



## Border Disputes in the Global Periphery amid Declining U.S. Hegemonic Influence The Case of Guyana and Venezuela

**Larry Liu**

*Morgan State University*

[larry.liu@morgan.edu](mailto:larry.liu@morgan.edu)

**Leon Wilson**

*Morgan State University*

[leon.wilson@morgan.edu](mailto:leon.wilson@morgan.edu)

### Abstract

*Contrary to popular expectations about a post-oil future, oil remains an important commodity in the global political economy and the world-system, in which peripheral economies rely on the export of raw material to earn foreign exchange. We argue that Venezuela's aggressive geopolitical stance against its smaller neighbor Guyana emanates from Guyana's newfound oil discoveries resulting in fast economic development in Guyana, the Maduro regimes' desire to distract from diminished internal legitimacy from the mismanagement of its own oil resources, the diminution of Venezuela's status from the semi-periphery to the periphery within the world-system and the declining hegemonic power of the United States that must handle other expensive foreign conflicts, thereby giving Venezuela leverage in the region. As a hegemonic power, the United States is punishing Venezuela via sanctions and supporting its oil companies in controlling Guyanese oil reserves and making Guyana subservient to U.S. economic interest within the world-system. The world-system generates an inherent power imbalance among states, where the economic interests of multinational corporations of the core states take priority; but in addition, some peripheral states can threaten smaller peripheral states, putting the smaller peripheral states at an even greater disadvantage.*

**Keywords:** Border Dispute, Venezuela, Guyana, Oil, World-Systems, Hegemony



New articles in this journal are licensed under a Creative Commons Attribution 4.0 United States License.

*This journal is published by [Pitt Open Library Publishing](https://open.library.pitt.edu/).*

There is a documented expectation that due to advancements in renewable energy and the carbon-emitting impacts of oil consumption amid climate change, there would be a transition away from oil and other fossil fuels (Bhutto, et al. 2014; Rifkin 2014). Furthermore, there are continuous concerns about the failure to find new oil sources resulting in predictions about peak oil, after which new oil supplies are expected to drop precipitously (Bardi 2009). But the reality within the global political economy is that oil remains an important commodity, and new oil discoveries and exploration techniques (e.g., fracking and shale gas drilling) are still highly prized, thus delaying the prospects of a zero-carbon future (Yergin 2021).

Beginning in 2015, significant oil resources were discovered in Guyana, speeding up its economic development after 2020. However, Guyana's short-term economic success came with regional opposition: Venezuela intends to annex two-thirds of Guyana's territory including the area with rich oil reserves. Venezuela has been laying claim to Essequibo, one of the three counties of Guyana since the British seized the territory in 1841, but has recently reasserted its claims. After a recent Venezuelan referendum in December 2023 to annex Essequibo, the International Court of Justice (ICJ) in Hague sided with Guyana's sovereign claim to Essequibo and demanded Venezuela to stand down from its territorial claims (ICJ 2023). Venezuela has ignored this ICJ request and deployed its soldiers along the Guyanese border for military exercises, while Brazil put its own forces on high alert and the UK has deployed a military vessel to Guyana for military exercises (Davies 2023). In recognizing the importance of the Guyanese oil fields, Venezuela has issued licenses to extract crude oil in Essequibo (Al Jazeera 2023). A December 14, 2023 meeting between President Nicolas Maduro and President Irfaan Ali led to an informal agreement on resolving the dispute without force (EIU 2023). In April 2024, Venezuela submitted its arguments to the ICJ, indicating a possibility for a diplomatic resolution of the border dispute (Chabrol 2024). In March 2025, Venezuela escalated again by sending naval vessels near the Guyanese oil fields (Associated Press 2025). An escalation of the military conflict could curb future investments in Guyana (EIU 2023). The renewal of Venezuela's territorial claims appears puzzling at first sight given that there were periods when bilateral relations were more cordial, such as the first half of the twentieth century and early on in the Chavez era in the 2000s.

The recent flare-up of territorial dispute shows the relative weakening of the United States as a hegemonic power that cannot suppress the aggression of more peripheral countries like Venezuela, as the United States has to deal with other foreign crises. Ironically, this weakening U.S. hegemony at the global level is consistent with a strengthening grip within its own continental backyard in the form of anti-Venezuela sanctions and the development of Guyanese oil fields. The Essequibo conflict also reflects Venezuela's and Guyana's subordinate roles as peripheral countries within the capitalist world-system. Some scholars argue that Venezuela is considered a semi-peripheral economy due to the historic importance of oil to power capitalist economies (Marquina 2022b); but we find that Venezuela's status within the global economy has been fluctuating, as it started as a peripheral economy exporting agricultural goods, reached semi-peripheral status with the discovery of oil, peaked during its democratic period, but declined to peripheral status by the 1980s. Venezuela and Guyana are resource suppliers to the core capitalist

countries via their export of hydrocarbons, oil, and gas. These natural resources are drawn from U.S. multinational oil corporations like Exxon Mobile. Venezuela exerts aggression against its smaller neighbor in a context where it is struggling domestically due to poor economic management and a popular challenge to Nicolas Maduro's authoritarian rule, while Guyana is benefiting from new-found oil riches and closer political alignment with the United States. Venezuelan aggression comes in the wake of a long-running colonial effort by the British, Dutch, and Americans to extract wealth from Guyana. As a smaller peripheral state, Guyana is placed at an even greater disadvantage in the global hierarchy of states than Venezuela. Lastly, aside from the Venezuelan threat and exploitation by U.S. multinational firms, there is an internal threat to Guyana's new economic model given the reported ethnic political divisions and alleged corruption.

### **Border Conflict Amid World-System Analysis, Petro-Aggression, and Global Hegemony**

World-systems analysis states that the global political economy is organized based on core countries, which concentrate capital-intensive industries with high human capital and export high value-added finished goods, and peripheral countries, which concentrate labor-intensive industries with low human capital and export low value-added raw material (Wallerstein 1974). By monopolizing high value-added goods and services, the rich countries benefit disproportionately from global trade at the expense of the peripheral countries that supply the cheap raw material but purchase the expensive final goods (Chase-Dunn 1998; Frank 2011). Between the core and peripheral states are so-called "semi-peripheral" states that combine the features of the core (e.g., manufacturing) and the periphery (e.g., raw material) (Wallerstein 1976). Europe and North America form the capitalist core while Latin America, Africa, and Asia are counted as periphery. Africa and Asia operated and developed independently until the European capitalist powers colonized them and extracted their human and natural resources for their own profit (Rodney 1972: 14).

A significant raw material that some peripheral countries export is oil, which is a major input in world transportation and production systems (Smil 2008). The absence of oil supply and its skyrocketing prices have played a major role in the 1970s economic crisis in advanced capitalist countries (Ortiz 2023). The presence of oil is also a major source of political conflict and war: petrostates, whose economy relies on oil exports of at least 10 percent of GDP, are among the most violent states and practice "petro-aggression." Dictators in such oil states monopolize oil revenues, can pay off popular support, and do not have to care about domestic opposition to military aggression against weaker neighboring states, as is the case in Venezuela (Colgan 2013).<sup>1</sup> In contrast, labor dependent states in the developed world (the core countries) have to invest in public infrastructure and the welfare of their citizens, because the rulers' legitimacy comes from the approval of the middle class that pays taxes (Etkind 2021). This public accountability of

---

<sup>1</sup> A classic case study is Iraq's war of aggression against neighboring Kuwait, even though Iraq has already been an influential oil producer.

governments would presumably reduce the risk of aggressive wars. But petro-aggression cannot fully account for Venezuela's recent aggression given that Venezuela's petro-state had a notably less aggressive period during the democratic era (1950s to 1980s). Not all petro-states tend toward aggression, especially not very small countries (Guyana, United Arab Emirates) or very democratic (Norway) ones. We regard petro-aggression to be a necessary but not a sufficient condition for the Essequibo conflict, and we should consider Venezuela's declining status and the U.S. decline in the hegemonic status as further factors.

An important component to world-systems theory is that international trade relies on a global hegemon. The hegemon is a powerful state that provides the "intellectual and moral leadership" (Arrighi 1993: 149) in the global economy, pushing states in a desired path of economic development including helping the interest of the multinational corporations of the hegemonic state. The Northern Italian city-states were replaced by the Dutch, the British and United States (Arrighi 1994). The U.S. hegemony after World War II was built with the help of U.S.-generated multilateral organizations like IMF, World Bank, or Bank of International Settlements (Panitch and Gindin 2012). Even periods where peripheral oil exporters benefit from higher world market prices tend to disproportionately advantage the hegemonic state that absorbs most of the financial capital: in petrodollar recycling, the U.S. banks received the profits of the OPEC oil exporters in the 1970s, lending them out to Global South countries who became heavily indebted (Ortiz 2023) and had to submit to the neoliberal austerity doctrine via structural adjustment programs imposed by the IMF (Benería 1999).

In Arrighi's (1994, 2007) framework, declining hegemonic powers are characterized by increasing financial instability. The United States invested in costly wars in the early-2000s, underwent a major financial crisis, and has a large fiscal deficit, implying that the current U.S. hegemon could be displaced by China soon (Arrighi 2007). China's estimated military spending is very close to U.S.-level spending (Eaglen 2024). A U.S.-dollar hegemony, that is, the widespread global use of the dollar as reserve currency and preferred currency to trade, is also undermined by other countries' greater reliance on gold holdings or their own currencies for trade (Cao 2016). The Organization of American States (OAS) is a U.S.-dominated organization in the American hemisphere but has become less influential since the 2000s, while new Latin American organizations to the exclusion of the United States were instituted, such as the Union of South American Nations or Community of Latin American and Caribbean States (O'Keefe 2020). Weakening U.S. global hegemony along with prior U.S. military commitments in other regions offers more space for smaller powers to exert force against their weaker neighbor (Kim and James 2016).

In this contribution, we make the case that world-systems analysis, petro-aggression and the decline of a hegemonic power apply to the geopolitical border conflict between Venezuela and Guyana. As major oil exporters both countries are peripheral but also generate a highly desirable resource within the global economy. We argue that Venezuela's status within the world-system has been fluctuating, reaching semi-peripheral status with the oil export economy and a smaller but existing manufacturing sector that goes back to the 1910s and peaked throughout the

democratic period until the 1980s. With the decline of Venezuela's economic fortune, its manufacturing decline and authoritarian transformation, military aggression against neighboring Guyana's newfound oil riches became more significant for the Venezuelan regime. Venezuela is an aggressive petro-state, seeking to distract from internal political turmoil and taking advantage of a weakening U.S. hegemonic position in the world. In the next section, we discuss the history of the border conflict, followed by Venezuelan pre-oil economy, its struggling hydrocarbon model of development, the Guyanese pre-oil economy, the rise of the Guyanese hydrocarbon economy, and the history of U.S. hegemonic influence on both South American countries and its challenge.

