

DOES DEMOCRACY MATTER? A CONFERENCE REPORT

On October 20, 2014, the Foreign Policy Research Institute's Project on Democratic Transitions partnered with the Woodrow Wilson Center's Kennan Institute to organize a day-long conference in Washington, DC entitled "Does Democracy Matter?" Our goal was to revisit the case for democracy support abroad and review the efficacy of our current tools.

The mixed record of attempted democratic transitions in the former Soviet Union, our negative experiences in Iraq and Afghanistan, and the failures of the Arab Spring have led many to question the efficacy of democracy promotion. Some argue that current Western democracy support is ineffective at best and at times counterproductive. American domestic support for democracy assistance is thus very much in question, and there is increasing focus on more limited and "pragmatic" short-term interests. The ongoing crises in Ukraine and in Syria/Iraq have further heightened this debate.



More than 130 experts, practitioners, journalists and students packed the WWC auditorium, while hundreds of others watched the live stream on C-SPAN and participated in a vigorous debate on Twitter throughout the conference. The conference hashtag - #democracymatters - was one of the most popular hashtags of the day.

Following a brief welcome by Kennan Institute Director Matthew Rojansky, Ambassador Adrian Basora of FPRI set out the conference agenda. He noted the appropriateness of the venue, as it was President Woodrow Wilson who a century earlier had called on the United States to "make the world safe for democracy." And the conference's timing almost exactly twenty-five years after the fall of the Berlin Wall was equally propitious.

Conference Introduction and Concept

Ambassador Basora set out the three key questions that the conference sought to address:

1. Should support for democratic transitions continue to be a major goal of US foreign policy, particularly in view of the drastically changed circumstances that we face today in comparison with the 1990s? What priority should we give to democracy support when it appears to conflict with other major US national interests?
2. If we should continue active democracy support abroad, what do we need to do differently to ensure that our assistance is more effective? Where should we focus our efforts in the coming decades and what should our future democracy assistance programs look like?
3. If we should not continue providing active encouragement and support to democratization abroad, what should be the alternatives to our present policies? For example, should America still work to support human rights and basic freedoms abroad, or should we instead entirely drop this long-standing goal of US foreign policy in favor of a more cold-eyed *Realpolitik*?

Ambassador Basora stressed that in our discussions regarding democracy support, the imposition of democracy was not part of the day's agenda. Instead, the conference was about the pros and cons of assisting and nurturing home-grown attempts at democratic transition.

Ambassador Basora concluded by stating his hope that this conference would be the start of a longer-term process of rethinking and revamping US policies and programs in support of democracy.

Panel 1: *Revisiting the Case for Democracy Assistance*

Moderator: William Pomeranz, Deputy Director, Kennan Institute



Longtime president of the National Endowment for Democracy Carl Gershman opened the first panel, looking back 25 years when a generally accepted transition paradigm assumed that post-authoritarian states were in a transition process away from authoritarianism and towards consolidated democracy. The picture today is very different, as the old establishment's resistance to democracy is more entrenched than once thought. This is not to say that democracy promotion failed, but that this work faces new challenges. Authoritarian regimes are becoming increasingly adept and

sophisticated in pushing back against democracy's advance. The failure of the Arab Spring movements has left many disillusioned. Once considered to be consolidating democracies, countries such as Turkey, Hungary, Thailand, and Venezuela are regressing into authoritarianism. There is a lack of consensus among global leaders on how to respond to various crises around the world. Finally, the US democracy itself is in poor condition, presently characterized by political polarization, governmental paralysis, and a still recovering economy.

Despite these challenges, however, Gershman noted that the situation isn't hopeless. Democracy worldwide is in a recession which can turn around, i.e. there is no reverse wave, as witnessed by the still high number of electoral democracies. Moreover, some of the fundamental issues with struggling democracies can't simply be solved by aid. Gershman further argued that the problem now is a lack of US engagement, not overreach, firmly advocating that US maintain a strong presence in global affairs. America's current challenge is to resume effective leadership, backing its foreign policy goals with diplomacy, military power, and deterrence.

Going forward, Gershman recommended that the democracies work to be firmly united in opposition to authoritarian regimes, adding that efforts to combat corruption are crucial for countries in transition. We must recognize and support

independent media given the key role they play in achieving accountability. Conditionality needs to be incorporated into aid programs, he said, and we must also look for new ways to integrate development strategies to help foster democracy. It is also important to empower indigenous groups by connecting them with civic movements, while rebuilding a sense of democratic conviction in reestablishing and strengthening America's relationships with those on the frontlines of democratic struggles around the world.

