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# Guinea: In Brief

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December 19, 2014

**Congressional Research Service**

7-5700

[www.crs.gov](http://www.crs.gov)

R40703

## Summary

At present, Guinea is one of three countries most affected by the Ebola outbreak in West Africa. The outbreak is impacting Guinea's economy, social relations, food security, and politics, with potentially dire implications. For coverage of the outbreak and U.S. responses to it, see CRS Report IF00044, *Ebola: 2014 Outbreak in West Africa (In Focus)*, by Nicolas Cook and Tiaji Salaam-Blyther; and CRS Report R43697, *The 2014 Ebola Outbreak: International and U.S. Responses*, by Tiaji Salaam-Blyther. A range of other CRS products on Ebola are available; see also CRS Report R43736, *Ebola Virus Disease (Ebola or EVD): Experts List*.

A former French colony on West Africa's Atlantic coast with a population of about 11 million, Guinea is rich in natural resources, but poverty is widespread. President Alpha Condé, a former opposition leader, was voted into office in 2010 in Guinea's first ever presidential election organized by an independent electoral commission and without an incumbent candidate. His inauguration brought an end to a turbulent period of military rule that followed the death in 2008 of longtime leader Lansana Conté (who himself came to power in a military coup).

As president, Condé has focused on containing the political influence of the military and improving economic governance, including by overhauling the mining code. However, state institutions remain weak; living conditions remain overwhelmingly poor; ethnic tensions have risen; and opposition activists accuse Condé of authoritarian tendencies. Political unrest appears likely ahead of presidential elections scheduled for 2015, in which Condé is expected to seek reelection. Local-level elections have been repeatedly delayed due to a stand-off between the government and opposition over electoral procedures. The impact of the Ebola outbreak on the electoral cycle remains to be seen.

U.S. engagement in Guinea is focused on development assistance; military professionalization; counter-narcotics efforts; and concerns about regional peace and stability. Following the 2008 military coup, the United States identified Guinea's political transition as a key policy goal in West Africa and made significant diplomatic and financial contributions toward the success of Guinea's election process. U.S. bilateral aid is now overwhelmingly focused on health issues. Guinea's large mineral deposits, including the world's largest known reserves of bauxite (an ore used in producing aluminum), represent potential strategic and commercial interests for U.S. actors. Guinea's extractive industries have also drawn recent attention from the U.S. Department of Justice for potential violations of the Foreign Corrupt Practices Act.

Congress plays a role in shaping U.S. engagement through its authorization, appropriation, and oversight of U.S. policies and aid programs. The FY2015 Consolidated and Further Continuing Appropriations Act (P.L. 113-235) restricts Guinea's ability to receive International Military Education and Training (IMET) assistance, except for certain purposes. Similar restrictions have been contained in previous annual foreign aid appropriations measures. The FY2012 National Defense Authorization Act (P.L. 112-81) authorized Guinea, among several West African countries, to receive Defense Department-administered counter-narcotics assistance. During the 111<sup>th</sup> Congress, two resolutions condemning a massacre of civilian protesters in the capital, Conakry, in September 2009, passed their respective chambers: H.Res. 1013 (Ros-Lehtinen) passed in the House; and S.Res. 345 (Boxer) passed in the Senate.

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## Overview

Poor governance, corruption, weak or nonexistent infrastructure, and other factors have prevented Guinea's population from benefiting from its rich natural resource endowments. Average living conditions are poor even by regional standards in West Africa.<sup>1</sup> During the 1990s and early 2000s, Guinea was considered a locus of relative stability as civil conflicts raged in neighboring Liberia, Sierra Leone, Guinea-Bissau, Côte d'Ivoire, and Mali. However, over the past decade, Guinea has been viewed as a potential source of instability, given its fractious and sometimes restive military, periodic political unrest, ethnic tensions, and the rise of transnational drug trafficking and maritime piracy.

The ongoing Ebola outbreak in West Africa has highlighted stark gaps in Guinea's national healthcare infrastructure. It has also cast a spotlight on long-running tensions between state and society in the remote southeast, where the epidemic is thought to have originated in December 2013. Communities in the southeastern "Forest" region, who often have close cross-border ties to Liberia and Sierra Leone, appear to be the worst affected by the outbreak within Guinea. Still, many other regions in Guinea have had confirmed Ebola cases, including the densely inhabited capital, Conakry.

The outbreak is impacting Guinea's economy, social relations, and politics. Previously, Guinea had seen a relative increase in stability since elections in 2010 brought an end to two years of turbulent military rule. Many observers hoped that the election of longtime opposition leader Alpha Condé as president would mark a break from Guinea's history of authoritarian rule. President Condé has pushed through economic reforms, and has largely confined the military to the barracks. Critics, however, accuse him of ruling unilaterally, and his time in office has been characterized by severe political tensions. Legislative elections held in 2013 allowed an appointed, quasi-legislative body to be replaced by an elected parliament. The election process was contentious, however, and the ability of opposition groups to participate in legislative deliberations has not eased political polarization. Some opposition activists claim that Condé's 2010 electoral victory itself was illegitimate, although international observer groups portrayed the conduct of the election as acceptable, if flawed (see "Background" and "Politics").