### **History of the Territorial Dispute**

There is a long historical precedent for the Essequibo conflict that has come in waves, but the more recent Venezuelan aggression is quite puzzling given that bilateral relations were more cordial in the first decade of the current century. The first English ship landed in Guyana in 1595 and the Dutch in 1598. By the 1620s, the British and Dutch kept the Spaniards in their Venezuelan colony away from the territory east of the Orinoco River (Ishmael 2005). In the 1750s, the Portuguese and Spaniards attempted and failed to push the Dutch out of Guyana by building settlements near the Dutch ones. They also supported African slave rebellions against Dutch rulers and made military incursions in Dutch settlements (Ishmael 2005). The Dutch had laid claim to Essequibo as early as 1750 (Ishmael 1998).<sup>2</sup> Venezuela became an independent republic in 1819 as part of Gran Colombia and became an independent state in 1831, while Dutch Guyana reverted to British Guiana in 1831.

Venezuela and Guyana's border conflict extends to the early decades of British rule in the nineteenth century. In 1835, the British government commissioned the German explorer Robert Hermann Schomburgk to map British Guiana. He drew the border to Venezuela along the Orinoco River (MacDonald 1993). Schomburgk did not discover any Venezuelan settlements to the east of Curiapo at the mouth of Carapo Channel (Ishmael 1998). Schomburgk's map was published in 1840, which resulted in Venezuela's protests. Venezuela claimed the territory of Essequibo west of the Essequibo River.

The British and Venezuelan government attempted to negotiate a border settlement but could not reach an agreement. In 1850, they decided not to occupy the disputed territory. In the late-1850s, the British discovered gold in Essequibo and mined the area, followed by renewed Venezuelan protests. Venezuela appealed for arbitration, which the British rejected (MacDonald 1993). Legal uncertainty at first deterred gold mining investments but in 1889 the British authorities firmly rejected Venezuelan territorial claims east of the Schomburgk line, which resulted in a rush of investment (Ishmael 2005).

---

<sup>2</sup> "In the years 1750 and 1751 the Zeeland Chamber of the Dutch West India Company had a controversy with the other members, claiming the colony on the Essequibo as exclusively theirs " (Ishmael 1998: Ch. 12).

In 1876, Venezuela repeated the claim to Essequibo in a letter to Britain (Ishmael 2005). In 1887, Venezuela asked the United States for help. Only when President Grover Cleveland threatened to intervene on behalf of Venezuela citing the Monroe doctrine, according to which the United States reserves the right to militarily intervene against outside European powers seeking to interfere in Latin America, did the British agree to a tribunal in 1897 to settle the border. An 1899 survey handed 94 percent of the disputed territory to British Guiana, with Venezuela only receiving the mouth of the Orinoco River and a short stretch of the Atlantic coastline to its east. Venezuela was unhappy about the judgment but accepted the boundary in 1905 (MacDonald 1993). The 1899 Arbitral Award consisted of two British judges, two American judges (who were representing Venezuela), and a Russian judge (Ishmael 2005).

The border dispute seemed settled, but in 1944, Severo Mallet-Prevost, a Venezuelan lawyer representing Venezuela in the 1897 tribunal, alleged that the tribunal members from Britain and Russia were colluding to hand Essequibo to British Guiana. At that time, Venezuela was mining for petroleum, iron ore, and manganese in Guayana near the Guyanese border, hoping to whip up nationalist fervor to expand Venezuelan resource control. Venezuela was hoping that the United States would back them up again and offered U.S. mining companies to operate mining sites in Essequibo to the detriment of the British. Later, Venezuela offered Britain to jointly mine Essequibo, which the British rebuffed. Patrick Dean, the British representative to the UN, repudiated Venezuela's claims in 1962, denied any British backroom deal with Russia and asked Venezuela to respect international agreements. The British position was that independent Guyana should feel secure in its borders at that time (Ishmael 1998).

In 1966, Guyana's independence from Britain was preceded by the Geneva conference, in which the Guyanese government led by Forbes Burnham rejected any territorial concessions. Instead, a mixed commission was appointed to propose a mutually agreeable solution by 1970 (Ishmael 1998). Venezuela violated the border agreement by occupying the Guyanese half of Ankoko Island in the Cuyuni River. Venezuela built an airfield and mining facilities on the island. Guyana protested the incursion but could not force out the Venezuelans; gunfire was occasionally exchanged. In 1968, Venezuela extended its territorial waters to 12 nautical miles off its coast covering the disputed region (Simmons 1993). The United States opposed Venezuelan coastal claims fearing that this move would weaken Burnham's chances for reelection (Ishmael 1998). The Guyanese People's Progressive Party (PPP) opposition, in turn, claimed that Venezuela's territorial claims were a bludgeon to scare Guyanese voters to vote against PPP (Ishmael 1998).

In 1969, the white ranchers and their Amerindian workers of the Rupununi Savannah attempted a secessionist revolt in Essequibo, but were crushed by the Guyanese forces, so they fled to Venezuela, where they were given citizenship. Bilateral relations improved again in 1970 with the Protocol of Port-of-Spain, which put a 12 year moratorium on the border dispute (Simmons 1993). The PPP opposition blasted the Protocol for selling out Ankoko to Venezuela, as the moratorium on the border dispute prevented Guyana from reclaiming Ankoko and argued that the agreement is an "Anglo-American conspiracy to maintain Guyana as a neo-colonial state." (Ishmael 1998)



In the late-1970s, the Guyanese government gave Jonestown to an American outlaw religious fanatic, Jim Jones, in Essequibo officially hoping that the Americans would develop the western region, while the PPP opposition claimed that this was a People's National Congress (PNC) government ploy to deter Venezuela from recapturing Essequibo and thereby harm U.S. citizens. This decision backfired as Jones convinced 914 Americans in Jonestown to commit mass suicide (Ishmael 1998).

In the 1980s, bilateral relations remained tense, as Venezuela blocked development loans from the World Bank to Guyana, especially to develop a hydro-electric dam to lower fossil fuel import dependence (Ishmael 1998). When the Port-of-Spain protocol expired in 1982, Venezuela put its troops at heightened alert causing Guyanese government complaints. Venezuela also made border incursions near Ankoko Island but withdrew due to Guyanese Army resistance (Ishmael 1998). The bilateral relations improved somewhat when Venezuela sponsored Guyana's OAS membership in 1990 (Fauriol 1993). Burnham's successor Desmond Hoyte was open to joint economic development projects in Essequibo, hoping to reduce tensions with Venezuela (Ishmael 1998). Cheddi Jagan became president in 1992 and visited Venezuela in 1995 without bringing up the border dispute, indicating less bilateral tensions (Ishmael 1998).

In 1999, at the 100-year anniversary of the Paris arbitration that handed the territory to British Guiana, tensions increased as Venezuelan troops massed in the border area (Johnson 1999). In 2000, Venezuela noted its opposition to Guyana handing over a lease to an American space company Beal on Essequibo. Guyana claimed that this was not a U.S. military base and, hence, no threat to Venezuela. Beal withdrew the bid due to the U.S. state department not approving it. China's forestry company Jilin Forest Industry Corporation withdrew a similar bid for Essequibo land following Venezuelan protests, as China feared Venezuelan recognition of Taiwan (Ishmael 1998). In a 2004 state visit to Guyana, President Chavez admitted that the historical animosity by Venezuela was based on U.S. influence that opposed socialist regimes in Guyana, Cuba, and Grenada (Ishmael 1998). In 2007, Venezuela forgave \$12.5 million in Guyanese debt (Venezuelanalysis 2007). In 2009, Guyana and Venezuela signed an energy cooperation agreement that resulted in Venezuelan exports of oil and imports of Guyanese rice but that agreement expired in 2015 (Rogers, Wenner, and Clarke 2016).

In 2013, Venezuela seized a U.S. oil exploration vessel in the disputed waters, but President Nicolas Maduro vowed to resolve the Essequibo issue peacefully (Sanchez 2013). The 2015 oil discovery in Guyana renewed Venezuela's claim on Essequibo. In 2018, Guyana submitted the case to the ICJ, while Venezuela denied ICJ jurisdiction over the territorial conflict (BBC 2018). By 2023, Venezuela stationed more military forces along the Guyanese border and declared the annexation legal during a referendum, while Guyana appealed to the OAS where the Caribbean states and the United States support Guyana's sovereignty claims (Ferreira 2023).

In addition to the oil deposits in Essequibo's offshore region, Essequibo is rich in forest, water, and mineral resources. The Imataka Mountain area contains iron ore; manganese is found in Guyana's Northwest district, while gold and diamonds are in the Barima, Mazaruni, Cuyuni and

Potaro districts (Ishmael 1998). Essequibo also contains bauxite, uranium, and timber resources (Oil Now 2021).

The historical review of the border conflict indicates ebbs and flows depending on shifts in the geopolitical and resource configuration in that region. There are three notable high points: first, in the second half of the nineteenth century when the British discovered the Essequibo goldmines culminating in the 1899 Arbitral Award; second, in the 1960s, when Guyana obtained independence from Britain culminating in the 1970 Port-of-Spain Protocol. The British hegemon was replaced by the United States, creating a brief window for heightened Venezuelan aggression. Venezuela was also entering its democratic period reaching the peak of its economic development in that era. And third, post-2015, when Guyana discovered its offshore oil fields while global oil prices were falling, the U.S. hegemon has been overstretched in other world conflicts, and Venezuelan economic decline intensified amid brain drain and capital flight.

### Venezuela's Economy Before the Rise of Oil

Venezuela was settled by the Spaniards after Christopher Columbus sailed along its coast in 1498. Alonso de Ojeda, who led another Spanish expedition to Venezuela, thought the gulf resembled Venice, so he called it “Little Venice” or Venezuela. The early economy was dominated by raising livestock and growing cacao beans as well as trade with British and French islands and Spain (Pirie 2019). The European settlers, mainly Spanish and some Germans, initiated gold and silver mining as well as tobacco production. Agriculture and mining sectors used imported African slaves as labor (Lavina and Zeuske 2008), as well as the local indigenous tribes within *encomiendas* (Bossio 2018). Agriculture included cacao beans in the coastal regions of the north, sugar cane in coastal and central lowland areas, coffee in the Andes and other regions of the country, and, on a much smaller scale, tobacco. Other minor agricultural goods included corn, beans, plantains, and bananas. Cattle ranching was also important in Los Llanos, the central plains north of the Orinoco River (Jones 1929). The largest ethnic group were the racially mixed *pardo* (European, African, and indigenous) who were of lower status than whites, who were divided between Spanish-born and politically dominant *peninsulares* and the *mantuanos*, the local-born aristocracy of Spanish descent, who came to rebel against the *peninsulares* during the Venezuelan Independence War (Gonzales 1996).

Agricultural land concentrated in *latifundios* or large states of land called *haciendas*. They were appropriated by the Spanish Crown that handed the originally Native American land to the *peninsulares* and *mantuanos*, who had served the interest of the Spanish crown (Marquina 2022a). Due to the highly concentrated land ownership in *haciendas* and *encomiendas*, wealth inequality was high and human capital investments were low (Galor, Moav, and Vollrath 2009).<sup>3</sup> Oil discoveries in the twentieth century reduced popular attention toward land reform, as many poorer

<sup>3</sup> The *encomienda* system was a means for the Spanish crown to give Spanish explorers and military leaders land and indigenous labor. *Haciendas* operated in a similar way, although, *hacendado* (owners of *hacienda*) had no restrictions on inheritance of land rights to offspring (Eckler 2020).



agricultural laborers, the *campesino*, moved to the urban centers on the coast close to the petroleum industry (Marquina 2022a).

