central America Since 1920* (Cambridge: Press Syndicate of University of Cambridge, 1987); William H. Durham, *Scarcity and Survival in Central America: Ecological Origins of the Soccer War* (Stanford University Press, 1979); Henry A. Kissinger, Chairman, *The Report of the President's Bipartisan Commission for Central America* (N.Y.: Macmillan, 1984); Dana G. Munro, *The Five Republics of Central America* (N.Y.: Oxford University Press, 1918) — now a classic history; Franklin D. Parker, *Travels in Central America, 1821-1840* (University of Florida Press, 1971); Steve C. Ropp and James A. Morris, eds., *Central America: Crisis and Adaptation* (Albuquerque: University of New Mexico Press, 1984); Mark B. Rosenberg and Philip L. Shepherd, *Honduras Confronts Its Future* (Boulder, Colorado: Lynne Rienner Publishers, Inc., 1986); John L. Stephens, *Incidents of Travel in Central America, Chiapas and Yucatán* (New Brunswick, N.J.: Rutgers University Press, 1949) — a great classic, from the 1840s; William S. Stokes, *Honduras: An Area Study in Government* (Madison: University of Wisconsin Press, 1950 + later edition in 1970s); Robert C. West and John P. Augelle, *Middle America: Its Lands and Peoples* (Princeton, N.J.: Prentice-Hall, 1966); Alastair White, *El Salvador* (N.Y.: Praeger, 1973); Miles L. Wortman, *Government and Society in Central America, 1680-1840* (N.Y.: Columbia University Press, 1982).
  5. It would go far beyond the scope of the present summary to attempt to describe or explain the unusual political-economic conditions of Costa Rica, which include a very long experience in constitutional democracy (since at least 1889); and somewhat higher levels of economic opportunity than are to be found in other Central American republics. Some sources in English, in addition to several in Spanish, I can provide on

- request: Charles D. Ameringer, *Democracy in Costa Rica* (New York: Praeger; & Stanford: Hoover Institution Press, 1982); John and Mavis Biesanz, *Costa Rican Life* (N.Y.: Columbia University Press, 1944); — a pioneer sociological study, still significant for an understanding of the Costa Rican exception; Leonard Bird, *Costa Rica: The Unarmed Democracy* (London: Sheppard Press, 1984); Howard L. Blutstein, et al, *Area Handbook for Costa Rica* (Washington, D.C.: US. Government Printing Office, 1970); James L. Busey, *Notes on Costa Rican Democracy* (Boulder: University of Colorado Press, 1962, 1963, 1967); Lowell Gudmundson, *Costa Rica Before Coffee* (Baton Rouge: Louisiana University Press, 1986); Carolyn Hall, *Costa Rica: A Geographical Interpretation in Historical Perspective* (Boulder, Colorado: Westview Press, 1985); Chester L. Jones, *Costa Rica and Civilization in the Caribbean* (Madison: University of Wisconsin Press, 1933) — a classic study, famous among Central Americans; and Sol W. Sanders, *The Costa Rican Laboratory* (Winchester, Mass.: Allen & Unwin, 1985).
6. Among Latin Americanists, Central America is usually regarded as including five republics: Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica. Panamá, which was set adrift from the South American republic of Colombia in 1903 to facilitate U.S. plans to excavate the canal, is not usually thought of as being a part of Central America. Because it was a part of Colombia, it was never a member of the five-nation United Provinces of Central America (later called Federal Republic of Central America), 1823-1838, which was formed after independence from Spain (1821) and Mexico (1823). If anything, Panamá forms an isthmian bridge between South and North America (of which Central America is a part).
  7. Annual per capita income varies from \$700 in El Salvador to \$1,000 in Guatemala (Costa Rica, \$1,350); life expectancy at birth from 55 years in Guatemala to 64 in El Salvador (Costa Rica, 69); infant mortality per 1,000 births from 73 in Honduras to 37 in Nicaragua (Costa Rica, 15); daily newspaper circulation per 1,000 population, 30 in Guatemala to 71 (?) in El Salvador (Costa Rica, 71); and adult literacy, 48% in Guatemala to 66% in Nicaragua (Costa Rica, 90%). *World Almanac and Book of Facts, 1989* (N.Y.: Pharos Books, Scripps Howard Co., 1989), pp. 666, 672, 679, 681, 702-3. *Note:* All such figures, no matter where published, almost invariably come originally from official sources, so must be evaluated in that light insofar as their dependability is concerned. One may also consult the more detailed *Statistical Abstract of Latin America*, published annually by UCLA Latin American Center, University of California, Los Angeles.
  8. Studies on the whole range of colonial Spanish impacts on Latin America are too numerous to cite here. It is only feasible to list a few