Ethnicity has become an increasingly salient factor in Guinean national politics in recent years, and many Guineans appear to interpret President Condé's record through an ethnically colored lens. Condé's base is concentrated in areas populated by members of his Malinké community (an estimated 30% of the population), while the largest opposition party, the Union of Democratic Forces of Guinea (UFDG), is led by ethnic Peuls (or Fulbe, about 40%) and draws support primarily from Peul areas. Significant violence marked the pre- and post-electoral periods in 2010, much of it along ethnic lines, revealing latent tensions and damaging the social fabric in ethnically mixed areas. These events left scars that continue to affect political dynamics. At the local level, in the southeastern "Forest" region, frictions between Malinkés and diverse groups viewed as the area's indigenous inhabitants (known collectively as *Forestiers*) also spark periodic tensions and violence.<sup>2</sup> Ethnic differences sometimes map onto religious identity, particularly in the Forest region, but religion alone is not a major factor in national politics.<sup>3</sup>

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<sup>1</sup> Guinea ranked 179 out of 187 countries assessed on the U.N. Human Development Index in 2014.

<sup>2</sup> For example, a spate of inter-ethnic violence in July 2013 killed 217 people in southeastern Guinea, according to an investigation by local human rights group. See *GuineeActu.info*, "Nzérékoré: un an après les violences (continued...)"

U.S. aid to Guinea focuses on health system strengthening and military professionalization—in addition to aid related to the Ebola outbreak. The United States played a key role in Guinea’s 2010 political transition by isolating the military junta that came to power in 2008 and providing diplomatic and financial support to elections. U.S. bilateral aid since then has decreased. Congress shapes U.S. engagement through its authorization and appropriation of foreign aid and its oversight of policies and programs. Issues of potential interest to Congress may include:

- the authorization, appropriation, and oversight of U.S. foreign aid and Ebola response programs;
- Guinea’s democratic trajectory and prospects for institutional reforms;
- the role of Guinea’s military and prospects for security sector reform;
- trends related to counter-narcotics and transnational organized crime;
- Guinea’s natural resource wealth and related U.S. commercial interests; and
- Guinea’s role in regional stability.

## Background

The past six years have seen dramatic political changes for a country that had previously had only two presidents in the first 50 years after independence from France in 1958. In 2008, President Lansana Conté, who had come to power in a military coup in 1984, died after a long illness. A military junta of mid-ranking officers seized power upon his death, initiating a period of chaotic state decision-making. Popular opposition to the junta grew, and the security forces violently cracked down on peaceful protests in September 2009, sparking international condemnation. Junta leader Captain Moussa Dadis Camara was then shot and wounded by a member of his personal guard. His departure paved the way for a military-led transitional government that was formed in early 2010 with international mediation. A new constitution was drafted and adopted in May 2010 by a National Transitional Council (CNT).

In June 2010, Guineans voted in their country’s first presidential elections organized by an independent electoral commission and without an incumbent candidate. Former Prime Minister Cellou Dalein Diallo came in first but did not get enough votes to avert a run-off against Alpha Condé, which took place in November. The two candidates had widely divergent political backgrounds: Condé was a longtime opposition leader who had lived in exile during most of Guinea’s post-independence history, while Diallo was widely seen as a political insider. The vote was nevertheless perceived by many as a contest between Guinea’s two largest ethnic groups: Peuls, who were seen as constituting Diallo’s base, and Malinkés, seen as Condé’s.

Condé ultimately benefitted from cross-ethnic support, apparently in part because other groups feared political consolidation by the already economically influential Peul community. (There has never been a Peul president in Guinea, but Peuls are prominent in domestic and regional commerce.) International election observers ultimately concluded that the overall conduct of the

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(...continued)

intercommunautaires, la justice traîne toujours les pas,” July 16, 2013.

<sup>3</sup> Guinea’s population is about 85% Muslim and 15% Christian or followers of indigenous beliefs. Malinké and Peul communities are both Muslim. There are sizable Christian communities in the Forest; in Conakry; and on the coast.

elections was acceptable, while noting concerns regarding logistical shortcomings, delays between the first and second rounds of voting, political polarization, and election-related violence.<sup>4</sup> Diallo initially contested but ultimately accepted the results, although, as noted above, some opposition activists continue to claim that Condé's victory was illegitimate.

**Figure I. Map and Basic Data**



<sup>4</sup> See, e.g., The Carter Center, *Observing the 2010 Presidential Elections in Guinea: Final Report*, which concluded that “the presidential election process was basically consistent with Guinea’s international and regional obligations for genuine democratic elections. Nevertheless, there remains much more work to be done to ensure the continued development of democratic institutions and professional, neutral, and respected election administration in Guinea.”

