



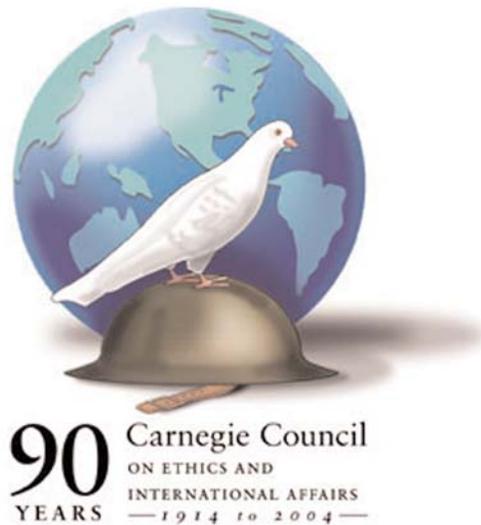
# Multilateral Strategies to Promote Democracy

FIRST REPORT OF THE  
EMPIRE AND DEMOCRACY PROJECT

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# Multilateral Strategies to Promote Democracy

INAUGURAL PANEL OF THE  
EMPIRE AND DEMOCRACY PROJECT  
DECEMBER 5, 2003

## INTRODUCTION

**ANDREW KUPER:** The purpose of this panel is to make significant headway in assessing and developing multilateral strategies to promote democracy. My expectation is that an intimate forum of this kind will be conducive to substantive discussion among high-level peers. Throughout, we will focus on constructive avenues for change rather than on critique and lamentation.

We begin with two diagnostic questions: What is the state of democratization in the world today? How have strategies for the promotion of democracy changed since September 11, led by the transformed U.S. agenda of war on terror? Here we will discuss recent interventions in Afghanistan and Iraq, as well as new developments in other parts of the world. Then we will turn to four strategies that aim to promote democracy in a changed political landscape. First, we will consider which kinds of economic reforms are conducive to democracy and which are harmful. Second, we will ask to what extent it is possible to

promote democracy effectively through indirect strategies, such as building civil societies and independent judiciaries. Third, we will confront the vexed issue of how to engage authoritarian and semi-authoritarian regimes directly so as to demand and produce real change. Fourth, we will explore how multilateral institutions and multi-stakeholder initiatives could best facilitate democratization. In addition to exploring these four strategies, we will consider which economic incentives, from sanctions to corporate regulation, motivate wealthy as well as poorer states to obey democratic norms.

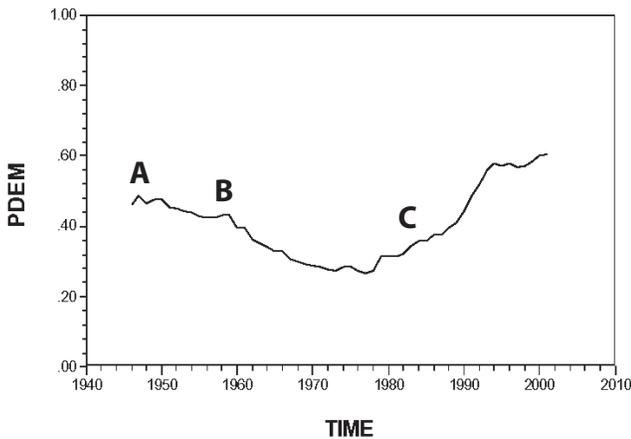
We will be covering a lot of ground. So, without further ado, I turn to Adam Przeworski to provide a clear initial diagnosis of the state of democracy in our world. Adam is well known for his extraordinary capacity to combine political theory with political science so as to achieve robust results, and I have every confidence that we are in good hands.



# THE STATE OF DEMOCRATIZATION

- \* Has the "third wave" of democracy stalled, with transitional countries largely failing to consolidate democratic gains or slipping back into authoritarianism?
- \* Did democratization in Latin America and ex-Soviet states during the 1980s and 1990s create a false sense of *global progress*?
- \* Is the third wave continuing below the radar screen, with the burgeoning of civil society organizations and (according to Freedom House) steadily increasing press freedom?
- \* What are the best causal explanations for recent democratic trajectories and what are the lessons to be learned in selecting democracy promotion strategies?

**ADAM PRZEWORSKI:** I have been asked to speak about facts. The first fact is that the proportion of countries in which governments are selected through competitive elections, with their attendant freedoms, is higher today than it has ever been before, and it does not seem to be falling. Take a look at Figure 1: Point A represents 1946 and a postwar decline in the proportion of democracies; point B marks the entrance of forty-seven new independent countries between 1957 and 1982, many of which were not democratic; and point C indicates the beginning of a wave of re-democratization in Latin America, Eastern Europe, and Africa.



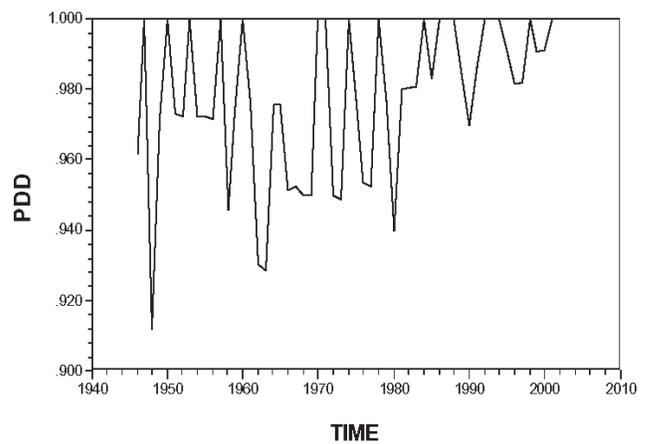
**Figure 1: Proportion of democracies versus time**

I was also asked about the quality of these democracies. In my view, they suffer from dissatisfaction and shallow political participation all around the world, in developed countries as well as in the less developed, but given limited time I will say no more about this.

The most important thing one learns studying democratization is to distinguish the factors that cause

democracies to be established from those factors that determine whether they survive. I will first speak about survival and then about emergence.

What you see in Figure 2 is the probability that, once established, a democracy would survive during a particu-



**Figure 2: Probability of a democracy's survival by year**

lar year. In the period from 1960 to 1980, new countries gingerly tried to experiment with democratic regimes, but quite a few of them failed. As of about 1982, democracies become much more stable.

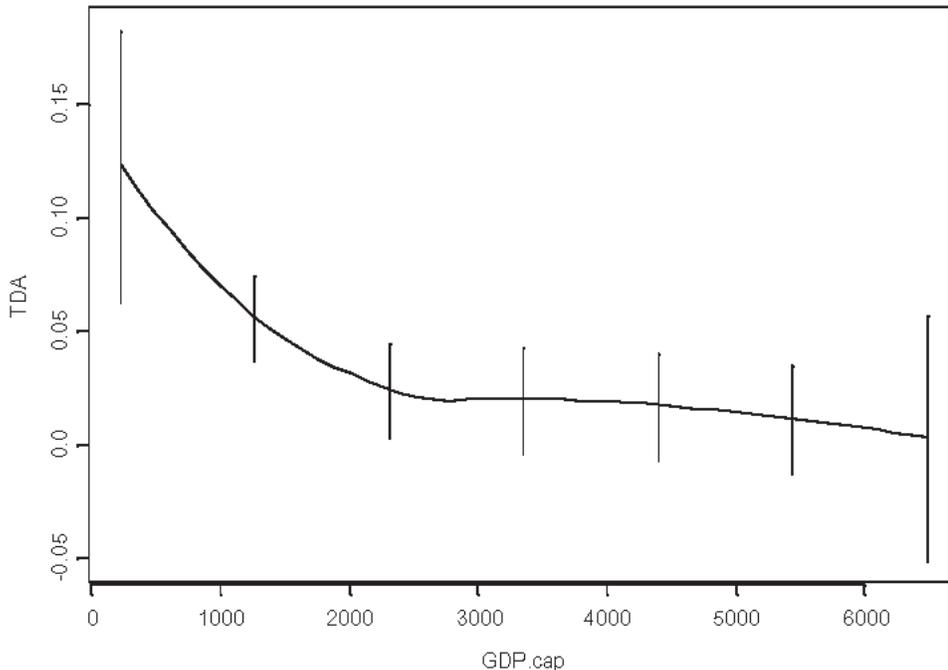
What makes democracy so stable? One factor overwhelms everything else, and that is per capita income.

Now consider Figure 3. The horizontal axis shows GDP per capita in 1985 purchasing power dollars. The vertical axis shows the probability that a democracy with that income per capita will die in any particular year. The horizontal lines represent local standard errors. As you see, in very poor countries about one in eight democracies die (0.12 probability). One fact, which I cite repeatedly, is this:

1. When GDP per capita reaches \$6,000, all democ-



**Figure 3: Probability of transition to dictatorship by per capita income**



**Democracy is more likely to survive:**

1. In countries that are wealthy—none have ever failed above the per capita income level of \$6,000 (1985 PPP\$).
2. In countries that have more equal income distribution.
3. In countries which did not experience transitions to dictatorship at any time in the past.
4. In countries where governments change every so often (not too rarely or too frequently).
5. In countries which are religiously or ethnolinguistically more homogeneous.
6. When there are more democracies around.

**Hypotheses that are *not* true:**

- A. Presidentialism shortens the life of democracies.
- B. A democracy is more likely to survive the longer it has been around (such survival is in fact an artefact of income).
- C. Culture and/or religion matters (if so, no one has been able to show it).

racies survive. No democracy ever failed in a country with per capita higher than that of Argentina in 1976. Thirty-seven such income-rich democracies have survived more than 1,000 years in total. They went through every possible crisis you can imagine and not a single one died.

For those countries with lower incomes things are somewhat more complicated, but look again at Figure 3. Here is more or less what we know. Democracy is more likely to survive:

2. In countries with more equal distribution of wealth—but, I warn you, the data are very scarce and very bad, so don't put too much trust in this factor.

3. In countries that did not experience transitions to democracy at any time in the past. If a state had democracy in the past and it was overthrown, the probability that the current democratic regime will survive goes down significantly, by about 30 percent.

4. In countries in which governments change every so often—not too frequently, not more than twice a year; but not too infrequently, at least once in every five years;

5. In countries that are religiously or ethno-linguistically more homogeneous. This is a very controversial claim and is the subject of a large area of research. Measures of religious and ethno-linguistic heterogeneity are not very good, and these results are statistically not robust. It depends what other factors you insert. Sometimes they survive; sometimes they don't.

6. Importantly, when there are more democracies around. The higher the proportion of countries in the world that have democratic regimes, the more likely it is that democracy will survive in a particular country.

Several hypotheses that abound in the literature about what makes democracy survive are, however, demonstrably false.

A. It is not true that presidentialism [where the president is directly elected and wields strong executive powers] shortens the life of democracies. What really impacts on the lifespan of a democracy is whether the preceding dictatorship was military or civilian. Those democracies that emerge after military dictatorships last longer than those that emerge after civilian dictatorships. It so happens that many of the democracies that have followed civilian dictatorships have been presidential democracies. So when a study controls for



whether the preceding dictatorship was military or civilian, the difference in the likely survival of parliamentary and presidential democracies disappears.

B. It is not true that democracy is more likely to survive the longer it has been around. This appears correct at first glance, but in fact this result is an artefact of income. As countries grow economically, higher income increases the probability of survival, and the apparent relationship between length of survival in the past, on the one hand, and likely survival in future, on the other, disappears.

C. Finally, to stick my finger into a hornet’s nest, if culture matters, no one has been able to show it—in part because we don’t really know how to measure cultures, classify cultures, etc., but also because a lot of the arguments about culture as a cause are logically incoherent.

It turns out that we know much less about transitions to democracy. Consider Figures 4 and 5. It seems that dictatorships just run a lot of risks. Some fall because the founding dictator dies. Some fail for pure geopolitical reasons (Taiwan, for instance). Some fell because dictatorship fell in the Soviet Union. Some fell because the United States withdrew support for the dictatorship (say, in Venezuela in 1957–58). Some fell, like in Spain, because the country wanted to get into the European Community.

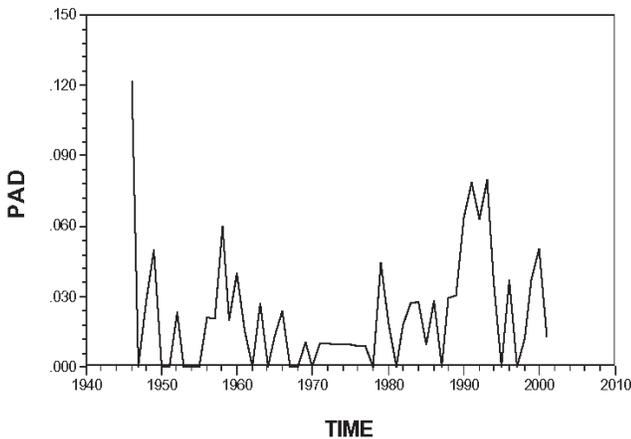


Figure 4: Probability of transition to democracy by year

Statistical analysis provides no robust results. More than that, some factors are ambivalent. There are countries in which dictatorships fell after fifteen years of continuous economic growth, and there are quite a few countries in which dictatorships fell after long economic crises.

The same seems to be true for foreign pressure of different forms—sometimes it brings down the regime, and sometimes it evokes a nationalist reaction and mobilization around a dictatorship.

I also want to emphasize that it is not true that devel-

opment breeds democracy. As you know, this was the “benign” line of the 1960s and 1970s, according to which countries were more likely to become democratic as they developed. It turns out that is not true. You have to do some statistical analysis to see why: Income turns out to be a proxy for the past instability of political regimes.

I think that the only thing that we can really establish—regarding the period between 1946 and 2002—is that military dictatorships that emerged in countries

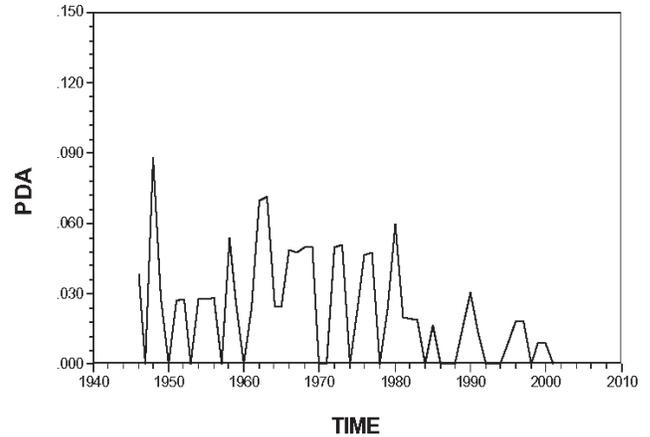


Figure 5: Probability of transition to dictatorship by year

with relatively high income-levels and a history of regime instability (mainly in Latin America) did not last long. Otherwise my view is that there is little we can tell for certain about how to bring democracies about.

My conclusion is that we have more democracies than before, but they are probably not of high quality. There are 115 democracies by my count in the world today. If they are wealthy, they are certain to survive. Otherwise, they are subject to the various factors discussed. There are still seventy-six dictatorships in the world today, and it is hard to predict if and when they will fall.

**SAKIKO FUKUDA-PARR:** One of the basic issues, of course, is whether democracy can be measured by elections, and such electoral data form the basis for Adam’s characteristically pointed presentation. I think it is very important to keep in mind that democracy is not to be equated with elections, even if they are a minimal condition. Democracy as a kind of a regime is dependent on a further set of institutions and processes.

I suppose that the Empire and Democracy Project is concerned with the spread of democracy in the world, and therefore interested mostly in poor countries as opposed to rich countries. In a sense, we need to be as worried about the condition of democracy in the United States as



## The proportion of countries in which governments are selected through competitive elections is higher today than it has ever been before.

—Adam Przeworski

we do in Vietnam or the Philippines. But since the main challenge the project is tackling is democracy in the poorer countries, one of the critical issues that we need to think about is the relationship between democracy and economic and social development.

The challenges (and quality) of democratization in poor countries are very different from those in rich countries. It is in these poor countries where focus on democratic institutions and on elections may be a very small part of the picture and that other questions of process are perhaps as important or more important.

I agree very much with Adam's conclusions, partly because I have read so much of his work and was convinced by it, about the relationship between democracy and economic and social development. The links are nonlinear, complex, and not very strong. But if you really look for them, you can find some. In a sense, however, it is

not terribly useful to look for these things because we want both democracy *and* economic and social progress. There are people who somehow try to justify one thing with the other. You do not really need to go that route. You just have to want to promote both.

I want to put together the recent trends in democ-

ratization that Adam showed with recent trends in economic growth and social progress. In the 1990s there was a booming global economy that, however, did not benefit the countries in which we are interested. Many of them faced a terrible situation, suffering economic stagnation and reversals in democratization. Fifty-four countries had a negative per capita GDP growth during the 1990s. In over a dozen countries, hunger and child mortality rates went up while primary school enrollments went down.

