

EXPLORING COSTA RICA.



### THE JEWEL OF CENTRAL AMERICA

COSTA RICA IS A SMALL NATION RICH GEOGRAPHY—MOUNTAINS, OCEAN IN BEACHES, RAINFOREST AND IN CENTRAL VALLEY, WHERE RICOVIDA LOCATED, HOME TO WHAT MAY BE THE BEST WEATHER IN THE WORLD. STABLE BOTH ECONOMICALLY AND POLITICALLY, COSTA RICA OFFERS THE PERFECT BACKDROP FOR TOURISM, BUSINESS AND RESIDENCY. SEE WHY NATIVES AND VISITORS ALIKE ARE DRAWN TO THE VIBRANT CULTURE AND LANDSCAPE NESTLED IN THE HEART OF CENTRAL AMERICA.

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## QUICK FACTS

National Name: República de Costa Rica

(Republic of Costa Rica)

**President:** Óscar Arias Sánchez (2006)

Government Type: Democratic Republic

Capital and Largest City: San José

**Population:** 4,075,261 (growth rate: 1.5%)

1,527,300 (metro. area)

337,200 (city proper) (2006 est.)

Birth rate: 18.3/1000

Infant mortality rate: 9.7/1000

Life expectancy: 77.0 Density per sq mi: 208

Monetary Unit: Colón

Languages: Spanish (official), English

#### **Economic Summary:**

• GDP/PPP (2005 est.): \$40.44 billion Per capita \$10,100.

• Real growth rate: 3.3%.

Inflation: 13.8%.

Unemployment: 6.6%.

 Agriculture: coffee, pineapples, bananas, sugar, corn, rice, beans, potatoes; beef; timber

 Industries: microprocessors, food processing, textiles and clothing, construction materials, fertilizer, plastic products.

• Exports: coffee, bananas, sugar, pineapples; textiles, electronic components, medical equipment.

Imports: raw materials, consumer goods, capital equipment, petroleum.

 Major trading partners: U.S., Netherlands, Guatemala, Japan, Mexico, Brazil (2006)





Location: Central America, bordering both the Caribbean Sea and the Pacific Ocean, between Nicaragua and Panama

Geographic Coordinates: 10 00N latitude, 84 00 W longitude

Land boundaries: Nicaragua, 309 km (192 miles); Panama, 330 km (205 miles). Coastline: 1,290 km (802 miles)

**Land area:** 19,560 sq mi (50,660 sq km) Total area: 19,730 sq mi (51,100 sq km) (Reference: slightly smaller than West Virginia

**Elevation Extremes:** Highest point: Cerro Chirripo, 3,810 m (12,500 ft) Lowest point: Pacific Ocean, 0 m (0 ft)

Administrative divisions: 7 provinces— Alajuela, Cartago, Guanacaste, Heredia, Limon, Puntarenas and San Jose



Ethnicity/Race: White (includes mestizo) 94%

Black 3%, Amerindian 1% Chinese 1% Other 1%

**Literacy Rate:** 96% (2006 est.)

**Religion:** Roman Catholic 76% Evangelical 14%

Jehovah's Witnesses 1% Other Protestant 1%

Other 5% None 3%

#### **Communications:**

- Telephones 1.3 million land line units in use; .9 million cell phones in use. 911 emergency numbers.
- Internet High-speed. 1 million users. One legal internet service provider

#### **Transportation:**

- Railways: total: 278 km (173 miles).
- Roads and highways: total: 35,303 km (22,000 miles).
- Waterways: 730 km (454 miles) (seasonally navigable by small craft).
- Ports and harbors: Caldera, Puerto Limon.
- Airports: 149 (2004 est.).

### CLIMATE

#### Overview

Situated between 8° and 11° North latitude (550 - 750 miles north of the equator), Costa Rica is renowned as an atmospheric paradise. Mild subtropical conditions prevail year-round and temperature extremes and prolonged overcast periods are practically nonexistent. Temperatures vary mainly according to elevation: the higher, the cooler.

