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ECONOMIC PROFILES OF CARIBBEAN COUNTRIES

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INTRODUCTION

With its programme of assistance to the Caribbean, the Economic Commission for Latin America and the Caribbean (ECLAC) Subregional Headquarters for the Caribbean has prepared these economic profiles for 26 independent and non-independent countries of the Caribbean subregion. These countries are: Anguilla, Antigua and Barbuda, Aruba, the Bahamas, Barbados, Belize, Bermuda, British Virgin Islands, Cayman Islands, Cuba, Dominica, Dominican Republic, Grenada, Guyana, Jamaica, Haiti, Montserrat, Netherlands Antilles, Puerto Rico, St. Kitts and Nevis, Saint Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, Turks and Caicos and the United States Virgin Islands.

Each profile is intended to provide the reader with a succinct snapshot of the economy of the respective island under consideration, while also providing a time series of selected economic variables. The profiles are divided into a number of sections, namely, basic facts, background of the economy, economic activity, fiscal operations, external debt and debt service and balance of payments. In particular, they look at unemployment, inflation, growth and exchange rates and present data on current revenue and expenditure and the fiscal balance. The section on external debt and debt service looks at the debt/GDP ratios and debt service ratios, while the balance of payments section, in most cases, describes the trade balances, current account balances, transfers, balances on the capital and financial accounts and the overall balances.

The document does not attempt to analyze or examine the economic prospects of the economies, but rather focuses on describing the country's particular economic situation for the 1993-1998 time period, contingent upon the availability of data. It is hoped that this publication will allow for a better understanding of the economic situation in these countries

ANGUILLA

Basic facts

Official Name:	Anguilla
Land area:	91 sq. Km (35 Sq. miles)
Capital:	The Valley
Form of Government:	Anguilla is a British Dependent Territory.
Head of State:	The Head of State is Queen Elizabeth II who is represented by a Governor, currently the Hon. Alan Hoole. The Governor presides over the Executive Council and the House of Assembly.
Head of Government:	The Head of Government is the Chief Minister, currently the Hon. Hubert Hughes.
Cabinet:	The Executive Council consists of the Chief Minister and not more than three other ministers from the Legislative Assembly; and two ex officio members - the Attorney General and the Financial Secretary.
Parliament:	The House of Assembly consists of seven elected members, two ex officio members and two members nominated by the Governor after consultation with the Chief Minister.
Population:	Approximately 11,915 (1997)

Background

The mainstay of the Anguillan economy is tourism, with construction and the developing offshore financial sector also contributing substantially. Traditionally, the economy depended on fishing, farming, salt production, livestock rearing and boat building.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at [current prices](EC\$m)	150.4	166.5	164.9	175.8	194.2	209.8
GDP at [constant prices](EC\$m)	139.7	149.6	143.4	148.4	162.1	171.1
Real GDP Growth (per cent change)	7.5	7.1	-4.1	3.5	9.2	5.5
Prices	3.7	4.0	1.4	3.6	0.6	2.5
Exchange rate (EC\$:US\$)	2.7	2.7	2.7	2.7	2.7	2.7

Source: ECLAC, based on national data

Economic activity

Anguilla experienced positive real GDP growth in all years except in 1995 when there was a decline in real GDP of 4.1 per cent in 1995, compared with a 7.1 per cent increase in 1994. This negative growth was due to the effect of Hurricane Luis in September 1995 which left a trail of destruction on the island. Economic activity grew from 1996 to 1998 and increased output was recorded in most sectors of the economy, with the tourism sector contributing the most to economic activity and growth for the period. The increase in activity in the tourism sector was reflected in increases in both stay-over visitors and excursionists. There was also a substantial increase in construction activity. Inflation was generally low throughout the 1993-1998 period. Anguilla's currency is the Eastern Caribbean dollar (EC\$) which is fixed at an exchange rate of EC\$2.7 per United States dollar (US\$).

Fiscal operations

(Millions of EC\$)

	1993	1994	1995	1996	1997	1998
Current revenue	37.5	41.9	46.4	46.9	55.2	72.2
Current expenditure	34.6	38.4	42.7	45.0	52.4	59.2
Current account balance	2.8	3.5	3.7	1.9	2.8	13.03
Capital account balance	-4.1	-2.8	-2.7	-3.4	-5.1	n.a.
Overall surplus (deficit)	-1.4	0.8	1.0	-1.5	-2.4	0.8

Source: ECLAC, based on national data

The current account balance recorded positive balances for the 1993-1998 period. The data shows that there was a steady increase in both revenue and expenditure from 1993 to 1998, however, there was a marked increase in current revenue over expenditure in 1998 from EC\$55.2m to EC\$72.2m, an increase of 30.8 per cent. The capital account recorded negative balances for every year of the period 1993-1998. The fiscal operations have been relatively stable with the overall surplus either slightly negative or positive over the period 1993-1998.

External debt and debt service

(Millions of EC\$)

	1993	1994	1995	1996	1997
Outstanding debt	23.2	23.4	23.0	23.7	25.4
Debt service payments	2.3	2.2	2.2	2.3	1.5
Debt/GDP (per cent)	15.4	14.1	13.9	13.5	13.1

Source: ECLAC, based on national data

External debt for the 1993-1998 period remained almost constant oscillating around EC\$23.7m, however, there was a slight increase in 1997 to EC\$25.4m. Debt service payments also remained around the same level, however, they decreased from EC\$2.3m in 1996 to EC\$1.5m in 1997. The debt/GDP ratio fell from 15.4 per cent in 1993 to 14.1 in 1994, and remained around 13 per cent for each year of the period 1995-1997.

Balance of payments
(EC\$ Millions)

	1993	1994	1995	1996	1997	1998
CURRENT ACCOUNT	-34.5	-30.9	-25.3	-54.8	-50.9	-51.3
Goods and services	-14.9	-2.0	-48.4	-58.0	-42.1	-36.42
Income	-21.7	-25.1	-20.4	-16.9	-10.5	-16.68
Current transfers	2.2	-3.8	43.5	20.0	1.8	1.8
CAPITAL AND FINANCIAL ACCOUNT	41.7	30.4	35.4	59.3	55.9	4.96
OVERALL BALANCE	3.2	-0.4	10.1	4.5	5.0	4.96

Source: ECLAC, based on national data

The balance on the current account was negative for the 1993-1998 period and worsened from 1996 onward when it fell to EC\$-54.8m and remained above EC\$50m in both 1997 and 1998. The balance on goods and services were negative throughout the period. Current transfers increased significantly in 1995 from EC\$-3.8m in 1994 to EC\$43.5m, before falling drastically to EC\$20m in 1996, and then to EC\$1.8m in 1998. The balance on the capital and financial account was positive for all years. Anguilla achieved balance of payments surpluses for all years under analysis except in 1994 when it registered an EC\$-0.4m deficit.

ANTIGUA AND BARBUDA

Basic facts

Official Name:	Antigua and Barbuda
Land area:	441 sq. Km (170 Sq. miles) Antigua = 280 sq. Km (108 Sq. miles) Barbuda = 161 sq. Km (62 Sq. miles)
Capital:	St. John's, Antigua
Form of Government:	Antigua and Barbuda is an independent member of the British Commonwealth and a parliamentary democracy.
Head of State:	The Head of State is Queen Elizabeth II, who is represented by a Governor General, currently the Hon. James B. Carlisle.
Head of Government:	The Head of Government is the Prime Minister, currently the Hon. Lester Bird.
Cabinet:	Council of Ministers are appointed by the Governor General on the advice of the Prime Minister
Parliament:	The House of Representatives consists of 17 elected members. The Senate consists of 17 members nominated by the Governor on the advice of the Prime Minister and the Leader of the Opposition.
Population:	Approximately 64,362 (1996)

Background

Traditionally, the mainstay of Antigua and Barbuda's economy had been sugar cultivation, however, after the collapse of the sugar industry tourism became the backbone of the economy. Tourism is also the main foreign exchange earner and the Government has been investing substantially in the development of the cruise ship market. Hotels and restaurants in Antigua employ almost 70 per cent of the workforce and tourism receipts constitute almost 60 per cent of total foreign exchange earnings.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at current prices (EC\$m)	1045.8	1143.9	1120.0	1220.0	1315.9	1404.9
GDP at constant prices (EC\$m)	972.8	1032.8	981.7	1041.3	1099.2	1142.0
GDP growth (constant prices)	5.1	6.2	-5.0	6.1	5.6	3.9
Exchange rate	2.7	2.7	2.7	2.7	2.7	2.7

Source: ECLAC, based on national data

Economic activity

GDP at current prices grew from EC\$1045.8m in 1993 to EC\$1404.9m in 1998, an increase of 34.3 per cent. Growth in real GDP was positive from 1993-1998, except in 1995 when there was negative growth of 5 per cent probably due to hurricane damage to the economy during that year. After sustaining approximate real growth levels between 5 and 6 per cent, growth in 1998 fell to 3.9 per cent. The official currency of Antigua and Barbuda is the Eastern Caribbean dollar (EC\$) which is fixed at a rate of exchange of EC\$2.7 per United States dollar (US\$).

Fiscal operations

(Millions of EC\$)

	1993	1994	1995	1996	1997	1998
Current revenue	255.0	281.0	282.8	323.1	327.6	342.3
Current expenditure	247.4	275.4	290.6	314.6	334.5	364.0
Current account balance	7.6	5.6	-7.8	8.6	-6.9	-21.7
Capital account balance	-22.5	-37.9	-35.6	-30.1	-42.2	-61.9
Overall surplus (deficit)	-14.8	-32.3	-43.3	-21.6	-49.1	-67.9

Source: ECLAC, based on national data

The balance on the current account showed both positive and negative balances during the 1993-1998 period. On average, growth of recurrent expenditure exceeded that of recurrent revenue, the only year in which growth of revenues was greater than expenditures was in 1996. The balance on the capital account was consistently negative averaging around EC\$33.7m from 1993 to 1997, however, in 1998 it increased to EC\$-61.9m. The fiscal balance recorded deficits for all years during the 1993-1998 period.

External debt and debt service

(Millions of EC\$)

	1993	1994	1995	1996	1997
Outstanding debt	632.0	647.6	665.8	643.2	609.9
Debt service payments	24.6	23.3	38.6	23.5	23.6
Debt service/GDP (%)	2.4	2.0	3.4	1.9	1.8
Debt/GDP (%)	60.4	56.6	59.4	52.7	46.3

Source: ECLAC, based on national data

Antigua and Barbuda's outstanding external debt increased from 1993-1995 and thereafter it fell to EC\$609.9m, the lowest level recorded for the period 1993-1997. External debt to product fell from 60.4 per cent in 1993 to 46.3 per cent in 1997 reflecting a high level of indebtedness. Debt service payments are still high at US\$23.6 in 1997.

Balance of payments

(Millions of EC\$)

	1993	1994	1995	1996	1997	1998
CURRENT ACCOUNT	-1.3	-48.5	-1.4	-191.4	-189.4	-203.76
Goods and services	67.9	20.8	-116.4	-211.2	-153.2	-356.15
Income	-61.9	-71.7	-72.0	-65.7	-69.5	15.59
Current transfers	-7.2	2.4	187.0	85.6	33.2	136.8
CAPITAL AND FINANCIAL ACCOUNT	-31.7	70.3	98.1	161.0	197.4	128.74
OVERALL BALANCE	-33.0	21.8	36.7	-30.4	8.0	23.4

Source: ECLAC, based on national data

The balance on the current account worsened significantly between 1996 and 1998. The balance on goods and services was positive in 1993 and 1994 but turned negative thereafter. There has been a significant improvement in current transfers which, after a negative balance of EC\$-7.2m in 1993, increased to a high of EC\$187m in 1995, probably reflecting hurricane relief in that year and stood at EC\$136.8m in 1998.

The capital and financial account also indicated a negative balance only in 1993. The overall balance was in deficit in 1993 and 1996. Balance of payments surplus peaked in 1995 at EC\$36.7m, it fell the next year to EC\$-30.4, a decrease of 182.8 per cent, however, in 1998 registered a surplus of EC\$23.4m.

ARUBA

Basic facts

Official Name:	Aruba
Land area:	193 square km (77 Sq. miles)
Capital:	Oranjestad
Form of Government:	Aruba is a separate entity within the Kingdom of the Netherlands. It has complete autonomy over its internal affairs, while the Kingdom is constitutionally responsible for defense and external affairs. The political system is based on a parliamentary democracy.
Head of State:	Head of State is Queen Beatrix Armgard, represented by a Governor, currently the Hon. Olindo Koolman.
Head of Government:	The head of the government is the Prime Minister, currently the Hon. Jan Hendrick.
Cabinet:	Cabinet comprises the seven-member Council of Ministers who are elected by Staten and headed by the Prime Minister.
Parliament:	Aruba is governed by a single house of Parliament. There are 21 members of Parliament.
Mid-Year Population:	Approximately 90,000

Background

The island of Aruba is largely dependent on receipts from the tourism sector, with visitor arrival figures and receipts growing rapidly in recent years. There has been an increase in activity in hotel construction which has also accounted for employing around 35 per cent of the population. Another activity which contributed significantly to the economy is the well-developed offshore financial services sector and the growing free zones sector. The reopening of the oil refinery has also allowed for an extra economic boost.

Selected economic indicators

	1992	1993	1994	1995	1996	1997	1998
GDP at current prices (Afl. M.)	1832.0	2070.0	2381.0	2524.0	2751.0	2949.0	3094.0
GDP at constant prices	...	...	...	...	1596.7	1659.7	...
GDP growth (constant prices)%	...	...	...	...	5.7	3.9	3.0
Prices	4.5	6.4	4.7	3.1	3.1	2.8	1.5
Exchange rate (Afl : US\$)	1.79	1.79	1.79	1.79	1.79	1.79	1.79
Unemployment Rate	0.6	0.5	0.5	0.7	0.7	0.6	...

Source: ECLAC, based on national data

... Data not available

Economic activity

GDP has grown from Afl.1832m in 1992 to Afl.3094m in 1998, an increase of 68.9 per cent. Real GDP has increased at an annual average growth rate of approximately 4.2 per cent between 1996 and 1998. Inflation has decreased substantially during the 1992-1998 period, decreasing from 4.5 per cent in 1992 to 1.5 per cent in 1998. The unemployment rate has remained steady at an average rate of 0.6 per cent over the period. The Aruban Florin (Afl.) remained fixed at Afl.1.79 to the United States dollar (US\$) from 1992-1998.

