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## **The Paradox of Plenty Revisited: Venezuela's Plight from Petroleum**

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The country of Venezuela is in political, economic, and social chaos. Despite having one of the largest oil reserves in the world, a lucrative resource, Venezuela has experienced extreme hyperinflation and has the lowest world freedom rating in South America. This phenomenon was studied by Professor Terry Karl *The Paradox of Plenty: Oil Booms and Petro-States* 1997 Venezuela, and other countries like it, have suffered from *Dutch Disease* they have become dependent on a singular natural resource, and the effects of that economic decision are so astronomical that it trickles into the rest of the state's functions. This study aims to reexamine Karl's explanation for Venezuela's plight to determine if the same logic applies today.

The results showed that the rates of inflation and lack of freedom in Venezuela have remained poor and exponentially higher than other countries in South America that have remained constant or improved.

These results suggest that Karl's theory has merit and that Venezuela's oil-dependent economy has continued to lead to its poor economic, political and social chaos.