

VENEZUELA COUNTRY PROFILE

Capital: Caracas



Quick Facts

Population: 25,730,435
GDP (Purchasing Power Parity): \$153.7 billion
GDP per capita (Purchasing Power Parity): \$6,100
GDP composition by sector:
 Agriculture: 4.6%
 Industry: 48.2%
 Services: 47.2%
Size of labor force: 12.31 million
Labor force: by occupation:
 Agriculture: 13%
 Industry: 23%
 Services: 64%
Unemployment Rate: 12.3%
Population below poverty line (\$2/day): 47%
Life expectancy at birth: 74.54 years
HIV/AIDS – adult prevalence rate: 0.7%
Adult Literacy Rate (age 15 and over):
 Male: 93.8%
 Female: 93.1%

For more information: <http://cia.gov/cia/publications/factbook/geos/ve.html>

Political History

Venezuela became the first Spanish settlement in South America in 1522. The economy grew largely due to the presence of African slaves. Venezuela declared its independence from Spain on July 5, 1811. A war for independence followed which led to the death of one half of the white population. Actual independence was achieved in 1821 under the leadership of Simón Bolívar. Venezuela became a member of the Republic of Gran Colombia along with Colombia, Panama, and Ecuador and remained until 1830. The rest of the 19th century was rife with political instability, dictatorial rule of the Caudillos, and

revolutionary turbulence. Led by Gen. Juan Vicente Gómez, Venezuela was under authoritarian rule from 1908 to 1935. During this period, Venezuela emerged as a major oil exporter. Upon Gómez's death, a military junta was formed and ruled from 1935 to 1947, when Rómulo Gallegos became the first democratically elected president. No more than eight months later, Gallegos was overthrown by Marcos Pérez Jiménez in a coup. In 1958, Jiménez was overthrown and Rómulo Betancourt was elected as a civilian leader and led until 1964. In 1989, Venezuela experienced a number of riots after then president Carlos Andrés Pérez suspended the constitutional rights of the people to allow the military to respond to riots with force. After a failed coup attempt in 1992, Pérez continued to rule until 1998 when Hugo Chávez was elected president. Chávez ended a period of 2-party political domination that had lasted for decades. A large opposition has developed around Chávez, leading to a near removal from office in 2004. Chávez continues to rule to this day. His term ends in 2006.

For more information: http://en.wikipedia.org/wiki/History_of_Venezuela,
http://news.bbc.co.uk/2/hi/americas/country_profiles/1229345.stm

The Economy

Venezuela continues to be highly dependent on the petroleum sector, accounting for about one-third of GDP, around 80% of export earnings, and over half of government operating revenues. Tax revenue is the primary source of non-oil revenue, which accounts for 53% of the 2006 budget. A crippling two-month national oil strike, from December 2002 to February 2003, temporarily halted economic activity. The economy remained in depression in 2003, declining by 9.2% after an 8.9% fall in 2002. Output recovered strongly in 2004-2005, aided by high oil prices and strong consumption growth. The primary agricultural products in Venezuela are corn, sorghum, sugarcane, rice, bananas, vegetables, coffee; beef, pork, milk, eggs; and fish. The primary industries are petroleum, construction materials, food processing, textiles; iron ore mining, steel, aluminum; and motor vehicle assembly. With the United States being Venezuela's number one trading partner, exports rang in at \$52.73 billion in 2005. Imports registered at \$24.63 billion. The current growth rate is a strong 9.3%. The distribution of income in Venezuela is far from equitable, with the bottom 10% of society receiving 0.8% of the income. The top 10% of society receives 36.5% of the income.

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http://en.wikipedia.org/wiki/Economy_of_Venezuela