So you have to put together the socioeconomic and political factors. People in these poor countries are not going to be particularly impressed by whatever government they have, whether democratic or authoritarian, and may want some sort of change.

**THOMAS CAROTHERS:** Building on Adam's and Sakiko's points, one way of thinking about what has been happening in the world in the last twenty years is there are about one hundred countries that have made some effort to become democratic. Almost all of them are below Adam's \$6,000 line. So what we have is a grand experiment with democracy in middle-income and low-income countries. A vast number of countries are attempting to become democratic below the line at which consolidation in a clear and long-term sense is certain. So far there have been three outcomes in those countries:

1. There have been a small number of countries that have done fairly well and seem to be headed in the right direction. They are almost exclusively the wealthier countries in East Asia (like South Korea and Taiwan), in Central Europe (like Poland, Czech Republic, and Hungary), and a couple in South America (like Chile and Uruguay).

2. There are a number of countries in which authoritarian structures seemed to fall away but have reconsolidated themselves in some fashion, usually in a slightly softer way than before. There is not a lot of reconstruction of pure dictatorships; there is rather a lot of reconstruction of semi-authoritarian regimes—because it is harder to be a pure dictatorship in the world today. It is harder to get invited to Davos; it is harder to be a good international citizen, if you are an outright thug. On the other hand, if you learn to hold some elections but pull the strings behind the scenes, you can still go to Davos and keep your hands on the levers of power. That is what we see throughout the former Soviet Union, which is essentially a wasteland of democracy today, unfortunately, despite the heralded transition twelve years ago. Russia is in danger of becoming more like those regimes in the Caucasus or Central Asia if Putin doesn't loosen his grip a bit. There is a similar situation in parts of sub-Saharan Africa, where leaders adapted apparently democratic forms so as to reconsolidate their rule, or in places like Namibia, where you have what appear to be transitions but in fact may well be turning back into soft, one-party type regimes.

3. There are a number of countries where undemocratic authority hasn't reconsolidated and that are really pluralistic. A lot of Latin American countries are in this

### The challenges of democratization in poor countries are very different from those in rich countries.

—Sakiko Fukuda-Parr



situation, but they are performing very poorly both politically and economically. Citizens are very unhappy with the democracy they have. The economic performance is very uneven. There is a widespread feeling that political elites are incompetent, and citizens feel that there is a low quality of representation. A lot of countries in Africa fall into this third, genuinely pluralistic group, as well as some countries in South America and Central America, parts of Southeastern Europe, and parts of South Asia and East Asia.

So you have three kinds of outcomes, and there is no magical set of factors that will tell you from the start how a country will end up—other than income, which is, I think, the *most* powerful factor.

Thus, we have a situation in the world where lots of countries that are relatively poor are trying to be democratic, and there are a number of reasons why that is hard. It is not that it can't be done—everyone has always pointed to India and said, "But look at India." It is just hard to float a civil society when you're a poor country. It is hard to keep your political system from being captured by powerful business interests because it's a weak system.



**Sakiko Fukuda-Parr, Mary Robinson, John Cavanagh**

You tend to have concentrated economic resources, which is bad for democracy. Citizens tend to be unhappy people because their lives are lousy in a lot of ways, and they tend to vote out people over and over again because they are dissatisfied with their lives.

It is hard to be a democratic society. It is not impossible. We should keep trying to promote democracy, but we should recognize that trying to build democracy in this raft of countries under the \$6,000 line is going to be chaotic and a struggle—that is what the record tells us.

**MICHAEL DOYLE:** I agree with that conclusion and would like to add to the theme by drawing another connection between economic development and democracy.

Nicholas Sambanis and I have done a study of all civil wars from 1946 through 2000, looking at how they were

**It is harder to be a pure dictatorship in the world today.**

**—Thomas Carothers**

resolved. One thing we have explored is the role of peacekeeping. Here you get into small numbers, so you have to be very careful with your conclusions. But what we are finding in another iteration of that study is that those peacekeeping operations that had an economic component and looked to economic reform, as well as to foreign aid provided multilaterally, have a much better chance of achieving a degree of participatory government. Here we are radically lowering the standards that Tom has been talking about down to any form of election, improvement in human rights, and a less repressive government. By those standards of success, having an economic component to the multidimensional peacekeeping operation does appear to have a positive impact on the survivability of whatever degree of participation you have been able to put in place.

**JOHN CAVANAGH:** I want to add just two points about the quality of democracy. One is that I have spent much of the last five years working with various civil society groups, many in the globalization movements, and I've also been very involved with the building of the world social forums and regional social forums. The good news is that the number one principle in the manifestos of all these groups, across the board, around the world, is democracy and democratization.

Yet it is also very interesting that almost all of the groups would say we are in a deep crisis of democracy. And many of them would even peg the crisis almost to the date at which Adam Przeworski says democracy comes into its own—1982. This was when market fundamentalism came to predominate when there was growing corporate concentration in almost every country and influence on the political process, as well as more onerous international economic institutions closing down democratic spaces. By this I mean the creation of the WTO, NAFTA (under which corporations can sue governments), and more burdensome conditions imposed by the IMF and the World Bank.

There is a widespread sense that the biggest problem



**It is just hard to float a civil society when you're a poor country. It is hard to keep your political system from being captured by powerful business interests. Citizens tend to vote out people over and over again because they are dissatisfied with their lives.**

–Thomas Carothers

in the world is the crisis of democracy, a crisis rooted in corporate control. This is true even of the United States. For example: Bill Clinton is elected, nobody has ever been elected on more of a mandate to create national health care, and then corporations basically prevent him from doing so. This is a simplification, but that is the feeling within civil society, and there is therefore a deep crisis.

My other point about the quality of democracy arises from spending a lot of time with poor people in poor countries. I would say the number one definition of democracy—and I sense this both in the Philippines and in India, among poor people, peasants, fisher folk—is community control of resources. That is what they are fighting for, and to them that is the definition of democracy. Big corporations coming in and taking over and ripping up their resources is the biggest threat they would identify. In India, many groups actually have coined the term “living democracy,” which is rooted in that goal of local control.

If this aspect is not added to our analysis, we will not have an accurate indication of where a lot of people in the world are, in terms of their complaints about democracy.

**JOSEPH STIGLITZ:** While elections are important to democracy, I think that contestability (the word that Adam used) in a broad sense is really the way we ought to think about democracy. Contestability can be viewed in a variety of ways. For instance, we could talk about contestability at the local level. In China they are beginning to have contestability at the local level even though they don't have it at the national level. In some countries, such as Uganda, they have contestability within the party (and the same thing is true in Ethiopia) even though they don't have contested elections, or at least as contested as one would like. I don't know exactly how to think about those cases, but democratization is occurring in these countries in a manner that will not be recognized if we only focus on electoral democracy.

The second observation is that one wants to talk about *effective* contestability. Again, I do not know exactly how to describe what I have in mind: There is increasing concern that not everybody's voice is heard equally. One thing that has not been talked about is media concentration. People worry whether in Italy, with six of the seven television stations controlled by one person, there is effective democracy. The same can be said of the American press in the coverage of the war. It was a good thing that we had the *Financial Times* and the BBC; if we hadn't, one would have gotten a very distorted view. I think Americans experienced self-censorship for the first time. This certainly constitutes a weakening of democracy.

Consider also the role of campaign contributions. The Energy Bill, for instance, which has come to be called the bill “that leaves no lobbyist behind,” does not reflect what Americans as a whole would have wanted.

That leads quickly into a discussion of the space of democracy and the space of contestability. By that I mean that a lot of choices are being removed—for example, by the World Trade Organization—from the sphere of democratic decision-making. If you had asked Americans before the vote in the WTO whether developing countries should

have access to drugs at affordable prices, I think 99 percent would have said yes. Yet nobody ever raised that issue, and the WTO vote went the other way. So there are very important issues that are not being subjected to democratic debate.

Chapter 11 of NAFTA is another example where there was no discussion even within the Clinton administration. This provision gives more rights to foreign investors than to domestic investors. It allows them compensation (in a legal process that is far from transparent) for “regulatory takings” (reductions in the value of, say, a property or business because of some regulation), even though Congress and the courts in America have systematically rejected such compensation. It provides investors redress

**The key fight is for community control of resources. To many, that is the definition of democracy. Indian groups have coined the term “living democracy,” which is rooted in that goal of local control.**

–John Cavanagh



### Education or Income? What Makes Democracies Survive?

**STIGLITZ:**

One reason for the correlation between income and the sustainability of democracy is that there is a correlation between income and education.

**PRZEWORSKI:**

It turns out that income is a more important variable than education.

**CAROTHERS:**

The former Soviet Union had high levels of education. [Yet much of this region] is essentially a wasteland of democracy today.

**STIGLITZ:**

That's probably the reason why some of the [overall] statistics on education-survival correlation aren't showing up well.

for what they view as injuries suffered, without providing comparable help for ordinary citizens who suffer as a result of injuries caused by foreign firms damaging the environment. In the case of access to medicines, there was discussion inside the Clinton administration, but the view was that the deliberations should not be made public. In the case of Chapter 11 of NAFTA, there was virtually no discussion inside or outside the administration.

These are especially pressing issues for developing countries. If economics is the central issue with which most of them are concerned, and they can't have any voice in the economic issues that affect their lives, of what meaning is democracy to many of these countries? That is a real issue that needs to be addressed.

The final issue—something that we will take up later on—is capabilities for meaningful democratic participation. This goes to issues like education, and it is reflective of the extent to which people are easily manipulated. One

of the reasons why there may be such correlation between income and sustainability of democracy is that there is a correlation between income and education. Have you looked at that, Adam?

**PRZEWORSKI:** It turns out income is the more important variable than education.

**STIGLITZ:** That is interesting. I still think education is part of what you might call the capabilities for effective democracy.

**CAROTHERS:** The former Soviet Union is so interesting because it had high levels of education.

**STIGLITZ:** I see. And that's probably the reason why some of the statistics on education-survival correlation aren't showing up so well.

**If they can't have any voice in the economic issues that affect their lives, of what meaning is democracy to many of these countries?**

–Joseph Stiglitz



## CHANGES IN DEMOCRACY PROMOTION STRATEGIES AFTER SEPTEMBER 11, AFGHANISTAN, AND IRAQ

- \* What is genuinely new in the U.S. government's approach to democratization after September 11th?
- \* Do the Bush administration's policies and actions amount to a shift to unilateral methods of promoting democracy, or is the shift largely a matter of style and rhetoric?
- \* How have post-September 11th events altered (positively or negatively) the *state, prospects, opportunities* and *dangers* of global democratization?
- \* Is the U.S.'s "global democracy policy" (as *The New York Times* dubs it) likely to be short-lived or, as the President claims, an ongoing feature of international political life, continuing after the U.S. has largely exited from Iraq?

**KUPER:** The previous discussion leads directly to issues concerning recent changes in democracy promotion strategies, led by the transformed U.S. agenda. After September 11, after Afghanistan, after Iraq we have a greater sense of just how difficult it is to move from dictatorship, or indeed semi-authoritarianism, to democracy; and Adam's comments certainly underline this stark challenge. Some would say that the challenges have only escalated. Is this true? I can think of no one more experienced than Mary Robinson to begin discussion of this panoramic topic.

**MARY ROBINSON:** I am going to sound very critical, but there is not time to perhaps soften my comments a bit. I want to emphasize, first of all, the link between human rights and democracy. In saying human rights I'm very conscious that almost everybody hears those words differently. To me, human rights means tools of accountability under the international human rights system. Under this system, there are six instruments: the two Covenants, the Convention for the Elimination of Racial Discrimination, the Convention Against Torture, the Convention for the Elimination of Discrimination Against Women, and the Convention on the Rights of the Child.

These instruments have widespread support: 145 countries have ratified the International Covenant on Economic, Social and Cultural Rights; 174 countries have ratified the Convention for the Elimination of Discrimination Against Women, and that may have gone up; and the last time I looked, all countries in the world except two, the United States and Somalia, have ratified the Convention on the Rights of the Child.

So these are potential tools of accountability or, to put it another way, capabilities of civil society, and civil society is taking them up very vibrantly now. You could check on the website ESCR.net, which was launched in Thailand last June by more than 400 activists—including environmentalists, development activists, and human rights activists. There are now about 4,000 participants in e-mail traffic, exchanging ideas and learning: "What are you doing about the World Bank in your country? What are the good experiences? What are the bad experiences?" etc.

This morning before I came here, as it happens, I sent a message to the graduates of an LLM program on human rights and democratization in Africa. I hold the position of Extraordinary Professor in the University of Pretoria. (It's extraordinary enough to carry no salary.) The Centre for Human Rights in the University of Pretoria runs an LLM in human rights and democratization in Africa with five other African universities: Makerere University in Uganda, the University of Ghana, the University of the Western Cape in South Africa, the Catholic University of Central Africa in

Cameroon, and the American University in Cairo, Egypt. It draws on thirty students from a pool of 120 African universities, so it is very competitive. They will graduate on December 10. I met them last April and had some discussion with them. For these people, human rights and democracy go hand in glove, because they are going to

**Human rights means tools of accountability under the international human rights system.**

—Mary Robinson



have to use the commitments that their African countries made by ratifying human rights treaties side by side with whatever elections take place. They are going to provide leadership in these efforts.

My second point concerns the impact of September 11. I was in office as High Commissioner for Human Rights for exactly a year after that, because I ended my term on September 11, 2002. The impact on human rights has been devastating. It is very hard to exaggerate it.

The best report I know of the erosion of civil liberties here in the United States is “Assessing the New Normal: Liberty and Security for the Post-September 11 United States,” by the Lawyers Committee for Human Rights. It is a very sober and bleak account of just how far civil liberties have been eroded here in the United States and the knock-on effect, unfortunately, in so many countries that do not have the checks and balances that the United States has.

The U.S. Supreme Court is now considering whether courts have jurisdiction in relation to those held at Guantanamo. The United States has a system of checks and balances: It has functioning courts, it has academics, it has the media, it has NGOs like Lawyers Committee, it has people like me choosing to live in this country who can speak freely. But the knock-on effect of current U.S. policies on the erosion of civil liberties, particularly in countries such as those of the former Soviet Union, is dramatic.

Now I want to come to what President Bush has been saying recently, because I understand this is a very central message. I was very struck by his speech last month at the Twentieth Anniversary of the National Endowment for Democracy, and by one passage in particular, which I think sums up the new thinking:

Sixty years of Western nations excusing and accommodating the lack of freedom in the Middle East did nothing to make us safe, because in the long run stability cannot be purchased at the expense of liberty. As long as the Middle East remains a place where freedom does not flourish it will remain a place of stagnation, resentment, and violence ready for export. And with the spread of weapons that can bring catastrophic harm to our country and to our friends, it would be reckless to accept the status quo.

And it goes on:

Therefore, the United States has adopted a new policy, a forward strategy of freedom in the Middle East. This strategy requires the same persistence and energy and idealism we have shown before. And it will yield the

same results. As in Europe, as in Asia, as in every region of the world, the advance of freedom leads to peace.

That is fine rhetoric, but it now lacks credibility because of the erosion of civil liberties in the United States. And it is not well received in many countries. Also it does not appear that it is going to be implemented. Just the other day, for example, Secretary of State Colin Powell was in Morocco, Tunisia, and Algeria. I followed what he did in Tunisia particularly closely. He invited the President of Tunisia to pay a visit to the White House in February, and if he said anything about human rights he was not quoted as such; yet Tunisia is a country with a very bad record in human rights and in democracy.

So what is happening? The credibility gap is a real problem because the United States used to be the standard bearer on civil and political rights, as I was aware during

**The credibility gap is a real problem.  
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and political rights.**

**—Mary Robinson**

my first four years as United Nations High Commissioner for Human Rights. It had great credibility. But—and I do not know if it is especially appreciated in this country—the erosion of civil liberties here in the United States is now documented by every newspaper in the world, particularly in the Middle East. Every single example is written up. I was in Amman recently and, reading the newspapers, found that all the negative things that are happening in the United States are getting full exposure. So the impression is that the situation in the United States is much worse than it actually is, because they do not talk about the checks and balances. The image the United States invokes abroad is Guantanamo Bay, tough immigration laws, U.S. citizens held for months at a time in unknown places without access to family or lawyers—gulag-type stuff. Therefore, the United States is no longer the accepted standard bearer on civil and political rights.

But, unfortunately, it has never been the standard bearer on economic, social, and cultural rights because of the total failure to grasp how important they are as part of the agenda of the Universal Declaration of Human Rights. I was conscious of this as High Commissioner, the importance of getting this country to go back to Eleanor Roosevelt and the Universal Declaration of Human Rights.



