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Current Intelligence Country Handbook

GUYANA



This revision supersedes the handbook (British Guiana) dated July 1965,
copies of which should be destroyed.

DIRECTORATE OF INTELLIGENCE

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GUYANA

I. Political

Guyana received its independence from Great Britain on 26 May 1966 under a coalition government consisting of Prime Minister Forbes Burnham's People's National Congress (PNC) and Finance Minister Peter D'Aguir's United Force (UF). Burnham is a nominal socialist and D'Aguir is a conservative but the two men have been able to give the country a reasonably stable government, despite numerous personal and policy differences which have often endangered their partnership. Their coalition is held together mainly by the fear that pro-Communist opposition leader Cheddi Jagan would come to power should the present government break apart.

Politics have long developed along racial lines with outbursts of serious violence resulting from the deep and bitter split between the East Indians who comprise approximately half of the population and the Negroes or mixed Negroes who comprise about 44%. The Negroes support the PNC, and the East Indians are almost fanatically loyal to Jagan and his People's Progressive Party (PPP). The UF, although it cuts across racial lines to appeal to conservative businessmen as well as to most voting Amerindians, has not been strong enough to become a real alternative to the racially based parties. Elections are to be held in late 1968 or early 1969, and there is a good possibility that Jagan's East Indians, because of their higher rate of population growth, will have the votes to put Jagan back in office. In order to prevent this, Burnham is considering importing large numbers of Negroes from the overpopulated islands of the Caribbean to offset the East Indians' voting strength or joining Guyana with other Caribbean nations in a federation or a unitary state in which Negroes would be in the majority. He is also weighing the possibility of postponing the elections or even imprisoning Jagan, hoping thereby to weaken the PPP and split the East Indian vote.

Jagan apparently has abandoned any plans of employing large-scale violence against the government. He is aware of Burnham's determination to prevent his return to power and fears that Burnham will imprison him at the first sign of trouble. There is a good possibility that, if requested, British troops would come to Burnham's rescue should the Guyanese security forces appear incapable of dealing with any disturbances.

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2. Economic

Poor economic conditions offer demagogic politicians like Jagan the opportunity to appeal to the masses. Unemployment is estimated at 21 percent. Nevertheless there may be some improvement in the offing. New mineral deposits have been discovered and the government is meeting with some success in attracting private investment. This plus foreign aid, principally from the United States and Great Britain, might speed the economy's present slow progress.

Fundamental economic problems include the country's overdependence on bauxite and the relatively unfavorable world prices for Guyana's rice and sugar exports, the lack of adequate transportation and power, chronic labor relations problems, and the exodus for political reasons of a substantial number of the country's trained technicians and skilled laborers in recent years. The rice industry is a particularly difficult problem because crop quality is low and production methods are costly. Furthermore, the government must find new lucrative markets in order to maintain the artificially high price the government's rice marketing board has been paying the predominantly East Indian rice farmers. Burnham has continued to pay the high price for political reasons even though the industry no longer has the benefit of the special sales to Cuba at above the world market prices which Jagan was able to arrange.

The government obtains more than 50 percent of its current revenue from customs and excise taxes. About 34 percent comes from income and sales taxes. The tax system is generally well administered.

Total exports amount to about 54 percent of GDP, whereas total imports equal about 50 percent. The United Kingdom is Guyana's most important trading partner, followed by Canada and the United States.

Trade between Guyana and other Latin American countries is minimal. Whereas in 1964 trade with Communist countries amounted to about \$7 million, by 1965 it had dropped to only \$2.2 million. Some of the goods from Communist countries were imported by the Guyana Import Export Corporation (GIMPEX), which is a private corporation affiliated with the PPP.

3. International Relations

Although Burnham, like many a leader of newly independent states, has said his country will be neutral in world affairs, the Government of Guyana is pro-Western and anti-Communist. Because of its British heritage, it is more interested in the British Caribbean than in Latin

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American affairs. Burnham aspires to become leader of the Caribbean unity movement and together with Barbados and Antigua, Guyana has already formed the Caribbean Free Trade Area (CARIFTA). He hopes this organization will become the nucleus of a political federation embracing the entire non-Latin Caribbean. The UN Security Council has recommended that the General Assembly vote to accept Guyana for UN membership.