Venezuela obtained independence from Spain as part of Gran Colombia in 1821 following Simon Bolivar's successful New Granada campaign (Gutierrez Ardila 2019). Gran Colombia fell apart in 1831, and Venezuela became an independent state. The independent state was led by a military dictator, General Jose Antonio Paez, which set a pattern for initial military dominance in Venezuelan politics. In *caudillismo*, a charismatic strongman from the military holds political power. Throughout almost a hundred years a sequence of *caudillos* governed the country (Paez; Guzman Blanco; Cipriano Castro) until in 1908, Juan Vicente Gomez, a military general of Andean descent, ruled over Venezuela until his death in 1935. Democratic constitutional reforms began with Gomez' military successor General Eleazar Lopez Contreras, who retired from the military shortly after becoming president and called for general elections that resulted in further reforms and political liberalization led by Isaias Medina Angarita at the beginning of the 1940s. Medina Angarita was overthrown and provisionally replaced by the leader of AD (Acción Democrática), Romulo Betancourt, in 1945. In 1948, a newly elected president Romulo Gallegos was toppled by Carlos Delgado Chalbaud and Marcos Perez Jimenez in a military coup. In 1950, Delgado was assassinated and replaced by German Suarez Flamerich. In 1952, he was followed by Perez Jimenez, who was ousted in 1958, thus ending the dictatorship period and inaugurating the democratic period (Gonzales 1996). The three major political parties AD, COPEI (Comité de Organización Política Electoral Independiente) and URD (Unión Republicana Democrática) agreed on the Puntofijo Pact, a power-sharing agreement that restored democracy in the first free elections (Modern Latin America 1958). There was significant public outrage against Perez Jimenez' power grab, and the middle and working classes supported the democratic parties in obtaining power (Karl 1987). The Venezuelan democratic period coincided with high oil exports, high oil prices undergirded by Middle East wars and the foundation of OPEC, and the highest economic development, establishing Venezuela firmly within the semi-periphery in the world-system. We next turn to Venezuela's hydrocarbon economic model.

### **Venezuela's Domestic Political Economy: A Devolution from Semi-Peripheral to Peripheral Status Amid a Struggling Hydrocarbon Model of Development**

The 2023 border dispute happened within the context of internal political issues in Venezuela. While Guyana was socialist in the 1960s and liberalized by the late-1980s, the reverse happened in Venezuela transforming from a democracy to a socialist dictatorship (Ellner 1995). The socialist Hugo Chavez took over in 1999, and he was succeeded by Nicolas Maduro in 2013. Under Maduro's leadership, the Venezuelan economy deteriorated significantly due to falling oil prices, because much of the foreign exchange is earned via oil exports (Hepp 2019). Oil and its strategic importance make it a semi-peripheral economy, although it is not a diversified economy (Marquina 2022b). However, we argue that an important part behind the increased Venezuelan aggression is its fall from the semi-peripheral status back to peripheral status beginning in the 1980s, which

coincided with falling oil prices, the rise of authoritarianism, and the worsening management of the Venezuelan economy. How can this slide from semi-peripheral to peripheral status of Venezuela be ascertained? Firstly, GDP per capita has been on a declining path. Venezuela reached its peak GDP per capita in the late-1970s at 1,500 bolívares in constant prices, which fluctuated at about 1,100 bolívares throughout the 1980s and 1990s. It briefly increased during the high oil price period in the 2000s before collapsing after 2014 to less than 500 bolívares (Auletta et al. 2022). Secondly, Venezuela's modest manufacturing value-added averaged about 18 percent of GDP up until the 1980s but declined to less than 12 percent by 2013.<sup>4</sup> The origin of the modest manufacturing sector was the state using the oil revenues to invest in the aluminum, iron, steel and coal industries (Restuccia 2017). The reversal of Venezuela's manufacturing, oil, and general economic fortune is reducing its status within the world economy.

It is the same oil economy that created *and* undermined the democratic order that was dominated by AD and COPEI: both political parties worked together to keep out smaller political parties and extracted the oil rent to benefit the insider clientele of these two political parties, such as via civil service appointments, thereby undermining broader political legitimacy (Buxton 2005). *Partidocracia* was about redistributing oil rents to party clientele, and each clientele competed for more access to these rents (Hellinger 1994). Ironically, AD had obtained power via grassroots labor mobilization, but their leaders found it safer to focus on limited patronage to AD and COPEI clientele (Karl 1987). Political legitimacy was further undermined with declining global oil prices in the 1980s, resulting in a severe financial crisis. AD and COPEI increasingly used violence and election fraud to retain power (Buxton 2005). IMF-induced austerity policies such as fuel subsidy cuts in the late-1980s were very unpopular (Salvatore 1993). The economic dependence on oil rents undermined other economic sectors through the overvaluation of the bolivar currency that made domestic agricultural producers less competitive (Karl 1987). Hence, Chavez' rise can be traced back to broad economic discontent (Ellner and Hellinger 2003). This opened the space for leftist outsiders like himself to take power with the support of so-called corporate outsiders who detested the corporate insiders who benefited the most from the clientelism in the democratic era (Gates 2023).

The oil economy originated from when the first oil well was drilled in 1878 by Manuel Antonio Pulido in the state of Tachira (Lucca 2018). In 1914, Caribbean Oil Company later acquired by Royal Dutch Shell discovered oil in the Maracaibo Basin (Martinez 1969). Oil exports were booming in the 1920s (Tugwell 1975) and again in the 1970s (Gelb 1986). The Hydrocarbon Law of 1943 reclaimed half of the foreign oil company profits for the state. This tax rate increased to 65 percent in 1960 (Cheatham and Roy 2023). Nationalization of the oil industry commenced in 1976 resulting in the founding of PDVSA (Bye 1979). In the 1990s, the Venezuelan government

<sup>4</sup> Macrotrends. Venezuela Manufacturing Output 1968-2024. Retrieved Dec 26, 2024. <https://www.macrotrends.net/global-metrics/countries/VEN/venezuela/manufacturing-output>. The manufacturing share is not a complete measure for core status because the United States has an even lower manufacturing share, but the United States also has other factors like a high-end service sector (everything technology related and financial services) where it completely dominates the world economy.

invited U.S. multinationals to cooperate on new energy projects (Giusti 1999), cementing Venezuelan dependence on the capital of the capitalist core.

When Chavez took over in 1999, heavy oil projects run by American oil companies Exxon Mobil, Conoco Philips, and Chevron were also nationalized, which led to a stop in new oil field explorations (Egan 2016). A 2001 hydrocarbon law increased state royalties to 30 percent, the highest in the world, which discouraged more investment (Hepp 2019). By 2007, the foreign oil companies that controlled 25 percent of Venezuela's oil output had lost \$17 billion in investment due to Chavez' expropriation (Padula, et al. 2023). Prior to Chavez, PDVSA operated autonomously under state control, but thereafter the state appropriated PDVSA profits directly for social spending. An anti-Chavez oil sector strike in 2002 resulted in a purge of PDVSA officials and technical personnel. Chavez restored full control over PDVSA but at the expense of losing technical expertise to run the oil fields (Wiseman and Beland 2010). Chavez relied on loyalist military officers to redistribute oil rents, thus creating patrimonial corruption and a lack of accountability of how funds were spent. It should be noted that the distribution of oil rents to expand welfare goes back to Perez Jimenez dictatorship in the 1950s and was continued under the democratic governments (Hepp 2019).

Under Chavez and Maduro, capital flight and inadequate maintenance have resulted in falling oil production, cutting into potential revenue (Cheatham and Roy 2023). Crude oil production decreased by 70 percent from 2013 to 2023, although China National Petroleum Corporation and Iranian investments in the early-2020s have restored some production (EIA 2024). Inflation and poverty rose substantially following the economic decline (Cheatham and Roy 2023). Venezuela may be considered a "crippled oil-dependent economy on the brink of default" (Rosales 2019: 1312). By October 2022, 7.1 million Venezuelans had fled their country to escape poverty (CRS 2022). The United States has aggravated Venezuela's economic problems via sanctions (Cheatham and Roy 2023); and has been pressuring Maduro to conduct free and fair elections in exchange for ending sanctions against its state-owned oil company PDVSA. Maria Corina Machado is a popular opposition candidate who intended to displace Maduro in the 2024 presidential elections, where Machado has 72 percent support according to November 2023 polls.<sup>5</sup> She was disqualified from standing for the election by pro-Maduro courts.

By 2017, constitutional reforms disempowered the elected legislature and transferred authoritarian power to the executive branch (Casey and Torres 2017). Maduro had won the 2018 presidential election after heavy rigging and disqualifying opposition candidates (Sen 2018). In the 2020 parliamentary election that was boycotted by the opposition, Maduro's faction took 91 percent of the seats (Smith 2020). The opposition-controlled National Assembly elected in 2015 voted itself to remain in session, creating a parallel second parliament that is now led by Dinorah Figuera in Spanish exile (Vasquez 2020; Redondo and Goodman 2023). Maduro holds himself in power by using political repression and keeping the military generals loyal to him by giving them

---

<sup>5</sup> Wikipedia. "2024 Venezuelan Presidential election."

[https://en.wikipedia.org/wiki/2024\\_Venezuelan\\_presidential\\_election#Opinion\\_polls](https://en.wikipedia.org/wiki/2024_Venezuelan_presidential_election#Opinion_polls)

access to state assets, and control over drug trafficking and other illicit industries (CRS 2022). He is also relying on paramilitary gangs under the state payroll called the *colectivos*, who crush any potential uprising by beating up and intimidating protesters (Avila 2023). Given his unpopularity, Maduro wants to rally the population by pressing the Essequibo territorial claims (Raisbeck 2023), although it is uncertain whether he will follow through given the Brazilian and U.S. support for Guyana. It is not the case that authoritarianism by itself causes military aggression, but rather that aggression and authoritarianism are very probably caused by the slide in Venezuela's economic fortune and status within the world-system and the perceived weakness of the U.S. hegemon, which is discussed later.

Resource rentierism is so deeply embedded in the Venezuelan political system that, in addition to petroleum, the state is backing gold extraction in the Orinoco Mining Arc as a collateral to develop its cryptocurrency called "petro," which currently has very low credibility among investors and users. Mining of cryptocurrency relies heavily on electricity which exacerbates rationing for ordinary consumers due to production shortages (Rosales 2019).

### **Guyana's Economy Before the Oil Boom**

While the Guyanese oil discovery is a major cause for the flare-up of the border crisis, this discovery was recent. Prior to its oil discovery, Guyana was a very poor country with a high poverty rate (Ferrarini 2020). Until the mid-2010's, its economy was dominated by the agricultural and mining sector (Rosales and Suarez 2023). The early European settlers were the Dutch in the early seventeenth century. They imported slaves from West Africa, who worked in the sugar, coffee, cacao, and cotton plantations to produce profits for the colonizers who funded their wealthy lifestyle and further colonial expansion. The Dutch also initiated the rice industry that the African slaves cultivated in small plots, which was expanded via Indian migrants with expertise in rice-growing. By 1900, Guyana became a net rice exporter (Ishmael 2005).