## It is not justified for individual countries to invade another country because of a bad human rights standard. That is not rule of law as I understand it.

—Mary Robinson

Since September 11, rights are all the more important. Yet when President Bush speaks about rights, it does not have credibility for many of those listening and it is not possible to create much momentum on that basis.

So now I turn to the two countries that we are preoccupied with, Afghanistan and Iraq. I think it is obviously useful to contrast them, and I will be very brief.

We recall that in the case of Afghanistan you had the Bonn Conference in November 2001, which produced a mandate; you had an interim Afghanistan administration with Chairman Karzai; and you had the United Nations, led by Lakhdar Brahimi, operating under a light footprint so that it was really the Afghan government and people who were taking command. When I was there on March 8, 9, and 10 of 2002, women's rights were trumpeted. We had a great gathering with human rights activists. Shortly afterwards the Human Rights Commission was established, along with the Loya Jirga, and the Karzai government. The key focus at the moment is on the new Constitution, which does not sufficiently protect the rights of women, but women are actively involved in trying to strengthen it—all of which is very positive. The worst problem is the lack of security outside Kabul, and because of this the whole process might unravel. But from an international point of view there is full legitimacy.

If we come to Iraq, the lack of legitimacy of the decision to go to war is an extraordinary handicap. It was made worse by not finding weapons of mass destruction. So those countries that participated in the war now justify their decision on the grounds of the terrible human rights record of Saddam Hussein. It is true that Saddam Hussein had a terrible human rights record and awful things happened, but to use it as a justification is not credible.

It is not credible because this was not a new or unknown problem. There was and still is a Special Rapporteur on Iraq who reported every year to the Commission on Human Rights and nobody paid attention. People in UNICEF were talking about the plight of children and people in WHO were talking about the health problems. Almost everybody was talking about the human rights situation.

Even if you accept the point that is very much emphasized by Prime Minister Tony Blair—who, after having initially totally justified the war on the existence of

weapons of mass destruction, had to do a turnaround, justifying it in terms of human rights violations, about which he is very eloquent—it is not acceptable for individual countries to invade another country militarily simply because of a bad human rights record. That is not the international rule of law as I understand it, and it is contrary to the recommendations of the report of the International Commission on Intervention and State Sovereignty, *The Responsibility to Protect*. Not one of the criteria for intervention identified in that report was satisfied in the context of Iraq.

So the forces in Iraq are occupying forces. How can you impose democracy as occupying forces? How can it not be appreciated that the well is poisoned and that it is so important to undo this by building in legitimacy through a reconfiguration of the international presence in Iraq? I know it has been very tough on the United Nations, but the sooner there is a UN presence and a transfer of legitimacy to the Iraqi side, however clumsy it may be, the better—with the military capability taken care of by the existing forces led by the United States, and, I hope, with other countries such as France and Germany playing their responsible part.

The greatest problem is credibility. Here is another example of why I feel so strongly about this. I was at an Arab Women's Summit in Amman, Jordan, in mid-October and I returned to Amman more recently, about two weeks ago. On both occasions, I was acutely aware—in that moderate, Western-leaning, largely pro-United States country—of the level of criticism of what the occupying U.S. forces are doing in Iraq. For people in Jordan and in the whole region, what is happening there is unparalleled. I heard nobody speak in favor, or even in half support, and Jordan is the most moderate country in that region.

So to me the situation is extraordinarily serious, and the worst problem is that this country has lost a lot of credibility and hence capacity to bring freedom and democracy to other countries, and that has to be addressed.

**KUPER:** Michael, I wonder if you could discuss the question of demonstration effects of the administration's actions with respect to Iraq and Afghanistan, but also broaden the discussion somewhat to the general "forward" strategy of democracy promotion. For instance, when



President Bush arrived in Indonesia in October 2003, the first thing he spoke about was that the Indonesian government’s main priority should be promoting democracy.

**DOYLE:** I agree with everything that Mary has said. Despite every politician’s desire to make his or her policy look like a revolution, a good revolution, democracy promotion is an old strand in U.S. foreign policy, and other countries have also done this before. But in the U.S. we can find rhetoric that sounds very much like President Bush’s recent speeches in London and to the National Endowment for Democracy in Washington: in Wilson’s language, for example; in some of FDR’s speeches, though he was much more moderate; certainly in the Truman Doctrine; in Kennedy’s famous speeches; in some of Johnson’s; certainly in Reagan’s rhetoric. Bush did explicitly refer to Reagan’s famous address to the Joint Session of the British Parliament in 1982.



**Michael Doyle**

So the rhetoric of the expansion of freedom is very deeply ingrained in the rhetoric of American foreign policy. But, as in the past, you see swings of activism and then compromise. In the past, one finds efforts to promote democracy, and then typically the democracy promotion effort runs into the need to compromise with two other key U.S. interests, one of which is strategic. So at the same time the Truman Doctrine was being launched across Europe, for example, there were deals cut with strategically useful military dictatorships. There was a deal cut with General Franco, one of the surviving associates of the Fascist Axis, who turned out to be a useful ally in the Cold War against Communism—providing for NATO much-valued bases in Spain.

The other source of compromise is U.S. economic interests. In many cases, a locally authentic democrat is

going to have concerns about the impact of U.S. corporations in the country. These companies will oppose redistributive or populist social programs; and the local, nationalistic democrat will campaign against the companies. Arbenz in Guatemala was not a thoroughgoing democrat by any means, but he was a populist. In addition to his Communist ties, he had democratic claims that were not incredible. He soon found himself subject to a CIA-inspired coup. We have seen similar episodes around the world.

So my first theme is that these democratizing goals President Bush has been enunciating have a very long tradition, and that they repeatedly run up against other important interests, both geostrategic and economic.

The second theme also builds on one of Mary’s observations—her eloquent remark on democracy as a set of tools of accountability designed to build the capabilities of citizens to shape their own lives. That requires, exactly as she put it, a multidimensional understanding of human capabilities.

That has often been absent in strategies of democracy promotion. Too often, democracy has been identified simply as an election. A better understanding of democracy would suggest that if assistance is useful for an election, it is even more needed for building the kind of capabilities that Mary was describing. That is not to say that this is easy to do, but that a multidimensional approach—one that includes assistance to build a responsible bureaucracy, strengthen the rule of law, and foster a responsible press (issues that Tom has written about in Eastern Europe)—is very important for any coherent strategy of democracy promotion, and it is often absent in that strategy.

With regard to coherent policy, it is also striking that the current U.S. administration, as in past administrations, sends mixed messages. If you read Secretary Powell’s speeches in favor of democracy assistance, which stress tolerance and civil assistance, it is very difficult to understand how he is in the same administration with other officials who are arguing for cozy relationships with convenient dictators in some areas and global regime change at the point of a gun in others.

**ROBINSON:** Except that he did not raise issues in the way he would have done pre-September 11 in the countries he was visiting. That is the problem.

**DOYLE:** I agree that he has toned down what he might have said otherwise. But in Algeria he is telling them that this time they should have a real election. The last message we sent to Algeria ten years ago was “no election.” Maybe



**President Bush is treading on very thin ice if he thinks that holding an election will immediately generate peace. An election is a very destabilizing event. Without all sorts of other guarantees, it is often an invitation to a coup or revolution.**

–Michael Doyle

they haven't been reading his speeches at the White House, so he will be pulled back. But I see him pushing the envelope in a democratic direction, at the same time as Karl Rove and others are issuing statements in the United States talking about how wonderful it is that the U.S. can go it alone and kick the international community in the shins. So I see strains within the administration in that regard.

My next theme is that President Bush is treading on very thin ice if he thinks that holding an election will immediately generate peace. It has been a frequent claim. My own opinion, as some of you know, is that in the long run a stable liberal democratic government is likely to benefit from good foreign policy relations with other stable liberal democratic governments. They do constitute a "zone of peace."

But in the short run, no such hope can be sustained. An election is a very destabilizing event. Without all sorts of other guarantees, it is often an invitation to a coup or a revolution, and often in those circumstances electoral factions will find very strong incentives to use foreign hostility as a way to mobilize voters. So, often an election is a prelude to war, both domestic and international. The careful statistical studies that have been done on this question give very mixed results, and there is an ongoing debate in political science on a quick election and its effects. But it is clear from the political science literature that there is no firm support for the claim that an early election brings peace.

The last point is on Afghanistan and Iraq. I certainly agree with Mary about the problem of credibility in both situations.

Afghanistan from the legal point of view looks much, much better. From the standpoint of international comity, it is a cooperative international effort; and it also looks better from the standpoint of Mr. Karzai's leadership, which is not matched in Iraq. But in other ways it is very problematic. For instance, recall the deals that were cut with our allies the warlords. Order prevails in Kabul, but where else? The international community is now closely aligned with warlords who were gross abusers of human

rights. And we rely upon them for the stability of Afghanistan and, from the point of view of the United States, for our key strategic aim, which is to keep the Taliban out and Osama bin Laden down, or hidden. So I think both of these situations are very problematic from any democratic point of view.

**STIGLITZ:** I want to pick up the theme of coherence. One thing that strikes me is that the United States is trying to use nondemocratic ways to impose democracy, in particular unilateralism, which is a nondemocratic approach toward international decision-making. This also picks up on what Mary said about being a role model or having credibility. How can you have credible advocacy of democracy when you say, "When it comes to international decision-making we do not believe in democracy"? I think that has really fundamentally undermined our position.

Second, in terms of actual practice we clearly are not changing our behavior relative to the Reagan style: Everything is a marriage of convenience. We support Uzbekistan and Kazakhstan, who are among the worst governments—not the worst, but at least toward the bottom—of the former Soviet Union in terms of democratic processes.

And third, even in Iraq I think we have another problem, in that the Bush administration, at least early on, was quite convinced that there could not be democratic elections in Iraq. I talked to one of the people who were in charge of some of the economic reforms. The Bush administration seems to have realized that if Iraq were to have elections, the outcomes would not be in accord with what the administration wanted. And so you have a fundamental conflict.

The scary thing was that very early on they recognized that this was not going to be resolved for a long time, so early on they were planning on a long occupation. I think they had not fully anticipated the level of violence and their inability to control the situation, so now they are revisiting that strategy. But the original intention was not one of allowing genuine democracy. It was really based on the naive belief that somehow we would be able to engage a change in mindset to support our view, and then we would support elections. So the

**We are trying to use nondemocratic ways to impose democracy, in particular unilateralism.**

–Joseph Stiglitz



**When you ask people in surveys what they mean by democracy,  
the first answer is equality in social and economic terms.**

–Adam Przeworski

intention was to try to make sure that the outcome of a democratic election was the one that we wanted. I do not know where we are now in realizing democracy, but I think that the more likely outcome is a quick departure by the United States.

**PRZEWORSKI:** We political scientists have a lot of conceptual discussions about democracy. We write pages and volumes about it. Well, if I gave this group of public policy experts a list of countries and asked you, without supplying any criteria at all, to tell us whether this is a democracy or not, your lists and those of the political scientists would correlate almost perfectly (90 percent).

People on the street would not share our “expert” view. When you ask people in surveys what they mean by democracy, in all Eastern European countries except for the Czech Republic, and in all Latin American countries where the surveys were done except for Chile, the first answer is equality in social and economic terms. Their conception of democracy has very little to do with procedures, institutions, and elections—these elements appear only secondarily.

But let me make one comment in passing. You may want or not want to have elections for other reasons, but there is no democracy without elections. Presumably, elections are supposed to be *the* mechanism of accountability that we have. It is not a very egalitarian system, but it is the most egalitarian one we have.

**ROBINSON:** Would you accept a simplification of the democratic process, which I sometimes use, that elections are exam time for countries in accountability, and monitoring the implementation of their legal commitments under the human rights framework is continual assessment, and they are complementary?

**PRZEWORSKI:** That is perfect. I do not think elections are an effective mechanism for all kinds of reasons, but they are *sine qua non* and they are the most egalitarian. As much as one likes NGOs and civil society organizations, they are not an egalitarian mechanism. They are organized by the people with resources, initiative, intelligence, organizational capacity, etc.

I think that there are three main sources of dissatisfaction with democracy around the world. One, as several

of you mentioned, is access of money to politics. In this regard, the United States and Western Europe are no different from Argentina—the complaint is that powerful business interests capture politicians. Some democratic institutions are incapable of reducing glaring and persistent inequalities. The explanation people give is that these institutions have been captured.

Two, people complain about lack of effective participation. There I think the question is much more profound and we should not hide it. Maybe that is just inherent in democracy. There was a period when we had parties that operated vertically because they had a local structure, and somehow these parties were able to connect at least some part of their citizenry to the government. Parties do not function that way any more, and it is not at all clear to me whether the arsenal of democratic institutions really contains mechanisms that facilitate organized popular participation in contemporary conditions. So the fact that participation is falling and the fact that the dissatisfaction about it is increasing may be just structural.

Three, let me just make one comment on the dissatisfaction with democratic alternatives due to globalization. It is not always clear to me whether

people are complaining that they have no choices or that the choices they have are bad. That is, is the space between the walls very narrow or are the walls in the wrong place? It often becomes expressed as “no choice,” but that is an element that is permanent in democracy. I could give examples from the 1920s or 1930s, when the left-wing governments of the United Kingdom and France pursued recessionary policies. Certainly from the 1960s—May 1968 in France was all about this. As Cohn-Bendit said, “What we face under democracy is the choice between gin and tonic and tonic and gin.” So this lament of democracy not offering alternatives is an old one, and I am just wondering what it is due to.

Now, very briefly about imposing democracy in a nondemocratic way through force and occupying forces: We have two very successful instances of this, Germany and Japan after World War II, albeit with 70,000 American and British forces in Germany from 1947 to 1952. So we

**Elections are exam  
time for countries  
in accountability.**

–Mary Robinson



**You cannot set foot in the Arab world without being overwhelmed by the frustration, resentment, hostility toward these kinds of speeches.**

—Thomas Carothers

have some cases at least where democracy was imposed by force and took root.

But we also have lots and lots of attempts where it failed. When the U.S. occupying forces left Haiti in 1934, they left behind a democratic constitution written by the then Assistant Under Secretary of the Navy, who was none other than F.D.R., and a year later President Vincent declared himself to be the despot.

So we have many cases where it fails but some cases where it works. We might want to ask ourselves why.

**DOYLE:** Adam, you are stealing my thunder. I'll try to address that later.

**PRZEWORSKI:** My Brazilian friend, Luiz Carlos Bresser Pereira, has a very nice phrase about this. Namely, he says that institutions can be imported but not exported.

**CAROTHERS:** There is another central source of incoherence in the Bush administration's approach to democracy promotion. After September 11 the administration felt caught between two very contradictory imperatives. On the one hand, the new war on terrorism was requiring the administration to improve security relationships with a number of regimes, particularly in Pakistan, and also Uzbekistan, Kazakhstan, Malaysia, and other places where the regimes were not very democratic. And it also had to go easy on Russia, and even on China to some extent. So you had this strong security imperative pushing the United States toward closer cooperation with nondemocratic or only semi-democratic countries.

Yet, on the other hand, there was an emerging belief within the administration—and I will not discuss it because it is too complicated to sum up—that the lack of democracy in the Middle East is one of the sources of radical Islamic terrorism, and so therefore a part of the war on terrorism should be promoting democracy in the Middle East to eliminate those roots of terrorism.

That is why there is this incoherence, and why the Bush speech at the National Endowment for Democracy

should really be understood as being mostly concerned with the Middle East. When you look at our policies on Russia, Pakistan, and elsewhere, Bush's speech just does not correspond to them. That is why the world thinks his claims do not add up.

**STIGLITZ:** But even in the Middle East, Saudi Arabia—

**CAROTHERS:** Right. Even in the Middle East, you could say to the administration, "You say you want to promote democracy in the Middle East; there is the problem of credibility, which is that we have relationships with these regimes in Saudi Arabia and Egypt and Tunisia and Algeria and elsewhere, which are not democratic." And in fact the war was partly launched from nondemocratic countries in the Gulf and elsewhere.

The continuation of these economic and security interests is clearly in evidence. These interests have not really changed in the Middle East, even though we have woken up to the need for democracy.

**ROBINSON:** Do you think that there is an appreciation in the Bush administration of how badly received these speeches on freedom and democracy are at the moment because of this lack of credibility?

**CAROTHERS:** The administration is a large and wonderful thing. As in any administration, there are people within this administration—those who know the Arab world somewhat and have traveled there and talked to people—who know you cannot set foot in the Arab world without being overwhelmed with this feeling. You cannot even get near the region without being overwhelmed by the sense among Arabs of frustration, resentment, hostility toward these kinds of speeches, etc.