Guyana has inherited border disputes with Surinam and with Venezuela. The former involves little territory but concerns ownership of off-shore oil deposits which may exist at the mouth of the Courentyne River. The disputes over Venezuela's claim to more than half of Guyana's territory was becoming quite heated in February 1966 when the two parties agreed to refer the case to a joint commission for settlement within four years. Both disputes are likely to be settled peacefully.

4. Subversion

There is no Communist Party per se in the country, but Jagan's PPP is Communist-oriented and maintains close ties with the USSR, Cuba, the Communist Party of Great Britain, and other foreign Communist groups and individuals. Since losing power in the December 1964 election, the PPP has developed a moderate-extremist split which has weakened the party and kept it from developing a firm policy vis-a-vis the Burnham government. About 50 PPP members have been trained in sabotage in Cuba and although there is no organized insurgent activity at this time some elements of the PPP have been carrying out sporadic acts of sabotage and violence. At present, public order is maintained by a police force of about 1,800 (to be raised to 2,200 in five years) with a 400-man reserve. They are supported by a battalion of British troops which is scheduled to leave on 31 October 1966. By then the Guyana Defense Force (GDF), which will consist of a battalion of about 650 men with a reserve of around 700, is expected to be fully trained. Both the police and the GDF, which are now predominantly Negro, are eventually to be racially balanced and under indigenous officers. The Guyanese forces will probably be able to cope with sporadic violence. However, it is unlikely that they could control a situation of near anarchy like that which existed in the racial disturbances of 1963 and 1964.

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Chronology of Key Events

- 1950 (January) Cheddi Jagan and Forbes Burnham organize People's Progressive Party (PPP).
- 1953 (Early) A new and advanced constitution introduced, with universal adult suffrage, a bicameral legislature and a ministerial system.
(April 27) PPP wins overwhelming majority in general elections.
(October 8) UK suspends the constitution, fearing Jagan is turning the colony into a Communist state.
- 1955 (February) Burnham breaks with Jagan and forms the PPP (B).
- 1957 (August 12) The PPP (J), Jagan's faction of the party, wins the general elections.
(October) Burnham drops pretense of PPP affiliation and forms the People's National Congress (PNC).
(November) UK restores constitutional government.
- 1960 (March 7-31) London constitutional conference; principle of independence for British Guiana recognized.
- 1961 (August) New constitution confers full internal self-government with United Kingdom retaining defense and foreign affairs functions.
(August 21) PPP wins general elections; Jagan becomes premier.
- 1962 (February 14-19) General strike degenerates into bloody racial rioting when the opposition tries to use it to bring down the Jagan government.
(October) London constitutional conference considering arrangements for independence breaks down because of lack of agreement among Guianese.
- 1963 (April-July) General strike paralyzes economy; state of emergency declared; Cuba bails out Jagan financially to prevent his fall from power.
(October 22) London constitutional conference results in UK decision to hold next elections under proportional representation in December 1964 after Guianese political parties ask United Kingdom to settle outstanding political issues.
- 1964 (February-July) Violent jurisdictional strike among sugar workers staged by PPP in hopes of preventing 1964 elections.
(May) Increasing bloodshed and racial violence causes UK governor to assume emergency powers.

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- 1964 (August) PPP decides to compete in forthcoming elections although "under protest."
 (December 7) PPP gains slim plurality in elections but Burnham takes over as premier on 14 December because his party and the smaller United Force form a coalition whose combined votes make up a majority.
- 1966 (May 26) British Guiana becomes independent state of Guyana with Burnham as prime minister.

Holidays and Significant Dates

1 Jan New Years Day
 Mar-Jun Movable religious observances: Good Friday, Holy Saturday, Easter Monday, Whit Monday
 1 May May Day
 14 Jun Queen's Birthday
 1 Aug Bank Holiday
 10 Oct Clemente's Holiday
 7 Nov Peacemakers' Day
 25 Dec Christmas
 26 Dec Boxing Day

Selected Factual Data**LAND**

Total sq. miles: 83,000; 6.5% arable (of which 97% is cultivated);
 84% forested; 8% unproductive; 1.5% inland water

PEOPLE

Population: 650,000 (1966 est.); density 7.5 per sq. mile; males 15-49, 144,000; physically fit for military service 75,000 (1966 est.)
 Ethnic groups: 50% East Indian; 44% Negro and mixed Negro; 4% native Amerindian; 1% Portuguese, 1% other European, less than 1% Chinese
 Religion: Hindu, Moslem, Protestant, Roman Catholic
 Language: English
 Literacy: 86%
 Labor force: 174,625 (1966 estimate)
 Organized labor: 25% of total force
 Unemployment: 21% (1966 estimate)

