

# BROOKINGS



## **Resilient or in decline: Current trends in Latin American democracy September 29, 2017**

### **Executive summary**

On September 29, 2017, the Brookings Institution and the International Institute for Democracy and Electoral Assistance (International IDEA) co-hosted a full-day workshop convening high-level experts from Latin American embassies, the U.S. government, academia, and civil society to discuss current trends in Latin American democracy as the region enters a super cycle of nine elections in 2017-19. The discussion covered a wide array of important changes including the economic downturn, changing regional and international relationships, upcoming elections, internal structural challenges, civil society, and the impact of a changing media. The summary below highlights the expert participants' opinions (including data points that they raised for discussion) regarding these themes, the main points of consensus and disagreement, and areas for further study and debate.

#### **External factors**

##### ***Impact of the commodities bust and economic downturn***

Latin America benefited significantly from the commodities boom from 2000-10. The high sale price of the region's commodities enabled high levels of economic growth, which governments used to significantly reduce poverty rates and grow the middle class. One expert noted that from 2000-14, the proportion of Latin Americans living in poverty was reduced from 40 percent to 28 percent. However, the region did not prepare for the inevitable downward trend of the commodities cycle. Although the region made general improvements in rates of education, life expectancy, and mortality, the drop of commodity prices over the past few years has resulted in many Latin Americans losing jobs and dropping below the middle class and back into poverty. As one expert noted, Latin America has been unable to capitalize on times of plenty and convert them into long-term growth.

The region's economic struggles will have an enormous impact on political cycles, as we have already seen in countries like Argentina. In the discussion, one expert went as far as to say that we can predict electoral outcomes based on growth and commodity prices: if they are high, people will not care about corruption and incumbents will be re-elected, but if they are low, the public will demand change. Therefore, we can expect the upcoming election cycle to bring about significant changes in leadership. The growth during the commodities boom raised expectations for quality of life and voters want to return to those times of growth and prosperity.

Interestingly, the emphasis on democracy to bring about this prosperity is losing traction. Participants discussed whether identity politics are becoming more prevalent in Latin America and if populism is on the rise. Values seem to be losing ground to the ability to bring prosperity back to the people. Yet, values are still part of the conversation, as we have seen in the ongoing corruption scandal (also called Lava Jato) in Brazil. The activism of citizens and civil society organizations in denouncing corruption and injustice is a source of hope for the strength of democracy in the region. Experts argued that the region should take advantage of this moment to emphasize the importance of values in politics.

## ***Global and regional influences on democracy***

Traditionally, the United States has been the most important partner for most Latin American countries both economically and politically. The shared respect for democracy has been a unifying value for the region as embodied by the Organization of American States (OAS) and its Inter-American Democratic Charter. Moreover, U.S. democratic ideals and economic prosperity have traditionally been held up as sources of inspiration and aspiration. Today, all of that is changing. Surveys of Latin Americans have shown a decline in the perceived importance of the United States as both an economic and political influence in the region. Latin Americans are also calling out U.S. hypocrisy in Washington's efforts to reduce corruption and the concentration of executive power in the region. While some argued that the perception is just as important as the truth, others pointed to the continued influence of the United States in multiple aspects of Latin American life: economic investment, exports to Latin America, education partnerships and exchange (higher education, agricultural research, legal, and investigative training), U.S. demand for narcotics, immigration to the United States, and the influence of U.S. pop culture.

What happens in the United States is still very important to Latin America, but the difference today is that the region now has additional options for powerful friends. The entrance of China and Russia into Latin American economies has reduced the United States' ability to exert its will over internal politics—partially because the resources to support the instruments of diplomacy in the region have been reduced—but also because the United States no longer monopolizes regional trade. China and Russia are not trying to be aspirational for the region. Rather, they have approached the region as partners in south-south solidarity. China is now many Latin American countries' largest trading partner, including Brazil (since 2009). However, the United States continues to have significant cultural influence over the region. This new balance of international powers in the region provides Latin American countries with new options and creates more competition for both economic opportunities and political influence. Experts argued that Latin America has an opportunity to take control of its own destiny and stop getting left behind or left out of global trends. There are many positive developments that the region should capitalize on and continue to propel forward.

Also worth mentioning is the influence of the OAS. Although the OAS frequently gets a bad rap for being inefficient, overly bureaucratic, and obsolete, it also is still looked to by many countries as an impartial enforcer of democracy within the region. The OAS is planning electoral observations in Honduras, Nicaragua, Mexico, Brazil, Colombia, and Costa Rica. However, countries must continue to support the OAS publicly and financially in order to ensure that it can continue to do the work that the region counts on it to carry out.

