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Venezuelan People Feel The 'Bern' As Real Socialism Destroys Their Country

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Take an oil-rich nation. Add a productive people. Mix in socialist economics and authoritarian politicians. You get Venezuela, a country which no longer can feed or care for its people.

Americans have forgotten what socialism really is. Sen. Bernie Sanders campaigns as if Karl Marx was just another Santa Claus.

Real socialism largely disappeared decades ago. The collapse of the Soviet Union and its Eastern European satellites effectively ended the age of collectivism.

Nevertheless, oil-rich Venezuela since became a flamboyant exponent of socialism. Its travails should remind us how America's power is built upon a prosperous economy. Prodigal spending at home and promiscuous intervention abroad are undermining our nation's economic foundation.

Most Corrupt Countries 2015

Like most Latin American nations, Venezuela never enjoyed a genuine market economy. My Cato Institute colleague Marian Tupy recently highlighted "the gradual, but constant, erosion of economic freedom in Venezuela that has been going on at least since the 1970s. The rule of law has been undermined, private property confiscated and prices fixed by the state."

Lt. Col. Hugo Chavez attempted a coup in 1992. He failed, but six years later frustrated Venezuelans elected him president, leading to his "Bolivarian Revolution." Before his death in 2013 he nationalized industries, provided bountiful social benefits, spent wildly on domestic and foreign ventures, turned the state oil company into a fount of political patronage, and imposed price controls.

Chavez also created a dependent judiciary, ruled by decree, intimidated the media, and jailed political opponents. Periodic elections still were held, but were unfree in most every way.

He died three years ago as his country spiraled toward disaster. His successor, Vice President Nicolas Maduro, is no more competent but less charismatic. Today the economy is in virtual collapse. With oil revenues declining the regime no longer can mask its many failures.

Yet Maduro's government only blames others—political opponents and private businessmen—for everything from pervasive shortages to hyper-inflation. Maduro recently seized private factories and jailed their owners for not producing goods at a loss.

The economic collapse is epic: food is rationed, power is intermittent, government can't pay its debts, babies die in decrepit hospitals, the economy is shrinking, phone companies have suspended long distance service, inflation is running 720%, medicine is available only on the black market, foreign exchange is unavailable, water is rationed, government employees work two days a week, looting is common, lines are pervasive, the bolivar lost 93% of its value in two years,

Hungry urbanites are hunting birds, cats and dogs for food. Venezuela ranks as the most corrupt nation in Latin America and number nine in the world; the country tops the world in economist Steve Hanke "misery index" of combined inflation, interest and unemployment rates. People can't even cry in their beer, since Venezuela lacks the barley and hops necessary to brew any. Kidnappers—an expanding profession—demand dollars in payment. The only thing Venezuela has in abundance is crime, sporting the highest crime rate in the world.

In May Maduro, who claims to talk to Chavez's spirit (in the form of a "little bird"), declared a 60-day state of emergency "to tend to our country and more importantly to prepare to denounce, neutralize and overcome the external and foreign aggressions against our country." He also initiated military maneuvers to defend against "any scenario," such as a foreign invasion. He said his government's problems are "made in the U.S.A."

In December legislative elections delivered a two-thirds parliamentary majority to the divided opposition, which is organizing a recall campaign against Maduro. Seven of ten Venezuelans say they want him gone.

Facing defeat Maduro might attempt to block a vote, which would risk a political explosion. His own colleagues might push Maduro out in hopes of saving the regime. There even is talk of a military coup.

The Obama administration declared the Chavista regime to be a national security threat and imposed sanctions on top Venezuelan officials. Washington often inflates foreign threats to justify intervention, but Venezuela is a danger only to its own people. The Obama administration should stay out of the worsening chaos.

In fact, there's little good that Washington can do. Attempts at isolation, especially economic sanctions which have become America's weapon of choice, tend to hurt those people most aligned with the U.S.

In Venezuela Washington's support for a failed coup in 2002 spurred nationalist support for Chavez. Only the Venezuelan people can rid themselves of the Chavistas.

As they must do. Hugo Chavez said he created "21st century socialism." Alas, it didn't work any better than 19th century socialism. Bernie Sanders, call your office. America can't afford to import a system that continues to fail around the world.

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