

From Socialism to Fascism

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Democratic socialism might seem all fun and games . . . right up until one is forced to choose between democracy and socialism. Those countries that choose the latter, like Venezuela, lose both prosperity and democracy, and then things get really bad.

But what happens when such a society's dictator wises up?

"Bankrupted by Socialism, Venezuela Cedes Control of Companies," Fabiola Zerba reports for *Bloomberg*. "Saddled with hundreds of failed

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state companies in an economy barreling over a cliff, the Venezuelan government is abandoning socialist doctrine by offloading key enterprises to private investors, offering profit in exchange for a share of revenue or products."

If that last sounds like less than full privatization, and unnecessarily cumbersome, it is. "Dozens of chemical plants, coffee



processors, grain silos and hotels confiscated over the past two decades have been transferred – but not sold – to private operators in so-called strategic alliances. . . .”

“Strategic alliances” sounds ominously . . . fascistic.

This is not gratuitous, for, as Peter Drucker explained, “Fascism is the stage reached after communism has proved an illusion.” And it is definitely not directly towards “free markets” that Venezuela now moves. Dictators and ruling juntas don’t like free markets. It makes them less integral to the wealth extraction process.

And wealth, in their view, needs to be extracted!

It gives meaning to their lives.

Jon Miltimore, in an article at FEE, also uses the f-word, and quotes my friend Sheldon Richman’s definition: **fascism**, *noun* : “socialism with a capitalist veneer.”

Really moving beyond 20th century mistakes would entail reviving actual free markets. Not “so-called strategic alliances.”

This is Common Sense. I’m Paul Jacob.