

# Economy

**Overview:** Agriculture and tourism are the mainstays of the economy. Agricultural production is concentrated on small farms, and the most important commercial crops are coconuts, tomatoes, melons, and breadfruit. A few cattle ranches supply the domestic meat market. Small-scale industry is limited to handicrafts, fish processing, and copra. The tourist industry is the primary source of foreign exchange and employs about 10% of the labor force. The islands have few natural resources, and imports far exceed exports. The US Government provides about 70% of the budget.

**National product:** GDP - purchasing power parity - \$75 million (1992 est.)

**National product real growth rate:** 6% (1992)

**National product per capita:** \$1,500 (1992 est.)

**Inflation rate (consumer prices):** 7% (1992 est.)

**Unemployment rate:** 16% (1991 est.)

## **Budget:**

*revenues:* \$106 million

*expenditures:* \$128.7 million, including capital expenditures of \$NA (1993)

**Exports:** \$3.9 million (f.o.b., 1992 est.)

*commodities:* coconut oil, fish, live animals, trichus shells

*partners:* US, Japan, Australia

**Imports:** \$62.9 million (c.i.f., 1992 est.)

*commodities:* foodstuffs, machinery and equipment, beverages and tobacco, fuels

*partners:* US, Japan, Australia

**External debt:** \$NA

**Industrial production:** growth rate NA%

## **Electricity:**

*capacity:* 42,000 kW

*production:* 80 million kWh

*consumption per capita:* 1,840 kWh (1990)

**Industries:** copra, fish, tourism; craft items from shell, wood, and pearls; offshore banking (embryonic)

**Agriculture:** coconuts, cacao, taro, breadfruit, fruits, pigs, chickens

## **Economic aid:**

*recipient:* under the terms of the Compact of Free Association, the US is to provide approximately \$40 million in aid annually

**Currency:** 1 United States dollar (US\$) = 100 cents

**Exchange rates:** US currency is used

**Fiscal year:** 1 October - 30 September