Tourism indicators

(United States dollars)

	1992	1993	1994	1995	1996	1997	1998
Total revenue (US\$m)	444.7	466.5	468.2	520.7	613.4	668.2	701.7
Stay-over visitors ('000)	541.7	562.0	581.1	618.9	640.8	646.0	647.4
Cruise ship arrivals ('000)	216.6	251.1	257.1	294.0	316.7	297.7	257.8

Source: ECLAC, based on national data

The tourism sector has played a key role in accounting for economic growth in Aruba in the past decade. Total revenue from this sector increased from US\$444.7m in 1992 to US\$701.7m in 1998, an increase of 57.8 per cent

Fiscal operations

(Afl. Millions)

	1992	1993	1994	1995	1996	1997	1998
Total revenue	448.1	486.1	531.4	602.7	645.3	619.4	647.6
Taxes	338.1	401.8	440.6	458.6	491.6	499.7	535.5
Non-tax revenue	91.9	69.0	70.5	117.0	125.8	89.8	95.6
Grants	18.1	15.3	20.3	27.1	27.9	29.9	16.5
Total expenditure	486.0	466.5	526.9	596.7	730.4	691.9	676.1
Current expenditure	...	...	...	556.5	625.7	600.4	593.7
Wages and salaries	185.0	238.4	217.0	247.7	233.5	274.0	273.2
Goods and services	104.8	98.3	129.9	130.0	163.6	161.5	124.1
Transfers and subsidies	...	...	...	120.7	135.5	122.1	136.8
Capital expenditure	...	...	...	57.2	59.0	91.5	82.4
Fiscal balance	-37.9	19.6	4.5	6.0	-85.1	-72.5	-28.5

Source: ECLAC, based on national data

... Data not available

Total revenue increased from AFl.448.1m in 1992 to AFl.647.6m in 1998, an increase of 44.5 per cent, while total expenditure increased for AFl.486.1m to AFl.676.1m, an increase of 39.5 per cent. Therefore the increase in total revenue from 1992-1998 outstripped that of expenditure. Capital expenditure also increased significantly from AFl.57.2m in 1995 to AFl.91.5m in 1997. The balance recorded on the fiscal account reflected negative values for 1992, 1996, 1997 and 1998.

Balance of payments

The current account recorded positive balances from 1992 to 1994 and negative balances for the 95-98 period. The trade balance worsened from US\$-198m in 1993 to US\$-344.8m in 1998, a decrease of 74.1 per cent. The services sector, which plays a key role in Aruba's economy, reflected positive balances which increased from US\$230m in 1992 to US\$321.7m in 1998. The balance on the capital and financial account was positive from 1995 to 1998. Aruba recorded surpluses on the balance of payments from 1992-1995, consistent with positive current account balances except for 1995 when this balance was US\$-14.9m.

Balance of payments (US\$ Millions)

	1992	1993	1994	1995	1996	1997	1998
Current account balance	21.0	22.0	60.3	-14.9	-62.3	-196.1	-28.3
Trade	-198.0	-187.0	-82.0	-249.0	-302.0	-391.2	-344.8
Oil sector	124.0	135.0	278.0	155.0	104.0	-179.3	-2.6
Free zone	12.0	29.0	13.0	16.0	40.0	10.5	-3.9
Other	-334.0	-351.0	-373.0	-420.0	-446.0	-222.4	-338.3
Services (net)	230.0	226.0	166.8	215.3	255.1	223.4	321.7
Income	-10.0	-12.0	-14.0	-9.2	-11.8	-17.2	0.3
Transfers	-1.0	-5.0	-10.5	28.0	-3.6	-11.1	-5.5
Financial and capital account	-4.0	10.0	-39.9	34.9	29.9	176.4	117.4
Errors and omissions	5.0	2.0	-2.0	-3.5	6.8	-2.5	0.2
Overall balance	22.0	34.0	18.4	16.5	-25.6	-22.2	89.3

Source: ECLAC, based on national data

THE BAHAMAS

Basic facts

Official Name:	Bahamas
Land area:	5380 Sq. miles (13,935 Sq. km)
Capital:	Nassau
Form of Government:	The Bahamas is an independent member of the British Commonwealth and a parliamentary democracy.
Head of State:	Head of State is Queen Elizabeth II who appoints a Governor General, currently Sir Orville Turnquest.
Head of Government:	The head of the government is the Prime Minister, currently the Hon. Hubert Ingraham.
Cabinet:	The Cabinet is appointed by the Governor General on the recommendation of the Prime Minister.
Parliament:	There is a bicameral parliament, which consists of the Senate and the House of Assembly. The Senate consists of 16 members appointed by the Governor General, after consultation with the Prime Minister and the Leader of the Opposition. The House of Assembly has 40 elected members.
Mid-Year Population:	Approximately 83,651 (December 1995)

Background

The economy of the 700 islands comprising the Bahamas is fairly open with a minimum of taxation and regulation. Tourism is the mainstay of the economy accounting for more than 50 per cent of GDP, but the islands also depend on international banking with a main offshore financial centre and tax haven, extensive financial services and registration of banks, trusts and insurance companies. In addition, it is a significant oil transshipment sector and a major shipping registration centre.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at [current prices](Bah\$m)	3323.0	3425.0	3504.0	3742.0	3939.0	4,128.1
Real GDP growth (% change)	1.7	0.9	0.3	4.2	3.0	3.2
Consumer price Index	2.7	1.3	2.2	1.4	0.5	1.3
Exchange rate (Bah\$:US\$)	1.0	1.0	1.0	1.0	1.0	1.0

Source: ECLAC, based on national data

Economic activity

The Bahamian economy achieved positive growth rates from 1993-1998, mainly due to growth in tourism and offshore financial sectors. During the period 1993-1998, the rate of inflation fell from 2.7 per cent in 1993 to 1.3 per cent in 1998. The Bahamian dollar is equivalent to the United States dollar (US\$).

Fiscal operations

(Millions of Bahamian dollars)

	1993/1994	1994/1995	1995/1996	1996/1997	1997/1998
Current Revenue	594.1	634.0	658.0	690.3	731.4
Current expenditure	564.6	570.2	610.6	677.8	711.7
Current account balance	29.5	63.8	47.4	12.5	19.7
Capital expenditure and net lending	78.5	98.1	97.6	149.5	123.7
Fiscal balance	-49.0	-22.6	-49.4	-142.9	-71.4

Source: ECLAC, based on national data

The current account recorded positive balances for the 1993-1998 period, with current revenues increasing by 23.1 per cent from 1993-1998 while current expenditures increased by 26.1 per cent. The balance on the capital and net lending account was also positive for the period, growing steadily from Bah\$78.5m to Bah\$149.5m but fell to Bah\$123.7m in 1998. Bahamas recorded a deficit on its fiscal operations for the period 1993-1998.

Balance of payments

(Millions of US\$)

	1993	1994	1995	1996	1997	1998
Balance on goods and services	154.3	68.7	-28.9	-125.4	-358.5	-428.8
Goods	-737.4	-518.0	-931.4	1013.8	-1115.4	-1051.9
Services (net)	891.7	883.7	905.0	862.3	756.9	623.1
Travel (net)	1125.6	1134.1	1133.1	1163.3	1166.2	1152.1
Income	-128.7	-137.6	-135.9	-149.0	-152.9	-190.1
Transfers	23.9	27.2	17.9	37.9	39.3	34.3
Current account balance	49.7	-41.7	-144.3	-263.2	-467.8	-589.1
Capital and financial account	0.0	55.2	92.6	156.7	399.2	490.9
Errors and omissions	...	4.3	50.6	95.3	129.4	221.1
Overall balance	18.3	9.3	-3.0	-7.6	56.5	119.3

Source: ECLAC, based on national data

... Data not available

The current account recorded negative balances for all years except 1993. The balance on goods also showed negative balances for the entire period. It is interesting to note, that in 1993 the capital and financial account revealed a zero balance, however, this balance grew steadily and stood at US\$490.9 by 1998. The balance on transfers was positive throughout the 1993-1998 period. There was a surplus on the balance of payments for all years except for 1995 and 1996.

BARBADOS

Basic facts

Official Name:	Barbados
Land area:	166 square miles (430 Sq. km)
Capital:	Bridgetown
Form of Government:	Barbados is a parliamentary democracy within the British Commonwealth.
Head of State:	The Head of State is Queen Elizabeth II, who is represented by the Governor General, currently Sir Clifford Husbands.
Head of Government:	The head of the government is the Prime Minister, currently the Hon. Owen Arthur.
Cabinet:	Cabinet is appointed by the Governor General on the advice of the Prime Minister.
Parliament:	Parliament comprises the Senate, which has 21 members, and a House of Assembly, consisting of the Speaker and 28 other members.
Mid-Year Population:	Approximately 260,500 (1998)

Background

Tourism provides the mainstay of the Barbadian economy, but it also depends on other sectors, such as: sugar, offshore business and manufacturing which contribute significantly to economic activity in the country. The tourist industry is the main foreign exchange earner, however, the Government has recently instituted legislation, such as the removal of import requirements for the manufacturing sector, which has had positive effects on investment in this sector. In recent years many foreign companies established small industries in the following areas: garment, furniture, food processing, chemical and electronic assembly.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at [current prices](B\$m)	3301.1	3473.9	3728.4	3993.4	4370.6	4,620.0
Real GDP growth (% change)	1.5	3.8	2.9	5.2	3.0	4.4
Rate of inflation	1.0	0.0	1.9	2.4	7.7	-1.2
Unemployment rate (%)	24.3	21.9	19.7	15.8	14.5	11.8
Exchange rate (B\$:US\$)	2.0	2.0	2.0	2.0	2.0	2.0

Source: ECLAC, based on national data

Economic activity

The Barbados economy maintained positive growth rates during the 1993 to 1998 period. The rate of inflation was generally moderate throughout the period. The unemployment rate fell steadily from a high of 24.3 per cent in 1993 to 11.8 per cent in 1998 due to the increased pace of economic activity in the country. The Barbados dollar remained unchanged throughout the 1993 to 1998 period at a fixed rate of Bar\$2.00 per United States dollar (US\$).

Fiscal operations (Millions of \$Barbados)

	1993	1994	1995	1996	1997	1998
Recurrent revenue	1009.9	1082.2	1155.5	1208.7	1437.6	1,540.4
Recurrent expenditure	1136.2	1181.0	1030.9	1157.1	1213.4	1332.5
Current account balance	-126.3	-98.8	124.6	51.6	224.2	207.9
Capital expenditure	126.1	131.6	107.3	180.3	257.7	255.2
Fiscal balance	-68.1	-38.5	29.5	-128.5	-39.0	-39.5

Source: ECLAC, based on national data

In 1993 and 1994 there were negative balances recorded on the current account, however, the balance became positive in the period 1995-1998. The fiscal balance reflected a negative value for all years except in 1995.

External debt (Millions of \$US)

	1993	1994	1995	1996	1997	1998
Total External debt	352.3	357.2	358.9	365.1	350.1	343
Debt/GDP (per cent)	21.3	20.6	19.3	18.3	16.0	15.3

Source: ECLAC, based on national data

Total external debt for the period decreased by 2.7 per cent from US\$352.3m in 1993 to US\$343m in 1998. The debt/GDP ratio also fell consistently from 21.3 per cent in 1993 to 15.3 per cent in 1998.

Balance of payments (Millions of \$US)

	1993	1994	1995	1996	1997	1998
Visible trade (Net)	-326.7	-354.6	-566.0	590.9	743.5	798.5
Exports	187.6	190.0	205.6	243.5	239.8	211.2
Imports	514.3	544.6	771.6	834.4	983.3	1009.7
Services	417.0	494.7	622.5	655.4	709.9	740.7
Travel (net)	851.0	920.5	597.9	618.5	644.5	681.8
Transfers (net)	21.0	35.4	33.6	39.7	47.4	48.8
Current balance	70.3	134.7	90.2	104.3	0.1	-8.8
Capital & financial account	3.2	18.7	-66.4	4.9	13.9	5.8
Errors and omissions	-48.7	-64.9	11.6	3.9	23.6	-37.2
Fiscal balance	24.8	88.5	35.3	113.1	37.5	0.0

Source: ECLAC, based on national data

Barbados recorded positive balances on the current account from 1993 to 1997, however, in 1998 it recorded a negative balance of US\$-8.8m. The balance of visible trade was in deficit from 1993 to 1995, however, this was to improve significantly from 1996 to 1998, where the balances were not only positive but increased consistently each year recording a balance of US\$798.5m in 1998. The balance on the services account increased consistently from 1993 to 1998. Net transfers also rose each year. For all years, except 1995, the balance on the capital and financial account was positive. The fiscal balance recorded positive balances from 1993 to 1998.

BELIZE

Basic facts

Official Name:	The Commonwealth of Belize
Land area:	8,666 square miles (22,963 Sq. km.)
Capital:	Belmopan
Form of Government:	Belize is a member of the British Commonwealth and a parliamentary democracy.
Head of State:	Her Majesty Queen Elizabeth II is the Head of State, and is represented by a Governor General, currently, Sir Colville Young.
Head of Government:	The Head of Government is the Prime Minister, currently the Hon. Said Musa, appointed by the Governor General.
Cabinet:	The Cabinet is appointed by the Governor General on the advice of the Prime Minister.
Parliament:	There is a bicameral legislature called the National Assembly comprising a House of Representatives and a Senate. The Senate consists of seven members and a President, all appointed by the Governor General on the advice of the Prime Minister, the Leader of the Opposition and the Belize Advisory Council. The House of Representatives comprises the Speaker and 29 other elected members.
Mid-Year Population:	217,000 (1995)

Background

Agriculture is the mainstay of the Belizean economy, accounting for more than half of its foreign exchange earnings and employing 30 per cent of the total labour force. Sugar is the most important crop with production remaining relatively stable in recent years. The second and third most important crops are citrus and bananas, respectively. Focus has also been placed on tourism especially the area of ecotourism. Visitor arrivals are increasing due to recent increases in marketing programmes.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at [current prices](Bze\$m)	1060.4	1104.0	1173.2	1207.2	1230.9	1,259.9
Per capita GDP(\$)(US\$)	4403.0	4448.0	4556.0	4570.0	4521.0	4468
Real GDP growth (% change)	4.3	1.4	4.0	1.1	4.0	1.4
Prices	1.5	2.6	2.9	6.4	1.0	-0.8
Unemployment rate (%)	9.8	9.0	12.5	13.8	12.7	14.3
Exchange rate (Bze\$:US\$)	2.0	2.0	2.0	2.0	2.0	2.0

Source: ECLAC, based on national data

Economic activity

Belize has experienced positive growth rates from 1993 to 1998. Per capita GDP remained relatively stable from 1993 to 1998 at an average of US\$4494. Inflation rates also varied during the period but were generally moderate. The unemployment rate grew steadily during the period 1993-1996 from 9.8 per cent in 1993 to 13.8 per cent in 1996. After a small decrease in 1997 to 12.7 per cent it increased further to 14.3 per cent by 1998. The Belizean dollar (BZ\$) remained fixed at BZ\$2.00 per United States dollar (US\$).

