

# *St. Vincent and the Grenadines*

Main export: Agriculture (Bananas)

Type of govt. Westminster model

Population: 109,200

Exchange rate: US\$1=EC\$2.71

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Inflation rate: 3.3 in 1998 to -1.0% in 2001

Percentage poor H/H: 30.6%

Life expectancy: M/F, 66/71

IMR: 18.5 per 1000

Access to safe water: 93%

Adult literacy rate: 88%

Unemployment rate: 22%

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## Small open economy: Shocks and vulnerabilities

Type of shock	Event	Idiosyncratic event	Macro effects
<b>International trade agreements</b>	Banana price volatility	Decline in rural livelihoods	26.5% decline in export earnings
<b>Sept 11<sup>th</sup> attack</b>	Lost remittances	Reduced purchasing power parity for households	Downturn in economy
<b>Natural disasters</b> <b>Hurricanes</b> <b>Volcanoes</b> <b>Earthquakes</b>	Rainfall, Landslides, Tsunami Floods Strong Winds	Psychological impact Loss of earnings Loss of lives Loss of income	40% crop destroyed Significant dwelling destruction

Type of shock	Grps affected	SSN Program	Targeting type	Errors of exclusion and inclusion	Constraints
Int. Trade	0-<15 rural	School assistance	Geographic	Problems of selection	Stigma
Int. Trade & Natural disasters	Unempl (Families)	<b>Public Works</b> with contingencies	Self Selection	Wages must be set below market wage	Cost Wage disputes
Int Trade & Natural Disasters	Commercial farms	Agricultural Input Subsidy	Geographic	Banana Farmers	Selection problem. Capacity to utilise technology
Internatl. Trade	Poor unemployd + H/H	Social Funds	Commtly-based	Political influence	Cmmtly Capacity
Idiosyncratic	Indigent, elderly	Cash Transfer	Selection	Political influence	Cost

# *St. Vincent and the Grenadines*

New initiatives and old interventions

## **Existing**

- ★ Govt. managed
- ★ Politically influenced
- ★ Welfare oriented
- ★ Lack of valid data base/ social indicators

## **New**

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- ★ Legislative reform (children, families, elderly)
- ★ Framed within PRSP/Strengthening of line Ministries
- ★ Establishment of National Coordinating Body
- ★ More emphasis on community direction
- ★ Continuous Monitoring and Evaluation of programmes re efficiencies in delivery
- ★ Cost benefit analysis of existing programmes and new programmes
- ★ Clarification of methods for programme exit