## **2017-19 wave of elections**

### ***Chile***

The discussion of the Chilean elections began with a reference to Josep Colomer's hypothesis that Latin American democracy has been sustained over the past 30 years not because of its own strength or consolidation, but because of the weakness of competing models on both the right and the left. In Chile, the reversal of mandatory voting laws has caused a drop in political participation from over 90 percent to less than 50 percent, according to some surveys. Political participation is not valued as a key aspect of participating in democracy and achieving social and political goals. In particular, the new middle class is highly involved in protests and citizen mobilizations, but that engagement is not translating into voting practice. This is illustrated by conservative candidate Sebastian Piñera's comfortable lead in political polls despite the fact that significant majorities of the population (according to surveys) support outgoing President Michelle Bachelet's left-leaning initiatives such as support for legal abortion and free education. One potential explanation is that Bachelet's strong leftist agenda has galvanized conservatives to look for a movement back to the right. Piñera could certainly be defeated if the other two leading candidates, Alejandro Guillier and Beatriz Sánchez, united against him. However, if Piñera does win, he could reverse many of the social changes that a majority of Chileans support, but chose not to protect, by exercising their political power to vote.<sup>1</sup>

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<sup>1</sup> Sebastian Piñera won the presidential election on December 17, 2017.

## ***Colombia***

Colombia will hold its first round of presidential elections in May 2018. According to surveys, the four most important issues to voters are economic growth, employment, corruption, and the quality of the healthcare system. However, the implementation of the country's peace accord with the Revolutionary Armed Forces of Colombia (FARC), the deterioration of the situation in Venezuela, and addressing the increased production of coca in Colombia will also have a significant impact on the outcome of the election.

Approval of President Juan Manuel Santos' management of the country is only about 18-30 percent while 70 percent think the country is heading down the wrong path. Although President Santos has received international praise for achieving a peace accord with the FARC, his administration succeeded in persuading the country's Congress to approve the accord despite its rejection by the people in a referendum. Many Colombians are also concerned about certain provisions in the accord that facilitate the entrance of the FARC into the legitimate political sphere (with 16 guaranteed congressional seats) as the Common Revolutionary Alternative Force party (maintaining the acronym FARC). The political relationship that the new FARC establishes with the population will be a major factor in the success of the accord. If the FARC fails to gain popularity, it could weaken the resolve for peace. On the other hand, if the FARC becomes too strong, some are concerned it could bring about a wave of Castro-Chavismo in the country.

While many established politicians are distancing themselves from President Santos ahead of the elections, 70 percent of Colombians are rejecting political parties altogether. The wave of corruption scandals associated with Brazilian construction giant Odebrecht has implicated several Colombian politicians, deepening skepticism that political parties are representing the interests of the people. At the time of the conference, there were 30 candidates running for president, only three of which had an official party affiliation. The remaining 27 gathered sufficient signatures to be included in the race, not to mention that Colombia's two traditional parties (Liberals and Conservatives) have not yet announced their candidates. The overwhelming number of candidates creates significant uncertainty as to who will govern Colombia and what portion of the population they will truly represent.

## ***Mexico***

Anti-establishment candidate Andrés Manuel López Obrador (AMLO) is the clear front-runner in the July 2018 Mexican election. He is widely recognized as an anti-establishment, pro-change, and populist candidate. Experts claim AMLO's message is so successful because it capitalizes on the population's disillusionment with democracy, lack of faith in political institutions, exhaustion with corruption, and distrust of political parties. Only 4 percent of Mexicans believe in political parties, just 10 percent believe elected officials act in their interests, and 40 percent of Mexicans don't support any candidate or party and therefore may choose not to vote altogether. Interestingly, most millennials do not support AMLO, echoing the global trends of political clashes between the old and the young.

If AMLO does win, he will have to work with a divided Congress, and face a majority of the public that did not vote for him (according to some calculations, he could win the election with as little as 27 percent of the vote). In order to create real change, he would have to address several dysfunctions in the Mexican political system, which experts doubt he will be able to accomplish (if he even wants to). Indeed, weak institutions have created a system that actually incentivizes corruption through crony capitalism and the absence of functional institutions to assure transparency and accountability, and to combat impunity. As corruption becomes more visible, some believe that current politicians are more concerned with securing impunity for themselves rather than worrying about re-election.

The electoral system itself is consuming more public funding, but failing to produce governance that is more effective. While the idea of eliminating public funding to campaigns altogether recently surged in the aftermath of the major earthquake in Mexico City, eliminating public funding is actually more likely to decrease equality within the system and give more power to oligarchs to control politics. Although civil society is making important strides to address many areas of Mexico's institutional dysfunction, Mexican democracy could continue to backslide if voters choose a candidate like AMLO who is unlikely to address these problems in meaningful ways.