Under British rule, slavery was formally abolished in 1834, though the former slaves continued to labor as "apprentices" (Ishmael 2005). Some former slaves banded together and formed village communities that grew and sold their own food, which threatened the power of the planters (MacDonald 1993). The lack of new slaves promptly generated a labor shortage that the British planters compensated via the import of contract laborers first from the West Indies, then West Africa and finally India and a small number of Chinese indentured servants. Indentured contracts were in place from 1838 until 1917 (Ishmael 2005). The mining and agriculture-based economy is reflected in the relatively low rate of urbanization (Conway 1993), which remains below 30 percent.<sup>6</sup>

In the late nineteenth century, the discovery of bauxite resulted in substantial mining investments by Demerara Bauxite Company, owned by U.S. aluminum producer Alcoa

---

<sup>6</sup> Macrotrends.net. "Guyana Urban Population, 1960–2024."  
<https://www.macrotrends.net/countries/GUY/guyana/urban-population>

(Aluminum Company of America). British Guiana's bauxite was shipped as raw ore to refinery plants in Canada and the United States. The Government of Guyana's share of revenues was only 25 to 45 cents per ton (Ishmael 2005). The two North American mining companies accounted for 45 percent of the nation's foreign exchange earnings in the early 1970s. By focusing on the export of primary products (rice, sugar, bauxite), Guyana remained low in the value-added chain and had to import expensive finished goods from the developed world (McFeeters 1993). Major imports involve machinery, fuel, intermediate, and consumer goods (McFeeters 1993). Within world-systems theory, Guyana is clearly a peripheral economy. In the 1980s, the Guyanese government was forced to increase forest logging to pay off its foreign debt following the IMF structural adjustment program (Green 2006). Thus, the western colonial powers ensured that Guyana remained in a subordinate economic position within the global economic hierarchy.

Guyana's independence was driven by Afro-Guyanese middle class activists and soldiers returning from World War I and II demanding more political rights (MacDonald 1993). Indo-Guyanese entered the middle class in significant numbers from the 1930s onward competing with Afro-Guyanese for professional and political positions (Conway 1993). Guyana obtained independence in 1966 but was beset by ethnic divisions that were the result of the colonial settlement policies. Western powers like the United States could exploit these ethnic differences by determining the direction of the government, making Guyana a pawn to foreign political interests. Bulkan and Trotz (2021: 71) describe "Guyana's tragedy" as a situation where "historically oppressed peoples direct their hostility at each other while neo-imperial powers hide in plain sight and reap the country's wealth."

The British produced the Moyne Commission report in 1939 that pointed to the ethnic division between Afro-Guyanese and Indo-Guyanese: The Indo-Guyanese were rice farmers and merchants and initially stayed clear from politics, while the Afro-Guyanese were urban workers and bauxite miners adopting European culture and being more active in politics (MacDonald 1993). The Indo-Guyanese had initially low rates of education until the compulsory school attendance laws of 1933 (Ishmael 2005). They became politically active beginning in the 1910s, when several Indo-Guyanese became political candidates (Ishmael 2005).

Post-independence politics were dominated by the Indo-Guyanese Cheddi Jagan and Afro-Guyanese Forbes Burnham (MacDonald 1993). Burnham was the leader and founder of the People's National Congress (PNC) in 1957, which consistently won elections under his tenure from 1964 until his death in 1985. PNC promptly lost the first free and fair elections in 1992 and stayed out of power until they won the 2015 presidential election under the A Partnership for National Unity (APNU) alliance. PNC and APNU's power base have been the Afro-Guyanese population (Ishmael 2005).

Jagan and his American wife Janet were the founders of PPP in 1950—which originally included Burnham, whose leadership ambitions were thwarted by Jagan that resulted in the split and founding of PNC. While PPP is formally multi-ethnic, its power base is principally Indo-Guyanese. The PPP demanded more rice land, improved unionization in the sugar industry and more business opportunities and government posts for the Indo-Guyanese (MacDonald 1993;



Prados and Jimenez-Bacardi 2020). In 1962, Jagan had imposed an austerity budget that fell heavily on the Afro-Guyanese and mixed race populations (Prados and Jimenez-Bacardi 2020). Jagan also opposed Guyana's membership in the West Indies Federation, which would be Afro-dominated (MacDonald 1993). Jagan was removed from power first in 1953 by the British only a few months after winning his first election (Bahadur 2020). The British claimed that they were preventing "communist subversion" and acted with U.S. support (Ishmael 2005).

The British denied Guyana independence as long as PPP was in power, only permitting it self-governance (Ishmael 2005: 274). Jagan returned to government after winning the 1957 general election, serving as trade and industry ministers (Ishmael 2005: 266). He became prime minister following the 1961 election and was removed again with the help of the U.S. and British governments, who supported the non-aligned (i.e., anti-Soviet) socialist Burnham to win the 1964 elections (Prados and Jimenez-Bacardi 2020). Jagan's attempt to form a grand coalition government with Burnham's PNC was rejected, as Burnham believed he could topple Jagan in an election (Ishmael 2005). The British and Americans were clearly favoring Burnham, as he was not imprisoned during the 1953 emergency that resulted in Jagan's imprisonment (Bahadur 2020). The CIA also funded the Indo-Guyanese Justice Party to divert votes from PPP (Prados and Jimenez-Bacardi 2020).

Burnham's PNC won on the basis of amended electoral laws, as the first-past-the-post system that favored PPP was replaced by the proportionate electoral system that generated a narrow majority for PNC and UF in a coalition government (Ishmael 2005). Burnham was a socialist like Jagan and realized that socio-economic issues would not distinguish his electoral coalition, so he focused on obtaining Afro-Guyanese support (MacDonald 1993). He absorbed the middle-class, conservative Black voters, who opted for the UDP, by merging PNC with that party in 1959 (Ishmael 2005). Most high-level government jobs in his tenure were given to the Afro-Guyanese (Treaster 1979). He also attempted to attract Afro-Caribbean migration to improve his electoral chances, but the effort remained fruitless (Ramharack 2021). During Burnham's authoritarian rule, many Indians faced discrimination and fled the country (Bahadur 2015b). Management of the rice industry was placed in state hands, which enraged the PPP-supporting rice producers (Ishmael 2005). A sugar industry strike by Indo-Guyanese workers was brutally crushed by Burnham in 1976 (MacDonald 1993). Burnham also inflated the overseas vote with Afro-Guyanese voters while making the overseas vote difficult for the Indo-Guyanese (Ramharack 2021).

In addition to East Indians, Amerindians and white settlers also protested against PNC rule in the form of the Rupununi Rebellion, which was put down by the Guyanese forces (MacDonald 1993). A supposed cause of the rebellion was the government's resettlement of Afro-Guyanese people in territories inhabited by the Amerindians (Sierra 2020). When Walter Rodney, the leader of the multi-racial Working People's Alliance, attempted to challenge Burnham's PNC, he was assassinated under government orders in 1980 (Bahadur 2015b). In the same year, Burnham changed the constitution by creating an executive presidency with himself as first president (Francis 2015). He supported the Nonaligned Movement, advocating for African liberation with the help of Cuban communists (MacDonald 1993).

Burnham pursued state socialist policies. Reduced demand and prices for bauxite and sugar, Guyana's key industries, led to significant commodity shortages and a breakdown of essential public services toward the end of his presidency in 1985 (Diehl 1984). Nationalization of industries resulted in capital flight and with limited expertise/equipment, frequent labor strikes, and poor management production declined as well (McFeeters 1993). The fledgling economy was kept afloat by the illicit economy as drugs, arms, construction, and regular consumer items were not subject to government regulation<sup>7</sup>, remittances from Guyanese living abroad and self-sufficiency in food production (McFeeters 1993).

His successor Desmond Hoyte liberalized the economy, appointing neoliberal technocrats into the finance and trade ministry (France 2002). He acted under the pressure of the IMF that made continued loans given the high foreign debt contingent on economic reforms (McFeeters 1993). Under Hoyte, food imports were permitted again (La Rose 2018), the sugar industry was revived, and the Omai gold mine was opened (Harding 2002). Private investment was encouraged, and the currency was floated (McFeeters 1993). The power of IMF structural adjustment revealed the peripheral position of Guyana in the world-system (Ould-Mey 1994).

The PPP returned to power in 1992 in the first free and fair elections ending Afro-Guyanese political domination, as Jagan became president, while Sam Hinds became prime minister. President Jagan adopted moderate economic policies and continued liberalization and privatization of state companies (France 2002), although Jagan opposed the privatization of the electric company, which produced foreign investor backlash (France 2002). After Jagan's death, Janet Jagan briefly served as president until 1999 followed by Bharrat Jagdeo and Donald Ramotar from 2011. The PPP retained power until 2015, but their rule was marked by political violence, racial tensions, patronage, and corruption. In 2002, to combat gang and drug crime the PPP government endorsed "phantom death squads" that have been responsible for hundreds of extrajudicial killings (Korten 2008). Opposition leader Hoyte complained about the exclusion of Afro-Guyanese from government posts (Romero 2002). On the other hand, economic growth happened during the Jagdeo presidency, as well as investments in housing and transport infrastructure (Guyana Times 2012).

By 2011, PPP lost the majority in parliament and faced a no-confidence motion in 2014 that resulted in a prorogation of parliament and elections the following year (Carter Center 2016). APNU won the 2015 elections but only served one term losing the 2020 elections, making the PPP return to power. APNU government had decided to close sugar estates that employed many Indo-Guyanese, the PPP constituency, which lost them legitimacy among that community. The PPP opposition tabled a motion of lack of confidence in the government in 2018 forcing snap elections, but the APNU government used litigation to delay the election for over a year. APNU government wanted to invalidate PPP ballots but Caribbean Court of Justice ruled against this measure. It was

---

<sup>7</sup> The illicit economy became necessary in the 1980s due to the government's policy of maintaining a fixed exchange rate that required limiting the amount of foreign currency that Guyanese could hold. The shortage of foreign currency to purchase foreign goods created demand for street traders who illicitly sold foreign currency and other commodities from overseas. See McFeeters (1993).

U.S. State Department pressure that made the APNU government step down and allow Irfaan Ali from PPP to take office as president (Bulkan and Trotz 2021). The future of ethnic politics remains quite complex given that Afro-Guyanese and Indo-Guyanese share are declining while the multiracial group (mostly Afro-Indian) is increasing (Bahadur 2015a).

### **Guyana's Flourishing Hydrocarbon Economy**

Guyana has traditionally been a net importer of oil (Espinasa 2008). Various foreign companies like Shell, Total, and Mobil have been looking for oil since the 1950s, but previous efforts were not fruitful until 2015 (Balza, et al. 2020). Guyana's relationship with Exxon Mobile goes back to 1999, when Esso Exploration and Production Guyana Limited received a ten-year petroleum prospecting license (Bulkan and Trotz 2021). As of 2016, Exxon held the largest share (45 percent), followed by Hess (30 percent) and China National Offshore Oil company (25 percent) (Bulkan and Trotz 2021). In 2015, Exxon Mobile discovered crude oil deposits in Guyana's coastline, and in 2019 commercial drilling was introduced. A total of 11 billion barrels of oil was discovered. By 2022, oil production reached about 300,000 barrels per day and is supposed to reach its peak in 2028 at 1.2 million barrels per day (Mower, Levesque, and Spencer 2023). The country of 800,000 people is expected to become the fourth largest offshore oil producer in the world (Mao 2023). In March 2024, Exxon Mobile discovered additional oil fields in the southeastern portion of the Stabroek block (Exxon Mobil 2024). The oil companies have also been in legal conflict with each other: Hess had voted for a merger with Chevron, and Exxon is seeking arbitration to stop that merger, not wanting Hess share in Guyana to transfer to Chevron (Kimball 2024).