GOVERNMENT

Type of government: constitutional monarchy and independent member of the Commonwealth of Nations; parliamentary form

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Branches of government: Council of Ministers presided over by prime minister; 53-member National Assembly elected; Supreme Court

Government leader: Linden Forbes Sampson Burnham

Attitude incumbent regime toward US: friendly

Capital: Georgetown

Principal political parties and leaders:

People's National Congress (PNC), Linden Forbes Sampson Burnham

People's Progressive Party (PPP), Cheddi Jagan

United Force (UF); Peter D'Aguiar

Voting strength (1964): 46% PPP, 41% PNC, 12% UF

Suffrage: universal over age 21

Significant exclusions from voting: none

Eligible voters as % of adult population in last national elections: 100%

Abstention % in last national elections: 4%

Estimated extent of fraud in last national elections and likely extent in next national elections: none in last election but possible in next

System of balloting: proportional representation theoretically favors formation of small parties but none of significance have been formed

Next national elections: late 1968 or early 1969 but may be postponed

Member of: ILO

ECONOMY

GNP: \$172.8 million (1965); \$252 per capita (1965)

Rate of inflation: 4.4% in 1965

Budget (recurrent): expenditures \$48.8 million; revenues \$47.9 million (1966). This will bring current account into balance

Agriculture: self-sufficient except for wheat, processed meat, dairy products, and processed coffee

Major industries: small agricultural processing establishments; mining of bauxite; alumina production

Critical shortages: fuel, transportation facilities, trained technical personnel

Electric power: 61,000 kw capacity (1964); 170 kw hr produced (1964), 270 kw-hr per capita (1964)

Exports: (1965) \$164.7 million

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Imports: (1965) \$179 million; petroleum products, manufactured goods, processed meat, dairy products
Exports to US: (1965) \$29.6 (18%)
Imports from US: (1965) \$42.9 (24%)
US aid: FY 1965 \$12.4 million; FY 1966 \$9.5 million includes a \$2 million AFL-CIO aid housing guarantee
Exchange rate: Guyana \$1.00 = US\$.583

COMMUNICATIONS

Railroads: 191 miles; 141 miles standard gage, 50 miles narrow
Highways: about 1,040 miles, 85 bituminous, 195 gravel, crushed stone and bauxite ore, 760 earth and sand (improved and unimproved); network sparse, disconnected; no international connections
Inland waterways: estimated 3,700 miles; Demcrara River navigable to Mackenzie by ocean steamers, others by ferryboats, small craft only
Airfields: 67 airfields; 46 usable, 3 with permanent surfaced runways, 12 with runways 4,000-7,999 ft., 2 seaplane stations (only 1 open to international traffic)
Telecommunications: adequate, modern

DEFENSE FORCES

Personnel: one battalion UK troops scheduled to be withdrawn 31 October 1966 to be replaced by the Guyana Defense Force of 650 men with a reserve eventually to consist of approximately 700; 1,800-man police force to be raised to 2,200 in five years with a 400-man reserve
Air facilities: 67 airfields; 46 usable, with only one (Atkinson Field) of any significance; 2 seaplane stations
Military share of national budget: (1966) \$6.3 million (12.8%) (British detachment expenses reflected in UK budget)

RELATIONS WITH COMMUNIST COUNTRIES

Trade with Communist countries amounted to only \$2.2 million in 1965 (\$7 million in 1964)

National Intelligence Survey (NIS) Material

The following sections of the NIS are relevant:

NIS Area 95A (Guyana)

GENERAL SURVEY in draft, to be published in fall 1966

Sec 22	Coasts and Landing Beaches	(Feb 1965)
Sec 23	Weather and Climate	(Nov 1958)
Sec 25	Urban Areas	(Jul 1965)

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Sec 30 Introduction—Transportation and
Telecommunications

Sec 32 Highway (Oct 1959)

Sec 33 Inland Waterway (Oct 1956)

Sec 35 Ports and Naval Facilities (Mar 1957)

Sec 57 Subversion (Jun 1958)

NIS Area 95 (The Guianas)

Gazetteer (Mar 1954)

Map

The best available general reference map is: Directorate of Colonial
Surveys: *British Guiana*; 1:2,250,000; 1963 (earlier edition available
as CIA Map No. 21548)

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