Annual rainfall averages 100 inches nationwide with some mountainous regions getting as much as 20 feet on exposed eastern slopes. A lot of rain compared to the U.S., where only a few states -Alaska, Hawaii, New Hampshire and Washington - approach 100 inches of precipitation per year. Temperature is more a matter of elevation than location with a mean of around 72 degrees in the Central Valley, 82 degrees on the Atlantic coast and 89 degrees on the Pacific coast. Costa Rica's rain falls mainly on the Caribbean coast, giving the Pacific a much more arid climate.

Like the Southern Hemisphere, Costa Rica's seasons are reversed relative to the U.S. While the states are enduring winter weather December through April, Costa Rica is enjoying summer. However, Costa Rica is not in the Southern Hemisphere, it's in the Northern, providing further evidence that climate is a complex phenomenon. In Costa Rica, weather is influenced significantly by proximity to the equator, wind, rain, and topography, particularly dramatic differences in elevation.

#### Two seasons – rainy and dry

The dry season runs from December through April and the rainy season from May to November. The seasons were named by early Spanish colonizers, who compared them to their own Mediterranean climate, calling the dry months "verano" or summer, and the rainy months "invierno" or winter. Some of the coldest temperatures are registered during the early dry season or "summer".

### The Central Valley - Home to Ricovida and year-round Spring-like Weather

In the Central Valley, where Ricovida Rio Grande is located, temperatures average 78°-80°F each day with low-moderate humidity. The entire valley is several thousand feet above sea level which accounts for a mild, pleasant dry season that is matched by moderate temperatures for most of the year, and a lower than average amount of rainfall. The sun shines nearly every day, even in the Green (rainy) Season. Early settlers prized the area for both its mild climate and fertile soils. The Central Valley may well have the best climate in the world.

### 6 regions, 7 provinces and over 12 microclimates

Costa Rica is organized into seven administrative provinces, but the six geographical regions may be just as important because of the distinctive weather differences in each, by some count over 12 distinct microclimates throughout the entire country. The map and corresponding tables below outline annual rainfall, average temperatures for summer and winter, and days of sunshine for each region.



	Temperature	Sunshine High/Low	Annual Days/Year	Provinces Rainfall
Central Valley Summer Winter	76°F/59°F 75°F/72°F	200	80-100 in.	Cartago
Northern Pacific Summer Winter	93°F/72°F 88°F/72°F	292	60-80 in.	Guanacaste & Alajuela
<b>Northern Lowlands (No</b> Summer Winter	rth Central) 78°F/53°F 73°F/62°F	183	70-100 in.	Alajuela
Central Pacific Summer Winter	86°F/66°F	219 83°F/66°F	90-130 in.	Puntarenas
Southern Pacific Summer Winter	91°F/71°F 81°F/72°F	170	160-200 in.	Puntarenas
<b>Caribbean</b> Summer Winter	82°F/62°F 83°F/71°F	170	146-190 in.	Heredia, Limon, & Cartago

(Sources: costraricaguides.com; costarica.com)



### ENVIRONMENT

Ecologists define 12 tropical life zones in Costa Rica, which are named according to forest type and altitude in a system devised by and named after L.R. Holdridge. Thus, there are dry, moist, wet, and rain forests in tropical, premonatane, lower montane, montane, and subalpine areas. Within a life zone, several types of habitat may occur. Much of Parque Nacional Santa Rosa, for example, is tropical dry forest, but types of vegetation within this zone include deciduous forest, evergreen forest, mangrove swamp, and littoral woodland. Thus Costa Rica has a huge variety of habitats each with particular associations of plants and animals. The country's extensive and ambitious national park system is an attempt to protect them all.

### HISTORY & PEOPLE

Costa Rica was inhabited by an estimated 400,000 Indians when Columbus explored it in 1502. The Spanish conquest began in 1524. The region

grew slowly and was administered as a Spanish province. Costa Rica achieved independence in 1821 but was absorbed for two years by Agustín de Iturbide in his Mexican empire. It became a republic in 1848. Except for the military dictatorship of Tomás Guardia from 1870 to 1882, Costa Rica has enjoyed one of the most democratic governments in Latin America.