While reporting single digit economic growth annually until 2019, Guyana's GDP grew by 43 percent in 2020, 20 percent in 2021, and 57 percent in 2022;<sup>8</sup> indeed, S&P notes that Guyana experienced the highest rate of economic growth in the world in 2022. The economic growth is entirely driven by the oil sector, which increased from 0.2 percent of GDP in 2015 to 57.3 percent in 2022 (Rosales and Suarez 2023). Guyana's rising economic fortune stands in sharp contrast to Venezuela's economic decline. Thanks to its century-long oil fortune, Venezuela's GDP per capita was consistently higher than Guyana's but by 2018, Guyana's per capita income overtook Venezuela's (Figure 1), thus confirming the argument that Venezuela had slid from semi-periphery to the periphery and that Guyana's new oil riches invited Venezuelan aggression.

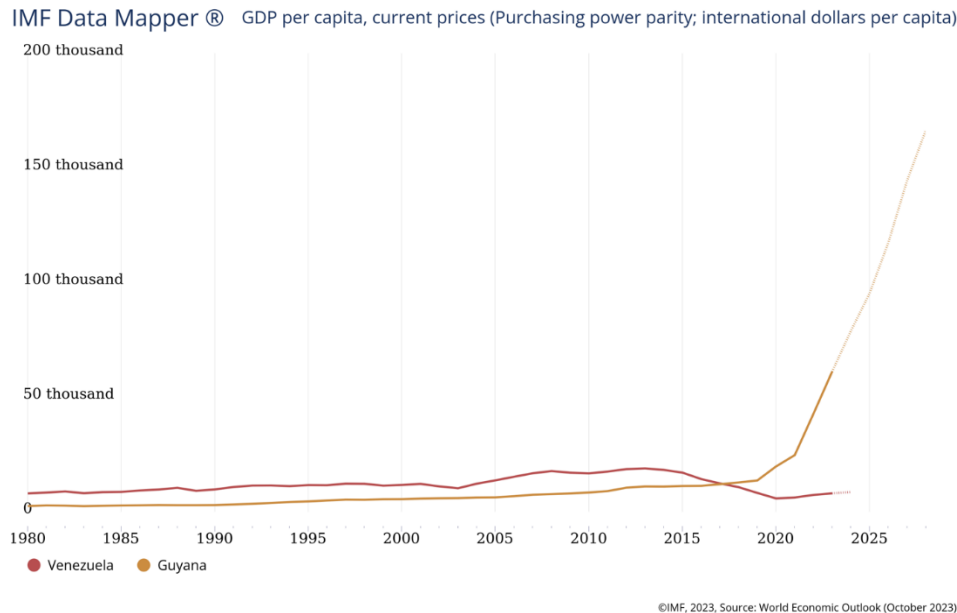
GDP per capita tripled to \$12,207 between 2018 and 2022 and is expected to reach \$38,000 by 2028. This economic development is quite remarkable given that the global economy has been struggling to recover from the pandemic and adjust its supply chains following the Ukraine War. The Guyanese government has created the Natural Resource Fund (NRF) to store the oil royalties and fund current government projects. The new spending projects include 48 new bridges and expanding the nation's road network, which is expected to further boost the economy (Rosales and

---

<sup>8</sup> Worldometer. "Guyana GDP." <https://www.worldometers.info/gdp/guyana-gdp/>

Suarez 2023). The government has also invested in hospital, schools, hotels, a deep-water port and a gas energy plant that will reduce power bills (Mao 2023).

**Figure 1: Guyana and Venezuela GDP Per Capita**



Source: <https://www.imf.org/external/datamapper/PPPPC@WEO/VEN/GUY>

There are justifiable risks of these newly found riches in addition to Venezuela's hostility. First, being highly reliant on a volatile commodity could result in substantial revenue declines when oil prices plunge. This could also happen if the global economy rapidly shifts away from oil use. Secondly, given the high level of alleged corruption in Guyana, there is a risk that ruling officials siphon off these funds for their own gain, leaving the common people impoverished. The ruling People's Progressive Party (PPP) that won the 2020 elections and administers the oil riches reportedly tend to benefit the Indo-Guyanese population (about 40 percent of the population), while the opposition, APNU that represents the Afro-Guyanese population (about 30 percent), have been excluded from a seat on the board of the NRF. Thus, there is a concern that the oil riches will be concentrated among ruling party supporters while excluding the minority party supporters (Mao 2023).

Guyana has a law to counter conflict of interest in the award of government contracts, but there are no compliance programs to detect bribery among government officials (U.S. Department of State 2023). According to the World Justice Project, 16 percent of Guyanese have reported having paid bribes to government officials compared to 7 percent of all Caribbean countries. The analogous figures for private-sector corruption are 18 percent for Guyanese and 3 percent as Caribbean average (Kaieteur News 2023). Economic development is also impeded by cumbersome bureaucratic procedures, where multiple ministries have overlapping regulatory responsibilities that confuse investors (U.S. Department of State 2023).

Thirdly, Exxon Mobile, which is operating the oil drilling and platform, splits only half of the revenues with the Guyanese government, while the customary government cut should be 75 percent (Mao 2023). Similar to bauxite mining in the early twentieth century, the gas and oil deposits are exported as crude to be refined in the United States (more specifically in California), Netherlands, and Italy before being sold to the consumers (Argus 2023). Low refining capacity in global South countries such as Sub-Saharan Africa or the Caribbean (Favenec 2022) explains a lower share of value-added going to these countries. Nonetheless, Guyana is supposed to receive \$9.9 billion from the oil trade (Balza, et al. 2020).

Fourthly, oil drilling could exacerbate environmental problems: promoting the burning of fossil fuel could accelerate sea-level rise that would threaten the 90 percent of the population that lives close to the coastline and underneath sea-level. Drilling oil also increases the risk for oil spills that could damage the rainforests, the coastal towns, and fishing dependent communities. The flipside is that oil riches can be deployed to build bigger seawalls and clean up coastal pollution (Mao 2023).

It is unclear whether the current resource boom allows for the retention of domestic talent. Youth unemployment remains above 30 percent, though there is a great influx of Venezuelan labor in the restaurant and mining sectors. 89 percent of university graduates in Guyana leave the country (U.S. Department of State 2023).

The historical review of Guyana reveals that the Essequibo conflict originates from the European and American colonial project of the exploitation of raw material and primary commodities which integrated the country into the world-system. It is the discovery of new resources and the shifting geopolitics, such as during Guyana's independence and Britain's retreat in the 1960s, that encourage Venezuela's territorial ambitions.

### **Historical U.S. Geopolitical Influence in South America**

The United States has had significant influence in the American hemisphere, affecting Venezuela and Guyana. In the case of Venezuela, the United States switched from friendly relations to hostility, while the reverse occurred between United States and Guyana. The United States sided with Venezuela in pushing the British to accept arbitration to settle the border dispute in the 1890s, citing the Monroe doctrine (Ishmael 1998). The U.S. political leadership disliked Cipriano Castro, Venezuela's leader from 1899 to 1908, due to Castro's confrontational stance against U.S. companies. President Theodore Roosevelt contemplated a military intervention in Venezuela but did not receive Congressional backing (Hendrickson 1970).

Relations between the United States and Venezuela were very cordial during the Gomez and Perez Jimenez dictatorship, when U.S. oil companies profited handsomely from the Venezuelan oil fields (Turner 1976; Ewell 1996). The United States was most of all fearful of economic nationalism, that is, the expropriation of U.S. multinational oil companies, and the spread of Soviet communism in the Cold War era (Rabe 1982). Perez Jimenez issued the Caracas Declaration, which condemned communism in the western (i.e., North and South American) hemisphere (Ewell



1996). The U.S. government supported the democratic leadership under Betancourt as well, hoping that the rest of the western hemisphere would adopt democratization too (Ewell 1996). The 1970s rise of OPEC, an oil cartel with Venezuela as founding member to push up oil prices to the detriment of oil importers, reduced U.S. influence in Venezuela (Rabe 1982).

Bilateral relations cooled during the Chavez and Maduro era. The Bush administration favored regime change during the 2002 Venezuelan unrest against Chavez but had not acted on it, being busy preparing for the Iraq regime change war (Weisbrot 2002). In 2014, the Obama administration imposed sanctions on Venezuelan officials for cracking down on street protests (Associated Press 2014). Following the 2018 elections, the Trump administration recognized Juan Guaido as self-described president and stopped recognizing Maduro (CRS 2022). In 2019, the U.S. embassy suspended its operations in Caracas and moved the Venezuela unit to the Bogota, Columbia (U.S. Department of State 2022a). The United States restricted Maduro administration and PDVSA access to U.S. financial markets and dollars. Companies that transacted with PDVSA and imported oil to the United States would also be sanctioned. In November 2022, the Biden administration eased sanctions by allowing Chevron to resume operations in Venezuela (CRS 2022), though this sanctions relief ended in April 2024 (Associated Press 2024).

In the case of Guyana, the United States changed from hostility to friendly relations. Being a significantly smaller country than Venezuela, the United States has been more assertive in pushing regime change in Guyana. The Eisenhower administration backed Britain's decision to overthrow Jagan in 1953 (Ishmael 2005). The Kennedy administration had opposed Guyana's political alignment close to the Soviet Union and only approved of the Guyanese nationalization of sugar and bauxite companies if the private owners received fair compensation. The United States denied any financial funding for Guyana under Jagan's rule despite his request in 1962 (Ishmael 2005). The U.S. preference was for Guyanese governments that protected the resource mining interests of U.S. corporations (Ishmael 2005). During World War II in 1941, the United States built a military installation in what is currently known as Cheddi Jagan International Airport. The U.S. military lease was terminated upon Guyanese independence in 1966.<sup>9</sup>

As noted previously, the Kennedy/Johnson administrations actively supported the overthrow of Cheddi Jagan's administration believing he was a pro-Soviet communist and it commenced with Forbes Burnham election victory in 1964, where Jagan's PPP carried a relative majority, but Burnham's PNC could form a coalition government with Peter d'Aguilar's United Force (Prados and Jimenez-Bacardi 2020). John Kennedy feared that an independent Guyanese state led by Jagan would result in the creation of a "Castro-type regime established in this [American] hemisphere. It follows that we [British and U.S. governments] should set as our objective an independent British Guiana under some other leader" (Prados and Jimenez-Bacardi 2020). Jagan was very friendly to communist regimes and refused to observe U.S. sanctions on Cuba. He also signed trade agreements with Hungary and East Germany (MacDonald 1993). In order to influence

---

<sup>9</sup> Wikipedia. "Cheddi Jagan International Airport."  
[https://en.wikipedia.org/wiki/Cheddi\\_Jagan\\_International\\_Airport](https://en.wikipedia.org/wiki/Cheddi_Jagan_International_Airport)

Guyanese politics, the CIA funded racially charged strikes and riots to undermine Jagan's rule (Rabe 2005). Burnham received direct CIA funding and approved of the U.S. overthrow plans against Jagan in a 1962 White House visit (Prados and Jimenez-Bacardi 2020).