- dependable histories: Thomas E. Alba, *Spain and the Loss of America* (Lincoln: University of Nebraska Press, 1983); John Francis Bannon, *History of the Americas* (N.Y.: McGraw-Hill, 2nd ed., 1963); E. Bradford Burns, *Latin America: A Concise Interpretive History* (N.Y.: Prentice-Hall, 1986); Simon Collier, *From Cortés to Castro: An Introduction to the History of Latin America, 1492-1973* (N.Y.: Macmillan, 1974); John A. Crow, *The Epic of Latin America* (Berkeley: University of California Press, 1980); William M. Deneven, ed., *Hispanic Lands and Peoples: Selected Writings of James J. Parsons* (Boulder, Colorado: Westview Press, 1988) — Parsons, an eloquent writer; Russell Fitzgibbon and Julio Fernández, *Latin America: Political Culture and Development* (N.Y.: Prentice-Hall, 1981); Lewis Hanke, *History of Latin American Civilization* (Boston: Little-Brown, 2nd ed., 1973); Hubert Herring, *A History of Latin America: From the Beginnings to the present* (N.Y.: Knopf, 3rd ed., 1968) Alexander von Humboldt, *Political Essay on the Kingdom of New Spain* (Norman, Oklahoma: University of Oklahoma Press, 1988) — reprint of a great 19th century classic; Benjamin Keen, ed., *Latin American Civilization: History and Society, 1492 to the Present* (Boulder, Colorado: Westview Press, 4th ed., 1986); Benjamin Keen and Mark Wasserman, eds., *A Short History of Latin America* (N.Y.: Oxford University Press, 2nd ed., 1984); Sakari Sariola, *Power and Resistance: The Colonial Heritage in Latin America* (Ithaca, N.Y.: Cornell University Press, 1972); Claudio Véliz, *The Centralist Tradition in Latin America* (Princeton University Press, 1979).
9. See Solon Barraclough, ed., *Agrarian Structure in Latin America* (Lexington, Mass.: D. C. Heath, 1973); Charles D. Brockett, *Land, Power and Poverty* (N.Y.: Unwin Hyman, 1988); Merilee S. Grindle, *State and Countryside: Development Policy and Agrarian Politics in Latin America* (Boston: Johns Hopkins Press, 1985); Alistair Hennessy, *The Frontier in Latin American History* (Albuquerque: University of New Mexico Press, 1978); Jacques Lambert, *Latin America: Social Structures and Political Institutions* (Berkeley: University of California Press, 1968); Smith, *Agrarian Reform, op.cit.*, n.1; William C. Thiesenhusen, ed., *Searching for Agrarian Reform in Latin America* (N.Y.: Unwin Hyman, 1988).
  10. José M. Aybar, *Dependency and Intervention: The Case of Guatemala in 1954* (Boulder, Colorado: Westview Press, 1982); Peter Calvert, *Guatemala: A Nation in Turmoil* (Boulder, Colorado: Westview Press, 1985); Richard H. Immerman, *The CIA in Guatemala: The Foreign Policy of Intervention* (Austin: University of Texas Press, 1982); Stephen Schlessinger and Stephen Kinzer, *Bitter Fruit: The Untold Story of the American Coup in Guatemala* (N.Y.: Doubleday, 1982);

- Ronald M. Schneider, *Communism in Guatemala, 1944-1954* (N.Y.: Praeger, 1959) — an excellent, thoroughly researched study; Kalman H. Silvert, *A Study in Government: Guatemala* (N.Y.: ISHI, 1977) — reprint of a 1954 study; Jean Marie Simon, *Guatemala: Eternal Spring, Eternal Tyranny* (N.Y.: Norton, 1988).
11. According to journalist Martha Honey, a resident of San José, Costa Rica, who is completing a book to be published by University Presses of Florida, the United States was (during *sandinista* rule in Nicaragua) undermining the foundations of Costa Rican democracy by using the country as a base for anti-*sandinista* activities. U.S. actions, according to Honey, included sending in hordes of CIA agents, contributing \$400,000 for election of conservative candidates, setting up training camps for paramilitary units in the country, pressuring the government to install a rightwing Minister of Security in 1984, supporting establishment of a private university in competition with the national University of Costa Rica, and trying to get the government to build a secret airbase near the Nicaraguan border. — *Times of the Americas*, Vol. 33, No. 15 (December 13, 1989).
  12. Sources on U.S.-Central American relations are far too numerous to begin to cite here, with many becoming outdated overnight by the onrush of Central American events. For such titles, useless though they become by the time this is published, consult author.
  13. Despite dramatically changing events in Nicaragua, a few of the following sources may be of lasting importance: Eduardo Crawley, *Dictators Never Die: A Portrait of Nicaragua and the Somozas* (N.Y.: Simon & Schuster, 1985); Bernard Diedrich, *Somoza and the Legacy of U.S. Involvement in Central America* (N.Y.: E. P. Dutton, 1981); Lawrence Green, *The Filibusterer: The Career of William Walker* (Indianapolis: Bobbs-Merrill, 1937); Lindley Miller Keasebey, *The Nicaragua Canal and the Monroe Doctrine* (N.Y., 1896; available from R&D Books, P.O. Box 6952, Washington, D.C. 20032); Neill Macauley, *The Sandino Affair* (1971; reprint, Durham, N.C.: Duke University Press, 1985); Robert E. May, *The Dream of a Southern Empire, 1854-1861* (Baton Rouge: Louisiana State University Press, 1973); Richard Millet, *Guardians of the Dynasty* (N.Y.: Orbis Books, 1977); Robert A. Pastor, *Condemned to Repetition* (Princeton, N.J.: Princeton University Press, 1987) — about U.S. policy in Nicaragua; William O. Scroggs, *Filibusterers and Financiers* (N.Y.: Russell & Russell, 1916; Macmillan, 1969); William Walker, *The War in Nicaragua* (originally published, 1860; reprint, Tucson, Arizona: University of Arizona Press, 1985).
  14. On Augustín Farabundo Martí, namesake of the FMLN, see Thomas P. Anderson, *Matanza: El Salvador's Communist Revolt of 1932*

