

Magazine in 2013: Socialist Venezuela an 'Economic Miracle'

A humanitarian crisis is unfolding in Venezuela. Inflation is rampant (700 percent, as of Tuesday) and there is not enough food to feed the nation's 31 million mouths. U.S. companies [are pulling out](#).

One of the reasons the crisis in Venezuela is so tragic is that it was so predictable. Mary Anastasia O'Grady, writing in the Wall Street Journal, [recently noted](#) the one obvious flaw in the late Hugo Chavez's economic policy:

In his craving for power, [Chávez] pledged to redistribute Venezuela's wealth to the poor masses. The god-father of '21st-century socialism' seems to have been unaware that the resources he promised to shower on his people had to first be produced.

The irony is that just a few short years ago, many were citing Venezuela as one of the great triumphs of socialism. In a 2012 [New York Times op-ed](#), Mark Weisbrot of the Center for Economic and Policy Research gushed about the gains Venezuela had experienced under Chavez after the strongman [seized the assets of oil contractors in 2009](#):

Since the Chávez government got control over the national oil industry, [poverty has been cut by half](#), and extreme poverty by 70 percent. College enrollment has more than doubled, millions of people have access to health care for the first time and the number of people eligible for public pensions has quadrupled.

In 2013, left-leaning Salon (citing Weisbrot in the *New York*

Times) claimed that Chávez had performed an “economic miracle.” Writer David Sirota even chided those who refused to acknowledge Venezuela’s economic “success”:

Chavez became the bugaboo of American politics because his full-throated advocacy of socialism and redistributionism at once represented a fundamental critique of neoliberal economics, and also delivered some indisputably positive results. Indeed, as shown by some of the most significant indicators, Chavez racked up an economic record that a legacy-obsessed American president could only dream of achieving...

When a country goes socialist and it craters, it is laughed off as a harmless and forgettable cautionary tale about the perils of command economics. When, by contrast, a country goes socialist and its economy does what Venezuela’s did, it is not perceived to be a laughing matter – and it is not so easy to write off or to ignore. It suddenly looks like a threat to the corporate capitalism, especially when said country has valuable oil resources that global powerhouses like the United States rely on.

Sirota is correct that nobody should “laugh off” the cratering of Venezuela’s government. No pleasure or amusement can be found in the pain of the people of Venezuela.

That said, is it too much to ask that the failures of socialism are recognized as such? Is it wrong to point out that confiscating private property and entire industries for “redistributive” purposes is not just morally dubious, but *destructive*?

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