

11 Economic Stats That Tell Venezuela's Story

A tragedy common to human history is unfolding in Venezuela. It's impossible to predict how it will end or what the human toll will be.

As we watch events and hope for a peaceful resolution that restores liberty in Venezuela, here are some noteworthy facts about the Land of Grace.

1. Venezuela has the largest oil reserves in the world. While the US is the top producer of oil, its total reserves represent a mere fraction—roughly 10 percent—of Venezuela's 300-plus billion barrels of oil. (Source: [UPI](#))
2. In Venezuela today, the median monthly income is \$8. (source: [FEE](#))
3. A two-pound bag of onions currently costs about \$2 in Venezuela. (source: [FEE](#))
4. In 2016, the price of a gallon of gasoline in Venezuela was less than one cent per gallon. (source: [Washington Post](#))
5. Roughly 90 percent of Venezuelans today live below the poverty line. (source: [The Borgen Project](#))
6. In 1950, Venezuela ranked among the top ten most prosperous nations in the world. (source: [Human Progress](#))
7. In 2018, inflation in Venezuela topped 1 million percent. (source: [Reuters](#))

8. Economic projections show inflation in Venezuela is expected to hit 10 million percent in 2019. (source: [Miami Herald](#))
9. In 1959, the Venezuelan GDP per capita was 10 percent higher than America's. (source: [Human Progress](#))
10. As of June 2018, about 2.3 million people had emigrated from Venezuela following its economic collapse, or 13 percent of its population. (Source: [The Panam Post](#))
11. When Hugo Chavez came to power in 1999, the Venezuelan GDP per capita was 27 percent higher than the average in Latin America. (source: [Human Progress](#))

The causes of the pain are well known. As Vernon L. Smith, a Nobel laureate in economics, recently [said](#) on the topic:

The government of Venezuela in the name of the people and for the benefit of the people seized the big bad profit-grabbing oil companies, thinking that anyone off the street could manage a business. They started redistributing wealth to the poor, made electricity free, were praised by some (well at least one) American Nobel economists for reducing inequality.

This small, incredibly oil-rich country now cannot feed itself. Markets, whose prices coordinate and incentivize the creation of wealth cannot function. Farmers cannot buy seed or fertilizer, food imports have declined 70 percent, and people cannot find enough food in the garbage cans. The invisible-to-the-eye workings of the complex economy of plenty—which of course cannot assure that all will be productive enough to share in its plenty—have utterly collapsed.

Smith goes on to explain that the suffering would quickly

cease if state officials simply allowed market forces to resume.

“REVERSE all those policies, and its effects would be immediately reversed and plenty restored easily as quickly as it disappeared,” he [observed](#).

The Nobel laureate’s words reveal a maddening truth: The suffering in Venezuela is not just tragic. It’s also senseless.

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