## Politics

Guinea's political system concentrates substantial power in the presidency. President Condé has arguably deepened this tendency through the elevation of presidential advisors and a pattern of unilateral decision-making. Although Condé appears to have consolidated political control, he has not been able to fulfill campaign promises to raise living standards, and analysts periodically express concerns about political stability. Two prominent issues in Guinean politics are (1) extreme polarization between the president's supporters and the opposition, which is likely to escalate ahead of presidential elections slated for 2015; and (2) civil-military tensions, given a history of military involvement in politics (see "The Role of the Military," below).

### President Alpha Condé

Alpha Condé, 74, spent nearly 40 years in exile, largely in France, where he was a law professor. He founded Guinea's first registered opposition party, the Rally of the Guinean People (RPG), in the early 1990s, and unsuccessfully ran against then-President Lansana Conté in 1993 (Guinea's first multi-party vote) and 1998. Both elections were marred by irregularities and reported fraud. Following the 1998 election, Condé was imprisoned for trying to leave the country "illegally" and attempting to overthrow the government. He was released in 2001 on a presidential pardon. Condé and the RPG boycotted the 2002 legislative election and the 2003 presidential election. Condé is a member of the Malinké ethnic group, which is concentrated in Guinea's northeast; he also drew cross-ethnic support during the presidential campaign, notably from the Soussou (coastal) and Forestier ethnic communities.

Legislative elections were held in September 2013, following a political agreement between the government and opposition on electoral procedures that was brokered by the U.N. regional political mission. The elections were initially supposed to take place in 2011 but were repeatedly delayed. In the meantime, the transitional council appointed under the 2008-2010 military junta served as a legislature, and the role of the opposition in government was extremely limited, despite the fact that Condé's electoral rival had won over 47% of the run-off vote in 2010. The legislative elections were widely viewed as a key step in Guinea's political transition, and the European Union had conditioned the resumption of full development aid on holding them.<sup>5</sup>

The opposition held multiple protests against perceived problems with the process in the run-up to the vote. Some protests turned violent, resulting in the deaths of both demonstrators and members of the security forces.<sup>6</sup> The vote itself was peaceful, and the State Department's annual human rights report lauded it as "the first competitive and inclusive legislative elections in the country's history."<sup>7</sup> However, European Union (EU) election observers voiced a number of criticisms, both technical and relating to the political climate. For example, EU observers stated that "the transmission of results suffered from a lack of transparency."<sup>8</sup> They also reported that a number of problems had "a negative impact on the quality of operations and lessened public confidence in electoral administration," including: "the absence of detailed data on the revision of the electoral registry, the release of provisional voter lists that had not been purged or corrected, the unilateral and tardy announcement of a new map of polling stations that did not conform to

<sup>5</sup> For background on the standoff over the legislative elections, see International Crisis Group (ICG), *Guinea: A way out of the election quagmire*, February 2013.

<sup>6</sup> Al Jazeera, "Deaths of Protesters Herald Guinea's Election," May 31, 2013; Agence France-Presse, "Policeman Killed, 51 Hurt in Pre-Election Clashes in Guinea," September 23, 2013; among others.

<sup>7</sup> State Department, *Country Reports on Human Rights Practices for 2013*, February 27, 2014.

<sup>8</sup> Mission d'observation électorale de l'Union européenne, *Guinée: Rapport Final, Elections législatives 28 septembre 2013*; CRS translation.

legal requirements, concerns regarding the contractor in charge of the electoral registry, the inversion of key steps in the process, and the removal of proxy voting a week before the polls.” EU observers also criticized aspects of Guinea’s legal framework for elections.

Condé’s Rally of the Guinean People party (RPG after its French acronym) won a plurality of seats in the legislature (53 out of 114), which, along with allies in its larger “Arc en Ciel” (Rainbow) coalition, enabled it to form a slim majority block of 59 seats. Condé’s leading opponent remains Cellou Dalein Diallo, who leads the Union of Democratic Forces of Guinea (UFDG) party and the opposition block in parliament. The UFDG has 37 seats in parliament, the second-largest number after the RPG, and a UFDG-allied opposition party, the Union of Republican Forces (UFR), has 10. No other party won more than two seats.

