

Are Iran and Venezuela different in the EF index?

The OPEC group has two outliers: (i) Iran that had a revolution in 1979, where Ayatollah Khomeini acquired power and made a unique theocratic state based on the Shiia version of Islam. (ii) Venezuela is the last socialist/populist country in the OPEC group, after Hugo Chaves became president in 1999. It has had spectacularly poor economic performance with no economic growth since the early 1950s. The five graphs show the development in the 5 areas of the Fraser EF index. The two countries are outliers on most of the graphs compared with the 16 other OPEC countries.

Iran is always the dark gray curve, Venezuela is the black curve, while the average of the others is the bold light gray line. The data are from the Fraser Institute and, as regards Figure 6, from the World development Indicators.

Figure 1. A1. As usual this is the area with the smallest differences between the counties

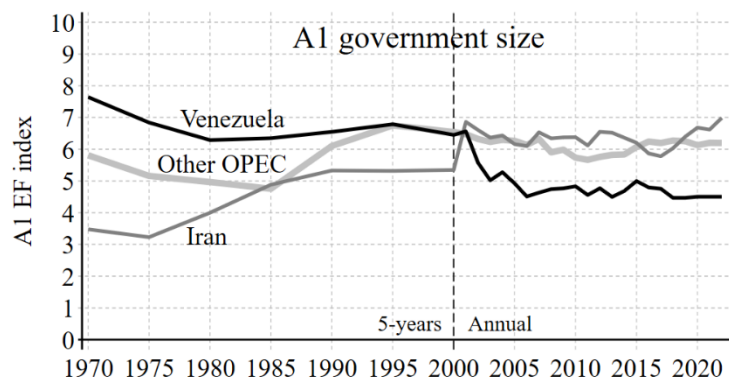


Figure 2. A2. Here Venezuela is slowly falling more behind

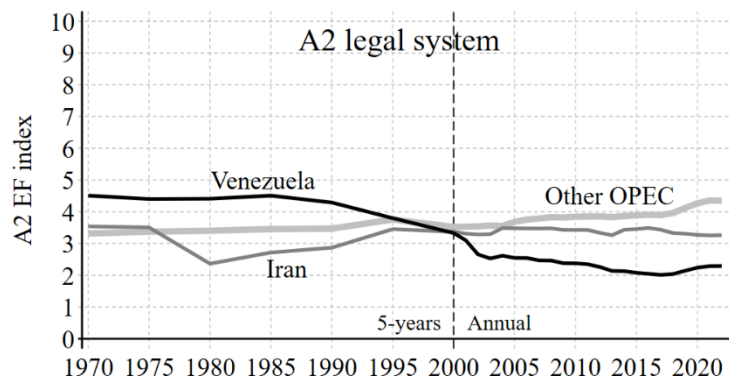


Figure 3. A3. While Iran does not deviate much from the average Other OPEC deviates strongly. Venezuela deviates strongly. The small deviation of Iran is surprising, see figure 6.

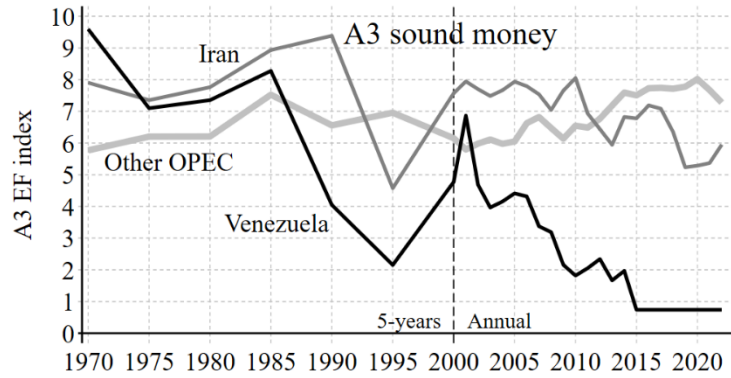


Figure 4. A4. Since 2000 the two outliers have indeed been outliers. Even before that Iran deviated.

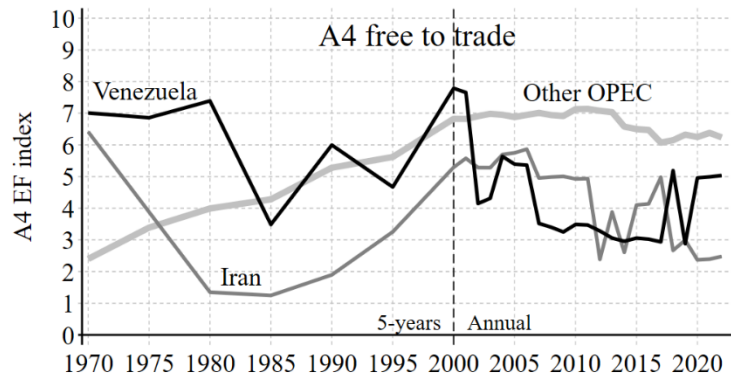


Figure 5. A5. Both countries deviate substantially.

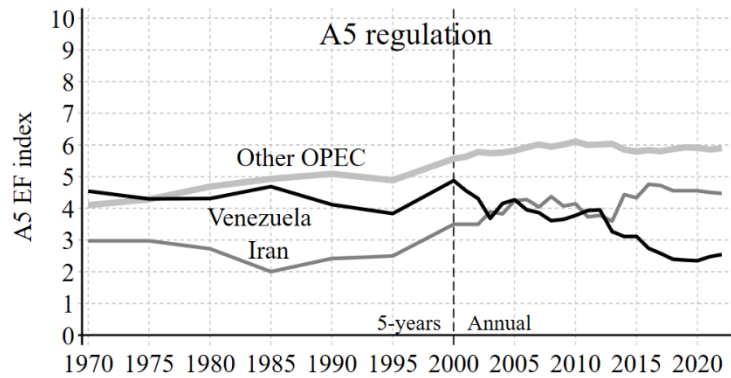


Figure 6. Inflation rates. All series are truncated at 100%. Both outliers are above the average for other OPEC – Venezuela spectacularly so.

