



PRESS RELEASE

GUYANA NEEDS NEW POLITICS OF BELONGING

Installation of the new Government is to be welcomed as a step in the direction of political normalcy. At the same time, it would be a serious miscalculation to believe that pre-election normalcy is the goal to be sought. The ethnic politics of the past half-century aggravated by winner-take-all elections have polarized the society into those who feel they belong and those who don't.

The upside of the experience of the past six months has been to put beyond dispute that representative politics in Guyana needs to be complemented by participatory democracy. This is the only way to ensure that financial power does not overcome political power.

Unfortunately, the likelihood of electoral and other reforms emerging from within the current Parliament appear remote. Historically, neither of the major parties promoted electoral reform. Moreover, the animosity generated between the parties in the past six months has probably wiped away any vestige of good-will to work together. Finally, one seat majorities cannot be ambitious.

The electorate needs to believe that a modern political system cannot be achieved by continuing to hand over power entirely to ethnic vanguards. Political decision-making needs to be disseminated to levels where political choices can be made by people directly affected by them. **Decision-making must be shared in a variety of ways and exercised at the lowest level at which it can be effective.**

Fortunately, past recognition of these realities led to the creation of Article 13 of the Constitution which speaks to "...*civic or socio-economic organizations participating in the management and decision-making processes of the State*". Its implementation, however, has never been a priority.

An opportunity to give teeth to Article 13 ought to arise shortly when the Natural Resource Fund (NRF) Bill is returned to Parliament for amendment. That Bill, focusing on the concept of a Sovereign Wealth Fund (SWF) deals with the decision-making process for the receipts generated from petroleum sales. Using wealth generated from commonly owned natural resources to fund universal benefits, a NRF can provide security and future generations. Mineral resources are a shared inheritance, converted by extraction into financial wealth. Current management of this inherited wealth globally is unsustainable. Huge losses at the time of extraction are ignored because oil wealth is considered to be ownerless 'windfall profits' rather than asset depreciation. Sale of assets is mistakenly treated by politicians as money they can spend, instead of saving for future generations. This has resulted in many resource-rich countries consuming their wealth, partying today, but impoverishment tomorrow.

Guyanese citizens find themselves crushed between the market and the State, with oil companies hustling decisions and the State attempting to keep up by monopolizing domestic decision-making. The challenge for Guyanese is how we will develop a civic sphere of decision-making and accountability grounded in an economics of the common ownership of natural resources that treats both people and planet with respect.

Rather than the decorative role envisaged for civil society in the current version of the NRF Bill, the Government should build on the governance advances already made in Guyana in the form of the Guyana Extractive Industries Transparency Initiative (GYEITI). A multi-sectoral Committee (Government, business

and civil society) has equal numbers of members, selected by the sectors themselves and equal decision-making powers. The EITI seeks in an Annual Report to list all the revenues the Government receives from extractive industries and similarly to list all revenues the industry claims to have paid. It represents a progressive expression of Article 13 in Guyana. Replicating this structure in other areas would represent real progress in implementation of Article 13.

The current formulation of the NRF Bill has serious governance limitations, with proposed decision-making powers overly concentrated in the Minister of Finance and civil society having only functions with no powers to effectively influence decisions.

A responsible and innovative approach to management of the Natural Resources Fund such as outlined above provides every Guyanese with a reason to feel they belong and are involved. A new guiding story of this nature - encouraging people to feel they belong - is what the country needs. Political renewal depends on a new political story that is positive and propositional, rather than reactive and oppositional. It must reach across traditional political, class and ethnic lines, appealing to as many people as possible.

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