Fiscal operations

(Millions of Bze\$m)

	1993/1994	1994/1995	1995/1996	1996*	1997*	1998*
Current revenue	250.6	263.0	259.2	282.7	287.9	296.9
Current expenditure	219.6	239.9	233.0	245.2	252.7	260
Current account balance	31.0	23.1	26.2	37.5	35.2	36.9
Capital expenditure	96.7	111.4	77.8	71.7	77.3	95.1
Overall balance	-51.6	-70.7	-39.6	-7.4	-16.5	-27.8

Source: ECLAC, based on national data

*Data refer to calendar year

The central government fiscal operations revealed that there were positive balances on the current account from 1993 to 1998. In addition, the average growth rate for both current expenditure and revenue was 3 per cent. From 1993 to 1998 Belize had deficits on its overall balance.

External debt and debt service

(Millions of US\$)

	1993	1994	1995	1996	1997	1998
External public debt (US\$m)	167.9	184.0	184.3	219.8	232.7	256.9
Debt/GDP (%)	31.7	33.3	31.4	36.4	37.8	40.8
Debt service ratio (%)	2.2	3.5	3.8	3.7	3.9	4.3

Source: ECLAC, based on national data

The total external public debt increased by 53 per cent from 1993 to 1998. For this same period the debt/GDP ratio was an average of 35.2 per cent. The debt service ratio which is a measure of debt service payments as a percentage of total exports increased from 2.2 per cent in 1993 to 4.3 per cent in 1998 indicating that a larger but moderate portion of export receipts was being used to service the debt.

Balance of payments
(Millions of US\$)

	1993	1994	1995	1996	1997	1998
Balance on goods and services	-116.5	-88.4	-67.6	-54.2	-89.5	-104.8
Exports	134	143.5	164.3	171.1	193.4	186.1
Imports	250.6	231.9	232.0	225.3	282.9	290.8
Services (net)	38.2	28.7	47.6	46.8	46.2	47.9
Travel (net)	48.8	52.7	62.3	66.9	77.2	84
Transfers	29.4	29.3	40.2	31.1	34.8	35.5
Current account	-49	-30.5	-2.8	-2.3	-31.9	-53.5
Capital financial flow	43.4	1.9	1.4	37.2	26.8	24.1
Errors and omissions	-13.3	24.9	4.5	-14.1	6.1	-13.9
Overall balance	-18.9	-3.7	3.1	20.8	1	-15.4

Source: ECLAC, based on national data

The balance on the current account was negative for all years. The balance on goods and services was in deficit throughout the period. However, current transfers showed positive balances for the period 1993-1998. There was a balance of payments deficit in 1993, 1994 and 1998 and surpluses in 1995, 1996 and 1997.

BERMUDA

Basic facts

Official Name:	Bermuda
Land area:	50 square km. Bermuda consists of 150 islands and islets, of which 20 are inhabited.
Capital:	Hamilton
Form of Government:	Bermuda is a British dependency.
Head of State:	The Head of State is Queen Elizabeth II, represented by the Governor, currently the Hon. Thorold Masefield, responsible directly for external affairs, defence, internal security and police.
Head of Government:	The Head of Government is the Premier, currently the Hon. Jennifer Smith.
Cabinet:	The Cabinet is nominated by the Premier and appointed by the Governor.
Parliament:	Domestic government is conducted by a Parliamentary system with upper and lower legislative houses. The House of Assembly is elected by universal adult suffrage with two members returned from each of the 20 electoral districts. The Governor appoints the Senate
Population:	Approximately 60,000

Background

Tourism and international business provide the economic backbone of the economy. Good communications, a favourable tax environment, liberal regulatory climate and tight secrecy laws have attracted many international companies to Bermuda. It also operates the world's fifth largest flag of convenience shipping fleet. There is no income or capital tax and, in 1988, the United States Congress approved a tax treaty granting tax exemptions to international insurance companies registering in Bermuda. In addition, good communications, liberal foreign exchange regulations, minimal taxation contribute to the thriving offshore financial sector.

Economic activity

GDP grew by 3 per cent in 1997 and GDP was approximately US\$1.9 billion in the same year. Per capita GDP stood at approximately US\$30,000. The inflation rate was 2.1 in 1997. The economy is dependent on developments in the United States since almost 90 per cent of visiting tourists are from that

country, in addition, most of the companies established in Bermuda are also United States-controlled or owned.

Fiscal operations

In 1997, government revenue was US\$504.6m while expenditure was US\$537m, including capital expenditure of US\$75m. Customs duties are the main contributor to government revenue, accounting for almost 40-50 per cent of the total. The other sources are company fees, stamp duty, land tax, hotel occupancy tax and passenger tax. There are no income and capital taxes. Current expenditures account for 80-90 per cent of government spending, with wages and salaries being the single largest item.

Trade

Exports in 1997 totalled US\$57m while imports were US\$617m, which reveals that Bermuda had a deficit on its balance of trade account, with exports representing a mere 9 per cent of the value of imports. Bermuda's main import partners are the United States (50-60 per cent), with the United Kingdom accounting for 15 per cent of imports and exports. Exports are predominantly re-exports of petroleum products. Imports comprise food and beverages, manufactured goods, machinery and transport equipment and petroleum products. Foreign exchange earnings from tourism and offshore activities offset the merchandise trade deficit.

BRITISH VIRGIN ISLANDS

Basic facts

Official Name:	British Virgin Islands (BVI)
Land area:	59.3 square miles (Tortola 21.1 Sq. miles)
Capital:	Road Town
Form of Government:	The British Virgin Islands is a British Dependency. The Constitution of the British Virgin Islands provides for a ministerial system of government headed by a Governor.
Head of State:	The Head of State is Queen Elizabeth II represented by a Governor, currently the Hon. Frank Savage, who is directly responsible for defense, external affairs, internal security, the courts and public service
Head of Government:	The Head of Government is the Chief Minister, currently the Hon. Ralph T. O'Neal
Cabinet:	The Executive Council, presided over by the Governor, includes the Chief Minister, the Attorney-General and three other Ministers.
Parliament:	The Legislative Council consists of four members and five other popularly elected representatives and is presided over by a Speaker elected from outside of the Council.
Mid-Year Population:	19,000 (1995)

Background

The British Virgin Islands (BVI) is a group of approximately 40 islands whose economy is based on tourism and financial services. There is some agricultural production and raising of livestock along with a small degree of manufacturing. However, these sectors are so small that they do not contribute significantly to the economy. In 1984, the BVI passed legislation to cover the establishment of international business corporations. At present, the BVI is a major financial centre with this sector providing approximately 35 per cent of government revenue.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at current prices	422.0	434.0	479.0	511.0	573.7	612.0
GDP at constant prices	672.1	682.2	707.9	718.5	745.3	167.1
GDP growth (constant prices)	5.7	13.6	10.4	10.4	7.8	6.7
Prices	2.7	4.1	5.1	4.3	6.0	4.4
BVI's currency is US\$	1.0	1.0	1.0	1.0	1.0	1.0

Source: ECLAC, based on national data

Economic activity

The BVI has achieved positive growth for the period, 1993-1998. Although the rate of growth remained positive throughout the period it did fall from 10.4 per cent in 1994 and 1995 to 6.7 per cent in 1998. The rate of inflation fluctuated during the period, starting at 2.7 per cent in 1993 and rising to a high of 6 per cent in 1997 before falling to 4.4 per cent in 1998. The official currency of the BVI is the United States dollar.

Fiscal operations

(Millions of US\$)

	1993	1994	1995	1996	1997	1998
Current revenue	70.5	84.1	98.3	112.2	128.3	142.2
Current expenditure	59.2	67.8	76.3	84.1	85.7	106.4
Current balance	11.3	16.3	22.0	28.1	42.6	35.8
Capital expenditure	18.2	21.3	15.6	13.4	23.0	17.7
Overall balance	-6.9	-5.0	6.4	14.7	19.6	18.1

Source: ECLAC, based on national data

The current account balances were positive throughout the period 1993-1998. However, capital expenditures fluctuated during the period starting at US\$18.2m in 1993, falling to US\$13.4 in 1996 and rising again to US\$17.7 in 1998. The overall balance was positive for all years, except 1993 and 1994 when it recorded deficits of US\$-6.9m and US\$-5m, respectively.

Balance of trade

(Millions of US\$)

	1993	1994	1995	1996	1997	1998
Exports	18.0	17.8	19.2	20.7	22.4	23.1
Imports	122.9	128.4	130.8	158.4	166.4	164.7
Balance of visible trade	-104.9	-110.6	-111.6	-137.7	-144.0	-141.6
Exports of services	299.0	351.9	363.2	410.6	444.4	84.0
Imports of services	152.6	174.9	194.3	221.0	266.5	35.5
Balance of trade/services	146.4	177.0	168.9	189.6	177.9	-53.5
Overall trade balance	41.5	66.4	57.3	51.9	33.9	24.1

Source: ECLAC, based on national data

The overall trade balance was positive for all years 1993-1998. While the balance of visible trade was in deficit throughout the period, the balance on services was positive for all years, except in 1998 when it fell to US\$-53.5m.

CAYMAN ISLANDS

Basic facts

Official Name:	Cayman Islands
Land area:	100 square miles (260 Sq. km.)
Capital:	George Town (Grand Cayman)
Form of Government:	The Cayman Islands is a British Crown Colony.
Head of State:	The Head of State is Queen Elizabeth II, with an appointed Governor, currently the Hon. John Owen.
Head of Government:	The Head of Government is the Governor, currently the Hon. John Owen.
Cabinet:	The Executive Council, presided over by the Governor, includes the Chief Minister, the Attorney-General and three other Ministers.
Parliament:	The Legislative Council comprises a Speaker, the Attorney-General as an ex-officio member. The Legislative Council consists of 15 elected members and three official members.
Population:	Approximately 32,800

Background

Tourism is the mainstay of the economy but there is also a well-developed offshore financial sector. It is also a tax haven, that is, there are no taxes on personal or corporate income, profits or property and no exchange controls. There are also liberal regulations, which allow foreigners to purchase real estate. The Cayman Islands virtually import all that they need. There is a large trade deficit, but this is easily financed by revenue from tourism and the financial sector.

Economic activity

In recent years there has been steady GDP growth with GDP per capita standing at approximately US\$27,000, one of the highest rates in the region. There is also virtually full employment. The tourist sector accounts for 33 per cent of GDP and 75 per cent of foreign exchange earnings. The financial sector continues to grow and in 1997 contributed over CI\$142m or 15.5 per cent of GDP.

Fiscal operations

The 1998 budget included record expenditure of US\$342m and revenue of US\$341m. Data for 1997 show revenue of US\$265.2m and expenditure of US\$248.9m indicating that there was a surplus on the fiscal operations.

Trade

In 1997 exports were valued at US\$2.65m with imports of US\$379.4m. There is, therefore, an excessive trade deficit. Imports are mainly foodstuffs and manufactured goods and they come from the United States, Trinidad and Tobago, the United Kingdom, the Netherlands Antilles and Japan. Exports go mainly to the United States. The large trade deficit is offset by earnings from tourism, financial services and foreign remittances.

CUBA

Basic facts

Official Name:	Cuba
Land area:	44,200 square miles (114,478 Sq. km.)
Capital:	Havana
Form of Government:	Cuba is an independent republic in which the President of the State Council is Head of both State and Government. The Head of State is also the First Secretary of the Communist Party of Cuba. The Communist Party of Cuba is the only legal party. It comprises most of the country's political and military leaders, a 112-member Central Committee and five Commissioners.
Head of State:	The current Head of State is Dr. Fidel Castro Ruz.
Head of Government:	The current head of Government is also Dr. Fidel Castro Ruz.
Cabinet:	Cabinet comprises the Council of Ministers proposed by the President and appointed by the National Assembly.
Parliament:	Legislative powers are vested in the National Assembly, which has 481 deputies, and from which the 31-member Council of State is elected.
Population:	Approximately 11 million (1996)

Background

Cuba, the Caribbean's largest island, differs from its Caribbean counterparts in that it is the only island that has a socialist economy. Traditionally, sugar provided the mainstay of the economy but in recent times the country has started to depend on revenues from tourism receipts. Other main crops are: tobacco, rice, coffee and citrus fruits.

Selected economic indicators

	1994	1995	1996	1997
GDP at current prices	19198	21737	23259	23500
GDP at constant prices	12868	13185	14218	14573
GDP growth (constant prices) (%)	0.7	2.5	7.8	2.5
Prices (December to December)	...	-11	-5	2
Exchange rate (Unofficial pesos per US\$)	60	25	19	23

Source: ECLAC, based on national data...

... Data not available

Economic activity

Since 1994 Cuba has been able to maintain positive growth rates, although growth fell from 7.8 per cent in 1996 to 2.5 per cent in 1997. The rate of inflation was moderate at 2 per cent in 1997. The peso increased in value from 1994 to 1998, increasing from 60 pesos per United States dollar (US\$) to 19 pesos per US dollar, and depreciated again to 23 pesos per US dollar in 1997.

Fiscal operations (Millions of Pesos)

	1994	1995	1996	1997
Recurrent revenue	...	11593	12242	12143
Recurrent expenditure	...	12064	10771	10861
Current account balance	...	-471	1471	1282
Capital expenditure	...	1745	2043	1750
Fiscal balance	...	-766	-572	-468

Source: ECLAC, based on national data

... Data not available

The current account recorded negative balances in 1995 but this was to improve between 1996 and 1997 when the current account balance increased from -471m pesos in 1995 to 1282m pesos in 1997. The fiscal balance was in deficit in 1995, 1996 and 1997.

External debt (Millions of US\$)

	1994	1995	1996	1997
Ext. debt convertible currencies (US\$m)	9083	10504	10465	10500
Debt/GDP (%)	47.3	48.3	45.0	44.7

Source: ECLAC, based on national data

After an initial increase of 15.6 per cent from 1994 to 1995, total external debt decreased by 0.4 per cent. The debt/GDP ratio however, remained at an average of 46.3 per cent during the 1994-1997 period.

Balance of payments (Millions of US\$)

	1994	1995	1996	1997
Balance of visible trade	-796	-1485	-1760	-2471
Exports	1315	1507	1850	1861
Imports	2111	2992	3610	4332
Services	585	846	1370	1593
Transfers	310	646	745	750
Current balance	-242	-518	-137	-428
Capital and financial account	240	596	145	438
Overall balance	-2	78	8	10

Source: ECLAC, based on national data

Negative balances were recorded on the current account from 1994-1997. The balance of visible trade was in deficit from 1994 to 1997 although these values were decreasing throughout the period. The services account showed growing, positive trends from US\$585m in 1994 to US\$1593m in 1997. Transfers increased substantially from 1994 to 1997, that is, from US\$310m to US\$750m. The capital balance fluctuated during the period. The balance of payments was in surpluses from 1995 to 1997, however, it recorded a deficit of US\$-2m in 1994.

