

<b>Area:</b>	51,100 sq km (19,730 sq mi)
<b>Population</b>	(2001 est.): 3,936,000
<b>Capital:</b>	San José
<b>Head of state and government:</b>	President Miguel Ángel Rodríguez Echeverría

Because national elections were set to take place in early February 2002, both of the two main political parties in Costa Rica spent much of the first half of 2001 gearing up for what proved to be hotly contested primary elections. The National Liberation Party (PLN) held its primary on June 3, with some 250,000 party members casting their ballots. Rolando Araya Monge won handily over his opponents José Miguel Corrales Bolaños and Antonio Álvarez Desanti. Corrales, who was making his third run for the presidency and who had been the party's losing candidate in the 1998 presidential election, declared that this was his last attempt. Araya, a nephew of Luis Alberto Monge Álvarez, who had served as president of Costa Rica from 1982 to 1986, emerged from the core of the traditional PLN leadership and had the support of the party standard-bearer, former president and Nobel laureate Oscar Arias Sánchez.

On June 10 the Social Christian Unity Party nominated Abel Pacheco de la Espriella by an overwhelming margin. Pacheco hoped to continue his party's grip on the presidency, but he was well aware that there was a long tradition of alternation in power between the two leading parties. Thus, he would have to work very hard to prevail against Araya.

Of major concern to voters was the sharp decline in the growth rate, which was estimated to end in 2001 at about 3%. A growth spurt created by the opening of a large Intel computer-chip production plant in the late 1990s had increased exports but had not had the spillover into the larger economy that had been anticipated. One major drag on the economy was the decline in world coffee prices to their lowest level in seven years. Inflation had been running at 10% annually, among the highest in Latin America, but there was some good economic news as Costa Rica signed a trade pact with Canada in April.

Mitchell A. Seligson