In the years following Burnham's ascendancy to power, he carried out policies that contravened U.S. policy demands. Burnham's government recognized Cuba in 1972, and the Soviet Union in 1970 (Parliament of Guyana 2013). Burnham nationalized bauxite mines, but the United States kept supporting his regime (Curry 2020). Other foreign businesses were also nationalized, and foreign imports were restricted (Francis 2015). The United States had temporarily cut foreign aid to Guyana in the early-1970s, but Carter restored this funding (Fauriol 1993). Manning Marable argued that the Carter administration regarded Guyana as "a nominal socialist regime which outlawed democratic rights at home and was willing to become a junior partner with US imperialism" (Rodney 2020). Relations cooled somewhat under the Reagan administration due to the 1983 regime change in Grenada, which Burnham opposed, but improved again when Desmond Hoyte liberalized the economy and invited U.S. businesses to invest in Guyana (Fauriol 1993). When Jagan became president in 1992, he maintained cordial relations with the Clinton administration (Rohter 1997).

The U.S.-Guyana military partnership has been increasing—a 2001 U.S.-Guyana agreement facilitated joint naval patrols, but it was implemented only in late-2020 when the Guyanese oil fields were beginning to produce oil (Stabroek News 2020). In response to the renewed Venezuela border dispute, the United States announced closer military partnership between the U.S. Army and Guyana Defense Force (U.S. Embassy in Guyana 2023). The United States has undertaken three joint military exercises with Guyana between 2004 and 2019 (Padula, et al. 2023). Guyana's oil discovery has increased Guyana's geopolitical significance: U.S. Secretary of State Mike Pompeo visited Guyana in September 2020, the first-time such a high-ranking U.S. official made such a visit (Bulkan and Trotz 2021). During Pompeo's visit, he announced joint U.S.-Guyana maritime patrols to secure the oil fields, presumably against Venezuela, and to interdict drug trade (Stabroek News 2020). The United States has sold 9 patrol vessels to Guyana (Stabroek News 2024). Through the Caribbean Basin Security Initiative, the United States is aiding Guyana and other Caribbean states in combating drug trafficking.

Cooperation beyond military and security-related matters involves health campaigns on AIDS relief, people-to-people cultural exchange programs, development agency programs for the youth, climate resilience and oil industry transparency, and technical assistance for tax collection audit efforts (U.S. Department of State 2022b). Some members of the Guyanese diaspora in the United States promote the incorporation of Guyana as a U.S. state with the stated benefit that "the borders and territory of Guyana would remain unchanged" (Committee for an American Guyana n.d.).<sup>10</sup>

---

<sup>10</sup> Committee for an American Guyana. <https://www.guyanausa.org/territoriality/>

### **Challenge to U.S. Hegemony**

Since the declaration of the Monroe doctrine in 1821, the United States has taken the liberty to intervene in the domestic and foreign policy of Latin America. But the fact that Venezuela is being emboldened to renew territorial claims against Guyana suggests declining U.S. hegemony. Venezuela is pressing its territorial claims despite the ownership stakes of U.S. oil companies. The United States is facing increasing geopolitical challenges in the Russia-Ukraine War, the raid against the Houthis in Yemen, and a latent threat of a broader regional war in the Middle East. The United States is intent to replace Russian oil with Venezuelan oil and thereby lower global oil prices (Lefebvre 2023). As a result, the Biden administration eased sanctions, hoping that Maduro would agree to democratic elections and allow the United States to replace Russian oil imports with Venezuela's (CRS 2022). With diminished oil price pressure and U.S. opposition to Maduro's power grab, these anti-Venezuela sanctions had been re-established. Ironically, the weakening U.S. hegemonic power at the global level is perfectly consistent with greater intervention in the South American hemisphere taking the form of anti-Venezuela sanctions and developing the Guyanese oil fields, indicating the shepherding of scarce resources closer to home.

The extent to which the United States can project its power in South America is not only dependent on the divided focus of the U.S. on multiple crisis regions but the influence of other geopolitical actors in the region, although they are smaller than the United States. Russia had developed close bilateral ties with Venezuela during the Chavez and Maduro era, taking the form of financial loans, prepayment for Venezuelan oil, investments in the Venezuelan oil sector, using Russian financial intermediaries to undermine U.S. sanctions, and staunch support for Maduro (Levaggi and Rouvinski 2024). China has been a consistent supporter of the Chavez and Maduro administrations, opposing any U.S. interference to remove them (Shi 2019). Economic bilateral relations have been close but not without risk. China has been a major lender to Venezuela, especially from 2010 to 2013. In the period since Maduro's takeover, new loans are issued to allow Venezuela to repay its debts, which are tied to PDVSA oil sales. However, pledging future oil revenues to repay debt has lowered investment which lowers oil output. China responded to this by sponsoring joint venture oil production fields to monitor sufficient levels of oil production (Kaplan and Penfold 2019).

China also cultivated close bilateral relations with Guyana. In 2018, Guyana was added to the Chinese Belt and Road initiative and the two countries signed an "Investment and Economic Cooperation Working Group" to develop Chinese-funded infrastructure projects. When Guyana developed its offshore project with Exxon Mobile, the China National Offshore Oil Company entered a 25 percent ownership stake in the Exxon-led consortium. Bilateral flights were added in October 2022. China finances hotel, renewable energy, road, and rail constructions. Huawei is working with the Guyanese government to build the telecommunications and surveillance sectors (Ellis 2023). China's economic influence affects Guyana's foreign policy in areas impacting China's interests, such as the PPP had promised to open a commercial office in Taiwan upon re-entering office in 2020 but rescinded that proposal following Chinese pressure (CNN 2021).

### Conclusion

Oil remains an important input within the global economy and, therefore, it remains an important resource over which global conflicts are fought. The predominant reliance on raw materials to earn foreign exchange is a hallmark for a peripheral country within the world-system. This peripheral status applies to both Venezuela and Guyana. The current border conflict between Venezuela and Guyana is about the newfound riches from oil discoveries in Guyana initiated by U.S. multinational oil companies. Venezuela's aggressive posture is about distracting from internal political challenges to the legitimacy of Maduro's regime that has mismanaged its own petroleum resources resulting in a humanitarian crisis. From the world-systems perspective, Venezuela's aggression may be explained by its deteriorating standing within the global economy since the 1980s because there has been a significant reduction in oil production and sales amid the authoritarian transformation of the Venezuelan state.

The U.S. government, in turn, is supportive of the peaceful extraction of Guyanese oil via U.S. oil companies, but a gradually weakening U.S. hegemony in the world, the rising economic power of China and the world, along with other foreign conflicts creates openings for Venezuelan aggression. These foreign conflicts include Russia-Ukraine War, Israel's U.S.-funded war in Gaza, and Red Sea shipping disruption and the resulting energy inflation from a disruption in supply chains. Weakening global U.S. power in the world is perfectly consistent with greater engagement in the American backyard taking the form of sanctions on Venezuela and the development of the Guyanese oil industry. The United States has attempted a conciliatory path with Maduro's regime, ending some energy sanctions and helping Venezuela bring its own oil back in the world market, although the sanctions have been restored due to moderate oil prices and high global oil supply, including by Guyana and the United States. It is questionable whether there are concrete benefits for Venezuela to the capture of Essequibo given that Venezuela is not suffering from a shortage of oil but rather the human capital and equipment to make use of its existing oil resources.

The immediate risk of a Venezuelan-Guyanese border war has been averted indicating Maduro regime's risk aversion, the unpreparedness of the Venezuelan army, the lack of historical experience of foreign invasions and the continuing U.S. leverage over the region, such as via the reimposition of U.S.-Venezuelan sanctions and explicit military backing for Guyana. Guyana's oil wealth is not just threatened by its aggressive neighbor, but also by the high percentage profit-share of the foreign oil companies, political factional conflicts at home and ecological threats via rising sea levels that ironically originate from a fossil fuel dependent global economy. The world-system generates an inherent power imbalance among states, where the economic interests of multinational corporations of the core states take priority, but some semi-peripheral states can threaten smaller peripheral states, putting the smaller peripheral states at an even greater disadvantage.

**About the Authors:** **Dr. Larry Liu** is an Assistant Professor of Sociology and Anthropology and Center for Equitable AI and Machine Learning Systems (CEAMLS) Affiliate at Morgan State University. His major research interests are in political economy of the world-system, technological change at the workplace, future of work, and social policy responses to automation. His work has been published in *Socio-Economic Review*, *Social Forces*, *Ethnic and Racial Studies* and *Palgrave*. **Dr. Leon Wilson** is a Professor of Sociology and Anthropology at Morgan State University. His major research interests are in the health and well-being of families in Guyana and the Caribbeans. He has published in *Journal of Marriage and Family*, *American Journal of Community Psychology* and *Journal of Comparative Family Studies*.

**Disclosure Statement:** Any conflicts of interest are reported in the acknowledgments section of the article's text. Otherwise, authors have indicated that they have no conflict of interests upon submission of the article to the journal.

### References

- Al Jazeera. 2023. "Brazil Urges Calm as Venezuela-Guyana Border Tension Rises over Essequibo." *Al Jazeera*, December 30.
- Associated Press. 2014. "Obama Signs Bill to Sanction Venezuelan Officials." *Associated Press*, December 18.
- \_\_\_\_\_. 2024. "US Reimposes Sanctions on Venezuela as Hope for Democracy Crumbles." *Associated Press*, April 17.
- \_\_\_\_\_. 2025. "Guyana's President Denounces Venezuelan Incursion in Offshore Oil Field Operated by ExxonMobil." *Associated Press*, March 1.
- Argus. 2023. "Guyanese Crude in the Crosshairs." *Argus Media*, December 18.  
<https://www.argusmedia.com/en/news-and-insights/latest-market-news/2520130-guyanese-crude-in-the-crosshairs>
- Arrighi, Giovanni. 1993. "The Three Hegemonies of Historical Capitalism." Pp. 148–185 in *Gramsci, Historical Materialism and International Relations*, edited by S. Gill. London and New York: Cambridge University Press.
- \_\_\_\_\_. 1994. *The Long Twentieth Century: Money, Power, and the Origins of Our Times*. New York: Verso.
- \_\_\_\_\_. 2007. *Adam Smith in Beijing: Lineages of the Twenty-First Century*. Brooklyn, NY: Verso.



