



Written by [Alex Newman](#) on November 13, 2013

Socialist Venezuela Spirals Into Chaos as Troops Seize Companies

Amid sky-rocketing inflation and escalating shortages sparked by socialist policies, the authoritarian regime in Venezuela ordered a military “occupation” of certain businesses in a bid to force them to charge what authorities deem “fair” prices. Venezuelan rulers also vowed this week to intensify the ruthless assault on “bourgeois parasites,” also known as productive businesses in countries unlike Venezuela and Cuba.



Store managers are already being rounded up and jailed, as the formerly prosperous nation’s economic implosion accelerates. Venezuelan “President” Nicolás Maduro also promised that the business seizures and military occupations would be just the “tip of the iceberg,” telling the public that others would be next in the crosshairs if they refused to comply with the regime’s economic decrees.

Of course, socialist strongman Maduro, who [succeeded](#) the infamous Hugo Chávez earlier this year, is [following in the footsteps](#) of [his late predecessor](#) with wild claims that Venezuela’s ongoing descent into chaos is a result of “Yankee imperialism” and “economic sabotage.” He alleges that the “right-wing” domestic opposition is conspiring with Washington, D.C., and market-oriented forces in Latin America to spoil what would have otherwise been the wonderful fruits of his brilliant central planning.

Economists almost universally acknowledge that the regime’s increasingly fiendish efforts to control the economy are the source of the escalating economic turmoil ravaging the people of Venezuela. For self-styled socialist rulers, however, capitalism simply must be to blame — it always is, [even for bad weather](#) or the alleged extinction of supposed alien life on Mars, as [Chavez explained](#). After having already [expropriated](#) and [nationalized](#) huge swaths of the economy, driving away capital and productive citizens, even Venezuela’s massive oil reserves cannot conceal the damage. Unsurprisingly, authorities responded with more of the same. The regime’s latest targets: electronics stores.

Appearing on the government’s propaganda TV outlets, “President” Maduro told desperate Venezuelans late last week that he was sending troops to “occupy” retail outlets belonging to Daka, an electronics chain compared to BestBuy in U.S. media reports. “This is for the good of the nation,” the hardline socialist ruler claimed as images of his minions checking flat-screen TV prices flashed by. “Leave nothing on the shelves, nothing in the warehouses.... Let nothing remain in stock!”

Maduro said Friday he had ordered “the immediate occupation” of the stores to ensure that their products — “everything” — would be offered “to the people at fair prices.” “We’re going to comb the whole nation in the next few days,” he added. “This robbery of the people has to stop.” The alleged thievery he was referring to, of course, did not include the myriad businesses and industry sectors confiscated by the regime.

Embattled store managers have been arrested and are being held by the regime’s “security” services, Maduro added. “You thought we were joking or fooling around,” Maduro boomed over the weekend, seeking to portray his regime’s criminal actions as getting tough on evil capitalists. “The chains of home



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appliances all received dollars from the country. They were all speculating. A good number of those responsible are now detained.”

Separately, the socialist strongman vowed to use “special powers” his rubber-stamp legislature is expected to provide soon in order to impose stricter limits on business profits. “I am going to ask for norms and the maximum penalty allowed under the constitution for these types of crimes because we have to stabilize the functioning of the economy,” he said, referring to stepped up penalties on companies and businessmen making “excessive” profits.

Analysts largely attributed the latest schemes to upcoming municipal elections next month, which, despite [widespread reports of major fraud](#) in previous votes, is being touted as a “referendum” on Venezuela’s new autocrat. Apparently, despite the regime’s desperate propaganda efforts and [ruthless silencing of dissent](#), Maduro’s popularity continues plunging as Venezuelans become increasingly desperate amid an imploding economy. The “presidente” also [decreed](#) that Christmas bonuses be delivered by December 1, days ahead of the election.

According to news reports, “inflation” in Venezuela is estimated at around 55 percent over the last year, though it is likely even higher. The regime’s central bank, meanwhile, acknowledged that the currency supply ballooned by 70 percent throughout the last year, meaning properly defined “inflation” was at least that much. Most of the newly created cash went to finance wasteful central planning and wealth redistribution schemes — not to mention the lavish lives of the political class.

The Bolivar currency’s accelerating loss of purchasing power — the inevitable result of printing more “money” — has led authorities to crack down on what they disingenuously claim is speculation, price gouging, and hoarding. Foreign exchanges by desperate Venezuelans seeking more stable currencies to store the value of their meager savings are also being heavily restricted, sparking a black-market rate for U.S. dollars — with the real price of dollars almost 10 times higher than the “official” rate. That has led to prices for imported goods, which must be purchased with non-Venezuelan currency, to appear wildly higher using the regime’s fabricated exchange rates.