In the 1970s, rising oil prices, falling international commodity prices, and inflation hurt the economy. Efforts have since been made to reduce reliance on coffee, banana, and beef exports. Tourism is now a major business. Oscar Arias Sanchez, who became president in 1986, was awarded the Nobel Peace Prize in 1987 for his role in negotiating settlements to both the Nicaraguan and the Salvadoran civil wars.

José Maria Figueres Olsen of the National Liberation Party became president in 1994. He opposed economic suggestions made by the International Monetary Fund, instead favoring greater government intervention in the economy. The World Bank subsequently withheld \$100 million of financing. In 1998, Miguel Angel Rodríguez of the Social Christian Unity Party became president, pledging economic reforms,

such as privatization. In 2000, Costa Rica and Nicaragua resolved a long-standing dispute over navigation of the San Juan River, which forms their

> border. A psychiatrist, Abel Pacheco, also of the Social Christian Unity Party, won the presidency in elections held in April 2002. In May 2003, several national strikes took place, by energy and telecommunications workers over privatization, and by teachers over their salaries.

Costa Rica has a reputation as one of the most stable, prosperous, and least corrupt Latin American countries. In 2006, Oscar Arias Sánchez was elected president. Arias, who had served as president once before (1986–1990), won the Nobel Peace Prize in 1987 for fostering peace talks that eventually ended the civil wars in El Salvador and Nicaragua.

Unlike many of their Central American neighbors, present-day Costa Ricans are largely of European rather than mestizo descent; Spain was the primary country of origin. However, an estimated 10% to 15% of the population is Nicaraguan, of fairly recent arrival and primarily of mestizo origin. Descendants of 19th-century Jamaican immigrant workers constitute an English-speaking minority and—at 3% of the population—number about 119,000. Few native Indians survived European contact; the indigenous population today numbers about 29,000, less than 1% of the population.

### GOVERNMENT

Costa Rica is a democratic republic with a strong system of constitutional checks and balances. Executive responsibilities are vested in a president, who is the country's center of power. There also are two vice presidents and a 15-member cabinet. The president and 57 Legislative Assembly deputies are elected for 4-year terms. In April 2003, the Costa Rican Constitutional Court annulled a constitutional reform enacted by the Legislative Assembly in 1969 barring presidents from running for reelection. The law reverted back to the 1949 Constitution, which states that ex-presidents may run for reelection after they have been out of office for two presidential terms, or eight years. Deputies may run for reelection after sitting out one term, or four years.

The electoral process is supervised by an independent Supreme Electoral Tribunal—a commission of three principal magistrates and six alternates selected by the Supreme Court of Justice. Judicial power is exercised by the Supreme Court of Justice, composed of 22 magistrates selected for renewable 8-year terms by the Legislative Assembly, and subsidiary courts. A Constitutional Chamber of the Supreme Court, established in 1989, reviews the constitutionality of legislation and executive decrees and all habeas corpus warrants.

The offices of the Comptroller General of the Republic, the Solicitor General, and the Ombudsman exercise oversight of the government. The Comptroller General's office has a statutory responsibility to scrutinize all but the smallest public sector contracts and strictly enforces procedural requirements.

There are provincial boundaries for administrative purposes, but no elected provincial officials. Costa Rica held its first mayoral elections in December 2002, whereby mayors were elected by popular vote through general elections. Prior to 2002, the office of mayor did not exist and the president of the municipal council was responsible for the administration of each municipality. The most significant change has been to transfer the governing authority from a position filled via an indirect popular vote to one filled by a direct popular vote. Municipal council presidents are elected through internal elections conducted by council members each year, but mayors are elected directly by the populace through general elections. All council members are elected in a general election process. Autonomous state agencies enjoy considerable operational independence; they include the telecommunications and electrical power monopoly, the state petroleum refinery, the nationalized commercial banks, the state insurance monopoly, and the social security agency. Costa Rica has no military and maintains only domestic police and security forces for internal security. A professional Coast Guard was established in 2000.