### ***Brazil***

Brazilians are angry about many things in their political and economic systems. They have been shocked and enraged by corruption scandals, which have now become synonymous with the country's politics. The fact that these investigations have been allowed to proceed, and over a third of the members of the Brazilian Congress have been implicated, is a positive sign that Brazilian legal institutions are working. However, the need for its politicians to form coalitions in order to govern means that corruption and bargaining are essentially baked into the system.

The independence and impartiality of Brazilian institutions in general is highly questionable. The government has a strong role in the economy, and Brazilian elections are very expensive, reinforcing quid pro quo relationships. Every party that has governed in the past 30 years has been implicated in some type of corruption scandal.

Beyond corruption, Brazilians are disappointed that their government has been unable to reinvigorate the economy, which has shrunk by 8 percent in the past three years. Many who achieved middle class status have increased their expectations of what government should provide (better public services, less corruption) and blame mainstream parties for these failures. Those in the middle class fear falling back into poverty and are looking to government to prevent that from happening. Interestingly, middle class disappointment has not manifested in xenophobia or isolationism as it has in other countries.

While it is clear that Brazilians want change, so many candidates are running on a change platform that it is difficult to identify a front-runner. However, polls suggest that this election will be much less about left versus right and much more about old versus new. Additionally, in order to achieve the economic growth that Brazilians are looking for, some experts believe the new government will have to make some very unpopular decisions, specifically, reforming pension and labor policies in order to increase growth and open Brazil to global markets.

### ***Venezuela***

It is unclear whether elections will take place in 2018—and if they do, if they would be free and fair, and if the results would be accepted. Analysis of the political situation in Venezuela must take into account the major crises the country has experienced over the past two years. One expert called this a “primitivization” of the country, in which needs and concerns have gone from high-level political issues to concerns over the supply of food and basic medicine. Since the people are already living with much less, it is difficult to say how far the country's income has to fall before the Nicolás Maduro administration collapses. The administration has been able to sustain itself despite having less money, increased international isolation and pressure, and fewer options for an easy way out.

Although Venezuela's opposition parties have been able to unite their message during elections, they have been unable to solve internal fractures and speak as one unit, particularly on whether or not they will engage in negotiations with the Maduro administration. Their lack of unity and leadership has caused the people to lose faith in their ability to fulfil their promises. Experts argued that the opposition should try to exert pressure from multiple fronts: leading protests, pushing for sanctions, and continuing to push for negotiations and elections. However, the people are truly afraid of retaliation by Maduro supporters and cannot afford to lose their government-provided food if they are accused of dissent. Maduro also has to maintain the loyalty of the Venezuelan military, which some say he does through bribes. However, if a faction of the armed forces decides not to support him, it could be a major step toward Maduro leaving office.

Currently, the risks of repression in order to stay in power do not outweigh those of leaving power for Maduro and others in his administration. Experts argue that the increased international pressure could be the key to bringing parties to the negotiation table. In addition, the opposition could consider a “soft landing” for administration officials in order to convince them to leave.

## **Internal challenges to democracy**

### ***Tackling corruption and increasing government accountability***

While electoral democracy in Latin America is quite strong, the strength of rule of law and the ability to check government (particularly executive) power are quite weak. Corruption has become the main topic of discussion for over a year, with the explosion of the Lava Jato and Odebrecht scandals rippling throughout the region. Many have questioned whether the amount of corruption has increased in Latin America or if it has simply become more visible. Experts felt that both are true. Even more concerning is the possibility that Latin American governments lack the capacity to adequately prosecute and convict perpetrators of corruption once they have been identified. The diversion of public funds for personal use means that public services such as education, healthcare, and shelter are underfunded. This disproportionately affects poor, female, and minority citizens. At the same time, those who make the decisions are predominately white and male.

The lack of confidence in the rule of law and in the government's ability to protect citizens' rights is a serious threat to democracy and has the potential to give way to a rise in authoritarianism. One expert opined that democracy in the region will perpetually be under threat until strong rule of law can be established—essentially that rule of law is the foundation for a functional democracy, not vice versa. The current political moment has also led citizens to believe that politicians can't be trusted. Whether clandestinely or out in the open, politicians are showing that they are willing to break the rules of the system when the outcomes do not suit them. One recent example was President Santos' decision to push through the peace deal with the FARC after it was rejected by public referendum.

While faith in public officials has plummeted, civic engagement seems to be quite high. The public demonstrations during Lava Jato and the outpouring of support for Mexican earthquake relief have shown that the people are ready and willing to participate politically, but are looking for someone to believe in. This has made the region highly susceptible to populism and outsider politics, where the people accept a high concentration of executive power. The combination of extremely powerful executives, corrupt public officials, and weak rule of law could spell disaster for the rights of citizens, reduction of inequality, and the power of the people's voice through democratic participation.

