

<b>Area:</b>	51,100 sq km (19,730 sq mi)
<b>Population</b>	(1999 est.): 3,594,000
<b>Capital:</b>	San José
<b>Head of state and government:</b>	President Miguel Angel Rodríguez Echeverría

In 1999 a long-standing border conflict between Costa Rica and Nicaragua once again attracted attention. According to the 1858 Cañas-Jerez Treaty, the San Juan River, which separated the two countries, belonged to Nicaragua, but Costa Rica was allowed "free and perpetual" commercial access to the river. In late 1998, however, Nicaragua accused Costa Rica of violating the treaty after Costa Rican police began using the river to reach border posts. A call to revise the Cañas-Jerez Treaty was made in 1999 by a group of lawyers from both countries. After touring the San Juan River region, the lawyers urged their respective governments to come to an agreement on what constituted commercial use of the river in order to ease tensions and prevent economic development in the region from being hampered.

Costa Rica's economy was on the upswing in 1999, owing in no small part to the country's success in attracting investment by high-tech companies. The establishment in 1998 of a plant in San José by U.S. computer-chip company Intel Corp. was the single largest foreign investment ever made in Costa Rica; by 1999 exports from the Intel plant had become the country's largest source of foreign exchange revenue. Total export earnings were expected to rocket to \$7 billion, up from just \$2.6 billion in 1995. Moreover, inflation was expected to drop to 10%. Other positive economic indicators included a decrease in unemployment, an increase in real wages, and the growth in Costa Rica's international reserves to \$1.4 billion.

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