## **POLITICAL** CONDITIONS

#### PRINCIPAL GOVERNMENT OFFICIALS

**President:** Oscar ARIAS Sanchez

Foreign Minister: Bruno STAGNO Ugarte

**Ambassador to the United States** 

Tomás DUEÑAS

Ambassador to the Organization of American States: Javier SANCHO Bonilla

> **Ambassador to the United Nations:** Maria Elena CHASSOUL Monge

Costa Rica maintains an embassy in the United States at 2114 S Street NW, Washington, DC 20008 (tel. 202-234-2945 and 202-234-2946). Costa Rica has long emphasized the development of democracy and respect for human rights. Until recently, the country's political system has steadily developed and maintained democratic institutions and an orderly, constitutional scheme for government succession. Several factors have contributed to this tendency, including enlightened leadership, comparative prosperity, flexible class lines, educational opportunities that have created a stable middle class, and high social indicators. Also, because Costa Rica has no armed forces, it has avoided the possibility of political intrusiveness by the military that other countries in the region have experienced.

In May 2006, President Oscar Arias of the National Liberation Party (PLN) assumed office, defeating principal rival Ottón Solis of the Civil Action Party by roughly 2% of the vote. Arias has listed passage of the Dominican Republic-Central American Free Trade Agreement (DR-CAFTA), along with fiscal reform, infrastructure improvements, furthering education, and improving security as primary goals for his presidency. The 57-member unicameral Legislative Assembly has five principal party factions, with the governing party, PLN, having a 25-seat plurality.

### ECONOMY

Compared with its Central American neighbors, Costa Rica has achieved a high standard of living, with a per capita income of about U.S. \$4,700, and an unemployment rate of 6.6%. The annual inflation rate hovers around 14% as the Costa Rican Government seeks to reduce a large fiscal deficit.

Controlling the budget deficit remains the single-biggest challenge for the country's economic policy-makers, as interest costs on the accumulated central government consumed the equivalent of 32.1% in 2003 of the government's total revenues. About 18.9% of the national budget was financed by public borrowing. This limits the resources available for investments in the country's deteriorated public infrastructure.

Costa Rica's major economic resources are its fertile land and frequent rainfall, its well-educated population, and its location in the Central American isthmus, which provides easy access to North and South American markets and direct ocean access to the European and Asian Continents. One-fourth of Costa Rica's land is dedicated to national forests, often adjoining picturesque beaches, which has made the country a popular destination for affluent retirees and eco-tourists.

Costa Rica used to be known principally as a producer of bananas and coffee, but pineapples have surpassed coffee as the number two agricultural export. In recent years, Costa Rica has successfully attracted important investments



by such companies as Intel Corporation, which employs nearly 2,000 people at its \$300 million microprocessor plant; Proctor and Gamble, which employs nearly 1,000 people in its administrative center for the Western Hemisphere; and Hospira and Baxter Healthcare from the health care products industry. Manufacturing and industry's contribution to GDP overtook agriculture over the course of the 1990s, led by foreign investment in Costa Rica's free trade zone. Well over half of that investment has come from the United States. Dole and Chiquita have a large presence in the banana industry. Twoway trade exceeded U.S. \$6.6 billion in 2004.

Costa Rica has oil deposits off its Atlantic Coast, but the Pacheco administration (2002-2006) decided not to develop the deposits for environmental reasons. The country's mountainous terrain and abundant rainfall have permitted the construction of a dozen hydroelectric power plants, making it largely self-sufficient in electricity, but it is completely reliant on imports for liquid fuels. Costa Rica has the potential to become a major electricity exporter if plans for new generating plants and a regional distribution grid are realized. Mild climate and trade winds make neither heating nor cooling necessary, particularly in the highland cities and towns where some 90% of the population lives.

