



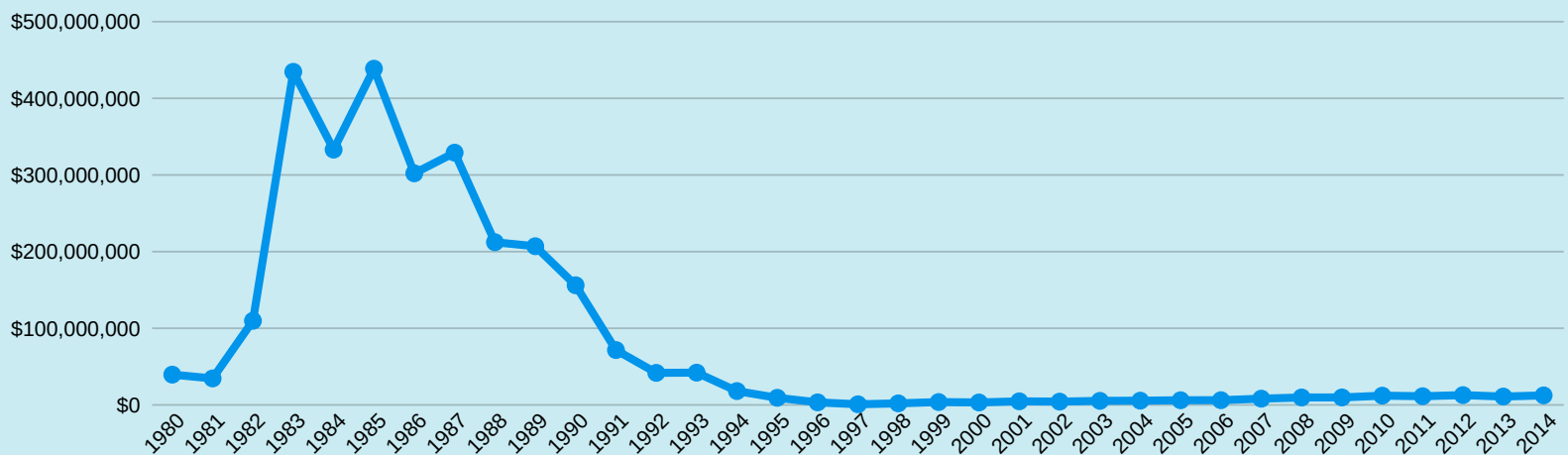
Strategic U.S. foreign assistance funding has supported Costa Rica's transition from its early days as a budding democracy through decades of economic growth and sustained stability to become one of the most prosperous nations in Central America. The Costa Rican state has been consistently stable since its beginning in 1948, and today it stands as a beacon of prosperity and a global leader of ecological conservation, as well as an exemplar of development aid's transformative power.

Since its initial colonization by Spain, Costa Rica has relied heavily on agricultural exports. Costa Rican foodstuffs, especially coffee and bananas, fueled the economy well into the 20th century. Following the end of a civil war in 1948, U.S. aid programs provided assistance in a range of sectors. Through the 1970s, aid obligations remained relatively low, although substantial USAID development loans, food aid, Peace Corps funds, and foreign military financing caused investments to peak above \$100 million annually twice during this period.