DOMINICA

Basic facts

Official Name:	The Commonwealth of Dominica
Land area:	748.5 sq. Km (289.5 Sq. miles)
Capital:	Roseau
Form of Government:	Dominica is a parliamentary democracy and a republic within the British Commonwealth.
Head of State:	The Head of State is the President, currently the Hon. Vernon Loden Shah. The President is elected by the House of Assembly on the joint nomination of the Prime Minister and the Leader of the Opposition
Head of Government:	The Head of Government is the Prime Minister, currently the Hon. Edison James.
Cabinet:	Cabinet is appointed by the President on advice of the Prime Minister.
Parliament:	The single chamber House of Assembly comprises 31 members - one representative from each of the 21 constituencies, one ex-officio member (the Attorney-General) and nine senators appointed by the President on the advice of the Prime Minister and the Leader of the Opposition.
Population:	Approximately 75,700 (1997)

Background

Dominica's main economic sector has traditionally been the agricultural sector, with the banana industry accounting for approximately 90 per cent of this sector's overall activities and employing almost half of the island's workforce. However, this crucial crop is in danger of being negatively affected by the threat of the removal of preferences in the European market. In light of this threat, the Dominican Government has been earnestly trying to diversify its economy. As such, the government is now focusing its attention on ecotourism since the natural characteristics of the terrain have allowed Dominica to have an edge in this sector of the tourism market. In addition, tourist arrivals and receipts have been on the rise. The Government has also been pursuing efforts to develop its offshore finance sector.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at [current prices](EC\$m)	456.4	494.1	510.2	543.4	565.1	598.4
GDP at [constant prices](EC\$m)	395.4	403.8	410.3	422.9	431.3	446.2
Real GDP growth (% change)	1.9	2.2	1.6	3.1	2.0	3.5
Prices	1.7	-0.2	1.4	2.0	2.2	1.42
Exchange rate (EC\$:US\$)	2.7	2.7	2.7	2.7	2.7	2.7

Source: ECLAC, based on national data

Economic activity

Real GDP growth was positive throughout the period averaging 2.4 per cent for the 1993-1998 period with the highest rate of growth of 3.5 per cent being experienced in 1998. Inflation was low throughout the period. The official currency of Dominica is the Eastern Caribbean dollar (EC\$) which is fixed at a rate of EC\$2.7 per United States dollar.

Fiscal operations

(Millions of EC\$)

	1993	1994	1995	1996	1997	1998
Current revenue	139.0	136.1	153.6	174.5	191.5	204.6
Current expenditure	146.2	155.4	156.0	171.2	184.7	195.8
Current account balance	-7.2	-19.2	-2.5	3.3	6.7	8.7
Capital account balance	-17.9	-8.7	-21.3	-18.7	-19.8	...
Overall surplus (deficit)	-25.1	-27.9	-23.8	-15.4	-13.0	-18.7

Source: ECLAC, based on national data

...Data not available

The balance on the current account was negative from 1993 to 1995, however, from 1996 to 1998 not only were the balances positive but they increased with each successive year. Recurrent revenues increased at a more rapid pace than recurrent expenditures during the latter period. The balance on the capital account remained negative throughout the period. The overall balance on the fiscal account was also negative throughout the 1993-1998 period. The fiscal balance improved simultaneously with the increases in the current account except when the overall deficit increased from EC\$-13m in 1997 to EC\$-18.7m in 1998.

External debt and debt service

(Millions of EC dollars)

	1993	1994	1995	1996	1997
Outstanding debt	254.2	266.3	278.2	276.6	240.0
Debt service payments	17.9	19.8	20.1	24.1	29.0
Debt service/GDP (%)	3.9	4.0	3.9	4.4	5.1
Debt/GDP (%)	55.70	53.90	54.53	50.90	42.47
Exports	129.6	122.9	121.8	138.5	141.2
Debt service ratio (%)	13.8	16.1	16.5	17.4	20.5

Source: ECLAC, based on national data

The total external debt outstanding increased from 1993 to 1995, from EC\$254.2 m to EC\$278.2m but fell thereafter ending at EC\$240m in 1997. The Dominican Government's indebtedness decreased from 55.7 per cent of GDP in 1993 to 42.47 per cent of GDP in 1998, a decrease of 23.8 per cent. The debt service ratio increased during the period from 13.8 per cent in 1993 to 20.5 per cent in 1998.

Balance of payments

(Millions of EC dollars)

	1993	1994	1995	1996	1997	1998
CURRENT ACCOUNT	-61.1	-103.6	-123.1	-107.8	-99.7	-76.49
Goods and services	-67.4	-93.0	-108.3	-84.5	-82.4	-59.14
Income	-17.2	-29.8	-36.1	-50.8	-45.7	-45.84
Current transfers	23.5	19.1	21.3	27.5	28.3	28.49
CAPITAL AND FINANCIAL ACCOUNT	56.5	89.8	145.1	123.3	136.2	37.17
OVERALL BALANCE	2.7	-9.3	22.0	3.8	5.0	11.4

After increasing from EC\$-61.1m in 1993 to EC\$103.6m in 1994 and a deficit of EC\$123.1m in 1995, the balance on the current account decreased during 1996-1998, reaching EC\$-76.49m in 1998. The balance on goods and services was also negative for all the years. However, current transfers were positive from 1993 to 1998. The balance on the capital and financial account was also positive throughout the period. Except for 1994, surpluses were achieved on the balance of payments for the other years under consideration.

DOMINICAN REPUBLIC

Basic facts

Official Name:	Dominican Republic
Land area:	48,442 sq. Km (18,712 Sq. miles)
Capital:	Santo Domingo
Form of Government:	The Dominican Republic is a representative democracy.
Head of State:	Executive power is vested in the President, currently Mr. Leonel Fernandez Reyna.
Head of Government:	The Head of Government is the President, currently Mr. Leonel Fernandez Reyna.
Cabinet:	Cabinet is nominated by the President.
Parliament:	Legislative power resides in a bicameral Congress which comprises a Senate of 30 members (one from each province and one from the National District of Santo Domingo), and a Chamber of Deputies of 120 members.
Mid-Year Population:	7,915,000 (1995)

Background

The Dominican Republic occupies two thirds of the island of Hispaniola which it shares with Haiti. Traditionally, the agricultural sector, was the mainstay of the economy, however, the decline in this sector has led tourism, communication and construction to be the major contributors to the economy. As such, the Government has been investing in tourism-related projects in hopes of revitalizing the economy. Recently, the mining and manufacturing sectors have also started improving their performance.

Selected economic indicators

	1994	1995	1996	1997	1998
GDP at current prices	136206.0	160456.0	181466.0	212644.0	...
GDP at constant prices	68742.0	72042.0	77301.0	83640.0	89952.0
GDP growth (constant prices) (%)	4.3	4.8	7.3	8.2	7.5
Prices	14.3	9.2	4.0	8.4	7.8
Exchange rate (pesos per US\$)	12.6	12.9	2.9	14.0	14.7

Source: ECLAC, based on national data

... Data not available

Economic activity

From 1994-1998 the Dominican Republic achieved positive GDP growth rates. In fact, GDP grew from 4.8 per cent in 1995 to 8.7 per cent in 1997 but fell again to 7.5 per cent in 1998. Inflation rates declined from 1994 to 1998, from 14.3 per cent to 7.8 per cent, respectively. The market rate of the Dominican Republic peso (RD\$) is set by the Central Bank. The currency was revalued in 1996 to RD\$2.9 per US\$, however, it depreciated to RD\$14 in 1997 and RD\$14.7 in 1998.

Fiscal operations

(Millions of Pesos)

	1994	1995	1996	1997	1998
Recurrent revenue	20584	23990	25590	33757	38264
Recurrent expenditure	10479	12677	14951	23780	27355
Current account balance	10105	11313	10639	9977	10909
Capital expenditure	11711	10513	11642	8911	9402
Fiscal balance	-1050	1126	-606	1493	2341

Source: ECLAC, based on national data

There were positive balances on the current account for the period 1994-1998. Recurrent revenues and expenditures increased steadily throughout the period. Capital expenditure fell from RD\$11,711m in 1994 to RD\$8,911m in 1997 but rose to RD\$9402m in 1998. There were negative values recorded on the fiscal balance in 1994 and 1996, but positive values for the other years.

Balance of payments

(Millions of US\$)

	1994	1995	1996	1997	1998
Balance of visible trade	-1450.9	-1390.9	-1674.2	-1995.0	-2608.6
Exports	3452.5	3779.5	4052.8	4613.7	4988.7
Imports	4903.4	5170.4	5727.0	6608.7	7597.3
Services (net)	866.8	984.9	1018.6	1275.3	1189.2
Transfers	982.8	992.2	1167.7	1352.1	1968.5
Profits	-681.9	-769.0	-724.8	-795.4	-936.1
Current balance	-283.2	-182.8	-212.7	-163.0	-387.0
Capital and financial account	455.4	176.0	73.8	451.8	667.9
Errors and omissions	-597.6	75.0	108.8	-193.6	-242.2
Overall balance	-425.4	68.2	-30.1	95.2	38.7

Source: ECLAC, based on national data

The current account recorded negative balances from 1994 to 1998. Although the performance varied from year to year, the balance increased from US\$-163m in 1997 to US\$-387m in 1998. The balance of visible trade recorded increasing negative values. Transfers increased consistently during 1994-1998 from US\$982.8m in 1994 to US\$1968.5m in 1998, an increase of 72.8 per cent. The balance on the capital and financial account was positive throughout the period. There was a surplus on the balance of payments in 1995, 1997 and 1998.

GRENADA

Basic facts

Official Name:	Grenada
Land area:	310.8 sq. Km (120 Sq. miles)
Capital:	St. George's
Form of Government:	Grenada is a parliamentary democracy within the British Commonwealth.
Head of State:	Queen Elizabeth II is Head of State, represented by a Governor General, currently the Hon. Daniel Williams, QC.
Head of Government:	The Head of Government is the Prime Minister, currently the Hon. Keith Mitchell. The Prime Minister is appointed by the Governor General from among the members of the House of Assembly.
Cabinet:	The cabinet is appointed by the Governor General on the advice of the Prime Minister.
Parliament:	The Parliament comprises a 13-seat nominated Senate and a 15-seat elected House of Representatives.
Population:	Approximately 99,500 (1997)

Background

Traditionally, the mainstay of Grenada's economy was agriculture, however, in recent times the tourism sector has been the main earner of foreign exchange and is rapidly succeeding agriculture as the backbone of the Grenadian economy. Despite the growth of the tourism sector, the agricultural sector still employs a significant 20 per cent of the workforce. The principal crops are: nutmeg, cocoa, bananas and sugar cane. Grenada is a significant world producer of nutmeg but international world prices are affecting the viability of this industry, as it has with the banana and cocoa industry. The industry has also been affected by natural disasters. Due to these factors the Government has resolved to diversify the economy and has been focusing attention on tourism in particular, ecotourism, which continues to expand.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at [current prices](EC\$m)	563.1	594.6	629.3	663.4	706.2	755.9
GDP at [constant prices](EC\$m)	494.4	510.8	526.6	541.7	584.5	597.2
Real GDP growth (% change)	-1.2	3.3	3.1	2.9	4.2	5.8
Prices	3.5	1.8	2.1	3.2	0.8	1.25
Exchange rate (EC\$:US\$)	2.7	2.7	2.7	2.7	2.7	2.7

Source: ECLAC, based on national data

Economic activity

Despite a negative growth rate in 1993, real GDP growth was positive for the period 1994-1998. Inflation was low throughout the entire period. The official currency of Grenada is the Eastern Caribbean dollar (EC\$) which is fixed at a rate of EC\$2.7 per United States dollar.

Fiscal operations (Millions of EC\$)

	1993	1994	1995	1996	1997	1998
Current revenue	171.1	170.9	183.1	198.7	205.9	228.7
Current expenditure	162.4	163.0	168.7	182.3	200.2	222.9
Current account balance	8.7	7.9	14.4	16.4	5.7	5.8
Capital account balance	-16.1	-31	-14.1	-38.6	-24.8	...
Overall surplus (deficit)	-4.9	-11.1	0.4	-22.2	-19.1	-37.2

Source: ECLAC, based on national data

... Data not available

The balance on the current account was positive during the period 1993-1998, peaking at EC\$16.4m in 1996 but falling to EC\$5.8m in 1998. On the other hand, the capital account balance was negative throughout the period. The overall balance on the public account recorded deficits in all years, except in 1995, when the surplus recorded was a mere EC\$0.4m. The deficits were due probably to the large negative balances on the current account.

External debt and debt service

(Millions of EC dollars)

	1993	1994	1995	1996	1997
Outstanding debt	220.0	238.6	236.7	241.9	237.2
Debt service payments	18.7	18.3	24.7	18.0	12.2
Debt service/GDP (%)	3.3	3.1	3.9	2.7	1.7
Debt/GDP (%)	39.1	40.1	37.6	36.5	33.6
Exports	55.1	64.3	58.7	54.0	54.5
Debt service ratio (%)	33.9	28.5	42.1	33.3	22.4

Source: ECLAC, based on national data

The total external debt outstanding increased from EC\$220m in 1993 to EC\$241.9m in 1996. The debt/GDP ratio fell from a high of 40.1 per cent in 1994 to 33.6 per cent in 1997. There was also a decrease in the debt service ratio from 42.1 per cent in 1995 to 22.4 per cent in 1997, a decrease of 46.8 per cent.

Balance of payments
(Millions of EC dollars)

	1993	1994	1995	1996	1997	1998
CURRENT ACCOUNT	-117.6	-72.7	-110.5	-156.1	-215.6	-225.52
Goods and services	-132.0	-91.7	-120.3	-166.5	-215.9	-233.41
Income	22.6	23.8	36.3	40.8	52.9	-46.74
Current transfers	37.0	42.7	46.1	51.2	53.1	54.63
CAPITAL AND FINANCIAL ACCOUNT	136.7	138.6	160.8	139.4	179.2	195.99
OVERALL BALANCE	1.2	12.2	16.3	0.6	18.9	1.2

Source: ECLAC, based on national data

The balance on the current account was negative for all years of the period 1993-1998, in fact the balance worsened considerably from EC\$-156.1m in 1996 to EC\$-215.6m in 1997, and increased even further to EC\$-225.52m in 1998. The balance of goods and services was also negative throughout the period. There were positive balances in both income and current transfers, with the latter increasing from EC\$37m in 1993 to EC\$54.6m in 1998, an increase of 47.6 per cent. The capital and financial account also recorded increasing positive balances, reaching at EC\$195.99m in 1998. There were surpluses achieved on the balance of payments for the period 1993-1998.

