This study examines the interconnections between the state, foreign relations and development policy in ex-colonial countries. Previous studies have focused on one or the other of these variables. It is however argued that the relationship between these variables, especially in terms of the nature of the development process, can only be meaningfully analysed by using an approach which focuses on the role of the state as determined by the class structure and class struggles in the developing country. A case study of the Guyanese situation is provided to illustrate this approach as well as to assess the non-capitalist strategy of development. Although certain prerequisites were created by the Guyanese government, the move towards non-capitalist development has been inhibited primarily by the class character of the state, by ethnic and political divisions within the country, and by geo-political considerations regarding Guyana's location on the South American continent.