MarketWatch

# This country can’t shake its inglorious ranking as most miserable

*U.S. dings in at 21 in a list of 60, with 60 the most miserable*

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Oil-dependent Venezuela’s persistent hyperinflation, which still leaves its residents waiting in lengthy lines for toilet paper and other basics, landed it as the “most miserable” country in 2016 for yet another year, at least by one measure.

The ranking is according to Steve Hanke, professor of applied economics at The Johns Hopkins University and a senior fellow at the right-leaning Cato Institute. Based on Hanke’s Misery Index, Argentina holds down the second-worst ranking, followed by Brazil and Nigeria.

His full 60-nation list can be found here.

At the other end of the spectrum stand the relatively happy people of Japan. It earned the lowest misery score of 0.4, although in large part because its deflationary economy—a policy challenge for its leaders—drives down its score. China is the next best, with the second-least miserable score of 4.5, almost entirely due to its high GDP per capita growth rate at 6.3%.

The U.S. finds a spot somewhere toward the least-miserable side of the list. It’s No. 21 out of 60 (60 is the most miserable), with a Misery Index of 9.4. That still leaves it higher in misery than Slovakia, Romania, Hungary and Vietnam, to name a few.

The first Misery Index was created by economist Art Okun in the 1960s using a simple sum of a nation’s annual inflation rate and its unemployment rate. The index has been modified several times, first by Robert Barro of Harvard and, eventually, by Hanke. The latter’s modified Misery Index is the sum of the unemployment, inflation and bank lending rates minus the percentage change in real GDP per capita. Higher readings on the first three elements are “bad” and make people more miserable. These are offset by a “good” (GDP per capita growth), which is subtracted from the sum of the “bads.”