

COUNTRY PROFILE



Trinidad and Tobago

GLOBAL RANK: 52nd= of 104



Trinidad and Tobago displays an extreme disparity between its Economic Competitiveness (81st) and Comparative Liveability (28th) rankings, due to exceptionally poor competition indicators, contrasted with high levels of freedom of choice and significant charitable giving. It ranks 52nd overall, tied with the Philippines.

● BACKGROUND

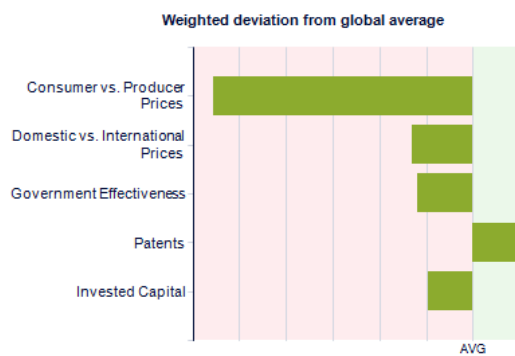
This parliamentary democracy, spread over an archipelago in the southern Caribbean, has a relatively industrialised economy based on the exploitation of large reserves of natural gas. The population is racially, linguistically, and religiously diverse, and located mainly on the largest island of Trinidad. Economic growth has been healthy in recent years, and the country enjoys a large trade surplus. However, investor confidence has been undermined by a continued rise in levels of violent crime, particularly homicide and kidnapping. A key long-term goal of the government is to diversify the economy further into financial products and tourism.

FAST FACTS

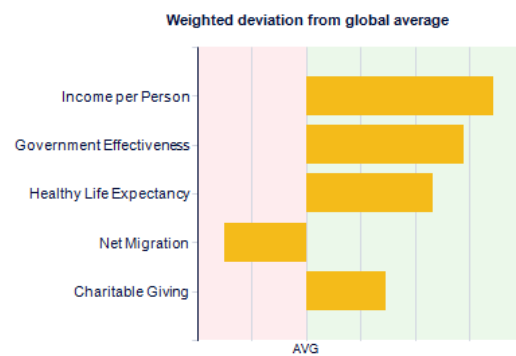
<b>Population:</b>	1 million (2008 est.)	<b>FDI (net inflow):</b>	7.66% (2005 est.)
<b>Life Today</b>	5.8 (2006 est.)	<b>Exports</b>	77.88% (2006 est.)
<b>GDP (PPP)</b>	\$23.79 billion (2007 est.)	<b>Imports</b>	35.69% (2006 est.)
<b>GDP (Growth)</b>	5.5% (2007 est.)	<b>Unemployment:</b>	6.5% (2007 est.)
<b>GDP (per Capita)</b>	\$18,300 (2007 est.)	<b>Life Expectancy</b>	67 years (2008 est.)
<b>Political System:</b>	Parliamentary Democracy		
<b>Foreign Aid:</b>	0.06% (2006 est.)		

● KEY SCORE DRIVERS

ECONOMIC COMPETITIVENESS



COMPARATIVE LIVEABILITY



Trinidad and Tobago has one of the largest economies in the Caribbean, with a reputation as an excellent investment environment for international businesses, and one of the highest growth rates in per capita income in Latin America. This has been achieved in part by the low costs of starting a business, and by high-quality market-oriented regulation.

Trinidad and Tobago has led Caribbean integration efforts and supports the proposed Caribbean Single Market and Economy. This former British colony benefits from being one of the largest suppliers of liquefied natural gas in the region, especially to the United States. Oil and gas account for about 40% of GDP and 80% of exports, but

Trinidad and Tobago ranks an astonishing 50 places higher in Comparative Liveability than in Economic Competitiveness. (Although this is mainly due to a low competitiveness score, rather than high levels of liveability.)

The country's income per capita is almost double the Latin American average and three times that of its neighbouring countries. Trinbagonians strongly believe that anyone can get ahead in life, according to the Gallup World Poll. However, this is balanced by the low indicators for gender equality, resulting in a moderate equality of opportunity score.