- (Lincoln: University of Nebraska Press, 1971). On FSLN leaders, see David Nolan, *FSLN: The Ideology of the Sandinistas and the Nicaraguan Revolution* (Coral Gables, Fla.: Institute of Inter-American Studies, Graduate School of International Studies, University of Miami, 1984).
15. Obviously, all this took place before the epoch of Mikhail Gorbachëv, who took power in 1985. The literature on the early attachment of the *sandinistas* to the Marxist-Leninist cause is authoritative, thoroughly documented, and — except among committee ideologues — completely persuasive. Dramatically changing events in Nicaragua now require that the list of such sources be reduced, perhaps only to the following: Shirley Christian, *Nicaragua: Revolution in the Family* (N.Y.: Random House, 1985); Eduardo Crawley, *Nicaragua in Perspective* (N.Y.: St. Martin's Press, 1984); Arturo J. Cruz, *Nicaragua's Continuing Struggle* (Lanham, Md.: University Press of America, 1988); John Norton Moore, *The Secret War in Central America* (Frederick, Md.: University Publications of America, 1987); Nolan, *op. cit.*, n. 14; Douglas W. Payne, *The Democratic Mask: The Consolidation of the Sandinista Revolution* (N.Y.: Freedom House, 1985); Robert Wesson, ed., *Communism in Central America and the Caribbean* (Stanford: Hoover Institution Press, 1982).
  16. See Michael Desch, 'Latin America and U.S. National Security', *Journal of Inter-American Studies*, 31, 4 (Winter, 1989), pp. 209-219, where the author (a Fellow in National Security at the Center for International Affairs, Harvard University) places special emphasis on (1) the rôle of security in foreign policy considerations, and (2) the vital importance to U.S. security of the Caribbean sea lanes.
  17. See Richard Noyes, 'Henry George's Place in the Dialogue', and Fred Harrison, 'Socialism: The End of a Millenarian Dream', conference papers, Henry George Sesquicentennial International Conference, Philadelphia, July 29-August 6, 1989; and appropriate chapters in this book.
  18. On land reform issues in Central America, see fn. 4, above, and also Thomas L. Karnes, *Tropical Enterprise: The Standard Fruit and Steamship Company in Latin America* (Baton Rouge: Louisiana State University Press, 1979). On land reform in the broader context of Latin America, see n. 9 above. The most devastating study of third-world attempts at agrarian reform is John Powelson, Richard Stock et al, *The Peasant Betrayed: Agriculture and Land Reform in the Third World* (Lincoln Institute of Land Study, 1987). The Powelson-Stock study includes sections on Latin America, including special treatment of Nicaragua.
  19. Smith, *op cit.*, n. 1, above.

20. Letter from Arq. Juan Carlos Zuccotti, November 29, 1989.
21. See 'Biographical Sketches', pp. 137-154 in Nolan, *op. cit.*, n. 14. These include not only *sandinista* leaders, but also other figures in Nicaraguan political life, mostly contemporary. Of the *sandinista* leaders, who constitute well over half the some 100 individual names, one is struck by the large numbers who came from wealthy families, or business careers, or high-paying professions, to join the FSLN. Those who originated in working, peasant or servant families are few and far between.
22. Pedro Joaquín Chamorro, Conservative, courageous editor of *La Prensa* and bitter opponent of the Somozas; his assassination, January 10, 1978, was widely assumed to have been the work of the régime, and so inflamed the Nicaraguan population that it lit the explosion of fury that brought the *sandinistas* to revolutionary victory on July 17, 1979. Violeta Barrios de Chamorro, his widow, of the National Opposition Union, elected President February 25, 1990, and inaugurated April 25; Xavier Chamorro Cardenal, Pedro Joaquín's brother, editor of pro-*sandinista* daily, *Nuevo Diario*; Jaime Chamorro Cardenal, another brother of Pedro Joaquín, who edited the anti-*sandinista* daily *La Prensa* during most of the 1980s. Children of Pedro Joaquín and Violeta: Pedro Joaquín, Jr., in early 1980s a vigorous anti-*sandinista* editorialist in *La Prensa*; Carlos Fernando, editor of the official *sandinista* newspaper, *La Barricada* (The Barricades); Claudia Lucía, *sandinista* diplomat and writer; and Cristiana, a journalist, who writes in columns of *La Prensa*.
23. Michael J. Mazaar, 'Prospects for Revolution in Post-Castro Cuba', *Journal of Interamerican Studies*, 31, 4 (Winter, 1989), p. 25.