Nikolas Gvosdev of the Naval War College spoke next, reiterating his concurrence with those realists who maintain that US national security interests are enhanced by more democracy around the world. The trouble is that transitions are often destabilizing, thereby posing their own risks at home and abroad. Thus, the crux of the matter is how to reconcile our long-term interest in democracy promotion with more immediate security concerns?

Gvosdev posed the Central and Eastern European experiences of the 1990s as cases to consider. The former communist states of this region had a very real security concern to their east in Russia and also felt exposed to an excessively dominant Germany to their west. Accordingly, NATO membership was a clear and common goal. Part of the package for this status and that of the EU club was the establishment of democratic institutions and a commitment to their underpinning values as they integrated with the Euro-Atlantic world.

So reflecting, Gvosdev sought to emphasize the very unique conditions in which these largely successful transitions occurred, and warned against the misapplication of the 90s European democratization model to other places today. Without a country's commitment to a common objective – a “prize” – the will to genuinely reform is weakened.

In closing, Gvosdev recommended that, going forward, the US democracy assistance community in particular recognize that there may be future leaders who are democratic but cold to the US, such as Nehru. The US foreign policy community must strategize in an effort to find ways to interact with such leaders as they come to the fore.

The World Bank's Barak Hoffman zeroed in on Americans' lack of faith in their own institutions and how this affects the climate for democracy assistance, implying that without a sound democracy at home, its promotion abroad is highly questionable. Hoffman emphasized the fundamental importance of how an issue is framed. He posited that in the majority of contemporary US foreign policy debates, security concerns – as compared to those regarding development or sustainability – predominate. This, in turn, inherently requires the involvement of the US military and intelligence community to a level Hoffman argued is inordinate and with dangerous consequences for American democracy. A state of affairs with an excessive emphasis on the military coupled with an increasing lack of confidence in elected officials suggests a misalignment in our democratic institutions that must be righted with greater transparency for US military programs and intelligence reform.

US Deputy Assistant Secretary of State Thomas O. Melia spoke next, agreeing that US policies are increasingly being driven by security imperatives. With the Cold War in the past, the US now finds itself in a live war of global proportions against extremism and terrorism. This is the background on which discussions about democracy assistance are being framed. Gone are the European transitions of the 1990s, where leaders and their communities had reached consensus on the democratic paradigm. Today, there is a range of leaders, formal and informal, who stand staunchly opposed to democratic governance and are increasingly skillful at undermining actors in support of it. Accordingly, much more strategic, long-term thinking is required of the democracy assistance community.



Melia emphasized that the impetus for democratic change must come from inside a country, that it cannot be imposed. And as tangible signs of a shift towards a democratic transition arise, support can be made available from a variety of agencies, including the State Department, USAID, and NED. He closed by echoing the sentiments of others that we need to strengthen our democracy at home if we are to effectively aid activists afar.

In follow-on remarks preceding Q&A, both Gershman and Melia stated the need for world order if democracy is to progress and that the US must continue to take the lead on this front as the pole supporting the global tent. Doing so, Gershman called for a stronger voice from Washington, one that doesn't describe authoritarian regimes as democratic or “in the process of democratic transition” in reference to Egypt. Gvosdev noted that, nonetheless, a balance must be struck going forward between

security concerns and democracy promotion. To strike this balance, he advocated that there must be clearer standards in

Washington about what is and isn't acceptable in so doing.

During Q&A, a number of questions touched on ways by which the US can respond to the myriad of new impediments to democratic trajectories worldwide. On Russia and Ukraine, Gershman opined that if more direct action in support of Ukraine wasn't soon taken, that it may become an example of another failed opportunity to side with democratic forces when the time was right, as argued to be the case in Syria or during the protests in Moscow in 2011. One attendee asked as to the possible exclusivity of development and democratic progress. Hoffman disagreed that either one impedes the other, with Gershman citing a fundamental connection between the two, particularly towards economic growth and accountable government.

Panel 2 – How Effective are the Core Components of US Democracy Promotion? Are They Adequate for Today's Circumstances?

Moderator: Christian Caryl, Foreign Policy and Legatum Institute

Sarah Bush with FPRI and Temple University provocatively opened the second panel by asking “if we can't promote democracy effectively, should we be doing it at all?”