GUYANA

Basic facts

Official Name:	The Cooperative Republic of Guyana
Land area:	214,970 sq. Km (83,000 Sq. miles)
Capital:	Georgetown
Form of Government:	Guyana is a republic.
Head of State:	The President holds executive power, the current president is the Hon. Bharrat Jagdeo.
Head of Government:	The Head of Government is the also the President.
Cabinet:	The Cabinet of Ministers is appointed by the President and is responsible to the Legislature.
Parliament:	The 65 members of the National Assembly include the ten representatives from the 10 Administrative Regions and 10 members of the National Congress of Local Democratic Organs.
Mid-Year Population:	Approximately 775,143

Background

Although classified as a Caribbean State, Guyana is located on the north-eastern coast of South America and is one of the largest countries within the Caribbean. It has vast resources and its economy was traditionally based on the exports of sugar, rice, bauxite, gold and forestry products. In 1988 the Guyanese Government embarked on an economic recovery programme which was supported by the International Development Agency (IDA) and the International Monetary Fund (IMF). This programme included broad macroeconomic measures and structural reforms to realign relative prices, dismantle State controls, reduce expenditure and reform the tax system.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at [current prices](Guy\$m)	59124.0	75412.0	88271.0	99038.0	106678.0	92610.0
Real GDP growth (% change)	8.3	8.5	5.1	7.9	6.3	-1.3
Per capita GDP (US\$)	296.2	373.8	431.0	510.9	552.8	...
Prices	7.7	16.1	8.1	4.5	4.1	4.8
Exchange rate (Guyana\$:US\$)	130.8	142.5	140.5	141.3	142.8	168

Source: ECLAC, based on national data

... Data not available

Economic activity

Guyana has achieved positive rates of growth from 1993-1997, however, in 1998 there was a decline in real GDP by 1.3 per cent. The percentage change in the prices revealed that the rate of inflation rose initially in 1994 to 16.1 per cent, but fell steadily thereafter ending at 4.8 per cent in 1998. The rate of exchange of the Guyanese dollar per United States dollar (US\$) rose from Guy\$130.8m per US\$ in 1993 to Guy\$142 per US\$1 in 1997. The Guyanese dollar depreciated further in 1998 to reach Guy\$168 per US dollar.

Fiscal operations

(Millions of Guy\$)

	1993/1994	1994/1995	1995/1996	1996/1997	1997/1998	1998/1999
Current revenue	21778.0	23653.8	29496.1	35117.3	34082.9	33121.2
Current expenditure	20678.8	23538.3	23774.7	23943.7	28081.2	30067.2
Current account balance	1099.2	115.5	5721.4	11173.6	6001.7	3054.0
Capital expenditure	7223.2	10687.4	11539.5	15705.5	16379.0	13033.8
Fiscal balance	-4001.2	-5092.4	-2886.1	-1587.2	-7403.7	-8768.4

Source: ECLAC, based on national data

The balance on the current account was positive throughout the period 1993-1998, conversely, the fiscal balance was in deficit for all years 1993-1998.

External debt

(US\$ Millions)

	1993	1994	1995	1996	1997	1998
External debt	1953.5	1999.5	2058.3	1537.0	1513.0	1496.5
Debt/GDP (%)	432.2	377.8	327.6	219.3	202.5	271.5

Source: ECLAC, based on national data

Guyana is noted to have one of the most unsustainable external debts in the Caribbean subregion. However, the above figures reveal that the external debt fell from 1993 to 1998 from US\$1953.5m to US\$1496.5m. The debt/GDP ratio remains extremely high although it decreased from 432.2 per cent in 1993 to 271.5 per cent in 1998. This was probably due to debt forgiveness from some of this country's international creditors and funding agencies.

Balance of payments

(US\$ Millions)

	1993	1994	1995	1996	1997	1998
Balance of visible trade	-68.3	-40.6	-40.8	-20.2	-48.2	-54.2
Exports	415.5	463.4	495.7	574.8	593.4	549
Imports	483.8	504	536.5	595	641.6	601.2
Services (net)	-68.1	-60.2	-54.1	-86.0	-96.9	-88.3
Transfers	29.0	32.0	39.0	58.0	64.0	57
Current account	-136.4	-100.8	-94.9	-53.8	-105.1	-96.5
Errors and omissions	6.4	-3.8	1.8	-7.1	-16.6	-6
Capital and financial account	78.1	22.9	28.0	53.9	101.7	69.5
Overall balance	-49.7	-63.9	-68.9	-1.4	4.0	-22.7

Source: ECLAC, based on national data

The balance on the current account was negative for all years 1993-1998. The balances on visible trade and services were also negative. Transfers were positive for the entire 1993-1998 period, increasing from US\$29m in 1993 to US\$64m in 1997. The capital and financial account fell somewhat from 1993 to 1994, but rose thereafter. Guyana achieved a balance of payments surplus in 1997 and deficits in all other years.

JAMAICA

Basic facts

Official Name:	Jamaica
Land area:	10,991 sq. Km (4,243.6 Sq. miles)
Capital:	Kingston
Government:	Jamaica is an independent member of the British Commonwealth and a parliamentary democracy.
Head of State:	The Head of State is Queen Elizabeth II, who is represented by the Governor General, currently Sir Howard Cooke.
Head of Government:	The Head of Government is the Prime Minister, currently the Hon. P.J. Patterson.
Cabinet:	Executive power resides in a Cabinet led by the Prime Minister and responsible to Parliament.
Parliament:	The legislature consists of a 60-member elected House of Representatives and a 21-member appointed Senate. Thirteen of the 21 Senators are nominated on the recommendation of the Prime Minister and eight on that of the Leader of the Opposition.
Population:	2,530,000 (mid-year estimate) (1995)

Background

Traditionally, the backbone of the Jamaican economy has been its tourist industry and its mining sector. In fact, Jamaica is the third largest producer of bauxite and alumina worldwide and this sector is the island's second largest foreign exchange earner, tourism being the first. Two other sectors that are important contributors to the economy are agriculture and manufacturing. In the case of the former, sugar and bananas were the crops that were produced for export, though these have been on the decline despite recent improvements in the sugar industry. The garment industry was a traditional main export earner but has been on the decline because of increased competition from lower cost exporters.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at [current prices](J\$m)	99843.2	132377.2	170133.0	203109.0	220556.0	231,778.7
Real GDP growth (% change)	1.4	1.1	0.5	-1.8	-2.4	-0.7
Per capita GDP (US\$)	1280.0	1614.3	1718.5	2309.4	2382.7	...
Prices	22.1	35.1	19.9	26.4	9.7	7.9
Unemployment rate (%)	16.3	15.4	16.2	16.0	16.5	15.5
Exchange rate (J\$:US\$)	32.5	33.2	39.6	34.9	36.3	37.4

Source: ECLAC, based on national data

... Data not available

Economic activity

Jamaica experienced positive real GDP growth from 1993-1995, this growth, however, was decreasing annually and by 1998 there was negative growth of 0.7 per cent. Despite negative growth rates, per capita GDP increased from US\$1280 in 1993 to US\$2382.7 in 1997. The rate of inflation has decreased significantly during the period, but remained high at 7.9 per cent in 1998. Unemployment rates also remained high throughout the period. The official currency is the Jamaican dollar (J\$) which is linked to the United States dollar (US\$). The exchange rate has been variable especially since the floating of the Jamaican dollar in September 1990. In 1998 the official rate of exchange was J\$37.4 per US dollar.

Fiscal operations

(Millions of J\$)

	1993/994	1994/1995	1995/1996	1996*	1997*	1998
Current revenue	30490.8	40002.0	53847.7	58501.8	62321.4	70055.6
Current expenditure	25369.3	34454.6	44441.8	64225.2	72113.2	84743.0
Current account balance	5121.5	5547.4	9405.9	-5723.4	-9791.8	-14687.4
Capital expenditure	4672.4	5882.0	11201.2	13497.1	12118.9	6900.4
Fiscal balance	3615.9	4793.4	3074.2	-14965.2	-19962.4	-18912

Source: ECLAC, based on national data

* Data refer to calendar year

The balance on the current account was positive in 1993, 1994 and 1995, however, it became negative from 1996 onwards. Capital expenditures peaked at J\$13497.1m in 1996 from an initial sum of J\$4672.4m in 1993 but fell to J\$6900.4m in 1998. The fiscal balance, which was in surplus in 1993, 1994 and 1995, was in deficit in 1996, 1997 and 1998.

External debt and debt service

(Millions of US Dollars)

	1993	1994	1995	1996	1997	1998
Total external debt	3687.2	3651.8	3451.9	3231.9	3277.7	3306.4
Debt service payments	542.1	536.0	592.6	579.5	511.3	...
Debt service/GDP (%)	18.1	14.3	14.6	10.0	8.4	...
Debt/GDP (%)	120.0	91.6	80.3	55.5	53.9	53.4
Exports	2394.3	2680.5	3149.3	3222.1	2595.6	...
Debt service ratio (%)	22.6	20.0	18.8	18.0	19.7	...

Source: ECLAC, based on national data

... Data not available

Jamaica's external debt stood at an average of US\$3434.5m for the period 1993-1998. There was a decrease in the debt service ratio from 22.6 per cent in 1993 to 19.7 per cent in 1997. The debt/GDP ratio fell significantly from 80.3 per cent in 1995 to 55.5 per cent in 1996. In the period 1993-1998 the debt/GDP ratio fell from 120 per cent in 1993 to 53.4 per cent in 1998 reflecting the high level of indebtedness of the Jamaican economy.

Balance of payments
(US\$ Millions)

	1993	1994	1995	1996	1997	1998
Balance on visible trade	-804.7	-648.7	-989.6	-994.2	-1120.8	-1101.9
Exports	1075.4	1219.5	1436.8	1721.0	1699.1	1590.4
Imports	1880.1	1868.2	2426.4	2715.2	2819.9	2692.3
Services	233.6	191.7	189.5	326.1	307.6	261
Travel (net)	878.4	854.0	939.6	935.2	949.5	909.8
Current account balance	-194.2	18.3	-192.3	-237.7	-400.6	-339.2
Capital and financial account	307.6	319.2	212.0	237.7	400.6	339.2
Overall balance	113.4	337.5	19.7	0	0	0

Source: ECLAC, based on national data

After an initial improvement on the current account from US\$-194.2m in 1993 to US\$18.3m in 1994, the balance on the current account worsened steadily. It worsened from US\$-192.3m in 1995 to US\$-400.6m in 1997 improving slightly in 1998 to stand at US\$-339.2m. The balance on visible trade was negative for all years 1993-1998. The balance on the services account was positive for all years, indicating the importance of services to the economy. The balance on the capital and financial account was positive for the 1993-1998 period, peaking at a balance of US\$400.6m in 1997. The balance of payments achieved surpluses from 1993 to 1995 and was in balance thereafter.

HAITI

Basic facts

Official Name:	Republic of Haiti
Land area:	27,749 sq. Km (10,714 Sq. miles)
Capital:	Port-au-Prince
Form of Government:	Haiti is a republic.
Head of State:	The President, currently the Hon. René Préval.
Head of Government:	The Prime Minister.
Cabinet:	The Cabinet is headed by the Prime Minister and its members are chosen in consultation with the President.
Parliament:	National Assembly, which comprises a Senate (27 members) and a Chamber of Deputies (83 members).
Mid-Year Population:	Approximately 6.5 million

Background

Traditionally, the mainstay of the Haitian economy was agriculture accounting for more than 25 per cent of GDP and employing approximately 60 per cent of the labour force. The major crops being produced were coffee, sugar, rice, corn and beans. At present, Haiti is attempting to recover from civil unrest which lasted for most of the 1990s. As such it has not been able to institute a strong economic recovery programme and has not been able to access the aid due to the political instability in the island. However, there is great potential for this island in tourism, forestry and agriculture.

Selected economic indicators

	1994	1995	1996	1997	1998
GDP at current prices (gourdes)	31080.0	34900.0	41900.0	44900.0	...
GDP at constant prices (gourdes)	10172.0	10618.0	10915.0	11040.0	...
GDP growth (constant prices) (%)	-8.3	4.4	2.8	1.1	...
Prices (Annual average rate) (%)	39.3	27.6	20.6	16.2	...
Exchange rate (Gourdes vis a vis US\$)	14.7	14.4	16.0	16.2	...

Source: ECLAC, based on national data

... Data not available

Economic activity

Since 1995 Haiti has experienced positive growth in real GDP. GDP at current prices increased from 31080m gourdes in 1994 to 44900m gourdes in 1997, an increase of 44.5 per cent. Inflation is still very high although it fell from 39.3 per cent in 1994 to 16.2 per cent in 1997. The Haitian gourde depreciated during the 1994-1997 period, from 14.7 gourdes to the United States dollar in 1994 to 16.2 gourdes to the United States dollar in 1997.

Fiscal operations (Millions of gourdes)

	1994	1995	1996	1997	1998
Recurrent revenue	801.8	2249.0	3197.9	4275.1	5258.4
Recurrent expenditure	1766.2	3852.7	3979.7	5088.4	4885.8
Current account balance	-964.4	-1603.7	-781.8	-363.3	372.6
Capital expenditure	75.2	278.1	140.1	708.9	1239.1
Fiscal balance	-1028.7	-1680.1	-683.7	-1015.0	-742.7

Source: ECLAC, based on national data

The balance on the current account was negative throughout the period 1994-1997, however, there was a positive balance of 372.6m gourdes recorded in 1998. The level of capital expenditures varied during the period. It increased from 1994 to 1995, before falling by 68.3 per cent in 1996 and then increasing significantly in both 1997 and 1998. The fiscal balance was negative throughout the period.

External debt (Millions of US\$)

	1994	1995	1996	1997	1998
External debt (US\$m.)	875.1	897.6	914.3	1024.9	1099.9
GDP (US\$ M)	2114.3	2423.6	2618.8	2771.6	...
DEBT/GDP (%)	41.4	37.0	34.9	37.0	...

Source: ECLAC, based on national data

... Data not available

Haiti's external debt increased from US\$875.1m in 1994 to US\$1099.9m in 1998, an increase of 25.7 per cent. The ratio of external debt to GDP fell during the period.