- Auletta, Nunzia, Urbi Garay, Patricia Monteferrante, and Aramis Rodríguez. 2022. "Entrepreneurship in Venezuela." Pp. 225–240 in *Entrepreneurship in South America*, edited by Léo-Paul Dana, Christian Keen, and Veland Ramadani. New York: Springer.
- Ávila, Olga. 2023. "'Los Colectivos': brazo ejecutor del gobierno bolivariano en Venezuela." *Espacio abierto: cuaderno venezolano de sociología* 32(2): 153-168.
- Bahadur, Gaiutra. 2015a. "Guyana: Of Love and Other Demographics." *Pulitzer Center*, June 11.
- \_\_\_\_\_. 2015b. "CIA Meddling, Race Riots, and a Phantom Death Squad." *Foreign Affairs*, July 31.
- \_\_\_\_\_. 2020. "In 1953, Britain Openly Removed an Elected Government, With Tragic Consequences." *Guardian*, October 30.
- Balza, Lenin H., Emily Brearley, Dillon Clarke, and Victor Gauto. 2020. "Traversing a Slippery Slope: Guyana's Oil Opportunity." *Inter-American Development Bank*.
- Bardi, Ugo. 2009. "Peak oil: The four stages of a new idea." *Energy* 34(3): 323-326.
- BBC. 2018. "Guyana lleva a Venezuela a la Corte Internacional de Justicia de La Haya en la disputa por el territorio del Esequibo." *BBC News*, March 29.
- Benería, Lourdes. 1999. "Structural Adjustment Policies." Pp. 687–695 in *The Elgar Companion to Feminist Economics*, edited by Janice Peterson and Margaret Lewis. Cheltenham: Edward Elgar.
- Bhutto, Abdul Waheed, Aqeel Ahmed Bazmi, Gholamreza Zahedi, and Jiří Jaromír Klemesš. 2014. "A Review of Progress in Renewable Energy Implementation in the Gulf Cooperation Council Countries." *Journal of Cleaner Production* 71: 168-180.
- Bossio, Pedro. 2018. "Exploring the Roots of Chronic Underdevelopment: The Colonial Encomienda and Resguardo and their Legacy to Modern Colombia." Master's Thesis, City University of New York (CUNY).
- Bulkan, Arif, and Alissa Trotz. 2021. "Oil Fuels Guyana's Internecine Conflict." *Current History* 120(823): 71-77.
- Buxton, Julia. 2005. "Venezuela's Contemporary Political Crisis in Historical Context." *Bulletin of Latin American Research* 24(3): 328-347.
- Bye, Vegard. 1979. "Nationalization of Oil in Venezuela: Re-defined Dependence and Legitimization of Imperialism." *Journal of Peace Research* 16(1): 57-78.
- Cao, Lan. 2016. "Currency wars and the erosion of dollar hegemony." *Michigan Journal of International Law* 38: 57-118.
- Carter Center. 2016. "2015 General and Regional Elections in Guyana." Final Report. ([https://www.cartercenter.org/resources/pdfs/news/peace\\_publications/election\\_reports/guyana-2015-final-statement-051717.pdf](https://www.cartercenter.org/resources/pdfs/news/peace_publications/election_reports/guyana-2015-final-statement-051717.pdf))

- Casey, Nicholas, and Patricia Torres. 2017. "Venezuela Muzzles Legislature, Moving Closer to One-Man Rule". *The New York Times*, March 30.
- Chabrol, Denis. 2024. "Venezuela Submits Key Arguments to ICJ in Border Case with Guyana." *Demerara Waves*, April 8.
- Chase-Dunn, Christopher K. 1998. *Global Formation: Structures of the World-Economy*. New York: Rowman & Littlefield
- Cheatham, Amelia, and Diana Roy. 2023. "Venezuela: The Rise and Fall of a Petrostate." *Council on Foreign Relations*, December 22.
- CNN. 2021. "Guyana Rolls Back Plan to Open Taiwan Office after Beijing Criticizes 'Mistake'." *CNN*, February 5.
- Colgan, Jeff D. 2013. *Petro-Aggression: When Oil Causes War*. Cambridge: Cambridge University Press.
- Committee for an American Guyana n.d. "Territory and Commonwealth Issues." (<https://www.guyanausa.org/territoriality/>)
- Conway, Frederic J. 1993. "Guyana: The Society and Its Environment." Pp. 29–64 in *Guyana and Belize: Country Studies*, edited by Tim L. Merrill. Washington, DC: Federal Research Division, Library of Congress.
- CRS. 2022. "Venezuela: Background and U.S. Relations." *Congressional Research Service*, December 6. (<https://sgp.fas.org/crs/row/R44841.pdf>)
- Curry, Mary E. 2020. "The Walter Rodney Murder Mystery in Guyana 40 Years Later." *National Security Archive*, June 13. (<https://web.archive.org/web/20230421221226/https://nsarchive.gwu.edu/briefing-book/human-rights/2020-06-13/the-walter-rodney-murder-mystery-in-guyana-40-years-later>)
- Davies, Alys. 2023. "Venezuela to Hold Military Drills after UK Sends Warship to Guyana." *BBC News*, December 28.
- Diehl, Jackson. 1984. "Once Thriving Guyana Slides Into Bankruptcy." *Washington Post*, December 9.
- Eaglen, Mackenzie. 2024. "Keeping Up with the Pacing Threat: Unveiling the True Size of Beijing's Military Spending." *American Enterprise Institute*, April 29.
- Eckler, Camden. 2020. "Prevailing Facets of Spanish Colonialism: The Roots of Exploitation and Inequality in Latin America." Honors Thesis, University of Tennessee, Chattanooga.
- Egan, Matt. 2016. "Why Venezuela's Oil Production Plunged to a 13-year low". *CNNMoney*, July 12.
- \_\_\_\_\_. 2023. "Guyana." *Economist Intelligence Unit*. (<https://country.eiu.com/guyana>)

- EIA. 2024. "Venezuela." *U.S. Energy Information Administration*. Updated February 8. (<https://www.eia.gov/international/analysis/country/VEN>)
- Ellis, Robert Evan. 2023. "China Expands Its Presence in Guyana." *Latinoamerica21*, September 2.
- Ellner, Steve. 1995. "Venezuelan Revisionist Political History, 1908-1958: New Motives and Criteria for Analyzing the Past." *Latin American Research Review* 30(2): 91–121.
- Ellner, Steve, and Daniel Hellinger. 2003. *Venezuelan Politics in the Chávez Era: Class, Polarization, and Conflict*. Boulder: Lynne Rienner Publishers.
- Espinasa, Ramon. 2008. "Prospects for the Oil-Importing Countries of the Caribbean." *Inter-American Development Bank*, Working Paper CSI 114. <https://core.ac.uk/download/pdf/6441576.pdf>
- Etkind, Alexander. 2021. *Nature's Evil: A Cultural History of Natural Resources*. New York: Polity Press.
- Exxon Mobil. 2024. "ExxonMobil Guyana Announces New Discovery." March 15.
- Ewell, Judith. 1996. *Venezuela and the United States: From Monroe's Hemisphere to Petroleum's Empire*. Athens, GA: University of Georgia Press.
- Fauriol, Georges A. 1993. "Guyana: Government and Politics." Pp. 107–130 in *Guyana and Belize: Country Studies*, edited by Tim L. Merrill. Washington, DC: Federal Research Division, Library of Congress.
- Favennec, Jean-Pierre. 2022. "Economics of Oil Refining." Pp. 59–74 in *The Palgrave Handbook of International Energy Economics*, edited by Manfred Hafner and Giacomo Luciani. Cham: Springer International Publishing.
- Ferrarini, Helene. 2020. "Guyana no recuerda a Walter Rodney." *Le Monde Diplomatique*, August. <https://mondiplo.com/guyana-no-recuerda-a-walter-rodney>
- Ferreira, Gonzalo. 2023. "Guyana acusó a Venezuela ante la OEA de haber "aumentado considerablemente sus fuerzas militares" en la frontera." *Infobae*, November 1.
- Francis, Berl. 2015. "Forbes Burnham, 1923-1985." *Black Past*, March 18. <https://www.blackpast.org/global-african-history/burnham-forbes-1923-1985/>
- France, Hollis M. 2002. *The International and Domestic Politics of Structural Adjustment Decision-Making in the Third World: A Case Study of Guyana, 1989–1997*. PhD Dissertation, City University of New York (CUNY).
- Frank, Andre Gunder. 2011. *World Accumulation*. New York: NYU Press.
- Galor, Oded, Omer Moav, and Dietrich Vollrath. 2009. "Inequality in Landownership, the Emergence of Human-Capital Promoting Institutions, and the Great Divergence." *The Review of Economic Studies* 76(1): 143-179.

- Gates, Leslie C. 2023. *Capitalist Outsiders: Oil's Legacies in Mexico and Venezuela*. Pittsburgh: University of Pittsburgh Press.
- Gelb, Alan. 1986. "From Boom to Bust—oil Exporting Countries over the Cycle 1970–84." *IDS Bulletin* 17(4): 1-8.
- Giusti, Luis E. 1999. "'La Apertura': The Opening of Venezuela's Oil Industry". *Journal of International Affairs* 53 (1): 117–128.
- Gonzales, Nestor G. 1996. "Venezuelan Civil-Military Relations: Past, Present, and Future." U.S. Army War College. <https://apps.dtic.mil/sti/tr/pdf/ADA309097.pdf>
- Green, Duncan. 2006. *Faces of Latin America* (third ed.). London: Monthly Review Press.
- Gutiérrez Ardila, Daniel (2019). *1819: Campaña de la Nueva Granada*. Bogotá: Universidad Externado de Colombia.
- Guyana Times. 2012. "Bharrat Jagdeo: The Journey of a World Champion." *Guyana Times*, November 1.
- Harding, Colin. 2002. "Obituary: Desmond Hoyte." *Independent*, December 24.
- Hellinger, Daniel. 1994. "Democracy Over a Barrel History Through the Prism of Oil." *NACLA Report on the Americas* 27(5):35–41.
- Hendrickson, Embert J. 1970. "Roosevelt's Second Venezuelan Controversy." *Hispanic American Historical Review* 50 (3): 482–498. doi:10.1215/00182168-50.3.482.
- Hepp, Simon J. 2019. "The Effect of Declining Oil Prices on Political Corruption in Venezuela." PhD dissertation, Naval Postgraduate School.
- ICJ. 2023. "Summary of the Order of 1 December 2023: 171 - Arbitral Award of 3 October 1899 (Guyana v. Venezuela)." International Court of Justice. (<https://www.icj-cij.org/node/203344>)
- Ishmael, Odeen. 1998. *The Trail of Diplomacy: A Documentary History of the Guyana-Venezuela Border Issue*. Georgetown: Guyana News and Information Publications. ([https://web.archive.org/web/20081010041011/http://www.guyana.org/features/trail\\_diplomacy.html](https://web.archive.org/web/20081010041011/http://www.guyana.org/features/trail_diplomacy.html))
- \_\_\_\_\_. 2005. *The Guyana Story: From Earliest Times to Independence*. Georgetown: Guyanese Online. (<https://guyaneseonline.net/2011/11/23/history-the-guyana-story-dr-odeen-ishmael/>)
- Johnson, Tim. 1999. "Tensions Rising in Venezuela-Guyana Territorial Dispute." *Miami Herald*, November 27.
- Jones, Clarence F. 1929. "Agricultural Regions of South America. Instalment VI." *Economic Geography* 5(4): 390–421.
- Kaiteur News. 2023. "Guyana's Corruption Rate among the Highest in the Caribbean – New World Justice Project report." *Kaiteur News*, April 21.