Political tensions initially seemed to ease after the legislative election. However, legislative decision-making has been characterized by gridlock, and a new political standoff has arisen over plans to conduct local-level elections. The elections were due in the first half of 2014, but have yet to take place due to disagreements between the government and opposition over electoral procedures, the appointment of elections officials, and the selection of contractors to carry out certain election-related tasks such as finalizing the voter rolls. These issues, along with Ebola, may lead to further delays and stand-offs ahead of the 2015 presidential elections, in which President Condé is widely expected to run again.<sup>9</sup>

## The Economy

Guinea boasts bountiful natural resources, including the world’s largest known reserves of bauxite (aluminum ore);<sup>10</sup> sizable deposits of high-grade iron ore, diamonds, gold, and uranium; and potential (as yet unverified) offshore oil and gas reserves. It also has significant hydro-electric and commercial agricultural potential. The economy relies heavily on mineral exports, notably joint-venture bauxite mining and alumina operations.<sup>11</sup> Natural resource extraction is estimated to account for over 30% of gross domestic product (GDP).<sup>12</sup>

While Guinea’s economic potential is considerable, over three-quarters of the workforce is reportedly employed in (largely subsistence) agriculture<sup>13</sup> and living conditions are poor. Economic hardship has periodically contributed to popular unrest. Limited infrastructure, corruption, a history of poor macroeconomic management, periodic labor unrest, and political instability have inhibited inclusive economic growth.

President Condé has introduced reforms that have improved Guinea’s macroeconomic stability by tackling key aspects of poor economic governance under past regimes—such as unsustainable fiscal expenditures and the printing of extra currency to meet budget shortfalls, which caused high inflation. Reforms initiated under Condé secured \$2.1 billion in debt relief in 2012, under the World Bank- and International Monetary Fund (IMF)-managed Highly Indebted Poor

<sup>9</sup> See ICG, *Guinea’s Other Emergency: Organizing Elections*, December 15, 2014.

<sup>10</sup> U.S. Geological Survey, “Bauxite and Alumina,” 2013.

<sup>11</sup> The Compagnie des Bauxites de Guinea (CBG), for example, is a joint venture in which 49% of the shares are owned by the Guinean Government and 51% by an international consortium led by Alcoa and Rio Tinto-Alcan.

<sup>12</sup> World Bank, “total natural resource rents” (% of GDP), 2012 latest available; at [data.worldbank.org](http://data.worldbank.org).

<sup>13</sup> CIA World Factbook, figure dated 2006.



Countries initiative.<sup>14</sup> They also enabled the restoration of international financial institution assistance, which had been suspended due to payment arrears and policy concerns.

However, economic growth at about 2-4% annually in recent years has not been sufficient to substantially reduce poverty or improve living standards. Indeed, some government fiscal austerity measures may have worsened living standards for some households, for example by reducing subsidies. GDP has also been buffeted by regional instability and swings in global mineral prices. Moreover, the Ebola outbreak is expected to reduce growth substantially.<sup>15</sup>

## Selected Issues

### Governance and Human Rights

The State Department's latest human rights report identified the following as major human rights concerns: security force killings and use of excessive force against demonstrators; arbitrary arrest and detention, including long periods of pretrial detention and denial of fair trials; and life-threatening prison and detention center conditions.<sup>16</sup> Guinea has arguably never experienced the effective rule of law, and it is among the world's most corrupt countries, ranking 150 out of 177 countries and territories assessed on Transparency International's 2013 *Corruption Perceptions Index*. According to the State Department's human rights report, "the judicial system lacked independence and was underfunded, inefficient, and overtly corrupt."<sup>17</sup> The 2010 constitution contains a number of provisions aimed at improving the functioning of political institutions and protecting human rights, but implementation has been slow and incomplete.<sup>18</sup>

Political tensions sometimes underlie human rights and governance problems. For example, a 2011 report by international and Guinean human rights advocacy groups found that security forces "still regularly use torture and cruel treatments ... toward suspects under common law, prisoners, people considered to be political opposition sympathizers, and soldiers accused of plotting against the government."<sup>19</sup>

The military and other state security forces were implicated in allegedly systematic and widespread abuses against civilians during large political demonstrations in 2007 and 2009. A Human Rights Watch investigation of security forces' actions during post-election unrest in November 2010 found that the security forces "demonstrated a lack of neutrality in responding to the political and ethnic violence, and for targeting members of the Peuhl ethnic group," possibly

<sup>14</sup> IMF, "IMF and World Bank Announce \$2.1 Billion Debt Relief for Guinea," September 26, 2012. According to IMF data, Guinea's debt burden decreased from over 99% of GDP in 2010 to an estimated 38% in 2014. (World Economic Outlook database, April 2014.)

<sup>15</sup> *Business Day*, "Plans for Boom Time Laid to Waste as West Africa Battles Ebola," November 19, 2014.

<sup>16</sup> *Country Reports on Human Rights Practices for 2013*, op. cit.

<sup>17</sup> The report adds that "Budget shortfalls, a shortage of qualified lawyers and magistrates, an outdated and restrictive penal code, nepotism, and ethnic bias limited the judiciary's effectiveness... Domestic court orders were often not enforced." *Country Reports on Human Rights Practices for 2013*, op. cit.

<sup>18</sup> See Open Society Foundations, *Guinée: Le secteur de la justice et l'Etat de droit*, September 2013.