On the other hand, there are people in the administration who cut themselves off from that, who pooh-pooh it, who say, "They will come to believe us down the road," who do not realize that the problem of credibility is fundamental, and that they cannot even get in the door.

Finally, also in the Middle East, you have the desire to promote democracy in a region where there is not really a democratic trend. It is hard to do because there is not very much to support. You can go to Algeria and say, "You

**People complain about lack of effective participation. Maybe that is just inherent in democracy.**

—Adam Przeworski



## The President's Bold Claim:

"Over time, free nations grow stronger and dictatorships grow weaker."

–George W. Bush  
speaking at the National Endowment for Democracy

ought to have a better election," which is a good thing to say; but the army controls Algerian politics. They could have a better election if the army decided it wanted to, and if the army decides it does not want to, then they will not have a better election. But you do not go to Algeria and say, "The army should give up control of political life." That would be a very pro-democratic statement, actually, but it is not one you are going to hear coming from the American secretary of state.

And so there are deeper structures in those countries that make it very hard to promote democracy. There is this built-in incoherence deep in U.S. policies. And even in regard to the Middle East there are deep reasons why the administration is so divided. All of these contradictions and tensions in our democracy promotion strategies come out in Iraq, and that is where it plays out.

On the one hand, we want elections in Iraq; on the other hand, we want to control the process to make sure the people we support win out. We need the security cooperation of a pro-Western kind of government there; on the other hand, we say we want democracy.

**CAVANAGH:** My institute, the Institute for Policy Studies, spent a lot of time working with cities around the United States and helping 165 cities pass resolutions against unilateral war on Iraq, including New York and Chicago and L.A. That act and many others made this a fascinating period, because there was such an overwhelming demo-

cratic sentiment. Even in the United States, the majority of people were against unilateral war on Iraq, and yet we went to war. So I think that the act of going to war creates a massive crisis for democracy in this country. I sense, in just watching the anti-Bush movement spread, a lot of it is motivated by that. You can't let a man so go against the will of his people and the world and be reelected.

That said, I do think that in the midst of the debates democracy in a way was reaffirmed, in places like Chile and Mexico, by standing up to the United States and not going along with that UN Resolution. I've heard many Chileans say that it was the proudest moment in one hundred years of Chilean history to stand up like that when there is a free trade agreement in the works and so on. So there were some interesting positive developments, too.

My final point is a question. We in the peace movement were hurt in the buildup to war in that we didn't have a better answer to the question "What can the international community do about a dictator like Saddam Hussein, short of war?" My institute had been very involved in the Pinochet case, and when we went to our friends who were the lawyers in Spain who had been attempting to try Pinochet, they said, "Yes, there is a mechanism. The UN Security Council could create a special international tribunal on Saddam Hussein." I felt we were weakened by not having a better set of arguments on that, and I would love to hear more on this from those of you in the UN system.

**In the United States, the majority of people were against unilateral war on Iraq, and yet we went to war. The act of going to war creates a massive crisis for democracy in this country.**

–John Cavanagh



## ECONOMIC REFORM STRATEGIES

Many in the Bush and Clinton administrations have argued that U.S. efforts to encourage the spread of markets and a vigorous private sector will:

- A. Serve to “create a middle class ... confident enough to demand their own rights” (President Bush).
- B. Bolster civil society and media, by reducing the hold of entrenched elites over the flow of information and resources.
- C. Provide political opposition movements and parties with independent sources of income and support.

The claim that current market reforms are conducive to democratization is often criticized, however, on four grounds:

1. Corrupted Economy – Market reforms in the absence of political reform entrench existing elites and lead to corrupted markets as well as crony capitalism, which in turn undermine democracy.
2. Denuding of power – “Reform” regularly implies “liberalization and privatization” which transfer power from the state to unelected entities and individuals, thus removing power from the populace.
3. Inequality and disenfranchisement – Instead of a civic middle class, a two-tier society emerges consisting of the influential rich and the powerless poor.
4. Substitution – Economic reforms are effective in the long-term, if at all; further, a focus on economics can serve to excuse failures to take immediate action to promote democracy.

- \* How accurate are these arguments on both sides?
- \* Do the above criticisms undermine *all* economic reform strategies to promote democracy; or do these criticisms only undermine the narrower strategies of economics-first, economic liberalization and American imposition of economic reforms?
- \* Could economic reforms have fairly rapid positive effects on democratization or should the links be understood as long-term only?
- \* What feasible reforms to institutional procedures and policies would rapidly reduce the perception or reality of unilateral imposition?

**KUPER:** Our discussion so far has brought out very clearly the problem of consistency or coherence. In particular, it is crucial to address the apparent conflict between immediate security and economic interests, on the one hand, and democratization imperatives and long-term strategies for stability, on the other. So this is a good point at which

to turn to John Cavanagh to begin to consider linkages between economic strategies and democratic reforms. John co-edited what has been called “the textbook of the anti-globalization movement,” *Alternatives to Economic Globalization*. So I am particularly interested to hear his views on these complex and contested questions.



**CAVANAGH:** I am going to start with a quote and I want you to tell me where it is from:

The concept of free trade arose as a moral principle even before it became a pillar of economics. If you can make something that others value, you should be able to sell it to them. If others make something that you value, you should be able to buy it. This is real freedom, the freedom for a person or a nation to make a living.

This is from the *National Security Strategy of the United States* of last year. I was surprised that line did not end with “this is real freedom, the freedom for a person to buy things cheaply at Wal-Mart.” I recommend this document because free trade is put forward as a central pillar in the fight against terrorism.

On economic reform strategies: First, a warning. There is a code phrase that has been used for twenty years, “economic reform.” It is meant to say we are for structural adjustments. Probably never in the history of the world has there been a period comparable to the one between 1980 and 2000 when there was such a dominant notion of what those reforms should be: the so-called Washington Consensus, meaning basically liberalization, deregulation, privatization. So when George Bush or anyone else talks about economic reform, that is what they mean.

**Under-regulated markets tend to concentrate economic power with those who hold political power.**

—John Cavanagh

I find this period very exciting (Joe Stiglitz has been in the middle of this) because we are witnessing the crumbling of that consensus. It is not all gone. The privatization consensus is greatly shaken up. The deregulation consensus is gone, especially after Enron, WorldCom, and so on. And there is a lot of conflict over liberalization: There is a growing agreement that financial liberalization was bad, but trade liberalization is the pillar where the consensus still holds most strongly, although many of us are critical of that as well.

To put it outright, we are in a period of a major shift away from that consensus, but we are not yet in a period where there is a shift toward a new consensus. So there are a lot of competing visions and policies, some of which are very bad; some of which, like this little book we did,

*Alternatives to Economic Globalization*, might be called somewhat utopian. This situation comes at a time when democracy is flourishing.

In Cancun in September 2003, for the first time since the 1970s, developing countries got together and negotiated as a bloc. Now, that is not to say they have any idea or consensus on what they want, so I do not want to romanticize this. There were three groups of countries that banded together: one on agriculture; one on so-called new issues, which are the democracy issues; and one on special treatment for poor countries.

Since then, interestingly, Brazilian president Lula came to New York for the UN General Assembly, called a special meeting with the Indian prime minister and President Mbeki of South Africa, and said, “We are the Group of Three. Let’s think about this in more ways.” It’s still unclear what this group will become—it’s still defensive, not proactive—but I think we are in a period of change. I would argue that the period between 1960 and 1980 was a bad period for democracy. In economic terms, however, it was much more democratic. There were many models. I was at the UN Conference on Trade and Development at the end of this period, and there were “a thousand flowers blooming.” It was a very interesting period in terms of economic strategies. I would say 1980 to 2000 was the dark ages in terms of one dominant economic model, and that hegemony is breaking apart.

The question has been posed to us: Was market fundamentalism conducive to democracy? The answer seems to be yes, but only at first glance. If you look at Adam Przeworski’s figures for 1982—and I am sure those in favor of that economic model adopt this argument—market fundamentalism coincides with more electoral democracies.

**PRZEWORSKI:** Coincides.

**CAVANAGH:** Coincides, yes. But creating a middle class? Absolutely not. The countries that created middle classes—South Korea, Taiwan, and so on—did not do it through those policies.

Bolster civil society and the media? Absolutely not. Media concentration was rife, as Joe Stiglitz said.

Provide political opposition movements and parties with independent sources of income and support? No, under-regulated markets tend to concentrate economic power with those who hold political power.

What is the strongest argument to be made on the side of market fundamentalism? One of the biggest arguments behind NAFTA, a free trade agreement, was that it would



## The fundamental philosophy of market fundamentalism was to reduce the role of collective action in any form.

—Joseph Stiglitz

lead toward democracy. And then the population of Mexico kicks out the PRI—the Institutional Revolutionary Party—after seventy years. I do think there is a small point there, that the NAFTA debate focused a microscope on Mexico and made it harder for them to steal an election. On the other hand, I think it was actually the economic effects of NAFTA that helped enhance the power of the opposition. So I think that’s a hard one.

On the arguments against, I think the four arguments outlined at the beginning of this section are pretty strong: corrupted economy, denuding of power, inequality and disenfranchisement, and substitution. Those are all arguments against the Washington Consensus.

As to the last question—Are economic reforms effective in the long term, if at all?—I don’t think these economic reforms were effective in the long term. I think it’s very hard to argue that in terms of growth, in terms of equality, in terms of social and economic progress—and that is why the consensus is breaking down.

Do the above criticisms—as Andrew asks—undermine not economic reform strategies per se in promoting democracy but rather the narrower strategies of market fundamentalism? Yes. So there is now a great debate about other economic strategies. I won’t say much about that because I think that Joe Stiglitz is doing a lot of work on that at the moment, and he can talk about it much more clearly than I could.

Could economic reforms have fairly rapid positive effects on democratization or should the links be understood as long-term only? I think, yes, they could absolutely have a rapid effect. I think one of the most clear-cut cases where the consensus is emerging is financial market liberalization. We had the Asian financial crisis plunging hundreds of millions of people into poverty in places like Indonesia, with very negative effects on democracy. There is a growing consensus that capital controls and foreign exchange controls can help democracy. That is just an example.

On the global level, it is fascinating the way in which the word “democracy” has entered the globalization debate in certain areas, especially around NAFTA. Joe mentioned Chapter 11 of NAFTA: Nobody can even figure out how this provision got into NAFTA. A bunch of K Street lawyers wrote in a provision that says that corporations can sue governments if governments are imposing

regulations that impede the future profits of companies. There have been a number of celebrated cases.

In the NAFTA debate it was all about the giant sucking sound, about jobs and the environment; this time when people fight the Free Trade Area of the Americas, a lot of the signs are “Democracy, democracy, democracy—get rid of these provisions that give corporations powers vis-à-vis government.” I will predict now that if there is a Free Trade Area of the Americas, if the WTO exists in five years, we will win in getting rid of these kinds of provisions. I think there was dramatic overreach in the final period of the market fundamentalism years.

Finally, what feasible reforms to institutional procedures and policies would be most effective in reducing the perception and/or reality of economic reforms imposed unilaterally? There are thousands of examples from the detailed fight over what the new consensus should be. One thing I’ll mention, because I think it is less well understood, is that some of the most interesting work going on in civil society in the globalization movement is around a redefinition of what ought to be open to economic globalization.



Mary Robinson, John Cavanagh, Joseph Stiglitz

This is usually cast as a debate over the commons, where more and more people are saying that basic resources, like water, should not be opened up to global corporate control. There are huge disputes—in Michigan, New Hampshire, Senegal—over what parts of our lives and what kinds of resources should remain under the control of accountable governments. This is a fascinating debate in which I think a new, more democratic consensus will emerge over the next ten years.

**KUPER:** Let me turn to Joe to respond, emphasizing the



positive alternatives to current policies. Also, do you share John’s view that certain economic reforms could have quite rapid effects on democratization, or is it the case that economic reforms really are a much longer-term strategy?

**STIGLITZ:** I agree with almost everything that John said. In particular, in terms of human rights, a parallel to the document he quoted was a speech that John Taylor [Under Secretary for International Affairs, U.S. Department of the Treasury] gave to Congress, the gist of which was: “Capital has a basic right to move in and out of a country.” We imposed, as part of the Chilean agreement, capital market liberalization. Just as the IMF acknowledges it’s a mistake to do it (or, more accurately, that it often does not seem to bring with it the growth that its advocates promised, and it often brings with it instability), we say that Chile *has* to liberalize its capital markets. As Taylor’s comment testifies, for the first time America has recognized economic rights: the free right of capital to move anywhere in the world. This is the first recognition of an economic right. It is not, however, where I would begin a rights-based approach to economics!

In thinking about economic reforms, both in the short run and in the long run, I think one wants to think about what the mechanism is by which they interact with democratization. One of them is clearly that reforms, as they have proceeded in the past, have destroyed, or at least weakened, the middle class. It is possible to trace how the destabilization of capital markets, the way the privatizations were done, etc.—all helped denude the middle class. Now, I feel a little bit nervous saying this because Adam Przeworski, although he makes some reference to the middle class, also says that his statistics do not show the middle class as a core explanatory variable in democratization. Yet, a lot of historians do claim it to be the case, and I am still of the qualitative, old-fashioned view that it probably is relevant. So if you take the middle class to be relevant for democratization, I think there is absolutely no doubt that the way the reforms were done had an immediate adverse effect and not just a long-term adverse effect.

I also think that the standard reforms have closed the space of debate. Independent central banks say that perhaps the most important aspect of macroeconomic policy, namely monetary policy, should neither be subject to political processes nor be done in a representative way. They have confused independence and representativeness, and have really undermined democratic control over macroeconomic policy.

As for Chapter 11 of NAFTA, the irony here should be

clear. The Clinton administration was fighting compensation for regulatory takings within the United States (many conservatives believed that requiring such compensation would bring regulatory initiatives to a halt) at the same time as it was negotiating a regulatory taking provision within NAFTA. The environmentalists were vocal and had an open debate, yet the U.S. Trade Representative never mentioned this in the discussions

**There are huge disputes over what parts of our lives and what kinds of resources should remain under the control of accountable governments. I think a new, more democratic consensus will emerge from this debate over the next ten years.**

—John Cavanagh

within the administration. So it was a really very undemocratic procedure and, given the fast track presidential authority, where Congress either has to vote up or down the trade treaty, there was really no opportunity for discussion. Chapter 11 was stuck in there, and I don’t think anybody (except those who proposed it, or in whose interests it was done) really realized it.

When it was put in nobody thought it would affect the United States and come back to haunt us; we thought it would protect our firms in Mexico, not protect Canadian and Mexican (particularly Canadian) firms in the United States.

There is another sense in which the reforms really undermined democracy: The fundamental philosophy of market fundamentalism was to reduce the role of collective action in any form and, therefore, there is much less collective decision-making. So democracy was supposed to simply allow for a vote to make sure that democracies didn’t do anything, at least in the sphere of economics. It just makes democracy a less interesting object if your only role is to say that you should do nothing.

Now let me answer more directly your question about reforms that would make a direct and immediate difference.

One set of reforms has been to increase decentralization. A lot of the arguments for decentralization are not particularly persuasive, but one of the aspects of decentralization is that in many of these cases it does move a lot more decision-making down to local levels where there is more participation of some type. It has potential to change the nature of participation, and there are particu-



lar examples that we used to talk about all the time at the World Bank—such as the school districts where you get more participation. Another kind of reform that has a short-run impact on democratization centers on the issue of capabilities: education and democratic training, for instance, getting people to think about democracy in relation to human rights in the ways Mary discussed.

Commenting on what was a major factor in the change of Mexico, at least one plausible hypothesis was that the former President of Mexico, Ernesto Zedillo, went to Yale, a university where there is a strong democratic tradition (particularly in the Law School), and a lot more discussion of the principles of equality. I think that may have had at least something to do with Mexico's strengthening of its democracy, more than NAFTA; I do not think NAFTA had a lot to do with it.

**CAROTHERS:** I think at least part of the way I would sum up what both John and Joe said is, to put it really starkly, we have had an unusual occurrence in world history in the last twenty years: a period of intensive attempts to democratize that took place precisely in the period where there has been a reduction in actual choices on the broader economic front, with respect to international economic structures.

## When we think about economic reforms, we should think not only about substance but also about the style by which they are imposed.

—Adam Przeworski

So at the same time that these hundred countries have been trying to create real pluralism and political choices, they have had much less choice in real terms. That has been unusual. Nobody planned this, it isn't a conspiracy, but several factors came together, above all the rise of neoliberal consensus. At same time, suddenly many countries were moving to democracy. This was an unusual juxtaposition and it is working itself out now.

One thing that has happened in the international institutions, like the World Bank and the regional banks, is that, fifteen-to-twenty years into the consensus on neoliberalism, they are waking up and saying, "Politics matters." They are seeing neoliberal reform programs failing in a lot of countries because of political pushback or because of the weakness of institutions to carry these programs out.