Balance of payments
(Millions of US\$)

	1994	1995	1996	1997	1998
Balance of visible trade	-89.7	-379.9	-351.1	-319.5	-265.1
Exports	107.8	137.3	147.5	192.7	214.4
Imports	197.5	517.2	498.6	512.2	479.5
Services (net)	-60.3	-180.4	-174.2	-193.2	-154.0
Travel (net)	0.4	55.5	58.6	44.5	...
Profits	-8.5	-30.6	-10.7	-13.6	-8.1
Transfers	163.7	552.9	462.5	448.6	315.7
Current balance	5.2	-38.0	-73.5	-77.7	-111.5
Capital and financial account	-12.3	430.0	249.1	182.9	45.2
Errors and omissions	-25.8	-218.9	-222.2	-65.7	63.2
Overall balance	-32.9	173.1	-46.6	39.5	-3.2

Source: ECLAC, based on national data

... Data not available

The balance on the current account was positive in 1994 but negative during the 1995 to 1998 period. The balance of visible trade worsened during 1995-1997 but recovered by 17 per cent in 1998. The balance on the services account also recorded increasing negative values, however, there were positive balances in the net travel account. There were increases in transfers from US\$163.7m in 1994 to US\$315.7m in 1998. The balances recorded on the transfers account during 1995-1997 were greater than the balance in 1998. Excluding 1994, the balance on the capital and financial account was in surplus, increasing from US\$-12.3m in 1994 to US\$430m in 1995, however, this was to fall to US\$45.2m in 1998. Except for 1995 and 1997 the balance of payments was in deficit.

MONTSERRAT

Basic facts

Official Name:	Montserrat
Land area:	102 sq. Km (39.5 Sq. miles)
Capital:	Plymouth
Form of Government:	Montserrat is a British colony.
Head of State:	Head of State is Queen Elizabeth II, who is represented by a Governor, currently the Hon. Anthony Abbott. The Governor is responsible for defense, external affairs and internal security.
Head of Government:	The Head of Government is the Chief Minister, currently Hon. David Brandt.
Cabinet:	The Executive Council, over which the Governor presides, includes the Chief Minister and three other Ministers in addition to the Principal Law Officer and the Financial Secretary.
Parliament:	The Legislative Council comprises the Principal Law Officer and the Financial Secretary as ex-officio members, two nominated members and seven elected representatives (one from each electoral district). It is presided over by a Speaker who is chosen from outside the Council.
Population:	Approximately 3,500 (1997)

Background

Montserrat is a non-independent Caribbean country that is a full member of the Caribbean Community (CARICOM) and the Organization of Eastern Caribbean States (OECS). It is also an associate member of the Caribbean Development and Cooperation Committee (CDCC). In the latter part of the 1980s and the early 1990s, Montserrat was dependent on tourism for its economic growth and was, in fact, experiencing positive levels of growth. However, in July 1995, the once dormant Soufriere Volcano erupted and has caused severe disruptions and chaos on the island. The volcano destroyed the country's infrastructure, its airport, ports, housing communities and has also caused many Montserratians to seek refuge in Great Britain and other Caribbean islands. The Montserratian Government officials, along with the British Government and CARICOM countries, are trying to put in place and implement a course of action for Montserrat's recovery.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at [current prices](EC\$m)	140.0	147.3	139.2	113.1	87.8	85.7
GDP at [constant prices](EC\$m)	131.0	132.1	122.1	95.9	70.5	68.24
Real GDP growth (% change)	2.5	0.9	-7.6	-21.5	-26.5	-3.3
Prices (%)	0.7	2.8	4.4	6.2	5.0	-0.2
Exchange rate (EC\$:US\$)	2.7	2.7	2.7	2.7	2.7	2.7

Source: ECLAC, based on national data

Economic activity

The data reveals that before 1995, Montserrat was experiencing positive levels of growth though this growth did decrease from 2.5 per cent in 1993 to 0.9 per cent in 1994. The eruption of the Soufriere volcano had negative consequences on the island, causing growth levels to fall to a low of -26.5 per cent in 1997. However, the country was able to experience a decreasing level of negative growth in 1998, probably as a result of the economic recovery programme being put in place. The level of prices, although varying, were quite low during the 1993-1998 period. Montserrat's official currency is the Eastern Caribbean dollar (EC\$) which is fixed at a rate of exchange of EC\$2.7 per United States dollar (US\$).

Fiscal operations

(Millions of EC dollars)

	1993	1994	1995	1996	1997	1998
Current revenue	38.5	42.2	40.7	33.6	27.5	23.2
Current expenditure	38.3	40.7	39.0	54.3	62.7	57.9
Current account balance	0.2	1.5	1.7	-20.7	-35.2	-34.72
Capital account balance	-6	-1.3	1.2	-0.2	-3.2	...
Overall surplus (deficit)	-5.8	0.2	2.9	0.5	-0.6	2.6

Source: ECLAC, based on national data

... Data not available

The effects of the volcano were also seen in the public accounts. After an initial increase in current revenues from 1993 to 1994, current revenues fell by 17.4 per cent in 1996 and continued to decrease, ending at EC\$23.2m in 1998. The same was not true for current expenditure, which increased in most years. The effect of these changes were seen in the current account which showed positive balances from 1993 to 1995 but negative balances from 1996 to 1998. The capital account balance also reflected negative balances for all years except 1995. The fiscal balance reflected deficits only in 1993 and 1997.

External debt and debt service

(Millions of EC dollars)

	1993	1994	1995	1996	1997
Outstanding debt	14.0	27.0	27.5	28.8	30.3
Debt service payments	1.2	1.4	1.9	1.6	1.8
Debt/GDP (%)	10.0	18.3	19.8	25.5	34.5

Source: ECLAC, based on national data

The total external debt outstanding increased from EC\$14m in 1993 to EC\$30.3m in 1997, an increase of 116.4 per cent. The debt/GDP ratio reflected this increase in external debt since the ratio increased from 10 per cent in 1993 to 34.5 per cent in 1997.

Balance of payments
(Millions of EC dollars)

	1993	1994	1995	1996	1997	1998
CURRENT ACCOUNT	-20.5	-32.1	-7.0	37.0	2.6	-33.0
Goods and services	-26.8	-38.5	-34.9	3.5	-47.6	-50.7
Income	-8.8	-11.1	-5.1	-3.4	-1.9	-15.5
Current transfers	15.0	17.5	33.0	36.8	52.1	33.2
CAPITAL AND FINANCIAL ACCOUNT	5.9	50.8	11.5	-16.8	-9.7	89.1
OVERALL BALANCE	-1.1	4.3	3.2	0.2	7.1	36.3

Source: ECLAC, based on national data

The balance on the current account was negative in 1993, 1994, 1995 and 1998. The positive current account balances were probably due to the increases in current transfers in 1996 and 1997. The balance on goods and services was positive only in 1996 probably resulting from low import levels of both goods and services due to the volcano. The balance on the capital and financial account was negative in 1996 and 1997 but it turned positive in 1998. Except for 1993, the balance of payments was in surplus during the period 1994-1998.

NETHERLANDS ANTILLES

Basic facts

Official Name:	Netherlands Antilles
Land area:	Total = 500 sq. Km (1,295 Sq. miles) Curaçao = 720 Sq. km (278 Sq. miles); Bonaire = 466.2 Sq. km (180 Sq. miles); St. Maarten = 54.4 Sq. km (21 Sq. miles); St. Eustatius = 33.7 Sq. km (13 Sq. miles); Saba = 20.7 Sq. km (8 Sq. miles)
Capital:	Willemstad, Curaçao
Form of Government:	The Netherlands Antilles has a parliamentary democracy; it is an autonomous country of the Kingdom of the Netherlands under the provision of a Charter. For administrative purposes each island has an elected Island Council, an Executive Council and a Lieutenant-Governor.
Head of State:	Head of the Antillean government is Queen Beatrix Armgard who is represented by a Governor, currently the Hon. Jaime Saleh, who is appointed by and represents the Dutch Crown.
Head of Government:	The Head of Government is the Prime Minister, currently the Hon. Susanne Romer-Camelia.
Cabinet:	Executive power in internal affairs is vested in an eight-member Council of Ministers, presided over by the Prime Minister.
Parliament:	There is a 22-member Staten, the unicameral legislature which is elected by universal adult suffrage every four years.
Mid-Year Population:	Approximately 190,000 in total

Background

The Netherlands Antilles comprises the islands of Curaçao, Bonaire, St. Eustatius, St. Maarten and Saba. The mainstay of the economies of these islands is tourism but Curaçao also derives a great portion of its income from international financial services, harbour and ship repair facilities, oil refining and transshipment. St. Eustatius also has a growing oil terminal. While the agricultural sector is of marginal importance to the islands, partially because of higher returns from other sectors and poor soil quality, agricultural production has been growing in Curaçao. Manufacturing activities have also increased in recent years.

Selected economic indicators

	1992	1993	1994	1995	1996	1997	1998
GDP at current prices (NAf. M.)	3582.5	3816.4	4111.5	4250.5	...	...	...
GDP at constant prices	...	...	...	...	...	...	...
GDP growth (constant prices) (%)	3.3	4.6	5.7	0.5	...	...	...
Prices (%)	1.4	1.9	1.9	2.8	3.4	3.1	1.2
Unemployment rate (%)	14.2	13.6	12.8	13.1	14.0	...	...
Exchange rate (NAf vis a vis US\$)	1.79	1.79	1.79	1.79	1.79	1.79	1.79

Source: ECLAC, based on national data

Economic activity

GDP increased from NAf\$3582.5m in 1992 to NAf\$4250.5m in 1995. There was positive growth from 1992 to 1995, however, the growth rate fell from 5.7 per cent in 1994 to 0.5 per cent in 1995. The rate of inflation increased from 1.4 per cent in 1992 to 3.4 per cent in 1996, however, in 1998 it fell to 1.2 per cent. The unemployment rate varied throughout the period, starting at 14.2 per cent in 1992, it fell to 12.8 per cent in 1994 before increasing again to 14.0 per cent in 1996. The exchange rate remained fixed at NAf 1.79 per United States dollar for the period 1992-1998.

Fiscal operations (NAf. Millions)

	1992	1993	1994	1995	1996	1997
Total revenue	372.9	452.3	467.4	477.3	498.2	542.5
Total expenditure	447.8	439.5	491.2	554.8	593.4	595.5
Capital expenditure	27.5	19.2	28.1	32.4	50.7	39.9
Fiscal balance	820.7	891.8	958.6	1032.1	1091.6	1138.0

Source: ECLAC, based on national data

Total revenue increased from NAf.372.9m in 1992 to NAf.542.5m in 1997, an increase of 45.5 per cent. Expenditure also increased for the period 1992-1997 but fell slightly from NAf.447.8m in 1992 to NAf.439.5m in 1993. Capital expenditure increased from 1992 to 1996, but it decreased in 1997. The fiscal balance for the Netherlands Antilles was positive for the 1992-1997 period.

Balance of payments (US\$ Millions)

	1992	1993	1994	1995	1996	1997
Current account balance	33.1	20.4	-49.4	-2.3	-196.8	...
Trade (net)	-914.2	-906.1	-989.0	-1083.1	-1118.7	...
Services (net)	924.2	939.8	947.9	1065.4	853.4	...
Income	24.5	-9.7	50.1	10.7	57.7	...
Transfers	-1.5	-3.6	-58.4	4.7	10.8	...
Financial and capital account	11.8	27.9	-11.5	38.1	124.6	...
Errors, omissions, reserves	-45.0	-48.3	60.9	-35.8	72.2	...
Overall balance	0.0	0.0	0.0	0.0	0.0	...

Source: ECLAC, based on national data

... Data not available

The balance of payments reflects the strong dependence of the Netherlands Antilles economy on the services sector, showing that revenues from services increased from US\$924.2m in 1992 to US\$1065.4m in 1995, falling by 19.9 per cent to US\$853.4 in 1996. The current account balance was in surplus in 1992 and 1993, however, it recorded deficits from 1994 onwards. Transfers were negative in 1992, 1993 and 1994 and positive in 1995 and 1996. The financial and capital account recorded positive values for all years except for 1994 when the deficit recorded was US\$-11.5m.

PUERTO RICO

Basic facts

Official Name:	Puerto Rico
Land area:	8,897 sq. Km (3,435 Sq. miles)
Capital:	San Juan
Form of Government:	Puerto Rico is a Commonwealth of the United States. Its people are United States citizens, but do not participate in Congressional or Presidential elections, nor do they pay federal taxes. They are represented in the United States Congress by a resident commissioner who is a member of the House of Representatives.
Head of State:	The Head of State is the President of the United States of America, currently Mr. William Jefferson Clinton.
Head of Government:	The Head of Government is the Governor, currently the Hon. Pedro J. Rosselló.
Cabinet:	Executive power is vested in the Governor, who appoints separate departmental heads (Secretaries) who form the Cabinet.
Parliament:	On the island there is a Legislative Assembly; a 27-seat Senate and a 53-seat House of Representatives.
Population:	Approximately 3,674,000 (1995)

Background

Puerto Rico's economy is based on the manufacturing and service sectors which includes tourism. The manufacturing sector is the largest contributor to GDP and operations in this sector are becoming more capital intensive, with major investments in pharmaceuticals, scientific instruments, computers and microprocessors, and medical and electronic devices. The service sector which comprises retail trade, finance, including offshore banking and insurance, is not only the second largest contributor to GDP but is also the sector employing the greatest proportion of the labour force on the island. The tourism sector is making advances each year with tourist arrivals and receipts increasing annually. The production of sugar cane, fruit and coffee were once the main agricultural outputs of Puerto Rico, however, the sugar industry has been on the decline in recent years.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at current prices (US\$m)	36922.5	39690.6	42647.3	45511.4	48096.2	53,825.4
GDP at constant prices (US\$m)	5177.8	5308.9	5491.8	5673.6	5852.3	6035.9
Real GDP Growth (% change)	3.3	2.5	3.4	3.3	3.1	3.1
Unemployment Rate (%)	16.8	16.0	13.8	13.8	13.1	13.6
Exchange Rate	1.0	1.0	1.0	1.0	1.0	1.0

Source: ECLAC, based on national data

Economic activity

Real GDP growth was on average 3.1 per cent for the 1993-1998. The rate of unemployment fell from 16.8 per cent in 1993 to 13.6 per cent in 1998, a decrease of 19 per cent. The official currency of Puerto Rico is the United States dollar (US\$).

Central government current revenue (Millions of US\$)

	1993	1994	1995	1996	1997	1998
Current revenue	6095.0	6885.3	7437.9	7852.3	8460.0	8784.2
Tax revenues	3648.6	4237.6	4656.1	4880.4	5203.0	5515.4
Non-tax revenues	323.7	449.5	379.1	392.5	433.2	482.7

Source: ECLAC, based on national data

Current revenues increased from US\$6095m in 1993 to US\$8784.2m in 1998. The data in the table above show that tax revenues constitute the greater portion of current revenues, that is, it accounts for more than 60 per cent of revenues. Non-tax revenues fell in 1995 to US\$379.1m from US\$449.5m in the previous year.

