



Episode 965: Take Off That Che Guevara Shirt (Plus: Venezuela)

Guest: Federico Fernandez

WOODS: I was interested in talking about an article that appeared in *The Economist* that I think Bob Murphy sent me, or maybe you sent it to him and he sent it to me. But it's about what you guys are up to with regard to a Che Guevara statue there. So I'd like to hear about that campaign and then take a few minutes to talk about him.

FERNANDEZ: Yes, my foundation, Fundacion Bases, is located in Rosario, Argentina. And Rosario is a very nice city. We are by the Paraná River, which is a beautiful river, and it's a city full of hard-working people. It's a beautiful city in many ways. But unfortunately, was also the birthplace of Che Guevara. He lived shortly there, just one year, since he was born until he was one. And then he moved, but he was born there.

And in the last I would say 15 years or so, which is in a way very much related with our last populist national administration, which our local authorities were much in tune with, there was like an explosion of basically publicly funded tributes and monuments to Che Guevara. There's this statue that is featured in *The Economist* in the article as the picture, but there's also a Latin American Educational Center of Che Guevara, which is very funny – It seems to me that Che Guevara is very far from education, or at least the kind of education we like. Maybe if you want to shoot people or learn things like that, you can go to the Che Guevara Educational Center. But he wasn't much in favor of real education, not the education we want to have. And there are all these kinds of things.

And we are very much against these things, and we believe that – you know, we are in favor of free speech and we believe that if private individuals want to honor Che Guevara, of course we would criticize that, but we would never forbid that. But on the other hand, that the state is doing so, we think it's morally wrong. It's incorrect. It's a waste of taxpayers' money. Argentina, as you know, has a lot of problems, and the state could be doing something else with our taxpayers' money. And we would like the statue removed. Che Guevara in the end was an assassin and a very violent man, and we don't think it's a symbol we want our city to have.

WOODS: So let's go into that in a bit more depth. Given that so many Americans, American kids are wearing shirts with his image on it – and in fact, that even comes up in the article. Somebody says the young people aren't wearing Margaret Thatcher shirts. Okay, but let me be blunt: a lot of people I meet are completely vacuous airheads, so it doesn't matter to me what they want to put on their shirt. Almost none

of them know anything. I bet some of them don't even know about the violence in his past, but on the other hand, surely the local government responsible for the statue knows very well and they very much defend him. How?

FERNANDEZ: Yeah, indeed. I think there is like a two-part answer. On the one hand, the Che Guevara myth is, if you ask me, really it's basically due to two photographs. Two photographs made Che a world star. One is a picture taken in Havana in 1960, I believe, which is the famous T-shirt picture that you see everywhere, which is a photo taken by a photographer named Alberto Korda, and there was a demonstration in Havana and Che went out to a balcony and they took that picture. And really, that picture looks like it's the revolutionary poster boy, because he's with the long hair, the special hat he wore, a leather jacket, looking defiant. And the picture – I mean, aesthetically it's a very interesting picture and that picture immortalized him.

And the second picture, which is a little bit creepier, is the picture they'd taken of his body. He went to Bolivia to try to spread the revolution and failed miserably, and he was cut and executed by the Bolivian army. And they showed his body to the press, but he was in such a poor state when he was captured that they grabbed two nuns that were in the area to clean the body and present him a little bit better. So these nuns cleaned the body, took the rags he was wearing; they cut his hair a little bit because he looked like a homeless person. And this helped create the myth. There's particularly a picture taken from the feet up that he looks in a way to a Renaissance picture by Andrea Mantegna called the *Lamentation of Christ*. And as soon as that picture was published, all these blasphemous Christ-like features of Che Guevara were highlighted.

Basically he became a global celebrity thanks to that, and that is why he's stamped on so many T-shirts of people who have no idea what they are wearing. Basically, wearing a Che Guevara T-shirt – and I'll get to his crimes – is like wearing a Stalin T-shirt, a Hitler T-shirt, a Lenin T-shirt, a Mao T-shirt, something like that. He was a murderer. It's documented he killed a lot of people. He personally killed a lot of people. He signed a lot of executions. He wanted, for instance, homosexuals and religious believers to be sent to reeducation camps, and he did so. He was an addict to violence. The regime that he helped establish in Cuba transformed the country that had the highest GDP per capita in Latin America to one of the poorest. Close to 80,000 people have died trying to leave Cuba, basically to go to Miami. They have died in the sea horrible deaths. 1.5 million had to leave the island because of Che Guevara.