But there is a basic contradiction that they have not

gotten over yet. I gave a talk at the Inter-American Development Bank on the publication of its book called *Politics Matters*, which was last year, and I said, "You've discovered politics matters just as citizens throughout South America discovered politics doesn't matter for them because they can't make these choices. They can vote for whomever they want to be the President of Argentina, but they are going to get the same economic policies. So how do you expect people to be enthusiastic about their elections?"

So what has happened is the Bank and the regional banks now say, "We want to take account of governance and politics," but they are still thinking in a purely instrumental way about politics, which is: "What kind of politics will facilitate the sort of economic policies we would like to see?" They do not think about politics as an independent variable. For them, in the economist's view, it is a dependent variable, which they would like to instrumentalize in order to get what they want.

So until there is a sort of a Copernican revolution in their thinking about politics and they realize that politics has inherent value, they are not going to change their thinking about the development consensus. I think we are at a really critical point in the debate.

**STIGLITZ:** Let me just reinforce that, because I obviously very strongly agree that we should be thinking of "democratization" and "participation" as independent variables. When Kim Dae Jung became President of South Korea and held a conference on democratic development, I gave a speech in which I talked about these issues. Senior World Bank officials told me that I had to delete all reference to the word "democratic," that it was not allowed at the World Bank to refer to "democracy," because that was not within our charter. So I had to use "search-and-replace" in my word processing program, and replace "democracy" with "participation" and other related words instead. It did not change the speech at all, and everybody read it and understood the implication.

**FUKUDA-PARR:** I think the factor that is missing here is economic and social equity. All of these arguments being made here about why economic reform may be good for democracy have to do with egalitarian economic policies that would reduce income inequalities and reduce adverse asset distribution. Now, the real disconnect is that the kind of economic reform that is being promoted has precisely the opposite effect.

Consider the history of successful democratization in Japan and Germany. In Japan you had an introduction of



**We have had an unusual occurrence in the last twenty years: a period of intensive attempts to democratize taking place precisely when there was a reduction in actual choices on the broader economic front.**

—Thomas Carothers

democracy but also a transformation of a brutal capitalist system with a class-ridden society to an egalitarian, socially oriented economic and social system and the creation of a middle class. So the American occupation brought not only democratic institutions; it also ensured that the Japanese undertook land reform and imposed a wealth tax. Every single member of my family had to sell off some of our property, housing, and so forth, to pay the wealth tax, and they created a truly middle class society. Japan has one of the lowest income inequalities among the countries of the OECD [Organization for Economic Cooperation and Development]. Something similar can be said of Germany.

Unless economic reform is working in the direction of creating a more economically and socially egalitarian society, not only in income but in wealth and social class, there will not be reinforcing effects among economic policies, economic reform, and democracy.

**PRZEWORSKI:** I completely agree with this. Namely, I think that the worst thing that market reforms did was to increase inequality in so many countries, and particularly concentrate incomes among the top 1 percent.

**STIGLITZ:** Does that show up in your regressions? Particularly the political effects?

**PRZEWORSKI:** Within the data I have, income equality, as measured by the distribution of household incomes and labor share of functional incomes, makes democracies much more stable.

Two brief further comments. One is that when we think about economic reforms we should think not only about substance but also about the style by which they are imposed. In my native country, Poland, eleven pieces of fundamental economic legislation had to be passed by the parliament in three days at the end of 1989. Well, how can people have any sense that they are deciding anything when even the parliament cannot discuss any of these reforms?

There is a large literature, which I contributed to ten years ago, about the style of imposing requirements. If people do not participate in these decisions—and a lot of

them are irreversible, for example, capital controls, with profound consequences—then I think democracy becomes impotent because so many irreversible changes happen, in particular income inequality.

Finally, let me make one minor comment on Joe Stiglitz's point about the relationship between globalization and democracy. The impact of globalization on the realm of choice is not as obvious as one may think, because one way to think would be: Globalization increases inequality. Well, in most of our understandings of the electoral process, the higher the inequality and deliberative uncertainty, the more parties should propose differentiated programs; that is, there should be divergence between platforms. So in fact it may be that if globalization increases inequality, then it increases their realm of choice rather than decreases it.

I am playing the skeptic. Maybe people are dissatisfied not because they do not have choice, but because they are just in the doldrums. All these decisions have been made in a nondemocratic way, income inequality has increased, and even if you increase redistribution you will not compensate 50 percent of the population.

**ROBINSON:** I want to speak about Cancun because I agreed very much with John's assessment. I was at Cancun, wearing my hat as President of Oxfam International. I was part of a team of some thirty Oxfam activists. It was fascinating, because our team had a briefing every morning at about 7:30, and I think I was as well informed as anybody about what exactly was going on, even in the Green Room (the Oxfam team seemed to have spies in there, too). It was interesting, because it was about the need for a better balance of power.

But the point I wanted to raise is that there was a real concern in Oxfam, and that concern remains post-Cancun, that we may be seeing a lack of enthusiasm, particularly by the United States, for a multilateral rules-based approach. So the activists obviously want reform, but they are very afraid now that there is going to be bilateral and regional picking-off, which would be much worse for the developing countries.

**STIGLITZ:** I agree. We are about to engage with the Andes



and Central America on a bilateral agreement, and the terms are very unfair. All these agreements about capital market liberalization, telecommunications privatizations, access for AT&T, etc., are being imposed and are enormously upsetting to people in those countries.

**ROBINSON:** Is it true then that a multilateral rules-based system is vital for a fairer system and that this is in danger at the moment?

**STIGLITZ:** That is right. What I think is that the United States is not going to have much success with Brazil, India, and the big countries. Other countries such as those in Central America are so small that it will give the U.S. a

token victory, but bilateral agreements will have relatively little impact on patterns of international trade. The really important international negotiations now will be with China, South Africa, Brazil, and India. So I am actually more optimistic in that this approach that the United States would like to follow, which is picking off one country at a time, is probably not going to work. The reason is that in fact we do not have anything we are prepared to give to larger countries. They need agricultural trade and a reduction in nontariff barriers (like dumping), not a reduction in tariffs (which are already low in most of the developed countries). We are not ready under the current administration to do anything about the issues of concern to the developing countries.

**MARY ROBINSON:** Is it true that a multilateral rules-based system is vital for a fairer system and that this is in danger at the moment?

**JOSEPH STIGLITZ:** That is right. I think that the United States is not going to have much success with Brazil, India, and the big countries. Other countries such as those in Central America are so small that it will give the U.S. a token victory, but bilateral agreements will have relatively little impact on patterns of international trade. So I am actually more optimistic, in that this approach that the United States would like to follow, which is picking off one country at a time, is probably not going to work. The reason is that in fact we do not have anything we are prepared to give to larger countries.



## INDIRECT DEMOCRACY PROMOTION STRATEGIES

Promoting good governance and strong civil societies are widely popular strategies for stimulating democratization, and they receive significant support from USAID and the State Department. These strategies are popular partly because they do *not* address directly the core processes of political contestation and thereby significantly:

- A. Avoid confrontation with host governments.
- B. Bypass bureaucracy and blockages within the formal political system.
- C. Engage and support members of other societies who are pursuing democratization from within, fostering genuine and sensitive social change.

But, in the view of many critics, these indirect strategies do not produce *sufficient* and *sustained* democratization. There are three, progressively stronger versions of this criticism:

1. Indirect strategies do not confront the real institutional problems but instead fiddle around the edges (e.g., Iran, China?).
2. Indirect strategies dampen citizen pressure for changes from within societies and mislead outsiders into thinking change is occurring (e.g., Jordan?).
3. Indirect strategies have been appropriated and redirected by adaptable semi-authoritarian regimes to perpetuate their rule (e.g., Egypt?).

\* To what extent are these recommendations and criticisms accurate, in the different contexts of states that are: authoritarian, semi-authoritarian, in transition to democracy, and consolidating democratic institutions and practices?

\* Is the success of indirect strategies entirely dependent upon the current trajectory of change, enhancing transition where it is already taking place but impairing transition where there is a lack of political will?

\* What can be done to minimize the negative effects or externalities of indirect strategies?

\* What can be done to enhance the links between better governance and stronger civil society, on the one hand, and democratization of formal institutions, on the other?

\* Has the U.S. government, especially USAID and the State Department, taken reasonable steps in these directions, and what more could be done?

**KUPER:** The capacious category of “indirect democracy promotion strategies” includes, among other things: strengthening the rule of law, developing parliamentary capacities and constituencies, combating corruption, promoting decentralization, funding advocacy NGOs, supporting women’s rights organizations, enabling and defending an independent media, and underwriting efforts at civic education. How effective are these

approaches, individually and collectively? Tom’s two recent articles, “Is Gradualism Possible?” and “Democracy: Terrorism’s Uncertain Antidote,” offer some thoughtful answers, and will no doubt enable him to guide us through this multidimensional maze.

**CAROTHERS:** There is a huge amount to say here in limited time. What Andrew has carved out with this topic are



**We tend to invest in civil society huge expectations that are out of proportion to what these small, often beleaguered NGO sectors can really deliver.**

–Thomas Carothers

really three different ways that democracy aid providers try to promote democracy: one, working directly on political processes in other countries through elections and parties, and working on human rights and so forth; two, stepping back and working with state institutions for institutional reform, like judiciaries and parliaments, in some cases decentralization; and three, strengthening civil society for a variety of reasons. These two latter categories, working with state institutions and civil society, are less direct than the political process, and it is these I shall address.

With respect to reforming state institutions, the biggest policy question comes in semi-authoritarian societies or authoritarian societies where donors or external actors have the chance to work on state institutions and work for institutional reform. The big question really is: Is this a good long-term approach to promoting democracy in such a country, or is this really just a way of avoiding the real question, and even potentially legitimizing a regime that wants to reform its institutions but not really change politically?

This comes up, for example, in a country like Egypt, a classic semi-authoritarian regime. Egypt has absorbed a lot of institutional reform aid from the United States over the last ten years—the largest judicial reform program the United States has ever sponsored in monetary terms—and received similar aid for a huge decentralization program. In the 1990s, the Egyptian state absorbed a lot of institutional reform aid, without any real intention to permit fundamental political change.

The same is true of authoritarian societies. In the last ten years a great interest has arisen on the part of some segments of the Chinese state, as well as on the part of a number of donors, to work on rule of law in China. Some people have said that this is a “stealth” method of promoting human rights and democracy in China; that if we work with the judiciary and the legal profession, over time they will move to the rule of law and this will be a gain for democracy.

I would say in general I am rather hesitant from a democracy-promotion point of view about this gradualist approach. If you step back and look at most democratic transitions, they tend to be somewhat abrupt and usually

involve the sort of collapse of legitimacy of an existing regime and replacement by a new one. Very gradualist, iterative transitions are actually surprisingly rare, and they have only occurred in a few places, like Taiwan or South Korea; Mexico might be considered such a case in the 1990s. It is usually on the back of significant economic development that they are able to pull off a transition in which an authoritarian regime becomes semi-authoritarian and then one day wakes up and finds itself out of power through a democratic election.

And so I think the dream that we could go to a country like Egypt and work on the rule of law and decentralization and one day Egypt will wake up a democracy is unlikely. On the other hand, I understand the appeal of that approach.

Therefore, if we are going to do state institutional work in the authoritarian and semi-authoritarian context, we have to pay a lot of attention to the difference between just working on making the institution work better from the technical point of view versus changing how the institution relates to society and becomes more accountable and participatory.

**Institutional reform is a lifetime project, it is a continual project, like painting the Golden Gate Bridge. It is not something you do and then walk away.**

–Thomas Carothers

You can train Egyptian judges to be more efficient, but can you also give more attention to the question of judicial independence in Egypt and why there is political control over the judiciary? If you just do the former, you are playing into the hands of the adaptive semi-authoritarian who wants to improve the condition of his judiciary to give citizens better services but doesn’t really want to make it more independent.

So I think the real question is: what kinds of institutional reform, in what sort of context? We have to be careful about slogans that say “Good governance over time will lead to democratization” in this context, because the evidence for that is actually rather slim.

Reforming state institutions in the more democratic context of countries that have really broken the back of authoritarian or semi-authoritarian rule and are trying to reform their state institutions is a good thing to do. It is an important and necessary part of democracy aid.

Here the main challenge is simply that institutional



reform has proven to be extremely difficult. There are many examples. One that I am familiar with because I was involved a little bit at the inception is the effort to reform the judiciary in El Salvador, which has dysfunctionalities that are typical of a lot of judiciaries in many parts of the world. Twenty years ago the United States began funding judicial reform programs in El Salvador. I was in the government at the time. At that time we said, “We are going to take a really long-term perspective. We are thinking five years ahead.” A recent study by some of the financial institutions, like the World Bank and others, said, “The judiciary in El Salvador has fundamental flaws and we should assist it.” That is after twenty years of institutional reform funded by the United States.

All that reform was worth doing and it was a good thing to do, but as we know from reforming the Los Angeles Police Department or the New York Police Department, institutions are difficult things to reform. You have to stay with it. Institutions can go awry. Even in a healthy societal context, they can develop bad habits. And so institutional reform is a lifetime project, it is a continual project, like painting the Golden Gate Bridge. It is not something you do and then you walk away from it.

With respect to civil society, there is an ocean to say and I will just make a few specific points.

First, the term is badly overused. “Civil society” has become a slogan that is almost meaningless, in the sense that people mean whatever they want to mean by it. It is infused with a very normative sense in many places, that what we really mean is pro-Western, technocratic NGOs, as opposed to grassroots movements that might not be pro-Western, technocratic NGOs, and that might be more indigenous to the society but not in forms we recognize.

Second, there is the tendency to imagine a sort of virtuous, nonpartisan civil society that somehow stands aside from politics yet engages in public activism, as though civil society in the United States—like, say, our labor unions or the National Rifle Association—are not eminently partisan institutions, deeply engaged in partisan politics. Yet, when we fund an NGO in another country, we say, “Of course you wouldn’t engage in partisan politics. That would never happen in civil society in established democracies.” I believe there is a fundamental misconception in our work with civil societies in other countries.

Third, we tend to invest in civil society huge expectations that are out of proportion to what these small, often beleaguered NGO sectors can really deliver—expectations about standing up to powerful states, delivering social services, curing institutional problems through watchdog functions. So we have built up our expectations unrealistically.



Adam Przeworski

And what we have also done is build NGO sectors that are often not very sustainable in their own context because they are too expensive for what is really possible in that society. You have to have full-time accountants, you have to produce nice annual reports, you have to have computers and four-wheel-drive vehicles, and you don’t use volunteers but paid professional staff. You’re not genuine grassroots movements if you’re hiring Westernized, English-speaking elites.

So we have built an NGO model in many societies and proliferated NGOs through our donor program that, once we walk away from them, tend to collapse. We have created a kind of civil society that has many of the features that are actually contrary to what we originally thought were the characteristics of NGOs: genuinely grassroots, authentic, and so on.

So there are big issues about civil society assistance that have not been resolved, even though the fundamental instinct of trying to work from the bottom up in a society is correct. But we have had a very hard time building genuine bottom-up organizations because of these deep

**The real question is: what kind of institutional reform, in what sort of context? We have to be careful about slogans that say “good governance over time will lead to democratization,” because actually the evidence for that is rather slim.**

–Thomas Carothers



**NGOs can adopt different strategies. They can be completely intransigent, which is going to weaken the liberals within the regime. But if they cooperate with these reformist liberalizers, they may lose credibility as representatives of democratic positions and populations. If you want to understand the role of NGOs in this dynamic, then you have to see it as a game between forces that are jockeying for relative position in the regime.**

– Adam Przeworski

problems, related to donors working in a certain fashion.

**KUPER:** Mary, you are one of the few people with credibility from the grassroots of civil society to the highest echelons of international diplomacy, so I'm interested to hear your view on how to move forward.

**ROBINSON:** I am quite provoked by the last part of Tom's remarks. Let me come first of all to some interesting points about the way in which the indirect strategies may work. I very much agree that we have made a lot of mistakes in strengthening judicial reform in various countries, particularly because the emphasis has often been on strengthening rule of law in order that commercial contracts will be honored, not on the more crucial relationship of an independent judiciary standing up to dictatorial powers.

At the same time, I had an opportunity over five years, traveling to more than eighty countries, to see what grassroots civil society was doing. I have been able to be a direct witness. I am not naïve or wearing rose-tinted spectacles, but I have been impressed, because the models of engagement are very varied. I could give you hundreds of examples, but let me give you three. All relate to three different Asian countries that I visited in August 2002, a month before I left office; countries where there had been human rights abuses.

