

Economy

Overview: The economy is based on service activities connected with the country's strategic location and status as a free trade zone in northeast Africa. Two-thirds of the inhabitants live in the capital city, the remainder being mostly nomadic herders. Scanty rainfall limits crop production to fruits and vegetables, and most food must be imported. Djibouti provides services as both a transit port for the region and an international transshipment and refueling center. It has few natural resources and little industry. The nation is, therefore, heavily dependent on foreign assistance (an important supplement to GDP) to help support its balance of payments and to finance development projects. An unemployment rate of over 30% continues to be a major problem. Per capita consumption dropped an estimated 35% over the last six years because of recession, civil war, and a high population growth rate (including immigrants and refugees).

National product: GDP - purchasing power parity - \$500 million (1994 est.)

National product real growth rate: -3% (1994 est.)

National product per capita: \$1,200 (1994 est.)

Inflation rate (consumer prices): 6% (1993 est.)

Unemployment rate: over 30% (1994 est.)

Budget:

revenues: \$164 million

expenditures: \$201 million, including capital expenditures of \$16 million (1993 est.)

Exports: \$184 million (f.o.b., 1994 est.)

commodities: hides and skins, coffee (in transit)

partners: Somalia 48%, Yemen 42%

Imports: \$384 million (f.o.b., 1994 est.)

commodities: foods, beverages, transport equipment, chemicals, petroleum products

partners: France, UK, Saudi Arabia, Bahrain, South Korea

External debt: \$227 million (1993 est.)

Industrial production: growth rate 3% (1991 est.); accounts for 14% of GDP

Electricity:

capacity: 90,000 kW

production: 170 million kWh

consumption per capita: 398 kWh (1993)

Industries: limited to a few small-scale enterprises, such as dairy products and mineral-water bottling

Agriculture: mostly fruit and vegetables; herding of goats, sheep, and camels

Economic aid:

recipient: US commitments, including Ex-Im (FY78-89), \$39 million; Western (non-US) countries, including ODA and OOF bilateral commitments (1970-89), \$1.1 billion; OPEC bilateral aid (1979-89), \$149 million; Communist countries (1970-89), \$35 million

Currency: 1 Djiboutian franc (DF) = 100 centimes

Exchange rates: Djiboutian francs (DF) per US\$1 - 177.721 (fixed rate since 1973)

Fiscal year: calendar year