PS for 12/14/89

Help Perestroika by Doing Nothing

The new line that we are being fed from the Bush Administration and repetitively from the media is: the United States must “help” perestroika succeed. Why we should do this, and what kind of help and at what price we are talking about, are all left conveniently vague.

Perestroika means a restructuring of the Soviet system, but of all the things that need restructuring in the Soviet Union, number one on the list is food production. It falls 30 percent short of the nation’s needs; shelves are bare and people must queue up in long lines for what food is available such items as oranges and lettuce are unavailable at any price.

In the Soviet Union, 25 percent of the labor force is in agriculture; in the United States, the figure is 3 percent. In the U.S.S.R., the government owns and farms 98 percent of agricultural lands. The 2 percent in private hands produce one-fourth of the total agricultural output.

Of the food that is produced, a high percentage is lost due to waste. One-fourth of the grain harvest and one-half of the potato harvest never gets to market. Why? It rots before it can be harvested or while waiting for trucks that never arrive; it is spilled on rural roads or dribbles out of railroad cars on the track; and three times as much has to be used as seed for the next crop as U.S. farmers use.

How can Russia get more food? Any American high school student could figure out the answer. Restore private property! Private property creates incentive, and incentive produces prosperity.

But there is no evidence that Mikhail Gorbachev wants that kind of restructuring. Indeed, he was the man in charge of agricultural production from 1978 until he became General Secretary of the Soviet Communist Party in 1985, so we can only conclude that he is not working on the solution – he is part of the problem.

How about the great socialist system that supposedly provides free medical care? Thirty percent of Soviet hospitals have no indoor toilets. Outside of major cities, 65 percent of Soviet hospitals have no hot water, 27 percent have no sewerage, and most needless are routinely reused on patient after patient.

When it comes to Soviet housing, 25 percent of units have no hot water, 15 percent have no bathrooms, and families typically share kitchens and bathrooms with neighbors in cramped apartments. No wonder life expectancy is declining, hoarding is a way of life, and the only market that thrives is the black market.

Unable or unwilling to replace Communist collectivism with a free market or any partial facsimile thereof, Gorbachev is doing what so many dictators, kings and even presidents have done before him: travel abroad and create media events with foreign potentates in order to distract the public from the problems you haven't solved on the home front.

The game he is playing is so obvious. Play to the American television audience which may be gullible enough to think that perestroika has something to do with freedom. Gorby's own constituents know better and, while Gorby's alleged popularity in the public opinion polls soars to new heights in the West, his rating with the men and women standing in the long line to buy a head of cabbage hasn't risen one iota.

The best way America can help perestroika succeed is to do nothing and let the inexorable demands of street demonstrators in the Soviet bloc escalate until the lack of food forces Gorbachev either to reorder priorities from military spending to domestic needs, or to move toward private property and economic freedom, or both. Sending U.S. dollars into the bottomless pit of trying to make collective farming and socialist industry marginally less wasteful is not only unjust to American taxpayers but a betrayal of the rising expectations of the people behind the Iron Curtain.

There is no evidence so far that Gorbachev is yet ready to make the tough choices necessary to bring prosperity to the U.S.S.R. Just before his Malta media event, he even complained that, since Americans objected when the Soviets tried to export their systems to other countries, Americans now have no business trying to export our system to the Soviet bloc.

Gorbachev hasn't yet gotten the message of why Communist countries are poor and capitalist countries are rich. Economic freedom is the reason, and Gorbachev has done nothing to indicate he wants it.

Instead, he wants the fruits of capitalist prosperity to bail out his bankrupt socialist system. While Gorbachev has made a start in granting some elements of freedom

to go to church and to engage in street demonstrations, he hasn’t made any move whatsoever toward economic freedom without which perestroika cannot succeed.