Dr. Bush cited numerous academic studies, showing that there is a positive correlation between democratic development and Western democracy and governance programs. However, Dr. Bush noted that democracy assistance programming was not without its challenges, particularly in respect to criteria for country selection and how to define democracy and measure its advancement. Also problematic is the absence of a clear understanding as to why programs are more successful in some countries than others.



Bush then proposed “the three D's of democracy assistance” that are key and common to successful democracy and governance programming efforts. First are donor interests, whereby the use of conditionality (i.e. linking punishments and rewards to earnest reform efforts) effectively incentivizes governments to build and uphold democratic institutions. Conditionality can be supported with diplomatic pressure, trade status, and other means of economic assistance; however, the US government has to be committed to supporting the country's democratization. It is in such countries that resources for democracy assistance are best employed.

The second 'D' stands for delivery. Bush advocated aid initiatives and institutions that are insulated from short-term US foreign policy goals, which at times may compete with the longer-term aim of promoting democracy. Bush cited the National Endowment for Democracy as one successful example. She also spoke of the difficulty of evaluating delivery, noting that difficulties in evaluating quality can result in an over-emphasis on quantitative program assessment.

Bush's final 'D' is for design, which she cites as one of the most persistent challenges facing democracy assistance programs. Bush questioned the need and efficacy of programs that are genuinely and substantively designed to bring about real democratic change. Bush mentioned democracy programming in Jordan as one example -- a state where the US government prioritizes stability far beyond democratization. Bush concluded that assistance should be targeted to countries which have genuine opposition movements.

Tsveta Petrova of the Harriman Institute at Columbia University stated that the matured civil society of Central and Eastern Europe (CEE) have started successful democracy promotion efforts after their own transitions. Petrova commenced with considerations of the positive impacts that US democracy assistance had on politically and civically engaged NGOs following the democratic breakthrough of the 1990s. Many of its recipients in the region remain active, their continued operations having a multiplier effect within their communities and sectors. Without continued US political support through those years, many of these NGOs would have succumbed to more powerful, anti-democratic actors in their transitioning societies.

Their growth and sophistication is evidenced in their increasing support for other civil society organizations in the region through networks and cross-border programming for which these NGOs are uniquely positioned, especially when interacting with colleagues in the former Soviet space. Coming from similar circumstances with often a history of common challenges, CEE NGOs have a certain authority when identifying what works and what doesn't in their respective sectors. Moreover, coming from the region, they may be better seen as peers who understand their counterparts' needs from first-hand

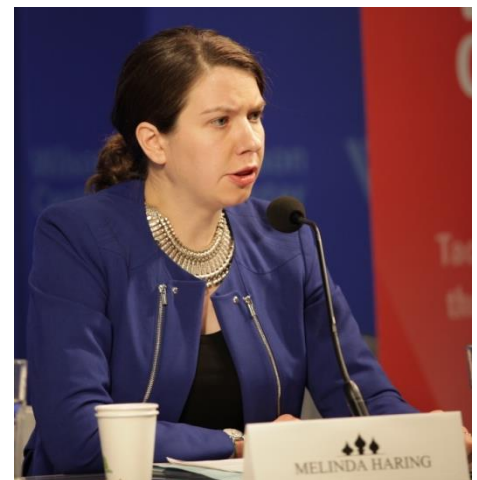
experience. And their longevity demonstrates their will and ability to sustain. While CEE NGO capacity remains an issue, Petrova advocated for increased reliance on them to provide democracy assistance in the region.

Michal Koran with the Prague Institute of International Relations made the case for greater US engagement within the community of democracies. Koran linked the current democratic decline in parts of CEE with the lack of US engagement in the region. Whereas in the 1990s when the US was a democratic point of reference for CEE and the EU's normative power was better concentrated, the former's relative disengagement and the latter's weakening has corresponded with a rise in anti-democratic, anti-Western forces. Hungary's president currently advocates for an "illiberal democracy," xenophobes are advancing into local government in Slovakia, and the Czech government is backpedaling on the provision of democracy aid in the East.

Koran expressed his doubts as to the on-going consolidation of the region's democracies and the future provision of CEE democracy assistance without clear US engagement in which democratic values and institutions they embody are clearly prioritized. Communication between the transatlantic democracies need to be steadfastly maintained and reinforced, as there are still elements of idealism in CEE, but they are increasingly at risk.