Balance of payments (Millions of US\$)

	1993	1994	1995	1996	1997	1998
Balance on goods and services	-8698.7	-9627.2	-10611.2	-11896.3	-13634.6	-12978.2
Sales of goods & services	26511.6	28368.8	30717.4	30688.3	31959.7	38914.3
Purchases of goods & services	35210.3	37996	41328.7	42584.6	45594.3	51892.5
Interest of central government (net)	-189.1	-197.7	-202.4	-218.9	-242.5	-259.3
Transfers	5201.5	5614.5	5960.4	6720.9	7420.9	7731.6
Overall balance	-3686.3	-4210.5	-4853.3	-5394.3	-6456.2	-5505.9

Source: ECLAC, based on national data

The balance on goods and services was negative for the period 1993-1998, in fact these negative balances worsened each year until 1998. There was a substantial increase in transfers during the period 1993-1998 from US\$5201.5m in 1993 to US\$7731.6m in 1998. The overall balance was in deficit throughout the period.

ST. KITTS AND NEVIS

Basic facts

Official Name:	The Federation of St. Kitts and Nevis
Land area:	269 sq. Km (104 Sq. miles) St. Kitts = 176 sq. Km (68 Sq. miles) Nevis = 93 sq. Km (36 Sq. miles)
Capital:	Basseterre, St. Kitts
Form of Government:	St. Kitts-Nevis is an independent member of the British Commonwealth and a parliamentary democracy.
Head of State:	Head of State is Queen Elizabeth II, who is represented by a Governor General, currently the Hon. Cuthbert Montravile.
Head of Government:	The Head of Government is the Prime Minister, currently the Hon. Denzil Douglas.
Cabinet:	The Prime Minister leads a Cabinet of five other Ministers and an Attorney General. The Cabinet is appointed by the Governor General in consultation with the Prime Minister.
Parliament:	Of the 14-member House of Assembly, 11 are elected members, and three are nominated (two on the advice of the Prime Minister and one on that of the Leader of the Opposition).
Population:	Approximately 42,280 (1997)

Background

Prior to the 1980s, the economy of Saint Kitts and Nevis was dependent on the cultivation of sugar cane in St. Kitts and coconuts and cotton in Nevis. However, when earnings from these crops started to fall, the Government embarked on a diversification programme, which focused on tourism as the new engine of growth of the economy. It has also started activities in light manufacturing and in other agricultural products. Efforts are also underway to develop a thriving financial services sector.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at [current prices](EC\$m)	451.0	505.6	524.8	555.8	625.1	654.3
GDP at [constant prices](EC\$m)	400.4	422.1	436.7	462.4	496.3	504.4
Real GDP Growth (% change)	5.4	5.4	3.5	5.9	7.3	1.6
Prices (%)	1.4	1.3	2.6	3.1	11.3	0.9
Exchange rate (EC\$:US\$)	2.7	2.7	2.7	2.7	2.7	2.7

Source: ECLAC, based on national data

Economic activity

Real GDP growth was positive from 1993-1998, peaking at 7.3 per cent growth in 1997, however, it fell to 1.6 per cent in 1998. Inflation was low except in 1997 when it reached a high level of 11.3 per cent. The official currency of St. Kitts and Nevis is the Eastern Caribbean dollar (EC\$) which is fixed at a rate of exchange of EC\$2.7 per United States dollar (US\$).

Fiscal operations (Millions of EC dollars)

	1993	1994	1995	1996	1997	1998
Current revenue	121.5	133.6	141.4	155.1	171.1	236.6
Current expenditure	112.6	131.2	147.7	160.7	174.9	223.8
Current account balance	9.0	2.3	-6.3	-5.6	-3.8	2.8
Capital account balance	-18.2	-17.4	-28.8	-23.3	-25.2	...
Overall surplus (deficit)	-9.2	-15.1	-35.1	-29.0	-29.0	-42.5

Source: ECLAC, based on national data

... Data not available

The current account balance was positive in 1993 and 1994 but turned to negative in 1995, 1996 and 1997 before improving in 1998 to post a positive balance of EC\$2.8m. The balance on the capital account was negative for the 1993-1998 period. The balance on the public accounts was negative from 1993-1998 with the greatest deficit registered in 1998. This balance was probably due to increased capital spending as a result of construction activities in the hotel sector.

External debt and debt service (Millions of EC dollars)

	1993	1994	1995	1996	1997
Total External Debt	126.2	139.1	146.1	162.9	276.1
Debt service payments	12.8	15.8	16.9	16.8	17.6
Debt/GDP (%)	28.0	27.5	27.8	29.3	44.2
Exports	66.6	52.2	46.7	51.6	96.5
Debt service ratio (%)	19.2	30.3	36.2	32.6	18.2

Source: ECLAC, based on national data

The total external debt in St. Kitts and Nevis increased by 118.8 per cent from EC\$126.2m in 1993 to EC\$276.1m in 1998. The greatest increase was from 1996 to 1997 an increase of 69.5 per cent. The debt/GDP ratio was on average 28.2 per cent but increased to 44.2 per cent in 1997 consistent with the increase in external debt in 1998. The debt service ratio increased from 19.2 per cent in 1993 to 30.3 per cent in 1994 and it remained around this ratio until 1997 when it fell to 18.2 per cent.

Balance of payments
(Millions of EC dollars)

	1993	1994	1995	1996	1997	1998
CURRENT ACCOUNT	-79.1	-65.1	-121.7	-180.8	-143.1	-159.3
Goods and Services	-68.5	-59.2	-146.0	-178.4	-128.7	-176.5
Income	-32.2	-35.3	-29.6	-49.0	-60.6	-72.2
Current Transfers	21.5	29.4	53.9	46.6	46.2	90.4
CAPITAL AND FINANCIAL ACCOUNT	87.0	63.4	127.8	144.6	150.9	111.1
OVERALL BALANCE	7.9	-1.6	-6.2	-1.6	-9.9	29.0

Source: ECLAC, based on national data

The balance on the current account and the balance on goods and services were negative for the period 1993-1998. There was an 83.3 per cent increase in current transfers in 1995 compared to 1994, however, the greatest increase in current transfers was seen in 1998 when it increased from EC\$46.2m in 1997 to EC\$90.4m in 1998, an increase of 95.7 per cent. The balance on the capital and financial account was positive for the 1993-1998 period. The balance of payments achieved surpluses in 1993 and 1998 and deficits in all other years.

SAINT LUCIA

Basic facts

Official Name:	Saint Lucia
Land area:	616 sq. Km (238 Sq. miles)
Capital:	Castries
Form of Government:	Saint Lucia is an independent member of the British Commonwealth and a parliamentary democracy.
Head of State:	The Head of State is Queen Elizabeth II, who is represented by a Governor General, currently the Hon. Perlette Lousy.
Head of Government:	The Head of Government is the Prime Minister, currently the Hon Dr. Kenny Anthony.
Cabinet:	The Cabinet is responsible to the 17-member House of Assembly. The Cabinet is appointed by the Governor General in consultation with the Prime Minister.
Parliament:	There is a bicameral parliament consisting of a Senate and a House of Assembly. The 11 members of the Senate are appointed by the Governor General - six on the advice of the Prime Minister, three on the advice of the Leader of the Opposition, and two at his own discretion. The House of Assembly consists of 17 members who are elected by popular vote from single-member constituencies to serve five-year terms.
Population:	Approximately 149,621 (1997)

Background

Tourism, agriculture and manufacturing have traditionally been the mainstay of the Saint Lucian economy, with tourism being the leading sector. Today, tourism is still spearheading the economy and is its main foreign exchange earner with tourist arrivals increasing each year. The main crops produced in Saint Lucia are: bananas, coconuts/copra, mangoes, root crops and vegetables. Bananas are the chief agricultural crop, however, this industry has suffered some setbacks, caused by the following factors: falling world prices; dealing with the effects of tropical storms and hurricanes; and more recently the World Trade Organization's (WTO) ruling against the European Union's (EU) banana regime, under which Saint Lucia's bananas were traded in the EU market.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at [current prices](EC\$m)	1137.3	1191.1	1280.4	1298.8	1342.0	1432.9
GDP at [constant prices](EC\$m)	1033.2	1052.0	1069.9	1084.5	1090.7	1122.1
Real GDP growth (% change)	1.1	1.8	1.7	1.4	0.57	2.9
Prices (%)	2.5	0.7	5.9	4.6	1.9	3.6
Exchange rate (EC\$:US\$)	2.7	2.7	2.7	2.7	2.7	2.7

Source: ECLAC, based on national data

Economic activity

For the period 1993-1998, Saint Lucia achieved positive growth rates with the greatest increase being in 1998 when the country grew by 2.9 per cent. The rate of inflation varied throughout the period from a low of 0.7 per cent in 1994 to a high in the following year of 5.9 per cent. The official currency of Saint Lucia is the Eastern Caribbean dollar (EC\$) which is fixed at a rate of exchange of EC\$2.7 per United States dollar (US\$).

Fiscal operations

(Millions of EC dollars)

	1993	1994	1995	1996	1997	1998
Current revenue	349.1	351.3	364.2	371.9	380.2	406.02
Current expenditure	250.2	267.0	306.1	317.0	328.4	323.3
Current account balance	98.9	84.3	58.1	54.9	51.7	82.72
Capital account balance	-107.5	-94	80.2	79.7	64.1	...
Overall surplus (deficit)	-8.6	-9.7	-22.1	-24.8	-12.3	-39.17

Source: ECLAC, based on national data

... Data not available

The balance on the current account was positive from 1993 to 1998. The overall surplus/deficit was negative for all years 1993-1998.

External debt and debt service

(Millions of EC dollars)

	1993	1994	1995	1996	1997
Outstanding debt	269.8	286.2	314.7	347.9	374.4
Debt service payments	31.7	28.6	30.0	31.7	33.9
Debt/GDP (%)	23.7	24.0	24.6	26.8	27.9
Exports	285.8	225.1	261.0	208.3	...
Debt service ratio(%)	11.1	12.7	11.5	15.2	...

Source: ECLAC, based on national data

... Data not available

The total debt outstanding increased from EC\$269.8 in 1993 to EC\$374.4m in 1998. The debt to GDP ratio increased somewhat from 23.7 per cent in 1993 to 27.9 per cent in 1998. The debt service ratio also increased from 11.1 per cent in 1993 to 15.2 per cent in 1998.

Balance of payments

The balance on the current account was negative for all years of the 1993-1998 period, falling from EC\$-133.2m in 1993 to EC\$-89.6m in 1995 but rising again to a balance of EC\$-200m in 1998. The balance on goods and services was also negative for the 1993-1998 period, as was the balance on income. Current transfers, however, recorded positive balances for the period, in fact they increased from EC\$24.9m in 1993 to a high of EC\$51.8m in 1995 but fell to EC\$34.4m in 1998. The balance on the capital account was also positive and throughout the period 1993-1998. The balance of payments recorded surpluses in 1993, 1995, 1997 and 1998.

Balance of payments

(Millions of EC dollars)

	1993	1994	1995	1996	1997	1998
CURRENT ACCOUNT	-133.2	-131.0	-89.6	-149.9	-226.1	-200.0
Goods and services	-67.0	-89.1	-36.1	-94.3	-162.5	-135.0
Income	-91.1	-90.1	-105.2	-91.2	-98.8	-99.5
Current transfers	24.9	48.2	51.8	35.6	35	34.4
CAPITAL AND FINANCIAL ACCOUNT	113.5	116.4	75.1	90.9	257.5	210.9
OVERALL BALANCE	12.0	-6.6	14.1	-18.7	13.3	25.7

Source: ECLAC, based on national data

ST. VINCENT AND THE GRENADINES

Basic facts

Official Name:	St. Vincent and the Grenadines
Land area:	389 sq. Km (150 Sq. miles) St. Vincent = 332.5 sq. Km (133 Sq. miles)
Capital:	Kingstown
Form of Government:	St. Vincent and the Grenadines is an independent member of the British Commonwealth and a parliamentary democracy.
Head of State:	The Head of State is Queen Elizabeth II, who is represented by a Governor General, currently the Hon. David Jack, who is appointed on the advice of the Prime Minister.
Head of Government:	The Head of Government is the Prime Minister currently, the Hon. James Mitchell.
Cabinet:	The Cabinet is appointed by the Governor General on advice of the Prime Minister.
Parliament:	The Prime Minister is the elected leader of the majority party in the House of Assembly. Legislative power is vested in Parliament, which comprises a House of Assembly with 15 elected representatives and six senators who are appointed by the Governor General - four on the advice of the Prime Minister and two on the advice of the Leader of the Opposition.
Population:	Approximately 111,663 (1997)

Background

The banana industry has traditionally been the main engine of growth of the economy of St. Vincent and the Grenadines. Since the early 1990s, production and earnings have been on the decline due to falling world prices, poor weather conditions and the implications of the restructuring of the European Union banana regime under which bananas from St. Vincent and the Grenadines are traded. The other main traditional crop is arrowroot, which has been performing quite well in recent years. Tourism is another burgeoning sector in the economy which the Government is making efforts to develop, together with offshore finance.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at [current prices](EC\$m)	547.6	552.7	603.6	635.1	666.6	721.2
GDP at [constant prices](EC\$m)	500.0	485.4	525.6	531.8	548.4	579.7
Real GDP Growth (% change)	1.8	-2.9	8.3	1.2	3.1	5.2
Prices (%)	4.5	0.4	3.2	3.6	0.8	3.3
Exchange rate (EC\$:US\$)	2.7	2.7	2.7	2.7	2.7	2.7

Source: ECLAC, based on national data

Economic activity

After recovering from negative growth in real GDP in 1994, St. Vincent and the Grenadines has recorded positive growth levels throughout the period. The rate of inflation varied throughout the period but was generally low. St. Vincent and the Grenadine's currency is the Eastern Caribbean dollar (EC\$) which is fixed at an exchange rate of EC\$2.7 per United States dollar (US\$).

Fiscal operations

(Millions of EC dollars)

	1993	1994	1995	1996	1997	1998
Current revenue	175.6	185.2	193.0	215.3	224.5	241.5
Current expenditure	129.7	159.5	170.4	185.4	195.4	205.4
Current account balance	45.9	25.7	22.6	29.9	29.1	36.1
Capital account balance	-52.4	-27.4	-37.3	-24.7	-66.5	...
Overall surplus (deficit)	-26.5	-1.7	-14.7	4.8	-34.3	-61.0

Source: ECLAC, based on national data

The balance on the current account was positive during the period 1993-1998. Conversely, the balance on the capital account was negative for the reporting period. The overall surplus/deficit was positive only in 1996 when it recorded a balance of EC\$4.8m but this worsened to EC\$-61m in 1998.

External debt and debt service

(Millions of EC dollars)

	1993	1994	1995	1996	1997
External debt	208.7	236.7	237.9	236.7	235.1
Debt service payments	14.4	17.3	17.8	22.0	25.3
Debt/GDP (%)	38.1	42.8	39.4	37.3	35.3
Exports	156.0	139.4	118.3	134.1	123.4
Debt service ratio (%)	9.2	12.4	15.0	16.4	20.5

Source: ECLAC, based on national data

After growing from 1993 to 1994 external debt had fallen marginally to EC\$235.1m in 1997. In 1993 the external debt accounted for 38.1 per cent of GDP and had risen to 42.8 per cent of GDP in the following year, by 1997 this proportion had fallen to 35.3 per cent. The debt service ratio rose constantly during the 1993-1997 period, increasing from 9.2 per cent in 1993 to 20.5 per cent in 1997.

