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## Guyana: An Overview

Located on the north coast of South America, English-speaking Guyana has characteristics of a Caribbean nation because of its British colonial heritage (the country became independent in 1966). Guyana participates in Caribbean regional organizations, and its capital Georgetown serves as headquarters for the Caribbean Community (CARICOM), a regional integration organization.

Figure 1. Map of Guyana



Source: Congressional Research Service.

In 2020, Guyana has faced two major challenges—a political crisis concerning the conduct of the March 2, 2020, elections, and a public health threat due to the Coronavirus Disease 2019 (COVID-19) pandemic.

- After five months of discord between Guyana’s two major political parties, the country’s political crisis was resolved on August 2, and opposition candidate Mohamed Irfaan Ali of the People’s Progressive Party/Civic (PPP/C) was sworn in as president.
- With regard to COVID-19, as of October 27, 2020, Guyana reported 119 deaths and over 4,000 confirmed cases, according to Johns Hopkins University data. The economic impact of COVID-19 on Guyana has not been as severe as in other Caribbean countries because of Guyana’s recently begun offshore oil production.

### Political Environment

Guyana has a hybrid republican/parliamentary form of government. The presidential candidate of the party or

coalition receiving the most votes becomes president, and the president appoints the prime minister.

Current President Ali defeated incumbent President David Granger (elected in 2015), who led a coalition consisting of A Partnership for National Unity (APNU) and the Alliance for Change (AFC). In the National Assembly, Ali’s PPP/C took a majority of 33 seats, the APNU/AFC coalition won 31 seats, and a smaller party won the remaining seat. Ali appointed retired military leader Mark Phillips as prime minister and former President Bharrat Jagdeo (1999-2011) as vice president. Some observers contend that Jagdeo, who was constitutionally prohibited from seeking a third term, is playing a key role in policy decisions.

Traditionally supported by Indo-Guyanese, the PPP/C governed Guyana from 1992 until its defeat in the 2015 elections. The largest party in the opposition APNU is the People’s National Congress Reform (PNCR), which dominated the political system from independence until 1992; the party traditionally has had an Afro-Guyanese base of support. The AFC identifies as a multiracial party.

### Guyana at a Glance

**Population:** 787,000 (2020, IMF est.)

**Ethnic Groups:** Indo-Guyanese, or those of East Indian heritage, almost 40%; Afro-Guyanese, almost 30%; mixed, 20%; Amerindian, almost 11% (2012, CIA est.)

**Area:** 83,000 square miles, about the size of Idaho

**GDP:** \$6.8 billion (2020, current prices, IMF est.)

**Real GDP Growth:** 5.4% (2019 est.); 26.2% (2020 est.); 8.1% (2021 est.) (constant prices, IMF)

**Per Capita GDP:** \$8,649 (2020, current prices, IMF est.)

**Sources:** International Monetary Fund (IMF), World Economic Outlook Database, October 2020; and Central Intelligence Agency (CIA), World Factbook.

**March 2020 Elections and Aftermath.** Originally due by September 2020, Guyana held national elections on March 2, 2020, because President Granger’s APNU/AFC coalition lost a no-confidence motion in December 2018. After that defeat, elections were delayed in part because of a legal challenge that went to the Caribbean Court of Justice, which ruled in 2019 that the motion was valid.

Even after the March 2020 elections were held, final results were not issued until August because of fraud allegations and numerous legal challenges. A recount was held between May 6 and June 8, overseen by a three-member CARICOM team. Preliminary recount results showed the opposition PPP/C secured enough votes to win. The CARICOM team concluded that the recount, despite some

irregularities, reflected the “will of the voters.” Additional legal challenges by supporters of the Granger government further delayed the release of final election results until August 2, 2020, when the Guyana Elections Commission declared Ali the winner.

In the aftermath of the election crisis, some analysts have expressed concern about an increase in ethnic tensions. In September 2020, the killing of two Afro-Guyanese youth and subsequent apparent retaliatory killings of two Indo-Guyanese sparked protests and heightened concerns about ethnic violence. A significant challenge for the Ali government will be defusing racial tensions and adopting a more ethnically inclusive approach toward governing.