Drawing on examples of ineffective programs, FPRI's Melinda Haring argued that the models we use to deliver US assistance are crucial to effectiveness, especially in authoritarian and semi-authoritarian countries, and that we should spend democracy promotion funds on countries that are really in transition. Haring gave the example of USAID programming in Azerbaijan, a country in the grip of authoritarian rule whose potential for democratic change stands to be significantly better realized by programming for independent media than constructing computer centers for women as part of an "empowerment" program. Democracy assistance is too important to US long-term national interests to be done poorly.

In consideration of structure, Haring described two institutional delivery models – field-based and independent grant-making. Field-based programs run by foreign technical assistance providers have distinct disadvantages, namely that their physical presence in country leaves them vulnerable to pressure tactics from unfriendly governments, as well as their great expense to maintain and operate. Independent grant-making undertaken by organizations like the NED are dramatically more cost efficient with staff free from the direct intervention of an authoritarian state. Haring proposed a new strategic approach, whereby – as a rule of thumb – only NED would provide support for democratic activists in countries ranked by Freedom House as "not free," while USAID would be restricted to those "partly free."



Haring based her recommendation on the premise that USAID resources and programming are much more likely to result in qualitative democratic change in more open, transitioning environments. Accordingly, she further spoke against the US government support for countries where a democratic outcome is unlikely in the near future, citing Russia, Kazakhstan, Uzbekistan, and Afghanistan as examples. She further called for greater competition in the bidding process, coupled with greater transparency.

Speakers' follow-on remarks from Koran and Petrova re-emphasized the need for continued support for CEE NGOs and their great potential for maintaining a democratic trajectory in the region. Koran queried Haring as how to approach and manage expectations regarding democracy assistance in closed societies, to which she suggested turning to NED as a resource to keep activists engaged despite the conditions.

During the Q&A, Haring cautioned against continued programming in Azerbaijan given the recent crackdown on civil society and the government's sponsorship of newly emerging NGOs in their stead. Petrova agreed with a member of the audience about the important role that more democratic countries can play in regards to their authoritarian neighbors, South Africa and Zimbabwe being given as examples, respectively; however, Petrova lamented that this is rarely the case. Asked why Haring suggested closing field offices in Afghanistan, she explained that it was a matter of labor division between grant institution and a field office. Moreover, she maintained that a functioning state is a prerequisite to meaningful democracy promotion.



Keynote Speaker Dr. Larry Diamond – “Chasing Away the Democracy Blues”

Following an introduction by FPRI president Alan Luxenberg, Dr. Diamond opened by acknowledging that this is an important and volatile time for democracy in the world. Many people are questioning the viability of democracy and the wisdom of trying to promote it. The fashionable mood these days is skepticism, if not downright pessimism, about the near-term prospects for democracy. Skeptics maintain that after 30 years of intensive democracy promotion, we still don't know how to do it effectively, except in places where democratic progress would have happened anyway.

A global democratic recession has been underway for something like a decade. In each one of the last eight years, as Freedom House has documented, the number of countries declining in political rights or civil liberties has outpaced (by at least two to one) the number of countries gaining in freedom. There have been a lot of democratic breakdowns in this new century. In fact, the rate of democratic

breakdown in these last thirteen years has been 50 percent higher than in the preceding period. Since the third wave of global democratic expansion began forty years ago, one-third of all the democratic regimes have failed. And half of these failures have been just in the last thirteen years in countries ranging from Thailand, Nigeria, Pakistan, Venezuela, and Turkey. Democracy has also eroded quite significantly in Africa, where many elected leaders think China's booming aid and investment gives them an alternative to Western conditionality, while the new war on terror gives them additional leverage as well. There is also the crushing implosion of the Arab Spring, and the growing self-confidence, assertiveness, and cooperation of authoritarian states like China and Russia.

Yet Diamond cautioned against unwarranted pessimism, citing that we are in a prolonged political recession, not a depression. The onset of “a third reverse wave” is not upon us. Since 2005, the number of democracies has not significantly increased, but neither has it substantially diminished. Globally, average levels of freedom have ebbed a little bit, but not calamitously. Moreover, there has not been significant erosion in public support for democratic values such as accountability, transparency, and rule of law. Rather, democracies and freedom are slipping back with the resurgence of “neo-patrimonial” tendencies, as authoritarian leaders chip away at democratic institutions, removing checks and balances, overriding term limits, and closing space for opposition parties and civil society. Adding pervasive cultures of corruption and struggling economies to the mix, it's unsurprising that many nascent democracies are struggling to consolidate.