### ***Getting left behind: Public disillusionment with democracy***

Society appears to be at a crossroads as Latin American governments have been unable to provide the kind of opportunity, prosperity, and protections that the region's population is demanding. The labor market is one source of disappointment for many people in the region. These negative feelings toward society and government combined with corruption and political exclusion could be disastrous. The middle class and young people are the region's largest disappointed constituencies. For many, wages are not high enough to achieve middle class status, so there is a lack of incentive to join the workforce and contribute economically. This is a loss of productive work as well as a social threat since many able-bodied people can turn to crime in order to make more money. Among people between 15-24 years old (108 million Latin Americans), 25 percent are either unemployed or do not work or go to school, and one half have at least one informal job. Over 8 percent of the region's workforce is unemployed (the highest rate in a decade) and 47 percent of workers are in the informal labor market, without access to benefits. Poorer workers also resent the low quality of public services and the fact that they are unable to afford private ones. Thus, exclusion from the formal labor market can remove access to a meaningful path of social advancement and foster feelings of injustice and exclusion from society more broadly.

Latin America's rich civil society is a sign of democratic resilience. However, the region is not homogenous in its acceptance of civil society's efforts. In some countries, civil society is simply pushing to create democratic space while in others, civil society is taking action in the absence of strong institutions. In fragile democracies, like those in Central America, as well as Ecuador, Nicaragua, and Bolivia, civil society fights for respect for human rights and the right for society to organize, playing an important checks and balances role against the government. In more consolidated democracies, civil society is going further, pushing for more transparency and opening of political space. Civil society is also much quicker than traditional government to respond to new demands because of their closeness to the

people. Connections between Latin American civil society and like-minded organizations abroad will also be key to their increased effectiveness.

### ***Role of the media: Amplifying voices and increasing polarization***

Increased access to a variety of information via the internet and social media is also having an impact on how Latin Americans connect with their democracies and their view of their governments, fellow citizens, and their sense of fairness and justice within their countries. Social media has become an important player in checks and balances and government accountability. Many pieces of investigative journalism have been reported via social media and the open platform promotes a more democratic dialogue where diverse voices are able to make their points without government censorship. The transition away from traditional print media to online media also means that people have much more power to control the type of news they consume. Traditional expectations that the media should be objective and inclusive of multiple perspectives in order to produce a civil dialogue have given way to a self-censored experience where media consumers can participate in dialogues that echo their own feelings and dub contradictory reports as “fake news.” This is particularly true of youth since much of their media is filtered through their social network, and has increased the political polarization of that demographic. The ability to tune out information that you do not want to hear could potentially weaken democratic ideals.

Digital media can also be dangerous given its ability to spread misinformation to a large audience very cheaply. It has also reduced the role of political parties as the vessels through which the demands of the people are expressed to those in power. The ripple effects of this could be enormous, as one participant noted that democracy cannot exist without political parties. It is important to recognize that media is a tool that can be used in both positive and negative ways. The ability to share stories with massive audiences at incredible speeds has increased the threat to journalists who investigate people in power. Since 1992, over 150 journalists have been killed in the region.<sup>2</sup> Digital media’s wide reach has increased the perception of journalists as a threat.

### **Conclusion**

Democracy in Latin America is facing many challenges and experts expressed concern that many countries are at risk of backsliding into authoritarianism. The structure of the political system incentivizes staying in power and making deals over creating real change for the population. In the most concerning cases, bargaining and coalition building breeds a system of corruption, executives push through constitutional amendments to acquire more power and longer terms in office, congressional oppositions lack incentives to collaborate, creating stagnation, and rule of law is inadequately enforced.

The inability of governments to make good on their promises (reducing corruption in Brazil and Mexico, honoring the results of the referendum in Colombia, respecting the results of the elections in Venezuela) has destroyed the public’s trust in politicians and specifically political parties. Economically, middle class families are facing legitimate concerns that loss of jobs to technology and automation could send them back into poverty, unemployed youth feel that the system has failed them, and women and minorities are consistently the most vulnerable to economic downturns.

This distrust has manifested in two major ways: populism and refusal to participate in the electoral system. In Mexico and Colombia, traditional party candidates are trailing behind “saviors” who bring promises of change. In Chile, large groups of citizens feel that the system is rigged against them and choose not to vote at all. Both approaches take away the public’s responsibility to actively participate in their democracy. Experts argued that a change in political culture and quality of citizenship is also an important part of strengthening democracy in the region.

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<sup>2</sup> According to the [Committee to Protect Journalists](#).

However, lack of trust in government and fear of government are two distinct things. Threats against journalists and members of civil society, corruption that bankrupts social services, and impunity for crimes committed by the rich and politically powerful all contribute to a legitimate notion that the average person is taking a serious risk by openly challenging those in power. Safe and effective pathways to express dissent are also important aspects of healthy democracy. The closures of such pathways are important signals of democratic regression.