Haiti Needs Socialism

After the deadly Tsunami in South Asia in December 2004, Bill Clinton said, “The only way to redeem that kind of loss is to empower and dignify those people who have suffered. That is ‘building back better’ – but it also means letting them define it.”

Next week, on March 31, a consortium of lenders will meet to decide the fate of Haiti in the aftermath of the 2010 earthquake. Ironically, Bill Clinton will act as co-chair of the group, called the Interim Haitian Recovery Commission. Will Clinton and the committee “empower and dignify those people who have suffered” in Haiti? Will they “let them define” how to “build back better?”

I doubt it. I’m betting they will authorize a generous-sounding program of temporary emergency relief and then clear the way for more sweatshops. Haiti would be better off turning down the money and embracing socialism.

In the 1950’s, Haiti was an island of self-sufficient farmers. After 50 years of puppet rulers and capitalist “reforms,” its people are weak, broken, and dependent on imported food and foreign aid. The aid includes over a billion dollars in gifts from Haitians working abroad, which money ends up in the pockets of a small group of elite families that holds a monopoly on food distribution.

President Clinton was compelled to admit earlier this month that much of the current economic paralysis in Haiti stems from past free-trade policies promoted by Washington, especially during his own administration. Earlier this month, he publicly admitted that the abolition of Haitian tariffs on imported rice—carried out at his insistence—had destroyed the nation’s subsistence agriculture. “I had to live every day with the consequences of the loss of capacity to produce a rice crop in Haiti to feed those people because of what I did; nobody else,” Clinton said.

Meanwhile, people in Haiti look around the Caribbean and see capitalism failing while socialism succeeds. The Dominican Republic, for example, shares the same island as Haiti. Its economy is divided between agriculture, industry (sweatshops), and services (tourism). It has signed free trade agreements and has co-operated with the International Monetary Fund and World Bank. Companies in the US buy its exports and American tourists visit its lovely beaches. By conventional standards, it should be on the fast-track to freedom and prosperity.

According to the CIA World Factbook, however, the DR also has half its population living in dire poverty and a large, growing wealth gap. Economic growth (GDP) in the DR slowed to zero in recent years, and is now actually in negative figures, while unemployment is at 15% and rising. The drastic reforms were supposed to bring growth and a middle class; they have failed.

Now let’s turn to Haiti’s southern neighbor, Venezuela. Hugo Chavez, love him or hate him, has definitely lifted its poor out of dire poverty. Poverty still exists in Venezuela,
but much less than in the DR. The employment rate is higher, and children are being educated and fed at school. The minimum wage was raised in 2008 to become the highest in Latin America. Venezuela has closed the wealth gap more than most countries in the world, and Chavez just erased some $300 million in Haitian debt.

Venezuelan-style socialism represents Haiti’s best chance of going “from misery to poverty with dignity.” Haiti will prosper best and fastest by re-establishing its ability to feed itself, nationalizing its infrastructure and critical industries, and limiting private property rights. This is what its chosen leader, Aristide, was working on when we removed him in 2004.

The Cold War is over. We must let Haiti (and all other countries) decide which economic system they want, even when we don’t agree with their choice. While certain interest groups have an interest in intervening in Haitian government, the American people do not. President Aristide eagerly awaits permission (from us) to return to Haiti from his current exile in South Africa. It’s time to let him return home. It’s time to let the Haitians do what they want with their country. As I recall, that was the general idea behind a revolution in 1776 somewhere. . .