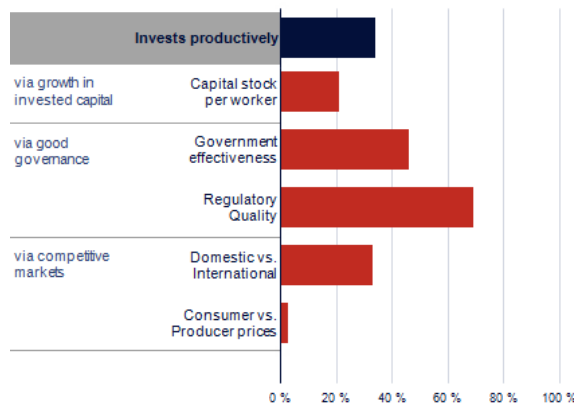
accounts for only 5% of employment. This leaves Trinidad and Tobago potentially dependent on natural resources.

In general, Trinidad and Tobago is an open and investor-friendly country. However, certain prohibitive tariffs, import taxes and fees, and import and export licensing requirements add to the cost of trade and investment. Some sectors are still over-regulated and, according to the Index of Economic Freedom, the government still retains price controls for a number of goods. Movements in relative price levels suggest that these and other measures result in a very low score for competitiveness, suggesting that falling prices in global markets do not translate into lower prices for Trinbagonians. Economic dynamism does not extend into commercialisation of innovation. A lack of patents suggests that diversification and long-term growth may be difficult to achieve.

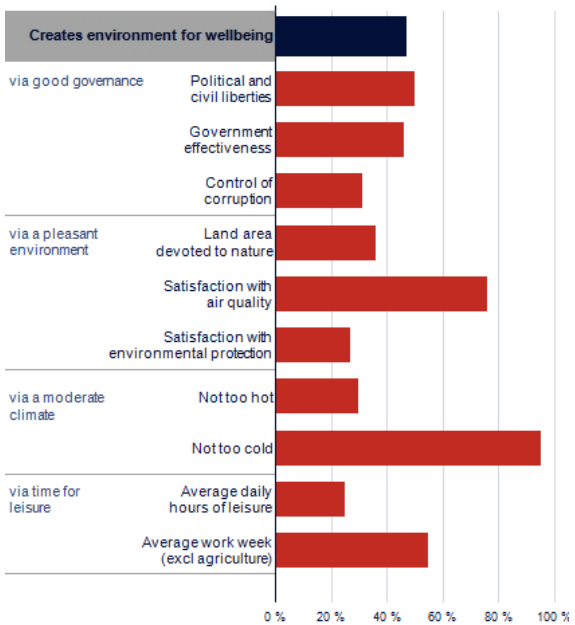
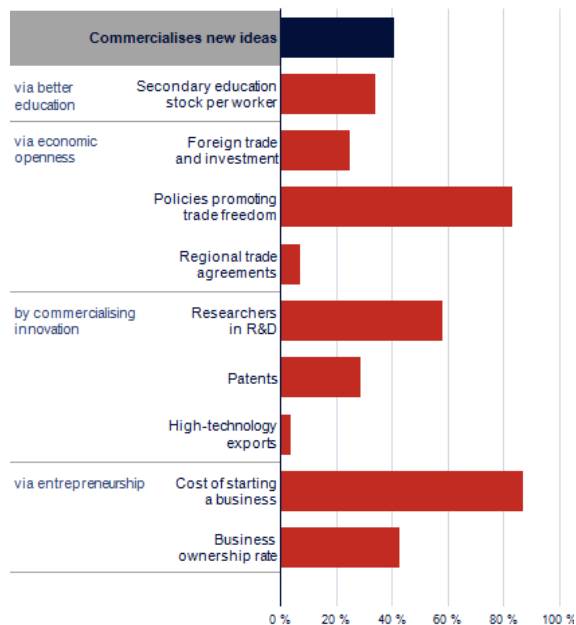
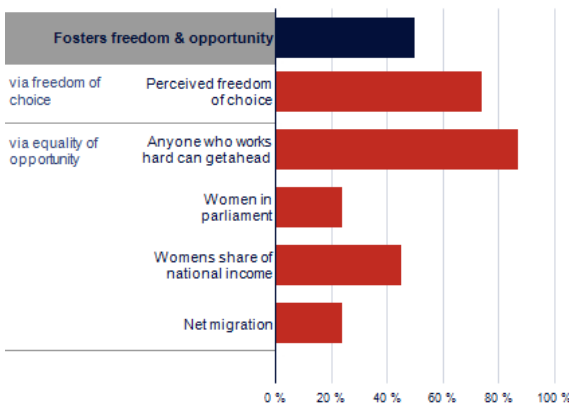
Despite favourable conditions, emigration from the twin islands has historically been high, and the population growth rate is currently low. Community life remains positive, particularly the high levels of self-reported charitable giving, and religious freedom is strong. Trinbagonians also report high levels of satisfaction with their own freedom of choice and ability to determine the course of their own lives, according to Gallup.