In response to this state of affairs, Diamond advocated that we begin by reforming and improving our democracy's functioning in America. Reducing partisan polarization, encouraging moderation and compromise, energizing executive functioning, and decreasing the outsized influence of money and special interests in our own politics, are all recommended steps to strengthen our democracy at home and enhance its appeal in a world that increasingly perceives our system as broken.

Second, Diamond recommended that the international democracy assistance community refocus its efforts to ensure that democracies emerging from transition are fully consolidated before we prematurely cross off countries from the list of assistance recipients. He warned that once the transition is completed and the new democracy lifts off in a middle-income country, we can't assume it can take care of itself; rather, these states need and deserve our help in certain areas. Such countries include Argentina, Turkey, Romania, and South Africa. Doing so, a long-term strategic approach to promoting democracy need to be taken with firm commitment. Diamond cited Tunisia as one example, encouraging practitioners to think beyond our existing programs of party training, election observation, and other assistance, so that civil society can hold its government accountable, media and think tanks effectively inform debate, and democratic values and human rights are incorporated into public schools.

Diamond raised Ukraine as another case in point, particularly as it cannot afford another democratic regression, or an authoritarian, xenophobic Russia may swallow up the rest of it. It is struggling mightily with entrenched patterns of corruption, bad governance and weak institutions. But it has some remarkable actors in the party system, the mass media, and civil society organizations. A major priority for the West should be heavy and sustained investment in these people and institutions, and in economic reform, revival, and integration with it.

A cautionary tale shared was one of the now defunct South African NGO, Idasa. Born during the fight to break the apartheid system, Idasa went on to transfer knowledge in cross-border programs in other African countries with international donor encouragement and support, despite continued threats to its own country's democratic growth. To this, Diamond posed the question, "How is a civil society organization that is monitoring and sometimes challenging the incumbent government supposed to raise the resources from within its own society when most of those material resources lie in the hands of businessmen and corporations who feel extremely vulnerable to political punishment if they support "anti-government" activity?" Unfortunately, this is a dilemma repeated over and over in countries that are seen as too rich, or too long in democratic experience, to justify continued flows of support to civil society organizations. These civil society organizations, critics say, need to be weaned off of international democracy funding and develop their own sources of revenue, which in turn leads the organization to stray from its original mission, leaving their countries' unconsolidated democracy exposed to the backsliding that has put us in a democracy recession.

Critics will counter that there are limits to funds available for democracy assistance and question the wisdom of diluting what financial resources that are available to countries that are comparatively better off. Diamond answered them by disputing the notion that we must view the pool of democracy promotion resources as fixed and calling on the assistance community to rethink where the greatest leverage to advance and secure transformative development will lie. Success in any kind of development aid program requires good governance, and ultimately democratic governance. Second, he proposed taking a fresh look at the allocation of democracy and governance assistance resources across our different country programs, instruments and organizations. Some are more cost-effective than others. The democracy assistance community needs to identify the most effective instruments for developing state institutions as well as civil society organizations. Third, we need to be cognizant of the constraints and mentalities we bring when engaging democratic actors in other countries. Where democratic civil society organizations have accumulated a long track record of effective monitoring, civic education, issue analysis, policy reform and civic advocacy, they should become candidates to receive new forms and levels of funding that are not tied to endless cycles of project grants. Rather, they should become candidates for block grants to cover their core operations and work to fight corruption and defend and improve democracy.

In addition to the above suggestions on how best to reform our provision of democracy assistance, Diamond noted three additional issues pertinent to our shared aims. One is the global struggle against corruption, requiring bold, comprehensive efforts to work at every level: to transform public norms, consciousness, and capacities to monitor and organize; to help build a capable, well paid, and meritocratic civil service and police; and to help construct, train, and resource official accountability institutions to monitor and audit government expenditures and operations as well as the personal assets of public officials.

The second is the global struggle to defend freedom. Diamond identified the need to use our tools of conventional diplomacy, public diplomacy, aid and trade relations, and other forms of leverage to call out and condemn these regressions and to try to defend the individuals and organizations that are bravely working to make their societies freer and more accountable. This is not only a moral but a geopolitical imperative if we are to keep the democratic recession from spiraling down into a depression.