The first country was China. It was my seventh visit there as High Commissioner. I operated a two-pronged approach. We had a program of workshops on judicial independence, reeducation through labor, and police and human rights (with follow-up using international standards for police and prison officer training manuals, and for human rights education). But also I was the most outspoken UN person on human rights who ever went to China and I shocked the Chinese a few times, because I would take up individual cases of violations of Falun Gong or labor leaders being imprisoned, first privately with the relevant authority, and then I would repeat in a

press conference the questions I had asked and that I had got nowhere. But I was respected because I was not being political. They could see that for me it was the human rights of the Chinese people that mattered.

I began to form very interesting alliances with the All China Federation for People with Disabilities, whose Chair is being honored with a prize from the United Nations. He is the son of the venerable Deng, and is in a wheelchair because during the Cultural Revolution he jumped out a window and broke his back and became a paraplegic. He is a real human rights person in Western terms, focused on the rights of people with disabilities, but absolutely Chinese.

The other alliance was with the All China Federation for Women. They are doing very good work on HIV and AIDS to protect women. They are very adept at working with the Convention for the Elimination of Discrimination Against Women, the CEDAW. They have a member on that committee which meets at the United Nations in New York. They don't confront publicly, but they are becoming tougher privately. When they brought me to see a project of theirs on domestic violence in August 2002 they said that they intended to use China's ratification of the Covenant on Economic, Social, and Cultural Rights to pin China on the rundown of education services and health services in the Western provinces, denial and stigma about HIV and AIDS, and other matters. They are powerful, they have about 60 million members, they are quite wealthy by Chinese standards, and they are learning the tools of a different dialogue.

It may not be front-line confrontation about death penalty and torture issues, but to me this is fascinating. I heard the other day that, notwithstanding that there is no High Commissioner at the moment, notwithstanding that no new agreement was signed, the Chinese are carrying on this program. The Office of the High Commissioner is finding that they are pushing an open door, because for China it is a much-needed value system since they have opened to a market economy, and the main problems



bedeviling them are corruption and greed. Now they have an international value system that they are interested in for Chinese reasons.

In Cambodia, again I saw the maturing of civil society groups, monitoring Cambodia's human rights commitments from when I had been there about four years before.

In East Timor (with a new government), the fact that East Timor has ratified all six human rights instruments is providing a basis for dialogue with a very angry civil society that has very high expectations. They now have a framework to talk about child rights, women's rights, discrimination against minorities, etc., and they are doing it.

So I think that this indirect type of strategy is very important, though I share some of the concerns in Tom's analysis.

I would also like to point to Africa, and the very clear language in the New Partnership for Africa's Development (NEPAD) where the African leaders repeated that it was their priority to strengthen the administration of justice, rule of law, and adherence to human rights standards. What is the problem with the NEPAD? As my African friends say, there is a problem, because it is not even top-down, it's top-top, and it is male top-top at that! There is a very healthy movement in African civil societies to take ownership of the NEPAD, to criticize the economic analysis in it, which they don't necessarily share, and to make it a tool to hold their governments more accountable.

On the issue of accountability, I have already mentioned the importance of the human rights system. We also have the Millennium Development Goals (MDGs) now. We have the country reports on MDGs. We can have civil society interacting on these goals. I think that is another layer of accountability, complementary to the human rights system.

I think Tom is too tough, however, on the overused notion of civil society. I agree about the term itself being overused, but I do not think that we can characterize civil societies as being pro-Western, technocratic NGOs anymore.

In Chiang Mai, at the launch of the ESCR Network, the majority of civil society organizations were Asian; there were also a number from Latin America; I would say the minority were from either Europe or the United States. There is a terrific grassroots movement.

Since the Johannesburg Conference on Sustainable Development, there is much more linkage among environmental

activists, development agencies like Oxfam, CARE, etc., and traditional human rights activists working on women's rights, child's rights, combating poverty, etc. There is indeed concern about these (non-Western, local) NGOs, particularly within their own countries. Who are these people? Who do they represent? Are they just two people who have decided to engage in intensive lobbying for a special interest?

One of our three partners in the project that I am now leading, the International Council on Human Rights Policy based in Geneva, has actually addressed the accountability of NGOs through a process of a conference and then a draft report (that they are currently finalizing) to encourage human rights NGOs to get their act together on good management, financial tracking, and membership lists—so as to protect themselves from the hostility that is growing. It is also growing in Washington—witness NGO Watch.

Why is the hostility growing? Because their power is being felt. I am on the optimistic side there. I think the power of civil society groups is beginning to have an impact on nonresponsive dictatorial regimes, so of course the regimes have to try to crush these groups.

**FUKUDA-PARR:** It is very difficult to generalize. I can be sympathetic to what Tom is saying as a critique of the contradictions within U.S. aid policy to countries like Egypt, on the one hand, compared with the political relations that the U.S. government may claim to pursue in pushing for regime change. On the other hand, one can think of the so-called indirect "stealth" methods of democratization in terms of a different sequence. That is, there are many countries in the world where we have had a regime change, where we have had attempts to introduce competitive elections in an institutional and societal vacuum. So you are introducing these formal processes such as elections without having democratic institutions in place.

This is particularly true in Africa. I remember being in Guinea-Bissau, where you had a building called the

**China has changed the nature of the discussion in a real way, creating, for instance, more open discourse on policy. China is not democratic...yet it is also clearly not entirely authoritarian, and there is a lot of open discussion on economic policies, more than in many so-called democratic states.**

—Joseph Stiglitz



## Building Civil Society: Simplistic Assumptions?

### Carothers:

'Civil Society' has become a slogan that is almost meaningless.... It is infused with a very normative sense in many places: pro-Western, technocratic NGOs as opposed to grassroots movements.

### Robinson:

I agree that the term is over-used, but I do not think we can talk about civil society being only pro-Western, technocratic NGOs any more.

### Carothers:

I am not against NGOs, but my concern is that donor policies to foster civil society are often based on very simplistic assumptions.

Parliament and then there were elections, and yet you knew that these people who were elected had no means whatsoever to even travel from wherever they were elected to the capital city, that there were virtually no chairs in the Parliament, and so forth. Also these are countries in which the so-called civil society was virtually nonexistent. That isn't true of all African countries, but in many countries you had a one-party authoritarian rule with a prohibition on any civil society organizations beyond two or three pretty formal groups.

I do not necessarily think of these strategies as alternatives. All three are needed: a certain kind of political regime plus these basic institutions of both the state and the civil society. I do think that it is terribly important to build these institutions of civil society and of the state for democracies to be meaningful.

**STIGLITZ:** I agree. If you take as an objective trying to move toward a more humane society, these indirect strategies can play an important role. Let me try to illustrate by some examples where I think that even where you do not have free elections there is more democratic space.

One example, on the role of NGOs, is based on a couple of visits I made to Bangladesh, where the NGOs have been particularly effective. They are all indigenous NGOs. While the role of BRAC and Grameen Bank in microcredit in particular has often been emphasized, they are also both very active in social reforms, legal education, and in making sure women know what their rights are. And they have been extremely effective on a mass scale. When you talk about credible NGOs, these are groups that involve 20 percent or more of the population, the consequences of which have shown up in the aggregate statistics like birth rates and women's education. So it seems to me that at least there are some cases where NGOs can have a significant effect.

On the rule of law, I think the problem of course is that to a large extent everybody learns the vocabulary of what is supposed to be said faster than they know what to do and take action. I have been at meetings where the Finance Minister from Belarus, say, talks about the importance of good economic policies, delivers exactly the speech that the IMF would have given to him, and it has nothing to do with what is going on in reality. So everybody talks about the rule of law, but in fact many of the countries are not doing a lot about it.

I think that China is serious about many aspects of the rule of law. You see it in a lot of economic reforms, but also reforms in other areas.

**ROBINSON:** Though, if I may interrupt for a moment, the Chinese currently support rule *by* law, not rule *of* law. For example, strictly speaking, reeducation through labor is not compatible with the requirement of rule by law in China. The real debate is: Do they regulate society *by* law and still keep all the bad aspects of no due process; or do they accept rule *of* law, which imports the quality of due process, and not put people away for three years without a hearing? The fact that they have moved to rule *by* law is very important, but there is a gap between that and rule *of* law.

**STIGLITZ:** Yes, a good point. Still, China has changed the nature of the discussion in a real way, creating, for instance, more open discourse on policy. So China is not democratic in the fundamental way emphasized early in this discussion by Adam—electoral democracy. Yet it is also clearly not entirely authoritarian. On some levels there is a move toward contestability, and on economic issues there is certainly a lot of open discussion of policies, more than in many so-called democratic states.

**ROBINSON:** We should consider Iran in this context,



because that's a fascinating country where what we are talking about has direct relevance. In Iran there are clearly two movements. How do you support the democratic side in Iran, which does not have the real power?

**STIGLITZ:** That is highly relevant to my next point: There are a number of instances where nondemocratic governments have allowed NGOs to—I don't want to say necessarily thrive, but certainly to exist—in which the NGOs have provided part of the pressure for democratization.

The U.S. government has not been as effective, for instance, as the Soros Foundation in some of these countries. My impression is that, for instance, in Serbia a lot of media were financed by the Open Society. That helped bring down Milosevic. Why the regime allowed it to operate, I don't know, but in any case they did, and it had important democratic consequences.

In Georgia a lot of the groups that were protesting and brought down Shevardnadze were NGOs, and they were organized and supported by Soros' Open Society.

**CAVANAGH:** And now Soros is taking on the current U.S. government!

**DOYLE:** The United States was instrumental in both Serbia and Georgia, from my understanding. They helped train some of the democracy activists in Hungary.

**CAROTHERS:** Both USAID and the National Endowment for Democracy were deeply involved in assisting democratic forces in Serbia. In Georgia, the opposition received U.S.-funded training.

**FUKUDA-PARR:** But the open media was Internet media, and that has nothing to do with any government. It was just the technology.

**PRZEWORSKI:** My general understanding of the processes of transition to democracy at the micro-level is that they most frequently begin with a clique within the ruling elite where basically one group begins to think that by expanding their regime and incorporating some outsiders they can increase their power within the elite. I think that is where the interaction between regime and NGOs begins.

Now, the NGOs can adopt different strategies. They can be completely intransigent, which is going to weaken the liberals within the regime. On the other hand, if they cooperate with the reformist liberalizers within the regime, they may lose credibility as representatives of

democratic positions and populations. But it seems to me that if you want to understand the role of NGOs in this dynamic, you have to see it as a game between forces within the regime that are jockeying for relative position.

Another comment relevant to Andrew's original point is that there is one crucial point when semi-authoritarian regimes, as he calls them, fall: In a lot of these regimes, public administration is verticalized by a mechanism of political control, typically one party, so that the vertical line of command is the party, and then the public administration receives commands horizontally. As a result, when you destroy the party, you are destroying the state. I think that is what happened in the Soviet Union. That is what Gorbachev did to himself. He was sitting on the chair and sawing off the legs from the chair. Precisely by introducing elections within the Party, he lost control of the state. I think that is what Vicente Fox is facing.



**Thomas Carothers and Michael Doyle**

I think we in Poland were lucky that, because of the military coup of 1981, the army basically pushed the Party out of public administration and the state became to a large extent autonomous.

But then there is the question of the timing of public administration versus the timing of bureaucracy. If you don't clean up the public administration before a transition, then you may face a "collapse of the state."

**DOYLE:** I think that the NGOs discussed in the debate between Tom and Mary have to answer former Malaysian Prime Minister Mahathir's challenge of ten years ago, where he said he could not name a single NGO in the South that paid for more than half of its budget. I am assuming that is wrong now. So, on the grounds of transparency, this is a challenge that it would be useful to meet.

Also, given the influence of NGOs, governments have



responded, and we now have the formation of GONGOs [Government-Organized NGOs], where governments, often semi-authoritarian governments, form NGOs to get the credibility of NGOs and to counter, let us call them, authentic NGOs.

**ROBINSON:** I think the women’s group SIWA in India would be one that comes to my mind in addressing Mahathir’s challenge: a terrific women’s NGO, very self-sustaining.

**PRZEWORSKI:** On the other hand, we have Citizens for Economic Justice. Do you know who that is? The petroleum industry.

**CAROTHERS:** In part, my comments were designed to wake us all from our dogmatic slumbers. I am not against NGOs, but my concern is that donor policies to foster civil society are often based on very simplistic assumptions. There is—Mary, you are right—a tremendous amount of genuine grassroots civil society activity going on around the world, and this is extremely important both to development and to politics in many countries. In particular, in authoritarian countries, it is civil society that is usually the hope of democracy. It constitutes the ability of people to start fighting for human rights and organizing themselves, and that to some extent is where the drive for democratization originates.

However, there are a lot of places where donor-supported efforts to create “civil society”—in the hope that such organizations will be part of the democratization process—really fall short. Again, throughout the former Soviet Union there has been a lot of civil society support. If you go to Russia today, despite all of that civil society support, although it adds up to some nice NGOs out in Siberia and a few brave people in Moscow, it is not having much effect on Russian society.

Latin America has had a tremendous amount of NGO support, but that is not what will determine whether democracy sinks or swims in Venezuela or Peru or other places. And so we should be careful about overemphasizing the role of these organizations. I think in many cases it

is in a much more long-term developmental sense that they may be important. But what causes regimes to democratize successfully or move out of authoritarianism is often much more directly political factors.

In China—Joe, you are right—there are a lot of important initiatives going on and the Chinese government wants to reform economically, etc. But until they take the brave step of saying, “It will be possible for two or three people to meet in a room and talk about forming a political organization without being arrested,” they are not taking a serious step on democratization. They are allowing a lot of activity, they like to have conferences on anti-corruption and talk about rule of law, but look at how they persecute Falun Gong. That is their idea of a political threat? So they are trying to survive politically and keep their political monopoly, and they have allowed this kind of release of pressure through all this NGO work. None of this means that these NGOs are not valiant and that they are not doing some important work, but it does mean that this is a strategy of democratization about which we have to be cautious.

**STIGLITZ:** Do you have any view on the indigenous Indian movements in Ecuador and Bolivia, which have been very instrumental in bringing down governments? Those are huge movements.

**CAROTHERS:** As in the Philippines, people are now allowed to organize. And when poor and marginalized people are allowed to organize, which is a good thing and is long overdue in Latin America and other parts of the world, they challenge formal democratic systems in ways that are hard for us to swallow. Their demands are fundamental and they are not being answered by these systems and they want to break the systems to some extent. And so it is a little bit like we finally got our wish, which is that people are genuinely taking seriously the right to organize in Latin America. When you have such unequal societies, it is not necessarily going to lead to revolutions, but it does lead to people who want to break the rules just because the rules do not work for them, and they are sick of such rules.



## DIRECT DEMOCRACY PROMOTION STRATEGIES

Outsiders can help create or strengthen *formal* processes of democratic contestation within states broadly in three ways:

1. Conquest and occupation that aim to produce democratic structures—as in post-war Germany, Afghanistan, and Iraq.
2. Softer forms of coercion and persuasion—such as diplomatic pressure.
3. Providing technical and other support requested by governments themselves—including help with election monitoring, voter education, and setting up independent electoral commissions.

Yet all these approaches face great difficulties. The conquest approach is rare, expensive, and fraught with risk. Softer approaches often fail to dislodge undemocratic regimes; yet stronger tactics can be counter-productive, provoking resentment and resistance from local elites. And a supportive approach cannot work where an entrenched regime refuses to encourage democratic change.

- \* Do conquest and occupation ever serve to build democracy, other than after major wars or where there is a widely supported and organized domestic resistance movement?
- \* Is it possible to create far greater pressure for democratization while at the same time avoiding confrontation with entrenched semi-authoritarian governments, or does the clear conflict of interests have to be brought out into the open?
- \* Would the rapid introduction of elections serve to empower militant religious and ethnic groups (the Algeria scenario), leading to illiberal and aggressive governments in the Middle East and beyond?
- \* Can a phased introduction of democratic institutions and practices mitigate this threat, or does gradualism tend to amplify the power of militants at every step?

**KUPER:** Both Iran and China have been raised repeatedly as difficult cases for democracy promotion. They are cases of a more general issue: how to directly confront powerful semi-authoritarian or authoritarian regimes to encourage them to move in the direction of respect for democracy and human rights. As a former UN Assistant Secretary-General, Michael Doyle brings a wealth of experience to this question.

**DOYLE:** I want to focus in on the heaviest forms of direct imposition, partly because of sharing Tom’s view that dealing with an authoritarian government by request, saying “Please become a democracy,” is not usually an effective strategy. What does, however, sometimes work, with all of the qualifications we have already discussed, are

the direct approaches. If you want to have a direct approach, and lack a direct invitation from a reformist government, often the more forceful ones are what it takes to work. But they can also get you in a lot of trouble. My comments are about three trends in the *imposition* of regimes by great powers on lesser powers, and then three comments on *modes* of doing so.