Balance of payments
(Millions of EC dollars)

	1993	1994	1995	1996	1997	1998
CURRENT ACCOUNT	-118.1	-157.2	-109.8	-85.1	-197.8	-218.4
Goods and services	-114.8	-157.9	-103.1	-88.1	-198.7	-210.5
Income	-22.2	-31.3	-31.5	-28.4	-34.3	-40.5
Current transfers	18.9	31.9	24.8	31.3	35.2	32.6
CAPITAL AND FINANCIAL ACCOUNT	41.5	127.6	109.0	78.9	240.1	151.6
OVERALL BALANCE	-3.5	-0.8	-0.8	-1.0	2.8	20.3

Source: ECLAC, based on national data

The balance on the current account was negative for all years 1993-1998. The balance on income also worsened during the period from EC\$-22.2m in 1993 to EC\$40.5m in 1997. Current transfers, however, increased from EC\$18.9m to EC\$32.6m in 1998, an increase of 72.5 per cent. The balance on the capital and financial account was positive for all years peaking at EC\$240.1m in 1997 and falling to EC\$151.6m in 1998. The balance of payments achieved surpluses in 1997 and 1998.

SURINAME

Basic facts

Official Name:	Republic of Suriname
Land area:	163,265 sq. Km (63,036 Sq. miles)
Capital:	Paramaribo
Form of Government:	Suriname is a republic.
Head of State:	The President is the Head of State, currently the Hon. Jules Wijenbosch.
Head of Government:	The President is also the Head of Government.
Cabinet:	The Cabinet of Ministers is appointed by the President from the members of the National Assembly.
Parliament:	There is a 51-member National Assembly.
Population:	Approximately 423,000 (1995)

Background

Mining is the backbone of the Surinamese economy, accounting for more than 12.6 per cent of GDP in 1996. Bauxite, which is processed into alumina and aluminium, is the most important mineral product. Gold is also another important mineral product and crude oil is produced on the island. There is also a burgeoning financial services sector.

Fiscal imbalances have plagued the Surinamese economy since the early 1980s. However, by 1995 an economic reform programme started which fostered by a sharp increase in alumina and aluminum prices. Real GDP grew and the currency stabilized considerably.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at current prices (Sf million)	10870.0	61293.0	179977.0	...	...	...
GDP at constant prices (Sf million)	1253.0	1260.0	1202.0	...	...	...
Real GDP growth (% change)	-14.7	0.6	-4.6	...	...	...
Prices	3582.4	16782.8	56316.0	55912.3	...	...
Exchange rate (Sf:US\$)	1.79	409.50	407.00	401.00	401.00	401.00

Source: ECLAC, based on national data

... Data not available

Economic activity

Real GDP growth moved from -14.7 per cent in 1993 to 0.6 per cent in 1994, and then to 4.6 per cent in 1995. Suriname has had very high inflation rates during the 1990s. Suriname's official currency is the Surinamese Florin (Sf) which is pegged to the United States dollar (US\$). In 1998, it was Sf401 per US\$1.

Balance of payments

(Millions of US\$)

	1993	1994	1995
Balance on goods and services	1815.7	28.7	61.0
Goods	2908.7	46.5	90.4
Services (net)	-1093.1	-17.8	-29.4
Income	-142.4	-1.8	-1.0
Transfers	-56.3	-0.8	-0.9
Current account balance	1617.0	26.1	59.0
Capital and financial account	-906.0	-3.5	-47.7
Overall balance	754.1	22.8	11.2

Source: ECLAC, based on national data

Positive balances were recorded on the current account from 1993 to 1995, however, due to the drastic decreases in the rate of exchange of the Surinamese Florin, the current account balance fell from US\$1617m in 1993 to US\$59m in 1995, a decrease of 96.3 per cent. The balance on goods and services was positive for the period, falling drastically from US\$1815.7m in 1993 to US\$61m in 1995, also as a result of the devaluations of the local currency. The balance on goods was also positive but decreasing. There were improvements in transfers and on the capital and financial account. Surpluses were recorded on the balance of payments for the 1993-1995 period, although the surplus declined from US\$754.1m in 1993 to US\$11.2 m in 1995.

TRINIDAD AND TOBAGO

Basic facts

Official Name:	Republic of Trinidad and Tobago
Land area:	5,128 Sq. km, of which Trinidad covers 4,827 Sq. km and Tobago 301 Sq. km.
Capital:	Port-of-Spain
Form of Government:	Unitary State, with some degree of regional autonomy for Tobago.
Head of State:	Head of State is the President, currently Hon. Arthur N. R. Robinson, elected by an Electoral College comprised of Members of Parliament.
Head of Government:	The head of the government is the Prime Minister, currently Hon. Basdeo Panday M.P., who appoints a cabinet which is responsible to parliament.
Cabinet:	The members of Cabinet are appointed from among the members of Parliament.
Parliament:	The affairs of the nation are controlled overall in Port of Spain, but the Tobago House of Assembly (formed in 1980) has substantial local powers. The Parliament contains a 36-member House of Representatives and a 31-member Senate. Senators are appointed by the President, 16 on the advice of the Prime Minister, six on the advice of the Leader of the Opposition and nine at his own discretion from the ranks of eminent citizens associated with economic, social and community organizations.
Mid-Year Population:	1,273,897 (1997)

Background

The twin island republic of Trinidad and Tobago is ranked as one of the more developed countries in the Caribbean subregion. The larger island, Trinidad, provides the engine of growth for the economy mainly from its production of oil for export and its petrochemical and manufacturing sector, while Tobago is dependent on tourism and agriculture.

Selected economic indicators

	1993	1994	1995	1996	1997	1998
GDP at [current prices](TT\$m)	24490.5	29311.7	31665.0	34077.9	36123.9	36491.4
Real GDP growth (% change)	-1.5	3.6	3.8	3.8	3.2	3.6
Per capita GDP [current prices] (US\$)	3706.0	3975.0	4259.0	4228.0	4410.7	4455.6
Prices	10.8	8.8	5.3	3.3	3.7	5.6
Unemployment rate (%)	19.8	18.4	17.2	16.3	15.0	14.2
Exchange rate (TT\$:US\$)	5.3	5.9	5.9	6.0	6.3	6.3

Source: ECLAC, based on national data

Economic activity

Since 1994 the Trinidad and Tobago economy has achieved positive growth rates of more than 3 per cent. Per capita GDP has increased from US\$3706 in 1993 to US\$4455.6 in 1998, an increase of 20.2 per cent. Although the rate of inflation has decreased substantially since 1993 falling to levels below 4 per cent in 1996 and 1997, it increased to 5.6 in 1998. The unemployment rate also declined in the period under consideration, falling from a high of 19.8 per cent in 1993 to 14.2 per cent in 1998. Since it started floating in 1993 the Trinidad and Tobago dollar (TT\$) which depreciated from TT\$5.3 per United States dollar (US\$) in 1993 to TT\$6.3 per US dollar in 1998.

Fiscal operations

(Millions of TT dollars)

	1993	1994	1995	1996	1997	1998
Recurrent revenue	6721.8	7505.4	8455.6	9536.8	9125.9	9678.0
Recurrent expenditure	63895	7103.4	7836.0	9120.6	8770.0	9369.8
Current account balance	332.3	401.4	619.7	416.2	355.9	308.2
Capital expenditure	393.8	467.6	622.5	580.4	1142.3	738.7
Overall surplus (deficit)	-39.1	-6.3	53.3	-158.5	41.4	-401.5

Source: Ministry of Finance

The current account recorded positive balances from 1993 to 1998. During the period 1993-1998 the overall/surplus deficit showed only positive balances for the two years 1995 and 1997.

Total external debt and debt service
(Millions of US Dollars)

	1993	1994	1995	1996	1997	1998
External debt	1630	2063.5	1905.2	1875.8	1541.1	1429.8
Debt service payments	291.2	383.0	298.3	301.3	433.9	405.9
Exports	1518.8	1971.9	2477.4	2505.8	2542.3	2378.7
Debt service ratio (%)	19.2	19.4	12.0	12.0	17.1	17.1
GDP (US\$)	4222.5	4968.1	5366.9	5496.4	5734.0	5792.3
Debt/GDP (%)	38.6	41.5	35.5	34.1	26.9	24.7

Source: Ministry of Finance

Trinidad and Tobago's total external debt grew from US\$1630m in 1993 to US\$2063.5m in 1994. After 1994, however, the external debt began a steady decline falling to \$1429.8m in 1998. The debt service ratio decreased from 19.2 per cent in 1993 to 12 per cent in 1995 and 1996, however, this ratio increased to 17.1 per cent in 1997 and 1998. In 1993 the external debt stood at 38.6 per cent of GDP. While this figure rose to a high of 41.5 per cent in 1994 it fell steadily to reach 24.7 per cent of GDP in 1998.

Balance of payments
(US\$ Millions)

Category	1993	1994	1995	1996	1997	1998
Merchandise	163.4	597.7	592.2	346.5	-493.9	-661.1
Exports	1662.2	1971.9	2477.4	2505.8	2542.3	2378.7
Imports	1498.8	1374.2	1885.2	2159.3	3036.2	3039.8
Services	60.6	43.1	159.4	244.1	121.0	435.6
Current balance	-107.8	221.4	269.9	68.2	-578.9	-575.6
Capital & financial movements (includes errors and omissions)	259.0	-40.4	-237.4	145.3	754.2	569.1
Overall surplus or deficit	151.2	181.0	32.5	213.5	175.3	76.2

Source: Central Bank of Trinidad and Tobago

Trinidad and Tobago recorded negative balances on the current account in 1993, 1996 and 1997, however, it recorded positive balances on the merchandise account from 1993 to 1996. The merchandise balance fell steadily from \$US346.5m in 1996 to US\$-661.1 in 1998, a decline of 290.8 per cent. The balances on the services account rose consistently from US\$159.4m in 1995 to US\$435.6m in 1998, an increase of 173.3 per cent. For all years 1993 to 1998, Trinidad and Tobago recorded surpluses on the balance of payments. In 1996 the highest surplus of US\$213.5m was recorded for the 1993-1998 period.

TURKS AND CAICOS ISLANDS

Basic facts

Official Name:	Turks and Caicos Islands
Land area:	193 square miles (500 Sq. km)
Capital:	Cockburn Town (Grand Turk)
Form of Government:	The Turks and Caicos Islands are a British dependency presided over by a British Governor.
Head of State:	The Head of State is Queen Elizabeth II, represented by a Governor General, currently the Hon. John Kelly.
Head of Government:	The Chief Minister, currently the Hon. Derek H. Taylor.
Cabinet	There is a nine member Executive Council which is chaired by the Governor, and includes six ministers, the Chief Secretary, the Financial Secretary and the Attorney General.
Parliament:	There is a 17-member Legislative Council, 13 are elected members from five constituencies and two are nominated members.
Population:	Approximately 15,000

Background

Tourism and offshore financial services are the mainstays of the economy. Fisheries have also contributed significantly in recent times. The islands have no direct taxation and no income taxes or exchange controls. A regulatory body was established both to promote the islands as a financial centre and to supervise corporate activity to prevent abuse. The official currency is the United States dollar.

Economic activity

Turks and Caicos Islands recorded GDP of US\$17m in 1997, with real GDP growth of 4 per cent and per capita GDP of US\$7,700 in the same year. Unemployment was estimated to be approximately 10 per cent and inflation was low. In October 1994, a new Country Policy Plan was signed between the United Kingdom and the Turks and Caicos. The plan provided around US\$35m in financial assistance and set out an agreed strategy for the following three years to stimulate economic growth. This was not as rapid as was anticipated. Recently, the islands have seen encouraging expansion, with the main growth areas being tourism, offshore financial services and fisheries.

Fiscal operations

In 1997, government revenues stood at US\$47m while expenditure, including capital expenditure was US\$33.6m. British development aid and technical cooperation funding continue. A major review of Britain's aid programme was carried out in 1990. Since then the Turks and Caicos Islands do not receive budgetary aid but the British aid programme has remained considerable.

Trade

In 1993, exports stood at US\$4.7m while imports were US\$46.6m, therefore, there was a substantial deficit on the trade account. Fish is the primary export while imports, which come mainly from the United States and the United Kingdom, cover the whole range of consumer goods, fuel and producer goods. The trade deficit is offset by receipts from tourism and the activities of the offshore companies.

UNITED STATES VIRGIN ISLANDS

Basic facts

Official Name:	United States Virgin Islands
Land area:	136 Sq. miles (3 principal islands: St. Thomas, St. John and St. Croix).
Capital:	Charlotte Amalie (St. Thomas).
Form of Government:	United States Virgin Islands are a Commonwealth of the United States.
Head of State:	President of the United States of America, Mr. William Jefferson Clinton, who is represented by a Governor, currently the Hon. Charles Turnbull.
Head of Government:	The Governor is the Chief Executive whose approval is necessary for all legislation. He is elected by universal adult suffrage for a four-year term.
Cabinet:	The Governor appoints Commissioners for 12 Government departments and an Attorney General to head the Department of Justice.
Parliament:	The single-chamber is composed of 15 elected senators.
Population:	105,000 (1995)

Background

The major economic activity in these islands is tourism, in particular cruise ship arrivals. The manufacturing sector is well developed. Previously, the sugar industry played a major role but since the termination of sugar production on the island the agricultural sector has declined in importance.

Economic activity

Gross Territorial Product of the USVI in 1996 was US\$1.34 billion while per capita income was approximately \$12,000. Unemployment increased in the first two quarters of 1997, however, it was expected that the number of public works and private construction projects that began in 1997 would contribute to decreasing the number of unemployed, thus lowering the unemployment rate.

Public finance

In 1998 the USVI was approximately US\$600m in debt. Out of this sum, it owed US\$130 million to its administering Power, the United States. The Government was in arrears of paying vendors, workers and personal income tax refunds. Also at the end of 1997, the Government owed over US\$27 million in tax returns and was short of its regular spending on government services.

Trade

The USVI benefits from favourable trade concessions through its relationship with the United States. For example, manufacturing incentives are provided under a trade regime whereby items assembled in the Territory can be exported duty free into the United States, even if up to 70 per cent of its value consists of foreign dutiable components. Other incentives include 90 per cent exemption from local corporate income taxes for 10 to 15 years for new manufacturers. The Territory is also exempt from the Jones Act, which requires that freight moving between United States ports be carried by United States-flagged ships.