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## Maduro is Destroying Venezuela

Venezuela's president Maduro is a complete idiot who is destroying their economy and creating a refuge crisis. Venezuelans are being forced to leave their country and go to other countries and many are ultimately being forced to seek asylum in America.

Maduro is a socialist who is destroying Venezuela for the illuminati NWO. They want to create refugees that are forced into America to destabilize our democracy. The socialist leader has repeatedly refused international aid to Venezuela despite their economy collapsing.



Venezuela has a lot of oil wealth and has previously been a relatively democratic country in South America. Now it is in complete collapse.

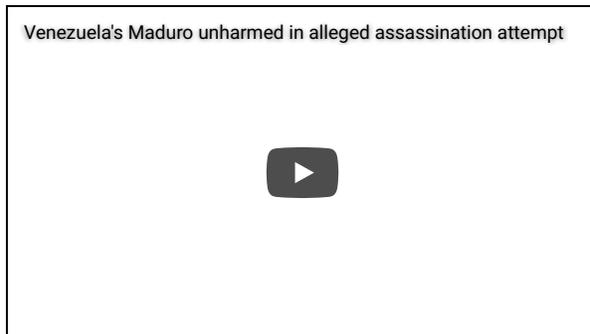
**MADURO LATE FRIDAY OUTLINED A DRAMATIC EFFORT** to curb inflation that has been spiralling toward 1 million percent, raising the minimum wage by more than 3,000 percent and officially devaluing the already nearly worthless bolivar by more than 90 percent. He additionally said in a televised address that the currency, which was already scheduled to shed five zeros Monday, would now be backed by Venezuela's petro, a virtual currency linked to oil reserves that the government created in February and that experts have called a sham.

But analysts said the plan failed to address the fundamental problems causing inflation – the willy-nilly minting of bolivares, collapsing oil output and a complete lack of confidence in the government.

Francisco Rodriguez, chief economist at Torino Capital, an investment bank in New York who had devised a plan to dollarize the country's economy as part of presidential candidate Henri Falcon's campaign earlier this year, said: "There are many serious problems with the plan, but I essentially think it will fail because no one believes the government will stop printing money. People will keep raising their prices and the government won't be able to keep its promises."

People are already buying dollars on the black market at a 30 percent higher price than on Friday before the announcements.

Maduro, who in May won elections that dozens of countries and the opposition called a fraud, has barely 20 percent popularity, according to polls. Earlier this month, he was the target of an alleged assassination attempt during a speech, when drones exploded near the stage where he was speaking.



Venezuela, whose hyperinflation ranks 23rd compared to other nations in world history, is just one more troubled country where zeros have been slashed from currencies. Hungary's currency lost 29 zeros between 1945 and 1946, and Yugoslavia's lost 27 zeros from 1990 to 1994, said Hanke, the economist.

"It's typical in currency reforms but if you don't change monetary policy, nothing changes. It's like going to a plastic surgeon and getting a face lift. You're superficially altered but you're still the same," he said.

Venezuela's inflation rate has hit a new high with consumer prices in the crisis-ridden country rising by more than 40,000 per cent annually for the first time on record, according a top economist.

Steve Hanke, an applied economics professor at Johns Hopkins University, told Business Insider on Friday that annual inflation in the country has risen as high as 41,838 percent.

Professor Hanke, who calculated the inflation figure, has tracked prices in the country for more than two decades.

**VENEZUELA'S GOVERNMENT HAS LARGELY STOPPED REPORTING ECONOMIC DATA**, including internal measures of inflation. The Central Bank of Venezuela, which did not immediately respond to request for comment, has not independently released inflation figures in at least a year.

Professor Hanke said. "Government spending continues to accelerate and the sources of revenue start drying up."

The government has defaulted on a majority of their outstanding bonds, which economists estimate add up to about \$60 billion (£45 million). Foreign exchange reserves have fallen by about \$2.5 billion (\$1.9 million) in the last three months, according to analysis by Capital

Economics.

As state-run oil industry PDVSA falls apart, economists say a rise in global oil prices is adding to the pain. Brent crude oil is up more than 64 percent this year. And as President Donald Trump cracks down on Iran via zero-tolerance oil sanctions, the international benchmark has rallied more than 8 percent this week.

Production at PDVSA - which accounts for 95 percent of export earnings in the country and a quarter of gross domestic product - was cut in half from January 2016 to January 2018, according to the US Energy Information Administration. And as the crisis deepens, operations are continuing to wane.

Those conditions, Professor Hanke said, have all but killed investor sentiment.

"There's an expectation part of it, too," Professor Hanke added. "Everyone who has a bolivar wants to get rid of it like a hot potato because they expect it's not going to be worth anything tomorrow."

The International Monetary Fund estimated in January that Venezuela's inflation rate could rise as high as 13,000 percent for all of 2018. Professor Hanke was unsurprised by the discrepancy, saying no one can "accurately forecast the course or the duration of a hyperinflation."

But economists and activists say hyperinflation's presence now is clear. A recent university study found that about 90 percent of civilians were living in poverty last year and most of those surveyed had lost an average of 25 pounds in body weight.

"The hyperinflation is devastating the economy," said Andres Abadia, a senior economist at Pantheon Macroeconomics. He expects the economy to contract in 2018, for a fifth consecutive year, and sees no turnaround in the near-term.

Mr Abadia said Venezuela is a "disaster area" and that as long as Mr Maduro is in power, the economy will "continue to collapse." But Mr Maduro reaffirmed his tight grip on power last month, easily winning another six-year term in what was widely condemned as a fraudulent election.

Mr Maduro tripled wages earlier in June to 3 million bolivars per month, which Reuters reported at the time was equal to just more than a dollar at the black-market exchange rate.

When asked if the wage increase might improve living conditions in Venezuela, Professor Hanke replied: "No, it's a joke. Hardly a drop in the bucket."