First of all, on trends, the long sweep: On average, great powers do try to impose their regime on weaker powers around them. If we look back in history, monarchies and aristocracies have tried to do it, and sometimes successfully, the way the French, the British, and the Russians did—for example, in France in 1815 when the victorious allies in the war against Napoleon restored the Bourbon monarchy. The Fascists tried to do it in the 1930s



## What Makes Peacekeeping Successful?

**A comprehensive, negotiated agreement**, bringing all the relevant players together to negotiate a future—not just a truce, but envisioning a future form of rule.

**A major investment of resources.** Multidimensional peacekeeping on the cheap is a prescription for failure. The more harm, the more hostility, the stronger and more hostile the factions are, and the more destruction that has been done, the larger the international presence needs to be in terms of troops, money, and authority.

–Michael Doyle

and 1940s; the Communists tried to do it in the 1950s and 1960s, predominantly in Eastern Europe.

There are two good reasons for this. One, these powers believe in these systems and seek to legitimate themselves at home by exporting their system abroad. The second factor is a belief, which is sometimes true and sometimes not, that if you create a compatible regime nearby, you will have an easier opportunity of either coercing and/or cooperating with that regime. So democratic capitalists have done it, too—the United States most strikingly, of course, in the post-Cold War period.

The second generalization about trends is that great powers also have a complicated set of interests, moral and material, and so they regularly compromise their ideological interests in exporting their regime, in order to pursue their security and economic interests (among others, the protection of corporations). And so we find the well-known phenomenon of, for example, the Kennedy administration, which while promoting the Alliance for Progress, when it came to a number of hard choices, said that, “We would prefer a decent democrat, but to avoid another Castro we’ll take X”—and X would be a ruthless dictator, a Trujillo, for example. All of which reflects a logic of complicated interests, and the United States has certainly reflected that, as have other countries.

The third generalization is that even though many of these great powers like to impose their regimes, it is very, very costly, and so they very often fail because they are unwilling to invest the kind of resources that would be necessary in order to impose the regime they favor. We can see it today in Iraq, for example, where if the United States was as interested in imposing order in Iraq as effectively as

it has in Kosovo, we would need 500,000 troops. Now, Secretary Rumsfeld believes that those troops are not necessary in his light intervention strategy. But others have argued that one needs a greater security presence, and so far the United States has not been willing to invest in it.

I now come to a few generalizations about modes of imposition by great powers. There was, first of all, the colonial mode. We should remember that while colonial powers have imposed their regimes all around the world, in their colonies democracy has not been a major aim because, until recently, imperial powers have not had exporting democracy as their major ideology or concern.

But even where they did, as the United Kingdom, France and the United States sometimes have, the compromises they made are very marked. In the cases that I can think of, the imperial power typically restricted local legislative power and only advanced the franchise a few times in their colonial dependency. And in all the cases that I can think of, the aim was to maintain control. When the local colonial legislature was about to try to move in an independent direction, the imperial power would often say, “You are not sufficiently representative” and try to bring in other groups that would sufficiently complicate the political space in a way that an independence movement would be undermined. And whenever the movement was moving in a highly democratic direction, it would be constrained until the cost of empire got too high. De-colonization was the last option.

So while empire has sometimes been a good strategy for promoting the rule of law, bureaucratic rationality, the building of infrastructure, and even education in some rare cases, it has not been a democratizing strategy. The rule of law can help lay the foundations for better democracies. India is democratic today, partly due to the heritage of the British Empire. But empire is not directly democracy promoting.

Now, with regard to occupations—that is, occupations without the expectation of long-term imperial rule—the record here is extremely mixed. Some very good scholars, recently and not so recently—John Montgomery, John Owen, Minxin Pei, and David Edelstein among them—have done valuable work on this topic. These scholars do not all agree, but they are building a significant scholarly literature.

The results of occupation are very mixed. There were



many failures in regime-promotion-through-occupation—think of the U.S. in Cuba in 1898 and again in 1907; in the Philippines from 1898; in Haiti and Nicaragua. In all those cases there was a failure to establish a democratic government as one part of the strategy. The other part of the strategy was geo-strategic. And the U.K. failed in Iraq; this was the first major Western position in Iraq. They failed in Palestine and in Egypt from 1882 to 1954 to leave behind the rule of law and semi-democratic government. And of course the Soviet Union failed in Eastern Europe to leave behind stable Communist governments. France in the 1920s failed in Saarland. Israel is failing so far in the West Bank and Gaza to leave behind friendly rule and democracy. Instead, dictatorship, hostility, or continuing war has followed occupation.

But sometimes democracy has been imposed successfully. The U.S. and U.K. did so in Italy, 1943 to 1947; the U.S., U.K., and France in Germany and western Austria; and the U.S. in Japan. All of these cases are cases where in the end there was a successful democratic outcome. Why?

First of all, there was a complete defeat. In no case was there just a liberation of one group that was then freed to rule in its own interests. A complete defeat offered the room for a transformation.

Second, the occupiers were able to draw upon indigenous traditions of liberal capitalism and representative rule. The occupation had a restorative aspect to it.

Third, a good strategy was adopted, an equalizing strategy in most of these cases, as Sakiko mentioned.

Fourth, there was an assured departure. That is, they drew a distinction between occupation and imperial rule. The occupiers aimed to leave someday.

Fifth, they were well prepared. As David Edelstein has noted, as early as 1943 the U.S. set up schools at the University of Virginia and at Yale to train future administrators of Germany and Japan. In 1943, remember, it was not clear we were going to win the war. Nonetheless, in 1943 the preparation began to develop adequate language

and other civil administration skills: long-term planning. This contrasts nicely with a piece in *The New York Times* last weekend in which a senior U.S. staff officer mentioned that on entering Baghdad his division had no further orders whatsoever. That is, they had no instructions on how to occupy or govern, or on what was to happen next. A rather striking difference.

My last point on modes of imposition is that a multidimensional peacekeeping operation is very different from occupation or colonialism. It either rests upon consent or is designed to move things in the direction of genuine independence as soon as is possible. The key factor there is a comprehensive negotiated peace settlement, not a truce. When you have a comprehensive negotiated peace settlement, the “occupation” is consent-based. We have seen many successes: Namibia, El Salvador, Cambodia, Mozambique, East Timor. Again let me mention that I am talking about something very modest on the scale of democratic rule—that is, some degree of participation, a national election, with all the other problems that we know that are still associated with early democracy.

There have also been equally striking failures to transfer democratic rule: Rwanda, Angola, Liberia, Somalia—and I could keep on going down the list of many others where there has been such a failure.

So what makes for success?

1. A genuine, comprehensive, negotiated agreement, bringing all the relevant players together to negotiate a future—not just a truce, but envisioning a future form of rule.

2. A major investment of resources. Multidimensional peacekeeping on the cheap is a prescription for failure. According to the studies that Nicholas Sambanis and I have done about resolving civil wars, one needs to have as much international capacity as is needed to counterbalance the local level of hostility and the local level of destruction. The more harm, the more hostility, the stronger and more

### Can Democracy Be Imposed Militarily?

In Italy, Germany, and Japan, five factors made the difference between success and failure:

1. A complete defeat.
2. Indigenous traditions of capitalism and representative rule.
3. An economic strategy designed to produce greater equality.
4. An assured departure.
5. Extensive preparation.

None of these conditions has been met in Iraq.

—Michael Doyle



**One way of interpreting the past record of direct imposition is this: you can help a country regain a trajectory it was previously on. Iraq was on no such democratizing trajectory, and so we are trying to create one. That is a fundamentally more difficult task.**

–Thomas Carothers

hostile the factions, and the more destruction that has been done, the larger the international presence needs to be in terms of troops, money, and authority.

If the international community engages in a place like Rwanda with a cheap operation designed more to monitor and facilitate, when the extremists are deeply hostile with plans to destroy each other, you are asking for disaster, which of course is what occurred.

But democratic peace-building can be done effectively, and successes in Namibia, El Salvador, Cambodia, Mozambique, and East Timor are the result of significant international efforts to help transfer democratic institutions to societies that are otherwise extremely problematic prospects for democratic rule. By Adam's measure, these are high-risk democracies and we should not be overly optimistic. But one can improve the odds by adopting a good economic development strategy.

**CAROTHERS:** Just three comments. First, it is important that we do not lose sight of the category within this strategy that involves working directly on political processes short of direct impositions from invasion. There is a lot of work now done on, for example, Georgia, a country that is facing an election, on how to try to improve the electoral process, and in some cases actually get involved with parties that oppose the regime—in order to motivate people to participate in the elections or in civil society.

Actually, the donor community—such as the Soros Foundations working together with European governments, the U.S. government, and others—has developed a fairly effective kind of technology of how to promote change in a semi-authoritarian country that is having elections and wants to legitimate itself. This started with Slovakia, and also in Serbia with Milosevic; it has been done in Georgia; it has been attempted in Belarus; it has been attempted in other parts of the world, such as Kenya and to some extent Zimbabwe. So there is an understanding of how to get involved in terms of increasing civil participation in voting, strengthening the opposition, improving the independent media, etc., and it is an interesting strategy. It is very interventionist and it is

not liked by the regimes in power in those countries, and yet it has emerged as a kind of model of how you intervene in certain kinds of cases.

Second, going back to President Bush's speech at the National Endowment for Democracy, one thing that Americans are confused about is the concept of Wilsonianism. Americans have the notion that their American ideals drive policy. Yet even when President Bush and other American presidents sound very Wilsonian in saying "we want to promote democracy," there is an underlying instrumentalism. The only reason the Bush administration has woken up to the idea of promoting democracy in the Middle East is because they feel that, if they do not, people from that region may come and attack the United States. Our interest in promoting democracy is not based on a moral awakening on the part of an administration that it is suddenly correcting American history in the region.

We can call it "Wilsonianism," but to the world it is not seen as such, in the sense that Wilsonianism can be interpreted as an expansive view that everybody should have a chance at democracy. In the rest of the world, it is seen as America finally thinking it needs to promote democracy to get what it wants out of the region. Somehow that is lost, I think, even on average Americans who are not sympathetic to the Bush administration. They still say, "Well, if it is a Wilsonian policy, that is a good thing." It is important to see that this does not play very well in other parts of the world: It is not really seen as a deeper sort of moral campaign.

Finally, with respect to direct imposition and the factors that Michael talked about, there has just been a resistance on the part of people in Washington to talking seriously about the fact that Iraq is one of the hardest cases that we have ever taken on because of the underlying factors. One way of interpreting the past record of direct imposition is that you can take a country back and help it get on a trajectory it was already on. Democratic developments in Grenada got interrupted by some very bad people, who took over the political scene in the early 1980s. We put it back on the track of fairly democratic



politics. We removed Noriega in Panama and put Panama back on track with its messy pluralistic politics.

But we cannot fundamentally change a country's political history. Even Japan and Germany, according to Barrington Moore, were in the 1920s and 1930s democratizing societies, in a deeper structural sense. They had republican governments in some ways, they already had political parties, and they had electoral competition. Fascism interrupted that. We helped remove fascism and put them back on the trajectory they were on.

Iraq was on no such trajectory; it has not been in the last fifty years, and so we are trying to create a trajectory there. That is a fundamentally more difficult task. When we look at the cases of failure, they occurred when we were mixed up about our ability to transform a country when we go in and occupy it.

**PRZEWORSKI:** Michael, on your list of conditions for success I was struck that you do not list any conditions of the countries, only features of interventions and modes of intervention. That worries me.

**DOYLE:** I would agree with Tom's point. That is, I would agree that a restoration strategy is more promising than a creation strategy. As to the other points, we find that for the multidimensional peacekeeping there are huge differences of circumstances, including among immensely poor countries. In some of your earlier work, Adam—I am not sure whether you still stand by it—you talk about how the most important condition for democracy is to have an election. And so one of the things the international community does is help bring an election into otherwise very unpromising circumstances.

From there it can also stimulate growth. Even though a country is poor, a growing poor country, if I remember correctly your percentages, does much better. So although the circumstances are very unpromising in some of these cases, an election plus economic growth gets you up, if I understand it correctly, pretty high on your percentage of survivability measure.

**PRZEWORSKI:** I was wondering about something specific. There are some people around, including my colleague Leonard Wantchekon, who believe that democracies can be jump started after a country is exhausted from a civil war. That is, if countries fight for a long time, like in El Salvador, eventually there is nothing left to take from others, and so then they may as well cooperate.

When you mentioned the list of countries, I was wondering: Is it really modes of intervention, or is it that

**The international community can help bring an election into otherwise very unpromising circumstances. From there it can also stimulate growth. A growing poor country does much better in securing the survival of democracy.**

—Michael Doyle

you are dealing with countries in which there is nothing to fight for? A Polish journalist, Kapuscinski, brings this out nicely. I do not know whether you read his little book on Angola, *Another Day of Life*.

**DOYLE:** I was thinking about Angola.

**STIGLITZ:** There is still plenty to fight for there.

**DOYLE:** Their oil.

**STIGLITZ:** And diamonds.

**DOYLE:** Therefore, they still have something to fight for. If you use that analogy, Iraq and Iran are not promising.

**CAVANAGH:** I want to point out the irony that, when George Bush went to the Philippines recently, he got up and gave a speech—I wonder who is writing these things—that held up the Philippines as the model of a successful occupation for Iraq. I think that to most Americans who do not know the Philippines was a colony, who do not know there was a long war, who do not know that thousands of Americans were killed, and so on, it sounded nice because eventually there was democracy in the Philippines.

But what a misuse of history! We are up against a big battle here in trying to get the argument out that there are right ways to do this and wrong ways to do this. And in Iraq we are doing everything wrong, because we do not even agree on what success is.

**STIGLITZ:** One of the distinctions between Japan and Iraq, for instance, is that in the case of Japan there was an acknowledgement of what you might call a legitimate defeat, and therefore they said, "What did we do wrong and what can we learn?" The case of Iraq is not a legitimate defeat. You have a big guy against a little guy. The people in the country don't say, "Surprise, we were



While empire has sometimes been a good strategy for promoting the rule of law, bureaucratic rationality, the building of infrastructure, and even education in some rare cases, it has not been a democratizing strategy.

–Michael Doyle

defeated.” And what has been happening since then has undermined the credibility of the victor. Therefore, there is no reason to say, “Oh yes, now we ought to reform.”

**DOYLE:** It is like Germany from 1918 to 1921 or so.

**STIGLITZ:** Yes. So in your list, the legitimacy of the defeat as an important aspect of post-defeat reform seems to me to be a distinguishing variable, certainly applicable in the case of Iraq.

**FUKUDA-PARR:** I was going to ask why, in the questions

Andrew poses, is there not very much emphasis on what Michael calls multidimensional peacekeeping, because in a sense that is the dominant form of direct democracy promotion that we have at our disposal today.

There is a lot that needs to be done to think through what the best strategies are. In the UN system, the economic and social institutions have been very much separated from the political and the peacekeeping institutions, and that has been the biggest challenge. It has meant that human rights are kept on one side—which is one of the largest problems that we have to rectify in the multilateral UN system.

### The Coherence of the UN System:

In the UN system, the economic and social institutions have been very much separated from the political and the peacekeeping institutions, and that has been the biggest challenge. It has meant that human rights are kept on one side—which is one of the largest problems that we have to rectify in the multilateral UN system.

– Sakiko Fukuda-Parr



## MULTILATERAL ENGAGEMENT

There is now a vast and dense network of intergovernmental organizations—from the Commonwealth and the United Nations to the ASEAN and the European Union. Inclusion in these bodies confers significant benefits, while exclusion is damaging economically and symbolically. Yet these organizations regularly fail to achieve the aims, and support the norms, to which they are publicly committed. Moreover, their decision procedures are far from transparent, accountable, and fair.

- \* Can inclusion in or exclusion from intergovernmental political forums provide positive incentives for democracy?
- \* What is the role of non-state actors in strengthening or weakening the capacities of intergovernmental bodies to promote democracy?
- \* How would improved democratic processes *within* intergovernmental institutions enhance capacities to promote democracy *within states*?
- \* Will an agenda of democracy promotion always be used to mask the parochial interests of rich, powerful states or can this abuse be effectively limited?

**KUPER:** Michael has raised a lot of issues for which multilateralism is crucial, indeed definitional: about getting all the stakeholders around the table; about major investment, which requires multiple donors; and about sustaining an international presence and an international capacity. So our discussion rolls directly into questions of multilateral engagement—questions that Sakiko, as head of the Human Development Report Office, is uniquely situated to begin to answer.