And probably this is one of his worst crimes: he was for some time – you know the revolution triumphed in 1959, and until 1965, he had two roles in the government, and one of them he was the President of the Central Bank of Cuba. And of course in that regard, he was like most central bankers. He destroyed the currency and he caused a lot of inflation. The other role he had was Minister of Industry and he completely failed. It was total administrative chaos. And they were so inefficient that in Cuba, a country that is very hot and you have summer all year long, they bought snow removal machines.

WOODS: All right, well, let's back up a minute. I want to know who were the people who died in the Cuban Revolution? Who were the people whose deaths we can attribute to Che Guevara? Because some people will say maybe that these were

enemies of the people in the sense that they were sympathizers with or part of the previous regime and any revolution is going to be ugly in that sense.

FERNANDEZ: Yeah, that's a common counterargument. The truth is that most of the people that were executed by – The first thing is that the Cuban Revolution was a very soft revolution. The Batista regime collapsed because Batista was a very bad leader, and what Fidel Castro at that time was doing was not a communist revolution and many people sympathized with the anti-Batista movement, whatever this was, because they were fed up with the corruption and many other bad things that had to do with Batista. In fact, the revolution was more a PR campaign than real guerrilla warfare. *The New York Times*, *El Correo* of Spain, and many other important news outlets made more for the revolution to happen than actual bullets and fighting.

Once they got into power – of course, like most communists, it's a small minority that then seizes power and never leaves – they started ruling with an iron fist. But basically – and this is documented and there are very good books – unfortunately, not all of them are available in English, but one very good starting point is the one written by Alvaro Vargas Llosa named *The Che Myth*. It was published by the Independent Institute, if I remember correctly, and it's in English and it's very well-documented. But there are others.

And the key issue is that, for instance, he was in charge of a prison during most of 1959, and most of the people executed in that prison were basically people who just didn't like the regime. But it's not that they were – they were just what we would call now people who were not on board with the revolution, but it's not that previously they were fighting against Che Guevara. No, no. It's people that, okay, they didn't like the turn the revolution was taking, and they were simply executed because of their ideas and their opinions. And most of the people who were executed were like this.

So it's not – and the system. And the other thing is we have to – let's judge Che by his fruits. Let's see the system that he helped establish in Cuba. They basically destroyed the country. People flee like crazy. They even try to swim to Miami. That's the horrible situation they are – When we talk about the Cuban Balseros, the people who live in these small boats – really "boat" is a generous term. They try to leave with whatever they can find that floats, and that is why so many people have died trying to escape the island, which is basically like a giant prison. The quality of living in Cuba is terrible. It's a Stalinistic regime, one of the very few that remain. So really, there's nothing to say in favor of Che Guevara.

And also, Che Guevara made a lot of statements in which he praised hatred as a weapon for revolution. He said at the UN Assembly that – he acknowledged that they were executing and they will continue executing as long as it was necessary. And unfortunately, it was necessary for a very long time, because they killed a lot of people.

WOODS: All right, we've got a lot more to talk about. First we'll thank our sponsor.

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What still bothers me is what seems like a trivial thing, but the fact that people wear this guy's image on a T-shirt like this is kind of chic or in any way acceptable. And it goes to show the ongoing double standard that exists apparently all over the world: that you can glorify a left-wing so-called revolutionary – which of course dignifies him too much. He was a murderer, but he was a left-wing murderer, so we can celebrate him and it's cool to like him. But if somebody wore, I don't know, a shirt with Franco on it, let's say, everyone would be outraged and appalled. But nobody really is outraged. In fact, I bet if somebody did wear – you gave the example of a Lenin shirt. I think once in a while, somebody does wear a Lenin shirt. Nobody shuns that person. The person does not lose his membership card in society for wearing that shirt. So – I don't even know if I have a question here.

