

# Tyler Morning Telegraph

## Venezuela descends into serfdom and starvation

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As Friedrich Hayek warned more than half a century ago, socialism is the road to serfdom. As if to prove his point - literally - Venezuela has now decreed that all citizens can be forced to work on farms, against their will.

“The government of Venezuela has issued a decree that ‘effectively amounts to forced labor’ in an attempt to fix a spiraling food crisis, according to a new report from Amnesty International,” CNBC News reports. “A Venezuelan ministry last week announced Resolution No. 9855, which calls for the establishment of a ‘transitory labor regime’ in order to relaunch the agricultural and food sector. The decree says that the government must do what is ‘necessary to achieve strategic levels of self-sufficiency,’ and states that workers can be forcefully moved from their jobs to work in farm fields or elsewhere in the agricultural sector for periods of 60 days.”

Venezuela is one of the world’s most oil-rich nations, with lush tropical farmlands. Yet it can’t feed itself. It’s citizens are starving and civil order is breaking down.

“Under President Nicolas Maduro, the country has been gripped by skyrocketing inflation and food shortages that have led to rising unrest this year,” CNBC explains. “Venezuela's oil-dependent economy capsized with the fall in crude prices in 2014, leaving whole swaths of the country’s 31 million people without enough food or other necessities. Inflation is expected to hit almost 720 percent this year, and gross domestic product is seen falling by 8 percent, according to the International Monetary Fund.”

But that’s not really the whole story. Low oil prices hurt, but didn’t destroy, the economies of other countries, such as the U.S., Mexico, Canada and even Russia. What’s really going on here is socialism. It simply doesn’t work.

“Real socialism largely disappeared decades ago,” says Doug Bandow of the Cato Institute. “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.”

Venezuela never had truly free markets, and the socialists - led by Army officer Hugo Chavez - attempted a coup against the corrupt kleptocrats that had been in power for generations.

“He failed, but six years later frustrated Venezuelans elected him president, leading to his ‘Bolivarian Revolution,’” Bandow explains. “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.”

Let’s look at those price controls for a moment. The reason farmers can’t feed the nation is that they can’t sell their goods for what it cost to produce them.

“Maduro recently seized private factories and jailed their owners for not producing goods at a loss,” Bandow adds. “People can’t even cry in their beer, since Venezuela lacks the barley and hops necessary to brew any.”

This is important to Americans as socialism enjoys a new popularity. Americans need to know that socialism doesn’t produce a utopia. It produces Venezuela - and serfdom.