

Restoring Venezuela's Economy

by Earl P. Holt III

President Trump deserves enormous credit for snatching Nicolas Maduro, Venezuela's dictator and godfather of the *Cartel de los Soles*. Maduro's illegal regime provided sanctuary for that violent drug cartel, and Maduro and his cronies benefited personally from its revenues. His regime also subsidized other bad actors, such as Iran, Cuba, Columbia, and China, while impoverishing its own citizens.

Unfortunately, simply removing Maduro is not a long-term solution to the graftocracy and poverty sponsored by *Maduro & Company*. However, there are solutions to Venezuela's problems, and one involves a role for private enterprise to replace our traditionally wasteful, counterproductive and disastrous ***Foreign Aid Program***. That solution is known as "***Micro-Banking***."



Existing Micro-Bank in Brazil

Micro-Banking involves chartering small, private lending institutions with the authority to make small loans. Their target clientele are impoverished individuals needing capital to start their **small business**, and begin their journey to **financial independence**. Such a loan might be used to purchase hand tools, construction equipment, a truck to deliver materials, a car to serve as a taxi, startup money to open a taco stand or liquor store, or perhaps buy a barbecue grill, or any of a thousand other purposes that entrepreneurs might envision.

The most effective method to encourage repatriation of Venezuelans who fled Maduro's regime is to create new economic opportunities in Venezuela, especially in its rural areas. This will cultivate markets in local communities that will contribute to Venezuela's overall economy. This business model could never work in sh*tholes like Haiti or Cuba, but it should work quite well in nations with a tradition of democratic institutions.

Micro-Banks could be capitalized by private investors, or by diverting Foreign Aid that was originally intended for Venezuela's central government. Or, they could receive capitalization from U.S. philanthropic foundations, which are only too eager to throw billions at scams like *global warming*. Here, those charities could actually put their money to good use for a change.

Over the past few decades, the nearly unanimous motive of most Latino migrants -- who have wended their way towards the U.S. -- is the perfectly understandable desire for greater economic opportunity and a higher standard of living. Establishing **Micro-Banking** facilities in Venezuela would help create the very economic opportunities they seek, and do so in their nations of origin.

Historically, much of the U.S. Foreign Aid budget has been stolen by the central governments of recipient nations. Micro-banking could supplement the original, **anti-poverty objectives of our *Foreign Aid Program*, and do so by targeting the very people in whose hands it will do the most good.**

Such a program would have the added benefit of excluding any role for Venezuela's central government. Direct Foreign Aid to Venezuela's government might even be made conditional upon its non-interference in legal **Micro-Banking** transactions.

Of course, every socialist will oppose the idea, especially Congressional "Democrats." A growing middle-class of entrepreneurs -- with no role for government planners -- is anathema to Marxism. However, after the last 100 years, not even Marxists themselves bother to give lip service any longer to the plight of the world's poor: they are exclusively concerned with the acquisition and maintenance of power.

A lot of reflexive opposition will also come from the fake news media, the focus of socialism in the West. Yet, President Trump is a man who wisely rejects the "*conventional wisdom*" of the swamp, much of which originates in the form of memos from the **Democrat National Committee**, which immediately appear on the Editorial Pages of the **NEW YORK TIMES** and **WASHINGTON POST**.

President Trump is a man who is not afraid to make a mistake, and will occasionally try a radically different approach to old and resilient problems. The role of **Micro-Banking in alleviating post-Maduro Venezuelan poverty could play a significant role in helping to stabilize Venezuela, and serve as an attractive example to other Latin Nations.**