<sup>19</sup> L'Action des chrétiens pour l'abolition de la torture (ACAT-France) et al, *La Force Fait Loi : Etude du phénomène tortionnaire en Guinée*, November 2011.

in part because the latter were seen as opposition supporters.<sup>20</sup> Security forces' actions during more recent protests have also resulted in civilian deaths and injuries.

Some Guinean activists contend that a truth and reconciliation process is needed to address allegations of state-backed human rights abuses stretching back to Guinea's first post-independence regime.<sup>21</sup> With regard to the security forces' brutal crackdown on civilian protesters in 2009, also known as the "stadium massacre," the Guinean government, a special U.N. Commission of Inquiry, and the International Criminal Court (ICC) have each conducted investigations.<sup>22</sup> The ICC has stayed engaged in Guinea, but has refrained from initiating prosecutions into the 2009 events while the Guinean justice system is pursuing cases. A Guinean Panel of Judges has interviewed victims, sought to locate mass graves, and summoned senior officials and military officers, and in 2013 brought charges against several key commanders.<sup>23</sup> However, these investigations have yet to culminate in actual trials, and some of the commanders charged in connection with the abuses have retained their posts.

## The Role of the Military

Observers point to Guinea's bloated and undisciplined military as a key underlying cause of instability. Challenges include an overweening size (Guinea's armed forces, estimated at over 45,000 personnel in 2010, are among the region's largest); a history of coup attempts, mutinies, and serious human rights abuses; and the incomplete integration of past waves of irregular recruits.<sup>24</sup> The military coup in 2008 appeared to contribute to the deterioration of discipline and to intra-military divisions along ethnic, generational, and factional lines. While many credit former transitional president General Sekouba Konaté (in 2010) and, subsequently, President Condé with improving military discipline, the potential for abuses arguably remains high.

President Condé has leveraged a combination of appointments, promotions, and forced retirements to exercise control over the armed forces. After the president's house came under armed attack in July 2011, several prominent military officers were arrested or dismissed.<sup>25</sup> The assailants' ultimate aims and whether or not they were plotting a coup are disputed. There have not been other episodes to suggest high-level civil-military tensions since then.

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<sup>20</sup> Human Rights Watch (HRW), "Guinea: Witnesses Describe Security Force Excesses," November 29, 2010.

<sup>21</sup> For analysis of how Guinea's troubled history and ethnic tensions affect debates over transitional justice, see Arieff and Mike McGovern, "'History is stubborn': Talk about Truth, Justice, and National Reconciliation in the Republic of Guinea," *Comparative Studies in Society and History*, 55(1), January 2013.

<sup>22</sup> See HRW, *Bloody Monday: The September 28 Massacre and Rapes by Security Forces*, December 17, 2009.

<sup>23</sup> HRW, *Waiting for Justice: Accountability before Guinea's Courts for the September 28, 2009, Stadium Massacre, Rapes, and Other Abuses*, December 2012; ICC, "Statement of the Prosecutor of the International Criminal Court, Fatou Bensouda, on the occasion of the fifth anniversary of the 28 September 2009 events in Conakry, Guinea," September 26, 2014; and ICC, *Report on Preliminary Examination Activities 2014*, December 2, 2014.

<sup>24</sup> Joint Mission of ECOWAS, the AU, and the United Nations for Security Sector Reform in the Republic of Guinea, *Rapport d'Évaluation du Secteur de la Sécurité en République de Guinée*, May 2010; and ICG, *Guinea: Reforming the Army*, September 23, 2010.

<sup>25</sup> The president subsequently accused a prominent (now exiled) opposition UFDG leader, Amadou Oury Bah, along with a former government minister and a businessman, of plotting the attack from neighboring Senegal. Bah and Tibou Camara, the former minister, denied any involvement. CRS interview with Amadou Oury Bah, Washington DC, September 2011; Aminata.com, "Tibou Kamara—'Alpha Condé est devenu un danger pour la Guinée et pour la région,'" September 19, 2011. Senegal also denied involvement or prior knowledge of the purported plot.

Condé has pledged to prioritize security sector reform (SSR), for which the United States has provided support (see “U.S. Assistance” below). Some progress has been made, but overall results have been mixed. In November 2011, Condé announced the retirement of over 4,000 soldiers and paramilitary officers, with U.N. assistance to help finance the cost of severance. However, broader attempts to develop a coherent national security strategy and to tailor the mandates and size of the state security forces accordingly have made only slow progress, and civilian oversight of the military’s budget and management remains limited. In part, this reflects the armed forces’ role as a vehicle for patronage. At the same time, military salaries and benefits act as a crucial safety net for a deeply impoverished population.

