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"THE STATE OF DEMOCRACY IN LATIN AMERICA"
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Mr. Chairman, members of the Committee, thank you for the opportunity to testify today. The topic of today's hearing, "The State of Democracy in Latin America," resonates with those of us devoted to the advancement of democracy throughout the world. Chairman Burton, we are appreciative of your commitment to democracy and human rights everywhere. We very much look forward to your stewardship of this subcommittee.

A Regional Overview: Latin America's Democratic Revolution and Today's Challenge

Latin America has never been more democratic than it is today. In only two decades, the region has seen dictatorship give way to democracy and seen citizens, rather than soldiers, become the final arbiters of political outcomes. As recently as 1977, Freedom House identified three electoral democracies in Latin America. Now, only Cuba and Haiti do not meet this standard. As observers and policymakers express their concern over the state of democracy in the region today, it is important to note how far Latin America has come in so short a time. Let us recall Mexico's break with over seven decades of one-party rule, El Salvador's steady progress since peace and democracy replaced civil war, and Chile's ability to boast of not only the region's most successful economy, but a robust democracy and newfound respect for human rights.

The spread of democracy in the region has fostered improved relations with the United States and increased opportunities for regional cooperation on critical issues like trade, security, immigration, and human rights. Today's challenge is to tap into the opportunities unleashed by the region's democratic opening in order to improve the human condition of its citizens.

As we witness democracy's progress in Iraq and Afghanistan, we are reminded of the significance of allowing citizens to elect their own leaders in places where they have not done so before. We are also reminded that this revolutionary act can precipitate democracy and freedom, but is not an end in itself. For the most part, Latin Americans enjoy the ability to openly support a particular political option, to vote, and to engage in a civil society that allows citizens demands and opinions to be freely vetted.

Despite these accomplishments, Latin Americans are disappointed because their expectations of democracy have not been met. According to the Chilean polling firm Latinobarometro, only 29 percent of Latin Americans are satisfied with the ability of democratic governments to solve economic, political, and social problems. Remarkably, that figure is only seven percent in Peru, suggesting that democracy polls only as favorably as the elected head of state in that country. The same poll suggests that a large

percentage of Latin Americans would accept an alternative form of government to democracy if it were to improve their material well-being. These figures are alarming, but they should not be surprising. In countries where majorities live in or on the brink of poverty, where job creation is stagnant, health care and education are elusive, crime is pervasive, and where disparities between the privileged and the poor are so pronounced, democracy for many is seen as one competing option among others.

The state of democracy in Latin America is a decidedly mixed bag. Citizens are expressing their skepticism over the relationship between democracy and their ability to provide an adequate standard of living for their families. At the same time, a robust and energetic civil society freely challenges policies and leaders. Political parties proliferate offering platforms that cross the ideological spectrum. In many countries in the region, electoral laws are designed to ensure transparency and competitiveness. Elections in countries like Guatemala and Peru are referred to by citizens as "fiestas civicas," or "civic holidays" - a testimony to the degree to which Latins celebrate their democratic rights.

The institutions of democracy, though imperfect, are for the most part in place in Latin America: elections, political parties, civil society, a free press - many of the institutions and practices that groups like the International Republican Institute (IRI) and the National Democratic Institute (NDI) promote and develop throughout the globe - play a vital role in channeling citizen demands in the hemisphere. Why then the general disaffection with democracy? First, democracy is incomplete in the region. The Freedom House 2005 Freedom in the World Report points out that 11 countries in the region have not achieved sufficient progress in political rights and civil liberties to be rated "free," and among those that do, only a handful received a perfect score. This democracy deficit needs to improve so Latin Americans can enjoy all of their rights and privileges. However, these indicators suggests that the most compelling and immediate concerns of citizens do not relate to freedoms or democratic rights - they relate to the failure of elected leaders to meet the needs of citizens.

IRI in Latin America

IRI is active throughout the region working with political parties and civil society groups. Our message to political parties is that the best marketing strategy for a party is not just good message but good governance. The fundamentals of running an effective campaign or training party faithful to monitor election sites are important activities that should be complemented by an equal commitment to developing capable leaders who understand and articulate sound policies. IRI is retooling its Latin America program - evolving it from a focus on developing capacity within parties to compete in elections to programs designed to develop leaders and organizations capable of translating the promise of an effective campaign into effective governance. Parties need to present realistic policy options into the political marketplace and enjoy the leadership and expertise to implement policy if elected to serve.

The Andes

Elections need to mean more to citizens than simply setting up the next straw man. In the Andes, democratically-elected presidents have lost legitimacy after only months in power. The ability of sectors to mobilize for or against a policy or leader has been greater than the ability of governments to respond. Policy decisions made under duress to quell mobilized and sometimes violent groups have left leaders like Peru's President Toledo between a rock and a hard place and forced the resignation of two consecutive heads of state in Bolivia (fortunately, in the case of President Mesa, the Bolivian Congress rejected his offer to resign). Increasingly, these leaders are faced with a dilemma: "Do I do what I know is right and risk chaos, or do I capitulate to mob rule?" In the Andes today, this question is often posed as a zero sum game.