The third is the need to promote universal liberal values, reminding the audience that we, as democrats, have the better set of ideas. Democracy may be receding in practice, but it is still ascendant in peoples' values and aspirations. Some people may accept authoritarian rule as a useful or necessary political order at a certain historical moment or phase of development. But aside from some self-serving rulers and ruling establishments, few people in the world today celebrate authoritarianism as a superior moral system, the ultimate destination, the best form of government. In closing, Diamond recalled that the authoritarian spirit cannot speak to the fundamental human aspiration for freedom, dignity, and self-determination. Yet to effectively counter it, the democracy assistance community needs to find new ways, new energy, and new self-confidence to turn that to its advantage.

Closing Remarks on Conference "Take-aways"

In his closing remarks, **Kennan Institute's Matthew Rojansky**, reiterated the need to fix weaknesses in democracy at home in Washington, with particular emphasis on partisan moderation, revitalized confidence in the electoral process, and combatting that corruption which persists in American politics. Regarding democracy assistance abroad, Rojansky advocated for more sustained focus to this end, as well as for more tailored, nuanced engagement by utilizing the broader range of tools that the US has at its disposal.



Richard Kraemer of FPRI and the National Endowment for Democracy, centered on the debate over the merits to democracy assistance, recognizing a progressive, ongoing awareness by individuals of their fundamental human rights. So acknowledged, this consciousness cannot be retracted; hence, calls for social justice, freedom of expression, accountability, and rule of law will continue to resonate. Once aware, their denial is unacceptable and foreign powers perceived as preventing this reality will be loathed, Iran being a prime example. Consequently, American democracy assistance is in the nation's security interest, as well as being a moral imperative. Their dual pursuit is not mutually exclusive, recalling that Ronald Reagan successfully pursued nuclear negotiations with the Soviet Union while simultaneously advocating for the respect of that state's dissidents. At this juncture, the US is best positioned to strike this balance between security concerns and moral leadership.

In his concluding remarks **Ambassador Basora of FPRI** highlighted several points on which there seemed to be a good deal of consensus achieved at the conference:

1. The US does need to rethink its approach to assisting democracy abroad, even as it continues to work on overcoming its own challenges to implementing democratic values more effectively at home.

2. Another important take-away was that the spread of democracy abroad is very much a core US national security interest. The debate about whether the US should choose its national security interests over its moral obligations to spread democracy abroad is a false dichotomy.

3. Nevertheless, we do need more realistic approaches to helping spread democracy in the world. We should be in the business of assisting and nurturing democracy in places where the ground is fertile. Conversely, the US should not be in the business of trying to impose democracy unilaterally.

Ambassador Basora then suggested that in order to update our strategy for promoting democracy abroad, we need to take a very long term view, one that requires substantial bipartisan agreement. This agreement will be difficult to achieve, but the US has a successful track record of taking a unified stand against authoritarianism abroad – the Cold War era being a prime example. The West is now in a struggle very similar to the Cold War.

As the day's discussions had highlighted, it is clear that the US has lost ground in this struggle of late, partly due to the fact that "we have taken our eye off the ball" and partly because of the increased effectiveness of authoritarian regimes in countering our efforts to spread democracy abroad. Thus we must be both more energetic and more strategic if we are to regain some of the democratizing momentum of the 1990s. More specifically the U.S. should use the following tools:

- A far more robust and effective use of the media to out-compete Russian and Chinese propaganda and information firewalls
- Much stronger cooperation with Europe and with our democratic allies elsewhere. Forming a more effective partnership with the Europeans is a major challenge for US national security, yet not meeting this challenge will make it impossible for the US to effectively assist democracy abroad. Effective collaboration in supporting democracy in more realistic ways where there is fertile ground is a task that requires a strong transatlantic alliance.
- A more systematic, although subtle, use of the many international charters and organizations that are based on the underlying values of democracy.
- More effective use of international organizations and treaties, as this must not be seen as a US crusade.



In closing, Ambassador Basora reminded the audience that we had succeeded in doing all of these things during the Cold War. The cost of refurbishing all these tools today would be far less than the massive costs of the arms race and other aspects of the Cold War – or, for that matter, the costs of our interventions in Iraq and Afghanistan.

FPRI, 1528 Walnut Street, Suite 610, Philadelphia, PA 19102-3684

For more information, contact Eli Gilman at 215-732-3774, ext. 103, email fpri@fpri.org, or visit us at www.fpri.org.