## Drug Trafficking

Guinea, among other countries in the region, is a key transshipment hub for cocaine en route from South America to Europe.<sup>26</sup> The junta that seized power in 2008 initiated populist moves to crack down on drug trafficking, but these were politically selective, neglected due process, and empowered abusive security agencies, seemingly undercutting institutional accountability and reform efforts. According to the State Department’s 2014 *International Narcotics Control Strategy Report*, “Guinea’s troubled counternarcotics programs have witnessed little improvement since President Alpha Condé’s election in 2010.” Some analysts posit that narcotics flows have increased in recent years, with a recent Reuters investigation reporting that traffickers may have relocated to Guinea from Guinea-Bissau following the U.S. Drug Enforcement Agency arrest of a top Guinea-Bissau military commander in 2013. The report also found that traffickers are operating in Guinea “with the protection of senior civilian, military and police officials.”<sup>27</sup> The head of the country’s top counter-narcotics agency remains an individual implicated in the September 2009 security force massacre of protesters in Conakry, complicating international cooperation efforts.

## The Mining Sector

Guinea’s economy and state budget are highly dependent on the mining sector, but erratic government decision-making and regulatory uncertainty created serious concerns for private firms and investors during the late Conté era (2005-2008) and under the military junta that followed (2008-2010). President Condé has identified mining sector reform as a priority, and in September 2011 his administration promulgated a new mining code. The U.S.-based organization Revenue Watch and international financier George Soros, among others, assisted with the drafting process. The code, which Condé described as a “win-win” for investors and Guinea, increased the required ownership stake for the Guinean government in all mining projects; required preference to Guinean sub-contractors and employees; introduced new procedures for obtaining mining permits; and raised taxes on mineral exports; among its extensive provisions.<sup>28</sup>

Industry reactions to the new law have varied between strident criticism and a wait-and-see attitude. An audit of existing mining contracts is ongoing. In February 2013, the government

<sup>26</sup> See United Nations Office on Drugs and Crime (UNODC), *Transnational Organized Crime in West Africa: A Threat Assessment*, February 2013; State Department, *2014 International Narcotics Control Strategy Report*, March 2014.

<sup>27</sup> Reuters, “Insight: Surge in cocaine trade undermines Conde’s bid to revive Guinea,” January 31, 2014.

<sup>28</sup> *Code Minier de la République de Guinée*, September 9, 2011, obtained via Revenue Watch ; Guineenews, “L’intégralité du discours du chef de l’Etat à la Nation,” July 27, 2011.

published all mining contracts on a public website, an unprecedented move. The decision enabled Guinea to be determined “compliant” with the Extractive Industries Transparency Initiative (EITI), an international effort to foster open and accountable management of revenues from natural resources.<sup>29</sup> The government then released revisions to the mining code in April 2013 in response to industry input. The implementation of the new code may succeed in mollifying investors if it is conducted quickly, fairly, and transparently, while offering greater regulatory stability and security of contract in return for possible financial losses from settlement fees or increased government ownership. Such an outcome, however, is not guaranteed.

The government has revoked some mining contracts following the adoption of the new mining code and investigations into alleged mining sector corruption. Notably, the government in 2013 revoked a large iron ore concession acquired in 2008 by Benny Steinmetz Group Resources (BSGR), a firm headed by Israeli businessman Benny Steinmetz. BSGR had subsequently entered into a lucrative joint venture with the Brazil-based mining company Vale. (The concession was granted to BSGR after being stripped from the British-Australian company Rio Tinto. In 2011, Rio Tinto agreed to accept the 2008 loss of half of the concession to BSGR—which it had previously challenged—and reacquired the rights to develop the remaining blocs in exchange for a \$700 million one-time payment to the Guinean government.<sup>30</sup>)

In addition to the Guinean government’s actions, BSGR’s original acquisition of its concession is also subject to a U.S. Department of Justice Foreign Corrupt Practices Act investigation. An alleged BSGR surrogate was arrested by the United States in 2013 and, more recently, U.S.-based assets were seized that allegedly belonged to the widow of former Guinean president Conté, who has reportedly cooperated with DOJ.<sup>31</sup> BSGR has vigorously contested the loss of its concession, accusing the Condé administration of corrupt motivations, and has appealed for international mediation. The firm has also sought to undermine President Condé’s legitimacy, including by circulating allegations that the election that brought him to office was rigged.<sup>32</sup>

## U.S. Relations

According to the State Department, “U.S. policy seeks to encourage Guinea's democratic reforms, its positive contribution to regional stability, and sustainable economic and social development.”<sup>33</sup> The Obama Administration hailed the 2013 legislative elections as “a positive advance in Guinea’s democratic development,” and called for “fortifying the National Assembly, constructing a transparent judiciary, and preparing for 2015 Presidential elections.”<sup>34</sup> The

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<sup>29</sup> See <https://eiti.org/Guinea>.

<sup>30</sup> David Winning, “Rio and Guinea Settle Mine Fight,” *The Wall Street Journal*, April 25, 2011.