**FUKUDA-PARR:** I took the question here to be: Where does peer pressure fit in democracy promotion? When I think about the broad, all-purpose, intergovernmental organizations, I think they are pretty useless, frankly. I do not mean that to be a criticism of these particular organizations and whatever they are supposed to be doing; but as far as democracy promotion is concerned, I do not really see them playing a major role. Why is that? Partly, I do not

think of democracy promotion as something that relies that much on just peer pressure or on sanctions. Andrew referred to the possibility of using economic and other kinds of sanctions—“You are not part of our group. Go away. You cannot be recognized as one of our members. We will not buy things from you.” Well, I do not think that these are particularly strong incentives, nor very practical measures to implement, and they have all kinds of other side effects that I think are not necessarily good.

**ROBINSON:** What about combating apartheid in South Africa?

**FUKUDA-PARR:** But that had nothing to do with intergovernmental organizations.

**ROBINSON:** I thought you meant sanctions pressure as peer pressure.

**FUKUDA-PARR:** Yes, but I mean my comments in the context of intergovernmental organizations. On the other hand, I think that civil society networks—particularly the global networks of civil society advocacy organizations—have been an extremely strong democratizing force in all kinds of ways. Groups that actually strengthen civil society movements within countries—Mary’s disabled groups, women’s groups, etc.—are presumably networked with

**The WTO, the IMF, the World Bank, NAFTA, and so on have lost enormous credibility because they are so undemocratic.**

–John Cavanagh



## How the European Union Promotes Democracy among Members

1. Countries must be democracies to join.
2. To facilitate integration, wealthier countries provide billions in aid to poorer countries.
3. A social protocol and European set of standards helps “equalize up” where there are economic inequalities.
4. E.U. countries allow some intrusion on their sovereignty in order to participate in a shared E.U. sovereignty.

other global actors, and together they draw an enormous amount of strength from that network.

Think, for instance, about why there is the indigenous movement. There was an article in *Foreign Policy* a couple of issues ago about the fact that this was all due to globalization and the global network of civil society that has actually brought the indigenous groups together. I think that has been an important driving force.

And when you think about the real changes—not so much in democratization of countries but in changing international mechanisms—that took place over the last five or six years, many of them were in fact the result of civil society pressure. The International Criminal Court is an example of that; the Land Mines Treaty is another one; action on debt is another. These are probably the most important changes in policy that states have actually engaged in over the last several years.

So I think that, as a potential source of democracy propulsion, I would put intergovernmental organizations pretty low on my list of places to invest.

**KUPER:** It will be interesting to turn to John Cavanagh to respond on the issue of non-state actors, partly because his Institute did a study on corporate power. They found that of the 100 most powerful economic entities in the world, 51 are corporations and only 49 are states. There are similarly startling statistics about the increasing number and power of NGOs. Whether they have quite as much effect on the American government is another question. But these non-state actors have an increasing presence.

**CAVANAGH:** I agree overall with Sakiko’s framework. The first question is: How can the inclusion in or exclusion from intergovernmental political forums be used as better incentives for democracy? I have been spending a lot of time over the last three or four years looking at the European Union.

Mary knows a lot more about this, but I think of the European Union not as a model but as something to learn from—for other new intergovernmental bodies that are being set up or are in the process of integration.

The European Union did three things that I think helped promote democracy:

1. They said you have to be a democracy to join; very direct—this in the context, keep in mind, of Spain, Portugal, Greece, and Ireland twenty years ago.

2. They said in order to integrate poorer countries with richer countries you have to pour resources into the poorer countries, so billions were poured into the poorest countries.

3. They said you need a social protocol to help equalize up, so that women in Ireland who figure out that they are paid a lot less than men now have a European set of standards to help them fight for more equal pay.

All of this is absent in the NAFTA, in the proposals for a Free Trade Area of the Americas, in the World Trade Organization. None of this was taken into account. I am very happy to see that in Latin America—during the Miami FTAA summit, for example—the Venezuelans and Brazilians and Argentines made a noise about that. There is surely a better way of moving forward.

So I think that there is a richness in looking at the European experience. I spent a lot of time comparing Ireland twenty years later with Mexico ten years after NAFTA. Ireland has shot up; it is actually above the norm of the European Union in almost everything, whereas Mexico has gone down. And it is not just in economic terms. I think you could put this point in broader democracy terms in all the ways we have just discussed.

Perhaps the most interesting debate in my circles now, though, arises from the fact that the World Trade Organization, the IMF and the World Bank, NAFTA, and so on, have lost enormous credibility because they are so



undemocratic. Within the WTO, the symbol is the Green Room, where a few countries are pulled in to make a deal, and it is usually the rich countries. People are arguing that there is a crisis of legitimacy of these institutions, precisely because of their lack of democracy.

The World Bank is the least in crisis because it has opened itself up to some change. We just participated in a big extractive industries review at the Bank, which has come forward with recommendations that the Bank get out of fossil fuels by 2008. Now it goes to their Executive Board. If they take that seriously, it will be a very interesting development, because it will be a statement that you can pull in civil society—there were business people on the review, too—and create more democracy within these institutions.

But getting back to a comment Mary made, I think there is a growing consensus in civil society that we do need good intergovernmental institutions in the economic realm, that the Bretton Woods institutions were set up incredibly poorly in terms of democracy and transparency, and that there is a way to do it better. I think that a lot of the positive work of the next decade will be around that. If civil society can engage with the Brazils and Argentinas and Venezuelas of the world—I hesitate to say Venezuela in the same clause with Brazil and Argentina—I think that there is a potential for some real positive reform.

**ROBINSON:** To follow John’s analysis, I think the European Union is very well worth looking at, and the three points he made are very valid. But the fundamental point is the extent to which E.U. countries are prepared to allow an intrusion on their own sovereignty in order to participate in a shared E.U. sovereignty. Take the Irish experience: It is not just that there were the equal pay provisions of the E.U. Treaty and the Equality Directives. It is that these provisions were directly applicable so that I could rely on them in an Irish court; and if I didn’t get satisfaction in the Irish court, I would go, as I did, to the E.U. Court in Luxembourg and that court would uphold the claim. I had a number of cases that cost the Irish government about 200 million punt at one stage in implementing equality for women workers and social security provisions. The E.U. has created an effective penetration of an international legal system into national systems.

John is absolutely right about the impact of possible membership in encouraging a commitment to democracy. Turkey is a very good example. Turkey is keen to join the E.U. Briefly, I think that the recent terrible terrorist attacks in Turkey may accelerate that process, which may be no bad thing, because those in the E.U. who were resisting are

currently realizing there are some things more important than having a cozy European Christian culture. So I think there is an interesting dynamic unfolding.

I also agree on the points John made about WTO and NAFTA. Reform of the WTO is absolutely vital. I am just wondering to what extent this consultative board that Peter Sutherland is chairing will have an impact.



**Sakiko Fukuda-Parr**

Lastly, I want to say something particularly in the presence of Sakiko. We should not forget the power of ideas. I think that the UN Human Development Reports have been hugely significant. I have come across this impact and influence again and again. I think that the two reports for the Arab region are hugely significant and they really are making a difference. They have been taken up and taken up. So take a bow, Sakiko.

**DOYLE:** Again, I would agree overall with Sakiko’s generalization that IGOs have had very limited effect, with the very big exception of the E.U. That is the star. A political scientist has done a study that found that the strength of democracy and the relative timing of democratization in Eastern Europe are directly correlated with distance from Brussels. There is strong evidence in that regard.

For the United Nations, I think there are some worthwhile initiatives. One is election assistance for governments that want the assistance. There is very little direct pressure that the UN can exercise. The United Nations has been reluctant to do a count of democracies in any official UN report to the General Assembly, and it is equally wary of counting human rights abuses. Only Sakiko, because she is in UNDP, could do the kind of report you see in front of you [*Human Development Report 2002: Deepening Democracy in a Fragmented World*]. So the United Nations has a long way to go before it can become, even at the



ideological level, a strong promoter of democracy.

One other thing worth mentioning is that there are some other organizations much, much weaker than the E.U. that are making efforts worth commending, including the Organization of American States (OAS). The Santiago Declaration on Democracy was very important. And the quiet diplomacy of the Secretary General of the

OAS has been helpful in Guatemala, in Peru, and in a couple of other instances, in helping to cut short a coup. And I think it is worth noting the African Union's (AU) statement (one that it does not quite live up to) that it will not countenance coups in Africa, and that the AU looks toward democratic legitimation as the normative model for the continent.

**The Bretton Woods institutions were set up incredibly poorly in terms of democracy and transparency. There is a way to do it better.**

**—John Cavanagh**



## THE PLACE OF ECONOMIC INCENTIVES

Economic incentives from abroad play a significant role in promoting or retarding democratization. Yet the damage done by negative incentives—epitomized by the international trade in conflict diamonds and oil—is better understood than the beneficial effects of more positive incentives. This final section explores the place of trade incentives, aid incentives, and economic sanctions in promoting democracy.

- \* Which democratic conditionalities, if any, should be placed on grants, loans, and/or debt relief?
- \* Which trade restrictions, if any, is it feasible and effective to impose or remove in return for democratic reforms?
- \* Are sanctions ever an appropriate and effective method to promote democratization in *semi*-authoritarian states? If so, what kind of sanctions?
- \* Will an agenda of democracy promotion always be used to mask the parochial interests of rich, powerful states or can this abuse be effectively limited?

**KUPER:** We have been talking about a number of economic multilateral institutions—such as the WTO and NAFTA—as well as more political multilateral institutions. Our final topic raises closely connected concerns about the role and effectiveness of economic incentives. Joe Stiglitz has been centrally involved in these kinds of questions—on Clinton’s Council of Economic Advisors, at the World Bank, and as an academic and public intellectual. So I have asked him to lead the way, while also weaving together some strands of the preceding discussion.

**STIGLITZ:** First, one remark linked to the previous discussion of the E.U. When Chile negotiated a trade agreement with the E.U., it explicitly made sure that they had a provision that the trade benefits would cease if Chile had an undemocratic regime change. It was done because Chilean leaders at the time were—they are still—afraid of a military resurgence. That is a case where they were trying to lock themselves into democracy. I think it is commendable.

On the other hand, in general the research findings are fairly strong that sanctions, with a few exceptions, do not work. The main exceptions are sanctions that are

imposed by the United Nations on a multilateral basis that have a broad legitimacy, like in South Africa and Southern Rhodesia. Other than that, there are almost no instances of sanctions working. So I think that using that extreme kind of measure is not likely to have much effect.

Andrew asks about IMF/World Bank lending or USAID money. I have two reservations with that kind of conditionality of aid. I have similar reservations with the African Opportunity Act. The first is that conditionality in a way undermines democracy. This really goes back to the example that Adam gave, where you have to pass eleven bills in three days (reforming social security in three days, when we take fifteen years in the U.S. to get nowhere). That is almost inevitably negative for democracy.

The second related point is that almost inevitably that kind of conditionality is badly done. You put in place conditions that are not really related to democracy and you are selective. So while the IMF and World Bank are not allowed to have “political” conditionality (any conditionality is supposed to have an economic rationale), more recently they have gone into the area of corruption, but in a very selective way. Kenya is cut out from aid because of

**Sanctions, with a few exceptions, do not work. The main exceptions are sanctions that are imposed by the United Nations on a multilateral basis, that have a broad legitimacy, like in South Africa and Southern Rhodesia.**

–Joseph Stiglitz



corruption, but that is like being punished for petty theft. Grand larceny by Russia is ignored. Inevitably, the reality undermines the rhetoric.

I do think that negative incentives in a few cases may be effective. I think there is some evidence that the curb on trading in conflict diamonds is having some impact. I think that one could argue that an extension, for instance, to a curb on the sale of arms in general would be a good way of supporting democracy since many of the undemocratic regime changes that occur involve the use of arms.

**PRZEWORSKI:** I agree with everything Joe said. If you look at the history of aid, you see that a few years ago we arrived at the conclusion that giving economic aid to countries that have “bad” political institutions just dissipates the money. The conclusion drawn from that is: We should engage in institutional engineering, we should tell countries, “First you reform the institutions, then you are going to get the money.”

But you cannot reform institutions without having means and incentives. Consider the issue of an independent judiciary. One case that I know about, Ecuador, is a country in which the judges became independent (each judge became independent), which in turn immediately made the amount of bribes go down. Previously, you had to buy a politician, the politician had to share it with the judge, the politician had to cover his back, etc. If the judge makes \$100 a month, it is cheap to bribe him or her. Police reform is another case like this. You cannot reform police unless you raise the wages of policemen. Otherwise, you can throw out all the corrupt people, change the rules, and the system is going to reproduce itself.

I do not think that you can expect institutional reforms without economic aid at the same time, which I think was Joe’s original point. You want political reforms accompanied by economic aid.

**ROBINSON:** In the project I am heading, which is for the first time bringing a human rights analysis into trade, we are seeking not to ask the WTO to deal with issues like labor and environmental standards (because that is feared by developing countries—a new kind of barrier that will

**The real problem is the credibility of the rich countries who are apparently trying to promote democracy and yet who are engaged in practices that are patently undemocratic.**

—Sakiko Fukuda-Parr

make them less competitive) but rather to try to have “joined-up government” in the WTO and to say to trade ministers, “You belong to a government. That government has made human rights commitments.”

So what we are saying is—very much through this human rights prism—that 116 of the 148 members of the WTO have ratified the Covenant on Economic, Social, and Cultural Rights. Every member of the WTO except the United States has ratified the Convention on the Rights of the Child, guaranteeing both civil and political rights and progressively implementing the rights to food, education, health, etc., for their population up to eighteen. And most of them have ratified the Convention for the Elimination of Discrimination Against Women.

We are pointing out that agricultural subsidies and barriers to trade of the United States, Europe, and Japan cost poor developing countries, as I understand it, about \$320 billion a year; but the global development assistance budget is about \$57 billion a year. We are putting that argument now in strong human rights terms, saying, “That is not on.” I think this is a new way of trying to address these issues, trying to have joined-up responsibility in government within the members of the WTO and further the commitment to and the purposes of international instruments.

So what does this international responsibility consist in? Again, there is a lot of new thinking on that. The International Council on Human Rights Policy, which is a partner with us, has issued a report called *Duties Sans Frontières: Human Rights and Global Social Justice*. The analysis is tentative as yet, but very interesting. Certainly from a human rights perspective, we are saying there is an international responsibility under the Covenant and relevant Conventions to progressively implement and support the implementation of economic and social

**Conditionality on aid undermines democracy. You put in place conditions that are not really related to democracy and you are selective. Inevitably, the reality undermines the rhetoric.**

—Joseph Stiglitz



rights. That then puts great pressure on governments to have appropriate policies.

**FUKUDA-PARR:** This is a comment more to our Chair and to those involved in the project he leads. I think the initial questions you posed in this section need to be turned around, because you ask whether economic sanctions could promote democracy. But the real problem in the world is the credibility of the rich countries who are apparently trying to promote democracy and yet who are engaged in practices that are patently undemocratic.

It is the corporations whose behavior needs to be changed in order to promote more democracy in the world. It is the trade rules and the manner in which the trade rules are made that need to be changed.

The questions that I hear most are not about trade incentives and aid incentives by which, somehow, democ-

racy can be exported. As Adam said, democracy can be imported but not exported. The onus for action is actually on the rich countries themselves.

**KUPER:** That is a very good way to put this key problem, as well as an excellent point on which to end the substantive discussion. We have brought out the difference between *imposing* democracy, *promoting* democracy, and *exporting* democracy—terms that denote very different agendas. Our discussion of the final topic also elaborated the close link between democratizing globalization—that is, making international institutions and processes more inclusive and accountable—and state-level democracy promotion. These linkages will be a central focus of our work and panel discussions at the Carnegie Council in the coming year, under the auspices of the Empire and Democracy Project.

We have brought out the difference between *imposing* democracy, *promoting* democracy, and *exporting* democracy—terms that denote very different agendas.

—Andrew Kuper

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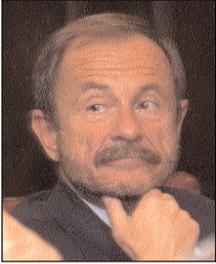
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The key issue, then, is not *whether* democracy should be promoted but rather *how* and *by whom*. President Bush has committed the United States to advancing democracy in the Middle East and around the world. For some commentators, this “forward strategy of freedom” masks a unilateral agenda to establish American empire. Agree or disagree, few people now doubt that democratization—in Iraq and beyond—requires the involvement of local communities and multiple international stakeholders.

The Empire and Democracy Project asks two important strategic questions:

1. How can the United States and other powerful actors become credible leaders in promoting democracy?
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For more information on this project, please visit [www.carnegiecouncil.org](http://www.carnegiecouncil.org), or write to us at [democracy@cceia.org](mailto:democracy@cceia.org).



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