



## Venezuela Is World's 'Most Miserable' Country Again

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The 2016 Misery Index shows that Venezuela ranks the “most miserable country” for the second year in a row. According to economist at the Johns Hopkins University in Baltimore, Maryland. He is also a Senior Fellow and Director of the Troubled Currencies Project at the Cato Institute, Steve Hanke, who puts out the annual rankings:

Venezuela holds the inglorious spot of most miserable country for 2016, as it did in 2015. The failures of the socialist, corrupt petroleum state have been well documented over the past year, including when Venezuela became the 57th instance of hyperinflation in the world.

According to the analysis, the major contributing factor to Venezuela's dismal ranking is consumer prices.

Following Venezuela are fellow South American countries Argentina (#2) and Brazil (#3).

A Misery Index was first constructed by economist Art Okun as a way to provide President Lyndon Johnson with a snapshot of the economy.

The original Misery Index was just a simple sum of a nation's annual inflation rate and its unemployment rate. The Misery Index has been modified several times, first by Robert Barro of Harvard and then by myself, Hanke writes.

My modified Misery Index is the sum of the unemployment, inflation, and bank lending rates, minus the percentage change in real GDP per capita. A higher Misery Index score reflects higher levels of “misery,” and it's a simple enough metric that a busy president without time for extensive economic briefings can understand at a glance.