

Back ground of venezuela

[Sociology](#), [Poverty](#)



Gran Colombia collapsed in 1830 and out of it came Venezuela together with two other countries. Venezuela occupies an area of 912, 050 sq. km. which is approximated to be almost three times more than the area of California. The capital city of Venezuela is Caracas and other major cities in the country are Valencia, Maracay and Maracaiba among others. In terms of climate, the country experiences tropical and temperate climate depending on the altitude. The total population is estimated to be 28 million with an annual growth rate of 1. 6%. About 96% of Venezuela's citizens are Roman Catholics who live in the urban areas.

Venezuela embraces compulsory education for at least nine years which has seen 95% of the total population become literate (Anon. 2010). There are many ethnic groups that live in the country such as the Arab, German, and Spanish. Venezuela's export comes from natural resources such as petroleum, coal, natural gas, hydroelectric power and others. Statistics shows that the GDP is \$313 billion with a per capita of \$11, 207 and an annual growth rate of 2. 9 percent. Government expenditure is estimated to be 27 percent of the total GDP (Anon. 2010).

With the growth in the economy, most people have moved from the rural areas to settle in the urban centers leading to congestion and increased pollution. The consumer price index has been increasing significantly over the last five years. The government dictates over the economy and controls the oil company and the electricity sector. Most of the assets in the country have been nationalized denying private investors space for investments. For many years the country has been experiencing high

inflation rates coupled with threats of poverty which makes it even harder for private investors (Anon.

2010). The income inequality is quite significant with some people living in poverty and others in extreme poverty. The Gini coefficient has been estimated to be 0.41. Unemployment rate was estimated to be 6.6 percent in the formal sectors although this does not depict a clear picture of the unemployment in the country since more than half of the total work force work in informal sector. For a long time, Venezuela has been having border disagreements with Guyana and Colombia but policies are being employed to ensure that peace is restored (Anon. 2010).

Some of the problems that the country is facing can be addressed through privatization of some of the government assets. Private investors play a major role in boosting the economy of any nation. The government should embark on policies aimed at making developments in rural areas so as to increase employment opportunity and reduce congestion in the urban areas. Reference list Anon, (2010). Background Note; Venezuela, Bureau of Western Hemisphere Affairs [Flag of Venezuela], Retrieved May 12, 2010 from, <http://www.state.gov/r/pa/ei/bgn/35766.htm>