<sup>31</sup> United States v. Frederic Cilins, filed on April 15, 2013; see <http://www.justice.gov/criminal/fraud/fcpa/cases/cilinsf.html> and *100 Reporters*, “Feds Seize \$1 Million in Real Estate from Informer in Steinmetz Probe,” November 27, 2014. For background, see Patrick Radden Keefe, “Buried Secrets: How an Israeli billionaire wrested control of one of Africa’s biggest prizes,” *The New Yorker*, July 8, 2013. Steinmetz and other critics of President Condé have contested the latter article’s portrayal of both the case and of Condé’s motives in pursuing it.

<sup>32</sup> Bloomberg, “Steinmetz Claims Dozens Aware of Guinea Vote Rigging,” September 5, 2014.

<sup>33</sup> State Department, “U.S. Relations with Guinea,” Fact Sheet, January 23, 2014.

<sup>34</sup> *Ibid.*

Administration has also continued to call for those responsible for the 2009 massacre of protesters during the military junta to be brought to justice.<sup>35</sup>

The Obama Administration congratulated Guinea in 2010 “on the successful completion of its first democratic presidential election” and congratulated President Condé on his victory, expressing hopes that “it is only the first step on the road to democratic transition and civilian rule.”<sup>36</sup> As a result of that election, U.S. aid restrictions related to the 2008 military coup were lifted,<sup>37</sup> and Guinea’s eligibility for trade preferences under the African Growth and Opportunity Act (AGOA) was restored. President Condé, along with three other West African presidents who had been democratically elected, met with President Obama at the White House in late July 2011.

The Ebola crisis has led to new U.S. engagement, along with a change in immigration regulations for Guinean nationals residing in the United States. In November 2014, citing the Ebola crisis, the Secretary of Homeland Security designated Guinea for “Temporary Protected Status” for a period of 18 months, under section 244(b)(1)(c) of the Immigration and Nationality Act. The designation allows eligible resident Guinean nationals to remain in the United States.<sup>38</sup>

U.S. policy toward Guinea may be influenced by commercial and strategic interests related to Guinea’s mineral resources. Guinea provides about 22% of U.S. bauxite imports, making it the second-largest source of such imports (after Jamaica).<sup>39</sup> Several U.S.-based resource firms operate in Guinea and face competition from other foreign investors.<sup>40</sup> Guinea’s extractive industries have also drawn attention from the U.S. Department of Justice for potential violations of the Foreign Corrupt Practices Act (FCPA) of 1977. As noted above (“The Mining Sector”), DOJ is pursuing at least one such case related to the acquisition of a Guinean iron ore concession by Benny Steinmetz Group Resources (BSGR). A U.S.-based firm, Hyperdynamics, is reportedly also under DOJ scrutiny for potential FCPA violations in connection with its acquisition of an offshore oil concession in Guinea.<sup>41</sup>

Amid rising U.S. concerns over Guinea’s role in the transnational drug trade, in June 2010, President Obama designated Ousmane Conté, a son of the late president Lansana Conté, as a “drug kingpin,” freezing any U.S. assets held by Conté and prohibiting any transactions with him by persons subject to U.S. jurisdiction.<sup>42</sup>

<sup>35</sup> U.S. State Department, Office of the Spokesperson, “Fifth Anniversary of Massacre at Pro-Democracy Rally in Guinea,” September 28, 2014.

<sup>36</sup> State Department, “U.S. Statement on Alpha Condé’s Presidential Victory in Guinea,” December 3, 2010.

<sup>37</sup> At the time, the State Department determined that the 2008 military coup did not trigger a legal provision contained in that year’s foreign aid appropriations act that bars certain types of aid to the government of any country in which a “duly elected head of government” has been overthrown by a military coup or decree—arguing that the previous administration had not been “duly elected.” However, the executive branch imposed as a matter of policy aid restrictions that corresponded to those that would have been triggered by the provision. A similar provision has appeared in appropriations measures since at least 1985.

<sup>38</sup> Federal Register, “Designation of Guinea for Temporary Protected Status,” November 21, 2014.

<sup>39</sup> U.S. Geological Survey, “Bauxite and Alumina,” 2013.

<sup>40</sup> The large U.S.-based multinational aluminum firm Alcoa, notably, is a major shareholder in the Compagnie des Bauxites de Guinée, a bauxite mining and export partnership with the Guinean state. A much smaller U.S. energy firm, Hyperdynamics, holds a license for a large offshore oil exploration concession.

<sup>41</sup> *African Energy*, “Tullow Declares Force Majeure Ahead of Planned Well in Guinea,” March 13, 2014.

<sup>42</sup> Conté, who had been imprisoned in Guinea on drug-related accusations since February 2009, was released by Guinean authorities in mid-July 2010. Further details on the scope of the “kingpin” designation, made under the (continued...)

## U.S. Assistance

U.S. bilateral aid allocations for Guinea have trended downward since the 2010 elections. Bilateral aid appropriated in FY2014 totaled an estimated \$18.3 million, compared to \$25 million in FY2011; over 97% of FY2014 funding was designed to “support Guinea’s national health strategy with a particular focus on health system strengthening.”<sup>43</sup> The remainder (\$480,000) was allocated for military aid, largely aimed at professionalization. The Obama Administration has requested \$17.7 million for Guinea in FY2015 (see **Table 1**). Unlike in past years, no Development Assistance (DA) was allocated in FY2014 and none was requested for FY2015.