- Kaplan, Stephen B., and Michael Penfold. 2019. "China-Venezuela Economic Relations: Hedging Venezuelan Bets with Chinese Characteristics." *Wilson Center*.  
[https://www.wilsoncenter.org/sites/default/files/media/documents/publication/china-venezuela\\_relations\\_final.pdf](https://www.wilsoncenter.org/sites/default/files/media/documents/publication/china-venezuela_relations_final.pdf)
- Karl, Terry Lynn. 1987. "Petroleum and Political Pacts: The Transition to Democracy in Venezuela." *Latin American Research Review* 22(1): 63-94.
- Kim, Hong-Cheol, and Patrick James. 2016. "The Paradox of Power Asymmetry: When and Why Do Weaker States Challenge US Hegemony?." *All Azimuth: A Journal of Foreign Policy and Peace* 5(2): 5-28.
- Kimball, Spencer. 2024. "Hess Shareholders Approve \$53 billion Chevron Deal amid Dispute with Exxon over Guyana Assets". *CNBC*, May 28.
- Korten, Tristram. 2008. "Gang's Terror Reign in Guyana Years in Making." *The Miami Herald*, June 16.
- LaRose, Miranda. 2018. "Hoyte Museum Co-founder Seeking to Preserve Tribute to Former President's Service." *Stabroek News*, September 2.
- Laviña, Javier, and Michael Zeuske. 2008. "Failures of Atlantization: First Slavery in Venezuela and Nueva Granada." *Review (Fernand Braudel Center)* 31(3): 297-342.
- Lefebvre, Ben. 2023. "Biden Eases Sanctions on Venezuelan Oil and Republicans Howl." *Politico*, October 18.
- Levaggi, Ariel Gonzalez, and Vladimir Rouvinski. 2024. "In Venezuela, Russia Answers US Support for Ukraine with 'Symbolic Reciprocity'." *Wilson Center*, August 15.
- Lucca, Rafael Arraiz. 2018. "Táchira's Petrolia: First Private Oil Company in Venezuela." *Caracas Chronicles*, July 31.
- MacDonald, Scott B. 1993. "Chapter 1: Guyana: Historical Setting." Pp. 1–28 in *Guyana and Belize: Country Studies*, edited by Tim L. Merrill. Washington, DC: Federal Research Division, Library of Congress.
- Mao, William. 2023. "A Path to Prosperity for Oil-Rich Guyana." *Harvard International Review*, September 27.
- Marquina, Cira Pascual. 2022a. "Radical Land Reform in Venezuela: A Conversation with Juan Carlos Loyo (Part I)." *Venezuelanalysis*, January 28.
- \_\_\_\_\_. 2022b. "The Long Venezuelan Depression: A Conversation with Malfred Gerig." *Venezuelanalysis*, July 15.
- Martinez, Anibal. 1969. *Chronology of Venezuelan Oil*. London: Purnell and Sons LTD.
- McFeeters, Brian D. 1993. "Guyana: The Economy." Pp. 65–106 in *Guyana and Belize: Country Studies*, edited by Tim L. Merrill. Washington, DC: Federal Research Division, Library of Congress.



- Modern Latin America. 1958. "Document #22: "Pact of Punto Fijo," Acción Democrática, COPEI and Unión Republicana Democrática (1958)." *Brown University*. (<https://library.brown.edu/create/modernlatinamerica/chapters/chapter-8-venezuela/primary-documents-with-accompanying-discussion-questions/document-22-pact-of-punto-fijo-accion-democratica-copei-and-union-republicana-democratica-1958/>)
- Mower, Jeff, Jim Levesque, and Starr Spencer. 2023. "Infographic: Guyana's Oil Boom Leads to Producer Scramble for Space." *S&P Global Commodity Insights*, December 4.
- Oil Now. 2021. "For Guyana, Retaining the Resource-Rich Essequibo Region 'Is a Life-or-Death Matter' – Ivelaw Griffith." *Oil Now*, April 12. (<https://oilnow.gy/featured/for-guyana-retaining-the-resource-rich-essequibo-region-is-a-life-or-death-matter-ivelaw-griffith/>)
- O'Keefe, Thomas Andrew. 2020. "The Inter-American System in an Era of Declining United States Hegemony." *Middle Atlantic Review of Latin American Studies* 4(2): 194–212.
- Ortiz, R. 2023. "Weathering the Crisis: Oil, Financialization, and Socio-Ecological Turbulence since the 1970s." *Journal of World-Systems Research* 29(2): 431–456.
- Ould-Mey, Mohameden. 1994. "Global Adjustment: Implications for Peripheral States." *Third World Quarterly* 15(2): 319–336.
- Padula, Raphael, Matheus de Freitas Cecílio, Igor Candido de Oliveira, and Caio Jorge Prado. 2023. "Guyana: Oil, Internal Disputes, the USA and Venezuela." *Contexto Internacional* 45: e20210031.
- Panitch Leo and Gindin Sam. 2012. *The Making of Global Capitalism: The Political Economy of American Empire*. London: Verso.
- Parliament of Guyana. 2013. "Diplomatic Relations between Cuba and Guyana." 34<sup>th</sup> Sitting, Tenth Parliament, January 3. <https://www.parliament.gov.gy/media-centre/speeches/diplomatic-relations-between-cuba-and-guyana/>
- Pirie, Madsen. 2019. "Columbus Reached Venezuela." *Adam Smith Institute*, August 1.
- Prados, John, and Arturo Jimenez-Bacardi. 2020. "CIA Covert Operations: The 1964 Overthrow of Cheddi Jagan in British Guiana." *National Security Archive*. <https://web.archive.org/web/20230310051715/https://nsarchive.gwu.edu/briefing-book/intelligence/2020-04-06/cia-covert-operations-overthrow-cheddi-jagan-british-guiana-1964>
- Rabe, Stephen G. 1982. *The Road to OPEC: United States Relations with Venezuela, 1919-1976*. Austin: University of Texas Press.
- \_\_\_\_\_. 2005. *U.S. Intervention in British Guiana: A Cold War Story*. Chapel Hill: University of North Carolina Press.
- Raisbeck, Daniel. 2023. "Will Nicolás Maduro Invade Guyana?" *Cato Institute*, December 5.

- Ramharack, Baytoram. 2021. "Rethinking Forbes Burnham: Revelations from the "303 Committee" on Laying the Foundation for Guyana's Dictatorship." *Stabroek News*, November 14.
- Redondo, Raquel, and Joshua Goodman. 2023. "Maduro's Newest Foe: An In-home Caregiver Who Fled Venezuela." *Associated Press*, January 13.
- Restuccia, Diego. 2017. "The History of Venezuela." *Becker Friedman Institute, University of Chicago*. (<https://manifold.bfi.uchicago.edu/read/a-monetary-and-fiscal-history-of-latin-america-1960-2017/section/d2c8d793-bd56-4e90-bd22-5d07377b372a>)
- Rifkin, Jeremy. 2014. *The Zero Marginal Cost Society: The Internet of Things, the Collaborative Commons, and the Eclipse of Capitalism*. New York: St. Martin's Press.
- Rodney, Walter. 1972. *How Europe Underdeveloped Africa*. Baltimore: Black Classic Press.
- \_\_\_\_\_. 2020. "Walter Rodney and the Struggle for Democracy in Guyana." *Jacobin*, June 13. (<https://jacobin.com/2020/06/walter-rodney-guyana>)
- Rogers, Roger, Mark D. Wenner, and Dillon Clarke. 2016. "Guyana's PetroCaribe Rice Compensation Scheme Has Ended: Assessment and Policy Implications." *Inter-American Development Bank*. (<https://publications.iadb.org/en/guyanas-petrocaribe-rice-compensation-scheme-has-ended-assessment-and-policy-implications>)
- Rohter, Larry. 1997. "Cheddi Jagan, Guyana's Founder, Dies at 78." *The New York Times*, March 7.
- Romero, Simon. 2002. "Desmond Hoyte, 73, Former President of Guyana, Dies." *The New York Times*, December 29.
- Rosales, Alisa, and Nicolas Suarez. 2023. "The World's Fastest Growing Economy." *S&P Global Market Intelligence*, November 22.
- Rosales, Antulio. 2019. "Radical Rentierism: Gold Mining, Cryptocurrency and Commodity Collateralization in Venezuela." *Review of International Political Economy* 26(6): 1311-1332.
- Salvatore, Ricardo D. 1993. "Market-oriented Reforms and the Language of Popular Protest: Latin America from Charles III to the IMF." *Social Science History* 17(4): 485-523.
- Sanchez, Fabiola. 2013. "Venezuela Navy Escorts Seized Oil Vessel into Port." *Associated Press*, October 13.
- Sen, Ashish Kumar. 2018. "Venezuela's Sham Election". *Atlantic Council*, May 18.
- Shi, Jiangtao. 2019. "Wary China Offers Support to Embattled Venezuelan President Nicolas Maduro." *South China Morning Post*, January 24.
- Sierra, Manuel Felipe. 2020. "Guyana: De Rupununi A La Haya." *Eneltapete.com*, April 7. <https://www.eneltapete.com/historia/1407/guyana-de-rupununi-a-la-haya>

- Simmons, Christopher. 1993. "Guyana: National Security." Pp. 131–150 in *Guyana and Belize: Country Studies*, edited by Tim L. Merrill. Washington, DC: Federal Research Division, Library of Congress.
- Smil, Vaclav. 2008. *Oil: A Beginner's Guide*. London: Oneworld Publications.
- Smith, Scott. 2020. "Official: Maduro Allies Win 91 Percent of Seats in Venezuela Vote." *Associated Press*, December 10.
- Stabroek News. 2020. "Joint Guyana-US Maritime, Air Patrols Could Begin as Early as Monday." *Stabroek News*, September 18.
- \_\_\_\_\_. 2024. "New Patrol Vessel Arrives for GDF." *Stabroek News*, April 21.
- Treaster, Joseph B. 1979. "Guyana's President Facing Biggest Challenge in 15 Years." *The New York Times*, October 13.
- Tugwell, Franklin. 1975. *The Politics of Oil in Venezuela*. Palo Alto: Stanford University Press.
- Turner, Louis. 1976. "The Oil Majors in World Politics". *International Affairs* 52 (3): 368–380.
- U.S. Department of State. 2022a. "U.S. Relations with Venezuela." (<https://www.state.gov/u-s-relations-with-venezuela/>)
- \_\_\_\_\_. 2022b. "U.S. Relations with Guyana." (<https://www.state.gov/u-s-relations-with-guyana/>)
- \_\_\_\_\_. 2023. "2023 Investment Climate Statements: Guyana." (<https://www.state.gov/reports/2023-investment-climate-statements/guyana/>)
- U.S. Embassy in Guyana. 2023. "U.S. Army, Guyana Defence Forces Strengthen Military Partnership." November 28. (<https://gy.usembassy.gov/u-s-army-guyana-defence-forces-strengthen-military-partnership/>)
- Vasquez, Alex. 2020. "Venezuela's Opposition Assembly Approves its Continuity for 2021." *Bloomberg News*, December 26.
- Venezuelanalysis. 2007. "Venezuela to Write Off Guyana Debt." *Venezuelanalysis*, October 3.
- Wallerstein, Immanuel. 1974. *The Modern World System I: Capitalist Agriculture and the Origins of the European World-Economy in the Sixteenth Century*. New York: Academic Press.
- \_\_\_\_\_. 1976. "Semi-Peripheral Countries and the Contemporary World Crisis." *Theory and Society* 3(4): 461–83.
- Weisbrot, Mark. 2002. "Bush Administration Pushes for "Regime Change" in Venezuela." *Center for Economic and Policy Research*, December 5.
- Wiseman, Colin and Daniel Béland. 2010. "The Politics of Institutional Change in Venezuela: Oil Policy During the Presidency of Hugo Chávez." *Canadian Journal of Latin American and Caribbean Studies* 35(70): 141-164.

Yergin, John H. 2022. *The New Map: Energy, Climate and the Clash of Nations*. New York: Penguin Press.