FERNANDEZ: Yeah, no, I totally understand what you mean. And in fact, we started this campaign – You know, this is a very important year because it's been 100 years since the Russian Revolution and it's the 50th anniversary, too, of the death of Che Guevara. And last year we were thinking with my colleagues at Fundacion Bases what we were going to do to try and raise awareness of the crimes of communism and all the horrible things they did. And we thought that, you know, in a way – and I will be very generous – but it was very good to put a human face, in the face of Che, more or less human, in the sense to say we are not talking in abstraction of what communism was. It was a criminal ideology. No, no, we are talking about this individual, and this individual that our local authorities, for instance, are trying to make us glorify. He was a coldblooded killer.

And it's not only a terrible double standard; it's also a fancification of history, and I think that is the key. And they have been very successful in that because in a way – I mean, most of the people who wear a Che T-shirt are either completely clueless and they just wear it because it's fashionable or trendy, or they have been misled and they think that Che defended something which he didn't. He's glorified for exactly the opposite of what he really thought and did, because he was – I mean, many people who are in the gay community, they feel identified with Che Guevara. He was a persecutor of homosexuals in Cuba. And this is not my idea. This is very well documented. He thought that homosexuality was a bourgeois problem and with the revolution it should be eliminated as soon as possible. And he was instrumental in creating reeducation camps for homosexuals. Of course for Christians too, and it's very sad now that the current pope is so sympathetic to certain ideas that have been so bad for Latin America, but that maybe is another story.

WOODS: Well, let's say something about another country, if we may. As long as I have you, I want to get your thoughts on Venezuela, which is a spiraling disaster. And what's been interesting to observe is how the left has tried to explain it away. And they've tried to claim that this is the result somehow of capitalists undermining them or the price of oil or whatever it is or corruption. Now, my initial response to that is that corruption exists all over the world; it's just that it doesn't normally lead to there being no toilet paper on the shelves in normal countries, so what would be so unique about corruption in Venezuela that it would lead to empty grocery store shelves? So it can't just be corruption. How stupid do they think we are? But how would you reply to that claim that this is not the fault of socialism; it's the fault – as usual, right? – of saboteurs who always seem to be destroying the fruits of socialism? It's always saboteurs. It's really right out of *Animal Farm*, in a way.

FERNANDEZ: Yeah, totally. As you mentioned, Venezuela is not the only country where you have corrupt politicians. Basically all countries have corrupt politicians. And the other thing: Venezuela is not the only country with oil. And I'm not saying that these are utopias, but you don't see Saudi Arabia completely collapsing because of the price of oil supposedly went down – which is true to a certain extent. I always give this example: when Chavez arrived to power in 1999, the barrel of oil was close to \$9. If we take that, Chavez arriving to power in 1999, as the year zero, from that point until now, the price of oil was never below that, and it was way up. At one point it was 140. For four years in a row, it was between 120 and 140. So it was a fantastic situation for the whole of Latin America. Everything that basically we export, the prices went through the roof. I mean, the reasons are manifold but it doesn't matter. The prices went up and many countries took advantage of this opportunity.

And now that the price of oil is supposedly low, it's between four or five times the price that we had when Chavez arrived to power. So that doesn't sound too terrible. I mean, I would love my income to be in the next 15 years five times what it is today and in those 15 years for it to be 16 times, 14 times. I don't think I will be bankrupt at the end of this fantastic cycle of 15 years or so. So that is a complete fabrication.

And the other thing is that the key issue of these kind of governments like the one of Chavez and Maduro in Venezuela is that for some time, a very brief time, redistribution works in the sense that – it's like drug addiction. At the beginning, it feels great. But of course then you have a lot of problems. You are sick and probably you are about to die. But those years that Chavez used, that he destroyed all the capital that was accumulated by previous generations and also made use of the fantastic oil prices that he had, many people probably felt that things were going better. And that is how you create the myth. There's finally this popular government and they are doing things for the people and you see the results.

Of course this is completely unsustainable, and this is what basically Ludwig von Mises called destructionism. That is the policy of this government. But for some time, it feels good and you have like this crazy party. And when the party ends and your house is all dirty and you have to clean up the dishes, of course then it's the dark forces, the U.S., global capitalism, the banks, or whatever dark forces you want to name that are responsible for the collapse. No, the collapse was contained in the policies that they were applying. But again, for some time – and they really used those two, three, four, five good years to create the myth. And Peron did the same in Argentina in the 1940s, and unfortunately, that myth lasted a lot here in Argentina.

