Grenada

The economy of Grenada, known as the "Spice Isle", is based on agriculture and tourism. Exports of bananas, cocoa, nutmeg and mace account for between 80 and 90% of the country's merchandise exports. It is estimated that production in agriculture, forestry and fisheries grew by 7.8% in 1981, with the increased agricultural production offsetting the effects of declines in world prices for the major export commodities.

The manufacturing sector consists mainly of processing of agricultural commodities for the domestic market and represents only 3% of the GDP. Tourism is the second major foreign exchange earner. Although occupancy rates have been on the decline in spite of active publicity campaigns, it is felt that tourism holds significant potential for growth. The Government is very interested in development in this sector.

It is estimated that the Grenadian economy grew by 2% in 1981 and a similar rate is forecast for 1982. This follows a period in the late 70's in which GDP grew by over 5% annually. Development activity in Grenada since 1979 has focussed on reconstruction of hurricane-damaged agricultural crops and construction of an airport at Port Saline.