Costa Rica

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Area: 51,100 sq km (19,730 sq mi)

Population (2000 est.): 3,644,000

Capital: San José

Head of state and

qovernment: President Miguel Angel Rodríguez Echeverría

There was good news and bad news for Costa Rica in 2000. The good news was economic; the bad was political. The economy, which had been recovering steadily since its negative performance in 1996, grew at an estimated pace of 4.7% in 2000. Moreover, inflation was reduced to about 9%, the lowest since 1993. Capping the good economic news was the successful lobbying effort by Pres. Miguel Angel Rodríguez during his May visit to Washington, D.C., to widen access to American markets for Costa Rican goods. The hope was that greater access to markets for textile and leather goods would create more than 5,000 new jobs and increase exports by \$100 million.

Ironically, efforts by the Rodríguez administration to sustain long-term economic growth triggered an onslaught of labour actions and popular protests. The year began with demonstrations by teachers demanding that the government not renege on a 1997 agreement guaranteeing them overtime pay for the expansion of the school year from 195 to 200 days. The greatest civil unrest came in March and April, however, with protests against the approval of the Energy Combo legislation, a package of three bills designed to modernize the Costa Rican Electricity Institute (ICE) in the areas of energy and telecommunications. ICE is a state monopoly that had extended electric and telephone service to nearly all areas of the country but had been criticized for inefficiency. The bill was strongly supported by the country's two main political parties but opposed by minor parties. During the largest demonstrations in Costa Rica in 30 years, charges were made that the bill was filled with potential for a division of spoils between the two main parties. Although the government eventually agreed to table the legislation and to set up a bipartisan committee to review its provisions, the Supreme Court on April 18 declared the bill unconstitutional.

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