The mere fact of Barack Hussein Obama's decisive election as the first African American president can be a pivotal turning point in a much-needed repositioning of the United States’ role as an ally of democratic reform around the world. This is particularly true in the Western Hemisphere, where democratization trends are fragile and U.S. influence is waning. The Obama Administration needs to overhaul U.S. democracy strategy by investing serious time and resources into strengthening and, where necessary, creating new multilateral tools to support demands for good governance in Latin America. This will require a significant shift in thinking away from traditional bilateral channels of diplomatic pressure and assistance and toward multilateral cooperation with like-minded partners. The Fifth Summit of the Americas meeting in Trinidad and Tobago, with strengthening democratic governance as one of its main themes, is the ideal venue for pushing the reset button.

The Context

According to a number of polls, most Latin Americans, like the vast majority of people from other regions, believe that democracy is better than any other form of government. But Latin Americans are largely dissatisfied with the way democracy works in their countries, particularly when it comes to distributing income and providing social protections. Corruption is seen as a huge impediment to improved governance. Trust in politicians and political parties ranks particularly low. To prevent backsliding toward authoritarian rule, democracy assistance needs to translate into tangible improvements in the judicial system, accountability of public institutions and politicians, greater transparency, and improvement in public services.

Even though the United States has a vital interest in seeing a hemisphere of prosperous democratic states governed by the rule of law, its historical legacy in the region and its militarized campaign for political reform in Iraq handicap its credibility in working toward that goal. Meanwhile, Latin American publics’ perception of other international actors—the United Nations, the Organization of American States and the European Union, for example—is more positive.

The Challenge

Given these realities, and the inherent sensitivity of providing external support to local actors involving their own political affairs, it is critical that Washington move in partnership with others. It needs to reboot its image in the region as an ally of democracy by working closely with countries and international organizations that are
accepted as credible actors, share basic assumptions about the positive link between democracy, development, and peace, and are willing to join in a deliberate though more muted effort to strengthen respect for democracy and the rule of law in the region. Washington needs to walk softly, talk quietly, and join hands with others.

Partners are needed as well to help share the financial and diplomatic burdens of this task. U.S. foreign aid will likely face significant cuts as a result of the global recession. But a serious reduction in democracy assistance, which demands a long-term and consistent commitment of resources and expertise, would undermine our own interests in making sure that scarce taxpayer dollars go to transparent and accountable governments.

The United States also needs to work with others in order to offer a more varied menu of democracy assistance to the increasingly diverse set of democracies and political cultures in the hemisphere. Latin American governments like Brazil, Chile, Mexico and Uruguay should step up to the plate by devoting their own resources and expertise to this joint venture. They should create a unit within their foreign ministries dedicated to democracy and human rights concerns and provide training and education for their diplomats—for example, on how they can help civil society play a positive role in democratic development.

**Hemispheric Opportunity**

The Obama Administration, were it seriously to embark on a more multilateral course, should consider new avenues for collaboration on both the diplomatic and development assistance aspects of a comprehensive democracy assistance strategy.

- **Depoliticize democracy assistance.** One of the key lessons learned from the Bush Administration’s experience is to avoid overtly picking winners and losers, a tactic proven to inflame anti-U.S. sentiments. President Obama has an opportunity to assert his administration’s bona fides in this area by making clear at the Summit of the Americas that the United States will refrain from interfering in internal elections and work constructively with whomever wins free and fair elections and respects the fundamental tenets of the Inter-American Democratic Charter. In addition, when President Obama and members of his Cabinet visit countries in the region, they should meet with relevant political leaders of different parties and sectors as a way to convey the United States’ intention to work with the legitimate democratic leadership of the country broadly speaking, and not personalize relations with just the head of state.

Another way to depoliticize democracy aid is to move funding for civil society from the State Department to the National Endowment for Democracy (NED) and its affiliates. Giving the State Department the money to run democracy programs runs the risk of politicizing what should be, to the extent possible, a nonpolitical foreign assistance endeavor. Receiving official assistance from the U.S. government, particularly under rules that require them to display the USAID logo on all their materials, makes them vulnerable to charges of being agents of a foreign government. This is no way to frame a democracy assistance strategy. The NED, an independent nonprofit organization that has enjoyed bipartisan support from its birth in the Reagan era, is a relatively small and nimble grantmaking entity whose mission is sustaining democracy and human rights advocates around the world.
Democracy funds directed to foreign government and quasi-government entities, on the other hand, can continue to be funded through official State Department and USAID channels.

- **Strengthen the Organization of American States and its Inter-American Democratic Charter.** The OAS and its Inter-American Democratic Charter need an infusion of new commitment and consensus building to function well as diplomatic tools for democracy. Notably, the charter’s provisions concerning responses to democratic crises require a member state to initiate a request for assistance, making it less likely to be invoked. In fact, these provisions have never been used, despite abundant opportunity to do so since the charter was adopted in 2001. The charter also limits the secretary general’s power to take the initiative to investigate deterioration in democratic standards only to situations involving “an unconstitutional alteration of the constitutional regime.” Yet many instances of democratic backsliding, such as the trend of rewriting constitutions to give presidents more powers and to weaken or eliminate term limits, do not rise to this level, leaving the OAS impotent to act. One way to generate momentum for greater activism on the part of OAS states is to support the Friends of the Inter-American Democratic Charter, a panel of prominent figures from throughout the hemisphere which serves an unofficial monitoring and advisory role for the secretary general aimed at preventing tense situations from erupting into conflict.

- **Internationalize democracy assistance.** The United States seriously needs to ramp up its investment in multilateral mechanisms of democracy assistance. Unfortunately, the United States has inadequate and insufficient tools in the toolkit, preferring instead to conduct most of its democracy assistance through bilateral channels. Yet a good model for internationalizing U.S. government funding for democracy assistance exists: the United Nations Democracy Fund (UNDEF). Since its establishment in 2005, UNDEF has received donations and pledges totaling over $98 million from a wide range of countries, including India ($20 million), the United States ($25 million), and Japan ($20 million), with smaller donations from countries like Chile and Peru. The UN has the legitimacy to be a credible defender of the universal nature of democratic and human rights principles. Congress should continue regular and substantial funding for this account and other Latin states should contribute.

UNDEF can serve as a model for U.S. democracy assistance funding in the Latin American and Caribbean region. An Inter-American Democracy Fund, housed at the OAS and funded by the United States, Canada, the European Union, its member states, and, most important, countries from Latin America, would be a regional vehicle to address regional problems. It could focus not only on supporting civil society monitoring and participation but also on developing independent media, legal reform, and civic education. Strengthening political parties as credible agents of political change with policy platforms that can be translated into concrete government programs should also be a priority. It would be a practical manifestation of the region’s commitment to the principles of the Inter-American Democratic Charter and avoid the “regime change” taint associated with past U.S. government funding. Finally, the Obama Administration and Congress should remain committed to the Millennium Challenge Account and seek to transform it into a multilateral mechanism to incentivize good gov-
The program delivers significant levels of development aid once a state has met the criteria of “governing justly” and fighting corruption and requires consultation with its citizens on priority projects.

As Latin American countries look forward to their bicentennials of independence, the United States should join them in celebrating our shared heritage as democratic societies by funding new multilateral projects for building accountable, transparent, and participatory governance.

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