

7-31-1990

Trinidad & Tobago: Notes On Economy

Barbara Khol

Follow this and additional works at: <https://digitalrepository.unm.edu/notisur>

Recommended Citation

Khol, Barbara. "Trinidad & Tobago: Notes On Economy." (1990). <https://digitalrepository.unm.edu/notisur/4957>

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in NotiSur by an authorized administrator of UNM Digital Repository. For more information, please contact amywinter@unm.edu.

Trinidad & Tobago: Notes On Economy

by Barbara Khol

Category/Department: General

Published: Tuesday, July 31, 1990

Promising an economic revival, Prime Minister Arthur N.R. Robinson won a "landslide victory" in the 1986 elections. Since then, continued low oil prices forced the government to request assistance from multilateral financial institutions. The International Monetary Fund and the World Bank provided new funds and permitted Robinson's government renegotiate parts of \$1.8 billion foreign debt. In return, the IMF and the World Bank requested austerity measures, including currency devaluation, and wide-ranging fiscal spending cutbacks. The measures led to confrontation with organized labor groups, high inflation, unemployment and a drastic decline in the standard of living for most residents of the islands. Official unemployment is currently at 22%, compared to 9.5% during the oil boom years. In the past six years, the Trinidad and Tobago dollar has been devalued several times, from \$2.4 per US dollar, to the current \$4.25. In 1982, Trinidad's per capita income peaked at \$6,800, among the highest world-wide. The government estimates real incomes have dropped more than 30% since then. The petroleum industry continues to dominate the local economy. As a result of low world oil prices, GDP declined by 41% in the past eight years. (Basic data from AP, 07/29/90)

-- End --