Historically neglected indigenous peoples in Bolivia, Ecuador, and Peru are claiming a stake on their political and economic fortunes. Democracy and economic integration have provided the impetus for a new indigenous nationalism in the region that seeks to restore political relevance to long-ignored populations. The rekindled political energy in the region by its original inhabitants should be seen as a positive sign. That it manifests itself in sometimes anti-systemic behavior is troubling. By developing democratic systems capable of responding to these demands in a meaningful way and educating citizens over their rights and responsibilities, we can hope to release some of the pressure that today threatens democracy and stability.

In Colombia, a popular and effective president has the opportunity to work toward a consensus over the need to combat insurgency and criminality while promoting human rights and economic growth. Channeling the aspirations of the Colombian people toward an enduring political project that goes beyond the figure of an individual presidency is a challenge and an imperative to which IRI is fully committed.

Venezuela is at the eye of the storm over the direction of democracy in Latin America. The debate over what form democracy should ultimately take in the region has one of its most vocal and influential protagonists in President Hugo Chavez. Political space needs to be open in Venezuela and confidence must be restored in that country's courts and electoral authorities. The only peaceful and constructive way to break the impasse in Venezuela and restore civility to the political discourse is by enabling an open debate through a healthy and open democratic process.

Central America

Central America perhaps best epitomizes Latin America's transformation. A region beset by proxy ideological confrontations and civil war during the 1970s and 80s, Central America is now peaceful and democratic. Two former Cold War battlegrounds present different versions of what the future holds for Central America. In Nicaragua, reformers and democrats are struggling to wrest power away from corrupt autocrats controlling the two dominant political parties. President Bolaños continues to confront corruption and promote economic reform.

In El Salvador, consecutive reformist governments have laid the foundation for a genuine success story - but Salvadorans lack a healthy alternative to the governing party. While the ARENA has modernized and adjusted to contemporary reality, the Salvadoran left remains mired in the ideological battles of the past.

But compared to 15 years ago, the situation on the isthmus is dramatically improved. Peace accords have been implemented, former insurgent groups now form political parties, and expanded trade opportunities offer the potential for jobs and enhanced prosperity.

The Caribbean

If Central America exemplifies the progress that Latin American countries have made in recent years, Haiti is a reminder that progress toward democracy is never inevitable. Arturo Valenzuela of Georgetown University, in a recent *Journal of Democracy* article calls this phenomenon "interrupted democracy." Today in the Western Hemisphere, an elected government rules every country except Cuba and Haiti.

Haitian institutions are weak, and the personalities that have dominated national politics have been strong – which is a terrible combination.

In the near term, Haiti's electoral system is the institution most in need of international support. In each of Haiti's last four elections – two in 1995, and one each in 1997 and 2000 – political manipulation and poor technical management caused a breakdown in the electoral system and in turn, led to contested outcomes. Since 1990, the United States has provided more than $100 million in technical assistance to Haiti to support an electoral process that has yet to deliver a free and fair election. Haiti's Provisional Electoral Commission has produced an electoral calendar detailing each step leading to the local municipal elections in October, and legislative and presidential elections in November 2005.

A number of us have been critical of the state of democracy in Haiti these last 10 years. We now have an opportunity and a responsibility to help Haitians gain a better life, and we will meet that responsibility.

The development of a new generation of political parties and leaders who campaign on issues – and not on the strength of personality – is as important as well-administered elections for Haiti's future. IRI's Haiti program is anchored by democratic political party training and leadership development among women and young people.

Cuba remains a totalitarian state. Indeed, its dictator has recently announced a series of measures designed to reign in the few vestiges of freedom on the island. He has gone so far as specifying to employees at Cuba's beach resorts to refrain from interaction with foreign guests. Castro's apartheid-style tyranny is being challenged by a homegrown democracy movement made up of courageous dissidents. IRI will continue to express its

solidarity with these leaders who face imprisonment and intimidation for their efforts to bring liberty to Cuba.

At a House hearing held just last week, Cuban dissident, Felix Bonne, was asked by New Jersey Congressman, Bob Menendez, if he feared additional persecution for testifying to the Committee. He responded, from Havana: "I am simply a soldier of liberty and democracy." He added that he is "prepared to return to jail to defend the interests of the Cuban people." We need to be prepared to support Mr. Bonne and Cuba's democrats.

Conclusion

The political landscape two years from now is likely to be dramatically different than what we see today. Over the next two years, Presidential elections will take place in many Latin America counties including: Brazil, Chile, Haiti, Peru, Colombia, Venezuela, Nicaragua, and Mexico. Against this backdrop, the key to IRI's engagement in the region is to support democrats and strengthen democratic institutions. IRI emphasizes the need to support the ability of democratic leaders to achieve objectives spelled out in campaigns. By helping leaders articulate genuine reforms to voters, develop consensus, and match expectations with reality, we have the best chance to assure that Latin America's democratic gains made over the past two decades will translate into concrete improvement to the lives of its people and improved prosperity and security for all of us.

Thank you Mr. Chairman.