

Economy

Overview: The Dominican economy showed some signs of slippage in 1994, although its overall performance in recent years has been relatively strong. After posting an increase of nearly 8% in 1992, GDP growth fell to 3% in 1993 and 1994 as mining output decreased and erosion of real wages caused private consumption to decline. A pre-election boost in government spending in early 1994 led to the first government deficit in four years and bumped inflation up to 14% for the year. Continued dynamism in construction and the services sector, especially tourism, should keep the economy growing in 1995. Tourism, agriculture, and manufacturing for export remain key sectors of the economy. Domestic industry is based on the processing of agricultural products, oil refining, and chemicals.

National product: GDP - purchasing power parity - \$24 billion (1994 est.)

National product real growth rate: 2.9% (1994 est.)

National product per capita: \$3,070 (1994 est.)

Inflation rate (consumer prices): 14% (1994)

Unemployment rate: 30% (1994 est.)

Budget:

revenues: \$1.8 billion

expenditures: \$2.2 billion, including capital expenditures of \$NA (1994 est.)

Exports: \$585 million (f.o.b., 1994)

commodities: ferronickel, sugar, gold, coffee, cocoa

partners: US 52%, EC 23%, Puerto Rico 9%, Asia 7% (1992)

Imports: \$2.5 billion (c.i.f., 1994 est.)

commodities: foodstuffs, petroleum, cotton and fabrics, chemicals and pharmaceuticals

partners: US 60% (1993)

External debt: \$4.3 billion (1994 est.)

Industrial production: growth rate 3.4% (1994); accounts for 14% of GDP

Electricity:

capacity: 1,450,000 kW

production: 5.4 billion kWh

consumption per capita: 651 kWh (1993)

Industries: tourism, sugar processing, ferronickel and gold mining, textiles, cement, tobacco

Agriculture: accounts for 15% of GDP and employs 49% of labor force; commercial crops - sugarcane, coffee, cotton, cocoa, and tobacco; food

crops - rice, beans, potatoes, corn, bananas; animal output - cattle, hogs, dairy products, meat, eggs; not self-sufficient in food

Illicit drugs: transshipment point for South American drugs destined for the US and Europe

Economic aid:

recipient: US commitments, including Ex-Im (FY85-89), \$575 million; Western (non-US) countries, ODA and OOF bilateral commitments (1970-89), \$655 million

Currency: 1 Dominican peso (RD\$) = 100 centavos

Exchange rates: Dominican pesos (RD\$) per US\$1 - 13.258 (January 1995), 13.160 (1994), 12.679 (1993), 12.774 (1992), 12.692 (1991), 8.525 (1990)

Fiscal year: calendar year