

Updated April 17, 2020

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 achieved independence from Britain in 1966). Guyana participates in Caribbean regional organizations and forums, and its capital of Georgetown serves as headquarters for the Caribbean Community (CARICOM), a regional integration organization.

Guyana currently is facing two enormous 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.

- U.S. officials and some Members of Congress have expressed deep concern about credible allegations of electoral fraud. On April 15, 2020, an Organization of American States (OAS) election observation mission maintained that the political crisis is not intractable and urged the Guyana Elections Commission (GECOM) to ensure that procedures for a planned recount are transparent and consistent.
- With regard to COVID-19, as of April 16, 2020, Guyana reported 6 deaths and 48 confirmed cases, although testing to date has been limited. The broad economic impact of COVID-19 on Guyana likely will not be as severe as in other Caribbean countries because of Guyana's recently begun offshore oil production.

Guyana at a Glance

Population: 782,000 (2018, 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: \$4.1 billion (2019, current prices, IMF est.)

Real GDP Growth: 4.7% (2019 est.); 53% (2020 est.) (constant prices, IMF)

Per Capita GDP: \$5,252 (2019, current prices, IMF est.)

Life Expectancy: 69.8 years (2018, WB)

Sources: International Monetary Fund (IMF), World Economic Outlook Database, Oct. 2019 and April 2020; Central Intelligence Agency (CIA), World Factbook; World Bank (WB), World Development Indicators.

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.

President David Granger leads a coalition that narrowly won in 2015, with 33 of 65 seats in the unicameral National Assembly. The coalition consists of Granger's A Partnership for National Unity (APNU) and the Alliance for Change (AFC), led by Prime Minister Moses Nagamootoo. The largest party in the APNU is the People's National Congress Reform (PNCR), which dominated the political system from independence until the early 1990s; the party traditionally has had an Afro-Guyanese base of support. In contrast, the AFC identifies as a multiracial party.

Figure 1. Map of Guyana



Source: CRS.

The opposition People's Progressive Party/Civic (PPP/C), led by former President Bharrat Jagdeo (1999-2011), has 32 seats in the National Assembly. Traditionally supported by Indo-Guyanese, the PPP/C governed Guyana from 1992 until its defeat in the 2015 elections.

March 2020 Elections

Originally due by September 2020, Guyana held early national elections on March 2, 2020, because the ruling APNU/AFC coalition lost a no-confidence motion in December 2018 by a single vote. A legal challenge to the motion ensued and made its way to the Caribbean Court of Justice, which ruled in June 2019 that the vote was valid.

In the March 2, 2020, election, President Granger (running for reelection) was the presidential candidate of the APNU/AFC coalition, with AFC Member of Parliament and Minister of Security Khemraj Ramjattan the candidate

for prime minister. The PPP/C selected Irfan Ali as its presidential candidate. Ali currently serves as shadow finance minister and previously served as housing minister.

Final election results were not released because of alleged discrepancies and allegations of fraud in 1 of the country's 10 administrative regions, Region 4. On March 6, several international election observer missions—from the OAS, the Carter Center, the European Union (EU), and the Commonwealth—maintained that the tabulation of results for Region 4 was interrupted and incomplete, and called for election officials to resume the transparent tabulation of votes. Legal challenges delayed a recount, but in early April 2020, GECOM confirmed its decision to go ahead with a full national recount. GECOM's chairperson has indicated that a timeframe for the recount will be announced on April 17; a previous proposal by the country's chief electoral officer to take 156 days for the recount was met by strong criticism by the PPP/C and the OAS electoral observation mission.

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 country's 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 16 commercially viable discoveries in the Stabroek Block, about 120 miles offshore. Production began in December 2019 and is expected to reach 120,000 barrels of oil per day (b/d) within several months and more than 750,000 b/d by 2025. Recoverable oil is estimated at more than 6 billion barrels.

The discovery of offshore oil vastly changes the economic development prospects of Guyana, which used to be one of the hemisphere's poorest countries. The International Monetary Fund (IMF) estimates that economic growth in 2019 reached 4.7%. For 2020, despite the recent decline in world oil prices and the economic consequences of the COVID-19 pandemic, the IMF is forecasting 53% economic growth and a comparable per capita income increase. Guyana's development of its oil resources has raised concerns about corruption. In early 2019, Guyana's National Assembly approved legislation providing a framework for the establishment of a Natural Resource Fund for managing the country's oil wealth. The IMF welcomed the action but called for Guyana to take additional steps, including establishing a fiscal responsibility framework to avoid fiscal deficits; promoting effective, transparent management of the oil wealth; and strengthening anti-corruption efforts.

U.S.-Guyana Relations

In the aftermath of the March 2, 2020, elections, U.S. Ambassador Sarah-Ann Lynch joined the heads of mission from Canada, the United Kingdom, and the EU to issue a joint statement on March 6 expressing "deep concern over credible allegations of electoral fraud." The ambassadors called on President Granger to avoid a transition of government, "which we believe would be unconstitutional

as it would be based on a vote tabulation process that lacked credibility and transparency."

U.S. relations with Guyana have improved since the early 1990s, when the government moved away from its socialist orientation and one-party domination of the political system and embraced a market economy and free and fair democratic elections. According to the State Department, U.S. policy toward Guyana centers on democracy promotion and civil society development, economic growth, and the promotion of security and stability. Bilateral relations are characterized by close security cooperation through the Caribbean Basin Security Initiative (CBSI) and expanding trade and investment in the energy sector.

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 expires in September 2020. Legislation has been introduced in both houses (H.R. 991 and S. 2473) to extend the CBTPA to September 2030.

U.S. Foreign Aid. U.S. foreign assistance to Guyana includes a small bilateral aid program to improve the capacity of Guyana's security forces to police its border and provide security, as well as larger spigots of assistance through global and regional programs. According to the U.S. Agency for International Development (USAID), U.S. aid to Guyana amounted to \$4.7 million in FY2018 (latest full year available), with top sectors including HIV/AIDS and basic education and health. Guyana has received assistance to combat HIV/AIDS since 2004 under the President's Emergency Plan for AIDS Relief. Although Peace Corps programs worldwide are now suspended because of COVID-19, Guyana had over 60 volunteers working on education, health, and environmental projects.

Guyana also receives U.S. assistance through the CBSI, a program begun in 2009 to help combat the drug trade and other transnational crime and improve citizen security. Support for Guyana has included the provision of patrol boats to increase the defense force's maritime operations capability; a community-based program to reduce crime and violence and increase opportunities for youth; support for effective criminal investigations; and job and educational support for at-risk youth.

According to USAID, the United States also provided almost \$3.6 million in humanitarian assistance from FY2017 to FY2019 through international organizations for some 22,000 Venezuelan refugees and migrants in Guyana.

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