

Maduro's Christmas Presents to Venezuela: Forced Sales, Stolen Toys

"To Venezuelan socialists," <u>observed</u> Loyola University Maryland economics professor Thomas DiLorenzo, "nothing says 'Merry Christmas' more than armed government goons showing up at your business and ordering you around."

That is, in fact, precisely what is happening in that oil-rich but increasingly povertystricken nation. Having driven his country into penury and hyperinflation by continuing the policies of late president Hugo Chavez, President Nicolas Maduro is now forcing stores to have Christmas sales they cannot afford and even confiscating millions of toys from their distributor so Maduro can play Santa Claus by handing them out to poor children.



Venezuela's economy has been run into the ground by socialism. Rather than admit its error, the government tried to print its way out of the crisis, leading to the world's present highest inflation rate: 475 percent by the end of the year, according to International Monetary Fund forecasts. When the surplus cash drove prices through the roof, the government imposed price controls, which, as they always do, produced chronic shortages of even basic necessities such as food and clothing. Venezuelans now spend hours a day <u>waiting in lines to buy groceries</u>, if they can even find them. Scraping together enough cash to purchase Christmas presents is, for most, almost impossible.

Maduro, who studied under the late Cuban dictator Fidel Castro, is therefore doubling down on the very policies that have brought his nation to the brink of ruin. Just as naturally, his government is blaming the unaffordability of Christmas presents on greedy capitalists.

The government has ordered over 200 retail stores in Caracas to reduce their prices by 30 to 50 percent, which hardly seems sufficient when it accuses them of "jacking up prices by 300 to 500 percent," according to Agence France-Presse.

"Our worker-president has ordered us to guarantee fair prices for the people, and we are complying. These economic hitmen can't take away our merry Christmas," said William Contreras, head of the National Superintendency for the Defense of Socioeconomic Rights.

Stores being forced to cut prices are guarded by soldiers, who allow customers in two-by-two, obviously to avoid a run on merchandise that is already in short supply.

Store owners, of course, resent this intrusion and quite logically argue that they can't remain in business long under such circumstances.

"What good is it to sell shoes if I'm giving away my product?" shoe-store owner Juan Vieira — who

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already had to close one of his stores in 2010 when the government stole the building in which it was located — told AFP. "If we keep going at this rate, I'll run out of shoes this month. I'm about to go bankrupt and close."

Mary, the manager of a T-shirt store forced to sell its wares at a deep discount, told AFP the imposed sale had "destroyed" the business. (She also asked that her last name be withheld for fear of reprisals.) In addition, she complained about the government agents who, in AFP's words, "swooped on the store," saying they were "very rude" and refused even to consider the store's documents showing its pricing practices.

Some of the store's customers foolishly believe they are getting something for nothing.

Yaroski Mendoza, a 19-year-old cook, told AFP, "This is the best thing the government could have done this year because you have to give up eating just to buy yourself a shirt."

Isaac Quintero, a 28-year-old office worker, said, "We have to take advantage of this opportunity. Venezuelans like sporting new clothes for Christmas or New Year's Eve."

But at least one customer, 50-year-old Anis Rodriguez, recognized that she was benefiting at the store's expense. "They're practically giving their products away," she said. "[The government] is making them go broke for no reason."

Indeed it is. The T-shirt store's owner has said he will close the store if the forced sale continues, which would leave Mary jobless

"This is a smoke bomb," she said. "Since there's nothing in this country, they have to distract people with something."

As if the mandatory sales weren't bad enough — at least businesses are getting some money out of them — the Maduro government has outright stolen nearly four million toys from the country's largest toy distributor, Kreisel.

Once again, the victim was blamed; the Associated Press reports that "two company executives were detained on suspicion of promoting price speculation." Contreras said the move would teach companies "that you can't play with the rights of Venezuelans," which, under socialism, include the right to other people's property.

The government is going to have local committees distribute the contraband toys "fairly" to children, by which it means as politicians and bureaucrats see fit, and almost certainly with an eye to maintaining Maduro's grip on the reins of state.

"If this causes the company to close its doors and lay off hundreds of workers, so what?" DiLorenzo blogged. "It's more important to 'buy' socialist tyrant Maduro a few more weeks in power with a fake Santa Claus routine so that he can finish the job of destroying his country."

At the rate he's going, it won't take long. *Feliz Navidad*, Venezuela.



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