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Note On Central American Economic Conditions

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* In 1980, the average Central American earned US\$1,126, compared to \$957 in 1988 (1980 prices). Per capita income had dropped to the level of the late 1960s. * At present, an estimated 40% of foodstuffs consumed in the region are imported. * In 1988, Central America's foreign debt totaled \$18 billion, double the amount of 1980. The debt service-export earnings ratio ranges from one-third to two-thirds by country. According to the World Bank (World Bank Debt Tables, 1989), Central American debt service for the 1990-91 period total \$5.401 billion, and in 1992-97, \$8.948 billion. * By the mid-1980s, "excessive" military spending (above "normal" 1975 levels) were responsible for over half of Central American governments' fiscal deficits. * In 1980, 8.5 million Central Americans were classified as "indigent" (absolute poverty), accounting for 39% of the region's population. Another 4.5 million, or 21%, were "poor." Half of all Central Americans were impoverished. By 1985, indigents numbered 10 million, or 39%, and the poor, 6.8 million, at 26%. In five years, the proportion of the impoverished in Central America had increased to 65%. * At least one million Central Americans are now residing outside their countries of origin. An estimated 160,000 are in Central America, about 300,000 live in Mexico, and between 500,000 and one million are in the US. * Hundreds of thousands of Guatemalans have been displaced by the government's counterinsurgency campaigns. For instance, between 1984 and 1986, inhabitants of Guatemala City increased from 1.5 million to 2.2 million. * In Nicaragua, some 200,000 people were displaced during the war with the contras. [Basic data from article by Pedro Vuskovic C. in Pensamiento Propio (No. 67, January- February 1990), distributed 04/19/90 by Regional Coordination for Economic and Social Research of Central America and the Caribbean (CRIES, Managua)]

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