Over the weekend, trying to conceal reality while playing Venezuelans for idiots, the regime also cracked down on websites and services that post the real exchange rate for dollars, which has also been banned as authorities try in vain to defeat facts and economic laws with half-baked official decrees. “They are off the air, off,” Maduro boasted, referring to the seven anonymously run websites that were shut down amid an increasingly desperate battle against “illegal” facts.

Publishing the true exchange rate between Bolivars and dollars, [like criticism of the regime](#), is punishable with jail time and persecution. Multiple Internet Service Providers (ISPs) are also being targeted for allowing the offending sites to operate, according to news reports. Virtually nobody expects the radical measures to have any effect on the price of dollars as the black market continues to flourish.

All of the machinations, many of which were aimed at addressing the consequences of previous ham-handed economic scheming, have contributed to increasingly severe shortages of everything from toilet paper and staple foods to electricity and luxury items like TVs. As has always been the case throughout history, price controls and government intervention lead inevitably to shortages and economic misery.

The regime, however, has been desperately seeking to blame its self-made fiascos on an alleged “economic war” supposedly being waged by the “enemies” of socialism — rather than basic economic principles that no government can repeal. A massive “official” devaluation is widely expected following the upcoming elections, but analysts almost all expect Venezuela to deteriorate further absent major



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changes in the current direction of the regime.

Predictably, the announcement that heavily armed National Guard forces would be forcing stores to sell their products at so-called “fair” prices — at gunpoint, of course — sparked a chaotic rush among Venezuelans to grab what they could. Even citizens who understand what is going on rushed to take advantage. “I have no love for this government,” businesswoman Gabriela Campo, 33, was [quoted](#) as saying by *USA Today* as she waited in hopes of securing a “cut-price” television and fridge. “They’re doing this for nothing but political reasons, in time for December’s elections.”

Others quoted in media reports celebrated how “cheap” everything would be — at least until there is nothing left and businesses refuse to order more, knowing that the regime is likely to steal it or occupy their stores at will. “I want a Sony plasma television for the house,” declared 34-year-old Amanda Lisboa, who had reportedly waited seven hours outside a store in Caracas but was still not at the front of the line. “It’s going to be so cheap!”

Meanwhile, according to press accounts, the long lines outside of some retail outlets, especially in Valencia, turned into outright looting as mobs carried off whatever they could get their hands on. In an ironic twist, the national prosecutor announced that, in addition to store managers, some looters had been arrested, too. Presumably, though, only private-sector looters without government titles or costumes will be facing prosecution for stealing.

There has been some tepid criticism of the drastic measures so far, but Venezuelans have learned the hard way that pointing out inconvenient facts can lead to long prison stays — more than a few media chiefs and political leaders have been arrested. “Maduro in desperation over his failure and inability to lead the country takes measures that do not solve the economic crisis,” wrote opposition figurehead Henrique Capriles Radonski, who “lost” to Maduro in dubious April elections, in a Twitter post.

As the economic strangulation continues to intensify, multiple indicators suggest that Venezuelan society itself is falling apart as well. Crime and murder rates, for example, have exploded under socialist rule — with the soaring violence then used as a pretext for [United Nations-assisted civilian disarmament](#). Public and private sector gangs, like hyenas and vultures, are picking over the nation’s carcass as productive Venezuelans who can afford to leave flee the crumbling nation in droves.

Despite the impression created by the establishment press, Venezuela’s totalitarian-minded rulers are hardly isolated pariahs. In fact, with [backing from the powerful U.S.-based Council on Foreign Relations](#) and [other establishment powerhouses](#), a ruthless network of socialist and communist forces is currently in the process of [taking over Latin America](#), having [already become the dominant political force throughout most of the region](#).

If the radical cabal is not loudly exposed and denounced, the savagery overtaking Venezuela will soon ravish much of the hemisphere — especially nations ruled by political parties affiliated with the [Marxist São Paulo Forum](#), founded by former Brazilian President Luiz Inacio “Lula” da Silva, Communist Cuban tyrant Fidel Castro, the Sandinistas, communist terrorist groups, and more. Without serious change, the [Communist Chinese-backed](#) takeover might even end up making military occupations of retail stores seem mild by comparison.

Photo: AP Images

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