The country has an extensive road system of more than 30,000 kilometers. Most parts of the country are accessible by road. Costa Rica has sought to widen its economic and trade ties, both within and outside the region. Costa Rica signed a bilateral trade agreement with Mexico in 1994, which was later amended to cover a wider range of products. Costa Rica joined other Central American countries, plus the Dominican Republic, in establishing a Trade and Investment Council with the United States in March 1998. Costa Rica has signed trade agreements with Canada, Chile, the Dominican Republic, and is negotiating trade agreements with Panama, and Trinidad and Tobago. Costa Rica concluded negotiations with the U.S. to participate in the U.S.-Central America Free Trade Agreement (U.S.-CAFTA) in January 2004. CAFTA is expected to bring about the partial opening of the state telecommunications monopoly and a substantial opening of the state-run insurance sector. While CAFTA has been ratified by the U.S. and five other countries, the Costa Rican Legislative Assembly has not yet voted on it. Costa Rica is an active participant in the negotiation of the hemispheric Free Trade Area of the Americas as well as a member of the Cairns Group, which is pursuing global agricultural trade liberalization within the World Trade Organization.

### U.S. RELATIONS

The United States and Costa Rica have a history of close and friendly relations based on respect for democratic government, human freedoms, free trade, and other shared values. The country consistently supports the U.S. in international for a, especially in the areas of democracy and human rights. Costa Rica co-sponsored the Resolution on Cuba at the 60th session of the UN Commission on Human Rights. Law enforcement cooperation, particularly efforts to stem the flow of illegal drugs to the U.S., has been exemplary.

#### U.S. EMBASSY

The U.S. Embassy in Costa Rica is located in Pavas at Boulevard Pavas and Calle 120, San Jose, tel. (506) 519-2000 or (506) 220-3127. The United States is Costa Rica's most important trading partner. The U.S. accounts for over half of Costa Rica's exports, imports, and tourism, and more than two-thirds of its foreign investment. The two countries share growing concerns for the environment and want to preserve Costa Rica's important tropical resources and prevent environmental degradation.

The United States responded to Costa Rica's economic needs in the 1980s with significant economic and development assistance programs. Through provision of more than \$1.1 billion in assistance, the U.S. Agency for International Development (USAID) supported Costa Rican efforts to stabilize its economy and broaden and accelerate economic growth through policy reforms and trade liberalization. Assistance initiatives in the 1990s concentrated on democratic policies. modernizing the administration of justice, and sustainable development.

For decades, Peace Corps Volunteers have provided technical assistance in the areas of environmental education, natural resources, management, small business development, basic business education, urban youth, and community education. USAID completed a \$9 million project in 2000-01 to support refugees of Hurricane Mitch residing in Costa Rica.

Upwards of 100,000 private American citizens, including many retirees, reside in the country and more than 600,000 American citizens visit Costa Rica annually.

The United States and Costa Rica signed the bilateral Maritime Counter-Drug Agreement, the first of its kind in Central America, which entered into force in late 1999. The agreement permits bilateral cooperation on stopping drug trafficking through Costa Rican waters. The agreement has resulted in a growing number of narcotics seizures, illegal fishing cases, and search-and-rescue missions.

#### PRINCIPAL U.S. EMBASSY OFFICIALS

Ambassador: Mark Langdale

**Deputy Chief of Mission:** Russell Frisbie

Political Counselor: Frederick Kaplan

**Economic Officer:** Whitney J. Witteman

Consul General: David Dreher

Management Counselor: Scott McAdoo

Public Affairs Officer: Laurie Weitzenkorn

**Defense Representative:** Chief-Commander

Alwyn Young

Commercial Attaché: James McCarthy

Agricultural Attaché: Katherine Nishiura

**APHIS:** John Stewart

Environmental Hub: Bernard Link

**Regional Security Officer:** Michael Wilkins

**Drug Enforcement Administration:** 

Paul Knierim

Peace Corps Director: Terry Grumley