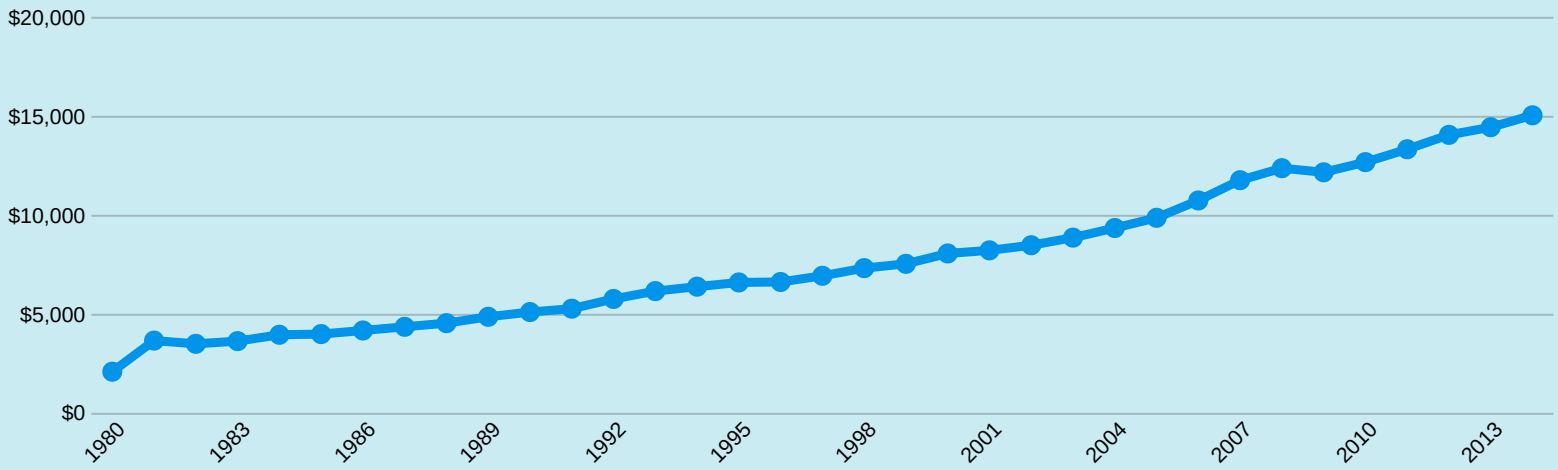
In the early 1980s, a major economic downturn halted Costa Rica's development: although the country's GDP had grown at an average of 6.15% annually from 1960 to 1979, it contracted by more than 7% in 1982. As a reevaluation of economic policy, the conservative government imposed austerity measures and instituted new policies to diversify exports in order to encourage foreign capital investment and expansion into industrial, medical equipment, and high-tech sectors. U.S. foreign assistance rose to assist Costa Rica in meeting the challenge of its financial uncertainty: from 1983-1990 the United States provided a total of nearly \$2.5 billion in economic support, peaking in 1985 at \$438 million.

Following the country's recovery, U.S. assistance to Costa Rica declined steadily, and by 1997, aid had reached a record low of \$833,000. Between 1982 and today, Costa Rica's GDP per capita has increased nearly fivefold, making it the wealthiest and most stable country in Central America. It now ranks higher on the Human Development Index than Turkey or Mexico, with a highly educated and healthy population. In 1986 a USAID grant helped to establish EARTH University alongside local partners. Today this agricultural entrepreneurship institution continues to represent a commitment to leadership and innovation in international development. USAID closed its mission in Costa Rica in 2004.

U.S. Aid Obligations, 1980-2014



GDP per capita, Costa Rica, 1980-2014



U.S. assistance to Costa Rica in the 21st century almost solely addresses natural disasters and a partnership on antinarcotics issues; these areas totaled just \$12 million in 2014. Today, Costa Rica's economy is a diverse mix of services, industry, and agriculture; in addition, tourism contributes nearly 6% of total GDP annually. Costa Rica's greatest resource, pristine wilderness, has also encouraged investments in green energy, with renewable sources making up 98.1% of electricity production. Each year, the United States exports more than \$6 billion of goods and receives \$4.6 billion in imports, making the small nation of Costa Rica the United States' 44th largest global trading partner. In addition, today's U.S.-Costa Rica partnerships promote ecological conservation and regional stability. Costa Rica's prosperity, supported by aid from the United States, has ushered in strong economic growth in diverse industries that has fostered benefits both for Costa Ricans and Americans, as well as a strong international partnership between the two countries.

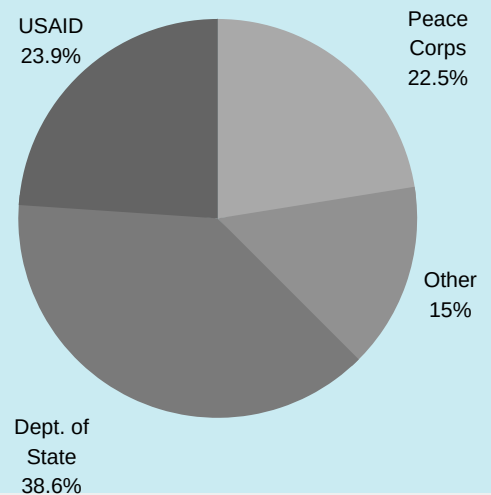
Costa Rica in 1985

GNI per capita:	\$1560
US Trade Value:	\$923.0 million
IGO Membership:	OAS, UN, IADB

Costa Rica Today

GNI per capita:	\$16,100
US Trade Value:	\$3.67 billion
IGO Membership:	OAS, UN, IADB, ICC, WTO

U.S. Aid Obligation Breakdown (2014)



Sources:

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United States Trade Representative. "Costa Rica". USTR.gov (Washington). <https://ustr.gov/countries-regions/americas/costa-rica> "Trade Value" measure is taken from this source and is calculated by adding the value of exports to the U.S. to the value of imports from the U.S. for the year 2017.

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