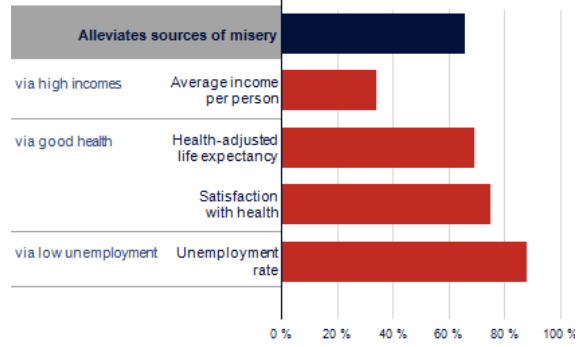
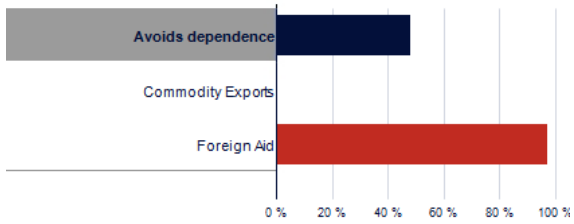
According to the World Bank, Trinidad and Tobago's political life indicators have deteriorated in recent years, although political rights and civil liberties have been less affected. Furthermore, despite the warm climate, and some prominent bird life sanctuaries, a mere 35%<sup>9</sup> of the population is satisfied with the preservation of the environment.

## ECONOMIC COMPETITIVENESS: SCORECARD

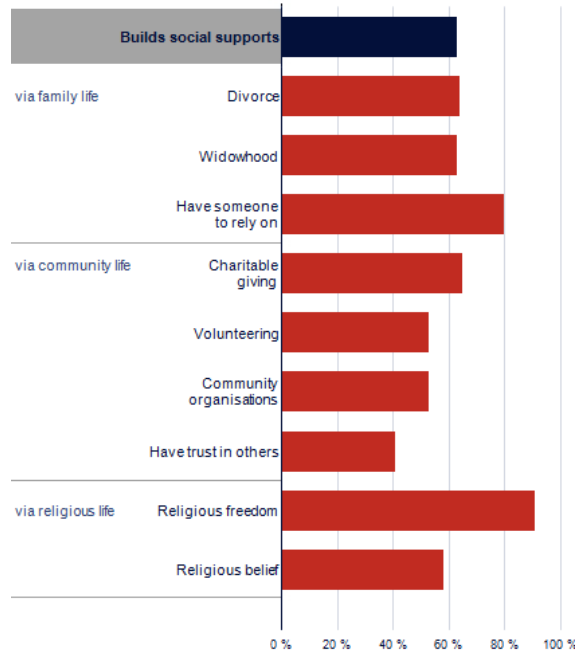


## COMPARATIVE LIVEABILITY: SCORECARD





All subindicator scores in the Index are shown unweighted, expressed as a percentage of the score for the best-performing country in the Index. Indicator scores (in dark blue) are derived from the weighted average of relevant subindicators. For more information on how the subindicator scores are weighted to produce indicator scores and an overall Index score and ranking, see Chapter Two of this report.



**References:**

<sup>9, w</sup> See [www.prosperity.com/references.aspx](http://www.prosperity.com/references.aspx) for further details including date of survey, sample size, and margin of error.