**Table 1. U.S. Bilateral Aid, Selected Accounts**  
appropriations, \$ thousands, not adjusted for inflation

	FY2010	FY2011	FY2012	FY2013	FY2014 (est.)	FY2015 (req.)
DA	14,518	7,000	5,700	2,003	0	0
Global Health <sup>a</sup>	7,500	17,469	17,500	17,880	17,850	17,500
IMET	0	48	57	279	280	240
PKO <sup>b</sup>	1,600	0	0	0	0	0
FMF	0	0	400	190	200	0
INCLE	0	500	0	0	0	0
<b>TOTAL</b>	<b>23,618</b>	<b>25,017</b>	<b>23,657</b>	<b>21,600</b>	<b>18,330</b>	<b>17,740</b>

**Source:** State Department Congressional Budget Justification for Foreign Operations (FY2012-FY2015)

**Notes:** DA=Development Assistance; IMET=International Military Education and Training; PKO=Peacekeeping Operations; FMF=Foreign Military Financing; INCLE=International Narcotics Control and Law Enforcement.

Table does not reflect aid provided through regionally or globally managed programs, funding for Ebola response, or funding administered by entities other than the State Department and U.S. Agency for International Development (USAID).

- a. Refers to the Global Health and Child Survival (GHCS) account (FY2010-FY2011) and Global Health Programs (GHP) account (FY2012-FY2015).
- b. Additional PKO has been provided through regionally managed programs in FY2011-FY2014, including for security sector reform (about \$5.6 million) and for Guinea’s U.N. peacekeeping deployment to Mali.

In addition to bilateral aid, the State Department has allocated about \$5.6 million in support of security sector reform in Guinea since 2010.<sup>44</sup> Funding has been provided through Peacekeeping Operations (PKO) funds, largely under the regional Africa Conflict Stabilization and Border Security Initiative. Guinean troops have also received U.S. support for their deployment as peacekeepers in Mali, starting in 2013. International financial institutions, which receive significant U.S. support, separately provide significant financing and technical aid to Guinea.

(...continued)

Foreign Narcotics Kingpin Designation Act (Title VIII, P.L. 106-120), are discussed in U.S. Treasury, *Narcotics: What You Need to Know about U.S. Sanctions Against Drug Traffickers*, July 15, 2010.

<sup>43</sup> State Department, FY2015 *Congressional Budget Justification for Foreign Operations*.

<sup>44</sup> State Department Congressional Notification, September 2014.

## Congressional Actions

The FY2015 Consolidated and Further Continuing Appropriations Act (P.L. 113-235, Division J, Section 7042 [e]) restricts Guinea's ability to receive International Military Education and Training (IMET) assistance for purposes other than "training related to international peacekeeping operations and expanded IMET," with a further exception for maritime security assistance. Expanded IMET, or E-IMET, focuses on encouraging respect for human rights and civilian control of the military. Similar restrictions have been contained in previous annual appropriations measures. The FY2012 National Defense Authorization Act (P.L. 112-81) authorized Guinea, among several West African countries, to receive Defense Department-administered counter-narcotics assistance.

During the 111<sup>th</sup> Congress, several Members of Congress introduced resolutions condemning security force abuses against civilian protesters in Conakry in September 2009, including H.Res. 1013 (Ros-Lehtinen) and S.Res. 345 (Boxer), which passed their respective chambers. In 2007, the House Foreign Affairs Committee held a hearing on the political situation in Guinea during mass anti-government demonstrations.<sup>45</sup>

## Outlook

The United States played a key role in Guinea's 2010 transition to an elected, civilian government. That transition led to a significant improvement in Guinea's security situation compared to 2009—when the country was paralyzed by a political crisis and threatened by military fragmentation. Still, the election and its aftermath created new political tensions that have contributed to ethnic divisions. Such tensions are likely to increase further ahead of presidential elections scheduled for 2015. Guinea may continue to interest U.S. policy makers for its role in regional security, its economic potential, and its recent democratic transition—but generally, U.S. policy attention has faded substantially between 2010 and the present. The Ebola outbreak has prompted new concerns, accompanied by substantial resource commitments for affected countries, but U.S. aid efforts to halt the epidemic and mitigate its effects have focused primarily on Liberia to date. The outbreak is impacting Guinean politics and society, with potentially dire implications for the country's prosperity and future stability.

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<sup>45</sup> House Committee on Foreign Affairs, Subcommittee on Africa and Global Health, *Prospects for Peace in Guinea*, 110<sup>th</sup> Cong., 1<sup>st</sup> sess., March 22, 2007 (Washington: GPO).