

EL SALVADOR COUNTRY PROFILE

Capital: San Salvador



Quick Facts

Population: 6,822,378

GDP (Purchasing Power Parity): \$31.24 billion

GDP per capita (Purchasing Power Parity): \$4,700

GDP composition by sector:

Agriculture: 9.8%

Industry: 30.3%

Services: 60%

Size of labor force: 2.81 million

Labor force: by occupation:

Agriculture: 17.1%

Industry: 17.1%

Services: 65.8%

Unemployment Rate: 6.5% with high underemployment

Population below poverty line (\$2/day): 36.1%

Life expectancy at birth: 71.49 years

HIV/AIDS – adult prevalence rate: 0.7%

Adult Literacy Rate (age 15 and over):

Male: 82.8%

Female: 77.7%

For more information: <http://cia.gov/cia/publications/factbook/geos/es.html>

Political History

El Salvador gained independence from Spain on September 15, 1821. After a brief inclusion in the United Provinces of Central America, El Salvador became a republic in 1838. Independence brought many revolutions. With coffee as the main agricultural commodity, the subsequent governments allocated massive amounts of resources towards the development of a strong coffee economy. The coffee industry was in the hands of an oligarchy of a few hundred families. For the second half of the 19th century, many of El Salvador's presidents came from this group in society. These presidents, whether liberal

or conservative, pushed primarily for the same things: the promotion of coffee, improved infrastructure for coffee, elimination of communal land holding, anti-vagrancy that would provide labor for the coffee industry, and the suppressing of rural dissent.

In the late 1800s, a bloodless coup was staged by Gen. Thomás Regalado. He transferred power in 1903 to Pedro José Escalón, who continued in Regalado's theme of ruling a peaceful country. By 1930, a rebellion had been sparked by the global depression. In this year, Gen. Maximiliano Hernández Martínez took power in a coup. Gen. Martínez later suppressed a revold in 1932 that led to 20,000 deaths.

Under the authoritarian rule of Oscar Osorio from 1950 to 1956 and Lt. Col. José María Lemus from 1956 to 1960, El Salvador enjoyed a period of relative social and economic progress. Finally, Lemus was disposed of in a coup. A junta formed in 1961 and Lt. Col. Julio Adalberto Rivera came to power in 1961. Rivera's rule was followed by Col. Fidel Sánchez Hernández starting in 1967. Lt. Col. Hernández was left to deal with deteriorating relations between El Salvador and Honduras as the Football War of 1969 was taking place. Clashes between the Marxist group Farabundo Martí National Liberation Front (FMLN), the El Salvador armed forces, and rightist vigilantes known as Death Squads resulted in a civil war from 1980 to 1992, when peace accords were finally signed. The current government of President Elias Antonio Saca Gonzalez is left to deal with the horrendous after-effects of the civil war, hurricane Mitch in 1998, and a series of earthquakes and droughts that hit El Salvador hard in 2001. In combination with the civil war, these natural disasters have claimed over 76,000 lives.

For more information: http://en.wikipedia.org/wiki/El_Salvador

The Economy

El Salvador is the smallest country in Central America. Despite its size, El Salvador has the third largest economy. Growth has been slow in the recent years however. In order to stimulate the economy, the government is striving to open new export markets, encourage foreign investment, and modernize the tax and healthcare systems. Implementation in 2006 of the Central America-Dominican Republic Free Trade Agreement, which El Salvador was the first to ratify, is viewed as a key policy to help achieve these objectives. El Salvador's trade deficit is no longer viewed as a problem due to the amount of money coming in from remittances (16.6% of GDP) and foreign aid. The primary agricultural products in El Salvador include coffee, sugar, corn, rice, beans, oilseed, cotton, sorghum; beef, dairy products; and shrimp. The primary industries are food processing, beverages, petroleum, chemicals, fertilizer, textiles, furniture, and light metals. The distribution of income is quite inequitable with the bottom 10% of society receiving 1.4% while the top 10% receives 39.3%. At this time, the economy is growing at an estimated 2.8%.

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Cultural Notes

Advocacy Issues