WOODS: So can we hope at least that a silver lining of this situation will be that the people will draw the correct conclusion from it? This is what upsets me the most, is that you go through a horrible ordeal like this and people draw the conclusion that we need better people in charge to do what these people were trying to do instead of thinking maybe what they were trying to do was stupid. Maybe that's what's leading to the problem. And I fear they're not going to draw the right conclusion. Do you think my fear is justified?

FERNANDEZ: Yeah, unfortunately I think your fear is very well justified and we have to wait and see. Today Venezuela is what we could call a humanitarian tragedy. And yesterday they ran a fake election because they want to change the constitution, and

probably Venezuela could very well end up being a new Cuba. And they are very – I mean, Nicolas Maduro, the president of Venezuela, he has top advisors from Cuba. Cuban agents are working in Venezuela as we speak. Some people claim that secret services of Cuba are killing Venezuelans in Venezuela, which is a tragedy. It's horrible. They are killing – I don't know. Regardless of which part of the government is killing them, there's a lot. Just yesterday there were 14 people killed in Venezuela. It's a complete disaster. Many people have left.

The only thing I could say – and this is of course not all that good, but Venezuela is paying a service to the rest of the region in a way that all – in the 21st century, many countries in Latin America, after the collapse and the failure of the neoliberal governments of the 1990s, many countries had these populist socialists in power: Argentina, Brazil, Ecuador, Bolivia, Venezuela, of course. And some of those countries – Argentina is one of them – are trying to leave that populist wave. I think they will be successful. And in a way, what is going on in Venezuela is like looking yourself in a mirror or looking at the possible future of what your country could have become if we continued that populist path. And many people are very scared and saying, Okay, no, we can't go that way. And in that sense, people are learning, but I don't know –

In Venezuela, the key issue is that, on the one hand, you don't know what's going on because the government claims that yesterday 8 million people voted, and the opposition said that it's less than a quarter of that. In Venezuela today, it's like what Stalin said: the only ones that count are the ones that are counting the votes. And that is very sad and it's a very complicated situation, and many people that are coming back to – many people, many friends of mine in Venezuela, what they are concerned about is that the opposition seems to be proposing a softer kind of Chavismo. We are going to try to do the same policies, but we'll be more honest, less authoritarian, and that will be it, and that we we'll solve our problems. And the problem is that the state in Venezuela is basically running the economy and these are the consequences.

WOODS: Can you say a brief word about the organization you belong to that is behind the campaign to get rid of the statue?

FERNANDEZ: Yes, gladly. The organization name is Fundacion Bases. We started our activities in 2004. We are now not only in Rosario but in several cities across the world, but our main headquarters are in Rosario and most of the people who started the foundation, the founders are from Rosario. And our goal is to spread classical liberal ideas, mainly through education, but not only with that. The campaign is in a way to spread our ideas in a different way, and our main programs are an international Austrian economics conference that we do every two years – the next one will be August 2018 in Rosario – and we also run an AER loan online program, all with webinars and short seminars which try to teach people in the ideas of the Austrian school of economics and classical liberalism in general. The program is completely free and basically in Spanish. This year we started the program with a webinar by Robert Murphy, by the way.

WOODS: Oh, very nice. So there's a website. Tell people what that is, even though it is primarily in Spanish.

FERNANDEZ: Our website is FundacionBases.org and the conference website is in English; it's a long name: AustrianEconomicsConference.org.

WOODS: Okay, I'll put both of those up at TomWoods.com/965, and just say I've appreciated the conversation today and we should – when I need to talk about topics like this, I should keep you in mind because I enjoyed this and I'm really glad to hear about what you folks are doing, both in – I mean, you're all over the place. You're in Austria physically, and yet you're still influencing events on another continent. You're my kind of guy. Good work and thanks again.

FERNANDEZ: Thank you, Tom, and I'm a devoted listener, both of *The Tom Woods Show* and *Contra Krugman*, so to me it's a great honor to be here speaking with you.

WOODS: Thank you very much. You are a model citizen of this world. Thank you very much.