

# PRIVATE ENTERPRISE VERSUS THE COMMAND ECONOMY

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Democracy typically ensures pendulums swing from left-to-right or vice-versa every few years at election time. Countries like Russia and China see pendulum swings of longer duration, if at all. For example, Russia under Gorbachev and Yeltsin saw a rightward move with Putin reversing this in a shift back to communist ideology. How long this will last is hard to predict. China also has seen movement from Deng's rightward shift back to a "common prosperity" agenda under Xi. The result could be "common privation" – only time will tell.

China's future could be bright with abundant, affordable energy via nuclear power on the horizon. She could again be the world's production powerhouse with proven manufacturing capability and leadership in EVs and green technology. Its competitors currently seem destined to have to trust in less reliable green energy. Some commentators have speculated that unproven economic policies may yet be a stumbling block for China. State companies, however, may absorb property losses for longer than private enterprise could entertain, gaining time for a recovery which China sorely needs in this sector.

Smart economics can deliver under a command economy or democracy – Singapore attests to this. Although nominally a Westminster System democracy, the People's Action Party has governed continuously since full internal self-government was achieved in 1959. No swings of the pendulum in Singapore, but one of the highest GDPs per capita worldwide.

Word count 246, 10.4.24