## Oil Changes Guyana’s Economic Outlook

Guyana’s economy traditionally has been based on agriculture (rice and sugar) and mining (gold and bauxite), but the discovery of significant amounts of offshore oil is bolstering the economy. ExxonMobil leads a consortium that includes Hess and China National Offshore Oil Corporation and has been involved in oil and gas exploration in Guyana since 2008. Since 2015, the consortium has identified 18 commercially viable discoveries in the Stabroek Block, about 120 miles offshore. Production began in December 2019 and is soon expected to reach 120,000 barrels of oil per day (b/d) and more than 750,000 b/d by 2026. Recoverable oil is estimated at more than 8 billion barrels.

The discovery of offshore oil has vastly changed the economic development prospects of Guyana, which used to be one of the hemisphere’s poorest countries. For 2020, despite the decline in world oil prices and the economic consequences of the COVID-19 pandemic, the International Monetary Fund (IMF) currently is forecasting 26% growth. Guyana’s development of its oil resources has raised concerns about corruption. In 2019, Guyana’s National Assembly approved legislation establishing a Natural Resource Fund, a sovereign wealth fund, for managing the country’s oil wealth. The PPP/C government has vowed to strengthen transparency provisions of the law establishing the Natural Resource Fund before tapping any of its funds.

## U.S.-Guyana Relations

U.S. relations with Guyana improved in the early 1990s when the government moved away from one-party domination of the political system and embraced a market economy and free and fair elections.

After the March 2020 elections, U.S. Ambassador Sarah-Ann Lynch and the heads of mission from Canada, the United Kingdom, and the European Union (EU) issued a joint statement expressing “deep concern over credible allegations of electoral fraud.” The ambassadors called on President Granger to avoid a transition of government, maintaining it would be “unconstitutional” because the tabulation process “lacked credibility and transparency.” They subsequently expressed support for the recount and criticized the delay in issuing results. Some Members of Congress expressed strong support for the recount process (e.g., see H.Con.Res. 101).

In July 2020, as international pressure was growing on Guyana to resolve its election crisis, the State Department

imposed visa restrictions on several individuals for undermining democracy.

Upon the resolution of Guyana’s electoral crisis in August 2020, the U.S., UK, Canadian, and EU ambassadors issued a joint statement that congratulated President Ali, thanked President Granger for accepting the results, and looked forward to seeing the “government reach across political divisions to unite Guyanese of all ethnicities, races, and regions, around meaningful progress on constitutional reform and reconciliation.”

Secretary of State Mike Pompeo visited Guyana in September 2020 to advance closer bilateral relations and highlight opportunities for responsible and transparent private-sector investment. The Secretary signed a memorandum of understanding with Guyana to bolster private sector infrastructure and energy investment under the Growth in the Americas Initiative.

**Trade.** The United States ran a trade surplus of \$540 million with Guyana in 2019, with U.S. exports valued at \$672 million, up 24% from 2018 (led by machinery and iron/steel pipes for oil drilling) and U.S. imports valued at \$132 million (led by seafood, aluminum ores, and gold). In 1988, Guyana became a beneficiary of the Caribbean Basin Economic Recovery Act (CBERA), a preferential trade program for Caribbean imports. In 2000, it became a beneficiary of the Caribbean Basin Trade Partnership Act (CBTPA), a program that provides enhanced tariff treatment for certain imports from the region, including goods made with U.S. yarns, fabrics, and threads. CBERA has no set expiration date. CBTPA would have expired in September 2020, but Congress enacted legislation (P.L. 116-164) extending the program to September 2030.

**U.S. Foreign Aid.** U.S. assistance includes a small bilateral aid program to improve the capacity of Guyana’s security forces to police its border and provide security and larger spigots of assistance through global and regional programs. According to the U.S. Agency for International Development’s online Foreign Aid Explorer database, U.S. aid to Guyana amounted to at least \$5.4 million in FY2019 (partially reported), with top sectors including health, governance, humanitarian support, and education. Guyana has received assistance since 2004 to combat HIV/AIDS and since 2009 to help combat the drug trade and improve citizen security through the Caribbean Basin Security Initiative. Before the suspension of a Peace Corps program due to COVID-19, Guyana had over 60 volunteers working on education, health, and environmental projects.

Among other U.S. aid spigots, the United States has provided almost \$4.6 million in humanitarian assistance in FY2020 through international organizations to aid Venezuelan refugees and migrants in Guyana, estimated by the United Nations to number 22,000. The United States also is providing assistance to help respond to the COVID-19 pandemic through a portion of \$2.2 million in health funding for the Caribbean and \$350,000 in humanitarian assistance for Venezuelan refugees and host communities.

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